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BV FINANCIAL, INC. ANNOUNCES FINANCIAL RESULTS

Baltimore, Maryland, January 31, 2020– BV Financial, Inc. (OTCBB: BVFL), the holding company for BayVanguard Bank, today reported net income of \$2.9 million or \$0.54 per diluted share, for eighteen months ended December 31, 2019 compared to \$91,000, or \$0.03 per diluted share, for the year ended June 30, 2018. The 2019 results include ten months of combined operations of BayVanguard Bank and the former Kopernik Bank which was acquired as of February 28, 2019. The 2018 results were impacted by the revaluation of the deferred tax asset due to the lower corporate tax rate resulting from the Tax Cuts and Jobs Act. In the year ended June 30, 2018, the revaluation and write-down of the deferred tax asset resulted in \$1.1 million in tax expense on \$1.2 million in pre-tax income for an effective tax rate of 92%. In the fourth quarter of 2018, the Company changed its fiscal year from June 30 to December 31 resulting in the longer income statement period being reported.

Non-performing assets at December 31, 2019 totaled \$1.6 million consisting of \$1.1 million in nonperforming loans and \$0.5 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 December 31, 2019, the loan loss allowance was \$1.3 million, which represented 0.54% of total loans and 112.5% 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 December 31, 2019, the Bank had a credit impairment allowance of \$1.5 million that is not included in the loan loss allowance. The credit impairment allowance was established for loans acquired in the Kopernik and Vigilant mergers.

At December 31, 2019, BV Financial, Inc. had total assets of \$294.2 million, net loans of \$235.0 million, deposits of \$217.8 million and total stockholders' equity of \$66.0 million compared to \$167.2 million, \$124.6 million, \$138.7 million and \$21.6 million at June 30, 2018, respectively.

BayVanguard Bank's Tier 1 leverage capital ratio was 20.04% at December 31, 2019 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.

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 BayVanguard Bank. BayVanguard Bank is headquartered in Baltimore, Maryland with six 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>12/31/2019</u>	<u>6/30/2018</u>
	(unaudited)	
Selected Balance Sheet Data:		
Total Assets	\$ 294,184	\$ 167,206
Investment securities	12,305	19,009
Loans recievable, net	235,194	124,608
Total Deposits	217,822	138,685
Borrowings	3,000	3,000
Stockholders' Equity	66,003	21,650
	18 Months	12 Months
Operating results:	<u>12/31/2019</u>	<u>6/30/2018</u>
	(unaudited)	
Interest Income	\$ 15,578	\$ 6,755
Interest Expense	<u>2,163</u>	<u>779</u>
Net Interest income	13,415	5,976
Provision for Loan Losses	<u>160</u>	<u>114</u>
Net Interest Income after provision	13,255	5,862
Non-Interest Income	730	423
Non-Interest expense	<u>10,142</u>	<u>5,108</u>
Income before taxes	3,843	1,177
Income taxes	<u>967</u>	<u>1,086</u>
Net Income	<u>\$ 2,876</u>	<u>\$ 91</u>
Diluted Income per share	<u>\$ 0.54</u>	<u>\$ 0.03</u>