First Community Corporation

FCCO - NASDAQ

Institutional Equity Research

April 20, 2022

Tailwinds for Loan Growth and NIM Emerging in SC; BUY

On the heels of FCCO's 1Q22 earnings report, we're reducing our 2022E/2023E EPS, and establishing a 2024E. While the recently announced expansion into the Rock Hill market implies higher expenses, we also expect it to lead to stronger loan growth. Additionally, we view FCCO as well positioned for rising rates, and expect its solid, low-cost deposit franchise to command greater perceived value in a rising rate environment. Nudging our PT lower, yet reiterate our ***BUY****.*

Slight beat vs. consensus: FCCO reported 1Q22 EPS of $0.46. We estimate core EPS of $0.44, which beats consensus by a penny, yet falls a penny shy of our estimate. The main driver of the slight miss vs. our forecast was lower than expected core PPNR (-$0.04), partially offset by a lower than modeled provision for loan losses (+$).03/sh). The PPNR miss stemmed from lower than expected NII (-$0.04/sh) and core fee revs (-$0.01/sh), partially offset by better than modeled core expenses (+$0.01/sh).

Looking for a stepped-up to loan growth: FCCO tends to produce mid-single digit annualized loan growth over a long-term horizon (with 6.3% LQA core loan growth in 1Q22). Yet, management expects loan growth to pick up to 10%-12% pace in coming quarters, helped by the previously-announced expansion into Rock Hill, SC via a team lift-out. Additionally, FCCO aims to retain more residential ARMs on balance sheet (vs. selling to the secondary markets).

NIM expansion likely teed up: While the NIM was down in 1Q22 (albeit mostly due to lower PPP fees), we expect FCCO's NIM to expand given the impact of Fed rate hikes, albeit with a more pronounced impact in the second year than the first year. Additionally, given the bank's low loans-to-deposits ratio (61%) and attractive, low-cost deposit book (with a cost of deposits of 0.10%), we expect FCCO to be well positioned to lag on deposit pricing and benefit from a favorable AEA mix shift.

Likely a modest step-up in the expense run-rate: Core expenses came in fairly flattish LQ. Yes, we expect the run-rate to step-up in 2Q22 to reflect the incremental costs of the aforementioned Rock Hill expansion, as well as annual salary adjustments (implemented in March). Separately, a negative swing in AOCI led to sizable contraction in TCE/TA (from 8.00% to 6.71%) and TBV/sh (down 12.6% to $14.53), with the magnitude likely simply a byproduct of the larger relative size of FCCO securities book (~35% of assets). Importantly, FCCOs' bank-level regulatory ratios are quite healthy, including CET1 of 14.14% and Total RBC of 15.29%.

Reducing our 2022E/2023E EPS estimates; establishing 2024E: After inputting FCCO's core 1Q22 results into our model and fine-tuning our assumptions, we're lowering our 2022E EPS by 13 cents (to $1.85) and our 2023E EPS by 12 cents (to $2.05), mainly owing to less favorable run-rates for core fee revs and expenses, and a slightly higher assumed pace of provisioning, partially offset by stronger loan growth. At the same time, we're establishing a 2024E EPS of $2.24.

Nudging PT lower; reiterate BUY: We're nudging our PT lower by $0.50 (to $24.00) on our reduced EPS estimates and a lower base multiple. Our PT assumes the shares will trade at 140% of our YE12E TBV/sh and 11.7x our 2023E EPS. We continue to view FCCO as very well positioned heading into a rising rate environment with an attractive, low-cost deposit franchise (with a likely more evident perceived value going forward, with NIM expansion and an improved pace of loan growth as tailwinds. While the aforementioned hits to TCE and TBV from higher rates impacted 1Q22, we note that the fundamental benefits of rising rates are still to come.

FY (Dec)		**2021A**	**2022E**	Previous	*Cons.*	**2023E**	Previous	*Cons.*
EPS	Q1 (Mar)	$0.43	**$0.44A**	$0.45	*n.a.*	**$0.50E**	$0.53	*$0.48*
	Q2 (Jun)	$0.47	**$0.44E**	$0.49	*$0.43*	**$0.49E**	$0.53	*$0.50*
	Q3 (Sep)	$0.62	**$0.47E**	$0.52	*$0.48*	**$0.52E**	$0.55	*$0.53*
	Q4 (Dec)	$0.50	**$0.50E**	$0.52	*$0.49*	**$0.54E**	$0.56	*$0.54*
		$2.03	**$1.85E**	$1.98	*$1.85*	**$2.05E**	$2.17	*$2.04*
Price/EPS		*10.2x*	*11.2x*			*10.1x*		
Revenue	Q1 (Mar)	$13.9	**$14.1A**	$14.6	*n.a.*	**$15.9E**	$16.0	*$15.7*
($M)	Q2 (Jun)	$14.5	**$14.7E**	$15.0	*$14.8*	**$16.3E**	$16.4	*$16.2*
	Q3 (Sep)	$16.0	**$15.2E**	$15.5	*$15.2*	**$16.8E**	$16.9	*$16.7*
	Q4 (Dec)	$14.7	**$15.6E**	$15.8	*$15.5*	**$17.1E**	NC	*$16.9*
		$59.0	**$59.6E**	$60.9	*$59.9*	**$66.2E**	$66.4	*$65.5*

Buy

Price Target	**↓$24.00**
Price (4/20/22)	$20.71
Industry	FINANCIAL INSTITUTIONS

Valuation & Performance

Return on Assets (MRQ)	0.83%
ROTCE (MRQ)	11.4%
Net Interest Margin (MRQ)	2.91%
Efficiency Ratio (MRQ)	70.2%
TBV per Share (3/31/22)	$14.53
TCE/TA (3/31/22)	6.7%
Dividend	$0.52 (2.5%)

Trading Data

Shares Outstanding (M)	7.6
Market Capitalization ($M)	$157.3
52-week range	$18.00 - $23.42
Avg. Volume (3-mth.) (K)	8.4

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Company Description

Lexington, SC - First Community Corporation is the parent company of First Community Bank a +$1.6B asset community bank base in the midlands of South Carolina. First Community Bank offers a full suite of banking and financial planning/ investment advisory services to both retail and commercial clients.

Price Performance

NASDAQ: FCCO

Figure 1: RODS (Reported, Operating, Davidson, Street)

EPS Summary	1Q22A
Reported EPS	$ 0.46
Operating EPS	$ 0.44
Davidson Est.	$ 0.45
Street Est.	$ 0.43

Source: S&P Capital IQ and D.A. Davidson & Co.

Figure 2: Variance Table

Quarterly Earnings Snapshot

	Actual 4Q21A	Actual 1Q22A	Our Est. 1Q22E	Variance (vs. Our Est.) $	Per Sh Impact	Actual LQ Chg
Net Interest Income (FTE)	$ 11.164	$ 10.733	$ 11.127	$ (0.394)	$ (0.04)	-3.9%
Provision for Loan Losses	$ (0.059)	$ (0.125)	$ 0.177	$ (0.302)	$ 0.03	111.9%
Noninterest Income (Core)	$ 3.499	$ 3.370	$ 3.459	$ (0.089)	$ (0.01)	-3.7%
Total Revenue (Core)	$ 14.663	$ 14.103	$ 14.586	$ (0.483)		-3.8%
Noninterest Expense (Core)	$ 9.878	$ 9.954	$ 10.083	$ (0.129)	$ 0.01	0.8%
PT Oper. Income	$ 4.844	$ 4.274	$ 4.326	$ (0.052)		-11.8%
PTPP Oper. Income	$ 4.785	$ 4.149	$ 4.504	$ (0.355)	$ (0.04)	-13.3%
Tax Rate (Core)	21.16%	21.50%	21.50%	0bp		34bp
Avg. Diluted Shares o/s	7.565	7.595	7.565	0.030		0.4%
Core EPS	$ 0.50	$ 0.44	$ 0.45		$ (0.01)	-12.5%
TBV / Share	$ 16.62	$ 14.53	$ 16.94		$ (2.408)	-12.6%
NIM	3.01%	2.91%	2.93%	-2bp		-10bp
Core NIM	2.95%	2.90%	2.93%	-3bp		-5bp
Core ROAA	0.96%	0.83%	0.84%	-1bp		-13bp
Core PTPP ROAA	1.20%	1.02%	1.11%	-9bp		-18bp
Core ROAE	10.90%	9.78%	9.55%	23bp		-112bp
Core Efficiency	67.6%	70.2%	69.1%	112bp		263bp
Avg. Total Loans	$ 880.0	$ 876.349	$ 870.082	$ 6.3		-0.4%
Avg. Earning Assets	$ 1,490.5	$ 1,515.374	$ 1,520.068	$ (4.7)		1.7%
Net Charge-Offs	$ (0.213)	$ (0.008)	$ 0.109	$ (0.117)		-96.2%
NCOs/Avg. Loans (ann'l)	-0.10%	0.00%	0.05%	-5bp		9bp
Excess Provision (LLP less NCOs)	$ 0.154	$ (0.117)	$ 0.068	$ (0.185)		-176.0%

Source: S&P Capital IQ and D.A. Davidson & Co.

First Community Corp. (FCCO)
($M, except Per Share Data)

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Income Statement	2020A	2021A	2022E	2023E	2024E	1Q21A	2Q21A	3Q21A	4Q21A	1Q22A	2Q22E	3Q22E	4Q22E	1Q23E	2Q23E	3Q23E	4Q23E	1Q24E	2Q24E	3Q24E	4Q24E
NET INTEREST INCOME (FTE)	$ 40.023	$ 45.387	$ 45.722	$ 51.321	$ 56.160	$ 10.675	$ 11.092	$ 12.456	$ 11.164	$ 10.733	$ 11.246	$ 11.693	$ 12.050	$ 12.360	$ 12.629	$ 13.015	$ 13.316	$ 13.567	$ 13.846	$ 14.192	$ 14.555
PROVISION FOR LOAN LOSSES	$ 3.663	$ 0.335	$ 0.058	$ 2.049	$ 3.172	$ 0.177	$ 0.168	$ 0.049	$ (0.059)	$ (0.125)	$ (0.030)	$ 0.079	$ 0.134	$ 0.270	$ 0.518	$ 0.652	$ 0.609	$ 0.647	$ 0.773	$ 0.881	$ 0.870
Non-Interest Income					$ -																
Deposit service charges	$ 1.121	$ 0.977	$ 1.108	$ 1.196	$ 1.276	$ 0.246	$ 0.212	$ 0.257	$ 0.262	$ 0.265	$ 0.276	$ 0.281	$ 0.287	$ 0.291	$ 0.298	$ 0.301	$ 0.306	$ 0.310	$ 0.318	$ 0.321	$ 0.326
Mortgage banking income	$ 5.557	$ 4.319	$ 3.128	$ 2.957	$ 2.907	$ 0.990	$ 1.143	$ 1.147	$ 1.039	$ 0.839	$ 0.797	$ 0.765	$ 0.727	$ 0.698	$ 0.754	$ 0.776	$ 0.730	$ 0.686	$ 0.741	$ 0.763	$ 0.717
Invest. Advisory fees & commissions	$ 2.720	$ 3.995	$ 5.164	$ 6.050	$ 6.773	$ 0.877	$ 0.957	$ 1.040	$ 1.121	$ 1.198	$ 1.258	$ 1.321	$ 1.387	$ 1.435	$ 1.486	$ 1.538	$ 1.591	$ 1.631	$ 1.680	$ 1.714	$ 1.748
Gain (loss) on sale of other assets	$ 0.147	$ 0.077	$ -	$ -	$ -	$ 0.077	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other	$ 3.814	$ 4.349	$ 4.435	$ 4.694	$ 4.884	$ 1.106	$ 1.106	$ 1.060	$ 1.077	$ 1.068	$ 1.100	$ 1.122	$ 1.144	$ 1.156	$ 1.167	$ 1.179	$ 1.191	$ 1.203	$ 1.215	$ 1.227	$ 1.239
TOTAL NON-INTEREST INCOME (core)	$ 13.359	$ 13.717	$ 13.835	$ 14.897	$ 15.840	$ 3.296	$ 3.418	$ 3.504	$ 3.499	$ 3.370	$ 3.431	$ 3.489	$ 3.545	$ 3.580	$ 3.705	$ 3.794	$ 3.818	$ 3.830	$ 3.954	$ 4.025	$ 4.031
OPERATING REVENUE	$ 53.382	$ 58.996	$ 59.556	$ 66.218	$ 72.000	$ 13.863	$ 14.510	$ 15.960	$ 14.663	$ 14.103	$ 14.676	$ 15.182	$ 15.595	$ 15.941	$ 16.334	$ 16.809	$ 17.134	$ 17.397	$ 17.800	$ 18.217	$ 18.585
Noninterest Expense																					
Salaries & employee benefits	$ 24.026	$ 24.494	$ 26.001	$ 27.807	$ 29.581	$ 5.964	$ 5.948	$ 6.394	$ 6.188	$ 6.119	$ 6.578	$ 6.611	$ 6.693	$ 6.760	$ 6.963	$ 6.998	$ 7.085	$ 7.192	$ 7.408	$ 7.445	$ 7.538
Occupancy	$ 2.709	$ 2.947	$ 2.880	$ 3.020	$ 3.181	$ 0.730	$ 0.734	$ 0.743	$ 0.740	$ 0.705	$ 0.719	$ 0.726	$ 0.730	$ 0.741	$ 0.750	$ 0.760	$ 0.769	$ 0.781	$ 0.790	$ 0.800	$ 0.810
Equipment	$ 1.237	$ 1.296	$ 1.350	$ 1.403	$ 1.463	$ 0.275	$ 0.338	$ 0.336	$ 0.347	$ 0.332	$ 0.337	$ 0.340	$ 0.341	$ 0.345	$ 0.349	$ 0.352	$ 0.356	$ 0.360	$ 0.364	$ 0.368	$ 0.371
Marketing & public relations	$ 1.043	$ 1.173	$ 1.458	$ 1.575	$ 1.702	$ 0.396	$ 0.313	$ 0.140	$ 0.324	$ 0.361	$ 0.368	$ 0.357	$ 0.371	$ 0.390	$ 0.398	$ 0.386	$ 0.401	$ 0.421	$ 0.430	$ 0.417	$ 0.434
FDIC assessment	$ 0.404	$ 0.618	$ 0.520	$ 0.520	$ 0.520	$ 0.169	$ 0.146	$ 0.189	$ 0.114	$ 0.130	$ 0.130	$ 0.130	$ 0.130	$ 0.130	$ 0.130	$ 0.130	$ 0.130	$ 0.130	$ 0.130	$ 0.130	$ 0.130
Amortization of intangibles	$ 0.363	$ 0.201	$ 0.154	$ 0.148	$ 0.142	$ 0.057	$ 0.052	$ 0.052	$ 0.040	$ 0.039	$ 0.039	$ 0.038	$ 0.038	$ 0.037	$ 0.037	$ 0.037	$ 0.036	$ 0.036	$ 0.036	$ 0.035	$ 0.035
Other operating expenses	$ 7.551	$ 8.367	$ 9.097	$ 9.703	$ 10.400	$ 1.920	$ 2.292	$ 1.993	$ 2.162	$ 2.221	$ 2.265	$ 2.288	$ 2.322	$ 2.369	$ 2.404	$ 2.440	$ 2.489	$ 2.539	$ 2.577	$ 2.616	$ 2.668
Noninterest Expense, Ex-Credit	$ 37.333	$ 39.096	$ 41.460	$ 44.175	$ 46.990	$ 9.511	$ 9.823	$ 9.847	$ 9.915	$ 9.907	$ 10.436	$ 10.490	$ 10.626	$ 10.773	$ 11.032	$ 11.103	$ 11.267	$ 11.459	$ 11.734	$ 11.810	$ 11.986
OREO expense	$ 0.201	$ 0.105	$ 0.182	$ 0.175	$ 0.175	$ 0.029	$ 0.055	$ 0.058	$ (0.037)	$ 0.047	$ 0.046	$ 0.045	$ 0.044	$ 0.044	$ 0.044	$ 0.044	$ 0.044	$ 0.044	$ 0.044	$ 0.044	$ 0.044
Write-down of OREO	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net loss (gain) on sale of OREO	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
NONINTEREST EXPENSE (core)	$ 37.534	$ 39.201	$ 41.642	$ 44.350	$ 47.165	$ 9.540	$ 9.878	$ 9.905	$ 9.878	$ 9.954	$ 10.482	$ 10.535	$ 10.670	$ 10.817	$ 11.075	$ 11.147	$ 11.311	$ 11.503	$ 11.778	$ 11.854	$ 12.030
Pre-Tax Operating Income	$ 12.185	$ 19.460	$ 17.856	$ 19.819	$ 21.664	$ 4.146	$ 4.464	$ 6.006	$ 4.844	$ 4.274	$ 4.224	$ 4.568	$ 4.790	$ 4.854	$ 4.741	$ 5.011	$ 5.214	$ 5.247	$ 5.249	$ 5.482	$ 5.686
Pre-Tax, Pre-Provision Operating Income	$ 15.848	$ 19.795	$ 17.915	$ 21.868	$ 24.836	$ 4.323	$ 4.632	$ 6.055	$ 4.785	$ 4.149	$ 4.194	$ 4.647	$ 4.925	$ 5.124	$ 5.259	$ 5.662	$ 5.823	$ 5.894	$ 6.022	$ 6.363	$ 6.556
Pre-Tax, Pre-Credit Costs Operating Income	$ 16.049	$ 19.900	$ 18.097	$ 22.043	$ 25.011	$ 4.352	$ 4.687	$ 6.113	$ 4.748	$ 4.196	$ 4.240	$ 4.692	$ 4.968	$ 5.167	$ 5.303	$ 5.706	$ 5.867	$ 5.938	$ 6.066	$ 6.407	$ 6.600
Gain (Loss) on sale of securities	$ 0.099	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Non-Operating Revenues	$ 0.311	$ 0.187	$ 0.004	$ -	$ -	$ -	$ -	$ 0.060	$ 0.127	$ 0.004	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Non-Operating Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Merger Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Pre-Tax Income	$ 12.595	$ 19.647	$ 17.860	$ 19.819	$ 21.664	$ 4.146	$ 4.464	$ 6.066	$ 4.971	$ 4.278	$ 4.224	$ 4.568	$ 4.790	$ 4.854	$ 4.741	$ 5.011	$ 5.214	$ 5.247	$ 5.249	$ 5.482	$ 5.686
Income Taxes	$ 2.496	$ 4.182	$ 3.709	$ 4.261	$ 4.658	$ 0.891	$ 0.921	$ 1.318	$ 1.052	$ 0.789	$ 0.908	$ 0.982	$ 1.030	$ 1.044	$ 1.019	$ 1.077	$ 1.121	$ 1.128	$ 1.128	$ 1.179	$ 1.223
Tax Rate	19.82%	21.29%	20.77%	21.50%	21.50%	21.5%	20.6%	21.7%	21.2%	18.4%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%
Core Tax Rate	19.66%	21.25%	21.50%	21.50%	21.50%	21.5%	20.6%	21.7%	21.2%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%
Net Income from Continuing Operations	$ 10.099	$ 15.465	$ 14.151	$ 15.558	$ 17.006	$ 3.255	$ 3.543	$ 4.748	$ 3.919	$ 3.489	$ 3.316	$ 3.586	$ 3.760	$ 3.810	$ 3.722	$ 3.933	$ 4.093	$ 4.119	$ 4.120	$ 4.304	$ 4.464
Net Income from Discontinued Operations	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Income	$ 10.099	$ 15.465	$ 14.151	$ 15.558	$ 17.006	$ 3.255	$ 3.543	$ 4.748	$ 3.919	$ 3.489	$ 3.316	$ 3.586	$ 3.760	$ 3.810	$ 3.722	$ 3.933	$ 4.093	$ 4.119	$ 4.120	$ 4.304	$ 4.464
Preferred Dividends	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Gain (Loss) Attributable to Noncontrolling Interest	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
NET INCOME AVAILABLE TO COMMON	$ 10.099	$ 15.465	$ 14.151	$ 15.558	$ 17.006	$ 3.255	$ 3.543	$ 4.748	$ 3.919	$ 3.489	$ 3.316	$ 3.586	$ 3.760	$ 3.810	$ 3.722	$ 3.933	$ 4.093	$ 4.119	$ 4.120	$ 4.304	$ 4.464
Shares / Per Share Metrics	2020A	2021A	2022E	2023E	2024E	1Q21A	2Q21A	3Q21A	4Q21A	1Q22A	2Q22E	3Q22E	4Q22E	1Q23E	2Q23E	3Q23E	4Q23E	1Q24E	2Q24E	3Q24E	4Q24E
Earnings Per Share (EPS) - Reported	$ 1.35	$ 2.05	$ 1.86	$ 2.05	$ 2.24	$ 0.43	$ 0.47	$ 0.63	$ 0.52	$ 0.46	$ 0.44	$ 0.47	$ 0.50	$ 0.50	$ 0.49	$ 0.52	$ 0.54	$ 0.54	$ 0.54	$ 0.57	$ 0.59
Core EPS	**$ 1.30**	**$ 2.03**	**$ 1.85**	**$ 2.05**	**$ 2.24**	**$ 0.43**	**$ 0.47**	**$ 0.62**	**$ 0.50**	**$ 0.44**	**$ 0.44**	**$ 0.47**	**$ 0.50**	**$ 0.50**	**$ 0.49**	**$ 0.52**	**$ 0.54**	**$ 0.54**	**$ 0.54**	**$ 0.57**	**$ 0.59**
Core EPS Growth (Annualized)	-10.8%	55.5%	-9.1%	11.0%	9.3%	-22.0%	34.5%	129.1%	-75.3%	-50.0%	-4.7%	32.6%	19.5%	5.3%	-9.3%	22.8%	16.2%	2.5%	0.2%	17.8%	14.9%
PTPP/Avg. Shares	$ 2.12	$ 2.62	$ 2.36	$ 2.88	$ 3.27	$ 0.57	$ 0.61	$ 0.80	$ 0.63	$ 0.55	$ 0.55	$ 0.61	$ 0.65	$ 0.67	$ 0.69	$ 0.75	$ 0.77	$ 0.78	$ 0.79	$ 0.84	$ 0.86
Avg. Diluted Shares o/s	7.480	7.546	7.595	7.595	7.595	7.523	7.537	7.560	7.565	7.595	7.595	7.595	7.595	7.595	7.595	7.595	7.595	7.595	7.595	7.595	7.595
EOP Shares	7.500	7.549	7.560	7.560	7.560	7.525	7.540	7.544	7.549	7.560	7.560	7.560	7.560	7.560	7.560	7.560	7.560	7.560	7.560	7.560	7.560
Dividend per Share	$ 0.48	$ 0.49	$ 0.52	$ 0.52	$ 0.52	$ 0.12	$ 0.12	$ 0.12	$ 0.13	$ 0.13	$ 0.13	$ 0.13	$ 0.13	$ 0.13	$ 0.13	$ 0.13	$ 0.13	$ 0.13	$ 0.13	$ 0.13	$ 0.13
Dividend Payout Ratio	35.6%	23.9%	27.9%	25.4%	23.2%	27.9%	25.5%	19.0%	25.0%	28.3%	29.8%	27.5%	26.3%	25.9%	26.5%	25.1%	24.1%	24.0%	24.0%	22.9%	22.1%
TBV / Share	$ 16.08	$ 16.62	$ 15.55	$ 17.09	$ 18.82	$ 15.55	$ 16.22	$ 16.37	$ 16.62	$ 14.53	$ 14.84	$ 15.19	$ 15.55	$ 15.93	$ 16.29	$ 16.68	$ 17.09	$ 17.51	$ 17.92	$ 18.36	$ 18.82
Profitability Metrics	2020A	2021A	2022E	2023E	2024E	1Q21A	2Q21A	3Q21A	4Q21A	1Q22A	2Q22E	3Q22E	4Q22E	1Q23E	2Q23E	3Q23E	4Q23E	1Q24E	2Q24E	3Q24E	4Q24E
NIM	3.34%	3.20%	2.97%	3.18%	3.30%	3.23%	3.20%	3.47%	3.01%	2.91%	2.94%	3.02%	3.09%	3.13%	3.16%	3.21%	3.24%	3.26%	3.29%	3.32%	3.33%
Core NIM	3.38%	3.08%	2.99%	3.18%	3.30%	3.16%	3.11%	3.08%	2.95%	2.90%	2.94%	3.02%	3.09%	3.13%	3.16%	3.21%	3.24%	3.26%	3.29%	3.32%	3.33%
Core ROAA	0.76%	1.01%	0.85%	0.91%	0.94%	0.91%	0.94%	1.22%	0.96%	0.83%	0.81%	0.87%	0.90%	0.90%	0.87%	0.91%	0.93%	0.93%	0.92%	0.95%	0.96%
Core PTPP ROAA	1.22%	1.30%	1.09%	1.27%	1.38%	1.20%	1.23%	1.57%	1.20%	1.02%	1.02%	1.12%	1.18%	1.21%	1.23%	1.31%	1.33%	1.33%	1.35%	1.40%	1.42%
Core ROAE	7.60%	11.12%	10.69%	11.21%	11.25%	9.60%	10.48%	13.39%	10.90%	9.78%	10.48%	11.12%	11.42%	11.33%	10.84%	11.23%	11.44%	11.26%	11.03%	11.28%	11.44%
Core ROTCE	8.64%	12.62%	12.23%	12.62%	12.54%	10.96%	11.85%	15.30%	12.27%	11.41%	11.95%	12.64%	12.95%	12.81%	12.22%	12.63%	12.83%	12.60%	12.31%	12.55%	12.70%
Core ROTCE (ex-Reserve Release)	5.83%	12.09%	11.60%	12.51%	12.54%	10.50%	11.65%	14.31%	11.88%	11.09%	11.09%	11.95%	12.28%	12.37%	12.22%	12.63%	12.83%	12.60%	12.31%	12.55%	12.70%
Core Efficiency	70.3%	66.4%	69.9%	67.0%	65.5%	68.6%	67.7%	61.7%	67.6%	70.2%	71.4%	69.4%	68.4%	67.9%	67.8%	66.3%	66.0%	66.1%	66.2%	65.1%	64.7%
Core Fee Income / Operating Revs	25.0%	23.3%	23.2%	22.5%	22.0%	23.8%	23.6%	22.0%	23.9%	23.9%	23.4%	23.0%	22.7%	22.5%	22.7%	22.6%	22.3%	22.0%	22.2%	22.1%	21.7%

First Community Corp. (FCCO) Kevin P. Fitzsimmons 856-994-6062

($M, except Per Share Data)

Average Balance Sheet	2020A	2021A	2022E	2023E	2024E	1Q21A	2Q21A	3Q21A	4Q21A	1Q22A	2Q22E	3Q22E	4Q22E	1Q23E	2Q23E	3Q23E	4Q23E	1Q24E	2Q24E	3Q24E	4Q24E
Avg. PPP	$ 35.7	$ 35.0	$ 0.3	$ -	$ -	$ 52.0	$ 54.5	$ 28.2	$ 5.3	$ 0.9	$ 0.1	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Avg. Loans (ex-PPP)	$ 799.2	$ 854.0	$ 900.5	$ 990.1	$ 1,087.7	$ 834.3	$ 841.1	$ 865.7	$ 874.7	$ 875.5	$ 886.5	$ 908.6	$ 931.3	$ 953.9	$ 976.3	$ 1,002.5	$ 1,027.5	$ 1,048.0	$ 1,071.6	$ 1,101.1	$ 1,130.0
Avg. Total Loans	$ 834.8	$ 889.0	$ 900.7	$ 990.1	$ 1,087.7	$ 886.4	$ 895.6	$ 893.9	$ 880.0	$ 876.3	$ 886.6	$ 908.6	$ 931.3	$ 953.9	$ 976.3	$ 1,002.5	$ 1,027.5	$ 1,048.0	$ 1,071.6	$ 1,101.1	$ 1,130.0
Avg. Securities	$ 300.8	$ 456.3	$ 590.2	$ 608.3	$ 608.3	$ 373.3	$ 430.9	$ 488.5	$ 532.4	$ 571.8	$ 590.4	$ 596.3	$ 602.3	$ 608.3	$ 608.3	$ 608.3	$ 608.3	$ 608.3	$ 608.3	$ 608.3	$ 608.3
Avg. Other Earning Assets	$ 62.8	$ 73.4	$ 48.1	$ 13.4	$ 4.5	$ 79.3	$ 77.8	$ 58.5	$ 78.1	$ 67.2	$ 52.9	$ 43.5	$ 28.6	$ 18.2	$ 14.4	$ 11.3	$ 9.7	$ 6.7	$ 2.9	$ 0.8	$ 7.6
Avg. Earning Assets	$ 1,198.5	$ 1,418.7	$ 1,539.0	$ 1,611.8	$ 1,700.5	$ 1,339.1	$ 1,404.2	$ 1,441.0	$ 1,490.5	$ 1,515.4	$ 1,529.9	$ 1,548.5	$ 1,562.2	$ 1,580.5	$ 1,599.0	$ 1,622.1	$ 1,645.5	$ 1,663.0	$ 1,682.8	$ 1,710.3	$ 1,745.9
Avg. Total Assets	$ 1,295.7	$ 1,519.9	$ 1,646.1	$ 1,718.5	$ 1,806.1	$ 1,435.3	$ 1,507.7	$ 1,542.8	$ 1,593.7	$ 1,622.3	$ 1,637.1	$ 1,655.6	$ 1,669.4	$ 1,687.5	$ 1,705.9	$ 1,728.6	$ 1,751.8	$ 1,769.0	$ 1,788.6	$ 1,815.6	$ 1,851.0
Avg. Deposits	$ 1,087.1	$ 1,292.2	$ 1,394.7	$ 1,433.3	$ 1,487.4	$ 1,208.1	$ 1,285.1	$ 1,312.6	$ 1,363.2	$ 1,374.8	$ 1,389.4	$ 1,403.0	$ 1,411.7	$ 1,419.2	$ 1,425.9	$ 1,436.0	$ 1,452.2	$ 1,462.2	$ 1,474.1	$ 1,493.3	$ 1,520.2
Avg. Total Borrowings	$ 66.8	$ 77.2	$ 101.2	$ 135.4	$ 170.0	$ 78.3	$ 75.4	$ 77.8	$ 77.1	$ 97.5	$ 97.5	$ 102.4	$ 107.5	$ 118.3	$ 130.1	$ 143.1	$ 150.3	$ 157.8	$ 165.7	$ 173.9	$ 182.6
Avg. IB-Liabilities	$ 810.0	$ 946.5	$ 1,038.8	$ 1,100.3	$ 1,179.3	$ 896.5	$ 940.2	$ 959.9	$ 989.6	$ 1,023.0	$ 1,032.0	$ 1,044.8	$ 1,055.2	$ 1,071.1	$ 1,088.5	$ 1,110.4	$ 1,131.4	$ 1,146.6	$ 1,164.0	$ 1,187.9	$ 1,218.7
Avg. Total Liabilities	$ 1,166.8	$ 1,382.0	$ 1,508.7	$ 1,581.4	$ 1,670.1	$ 1,299.7	$ 1,372.5	$ 1,402.4	$ 1,453.5	$ 1,485.0	$ 1,499.6	$ 1,518.1	$ 1,531.9	$ 1,550.1	$ 1,568.7	$ 1,591.8	$ 1,615.1	$ 1,632.6	$ 1,652.5	$ 1,679.9	$ 1,715.5
Avg. Shareholders Equity	$ 128.8	$ 137.8	$ 131.1	$ 138.8	$ 151.1	$ 135.6	$ 135.2	$ 140.4	$ 140.2	$ 137.2	$ 126.5	$ 129.0	$ 131.7	$ 134.5	$ 137.3	$ 140.1	$ 143.2	$ 146.3	$ 149.4	$ 152.7	$ 156.1
Avg. Tangible Common Equity	$ 113.3	$ 121.4	$ 114.6	$ 123.3	$ 135.6	$ 118.8	$ 119.6	$ 122.9	$ 124.5	$ 117.7	$ 111.0	$ 113.5	$ 116.2	$ 119.0	$ 121.8	$ 124.6	$ 127.6	$ 130.8	$ 133.9	$ 137.1	$ 140.5
EOP Balance Sheet	2020A	2021A	2022E	2023E	2024E	1Q21A	2Q21A	3Q21A	4Q21A	1Q22A	2Q22E	3Q22E	4Q22E	1Q23E	2Q23E	3Q23E	4Q23E	1Q24E	2Q24E	3Q24E	4Q24E
PPP	$ 42.2	$ 1.5	$ -	$ -	$ -	$ 61.8	$ 47.2	$ 9.1	$ 1.5	$ 0.3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Loans (ex-PPP)	$ 801.9	$ 862.2	$ 942.8	$ 1,037.7	$ 1,142.6	$ 807.2	$ 831.1	$ 872.4	$ 862.2	$ 875.5	$ 897.4	$ 919.9	$ 942.8	$ 965.0	$ 987.7	$ 1,017.3	$ 1,037.7	$ 1,058.4	$ 1,084.9	$ 1,117.4	$ 1,142.6
Total Loans	$ 844.2	$ 863.7	$ 942.8	$ 1,037.7	$ 1,142.6	$ 869.1	$ 878.3	$ 881.5	$ 863.7	$ 875.8	$ 897.4	$ 919.9	$ 942.8	$ 965.0	$ 987.7	$ 1,017.3	$ 1,037.7	$ 1,058.4	$ 1,084.9	$ 1,117.4	$ 1,142.6
Total Assets	$ 1,395.4	$ 1,584.5	$ 1,756.0	$ 1,937.2	$ 2,130.5	$ 1,492.5	$ 1,515.0	$ 1,560.3	$ 1,584.5	$ 1,652.3	$ 1,671.6	$ 1,713.1	$ 1,756.0	$ 1,798.5	$ 1,840.8	$ 1,890.1	$ 1,937.2	$ 1,976.0	$ 2,020.5	$ 2,076.1	$ 2,130.5
Non-IB Deposits	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Deposits	$ 1,189.4	$ 1,361.3	$ 1,469.1	$ 1,511.3	$ 1,582.1	$ 1,271.4	$ 1,289.9	$ 1,333.6	$ 1,361.3	$ 1,430.7	$ 1,445.9	$ 1,460.1	$ 1,469.1	$ 1,476.9	$ 1,483.9	$ 1,494.4	$ 1,511.3	$ 1,521.7	$ 1,534.1	$ 1,554.0	$ 1,582.1
Total Liabilities	$ 1,245.3	$ 1,430.5	$ 1,561.6	$ 1,646.4	$ 1,748.8	$ 1,346.7	$ 1,365.3	$ 1,408.4	$ 1,430.5	$ 1,513.8	$ 1,528.6	$ 1,547.5	$ 1,561.6	$ 1,580.1	$ 1,599.1	$ 1,622.6	$ 1,646.4	$ 1,664.3	$ 1,684.5	$ 1,712.4	$ 1,748.8
Liquidity Ratios																					
Loans / Deposits	71.0%	63.4%	64.2%	68.7%	72.2%	68.4%	68.1%	66.1%	63.4%	61.2%	62.1%	63.0%	64.2%	65.3%	66.6%	68.1%	68.7%	69.6%	70.7%	71.9%	72.2%
Avg. Earning Assets / Avg. Assets	92.5%	93.3%	93.5%	93.8%	94.2%	93.3%	93.1%	93.4%	93.5%	93.4%	93.5%	93.5%	93.6%	93.7%	93.7%	93.8%	93.9%	94.0%	94.1%	94.2%	94.3%
Avg. Borrowings / Avg. Liabilities	5.7%	5.6%	6.7%	8.6%	10.2%	6.0%	5.5%	5.6%	5.3%	6.6%	6.5%	6.7%	7.0%	7.6%	8.3%	9.0%	9.3%	9.7%	10.0%	10.4%	10.6%
Capital Analysis	2020A	2021A	2022E	2023E	2024E	1Q21A	2Q21A	3Q21A	4Q21A	1Q22A	2Q22E	3Q22E	4Q22E	1Q23E	2Q23E	3Q23E	4Q23E	1Q24E	2Q24E	3Q24E	4Q24E
Beginning Total Equity											$ 125.4	$ 127.7	$ 130.3	$ 133.1	$ 135.9	$ 138.7	$ 141.6	$ 144.7	$ 147.9	$ 151.0	$ 154.3
+ Net Income											$ 3.3	$ 3.6	$ 3.8	$ 3.8	$ 3.7	$ 3.9	$ 4.1	$ 4.1	$ 4.1	$ 4.3	$ 4.5
- Dividends											$ 1.0	$ 1.0	$ 1.0	$ 1.0	$ 1.0	$ 1.0	$ 1.0	$ 1.0	$ 1.0	$ 1.0	$ 1.0
- Cost of Share Repurchases											$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
+ Shares Issued (M&A less cash paid; raises)											$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
+ Net Other																					
Ending Shareholders Equity	$ 136.3	$ 141.0	$ 133.1	$ 144.7	$ 157.8	$ 132.7	$ 137.9	$ 139.1	$ 141.0	$ 125.4	$ 127.7	$ 130.3	$ 133.1	$ 135.9	$ 138.7	$ 141.6	$ 144.7	$ 147.9	$ 151.0	$ 154.3	$ 157.8
Less: Intangible Assets	$ 15.8	$ 15.6	$ 15.5	$ 15.5	$ 15.5	$ 15.7	$ 15.6	$ 15.6	$ 15.6	$ 15.5	$ 15.5	$ 15.5	$ 15.5	$ 15.5	$ 15.5	$ 15.5	$ 15.5	$ 15.5	$ 15.5	$ 15.5	$ 15.5
Less: Preferred Equity	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Tangible Common Equity	$ 120.6	$ 125.4	$ 117.6	$ 129.2	$ 142.3	$ 117.0	$ 122.3	$ 123.5	$ 125.4	$ 109.9	$ 112.2	$ 114.8	$ 117.6	$ 120.4	$ 123.1	$ 126.1	$ 129.2	$ 132.3	$ 135.5	$ 138.8	$ 142.3
Tangible Assets	$ 1,379.6	$ 1,569.0	$ 1,740.5	$ 1,921.7	$ 2,115.0	$ 1,476.8	$ 1,499.3	$ 1,544.7	$ 1,569.0	$ 1,636.8	$ 1,656.1	$ 1,697.6	$ 1,740.5	$ 1,783.0	$ 1,825.3	$ 1,874.6	$ 1,921.7	$ 1,960.5	$ 2,005.0	$ 2,060.6	$ 2,115.0
Tier 1 Capital						$ 122.9	$ 125.7	$ 129.7	$ 129.7	$ 129.7	$ 132.1	$ 134.7	$ 137.45	$ 140.3	$ 143.0	$ 146.0	$ 149.08	$ 152.2	$ 155.4	$ 158.7	$ 162.16
Total Capital						$ 133.4	$ 136.4	$ 140.8	$ 140.8	$ 140.8	$ 143.1	$ 145.7	$ 148.48	$ 151.3	$ 154.0	$ 157.0	$ 160.11	$ 163.2	$ 166.4	$ 169.7	$ 173.18
CET-1						$ 122.9	$ 125.7	$ 129.7	$ 129.7	$ 129.7	$ 132.1	$ 134.7	$ 137.45	$ 140.3	$ 143.0	$ 146.0	$ 149.08	$ 152.2	$ 155.4	$ 158.7	$ 162.16
Risk Weighted Assets						$ 1,114.2	$ 1,131.0	$ 1,164.8	$ 1,182.9	$ 1,233.5	$ 1,247.9	$ 1,278.9	$ 1,310.88	$ 1,342.7	$ 1,374.2	$ 1,411.0	$ 1,446.19	$ 1,475.1	$ 1,508.3	$ 1,549.9	$ 1,590.46
TBV / Share (calc)	$ 16.08	$ 16.62	$ 15.55	$ 17.09	$ 18.82	$ 15.55	$ 16.22	$ 16.37	$ 16.62	$ 14.53	$ 14.84	$ 15.19	$ 15.55	$ 15.93	$ 16.29	$ 16.68	$ 17.09	$ 17.51	$ 17.92	$ 18.36	$ 18.82
Shares Repurchased	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Shares Issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Avg. Share Effect of Shares Issued																					
Capital Ratios																					
Total Capital / Risk Weighted Assets	13.94%	11.90%	11.33%	11.07%	10.89%	14.26%	12.06%	12.08%	11.90%	11.41%	11.47%	11.39%	11.33%	11.27%	11.21%	11.13%	11.07%	11.07%	11.03%	10.95%	10.89%
Tier-1 / Risk Weighted Assets	12.83%	10.97%	10.49%	10.31%	10.20%	13.13%	11.12%	11.14%	10.97%	10.52%	10.58%	10.53%	10.49%	10.45%	10.41%	10.35%	10.31%	10.32%	10.30%	10.24%	10.20%
Leverage Ratio	8.80%	8.22%	8.31%	8.59%	8.83%	8.70%	8.43%	8.51%	8.22%	8.10%	8.14%	8.21%	8.31%	8.39%	8.46%	8.52%	8.59%	8.68%	8.76%	8.81%	8.83%
CET-1 / Risk Weighted Assets	12.83%	10.97%	10.49%	10.31%	10.20%	13.13%	11.12%	11.14%	10.97%	10.52%	10.58%	10.53%	10.49%	10.45%	10.41%	10.35%	10.31%	10.32%	10.30%	10.24%	10.20%
TCE/TA	8.74%	8.00%	6.76%	6.72%	6.73%	7.92%	8.16%	8.00%	8.00%	6.71%	6.77%	6.76%	6.76%	6.75%	6.75%	6.73%	6.72%	6.75%	6.76%	6.74%	6.73%
Asset Quality	2020A	2021A	2022E	2023E	2024E	1Q21A	2Q21A	3Q21A	4Q21A	1Q22A	2Q22E	3Q22E	4Q22E	1Q23E	2Q23E	3Q23E	4Q23E	1Q24E	2Q24E	3Q24E	4Q24E
Provision / Avg. Loans (ann'l)	0.44%	0.04%	0.01%	0.21%	0.29%	0.08%	0.08%	0.02%	-0.03%	-0.06%	-0.01%	0.03%	0.06%	0.11%	0.21%	0.26%	0.24%	0.25%	0.29%	0.32%	0.31%
NCOs / Avg. Loans (ann'l %)	-0.01%	-0.05%	0.03%	0.12%	0.19%	0.00%	0.04%	-0.15%	-0.10%	0.00%	0.02%	0.04%	0.06%	0.08%	0.11%	0.13%	0.15%	0.16%	0.18%	0.19%	0.21%
Assumed ALLL for New Loans											1.05%	1.05%	1.05%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%
Assumed Add/Release from ALLL											-2.75%	-2.25%	-2.25%	-1.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Projected NCOs ($)											$ 0.044	$ 0.091	$ 0.140	$ 0.191	$ 0.268	$ 0.326	$ 0.385	$ 0.419	$ 0.482	$ 0.523	$ 0.593
Provision for New Loans											$ 0.230	$ 0.236	$ 0.241	$ 0.244	$ 0.249	$ 0.326	$ 0.224	$ 0.228	$ 0.291	$ 0.358	$ 0.277
Add/Release from ALLL											$ (0.30)	$ (0.25)	$ (0.25)	$ (0.16)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Required Provision											$ (0.030)	$ 0.079	$ 0.134	$ 0.270	$ 0.518	$ 0.652	$ 0.609	$ 0.647	$ 0.773	$ 0.881	$ 0.870
Beginning ALLL											$ 11.063	$ 10.989	$ 10.977	$ 10.971	$ 11.051	$ 11.300	$ 11.626	$ 11.850	$ 12.078	$ 12.369	$ 12.727
- NCOs											$ 0.044	$ 0.091	$ 0.140	$ 0.191	$ 0.268	$ 0.326	$ 0.385	$ 0.419	$ 0.482	$ 0.523	$ 0.593
+ Provision											$ (0.030)	$ 0.079	$ 0.134	$ 0.270	$ 0.518	$ 0.652	$ 0.609	$ 0.647	$ 0.773	$ 0.881	$ 0.870
Ending ALLL	$ 10.389	$ 11.179	$ 10.971	$ 11.850	$ 13.004	$ 10.563	$ 10.638	$ 11.025	$ 11.179	$ 11.063	$ 10.989	$ 10.977	$ 10.971	$ 11.051	$ 11.300	$ 11.626	$ 11.850	$ 12.078	$ 12.369	$ 12.727	$ 13.004
ALLL / Loans	1.23%	1.29%	1.16%	1.14%	1.14%	1.22%	1.21%	1.25%	1.29%	1.26%	1.22%	1.19%	1.16%	1.15%	1.14%	1.14%	1.14%	1.14%	1.14%	1.14%	1.14%
ALLL / Loans (ex-PPP)	1.30%	1.30%	1.16%	1.14%	1.14%	1.31%	1.28%	1.26%	1.30%	1.26%	1.22%	1.19%	1.16%	1.15%	1.14%	1.14%	1.14%	1.14%	1.14%	1.14%	1.14%
Provision for Loan Losses	$ 3.663	$ 0.335	$ 0.058	$ 2.049	$ 3.172	$ 0.177	$ 0.168	$ 0.049	$ (0.059)	$ (0.125)	$ (0.030)	$ 0.079	$ 0.134	$ 0.270	$ 0.518	$ 0.652	$ 0.609	$ 0.647	$ 0.773	$ 0.881	$ 0.870
Net Charge-Offs	$ (0.120)	$ (0.456)	$ 0.267	$ 1.170	$ 2.018	$ 0.002	$ 0.093	$ (0.338)	$ (0.213)	$ (0.008)	$ 0.044	$ 0.091	$ 0.140	$ 0.191	$ 0.268	$ 0.326	$ 0.385	$ 0.419	$ 0.482	$ 0.523	$ 0.593
Excess Provision (LLP less NCOs)	$ 3.783	$ 0.791	$ (0.209)	$ 0.878	$ 1.154	$ 0.175	$ 0.075	$ 0.387	$ 0.154	$ (0.117)	$ (0.074)	$ (0.012)	$ (0.006)	$ 0.079	$ 0.249	$ 0.326	$ 0.224	$ 0.228	$ 0.291	$ 0.358	$ 0.277

Potential Risks

- Significant economic deterioration in the bank's core markets
- Unanticipated deterioration in credit quality
- Increasing competitive pressure on loan pricing - implying headwinds for balance sheet growth and NIM
- NIM compression stemming from a flat or inverted yield curve and/or the Fed adopting a less favorable stance on short-term rates
- M&A related risks, including execution or elevated pricing, resulting in a drag on profitability metrics

Required Disclosures

D.A. Davidson & Co. makes a market in First Community Corporation.

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Rating Information
D.A. Davidson & Co.'s Institutional Research Rating Scale Definitions (maintained since October 10, 2017); information regarding our previous definitions is available upon request:
BUY: Expected to produce a total return of over 15% on a risk adjusted basis over the next 12-18 months
NEUTRAL: Expected to produce a total return of -15% to +15% on a risk adjusted basis over the next 12-18 months
UNDERPERFORM: Expected to lose value of over 15% on a risk adjusted basis over the next 12-18 months

Rating Distribution (as of 3/31/22)	Coverage Universe Distribution			Investment Banking Distribution		
	IR	WMR	Combined	IR	WMR	Combined
BUY (Buy)	69%	88%	71%	9%	0%	8%
NEUTRAL (Hold)	42%	10%	38%	1%	0%	1%
UNDERPERFORM (Sell)	0%	2%	0%	0%	0%	0%

IR denotes Institutional Research; WMR denotes Wealth Management Research whose rating scale is Buy/Add, Neutral, Sell/Reduce. Investment Banking Distribution denotes companies from whom D.A. Davidson & Co. has received compensation in the last 12 months.

Target prices are our Institutional Research Department's evaluation of price potential over the next 12 months, based upon our assessment of future earnings and cash flow, comparable company valuations, growth prospects and other financial criteria. Certain risks may impede achievement of these price targets including, but not limited to, broader market and macroeconomic fluctuations and unforeseen changes in the subject company's fundamentals or business trends.

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Other Companies Mentioned in this Report

Company Name	Ticker	Rating	Price
First Community Corporation	FCCO	BUY	$20.71