PRESS RELEASE

OXFORD BANK CORPORATION
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OXFORD BANK CORPORATION ANNOUNCES
FIRST QUARTER 2024 OPERATING RESULTS

Oxford, Michigan – Oxford Bank Corporation ("the Company") (OTC Bulletin Board: OXBC), the holding company for Oxford Bank ("the Bank"), today announced operating results for the first quarter ended March 31, 2024.

The Company's quarterly consolidated earnings for the three months ended March 31, 2024, were $3.28 million, or $1.34 per weighted average share, compared to $3.42 million, or $1.41 per weighted average share for the same period one year ago. President and CEO, David Lamb, commented "We are pleased to continue reporting consistent earnings this quarter given continued economic uncertainty. While the prolonged higher interest rate environment has impacted our interest expense, our liquidity and asset sensitive balance sheet has greatly offset this effect to date. Our lending businesses continue to originate well-structured loans while we maintain a strong liquidity position and credit metrics. Both our commercial finance and conventional business banking team have reasonably strong pipelines, so we expect continued growth in those portfolios.

Total Assets of the Company were $883.21 million as of March 31, 2024, compared to $819.86 million at March 31, 2023. "The balance sheet has grown considerably year-over-year with the main driver the continued execution of our strategy to put some excess liquidity towards funding commercial loans. This has decreased our total cash and investments some, but the core of our deposit portfolio has remained resilient as our primary funding source. The investment portfolio duration remains at roughly two years and will also provide consistent cash flow through 2024 given the ladder strategy executed when core deposits increased rapidly during the pandemic. Given the composition of the investment portfolio being heavily weighted in relatively short US Treasury Bonds, the Company does not carry significant levels of unrealized losses" reported CEO David Lamb.

Net loans at first quarter-end 2024 were $556.18 million, compared to $459.90 million at the end of the first quarter 2023, an increase of $96.28 million or roughly 21%. The main drivers of the year-over-year change were the increase in traditional commercial loans of $39.6 million as well as the growth in Oxford Commercial Finance ("OCF") of $45.2 million and roughly $11.5 million in consumer / home equity loans and SBA loans. CEO Lamb noted, "Our lending activity remains strong but controlled to drive the targeted growth seen in both conventional business lending and our commercial finance loan portfolios. The industry-wide lending environment remains fluid given the impact of rates and other economic forces. Going forward, the diversity of products that we can offer, and the complimentary nature of traditional lending and commercial finance, may provide us an advantage given our ability to serve a large range of clients. As we have noted in the past, the commercial finance business is counter cyclical which should balance changes in conventional commercial lending activity. There is no question that the critical element is our teams continuing to find and win new relationships at appropriate yields and relevant depository relationships. I have a high level of confidence in our team to continue their past successes."

Total deposits were $770.97 million as of March 31, 2024, an increase from the $726.38 million at March 31, 2023. The Bank's consistent loan and deposit activity in the quarter resulted in a Net Interest Margin ("NIM") of 5.12% for the first quarter of 2024 compared to 5.04% for the same period of 2023. Lamb continued, "We have been very pleased with the stickiness of our deposits and the strength of our client relationships. With no current exposure to borrowings or wholesale funding, we believe that we are well positioned to weather a longer "rates-up" environment on the liability side of our balance sheet. However, as we have all seen in our industry, there is, and will continue to be, economic and competitive pressure on our deposit portfolio. The increases experienced in the first quarter are predominately due to some seasonality of the portfolio and also the increase in a couple of larger deposit clients. The core of the portfolio has remained mostly flat." He added "Even with some elevated interest expense through 2023 and into 2024, our NIM is very strong driven by a comparatively low cost of funds that has complimented our balance sheet and loan origination strategy. However, we also believe that further margin expansion is not likely with our current balance sheet composition given the more consistent rate environment over the past two quarters and pressures of continued higher interest expense in 2024. Inevitably, like many of our peers, our cost of funds will continue to increase if all things remain constant, however, given our very low starting point, we continue to believe it will remain better than the broader industry averages."

The Bank saw a reduction in non-performing assets ("NPAs") year-over-year. The majority of the remaining NPAs are the same single loan relationship where the borrower experienced operating delays because of various licensing and approval timing. The Bank remains very well collateralized, the borrower relationship is amicable, and change from an adversely classified loan is still expected in 2024 with very low probability of loss. As we have previously reported, while we expect continued strong credit portfolio performance, the Bank could experience some minor earnings and provision balance volatility due to the Allowance for Credit Loss ("ACL") model methodology that was implemented in 2023. This was a component of the year-over-year increase in ACL expense (formerly provision for loan and lease losses or ALLL).

The Company's total shareholders' equity was $88.29 million as of March 31, 2024, representing book value per share of $35.96, compared to total shareholders' equity of $74.13 million, or $30.59 per share one year earlier. The increase in year-over-year equity is mainly a reflection of the positive accretion of retained earnings and the fact that 2024 has seen a decrease in the negative impact of unrealized loss on the Bank's bond portfolio value (Accumulated Other Comprehensive Income or "AOCI"). The subsidiary Bank's Tier 1 capital totaled $90.05 million as of March 31, 2024, or 13.57% of risk-weighted assets compared to $79.66 million, or 14.65% of risk-weighted assets as of March 31, 2023.

CEO David P. Lamb commented, "We have had a solid start to 2024 even with continued and growing economic uncertainty most evidenced by the daily assessment of what interest rates are going to do by clients and the market. The principles of our strategy remain unchanged which is a disciplined focus on relationship banking with small and mid-size businesses while creating additional value for our stakeholders by implementing technology across our businesses. We believe this strategy will continue to deliver consistent and growing financial performance that results in enhanced shareholder value."

Oxford Bank is a subsidiary of Oxford Bank Corporation, a registered holding company. It is the oldest commercial bank in Oakland County and operates seven full-service offices in Clarkston, Davison, Dryden, Lake Orion, Oakland Township, Ortonville, and Oxford, Michigan. The Bank also has Customer Experience Centers in Ann Arbor, Macomb and Rochester Hills, Michigan, with transactional services provided by Interactive Teller Machines only. In addition, Oxford Bank has business banking/commercial finance centers in Phoenix, AZ., Wixom, downtown Oxford, and Flint, Michigan. The Bank has operated continuously under local ownership and management since it first opened for business in 1884. For more information about Oxford Bank and its complete line of financial services, please visit www.oxfordbank.bank.

Except for the historical information contained herein, the matters discussed in the Release may be deemed forward-looking statements that involve risk and uncertainties. Words or phrases "will likely result", "are expected to", "will continue", "is anticipated", "estimate", "project", or similar expressions are intended to identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Factors which could cause actual results to differ, include, but are not limited to, fluctuations in interest rates, changes in economic conditions of the Bank's market area, changes in policies by regulatory agencies, the acceptance of new products, the impact of competitive products and pricing and the other risks detailed from time to time in the Bank's and Corporation's reports. These forward-looking statements represent the Bank's judgment as of the date of this report. The Bank disclaims, however, any intent or obligation to update these forward-looking statements.

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