
BOARD OF DIRECTORS

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

EXECUTIVE OFFICERS

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 First Quarter Financial Report

FIRST COMMUNITY
FINANCIAL CORPORATION

LETTER TO SHAREHOLDERS

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

The Corporation's total assets ended the first quarter at \$701 million, compared to total assets of \$634 million as of March 31, 2021. Total loans increased to \$415 million, compared to \$398 million as of March 31, 2021. Net income for the three months that ended March 31, 2022 increased to \$1.300 million, compared to \$1.248 million for the same period in 2021. Bank equity capital which decreased over this time period was due to marked to market valuations of the securities portfolio. The percent change is similar to bank peers nationally and has been caused by rapidly increasing market rates. We expect to retain these securities until maturity mitigating potential losses. Furthermore, Regulatory Tier 1 Capital excludes the effect of marked to market valuations. First Community Financial Corporation's Tier 1 Capital ended the first quarter at 58.026 million, an increase from 55.248 million as of March 31, 2021.

The Board of Directors has declared a quarterly regular cash dividend of \$0.16 per share. The cash dividends will be paid on June 24, 2022, to shareholders of record as of June 17, 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)

	Mar 31 2022	Mar 31 2021
Assets		
Cash and cash equivalents	\$ 34,316	\$ 29,781
Securities	217,740	176,667
Loans receivable net of the allowance for loan losses	415,734	398,438
Premises/equipment, net	5,312	6,215
Other assets	28,437	23,453
Total Assets	\$ 701,539	\$ 634,554
Liabilities and Shareholders' Equity		
Liabilities		
Non-interest bearing deposits	\$ 121,703	\$ 106,620
Interest bearing deposits	483,510	416,136
Total Deposits	605,213	522,756
Long-term debt	35,000	42,000
Other liabilities	13,323	14,154
Total Liabilities	653,536	578,910
Shareholders' Equity		
Common stock: Par value	\$ 14,160	\$ 14,160
Surplus	720	720
Undivided profits	40,000	37,101
Treasury Stock	- 72	- 200
Accumulated other comprehensive income	-6,805	3,863
Total Shareholders' Equity	48,003	55,644
Total Liabilities and Shareholders' Equity	\$ 701,539	\$ 634,554

Selected Financial Data

Mar 31, 2022 & Mar 31, 2021	2022	2021
Return on average assets (annualized)	0.74%	0.81%
Return on average equity (annualized)	9.00%	8.80%
Book value	\$ 16.96	\$ 19.71

CONSOLIDATED INCOME STATEMENT

(Dollars in thousands except per share amounts; unaudited)

	Three Months Ended	
	Mar 31 2022	Mar 31 2021
Interest Income		
Loans receivable	\$ 4,312	\$ 4,047
Taxable securities	685	507
Tax-exempt securities	417	418
Other	35	41
Total Interest Income	5,449	5,013
Interest Expense		
Deposits	451	602
Borrowed funds	161	195
Total interest expense	612	797
Net Interest Income	4,837	4,216
Provision for loan losses	0	125
Net Interest Income after Provision for Loan Losses	4,837	4,091
Other Income		
Income from Fiduciary Activities	168	203
Service charges on deposits	188	129
Other income	454	500
Total other income	810	832
Other Expenses		
Salaries/employee benefits	2,086	1,744
Net Occupancy & Equipment	461	451
Marketing	89	74
Other operating expenses	1,516	1,241
Total other expenses	4,152	3,510
Income Before Income Taxes	1,495	1,413
Federal income taxes	195	165
Net income	\$ 1,300	\$ 1,248
Net income per Share	\$0.46	\$0.44