
PRESS RELEASE

OXFORD BANK CORPORATION

60 S. Washington St., Oxford, MI 48371

FOR IMMEDIATE RELEASE:

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Contact: David P. Lamb, President & CEO

Phone: (248) 628-2533

Fax: (248) 969-7230

OXFORD BANK CORPORATION ANNOUNCES FIRST 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 first quarter and year-to-date period ending March 31, 2020.

The Company’s quarterly consolidated earnings for the three months and year-to-date period ended March 31, 2020, were \$1,395,000, or \$0.61 per weighted average share compared to \$919,000, or \$0.40 per weighted average share for the same period one year ago.

Total Assets of the Company grew to \$513.5 million as of March 31, 2020, compared to \$455.6 million as of March 31, 2019, representing a 12.7% increase year-over-year. The Company increased loans outstanding to \$339.2 million at the end of March 2020 compared to \$327.7 million a year earlier. Deposit balances from customers increased 12.3% year-over-year and totaled \$462.6 million as of March 31, 2019, compared to \$412.0 million as of March 31, 2019.

The Company’s total stockholders’ equity increased to \$48.3 million as of March 31, 2020, representing book value per share of \$21.13, compared to total stockholders’ equity of \$41.6 million, or \$18.16 per share one year earlier. The subsidiary Bank’s Tier 1 capital totaled \$47.6 million as of March 31, 2020, or 12.85% of risk weighted assets compared to \$42.3 million or 12.0% of risk weighted assets as of March 31, 2019.

“In the first quarter of 2020, we began to see and feel the effects of the COVID-19 pandemic both economically and within our Company.” reported CEO David P. Lamb. “Interest rates fell faster than any time in recent history, which will affect our net interest margin in the coming quarters. The result of the unprecedented closing of the economy for over 45 days is not known, but it is easy to see it is going to cause significant issues for many small businesses, which of course, will impact us. Our biggest challenge this quarter was calculating the appropriate loan loss reserve (“ALLL”) allocation given this all happened the last two weeks of the quarter and opinions on impact vary widely. After careful analysis of predictions and our portfolio, management determined that the current 20% excess (approximately \$750,000) in ALLL will be allocated entirely. We will continue to monitor and expect to build reserves by provisioning monthly beginning in April.”

“On the positive side, our Board is particularly pleased with how well the overall team came together to maximize assistance to our communities with the Payroll Protection Program (“PPP”) loans. After the first round of congressional funding, we originated 851 loans totaling \$163 million with estimated fees of \$5.5 million, which will be recognized over the life of the loans. To accomplish those strong results, our

business and personal customer facing teams plus their critical support teams, worked 12 to 16 hour days, seven days a week during much of April.” noted Lamb and further stated “We opened over 700 business deposit accounts in roughly two weeks. We delivered top-notch service to our current customers and also developed more than 300 “new to us” small/midsize business clients whose banks or credit unions failed to execute at all. It isn’t much of a jump to see these new customers are serious about moving their relationship as many opened multiple accounts. The Company’s ultimate win after meeting our number one priority of helping our communities, is the long-term value creation from these new customers.”

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.

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