

For Immediate Release

For more information:

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**BV Financial, Inc. Announces Completion of
\$35.0 Million Subordinated Notes Offering**

BALTIMORE, MD – October 21, 2020 – BV Financial, Inc. (OTC Pink: BVFL), the parent company of BayVanguard Bank, announced today the completion of its private placement of \$35.0 million of its 4.875% Fixed-to-Floating Rate Subordinated Notes (the “Notes”) to certain qualified institutional buyers and accredited institutional investors.

The Notes will have a maturity date of December 30, 2030 and initially bear interest, payable semi-annually, at a fixed annual rate of 4.875% per annum until December 30, 2025. Commencing on that date, the interest rate applicable to the outstanding principal amount due will be reset quarterly to an interest rate per annum equal to the then current three-month secured overnight financing rate (SOFR) plus 472 basis points, payable quarterly until maturity. The Company may redeem the Notes at par, in whole or in part, at its option, anytime beginning on December 30, 2025. The Notes are intended to qualify as Tier 2 capital for regulatory capital purposes for the Company.

The Company intends to use the net proceeds from the private placement primarily to fund its pending acquisition of Delmarva Bancshares, Inc., the parent company of 1880 Bank, Cambridge, Maryland, which is expected to close on October 31, 2020.

Performance Trust Capital Partners, LLC served as the placement agent for the offering. Luse Gorman, PC served as legal counsel to BV Financial and Cranmore, FitzGerald & Meaney served as legal counsel to Performance Trust Capital Partners, LLC.

This press release is for informational purposes only and shall not constitute an offer to sell, or the solicitation of an offer to buy, any security, nor shall there be any sale in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The Notes have not been registered under the Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. The indebtedness evidenced by the Notes is not a deposit and is not insured by the Federal Deposit Insurance Corporation or any other government agency or fund.

About BV Financial, Inc.

BV Financial, Inc. (OTC Pink: BVFL) 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.

FORWARD-LOOKING STATEMENTS

This press release contains “forward-looking statements”. In general, forward-looking statements usually use words such as “may,” “believe,” “expect,” “anticipate,” “intend,” “will,” “should,” “plan,” “estimate,” “predict,” “continue” and “potential” or the negative of these terms or other comparable terminology. Forward-looking statements represent management’s beliefs, based upon information available at the time the statements are made, with regard to the matters addressed; they are not guarantees of future performance. Forward-looking statements are subject to numerous assumptions, risks and uncertainties that change over time and could cause actual results or financial condition to differ materially from those expressed in or implied by such statements. Such factors include, but are not limited to: the impact of the COVID-19 outbreak, prevailing economic and political conditions, particularly in our market area; credit risk associated with our lending activities; changes in interest rates, loan demand, real estate values and competition; changes in accounting principles, policies, and guidelines; changes in any applicable law, rule, regulation or practice with respect to tax or legal issues; and other economic, competitive, governmental, regulatory and technological factors affecting BV Financial’s operations, pricing, products and services and. Readers are cautioned against placing undue reliance on any such forward-looking statements.