



# CAMELS FINANCIAL OPTICS REPORT

## COMPANY OVERVIEW

### Sherwood Banc Corporation, Inc./Sherwood State Bank

#### Company Description

Sherwood Banc Corporation, Inc. ("SBC") ("the Company") is an Ohio financial institution headquartered in Sherwood, Ohio. The Company formed in 1997 is a registered bank holding company under the Bank Holding Company Act of 1956, as amended. The Company is the parent bank holding company for its wholly owned subsidiary, Sherwood State Bank ("the Bank"), which was formed on January 8, 1945.

The Company is a customer-focused community bank that targets business owners, professionals, and individuals, as well as other segments of the financial market within greater Northwest Ohio markets that offer opportunities for growth and profitability.

#### Business Insights

**COVID-19:** The Bank's core purpose as a community driven bank is to help our customers, build and grow by meeting their financial needs. As a result of the COVID-19 Paycheck Protection Program (PPP), the Bank funded loans to area businesses that supported retention of many local jobs.

**Expansion in Commercial Lending:** The Company announced that Ty Otto has joined the bank as Vice President/Business Development Officer. Mr. Schwarzbek, President of the Company noted Ty's extensive banking career in commercial banking. Ty lives in Napoleon and serves on various community organizations including President of the Defiance Rotary Club.

Mr. Schwarzbek also announced other bank promotions: Sharon Colley-Vice President/Controller; Wanda Edwards-Vice President/Loan Operations; Ryan Frederick-Vice President/Business Development Officer; and Lynette Beardsley-Assistant Vice President/Deposit Operations

#### Investor Information

The Company is privately held and does not actively trade on any electronic exchange. The Company's common stock is traded through Community Bank Investments/Market Maker. The Bank is the Company's transfer agent. The Company historically pays quarterly dividends. The Company provides for the purchase of Company stock through an individual's Self-Directed IRA. The Company's stock is priced quarterly through an independent third-party firm. Individuals seeking to purchase shares are directed to contact Investor Relations.



#### Headquarters

105 N. Harrison Street  
 Sherwood, OH 43556

#### Investor Relations Contact

Mickey C. Schwarzbek  
 President & CEO  
 (419) 899-2100  
[mickey@sherwood.bank](mailto:mickey@sherwood.bank)

#### September 30, 2020

|                             |         |
|-----------------------------|---------|
| Stock Price (FMV)           | \$36.65 |
| Price to Book Value         | 115%    |
| Book Value Per Share        | \$31.85 |
| YE 2019 Stock Price         | \$34.85 |
| Income Per Share            | \$1.35  |
| Shares Outstanding          | 274,471 |
| Board of Director Ownership | 3.0%    |

#### Financial Data (000)

|            |           |
|------------|-----------|
| Assets     | \$79,684  |
| Deposits   | \$ 66,425 |
| Equity     | \$8,741   |
| Loans      | \$54,650  |
| Net Income | \$370     |

## Key Highlights (FMB)

- **Assets:** Bank assets of \$79,671, as of 3Q 2020 up from \$72,887 for the same period 2019.
- **Deposit:** Bank deposits of \$66,572, as of 3Q 2020 compared to \$60,002 for the same period 2019.
- **Loans:** Bank loans of \$54,673, as of 3Q 2020 compared to \$52,176 for the same period 2019.
- **Earnings:** Bank earned \$412,000, as of 3Q 2020 compared to \$330,000 for the same period 2019.
- **Net Interest Margin:** Bank earned 4.31%, as of 3Q 2020 compared to 4.43% for the same period 2019.
- **Efficiency Ratio:** 76.99%, as of 3Q 2020 compared to 79.83% for the same period 2019.

## Performance Ratios (FMB)

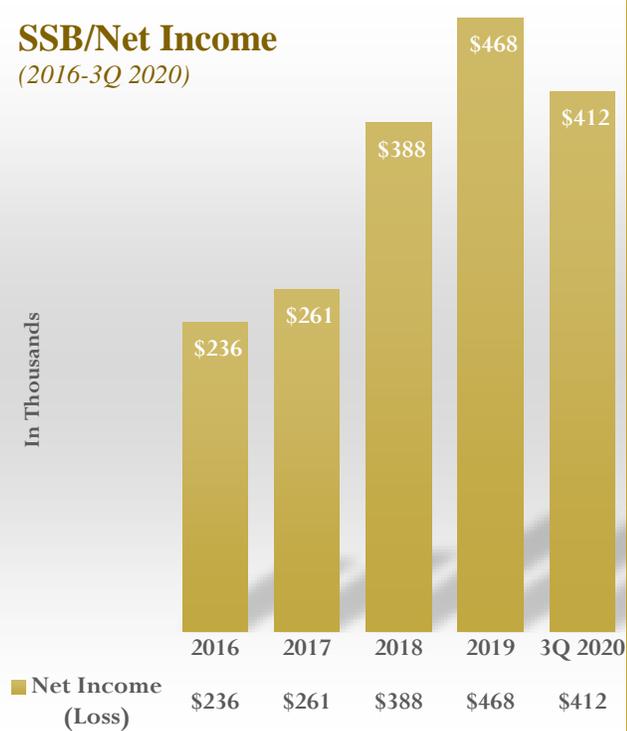
|  |        |
|--|--------|
| Return on Average Assets                 | 0.74%  |
| Return on Average Common Equity          | 6.64%  |
| Yield on Loans                           | 6.00%  |
| Total Loans to Deposits                  | 82.97% |
| Demand Deposits to Total Deposits        | 26.58% |
| Risk Based Capital/Risk Weighted Assets* | 16.13% |
| Non-Performing Loans to Total Loans      | 1.22%  |
| Allowance for Loan Losses to Total Loans | 1.01%  |
| Cost of Funds                            | 1.10%  |

\*Well capitalized 10% Regulatory Benchmark

### SSB/Net Income

(2016-3Q 2020)

In Thousands



FMV

SBC/Stock Price Per Share  
(Fair Market Value)



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"Increasing Shareholder Value"

CAMELS Consulting Group offers a comprehensive suite of proprietary products and services exclusively designed to increase the shareholder value of community banks. Backed by more than three decades of experience in stock and bank valuation analysis, CAMELS Financial Optics Report provides the investment community with an objective overview of financial institutions.

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