Virginia Partners Bank (OTCQX: PTRS; Fredericksburg, VA) and Delmar Bancorp (OTCQX: DBCP; Salisbury, MD) jointly announce the signing of a definitive agreement to combine in a merger of equals

Deal Value: Approximately $55.1 Million

Sandler O'Neill served as financial advisor and provided a fairness opinion to Virginia Partners Bank in this transaction.

This transaction represents Sandler O'Neill's 205th bank or thrift transaction since January 1, 2015, representing approximately $64.7 billion in aggregate transaction value. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions and for a greater aggregate deal value than any other investment bank during that time period.[1]

Since January 1, 2015, Sandler only has advised on 64 deals involving bank and thrifts based in the Southeast, representing over $22.3 billion in aggregate deal value, more than any other investment bank during that time period.[1]

Salisbury, MD, Fredericksburg, VA — December 13, 2018— Delmar Bancorp, Salisbury, Maryland ("Delmar") (OTCQX: DBCP), the parent company of The Bank of Delmarva, Seaford, Delaware ("Delmarva"), and Virginia Partners Bank, Fredericksburg, Virginia ("Partners") (OTCQX: PTRS) announced today that they have entered into a definitive agreement (the "Agreement") pursuant to which Partners will become a separate wholly owned subsidiary of Delmar through an exchange of shares, in an all stock transaction. Under the Agreement, each share of Partners common stock will be exchanged for 1.7179 shares of Delmar common stock. Options and warrants to acquire Partners common stock will be assumed by Delmar and converted into options and warrants to acquire shares of Delmar common stock.

The transaction will create a partnership between Delmarva and Partners. Each bank will continue to operate as independent subsidiaries of Delmar. The banks will maintain their existing names, executive management teams, and boards of directors. The consolidated holding company will have, on a pro forma basis at September 30, 2018, approximately $1.2 billion of assets, $947.7 million in loans and $966.6 million in deposits, and a franchise that serves the attractive Mid-Atlantic and Southeastern markets, extending from Philadelphia, Pennsylvania to Salisbury, Maryland, and Fredericksburg and Newport News, Virginia. The strategic partnership will allow each bank to leverage the strength of its local community banking franchise and expand the breadth of products and services offered to its existing customer base. Additionally, the creation of a $1.2 billion asset bank holding company provides significant opportunities for both banks to expand their customer base and lending and to better address community banking needs in their current and contiguous markets.

John W. Breda, President and CEO of Delmar said, "We are extremely excited about the proposed transaction with Partners and the transformative opportunities the combination creates for us. Partners has a strong brand, management and board, excellent asset quality, and an attractive market area. We believe the multibank holding company structure in which Partners will join Delmarva as separate subsidiaries of Delmar will enhance the business and efficiency opportunities for both banks, and provides a structure for future expansion, organically or by opportunistic acquisitions of institutions in attractive markets, and the opportunity for enhanced shareholder value for the combined institution. I am very proud and eager to lead Delmar into a new market and new opportunities."

Lloyd B. Harrison, III, President and CEO of Partners said, "We are thrilled by the opportunity to partner with Delmar. The Bank of Delmarva has been in business for over 100 years. It is a strong, high caliber institution which shares with Partners the values of excellent customer service to the communities in which we operate. This transaction should enhance shareholder value for both companies. The proposed merger of equals and multibank holding company structure will allow us to maintain our identity, while permitting increased efficiencies, greater visibility for our stock, a quarterly dividend for Partners shareholders, and a heightened ability to access the capital markets. This partnership will serve our shareholders, our employees, our customers and our community well. Importantly, it sets the stage for other like-minded community banks to join a multi-bank holding company committed to maintaining separately chartered affiliate banks. This affiliate bank model preserves what is best about community banking – the identities and leadership that make them successful – while achieving scale in a rapidly consolidating industry."

Financial Highlights

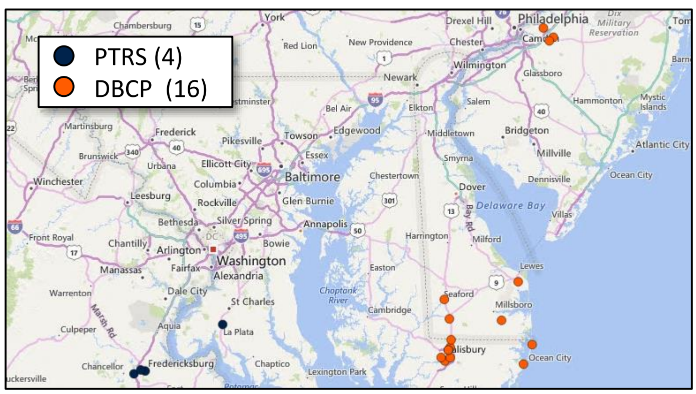
(Dollars in millions)	DBCP	PTRS
Total Assets	$738	$420
Total Net Loans	$615	$321
Total Deposits	$622	$345
Total Equity	$64	$42
TCE / TA	7.81%	9.75%

Note: Financial data as of September 30, 2018

1) Majority and Minority transactions; Excludes terminated transactions and self-advisory roles

Source: S&P Global Market Intelligence, Company documents

Pro Forma Branch Map



Sandler O'Neill Contacts:

Reid Brewer	Avi Barak	Jessica Martino	Ryan Joyce
Director	Managing Director	Associate	Analyst
(212) 466-8086	(212) 466-7908	(212) 466-7776	(212) 466-7739