

Joint Press Release

FOR IMMEDIATE RELEASE

TOWNEBANK ENHANCES NORTH CAROLINA PRESENCE THROUGH AGREEMENT TO ACQUIRE BLUEHARBOR BANK

Suffolk, Va. and Mooresville, N.C. (October 6, 2026) — Hampton Roads based TowneBank (NASDAQ: TOWN) and Mooresville based blueharbor bank (OTCQX: BLHK) (“blueharbor”), today announced the signing of a definitive merger agreement pursuant to which TowneBank will acquire blueharbor for approximately \$154 million, based on TowneBank’s 10-day volume-weighted average price of \$36.15 as of October 2, 2026. The proposed transaction will enhance TowneBank’s position in the greater Charlotte MSA as well as the fast-growing I-77 corridor including Mooresville and Statesville. The combination brings together blueharbor’s strong local lending and core deposit relationships with TowneBank’s broader resources, creating a stronger platform to serve customers across the region. The transaction is expected to further leverage TowneBank’s recent expansion throughout the Carolina markets.

As of June 30, 2026, blueharbor had total assets of approximately \$628 million, loans of approximately \$537 million, deposits of approximately \$551 million, and 5 office locations.

“We are excited to welcome blueharbor and its talented team to the TowneBank family,” said G. Robert Aston, Jr., Executive Chairman of TowneBank. “blueharbor has a long history of stellar performance along with an excellent reputation across the communities it serves. This partnership reflects TowneBank’s ongoing efforts to attract experienced banking talent and build meaningful growth markets.”

“blueharbor was built on a focus upon customers, businesses and communities throughout the I-77 corridor,” said Jim Marshall, President and Chief Executive Officer of blueharbor. “We are excited to partner with TowneBank, whose commitment to community banking and serving others closely reflects our own. Our customers will benefit from TowneBank’s broader range of products, services and technology while continuing to receive the local service they value.”

“I have known Jim Marshall for years, and we are extremely proud to have him and his team as members of our TowneBank family,” said Steve Jones, President, TowneBank of the Carolinas.

Under the terms of the agreement, shareholders of blueharbor will receive \$12.70 in cash and 1.0534 shares of TowneBank common stock for each share of blueharbor outstanding common stock, for an implied value of \$50.78 per share based on TowneBank’s 10-day volume-weighted average price. The total consideration mix results in approximately 75% of the transaction paid in TowneBank common stock.

Following the consummation of the merger, Kelley Earnhardt Miller, Chairman of the blueharbor Board of Directors and Chief Executive Officer of JR Motorsports, will join the TowneBank family as a member of the TowneBank Corporate Board of Directors, and Jim Marshall will join the TowneBank family as Piedmont Regional President.

The definitive agreement was approved by the boards of directors of TowneBank and blueharbor. The transaction is expected to close in the first quarter of 2027 and is subject to customary closing conditions, including regulatory approval, as well as the approval of blueharbor's shareholders.

Piper Sandler & Co. served as the financial advisor and Wachtell, Lipton, Rosen & Katz and Williams Mullen served as legal counsel to TowneBank in the transaction. D.A. Davidson & Co. served as financial advisor and Brooks, Pierce, McLendon, Humphrey & Leonard, LLP served as legal counsel to blueharbor in the transaction.

About TowneBank:

Founded in 1999, TowneBank is a company built on relationships, offering a full range of banking and other financial services, with a focus of serving others and enriching lives. Dedicated to a culture of caring, Towne values all employees and members by embracing their diverse talents, perspectives, and experiences.

Today, TowneBank operates over 70 banking offices throughout Hampton Roads and Central Virginia, Eastern and Central North Carolina, the Greenville and upstate region of South Carolina, and Charleston, South Carolina - serving as a local leader in promoting the social, cultural, and economic growth in each community. Towne offers a competitive array of business and personal banking solutions, delivered with only the highest ethical standards. Experienced local bankers providing a higher level of expertise and personal attention with local decision-making are key to the TowneBank strategy. TowneBank has grown its capabilities beyond banking to provide expertise through its affiliated companies that include Towne Wealth Management, Towne Insurance Agency, Towne Benefits, TowneBank Mortgage, TowneBank Commercial Mortgage, Berkshire Hathaway HomeServices RW Towne Realty, Towne 1031 Exchange, and Towne Trust Company, N.A. With total assets of \$22.6 billion as of June 30, 2026, TowneBank is one of the largest banks headquartered in Virginia.

About blueharbor:

blueharbor bank is a community bank headquartered in Mooresville, North Carolina, with approximately \$628 million in total assets as of June 30, 2026. Founded in 2008, blueharbor provides personal and business banking products and services through branch offices in Mooresville, Statesville and Mount Airy, as well as loan production offices in Belmont and Hickory. The bank serves customers throughout the region with a focus on long-standing relationships and local decision-making.

Media Contact:

G. Robert Aston, Jr., Executive Chairman of TowneBank, 757-638-6780

William I. Foster III, President and Chief Executive Officer of TowneBank, 757-417-6482

Jim Marshall, President and Chief Executive Officer of blueharbor bank, 704-662-7700

Investor Contact:

William B. Littreal, Chief Financial Officer of TowneBank, 757-638-6813

Cautionary Note Regarding Forward-Looking Statements

This communication contains certain forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not historical facts, but instead represent only the beliefs, expectations, or opinions of TowneBank and blueharbor and their respective management teams regarding future events, many of which, by their nature, are inherently uncertain and beyond the control of TowneBank and blueharbor. Forward-looking statements may be identified by the use of such words as: “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate,” or words of similar meaning, or future or conditional terms, such as “will,” “would,” “should,” “could,” “may,” “likely,” “probably,” or “possibly.” These statements may address issues that involve significant risks, uncertainties, estimates, and assumptions made by management, including statements about (i) the benefits of the transaction, including future financial and operating results, cost savings, enhancement to revenue and accretion to reported earnings that may be realized from the transaction and (ii) TowneBank’s and blueharbor’s plans, objectives, expectations and intentions and other statements contained in this communication that are not historical facts. In addition, these forward-looking statements are subject to various risks, uncertainties, estimates and assumptions with respect to future business strategies and decisions that are subject to change and difficult to predict with regard to timing, extent, likelihood and degree of occurrence. Although TowneBank’s and blueharbor’s respective management teams believe that estimates and assumptions on which forward-looking statements are based are reasonable, such estimates and assumptions are inherently uncertain. As a result, actual results may differ materially from the anticipated results discussed in these forward-looking statements because of possible uncertainties.

The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statements: (1) the business of blueharbor may not be successfully integrated into TowneBank, or such integration may take longer, be more difficult, time-consuming or costly to accomplish than expected; (2) the expected growth opportunities or cost savings from the transaction may not be fully realized or may take longer to realize than expected; (3) deposit attrition, operating costs, customer losses and business disruption following the transaction, including adverse effects on relationships with employees and customers, may be greater than expected; (4) the possibility that the transaction does not close when expected or at all because required regulatory, shareholder or other approvals and other conditions to closing are not received or satisfied on a timely basis or at all (and the risk that such approvals may result in the imposition of conditions that could adversely affect the combined company or the expected benefits of the transaction); (5) the outcome of any legal proceedings that may be instituted against TowneBank or blueharbor; (6) the occurrence of any event, change, or other circumstance that could give rise to the right of one or both of the parties to terminate the definitive merger agreement between TowneBank and blueharbor; (7) reputational risk and potential adverse reactions of TowneBank’s or blueharbor’s customers, employees or other business partners, including those resulting from the announcement or completion of the transaction; (8) the dilution caused by TowneBank’s issuance of additional shares of its capital stock in connection with the transaction; (9) the diversion of management’s attention and time from ongoing business operations and opportunities on merger-related matters; (10) economic, legislative or regulatory changes, including changes in accounting standards and changes impacting the rulemaking, supervision, examination and enforcement priorities of the federal banking agencies, that may adversely affect the businesses in which TowneBank and blueharbor are engaged; (11) competitive pressures in the banking industry that may increase significantly; (12) changes in the interest rate environment that may reduce margins and/or the volumes and values of loans made or held as well as the value of other financial assets held; (13) an unforeseen outflow of cash or deposits or an inability to access the capital markets, which could

jeopardize TowneBank's or blueharbor's overall liquidity or capitalization; (14) changes in the creditworthiness of customers and the possible impairment of the collectability of loans; (15) insufficiency of TowneBank's or blueharbor's allowance for credit losses due to market conditions, inflation, changing interest rates or other factors; (16) adverse developments in the financial industry generally, responsive measures to mitigate and manage such developments, related supervisory and regulatory actions and costs, and related impacts on customer and client behavior; (17) general economic conditions, either nationally or regionally, that may be less favorable than expected, resulting in, among other things, a deterioration in credit quality and/or a reduced demand for credit or other services; (18) geopolitical instability, including wars, conflicts, trade restrictions and tariffs, civil unrest, and terrorist attacks and the potential impact, directly or indirectly, on TowneBank's or blueharbor's business; (19) the effects of weather-related or natural disasters, which may negatively affect TowneBank's or blueharbor's operations and/or TowneBank's or blueharbor's loan portfolio and increase the cost of conducting business; (20) public health events (such as the COVID-19 pandemic) and governmental and societal responses to them; (21) the introduction of new lines of business or new products and services; (22) cybersecurity threats or attacks, whether directed at TowneBank or blueharbor or at vendors or other third parties with which TowneBank or blueharbor interact; (23) the implementation of new technologies, and the ability to develop and maintain reliable electronic systems; (24) changes in business conditions; (25) changes in the securities market; and (26) changes in the local economies with regard to TowneBank's and blueharbor's respective market areas.

Additional factors that could cause actual results to differ materially from those expressed in the forward-looking statements are discussed in TowneBank's reports filed with the Federal Deposit Insurance Corporation ("FDIC"). TowneBank and blueharbor undertake no obligation to update or clarify these forward-looking statements, whether as a result of new information, future events or otherwise.

Important Information and Where to Find It

This press release does not constitute an offer to sell or the solicitation of an offer to buy securities of TowneBank or a solicitation of any vote or approval. blueharbor will deliver a definitive proxy statement/offering circular to its shareholders seeking approval of the merger and related matters. In addition, TowneBank may file other relevant documents concerning the proposed merger with the FDIC. Before making any voting or investment decision, investors and security holders are urged to read the proxy statement/offering circular and any other relevant documents to be filed with the FDIC in connection with the proposed transaction because they contain important information about TowneBank, blueharbor, and the proposed merger.

Shareholders are also urged to carefully review TowneBank's public filings with the FDIC, including, but not limited to, its Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and proxy statements. Free copies of filings containing information about TowneBank may be obtained after their filing at the FDIC's website (<https://www.fdic.gov>). The documents described above also may be obtained by directing a request by telephone or mail to TowneBank, 6001 Harbour View Boulevard, Suffolk, Virginia 23435, Attention: Investor Relations (telephone: (757) 638-6794), or by accessing TowneBank's website at <https://townebank.com> under "Investor Relations." In addition, free copies of the definitive proxy statement/offering circular, when available, may be obtained by directing a request by telephone or mail to blueharbor bank, P.O. Box 3546, 106 Corporate Park Dr., Mooresville, North Carolina 28117, Attention: Jim Marshall (telephone: (704) 662-7700) or by accessing blueharbor's website at <https://www.blueharborbank.com> under "Newsroom." The information on

TowneBank's website and blueharbor's website is not, and shall not be deemed to be, a part of this press release or incorporated into other filings TowneBank makes with the FDIC.

Participants in the Solicitation

TowneBank, blueharbor, and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of blueharbor in connection with the proposed merger. Information about the directors and executive officers of blueharbor and TowneBank and other persons who may be deemed participants in the solicitation, including their interests in the merger, will be included in the proxy statement/offering circular when it becomes available. Additional information about the directors and executive officers of TowneBank can be found in TowneBank's proxy statement in connection with its annual meeting of shareholders, filed with the FDIC on April 10, 2026. Additional information about the directors and executive officers of blueharbor can be found in blueharbor's proxy statement in connection with its annual meeting of shareholders, as sent previously to blueharbor's shareholders on or about April 6, 2026.