



UNITED BANCSHARES, INC. ANNOUNCES FOURTH QUARTER AND FULL YEAR 2023 RESULTS AND \$0.22 DIVIDEND

COLUMBUS GROVE, Ohio, January 18, 2024 (GLOBE NEWSWIRE) – United Bancshares, Inc. (OTCQX: UBOH)

- Quarterly cash dividend declared of \$0.22 per share for shareholders of record on February 29, 2024, payable on March 15, 2024. This dividend is up 4.76% from the prior year comparable period. Based on the average closing price for the fourth quarter, this is a 4.99% dividend yield.
- Net income of \$2.3 million or \$0.77 per share for the 2023 fourth quarter, down from \$3.5 million or \$1.10 per share in the comparable period in 2022 (\$2.7 million or \$0.85 per share when excluding a \$1.0 million provision for credit loss reversal). YTD 2023 net income of \$8.6 million or \$2.80 per share, down from \$11.3 million or \$3.47 per share YTD 2022 (\$9.7 million or \$2.98 per share when excluding a one-time BOLI death benefit and a \$1.0 million provision for credit loss reversal).
- Return on average assets of 0.88% for the 2023 fourth quarter, down from 1.33% in the comparable period in 2022 (1.03% when excluding a \$1.0 million provision for credit loss reversal). YTD 2023 return on average assets of 0.79%, down from 1.06% YTD 2022 (0.91% when excluding a one-time BOLI death benefit and a \$1.0 million provision for credit loss reversal).
- Return on average tangible equity of 19.28% for the 2023 fourth quarter, down from 30.05% in the comparable period in 2022 (23.33% when excluding a \$1.0 million provision for credit loss reversal). YTD 2023 return on average tangible equity of 15.82%, down from 17.70% YTD 2022 (15.23% when excluding a one-time BOLI death benefit and a \$1.0 million provision for credit loss reversal).
- Net interest margin of 3.37% for the 2023 fourth quarter, down from 4.03% in the comparable period in 2022. YTD 2023 net interest margin of 3.45%, down from 3.74% YTD 2022.
- Deposits were flat year over year and loan growth of \$21.3 million represented a 4.13% annualized growth rate from December 31, 2022.
- Asset quality metrics remain strong with stable non-performing and classified loans. Charge-offs remain at historically low levels through December 31, 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



12.31.2023
QUARTERLY REPORT
OTCQX: UBOH





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

Despite the significant challenges to the banking industry throughout 2023, I am pleased to report that your Company had a successful year. In addition to reporting income before taxes of approximately \$9.3 million and return on average tangible equity of 15.82%, your Company continued to focus on serving our communities. As a result of these successes, the Board of Directors declared a \$0.22 per share quarterly dividend payable on March 15th for shareholders of record on February 29th.

While earnings were negatively impacted by cost inflation, shrinking margins, severely limited residential mortgage activity, tightening of the labor force and economic uncertainties, your Company minimized the impact by reducing non-interest expenses by over \$2.5 million, reduced outstanding shares by 242,756 over the last 18 months through repurchasing efforts, and restrained from making loans until rates reached profitable levels. Selectively growing the loan portfolio in the first half of 2023 has positioned the Bank to have capital for share repurchases and to obtain more profitable loans at the end of 2023, thereby saving quality loan growth capacity for 2024, while many peers start the year with less liquidity.

In 2024, we plan to make investments in technology to create internal efficiencies, reduce risk of fraud, and enhance customer tools and resources. Such investments are expected to yield positive results in our cost structure and in customers' ease in the use of our technology-based products. We believe that effectively implementing technology will promote growth and provide the opportunity to increase the effectiveness of our team members in serving our clients.

While we expect the headwinds to continue to have a negative impact on our industry's earnings throughout 2024, we believe that continued focus on cost controls, new loan originations and upward repricing of existing 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.

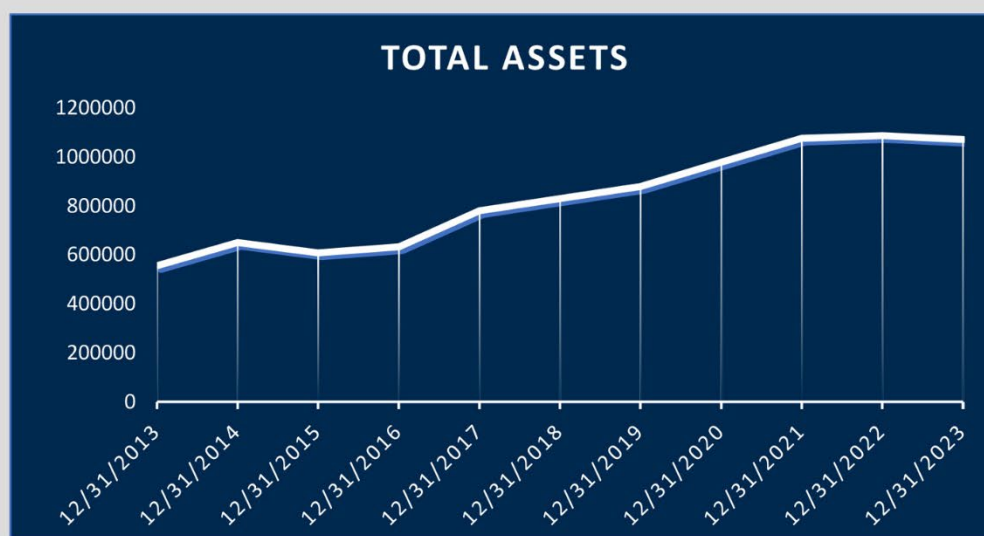
Respectfully,

A handwritten signature in black ink that reads 'Brian D. Young'.

President and CEO

Financial Report (Unaudited)

	December 31, 2023	December 31, 2022
Cash and cash equivalents	\$26,915,000	\$30,680,000
Securities	253,588,000	285,146,000
Loans	708,828,000	687,545,000
Less allowance for loan loss	(8,876,000)	(9,401,000)
Other assets	91,043,000	93,323,000
Total Assets	\$1,071,498,000	\$1,087,293,000
Deposits	\$952,845,000	\$953,883,000
Borrowings	18,043,000	44,088,000
Other liabilities	6,686,000	6,631,000
Total Liabilities	977,574,000	1,004,602,000
Common stock and surplus	21,109,000	20,862,000
Retained earnings	118,300,000	112,466,000
Accumulated other comprehensive (loss) income	(30,658,000)	(38,366,000)
Treasury stock	(14,827,000)	(12,271,000)
Total shareholders' equity	93,924,000	82,691,000
Total Liabilities and Shareholders' Equity	\$1,071,498,000	\$1,087,293,000
Common shares outstanding	3,036,757	3,153,368
Book value	\$30.93	\$26.22
Tangible book value (non-GAAP)	\$21.43	\$17.03
Closing price	\$19.26	\$18.72
Allowance for credit losses to loans (end of period)	1.26%	1.38%
Loans to deposits (end of period)	74.16%	71.66%



	3 months ended Dec 31, 2023	3 months ended Dec 31, 2022	12 months ended Dec 31, 2023	12 months ended Dec 31, 2022
Interest income	\$12,203,000	\$10,798,000	\$47,201,000	\$38,942,000
Interest expense	4,261,000	1,327,000	14,094,000	3,258,000
Net interest income	7,942,000	9,471,000	33,107,000	35,684,000
Provision for loan losses	(298,000)	(1,000,000)	(391,000)	(1,000,000)
Net interest income after provision	8,240,000	10,471,000	33,498,000	36,684,000
Non-interest income	1,752,000	1,824,000	7,375,000	9,954,000
Non-interest expense	7,421,000	8,286,000	31,584,000	34,114,000
Income before federal income taxes	2,571,000	4,009,000	9,289,000	12,524,000
Federal income taxes	231,000	475,000	683,000	1,214,000
Net Income	\$2,340,000	\$3,534,000	\$8,606,000	\$11,310,000
Average common shares outstanding	3,035,282	3,213,692	3,072,468	3,259,924
Per Share Data:				
Net income (basic)	\$0.77	\$1.10	\$2.80	\$3.47
Cash dividends declared	\$0.22	\$0.21	\$0.88	\$0.84
Dividend yield (annualized)	4.99%	4.48%	4.60%	3.18%
Performance Ratios:				
Return on average assets	0.88%	1.33%	0.79%	1.06%
Return on average shareholders' equity	12.09%	18.59%	10.33%	12.23%
Return on average tangible shareholders' equity	19.28%	30.05%	15.82%	17.70%
Net interest margin	3.37%	4.03%	3.45%	3.74%
Net loan charge-offs (recoveries) as a percentage of average outstanding net loans	0.00%	0.00%	-0.01%	-0.01%

Dividend Per Share



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

(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.

UNITED BANCSHARES, INC.

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