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# PRESS RELEASE

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## **OXFORD BANK CORPORATION**

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### **FOR IMMEDIATE RELEASE:**

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### **OXFORD BANK CORPORATION ANNOUNCES FIRST QUARTER 2022 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, 2022.

The Company’s quarterly consolidated earnings for the three months ended March 31, 2022, were \$1,059,000, or \$0.46 per weighted average share compared to \$3,093,000, or \$1.34 per weighted average share for the same period one year ago. CEO David Lamb commented “The reduction in first quarter earnings is not reflective of what we expect this year as will be better overall than extrapolating using these results. Comparative first quarter results were impacted by start-up expense in commercial finance business and new markets like Ann Arbor which both initiatives began contributing revenue in April. The bigger impact to earnings for the quarter ended March 2022 is PPP revenue was down a net \$1.4 million year over year as well as continued margin compression.”

Total Assets of the Company increased to \$786.4 million as of March 31, 2022, from \$750.9 million at December 31, 2021 and \$757.0 million at March 31, 2021. “The increase in assets clearly reflects both great work by our team and the excess liquidity in the market. To have total assets increase while net loans decreased by 49% (from PPP forgiveness) exemplifies the environmental anomalies especially given our non-PPP lending is strong. The clear part is our team continues to do a wonderful job of converting “new to the Bank” PPP only clients into full loan and deposit relationships,” reported CEO David Lamb.

Net loans decreased to \$387.7 million on March 31, 2022, from \$575.8 million at March 31, 2021. Non-PPP lending was up \$20 million year-over-year, highlighting the impact of PPP forgiveness. “We are seeing business customers starting to return to their normal borrowing patterns and have a very strong pipeline.” CEO Lamb noted, “Clearly our deposit position is “too good” with Total Deposits increased to \$703.7 million at March 31, 2022 from \$675.8 million at March 31, 2021. We have expected for more than a year, that deposits will reduce and still believe they will decrease this year although likely less than previously thought. Management is being conservative investing cash in investment securities because the excess liquidity is needed to fund our new loan opportunities in commercial finance and conventional C&I lending. We believe our enviable liquidity position bodes very well for our future even at a cost today.”

The Company’s total shareholders’ equity increased to \$64.8 million as of March 31, 2022, representing book value per share of \$27.22, compared to total Shareholders’ equity of \$56.7 million, or \$24.96 per share one year earlier. The subsidiary Bank’s Tier 1 capital totaled \$75.5 million as of March 31, 2022, or

18.2% of risk-weighted assets compared to \$56.5 million, or 13.8% of risk-weighted assets as of March 31, 2021.

CEO David P. Lamb commented, “We don’t expect this quarter’s level of reduced earnings to continue the whole year because commercial finance initiative will start contributing the remainder of the year with the FSW acquisition closed on April 1st. However, as noted in our last release, FYE 2022 earnings will be lower than FYE 2021 due to the loss of approximately net \$5.4 million in PPP fees, margin compression as well as investment in new initiatives. It appears that interest rates are moving in the Bank’s favor with the discount rate increase in March and further increases forecast over the next 18-24 months. Another new initiative that will contribute this year is our move into the commercial leasing business via a joint venture with a firm we have done business with for many years. We expect that business to grow both from our partner’s efforts but also our existing clients who now have another option with us.”

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. The Bank also has a Customer Experience Center in Rochester Hills, MI, with transactional services provided by Interactive Teller Machines only. In addition, Oxford Bank has business banking centers in Wixom, downtown Oxford and Flint, MI. 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](http://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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