

FIRST NILES FINANCIAL, INC. ANNOUNCES FIRST QUARTER 2026 EARNINGS

Niles, Ohio, April 27, 2026 - 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 period ended March 31, 2026.

The Company recorded net income for the three months ended March 31, 2026 of \$242,000 compared to \$88,000 for the same period in 2025, an increase of \$154,000. Return on average assets for the quarter ended March 31, 2026, was 0.62 percent as compared to 0.22 percent in the comparative quarter one year ago. Primary earnings per share for the three months ended March 31, 2026 was \$0.16, an increase of \$0.10 from the same period in 2025.

Net interest income after the provision for loan losses for the first quarter of 2026 totaled \$872,000, compared to \$865,000 for the first quarter of 2025, an increase of \$7,000. Total interest income was \$1.92 million for the three months ended March 31, 2026, an \$84,000 decrease from the same period in 2025. Interest expense for the three months ended March 31, 2026, was \$1.08 million, an \$85,000 decrease from the same period one year prior. The provision for loan losses for the quarter ended March 31, 2026, was negative \$35,000 as compared to negative \$29,000 for the comparative quarter one year ago.

Non-interest income for the first quarter of 2026 was \$1.68 million, as compared to \$1.12 million for the same period in 2025, an increase of \$562,000, or 50.3%. The increase in non-interest income was primarily attributable to an increase in revenue from mortgage banking activities at the Union Capital Mortgage Corporation subsidiary.

Non-interest expense for the first quarter of 2026 was \$2.21 million, compared to \$1.87 million for the first quarter of 2025, an increase of \$338,000, or 18.1%. The increase in non-interest expense was directly related to the volume of loan originations and operations of Union Capital Mortgage Corporation.

Non-performing loans, consisting of non-accruing loans and accruing loans delinquent more than 90 days totaled \$852,000 at March 31, 2026, or 0.8% of net loans receivable, a decrease of \$14,000 from December 31, 2025. The allowance for credit losses totaled \$844,000 at March 31, 2026, representing 99.1% of non-performing loans and 0.8% of net loans receivable. At December 31, 2025, the allowance for loan losses represented 101.5% of non-performing loans and 0.9% of net loans receivable. At March 31, 2026, we had no real estate owned, unchanged from December 31, 2025.

At March 31, 2026, total assets were \$158.8 million, compared to \$156.6 million at December 31, 2025, an increase of \$2.1 million, or 1.4%. Net loans receivable totaled \$101.2 million at March 31, 2026, as compared to \$100.2 million at December 31, 2025, an increase of \$990,000, or 1.0%. Deposits were \$88.1 million at March 31, 2026, \$12,000 higher than at December 31, 2025. Total borrowings were \$51.0 million at March 31, 2026, \$2.0 million greater than December 31, 2025.

Total equity at March 31, 2026, was \$17.4 million, \$62,000 greater than December 31, 2026; the increase in total equity was primarily attributable to a \$148,000 increase in retained earnings, partially offset by an \$86,000 increase in net unrealized losses on securities available for sale. At March 31, 2026, 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:

April 27, 2026

Daniel E. Csontos, Chief Executive Officer
Kellie Krych, Chief Financial Officer
First Niles Financial, Inc.
55 N. Main Street
Niles, Ohio 44446
(330) 652-2539

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

	March 31, 2026	December 31, 2025
<u>Selected Financial Condition Data:</u>		
Total assets	\$ 158,788	\$ 156,642
Loans held for investment	101,196	100,236
Loans held for sale	23,197	18,916
Securities (AFS) at market	14,896	15,176
Securities (HTM) at cost	500	750
Deposits	88,117	88,105
Total borrowings	51,027	49,026
Retained earnings	14,764	14,617
Common Stock and paid in capital	6,275	6,275
Total equity	17,431	17,369
Book value per share	\$ 11.17	\$ 11.13

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

**Three Months Ended
March 31,**

	2026	2025
<u>Selected Operations Data:</u>		
Interest Income	\$ 1,915	\$ 1,999
Interest Expense	1,078	1,163
Provision for loan losses	(35)	(29)
Net interest income after provision	872	865
Total noninterest income	1,680	1,118
Total noninterest expense	2,206	1,868
Income before taxes	347	115
Income tax provision	105	27
Net income	\$ 242	\$ 88
Earnings per share – basic	\$ 0.16	\$ 0.06
Earnings per share – diluted	\$ 0.16	\$ 0.06