

**FOR IMMEDIATE RELEASE**

DATE: September 16, 2020  
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**WILLIAM PENN BANCORP, INC. ANNOUNCES  
ADOPTION OF PLAN OF CONVERSION AND REORGANIZATION**

Bristol, Pennsylvania, September 16, 2020 — William Penn Bancorp, Inc. (the “Company”) (OTC Pink: WMPN), the parent company for William Penn Bank (the “Bank”), announced today that its Board of Directors, together with the Board of Directors of William Penn, MHC (the “MHC”) and the Bank, have unanimously adopted a Plan of Conversion and Reorganization (the “Plan of Conversion”).

Pursuant to the Plan of Conversion, the MHC will sell its majority ownership in the Company to the public and the Company, which is currently in the mutual holding company structure, will reorganize to a fully public stock holding company in a transaction commonly referred to as a “second step” conversion.

As part of the second step conversion, the Bank will become a wholly owned subsidiary of a new holding company, which will be named William Penn Bancorporation. Shares of common stock of the Company held by persons other than the MHC (whose shares will be canceled) will be converted into shares of common stock of the new holding company pursuant to an exchange ratio intended to preserve the percentage ownership interests of such persons. In the stock offering, depositors of the Bank with qualifying deposits as of June 30, 2019 will have first priority to purchase the shares of common stock of the new holding company.

Kenneth J. Stephon, the President and Chief Executive Officer of the Company and the Bank, stated, “Our Board of Directors and executive management team believe this transaction will position us well into the future and will provide us with a platform to continue to execute our growth strategies. We are excited about the opportunities this organizational structure will bring to our shareholders and customers.”

The second step conversion will be subject to approval by the depositors and certain borrowers of the Bank, by the Company’s shareholders (including the approval of a majority of the shares held by persons other than the MHC) and by the Board of Governors of the Federal Reserve System.

Information, including the details of the offering and business and financial information about the Company and the Bank, will be provided in proxy materials and a prospectus when the offering commences, which is expected to be during the first quarter of 2021.

Piper Sandler & Co. will serve as marketing agent in connection with the offering. Kilpatrick Townsend & Stockton LLP will serve as the Company's legal counsel with respect to the offering and reorganization.

William Penn Bancorp, Inc., headquartered in Bristol, Pennsylvania, is the holding company for William Penn Bank, which serves the Delaware Valley area through twelve full-service branch offices in Bucks County and Philadelphia, Pennsylvania, and Burlington and Camden Counties in New Jersey. The Company's executive offices are located at 10 Canal Street, Suite 104, Bristol, Pennsylvania 19007. William Penn Bank's deposits are insured up to the legal maximum (generally \$250,000 per depositor) by the Federal Deposit Insurance Corporation (FDIC). The primary federal regulator for William Penn Bank is the FDIC. For more information about the Company and the Bank, please visit [www.williampenn.bank](http://www.williampenn.bank).

**This release is neither an offer to sell nor a solicitation of an offer to buy common stock. The offer is made only by the prospectus when accompanied by a stock order form. The shares of common stock of the Company are not savings accounts or savings deposits, may lose value and are not insured by the Federal Deposit Insurance Corporation or any other government agency.**

This news release may contain forward-looking statements, which can be identified by the use of words such as “believes,” “expects,” “anticipates,” “estimates” or similar expressions. Such forward-looking statements and all other statements that are not historic facts are subject to risks and uncertainties which could cause actual results to differ materially from those currently anticipated due to a number of factors. These factors include, but are not limited to, general economic conditions, the effect of the COVID-19 pandemic (including its impact on our business operations and credit quality, on our customers and their ability to repay their loan obligations and on general economic and financial market conditions), changes in the interest rate environment, legislative or regulatory changes that may adversely affect our business, changes in accounting policies and practices, changes in competition and demand for financial services, adverse changes in the securities markets, changes in deposit flows, changes in the quality or composition of our loan or investment portfolios and our ability to successfully integrate the business operations of Fidelity Savings and Loan Association of Bucks County and Washington Savings Bank, each of which we recently acquired on May 1, 2020, into our business operations. Additionally, other risks and uncertainties may be described in the Company's Annual Report to Shareholders, which is available through the Company's website [www.williampenn.bank](http://www.williampenn.bank). Should one or more of these risks materialize, actual results may vary from those anticipated, estimated or projected. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Except as may be required by applicable law or regulation, the Company assumes no obligation to update any forward-looking statements.