



Investor Presentation – Summer 2019

Boenning & Scattergood Community Bank Conference



**POTOMAC
BANCSHARES**

Financial Disclosure

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

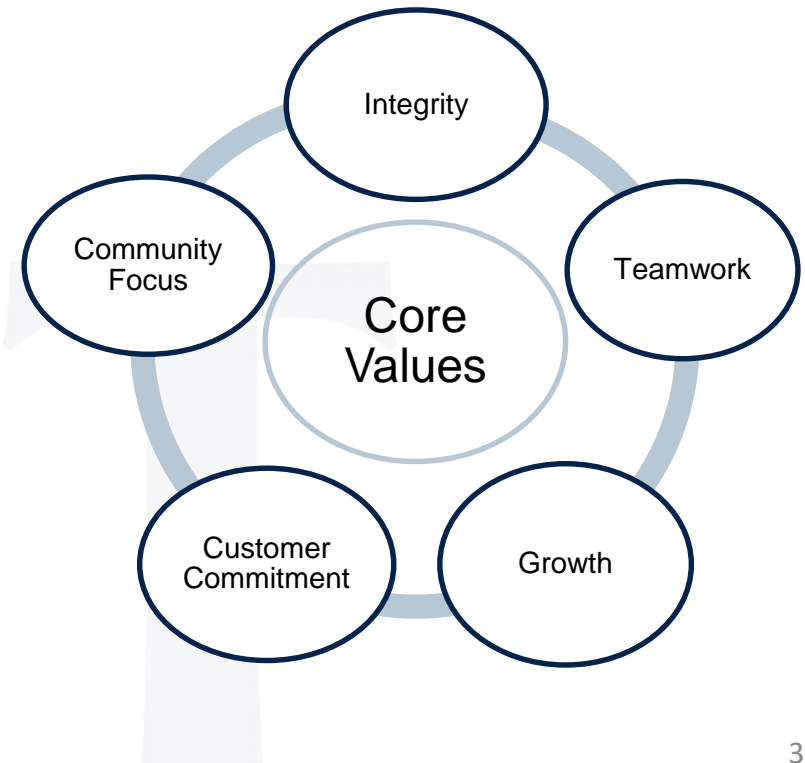
The Presentation contains forward-looking statements that are based on management's beliefs, assumptions, current expectations, estimates and projections about the financial services industry, the economy, the Company and Potomac Bancshares, Inc. Forward-looking statements are identifiable by words or phrases such as "outlook" or "strategy"; that an event or trend "may", "should", "will", "is likely", or is "probable" to occur or "continue" or "is scheduled" or "on track" or that the Company or its management "anticipates", "believes", "estimates", "plans", "forecasts", "intends", "predicts", "projects", or "expects" a particular result, or is "confident," "optimistic" or has an "opinion" that an event will occur, or other words or phrases such as "ongoing", "future", or "tend" and variations of such words and similar expressions. Forward-looking statements are based upon current beliefs and expectations and involve substantial risks and uncertainties which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These statements may include, among others, statements related to real estate valuation, future levels of non-performing loans and loan charge-offs, future levels of provisions for loan losses, the rate of asset dispositions, future capital levels and capital raising activities (including the successful completion of the Offering), future legal and regulatory requirements, future dividends, future growth and funding sources, future liquidity levels, future profitability levels, the effects on earnings of changes in interest rates, future economic trends and conditions, future initiatives to expand the Company's market share, future effects of new or changed accounting standards and the future level of other revenue sources.

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Company Overview

Founded in 1871, Potomac Bancshares, Inc. is a Charles Town, West Virginia bank holding company for the Bank of Charles Town. With approximately \$511 million in assets as of June 30, 2019, the Company conducts operations through its main office and branch office facilities in Jefferson and Berkeley Counties (WV), Washington County (MD) and Loudoun County (VA). The Bank provides various banking products and services for individuals, businesses, and local governments. Deposit products include noninterest-bearing and interest-bearing checking accounts, savings accounts, certificates of deposits, money market accounts, and individual retirement accounts.

The Bank also offers commercial, financial, and agricultural loans; mortgage loans; equipment loans and construction financing products; and retail loan products consisting of home equity lines of credit. In addition, the Bank provides financial management, investment, trust, and brokerage services, as well as online banking services. The Company's shares are quoted on the OTC Pink Sheet marketplace under the symbol "PTBS."



148 Years Young

A few short years after the end of the Civil War, a group of 38 Jefferson County, West Virginia farmers, orchardists, and business leaders saw the need for a bank to serve as a principal stabilizing influence on Jefferson County. They pooled some of their financial resources and started Bank of Charles Town.

1871	Charter issued
1938	Became the first Jefferson County bank to offer trust services
1966	Moved into its new facility at 111 East Washington Street with 31 employees and \$10 million in assets
1983	Bank of Harpers Ferry merged with Bank of Charles Town, resulting in combined assets in excess of \$59 million
1985	Third location opened
1999	Main office was renovated and expanded
2001	Began operations on Tuscarora Pike in Berkeley County, WV
2002	Established a full service branch in Hedgesville, WV
2008	7,000 square foot addition to the main office in Charles Town, named the Donald S. Smith Financial Center
2013	A loan production office was opened in Middleburg, VA, converted to full service in 2016
2014	A full service branch was opened in Hagerstown, MD
2018	\$12 million capital raise, Opened Full Service Branch in Purcellville, VA, Loan Production Office in Leesburg, VA
2019	Opened Full Service Branch in Leesburg, VA (April)
Today	BCT has grown to over \$500 million in assets and employs over 120 associates in the tri-state region

Solid Position in Original Core Markets

Well Positioned in
Outstanding Markets

For the first 140 years of its existence, the Company served, and established a loyal following in, its core markets in Jefferson and Berkeley Counties at the eastern end of the West Virginia panhandle. Both counties rank among the top three in West Virginia in terms of population growth and median household income, with demographic profiles that much more closely track the broader DC MSA than their home state. The Company moved into the Hagerstown market in Washington County, Maryland, in 2014 and has quickly established a strong local lending presence.

Jefferson County, WV

- Jefferson County has a population growth rate of 6.5% since 2010 (West Virginia -1.7% over the same period)
- Median HHI of \$71,976 is 60% higher than the statewide median and the highest in West Virginia
- The Company is ranked #1 in deposit market share with 31.88%
- Rockwool will build a \$150 million plant in Jefferson County that is expected to create up to 150 jobs
- Randox Laboratories will expand its current facility bringing 50 high-level jobs to its facility
- TeMa plans to build a 42,000-square foot manufacturing facility that is expected to create 30 jobs

Berkeley County, WV

- Berkeley County has the highest projected population growth of any county in West Virginia
- Median HHI in Berkeley is 28% higher than the statewide median
- The Bank holds 6.33% of the county's deposit market share with \$88 million
- WVU Medicine will hire 375 new professionals between 2018 and 2019
- Procter & Gamble recently revised its original estimate to 900 full-time workers for its new Berkeley manufacturing plant – 200 more than originally announced

Washington County, MD

- At 7.9%, Washington County has Maryland's fourth-fastest projected household income growth rate
- The Company's commercial loan produced out of its Hagerstown office is already more than \$50MM

Additional growth prospects in adjacent **Frederick County, VA** include:

- Amazon plans to invest in a \$56.5 million e-commerce distribution center bringing 1,000 new jobs
- Navy Federal Credit Union will invest \$100 million to expand its operations and create 1,400 new jobs
- The FBI will build a \$135 million Central Records Complex and create approximately 450 new jobs

Loudoun County Expansion

Well Positioned in
Outstanding Markets

The Company entered Loudoun County initially in 2013 with an LPO in Middleburg, which was subsequently converted to a full-service branch in 2016. Loans in the market total over \$45 million, with roughly \$10 million in deposits to date. With an extremely appealing demographic profile and growth prospects, Loudoun County is a key component of the Company's future expansion plans.

For the last 10 years, Loudoun has had the highest 2018 median household income of any county nationwide with \$130,803; more than twice that of the nationwide median of \$61,045.

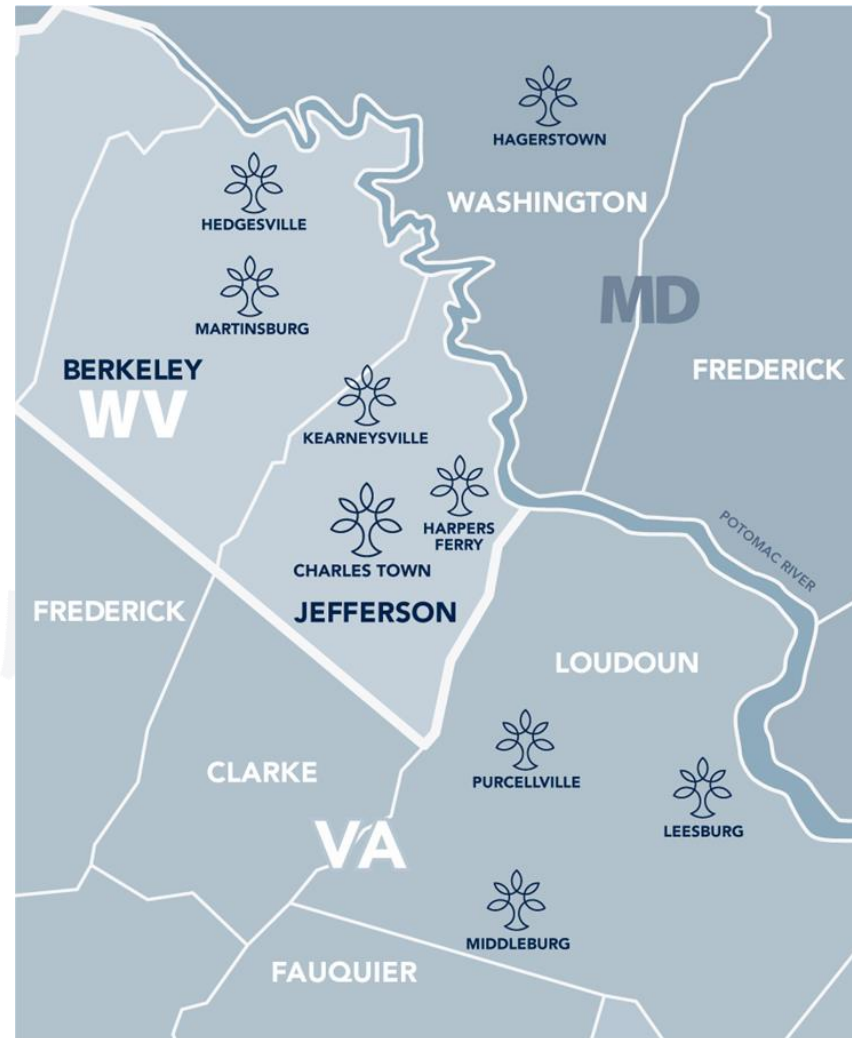
Strong population growth is expected to continue with a projected increase of 9% by 2023.

Loudoun County is home to a disproportionate number of fast growing companies. A 2016 annual list of the nation's 5,000 fastest growing companies included 25 from Loudoun County. Astonishingly, almost half of Loudoun's companies have made the list before.

Despite constrained inventory, sales increased 9.0% over March 2017 and median home sale prices rose 9.4% to \$446,000, the third highest monthly median price on record.

The nearby town of Ashburn in Loudoun County represents the world's fastest-growing data center market known as "Data Center Alley." Up to 70% of the world's internet traffic goes through Loudoun County every day, bringing \$110 million of tax revenue to the county.

The U.S. Customs and Border Protection Agency's Office of Information Technology headquarters will consolidate its operations to Loudoun County, bringing 3,700 jobs to Loudoun County, Virginia.



Largest Employers

Well Positioned in
Outstanding Markets

Jefferson County, WV



Berkeley County, WV



Loudoun County, VA



Washington County, MD



Focused Growth Strategy

Profitable Growth
Opportunities

The Company's growth strategy has three prongs:

1. Increase noninterest income through expansion of mortgage banking in all markets served.

- The Bank hired a top producing Director of Mortgage Banking with 20 years experience in mortgage banking (Loudoun County) and 30 years experience in financial services.
- Improved secondary market platform for improved closing times to less than 30 days and better pricing flexibility.

2. Expansion of commercial and small business lending services to increase growth in business loans and deposits.

- The Bank hired additional business development officers for each market.
- The Bank also hired a Chief Lending Officer with extensive experience in SBA lending, Government Contracting and Treasury Services.
- The Bank recognizes the additional growth prospects in North Berkeley County and will continue to take an opportunistic approach to adding to its existing network there.

3. Further expansion in Loudoun County, building on both the success of the Middleburg branch as well as Alice's considerable experience in the market. Key individuals have been hired:

- EVP, Virginia Market President – 35 year veteran (18 years in Loudoun County) joined in July 2018 from Middleburg Bank/Access National, providing leadership of expansion efforts in Virginia.
- SVP, Sr. Commercial Banker – 15 year veteran (5 years in Loudoun County) joined in April 2019
- Regional Retail Sales Leader – 30 year veteran (20 years in Loudoun County) joined in the fall of 2017 from Cardinal Financial, overseeing all branch expansion in Loudoun County.
- Purcellville Branch Manager – a 20 year veteran, formerly manager of Cardinal branch and assistant manager of BBT's branch in Purcellville.
- Leesburg Branch Manager – 22 year veteran, formerly with BBT and Middleburg Bank/Access Bank
- The Bank will continue with the recruitment of seasoned, strong-producing commercial lenders and deposit officers in the market with an emphasis on relationship banking and cross-selling of services.



Strong Growth Prospects

Profitable Growth Opportunities

In the broader Washington DC MSA, which is dominated by the nation's largest banks, Potomac controls only 0.13% of the approximately \$199 billion deposits in the market. As with many of its community bank peers, the opportunity exists to drive significant growth by simply providing better service to small and mid-sized borrowers who are not the large banks' core customers.

Despite the attractiveness of Loudoun County with its sizeable and growing deposit base, the Company's key target markets in the county, Purcellville and Leesburg, are far from saturated from a banking perspective as evidenced by the relatively small numbers of banks represented and the unusually large average branch sizes in the two communities. The Company believes that the markets' growth, presence of regional competitors, and recent merger disruption, combined with management's substantial experience in the communities, all illustrate the opportunity to build a strong local foothold.

<i>Purcellville</i>				
Rank	Institution	# of Branches	Deposits (000s)	% of Mkt
1	BB&T	1	\$ 155,000	28.19%
2	Atlantic Union	1	124,800	22.70%
3	Wells Fargo	1	123,673	22.49%
4	United Bank	1	65,071	11.83%
5	Bank of Clarke County	1	48,083	8.75%
6	PNC Bank	1	25,831	4.70%
7	Suntrust Bank	1	7,371	1.34%
8	BCT (officially opened 7/9/18)	1	5	0.00%
Total for Institutions in Market		8	\$ 549,834	
Average Branch Size			\$ 68,729	
Growth Since 2017			6.62%	

<i>Leesburg</i>				
Rank	Institution	# of Branches	Deposits (000s)	% of Mkt
1	Atlantic Union	2	\$ 308,694	14.26%
2	Wells Fargo	3	295,506	13.65%
3	Bank of America	2	292,903	13.53%
4	BBT	2	209,811	9.69%
5	Capital One	2	173,656	8.02%
6	United Bank	2	158,245	7.31%
7	John Marshall Bank	1	146,565	6.77%
8	SunTrust Bank	2	122,488	5.66%
9	PNC Bank	3	106,598	4.92%
10	TD Bank	1	75,486	3.49%
11	Sandy Spring Bank	2	62,187	2.87%
12	SonaBank	1	44,083	2.04%
13	Summit Community Bank	1	41,138	1.90%
14	Bank of Clarke County	1	39,764	1.84%
15	M&T Bank	1	30,360	1.40%
16	First Citizens Bank	1	25,365	1.17%
17	MVB Bank	1	12,582	0.58%
18	Presidential Bank	1	11,843	0.55%
19	MainStreet Bank	1	7,768	0.36%
Total for Institutions in Market		30	\$ 2,165,042	
Average Deposits/Branch			\$ 72,168	
Growth Since 2017			4.40%	

Source: S&P Global; deposit data as of 6/30/18

Experienced Leadership Team

Proven Leadership



Alice P. Frazier has 28 years of banking experience. Ms. Frazier began her banking career at Middleburg Financial Corp in 1991 serving as CFO and later COO. During her time at Middleburg, Alice played a critical role in growing the bank from \$120.4 million in 1991 to \$841.4 million in 2007. She was the Executive VP and COO of Cardinal Financial Corporation prior to being hired as President and CEO of Potomac Bancshares and Bank of Charles Town.

Before joining Cardinal, she was Senior VP and Area Executive for BB&T in the Loudoun County, VA market. Prior to her banking career, she worked in public accounting with a national and a regional firm. Ms. Frazier is a graduate of Radford University, Stonier Graduate School of Banking and a CPA. She is a past Chair of the Virginia Association of Community Banks. In March 2019, Ms. Frazier was elected to the board and Secretary of the Independent Community Bankers of America (ICBA). She serves on the WVU Medicine Hospital Eastern Panhandle Board, Loudoun CEO Cabinet and Loudoun Economic Development Authority.



Dean J. Cognetti has been the EVP & CFO of Potomac Bancshares Inc. and Bank of Charles Town since July 2011. Mr. Cognetti serves as Secretary and Treasurer at Potomac Bancshares Inc. He has over 25 years financial services experience including Senior VP/Mergers & Acquisitions Manager with BB&T in Winston-Salem, North Carolina, Manager of Financial Analysis with One Valley Bank (acquired by BB&T) in Charleston, West Virginia and Comptroller with One Valley Bank of Clarksburg, Clarksburg, West Virginia. Mr. Cognetti is a graduate of Marquette University with a Bachelor of Science in Accounting and is a Certified Public Accountant.



Raymond F. Goodrich joined Bank of Charles Town as Executive Vice President and Chief Lending Officer in May 2018. Goodrich, formerly Executive Vice President and Chief Lending Officer with Chain Bridge Bank, N.A. in McLean, Virginia, and Senior Vice President at M & T Bank (formerly Provident Bank), brings over 33 years of financial services experience to his new position. He began his banking career in First Virginia Bank's management training program. Raymond has expertise in lending at all levels with a solid foundation in commercial lending.

Experienced Business Unit Leaders

Proven Leadership



Stephen Cowen joined Bank of Charles Town as Senior Vice President, Director of Mortgage Banking in May 2018. Cowen, formerly Vice President, Senior Loan Officer with Atlantic Coast Mortgage, LLC, of Fairfax, Virginia, and Director of Mortgage Production with Middleburg Mortgage, leading a team of ten mortgage professionals. Cowen brings over 30 years of financial services experience and over 20 years of mortgage origination experience to his new position. Steve has helped over 5,000 families realize their dream of home ownership.



Leslie Crabill is Senior Vice President and Division Manager of Trust and Investments. Prior to joining BCT in 2007, she was a Wealth Management Advisor for BB&T (2000-2007). At Nationwide Financial Services, Leslie was a retirement plan specialist from 1996 to 2000. She has over 20 years of investment experience with an emphasis in comprehensive financial planning. Leslie graduated from West Virginia University with a degree in Journalism. She has her Series 7, 63 and 65 Securities License as well as Life, Health and P&C Insurance Licenses. She has continued her financial planning studies at the American College as well completing wealth management and trust programs through Cannon Trust School. Leslie is a Technical Advisor for the Eastern West Virginia Community Foundation, Board member for WVU Healthcare Foundation, member of the Martinsburg Rotary, as well as a volunteer for numerous non-profit agencies.



Tim Lewis joined Bank of Charles Town in 2002 and is currently the Senior Vice President, Retail Banking and Bank Operations. Tim began his banking career in 1978 as a teller working his way up to Branch Manager, Retail Lender, City Executive and Branch Area Operations Manager for South Berkeley National Bank, One Valley Bank and then BBT following the purchase of One Valley Bank. During his career Tim has led multiple merger conversion teams for One Valley Bank. Tim serves on the Berkeley County Planning Commission, Berkeley County Fire Authority and volunteers with Horses With Hearts.



John Beatty joined BCT in 2016 as Senior Vice President, Senior Banking Officer, providing leadership direction to our Trust and Investment Management division. Prior to joining BCT, John served as BBT's Eastern Panhandle Market President from 2003 until 2016. His investment management experience began in 1994 when he was Retail Banking and Investment Manager of One Valley Bank and then subsequent to One Valley Bank's acquisition of BBT in 2001, he became the Regional Trust Manager in Martinsburg, WV until 2003.

Diversified Board of Directors

Proven Leadership

In addition to its top notch management team, the Company is extremely proud of its board of directors and believes that it serves a critical role in formulating strategy while exemplifying sound corporate governance. The board is very diverse in terms of backgrounds, perspectives and tenures, which both enhances the quality of decision making and signifies a collective that is truly representative of the communities and customers that the Company serves. The board features an independent chair and lead director, both elected annually. The Company also employs director age limits to ensure an appropriate amount of turnover and vitality among the board.

Name	Role	Age	Begin Year	Biography
Keith B. Berkeley	Chairman of the Board	60	2008	President and Owner of Valley Equine Associates PLLC.
J. Scott Boyd	Board Director/Lead Director	62	1999	Pharmacist and President/owner of Jefferson Pharmacy, Inc.
Kristina Bouweiri	Board Director	58	2019	Owner, President and CEO of Reston Limousines
Norman M. Casagrande	Board Director	59	2013	Retired, former owner Code Plus Components LLC.
Margaret M. Cogswell	Board Director	60	2003	Chief Executive Officer of Hospice of the Panhandle.
Alice P. Frazier	President/CEO/Director	54	2017	President and CEO, PTBS and BCT
Mitesh Kothari	Board of Director	50	2019	Physician, Partner of Capital Women's Care
Barbara H. Pichot	Board Director	71	2004	Retired local CPA .
Barbara L. Scott	Board Director	70	2012	Former owner, Chief Executive Officer of Summit Point Raceway Associates Inc. (SPRA) and BSR Inc.
Andrew C. Skinner	Board Director	48	2017	Attorney/Owner at Skinner Law Firm in Charles Town, WV.
C. Larry Togans	Board Director	72	2004	Retired Chief of Human Resources and Management Support and Deputy Branch Chief of Human Resources,
Anthony P. "Tony" Zelenka	Board Director	65	2015	President and Chief Executive Officer of WVU Medicine – East.

Track Record of Growth

Historical Growth Trend. Despite the emphasis on growth in the Company's strategy going forward, it is important to note that growth has actually been a part of the Company's story over the last several years. Potomac has experience managing a growing organization and has the personnel, infrastructure and systems in place to support a dynamic – and meaningfully larger – company.

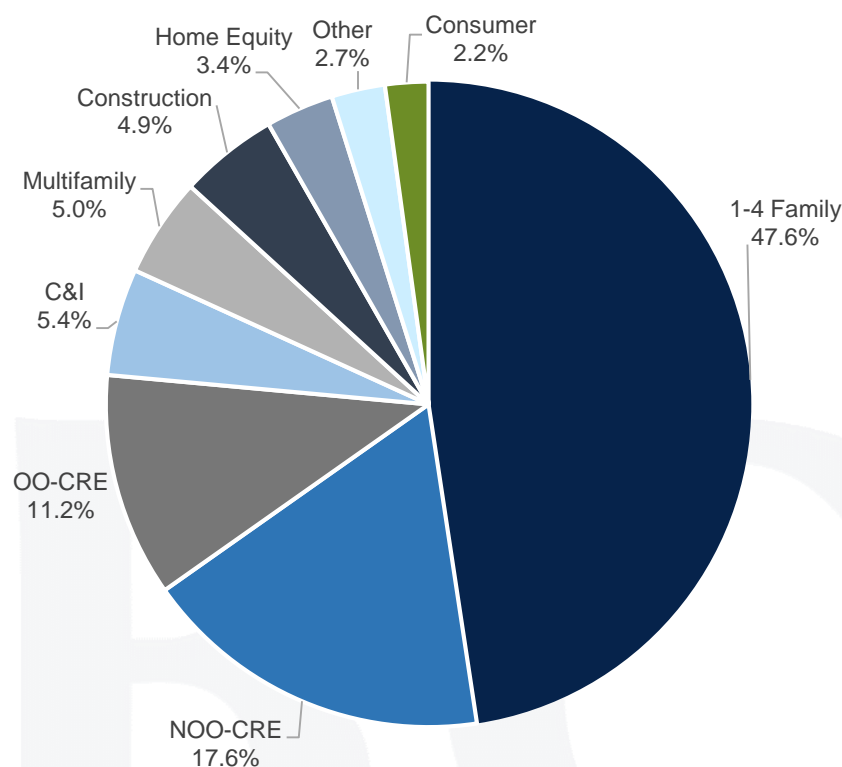


*compounding annual growth rate

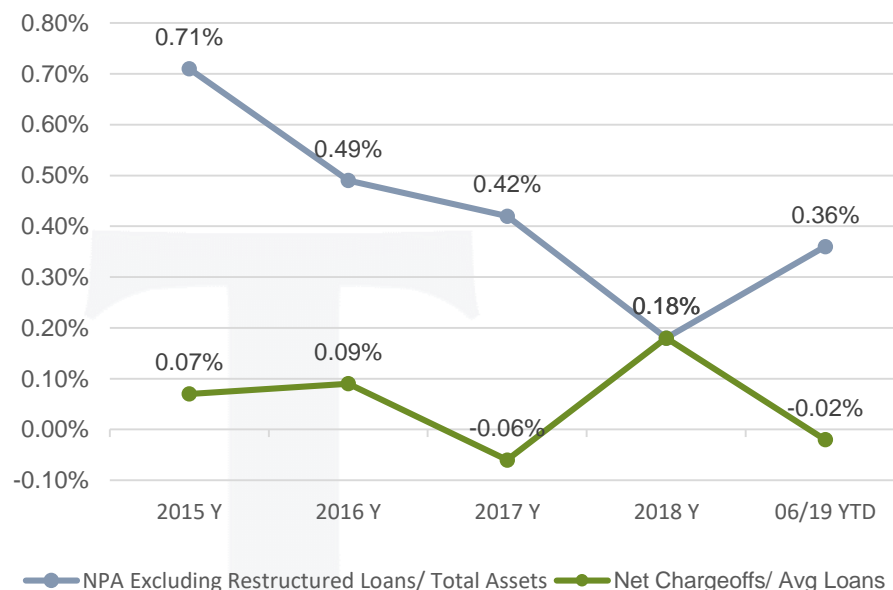
Clean & Diversified Loan Portfolio

Strong Balance Sheet &
Capital Position

Diversified Loan Portfolio. The Company's approach to lending has produced a portfolio that spreads risk across a large number of relationships and covers a variety of loan types, industries and geographies, while at the same time generating the vast majority of loans within its core footprint. While every market is different, the portfolio is indicative of a range of lending capabilities that can be further leveraged in new markets.



Solid Asset Quality. The Company's clean portfolio and minimal charge-offs exemplify its effective credit controls and underwriting process. The team is able to concentrate on growth instead of being distracted with workout activities.

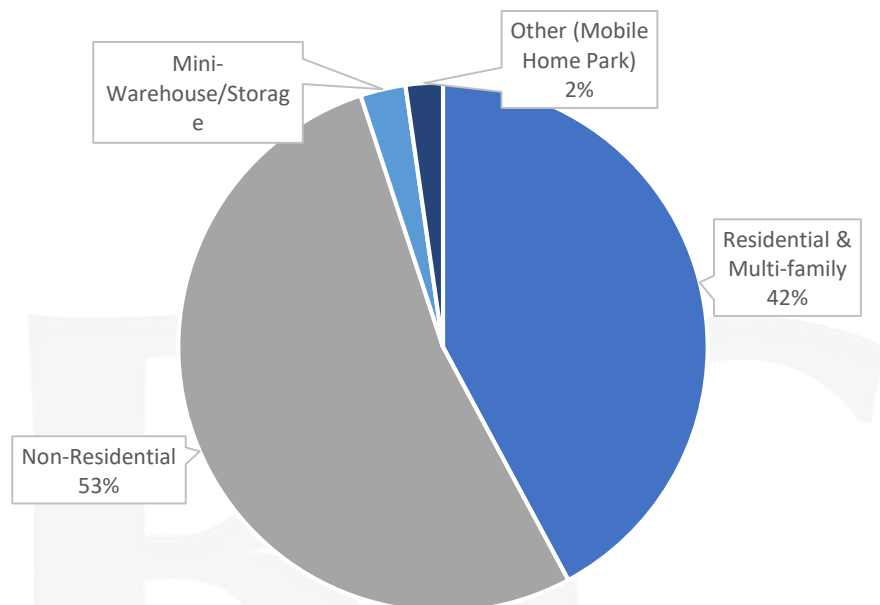


Clean & Diversified Loan Portfolio

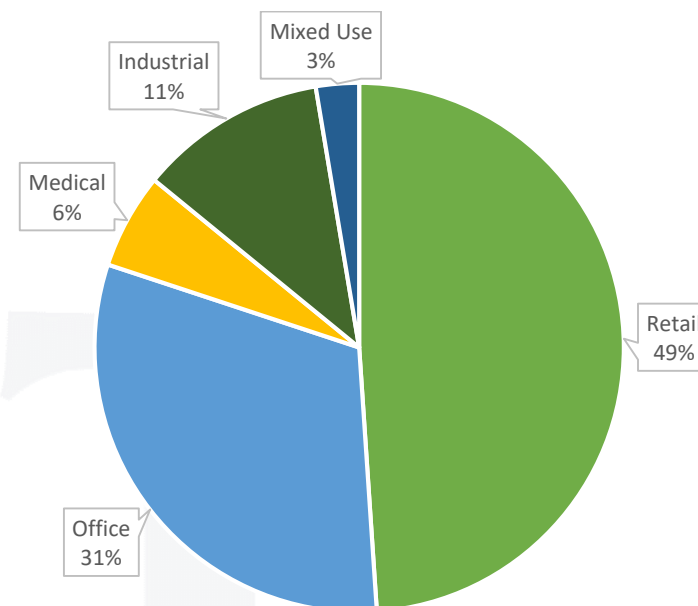
Strong Balance Sheet &
Capital Position

As of June 30, 2019 the largest concentration (NAICS code 5311) – Lessors of Real Estate is approximately 41% of the Commercial Portfolio.

Lessors Of Real Estate



Non-Residential Lessors of R/E



Clean & Diversified Loan Portfolio

Strong Balance Sheet &
Capital Position

Overall, the commercial real estate and construction, land development and vacant land portfolios are well within regulatory guidance. Regular soft pulls of credit scores for consumer and residential portfolios are used to monitor risk. Annual third-party risk-based loan reviews cover up to 65% of the total commercial portfolio.

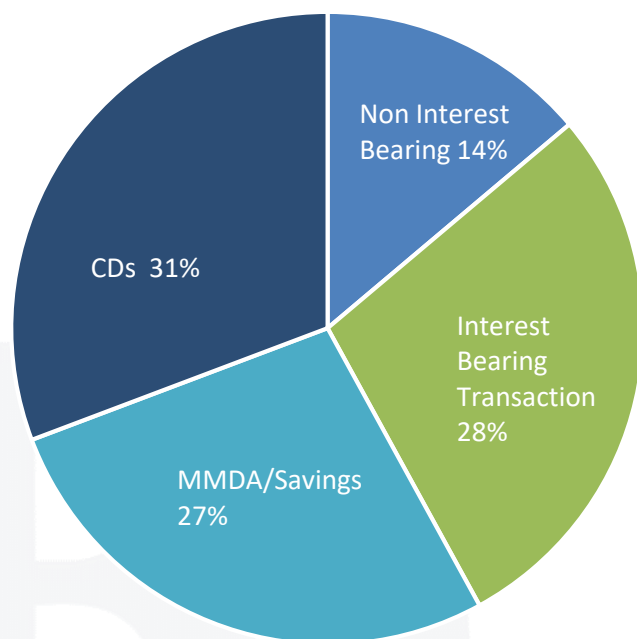
Construction, Land Dev., Vacant				
	Land (100% Guideline)	Construction % of Capital	CRE (300% Guideline)	CRE % of Capital
Q3 2018	\$ 20,939,940	41.04%	\$ 100,645,706	197.26%
Q4 2018	\$ 19,821,240	37.95%	\$ 98,037,053	187.73%
Q1 2019	\$ 21,178,746	39.68%	\$ 106,083,177	198.76%
Q2 2019	\$ 19,438,183	35.75%	\$ 106,731,291	196.28%

Core Funding & Asset Sensitivity

Strong Balance Sheet &
Capital Position

Solid Core Deposit Base. The Company has demonstrated an ability to attract local, low-cost, “sticky” funding and intends to build upon that expertise as it expands into new markets.

Asset Sensitivity. Management began to reposition the balance sheet for falling rates in 1Q 2019, reducing net interest income risk to decreasing rates.



YTD 2019 Cost of Funds: 0.75%
2018 Cost of Funds: 0.61%

Scenario	Net Interest Income Change %	
	12/31/2018	4/30/2019
+300 Shock	2.53%	-1.04%
+200 Shock	1.89%	-0.43%
+100 Shock	1.11%	-0.11%
Forward	-	-
-100 Shock	-4.78%	-2.94%
-200 Shock	-12.07%	-8.53%
-300 Shock	-16.97%	-12.37%

Deposit Growth By Branch/Market

Strong Balance Sheet &
Capital Position

Branch/County	6.30.19	6.30.18	Growth Rate	Total Deposits in Market
(in thousands)				
Jefferson County				
Charles Town	\$ 227,941	\$ 214,011	6.51%	
Harpers Ferry	32,528	34,543	-5.84%	
Kearneysville (drive thru only)	19,545	19,826	-1.42%	
Total	\$ 280,014	\$ 268,381	4.33%	\$ 821,695
Berkeley County				
Martinsburg	\$ 58,805	\$ 58,471	0.57%	
Hedgesville	22,945	20,761	10.52%	
Total	\$ 81,750	\$ 79,231	3.18%	\$ 1,391,440
Washington County				
Hagerstown	\$ 20,203	\$ 22,954	-11.99%	\$ 2,238,085
Loudoun County				
Middleburg	\$ 18,632	\$ 9,895	88.28%	
Purcellville	30,666	-		
Leesburg	14,836	-		
Total	\$ 64,133	\$ 9,895	548.11%	\$ 6,603,440

Market Share Opportunity

Jefferson County, WV

2018 Rank	Institution	Branches	Deposits in Market (\$000)	Market Share (%)
1	Potomac Bancshares, Inc.	3	258,582	31.47
2	BB&T Corporation	3	180,403	21.95
3	Jefferson Security Bank	3	170,529	20.75
4	United Bankshares, Inc.	2	111,507	13.57
5	City Holding Company	2	61,581	7.49
6	MVB Financial Corp.	1	39,093	4.76
Total for Institutions in Market		14	821,695	100%

Berkeley County, WV

2018 Rank	Institution	Branches	Deposits in Market (\$000)	Market Share (%)
1	BB&T Corporation	5	367,867	26.43
2	United Bankshares, Inc.	4	265,135	19.05
3	MVB Financial Corp.	3	204,961	14.73
4	City Holding Company	4	167,911	12.07
5	First United Corporation	3	122,965	8.84
6	Potomac Bancshares, Inc.	2	88,163	6.33
7	Jefferson Security Bank	2	81,701	5.87
8	CNB Financial Services, Inc.	3	76,742	5.51
9	Summit Financial Group, Inc.	1	14,824	1.07
10	Woodforest Financial Group, Inc.	1	1,416	0.10
Total for Institutions in Market		28	1,391,685	100%

Washington County, MD

2018 Rank	Institution	Branches	Deposits in Market (\$000)	Market Share (%)
1	BB&T Corporation	10	644,975	28.82
2	Fulton Financial Corporation	9	484,875	21.66
3	M&T Bank Corporation	10	433,943	19.39
4	PNC Financial Services Group, Inc.	4	229,910	10.27
5	Community Heritage Financial, Inc.	2	154,778	6.92
6	First United Corporation	3	91,198	4.07
7	United Bankshares, Inc.	2	66,322	2.96
8	CNB Financial Services, Inc.	3	65,205	2.91
9	Orrstown Financial Services, Inc.	1	35,425	1.58
10	Potomac Bancshares, Inc.	1	23,047	1.03
11	Jefferson Security Bank	1	8,407	0.38
Total for Institutions in Market		46	2,238,085	100%

Potomac is well positioned for growth and intends to capitalize on the organic growth opportunities in existing markets while remaining opportunistic about possible future M&A prospects. The Bank's management plans to grow organically by deepening its market share in Loudoun County, Berkeley County, and Washington County, while nurturing its current market share in Jefferson County. Simultaneously, the Bank's management will develop new markets around its seasoned bankers focusing on the Washington DC MSA and its adjoining counties.

Loudoun County, VA

2018 Rank	Institution	Branches	Deposits in Market (\$000)	Market Share (%)
1	BB&T Corporation	20	1,376,079	20.84
2	Wells Fargo & Company	11	1,021,611	15.47
3	Bank of America Corporation	7	931,943	14.11
4	Capital One Financial Corporation	9	779,024	11.80
5	Atlantic Union Bankshares Corporation	5	754,242	11.42
6	United Bankshares, Inc.	6	469,151	7.10
7	PNC Financial Services Group, Inc.	12	420,409	6.37
8	John Marshall Bancorp, Inc.	1	146,565	2.22
9	Sandy Spring Bancorp, Inc.	3	121,531	1.84
10	Eagle Financial Services, Inc.	3	107,726	1.63
11	M&T Bank Corporation	3	87,133	1.32
12	Eagle Bancorp, Inc.	1	82,631	1.25
13	Southern National Bancorp of Virginia, Inc.	3	77,734	1.18
14	Toronto-Dominion Bank	1	75,486	1.14
15	FVCBankcorp, Inc.	1	42,205	0.64
16	Summit Financial Group, Inc.	1	41,138	0.62
17	First Citizens Bancshares, Inc.	1	25,365	0.38
18	MVB Financial Corp.	1	12,582	0.19
19	Presidential Holdings, Inc.	1	11,843	0.18
20	Potomac Bancshares, Inc.	2	9,910	0.15
21	MainStreet Bancshares, Inc.	1	7,768	0.12
22	Woodforest Financial Group, Inc.	1	1,364	0.02
Total for Institutions in Market		94	6,603,440	100%

Non-Interest Income Diversity

Revenue Generation

Wealth Management

Fiduciary and Trust Services; Custom Designed Portfolio Management

\$140 million Assets Under Management

Mortgage Banking

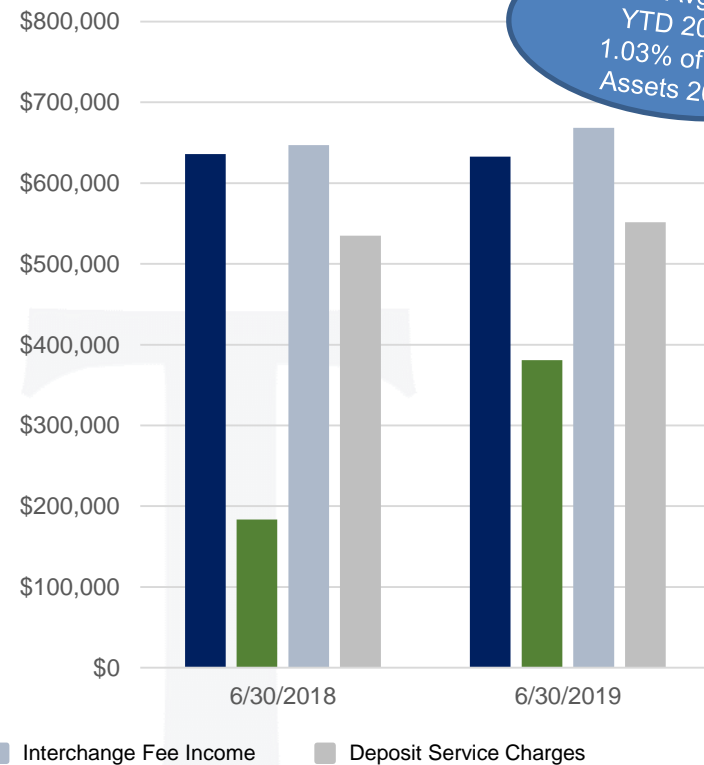
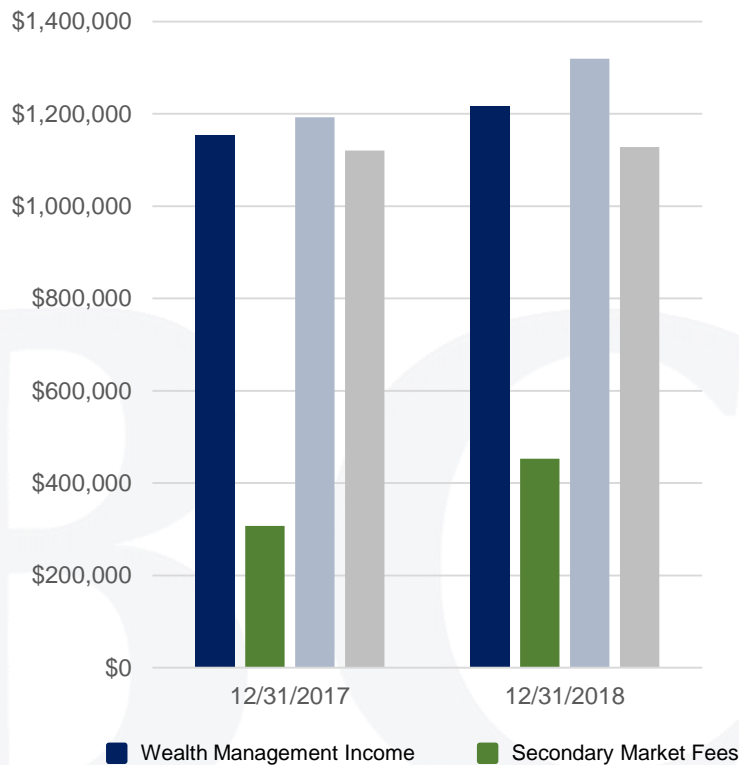
Secondary and Portfolio Lending

Pinnacle Partner Award from Quicken for quality and efficient delivery

Deposits

Large debit card base driving over 3 million in transactions per year, increasing annually

Core transaction accounts drive service charge income growth

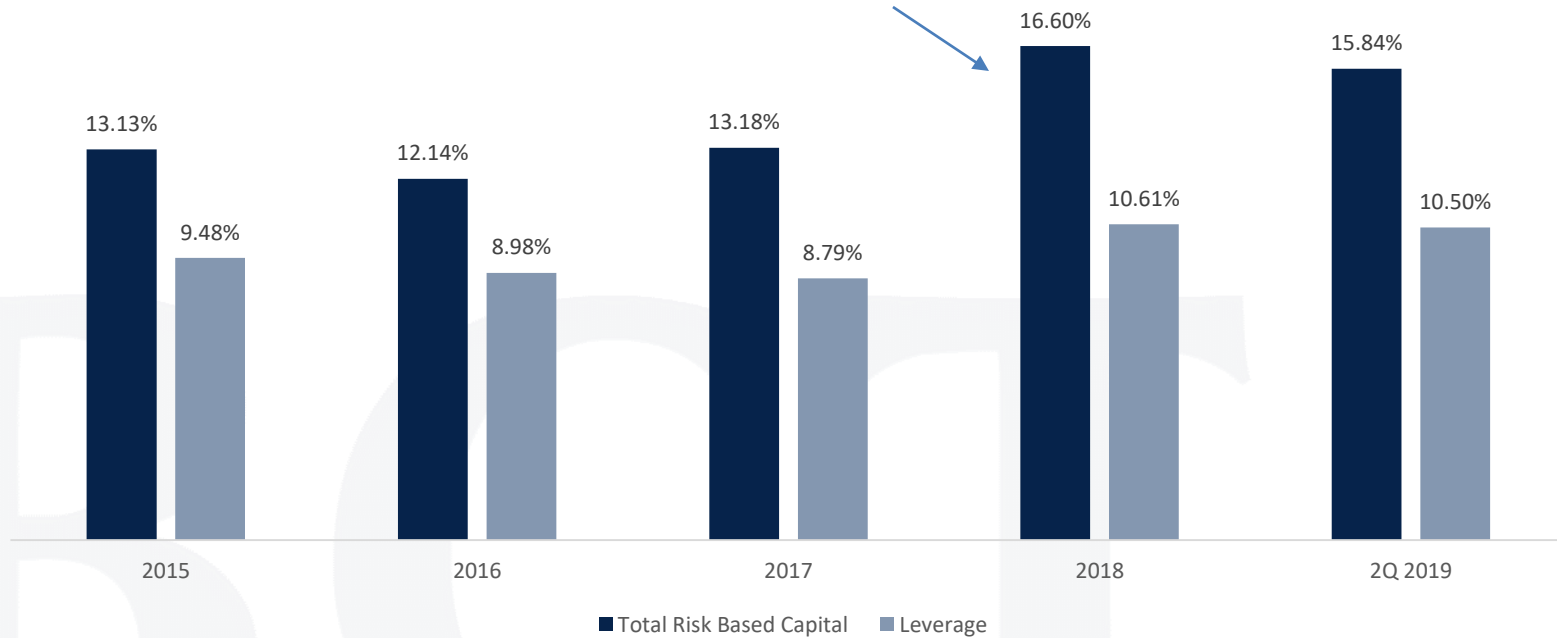


Well Capitalized

Strong Balance Sheet &
Capital Position

Company raised capital in 2018 to support strategic growth initiatives.

\$12 million New
Common Shares

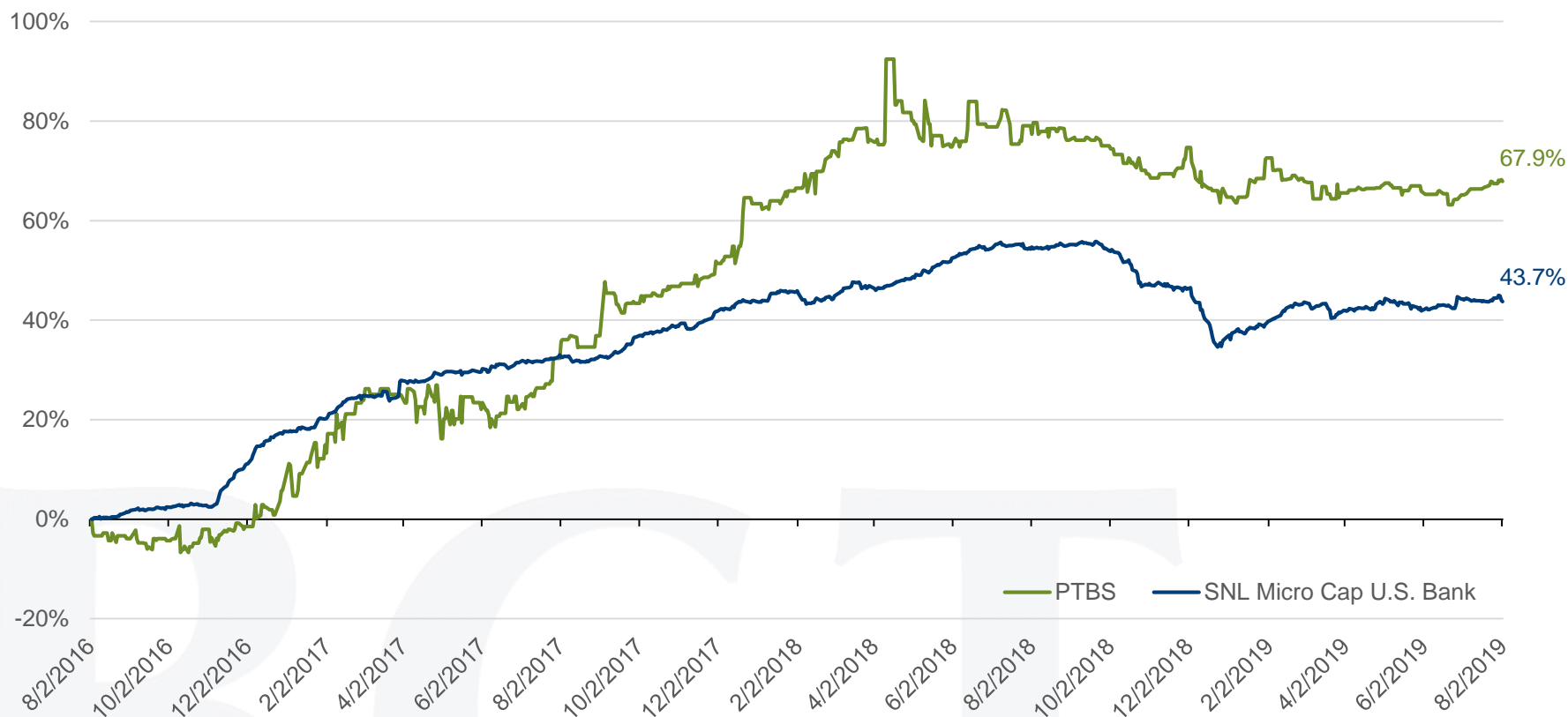


Financial Highlights

	Calendar Year Ended					LTM	Quarter Ended			
<i>Balance Sheet (\$000)</i>	2014	2015	2016	2017	2018	6/19	9/18	12/18	3/19	6/19
Total Assets	320,919	351,757	383,706	425,494	484,550	510,557	475,499	484,550	496,441	510,557
Gross Loans	256,094	280,405	332,599	346,768	364,280	390,797	359,347	364,280	378,208	390,797
Reserves	2,665	2,548	3,202	3,590	3,269	3,551	3,105	3,269	3,428	3,551
Deposits	277,156	303,535	333,871	372,159	424,127	447,917	416,917	424,127	434,427	447,917
Total Equity	30,050	31,833	33,183	35,819	49,524	51,022	48,684	49,524	50,087	51,022
Common Equity	30,050	31,833	33,183	35,819	49,524	51,022	48,684	49,524	50,087	51,022
<i>Capital Ratios(%)</i>										
Loans / Deposits	92.38	92.28	99.62	93.18	85.81	87.25	86.19	85.81	86.64	87.25
Tangible Common Equity / Tangible Assets	9.36	9.05	8.65	8.42	10.22	9.99	10.24	10.22	10.09	9.99
Tier 1 Capital Ratio	13.58	12.18	11.11	12.05	15.61	14.84	15.61	15.61	15.13	14.84
Total Risk-Based Capital Ratio	14.70	13.13	12.14	13.18	16.60	15.84	16.56	16.60	16.12	15.84
Leverage Ratio	10.07	9.48	8.98	8.79	10.61	10.56	10.96	10.61	10.75	10.56
<i>Profitability(%)</i>										
Net Income (\$000)	2,159	2,580	2,218	3,811	3,392	2,922	817	668	619	818
Core ROAA	0.68	0.77	0.58	0.85	0.75	0.61	0.71	0.55	0.51	0.65
Core ROAE	6.84	7.90	6.32	10.02	8.25	6.09	7.62	5.44	4.97	6.47
Core ROATCE	6.84	7.90	6.32	10.02	8.25	6.09	7.62	5.44	4.97	6.47
Net Interest Margin	3.74	3.61	3.60	3.52	3.46	3.41	3.37	3.38	3.36	3.36
Efficiency Ratio	72.96	73.42	73.43	71.46	75.71	79.66	78.90	79.91	81.16	78.76
<i>Asset Quality(%)</i>										
NPAs / Assets	4.57	2.43	1.92	1.56	0.85	0.88	1.02	0.85	0.92	0.88
NPAs-Ex-TDRs / Assets	2.00	0.70	0.49	0.42	0.18	0.36	0.24	0.18	0.38	0.36
NPLs / Loans	5.26	2.58	2.02	1.85	1.08	1.11	1.25	1.08	1.16	1.11
NCOs / Average Loans	0.52	0.07	0.09	(0.06)	0.18	0.01	0.07	0.00	(0.02)	(0.01)
Reserves / Gross Loans	1.04	0.91	0.96	1.04	0.90	0.91	0.86	0.90	0.91	0.91
Reserves / NPLs	19.80	35.29	47.73	55.81	82.74	82.20	69.29	82.74	78.07	82.20
<i>Per Share Data(\$)</i>										
Common Shares Outstanding	3,390,178	3,345,001	3,345,001	3,323,001	4,133,811	4,133,811	4,133,811	4,133,811	4,133,811	4,133,811
Book Value Per Share	8.86	9.52	9.92	10.78	11.98	12.34	11.78	11.98	12.12	12.34
Tangible Book Value Per Share	8.86	9.52	9.92	10.78	11.98	12.34	11.78	11.98	12.12	12.34
EPS after Extra	0.64	0.76	0.66	1.14	0.94	0.74	0.23	0.16	0.15	0.20
Dividends Paid	0.17	0.21	0.25	0.27	0.28	0.28	0.07	0.07	0.07	0.07
Dividend Payout Ratio	26.56	27.63	37.88	23.68	29.79	37.84	30.43	43.75	46.67	35.00

Stock Performance

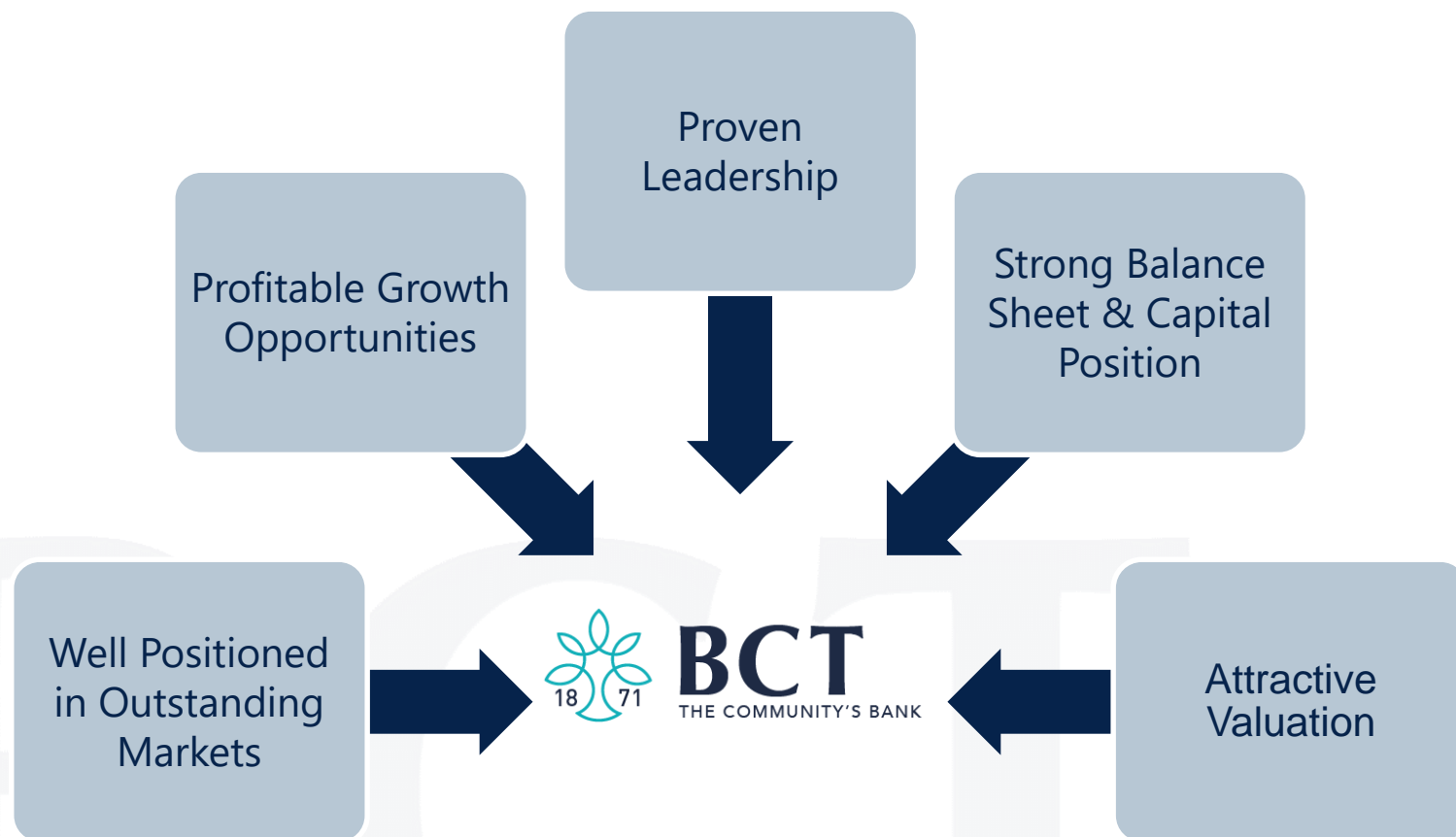
Potomac's stock out performed the SNL Micro Cap U.S. Bank index over one-, three- and five-year periods.



Stock Performance Summary	1 Year	3 Year	5 Year	10 Year
Potomac Bancshares, Inc. (PTBS)	-6.5%	67.9%	99.2%	153.6%
SNL Micro Cap U.S. Bank*	-6.9%	43.7%	77.9%	171.9%

*SNL Micro Cap U.S. Bank includes all publicly traded less than \$250M Total Common Market Capitalization as of most recent pricing data

Investment Highlights



Appendix – NAICS Loan Concentration Report

The federal banking regulators maintain guidance directed at institutions that have particularly high concentrations of commercial real estate loans within their lending portfolios. This guidance suggests that institutions whose commercial real estate loans exceed certain percentages of capital should implement heightened risk management practices appropriate to their concentration risk and may be required to maintain higher capital ratios than institutions with lower concentrations in commercial real estate lending. Based on the Bank's commercial real estate concentration of 196% as of June 30, 2019, it is in compliance with the guidelines. Management has implemented additional risk management practices to monitor the Bank's concentration. The following table is additional information regarding the composition of the commercial loan portfolio as of June 30, 2019

NAICS Category	6/30/19 Balance	% of Commercial Loans	% of Total Loans	% of Capital
Real Estate & Rental Leasing	\$89,689,510.50	41.63%	23.01%	164.94%
Health Care & Social Assistance	\$22,414,972.77	10.40%	5.75%	41.22%
Accommodation & Food Service	\$20,487,604.75	9.51%	5.26%	37.68%
Construction	\$17,509,943.85	8.13%	4.49%	32.20%
Other Services	\$10,833,133.57	5.03%	2.78%	19.92%
Transportation & Warehousing	\$7,970,514.05	3.70%	2.04%	14.66%
Retail Trade	\$6,888,499.75	3.20%	1.77%	12.67%
Educational Services	\$6,316,439.17	2.93%	1.62%	11.62%
Agriculture, Forestry, Fishing & Hunting	\$5,263,350.17	2.44%	1.35%	9.68%
Professional, Scientific, & Technical Services	\$3,992,460.86	1.85%	1.02%	7.34%
Wholesale Trade	\$3,418,343.38	1.59%	0.88%	6.29%
Public Administration	\$3,311,555.23	1.54%	0.85%	6.09%
Manufacturing	\$2,061,447.93	0.96%	0.53%	3.79%
Arts, Entertainment, & Recreation	\$1,562,737.85	0.73%	0.40%	2.87%
Admin, Support, Waste Mgmt & Remediation	\$1,554,707.82	0.72%	0.40%	2.86%
Finance & Insurance	\$453,751.15	0.21%	0.12%	0.83%
Utilities	\$316,426.52	0.15%	0.08%	0.58%
Information	\$29,069.37	0.01%	0.01%	0.05%

New Branches = New Banking

Profitable Growth Opportunities

Each of the new branches opened in Loudoun County take into account that banking is changing. All branches are 2,000 square feet or less with no drive-thrus. The interior features a teller pod with welcoming open environment. ATMs have the latest functionality of reading cash and checks deposited.

Likewise, the Company has opened a loan production office in Leesburg, farther east in Loudoun County. While the Company expects to achieve significant growth in the area, the LPO lease has flexible terms and represents minimal long-term risk to the Company.



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