

PRESS RELEASE

OXFORD BANK CORPORATION

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OXFORD BANK CORPORATION ANNOUNCES FIRST QUARTER 2026 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, 2026.

The Company reported consolidated net income of \$1.53 million, or \$0.62 per weighted average share, for the first quarter of 2026, compared to \$2.82 million, or \$1.15 per share, for the same period one year ago and \$2.30 million, or \$0.93 per share, in the fourth quarter of 2025.

Chairman, President and CEO David Lamb commented, “First quarter earnings fell short of our team’s expectations; however, two quarter-specific factors meaningfully affected reported results and masked continued underlying strength in the Bank’s core performance. Credit-related reserve actions reduced quarterly earnings by approximately \$1.5 million, and the expected normalization of balances from a large deposit relationship drove a decline in total deposits and average earning assets. Importantly, neither factor reflects a deterioration in our underlying franchise.”

Core Earnings, Credit Quality, and Lending Activity

“From an operating standpoint, our lending businesses produced a very strong quarter,” Lamb continued. “Oxford Commercial Finance posted its strongest production quarter since inception four years ago, benefiting from attractive risk-adjusted yields that continue

to support our net interest margin. Conventional commercial lending activity also exceeded expectations, as teams converted strong pipelines into new client relationships while maintaining discipline around underwriting, pricing, and deposit cross-sale requirements.”

Net interest income for the quarter increased \$1.12 million, or 11%, compared to the first quarter of 2025, reflecting loan growth and favorable asset yields. Net interest margin was 4.79% for the quarter, down from 5.23% for full-year 2025, driven primarily by funding mix changes associated with balance sheet normalization and loan growth.

Provision for credit losses totaled \$1.01 million during the quarter. This increase was driven primarily by a reserve adjustment on a single collateral-dependent construction loan. “There were no new non-performing loans during the quarter, and early-stage delinquencies remain low,” Lamb noted. “The number of non-performing assets remains small, and we do not view this as the beginning of a broader trend. Our experienced Managed Asset team continues to actively manage these assets with a focus on loss mitigation.”

Deposit Trends, Liquidity, and Funding

Total assets were \$902.1 million at March 31, 2026, compared to \$1.09 billion at December 31, 2025, reflecting the anticipated reduction of balances associated with one large deposit client previously disclosed in prior quarters. As a result, the Bank returned to a more normalized level of cash and equivalents.

Total deposits declined to \$740.6 million at quarter-end, compared to \$953.3 million at December 31, 2025. Bank cost of funds increased to 1.47% for the quarter, compared to 1.31% for full-year 2025, reflecting continued loan growth funded through a combination of wholesale borrowings and newer, higher-cost deposit channels.

While retail branch deposits remain the foundation of the Bank’s low-cost funding base, recent growth in earning assets required incremental use of alternative funding sources. During the quarter, the Bank also made progress expanding its Municipal Banking platform, which now represents approximately \$50 million in balances.

“The normalization of the large deposit relationship was expected and well-managed,” Lamb said. “I’m proud of how our teams coordinated across the Bank to ensure a smooth transition for both the client and the institution. This speaks well for the team’s ability to respond to changes in the environment and with clients. Liquidity remains strong,

supported by cash positions, readily marketable investments, and available contingent funding sources.”

Expense Trends and Operating Leverage

Noninterest expense increased compared to the prior year period, reflecting continued investments in the team, technology, and treasury management infrastructure to support growth initiatives. “While expenses increased, net interest income growth continues to outpace noninterest expense growth on a trailing basis, which is an important indicator that we are capturing operating leverage as the franchise scales,” Lamb said.

Capital and Shareholder Value

Total shareholders’ equity increased to \$111.1 million at March 31, 2026, representing book value per share of \$44.85, compared to \$44.31 at December 31, 2025. The increase reflects positive accretion from retained earnings.

The Bank’s Tier 1 capital ratio was 13.29% at quarter-end, remaining comfortably above regulatory well-capitalized thresholds despite balance sheet volatility related to deposit normalization.

Outlook

Lamb concluded “While we are not satisfied with the headline earnings result this quarter, the fundamental drivers of our business—relationship-based lending, disciplined credit practices, and a strong capital position—remain intact. As temporary balance sheet dynamics continue to normalize and credit-related impacts subside, we remain confident that earnings performance will move back toward the levels our team expects of itself.”

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 operates 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 and commercial finance centers in Phoenix, AZ, Wixom, downtown Oxford, and Flint, Michigan. Founded in 1884,

the Bank has operated continuously under local ownership and management for more than 140 years. For more information, visit www.oxfordbank.bank.

Except for historical information contained herein, certain matters discussed may be deemed forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements involve risks and uncertainties that could cause actual results to differ materially, including changes in interest rates, economic conditions, regulatory policies, competitive factors, and other risks described in the Company's filings. The Company undertakes no obligation to update forward-looking statements.

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