

FOR IMMEDIATE RELEASE:

First Carolina Bank Announces Plans to Acquire BM Technologies, Inc.

RALEIGH, N.C. (October 25, 2024) – First Carolina Bank (“Bank”) announced today the execution of a definitive agreement and plan of merger to acquire BM Technologies, Inc. (“BMT”), pursuant to which the Bank, through a newly formed subsidiary, will acquire BMT for total cash consideration of approximately \$67 million, or \$5.00 for each share of BMT common stock. BMT is one of the largest digital banking platforms in the U.S. as well as a market leader in the higher education financial aid disbursement business via its “Higher Education Program,” for which the Bank has served as the exclusive provider of deposit accounts since December 2023.

In support of the growing demand for the Bank’s service model, the acquisition will add a differentiated core deposit generation platform and additional non-interest income sources and is thus anticipated to produce an approximate 40% accretion to the Bank’s 2026 earnings per share. The Bank expects additional financial, operational, and strategic benefits as BMT’s business becomes fully integrated with the Bank. Notably, the transaction reduces the cost of the Higher Education Program deposits for the Bank and bolsters its ability to further source low-cost, core deposit funding through a suite of digitally advanced deposit products in a regulatory compliant, safe, and sound manner. Furthermore, it solidifies the Bank’s commitment to bringing greater access, convenience, stability, and ultimate financial literacy to students.

“BMT is a leader in the disbursements process for federal aid to colleges, universities, and students,” Ron Day, President and CEO, said. “Currently serving over 700 campuses, this digital platform gives the Bank a nationwide deposit gathering business and the opportunity to expand banking relationships with the institutions and their students across the United States. We started having discussions in late 2022 with management at BMT and were immediately drawn to the added relationship possibilities for the Bank through the company’s technology and market position. We believe this is a game-changing combination, and we are thrilled for the employee and shareholder bases of both companies given BMT’s customer base. Jamie Donahue, current President and Chief Technology Officer of BMT will join the Bank’s leadership team as President of the newly formed subsidiary and will report to Pat Pritchard, the Bank’s Chief Information Officer. Both will lead the integration of the new line of business into the core activities of the Bank and the plan to grow the platform over time.”

The proposed transaction is currently expected to close during the first quarter of 2025, subject to receipt of required shareholder approval by the shareholders of BMT and the satisfaction of other closing conditions.

Wedbush Securities Inc. has served as exclusive financial advisor and rendered a fairness opinion to the board of directors to First Carolina Bank in the proposed transaction. Covington & Burling LLP has served as legal counsel to First Carolina Bank.

About First Carolina Bank

First Carolina Bank is a North Carolina state-chartered bank headquartered in Rocky Mount, North Carolina, with approximately \$3.1 billion in total assets as of September 30, 2024. First Carolina Bank has full-service banking offices in: Rocky Mount, Raleigh, Wilmington, Cary and Reidsville, North Carolina; Virginia Beach, Virginia; Columbia and Greenville, South Carolina; and Atlanta, Georgia. To learn more about First Carolina Bank, please visit our website at www.firstcarolinabank.com.

About BM Technologies, Inc.

BM Technologies, Inc. (NYSE American: BMTX) - formerly known as BankMobile - is among the largest Banking-as-a-Service (BaaS) providers in the country, providing access to checking and savings accounts, and financial wellness. It is focused on technology, innovation, easy-to-use products, and education with the mission to financially empower millions of Americans by providing a more affordable, transparent, and consumer-friendly banking experience. BM Technologies, Inc. (BMTX) is a technology company and is not a bank, which means it provides banking services through its partner bank. More information can be found at www.bmtx.com.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements. Forward-looking statements are typically preceded by, followed by or include words such as “may,” “could,” “should,” “will,” “would,” “believe,” “anticipate,” “estimate,” “expect,” “intend,” “plan,” “projects,” “outlook” or similar expressions. Actual results or events might differ materially from those explicit or implicit in the forward-looking statements, and readers of this press release should not place undue reliance on such statements. These forward-looking statements may include projections of, or guidance on, the Bank’s future financial performance, asset quality, liquidity, capital levels, expected levels of future expenses, including anticipated growth strategies, descriptions of new business initiatives and anticipated trends in the Bank’s business or financial results. Important factors that could cause actual results to differ materially include, without limitation: the occurrence of any event, change or other circumstances that could give rise to the right of one or both of the Bank and/or BMT to terminate the definitive agreement between the Bank and BMT; the outcome of any legal proceedings that may be instituted against BMT or the Bank related to the proposed transaction or otherwise; the possibility that the proposed transaction will not close when expected or at all because required BMT shareholder approval is not received or other conditions to the closing are not satisfied on a timely basis or at all; the possibility that the anticipated benefits of the proposed acquisition of BMT will not be realized when expected or at all, including as a result of the impact of, or problems arising from, the integration of the two companies; the diversion of the Bank’s management’s attention from on going business operations and opportunities in light of the proposed transaction; the possibility that the merger may be more expensive to complete than anticipated; potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement or completion of the merger; loss of key personnel that are critical to our market growth plans; the effects of future economic conditions, including impacts from inflation, labor shortages and supply chain issues; changes in governmental fiscal and monetary policies; legislative and regulatory changes; changes in interest rates and the resulting impacts on our business; fluctuations in our financial results; privacy, security and other risks associated with our business. The Bank cautions readers that forward-looking statements are subject to certain risks and uncertainties that are difficult to predict with regard to, among other things, timing, extent, likelihood and degree of occurrence, which could cause actual results to differ from anticipated results. The Bank assumes no obligation and does not intend to update these forward-looking statements, except as required by law.