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## BOARD OF DIRECTORS

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John P. Henry, III  
Chairman

Daniel B. Brown  
Vice-Chairman

Scott E. Fritz  
President, Chief Executive Officer

David L. Swartz  
Secretary

Daniel L. Benner

Matthew J. Ford

Robin Holman Loy

David M. McMillen

James M. Sheaffer

Timothy P. Stayer

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## EXECUTIVE OFFICERS

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Scott E. Fritz  
President, Chief Executive Officer

Kimberly A. Benner  
EVP, Trust and Financial Services  
Division Manager

William R. Feist IV  
EVP, Chief Lending Officer

William B. Martin  
EVP, Chief Financial Officer

Michael A. Moore  
EVP, Chief Risk Officer

FIRST COMMUNITY  
FINANCIAL CORPORATION

### CONTACT US

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# 2022 Third Quarter Financial Report

FIRST COMMUNITY  
FINANCIAL CORPORATION

## LETTER TO SHAREHOLDERS

We are pleased to report financial results for the third quarter of 2022 (unaudited) for First Community Financial Corporation.

The Corporation's total assets ended the third quarter at \$700 million, compared to total assets of \$681 million as of September 30, 2021.

Total loans increased to \$450 million, compared to \$406 million as of September 30, 2021.

Net income for the nine months that ended September 30, 2022 decreased to \$3.786 million, compared to \$3.954 million for the same period in 2021.

Bank Tier 1 Capital ended the third quarter at 59.563 million, an increase from 57.107 million as of September 30, 2021.

The Board of Directors has declared a quarterly regular cash dividend of \$0.16 per share and annual performance cash dividend of \$0.16 per share. The cash dividends will be paid on December 16, 2022 to shareholders of record on December 9, 2022.

We appreciate your investment and support in First Community Financial Corporation. Our team is working hard to make sure we are serving our customers and adding value for our shareholders. We look forward to a productive year and we remain focused on sustainable and profitable growth.

Sincerely,



Scott E. Fritz

## CONSOLIDATED BALANCE SHEET

(Dollars in thousands except per share amounts; unaudited)

	Sep 30 2022	Sep 30 2021
<b>Assets</b>		
Cash and cash equivalents	\$ 19,546	\$ 34,872
Securities	190,656	210,295
Loans receivable net of the allowance for loan losses	450,334	406,931
Premises/equipment, net	5,098	5,598
Other assets	34,874	23,655
<b>Total Assets</b>	<b>\$ 700,508</b>	<b>\$ 681,351</b>

### Liabilities and Shareholders' Equity

	Sep 30, 2022	Sep 30, 2021
<b>Liabilities</b>		
Non-interest bearing deposits	\$ 122,442	\$ 113,885
Interest bearing deposits	477,491	455,765
<b>Total Deposits</b>	<b>599,933</b>	<b>569,650</b>
Long-term debt	33,000	38,000
Other liabilities	32,043	15,469
<b>Total Liabilities</b>	<b>664,976</b>	<b>623,119</b>

### Shareholders' Equity

Common stock: Par value	\$ 14,160	\$ 14,160
Surplus	720	720
Undivided profits	41,581	39,016
Treasury Stock	- 72	- 72
Accumulated other comprehensive income	-20,857	4,408
<b>Total Shareholders' Equity</b>	<b>35,532</b>	<b>58,232</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 700,508</b>	<b>\$ 681,351</b>

### Selected Financial Data

Sep 30, 2022 & Sep 30, 2021	2022	2021
Return on average assets (annualized)	0.71%	0.81%
Return on average equity (annualized)	10.30%	9.29%
Book value	\$ 12.56	\$ 20.58

## CONSOLIDATED INCOME STATEMENT

(Dollars in thousands except per share amounts; unaudited)

	Nine Months Ended	
	Sep 30 2022	Sep 30 2021
<b>Interest Income</b>		
Loans receivable	\$ 13,481	\$ 12,447
Taxable securities	2,077	1,648
Tax-exempt securities	1,308	1,299
Other	171	102
<b>Total Interest Income</b>	<b>17,037</b>	<b>15,496</b>
<b>Interest Expense</b>		
Deposits	1,451	1,794
Borrowed funds	510	533
<b>Total interest expense</b>	<b>1,961</b>	<b>2,327</b>
<b>Net Interest Income</b>	<b>15,076</b>	<b>13,169</b>
Provision for loan losses	550	125
<b>Net Interest Income after Provision for Loan Losses</b>	<b>14,526</b>	<b>13,044</b>
<b>Other Income</b>		
Income from Fiduciary Activities	532	538
Service charges on deposits	590	421
Other income	1,540	1,630
<b>Total other income</b>	<b>2,662</b>	<b>2,599</b>
<b>Other Expenses</b>		
Salaries/employee benefits	6,674	5,750
Net Occupancy & Equipment	1,230	1,281
Marketing	255	168
Other operating expenses	4,737	3,938
<b>Total other expenses</b>	<b>12,896</b>	<b>11,137</b>
<b>Income Before Income Taxes</b>	<b>4,292</b>	<b>4,496</b>
Federal income taxes	506	542
<b>Net income</b>	<b>\$ 3,786</b>	<b>\$ 3,954</b>
<b>Net income per Share</b>	<b>\$1.34</b>	<b>\$1.40</b>