

# SIERRA BANCORP

*Parent Company for Bank of the Sierra*

**28<sup>TH</sup> ANNUAL FINANCIAL INSTITUTIONS CONFERENCE**



**D|A|DAVIDSON**

**MAY 4 - 6, 2026**

**NASHVILLE, TENNESSEE**

# SAFE HARBOR STATEMENT

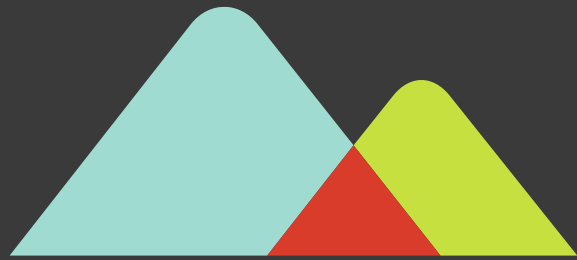
**This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the current beliefs and expectations of Sierra Bancorp's management and are:**

- subject to contingencies & uncertainties
- not a guarantee of future performance
- based on assumptions that may change
- not to be unduly relied on

**Actual results may differ from those set forth in the forward-looking statements. Factors that could cause Sierra Bancorp's actual results to differ materially from those described in the forward-looking statements include:**

- changes to current interest rates, including changes to the steepness of current inverted yield curve, and the impact of changes on our earning assets, interest-bearing liabilities, and related net interest income
- changes to national and local economies including inflation and the labor market resulting from modifications to trade and fiscal policies, including tariffs and government shut-downs, and other factors
- loan portfolio performance including growth, prepayment speeds, yields, and credit quality, including the impact of changes in rates on our customer's ability to repay
- changes to our allowance for credit losses due to economic factors used as key inputs, changes in credit quality, and the impact of other assumptions
- changes to the collateral values supporting nonperforming assets that could result in recognition of charge-offs or direct write down of foreclosed assets
- changes to statutes, regulations, interpretations or practices
- changes or updates to generally accepted accounting principles
- liquidity risks, including the ability to effectively manage and retain low interest-bearing accounts in a continued elevated rate environment and the ability to maintain sufficient levels of available borrowing sources and liquid assets
- the outcome of any existing or future legal action
- the Company's ability to maintain and grow its core deposits, including uninsured deposits
- the Company's ability to successfully deploy new technology and manage cyber security risks
- the Company's ability to attract and retain skilled employees
- the risk to the Company's operations and ability to serve customers due to the inability of a vendor to meet its service level agreements

**For more detail on these and other risks, please see Sierra Bancorp's Annual Report on Form 10-K for the year ended December 31, 2025, and Quarterly Reports on Form 10-Q for the quarterly periods ended June 2025, September 2025, and March 2026 which have been filed with the Securities and Exchange Commission and are available on Sierra Bancorp's website (<https://sierrabancorp.com>), and on the Securities and Exchange Commission's website ([www.sec.gov](http://www.sec.gov)). Sierra Bancorp does not undertake to update any forward-looking statements contained in this document.**



**SIERRA BANCORP**

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**INTRODUCTION**

# SIERRA BANCORP OVERVIEW

## SIERRA BANCORP (NASDAQ: BSRR)

Recent Stock Price<sup>1</sup>: \$36.08

Price/TTM Earning<sup>1</sup>: 10.55x

Price/Consensus 2026 Earnings<sup>1</sup>: 9.67x

Price/Tangible Book Value<sup>1</sup>: 1.40x

Most recent quarterly dividend<sup>2</sup>: \$0.26

Dividend Yield<sup>1,2</sup>: 2.88%

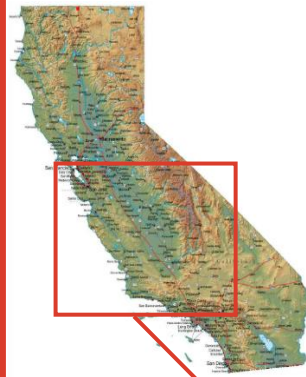
Market Capitalization<sup>1</sup>: \$472.4MM

Repurchased 1,024,792 shares, or 7%, in 2025

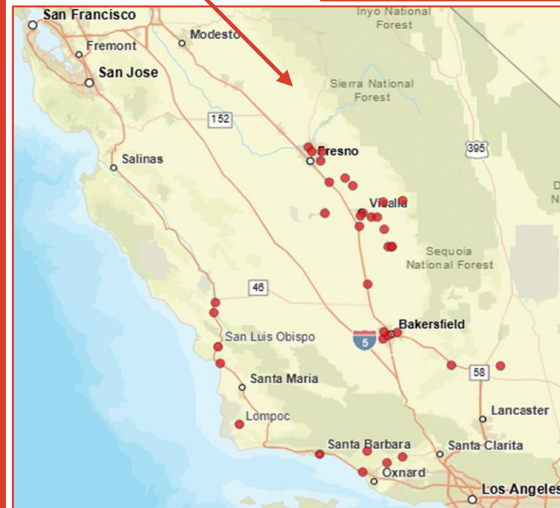
Repurchased 263,632 shares year-to-date in 2026

Current Repurchase Plan expires 10/31/2026

## CENTRAL CALIFORNIA BASED



**34 branches located throughout California's Central Valley and Central Coast regions**



## COMPANY BACKGROUND

Bank of the Sierra opened in Porterville, CA in 1978 as a single-branch bank

Sierra Bancorp was formed as the holding company for the Bank in 2001

The Company has reached \$3.8 billion in assets, with 34 offices

Bank of the Sierra maintains its community bank roots providing personal service to small- and medium-sized businesses throughout our footprint, as well as over 95,000 consumer customers

Recognized as a top-ranked California bank by Forbes in 2025

KBRA ratings of BBB and BBB+ for senior unsecured debt for Sierra Bancorp and Bank of the Sierra, respectively

Mortgage warehouse lender for over twenty years

1. Stock data and metrics as of close of trading on April 30, 2026.

2. Dividend announced on April 23, 2026, paid on May 11, 2026, to shareholders of record as of May 4, 2026. This \$0.26 per share dividend this quarter marked the Company's 109<sup>th</sup> consecutive quarterly cash dividend.

# STRATEGIC OBJECTIVES

## PROFITABILITY



**Be a top performing bank with 10% annualized EPS growth**

## PEOPLE



**Attract and retain the best talent**

## PROCESS & TECHNOLOGY



**Enhance customer experience across all touchpoints**

# STRATEGIC TACTICS



## PROFITABILITY

Management believes it can achieve 10% EPS by utilizing a 5-2-0 model for growth of margin, noninterest income, and noninterest expense, respectively

- Expects to improve margin through growth of low-cost deposits and modest loan growth
- Seeks low-single digit noninterest income growth primarily through growth of money service business fees and debit card interchange
- Intends to remain laser-focused on expense management to maintain our overall cost structure

Plans to supplement income growth with dividends and share repurchases

Anticipates to selectively complement organic income growth with a compelling strategic acquisition



## PEOPLE

Foster a work environment that attracts and retains high-performing individuals

Strengthen our One Bank Program, helping each other regardless of our differences, united and working together for a greater purpose

Promote a culture of engagement and accountability, which rewards strong performance

Enhance succession plans to ensure we have deep talent across the organization

Improve training and development programs with a focus on service and sales

Design compensation plans to align employee interests with those of shareholders



## PROCESS & TECHNOLOGY

Elevate the customer experience across all touchpoints

Expand or improve product offerings tailored to our customer base

Align our digital strategy with our overall strategy

Continue to enhance loan monitoring and oversight to identify any credit concerns as early as possible

Improve operational efficiency across the Bank

Streamline our Mortgage Warehouse delivery process to improve efficiency, service, and profitability

# COMPANY CULTURE

## Make Every Community We're a Part of Better



**Keep Thinking**

Anticipate and meet needs with a broad range of solutions

**Keep Serving**

Provide quality service on a timely, competitive basis

**Keep Learning**

Be passionate about being the right person on the team

**Keep Growing**

Encourage creativity and maximize every opportunity to improve

**Keep Giving**

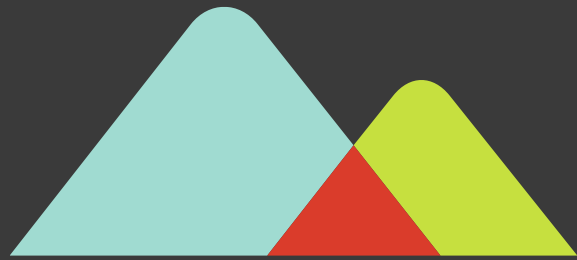
Serve our communities through involvement and reinvestment

**Keep Striving**

Be disciplined; aim for excellence

**Keep Smiling**

Enjoy the journey and have fun along the way



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**INVESTMENT CONSIDERATIONS**

# INVESTMENT CONSIDERATIONS

Bank of the Sierra is the preeminent community bank in California's South-Central Valley

## Excellent Core Deposit Base

- Granular deposit base with approximately 120,000 customer accounts across 34 branches
- Anchored by approximately 35% noninterest bearing deposits driving a consistent low cost of deposits
- Number one for deposit market share in our headquarter's county

## Strong Fee Income Base

- Debit card interchange is the primary fee source, driven by active use across ~95,000 consumer accounts
- Deposit analysis fees from money services businesses in our footprint remain a solid income source
- Significant activity-based overdraft charges due to the Bank's large Central California consumer base
- Income from CRA-eligible SBIC investments and bank-owned life insurance compliment fee income

## Diversified Earning Assets

- Mortgage Warehouse business line funded with short-term wholesale funding
- Focus on serving our local communities and expanding commercial real estate lending
- Investment portfolio mix of bonds designed to address interest rate risk while providing a strong source of earnings

## Solid Asset Quality

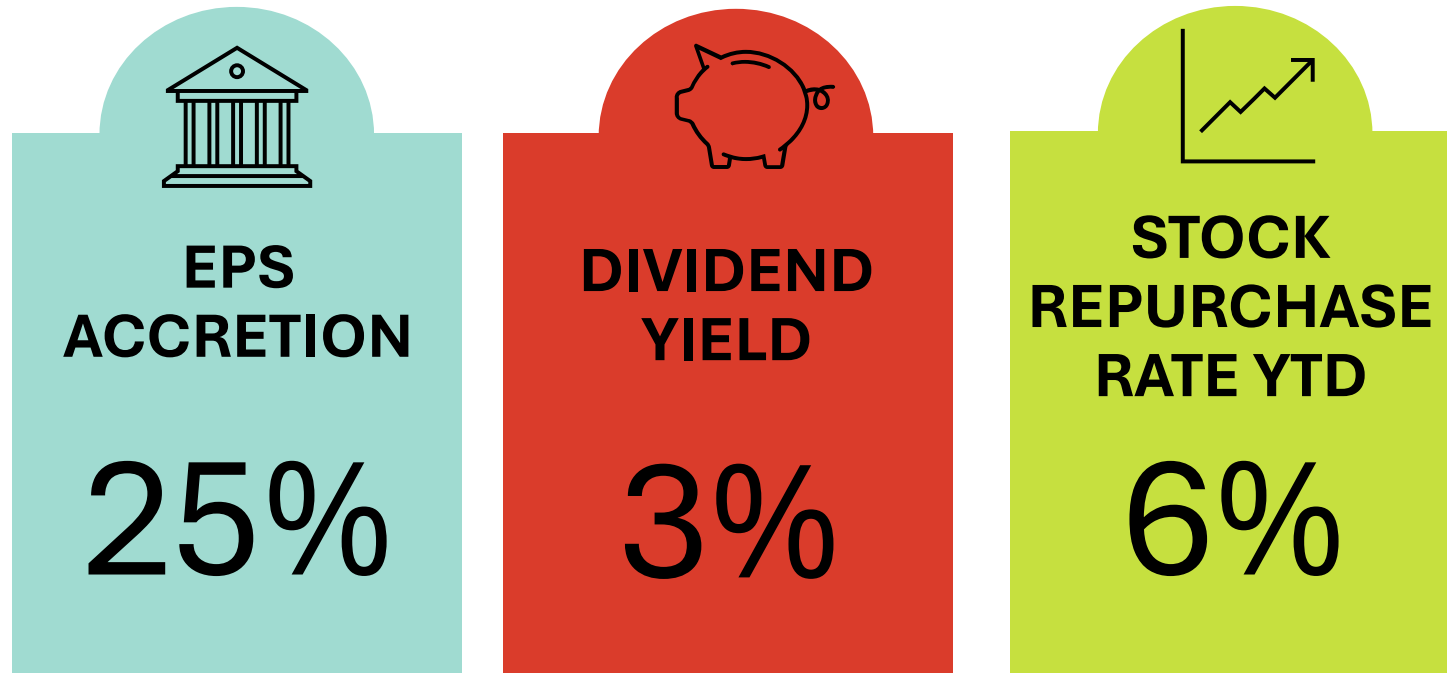
- Total nonperforming assets declined by \$4.4 million, or 30%, during the first quarter of 2026, with two relationships comprising 71% of the current overall balance
- Stable classified asset trends
- Enhanced credit monitoring process with a dedicated portfolio management team

## Other Considerations

- Experienced and talented management team
- Strong corporate governance led by our diverse board
- Strategic focus of improving shareholder value through enhanced earnings through expense control and earning asset growth, capital management, and long-term growth in tangible book value per share

# INVESTMENT CONSIDERATIONS

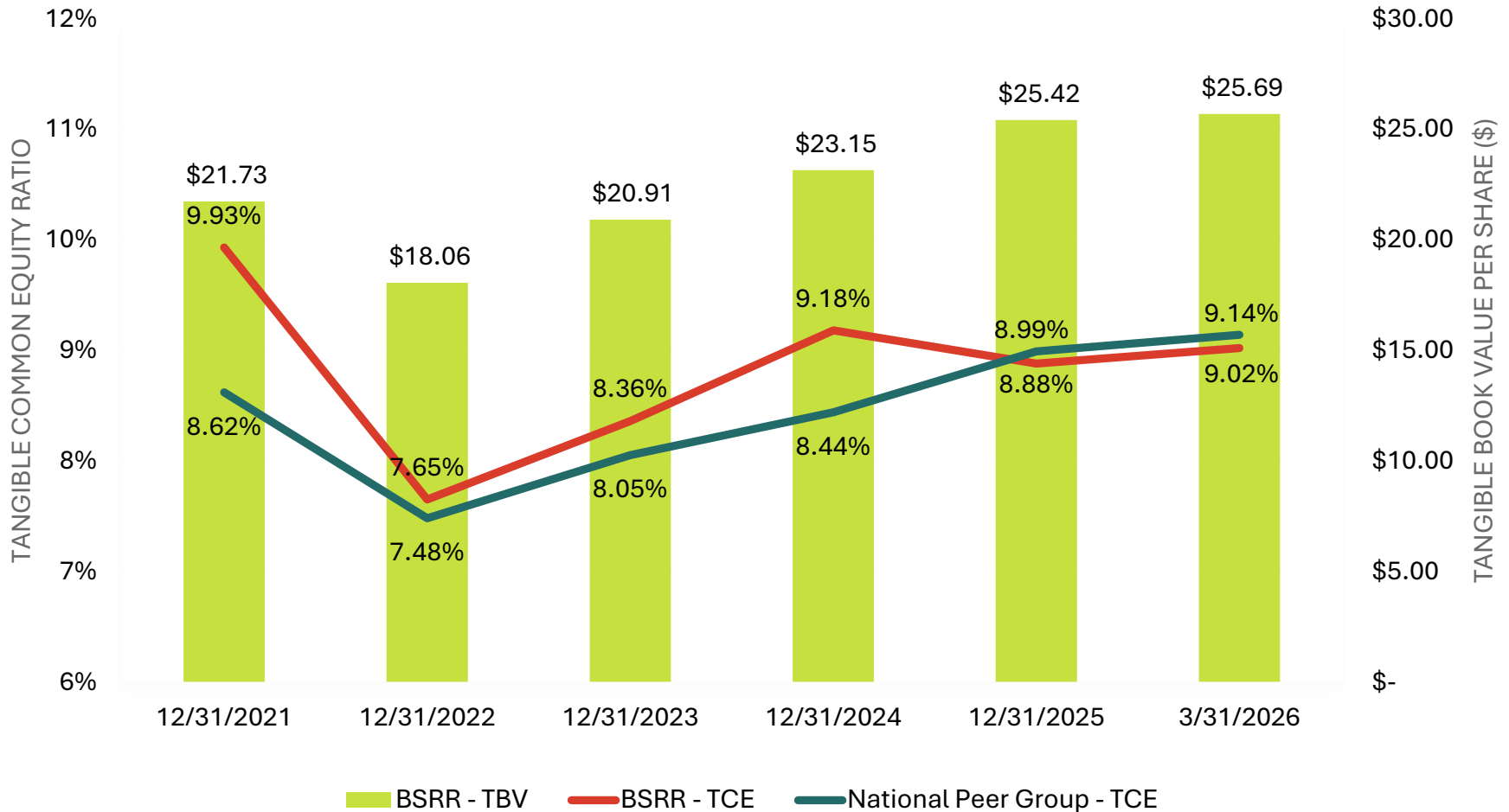
## PROACTIVE CAPITAL MANAGEMENT



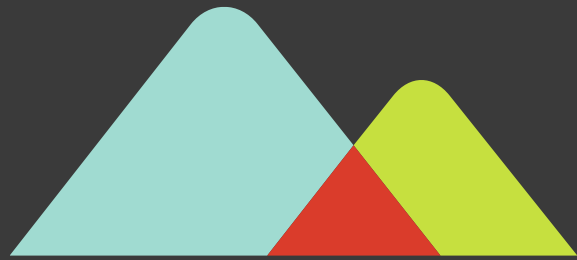
For the three months ended March 31, 2026  
(annualized)

# TANGIBLE COMMON EQUITY

Period-End Ratios



**Note:** Year-to-Date 2026 is through March 31, 2026 for BSRR and through December 31, 2025 for Peer Banks.  
 The National Peer Group ("NPG") is the median for publicly-traded banks in the U.S. with assets between \$500 million and \$5 billion.



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**FINANCIAL HIGHLIGHTS AND TRENDS**

# FINANCIAL HIGHLIGHTS

For the first quarter of 2026



## Strong Financial Metrics

- Diluted earnings per share increased \$0.31, or 47%, from the same quarter in 2025.
- Return on average assets improved to 1.39% compared to 1.02% for the same quarter in 2025.
- Return on average equity rose to 13.88% compared to 10.44% for the same quarter in 2025.



## Focus on Profitability

- Net interest margin increased to 3.75% as compared to 3.74% in the first quarter of 2025.
- Annualized noninterest income to average assets improved to 0.88% as compared to 0.75% in the first quarter of 2025.
- Efficiency ratio improved to 56.45% as compared to 60.62% in the same quarter in 2025 with overall expenses declining 2.6% as compared to the same period in 2025.



## Low-Cost Deposits

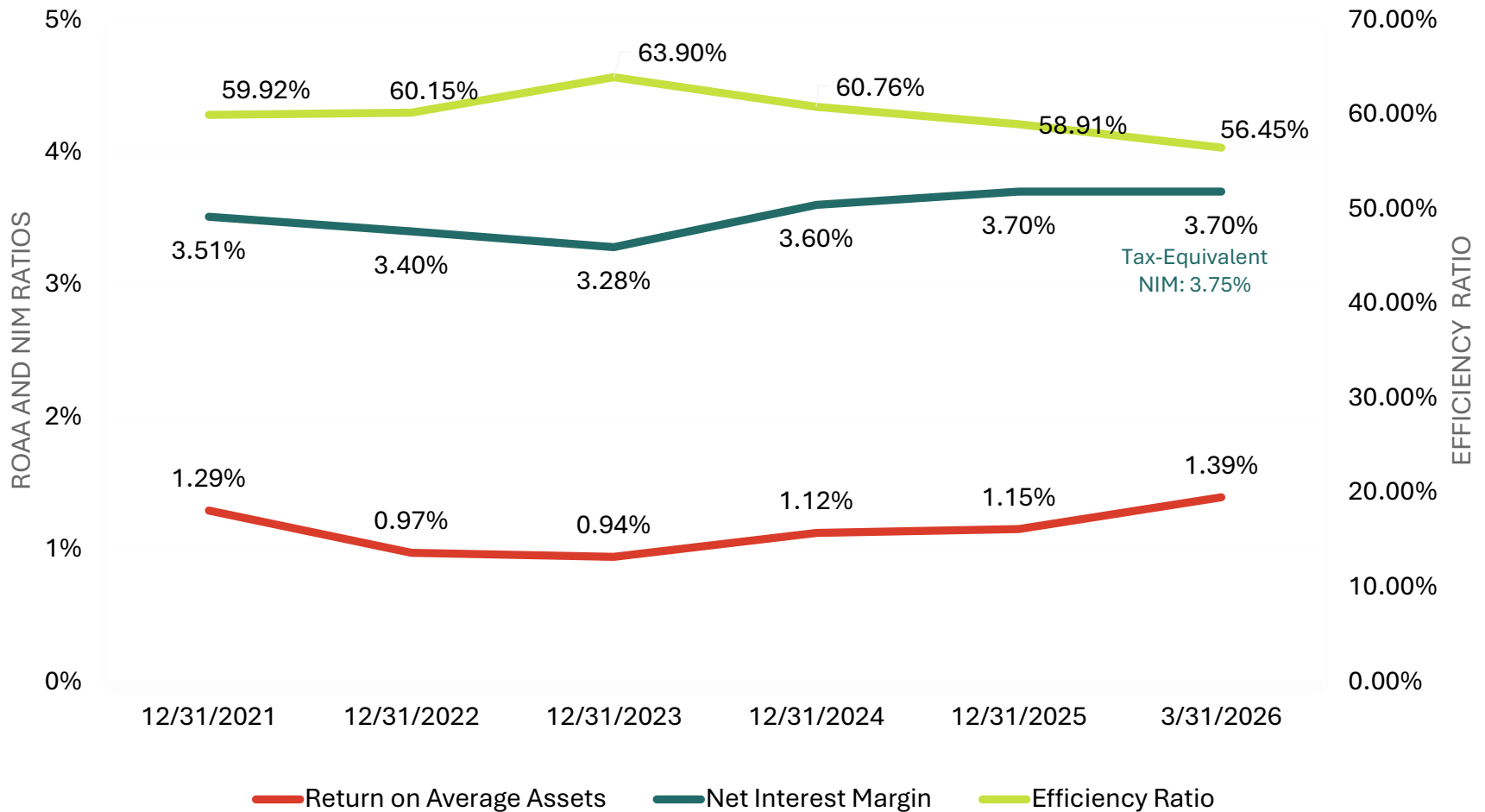
- Total deposits increased \$75.9 million, or 3%, as compared to March 31, 2025.
- Excluding brokered deposits, deposits increased \$49.1 million, or 2%, from the prior linked quarter.
- Noninterest-bearing deposits of \$1.03 billion at March 31, 2026, represent 35% of total deposits.
- Cost of funds declined to 1.33% in the first quarter of 2026 as compared to 1.46% in the same quarter in 2025.
- Uninsured deposits are approximately 24% of total deposit balances.



## Solid Capital & Liquidity

- Increased Tangible Book Value per share by 1% to \$25.69 per share during the quarter.
- The Community Bank Leverage Ratio increased to 12.10% for our subsidiary bank as compared to 11.94% as of December 31, 2025.
- Wholesale funding, including brokered deposits, is used primarily to fund the mortgage warehouse business line which provides a strong match of duration.
- Overall primary and secondary liquidity sources of \$2.1 billion at March 31, 2026.
- Primary liquidity ratio increased to 19.8% at March 31, 2026, from 19.1% at December 31, 2025.

# FINANCIAL TRENDS



# COMPOUND ANNUAL GROWTH RATES

Since December 31, 2019



**TOTAL  
LIABILITIES**

**7%**



**DEPOSITS**

**5%**

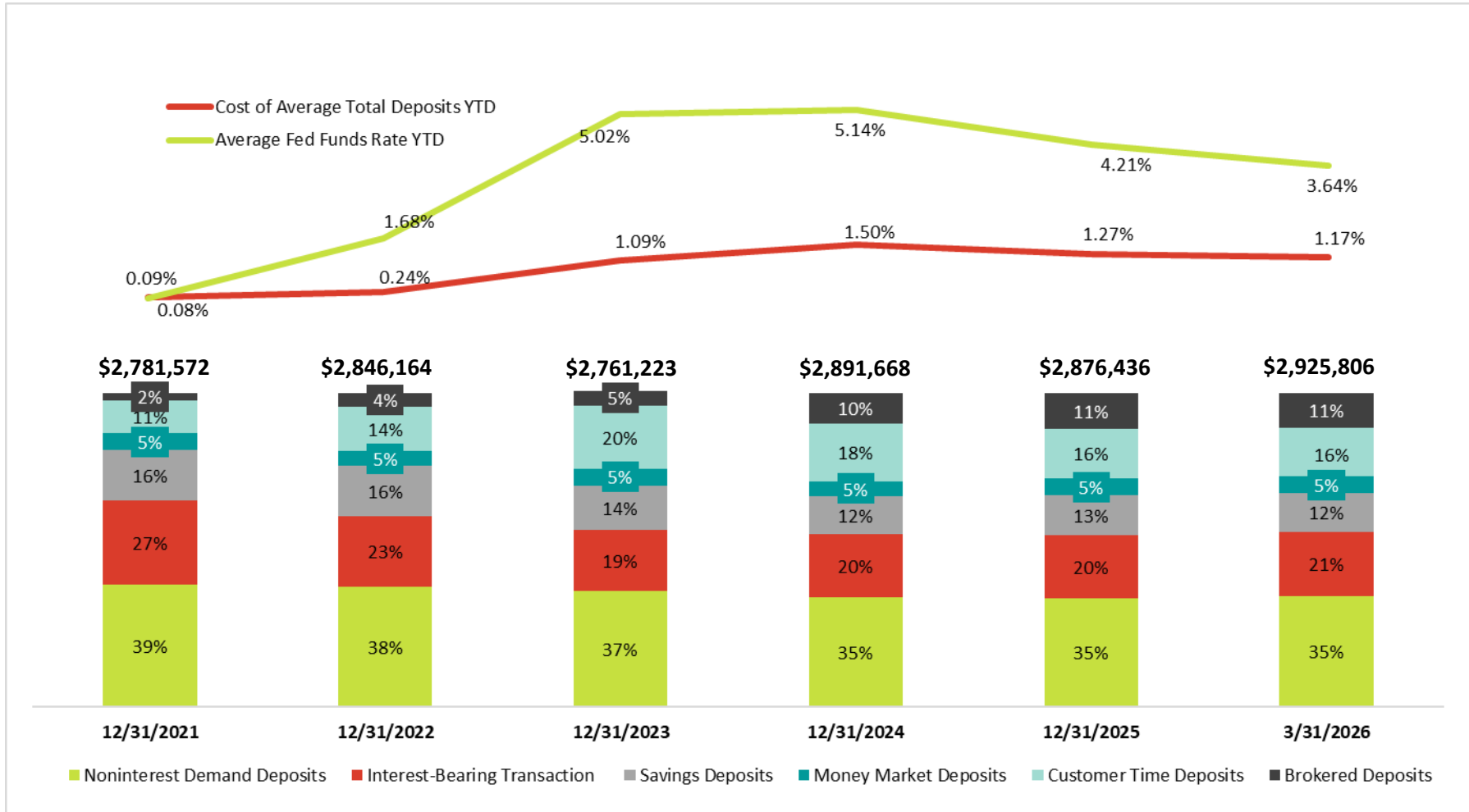


**EQUITY**

**3%**

# STRONG LOW-COST DEPOSIT MIX

(\$ in thousands)

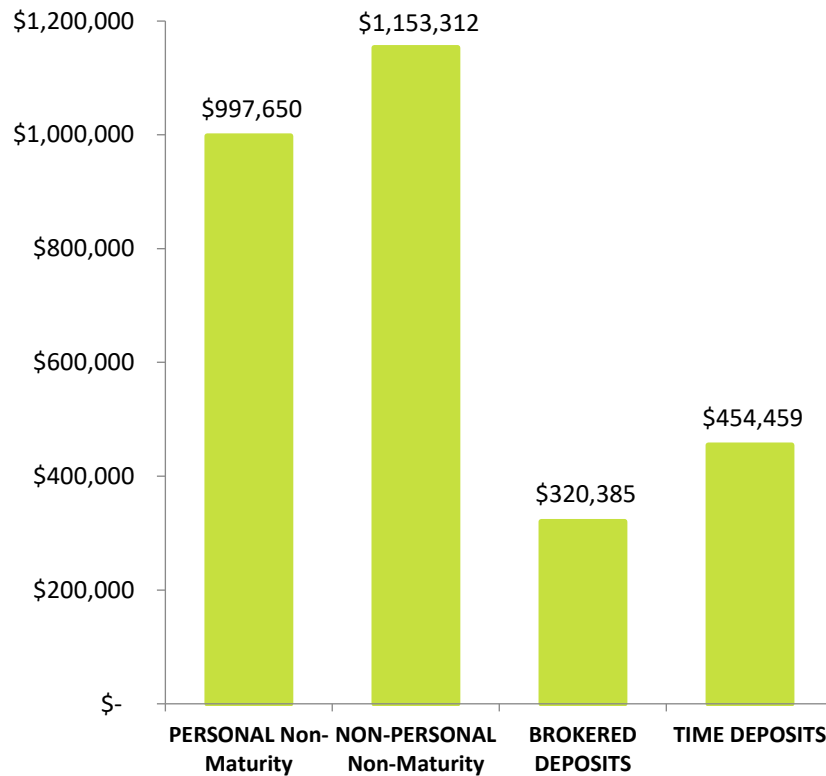


The above excludes customer repurchase agreements, which were \$128 million for Q1 2026.

# PERSONAL/NON-PERSONAL DEPOSITS

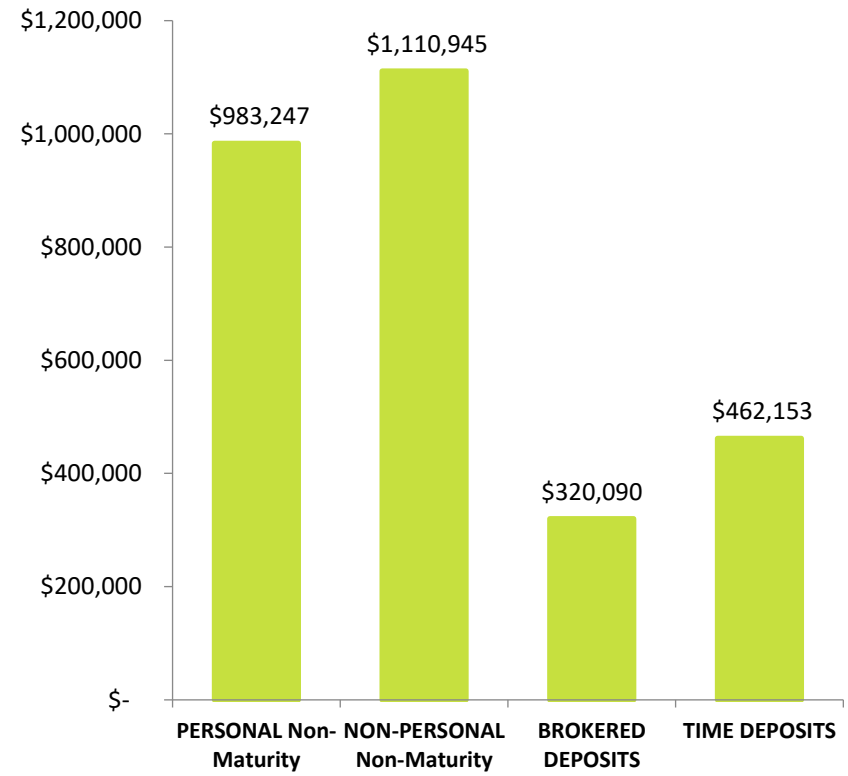
(\$ in thousands)

At March 31, 2026



# of Accounts:	94,516	17,011	N/A	4,532
% of Total:	81%	15%		4%

At December 31, 2025



# of Accounts:	94,784	17,168	N/A	4,605
% of Total:	81%	15%		4%

**Note:** As of March 31, 2026, brokered deposits included \$130 million in time deposits and \$190 million in non-maturity deposits. As of December 31, 2025, brokered deposits included \$194 million in time deposits and \$125 million in non-maturity deposits. The Bank's brokered deposits are primarily used to efficiently fund Mortgage Warehouse.

# COMPOUND ANNUAL GROWTH RATES

Since December 31, 2019



**TOTAL ASSETS**

**6%**



**LOANS**

**6%**



**INVESTMENTS**

**7%**

# LOAN PORTFOLIO COMPOSITION

Period End Balances (\$ in thousands)

Loan Segment	3/31/2026	12/31/2025	Total Variance (\$)	3/31/2026			3/31/2026		12/31/2025	
	Outstanding Balance (\$)	Outstanding Balance (\$)		% of Portfolio	NPL %	30-89 Days DQ %	Allowance Balance (\$)	Coverage Ratio (%)	Allowance Balance (\$)	Coverage Ratio (%)
Commercial Real Estate	\$ 1,381,770	\$ 1,390,890	\$ (9,120)	56.01%	0.00%	0.04%	\$ 15,977	1.16%	\$ 16,354	1.18%
Other Construction/Land	15,242	14,414	828	0.62%	0.00%	0.00%	299	1.96%	296	2.05%
Farmland Real Estate	66,218	68,307	(2,089)	2.68%	4.69%	0.43%	542	0.82%	496	0.73%
Other Commercial	172,653	192,577	(19,924)	7.00%	3.94%	0.64%	2,351	1.36%	2,146	1.11%
Consumer Loans	2,597	2,810	(213)	0.11%	0.00%	0.15%	109	4.20%	112	3.99%
<b>Subtotal</b>	<b>1,638,480</b>	<b>1,668,998</b>	<b>(30,518)</b>	<b>66.42%</b>	<b>0.60%</b>	<b>0.12%</b>	<b>19,278</b>	<b>1.18%</b>	<b>19,404</b>	<b>1.16%</b>
Residential Real Estate	349,860	359,514	(9,654)	14.18%	0.14%	0.16%	1,368	0.39%	1,411	0.39%
Mortgage Warehouse Lines	478,454	518,333	(39,879)	19.40%	0.00%	0.00%	604	0.13%	665	0.13%
<b>Total</b>	<b>\$ 2,466,794</b>	<b>\$ 2,546,845</b>	<b>\$ (80,051)</b>	<b>100.00%</b>	<b>0.42%</b>	<b>0.10%</b>	<b>\$ 21,250</b>	<b>0.86%</b>	<b>\$ 21,480</b>	<b>0.84%</b>

The small decrease in the ACL was primarily attributable to a decrease in the quantitative reserves due to reduced loan balances, partially offset by a \$0.5 million increase in the allowance for loans individually evaluated, specifically related to a single agricultural production loan relationship that moved to nonaccrual during the first quarter of 2026.

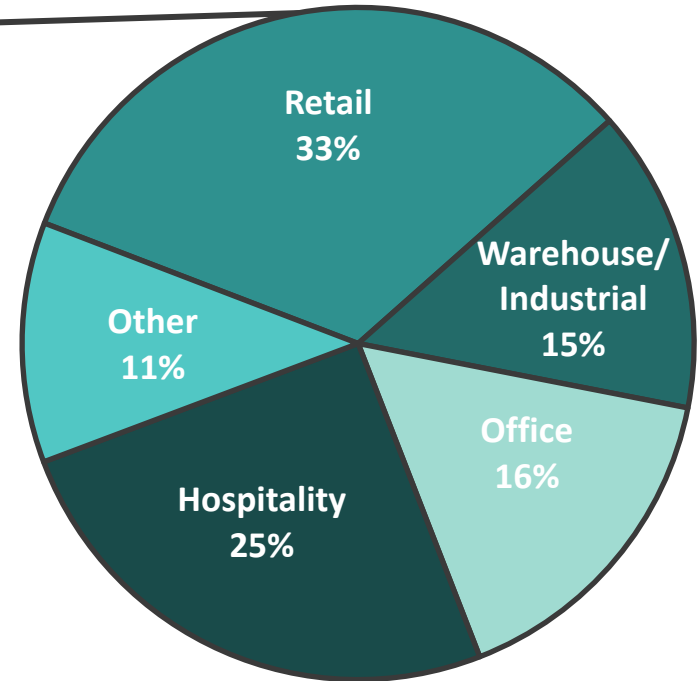
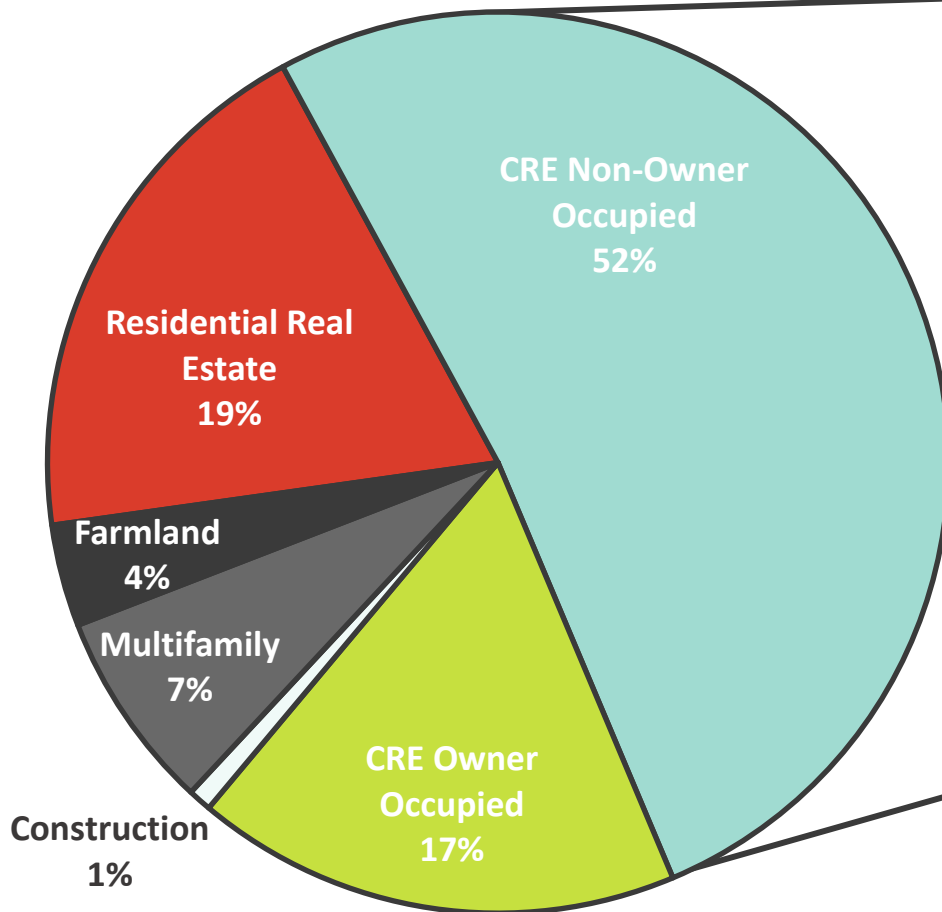
Management expects modest growth in average balances in Mortgage Warehouse from its current levels.

Residential Real Estate loans are comprised primarily of jumbo loans purchased in 2021 and early 2022 with strong underwriting.

# DIVERSIFIED REAL ESTATE PORTFOLIO

Total Real Estate Portfolio:  
\$1,813,090

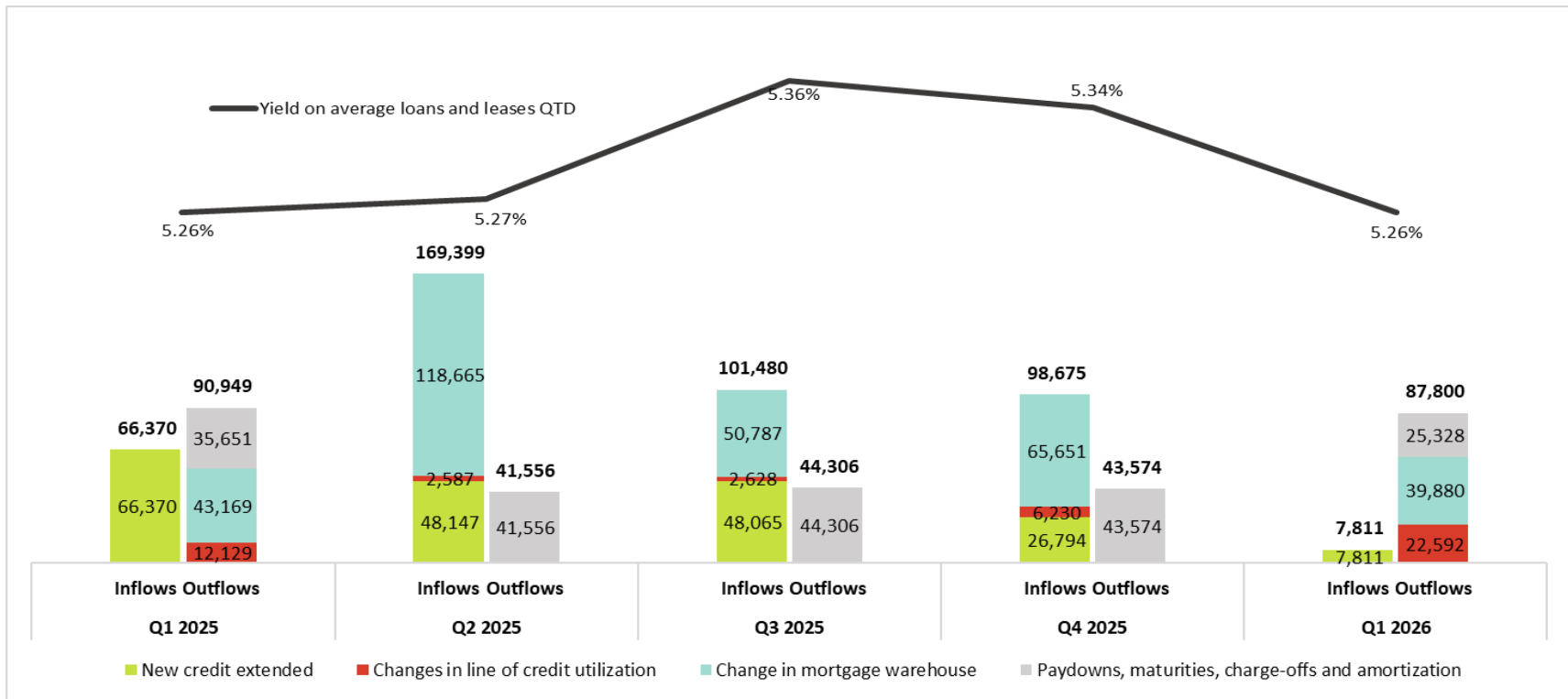
CRE Non-Owner Occupied  
Breakout



# LOAN PORTFOLIO ACTIVITY

(\$ in thousands)

Loan Rollforward	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026
Gross loans Beginning balance	\$ 2,331,341	\$ 2,306,762	\$ 2,434,605	\$ 2,491,779	\$ 2,546,880
New credit extended	66,370	48,147	48,065	26,794	7,811
Loan Purchases	-	-	-	-	-
Changes in line of credit utilization	(12,129)	2,587	2,628	6,230	(22,592)
Change in mortgage warehouse	(43,169)	118,665	50,787	65,651	(39,880)
Paydowns, maturities, charge-offs and amortization	(35,651)	(41,556)	(44,306)	(43,574)	(25,328)
<b>Gross loans ending balance</b>	<b>\$ 2,306,762</b>	<b>\$ 2,434,605</b>	<b>\$ 2,491,779</b>	<b>\$ 2,546,880</b>	<b>\$ 2,466,891</b>



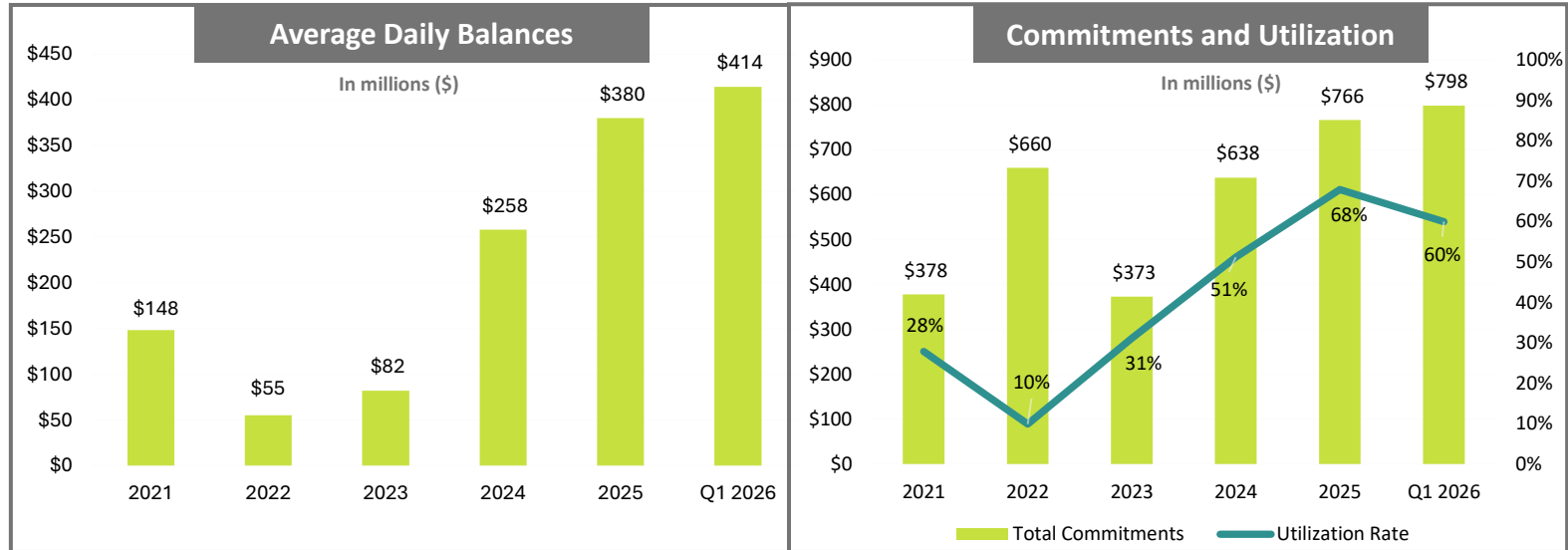
# ASSET QUALITY TRENDS

Ratios	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025	3/31/2026
Classified Loans/Gross Loans	1.67%	2.38%	1.71%	1.91%	1.23%	1.28%
NPLs/Gross Loans	0.23%	0.95%	0.38%	0.84%	0.52%	0.42%
NPAs/Total Assets	0.14%	0.54%	0.21%	0.54%	0.39%	0.28%
30-89 Past Dues/Gross Loans	0.10%	0.06%	0.01%	0.06%	0.27%	0.04%
Net Charge-offs/Average Loans	-0.01%	0.58%	0.18%	0.15%	0.39%	0.05%

Total nonperforming assets, decreased by \$4.4 million, or 30%, to \$10.4 million, during the first quarter of 2026. The decrease in non-accrual loans was from the successful paydown of the Company's largest nonaccrual loan.

All the Company's nonperforming assets are individually evaluated for credit loss quarterly, and Management believes the established allowance for credit loss on such loans is appropriate.

# MORTGAGE WAREHOUSE TRENDS



- Bank of the Sierra entered the Mortgage Warehouse business in 2004. We have recently expanded throughout 8 states from Florida to California.
- Continues to serve as a resilient and strategically important part of the Bank’s loan portfolio.
- Despite the dynamic real estate market, the Bank’s Mortgage Warehouse portfolio has demonstrated strong performance and continued strategic growth, driven by expanded relationships and prudent risk management.

- Effective pricing strategies based on the risk of underlying individual mortgage loans match funded primarily with wholesale funding of similar duration.
- Increased seller, product, and geographic diversification allow for maintenance of appropriate margins and application of prudent credit standards.
- Highly efficient operational and credit processes maintain low-cost structure while providing an agile platform for capitalizing on tactical and strategic opportunities.

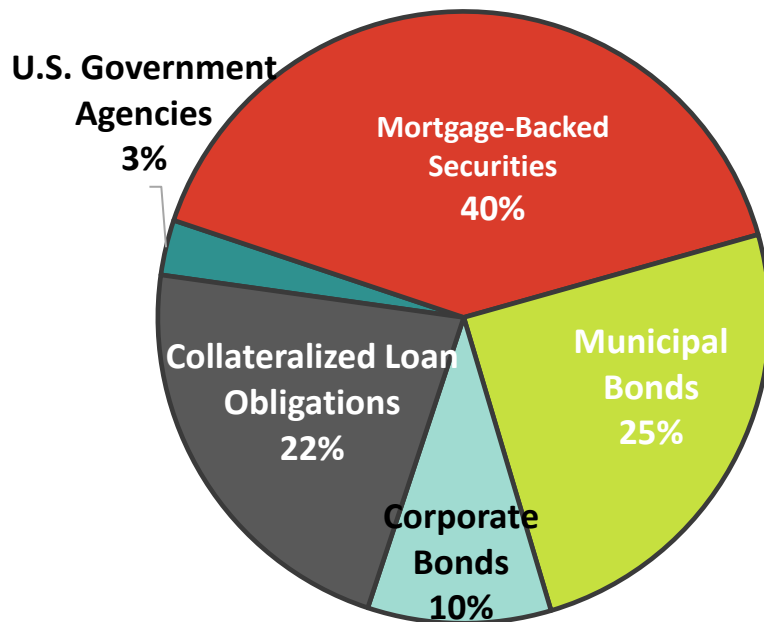
**Performance & Growth**

**Stable Margins**

# INVESTMENT PORTFOLIO COMPOSITION

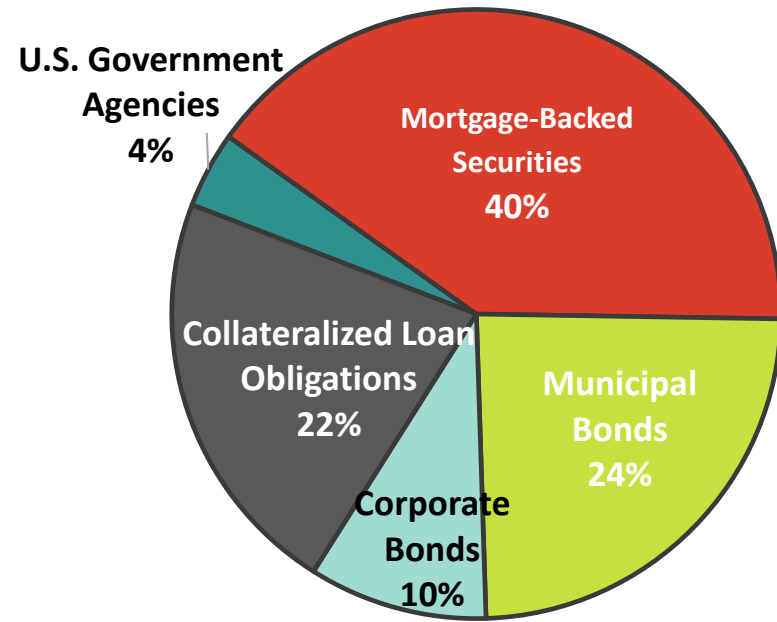
Based on Period End Balances – Fair Value (\$ in thousands)

**At March 31, 2026**



**Fair Value - \$869,136\***  
**First Quarter Yield - 4.27%**

**At December 31, 2025**



**Fair Value - \$911,791\***  
**Fourth Quarter Yield - 4.33%**

CLOs were \$198 million at March 31, 2026 as compared to \$199 million at December 31, 2025

**Note:** \*Fair value includes \$281 and \$286 million in securities designated Held-to-maturity as of March 31, 2026 and December 31, 2025, respectively.

# EXECUTIVE LEADERSHIP



**Kevin McPhail**

President and Chief Executive Officer  
Joined Company in 2001; CEO since 2015  
35 years of Banking Experience



**Christopher Treece**

EVP and Chief Financial/Operations Officer  
Joined Company in 2020  
34 years of Banking Experience



**Hugh Boyle**

EVP and Chief Credit Officer  
Joined Company in 2020  
31 years of Banking Experience



**Michael Olague**

EVP and Chief Banking Officer  
Joined Company in 2009; CBO since 2015  
48 years of Banking Experience



**Natalia Coen**

EVP and Chief Risk Officer  
Joined Company in 2023  
20 years of Banking Experience

Experienced executive management team consisting of a combination of tenured and newer executives with a focus on earnings and balance sheet growth



# SIERRA BANCORP

## KEEP CLIMBING

**NASDAQ: BSRR**

**COMPANY CONTACTS:**

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Christopher Treece, EVP & CFO/COO, [ctreece@bankofthesierra.com](mailto:ctreece@bankofthesierra.com)