

Croghan Colonial Bank Banking Centers

Fremont Main
419.332.7301

Maumee
419.794.9399

Fremont Ballville
419.355.2361

Milan
567.401.0260

Fremont East
419.355.2342

Monroeville
419.465.2596

Fremont North
419.334.7188

Norwalk
419.668.2507

Fremont West
419.355.2352

Oak Harbor
419.898.5741

Bellevue
419.483.2541

Oregon
419.691.6264

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, 2021



January 2022

4th quarter update to our Shareholders:

- Record net income in 2021, totaling \$15,232,000, an increase of 11% from 2020
- Quarterly dividend of \$0.55 per share. Year-to-date dividend \$2.16, up 8%
- Director John Caputo retires

Throughout 2021, our economy and personal health were extremely challenged by Covid 19. Despite these challenges, I am pleased to report that Croghan was able to achieve a record performance with net income of \$15,232,000. This level of income produced profitability measurements of a 1.40% ROA and a 10.89% ROE. Our balance sheet size did grow in 2021 and ended the year at \$1,112,402,000. Given our record performance and strong balance sheet position, we continued to repurchase company shares. We believe that repurchasing Croghan Bancshares, Inc. stock is a good use of our capital and helps increase liquidity for our shares. In 2021, the company purchased 39,981 shares at an average price of \$60.78, and at year end, our book value increased 5% from 2020 to \$63.72 per share.

We are very pleased with the results of 2021 and there were many factors that had an impact on our results. Most of the negative effects to the economy from the negative health related issues were countered by the Federal Reserve and legislative policies. Of the policies that occurred, the SBA Paycheck Protection Program (PPP) had the largest positive impact. The positive impact from PPP has mostly been recognized and will have little benefit going forward. The Federal Reserve's policy of keeping interest rates very low and increasing liquidity in the system has been good for borrowers. However, for Croghan, having these very low rates negatively affected our net interest margin in 2021 and going into 2022. Should market rates begin to rise, we are well positioned to benefit from any increases.

Dividends for the fourth quarter will pay \$.55 per share, resulting in year to date of \$2.16, an 8% increase year over year. The fourth quarter dividend will be paid on January 31, 2022, to shareholders of record on January 14, 2022. Our stock price closed at \$64.00 at year end, which is an increase of 23% from year end 2020.

I would like to announce the retirement of John Caputo from the Board of Directors. John has been a director with Croghan for eight years and had previously been a National Bank of Oak Harbor (NBOH) Director since 1995. John has been incredibly valuable to our company, especially as he helped make the merger with NBOH in 2013 a success for all shareholders. We want to thank John for his lasting impact on Croghan. His influence and guidance will always be appreciated.

We are currently making plans for our annual meeting in May. Over the next couple of months, we will be sending out our Annual Report materials to include voting instructions. I am thankful for the success we had in 2021 but I do hope for a return to a "more normal" 2022 for all our shareholders, employees, and clients.

Thank you for your investment and trust in our company.

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	
	12/31/21	12/31/20	12/31/21	12/31/20
CONDENSED STATEMENT OF OPERATIONS				
Interest income	\$ 39,818,000	\$ 38,583,000	\$ 9,672,000	\$ 10,056,000
Interest expense	1,784,000	2,692,000	399,000	553,000
Net interest income	38,034,000	35,891,000	9,273,000	9,503,000
Provision for loan losses	825,000	2,475,000	175,000	750,000
Net interest income after provision for loan losses	37,209,000	33,416,000	9,098,000	8,753,000
Other non-interest income	8,309,000	8,290,000	2,043,000	2,328,000
Non-interest expenses	26,988,000	25,122,000	6,965,000	6,434,000
Income before federal income taxes	18,530,000	16,584,000	4,176,000	4,647,000
Federal income taxes	3,298,000	2,865,000	739,000	846,000
Net income	\$ 15,232,000	\$ 13,719,000	\$ 3,437,000	\$ 3,801,000

PERIOD END BALANCES	As of	
	12/31/21	12/31/20
Cash and cash equivalents	\$ 45,801,000	\$ 32,461,000
Securities	\$ 364,604,000	\$ 234,371,000
Loans	\$ 642,889,000	\$ 710,526,000
Less allowance for loan loss	\$ 8,769,000	\$ 8,256,000
Other assets	\$ 67,877,000	\$ 59,350,000
Total assets	\$1,112,402,000	\$1,028,452,000
Deposits	\$ 908,687,000	\$ 814,898,000
Other liabilities	\$ 63,659,000	\$ 77,705,000
Stockholders' equity	\$ 140,056,000	\$ 135,849,000
Total liabilities and capital	\$1,112,402,000	\$1,028,452,000
Common shares outstanding	2,198,013	2,230,609

PER SHARE DATA (BASIC)	Year to Date	
	12/31/21	12/31/20
Net income	\$ 6.87	\$ 6.12
Cash dividends declared	\$ 2.16	\$ 2.00
Book value	\$ 63.72	\$ 60.90
Tangible book value	\$ 53.41	\$ 50.64
Closing price	\$ 64.00	\$ 52.00

FINANCIAL RATIOS	Year to Date	
	12/31/21	12/31/20
Return on average assets	1.40%	1.41%
Return on average equity	10.89%	10.45%
Net interest margin	3.77%	3.99%
Loans to deposits	70.75%	87.19%
Average common shares outstanding	2,218,188	2,242,404

Shareholder Information

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

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

Our Website:
www.croghan.com

Follow us:



Board Of Directors	Management Team
Jim Bowlus, Lead Director	Kendall Rieman, President/CEO
Mike Allen	Brad Elfring, SVP/CFO
Jim Dunn	Carla Waggoner, SVP/Technology & Operations Officer
Jim Faist	Chip VanDette, SVP/CLO
John Hoty	Chris Kelly, SVP/CCO
Claire Johansen	Tracy Baughman, SVP/CIO/Wealth Dept. Mgr.
Dan Lease	Jodi Albright, VP/Regional Mgr.
Tom McLaughlin	Theresa Elfring, VP/Regional Mgr.
Al Mehlow	Shannon George, VP/Sr. Commercial Lender
Kendall Rieman	Wayne Nault, VP/Sr. Product Mgr.
Rick Robertson	Missy Walker, VP/Retail Operations Mgr.
Gary Zimmerman	Laura Whipple, VP/HR Mgr.

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