PRESS RELEASE

OXFORD BANK CORPORATION
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FOR IMMEDIATE RELEASE:

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OXFORD BANK CORPORATION ANNOUNCES FOURTH QUARTER AND FULL YEAR 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 fourth quarter ended December 31, 2024.

The Company's quarterly consolidated earnings for the three months ended December 31, 2024, were $1.67 million, or $0.68 per weighted average share, compared to $2.36 million, or $0.96 per weighted average share for the same period one year ago. Earnings decreased from the third quarter 2024 net income of $2.75 million. 2024 earnings of $9.96 million or $4.05 per share compared to $12.06 million or $4.94 per share in 2023. President and CEO, David Lamb, commented "Overall, the team's results are solid and compare favorably to our industry. We expect to be better in everything we do to drive value so our team isn't pleased with lower earnings year over year even with comparing to an anomaly of a year in 2023. Our strategy remains consistent which is further developing the Oxford Commercial Finance ("OCF") to be a complement to our robust conventional commercial lending business and earnings performance. We have seen the results of these additional capabilities strengthen our ability to serve our clients throughout their company's life cycle and across the maturity spectrum of their business' operations. We remain confident this strategy will continue to deliver consistent value to the communities we serve, with solid short-term and long-term financial success for the Company and value for our stockholders."

Lamb continued, "On a year-over-year basis, overall profitability and efficiency declined modestly. This was driven primarily by $3.9 million increase to non-interest expense, which was driven by investment in scaling OCF. Secondarily, profitability was impacted by a $1.4 million increase to provision expense, which was driven primarily by increasing reserves for non-performing loans and secondarily by overall growth in the loan and lease portfolios. Net interest income, the core earnings engine of our community banking franchise, increased by $5.6 million year-over-year, an increase of 15.5%. This was primarily driven by robust loan production by the Business Banking team led by EVP Chief Relationship Officer Mark Morrison, supported by ongoing resilience in the core deposit portfolio. Net interest margin remained consistent, declining one basis point to 4.88% for 2024 from 4.89% in 2023, despite the headwinds of the Bank's asset sensitivity into a declining rate environment. This outcome was achieved by investing the proceeds of maturing low-yield investment securities into the higher-yielding loan and lease portfolios while maintaining exceptional credit and pricing discipline."

Total Assets of the Company were $811.4 million as of December 31, 2024, compared to $870.5 million at September 30, 2024 and $816.7 million at December 31, 2023. "The balance sheet has decreased from the prior quarter end, driven primarily by fluctuations in large depositor balances and secondarily by maturities in the wholesale funding portfolio. The core of our deposit portfolio has continued to grow and serves as our primary funding source, facilitating further decrease in the Bank's amount of wholesale funding. Liquidity remains strong between cash and readily marketable investments." reported CEO David Lamb.

Total loans and leases at December 31, 2024 were $613.5 million, compared to $596.9 million at September 30, 2024, or $542.6 million at December 31, 2023. The year-over-year increase of $70.8 million or roughly 13% was primarily driven by $46.9 million net growth in the conventional business loans portfolio and secondarily supported by $26.0 million net growth in Oxford Commercial Finance ("OCF") loans and leases. CEO Lamb noted, "Our lending activity remains strong without compromising our standards for credit underwriting, pricing discipline, or our strategic focus on cross-selling deposits. We also believe that we have an opportunity to further enhance profitability from achieving efficiencies of scale within the OCF operations as the business line matures and ensuring our conventional business loan clients honor their commitment to be their primary depository."

Total deposits were $686.93 million as of December 31, 2024, compared to $747.81 million at September 30, 2024 and $705.93 million at December 31, 2023. Overall Bank cost of funds was 1.25% for 2024 compared to 0.69% for 2023. The Bank's loan and deposit activity in the quarter resulted in a Net Interest Margin ("NIM") of 4.88% for 2024 compared with 4.89% for 2023. "We continue to be very happy with the stickiness of our deposits and the strength of our client relationships. This is the foundation of our low-cost funding mix and has allowed us to maintain margin despite operating in a declining rate environment where competition for deposits is very high. As we manage cost-of-funds and net interest margin, a portion of the deposit balances held by our largest commercial clients have been moved off balance sheet to investments within Oxford Wealth Management. Assets under management have increased to $174 million at December 31, 2024 compared to $56 million at December 31, 2023."

Non-accrual loans were $9.83 million at December 31, 2024 compared with $9.79 million at December 31, 2023. The majority of these balances are the same single loan relationship, and a specific reserve was established during 2024 to account for potential loss. The Business Credit team continues to work diligently and patiently towards resolution and assesses a low probability of loss greater than the reserve. For 2024, the Bank reported $0.79 million net charge-offs, or 0.14% of average loans and leases. Lamb commented, "Outside of the one non-performing asset that is skewing our asset quality metrics, the loan book is performing very well. We expect the loan portfolio to continue to show only modest and isolated losses consistent with or better than industry averages. The Bank has comparatively low levels of investment real estate and office exposure and a good mix of industry and geography that mitigates concentration risk. We also actively utilize the SBA and other government guarantee programs to mitigate slight weaknesses in transactions to allow us to continue to provide capital to the businesses within the communities where we live and work."

The Company's total shareholders' equity was $96.08 million as of December 31, 2024, representing book value per share of $38.98, compared to total shareholders' equity of $95.10 million, or $38.58 per share at September 30, 2024 and $83.85 million, or $34.15 per share at December 31, 2023. The increase in year-over-year equity is mainly a reflection of the positive accretion of retained earnings. The subsidiary Bank's Tier 1 capital totaled $96.0 million as of December 31, 2024, or 13.93% of risk-weighted assets compared to $87.8 million, or 13.83% of risk-weighted assets as of December 31, 2023.

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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