

1/24/2024

BEO Bancorp
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NEWS RELEASE

BEO Bancorp Reports 2023 Earnings

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Heppner, Oregon, (January 24, 2024) BEO Bancorp (OTCBB:BEOB) and its subsidiary, Bank of Eastern Oregon, announced consolidated year end 2023 earnings of \$14,208,000; Total assets were \$860.6 million; net loans were \$521.9 million, while deposits ended the year at \$776.4 million.

“Shareholder equity increased 28.2% over the past year, with Return on Average Equity at 24.91% and Return on Average Assets of 1.62%. Earnings per share were \$11.75 and we paid our highest dividend ever at \$1.15 per share,” said President and CEO, Jeff Bailey.

According to Chief Financial Officer, Mark Lemmon. “Book value per share increased 25.9% year over year ending at \$52.24. We also paid down \$3.0 million in subordinated debt in 2023, while still growing capital.”

Chief Operations Officer, Becky Kindle said, “Following industry trends our deposits were down 5.2% when compared to year end 2022. We expanded our branch network in November by converting our Caldwell, ID loan production office into a full-service branch. We opened the loan office in 2020 and have been pleased with the reception in that market.”

“Loan volume increased 6.8% year over year. This came about by organic growth and acquiring the loans and deposits of Farmington State Bank during third quarter 2023,” said Chief Lending Officer, John Qualls.

Chief Credit Officer, Ed Rollins commented “We see continued resilience in our loan portfolio. For the second year in a row, we did not add to our provision for possible loan losses.”

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

About BEO Bancorp

BEO Bancorp is the holding company for Bank of Eastern Oregon. It operates 21 branches and three loan production offices in 11 eastern Oregon and four eastern

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Washington counties, and one western Idaho county. Branches are located in Arlington, Ione, Heppner, Condon, Irrigon, Boardman, Burns, John Day, Prairie City, Fossil, Moro, Enterprise, Athena, Hermiston, and La Grande, OR; Colfax, Dayton, LaCrosse, Pasco, and Pomeroy, WA; and Caldwell, ID. Loan production offices are located in Ontario, Pendleton, 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.