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**M&F BANCORP, INC. ADOPTS SHAREHOLDER RIGHTS PLAN AND DISCUSSES
POTENTIAL REPURCHASE OF ECIP SECURITIES**

DURHAM, N.C., February 3, 2025 – M&F Bancorp, Inc. (OTC Pink: MFBP) (“M&F” or “the Company”), the parent company of M&F Bank (the “Bank”), the second-oldest African American-owned bank in the United States, announced today that its Board of Directors (“Board”) has unanimously adopted a ten-year shareholder rights plan (the “Rights Plan” or “Plan”).

This Rights Plan is intended to ensure that the Board remains in the best position to perform its fiduciary duties and to enable all M&F shareholders to receive fair and equal treatment. It is also designed to allow all M&F shareholders to realize the long-term value of their investment by reducing the likelihood that any person or group would gain control of M&F through open market accumulation without appropriately compensating the Company’s shareholders for such control or providing the Board sufficient time to make informed judgments.

M&F’s Board and management team are focused on enhancing shareholder value, and the Board believes the Rights Plan will preserve the Company’s ability to continue implementing its strategic initiatives to drive improved returns and value creation, including through the Bank’s ongoing deployment of \$80.0 million of capital received from the U.S. Treasury as part of the Emergency Capital Investment Program (“ECIP”).

As previously announced, the Company recently entered into a Preferred Stock ECIP Securities Purchase Option Agreement with the U.S. Treasury (the “Option Agreement”), which, subject to the terms and conditions of the Option Agreement, gives the Company the option to repurchase the ECIP securities previously issued to Treasury as part of the ECIP for an amount equal to the present value of the expected payments on the ECIP securities, together with accrued and unpaid dividends, calculated on the closing date of the sale in accordance with a formula set forth in the Option Agreement.

The purchase price payable under the Option Agreement will be calculated shortly before the closing date of any repurchase, when certain variables set forth in the Option Agreement, including the then dividend rate payable on the ECIP securities and the parameters used to calculate the “Cost of Equity” in the purchase price formula are available. However, assuming a dividend rate of 2.0% and applying the most recently-available parameters used to calculate the “Cost of Equity,” the current purchase price would be approximately \$26.7 million, reflecting a discount of approximately \$53.3 million on the \$80.0 liquidation preference. Assuming the Company continues to satisfy the ECIP program requirements and satisfies the Option Agreement closing conditions, the Company may exercise its option to repurchase the ECIP securities as early as the 4th quarter of 2026; however, there is no guarantee that the Company will continue to satisfy the ECIP program requirements and/or satisfy the Option Agreement closing conditions.

“We believe that the potential repurchase of the ECIP securities at a significant discount to the liquidation preference could be transformational for the M&F Bank franchise in that it would allow the Bank to continue to grow its assets, increase market share, and build on recent successes by providing additional ways to support consumers and small

businesses in our community,” commented James H. Sills, III, President and CEO of the Company and the Bank. “Additionally, should the Company successfully repurchase the ECIP securities at a meaningful discount, this could materially improve the Company’s financial condition, and, one would assume, the future market value of the Company,” continued Mr. Sills.

The Rights Plan, which was adopted following a careful evaluation of the effects of a possible repurchase of the ECIP securities under the Option Agreement and consultation with the Company’s outside advisors, is similar to a plan previously adopted by the Company in 2014, which plan expired in September 2024, as well as other plans adopted by a number of other companies and was not adopted in response to any specific takeover bid or other proposal to acquire control of the Company.

Pursuant to the Plan, M&F is issuing one preferred share purchase right for each current share of common stock outstanding at the close of business on February 14, 2025. Initially, these rights will not be exercisable and will be attached to and trade with the shares of M&F’s common stock.

Under the Rights Plan, the rights will generally become exercisable only if a person or group acquires beneficial ownership of 10 percent or more of the Company’s common stock. In that situation, each holder of a right (other than such person or members of such group, whose rights will become void and will not be exercisable) will be entitled to purchase, at the then-current exercise price, additional shares of common stock having a value of twice the exercise price of the right.

If, after a person or group acquires 10 percent or more of the Company’s common stock, the Company merges into another company, an acquiring entity merges into the Company or the Company sells or transfers more than 50% of its consolidated assets or earning power, then each right will entitle its holder to purchase, for the exercise price, a number of shares of common stock of the person engaging in the transaction having a then-current market value of twice the exercise price.

In addition, at any time after a person or group acquires 10 percent or more of the Company’s common stock, the Company may exchange the rights (other than those rights belonging to such person or members of such group, whose rights will become void and will not be exercisable), in whole or in part, for shares of the Company’s common stock or preferred stock, at an exchange ratio of one share of common stock, or a fractional share of preferred stock equivalent in value thereto, per right.

In all cases, rights held by any person or group whose actions trigger the Rights Plan would become void and not be exercisable.

The Company’s Board may redeem the rights for \$0.01 per right at any time before an event that causes the rights to become exercisable.

A copy of the Rights Plan is available upon request from the Corporate Secretary of the Company.

About M&F Bancorp, Inc.

M&F Bancorp, Inc., is a bank holding company headquartered in Durham, NC, and the parent company of M&F Bank. The company has \$512.4 million in total assets as of September 30, 2024. M&F Bank is a state-chartered commercial bank founded in 1907 and has operated continuously since 1908. Branches are located in Durham, Raleigh, Charlotte, Greensboro and Winston-Salem, NC. M&F Bank is one of only a few NC banks designated by the U.S. Treasury as a Community Development Financial Institution.

Banking Services | ATM Usage Worldwide | Mobile Banking | Online Bill Pay | Remote and Mobile Deposit | Checking | Savings | Lending | Wealth Management

Forward-looking Information

This release contains certain forward-looking statements with respect to the financial condition, results of operations and business of the Company and the Bank. These forward-looking statements involve risks and uncertainties and are based on the beliefs and assumptions of management of the Company and the Bank and on the information available to management at the time that these disclosures were prepared. These statements can be identified by the use of words like "expect," "anticipate," "estimate" and "believe," variations of these words and other similar expressions. Readers should not place undue reliance on forward-looking statements as a number of important factors could cause actual results to differ materially from those in the forward-looking statements. Neither the Company nor the Bank undertakes an obligation to update any forward-looking statements. Source: M&F Bancorp, Inc.