

4/3/2026

BEO Bancorp
PO Box 39
Heppner, OR 97836

NEWS RELEASE

BEO Bancorp Reports 1ST Quarter Earnings

CONTACT:

Jeff Bailey, President, and CEO (541) 676-0201

Mark Lemmon, EVP & CFO, (541) 676-0201

Heppner, Oregon, (April 6, 2026) BEO Bancorp (OTCBB:BEOB) and its subsidiary, Bank of Eastern Oregon, announced first quarter 2026 consolidated net income of \$3,905,000 or \$3.22 per share, compared to \$3,913,000 or \$3.16 per share for first quarter 2025. Total assets were \$960.1 million, up 7.0% year over year. Net loans of \$620.1 million were up 4.1% from the same period in 2025, while deposits were at \$847.3 million, a 6.3% increase year over year.

“Our first quarter results mirror 2025 from a net income perspective. All typical growth metrics are trending favorably. As expected, with the Fed’s rate moves in 2025, we are seeing a slight tightening of our net interest margin,” said President and CEO Jeff Bailey.

Chief Lending Officer John Qualls said, “We continue to see new loan opportunities across our system. Farmers had a tough year in 2025, regardless of which crop they grew. Cattle producers had a very good year with record cattle prices, but they were also dealing with higher expenses”.

“Even with various challenges that our producers dealt with in 2025, our loan portfolio is performing well. We are about 75% done with renewals and have seen fewer carryovers than expected. Overall, we are pleased with portfolio quality,” added Chief Credit Officer Ed Rollins.

Chief Operations Officer Becky Kindle said, “We have experienced deposit growth across our branch network. We have continued seeing new account openings in areas impacted by industry changes, whether from large banks leaving markets, or other competitors lacking in-person customer service, it is evident that people appreciate our style of banking”.

Chief Financial Officer Mark Lemmon said, “Shareholder equity increased 15.0% year over year, a function of profitability. Earnings per share improved even though net income was steady, because the number of outstanding shares decreased as we bought back shares over the past year. Our Return on Average Assets (ROAA) is 1.63% and Return on Average Equity is 16.02%, both very strong when compared to peer banks.”

4/3/2026

BEO Bancorp
PO Box 39
Heppner, OR 97836

NEWS RELEASE

“National and global factors will continue to add volatility to markets, especially crude oil which impacts all of us in varying degree each day. Whether fuel for cars, trucks, equipment, fertilizer for crops, or transportation costs to get goods to market, all will impact the supply chain and consumer purchasing decisions. The fed will have plenty to consider as they ponder fiscal policy and interest rates throughout 2026,” concluded Bailey.

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 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.