



CAMELS CONSULTING GROUP LLC  
"Increasing Shareholder Value"

# 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")("SSB"), which was formed on January 8, 1945.

**Message from the President:** Our year-end profitability exceeded expectations for 2022, as we transitioned from a pandemic environment to one of high interest rates and inflation. (see Key Highlights/Performance Ratios) We have maintained focus in the investment portfolio during this period ensuring it's leveraging for greater return is continually addressed. Your Board and Management is fully engaged in meeting the economic headwinds anticipated due to continued interest rate increases and inflationary pressures. Our Bank is well-positioned to meet those challenges with an exceptional banking staff able to navigate recessionary waters anticipated for mid-to-late 2023.

Performance of our Bank even in this challenging economic period has shown its market strength in maintaining growth levels in assets, deposits, and loans. Earnings have increased over that of YE 2020 noting that 2021 was impacted by government pandemic programs. We anticipate continued overall market expansion in the communities we serve. We are focused on the future and continually investing in new delivery systems including a new bank office soon to open in Archbold.

**Shareholder Return:** The fair market value of our stock has increased \$40.10/\$0.85 per share, as of YE 2022. Shareholders return for 2022 was 2.17% and 3.87% when including dividends. YTD 2022 shareholders have received total cash dividends of approximately \$207,852/\$0.67 per share. (See *Stock Chart on the back page.*)

**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, Inc. The Bank is the Company's transfer agent. The Company historically pays semi-annual dividends. The Company provides for the purchase of Company stock through an individual's Self-Directed IRA and offers a Dividend Reinvestment Program ("DRIP") for Shareholders. New Investors are directed to contact Investor Relations.



#### Headquarters

105 N. Harrison Street  
Sherwood, OH 43556

#### Investor Relations Contact

Mickey C. Schwarzbek  
President & CEO  
(419) 899-2111  
mickey@sherwood.bank

#### December 31, 2022

Stock Price (ASK/FMV)	\$40.10
Price to Book Value	120%
Book Value Per Share	\$33.50
YE 2021 Stock Price	\$39.25
Income Per Share	\$1.65
Shares Outstanding	349,243
Board of Director Ownership	3.0%

#### Financial Data (000)

Assets	\$88,011
Deposits	\$ 75,522
Equity (Tier 1)	\$11,698
Loans	\$61,454
Net Income	\$576

## Key Highlights (SSB)

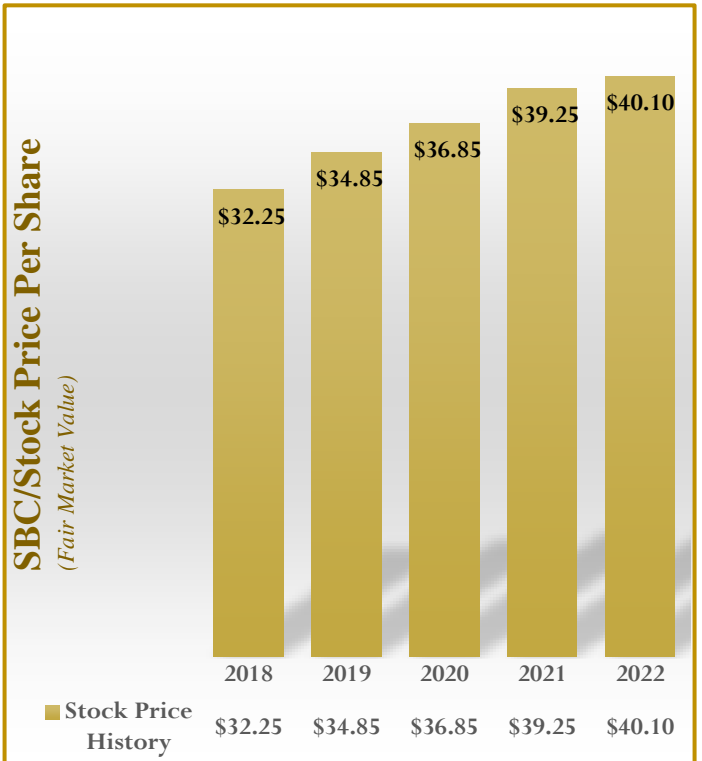
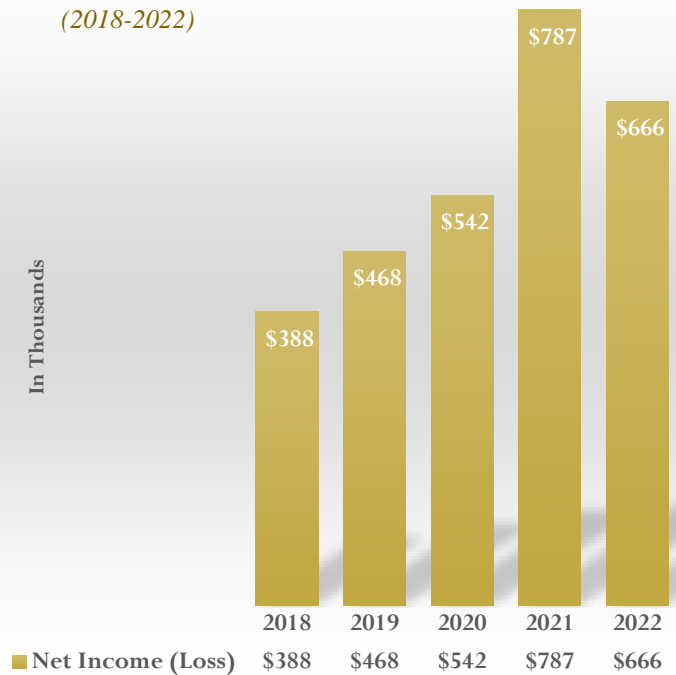
- **Assets:** Bank assets of \$88,375,000, as of YE 2022 up from \$84,272,000 for the same period 2021.
- **Deposit:** Bank deposits of \$74,087,000 as of YE 2022 compared to \$71,977,000 for the same period 2021.
- **Loans:** Bank loans of \$62,105,000 as of YE 2022 compared to \$51,189,000 for the same period 2021.
- **Earnings:** Bank earned \$666,000 as of YE 2022 compared to \$787,000 for the same period 2021.
- **Net Interest Margin:** Bank earned 4.08%, as of YE 2022 compared to 4.15% for the same period 2021.
- **Efficiency Ratio:** 76.55%, as of YE 2022 compared to 71.58% for the same period 2021.

## Performance Ratios (SSB)

Return on Average Assets	0.77%
Return on Average Common Equity	7.60%
Yield on Loans	5.77%
Total Loans to Deposits	83.83%
Demand Deposits to Total Deposits	33.01%
Equity Capital/Total Assets	11.75%
Non-Performing Loans to Total Assets	1.10%
Allowance for Loan Losses to Total Loans	1.05%
Cost of Funds	0.34%

### SSB/Net Income

(2018-2022)



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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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