

QUARTERLY REPORT

October 2024



A MESSAGE FROM

KENDALL W. RIEMAN, *President/CEO*

2024 3rd quarter update includes:

- Banking and economic comments
- Financial results and a quarterly cash dividend of \$0.58 per share
- CHBH price and returns

The banking sector reflects patterns similar to the economic outlook. While the Federal Open Market Committee has started unwinding the Fed Funds rate by .50%, there remains much uncertainty on future changes to managed rates moving forward, including timing and amounts. Banks, including Croghan, have been able to stabilize net interest margin, which is the largest contributor to overall net income. This development is positive for us and the entire banking industry. The economy has been fairly resilient producing decent growth while maintaining positive employment numbers. However, uncertainty around the impending election and geopolitical conflicts has dampened growth and consumer sentiment, reducing US economic growth. As we head into the 4th quarter, we believe that some of the uncertainties will subside and provide a clearer picture for our clients as to what can be expected in 2025. Clarity should help consumer confidence, spur economic growth, and provide Croghan with additional opportunities for growth.

The financial results for Croghan year-to-date show net income totaling \$7,720,000, producing a ROA of .93%. We again chose to reposition our investment portfolio during the quarter. This will help our earnings going forward, but did cause a realized pre-tax loss of \$331,000 for the quarter and year-to-date. With our net interest margin stabilizing in the 2nd quarter of 2024 and increasing during the 3rd quarter, we are optimistic that earnings will begin to improve. Year-to-date, our balance sheet is similar to where it ended 2023. We have seen modest loan growth and have been able to increase our deposit base. Both of these developments will help our future earnings potential.

We view our capital levels as strong and a source of continued strength and comfort during times of uncertainty. Our strong capital levels continue to support our dividends, and stock buy-backs that provide a strong cushion for growth and any uncertain risks that may arise going forward. For the third quarter, I am pleased to announce that our dividend amount is \$0.58 per share which is an increase of \$.01 from the previous quarters. The dividend is payable on October 31, 2024, to shareholders of record on October 11, 2024.

The closing price of CHBH on September 30, 2024 was \$46.14. The current dividend of \$.58 per quarter would yield 5.03% and our current return on average equity is 8.48%. In addition to these financial results, Croghan's also provides a benefit to our communities and clients by providing \$12.4 million in the form of interest on deposits; helping all economic activity in our communities. There are many examples of the positive benefits of a healthy community bank, so should you have questions about purchasing shares of Croghan (ticker: CHBH) please contact us at bankstock@croghan.com

The warm weather is holding on, but we all know that too shall soon change. Change is inevitable in all we do. At Croghan, we prepare and adjust as changes occur. We look forward to finishing 2024 strong and preparing for whatever 2025 may bring us. We will continue "Helping good people, make good decisions" and producing meaningful results that benefit our communities, employees, and shareholders. We hope to see you out in our communities, but if we do miss you, please find us on our Facebook or LinkedIn platforms.

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

INVESTOR RELATIONS
STOCK LISTING

Amy LeJeune

419.355.2231 | bankstock@croghan.com

Ticker Symbol: CHBH

On The OTCQB Market

FINANCIAL INFORMATION *(unaudited)*

PERIOD END BALANCES

	As of 09/30/24	As of 12/31/23
Cash and cash equivalents	\$ 50,818,000	\$ 37,358,000
Securities	\$ 312,530,000	\$ 301,999,000
Loans	\$ 724,169,000	\$ 713,009,000
Less allowance for loan loss	\$ 8,856,000	\$ 8,869,000
Other assets	\$ 69,542,000	\$ 74,631,000
Total assets	\$ 1,148,203,000	\$ 1,118,128,000
Deposits	\$ 934,815,000	\$ 887,202,000
Other liabilities	\$ 82,988,000	\$ 111,269,000
Total liabilities	\$ 1,017,803,000	\$ 998,471,000
Net valuation allowance-securities	\$ (21,293,000)	\$ (28,479,000)
Retained earnings	\$ 125,829,000	\$ 121,718,000
Other equity	\$ 25,864,000	\$ 26,418,000
Total capital	\$ 130,400,000	\$ 119,657,000
Total liabilities and capital	\$ 1,148,203,000	\$ 1,118,128,000
Common shares outstanding	2,094,441	2,105,752

CONDENSED STATEMENT OF OPERATIONS

	Year to Date		Three Months Ended	
	09/30/24	09/30/23	09/30/24	09/30/23
Interest income	\$ 39,407,000	\$ 35,077,000	\$ 13,825,000	\$ 12,238,000
Interest expense	13,352,000	7,772,000	4,735,000	3,223,000
Net interest income	26,055,000	27,305,000	9,090,000	9,015,000
Provision for loan losses	-	50,000	-	-
Net interest income after provision for loan losses	26,055,000	27,255,000	9,090,000	9,015,000
Other non-interest income	5,964,000	5,191,000	1,714,000	1,815,000
Loss on sale of securities	(331,000)	(497,000)	(331,000)	(256,000)
Non-interest expenses	22,233,000	21,594,000	7,419,000	7,401,000
Income before federal income taxes	9,455,000	10,355,000	3,054,000	3,173,000
Federal income taxes	1,735,000	1,780,000	603,000	576,000
Net income	\$ 7,720,000	\$ 8,575,000	\$ 2,451,000	\$ 2,597,000

PER SHARE DATA (BASIC)

	Year to Date	
	09/30/24	09/30/23
Net income	\$ 3.67	\$ 4.01
Cash dividends declared	\$ 1.72	\$ 1.71
Book value	\$ 62.26	\$ 51.77
Tangible book value	\$ 51.56	\$ 41.15
Closing price	\$ 46.14	\$ 46.32
Average common shares outstanding	2,101,223	2,140,535

FINANCIAL RATIOS

	Year to Date	
	09/30/24	09/30/23
Return on average assets	0.93%	1.03%
Return on average equity	8.48%	10.04%
Net interest margin	3.23%	3.37%
Loans to deposits	77.47%	79.23%