

## **M&F Bancorp Grows Its Commitment to Supporting Underserved Communities**

*Equity infusions from Bank of America, Wells Fargo, Citibank and JPMorgan Chase provide opportunities of economic growth in African American communities*

**DURHAM, NC (March 9, 2021)** -- At a time when social unrest is present and many small businesses and individuals are being severely impacted by the effects of the COVID-19 pandemic, large banks are committing to investing in smaller minority deposit institutions (MDIs) in an effort to decrease the racial wealth gap and to help create a fair and inclusive society. At the moment, M&F Bancorp, Inc. ("Company") (OTC Pink: MFBP), parent company of M&F Bank, is the only minority bank to receive equity investments from the four largest banks in the U.S. M&F Bank, a wholly owned subsidiary of M&F Bancorp, Inc., intends to leverage this additional capital to grow its franchise and provide additional products and services to more efficiently serve its customers.

"We are excited and honored to receive these investments in recognition of the critical role that MDIs play in reducing the wealth gap among minorities and in underserved communities. This also acknowledges our deep and long-standing connection to the people and businesses of North Carolina who need us now more than ever as they begin to rebuild from the pandemic," said James Sills, president and CEO of the Company and M&F Bank. "Strategic partnerships such as these are part of the effort to generate a more inclusive recovery for communities of color that have been disproportionately impacted by the pandemic."

As part of its mission to be a community bank that serves the needs of its underserved communities, M&F Bank plans to utilize additional funds to implement new technology and automation, offer additional products and services including free access to a nationwide network of approximately 13,000 ATMs, produce a stronger branch network, produce more robust financial literacy programs and offer greater access to capital in urban communities.

During the fourth quarter of 2020 and first quarter of 2021, the Company received investments from the four largest banks in the U.S. including Bank of America, Wells Fargo, Citibank and JPMorgan Chase, totaling \$18 million. These investments increase the total capital of the Company to over \$40 million, affording M&F Bank the opportunity to further its goals of providing access to capital to small and medium-sized businesses and to more effectively serve underserved communities.

The Wells Fargo, CitiBank and JPMorgan Chase investments totaled \$17.5 million in a series of private placements in which the Company issued an aggregate of 17,302 shares of Series D Non-Cumulative Perpetual Preferred Stock ("Series D Preferred Stock") and 39,600 shares of common stock. Each share of Series D Preferred Stock has a stated value of \$1,000.00, is redeemable after five years at the sole option of the Company, carries no voting rights other than those limited voting rights mandated by North Carolina law and has non-cumulative dividend rights that entitle the holder to share in any dividends declared and paid to common shareholders. This passive investment capital structure will allow M&F Bank to maintain its MDI status while ensuring its common shareholders still own the majority of the Company.

"These investments are a testament to the strength of the franchise, health and soundness of the Company and the communities we serve," continued Sills.

## **About M&F Bancorp**

Founded in 1907 in North Carolina, the Company is the second-oldest minority-owned bank in the United States. As of December 31, 2020, with \$309.1 million in total assets, the Company is the eighth-largest African American owned financial institution in the United States and the only bank in North Carolina to receive a Community Development Financial Institution (CDFI) designation. The Company's mission is to promote personal and community development by providing capital to small- and medium-sized businesses in its local communities. The Company's common stock is quoted in the over-the-counter (OTC) market through the OTC Pink Sheet under the symbol "MFBP".

To learn more about M&F Bank, visit <https://www.mfbonline.com/>.

## **Connect with M&F Bank:**

[Twitter](#), [LinkedIn](#), [Facebook](#)

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. Effects of COVID-19 may negatively impact significant estimates and exacerbate a vulnerability due to certain concentrations (e.g., business concentration in a market or geographical area severely affected by effects of COVID-19). Neither the Company nor the Bank undertakes an obligation to update any forward-looking statements. Source: M&F Bancorp, Inc.

## **Contact:**

Amanda Clardy (Walk West for M&F Bank): 919-882-2059, [aclardy@walkwest.com](mailto:aclardy@walkwest.com)

###