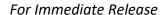
## **PRESS RELEASE**





## blueharbor bank Reports Second Quarter 2020 Net Income

MOORESVILLE, NC, July 23, 2020 – **blueharbor bank** (the "Bank") today reported net income of \$817,060 and \$0.27 per diluted share for the second quarter of 2020, an increase of 17% or \$118,580 as compared to \$698,480 and \$0.23 per diluted share for the second quarter of 2019. For the six months ended June 30, 2020, the Bank is reporting net income of \$1,516,150 and \$0.50 per diluted share, an increase of 17% or \$221,270 as compared to \$1,294,880 and \$0.43 per diluted share for the same six months in 2019.

The Bank reported total assets of \$285.4 million for June 30, 2020, an increase of \$49.2 million, or 21%, when compared to \$236.2 million at June 30, 2019. Gross loans increased \$35.4 million, or 18%, to \$227.4 million at June 30, 2020 from \$192.0 million at June 30, 2019. Total deposits were \$247.6 million, an increase of \$47.9 million, or 24%, when compared to \$199.7 million at June 30, 2019.

Jim Marshall, President and Chief Executive Officer, commented, "Despite the effects of the COVID-19 Pandemic and decline in asset earning yields, we continued to see gains in net interest income at the midpoint of the year. We did increase our provisions for loan losses as economic qualitative factors such as unemployment levels, loan delinquencies, etc. are monitored at the state and local levels. Given all the economic uncertainty since mid-March, we continue to experience nice growth in assets and earnings. Our balance sheet is very stable and strong and nonperforming assets are among the lowest quartile in this country. Our capital levels are among the highest quartile of banks in the country. We are well positioned to weather this storm and assist our customers and community do the same."

blueharbor bank is headquartered in Mooresville with additional branches in Huntersville, Statesville and Downtown Mooresville. blueharbor bank's website is <a href="https://www.blueharborbank.com">www.blueharborbank.com</a> and our common stock is quoted on the OTC Bulletin Board under the symbol "BLHK." The blueharbor wealth advisors website is <a href="https://www.blueharborwealthadvisors.com">www.blueharborwealthadvisors.com</a>.

Summary Selected Financial Data schedule attached.

## Forward-Looking Statement:

This press release contains forward-looking statements. Words such as "anticipates," "believes," "estimates," "expects," "intends," "should," "will," variations of such words and similar expressions are intended to identify forward-looking statements. These statements reflect management's current beliefs as to the expected outcomes of future events and are not guarantees of future performance. These statements involve certain risks, uncertainties and assumptions that are difficult to predict with regard to timing, extent, likelihood and degree of occurrence. As such, actual results and outcomes may materially differ from what may be expressed or forecast in such forward-looking statements. Factors that could cause a difference include, among others: changes in the national and local economies or market conditions; changes in interest rates, deposit levels, loan demand and asset quality, including real estate and other collateral values; changes in banking regulations and accounting principles, policies or guidelines; and the impact of competition from traditional or new sources. These and other factors

that may emerge could cause decisions and actual results to differ materially from current expectations. blueharbor bank takes no obligation to revise, update, or clarify forward-looking statements to reflect events or conditions after the date of this press release.

<u>SOURCE</u>: blueharbor bank <u>CONTACT</u>: Jim Marshall

President and Chief Executive Officer

blueharbor bank (704) 662-7700

SUMMARY SELECTED FINANCIAL DATA SCHEDULE ATTACHED BELOW.



## **Summary Selected Financial Data**

Balance Sheet Data:	(Unaudited) June 30, 2020		(Audited) December 31, 2019			(Unaudited) June 30, 2019		
Total Assets Total Gross Loans Allowance for Loan Losses Total Deposits Total Shareholders' Equity	\$	285,436,220 227,388,080 2,564,022 247,647,202 34,120,955	\$	245,680,057 206,891,923 2,068,919 207,521,409 32,003,529	\$	236,216,052 192,015,648 1,953,430 199,713,422 30,141,191		
	(Unaudited) Three Months Ended				(Unaudited) Six Months Ended			
		June 30,			June 30,			
Earnings and Per Share Data:		2020		2019		2020		2019
Interest Income Interest Expense	\$	2,577,130 383,733	\$	2,460,104 453,957	\$	5,157,216 800,874	\$	4,844,722 857,483
Net Interest Income Provision for Loan Losses		2,193,397 328,397		2,006,147 72,367		4,356,342 490,105		3,987,239 120,583
Net Interest Income after Provision for Loan Losses		1,865,000		1,933,780		3,866,237		3,866,656
Noninterest Income		410,909		249,285		802,544		426,220
Noninterest Expense		1,234,513		1,329,573		2,737,211		2,685,897
Net Income before Taxes		1,041,396		853,492		1,931,570		1,606,979
Income Taxes		224,336	_	155,012		415,420		312,099
Net Income	\$	817,060	\$	698,480	\$	1,516,150	\$	1,294,880
Basic Income per Share	\$	0.28	\$	0.24	\$	0.52	\$	0.45
Diluted Income per Share	\$	0.27	\$	0.23	\$	0.50	\$	0.43
Annualized Performance Ratios:								
Return on average assets		1.19%		1.21%		1.17%		1.16%
Return on average equity Efficiency ratio		9.79% 47.4%		9.47% 58.9%		9.21% 53.1%		8.73% 60.9%
Efficiency ratio		(Unaudited) June 30, 2020		(Unaudited) June 30, 2019		33.170		00.5%
<u>Financial Ratios</u> :								
Book Value	\$	11.59	\$	10.39				
Texas Ratio		2.11%		5.86%				
Nonperforming Assets to Total Assets Ratio Tier 1 Leverage Ratio		0.27% 12.2%		0.80% 13.1%				
Common Equity Tier 1 Risk-Based Capital Ratio		14.8%		14.8%				
Tier 1 Risk-Based Capital Ratio		14.8%		14.8%				
Total Risk-Based Capital Ratio		16.0%		15.7%				