PRESS RELEASE

OXFORD BANK CORPORATION
60 S. Washington St., Oxford, MI 48371

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Contact: David P. Lamb, Chairman, President & CEO
Phone: (248) 628-2533
Fax: (248) 969-7230

OXFORD BANK CORPORATION ANNOUNCES SIX MONTH AND SECOND QUARTER 2025 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 second quarter ended June 30, 2025.

The Company's quarterly consolidated earnings for the three months ended June 30, 2025, were $2.78 million, or $1.13 per weighted average share, compared to $2.26 million, or $0.92 per weighted average share for the same period one year ago. President and CEO, David Lamb, commented "We are pleased with the performance during the quarter and year-to-date, and continue to see momentum for strong, profitable, growth throughout 2025 and beyond. Our business strategy remains consistent, which is serving 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, "Comparing to prior year, net income has grown due to increasing net interest income. Net interest income is the lifeblood of community banks like Oxford, and provides a stable and recurring driver of earnings going forward. This growth in net interest income has come from the team relentlessly executing our business model – focusing each and every day's activities on developing and maintaining deep full-service relationships with our clients, which in turn has led to profitable expansion of the loan and deposit portfolios."

Total Assets of the Company were $859.51 million as of June 30, 2025, compared to $823.87 million at March 31, 2025 and $821.23 million at June 30, 2024. "The balance sheet has increased from the prior quarter end, driven by $24 million increase in deposits from the prior quarter-end. This growth consists of a $12 million increase in client deposits, bolstered by $12 million in deposits from wholesale funding markets. Wholesale funding utilization increased due to loan growth outpacing client deposit growth during the quarter. The core of our deposit portfolio has continued to perform well and serves as our primary funding source. The reliable, low-cost funding provided by our branch network and business clients functions as the foundation of our business model and is an important reason for our enviable net interest margin. Liquidity remains strong between cash and readily marketable investments." reported CEO David Lamb.

Total loans and leases at June 30, 2025 were $635.01 million, compared to $622.51 million at March 31, 2025, or $595.32 million at June 30, 2024. CEO Lamb noted, "Our lending activity remains strong without compromising our standards for credit underwriting, pricing discipline, or requirements for a full relationship which includes primary deposit account(s). There have been additional lending opportunities available to us that we have passed on due to our disciplined commitment to full-relationship banking. We are very pleased with our ability to grow the lending businesses without relenting on the cross-sale of depository relationships."

Total deposits were $721.36 million as of June 30, 2025, compared to $697.44 million at March 31, 2025 and $693.98 million at June 30, 2024. Overall Bank cost of funds increased to 1.30% year-to-date, as of June 30, 2025, from 1.27% for the first quarter of 2025, or 1.25% for full-year 2024. The Bank's loan and deposit activity in the quarter resulted in Net Interest Margin ("NIM") expansion to 5.22% year-to-date, as of June 30, 2025, from 5.15% for first quarter of 2025. This compares to 4.88% for full-year 2024. "We continue to be pleased 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 rate environment where competition for deposits is very high. While utilizing comparatively expensive wholesale funding has driven the increase in our overall cost of funds, facilitating loan growth in this manner has ensured we do not unnecessarily cannibalize our low-cost branch network deposits in pursuit of balance sheet expansion."

The allowance for credit loss increased slightly, to $7.29 million at June 30, 2025, from $7.27 million at March 31, 2025. Provisions for credit loss of $1.37 million this quarter were driven primarily by net charge-offs of $1.28 million. Nearly all of these charge-offs were associated with a single loan relationship that was specifically reserved for during Q4 of 2024, which was transferred to Other Real Estate Owned ("OREO") during this quarter. Lamb commented, "While non-accrual loans remain elevated compared to peers, we are confident that our exposures are properly supported by robust collateral coverage and/or government guarantee programs. For example, 39% of non-accrual loans have SBA guarantees associated with them. We expect the loan portfolio to continue to show only modest and isolated losses. The drag, if any, on earnings performance is expected to be minor. We have not seen the impact of tariffs yet but are monitoring very closely with our customers and prospective customers. The Bank has comparatively low levels of investment real estate and office exposure and a good mix of industry and geography (albeit southeast Michigan centered) that mitigates concentration risk. We also actively utilize the SBA and other government guarantee programs like the Michigan Economic Development Corp. to mitigate 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 $103.18 million as of June 30, 2025, representing book value per share of $41.70, compared to total shareholders' equity of $99.85 million, or $40.51 per share at March 31, 2025 and $90.16 million, or $36.72 per share at June 30, 2024. 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 $101.63 million as of June 20, 2025, or 14.29% of risk-weighted assets compared to $98.53 million, or 13.99% of risk-weighted assets as of March 31, 2025, and $92.04 million, or 13.59% as of June 30, 2024.

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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