

Triad Business Bank Responds to M&F's Oct. 19 Statement

The agreement says M&F Bank “will cease to be an independent bank.” The meeting moved, but the facts didn’t. M&F’s Board decided the bank was finished. A new day is here, and Triad is just getting started: it responds to M&F’s October 19 statement, corrects the record on its proposal, and keeps M&F alive for its shareholders, employees, customers and North Carolina.

GREENSBORO, N.C. — October 21, 2026 — Triad Business Bank (OTCID: TBBC) today responded to M&F Bancorp, Inc.’s October 19 announcement that it has adjourned its shareholder meeting to November 4, will describe Triad’s proposal in a proxy supplement, and has determined not to engage with Triad.

“The agreement says, in its own words, that M&F Bank ‘will cease to be an independent bank’ on the day the deal closes,” said Jonathan Lee Kelly, a director of Triad. “Just like Nehemiah 5:9, I have to say, ‘The thing that you are doing is not good.’ The Optus agreement kills Mechanics & Farmers Bank, and no description of it as a rescue changes what it does.

“And let me say the other thing plainly, because M&F keeps implying otherwise: under Triad’s proposal, Mechanics & Farmers Bank remains a minority depository institution in North Carolina, with a majority African-American board of directors written into the charter. Under the Optus agreement, North Carolina will no longer have any African-American MDI, and our birthright is passed to private shareholders in another state.

“The Board decided the bank was finished. But it’s plain as day to shareholders, employees, customers, and North Carolina that you don’t kill a bank to save it!”

Five lessons from Parrish Street that can save M&F on November 4

Durham’s Parrish Street was called Black Wall Street because of what two institutions did there. North Carolina Mutual, founded in 1898, and Mechanics and Farmers Bank, chartered in 1907, took the savings of a community no other bank would serve and put them back into that community as mortgages, business loans and payrolls. Booker T. Washington and W.E.B. Du Bois both came to see it. The lessons they saw are the ones M&F’s Board has set aside.

First: you don’t kill a bank to save it. M&F stayed open through the Great Depression when banks around it did not. It survived because the people who ran it refused to let it end, not because they found someone to end it on better terms. The agreement before shareholders kills M&F Bank as an independent institution on the day it closes. That is not what Parrish Street did when things were hard. It is the opposite.

Second: the money goes around town, not in the ground. The founders’ capital went into Hayti’s houses and Parrish Street’s storefronts, and Durham grew because it did. Today \$158 million of M&F’s money sits in bonds, and its loans have been falling since the end of 2024. When M&F took the \$80 million in June 2022, the promise in return was simple: lend at least \$31 million a year to the community, every year, starting then. Mr. Sills said it publicly (ICBA Independent Banker, February 1, 2023), and M&F’s own 2023 annual report calls \$31.0 million “the annual Emergency Capital Investment Program lending requirement.” M&F keeps the score, so here it is in M&F’s words. 2023: \$49.9 million, “161% of goal.” A good year, and proof the bank knows how. 2024: no figure published. 2025: \$28.2

million, short of the requirement, and the \$31 million is not mentioned. Four years of the promise come to about \$124 million of new lending. The loan book has grown \$29 million in those four years, from \$247 million to \$276 million, and it has been shrinking since the end of 2024. The capital is still there. The lending stopped. And the dividend M&F pays Treasury on that capital is now 2.00 percent, the program's maximum, the rate for institutions whose qualified lending has not grown enough to earn the discount. The Optus agreement makes that worse, not better. A bank's legal lending limit, the most it may lend to any one borrower, is set by its capital. Pay roughly \$90 million in cash to selling shareholders at closing and that capital leaves the combined bank; on the June 30 call reports, 15 percent of what remains is about \$13 million, less than Optus can lend to a single borrower today and barely more than M&F can. Under Triad's proposal, three quarters of the shares stay as shares, the capital stays in North Carolina (not South Carolina), and Triad and M&F together can lend about \$17 million to one borrower at closing, with a path to more than twice that by 2030. The difference is a church and a senior center on one lot, a 200-bed dormitory at an HBCU, a business owner buying the company she has run for twenty years. A deal that spends the bank's capital on the way out the door and then rents its deposits back is not built for impact; it is built for an exit. Under the Optus agreement, the capital that was raised to stay on Parrish Street gets on I-85 and I-77 and does not stop until Columbia, South Carolina.

Third: until the deal closes, the bank is still the job. The founders stayed with the institution they had built until it stood on its own. Mr. Sills's employment agreement with Optus begins the day the merger closes; the proxy says so at page 10. Until then he is M&F's chief executive, and under North Carolina law his duty, and the Board's, runs to M&F's shareholders and to no one else. We have no doubt they know that, whatever voting agreements they have signed in favor of Optus. We are asking them to act on it: the merger agreement permits a conversation with us, and M&F's shareholders are entitled to one before November 4 and certainly before being asked to vote their shares.

Fourth: you don't live on a legacy, you live up to it. The men who built Black Wall Street did not inherit it; they earned it, year on year, in results. A legacy is a standard, not an asset. M&F's earnings per share have fallen 61 percent in thirty months; Triad's have gone from a loss to a profit over the same period. We are not the older bank and we do not pretend to be. M&F has the history. Triad has the momentum. Triad keeps the history in Durham and puts the momentum behind it. The Optus agreement keeps neither.

Fifth: count what belongs to the people who trusted you with it. The founders could tell any depositor, on any day, exactly where every dollar was. Approval of the Optus agreement requires a majority of all outstanding shares, not a majority of votes cast. The meeting convened on October 7 has been adjourned twice. Shareholders were told the count was "overwhelming" and were not told the count. Here is the arithmetic the proxy supplies: if the vote fails, the merger fails; if the merger fails, the \$2.7 million in termination payments that ride on it are not paid (page 9). No vote, no merger. No merger, no payout. So, no vote. The \$2.6 million in bonuses the Board approved in January 2026 are payable when the Series E preferred is redeemed, with or without Optus; what the Optus agreement adds is a committee with authority to pay them after closing even if the redemption has not happened, while shareholders receive their \$6.73 only if it happens within twelve months (page 44). A board that has the votes closes the polls and reads the number. A board that does not have them keeps the meeting open and asks for time. Parrish Street counted in public. It is time for M&F to count in public too.

"Those five lessons are not Triad's," Mr. Kelly said. "They are North Carolina's, and M&F taught most of them. We are asking the Board to remember what it knows. You don't kill a bank to save it."

Two paths

Under the Optus agreement (proxy pages 6 and 44), M&F Bank is merged into Optus Bank at closing. The Mechanics & Farmers name survives for two years as “a division of Optus Bank,” a South Carolina institution. M&F’s shareholders are paid “up to” \$46.57 a share at closing, subject to adjustment, plus \$6.73 only if the Series E preferred is redeemed in time, and own nothing afterward.

With Triad, M&F Bank keeps its 1907 charter, its name and its Durham headquarters, with no sunset, and remains an African-American minority depository institution: the FDIC’s MDI test looks to a majority-minority board and the community served, and Triad writes a majority African-American board into the charter and by-laws. Mr. Sills remains in his current role. M&F’s shareholders would own about 47 to 50 percent of a \$1.0 billion institution, and each shareholder chooses: \$53.50 in cash, fixed at closing, or 1.25 shares of the combined company, or cash for some shares and stock for the rest. The cash election is available for up to 25 percent of the shares outstanding, with elections above that level prorated; every share not taking cash receives 1.25 shares. The choice is there for shareholders whose circumstances call for cash. For those who want to see the M&F story continue, and to share in the growth of its lending and its service to the community, the shares are there too.

The combined company would be an African-American minority depository institution. The FDIC’s MDI definition is met by either majority minority ownership or a majority-minority board serving a predominantly minority community; Triad’s proposal writes a majority African-American board into the combined company’s charter and by-laws, keeps M&F Bank’s charter and its Durham headquarters, and continues serving the communities M&F has served since 1907. Its CDFI status is preserved on the same basis. Triad’s shareholders would hold a majority of the shares; the board, the charter and the community served are what the designation turns on, and all three stay.

Setting the record straight, with the published terms

M&F’s October 19 statement described Proposal Four in ways the published terms do not support. Three corrections, each against the document:

The 1.25 exchange ratio is fixed. M&F stated that shareholders would receive “a fraction of the 1.25 shares due to proration.” Under the published terms, proration applies only to cash elections above the 25 percent cap; every share not receiving cash receives 1.25 shares, without reduction.

“Up to” is Optus’s term, not Triad’s. The \$53.50 cash election under Proposal Four is fixed at closing. It is the Optus agreement whose closing cash is “up to” \$46.57, reduced dollar for dollar if M&F’s tangible common equity at closing falls below a \$36.5 million target (Agreement, Section 2.02), with a further \$6.73 conditioned on an event that may not occur in time.

There is no five-year holding period and no dividend prohibition. Proposal Four contains neither. Dividend policy for the combined company would be set by its board, on which M&F designees sit. Triad’s published pro forma, which assumes no common dividend, illustrates retained-earnings build; it is not a restriction.

Triad’s published Summary of Proposed Terms, Summary of Key Terms and Supporting Material are at triadbusinessbank.com/investors, so that M&F’s shareholders can read the terms as published. Proposal Four is Triad’s fourth proposal to M&F. Each one has answered what M&F said about the last, and Triad is not finished listening.

The numbers, in M&F’s own reports

M&F's statement called Triad "sub-standard and predominantly unprofitable." Here is the record, thirty months to June 30, 2026, as each company reported it.

M&F earnings per share: \$2.75 in 2023, \$1.06 today. Down 61 percent.

Triad net income: a \$4.3 million loss in 2023, a \$1.5 million profit today. Profitable every quarter since early 2025.

M&F loans: \$284 million at the end of 2024, \$276 million today. Deposits: \$391 million, now \$364 million.

M&F securities: \$158 million, in bonds instead of loans, four years after M&F took \$80 million of Treasury capital meant, in its own annual report's words, to "enhance support of small businesses and consumers" in its community. The dividend it pays Treasury on that capital has risen to the program maximum, 2.00 percent, a rate Treasury lowers for banks that grow their lending.

What Triad is asking for

The agreement allows M&F's Board to engage with a proposal it determines is reasonably likely to lead to a superior proposal, and defines a superior proposal to include one in which the other company's shareholders would hold more than 50 percent (proxy pages 42 to 44). Triad will meet M&F's Board, independent directors and their advisers at any time, anywhere they choose. Shareholders may also wish to read the proxy's own section, "Interests of M&F Bancorp's Directors and Executive Officers in the Merger that Differ from Your Interests," at pages 9, 10 and 27. Triad draws no conclusion from it; the Board's reasons are the Board's to state. No matter what, shareholders deserve to know the value of their shares and should not be pressured to vote until they do and have the material facts.

Before November 4

Triad has no objection to waiting. A 119-year-old bank can survive two more weeks of deliberation; it cannot survive the Optus agreement coming to pass.

"You don't have to pick a side," Mr. Kelly said. "And you don't have to kill the bank on November 4 before your board honors its fiduciary duty and seeks the best deal for its shareholders. Read the supplement. Read our terms as we published them. Then decide. Nobody on M&F's board has to be wrong for this to work; they can have signed in good faith and still choose to keep the bank. That is what boards are for. We were here on October 7, we were here on October 20, and we will be here on November 4. The Board thought the bank was finished. We're just getting started. Call us. The light is on. You don't kill a bank to save it."

About Triad Business Bank

Triad Business Bank is a North Carolina-chartered commercial bank headquartered in Greensboro, with approximately \$536 million in assets at June 30, 2026, serving businesses, professionals and the communities of the Piedmont Triad and the I-40/I-85 corridor. Its common stock trades under the symbol TBBC.

Important information

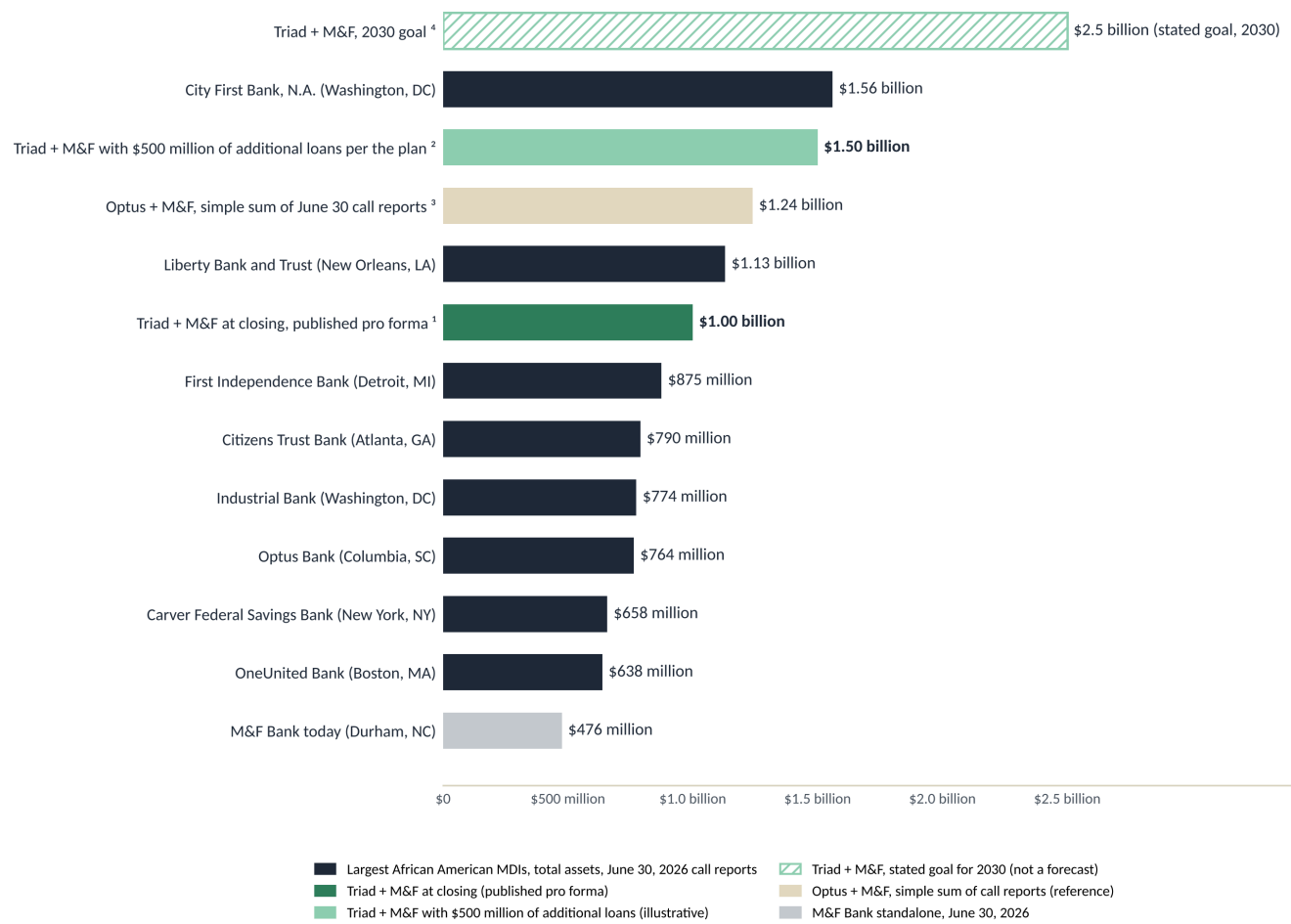
Triad's proposal (Proposal Four, published October 8, 2026) is a non-binding indication of interest. M&F's Board has stated that it does not consider it a superior proposal; Triad has not withdrawn it, and Triad may revise or supplement its proposal at any time. There can be no assurance that M&F's Board

will engage, that a definitive agreement will be reached, or that any transaction will be completed, and any transaction would require a definitive agreement and shareholder and regulatory approvals, including confirmation of MDI and CDFI status with the relevant agencies. This release is not an offer to sell or a solicitation of an offer to buy any security, is not a proxy solicitation, and does not advise any M&F shareholder how to vote. Statements about M&F are drawn from its public filings, releases and call reports, including its proxy statement dated September 1, 2026, its 2023 and 2025 Annual Reports and its results releases for the fourth quarter of 2024 and the second quarter of 2026; the \$31 million annual ECIP lending commitment is as stated in M&F Bancorp's 2023 Annual Report and by Mr. Sills in "MDIs and CDFIs bolster minority-owned businesses," ICBA Independent Banker, February 1, 2023. Earnings per share are trailing twelve months, basic, to common shareholders; loans and deposits are period-end. Historical references are to the published histories of North Carolina Mutual Life Insurance Company and Mechanics and Farmers Bank. Lending-limit figures are 15 percent of Tier 1 plus Tier 2 capital as implied by June 30, 2026 call-report ratios, after the cash consideration in each transaction and before purchase accounting, transaction costs and any capital contributed to the banks; the method and sources are set out in Triad's published lending-limit page. Ownership percentages, pro forma asset figures and other illustrative figures are based on stated assumptions set out in Triad's published Summary of Proposed Terms and Supporting Material and are not forecasts. The full terms and the basis of every figure are at [triadbusinessbank.com/investors](https://www.triadbusinessbank.com/investors).

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The largest African American minority depository institutions, and where a combined Triad + M&F would stand

Total assets, \$ millions. African American MDIs are the institutions designated "Black or African American" on the FDIC's Minority Depository Institutions List. No African American MDI has yet reached \$2 billion in total assets. Proposal Four's stated goal for the combined company is \$2.5 billion by 2030, which would make it the first. A combined Optus + M&F, at \$1.24 billion on a simple sum of the two June 30 call reports, would rank second to City First Bank at closing, not first.



Sources. Total assets for each institution are from its Consolidated Report of Condition and Income (call report) for the quarter ended June 30, 2026, as filed with the FFIEC and compiled by Visbanking (visbanking.com; data updated July 21–31, 2026): City First Bank, N.A. \$1.56 billion; Liberty Bank and Trust Company \$1.13 billion; First Independence Bank \$875.30 million; Citizens Trust Bank \$790.29 million; Industrial Bank \$774.25 million; Optus Bank \$764.19 million; Carver Federal Savings Bank \$658.05 million; OneUnited Bank \$637.94 million; Mechanics and Farmers Bank \$475.99 million; Triad Business Bank \$536.05 million. Ranking is by bank-level total assets; holding-company figures may differ. MDI designations are as shown on the FDIC Minority Depository Institutions List and should be confirmed against the current quarter's list. City First Bank, N.A. (which absorbed Broadway Federal Bank) is designated an African American MDI by the FDIC on the basis of its board and the community it serves; the FDIC's MDI definition is met either by majority minority ownership or by a majority-minority board serving a predominantly minority community.

¹ **Triad + M&F at closing, \$1,000 million.** Published pro forma balance sheet at closing from Triad's Proposal Four Supporting Material (October 13, 2026, page 10), reflecting the June 30, 2026 balance sheets of both banks, the repurchase of M&F's Series E preferred stock, the cash consideration at the 25% cash cap, and transaction costs. Pro forma figures are arithmetic on stated assumptions and are not forecasts.

² **Triad + M&F with \$500 million of additional loans, \$1,500 million.** Illustrative: the published closing balance sheet plus \$500 million of additional net loans funded by deposits and FHLB advances, consistent with the plan described in the Supporting Material (Triad's loan book doubled within 36 months; M&F's securities redeployed to loans; reciprocal deposits previously turned away). The timing and amount of loan growth are not assured; this bar shows balance-sheet size if that lending occurs and says nothing about when. It is not a forecast.

³ **Optus + M&F, \$1,240 million.** Simple sum of the two banks' June 30, 2026 call-report total assets, shown for reference only. At that size the combined Optus + M&F would rank second among African American MDIs, behind City First Bank, N.A. (\$1.56 billion), not first. The figure is before the deposit runoff that M&F's proxy statement discloses was assumed in the fairness analysis of the Optus merger ("the runoff of a certain amount of deposits as of Closing, as provided by the senior management of Optus," proxy statement dated September 1, 2026) and before purchase accounting and transaction costs. Under that agreement M&F Bank is merged into Optus Bank at closing (proxy pages 6 and 44).

⁴ **Triad + M&F, 2030 goal, \$2,500 million.** The stated goal in Triad's open letter and Supporting Material of \$2.5 billion in total assets by 2030, built on the Durham charter through the I-40/I-85 corridor lending program, reciprocal deposits and the redeployment of M&F's securities into loans. It is a goal, not a forecast; achieving it depends on the combination being completed and on loan growth, deposit retention, capital and market conditions that are not assured. No African American MDI has reached \$2 billion; at \$2.5 billion the combined company would be the first.

Important information. Proposal Four is a non-binding indication of interest; there can be no assurance that M&F's Board will engage with Triad or that any transaction will be completed, and any transaction would require a definitive agreement and shareholder and regulatory approvals. This page is not an offer or solicitation of any security, is not a proxy solicitation, and does not advise any M&F shareholder how to vote. Triad has had no access to non-public information of M&F. Statements about the combined company's future size, lending and listing are forward-looking and subject to the risks described in Triad's published materials. Full terms and the basis of every figure: triadbusinessbank.com/investors. Contact: Jonathan Lee Kelly, Director, Triad Business Bank • +1 617 642 3186 • info@triadbusinessbank.com

What each institution can lend to one borrower: implied legal lending limits at 15% of Tier 1 plus Tier 2 capital

\$ millions. The legal lending limit is the ceiling on a bank's loans to any single borrower; it is set by the bank's chartering authority as a percentage of capital, and for most banks the basic limit is 15% of capital and surplus. The figures below apply that 15% to each bank's Tier 1 plus Tier 2 capital as implied by its June 30, 2026 call-report ratios. They are indications of scale, not the limits the banks' regulators have calculated.

INSTITUTION	TOTAL ASSETS	TIER 1 CAPITAL ¹	TIER 2 CAPITAL ²	CAPITAL BASE	IMPLIED LIMIT (15%)	LIMIT + ASSETS	
Triad + M&F, 2030 goal ⁷ illustrative	2,500	—	—	250.0	37.5	1.5%	<div></div>
City First Bank, N.A. Washington, DC	1,560	195.4	10.8 (ACL)	206.2	30.9	2.0%	<div></div>
Liberty Bank and Trust New Orleans, LA	1,130	127.1	7.3	134.5	20.2	1.8%	<div></div>
Industrial Bank Washington, DC	774	119.6	5.9	125.5	18.8	2.4%	<div></div>
Triad + M&F after \$26 million cash to electing holders ⁶ two charters, published pro forma	1,000	—	—	114.6	17.2	1.7%	<div></div>
Citizens Trust Bank Atlanta, GA	790	106.3	5.3	111.6	16.7	2.1%	<div></div>
First Independence Bank Detroit, MI	875	94.0	10.7 (ACL)	104.7	15.7	1.8%	<div></div>
Optus Bank Columbia, SC	764	98.7	2.5	101.2	15.2	2.0%	<div></div>
Optus + M&F after \$90 million cash to M&F shareholders ⁵ reference	1,240	—	—	88.4	13.3	1.1%	<div></div>
Mechanics and Farmers Bank Durham, NC	476	73.6	3.7	77.4	11.6	2.4%	<div></div>
OneUnited Bank Boston, MA	638	65.8	1.6 (ACL)	67.4	10.1	1.6%	<div></div>
Triad Business Bank Greensboro, NC	536	59.3	3.9	63.1	9.5	1.8%	<div></div>
Carver Federal Savings Bank New York, NY	652	51.1	5.7	56.8	8.5	1.3%	<div></div>

Sources and method. All inputs are from each bank's Consolidated Report of Condition and Income for June 30, 2026 as compiled by bankregreports.com (data sourced from FFIEC call reports): Tier 1 leverage ratio, average total assets (Schedule RC-K), common equity Tier 1, Tier 1 and total risk-based capital ratios, allowance for credit losses and total assets. No bank publishes its legal lending limit in the call report, and each state and federal regulator defines "capital and surplus" slightly differently; the limits shown are Triad's arithmetic, rounded, and should be confirmed with each institution before being quoted as that institution's limit. Total assets on this page are as displayed by bankregreports.com and may differ slightly from the Visbanking figures on page 1 (Carver: \$651.5 million here, \$658.05 million there).

¹ **Tier 1 capital** = Tier 1 leverage ratio × average total assets, as reported.

² **Tier 2 capital.** For banks reporting risk-based ratios, Tier 2 = (Tier 1 capital ÷ Tier 1 ratio) × total capital ratio, less Tier 1. City First, First Independence and OneUnited file under the community bank leverage ratio framework and report no Tier 2; for them the allowance for credit losses (ACL) is shown and included, which is how the OCC's and FDIC's lending-limit rules treat capital and surplus for such banks (12 CFR 32.2).

³ **The 15% test.** National banks: 15% of capital and surplus for unsecured loans, plus 10% for loans fully secured by readily marketable collateral (12 U.S.C. 84). North Carolina state banks: 15% of unimpaired capital fund, with additional secured capacity (N.C.G.S. 53C-6-1). Only the basic 15% figure is shown.

⁴ **Limit + assets:** the share of its balance sheet a bank can commit to one relationship.

⁵ **Optus + M&F, after the cash consideration.** The two banks' June 30 capital bases sum to \$178.6 million. The Optus agreement pays M&F's common shareholders "up to" \$46.57 a share in cash at closing, about \$90.2 million on the 1,936,960 shares implied by M&F's own 25% cash-cap figure (484,240 shares); money paid out to selling shareholders leaves the combined company and reduces its capital dollar for dollar, so the base after closing is about \$88.4 million and the implied limit about \$13.3 million, below Optus's \$15.2 million standalone today. Three things could move

it: payment of the conditional \$6.73 (\$13.0 million) would lower it to about \$11.3 million; contribution to the bank of the subordinated debt that M&F's proxy disclosures assumed Optus would issue (reported at \$35 million) would raise it to roughly \$18.5 million; and the funding of the Series E repurchase, transaction costs and purchase accounting are not public and are not reflected. The range is roughly \$11 million to \$19 million; the point estimate shown is the cash consideration alone.

⁶ **Triad + M&F, after the cash consideration.** The same treatment applied to Proposal Four: the two banks' bases sum to \$140.5 million; the cash election of \$53.50 on up to 25% of M&F's shares is \$25.9 million (Supporting Material, October 13, 2026, page 10), leaving about \$114.6 million and an implied limit of about \$17.2 million. Under Proposal Four both charters continue under M&F Bancorp; each bank's limit applies to its own loans, and the figure is what the two could together extend to one borrower through a participation between affiliates. It is before any capital the holding company contributes to either bank and before purchase accounting; the published pro forma shows tangible common equity of \$106.9 million, 10.2% of tangible assets, after closing. The difference between the two combinations is the cash: a transaction that pays out \$90 million consumes more lending capacity than one that pays out \$26 million and keeps the rest as shares.

⁷ **2030 goal, illustrative.** \$2.5 billion in total assets at a 10% capital ratio implies roughly \$250 million of capital and a limit near \$37.5 million; it assumes the combination closes and the published plan is achieved, and is not a forecast.

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