

QUARTERLY REPORT

April 2025



A MESSAGE FROM

KENDALL W. RIEMAN, *President/CEO*

2025 1st quarter update includes:

- The banking environment and economic review
- Deposits grew by \$50 Million, strong net Income of \$2,613,000
- Quarterly dividend amount of \$0.58
- Board of Directors update

The beginning of 2025 started with what has been described many times with the word “uncertainty.” There are many factors at play leading to this uncertainty. From tariffs on, to tariffs off, as well as unsettling wars in the world, there are no shortages of challenges in navigating these influences on the banking industry. Here at Croghan, we have been working to isolate our balance sheet so that whatever comes of this uncertainty, we will remain strong and able to meet the needs of our communities, employees, and shareholders. Despite the uncertainty, the economy is moving along with decent growth, and though inflation is slowing, it remains a bit higher than the Federal Reserve would like to see. However, the Fed did lower managed rates late last year. Deposit rates have settled down from the recent highs as did loan rates. The lower rates normally do help spur economic growth, but that too does come with some uncertainty. Overall, the economy is growing and supporting job growth. The excellent job market has led to very low levels of unemployment which has led to our excellent loan quality and very low troubled loan levels. Wherever this uncertainty leads us, we are confident Croghan will remain a source of consistency and strength for those around us.

During the 1st quarter, Croghan experienced deposit growth of nearly \$50 million. We are pleased to be a place of safety for many depositors during uncertain times. Net income for the 1st quarter was \$2,613,000 and assets ended at \$1,183,572,000. Net income, year-over-year is down, but recall that we had a one-time gain of \$673,000 in last year’s numbers from a life insurance payout. Our expense numbers in 2025 also include some additional costs associated with technology upgrades we have been undertaking. To date, we have increased costs of \$290,000 related to these upgrades. We will continue to see elevated, one-time costs during 2025 for the upgrades to our technology. Having a strong capital position from years of strong income allows us to make these investments in our technology and still produce strong earnings. We are confident that our investments in items like technology will serve Croghan well both now and for years to come.

Our consistent track record of paying out dividends continues. The 1st quarter dividend of \$0.58 per share will be paid on April 30, 2025, to shareholders of record on April 11, 2025. Our earnings and capital levels allow Croghan to continuously pay strong dividends, and maintain a stock buyback program. Our stock buyback program is a way to provide valuable liquidity for shareholders that choose to sell their shares, with purchases totaling 253,291 shares from 2019 through March 2025. We continue to be the largest source of purchases of Croghan shares (CHBH) in the market. We believe the investment in ourselves continues to be an excellent investment for the remaining shareholders as well as providing a source of liquidity to those choosing to sell. Contact our Investor Relations Officer, Amy LeJeune, at 419-355-2231 or bankstock@croghan.com with questions or help with buying or selling Croghan shares.

Dan Lease, a valued and longtime director retired from the Board on April 30th. Dan has been a director for 31 years and we offer a heartfelt “thank you” for all he has done for Croghan. We offer our best wishes for him knowing he has left Croghan in a great place. Additionally, as a reminder, our annual shareholder meeting is May 13th, 2025, so please vote your shares as soon as possible if you have not already done so.

Yes, there is uncertainty, but we also reflect that there are many good things we have to be thankful for. Croghan is positioned to help where needed and we continue to invest in our future. We thank you for your continued support of our company and look forward to catching up with you in and around our communities.

FINANCIAL INFORMATION *(unaudited)*

PERIOD END BALANCES

	As of 03/31/25	As of 12/31/24
Cash and cash equivalents	\$ 59,557,000	\$ 36,988,000
Securities	\$ 323,535,000	\$ 316,752,000
Loans	\$ 736,365,000	\$ 734,699,000
Less allowance for credit loss	\$ 8,693,000	\$ 8,696,000
Other assets	\$ 72,808,000	\$ 71,052,000
Total assets	\$ 1,183,572,000	\$ 1,150,795,000
Deposits	\$ 994,070,000	\$ 944,102,000
Other liabilities	\$ 62,158,000	\$ 82,402,000
Total liabilities	\$ 1,056,228,000	\$ 1,026,504,000
Net valuation allowance-securities	\$ (25,051,000)	\$ (27,622,000)
Retained earnings	\$ 128,384,000	\$ 126,963,000
Other equity	\$ 24,011,000	\$ 24,950,000
Total capital	\$ 127,344,000	\$ 124,291,000
Total liabilities and capital	\$ 1,183,572,000	\$ 1,150,795,000
Common shares outstanding	2,054,517	2,075,090

CONDENSED STATEMENT OF OPERATIONS

	Year to Date		Year End
	03/31/25	03/31/24	12/31/24
Interest income	\$ 13,956,000	\$ 12,578,000	\$ 53,278,000
Interest expense	4,622,000	4,178,000	17,850,000
Net interest income	9,334,000	8,400,000	35,428,000
Provision for credit losses	-	-	-
Net interest income after provision for loan losses	9,334,000	8,400,000	35,428,000
Other non-interest income	1,600,000	2,456,000	7,782,000
Gain (Loss) on sale of securities	10,000	-	(473,000)
Non-interest expenses	7,708,000	7,345,000	30,351,000
Income before federal income taxes	3,236,000	3,511,000	12,386,000
Federal income taxes	623,000	574,000	2,328,000
Net income	\$ 2,613,000	\$ 2,937,000	\$ 10,058,000

PER SHARE DATA (BASIC)

	Year to Date	
	03/31/25	03/31/24
Net income	\$ 1.27	\$ 1.40
Cash dividends declared	\$ 0.58	\$ 0.57
Book value	\$ 61.98	\$ 57.35
Tangible book value	\$ 51.07	\$ 46.71
Closing price	\$ 45.85	\$ 45.30
Average common shares outstanding	2,062,771	2,105,233

FINANCIAL RATIOS

	Year to Date	
	03/31/25	03/31/24
Return on average assets	0.91%	1.07%
Return on average equity	8.31%	9.85%
Net interest margin	3.34%	3.16%
Loans to deposits	74.08%	77.38%