

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2022 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	☐

Part II	Basic Plan Information —enter all requested information
1a Name of plan FIRST BANCORP EMPLOYEES' 401(K) SAVINGS PLAN	1b Three-digit plan number (PN) ▶ 001
	1c Effective date of plan 01/01/1985
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) FIRST BANCORP 300 SW BROAD STREET SOUTHERN PINES, NC 28387	2b Employer Identification Number (EIN) 56-1421916 2c Plan Sponsor's telephone number 910-246-2500 2d Business code (see instructions) 522110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	06/29/2023	TIMOTHY MAPLES
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2022)
v. 220413

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN
		3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN
5 Total number of participants at the beginning of the plan year		5 1355
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).		
a(1) Total number of active participants at the beginning of the plan year		6a(1) 1155
a(2) Total number of active participants at the end of the plan year		6a(2) 1169
b Retired or separated participants receiving benefits		6b 5
c Other retired or separated participants entitled to future benefits.....		6c 233
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 1407
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 0
f Total. Add lines 6d and 6e		6f 1407
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g 1364
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2K 2S 2T 3I 2E 2F 2G 2J 3D		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ 0 A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2022
		This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan FIRST BANCORP EMPLOYEES' 401(K) SAVINGS PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 FIRST BANCORP	D Employer Identification Number (EIN) 56-1421916	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL
04-2647786

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

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04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65 71	RECORDKEEPER	96330	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

STRATEGIC ADVISORS, INC.

04-2654524

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	ADVISOR	16661	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
DODGE & COX INCOME I - DST ASSET M 52-2269240	0.08%

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan FIRST BANCORP EMPLOYEES' 401(K) SAVINGS PLAN	B Three-digit plan number (PN) ►	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 FIRST BANCORP	D Employer Identification Number (EIN) 56-1421916	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: MORLEY STABLE VALUE		
b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO		
c EIN-PN 93-6274329-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 8782557
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan FIRST BANCORP EMPLOYEES' 401(K) SAVINGS PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 FIRST BANCORP	D Employer Identification Number (EIN) 56-1421916	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	0	0
(2) Participant contributions.....	1b(2)	0	0
(3) Other.....	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	1248322	1695885
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common.....	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants).....	1c(7)	0	0
(8) Participant loans.....	1c(8)	2235421	2296890
(9) Value of interest in common/collective trusts.....	1c(9)	9424577	8782557
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts.....	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	92289007	80012910
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	0
(15) Other	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	15896319	15110646
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	121093646	107898888

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	121093646	107898888
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	5069001	
(B) Participants	2a(1)(B)	6754079	
(C) Others (including rollovers)	2a(1)(C)	1138895	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		12961975

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	20897	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	105513	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		126410

(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	297852	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	3149989	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		3447841

(3) Rents	2b(3)		0
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	2163093	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	2362567	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-199474

(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	-628186	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-628186

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		155835
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-21261266
c Other income	2c		0
d Total income. Add all income amounts in column (b) and enter total	2d		-5396865
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	13667142	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		13667142
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	16661	
(4) Other	2i(4)	96339	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		113000
j Total expenses. Add all expense amounts in column (b) and enter total	2j		13780142
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-19177007
l Transfers of assets:			
(1) To this plan	2l(1)		5982249
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☐ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☒ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: BDO USA, LLP

(2) EIN: 13-5381590

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		20000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan FIRST BANCORP EMPLOYEES' 401(K) SAVINGS PLAN		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 FIRST BANCORP		D Employer Identification Number (EIN) 56-1421916
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 04-6568107		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....		6a
b Enter the amount contributed by the employer to the plan for this plan year.....		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock?..... ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:		
	a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....	14a	
	b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14b	
	c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year.....	15a	
	b The corresponding number for the second preceding plan year.....	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c) a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____% b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____
20	PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20. a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box: ☐ Yes. ☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date. ☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date. ☐ No. Other. Provide explanation _____

**First Bancorp Employees' 401(k) Savings Plan
Financial Statements and Supplemental Schedule**

**As of December 31, 2022 and 2022 and
For the year ended December 31, 2022**

First Bancorp Employees' 401(k) Savings Plan

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* All other schedules required by Section 2520.103-10 of the U.S. Department of Labor's rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.



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Independent Auditor's Report

To the Plan Administrator
First Bancorp Employees' 401(k) Savings Plan
Southern Pines, North Carolina

Opinion

We have audited the financial statements of the First Bancorp Employees' 401(k) Savings Plan (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"). The financial statements comprise the statements of net assets available for benefits as of December 31, 2022 and 2021, and the related statement of changes in net assets available for benefits for the year ended December 31, 2022, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2022 and 2021, and the changes in its net assets available for benefits for the year ended December 31, 2022, in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Management is responsible for maintaining a current plan instrument, including all plan amendments. Management is also responsible for administering the Plan and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity

with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplemental Schedule Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2022, is presented for purposes of additional analysis and is not a required part of

the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying supplemental schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

BDO USA, LLP

Raleigh, North Carolina
June 29, 2023

First Bancorp Employees' 401(k) Savings Plan
Statements of Net Assets Available for Benefits
As of December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Investments, at fair value	\$ 105,601,998	\$ 118,858,225
Notes receivable from participants	<u>2,296,890</u>	<u>2,235,421</u>
Total assets	<u>107,898,888</u>	<u>121,093,646</u>
<i>Net assets available for benefits</i>	<u><u>\$ 107,898,888</u></u>	<u><u>\$ 121,093,646</u></u>

See Accompanying Notes to Financial Statements

First Bancorp Employees' 401(k) Savings Plan
Statement of Changes in Net Assets Available for Benefits
For the year ended December 31, 2022

Changes in net assets attributed to:

Investment income (loss):	
Net depreciation in fair value of investments	\$ (21,933,091)
Dividends and interest	<u>3,468,738</u>
Total investment loss	<u>(18,464,353)</u>
 Interest income on notes receivable from participants	 <u>105,513</u>
 Contributions:	
Participant	6,754,079
Employer	5,069,001
Rollover	<u>1,138,895</u>
Total contributions	<u>12,961,975</u>
 Deductions:	
Benefits paid to participants	13,667,142
Administrative expenses	<u>113,000</u>
Total deductions	<u>13,780,142</u>
 Net decrease before transfer	 <u>(19,177,007)</u>
 Transfer from Select Bancorp, Inc. acquisition (See Note 8)	 <u>5,982,249</u>
 <i>Net assets available for benefits, beginning of year</i>	 <u>121,093,646</u>
<i>Net assets available for benefits, end of year</i>	<u><u>\$ 107,898,888</u></u>

See Accompanying Notes to Financial Statements

First Bancorp Employees' 401(k) Savings Plan
Notes to the Financial Statements

Note 1. Description of the Plan

The following description of the First Bancorp Employees' 401(k) Savings Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General:

The Plan is a defined contribution plan covering all employees of First Bancorp (the "Company", "Plan Sponsor", or "Employer"), except union and part time employees with less than 1,000 hours of service, who are age 21 or older, beginning on the employment commencement date. First Bank, a wholly owned subsidiary of the Company, serves as the Plan administrator. The Plan is subject to provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Trustee and Recordkeeper:

The trustee and recordkeeper of the Plan is Fidelity Management Trust Company ("Fidelity").

Contributions:

Employees electing participation in the Plan may contribute up to the annual Internal Revenue Service ("IRS") deferral limit, pursuant to a salary reduction agreement. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 6% of eligible compensation and their contributions invested in a designated balanced fund until changed by the participant.

The Plan allows for Roth elective deferrals. The Roth deferrals are included in a participant's ordinary taxable income and are maintained in a separate account from pre-tax deferrals. Earnings on a participant's Roth account accumulate on a tax-free basis. Plan participants may elect all pre-tax, all Roth, or a combination of elective deferrals each pay period. In addition, the Plan accepts direct rollovers from other Roth 401(k) accounts. Upon hardship withdrawals, an employee's Roth account is distributed last.

The Company has elected a safe harbor match and contributes 100% of the first 6% of participant deferrals. Employer safe harbor matching contributions totaled approximately \$5.1 million in 2022. The Company may make additional discretionary contributions to the Plan to be allocated amongst participants. The Company made no discretionary contributions for the 2022 Plan year. Employer contributions are invested according to the same investment elections each participant has established for their deferral contributions. Contributions are subject to certain IRS limitations.

At year end, the Plan performs a true-up calculation of the employer matching contribution for all participants and makes any necessary additional matching contributions in the subsequent year before September 15th. True-up contributions for the 2021 Plan year received in 2022 totaled \$109,383.

Participant accounts:

Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contributions and Company matching contributions, as well as allocations of the Company's discretionary contributions and net Plan earnings or losses. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the amount in the participant's vested account.

Vesting:

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's matching contribution portion and discretionary contribution portion of their accounts is also immediate.

Notes receivable from participants:

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. Only one loan may be outstanding at one time. The highest outstanding balance for prior loans plus any new loans may not exceed \$50,000 in a 12-month period. The loans are secured by the balance in the participant's account and bear interest at rates that are commensurate with the prime rate plus 1.00%, as fixed at inception of the loan. Principal and interest are paid ratably through bi-weekly payroll deductions.

Loans transferred in from the Select Bancorp, Inc. ("Select") 401(k) plan may have different loan provisions, which were grandfathered into the Plan as the time of transfer. Refer to Note 8 for additional discussion of the Select acquisition.

Payment of benefits:

On termination of service, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump sum, other installment options as provided by the Plan, or may be kept in the Plan. If a participant's vested account is less than \$5,000, the participant will receive a lump-sum distribution as soon as practical following termination. Any distribution greater than \$1,000 and less than \$5,000 that is made to the participant without the participant's consent before the participant's normal retirement age will be rolled over to an individual retirement plan designated by the Plan Administrator. Hardship distributions are permitted upon demonstration of financial hardship. All fully vested balances are available for distribution after the participant reaches the age of 59 ½. In the event of the death of a participant, the Company's contributions to the participant are considered to be 100% vested, and the total account shall be paid to the participant's beneficiary.

Forfeited accounts:

Forfeited non-vested accounts are used to reduce future employer contributions or pay administrative expenses. At December 31, 2022 and 2021, the balance in the forfeited non-vested accounts were not material to the Plan's financial statements. During 2022, a nominal amount of forfeited non-vested account balances were used by the Plan to offset employer contributions.

Note 2. Summary of Significant Accounting Policies

Basis of accounting:

The financial statements of the Plan have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Use of estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

Investment valuation and income recognition:

The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's management determines the Plan's valuation policies utilizing information provided by the investment advisors. See Note 3 for discussion of fair value measurements.

The Revenue Credit Program provides income in situations where recordkeeping revenue earned in connection with plan services exceeds agreed-upon compensation. Fidelity will deposit any excess revenue, regardless of source, in a plan-level suspense account (i.e. Revenue Credit Account) in the Plan. The Plan Administrator can then direct Fidelity to pay qualified plan-level expenses or allocate unused credit to eligible participants via funds from the Revenue Credit Account. At December 31, 2022 and 2021, the balance in Revenue Credit Accounts were not material to the Plan. The Plan did not utilize any credits during 2022.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) in fair value of investments includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes receivable from participants:

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

Payment of benefits:

Benefit payments are recorded when paid.

Expenses:

All reasonable expenses of administering the Plan are either charged to participants and paid out of the Plan or paid by the Company. Expenses paid by the Company are not included in the Plan's financial statements. Fees related to participant requested transactions are charged to the participant's account. All other administrative fees are charged on a pro-rata basis based upon account balances of participants. Investment related expenses are presented net of net appreciation (depreciation) in the fair value of investments on the Statement of Changes in Net Assets Available for Benefits.

Note 3. Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

Money market fund: Valued at net asset value ("NAV") of \$1 per share. The money market fund is invested in the Fidelity Government Money Market Fund. The Plan invests in the money market fund to provide daily liquidity.

Common collective trust fund: Valued at NAV. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment adviser reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner. This investment is a direct filing entity.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Common stock: Valued at the closing price reported on the active market on which the individual securities are traded.

The following table sets forth by level, within the fair value hierarchy, the Plan's fair value measurements as of December 31, 2022 and 2021.

	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Money market fund	\$ —	\$ 1,695,885	\$ —	\$ 1,695,885
Mutual funds	80,012,910	—	—	80,012,910
Common stock	15,110,646	—	—	15,110,646
Total assets included in the fair value hierarchy	<u>\$ 95,123,556</u>	<u>\$ 1,695,885</u>	<u>\$ —</u>	<u>96,819,441</u>
Investments measured at NAV (a)				8,782,557
Total investments at fair value				<u>\$ 105,601,998</u>

	December 31, 2021			
	Level 1	Level 2	Level 3	Total
Money market fund	\$ —	\$ 1,248,322	\$ —	\$ 1,248,322
Mutual funds	92,289,007	—	—	92,289,007
Common stock	15,896,319	—	—	15,896,319
Total assets included in the fair value hierarchy	<u>\$ 108,185,326</u>	<u>\$ 1,248,322</u>	<u>\$ —</u>	<u>109,433,648</u>
Investments measured at NAV (a)				9,424,577
Total investments at fair value				<u>\$ 118,858,225</u>

- (a) Investments reported at NAV as a practical expedient to estimate fair value include a common collective trust fund. The investment has not been classified in the fair value hierarchy. The fair value amounts presented in the above tables are intended to permit reconciliation of the fair value hierarchy to investments at fair value presented in the Statements of Net Assets Available for Benefits.

The following table for December 31, 2022 and 2021 sets forth a summary of the Plan's investments reported at NAV as a practical expedient to estimate fair value:

Investment	December 31, 2022			
	Fair Value	Unfunded commitment	Redemption frequency	Redemption notice period
Common collective trust fund	<u>\$ 8,782,557</u>	<u>\$ —</u>	(b)	(b)

Investment	December 31, 2021			
	Fair Value	Unfunded commitment	Redemption frequency	Redemption notice period
Common collective trust fund	<u>\$ 9,424,577</u>	<u>\$ —</u>	(b)	(b)

- (b) The NAV of the common collective trust fund (the "Fund") is determined each business day (valuation date) by the fund trustee. Contributions to the Fund may be made daily at the current NAV and are considered as made immediately after the daily valuation. Withdrawals from the Fund for benefit payments and participant transfers to noncompeting options to be paid to plan participants shall be made within 30 days after written notification has been received and are considered as made immediately after the next valuation date subsequent to the fund trustee's approval. Withdrawals, other than for benefit payments and participant transfers to noncompeting options, require a twelve month advance written notice. Included in this advance written notice requirement are full or partial withdrawals of assets invested in the Fund resulting from plan sponsor directed actions.

Note 4. Related Party and Party-In-Interest Transactions

Certain Plan investments are managed by Fidelity. Fidelity is the trustee as defined by the Plan and, therefore, these transactions and any revenue credits received qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net appreciation (depreciation) in fair value of the investment, as they are paid through revenue sharing, rather than a direct payment. The Plan made direct payments to the third party administrator totaling \$113,000 in 2022 which were not covered by revenue sharing. The Company pays directly any other fees related to the Plan's operations.

Certain administrative functions are performed by officers or employees of the Company or its subsidiaries. No such officer or employee receives compensation from the Plan.

Investments in First Bancorp common stock represent investment in shares of common stock of the Company, which is the Plan Sponsor. As of December 31, 2022, the Plan held 352,689 shares of First Bancorp common stock with a cost basis of \$9,054,940. As of December 31, 2021, the Plan held 347,659 shares of First Bancorp common stock with a cost basis of \$8,250,177.

Participants may borrow from their fund accounts and these loans are considered party-in-interest transactions.

Note 5. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue contributions at any time and to terminate the Plan subject to the provisions of ERISA.

Note 6. Tax Status

Effective April 25, 2022, the Plan was restated under the Fidelity Pre-Approved Plan Document. Fidelity has received an advisory letter from the IRS dated June 30, 2020 which states the form of the Fidelity Pre-Approved Plan is acceptable under Section 401 of the Internal Revenue Code ("IRC"). Up until April 25, 2022, the Plan was established under the Fidelity Volume Submitter Plan Document. Fidelity has received an advisory letter from the IRS dated March 31, 2014 which states that the form of the Fidelity Volume Submitter Plan is acceptable under Section 401 of the IRC. Although the Plan has been amended since the date of the IRS advisory letters, Plan management believes that the Plan currently is designed and is being operated in compliance with the applicable requirements of the IRC.

GAAP requires management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the related taxing authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 7. Risks and Uncertainties

Concentration of market risk:

The Plan invests certain Plan assets in the Company's common stock. These investments comprised approximately 14.0% and 13.1% of Plan net assets at December 31, 2022 and 2021, respectively. It is reasonably possible that a decline in the value of the Company's common stock could occur and that such a change could severely impact participant account balances and the amounts reported on the Statements of Net Assets Available for Benefits. At December 31, 2022 and 2021, the Plan held Company stock valued at \$15,110,646 and \$15,896,319, respectively.

Other risks:

The Plan invests in various investment securities which are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, including investments in excess of 10% of Plan net

assets, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

Note 8. Select Bank 401(k) Plan Transfer

Effective October 15, 2021, Select was acquired by the Company. As part of the acquisition, Select's Plan was terminated. Participants were given the option to transfer their account balances, including any outstanding loans to the Plan. Net assets of approximately \$6.0 million, including loan balances, were transferred to the Plan in 2022.

Note 9. Subsequent Events

The Plan has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued. Except as disclosed below, there were no events that require adjustment to or disclosure in the financial statements of the Plan.

In conjunction with the Company's acquisition of GrandSouth Bancorporation ("GrandSouth") effective January 1, 2023, the Plan was amended in May 2023 to provide for the merger of the GrandSouth 401(k) plan into the Plan. Net assets of approximately \$12.6 million, including loan balances, were transferred to the Plan in May 2023.

First Bancorp Employees' 401(k) Savings Plan EIN; 56-1421916, Plan No. 001

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

As of December 31, 2022

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest collateral, par or maturity value	(d) Cost	(e) Current value
Money Market				
*	Fidelity	Government Money Market Fund	1,695,885.1900 units	** \$ 1,695,885
Common collective fund				
	Principal Global Investors Trust Company	Morley Stable Value Fund	313,218.6530 units	** 8,782,557
Mutual funds				
	Dodge & Cox	Income Fund	129,297.5750 shares	** 1,576,138
*	Fidelity	500 Index Fund	45,876.8950 shares	** 6,107,132
*	Fidelity	Mid-Cap Index Fund	100,069.9870 shares	** 2,593,814
*	Fidelity	Small Cap Index Fund	92,216.6510 shares	** 2,001,101
*	Fidelity	Global ex U.S. Index Fund	38,651.2950 shares	** 485,074
*	Fidelity	U.S. Bond Index Fund	301,812.6100 shares	** 3,072,452
*	Fidelity	Freedom Index Income Fund	2,455.1700 shares	** 26,835
*	Fidelity	Freedom Index Fund 2015	22,032.1290 shares	** 285,316
*	Fidelity	Freedom Index Fund 2020	125,576.9040 shares	** 1,770,634
*	Fidelity	Freedom Index Fund 2025	242,174.1660 shares	** 3,852,991
*	Fidelity	Freedom Index Fund 2030	192,430.4380 shares	** 3,232,831
*	Fidelity	Freedom Index Fund 2035	261,537.2060 shares	** 4,895,977
*	Fidelity	Freedom Index Fund 2040	231,276.0990 shares	** 4,384,995
*	Fidelity	Freedom Index Fund 2045	213,512.5560 shares	** 4,204,062
*	Fidelity	Freedom Index Fund 2050	175,876.5550 shares	** 3,468,286
*	Fidelity	Freedom Index Fund 2055	48,760.1180 shares	** 791,377
*	Fidelity	Freedom Index Fund 2060	36,785.1070 shares	** 505,427
*	Fidelity	Freedom Index Fund 2065	22,109.9530 shares	** 245,642
	Hartford	Mid-Cap R6 Fund	167,846.8390 shares	** 5,117,650
	Invesco	Developing Markets Fund	24,666.5760 shares	** 861,357
	MFS	Mid-Cap Value R6 Fund	104,640.6170 shares	** 2,942,494
	T. Rowe Price	Blue Chip Growth I Fund	101,276.4370 shares	** 10,524,647
	T. Rowe Price	Overseas Stock Fund I	279,452.2870 shares	** 3,062,797
	Vanguard	Equity-Income Admiral Fund	97,142.3880 shares	** 8,221,160
	Vanguard	Wellington Admiral Fund	78,750.1430 shares	** 5,223,497
	Principal	Small Cap Growth	23,185.0620 shares	** 559,224
				<u>80,012,910</u>
Common stock				
*	First Bancorp	Common Stock	352,689.1930 shares	** 15,110,646
*	Notes receivable from participants	All interest rates are currently at 4.25% - 8.00%	N/A	2,296,890
				<u>\$ 107,898,888</u>

* Denotes a party-in-interest to the Plan

** Cost information omitted due to participant-directed funds

**First Bancorp Employees' 401(k) Savings Plan
Financial Statements and Supplemental Schedule**

**As of December 31, 2022 and 2022 and
For the year ended December 31, 2022**

First Bancorp Employees' 401(k) Savings Plan

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* All other schedules required by Section 2520.103-10 of the U.S. Department of Labor's rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.



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Independent Auditor's Report

To the Plan Administrator
First Bancorp Employees' 401(k) Savings Plan
Southern Pines, North Carolina

Opinion

We have audited the financial statements of the First Bancorp Employees' 401(k) Savings Plan (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"). The financial statements comprise the statements of net assets available for benefits as of December 31, 2022 and 2021, and the related statement of changes in net assets available for benefits for the year ended December 31, 2022, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2022 and 2021, and the changes in its net assets available for benefits for the year ended December 31, 2022, in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Management is responsible for maintaining a current plan instrument, including all plan amendments. Management is also responsible for administering the Plan and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity

with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplemental Schedule Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2022, is presented for purposes of additional analysis and is not a required part of

the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying supplemental schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

BDO USA, LLP

Raleigh, North Carolina
June 29, 2023

First Bancorp Employees' 401(k) Savings Plan
Statements of Net Assets Available for Benefits
As of December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Investments, at fair value	\$ 105,601,998	\$ 118,858,225
Notes receivable from participants	<u>2,296,890</u>	<u>2,235,421</u>
Total assets	<u>107,898,888</u>	<u>121,093,646</u>
<i>Net assets available for benefits</i>	<u><u>\$ 107,898,888</u></u>	<u><u>\$ 121,093,646</u></u>

See Accompanying Notes to Financial Statements

First Bancorp Employees' 401(k) Savings Plan
Statement of Changes in Net Assets Available for Benefits
For the year ended December 31, 2022

Changes in net assets attributed to:

Investment income (loss):	
Net depreciation in fair value of investments	\$ (21,933,091)
Dividends and interest	<u>3,468,738</u>
Total investment loss	<u>(18,464,353)</u>
 Interest income on notes receivable from participants	 <u>105,513</u>
 Contributions:	
Participant	6,754,079
Employer	5,069,001
Rollover	<u>1,138,895</u>
Total contributions	<u>12,961,975</u>
 Deductions:	
Benefits paid to participants	13,667,142
Administrative expenses	<u>113,000</u>
Total deductions	<u>13,780,142</u>
 Net decrease before transfer	 <u>(19,177,007)</u>
 Transfer from Select Bancorp, Inc. acquisition (See Note 8)	 <u>5,982,249</u>
 <i>Net assets available for benefits, beginning of year</i>	 <u>121,093,646</u>
<i>Net assets available for benefits, end of year</i>	<u><u>\$ 107,898,888</u></u>

See Accompanying Notes to Financial Statements

First Bancorp Employees' 401(k) Savings Plan
Notes to the Financial Statements

Note 1. Description of the Plan

The following description of the First Bancorp Employees' 401(k) Savings Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General:

The Plan is a defined contribution plan covering all employees of First Bancorp (the "Company", "Plan Sponsor", or "Employer"), except union and part time employees with less than 1,000 hours of service, who are age 21 or older, beginning on the employment commencement date. First Bank, a wholly owned subsidiary of the Company, serves as the Plan administrator. The Plan is subject to provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Trustee and Recordkeeper:

The trustee and recordkeeper of the Plan is Fidelity Management Trust Company ("Fidelity").

Contributions:

Employees electing participation in the Plan may contribute up to the annual Internal Revenue Service ("IRS") deferral limit, pursuant to a salary reduction agreement. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate set at 6% of eligible compensation and their contributions invested in a designated balanced fund until changed by the participant.

The Plan allows for Roth elective deferrals. The Roth deferrals are included in a participant's ordinary taxable income and are maintained in a separate account from pre-tax deferrals. Earnings on a participant's Roth account accumulate on a tax-free basis. Plan participants may elect all pre-tax, all Roth, or a combination of elective deferrals each pay period. In addition, the Plan accepts direct rollovers from other Roth 401(k) accounts. Upon hardship withdrawals, an employee's Roth account is distributed last.

The Company has elected a safe harbor match and contributes 100% of the first 6% of participant deferrals. Employer safe harbor matching contributions totaled approximately \$5.1 million in 2022. The Company may make additional discretionary contributions to the Plan to be allocated amongst participants. The Company made no discretionary contributions for the 2022 Plan year. Employer contributions are invested according to the same investment elections each participant has established for their deferral contributions. Contributions are subject to certain IRS limitations.

At year end, the Plan performs a true-up calculation of the employer matching contribution for all participants and makes any necessary additional matching contributions in the subsequent year before September 15th. True-up contributions for the 2021 Plan year received in 2022 totaled \$109,383.

Participant accounts:

Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contributions and Company matching contributions, as well as allocations of the Company's discretionary contributions and net Plan earnings or losses. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the amount in the participant's vested account.

Vesting:

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's matching contribution portion and discretionary contribution portion of their accounts is also immediate.

Notes receivable from participants:

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. Only one loan may be outstanding at one time. The highest outstanding balance for prior loans plus any new loans may not exceed \$50,000 in a 12-month period. The loans are secured by the balance in the participant's account and bear interest at rates that are commensurate with the prime rate plus 1.00%, as fixed at inception of the loan. Principal and interest are paid ratably through bi-weekly payroll deductions.

Loans transferred in from the Select Bancorp, Inc. ("Select") 401(k) plan may have different loan provisions, which were grandfathered into the Plan as the time of transfer. Refer to Note 8 for additional discussion of the Select acquisition.

Payment of benefits:

On termination of service, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump sum, other installment options as provided by the Plan, or may be kept in the Plan. If a participant's vested account is less than \$5,000, the participant will receive a lump-sum distribution as soon as practical following termination. Any distribution greater than \$1,000 and less than \$5,000 that is made to the participant without the participant's consent before the participant's normal retirement age will be rolled over to an individual retirement plan designated by the Plan Administrator. Hardship distributions are permitted upon demonstration of financial hardship. All fully vested balances are available for distribution after the participant reaches the age of 59 ½. In the event of the death of a participant, the Company's contributions to the participant are considered to be 100% vested, and the total account shall be paid to the participant's beneficiary.

Forfeited accounts:

Forfeited non-vested accounts are used to reduce future employer contributions or pay administrative expenses. At December 31, 2022 and 2021, the balance in the forfeited non-vested accounts were not material to the Plan's financial statements. During 2022, a nominal amount of forfeited non-vested account balances were used by the Plan to offset employer contributions.

Note 2. Summary of Significant Accounting Policies

Basis of accounting:

The financial statements of the Plan have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Use of estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

Investment valuation and income recognition:

The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's management determines the Plan's valuation policies utilizing information provided by the investment advisors. See Note 3 for discussion of fair value measurements.

The Revenue Credit Program provides income in situations where recordkeeping revenue earned in connection with plan services exceeds agreed-upon compensation. Fidelity will deposit any excess revenue, regardless of source, in a plan-level suspense account (i.e. Revenue Credit Account) in the Plan. The Plan Administrator can then direct Fidelity to pay qualified plan-level expenses or allocate unused credit to eligible participants via funds from the Revenue Credit Account. At December 31, 2022 and 2021, the balance in Revenue Credit Accounts were not material to the Plan. The Plan did not utilize any credits during 2022.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) in fair value of investments includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes receivable from participants:

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

Payment of benefits:

Benefit payments are recorded when paid.

Expenses:

All reasonable expenses of administering the Plan are either charged to participants and paid out of the Plan or paid by the Company. Expenses paid by the Company are not included in the Plan's financial statements. Fees related to participant requested transactions are charged to the participant's account. All other administrative fees are charged on a pro-rata basis based upon account balances of participants. Investment related expenses are presented net of net appreciation (depreciation) in the fair value of investments on the Statement of Changes in Net Assets Available for Benefits.

Note 3. Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

Money market fund: Valued at net asset value ("NAV") of \$1 per share. The money market fund is invested in the Fidelity Government Money Market Fund. The Plan invests in the money market fund to provide daily liquidity.

Common collective trust fund: Valued at NAV. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment adviser reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner. This investment is a direct filing entity.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Common stock: Valued at the closing price reported on the active market on which the individual securities are traded.

The following table sets forth by level, within the fair value hierarchy, the Plan's fair value measurements as of December 31, 2022 and 2021.

	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Money market fund	\$ —	\$ 1,695,885	\$ —	\$ 1,695,885
Mutual funds	80,012,910	—	—	80,012,910
Common stock	15,110,646	—	—	15,110,646
Total assets included in the fair value hierarchy	<u>\$ 95,123,556</u>	<u>\$ 1,695,885</u>	<u>\$ —</u>	<u>96,819,441</u>
Investments measured at NAV (a)				<u>8,782,557</u>
Total investments at fair value				<u><u>\$ 105,601,998</u></u>

	December 31, 2021			
	Level 1	Level 2	Level 3	Total
Money market fund	\$ —	\$ 1,248,322	\$ —	\$ 1,248,322
Mutual funds	92,289,007	—	—	92,289,007
Common stock	15,896,319	—	—	15,896,319
Total assets included in the fair value hierarchy	<u>\$ 108,185,326</u>	<u>\$ 1,248,322</u>	<u>\$ —</u>	<u>109,433,648</u>
Investments measured at NAV (a)				<u>9,424,577</u>
Total investments at fair value				<u><u>\$ 118,858,225</u></u>

- (a) Investments reported at NAV as a practical expedient to estimate fair value include a common collective trust fund. The investment has not been classified in the fair value hierarchy. The fair value amounts presented in the above tables are intended to permit reconciliation of the fair value hierarchy to investments at fair value presented in the Statements of Net Assets Available for Benefits.

The following table for December 31, 2022 and 2021 sets forth a summary of the Plan's investments reported at NAV as a practical expedient to estimate fair value:

Investment	December 31, 2022			
	Fair Value	Unfunded commitment	Redemption frequency	Redemption notice period
Common collective trust fund	<u>\$ 8,782,557</u>	<u>\$ —</u>	(b)	(b)

Investment	December 31, 2021			
	Fair Value	Unfunded commitment	Redemption frequency	Redemption notice period
Common collective trust fund	<u>\$ 9,424,577</u>	<u>\$ —</u>	(b)	(b)

- (b) The NAV of the common collective trust fund (the "Fund") is determined each business day (valuation date) by the fund trustee. Contributions to the Fund may be made daily at the current NAV and are considered as made immediately after the daily valuation. Withdrawals from the Fund for benefit payments and participant transfers to noncompeting options to be paid to plan participants shall be made within 30 days after written notification has been received and are considered as made immediately after the next valuation date subsequent to the fund trustee's approval. Withdrawals, other than for benefit payments and participant transfers to noncompeting options, require a twelve month advance written notice. Included in this advance written notice requirement are full or partial withdrawals of assets invested in the Fund resulting from plan sponsor directed actions.

Note 4. Related Party and Party-In-Interest Transactions

Certain Plan investments are managed by Fidelity. Fidelity is the trustee as defined by the Plan and, therefore, these transactions and any revenue credits received qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net appreciation (depreciation) in fair value of the investment, as they are paid through revenue sharing, rather than a direct payment. The Plan made direct payments to the third party administrator totaling \$113,000 in 2022 which were not covered by revenue sharing. The Company pays directly any other fees related to the Plan's operations.

Certain administrative functions are performed by officers or employees of the Company or its subsidiaries. No such officer or employee receives compensation from the Plan.

Investments in First Bancorp common stock represent investment in shares of common stock of the Company, which is the Plan Sponsor. As of December 31, 2022, the Plan held 352,689 shares of First Bancorp common stock with a cost basis of \$9,054,940. As of December 31, 2021, the Plan held 347,659 shares of First Bancorp common stock with a cost basis of \$8,250,177.

Participants may borrow from their fund accounts and these loans are considered party-in-interest transactions.

Note 5. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue contributions at any time and to terminate the Plan subject to the provisions of ERISA.

Note 6. Tax Status

Effective April 25, 2022, the Plan was restated under the Fidelity Pre-Approved Plan Document. Fidelity has received an advisory letter from the IRS dated June 30, 2020 which states the form of the Fidelity Pre-Approved Plan is acceptable under Section 401 of the Internal Revenue Code ("IRC"). Up until April 25, 2022, the Plan was established under the Fidelity Volume Submitter Plan Document. Fidelity has received an advisory letter from the IRS dated March 31, 2014 which states that the form of the Fidelity Volume Submitter Plan is acceptable under Section 401 of the IRC. Although the Plan has been amended since the date of the IRS advisory letters, Plan management believes that the Plan currently is designed and is being operated in compliance with the applicable requirements of the IRC.

GAAP requires management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the related taxing authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 7. Risks and Uncertainties

Concentration of market risk:

The Plan invests certain Plan assets in the Company's common stock. These investments comprised approximately 14.0% and 13.1% of Plan net assets at December 31, 2022 and 2021, respectively. It is reasonably possible that a decline in the value of the Company's common stock could occur and that such a change could severely impact participant account balances and the amounts reported on the Statements of Net Assets Available for Benefits. At December 31, 2022 and 2021, the Plan held Company stock valued at \$15,110,646 and \$15,896,319, respectively.

Other risks:

The Plan invests in various investment securities which are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, including investments in excess of 10% of Plan net

assets, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

Note 8. Select Bank 401(k) Plan Transfer

Effective October 15, 2021, Select was acquired by the Company. As part of the acquisition, Select's Plan was terminated. Participants were given the option to transfer their account balances, including any outstanding loans to the Plan. Net assets of approximately \$6.0 million, including loan balances, were transferred to the Plan in 2022.

Note 9. Subsequent Events

The Plan has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued. Except as disclosed below, there were no events that require adjustment to or disclosure in the financial statements of the Plan.

In conjunction with the Company's acquisition of GrandSouth Bancorporation ("GrandSouth") effective January 1, 2023, the Plan was amended in May 2023 to provide for the merger of the GrandSouth 401(k) plan into the Plan. Net assets of approximately \$12.6 million, including loan balances, were transferred to the Plan in May 2023.

First Bancorp Employees' 401(k) Savings Plan EIN; 56-1421916, Plan No. 001

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

As of December 31, 2022

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest collateral, par or maturity value	(d) Cost	(e) Current value
Money Market				
*	Fidelity	Government Money Market Fund	1,695,885.1900 units	** \$ 1,695,885
Common collective fund				
	Principal Global Investors Trust Company	Morley Stable Value Fund	313,218.6530 units	** 8,782,557
Mutual funds				
	Dodge & Cox	Income Fund	129,297.5750 shares	** 1,576,138
*	Fidelity	500 Index Fund	45,876.8950 shares	** 6,107,132
*	Fidelity	Mid-Cap Index Fund	100,069.9870 shares	** 2,593,814
*	Fidelity	Small Cap Index Fund	92,216.6510 shares	** 2,001,101
*	Fidelity	Global ex U.S. Index Fund	38,651.2950 shares	** 485,074
*	Fidelity	U.S. Bond Index Fund	301,812.6100 shares	** 3,072,452
*	Fidelity	Freedom Index Income Fund	2,455.1700 shares	** 26,835
*	Fidelity	Freedom Index Fund 2015	22,032.1290 shares	** 285,316
*	Fidelity	Freedom Index Fund 2020	125,576.9040 shares	** 1,770,634
*	Fidelity	Freedom Index Fund 2025	242,174.1660 shares	** 3,852,991
*	Fidelity	Freedom Index Fund 2030	192,430.4380 shares	** 3,232,831
*	Fidelity	Freedom Index Fund 2035	261,537.2060 shares	** 4,895,977
*	Fidelity	Freedom Index Fund 2040	231,276.0990 shares	** 4,384,995
*	Fidelity	Freedom Index Fund 2045	213,512.5560 shares	** 4,204,062
*	Fidelity	Freedom Index Fund 2050	175,876.5550 shares	** 3,468,286
*	Fidelity	Freedom Index Fund 2055	48,760.1180 shares	** 791,377
*	Fidelity	Freedom Index Fund 2060	36,785.1070 shares	** 505,427
*	Fidelity	Freedom Index Fund 2065	22,109.9530 shares	** 245,642
	Hartford	Mid-Cap R6 Fund	167,846.8390 shares	** 5,117,650
	Invesco	Developing Markets Fund	24,666.5760 shares	** 861,357
	MFS	Mid-Cap Value R6 Fund	104,640.6170 shares	** 2,942,494
	T. Rowe Price	Blue Chip Growth I Fund	101,276.4370 shares	** 10,524,647
	T. Rowe Price	Overseas Stock Fund I	279,452.2870 shares	** 3,062,797
	Vanguard	Equity-Income Admiral Fund	97,142.3880 shares	** 8,221,160
	Vanguard	Wellington Admiral Fund	78,750.1430 shares	** 5,223,497
	Principal	Small Cap Growth	23,185.0620 shares	** 559,224
				<u>80,012,910</u>
Common stock				
*	First Bancorp	Common Stock	352,689.1930 shares	** 15,110,646
*	Notes receivable from participants	All interest rates are currently at 4.25% - 8.00%	N/A	2,296,890
				<u>\$ 107,898,888</u>

* Denotes a party-in-interest to the Plan

** Cost information omitted due to participant-directed funds