



## FOR IMMEDIATE RELEASE

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### Bank of Idaho Holding Company Reports Second Quarter 2024 Financial Results

IDAHO FALLS, ID (July 26, 2024) – Bank of Idaho Holding Company (the “Company”) (OTCQX: BOID), the holding company for Bank of Idaho (the “Bank”), today announced its unaudited financial results for the quarter ended June 30, 2024. The Company reported consolidated net income of \$2,586,000, or \$0.58 per diluted share, for the second quarter of 2024 after recording a one-time tax expense of \$425,000 in the second quarter related to the remeasurement to its deferred tax asset. Prior to the adjustment, earnings for the second quarter of 2024 were \$3,011,000, or \$0.68 per diluted share. This compares to \$3,067,000, or \$0.69 per diluted share, for the first quarter of 2024, and \$2,274,000 or \$0.51 per diluted share, for the second quarter of 2023.

"We are pleased to announce a strong second quarter with Bank of Idaho generating \$4.6 million in pre-tax, pre-provision income and \$0.68 adjusted earnings per share. Our commitment to prioritizing credit, pricing, and expense discipline continues to provide strong results for our shareholders," said Jeff Newgard, Chairman, President, and CEO of Bank of Idaho. "We are proud to serve dynamic geographic markets, which produce strong loan growth. We remain confident for the remainder of 2024 and beyond and intend to capitalize on emerging opportunities."

#### Quarterly Summary

- Loans held for investment grew \$47.1 million, or 5.1%, in Q2 2024 and increased \$182.2 million, or 23.3%, from Q2 2023.
- Total core deposits increased \$75.9 million, or 8.0%, in Q2 2024 and were up \$131.1 million, or 14.7%, from Q2 2023.
- Pre-tax, pre-provision (“PTPP”) net income was \$4.57 million in Q2 2024, compared to \$4.76 million in Q1 2024 and \$3.66 million in Q2 2023.
- Tangible book value (“TBV”) per share increased to \$25.90, or 3.0%, from \$25.16 at Q1 2024, and increased 12.3% from \$23.06 at Q2 2023. The increase in TBV is attributable to earnings and a decrease in unrealized losses within our securities portfolio.

#### Operating Results

**Net income** for the second quarter of 2024 was \$2,586,000, or \$0.58 per diluted share, compared to net income of \$3,067,000, or \$0.69 per diluted share, for Q1 2024, and \$2,274,000, or \$0.51 per diluted

share, for the same quarter last year. The decrease from the prior quarter was the result of a one-time tax expense of \$425,000 related to the remeasurement of the Company's deferred tax asset.

**Net interest income** for Q2 2024 was \$12.6 million, an increase of \$265,000, or 2.1%, from the prior quarter as interest income outpaced the increases in interest expense. Net interest income grew \$790,000, or 6.7%, from the same period in the prior year.

**Net interest margin** for the second quarter of 2024 was 4.19% compared to 4.43% in the previous quarter and 4.82% for the same quarter last year. While there continues to be margin pressure from the Fed's restrictive rate policy and liquidity tightening mandate, we see healthy loan demand at attractive rates. While the cost of funding increases, the growth in earning assets at current market yields should outpace funding cost pressures.

**Noninterest income**, including net gains and losses, for Q2 2024 was \$1,028,000, a decrease of \$169,000, or 14.1%, from \$1,197,000 in Q1 2024. The decrease was attributable to a \$145,000 loss for a municipal security being called. Relative to the second quarter of 2023, noninterest income decreased \$62,000, or 5.7%.

**Noninterest expense** of \$9.06 million in Q2 2024 was an increase of \$286,000, or 3.3%, from \$8.77 million in Q1 2024 and a \$182,000, or 2.0%, decrease from \$9.24 million in Q2 2023. The increase from Q1 2024 was due to one-time personnel expenses of \$75,000 and variable compensation of \$90,000 due to increased loan production. The Company's efficiency ratio was 64.8% for Q2 2024, compared to 64.0% for Q1 2024, and 70.5% for Q2 2023.

**Total assets** were \$1.29 billion as of June 30, 2024, an increase of \$100.6 million, or 8.5%, from \$1.19 billion at March 31, 2024. Second quarter 2024 balance sheet growth was driven by growth in portfolio loans of \$47.1 million, or 5.1%. Loans were funded by the growth in deposits of \$77.2 million, or 7.8%. Cash and cash equivalents increased \$43.4 million along with an increase of \$21.0 million in total borrowings.

**Loans** held for investment were \$963.8 million as of June 30, 2024, an increase of \$47.1 million, or 5.1%, from \$916.7 million as of March 31, 2024, and an increase of \$182.2 million, or 23.3%, from \$781.6 million as of June 30, 2023. The increase in total loans from the previous quarter came from growth in all loan categories, the largest coming from an increase in the Bank's commercial and commercial real estate loans. We continue to see significant lending opportunities across our markets.

**Deposits** were \$1,069.0 million as of June 30, 2024, up \$77.2 million, or 7.8%, from the previous quarter, and up \$175.3 million, or 19.6%, from the same quarter last year. The growth in our deposits is primarily in interest bearing products as customers continue to seek yield on their deposits. While we are successful in attracting deposits within our markets, deposits come at an elevated cost due competition from both bank and non-bank organizations. Noninterest bearing deposits represented 27% of total deposits and 28% of core deposits as of June 30, 2024, compared to 30% as of March 31, 2024, and 36% as of June 30, 2023.

**Borrowings** were \$84.2 million as of June 30, 2024, which consisted of \$24.6 million of Company subordinated debt, \$24.6 million of BTFP advances, and \$35.0 million of FHLB borrowings compared to \$24.6 million of Company subordinated debt, \$24.6 million of BTFP advances, and \$14.0 million of FHLB borrowings in the previous quarter.

**Asset quality** remained strong in Q2 2024. Nonaccrual loans, excluding government guaranteed balances, totaled \$2,351,000, or 0.24% of loans, as of June 30, 2024, compared to \$2,194,000, or

0.19% of loans, as of March 31, 2024, and \$269,000, or 0.03% of loans, as of June 30, 2023. The Company had no OREO for Q2 2024, Q1 2024, or Q2 2023.

**The Allowance for Credit Losses** (“ACL”) totaled \$11.8 million, or 1.23% of loans held for investment, as of June 30, 2024. The Company recorded \$497,000 in provision for loan loss expense in the second quarter of 2024 compared to \$645,000 in provision expense in the previous quarter, and \$520,000 in provision in the second quarter of 2023. The Company recorded net charge-offs of \$47,000 in the second quarter of 2024 bringing year-to-date net charge-offs to \$126,000 or annualized 2.7 basis points of average loans.

**Capital** ratios of the Company and Bank continue to exceed the “well-capitalized” capital levels set by our respective regulators. As of June 30, 2024, the Bank’s Tier 1 leverage ratio was 11.57% and the total risk-based capital ratio was 14.82%. As of June 30, 2024, the Company had tangible common equity (total stockholders’ equity less intangible assets) of \$114.8 million and tangible book value per share of \$25.90. Tangible common equity increased \$3.403 million in Q2 2024 due to quarterly earnings of \$2.586 million and a \$470,000 improvement to accumulated other comprehensive loss (“AOCL”) related to decreased unrealized losses on our securities portfolio. The Company’s tangible common equity to tangible assets ratio was 8.97% as of June 30, 2024, down from 9.42% in the previous quarter. There were no paid dividends during Q2 2024 or in any quarter presented.

### **About Bank of Idaho Holding Company**

Bank of Idaho Holding Company is a bank holding company headquartered in Idaho Falls, Idaho. The Company’s subsidiary, Bank of Idaho, is an independent commercial bank providing a range of business, personal, and mortgage banking products and services, as well as trust and wealth management services, to customers in Idaho and eastern Washington. The Company’s common stock is traded on the OTCQX exchange under the symbol “BOID.”

### **Non-GAAP Financial Measures**

Some of the financial measures included in this press release are not measures of financial performance recognized in accordance with generally accepted accounting principles in the United States (“GAAP”). These non-GAAP financial measures include “efficiency ratio,” “tangible common equity,” “tangible common equity to tangible assets,” “tangible book value per share,” and “pre-tax pre-provision net income.” Efficiency ratio is computed by dividing total noninterest expense, including intangible expense, by the sum of net interest income and noninterest income, including gains and losses. Tangible common equity is computed by subtracting goodwill and core deposit intangibles from total stockholders’ equity. Tangible common equity to tangible assets is computed by dividing total assets, less goodwill and core deposit intangibles, by tangible common equity. Tangible book value per share is computed by dividing tangible common equity by common shares outstanding. Pre-tax, pre-provision net income is computed by adding provision for loan loss expense and income tax expense to net income. The Company believes these non-GAAP financial measures provide both management and investors with a more complete understanding of the Company’s financial position and performance. These non-GAAP financial measures are supplemental and are not a substitute for any analysis based on GAAP financial measures. Not all companies use the same calculation of these measures; therefore, this presentation may not be comparable to other similarly titled measures as presented by other companies.

### **Forward-Looking Statements**

This press release contains, among other things, certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, statements preceded by, followed by, or that include the words “may,” “could,” “should,” “would,” “believe,” “anticipate,” “estimate,” “expect,” “intend,” “plan,” “projects,” “outlook” or similar expressions. These

statements are based upon the current belief and expectations of the Company's management team and are subject to significant risks and uncertainties that are subject to change based on various factors (many of which are beyond the Company's control). Although the Company believes that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove to be inaccurate. Therefore, the Company can give no assurance that the results contemplated in the forward-looking statements will be realized. The inclusion of this forward-looking information should not be construed as a representation by the Company or any other person that the future events, plans, or expectations contemplated by the Company will be achieved.

All subsequent written and oral forward-looking statements attributable to the Company or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements above. The Company does not undertake any obligation to update any forward-looking statement to reflect circumstances or events that occur after the date the forward-looking statements are made, except as required by law.

**BANK OF IDAHO HOLDING COMPANY**  
**CONSOLIDATED BALANCE SHEET (unaudited)**

	(\$000's)	6/30/2024	3/31/2024	6/30/2023
<b>ASSETS</b>				
Cash and due from banks		\$ 30,101	\$ 18,958	\$ 25,044
Interest bearing deposits with Federal Reserve and other banks		73,822	41,575	26,244
Federal funds sold and securities purchased under agreements to resell		-	-	-
Cash and cash equivalents		103,923	60,533	51,288
Time deposits at other banks		744	744	744
Held-to-maturity securities, at cost		32,491	32,805	27,093
Available-for-sale securities, at fair value		155,125	143,689	143,805
Equity securities, at fair value		56	66	51
Federal Home Loan Bank stock		2,258	1,313	1,176
Mortgage loans held for sale, at fair value		683	2,587	4,473
Loans held for investment		963,801	916,729	781,644
Allowance for loan losses		(11,813)	(11,248)	(9,728)
Loans, net of allowance		951,988	905,481	771,916
Accrued interest and dividends receivable		6,708	5,950	4,678
Premises and equipment, net		16,538	16,322	16,092
Other real estate owned		-	-	-
Intangible assets		6,705	6,847	7,276
Deferred tax asset, net		6,223	6,668	6,733
Other assets		2,228	2,107	1,625
<b>TOTAL ASSETS</b>		<b>\$ 1,285,670</b>	<b>\$ 1,185,114</b>	<b>\$ 1,036,950</b>
<b>LIABILITIES</b>				
Noninterest bearing deposits		\$ 283,291	\$ 295,343	\$ 320,833
Interest bearing deposits		785,704	696,423	572,813
Total deposits		1,068,995	991,766	893,646
Overnight borrowings		-	14,000	-
Accrued expenses and other liabilities		6,133	6,844	3,439
Operating lease liabilities		4,552	4,774	5,430
Finance lease borrowings		310	324	366
FHLB advances and other borrowings		59,568	24,568	-
Subordinated notes & debentures		24,625	24,612	24,571
Total Liabilities		1,164,183	1,066,888	927,452
<b>SHAREHOLDERS' EQUITY</b>				
Common stock and additional paid-in capital; no par; authorized - 6,000,000 shares; issued and outstanding - 4,431,148; 4,427,822; and 4,432,058 shares		81,746	81,543	80,996
Retained earnings		52,406	49,819	42,783
Accumulated other comprehensive income (loss)		(12,666)	(13,136)	(14,281)
Total Shareholders' Equity		121,486	118,226	109,498
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>\$ 1,285,669</b>	<b>\$ 1,185,114</b>	<b>\$ 1,036,950</b>
Book Value per Share		\$ 27.42	\$ 26.70	\$ 24.71
Tangible Book Value per Share		\$ 25.90	\$ 25.16	\$ 23.06
Nonaccrual loans* / average loans held for investment		0.24%	0.24%	0.03%
Allowance for loan losses / loans held for investment		1.23%	1.23%	1.24%
Tangible Equity to Tangible Assets		8.97%	9.45%	9.93%
Tier 1 Leverage ratio - Bank of Idaho		11.57%	12.26%	12.85%
Tier 1 Capital ratio - Bank of Idaho		13.58%	13.75%	14.86%
Total Capital ratio - Bank of Idaho		14.82%	14.98%	16.00%

\*Nonaccrual loans less government guaranteed loans

**BANK OF IDAHO HOLDING COMPANY**  
**CONSOLIDATED INCOME STATEMENT (unaudited)**

	Three Months Ended			Year-to-Date						
	(\$000's)	6/30/2024	3/31/2024	6/30/2023	6/30/2023					
<b>Interest and dividend income</b>										
Interest and fees on loans	\$	16,581	\$	15,555	\$	12,397	\$	32,136	\$	23,906
Interest on securities		1,509		1,437		1,444		2,946		2,912
FHLB and other stock dividends		64		31		7		96		14
Other interest income		736		143		356		879		585
Total interest and dividend income		18,890		17,167		14,204		36,057		27,417
<b>Interest expense</b>										
Interest expense on deposits		5,377		4,034		2,113		9,411		3,458
FHLB advances and other borrowings		632		516		-		1,148		-
Subordinated notes & debentures		284		284		284		568		568
Other interest expense		2		2		2		4		12
Total interest expense		6,295		4,836		2,399		11,131		4,038
Net interest income		12,595		12,331		11,805		24,926		23,379
Provision for loan loss		497		645		520		1,142		1,410
Net interest income after provision for loan loss		12,098		11,686		11,285		23,784		21,969
<b>Noninterest income</b>										
Service charges on deposit accounts		162		155		154		317		302
Trust department revenue		527		464		487		992		958
Net gains (losses) on sales of loans & leases		235		315		192		550		322
Net gains (losses) on sales of other real estate owned		-		-		-		-		-
Net gains (losses) on sale of securities		(122)		42		(8)		(80)		117
Other noninterest income		225		221		265		446		545
Total noninterest income		1,028		1,197		1,090		2,225		2,244
<b>Noninterest expense</b>										
Compensation and benefits		5,378		5,242		5,636		10,620		11,667
Occupancy and equipment		847		861		814		1,708		1,827
Marketing and business development		412		428		457		839		779
Data processing, IT and telephone		985		1,024		1,093		2,009		2,135
Audit, FDIC, and supervisory		273		258		174		531		346
Legal, accounting and consulting		311		181		172		492		322
Intangible expense		143		143		142		286		285
Other noninterest expense		707		631		748		1,338		1,432
Total noninterest expense		9,055		8,769		9,236		17,823		18,793
Income before income taxes		4,072		4,114		3,139		8,186		5,420
Provision for income taxes		1,486		1,048		865		2,533		1,556
<b>Net income</b>	<b>\$</b>	<b>2,586</b>	<b>\$</b>	<b>3,067</b>	<b>\$</b>	<b>2,274</b>	<b>\$</b>	<b>5,653</b>	<b>\$</b>	<b>3,863</b>
Pre-Tax, Pre-Provision Income	\$	4,569	\$	4,759	\$	3,659	\$	9,328	\$	6,830
Basic earnings per share	\$	0.58	\$	0.69	\$	0.51	\$	1.28	\$	0.87
Diluted earnings per share	\$	0.58	\$	0.69	\$	0.51	\$	1.26	\$	0.87
Return on average assets		0.83%		1.03%		0.89%		0.94%		0.77%
Return on average equity		8.65%		9.98%		8.21%		9.56%		7.00%
NIM		4.19%		4.43%		4.82%		4.33%		4.83%
Efficiency Ratio		64.8%		64.0%		70.5%		64.4%		72.6%