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FOR IMMEDIATE RELEASE

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First Home Bancorp, Inc. Reports Record Earnings for Third Quarter of 2020

ST. PETERSBURG, FL - First Home Bancorp, Inc. (OTCQX: FHBI) ("FHBI" or the "Company"), parent company of First Home Bank ("First Home" or the "Bank") reported record earnings for the third quarter of 2020, driven by mortgage banking income, as well as loan origination fees and net interest income associated with the Paycheck Protection Program ("PPP"). The Company reported net income for the third quarter 2020 of $5.25 million, or $2.20 per basic common share, compared to net income of $2.35 million, or $0.95 per basic common per share in the second quarter 2020, and $1.28 million, or $0.60 per basic common share in the third quarter of 2019. Year-to-date net income through the September 30, 2020 was $7.10 million, an increase of $3.78 million or 114% over year-to-date net income through September 30, 2019 of $3.32 million. The third quarter's earnings contributed to an increase in tangible book value to $21.85 per basic common share.

FHBI Chief Executive Officer Anthony N. Leo stated: "Our efforts over the prior three years to diversify revenue through the expansion of our mortgage banking operations were key to the Company's record performance in the third quarter of 2020. In addition, as a leading nationwide SBA lender, we were well positioned to be among the region's foremost producers of PPP loans, driving revenue through origination fees and net interest income. At the same time, we strengthened our balance sheet substantially in the third quarter with the provision of $7 million to the allowance for loan and lease losses should we experience deterioration in credit quality resulting from adverse economic conditions."

Net Income and Performance Ratios

Key components of the Company's net income in the third quarter of 2020 include:

- The Bank's Residential Mortgage Division produced a record volume of loan originations, with production of $598 million during the third quarter of 2020, reaching $1.28 billion in production year-to-date.
- PPP net loan origination fee income of $4.30 million was recognized in the third quarter of 2020, compared to $3.87 million recognized in the second quarter of 2020. There remains $19.53 million of PPP net loan origination fees on the balance sheet as of September 30, 2020, which will be recognized over the remaining estimated lives of the loans.
- Interest income on PPP loans in the third quarter of 2020 was $2.27 million compared to $1.17 million in the second quarter 2020. PPP loans have been funded almost entirely by the Federal Reserve's PPP Liquidity Facility ("PPPLF") at a rate of 35 bps.
- The Company's record earnings were achieved while recognizing no gain on sale of SBA guaranteed loans. In consideration of strong revenue from other sources, no SBA guaranteed loans were sold in the third quarter, advancing the Company's strategy of increasing recurring revenue through holding government guaranteed loans.
- The Company recorded provision for loan losses of $7.00 million during the quarter, compared to $3.00 million in the second quarter of 2020 and $2.30 million in the same quarter of 2019.

The Company's return on average common equity equaled 43.23% for the quarter, bringing year-to-date return on average common equity to 19.73%. Return on average assets for the quarter equaled 1.44%, bringing year-to-date return on average assets to 0.87%. The Company's return on assets ratios were impacted by $880 million in net PPP loans on the Company's balance sheet, thereby increasing average assets for the period significantly above normalized levels.

Balance Sheet Highlights

Total assets increased by $31.32 million or 2.13% during the third quarter of 2020 to $1.50 billion, mainly due to increases in residential loans held for sale and PPP loans, offset partially by a decline in cash as the Company utilized on balance sheet liquidity and the PPPLF to fund PPP loans. Total assets increased $994.05 million or 195.89% from the third quarter of 2019, mainly due to the addition of $879.51 PPP loans, net of origination fees, during the second and third quarters of 2020, as well as increases in residential loans held for sale, conventional loans, and SBA loans. Further balance sheet details for the third quarter of 2020 are as follows:

- Gross loans, excluding loans held for sale and PPP loans, increased by $30.13 million or 8.44% during the third quarter of 2020 to $387.24 million due to an increase in conventional community bank loans, as well as the resumption in mid-July of SBA 7(a) lending. Traditional SBA production

was largely halted during the second quarter of 2020 as a result of the Covid-19 Pandemic and related focus on PPP loans.

- PPP loans, net of deferred origination fees, increased by $69.37 million or 8.56% in the third quarter of 2020 to $879.51 million.
- Deposits decreased by $66.10 million or 11.47% during the third quarter of 2020 to $510.14 million, with the majority of the decrease coming from a decline in time deposits of $77.04 million, offset by a net increase in other types of deposits, mainly money market accounts.
- Deposits increased $97.77 million, or 23.71% over the third quarter of 2019, with time deposits declining by $82.78 million year over year, offset by increases in transaction accounts and money market and savings accounts.

Asset Quality

Over the past five years, the Company's loan losses have been incurred primarily in its SBA unguaranteed loan portfolio, particularly loans originated under the SBA 7(a) Small Loan Program. The Small Loan Program represents loans of $350,000 or less and carry an SBA guaranty of 75% to 85% of the loan, depending on the original principal balance. The default rate on loans originated in the SBA 7(a) Small Loan Program is significantly higher than the Bank's other SBA 7(a) loans, conventional commercial loans, or residential mortgage loans.

Net charge-offs for the third quarter 2020 were $967 thousand, a decrease of $593 thousand from $1.56 million for the second quarter 2020. Net charge-offs as a percentage of average loans, excluding PPP loans, were 0.26% for the third quarter 2020, a decrease from 0.45% in the second quarter. Non-performing assets to total assets were 0.25% as of September 30, 2020, a slight increase from 0.23% as of June 30, 2020, and a significant decrease from 0.91% as of September 30, 2019. Since the majority of the Company's loan portfolio consists of SBA loans, most of which received principal and interest payments under Section 1112 of the CARES Act, asset quality trends may appear more favorable than they otherwise would without the CARES Act support.

As of September 30, 2020, a total of 37 loans with principal balances totaling $3.09 million were under payment deferral. Of these, 31 are SBA loans totaling $1.99 million in outstanding unguaranteed balance. We expect the level of SBA loans on deferral to increase with the expiration of the Section 1112 payment support afforded under the CARES Act.

Although the Company's asset quality trends indicate minimal stress on the portfolio, management believes it is prudent to be proactive in increasing the allowance for loan losses using qualitative measures. The ratio of the allowance for loan losses to total loans, excluding SBA guaranteed loans, residential loans held for sale, and loans whereby the Fair Value Option was elected, was 6.86% as of September 30, 2020, an increase from 4.98% as of June 30, 2020.

Capital Strength

The Bank's Tier 1 leverage ratio increased to 10.85% as of September 30, 2020. The Tier 1 leverage ratio temporarily dropped to 6.77% at June 30, 2020 due to excess short-term cash held to ensure funding for PPP loans, as well as a timing difference between the funding of PPP loans as their pledge to the PPPLF. The CET 1 and Tier 1 capital ratio to risk-weighted assets increased to 15.33% as of September 30, 2020 from 15.14% as of June 30, 2020, and the total capital to risk-weighted assets ratio increased to 16.75% as of September 30, 2020 from 16.55% as of June 30, 2020.

In addition, the Company raised approximately $3.8 million of 8% Series B Cumulative Convertible Preferred Stock in the third quarter, of which $2.5 million was downstreamed to the Bank subsidiary to provide additional capital strength.

About the Company

First Home Bancorp, Inc. is the parent company of First Home Bank, a Florida state-chartered banking institution and Federal Reserve member. The Company is headquartered in St. Petersburg, Florida with 6 full-service banking centers in the Tampa Bay area as of September 30, 2020. In addition to traditional community banking services, the Company specializes in providing lending services to small businesses nationwide guaranteed by the Small Business Administration ("SBA"). The Company also derives a significant portion of its earnings and loan production from a nationwide residential mortgage lending division with 28 residential loan production offices across the country.

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "may," "could," "should," "would," "believe," "anticipate," "estimate," "expect," "intend," "plan," "project," "is confident that" and similar expressions are intended to identify these forward-looking statements. These forward-looking statements involve risk and uncertainty and a variety of factors could cause our actual results and experience to differ materially from the anticipated results or other expectations expressed in these forward-looking statements. First Home Bancorp, Inc. does not have a policy of updating or revising forward-looking statements except as otherwise required by law, and silence by management over time should not be construed to mean that actual events are occurring as estimated in such forward-looking statements.

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First Home Bancorp, Inc.
Consolidated Statements of Income (Unaudited)

	QUARTERLY			YEAR-TO-DATE	
	09/30/2020	06/30/2020	09/30/2019	09/30/2020	09/30/2019
Interest Income:					
Loans, including fees, except for PPP	$ 5,979,901	$ 5,206,678	$ 6,614,969	$ 17,630,693	$ 18,167,062
PPP loan interest income	2,267,589	1,173,413	-	3,441,002	-
PPP origination fee income	4,302,284	3,872,901	-	8,175,185	-
Interest-bearing deposits in banks and other	71,590	137,756	304,871	571,088	890,813
Total interest income	12,621,364	10,390,748	6,919,840	29,817,968	19,057,875
Interest Expense:					
Deposits	1,539,272	2,359,675	1,918,602	6,110,751	5,144,421
PPP Liquidity Facility (PPPLF)	793,834	391,443	-	1,185,277	-
Other	204,794	201,908	242,070	642,115	705,933
Total interest expense	2,537,900	2,953,026	2,160,672	7,938,143	5,850,354
Net interest income before provision for loan losses	10,083,464	7,437,722	4,759,168	21,879,825	13,207,521
Provision for loan losses	7,000,000	3,000,000	2,300,000	11,900,000	7,669,230
Net interest income after provision for loan losses	3,083,464	4,437,722	2,459,168	9,979,825	5,538,291
Noninterest Income:					
Service charges on deposit accounts	251,399	196,663	253,167	710,040	743,792
Bank Owned Life Insurance income	81,354	17,559	-	98,913	-
Residential loan fee income	31,226,113	20,261,044	9,662,120	61,888,150	21,596,571
Gain on sale of SBA loans	-	64,151	3,630,995	1,276,319	11,621,073
SBA loan servicing right gain	-	-	1,669,708	530,000	5,484,838
Loss on sale of unguaranteed loan amounts	-	-	-	-	(216,222)
SBA servicing income, net	565,316	727,796	438,743	1,752,909	972,517
Other SBA noninterest income	67,423	98,917	(307,546)	61,340	(929,263)
Total noninterest income	32,191,605	21,366,130	15,347,187	66,317,671	39,273,306
Noninterest Expense:					
Salaries and benefits	8,875,345	8,315,857	6,419,410	24,496,663	18,437,260
Commissions	9,725,240	6,004,209	3,445,661	19,410,670	6,029,884
Bonus and incentives	2,193,604	2,006,157	749,753	4,476,297	2,258,314
Occupancy and equipment expense	1,182,547	1,099,281	840,870	3,314,363	2,434,536
Data processing	1,163,263	879,836	416,822	3,086,228	1,192,772
Professional services	877,920	875,175	828,181	2,342,956	1,534,998
Mortgage lead generation	379,665	397,563	415,295	1,241,440	1,065,525
Marketing and business development	337,251	354,508	569,557	1,008,149	1,273,817
Mortgage banking expense	1,620,411	1,174,734	729,692	3,645,420	1,648,163
Regulatory assessments	144,494	172,992	64,767	417,986	326,717
ATM and interchange expense	42,699	87,510	63,400	193,941	205,964
Telecommunications expense	135,504	143,180	167,907	427,091	487,609
Employee recruting and development	244,607	313,964	353,854	1,134,800	1,093,724
Loan origination and collection	907,667	430,560	450,664	1,771,090	1,187,952
Other expenses	377,379	375,333	326,936	1,027,871	947,681
Total noninterest expense	28,207,596	22,630,859	15,842,769	67,994,965	40,124,916
Income (loss) before taxes	7,067,473	3,172,993	1,963,586	8,302,531	4,686,681
Income tax expense (benefit)	1,814,512	827,926	550,726	1,205,535	1,369,774
Net Income (Loss)	**$ 5,252,961**	**$ 2,345,067**	**$ 1,412,860**	**$ 7,096,996**	**$ 3,316,907**
Preferred dividends	201,390	177,638	136,787	556,666	284,266
Net Income Available to Common Shareholders	**$ 5,051,571**	**$ 2,167,429**	**$ 1,276,073**	**$ 7,219,000**	**$ 3,032,641**

First Home Bancorp, Inc.
Consolidated Balance Sheets (Unaudited)

ASSETS	**09/30/2020**	**06/30/2020**	**09/30/2019**
Cash and due from banks	$ 2,707,048	$ 2,605,669	$ 5,945,298
Interest-bearing deposits in banks	31,769,546	154,779,058	97,258,900
Cash and cash equivalents	34,476,594	157,384,727	103,204,198
Certificates of deposit	2,381,000	2,381,000	2,381,000
Securities HTM and restricted equity securities	2,750,744	2,745,001	3,125,893
Residential loans held for sale	149,406,587	95,784,010	63,604,611
SBA loans sold, not yet settled	-	-	1,482,356
PPP loans, net of deferred fees and costs	879,509,575	810,136,858	-
Community bank loans	138,052,872	125,866,306	115,558,888
SBA loans	249,190,542	231,249,828	192,287,107
Total loans held for investment	1,266,752,989	1,167,252,992	307,845,995
Allowance for loan losses	(18,912,627)	(11,440,799)	(10,622,295)
Loans, net	1,247,840,362	1,154,372,794	297,223,700
Accrued interest receivable	5,262,324	2,937,422	2,105,267
Premises and equipment, net	16,881,153	16,655,990	15,386,283
Loan servicing assets	9,169,119	10,033,962	11,103,207
Bank Owned Life Insurance	12,098,913	12,017,559	-
Other assets	21,249,043	15,886,449	7,848,797
Total assets	**$ 1,501,515,839**	**$ 1,470,198,914**	**$ 507,465,312**
LIABILITIES			
Noninterest-bearing transaction accounts	$ 70,115,349	$ 73,651,915	$ 53,755,685
Interest-bearing transaction accounts	112,901,869	119,661,033	50,517,618
Savings and money market deposits	247,707,500	226,480,891	145,894,641
Time deposits	79,416,573	156,451,708	162,201,379
Total deposits	510,141,291	576,245,547	412,369,323
Federal Home Loan Bank advances	10,000,000	10,000,000	25,000,000
Subordinated debentures	6,942,980	6,939,848	7,412,172
Notes payable	3,868,229	3,981,993	4,656,722
PPP Liquidity Facility	889,769,683	803,171,434	-
Accrued expenses and other liabilities	18,639,755	16,553,309	10,290,355
Total liabilities	1,439,361,938	1,416,892,131	459,728,572
STOCKHOLDERS' EQUITY			
Preferred stock, series A	7,661,000	7,661,000	7,661,000
Preferred stock, series B	3,723,101	-	-
Common stock and additional paid-in capital	42,495,534	42,199,056	38,554,365
Deferred compensation - restricted stock	(46,874)	(52,789)	(175,258)
Retained earnings	8,321,140	3,499,516	1,696,633
Total stockholders' equity	62,153,901	53,306,783	47,736,740
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$ 1,501,515,839**	**$ 1,470,198,914**	**$ 507,465,312**