



Virtual Investor Conference

March 11, 2021

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This presentation contains forward-looking information about First Resource Bank that is intended to be covered by the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that are not historical facts. These statements can be identified by the use of forward-looking terminology such as “believe,” “expect,” “may,” “will,” “should,” “project,” “could,” “plan,” “goal,” “potential,” “pro forma,” “seek,” “intend,” or “anticipate” or the negative thereof or comparable terminology, and include discussions of strategy, financial projections, guidance and estimates, statements regarding plans, objectives, expectations or consequences of announced transactions, and statements about the future performance, operations, products and services. The Bank cautions readers not to place undue reliance on these statements.

The Bank’s business and operations are subject to a variety of risks, uncertainties and other factors. Consequently, actual results and experience may materially differ from those contained in any forward-looking statements. Such risks, uncertainties and other factors that could cause actual results and experience to differ from those projected include, but are not limited to, the following: the impact of conditions in the capital markets or the economy generally, the effects of changes in law or regulation, including regulatory requirements or other actions mandated by the Bank’s regulators, the credit quality of loans, the effect of changes in interest rates, potential declines in the value of the Bank’s assets and the effects of any resulting impairment charges, competition from other financial institutions, the adequacy of the Bank’s information technology systems, severe weather and natural disasters, and the nature and frequency of litigation and other similar proceedings to which the Bank may become a party. The Bank makes no commitment to revise or update any forward-looking statements in order to reflect events or circumstances occurring or existing after the date any forward-looking statement is made.

First Resource Bank



- Community bank based in Chester County, Pennsylvania
- Three high profile branch locations
 - Exton, PA
 - West Chester, PA
 - Wayne, PA
- Established in 2005
- Executive management team founded the Bank



Market Area



Hybrid Community Bank

- Combination of limited physical “high touch” branches complimented by “high tech” banking products and services on par with those offered by national financial services providers
- Don't need to be on every street corner, but do need to be available 24/7



**GO
MOBILE!**

No time to get to our branch?

**Check your balance and transaction history,
deposit checks, transfer money, pay bills and more.**

Mobile banking is now available!

Visit your app store to download the new **MOBILE APP!**



Technology Focused

65% of daily items deposited now flowing through Remote Deposit Capture & Mobile Deposit



STILL WASTING TIME
DRIVING DEPOSITS
TO THE **BANK?**

get **FRed™**
First Resource Easy Deposit™
instead!



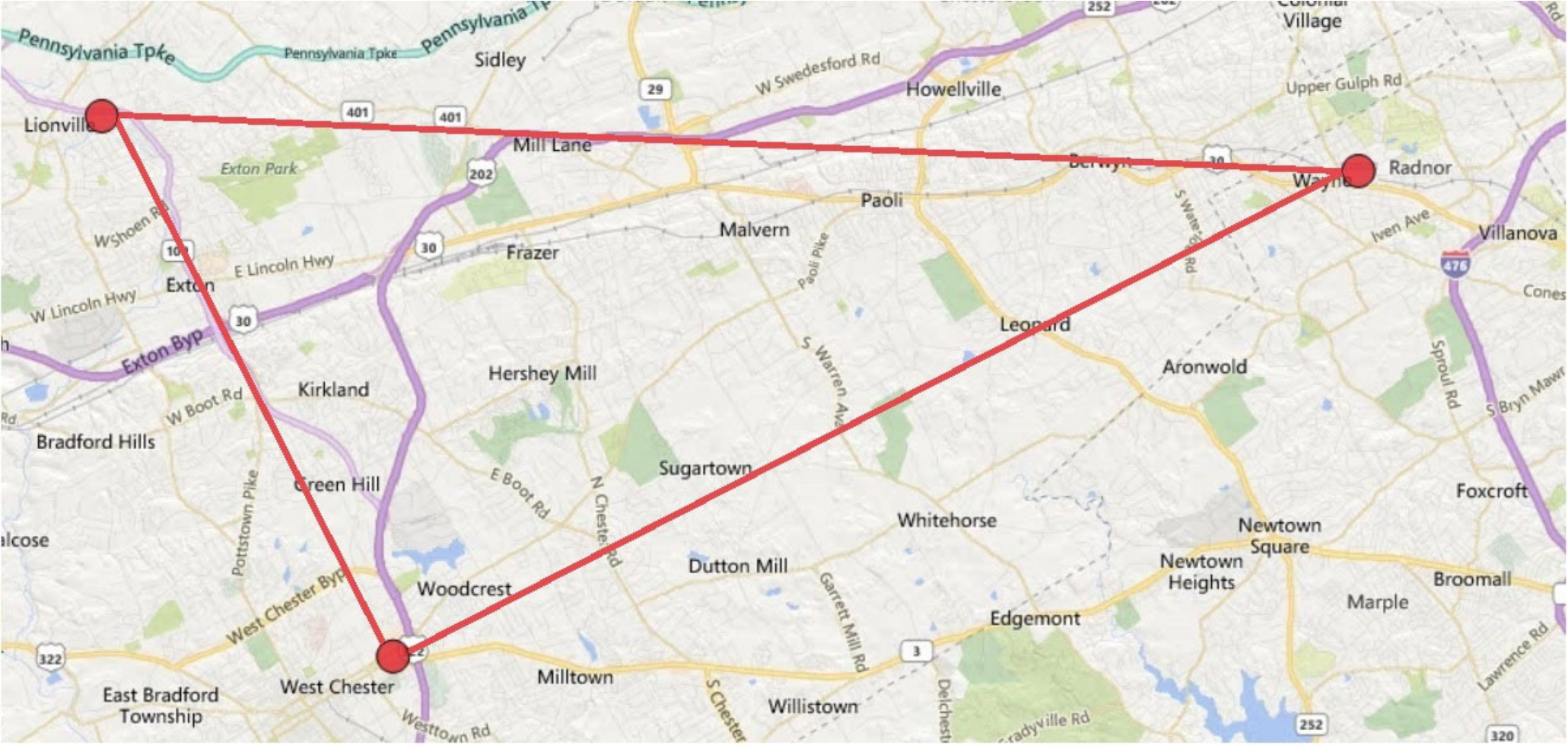
Primary Deposit Markets

- **Exton, Pennsylvania Branch**
 - \$188 million in deposits at 12/31/20
 - Market had \$2.8B at 6/30/20, 16 branches
- **West Chester, Pennsylvania Branch**
 - \$145 million in deposits at 12/31/20
 - Market had \$3.9B at 6/30/20, 33 branches
- **Wayne, Pennsylvania Branch (opened in October 2019)**
 - \$18 million in deposits at 12/31/20
 - Market had \$3.6B at 6/30/20, 22 branches



Deposit Market

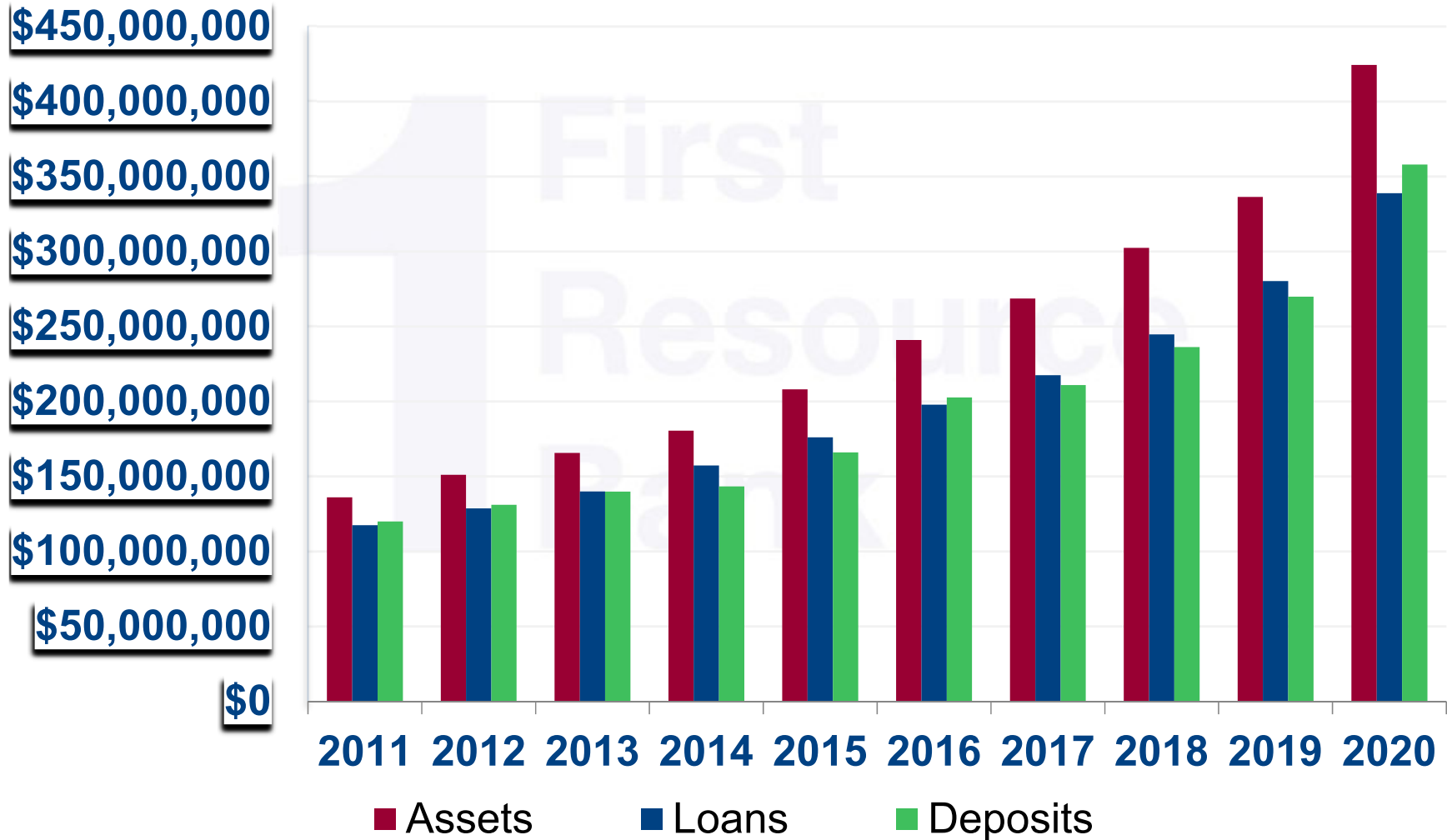
- Combined area creates a \$14 billion deposit market triangle



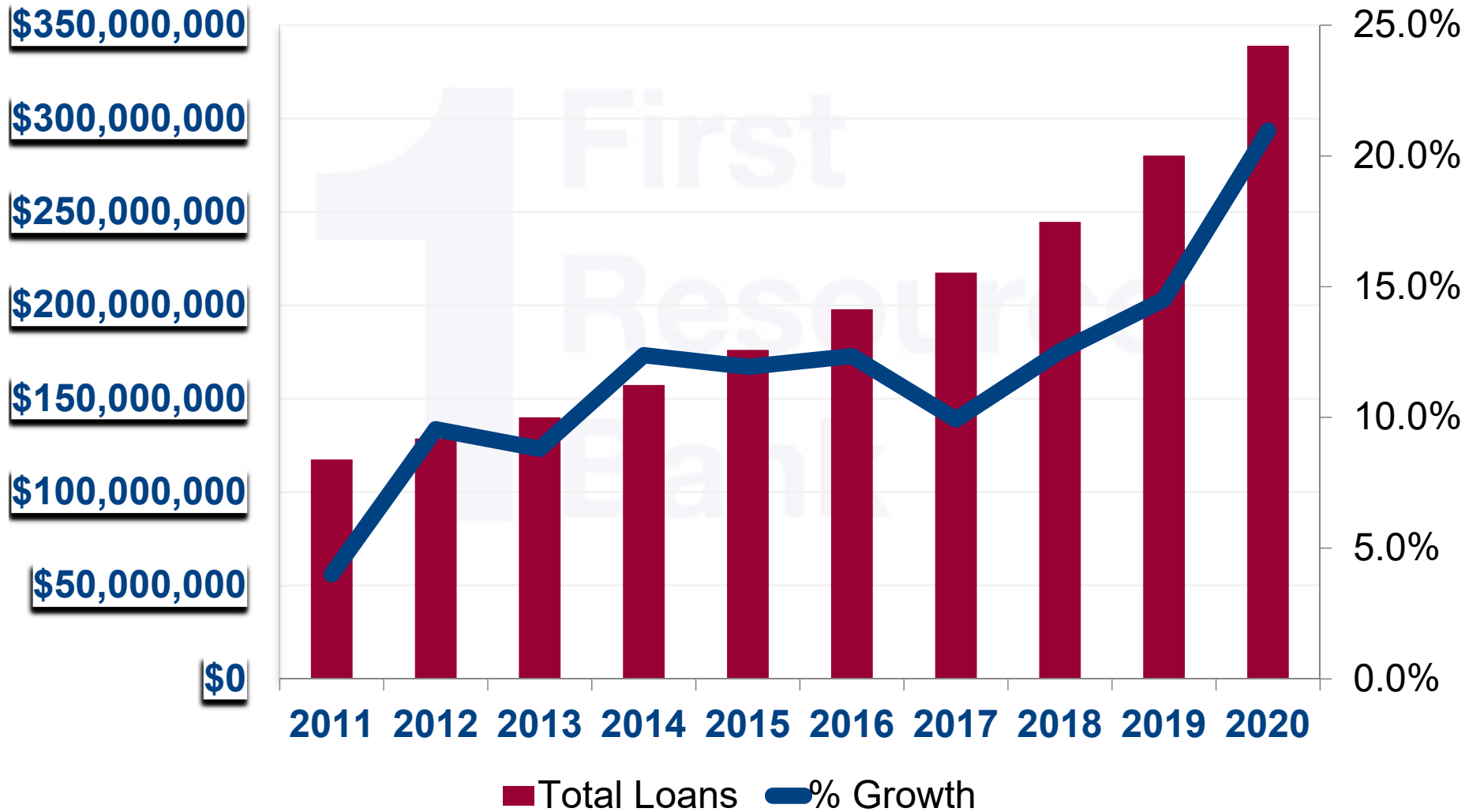
2020 Highlights

- **Record profitability, net income grew 40%**
- **Strong checking growth, with non-interest deposits up 97%**
- **\$58.8 million of PPP loans completed, with \$23.2 million forgiven as of 12/31/20**
- **Total assets increased 26%, to \$424 million**
- **Nonperforming assets to total assets improved 79%, to 0.09%**

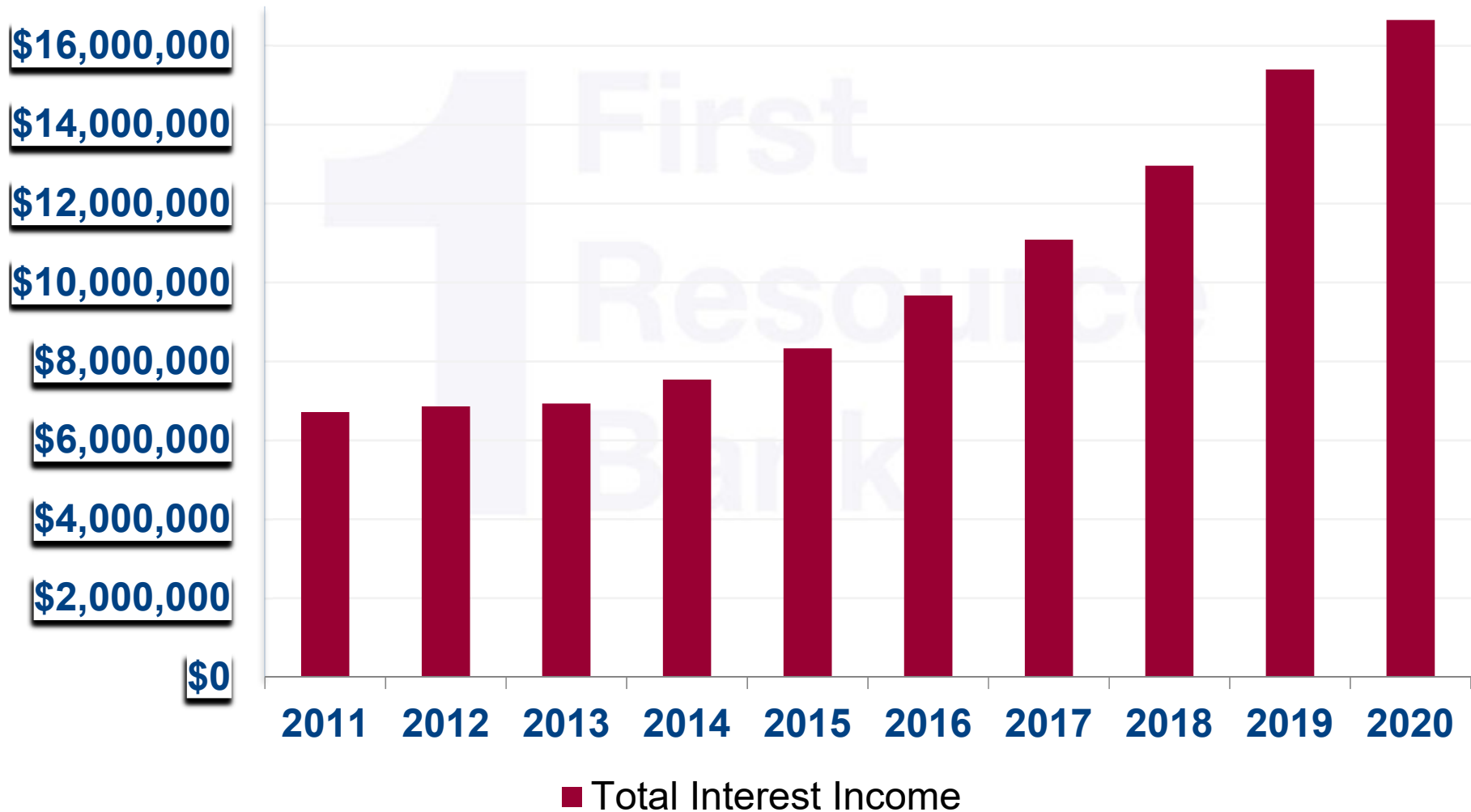
Balance Sheet Growth



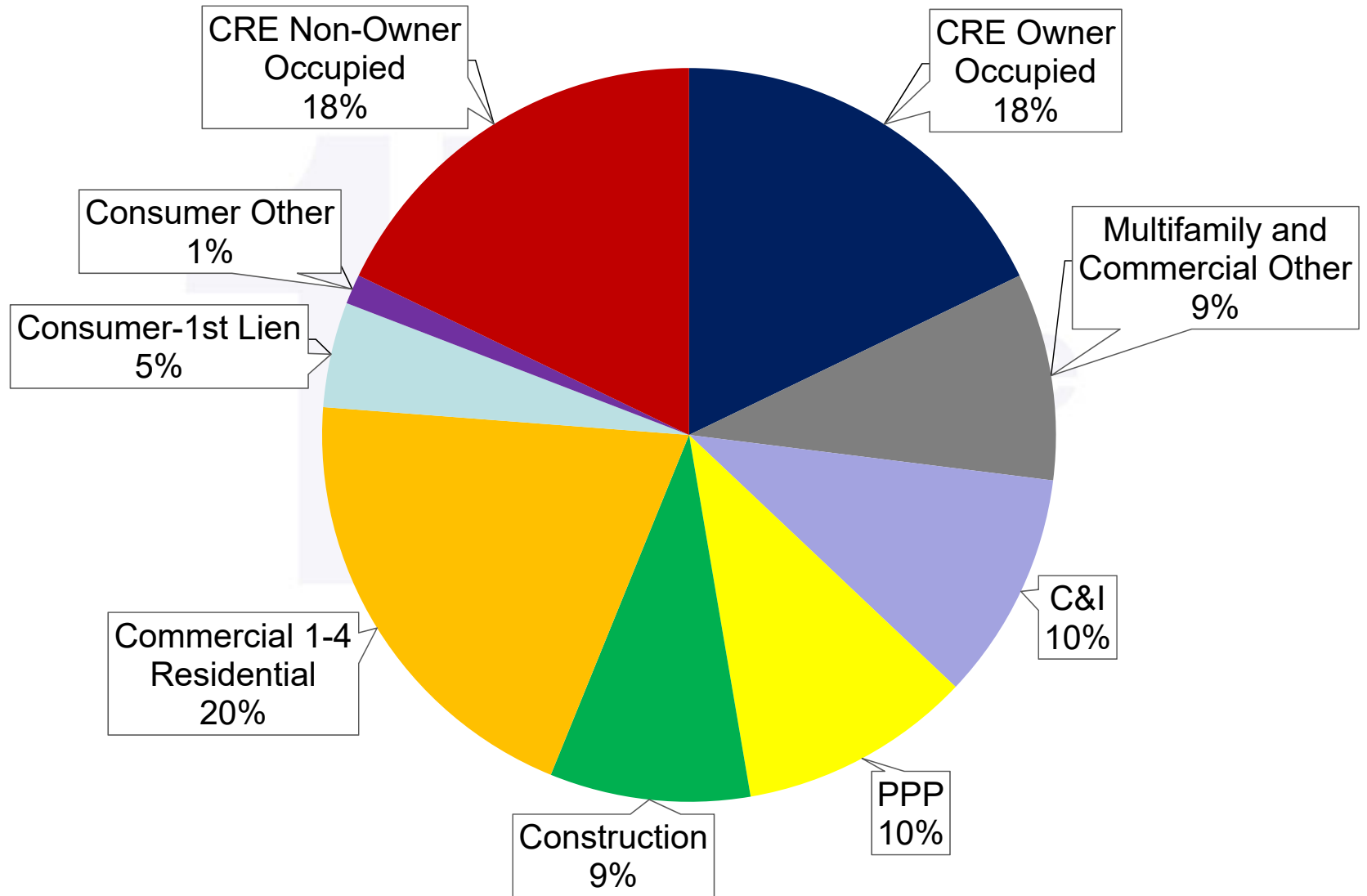
Loan Growth



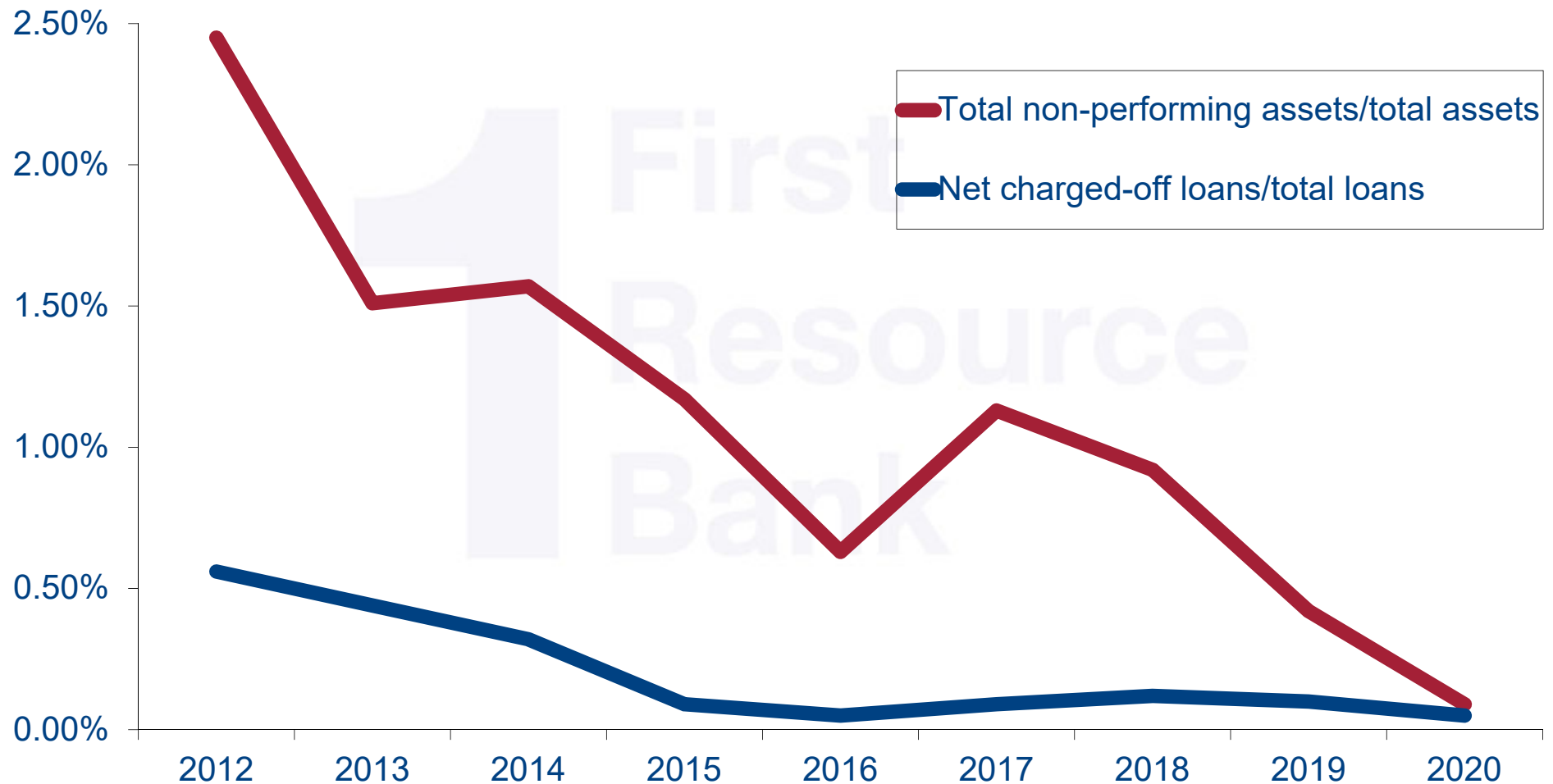
Top Line Income Growth



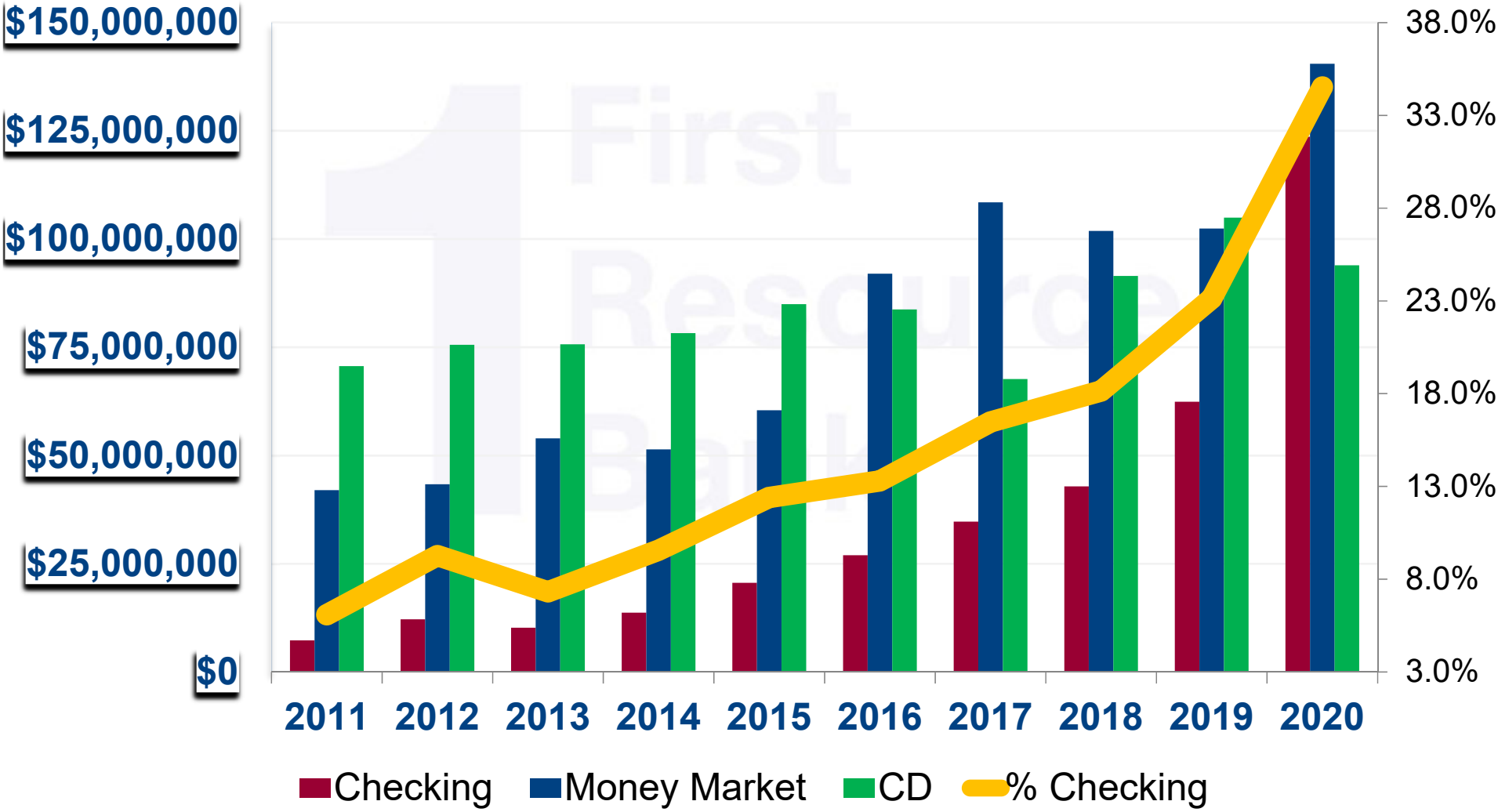
Loan Portfolio Mix at 12/31/20



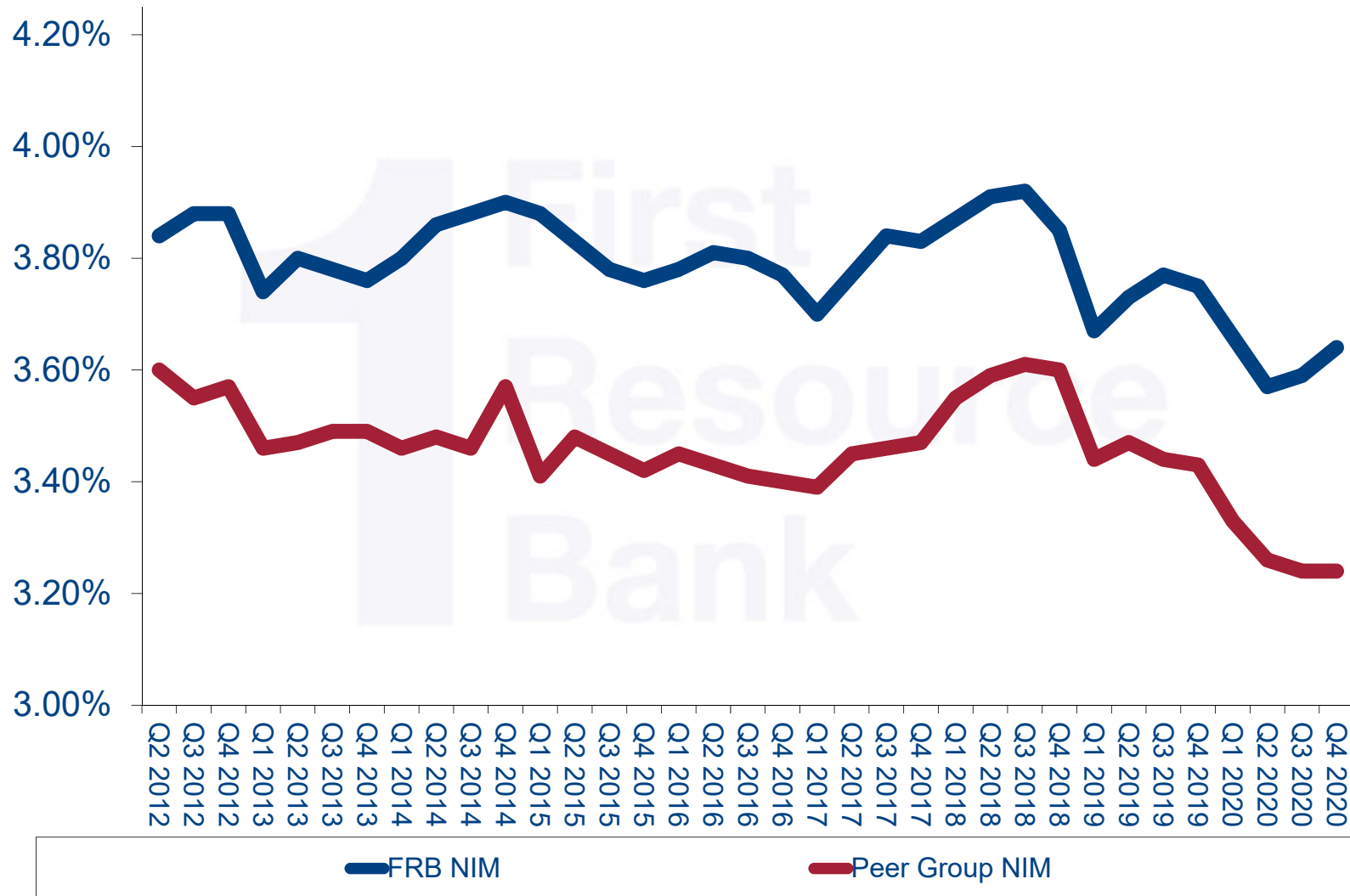
Improving Asset Quality



Deposit Growth

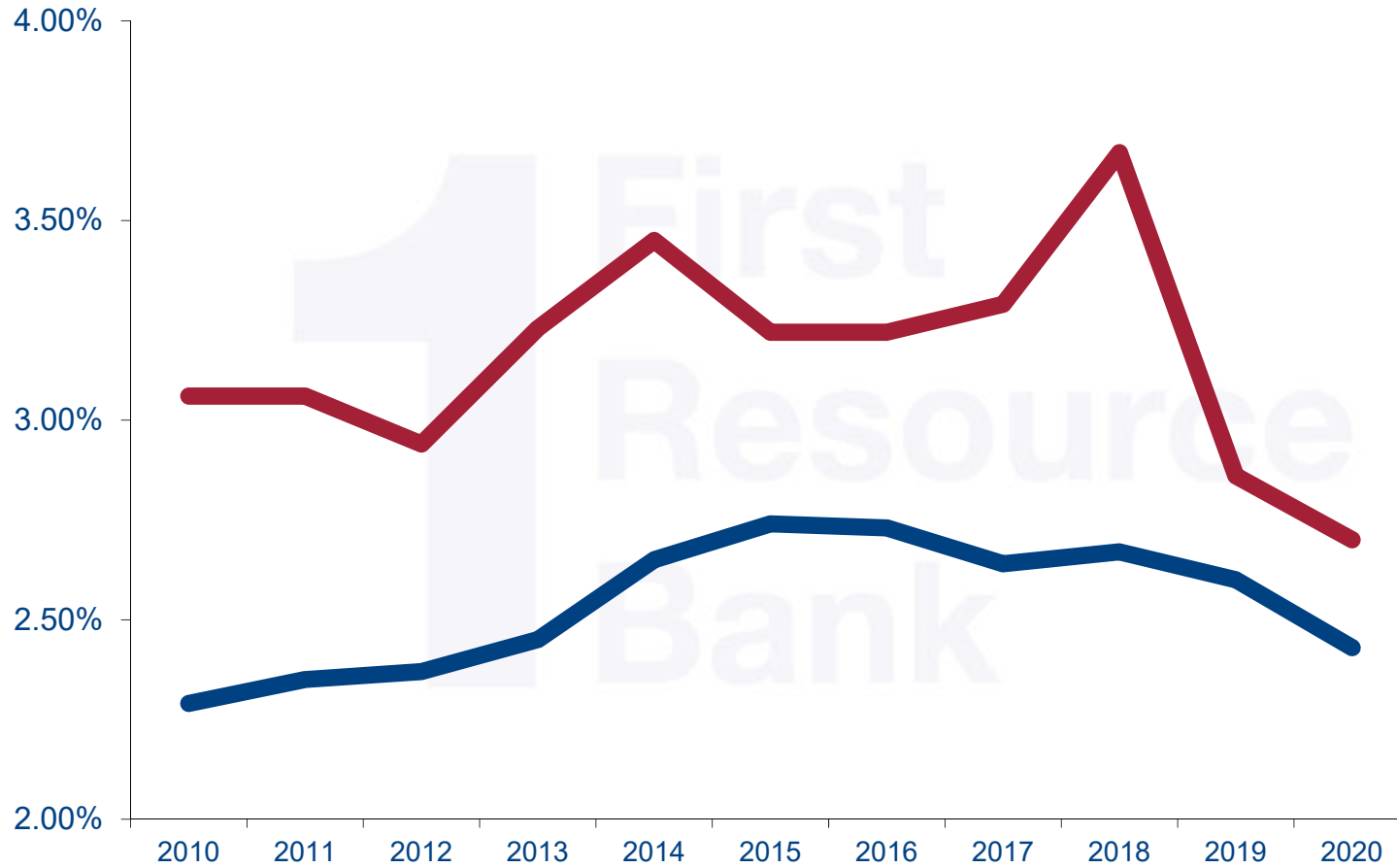


Net Interest Margin



Note: Prior to 2019 Peer Group was PA Banks with Assets \$100M to \$300M; Peer Group for 2019-20 is PA Banks with Assets \$100M to \$1B.

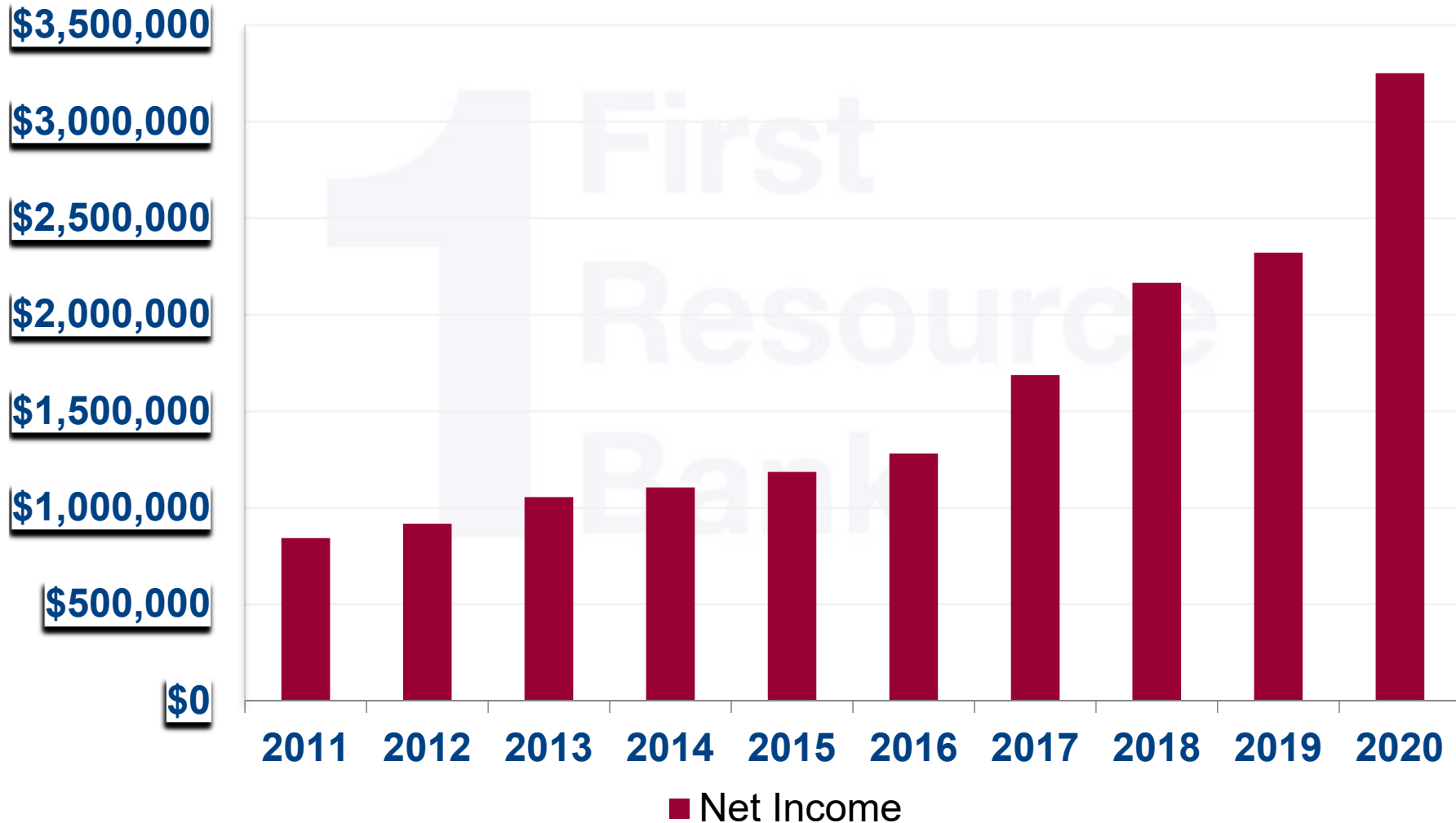
Overhead Expense Control



■ FRB Overhead/Average Assets
 ■ Peer Group Overhead/Average Assets

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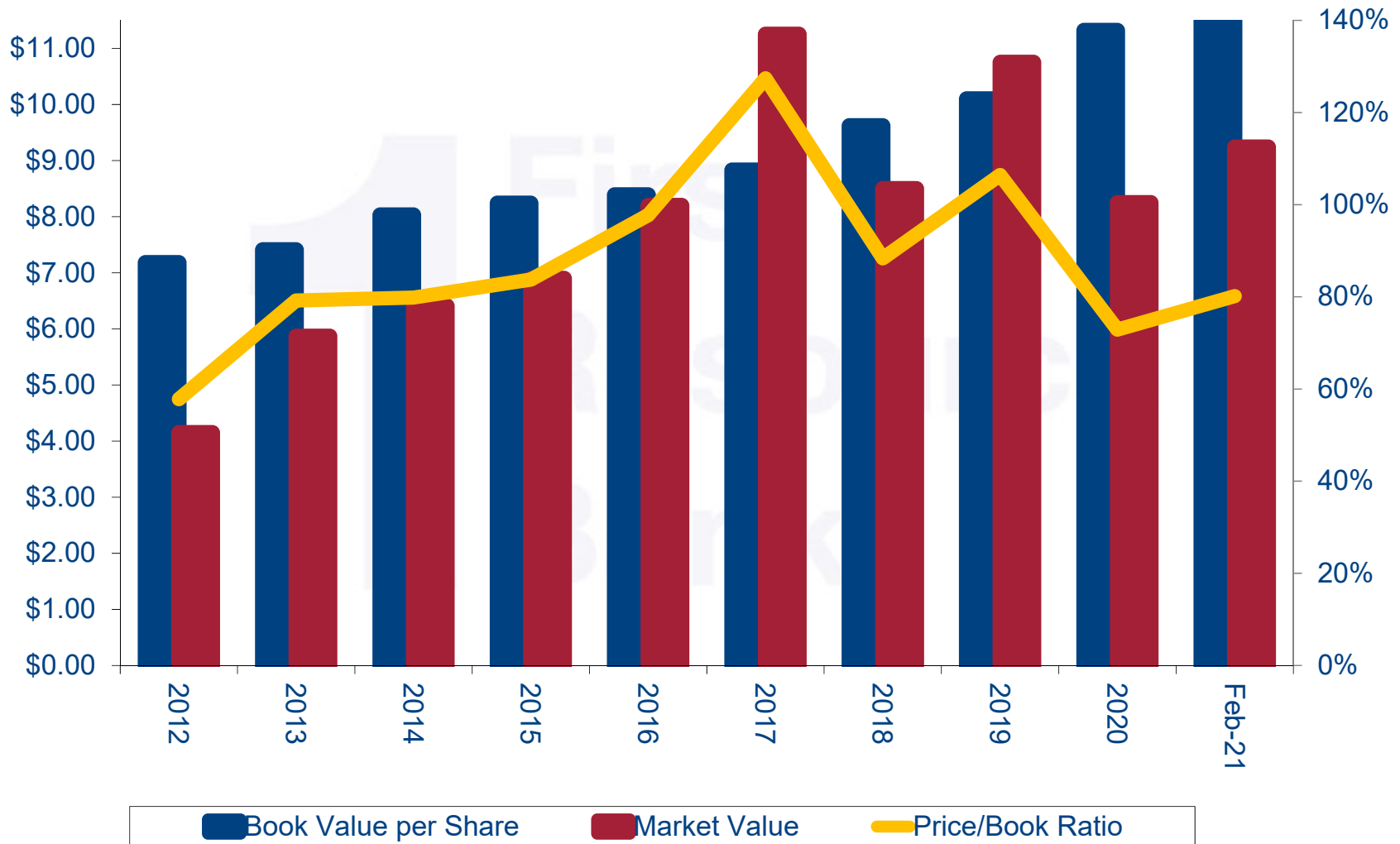
Net Income Growth



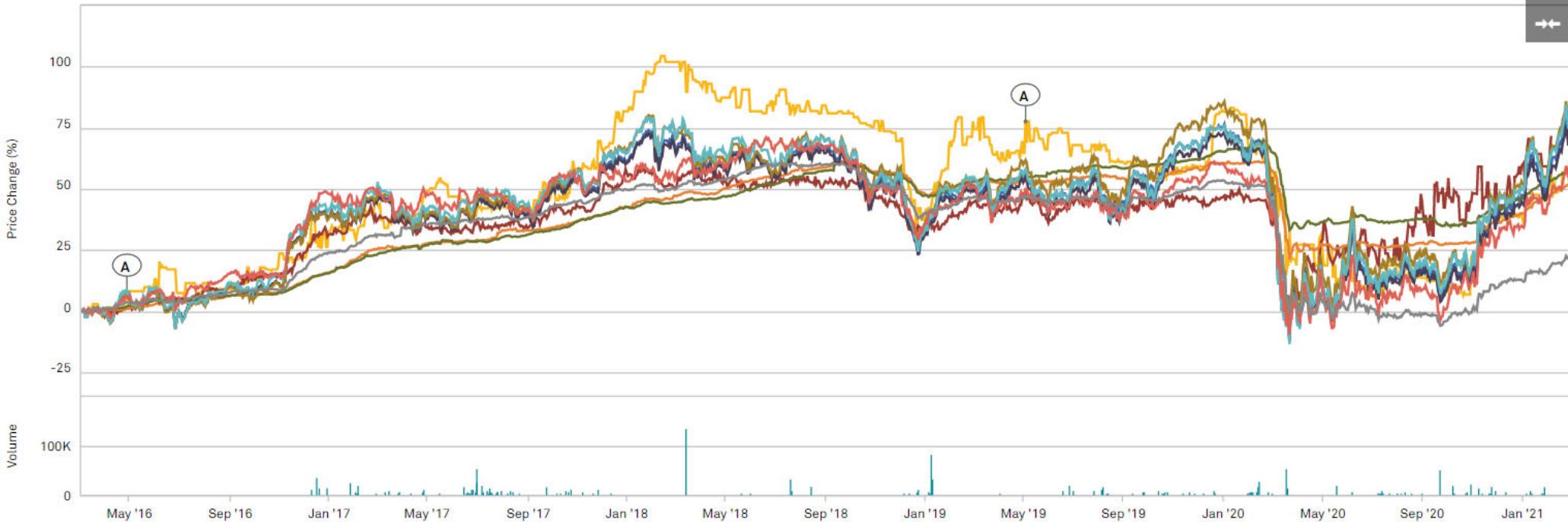
Capital

- Redeemed \$4 million in outstanding subordinated debt at 6.50% coupon
- Issued a new \$6 million of subordinated debt with a 6.00% coupon
- Tier 1 capital generated by \$3.2 million in net income, aided by unexpected participation in PPP

Book Value vs. Market Value



Common Stock Performance



- OTCQX:FRSB: 51.64 %
- OTCQX:FRSB-Vol
- SNL U.S. Banks, from \$250M to \$500M in Assets: 71.70 %
- S&P United States BMI Banks Index: 78.71 %
- SNL U.S. Banks, Pink Sheet: 52.04 %
- SNL U.S. Banks, Pink Sheet from \$100M to \$500M: 59.29 %
- SNL All U.S. Banks: 74.81 %
- S&P 500 Bank: 84.08 %
- KBW Nasdaq Bank Index: 81.11 %
- SNL Small Cap U.S. Bank: 62.46 %
- SNL Micro Cap U.S. Bank: 24.42 %

Culture is Everything

Happy Employees = Happy Customers



Best Bank in Chester County

- Voted 2020, 2019, 2018 and 2017 Best Bank in Chester County by readers of The Daily Local, Chester County's local newspaper



Contact Information

Glenn Marshall

CEO

610-561-6013

GMarshall@FirstResourceBank.com

Lauren Ranalli

President & CFO

610-561-6014

LRanalli@FirstResourceBank.com



Q & A

Thank you for joining us!