



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

COLUMBUS GROVE, Ohio, July 20, 2023 (PR NEWSWIRE) – United Bancshares, Inc. (OTCQX: UBOH)

- Quarterly cash dividend declared of \$0.22 per share for shareholders of record on August 31, 2023, payable on September 15, 2023. This dividend is up 4.8% from the prior year comparable period. Based on the average closing price for the second quarter, this is a 4.67% dividend yield.
- Net income of \$2.4 million for the 2023 second quarter, up from \$2.2 million in the comparable period in 2022. YTD 2023 net income of \$4.3 million, down from 4.7 million YTD 2022.
- Basic earnings per share of \$0.78 for the 2023 second quarter, up from \$0.66 in the comparable period in 2022. YTD 2023 basic earnings per share of \$1.38, down from \$1.43 YTD 2022.
- Return on average assets of 0.88% for the 2023 second quarter, up from 0.81% in the comparable period in 2022. YTD 2023 return on average assets of 0.78%, down from 0.87% YTD 2022.
- Return on average tangible equity of 16.70% for the 2023 second quarter, up from 13.57% in the comparable period in 2022. YTD 2023 return on average tangible equity of 15.09%, up from 12.66% YTD 2022.
- Net interest margin of 3.47% for the 2023 second quarter, down from 3.63% in the comparable period in 2022. YTD 2023 net interest margin of 3.50%, down from 3.52% YTD 2022.
- Deposit growth of \$21.1 million, excluding \$4.9 million in brokered CDs, up 4.4% 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 June 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



06.30.2023

QUARTERLY REPORT

OTCQX: UBOH





Shareholders, Clients, and Team Members:

As the result of a significant improvement in second quarter earnings as compared to the first quarter, I am pleased to report income before taxes of \$5.6 million or \$1.38 basic earnings per share for the first half of 2023. 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, payable to shareholders on September 15, 2023. The dividend is approximately 28% of the reported net income for the second quarter of 2023.

Your Company reported a noticeable improvement in our second quarter operating performance when compared to the first quarter, as a result of the implementation of a non-interest expense reduction strategy, increased gain on loan sales and stabilizing net interest income. When comparing the second quarter to the first quarter of 2023, your Company reported a \$652,000 (33%) increase in pretax income, primarily as a result of a \$355,000 (4.2%) reduction in non-interest expense and a \$317,000 increase in gain on loan sales offset by a stabilized reduction in net interest income of \$127,000 (1.5%). Regarding non-interest expenses, the Company reported a 15% reduction in salary and benefits for the first half of 2023 compared to the same period in 2022. That reduction was primarily the result of a companywide reduction of staffing levels and reduced incentive compensation. While staffing adjustments are always evaluated, I believe we are at the level needed to effectively service our clients and grow relationships most efficiently.

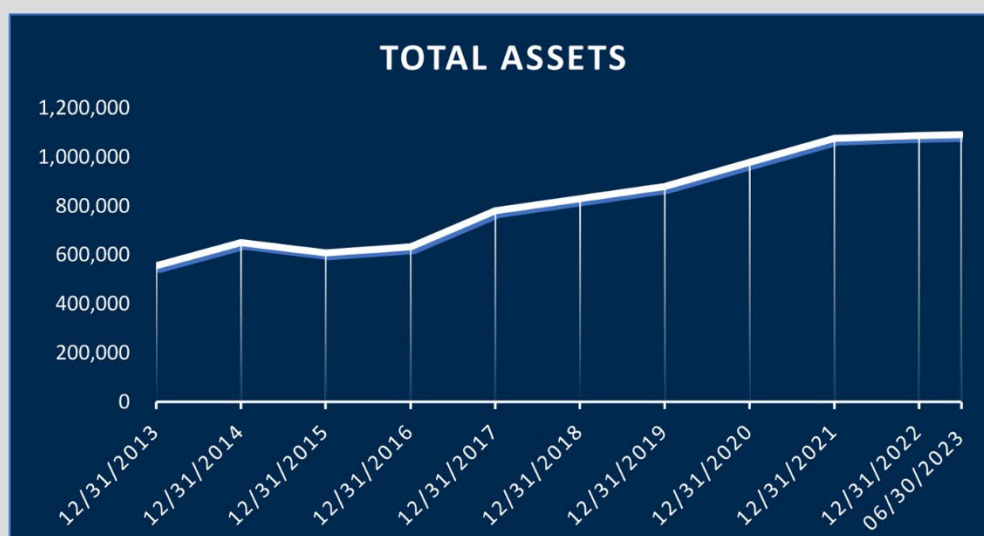
The continued accomplishments of your Company are the undeniable result of the ongoing efforts of our dedicated team members and Board of Directors in implementing our Strategic Plan. Their efforts and our strong corporate values of respect for, and accountability to, our shareholders, clients, colleagues, 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,

President and CEO

Financial Report (Unaudited)

	June 30, 2023	December 31, 2022
Cash and cash equivalents	\$64,392,000	\$30,680,000
Securities	253,213,000	285,146,000
Loans	690,553,000	687,545,000
Less allowance for loan loss	(9,347,000)	(9,401,000)
Other assets	92,867,000	93,323,000
Total Assets	\$1,091,678,000	\$1,087,293,000
Deposits	\$979,893,000	\$953,883,000
Borrowings	19,526,000	44,088,000
Other liabilities	6,300,000	6,631,000
Total Liabilities	1,005,719,000	1,004,602,000
Common stock and surplus	21,038,000	20,862,000
Retained earnings	115,361,000	112,466,000
Accumulated other comprehensive (loss) income	(36,065,000)	(38,366,000)
Treasury stock	(14,375,000)	(12,271,000)
Total shareholders' equity	85,959,000	82,691,000
Total Liabilities and Shareholders' Equity	\$1,091,678,000	\$1,087,293,000
Common shares outstanding	3,056,948	3,153,368
Book value	\$28.12	\$26.57
Tangible book value (non-GAAP)	\$18.66	\$17.71
Closing price	\$18.75	\$28.46
Allowance for credit losses to loans (end of period)	1.36%	1.66%
Loans to deposits (end of period)	70.47%	63.39%



	3 months ended June 30, 2023	3 months ended June 30, 2022	6 months ended June 30, 2023	6 months ended June 30, 2022
Interest income	\$11,840,000	\$9,252,000	\$23,023,000	\$18,018,000
Interest expense	3,408,000	571,000	6,032,000	1,134,000
Net interest income	8,432,000	8,681,000	16,991,000	16,884,000
Provision for loan losses	(70,000)	-	(96,000)	-
Net interest income after provision	8,502,000	8,681,000	17,087,000	16,884,000
Non-interest income	2,123,000	2,226,000	3,866,000	5,307,000
Non-interest expense	8,001,000	8,563,000	16,356,000	16,963,000
Income before federal income taxes	2,624,000	2,344,000	4,597,000	5,228,000
Federal income taxes	219,000	174,000	306,000	538,000
Net Income	\$2,405,000	\$2,170,000	\$4,291,000	\$4,690,000

Average common shares outstanding	3,068,605	3,279,397	3,098,891	3,278,731
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Per Share Data:

Net income (basic)	\$0.78	\$0.66	\$1.38	\$1.43
Cash dividends declared	\$0.22	\$0.21	\$0.44	\$0.42
Dividend yield (annualized)	4.67%	2.67%	4.56%	2.63%

Performance Ratios:

Return on average assets	0.88%	0.81%	0.78%	0.87%
Return on average shareholders' equity	11.12%	9.33%	10.00%	9.09%
Return on average tangible shareholders' equity	16.70%	13.57%	15.09%	12.66%
Net interest margin	3.47%	3.63%	3.50%	3.52%
Net loan charge-offs (recoveries) as a percentage of average outstanding net loans	-0.01%	-0.02%	-0.01%	-0.01%

Dividend Per Share



Community Connections



Community Connections



United Bancshares, Inc

Directors

Robert L. Benroth
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

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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.

UNITED BANCSHARES, INC.

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