



WILLIAM PENN
— BANCORPORATION —

Shareholder Presentation
November 15, 2023



Safe Harbor Statement

- THIS PRESENTATION CONTAINS FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995 REGARDING WILLIAM PENN BANCORPORATION'S EXPECTATIONS OR PREDICTIONS OF FUTURE FINANCIAL OR BUSINESS PERFORMANCE OR CONDITIONS. FORWARD-LOOKING STATEMENTS ARE TYPICALLY IDENTIFIED BY WORDS SUCH AS "BELIEVE," "EXPECT," "ANTICIPATE," "INTEND," "TARGET," "ESTIMATE," "CONTINUE," "POSITIONS," "PROSPECTS" OR "POTENTIAL," BY FUTURE CONDITIONAL VERBS "WILL," "WOULD," "SHOULD," "COULD", OR BY VARIATIONS OF SUCH WORDS OR BY SIMILAR EXPRESSIONS. THESE FORWARD-LOOKING STATEMENTS ARE SUBJECT TO NUMEROUS ASSUMPTIONS, RISKS AND UNCERTAINTIES, WHICH CHANGE OVER TIME. FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE THEY ARE MADE AND WE ASSUME NO DUTY TO UPDATE FORWARD-LOOKING STATEMENTS. ACTUAL RESULTS MAY DIFFER MATERIALLY FROM CURRENT PROJECTIONS.
- IN ADDITION TO FACTORS PREVIOUSLY DISCLOSED IN WILLIAM PENN BANCORPORATION'S REPORTS FILED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION AND THOSE IDENTIFIED ELSEWHERE IN THIS PRESENTATION, THE FOLLOWING FACTORS AMONG OTHERS, COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM FORWARD-LOOKING STATEMENTS OR HISTORICAL PERFORMANCE: CHANGES IN ASSET QUALITY AND CREDIT RISK; THE INABILITY TO SUSTAIN REVENUE AND EARNINGS GROWTH; OUR ABILITY TO CONTROL COSTS AND EXPENSES; CHANGES IN INTEREST RATES AND CAPITAL MARKETS; LOAN DELINQUENCY RATES; INFLATION; CUSTOMER ACCEPTANCE OF WILLIAM PENN BANK PRODUCTS AND SERVICES; CUSTOMER BORROWING, REPAYMENT, INVESTMENT AND DEPOSIT PRACTICES; CUSTOMER DISINTERMEDIATION; THE INTRODUCTION, WITHDRAWAL, SUCCESS AND TIMING OF BUSINESS INITIATIVES; COMPETITIVE CONDITIONS AND OUR ABILITY TO OFFER COMPETITIVE PRODUCTS AND PRICING; THE INABILITY TO REALIZE COST SAVINGS OR REVENUES OR TO IMPLEMENT INTEGRATION PLANS AND OTHER CONSEQUENCES ASSOCIATED WITH MERGERS, ACQUISITIONS AND DIVESTITURES; NATIONAL, REGIONAL AND LOCAL ECONOMIC CONDITIONS; MILITARY CONFLICT (INCLUDING THE RUSSIA/UKRAINE CONFLICT, THE CONFLICT IN ISRAEL AND SURROUNDING AREAS, THE POSSIBLE EXPANSION OF SUCH CONFLICTS AND POTENTIAL GEOPOLITICAL CONSEQUENCES), TERRORISM OR OTHER GEOPOLITICAL EVENTS, AND MAJOR CATASTROPHES SUCH AS EARTHQUAKES, FLOODS OR OTHER NATURAL OR HUMAN DISASTERS AND INFECTIOUS DISEASE OUTBREAKS; THE IMPACT OF FAILURES OR DISRUPTIONS IN OR BREACHES OF THE COMPANY'S OPERATIONAL OR SECURITY SYSTEMS, DATA OR INFRASTRUCTURE, OR THOSE OF THIRD PARTIES, INCLUDING AS A RESULT OF CYBERATTACKS OR CAMPAIGNS AND THE IMPACT, EXTENT AND TIMING OF TECHNOLOGICAL CHANGES, CAPITAL MANAGEMENT ACTIVITIES, AND OTHER ACTIONS OF THE FEDERAL RESERVE BOARD AND OTHER LEGISLATIVE AND REGULATORY ACTIONS AND REFORMS. THESE FACTORS SHOULD BE CONSIDERED IN EVALUATING THE FORWARD-LOOKING STATEMENTS AND UNDUE RELIANCE SHOULD NOT BE PLACED ON SUCH STATEMENTS.
- THIS PRESENTATION ALSO INCLUDES INTERIM AND UNAUDITED FINANCIAL INFORMATION THAT IS SUBJECT TO FURTHER REVIEW BY WILLIAM PENN BANCORPORATION'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM.



Non-GAAP Financial Measures

- THIS PRESENTATION CONTAINS FINANCIAL INFORMATION PRESENTED IN ACCORDANCE WITH U.S. GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (“GAAP”). THIS PRESENTATION ALSO CONTAINS NON-GAAP INFORMATION THAT THE COMPANY’S MANAGEMENT USES IN ITS ANALYSIS OF THE COMPANY’S FINANCIAL RESULTS. SPECIFICALLY, THE COMPANY PROVIDES MEASURES BASED ON WHAT IT BELIEVES ARE ITS OPERATING EARNINGS ON A CONSISTENT BASIS, AND EXCLUDES MATERIAL NON-ROUTINE OPERATING ITEMS WHICH AFFECT THE GAAP REPORTING OF RESULTS OF OPERATIONS. THE COMPANY’S MANAGEMENT BELIEVES THAT PROVIDING THIS INFORMATION TO ANALYSTS AND INVESTORS ALLOWS THEM TO BETTER UNDERSTAND AND EVALUATE THE COMPANY’S CORE FINANCIAL RESULTS FOR THE PERIODS PRESENTED. BECAUSE NON-GAAP FINANCIAL MEASURES ARE NOT STANDARDIZED, IT MAY NOT BE POSSIBLE TO COMPARE THESE FINANCIAL MEASURES WITH OTHER COMPANIES’ NON-GAAP FINANCIAL MEASURES HAVING THE SAME OR SIMILAR NAMES.
- THE COMPANY ALSO PROVIDES MEASUREMENTS AND RATIOS BASED ON TANGIBLE STOCKHOLDERS’ EQUITY. THESE MEASURES ARE COMMONLY UTILIZED BY REGULATORS AND MARKET ANALYSTS TO EVALUATE THE COMPANY’S FINANCIAL CONDITION AND, THEREFORE THE COMPANY’S MANAGEMENT TEAM BELIEVES THAT SUCH INFORMATION IS USEFUL TO INVESTORS.
- A RECONCILIATION OF THE NON-GAAP MEASURES USED IN THIS PRESENTATION TO THE MOST DIRECTLY COMPARABLE GAAP MEASURES IS PROVIDED IN THE APPENDIX TO THIS PRESENTATION.



William Penn Bancorporation (NASDAQ: WMPN)

Strong Franchise

- Core deposits totaled 74% of total deposits at September 30, 2023
- Well capitalized with a Company tier 1 leverage ratio of 18.58%
- Abundant liquidity with over \$300 million in borrowing capacity
- Strong asset quality metrics. Non-performing assets/assets 0.45%

Attractive Markets

- Headquartered in Bucks County, PA which is ranked #3 of all counties in PA in median household and per capita income⁽¹⁾
- De novo branch office opened in Hamilton Township, NJ in December 2021 has grown to deposits of \$111.3 million as of October 31, 2023

Valuation

- Stock price of \$12.09 as of November 3, 2023
- Book value per share was \$12.60 and tangible book value per share was \$12.10 as of September 30, 2023⁽²⁾

** The Company and Bank financial information presented above is as of September 30, 2023, unless otherwise noted

(1) Source: Bucksco.today and Wikipedia

(2) As used in this presentation, tangible book value per share is a non-GAAP financial measure. This non-GAAP financial measure excludes goodwill and other intangible assets. For a reconciliation of this non-GAAP financial measures to their comparable GAAP measures, see “Non-GAAP Reconciliation” at the end of this presentation.



Overview

(as of September 30, 2023)

Corporate Headquarters	Bristol, PA
12 branches located in the highly desirable Philadelphia metropolitan area	6 Bucks County, PA 4 Central & Southern NJ 2 Northeast Philadelphia, PA
Market Cap*	\$122 million
Total Loans, net	\$472 million
Total Assets	\$830 million
Total Deposits	\$627 million

* As of November 3, 2023

Branch Map



Executive Management Team



Front Row (left to right)

Jeannine Cimino

Executive Vice President & Chief Retail Officer

Amy J. Hannigan

Executive Vice President & Chief Operating Officer

Back Row (left to right)

Alan B. Turner

Executive Vice President & Chief Lending Officer

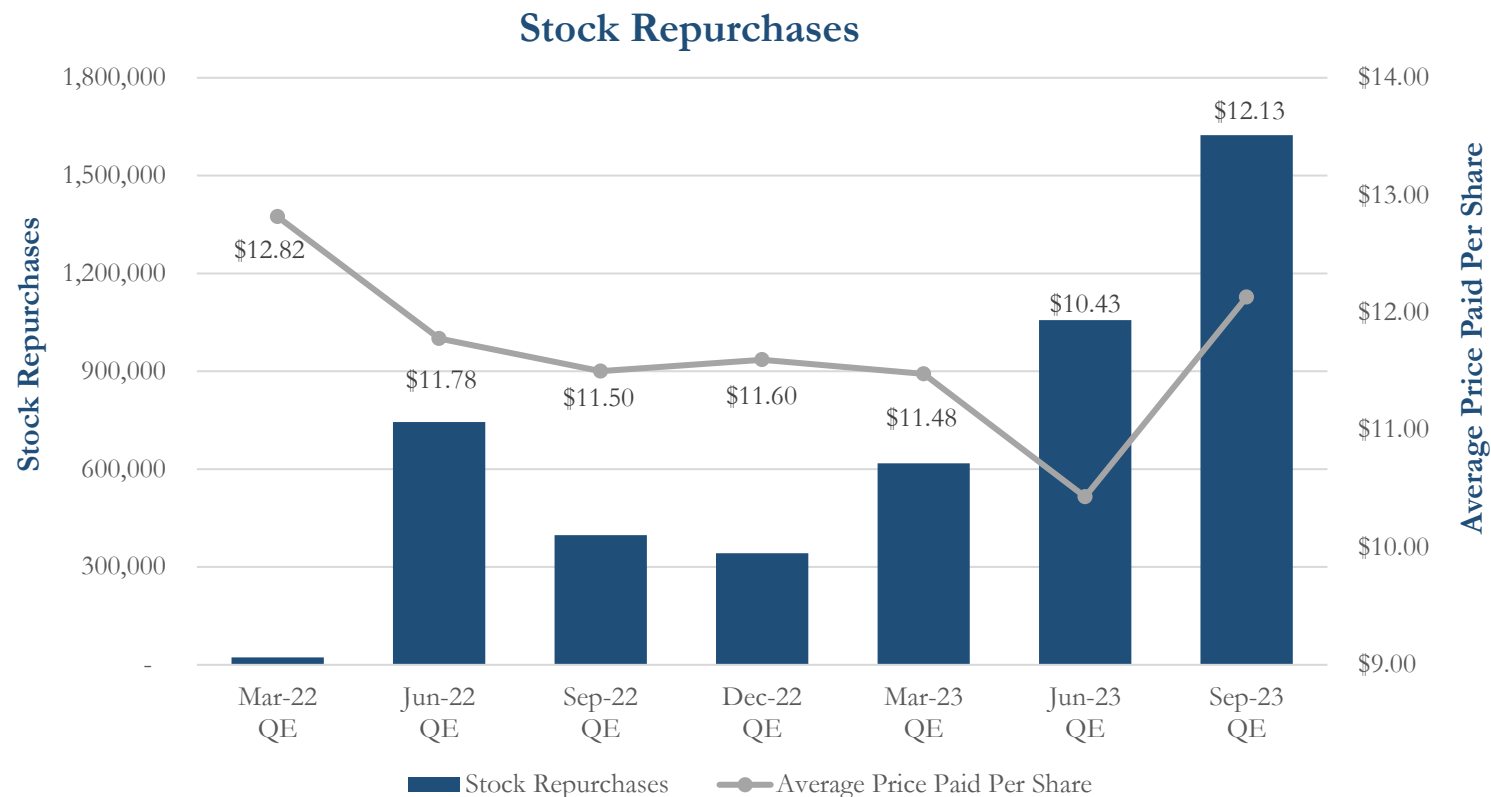
Kenneth J. Stephon

Chairman, President & Chief Executive Officer

Jonathan T. Logan

Executive Vice President & Chief Financial Officer

Stock Repurchases



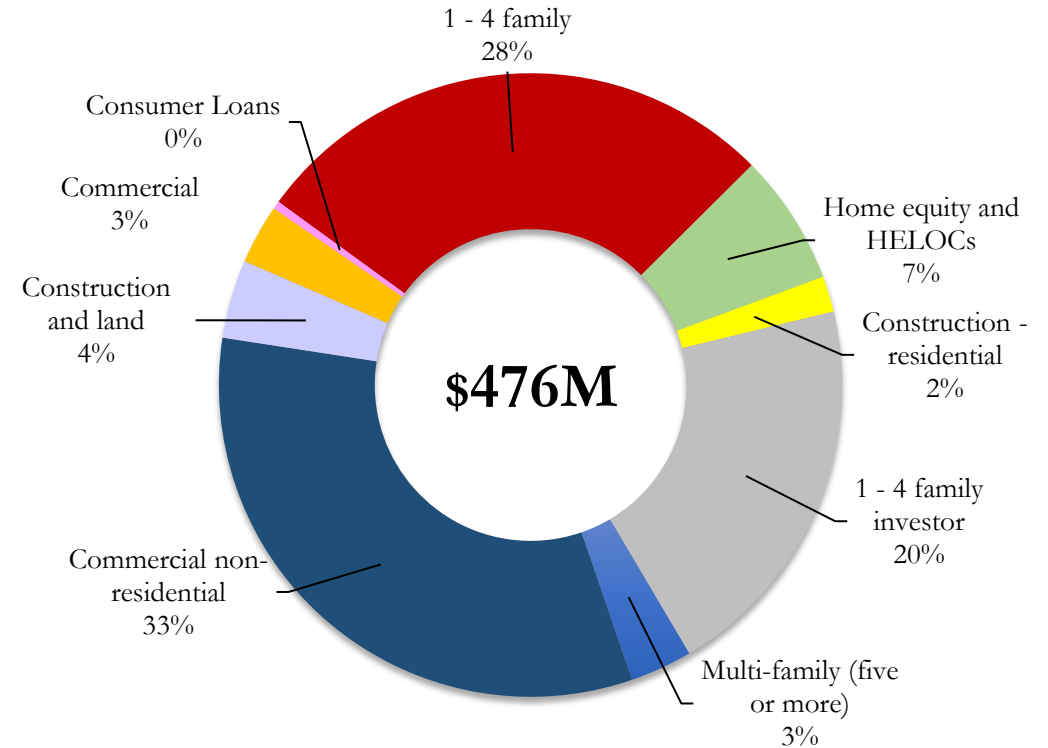
As of November 3, 2023, we had repurchased 5,574,451 shares of our common stock at a total cost of \$65.0 million, or \$11.66 per share.



Loan Portfolio

	September 30, 2023		June 30, 2023	
	Amount (in thousands)	Percent	Amount (in thousands)	Percent
Residential Real Estate				
1 - 4 family	\$ 131,305	28%	\$ 135,046	29%
Home equity and HELOCs	32,497	7%	32,684	7%
Construction -residential	8,813	2%	9,113	2%
Commercial Real Estate				
1 - 4 family investor	96,337	20%	98,160	20%
Multi-family (five or more)	15,258	3%	15,281	3%
Commercial non-residential	155,399	33%	157,555	33%
Construction and land	19,343	4%	15,584	3%
Commercial				
	14,759	3%	15,433	3%
Consumer Loans				
	1,928	0%	2,000	0%
Total	\$ 475,639	100%	\$ 480,856	100%

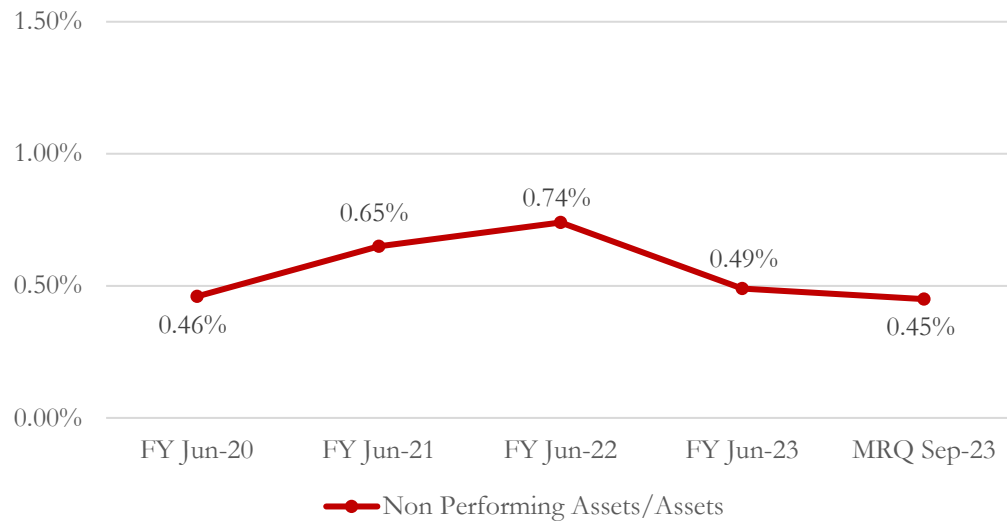
Loan Concentration
September 30, 2023



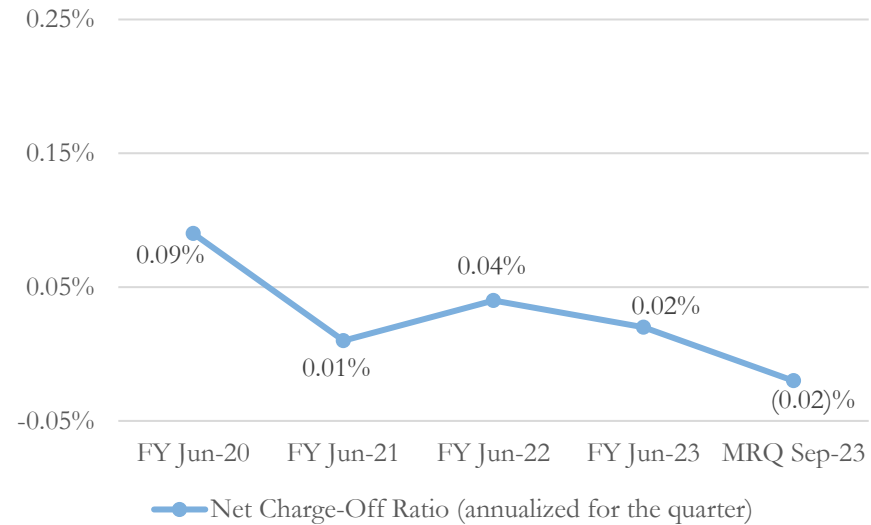
We are primarily focused on commercial real estate and commercial business lending. We continue to offer residential and consumer loans to meet the needs of our customers.

Asset Quality

Non-Performing Assets to Total Assets



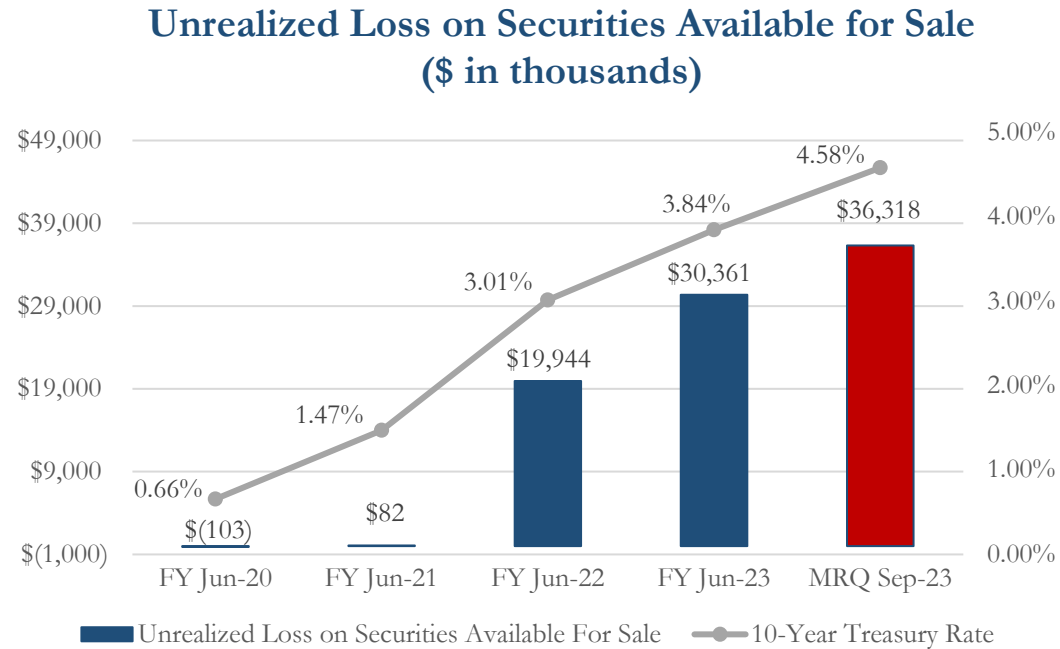
Net Charge-Off Ratio



- We continue to have strong asset quality metrics and experience low levels of net charge-offs
- On July 1, 2023, the Company adopted CECL and recorded a \$226 thousand adjustment to retained earnings during the quarter ended September 30, 2023
- Our allowance for credit losses totaled \$3.6 million or 0.75% of total loans at September 30, 2023



Securities Available For Sale



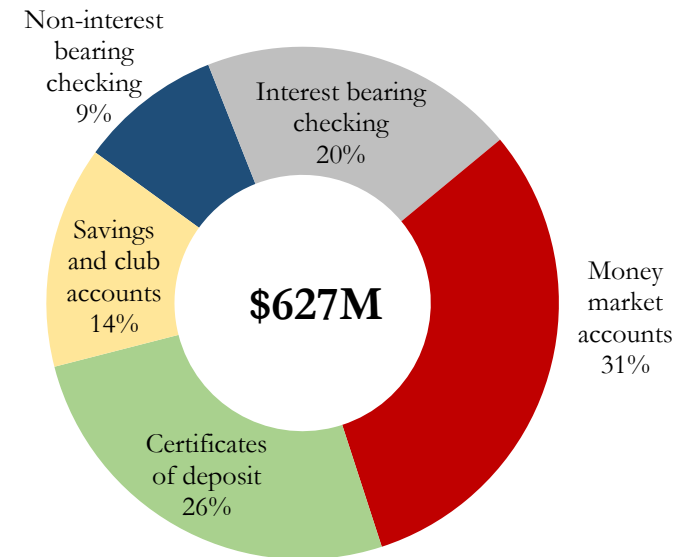
- The effective duration of the available for sale portfolio is 4.7 years and the average yield is 2.37% as of September 30, 2023
- Cash flows from the investment portfolio are approximately \$24 million annually
- The increase in the unrealized loss on available for sale securities is consistent with the increase in longer term treasury rates

Deposit Composition

Deposit Portfolio

	September 30, 2023		June 30, 2023	
	Amount (in thousands)	Percent	Amount (in thousands)	Percent
Non-interest bearing checking	\$ 55,685	9%	\$ 60,872	10%
Interest bearing checking	125,478	20%	116,700	18%
Money market accounts	193,608	31%	208,020	33%
Savings and club accounts	85,833	14%	90,291	14%
Certificates of deposit	165,903	26%	159,377	25%
Total	\$ 626,507	100%	\$ 635,260	100%

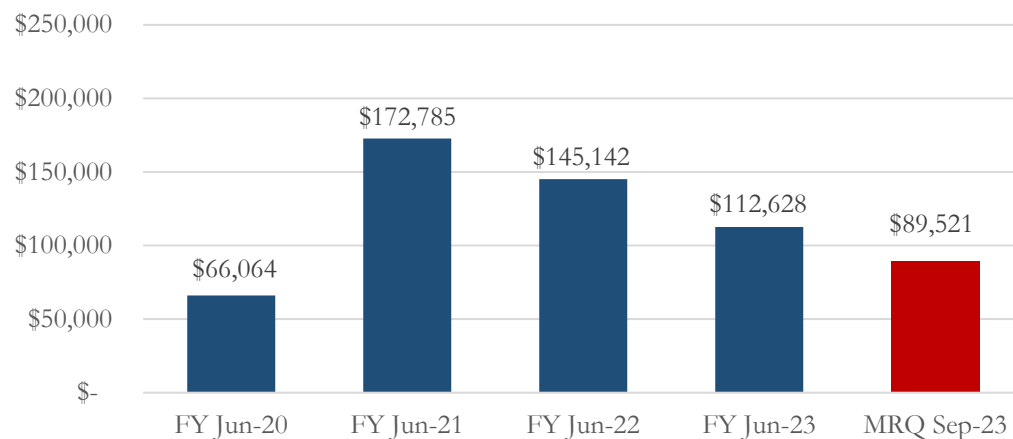
Deposit Concentration September 30, 2023



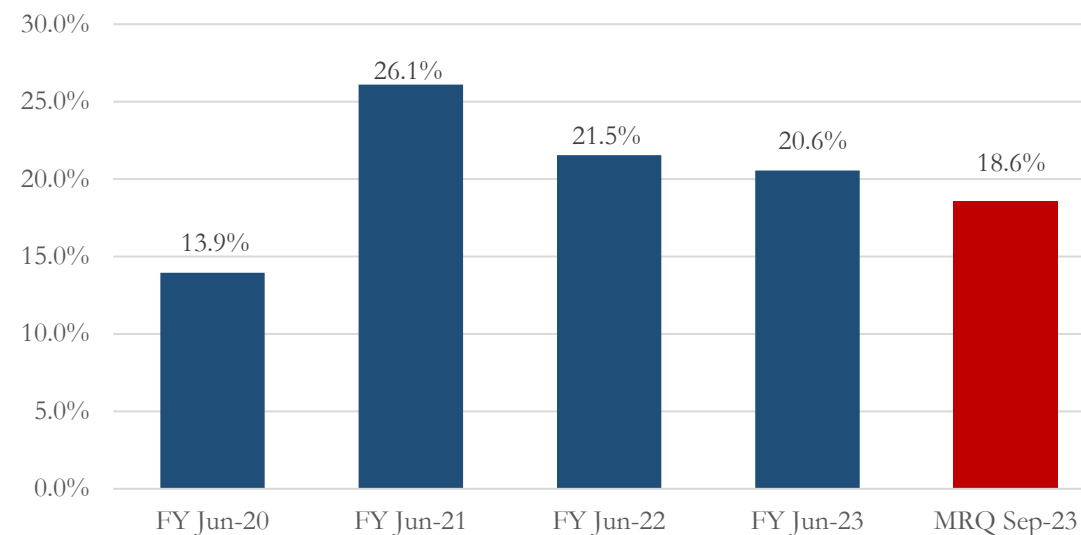
- Total cost of deposits was 1.74% for the quarter ended September 30, 2023 and 1.49% for the quarter ended June 30, 2023
- There were no brokered deposits at September 30, 2023 and June 30, 2023

Capital Management

Company Excess Capital over 5% Regulatory Minimum
(\$ in thousands)



Company Tier 1 Leverage Ratio



Capital deployment considerations include:

- **Stock Repurchases** – We are actively repurchasing shares under our seventh Board approved stock repurchase program. As of November 3, 2023, we had repurchased 5,574,451 shares of our common stock at a total cost of \$65.0 million, or \$11.66 per share.
- **Cash Dividends** – We have paid quarterly dividends since December 2021 including a one-time special cash dividend of \$0.30 per common share during the year ended June 30, 2022.



Appendix

Non-GAAP Reconciliation

William Penn Bancorporation and Subsidiaries Non-GAAP Reconciliation

	September 30, 2023
(Dollars in thousands, except share and per share data)	
Calculation of Tangible Book Value per Share:	
Total Stockholders' Equity	\$ 136,394
Less: Goodwill and other intangible assets	<u>5,336</u>
Total tangible equity (non-GAAP)	\$ 131,058
Total common shares outstanding	10,828,903
Book value per share (GAAP)	\$ 12.60
Tangible book value per share (non-GAAP)	\$ 12.10

