

## BOARD OF DIRECTORS

**David L. Swartz**  
Chairman

**Daniel L. Benner**  
Vice-Chairman

**Scott E. Fritz**  
President, Chief Executive Officer

**James M. Sheaffer**  
Secretary

**Matthew J. Ford**

**John P. Henry, III**

**Robin Holman Loy**

**David M. McMillen**

## EXECUTIVE OFFICERS

**Scott E. Fritz**  
President, Chief Executive Officer

**Kimberly A. Benner**  
EVP, Director of Wealth Management

**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

2 North Main Street, Mifflintown, PA 17059  
717-436-2144 | pennian.bank

or email:

jennifer.mahoney@pennian.bank  
bobbi.leister@pennian.bank

# 2025 Third Quarter Financial Report

**FIRST COMMUNITY  
FINANCIAL CORPORATION**

## LETTER TO SHAREHOLDERS

We are pleased to share our financial results for First Community Financial Corporation for the nine months ended September 30, 2025. The attached statements reflect encouraging progress and demonstrate that the balance sheet strategies implemented in 2024 continue to deliver results.

### Income Statement Highlights (as of Sept. 30, 2025):

- Net income of \$1,295,000, a 20.4% increase over the nine months ended September 30, 2024.
- Net interest income after provision increased 5.4% to \$12.35 million, up from \$11.71 million, driven by better loan yields and lower funding costs, despite increased provision for credit losses.
- Interest expense declined by \$1,709,000, due to a reduced reliance on wholesale funding.
- Other income rose 18.3% to \$3.65 million, with gains in the wealth management and mortgage groups.
- Operating expenses increased 7.0%, primarily due to increased personnel and technology costs to support new revenue streams.
- Income before taxes improved 24.7% to \$1,136,000.

### Balance Sheet Highlights (as of Sept. 30, 2025):

- Return on average assets improved to 0.26% (annualized)
- Return on average equity increased to 4.28% (annualized)
- Book value per share is \$15.30

While we remain cautious given the broader economic climate, we are encouraged by these early signs of momentum. Our commitment to sound credit practices, prudent cost control, and sustainable growth continues to guide our strategy.

Thank you for your ongoing support.

Sincerely,



Scott E. Fritz

## CONSOLIDATED BALANCE SHEET

(Dollars in thousands except per share amounts; unaudited)

	Sep 30 2025	Sep 30 2024
<b>Assets</b>		
Cash and cash equivalents	\$ 22,327	\$ 14,721
Securities	167,189	185,605
Loans receivable net of the allowance for credit losses	431,355	459,119
Premises/equipment, net	5,583	5,226
Other assets	31,645	32,065
<b>Total Assets</b>	<b>\$ 658,099</b>	<b>\$ 696,736</b>

### Liabilities and Shareholders' Equity

<b>Liabilities</b>		
Non-interest bearing deposits	\$ 108,719	\$ 107,551
Interest bearing deposits	461,052	457,678
<b>Total Deposits</b>	<b>569,771</b>	<b>565,229</b>
Long-term debt	34,000	73,000
Other liabilities	10,155	15,213
<b>Total Liabilities</b>	<b>613,926</b>	<b>653,442</b>

### Shareholders' Equity

Common stock: Par value	\$ 14,160	\$ 14,160
Surplus	720	720
Undivided profits	43,422	42,212
Treasury Stock	- 72	- 72
Accumulated other comprehensive income	-14,057	-13,726
<b>Total Shareholders' Equity</b>	<b>44,173</b>	<b>43,294</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 658,099</b>	<b>\$ 696,736</b>

### Selected Financial Data

Sep 30, 2025 & Sep 30, 2024	2025	2024
Return on average assets (annualized)	0.26%	0.20%
Return on average equity (annualized)	4.28%	3.67%
Book value	\$ 15.61	\$ 15.30

## CONSOLIDATED INCOME STATEMENT

(Dollars in thousands except per share amounts; unaudited)

	Nine Months Ended	
	Sep 30 2025	Sep 30 2024
<b>Interest Income</b>		
Loans receivable	\$ 18,015	\$ 17,886
Taxable securities	2,267	2,612
Tax-exempt securities	1,267	1,265
Other	733	569
<b>Total Interest Income</b>	<b>22,282</b>	<b>22,332</b>

### Interest Expense

Deposits	7,588	7,756
Borrowed funds	1,472	3,013
<b>Total interest expense</b>	<b>9,060</b>	<b>10,769</b>
<b>Net Interest Income</b>	<b>13,222</b>	<b>11,563</b>
Provision for credit losses	874	- 148

### Net Interest Income after

Provision for Credit Losses	12,348	11,711
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### Other Income

Income from Fiduciary Activities	513	462
Service charges on deposits	636	620
Other income	2,501	2,004
<b>Total other income</b>	<b>3,650</b>	<b>3,086</b>

### Other Expenses

Salaries/employee benefits	8,183	7,308
Net Occupancy & Equipment	1,110	1,091
Marketing	167	161
Other operating expenses	5,402	5,326
<b>Total other expenses</b>	<b>14,862</b>	<b>13,886</b>

<b>Income Before Income Taxes</b>	<b>1,136</b>	<b>911</b>
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Federal income taxes	- 159	- 165
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<b>Net income</b>	<b>\$ 1,295</b>	<b>\$ 1,076</b>
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<b>Net income per Share</b>	<b>\$0.46</b>	<b>\$0.38</b>
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