
PRESS RELEASE

OXFORD BANK CORPORATION

60 S. Washington St., Oxford, MI 48371

FOR IMMEDIATE RELEASE:

July 28, 2020

Contact: David P. Lamb, President & CEO

Phone: (248) 628-2533

Fax: (248) 969-7230

OXFORD BANK CORPORATION ANNOUNCES SECOND QUARTER 2020 OPERATING RESULTS

Oxford, Michigan – Oxford Bank Corporation (“the Company”) (OTC Bulletin Board: OXBC), the holding company for Oxford Bank (“the Bank”), today announced profitable operating results for the second quarter and year-to-date period ending June 30, 2020.

The Company’s quarterly consolidated earnings for the three months ended June 30, 2020, were \$1,769,000, or \$0.77 per weighted average share compared to \$1,191,000, or \$0.52 per weighted average share for the same period one year ago. Year-to-date consolidated earnings were \$3,156,000 or \$1.38 per weighted average share for the six months ended June 30, 2020 compared to \$2,106,000 or \$0.92 per weighted average share for the six months ended June 30, 2019.

Total Assets of the Company grew to \$751.2 million as of June 30, 2020, compared to \$461.3 million as of June 30, 2019, representing a 62% increase year-over-year, owing to the company’s participation in the SBA PPP program during the second quarter. The Company increased loans outstanding to \$559 million at the end of June 2020 compared to \$333 million a year earlier. Deposit balances from customers increased 44% year-over-year and totaled \$600 million as of June 30, 2020, compared to \$415 million as of June 30, 2019.

The Company’s total stockholders’ equity increased to \$50.8 million as of June 30, 2020, representing book value per share of \$22.21, compared to total stockholders’ equity of \$43.3 million, or \$18.91 per share one year earlier. The subsidiary Bank’s Tier 1 capital totaled \$49.3 million as of June 30, 2020, or 13.6% of risk weighted assets compared to \$43.3 million or 12.2% of risk weighted assets as of June 30, 2019.

“The Board is extremely proud of the work that our team did in the second quarter of 2020 as we dealt with the full effects of the COVID-19 pandemic and the shutdown of the U.S. economy for most of the quarter. The Bank transitioned to remote working very smoothly because we have encouraged remote working for several years so that part was largely a non-event. At the same time, our investment in Interactive Teller Machines (“ITMS”) several years ago proved their worth as our customers could still bank one-on-one with a live teller in a safe manner for them and our team. This is also promising for our future as consumer behavior significantly changed to more convenient transaction methods like mobile vs. in-lobby.”

“In the second quarter the team was “all-in” on the Small Business Administration’s (“SBA”) Paycheck Protection Program (“PPP”). As noted in past communications, we have strong SBA expertise in-house so combined with our previous investment in remote working, we were able to help over 1,300 small

business in our community by providing \$245 million in PPP loans. Our team recognized immediately that not only should we help our existing clients but there would be many non-clients who equally would need our help. We helped approximately 800 new business customers with the requirement that they open a business checking account and their commitment to moving their full relationship to us. Results to date have been promising with new clients largely meeting the relationship commitment. We believe this is happening because of their gratitude for our team working 12 to 16-hour days, seven days a week to help them and provided a great experience doing it. The \$245 million in PPP loans were made over an eight-week time frame and represent almost 2 years of normal loan production. Again, the Board and myself could not be more proud of what the team did for our community”.

“As we look forward to the remainder of 2020 and 2021 there are no doubt big challenges looming, but uncertainty is too high to quantify adequately today. Like many small business-oriented banks, we are not seeing issues yet because of the government programs to help borrowers. However, we do expect to see issues late 2020 and 2021 so the Bank will continue to provision at a heightened level.”

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. It also manages business banking centers in Brighton, Farmington Hills, Owosso, and in downtown Oxford. 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.com.

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.

###