

FIRST NILES FINANCIAL, INC. ANNOUNCES THIRD QUARTER 2025 EARNINGS

Niles, Ohio, November 7, 2025 - First Niles Financial, Inc. (OTCID: FNFI), the holding company for Home Federal Savings and Loan Association of Niles today reported results for the three month and nine-month periods ended September 30, 2025.

The Company recorded net income of \$297,000 for the three months ended September 30, 2025, compared to net income of \$332,000 for the same period in 2024, a decrease of \$35,000. For the nine months ended September 30, 2025, the Company recorded net income of \$484,000, compared to net income of \$686,000 for the same period in 2024, a decrease of \$202,000, or 29.4%.

Primary earnings per share for the three and nine months ended September 30, 2025 were \$0.20 and \$0.33, respectively, as compared to \$0.25 and \$0.51 for the three month and nine-month comparative periods in 2024.

Net interest income after the provision for loan losses for the third quarter of 2025 was \$830,000, compared to \$751,000 for the third quarter of 2024, an increase of \$79,000, or 10.5%. For the nine months ended September 30, 2025, net interest income after the provision for loan losses totaled \$2.57 million, or \$275,000 greater than the comparative period in 2024.

Non-interest income for the third quarter of 2025 was \$1.64 million, as compared to \$1.58 million for the third quarter of 2024, an increase of \$63,000. For the nine months ended September 30, 2025, non-interest income totaled \$4.05 million compared to \$3.57 million for the same nine-month period in 2024, an increase of \$477,000. The change in non-interest income in both comparative periods presented was primarily attributable to fluctuating revenue from mortgage banking activities at the Union Capital Mortgage Corporation subsidiary.

Non-interest expense was \$2.10 million for the third quarter of 2025, as compared to \$1.89 million in the comparative quarter one year ago. Non-interest expense for the current nine-month period was \$5.98 million as compared to \$4.97 million, for the same period one year ago. The increase in non-interest expense in both comparative periods was primarily related to the increased cost of mortgage banking activities at the Union Capital Mortgage Corporation subsidiary.

Non-performing loans, consisting of non-accruing loans and accruing loans delinquent more than 90 days totaled \$869,000 at September 30, 2025, or 0.8% of net loans receivable. The allowance for loan losses totaled \$933,000 at September 30, 2025, representing 107.4% of non-performing loans and 0.9% of net loans receivable. At December 31, 2024, the allowance for loan losses totaled \$1.0 million, representing 112.7% of non-performing loans and 1.0% of net loans receivable. At September 30, 2025 we had no real estate owned, which was unchanged from December 31, 2024.

At September 30, 2025, total assets were \$159.3 million compared to \$156.4 million at December 31, 2024, an increase of \$2.9 million, or 1.9%. Net loans receivable totaled \$101.7 million at September 30, 2025, as compared to \$103.3 million at December 31, 2024, a decrease of \$1.6 million, or 1.6%. Deposits were \$87.5 million at September 30, 2025, as compared to \$83.6 million at December 31, 2024, an increase of \$3.9 million, or 4.6%.

Total equity at September 30, 2025, was \$17.0 million, \$2.9 million higher than at December 31, 2024. This increase was primarily attributable to a \$2.1 million capital raise, resulting in the issuance of treasury shares, that was completed in the second quarter of 2025. At September 30, 2025, the Association significantly exceeded all regulatory capital requirements.

First Niles Financial, Inc. and its wholly owned subsidiary, Home Federal Savings and Loan Association of Niles, may from time to time make written or oral forward-looking statements within the meaning of federal securities laws. These forward-looking statements may also be included in press releases, such as this one, and other communications by the company, which are made in good faith by us pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

These forward-looking statements include statements about our beliefs, plans, objectives, goals, expectations, anticipations, estimates and intentions, that are subject to significant risk and uncertainties, and are subject to change based on various factors (some of which are beyond our control). The words may, could, should, would, believe, anticipate, estimate, expect, intend, plan and similar expressions are intended to identify forward-looking statements. Except as required by law or regulation, the Company disclaims any obligation to update such forward-looking statements.

First Niles Financial, Inc. is headquartered at 55 North Main Street, Niles, Ohio 44446.

FOR IMMEDIATE RELEASE

For Further Information Contact:

November 7, 2025

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Selected Financial Condition Data
(In thousands, except per share data)

	September 30, 2025	December 31, 2024
Selected Financial Condition Data:		
Total assets	\$ 159,299	\$ 156,381
Loans held for investment	101,703	103,313
Loans held for sale	20,083	16,134
Securities (AFS) at market	15,316	15,145
Securities (HTM) at cost	1,250	1,250
Deposits	87,454	83,581
Total borrowings	52,527	56,448
Retained earnings	14,351	14,136
Common Stock and paid in capital	6,275	6,668
Total equity	17,037	14,167
Book value per share	\$ 10.92	\$ 10.46

Selected Financial Condition Data
(In thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Selected Operations Data:				
Interest Income	\$ 1,980	\$ 1,890	\$ 5,997	\$ 5,548
Interest Expense	1,163	1,138	3,518	3,303
Provision for loan losses	(13)	1	(93)	(52)
Net interest income after provision	830	751	2,572	2,297
Total noninterest income	1,642	1,579	4,049	3,572
Total noninterest expense	2,100	1,888	5,978	4,968
Income before taxes	372	442	643	901
Income tax provision	75	110	159	215
Net income	\$ 297	\$ 332	\$ 484	\$ 686
Earnings per share – basic	\$ 0.20	\$ 0.25	\$ 0.33	\$ 0.51
Earnings per share – diluted	\$ 0.20	\$ 0.25	\$ 0.33	\$ 0.51