



March 12, 2021

Dear Shareholders of Monona Bankshares:

**Our 2021 Annual Shareholder Meeting will be held virtually on April 29, 2021 at 3:00 p.m.** Please see the enclosed materials for more information about this meeting and how you can attend. Since it is not possible to meet in-person this year, you will receive an Annual Report shortly highlighting important information about your investment, and how our bank performed this year. It was a good year!

A quarterly shareholder newsletter has been going out for a couple of years with our key financial information and performance data, as well as any important updates and changes at our bank (including any quarterly dividend declared by our Board of Directors). Please note that the first quarter dividend for this year will be announced at both the virtual annual meeting and in our newsletter. If you prefer, you can also find our financial reports, quarterly newsletters, historical reports, and other shareholder information online at [www.mononabank.com/bankshares](http://www.mononabank.com/bankshares).

We are proud that Monona Bankshares, Inc. has paid a dividend to our shareholders since 1994 with an average annual dividend payout ratio to net income of over 25%. For stockholders participating in the **Dividend Reinvestment Plan (DRIP)**, the purchase price of the additional shares will be based on an independent stock valuation that will be finalized soon. If you are not enrolled but would like to take advantage of this plan to reinvest your dividends in additional shares or have questions regarding the plan, please contact Joanne Bell at 608-223-2187.

We will be voting for three Monona Bankshares director seats, for three-year terms, at the meeting in April. Current directors **Nancy Kiefer, Peter Gunderson, and Paul Hoffmann** are up for re-election.

Our bank will be celebrating our 30th anniversary this July. It is incredible how much we have changed over the past 30 years as we've grown to over a billion dollars in assets. What I hope has not changed is our commitment to creating an extraordinary community bank that you can all be proud of owning. Our bank was founded on the idea that Monona needed a community bank, and we have certainly fulfilled that original mission, as well as expanding to serve even more communities.

As always, I remind you that some of our best clients have come from personal referrals from shareholders like yourselves. I encourage you to recommend Monona Bank (especially for mortgages!) to your family, friends, and business associates, as this can have a significant impact on the growth and profitability of our bank, and in turn, the future value of your investment in Monona Bankshares, Inc.

Thank you for your investment in your extraordinary community bank. I look forward to seeing you in-person again next year once the pandemic is safely behind us. Happy 30th Anniversary to Monona Bank!

Warm regards,

A handwritten signature in black ink that reads "Paul Hoffmann". The signature is fluid and cursive, with a long horizontal flourish at the end.

Paul Hoffmann  
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