



FOR IMMEDIATE RELEASE

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Hometown Financial Group, Inc. Announces Agreement to Acquire Primary Bank and Plan for Mutual-to-Stock Conversion

EASTHAMPTON, MASSACHUSETTS and BEDFORD, NEW HAMPSHIRE — JULY 6, 2026 — Hometown Financial Group, Inc. (“Hometown”), the holding company for bankESB, bankHometown, and TruNorth Bank (collectively referred to as “TruNorth Bank”), today announced that it has entered into a merger agreement to acquire Primary Bank (OTCM: PRMY), a publicly-traded commercial bank based in Bedford, New Hampshire, in a transaction that will expand Hometown’s presence in southern New Hampshire. The Board of Trustees of Hometown Financial Group, MHC (“Hometown MHC”) has also unanimously adopted a Plan of Conversion to reorganize from the mutual holding company structure to the stock holding company structure.

These proposed transactions build on Hometown’s previously announced plan to merge its three banks and unite under the TruNorth Bank name, which, subject to the receipt of all regulatory approvals, is scheduled to occur in August, and will deliver greater scale, expanded capabilities, and more resources for customers, employees, and communities.

Acquisition of Primary Bank

Under the terms of the merger agreement, which has been unanimously approved by both companies’ boards of directors, Primary Bank shareholders will receive, for each share of Primary Bank common stock, either \$33.00 in cash or \$31.00 in shares of stock issued by Hometown Financial Group, Inc., a newly formed Maryland corporation, which will be a successor to Hometown, subject to the requirement that 50% of the outstanding shares of Primary common stock be converted into the cash consideration and 50% be converted into the stock consideration. The total transaction value is approximately \$160 million.

The acquisition will add approximately \$743 million in assets and four New Hampshire locations to TruNorth Bank’s 55-branch network, including its existing Newton, New Hampshire, branch. At closing of the acquisition, Hometown will grow to 59 TruNorth Bank retail locations across Massachusetts, southern New Hampshire, and



northeast Connecticut. Primary Bank's branches in Bedford, Derry, Manchester, and Nashua will operate under the TruNorth Bank name.

Customers of both banks will benefit from broader access to banking services and digital solutions, a larger branch and ATM network, and expanded lending capabilities.

"We're thrilled to welcome Primary Bank's customers, employees, and communities to Hometown Financial Group and TruNorth Bank," said Matthew S. Sosik, CEO and chairman of Hometown Financial and the to-be-unified TruNorth Bank. "This merger is another important step in our strategy to grow with purpose. It increases our presence in southern New Hampshire, and we're eager to build on the outstanding success of Primary Bank by adding our strength, resources, and community banking commitment to its employees and customers."

"Expanding our community presence while delivering superior customer service is what TruNorth Bank is all about," said Michael R. Wheeler, TruNorth Bank's current president and CEO. "The merger with Primary Bank allows us to continue doing just that. Together, we will be better positioned to compete, innovate, and grow—and to help Primary Bank's business customers in New Hampshire do the same."

Primary Bank customers also will gain access to the residential mortgage products and services offered through Hometown Mortgage, an affiliate of Hometown Financial Group that will be renamed TruNorth Mortgage concurrently when Hometown's banks merge, which is scheduled to occur in August.

"As consolidation in the banking industry continues, this partnership allows our organizations to build on their shared track record of prioritizing customer needs and helping local businesses take hold, grow, and prosper," Sosik added. "Together, we can offer customers the best of both banking worlds: a community bank deeply rooted in the neighborhoods we call home and an institution with the size and scale to deliver a full array of innovative products, services, and technology."

"We are so pleased to be joining Hometown Financial Group and TruNorth Bank and are truly excited about what's ahead for our employees, customers, and communities in the Granite State," said Primary Bank Chairman William Greiner. "Primary Bank has achieved tremendous success since opening as a de novo bank, and this partnership represents the next logical step in ensuring our long-term success while continuing to meet customers' evolving needs. Primary Bank's Board of Directors knew that this day would come and one of the most important decisions was making sure that our merger partner would have the same vision, mission, and culture; we could not have picked a better partner than Hometown Financial."

"The talent, leadership and deep market expertise being brought together will allow for our core mission to continue serving New Hampshire. We could not have asked for a better partner that shares the same community values and commitment to excellence. We are thrilled to become a part of Hometown Financial Group," said Primary Bank President and CEO Crystal A. Dionne.



Additional supplemental information regarding the acquisition is available at www.bankhfg.com.

The Primary Bank transaction marks Hometown Financial Group's ninth strategic merger in the last 10 years.

Luse Gorman PC served as legal counsel to Hometown Financial Group, Inc. for the merger with Keefe Bruyette and Woods, Inc., *A Stifel Company* acting as financial adviser. Gallagher, Callahan & Gartrell, P.C. served as legal counsel to Primary Bank for the merger and Brean Capital acted as financial adviser.

Mutual-to-Stock Conversion

On July 6, 2026, Hometown MHC's Board of Trustees unanimously adopted a Plan of Conversion to reorganize from the mutual holding company structure to the stock holding company structure. As part of the conversion, Hometown MHC and Hometown will cease to exist and TruNorth Bank will become a wholly owned subsidiary of Hometown Financial Group, Inc., a newly formed Maryland corporation, which will be a successor to Hometown (the "Company").

The Company will offer for sale shares of its common stock to depositors of TruNorth Bank and certain insiders in a subscription offering and, if necessary, a community offering, syndicated community offering and/or firm commitment underwritten offering. Eligible account holders of TruNorth Bank as of the close of business on June 30, 2025, will have first priority non-transferable subscription rights to subscribe for shares of common stock of the Company. Depositors of Primary Bank will not receive priority subscription rights in the subscription offering. The total number of shares of common stock of the Company to be issued in the proposed stock offering will be based on the aggregate pro forma market value of the common stock of the Company, as determined by an independent appraisal.

As part of the Conversion, Hometown will establish a new charitable foundation, which will be funded with a number of shares equal to 4% of the shares sold in the stock offering.

The conversion and the merger are expected to be completed concurrently in the first quarter of 2027. The merger is subject to regulatory approval and approval by Primary's stockholders. The conversion is subject to regulatory approvals and approval by Hometown MHC's corporators. Detailed information related to the stock offering in connection with the conversion will be sent to eligible TruNorth depositors, and information related to the stock issuance in connection with the merger will be sent to Primary's stockholders, in each case following regulatory approval and clearances.

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Forward-Looking Statements

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act. Forward-looking statements include statements regarding the proposed merger and conversion, their timing and anticipated future benefits. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words like “believe,” “expect,” “anticipate,” “estimate,” and “intend,” or future or conditional verbs such as “will,” “would,” “should,” “could,” or “may.” These forward-looking statements are necessarily speculative and speak only as of the date made, and are subject to numerous assumptions, risks, and uncertainties, all of which may change over time. Actual results could differ materially from such forward-looking statements.

Certain factors that could cause actual results to differ materially from expected results include: failure to obtain necessary regulatory approvals (and the risk that such approvals may result in the imposition of conditions that could adversely affect the combined company); failure to obtain shareholder approval or to satisfy any of the other conditions of the transaction on a timely basis or at all or other delays in completing the merger or the conversion; the reputational risks and the reaction of Hometown’s and Primary Bank’s customers to the transaction; the diversion of management’s attention from ongoing business operations and opportunities; the impacts of tariffs, sanctions and other trade policies of the United States and its global trading counterparts; the occurrence of any event, change, or other circumstances that could give rise to the right of one or both of the parties to terminate the merger agreement; difficulties in achieving cost savings or synergies from the merger or in achieving such cost savings or synergies within the expected time frame; difficulties in integrating Primary Bank; increased competitive pressures; changes in the interest rate environment; changes in general economic, political and market conditions, including potential recessionary conditions; changes in asset quality and credit risk; changes in monetary and fiscal policies; legislative, regulatory, tax or accounting changes; and changes in the securities markets and other risks and uncertainties. Additional factors that could cause results to differ materially from those described above can be found in the Registration Statement, as well as in subsequent filings with the SEC.

Important Additional Information and Where to Find It

In connection with the proposed transactions, the Company intends to file with the SEC a Registration Statement on Form S-1 (the “Registration Statement”) (i) to register the shares of Company common stock to be issued in connection with the proposed merger, which will include a proxy statement of Primary and a prospectus of the Company (the “Proxy Statement/Prospectus”), and (ii) to register the shares of Company common stock to be sold in the conversion stock offering (the “Prospectus”), which will include a prospectus of the Company. In addition, the Company may file with the SEC other relevant documents concerning the proposed transactions. The definitive Proxy Statement/Prospectus will be sent to the stockholders of Primary to seek their approval of the proposed merger.

BEFORE MAKING ANY VOTING OR INVESTMENT DECISION, INVESTORS AND STOCKHOLDERS OF PRIMARY BANK ARE URGED TO READ THE REGISTRATION STATEMENT, THE PROXY STATEMENT/PROSPECTUS AND THE



PROSPECTUS REGARDING THE PROPOSED TRANSACTIONS WHEN THEY BECOME AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT HOMETOWN, THE COMPANY PRIMARY AND THE PROPOSED TRANSACTION AND RELATED MATTERS.

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or the solicitation of any vote or approval with respect to the proposed conversion or the proposed merger. No offer of securities shall be made except by means of a prospectus meeting the requirements of the Securities Act of 1933, as amended, and no offer to sell or solicitation of an offer to buy shall be made in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

A copy of the Registration Statement, Proxy Statement/Prospectus, Prospectus as well as other filings containing information about Hometown, the Company and Primary, may be obtained, free of charge, at the SEC's website (<http://www.sec.gov>) when they become available. Copies of the Registration Statement, the Proxy Statement/Prospectus, the Prospectus and other filings with the SEC can also be obtained, without charge, by directing a request to Hometown Investor Relations, 36 Main Street, Easthampton, Massachusetts 01027, or by calling (413) 779-2215.

Participants in the Solicitation

Hometown, Primary Bank and certain of its directors and executive officers may be deemed to be participants in the solicitation of proxies from Primary Bank's shareholders in connection with the merger. Information about the interests of directors and executive officers and Hometown and Primary Bank and other persons who may be deemed to be participants in the solicitation of stockholders of Hometown and Primary Bank in connection with the proposed transaction and a description of their direct and indirect interests, by security holdings or otherwise, will be included in the Proxy Statement/Prospectus related to the proposed transaction, which will be filed with the SEC.

About Hometown Financial Group

Hometown Financial Group, Inc. is a \$6.9 billion multibank mutual holding company headquartered in Easthampton, Massachusetts, and the parent company of bankESB, bankHometown, TruNorth Bank, and Hometown Mortgage. Together, our banks offer consumer and business banking products and services through 55 locations throughout Massachusetts, northeastern Connecticut, and southern New Hampshire. We have applied for regulatory approval to merge our three banks into a single charter to be named TruNorth Bank, which is anticipated to occur later this year. We provide individualized financial support, comprehensive products and services, banking tools, and significant lending capacity to ensure our customers can unlock their potential and build a successful future.



About Primary Bank

Established in 2015, Primary Bank has approximately \$743 million in total assets and is headquartered in Bedford, New Hampshire with offices in Derry, Manchester, and Nashua. Primary Bank delivers a wide range of financial services for businesses and individuals in Southern New Hampshire and is a valued community partner.