

Croghan Colonial Bank Banking Centers

Fremont Main
419.332.7301

Maumee LPO
419.794.9399

Fremont Ballville
419.355.2361

Monroeville
419.465.2596

Fremont East
419.355.2342

Norwalk
419.668.2507

Fremont North
419.334.7188

Oak Harbor
419.898.5741

Fremont West
419.355.2352

Oregon
419.691.6264

Bellevue
419.483.2541

Port Clinton Catawba
419.732.6150

Clyde
419.547.9525

Port Clinton Downtown
419.734.5600

Curtice
419.836.7722

Tiffin Downtown
419.447.8777

Green Springs
419.639.2323

Tiffin Westgate
419.447.2250



QUARTERLY REPORT December 31, 2020



January 2021

Letter to our Shareholders:

4th quarter 2020 update includes:

- Record Net Income in 2020 totaled \$13,719,000, an increase of 9.6% from 2019 levels
- Increased cash dividend of \$.02 this quarter; now at \$0.52 per share
- Thoughts on banking during a pandemic

Croghan Bancshares, Inc. and Croghan Colonial Bank just recorded our best year ever in our 133-year history. Our performance and financial strength have been noticed by industry professionals, as evidenced by the Boening and Scattergood article included with this newsletter. This article can also be found on our website, www.croghan.com. We are very proud of this recognition and hope you will share our good news with others! We ended the year with over \$1 Billion in assets, which is a milestone also worth celebrating. We have been able to grow throughout our communities and are a proud partner with many people and businesses in our market area. Net Income for 2020 was \$13,719,000, which is up \$1,197,000 over last year, or 9.6%. Per share net income was \$6.12, resulting in a 1.41% ROAA and 10.45% ROAE. Some of the key drivers for our performance came from mortgage originations and fees paid by the Small Business Administration thru the Paycheck Protection Program loans. Our wealth management division also had a good year despite fears associated with the pandemic that gripped the markets during the year. It was great to see that when fear did come to the markets, we saw higher levels of interest in our wealth management services. It does show that we are a trusted advisor for many, especially during times of stress.

We continue to grow our very strong capital base and with our record levels of net income, we were able to increase our cash dividend this quarter by \$.02 to \$.52 per share. The dividend this quarter is payable on January 29, 2021, to shareholders of record as of January 8, 2021. The dividends declared for 2020 totaled \$2.00, an increase of \$.12 per share over 2019 total of \$1.88. We understand the importance of dividends and are pleased to provide shareholders with an approximate 4.0% dividend yield based on current trading prices.

It is clear we enjoyed a great year financially in 2020. Looking back, it would not seem likely that any bank would fare so well during a pandemic, yet past planning and real-time adaption positioned us to perform well in changing banking environments. Our strong capital levels, along with an energetic and dedicated group of employees, have shown how we can achieve great things despite any obstacle 2020 threw at us. Many of the challenges we experienced in 2020 are expected to continue into 2021. We continue to have limited lobby hours and access due to the disruption of the pandemic. We have many employees working from home and holding appointments virtually when needed. We are primarily a relationship business, so human interaction is vital to building the trust our clients deserve. We have had success by adjusting to a new way of doing business but look forward to getting back to meeting with you in person soon.

Given where we are with the pandemic, our annual shareholder meeting will most likely again be held virtually. Please be on the lookout for the annual meeting info along with the annual report coming soon. Thank you for your continued support!

A handwritten signature in blue ink that reads 'Kendall Rieman'.

Kendall Rieman
President & CEO



<https://www.facebook.com/CroghanColonial/>



<https://www.linkedin.com/company/croghan-colonial-bank/>

Financial Information (unaudited)	Year to Date		Three Months Ended	
	12/31/20	12/31/19	12/31/20	12/31/19
CONDENSED STATEMENT OF OPERATIONS				
Interest income	\$ 38,583,000	\$ 37,590,000	\$ 10,056,000	\$ 9,661,000
Interest expense	2,692,000	4,325,000	553,000	984,000
Net interest income	35,891,000	33,265,000	9,503,000	8,677,000
Provision for loan losses	2,475,000	825,000	750,000	250,000
Net interest income after provision for loan losses	33,416,000	32,440,000	8,753,000	8,427,000
Other non-interest income	8,290,000	7,243,000	2,328,000	1,660,000
Non-interest expenses	25,122,000	24,673,000	6,434,000	6,263,000
Income before federal income taxes	16,584,000	15,010,000	4,647,000	3,824,000
Federal income taxes	2,865,000	2,488,000	846,000	697,000
Net income	\$ 13,719,000	\$ 12,522,000	\$ 3,801,000	\$ 3,127,000

PERIOD END BALANCES	As of	
	12/31/20	12/31/19
Cash and cash equivalents	\$ 32,461,000	\$ 20,617,000
Securities	\$ 234,371,000	\$ 166,077,000
Loans	\$ 710,526,000	\$ 637,819,000
Less allowance for loan loss	\$ 8,256,000	\$ 5,966,000
Other assets	\$ 59,350,000	\$ 58,245,000
Total assets	\$1,028,452,000	\$ 876,792,000
Deposits	\$ 814,898,000	\$ 686,847,000
Other liabilities	\$ 77,705,000	\$ 66,394,000
Stockholders' equity	\$ 135,849,000	\$ 123,551,000
Total liabilities and capital	\$1,028,452,000	\$ 876,792,000
Common shares outstanding	2,230,609	2,255,312

PER SHARE DATA (BASIC)	Year to Date	
	12/31/20	12/31/19
Net income	\$ 6.12	\$ 5.52
Cash dividends declared	\$ 2.00	\$ 1.88
Book value	\$ 60.90	\$ 54.78
Tangible book value	\$ 50.64	\$ 44.48
Closing price	\$ 52.00	\$ 53.50

FINANCIAL RATIOS	Year to Date	
	12/31/20	12/31/19
Return on average assets	1.41%	1.46%
Return on average equity	10.45%	10.31%
Net interest margin	3.99%	4.21%
Loans to deposits	87.19%	92.86%
Average common shares outstanding	2,242,404	2,270,143

Shareholder Information

Stock Listing:
 Ticker symbol: CHBH
 Find us on the OTCQX Market

Investor Relations:
 Amy LeJeune alejeune@croghan.com
 419.355.2231 or toll free 1.888.276.4426

Our Website:
www.croghan.com

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Board Of Directors	Management Team
Jim Bowlus, Lead Director	Kendall Rieman, President/CEO
Mike Allen	Dan Schloemer, EVP/CLO
John Caputo	Carrie Dickinson, SVP/CCO
Jim Dunn	Brad Elfring, SVP/Sr. Financial Officer
Jim Faist	Monika Lovewell, SVP/Trust Officer
John Hoty	Steve "Chip" VanDette, SVP/Sr. Commercial Lender
Claire Johansen	Carla Waggoner, SVP/Technology & Operations Officer
Dan Lease	Jodi Albright, VP/Fremont Regional Manager
Tom McLaughlin	Theresa Elfring, VP/Regional Manager
Al Mehlow	Wayne Nault, VP/Sr. Product Manager
Kendall Rieman	Missy Walker, VP/Retail Operations Manager
Rick Robertson	Laura Whipple, VP/Human Resource Manager

Croghan Colonial Bank

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