
PRESS RELEASE

OXFORD BANK CORPORATION

60 S. Washington St., Oxford, MI 48371

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Contact: David P. Lamb, President & CEO

Phone: (248) 628-2533

Fax: (248) 969-7230

OXFORD BANK CORPORATION ANNOUNCES FIRST QUARTER 2021 OPERATING RESULTS

Oxford, Michigan – Oxford Bank Corporation (“the Company”) (OTC Bulletin Board: OXBC), the holding company for Oxford Bank (“the Bank”), today announced record operating results for the first quarter ended March 31, 2021.

The Company’s quarterly consolidated earnings for the three months ended March 31, 2021, were \$3,088,000, or \$1.35 per weighted average share compared to \$1,387,000, or \$0.61 per weighted average share for the same period one year ago.

Total Assets of the Company increased to \$757.0 million as of March 31, 2021 from \$691.1 million at December 31, 2020 and \$513.6 million at March 31, 2020. “The increase in assets was due to the Bank’s continued participation in the PPP program in 2021 resulting in the origination of an additional \$96.9 million in SBA Paycheck Protection Program (“PPP”) loans assisting 591 community members through the financial difficulties of the ongoing pandemic.” reported CEO David P. Lamb. As of March 31, 2021, the SBA has forgiven \$115 million of the PPP loans and those loans have been paid off so the Bank recognized the remaining income and expense associated with subject loans.

Net loans increased to \$575.8 million at March 31, 2021 from \$325.6 million at March 31, 2020. New PPP loans represented 69% of new loans with 31% new non-PPP commercial loans. Non-PPP loans were up 88% in a YTD over YTD comparison. The Company paid down its PPP liquidity facility with the Federal Reserve to \$19.2 million as of March 31, 2021 and anticipates that the facility will be paid off during the second quarter 2021. Total deposits, bolstered by the PPP program and the new customers obtained during the PPP programs, increased to \$675.8 million at March 31, 2021 from \$462.6 million at March 31, 2020.

The Company’s total Shareholders’ equity increased to \$56.7 million as of March 31, 2021, representing book value per share of \$24.96, compared to total Shareholders’ equity of \$48.3 million, or \$21.13 per share one year earlier. The subsidiary Bank’s Tier 1 capital totaled \$56.5 million as of March 31, 2021, or 14.3% of risk weighted assets compared to \$47.5 million, or 13.0% of risk weighted assets as of March 31, 2020.

“Although the second round of PPP during the first quarter was another unqualified success for our team, management is just as proud of the team’s superior performance originating new non-PPP business and personal relationships.” reported David P. Lamb, President & CEO. “And I don’t want to undersell our PPP performance as in a little over a year’s time, our team closed almost 2,000 PPP loans totaling just under \$350 million. Different than most of our competitors, our team decided we should directly originate

the majority of the 2021 round of PPP requests instead of simply referring to a third party. We did refer some prospective clients to a third party (for a fee) due to balance sheet capacity constraints but that decision further solidified our brand of relationship with our existing and new customers again. Our reason for being is to help people and our team continues to demonstrate they fully live that philosophy.”

Lamb continued “Net income in the first quarter continued to benefit from the loan forgiveness process which accelerates the amortization of the PPP fees. The PPP fees are included in interest income. The Bank also continues to provision to the ALLL because of the still high level of uncertainty, albeit at a lower level than in 2020. Management will continue to review and analyze appropriate level of reserves as asset quality metrics don’t justify levels today. Based upon the continuation of the positive trends, we anticipate our provision expense will be lower in the coming quarters. We are definitely excited about the future subject to our typical banker reticence that the future holds significant challenges from margin compression to technology investments.”

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 Wixom, 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.

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