

For Immediate Release

For more information:

David M. Flair
Co-President and Chief Executive Officer
BV Financial, Inc.
(410) 477-5000

Kim C. Liddell
Chairman, President and Chief Executive Officer
Delmarva Bancshares, Inc.
(443) 225-4727

BV FINANCIAL, INC. TO ACQUIRE DELMARVA BANCSHARES, INC.

EDGEMERE, MD and CAMBRIDGE, MD – June 18, 2020 – BV Financial, Inc. (OTC Pink: BVFL), the parent company of BayVanguard Bank, and Delmarva Bancshares, Inc. (OTCQX: DLMV), the parent company of 1880 Bank, announced today that they have entered into a definitive merger agreement whereby BV Financial has agreed to acquire Delmarva Bancshares and its wholly owned bank subsidiary, 1880 Bank, in an all-cash transaction.

Under the terms of the merger agreement, Delmarva Bancshares preferred and common shareholders will receive cash of \$8.90 for each share of Delmarva Bancshares they own, representing aggregate consideration of approximately \$54.0 million. The transaction is expected to be accretive to BV Financial's 2021 earnings per share.

BV Financial intends to fund the merger consideration through a combination of the issuance of \$30.0 million in subordinated debt and a cash dividend to be paid by BayVanguard Bank.

“This transaction marks another strategic acquisition for BayVanguard Bank as we continue to expand our footprint,” said David M. Flair, co-President and Chief Executive Officer of BV Financial. “1880 Bank is a well-run and well-respected bank and we will make sure that their customers continue to receive the level of service they have come to expect.” Timothy L. Prindle, co-President and Chief Executive Officer added “I have admired what Kim and his team have accomplished. This is a great combination of cultures and high-performing teams, which will create tremendous value for our combined customers and communities.”

“We are very pleased to partner with BayVanguard Bank,” said Delmarva Bancshares Chairman, President and Chief Executive Officer, Kim C. Liddell. “We have come a long way since my joining Delmarva over a decade ago, from the brink of failure to joining forces with BayVanguard Bank to create a \$750 million bank. This combination will be positive for both banks. We believe our customers will benefit from BayVanguard's increased capital and lending capacity while still maintaining local decision making and the exceptional service they have become accustomed to at 1880 Bank.”

There will be no change in the management of BV Financial or BayVanguard Bank as a part of the transaction. Mr. Liddell will be appointed as Chairman of the Board of BV Financial. He will also be appointed as a director of BayVanguard Bank. Upon completion of the transaction, BayVanguard Bank is expected to have approximately \$750 million in assets and 16 branch locations.

In addition to the issuance of the subordinated debt noted above, completion of the transaction is subject to customary closing conditions, including the receipt of required regulatory approvals and the approval of

Delmarva Bancshares' shareholders. The transaction has been unanimously approved by the Boards of Directors of each company and is expected to close in the fourth quarter of 2020.

Luse Gorman, PC, served as legal advisor to BV Financial and Banks Street Partners, a Performance Trust Company, acted as its financial advisor. Nelson Mullins Riley & Scarborough LLP acted as legal advisor to Delmarva Bancshares and Raymond James and Associates, Inc. served as its financial advisor.

About BV Financial, Inc.

BV Financial, Inc. (OTC Pink: BVFL) is the parent company of BayVanguard Bank. BayVanguard Bank is headquartered in Edgemere, 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. For additional information, visit its website at www.bayvanguard.com.

About Delmarva Bancshares, Inc.

Delmarva Bancshares, Inc., a bank holding company headquartered in Cambridge, Maryland, serves the Eastern Shore of Maryland and Delmarva Peninsula through its wholly owned subsidiary, 1880 Bank. The bank has six offices in Cambridge, Easton, Hurlock and Oxford. For additional information, visit its website at www.1880bank.com.

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, including statements related to the expected timing of the closing of the merger, the expected returns and other benefits of the merger to shareholders, and the impact on diluted earnings per share. 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.

Factors that could cause or contribute to such differences include, but are not limited to, the possibility that expected benefits may not materialize in the time frames expected or at all, or may be more costly to achieve; that the merger may not be timely completed, if at all; that prior to completion of the merger or thereafter, the parties' respective businesses may not perform as expected due to transaction-related uncertainties or other factors, including the economic or health effects related to the COVID-19 pandemic; that the parties are unable to implement successful integration strategies; that the required regulatory, shareholder, or other closing conditions are not satisfied in a timely manner, or at all; reputational risks and the reaction of the parties' customers to the merger; diversion of management time to merger-related issues; risk of potential litigation related to the merger; risks associated with BV Financial's pursuit of future acquisitions; risk of expansion into new geographic or product markets; and other factors and risk influences. Consequently, no forward-looking statement can be guaranteed. Neither BV Financial nor Delmarva Bancshares undertakes any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

ADDITIONAL INFORMATION

This press release is not a solicitation of any vote or approval of the BV Financial or Delmarva Bancshares shareholders and is not a substitute for the proxy statement or any other documents which Delmarva Bancshares may send to its shareholders in connection with the proposed merger. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities to be issued in connection with the proposed merger.

In connection with the proposed merger, Delmarva Bancshares will send a proxy statement to its shareholders, as well as other relevant documents concerning the proposed merger. **BEFORE MAKING ANY VOTING DECISION, SHAREHOLDERS OF DELMARVA BANCSHARES ARE URGED TO CAREFULLY READ THE ENTIRE MERGER PROXY STATEMENT REGARDING THE PROPOSED MERGER WHEN IT BECOMES AVAILABLE, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED MERGER.** Investors and security holders may obtain a free copy of the merger proxy statement (when available) at Delmarva Bancshares' website at www.1880bank.com.