

Contact:
Michael J. Dee
Chief Financial Officer
(410) 477- 5000

BV FINANCIAL, INC. ANNOUNCES FINANCIAL RESULTS AND DECLARES A QUARTERLY DIVIDEND

Baltimore, Maryland, October 25, 2018– BV Financial, Inc. (OTCBB: BVFL), the holding company for BayVanguard Bank, today reported net income of \$163,000, or \$0.05 per diluted share, for the quarter ended September 30, 2018 compared to \$170,000, or \$0.06 per diluted share, for the quarter ended September 30, 2017. Operating results in the three-month period ended September 30, 2018 were significantly impacted by \$93,000 in merger-related expenses relating to the previously announced merger with Kopernik Bank.

Non-performing assets at September 30, 2018 totaled \$1.4 million consisting of \$1.0 million in nonperforming loans and \$0.4 million on other real estate owned, compared to \$1.5 million at June 30, 2018, consisting of \$0.8 million in non-performing loans and \$0.7 million in other real estate owned. At September 30, 2018, the loan loss allowance was \$1.8 million, which represented 1.43% of total loans and 186.0% of non-performing loans compared to \$1.8 million at June 30, 2018, which represented 1.43% of total loans and 214.8% of non-performing loans. In addition at September 30, 2018, the Bank had a credit impairment allowance of \$440,000 that is not included in the loan loss allowance. The credit impairment allowance was established for loans acquired in the Vigilant merger.

Total assets decreased to \$162.1 million at September 30, 2018 compared to \$167.2 million at June 30, 2018. Loans decreased by \$2.7 million as the Bank experienced significant pay-offs in the quarter. Deposits decreased \$4.2 million primarily due primarily to retail customers utilizing these funds to purchase assets. Stockholders' equity increased \$141,000 as a result of net income and accumulated other comprehensive income.

Bay-Vanguard's Tier 1 leverage capital ratio was approximately 12.60% at September 30, 2018 compared to 12.23% at June 30, 2018. This ratio and the Bank's other capital measurements continue to exceed all regulatory standards for "well-capitalized" financial institutions.

Additionally, the Board of Directors of BV Financial, Inc. have declared a \$0.05 per share dividend to stockholders of record on October 31, 2018 payable on November 7, 2018. Previously, Bay-Vanguard M. H. C., the owner of 2,049,988 shares of BV Financial, Inc., had agreed to waive its right to receive the dividend on its shares.

This press release may contain certain forward-looking statements that are based on management's current expectations regarding economic, legislative and regulatory issues that may impact the Company's earnings in future periods. Factors that could cause future results to vary materially from current management expectations include, but are not limited to, general economic conditions, changes in interest rates, deposit flows, real estate values and competition,

changes in accounting principles, policies or guidelines, changes in legislation or regulation and other economic, competitive, governmental, regulatory and technological factors affecting the Company's operations, pricing, products and services.

BV Financial, Inc. is the parent company of Bay-Vanguard Federal Savings Bank. Bay-Vanguard Federal Savings Bank is headquartered in Baltimore, Maryland with four other branches in the Baltimore metropolitan area. The Bank is a full service community-oriented financial institution dedicated to serving the financial service needs of consumers and businesses within its market area.

BV Financial, Inc.
Consolidated Financial Highlights
(In thousands, except per share data)

	<u>9/30/2018</u>	<u>6/30/2018</u>
Selected Balance Sheet Data: (unaudited)		
Total assets	\$162,089	\$167,206
Investment securities	17,928	19,009
Loans receivable, net	121,925	124,608
Total deposits	134,453	138,685
Borrowings	3,000	3,000
Stockholders' equity	21,791	21,650
	Three months ended September 30,	
	<u>2018</u>	<u>2017</u>
Operating Results: (unaudited)		
Interest income	\$ 1,688	\$ 1,681
Interest expense	206	197
Net interest income	<u>1,482</u>	<u>1,484</u>
Provision for loan losses	20	60
Net interest income after provision	1,462	1,424
Non-interest income	123	97
Non-interest expense	1,374	1,262
Income before income taxes	211	259
Income taxes	48	80
Net income	<u>\$ 163</u>	<u>\$ 170</u>
Diluted income per share	<u>\$ 0.05</u>	<u>\$ 0.06</u>