UNITED BANCSHARES, INC. ANNOUNCES
THIRD QUARTER 2023 RESULTS AND $0.22 DIVIDEND

COLUMBUS GROVE, Ohio, October 19, 2023 (GLOBE NEWSWIRE) – United Bancshares, Inc. (OTCQX: UBOH)

- Quarterly cash dividend declared of $0.22 per share for shareholders of record on November 30, 2023, payable on December 15, 2023. This dividend is up 4.76% from the prior year comparable period. Based on the average closing price for the third quarter, this is a 4.69% dividend yield.

- Net income of $2.0 million or $0.65 per share for the 2023 third quarter, down from $3.1 million or $0.94 per share in the comparable period in 2022 ($2.3 million or $0.70 per share when excluding a one-time BOLI death benefit). YTD 2023 net income of $6.3 million or $2.03 per share, down from $7.8 million or $2.37 per share YTD 2022 ($7.0 million or $2.13 per share when excluding a one-time BOLI death benefit).

- Return on average assets of 0.73% for the 2023 third quarter, down from 1.15% in the comparable period in 2022 (0.85% when excluding a one-time BOLI death benefit). YTD 2023 return on average assets of 0.77%, down from 0.96% YTD 2022 (0.87% when excluding a one-time BOLI death benefit).

- Return on average tangible equity of 14.12% for the 2023 third quarter, down from 20.33% in the comparable period in 2022 (15.10% when excluding a one-time BOLI death benefit). YTD 2023 return on average tangible equity of 14.78%, down from 14.90% YTD 2022 (13.37% when excluding a one-time BOLI death benefit).

- Net interest margin of 3.42% for the 2023 third quarter, down from 3.91% in the comparable period in 2022. YTD 2023 net interest margin of 3.47%, down from 3.65% YTD 2022.

- Deposit growth of $23.5 million or 3.3% annualized and loan growth of $15.4 million or 3.0% annualized from December 31, 2022.

- Asset quality metrics remain strong with stable non-performing and classified loans. Charge-offs remain at historically low levels through September 30, 2023.

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About The Union Bank Company:
Since 1904, The Union Bank Company has been here to provide full-service banking to the people and businesses throughout the communities we serve. Today, the bank has grown to include 18 offices across Northwest and Central Ohio, including Bowling Green, Columbus Grove, Delphos, Findlay, Gahanna, Gibsonburg, Kalida, Leipsic, Lewis Center, Lima, Marion, Ottawa, Paulding, Pemberville and Westerville. The Union Bank Company is headquartered in Columbus Grove, Ohio, and remains committed to providing the very best banking service and products to all the communities we serve. Learn more at www.theubank.com.

Contact:
Brian D. Young, President and CEO
Klint D. Manz, Chief Financial Officer
419.659.2141

09.30.2023
QUARTERLY REPORT
OTCQX: UBOH

A letter to Our Shareholders, Clients, and Team Members:

Despite a difficult operating environment, your Company is reporting pre-tax income of approximately $6.7 million and 14.78% return on average tangible shareholders' equity for the nine months ended September 30, 2023, with strong liquidity and asset quality metrics. Earnings for the quarter were suppressed by continued significant headwinds for our residential mortgage lending team and increased costs due to inflationary pressures, however, the bank has offset some of those headwinds by reducing non-interest expenses by $1.7 million as compared to the first nine months of 2022.

I am also pleased to report that after a review of your Company's earnings, capital position, risk profile and strategic plan, your Board of Directors declared a $0.22 per share cash dividend for shareholders of record on November 30, 2023, payable on December 15, 2023. The dividend is approximately 34% of the reported net income for the third quarter of 2023.

Your Company's share price continues to be negatively impacted by the markets overall view of the financial industry with low price to earnings and price to tangible book trading across the industry. As a result of conservative loan pricing strategies over the past 12 months and restrained loan growth, management believes that the bank is well positioned to grow in the current, higher interest rate environment with strong liquidity and credit metrics.

While we expect the headwinds to continue to have a negative impact on our industry's earnings throughout 2023 and into 2024, we believe that continued efforts on cost controls and new/upward repricing of loans through this cycle will offset some of that earnings pressure. The efforts of the team and our strong corporate values of respect for, and accountability to, our shareholders, clients, colleagues, and communities are the foundation for the continued success of your Company. Thank you for your ongoing support and the trust you have placed in us.

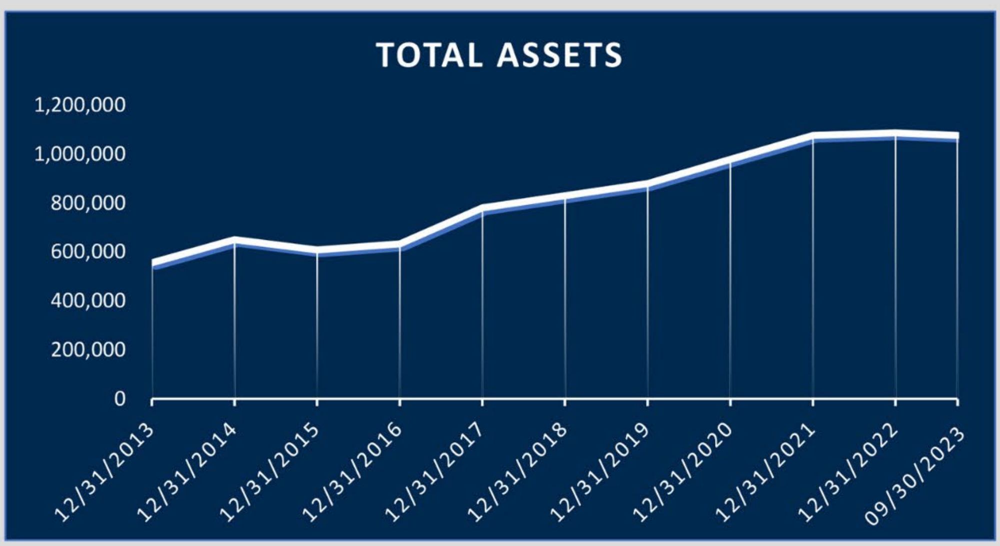
Respectfully,

Brian D Young

President and CEO

Financial Report (Unaudited)

	September 30, 2023	December 31, 2022
Cash and cash equivalents	$52,703,000	$30,680,000
Securities	234,565,000	285,146,000
Loans	702,988,000	687,545,000
Less allowance for loan loss	(9,367,000)	(9,401,000)
Other assets	96,408,000	93,323,000
Total Assets	**$1,077,297,000**	**$1,087,293,000**
Deposits	$977,371,000	$953,883,000
Borrowings	19,035,000	44,088,000
Other liabilities	6,072,000	6,631,000
Total Liabilities	1,002,478,000	1,004,602,000
Common stock and surplus	21,071,000	20,862,000
Retained earnings	116,647,000	112,466,000
Accumulated other comprehensive (loss) income	(47,996,000)	(38,366,000)
Treasury stock	(14,903,000)	(12,271,000)
Total shareholders' equity	74,819,000	82,691,000
Total Liabilities and Shareholders' Equity	**$1,077,297,000**	**$1,087,293,000**
Common shares outstanding	3,033,307	3,153,368
Book value	$24.67	$26.22
Tangible book value (non-GAAP)	$15.15	$17.03
Closing price	$17.85	$18.72
Allowance for credit losses to loans (end of period)	1.34%	1.38%
Loans to deposits (end of period)	71.51%	71.66%



	3 months ended Sept 30, 2023	3 months ended Sept 30, 2022	9 months ended Sept 30, 2023	9 months ended Sept 30, 2022
Interest income	$11,975,000	$10,126,000	$34,998,000	$28,144,000
Interest expense	3,801,000	797,000	9,833,000	1,931,000
Net interest income	8,174,000	9,329,000	25,165,000	26,213,000
Provision for loan losses	3,000	-	(93,000)	-
Net interest income after provision	8,171,000	9,329,000	25,258,000	26,213,000
Non-interest income	1,757,000	2,822,000	5,623,000	8,129,000
Non-interest expense	7,807,000	8,864,000	24,163,000	25,827,000
Income before federal income taxes	2,121,000	3,287,000	6,718,000	8,515,000
Federal income taxes	146,000	201,000	452,000	739,000
Net Income	**$1,975,000**	**$3,086,000**	**$6,266,000**	**$7,776,000**
Average common shares outstanding	3,058,686	3,269,647	3,085,189	3,275,673
Per Share Data:				
Net income (basic)	$0.65	$0.94	$2.03	$2.37
Cash dividends declared	$0.22	$0.21	$0.66	$0.63
Dividend yield (annualized)	4.69%	3.68%	4.60%	2.91%
Performance Ratios:				
Return on average assets	0.73%	1.15%	0.77%	0.96%
Return on average shareholders' equity	9.31%	13.75%	9.77%	10.51%
Return on average tangible shareholders' equity	14.12%	20.33%	14.78%	14.90%
Net interest margin	3.42%	3.91%	3.47%	3.65%
Net loan charge-offs (recoveries) as a percentage of average outstanding net loans	-0.01%	0.00%	-0.01%	-0.01%

Dividend Per Share

*Annualized

Community Connections


THE UNION BANK CO.
LOANS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2022
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Herbert H. Huffman III
H. Edward Rigel
David P. Roach
Daniel W. Schutt, Chairman
R. Steven Unverferth
Brian D. Young

Officers
Brian D. Young, President/CEO
Denise E. Giesige, Secretary
Klint D. Manz, CFO

The Union Bank Co.

Directors
Robert L. Benroth
Anthony M. V. Eramo
Herbert H. Huffman III
Kevin L. Lammon
William R. Perry
H. Edward Rigel
David P. Roach
Carol R. Russell
Daniel W. Schutt
R. Steven Unverferth
Dr. Jane M. Wood
Brian D. Young, Chairman

Locations
(scan here)

Investor Materials

United Bancshares, Inc. has traded its common stock on the OTCQX Markets Exchange under the symbol "UBOH".

Annual and quarterly shareholder reports, regulatory filings, press releases, and articles about United Bancshares, Inc. are available in the Investor Relations section of our website theubank.com or by calling 800-837-8111.

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