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BEO Bancorp
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NEWS RELEASE

BEO Bancorp Reports 2025 Earnings

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Heppner, Oregon, (January 12, 2025) BEO Bancorp (OTCBB:BEOB) and its subsidiary, Bank of Eastern Oregon, announced consolidated year end 2025 earnings of \$16,190,000; total assets were \$958.6 million; net loans were \$612.6 million, while deposits ended the year at \$847.5 million.

“2025 results are about \$300,000 lower than 2024 which was a record year for the Bank. It is noteworthy that 2024 income was affected by a non-recurring event that added about \$950,000 (after tax) to net income. If not for that large recovery in 2024, 2025 would have been another record year. This speaks volumes about our record of sustained profitability and our overall operational success,” said president and CEO, Jeff Bailey.

“Shareholder equity increased 19.0% over the past year, with Return on Average Equity at 18.29% and Return on Average Assets of 1.77%. Earnings per share was \$13.20 and we paid our highest dividend ever at \$2.00 per share,” said Chief Financial Officer, Mark Lemmon. “Book value per share increased 21.5% year over year.”

Chief Operations Officer, Becky Kindle said, “deposit growth of 10.0% during 2025 is particularly good. One factor contributing to this increase was the impressive number of new accounts that we opened before and after Spokane Teacher’s Credit Union’s purchase of Community Bank.”

“Our loan portfolio increased by 5.6% year over year, with growth scattered across our footprint. Continued high cattle prices are benefitting that sector while depressed commodity prices and elevated input costs are impacting the farm sector,” said Chief Lending Officer, John Qualls.

Chief Credit Officer, Ed Rollins commented “While 2025 was another year of tight margins for farmers, government payments are a welcome event. Even though margins are tight overall credit quality remains good. During 2025 we made no additional provision to our Allowance for possible credit losses.”

Bailey concluded, “For 39 of the past 40 years we have paid a dividend to our shareholders, in 2025 it was the highest amount ever paid. Along with that, we retired a portion of debt, bought back some shares, and grew capital. The Bank has never been in a

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stronger position. We are growing market share and welcoming new customers to our brand of banking. Our success is due to our employees' hard work and dedication to our customers, communities, and shareholders.”

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, which operates twenty-two branches and two loan production offices in eleven eastern Oregon, four eastern Washington, and one western Idaho counties. Branch locations include Arlington, Ione, Heppner, Condon, Irrigon, Boardman, Burns, John Day, Prairie City, Fossil, Moro, Enterprise, Athena, Hermiston, LaGrande, and Pendleton, 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 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.