UNITED BANCSHARES, INC. ANNOUNCES SECOND QUARTER 2026 RESULTS AND $0.26 DIVIDEND

COLUMBUS GROVE, Ohio, July 22, 2026 (GLOBE NEWSWIRE) – United Bancshares, Inc. (OTCQX: UBOH)

- Quarterly cash dividend of $0.26 per share for shareholders of record on August 31, 2026, payable on September 15, 2026. This represents a 13% increase from same quarter in 2025.

- Issued a $30 million Subordinated Debt Offering, successfully leveraging this capital at the bank into approximately $250 million in increased investment security balances, generating additional marginal income.

- Executed an approximate $40 million sale of investment securities for a one-time loss of $3.8 million pre-tax and $3.0 million post-tax, effectively redeploying those funds into higher yielding securities at market rate.

- Company reported net income of $1.7 million ($.61/share) for the second quarter of 2026. With the exclusion of the securities loss and any related leverage in the second quarter, management estimates that your company would have generated approximately $4.5 million ($1.64/share). The Company reported YTD 2026 net income of $5.3 million or $1.94 per share.

- Company reported return on tangible capital of 8.3% and 13.1% for the second quarter and first half of 2026.

- Net interest margin of 4.00% for the second quarter of 2026, an increase from 3.71% in the comparable period in 2025. YTD 2026 net interest margin of 4.00%, is up from 3.65% YTD 2025.

- Loan growth of $38.4 million, an annualized growth rate of 9.30% from December 31, 2025.

- Deposits increased $133.8 million, inclusive of $41.9 million of brokered deposits, a short-term commercial deposit of $51.9 million, and fluctuations in state deposit programs totaling $12.3 million, resulting in core deposit growth of $28.7 million or 5.85% annualized growth from December 31, 2025.

- Asset quality metrics remain strong with stable non-performing and classified loans. Charge-offs remain at low levels through June 30, 2026.

Non-GAAP Financial Measures

This release contains certain non-GAAP financial measures, including return on average tangible equity. Tangible equity is defined as total shareholders’ equity less goodwill and other intangible assets. Management believes these measures provide meaningful supplemental information to assess performance and capital adequacy and are useful to investors; however, they should not be viewed as a substitute for GAAP measures.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, to the extent applicable, including statements regarding future financial and operating results, loan and deposit growth, net interest margin, asset quality, capital, dividends, and strategy. Forward-looking statements can be identified by words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “estimates,” “projects,” “may,” “will,” “should,” “could,” “would,” and similar expressions. Forward-looking statements are based on current expectations and assumptions as of the date of this release and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied. Factors that could cause actual results to differ include, among others: changes in interest rates and inflation; changes in monetary policy or actions by the Federal Reserve; competitive pressures; credit quality and economic conditions in our markets; liquidity and funding conditions; the ability to maintain or increase dividends at current levels; the ability to achieve projected loan and deposit growth; changes in capital requirements; cybersecurity incidents and technology failures; regulatory and accounting developments; and other risks described in the Company’s public disclosures. The Company undertakes no obligation to update any forward-looking statements, except as required by law. These cautionary statements qualify all forward-looking statements attributable to the Company or persons acting on its behalf, whether written or oral.

About United Bancshares, Inc.

United Bancshares, Inc. (OTCQX: UBOH) is a financial holding company headquartered in Columbus Grove, Ohio, and the parent company of The Union Bank Company. United Bancshares’ common stock trades on the OTCQX Best Market under the symbol “UBOH.”

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 14 full-service branch locations across Northwest and Central Ohio, including Bowling Green, Columbus Grove, Delphos, Findlay, Gibsonburg, Kalida, Leipsic, Lewis Center, Lima, Marion, Ottawa, Paulding and Pemberville. We have Interactive Teller Machines (ITMs) located at all of our branch locations with additional ITM only locations in Lima, Marion, and Paulding. The Union Bank Company is headquartered in Columbus Grove, Ohio, and remains committed to providing the 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

SHAREHOLDERS, CLIENTS AND TEAM MEMBERS:

I am pleased to report that the Company had a strong first half of 2026. During the second quarter, the Company made several decisions to reposition the balance sheet and leverage additional capital to enhance earnings and provide capital for future opportunities.

To accomplish these goals, the Company issued $30 million in subordinated debt and subsequently transferred $27 million to Union Bank, its wholly owned subsidiary. The Bank leveraged that capital into approximately $250 million in increased investment security balances to generate additional net interest income. We used several balance sheet liability funding structures and purchased derivatives to keep the bank's interest rate risk profile consistent with its pre-leverage balance sheet position. The strategy will allow for a cost-effective deleveraging approach if capital is needed for growth or expansion. In conjunction with that strategy, the Bank sold approximately $40 million in investment securities for a one-time pre-tax loss of $3.8 million and invested those funds in higher-yielding investments. While this loss negatively affected the quarter it positions the Company for increased earnings potential and flexibility, with capital available for future opportunities.

Financial Performance Highlights. As a result of these decisions and continued growth in core relationships, the Bank reported net income and return on tangible capital of $1.7 million ($.61/share) and 8.3% for the second quarter of 2026, and $5.3 million ($1.94/share) and 13.1% for the first half of 2026, respectively. With the exclusion of the investment securities loss and any net margin from the leverage strategy, management estimates that the Company would have generated approximately $4.5 million ($1.64/share) for the second quarter. During the first half of 2026, the Company reported $38.4 million in loan growth (9.30% annualized) and $28.7 million in core deposit growth (5.85% annualized). Including brokered deposits ($41.9 million), a reduction in state deposits from Home Buyer Plus (-$8.2 million), an increase in state deposits from the Buckeye Business Advantage ($20.5 million), and a large, short-term commercial deposit ($51.0 million), reported deposits increased $133.8 million. Net interest margin also improved to 4.0% from 3.71% compared to the second quarter of 2025. While credit quality remained stable, the Company did allocate $101,000 to provision for credit losses primarily as the result of the noted loan growth.

Share Repurchase Program. As the Company continues to report positive movement in many of our financial metrics, we continue to believe that repurchasing our shares at appropriate levels brings long-term value to our shareholders. Throughout the first half of 2026, UBOH shares closed on the OTCQX market at an average price of $37.49 per share and closed the second quarter at $38.00 per share. If your investment strategy has changed or you would simply like to use your capital for another purpose, we encourage you to contact the Company. By contacting us directly, you may benefit from a negotiated price, avoid brokerage commissions or fees, and experience a faster and simpler transaction process. Any share repurchase is entirely voluntary for both the shareholder and the Company. If you are interested in discussing a potential repurchase of your shares, please contact me directly:
Brian D. Young, President & CEO | Phone: 419-879-6111

As a result of the Company's performance and a detailed review of the Company's capital position, earnings and risk profile, the Board of Directors declared a $0.26 per share quarterly dividend, a 13% increase from the same quarter last year, payable on September 15th for shareholders of record on August 31st.

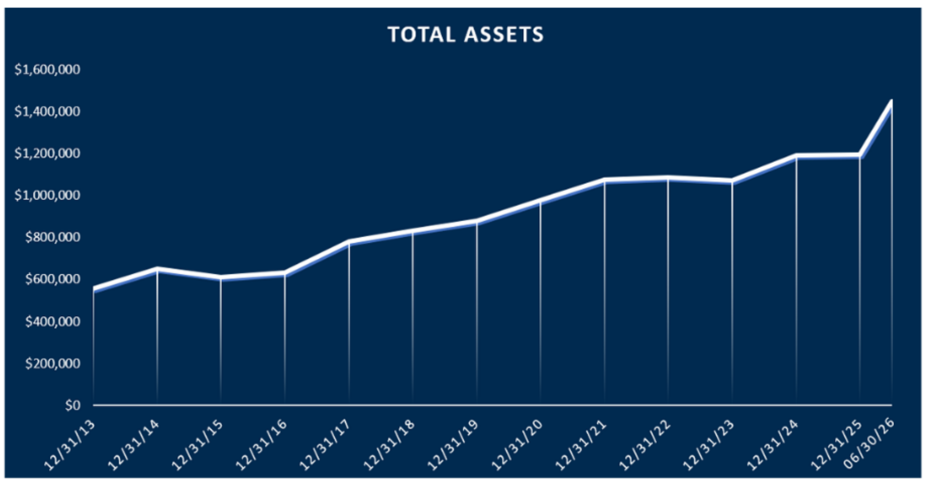
And most importantly, thank you for your investment in United Bancshares, Inc., your ongoing support, and the trust you have placed in us. We are committed to adding financial value to your investment while improving the lives of those we serve.

Respectfully,

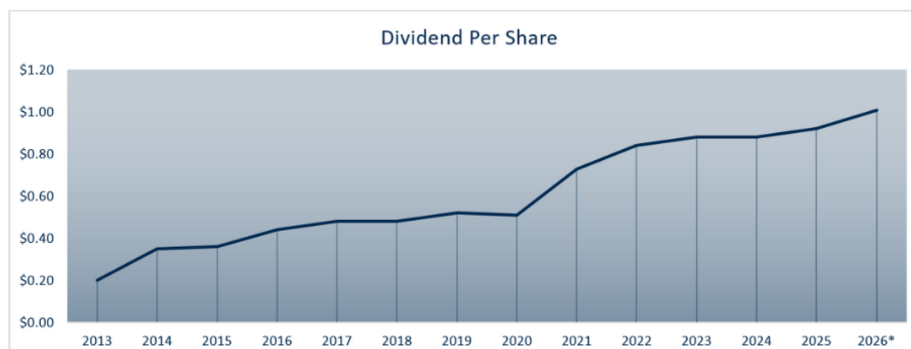
Brian D. Young
President & CEO

FINANCIAL REPORTS (UNAUDITED)

	June 30, 2026	December 31, 2025
Cash and cash equivalents	$ 57,893,000	$ 51,833,000
Securities	435,962,000	227,895,000
Loans	863,514,000	825,129,000
Less allowance for credit losses	(9,012,000)	(8,630,000)
Other assets	99,159,000	97,170,000
Total Assets	**$1,447,516,000**	**$1,193,397,000**
Deposits	$1,189,541,000	$1,055,736,000
Borrowings	138,364,000	16,568,000
Other liabilities	9,064,000	7,431,000
Total Liabilities	1,336,969,000	1,079,735,000
Common stock and surplus	22,496,000	22,326,000
Retained earnings	138,125,000	134,117,000
Accumulated other comprehensive (loss) income	(21,811,000)	(24,776,000)
Treasury stock	(28,263,000)	(18,005,000)
Total shareholders' equity	110,547,000	113,662,000
Total Liabilities and Shareholders' Equity	**$1,447,516,000**	**$1,193,397,000**
Common shares outstanding	2,714,656	2,954,518
Book value	$40.72	$38.47
Tangible book value (non-GAAP)	$30.07	$28.76
Closing price	$38.00	$43.02
Allowance for credit losses to loans (end of period, excluding LHFS)	1.05%	1.05%
Loans to deposits	72.59%	78.16%



	3 months ended June 30, 2026	3 months ended June 30, 2025	6 months ended June 30, 2026	6 months ended June 30, 2025
Interest income	$17,243,000	$14,546,000	$32,087,000	$28,730,000
Interest expense	5,251,000	4,643,000	9,294,000	9,284,000
Net interest income	11,992,000	9,903,000	22,793,000	19,446,000
Provision for credit losses	101,000	235,000	390,000	328,000
Net interest income after provision	11,891,000	9,668,000	22,403,000	19,118,000
Non-interest income	(2,117,000)	1,803,000	47,000	3,604,000
Non-interest expense	8,163,000	7,958,000	16,639,000	16,082,000
Income before federal income taxes	1,611,000	3,513,000	5,811,000	6,640,000
Federal income taxes	(60,000)	387,000	462,000	722,000
Net Income	**$1,671,000**	**$3,126,000**	**$5,349,000**	**$5,918,000**
Average common shares outstanding	2,738,914	2,974,300	2,761,472	2,971,732
Per Share Data:				
Net income (basic)	$0.61	$1.05	$1.94	$1.99
Cash dividends declared	$0.26	$0.23	$0.51	$0.46
Performance Ratios:				
Return on average assets	0.50%	1.04%	0.84%	0.99%
Return on average tangible shareholders' equity	8.26%	17.33%	13.06%	16.56%
Net interest margin	4.00%	3.71%	4.00%	3.65%
Credit Quality and Other Ratios:				
Net loan charge-offs (recoveries) as a percentage of average outstanding net loans	0.01%	0.00%	0.02%	(0.06%)



*Annualized

SUPPORTING OUR COMMUNITIES

As a community bank, we truly believe in giving back to our communities through financial commitments and team member volunteer efforts.

2026 ANNUAL GIVING - YEAR-TO-DATE

$60,790 donated back to our communities

74 local organizations




United Bancshares, Inc

Directors

Robert L. Benroth
Herbert H. Huffman III
Kevin L. Lammon
R. Steven Unverferth
Brian D. Young, Chairman

Officers

Brian D. Young, President/CEO
Jane M. Wood, Secretary
Klint D. Manz, CFO

The Union Bank Co.

Directors

Robert L. Benroth
Anthony M. V. Eramo
Herbert H. Huffman III
Kevin L. Lammon
John P. Miller
William R. Perry
Carol R. Russell
R. Steven Unverferth
Brian D. Young, Chairman

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.

Locations

SCAN ME