NEWS RELEASE

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COMMUNITY FIRST BANCORPORATION ANNOUNCES 2020 FINANCIAL RESULTS

Walhalla, SC (February 25, 2021) – Community First Bancorporation, Inc. (OTC: CFOK), parent company for Community First Bank, Inc. (the "Bank") and SeaTrust Mortgage Company ("STM"), announced its financial results for the year 2020. Highlights of the results include:

- Total consolidated earnings were $1,801,000 for the year ended December 31, 2020 and $494,000 for the fourth quarter.
- Net interest income grew by 12.9% in 2020 compared to 2019.
- Noninterest income for 2020 included results for STM and increased 165.8% over the level reported in 2019.
- Total assets as of December 31, 2020 were $543,988,000, an increase of 30.0% compared to total assets of $418,564,000 as of December 31, 2019.
- As of December 31, 2020, total gross loans held for investment were $402,600,000, an increase of 25.0% compared to total gross loans held for investment of $322,012,000 on December 31, 2019. Loans held for investment included $17,503,000 of loans made under the Small Business Administration ("SBA") Paycheck Protection Program ("PPP").
- Loans held for sale totaled $14,569,000 as of December 31, 2020. Year to date volume of secondary market loan sales was approximately $82,000,000. These sales resulted in a significant increase in noninterest income.
- Total deposits as of December 31, 2020 were $442,868,000 compared to $353,246,000 as of December 31, 2019, an increase of 25.4%.

- In October Community First announced it would acquire Security Federal Bancorp, Inc. of Elizabethton, Tennessee, parent company of Security Federal Bank. The merger is scheduled to close in March of 2021.

Total consolidated earnings of $1,801,000 were recorded for the year ended 2020. Total net income rose 57.7% over net income for 2019. Earnings per common share ("EPS") were $0.30 per share for the year 2020 compared to EPS of $0.19 for the year 2019. The increase was primarily the result of the Company's growth and the expanded operations of STM. Despite the pandemic that has changed the way businesses across the country have interacted with current and prospective customers, the Company was able to grow earnings.

Total consolidated earnings of $494,000 were recorded for the fourth quarter of 2020 compared to $842,000 recorded for the third quarter of 2020 and $114,000 for the fourth quarter of 2019. EPS for the fourth quarter of 2020 totaled $0.08 compared to third quarter 2020 EPS of $0.15 and $0.01 for the fourth quarter of 2019. Expanded activity in both STM's mortgage business and the Bank's SBA portfolio generated significant increases in noninterest income in the third quarter, but fourth quarter activity slowed somewhat. Merger-related expenses of $105,300 were also included in the results for the fourth quarter of 2020.

Net interest income grew by 12.9% in 2020 compared to 2019. The increase was driven by the solid loan growth experienced over the period well as declines in overall cost of funds. Net loans held for investment grew $80,588,000 or 25.0% in 2020 compared to 2019. The growth included a remaining balance of $17.5 million of the $19.2 million of PPP loans made by the Bank. Overall loan yields for 2020 were 4.95% compared to 5.26% in 2019. In addition to the lower rates offered on new loans made in 2020 following the steep decline in short term interest rates at the start of the pandemic, yields on loans made under the PPP program negatively impacted overall yields on loans during the second, third and fourth quarters of 2020. In addition, the Company deferred recognition of a portion of the net fee income receivable from the SBA on our PPP loans until those loans are forgiven or repaid. As of December 31, 2020, only $1.7 million of PPP loans had been repaid or forgiven, and the majority of unearned fees remained in deferred status as of year-end. Net loan fees on PPP loans totaled approximately $750,000 at origination. These net fees are being amortized over the life of the loans. Declines in market interest rates resulting from

the pandemic also negatively impacted overall earning asset yields by approximately 35 basis points in 2020 compared to 2019. Our cost of funds did not decrease by the same magnitude, thereby decreasing our net interest margin by 21 basis points in 2020 compared to 2019.

Noninterest income for 2020 totaled $6,774,000 compared to $2,549,000 in 2019. The increase was primarily due to loans originated and sold by STM, which began these activities late in the first quarter of 2020. Noninterest income from mortgage banking activities totaled approximately $4.0 million in 2020. An additional positive factor was an increase in gains on sales of SBA loans in 2020 compared to 2019. SBA loan sales generated $186,000 of additional noninterest income in comparison to 2019.

Noninterest expense increased to $19,270,000 in 2020 from $15,183,000 in 2019 due to several factors, including the opening of our Dallas and Charlotte, North Carolina branches in the first half of 2020, additional lenders hired to service our Western North Carolina market, expenditures related to the pandemic and merger-related expense. STM increased both its loan origination and processing capabilities throughout 2020. STM began originating loans in the first quarter with locations in Wilmington, North Carolina, as well as Seneca, South Carolina. In the following months, STM added production personnel and expanded its operations to Greensboro, Jacksonville and Charlotte, North Carolina, Nashville, Tennessee, and in Jacksonville and Orlando, Florida markets. To date STM has originated over $112.1 million in single family mortgage loans, primarily in North and South Carolina.

President and CEO Richard D. Burleson commented: “2020 was a remarkable year in many ways for Community First Bancorporation. Our team of bankers and mortgage lenders have gone above and beyond for the communities we serve during these incredibly difficult times. Although challenged like never before by the global pandemic, we have been able to reap the rewards of previous technology investments and leverage that technology to our benefit in ways never expected before.”

Mr. Burleson commented further on the Bank’s focus on protecting the well-being of its customers and employees: “We have made extraordinary efforts to protect our customers and associates throughout the pandemic. We have been mindful of social distancing and precautions

such as enhanced cleaning and masks, but we have felt the effects of the pandemic firsthand in our Company and experienced limited pandemic-related temporary closures of some offices. We continue to be responsive to our customers who need to meet with bankers by serving customers by appointment. We offer exemplary customer service via multiple digital banking channels for those who prefer contactless service, including the ability to offer both deposit and loan account opening remotely."

Mr. Burleson continued, "The financial impact of the pandemic on our customer base has been fairly moderate to date. To assist our customers in dealing with the pandemic's impact, the Bank granted deferrals of all or a portion of payments on 139 loans with total outstanding balances of approximately $64 million. The majority of loans granted deferrals were with customers in the hardest hit industries such as retail, hotels and restaurants. Most of these customers have rebounded well and returned to normal payment requirements prior to yearend. As of December 31, 2020, loans to borrowers still deferring a portion of their payments totaled approximately $14,000,000, down 78% from the peak at the end of June 2020."

Mr. Burleson noted, "The Bank continues to have high asset quality. Our nonperforming assets, comprising nonperforming loans and foreclosed assets, decreased to $976,000 as of December 31, 2020 from $1,384,000 on December 31, 2019. At year end, we had four loans totaling approximately $314,000 in our foreclosure pipeline and our past due percentage remained below .26% on a monthly basis for the quarter. On December 31, 2020, our Allowance for Loan and Lease Losses ("ALLL") totaled $4,811,000 or 1.19% of loans held for investment, an increase of 28.6% over the December 31, 2019 level. If our PPP loans were excluded based on the related SBA guarantees, the ALLL would be 1.25% of loans held for investment as of December 31, 2020. The Bank provided $1,100,000 to the ALLL in 2020 compared to $40,000 in 2019. The increase in the ALLL was primarily due to organic growth in the loan portfolio and qualitative adjustments to consider the effects of the pandemic. Net charge-offs for 2020 totaled $29,000. However, the Bank will continue monitoring borrowers' financial situations to determine if additional provisions to the ALLL are warranted due to adverse changes in the economy resulting from the pandemic."

Mr. Burleson closed his comments by noting: "Our highest priority, along with maintaining our well capitalized status and satisfactory liquidity levels, is serving our communities during these unsettling times. We are dedicated to maintaining this service commitment. We have pledged to work with all of our customers and in particular with those impacted by the pandemic. We expect this may affect the Company over the next several quarters, but management believes we have a duty to be a leader in the communities we serve. This was demonstrated with our origination of 411 PPP loans in the amount of $19,187,000 in the communities we serve when many of our competitors failed to answer the call to help local businesses."

The Company's Tier 1 Leverage Capital Ratio was 9.10% on December 31, 2020. The Bank's Tier 1 Leverage Capital Ratio declined from 10.6% on December 31, 2019 to its present level primarily because of growth. Additionally, a majority of our PPP loans remain included in the Tier 1 Leverage Capital computation as of December 31, 2020. Along with our capital, liquidity levels remain satisfactory.

Community First Bank has ten full-service financial centers in North and South Carolina, with two offices each in Seneca and Anderson, and one office in each of Greenville, Williamston, Walhalla and Westminster, South Carolina, and Dallas and Charlotte, North Carolina. The Company operates loan production offices in Concord and Waynesville, North Carolina. In addition, its SeaTrust Mortgage subsidiary operates offices in Wilmington, Greensboro, Jacksonville and Charlotte, North Carolina, Nashville, Tennessee, and Jacksonville and Orlando, Florida.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This News Release contains forward-looking statements, which can be identified by the use of words such as "estimate," "project," "believe," "intend," "anticipate," "plan," "seek," "expect," "will," "may" and words of similar meaning. These forward-looking statements include, but are not limited to statements of our goals, intentions and expectations; statements regarding our business and strategic plans, prospects, growth and operating strategies; statements regarding the asset quality of our loan and investment portfolios; and estimates of our risks and future costs and benefits.

These forward-looking statements are based on our current beliefs and expectations and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control. In addition, these forward-looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change. The Company is under no duty to and do not undertake any obligation to update any forward-looking statements after the date of this News Release.

The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statements:

- The ultimate impact of the current pandemic is unknown and has adversely impacted, and may continue to adversely impact, the Company in various areas including but not limited to credit risk, liquidity risk, and risk to earnings.
- We may not be able to implement aspects of our growth strategy.
- Future expansion involves risks.
- New bank office facilities and other facilities may not be profitable.
- Acquisition of assets and assumption of liabilities may expose us to intangible asset risk, which could impact our results of operations and financial condition.
- The success of our growth strategy depends on our ability to identify and retain individuals with experience and relationships in the markets in which we intend to expand.
- We may need additional access to capital, which we may be unable to obtain on attractive terms or at all.
- Our estimate for losses in our loan portfolio may be inadequate, which would cause our results of operations and financial condition to be adversely affected.
- Our commercial real estate loans generally carry greater credit risk than one-to-four family residential mortgage loans.
- Construction financing may expose us to a greater risk of loss and hurt our earnings and profitability.
- Repayment of our commercial business loans is primarily dependent on the cash flows of the borrowers, which may be unpredictable, and the collateral securing these loans may fluctuate in value.
- We continue to hold other real estate, which has led to operating expenses and vulnerability to additional declines in real property values.
- A significant portion of our loan portfolio is secured by real estate, and events that negatively impact the real estate market could hurt our business.
- Future changes in interest rates could reduce our profits.
- Strong competition within our market areas may limit our growth and profitability.
- Our stock-based incentive compensation plan will increase our costs, which will reduce our income.
- The implementation of our stock-based incentive compensation plan may dilute shareholder ownership interest.
- We are subject to extensive regulation and oversight, and, depending upon the findings and determinations of our regulatory authorities, we may be required to make adjustments to our business, operations or financial position and could become subject to formal or informal regulatory action.
- We are subject to stringent capital requirements, which may adversely impact our return on equity, require us to raise additional capital, or constrain us from paying dividends or repurchasing shares.
- We depend on our management team to implement our business strategy and execute successful operations and we could be harmed by the loss of their services.
- The value of our deferred tax asset could be impacted if corporate tax rates in the U.S. decline or as a result of other changes in the U.S. corporate tax system.
- We may not be able to utilize all of our deferred tax asset.
- The fair value of our investments could decline.
- Liquidity risk could impair our ability to fund operations and jeopardize our financial condition, results of operations and cash flows.
- Changes in accounting standards could affect reported earnings.
- A failure in or breach of our operational or security systems or infrastructure, or those of our third-party vendors and other service providers or other third parties, including as a result of cyber-attacks, could disrupt our businesses, result in the disclosure or misuse of confidential or proprietary information, damage our reputation, increase our costs, and cause losses.
- Our stock price may be volatile, which could result in losses to our shareholders and litigation against us.
- The trading volume in our common stock is lower than that of other larger companies; future sales of our stock by our shareholders or the perception that those sales could occur may cause our stock price to decline.
- There may be future sales of additional common stock or preferred stock or other dilution of our equity, which may adversely affect the market price of our common stock.

- We may issue additional debt and equity securities or securities convertible into equity securities, any of which may be senior to our common stock as to distributions and in the event of liquidation, which could negatively affect the value of our common stock.
- Negative public opinion surrounding our Company and the financial institutions industry generally could damage our reputation and adversely impact our earnings.

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COMMUNITY FIRST BANCORPORATION
CONSOLIDATED FINANCIAL HIGHLIGHTS
(Unaudited)
(Amounts in thousands except share information)

	Three Months Ended December 31,		
Income Statement	2020	2019	Change
Net interest income	$ 4,311	$ 3,674	17.3%
Provision for loan losses	240	0	100.0%
Other income	2,312	693	233.6%
Other expense	5,703	4,204	35.7%
Income before income taxes	680	163	317.2%
Benefit (provision) for income taxes	(186)	(49)	279.6%
Net income	$ 494	$ 114	333.3%
Dividends paid on preferred stock	40	80	-50.0%
Net income available to common shareholders	$ 454	$ 34	1,235.3%
Net income per common share			
Basic	$ 0.08	$ 0.01	
Diluted	$ 0.08	$ 0.01	

	Year Ended September 30,		
Income Statement	2020	2019	Change
Net interest income	$ 15,971	$ 14,150	12.9%
Provision for loan losses	1,100	40	2,650.0%
Other income	6,774	2,549	165.8%
Other expense	19,270	15,183	26.9%
Income before income taxes	2,375	1,476	60.9%
Provision for income taxes	(574)	(334)	71.9%
Net income	$ 1,801	$ 1,142	57.7%
Dividends paid or on preferred stock	158	198	-20.2%
Net income available to common shareholders	$ 1,643	$ 944	74.1%
Net income per common share			
Basic	$ 0.30	$ 0.19	
Diluted	$ 0.30	$ 0.19	

Balance Sheet	December 31, 2020 (Unaudited)	December 31, 2019 (Audited)
Total assets	$ 543,988	$ 418,564
Gross loans held for investment	402,600	322,012
Allowance for loan losses	4,811	3,740
Loans held for investment, net	397,789	318,272
Loans held for sale	14,569	-
Securities	43,659	46,313
Total earning assets	523,161	399,206
Total deposits	442,868	353,246
Shareholders' equity	50,788	48,175
Book value per common share	8.67	8.19

Asset Quality Data	December 31, 2020 (Unaudited)	December 31, 2019 (Audited)
Nonperforming loans		
Non-accrual loans	$ 487	$ 591
Past due loans 90 days or more	0	0
Total nonperforming loans	487	591
Foreclosed Assets	489	793
Total nonperforming assets	$ 976	$ 1,384
Net charge-offs (recoveries) year to date	29	$ (124)
Nonperforming assets as a percentage of total loans and foreclosed assets	0.24%	0.43%
Nonperforming assets to total assets	0.18%	0.33%
Allowance for loan losses to nonperforming loans	987.89%	632.83%
Allowance for loan losses to total loans outstanding	1.19%	1.16%
Net charge-offs (recoveries) to total loans outstanding	0.01%	(0.04%)

Capital Ratios- Community First Bank	December 31, 2020 (Unaudited)	December 31, 2019 (Audited)
Tier 1 Capital (to average assets)	8.8%	10.6%