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BEO Bancorp
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NEWS RELEASE

BEO Bancorp Reports First Quarter Earnings

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Heppner, Oregon, (April 7, 2025) BEO Bancorp (OTCBB:BEOB) and its subsidiary, Bank of Eastern Oregon, announced first quarter 2025 consolidated net income of \$3,913,000 or \$3.16 per share, compared to \$3,527,000 or \$2.87 per share for first quarter 2024. Total assets were \$897.5 million, up 5.6% year over year. Net loans of \$595.8 million were up 12.0% from the same period in 2024, while deposits were at \$796.9 million a 4.5% increase year over year.

“As we celebrate our 80th year of serving the banking needs of customers, in now three states, I am pleased to report our Bank continues to grow and prosper. Our growth in deposits, loans and total assets is very strong compared to a year ago. Our profitability metrics are also above peer,” said President and CEO Jeff Bailey.

Chief Operations Officer Becky Kindle said, “We are seeing deposit growth across our branch network. The newer branches, along with those locations impacted by the pending sale of Community Bank to out of state, non-bank Spokane Teachers Credit Union, have seen the largest growth.”

“We are seeing tightened margins among most ag producers as the effects of inflation and decreased crop prices weigh on profitability. Agriculture is cyclical and this is a bit more challenging point in the cycle,” said Chief Credit Officer Ed Rollins.

Chief Lending Officer John Qualls added, “Cattle prices continue to amaze, but the positive effects are tempered by the higher input costs. On the crop side of our portfolio, we have a decent moisture situation and see producers hitting the fields.”

Chief Financial Officer Mark Lemmon said, “Strong profits over the past year have added to our shareholder equity which grew 28.4% year over year to \$85.9 million. Our Return on Average Assets (ROAA) is 1.77% and Return on Average Equity is 18.77%.”

“There is considerable talk about the decisions and policy changes that are going on at the Federal government level, whether it is tariffs, layoffs, or monetary policy. We expect to see continued market volatility as things work through the system. Although The Federal Reserve has cut rates slower than some anticipated, they continue to have their work cut out for them as various factors come into play,” concluded Bailey.

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For further information on the Company or to access internet banking, please visit our website at <https://www.beobank.com>.

About BEO Bancorp

BEO Bancorp is the holding company for Bank of Eastern Oregon. It operates 22 branches and two loan production offices in 11 eastern Oregon counties, four eastern Washington counties, and one southwestern Idaho county. Branches are located in Arlington, Ione, Heppner, Condon, Irrigon, Boardman, Burns, John Day, Prairie City, Fossil, Moro, Enterprise, Athena, Hermiston, Pendleton, and La Grande, OR; Colfax, Dayton, LaCrosse, Pasco, and Pomeroy, WA; and Caldwell, ID. Loan production offices are located in Ontario and Madras, OR. Bank of Eastern Oregon also operates a mortgage division and operates the Washington locations under the name of Bank of Eastern Washington. The bank's website is <https://www.beobank.com>.

Forward-Looking Statements

The statements contained in this release that are not historical facts are forward-looking statements based upon management's current expectations and beliefs concerning future developments and their potential effect on BEO Bancorp. There can be no assurances that future developments affecting BEO Bancorp will be the same as those anticipated by management.

Actual results may differ from those projected in the forward-looking statements. These forward-looking statements involve risks and uncertainties. These risks and uncertainties include, but are not limited to:

- (1) Competitive pressures in the banking and financial industries.
- (2) Changes in interest rate environment.
- (3) General economic conditions, nationally, regionally, and in operating markets.
- (4) Changes in regulatory environment.
- (5) Changes in business conditions and inflation.
- (6) Changes in securities markets.
- (7) Future credit loss experience.