

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 September 30, 2020



October 2020

Letter to our Shareholders:

3rd quarter 2020 update includes:

- Net Income for the year totaled \$9,918,000, an increase of 5.6% from 2019 levels
- An increase to the cash dividend; now at \$0.50 per share
- Update on Croghan's business model during these times

Our company continues to do very well during these unprecedented times. The Federal Reserve, through the SBA Paycheck Protection Program and the stimulus package, pumped liquidity into the banking system. This liquidity, along with increased savings from our clients, has driven our balance sheet to run above \$1 Billion in total assets. Net income, year-to-date, was \$9,918,000, which is up \$523,000 over last year, or 5.6%. Per share net income was \$4.42 per share resulting in a 1.39% ROAA and 10.34% ROAE. Fees from originating mortgage loans in this extremely low rate environment have provided a large boost in non-interest income this year. Our Wealth Management Division has been busy as more people are interested in financial safety and in the trusted advice we provide. The challenges to continue profitability comes from a lower Net Interest Margin that is due to the low rate environment, and the provision for loans losses. The provision for loan loss for the third quarter was \$625,000 combined with prior quarters a year-to-date provision of \$1,725,000 for future losses. Despite having set aside loan loss reserves much higher than our charge-offs or troubled loan trends would suggest, our profitability remains strong. We believe it is prudent to set aside reserves during this time of continued uncertainty caused by the pandemic.

Our strong earnings and capital position have allowed us to increase our dividend by \$.01, to \$0.50 per share, payable on October 30, 2020, to shareholders of record as of October 9, 2020. The year to date dividend per share is an increase of \$0.09 or 6.5%, compared to the 2019 dividends. We are pleased to continue to return above industry dividends to our shareholders which currently result in a dividend yield of approximately 4.3% at current trading prices.

As we navigate through the pandemic we continue to monitor health guidelines to keep our employees and customers safe while maintaining expected service levels. We will adjust our restricted lobby hours as we learn more and can do so safely. We continue to be able to service any banking need at any office location via mobile and online banking, drive thru lanes, by appointment, curbside, or lobby hours.

While our data shows our clients are more than willing to utilize online and mobile products and services, we are reminded how vital it is we are in contact with our clients. To that end, we created what we call Croghan Connected. This initiative provides elite service as a result of the pandemic's restriction of face to face interactions and is the foundation of our virtual branch. We look forward to being able to grow our relationships regardless of any situation, pandemic or economic environment. Thank you for your continued support!

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	
	9/30/20	9/30/19	9/30/20	9/30/19
CONDENSED STATEMENT OF OPERATIONS				
Interest income	\$ 28,527,000	\$ 27,929,000	\$ 9,951,000	\$ 9,617,000
Interest expense	2,139,000	3,341,000	606,000	1,152,000
Net interest income	26,388,000	24,588,000	9,345,000	8,465,000
Provision for loan losses	1,725,000	575,000	625,000	225,000
Net interest income after provision for loan losses	24,663,000	24,013,000	8,720,000	8,240,000
Other non-interest income	5,962,000	5,583,000	2,163,000	2,511,000
Non-interest expenses	18,688,000	18,410,000	6,392,000	6,243,000
Income before federal income taxes	11,937,000	11,186,000	4,491,000	4,508,000
Federal income taxes	2,019,000	1,791,000	788,000	777,000
Net income	\$ 9,918,000	\$ 9,395,000	\$ 3,703,000	\$ 3,731,000

PERIOD END BALANCES

	As of	
	9/30/20	12/31/19
Cash and cash equivalents	\$ 30,908,000	\$ 20,617,000
Securities	\$ 201,828,000	\$ 166,077,000
Loans	\$ 721,908,000	\$ 637,819,000
Less allowance for loan loss	\$ 7,650,000	\$ 5,966,000
Other assets	\$ 59,846,000	\$ 58,245,000
Total assets	\$1,006,840,000	\$ 876,792,000
Deposits	\$ 809,143,000	\$ 686,847,000
Other liabilities	\$ 64,317,000	\$ 66,394,000
Stockholders' equity	\$ 133,380,000	\$ 123,551,000
Total liabilities and capital	\$1,006,840,000	\$ 876,792,000
Common shares outstanding	2,233,969	2,255,312

PER SHARE DATA (BASIC)

	Year to Date	
	9/30/20	9/30/19
Net income	\$ 4.42	\$ 4.13
Cash dividends declared	\$ 1.48	\$ 1.39
Book value	\$ 59.71	\$ 54.20
Tangible book value	\$ 49.42	\$ 43.89
Closing price	\$ 45.51	\$ 52.92

FINANCIAL RATIOS

	Year to Date	
	9/30/20	9/30/19
Return on average assets	1.39%	1.47%
Return on average equity	10.34%	10.54%
Net interest margin	4.06%	4.16%
Loans to deposits	89.22%	88.79%
Average common shares outstanding	2,245,749	2,273,719

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

Follow us:



Board Of Directors

Jim Bowlus,
Lead Director

Mike Allen

John Caputo

Jim Dunn

Jim Faist

John Hoty

Claire Johansen

Dan Lease

Tom McLaughlin

Al Mehlow

Kendall Rieman

Rick Robertson

Gary Zimmerman

Sarah Zimmerman

Management Team

Kendall Rieman,
President/CEO

Dan Schloemer,
EVP/CLO

Carrie Dickinson,
SVP/CCO

Brad Elfring,
SVP/Sr. Financial Officer

Monika Lovewell,
SVP/Trust Officer

Steve "Chip" VanDette,
SVP/Sr. Commercial Lender

Jodi Albright,
VP/Fremont Regional Manager

Theresa Elfring,
VP/Regional Manager

Wayne Nault,
VP/Sr. Product Manager

Missy Walker,
VP/Retail Operations Manager

Laura Whipple,
VP/Human Resource Manager

Croghan Colonial Bank

Corporate Office

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