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BV FINANCIAL, INC. ANNOUNCES FINANCIAL RESULTS

Baltimore, Maryland, April 21, 2020. - BV Financial, Inc. (OTCBB: BVFL), the holding company for BayVanguard Bank, today reported net income of \$671,000, or \$0.09 per diluted share, for the three months ended March 31, 2020 compared to net income of \$296,000, or \$0.07 per diluted share, for the three months ended March 31, 2019. The results in the current quarter include one month of the results of the previously announced merger with MB Bancorp, Inc. and two months of BayVanguard Bank on a standalone basis. The March 2019 results included one month of operations with Kopernik Bank that was purchased on February 28, 2019 and two months of BayVanguard Bank on a standalone basis.

The increase in net income for the three months ended March 31, 2020 was largely attributable to a \$903,000 or 44.6% increase in net interest income before the provision for loan losses. The provision for loan losses increased \$56,000 or 280% to \$76,000. Additionally, non-interest income increased \$120,000 or 184% and operating expenses increased by \$459,000 or 27.3%. These increases are all primarily the result of increased size of the Company resulting from the two aforementioned acquisitions.

Non-performing assets decreased to \$1.5 million at March 31, 2020 compared to \$1.6 million at December 31, 2019. March 31, 2020, the loan loss allowance was \$1.4 million, which represented 0.41% of total loans and 92.0% of non-performing loans compared to \$1.3 million at December 31, 2019, which represented 0.54% of total loans and 112.5% of non-performing loans. In addition, at March 31, 2020 and December 31, 2019, the Bank had credit impairment allowances on acquired loans of \$2.8 million and \$1.5 million, respectively, that is not included in the loan loss allowance. The credit impairment allowances were established for loans acquired in the mergers with Vigilant Savings Bank in 2013, Kopernik Bank in 2019 and MB Bancorp, Inc. in 2020.

As of March 31, 2020, BV Financial, Inc. assets of \$398.4 million, net loans of \$328.7 million, deposits of \$301.3 million and total stockholders' equity of \$66.7 million compared to \$294.2 million, \$235.2 million, \$217.8 million and \$66.0 million at December 31, 2019.

BayVanguard's Tier 1 leverage capital ratio was approximately 14.57% at March 31, 2020 compared to 20.74% at December 31, 2018. This ratio and the Bank's other capital measurements continue to exceed all regulatory standards for "well-capitalized" financial institutions.

The Company and the Bank are in the process of finalizing the fair market adjustments of the assets and liabilities of MB Bancorp, Inc., and Madison Bank of Maryland. At this time, it appears that the Company will recognize a bargain purchase gain of approximately \$3 million due to the

purchase of MB Bancorp, Inc., at a discount to book value and the fair market value adjustments of the acquired assets and liabilities.

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.

Further, given its ongoing and dynamic nature, it is difficult to predict the full impact of the COVID-19 outbreak on our business. The extent of such impact will depend on future developments, which are highly uncertain, including when the coronavirus can be controlled and abated and when and how the economy may be reopened. As the result of the COVID-19 pandemic and the related adverse local and national economic consequences, we could be subject to any of the following risks, any of which could have a material, adverse effect on our business, financial condition, liquidity, and results of operations: demand for our products and services may decline, making it difficult to grow assets and income; if the economy is unable to substantially reopen, and high levels of unemployment continue for an extended period of time, loan delinquencies, problem assets, and foreclosures may increase, resulting in increased charges and reduced income; collateral for loans, especially real estate, may decline in value, which could cause loan losses to increase; our allowance for loan losses may have to be increased if borrowers experience financial difficulties, which will adversely affect our net income; the net worth and liquidity of loan guarantors may decline, impairing their ability to honor commitments to us; as the result of the decline in the Federal Reserve Board's target federal funds rate to near 0%, the yield on our assets may decline to a greater extent than the decline in our cost of interest-bearing liabilities, reducing our net interest margin and spread and reducing net income; our cyber security risks are increased as the result of an increase in the number of employees working remotely; and FDIC premiums may increase if the agency experience additional resolution costs.

BV Financial, Inc. is the parent company of BayVanguard Bank. BayVanguard Bank is headquartered in Baltimore, Maryland with nine 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>3/31/2019</u>	<u>12/31/2019</u>
Selected Balance Sheet Data:	(unaudited)	
Total assets	\$398,392	\$294,184
Investment securities	8,861	12,305
Loans receivable, net	328,715	235,194
Total deposits	301,267	217,822
Borrowings	18,000	3,000
Stockholders' equity	66,667	66,003
	Three months ended March 31,	
	<u>2020</u>	<u>2019</u>
Operating Results:	(unaudited) (unaudited)	
Interest income	\$ 3,508	\$ 2,316
Interest expense	582	293
Net interest income	2,926	2,023
Provision for loan losses	76	20
Net interest income after provision	2,850	2,003
Non-interest income	185	65
Non-interest expense	2,142	1,683
Income before income taxes	893	385
Income taxes	222	89
Net income	\$ 671	\$ 296
Diluted income per share	\$ 0.09	\$ 0.07