



PRESS RELEASE
For Immediate 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 www.blueharborbank.com and our common stock is quoted on the OTC Bulletin Board under the symbol “BLHK.” The blueharbor wealth advisors website is www.blueharborwealthadvisors.com.

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.

SOURCE: blueharbor bank

CONTACT: Jim Marshall
President and Chief Executive Officer
blueharbor bank
(704) 662-7700

SUMMARY SELECTED FINANCIAL DATA SCHEDULE ATTACHED BELOW.



Summary Selected Financial Data

	(Unaudited) June 30, 2020	(Audited) December 31, 2019	(Unaudited) June 30, 2019	
Balance Sheet Data:				
Total Assets	\$ 285,436,220	\$ 245,680,057	\$ 236,216,052	
Total Gross Loans	227,388,080	206,891,923	192,015,648	
Allowance for Loan Losses	2,564,022	2,068,919	1,953,430	
Total Deposits	247,647,202	207,521,409	199,713,422	
Total Shareholders' Equity	34,120,955	32,003,529	30,141,191	
	(Unaudited) Three Months Ended June 30,	(Unaudited) Six Months Ended June 30,		
Earnings and Per Share Data:				
	2020	2019	2020	2019
Interest Income	\$ 2,577,130	\$ 2,460,104	\$ 5,157,216	\$ 4,844,722
Interest Expense	383,733	453,957	800,874	857,483
Net Interest Income	2,193,397	2,006,147	4,356,342	3,987,239
Provision for Loan Losses	328,397	72,367	490,105	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	9.79%	9.47%	9.21%	8.73%
Efficiency ratio	47.4%	58.9%	53.1%	60.9%
	(Unaudited) June 30, 2020	(Unaudited) June 30, 2019		
Financial Ratios:				
Book Value	\$ 11.59	\$ 10.39		
Texas Ratio	2.11%	5.86%		
Nonperforming Assets to Total Assets Ratio	0.27%	0.80%		
Tier 1 Leverage Ratio	12.2%	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%		