



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: The Board of Directors is pleased to report the stock offering supporting the Bank's planned expansion into Archbold, Ohio has continued to add new local investors to our shareholder family. New Investors are encouraged to contact Investor Relations for further information. Additionally, the Company has received approval from the DFI/State of Ohio for the branch location in Archbold, Ohio.

Your Board and Management in first quarter of 2022 noted the uncertainty of the business outlook and the impact of inflationary pressures have on our local and national economies. While national discourse focuses on the definition of recession our staff continues to work ensuring that our financial condition remains strong and that our loan portfolio maintains adequate reserves protecting the investment of our shareholders.

The Federal Reserve responded to inflationary pressures by aggressively increasing the Federal funds rate during 2022. This positively impacted the Bank's net interest income through June 30 as the Bank's variable rate loans and short-term investments repriced more quickly than its funding sources. It is anticipated the Fed will continue to raise rates through the remainder of 2022 providing continued benefit to the Bank's bottom line. However, rising rates create unrealized losses in the Bank's investment portfolio which are reflected as a mark-to market adjust to shareholder's equity. Where appropriate, strategies will be employed to adjust the portfolio for long-term return to the Bank. See "Key Highlights' and Performance Ratios', as identified 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
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June 30, 2022

Stock Price (ASK/FMV)	\$39.25
Price to Book Value	130%
Book Value Per Share	\$30.23
YE 2021 Stock Price	\$39.25
Income Per Share	\$0.59
Shares Outstanding	317,468
Board of Director Ownership	3.0%

Financial Data (000)

Assets	\$86,073
Deposits	\$ 74,726
Equity	\$9,599
Loans	\$55,139
Net Income	\$187

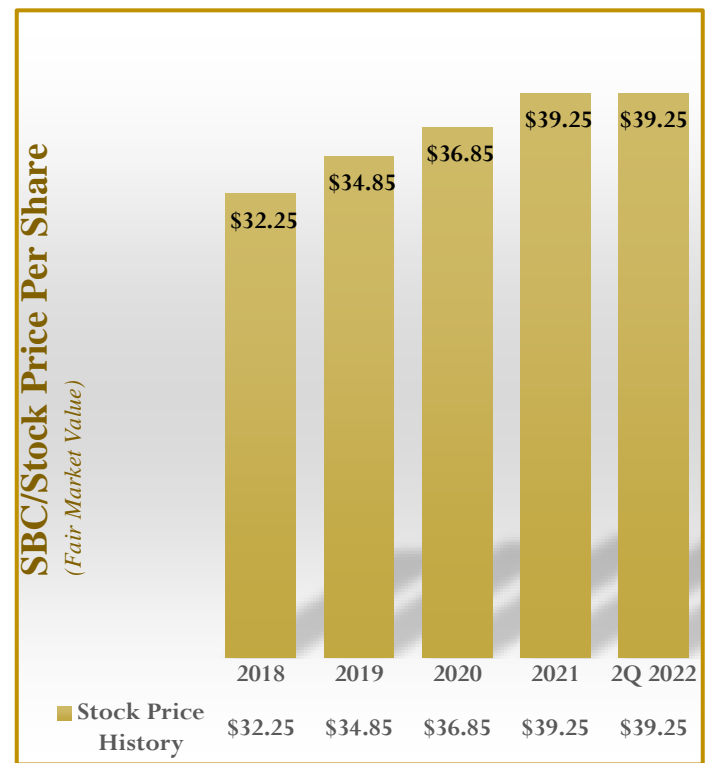
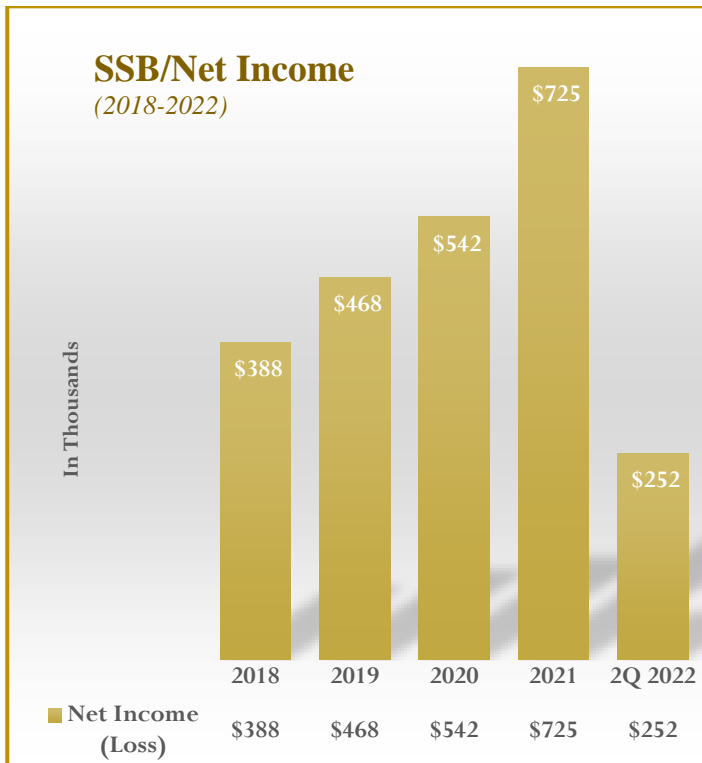
Key Highlights (SSB)

- **Assets:** Bank assets of \$86,427,000, as of 2Q 2022 up from \$85,156,000 for the same period 2021.
- **Deposit:** Bank deposits of \$76,439,000 as of 2Q 2022 compared to \$72,352,000 for the same period 2021.
- **Loans:** Bank loans of \$55,743,000 as of 2Q 2022 compared to \$55,145,000 for the same period 2021.
- **Earnings:** Bank earned \$252,000 as of 2Q 2022 compared to \$527,000 for the same period 2021.
- **Net Interest Margin:** Bank earned 3.78%, as of 2Q 2022 compared to 4.64% for the same period 2021.
- **Efficiency Ratio:** 81.95%, as of 2Q 2022 compared to 63.44% for the same period 2021.

Performance Ratios (SSB)

Return on Average Assets	0.59%
Return on Average Common Equity	5.93%
Yield on Loans	5.50%
Total Loans to Deposits	72.92%
Demand Deposits to Total Deposits	31.10%
Equity Capital/Total Assets	9.90%
Non-Performing Loans to Total Assets	0.88%
Allowance for Loan Losses to Total Loans	1.08%
Cost of Funds	0.33%

SBC Capital Offering \$39.25 per share



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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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