NEWS RELEASE

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COMMUNITY FIRST BANCORPORATION ANNOUNCES ANNUAL AND FOURTH QUARTER FINANCIAL RESULTS

Walhalla, SC (January 23, 2023) – Community First Bancorporation, Inc. (OTCQX: CFOK), parent company for Community First Bank, Inc. (the "Bank"), announced its unaudited financial results for the year 2022 and its fourth quarter ended December 31, 2022. Highlights of the results include:

- Earnings increased 77.8% in 2022 from 2021.
- Earnings per common share increased 80.9% year over year.
- Total consolidated earnings were $6,436,000 for the year ended December 31, 2022, and $1,206,000 for the fourth quarter.
- Net interest income grew by 18.4% in 2022 compared to 2021.
- Total assets as of December 31, 2022 were $661,175,000 compared to total assets of $672,963,000 as of December 31, 2021.
- Total gross loans held for investment as of December 31, 2022 were $484,676,000, an increase of 5.7% from the total as of December 31, 2021.
- Total deposits as of December 31, 2022 were $568,633,000 compared to $563,511,000 as of December 31, 2021, an increase of 0.9%.
- The Company announced December 21, 2022 that it has qualified to trade on the OTCQX® Best Market, upgrading from the Pink® market.

Total consolidated earnings of $6,436,000 were recorded for the year ended December 31, 2022, which represented a 77.8% increase over total consolidated earnings for the year ended

December 31, 2021. Earnings per common share ("EPS") were $1.14, an increase of 80.9% over EPS of $0.63 per common share in 2021. The increase included a gain on the sale of the Company's mortgage subsidiary, SeaTrust Mortgage Company ("STM").

The Company's total consolidated earnings were $1,206,000 for the fourth quarter of 2022 compared to $939,000 recorded for the fourth quarter of 2021. EPS for the fourth quarter of 2022 totaled $0.21 compared to $0.16 for the fourth quarter of 2021. During the fourth quarter of 2022, the Company's net interest margin expanded to 4.00%, an increase of 72 basis points compared to the net interest margin for the fourth quarter of 2021 of 3.28%. The change in overall interest rates was the primary driver of the increase.

Net interest income grew by 18.4% in 2022 compared to 2021. The year-over-year increase was primarily driven by changes in interest rates. However, the sale of STM also impacted volumes in the year-over-year comparison. Average gross loans grew $20,680,000, or 4.5%, in 2022 compared to 2021. Overall loan yields for 2022 were 4.82% compared to 4.69% in 2021. The yield on investments was 2.15% in 2022 compared to 1.71% in 2021.

Noninterest income for 2022 totaled $10,934,000 compared to $13,388,000 in 2021. The decrease was primarily due to a decline in the volume of loans originated and sold by STM and the sale of STM in May 2022. The Company recognized a gain of $2,293,000 ($1,743,000 net of tax) on the sale of STM. The Bank's in-house origination and servicing of loans sold in the secondary market also declined throughout 2022 due to increases in market interest rates. Noninterest income from mortgage banking activities totaled approximately $9.7 million in 2021 compared to $4.9 million in 2022. The overall decline in noninterest income was offset by increases in gains on sales of SBA loans, interchange income, service charges on deposits, and other income. Gains on sales of SBA loans were $653,000 in 2022 compared to $485,000 in 2021.

Noninterest expense decreased to $25,497,000 in 2022 from $28,147,000 in 2021. The primary drivers were decreases in salaries, benefits and other costs of mortgage banking activities and merger-related expenses. Loan and other real estate owned- related costs declined in 2022 by 30.8% and 76.2%, respectively. The decreases were partially offset by increases in insurance

expense, goodwill amortization, employee educational expenses and various other expenses. Expenses related to the 2021 acquisition of Security Federal Bank totaled $934,000 in 2021.

President and CEO Richard D. Burleson commented: "The past year was one of significant changes in the economy and for Community First Bancorporation. An unprecedented pace of increases in market interest rates adversely impacted our mortgage banking business and slowed loan demand. Our funding costs increased for the first time in two years and inflation resulted in increased costs in every facet of our operations. Still, our associates managed to increase profitability, even discounting the gain recognized on our sale of STM. I am extremely proud of our team and what we were able to accomplish in 2022."

Mr. Burleson commented further "We expect 2023 to bring challenges and opportunities and we are positioning ourselves to continue growing our business while rightsizing our operations. We recently announced the consolidation of two offices into nearby branches, the opening of a new office in a larger market in Tennessee and the conversion of a loan production office in Western North Carolina into a full- service branch. Efficient utilization of resources is absolutely necessary in our industry and our Company in 2023."

Mr. Burleson continued "we will effect expense reductions across the entire Company and the rightsizing of many departments in 2023. With the slow-down in the economy and the slowing demand for loans, we are focusing our efforts on obtaining efficiencies in our digital lending systems and in training our teams to an even higher standard of efficient operations. We believe the gains we receive with the continued enhancement of technology will bring significant operational efficiencies across all lines of business."

Mr. Burleson noted, "The Bank continues to have high asset quality standards. Our nonperforming assets, comprising nonperforming loans and foreclosed assets, decreased significantly to $265,000 as of December 31, 2022, compared to $971,000 as of December 31, 2021. At year end, we had one loan totaling approximately $16,000 in our foreclosure pipeline and our past due percentage remained below 0.11% during the fourth quarter. As of December 31, 2022, our Allowance for Loan and Lease Losses ("ALLL") totaled $5,594,000 or 1.15% of loans

held for investment. The Bank made ALLL provisions of $130,000 in 2022 and $306,000 in 2021. We will implement the accounting standard referred to as CECL in the first quarter of 2023. The net recovery of amounts previously charged off was $96,000 in 2022 compared to $250,000 in 2021. We expect the economy to slow in 2023. As a result, we have reviewed our credit standards and have made prudent changes, while striving to continue to meet the credit needs of our communities."

Mr. Burleson noted that "the Company's Tier 1 Leverage Capital Ratio was 8.7% and 7.7% as of December 31, 2022 and 2021, respectively. The Bank's Tier 1 Leverage Capital Ratio was 9.9% and 8.8% as of December 31, 2022 and 2021, respectively. Liquidity levels decreased but remained satisfactory."

Community First Bank has 11 full-service financial centers in North and South Carolina and Tennessee, with two offices in Seneca and single locations in Anderson, Greenville, Williamston, Walhalla and Westminster, South Carolina, Dallas and Charlotte, North Carolina, and Elizabethton and Johnson City, Tennessee. The Company operates a loan production office in Waynesville, North Carolina which will convert to a full-service location in Franklin, North Carolina in February 2023.

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:

- 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 sizable 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
(Amounts in thousands except share information)

Income Statement	Three Months Ended December 31, 2022 (Unaudited)	2021 (Audited)	Change
Net interest income	$ 6,249	$ 5,198	20.2%
Provision for loan losses	80	-	100.0%
Other income	775	3,851	-79.9%
Other expense	5,458	7,769	-29.8%
Income before income taxes	1,486	1,280	16.1%
Provision for income taxes	(280)	(341)	-17.9%
Net income	$ 1,206	$ 939	28.4%
Dividends paid on preferred stock	40	40	0.0%
Net income available to common shareholders	$ 1,166	$ 899	29.7%
Net income per common share			
Basic	$ 0.21	$ 0.16	
Diluted	$ 0.21	$ 0.16	

Income Statement	Year Ended December 31, 2022 (Unaudited)	2021 (Audited)	Change
Net interest income	$ 23,150	$ 19,559	18.4%
Provision for loan losses	130	306	-57.5%
Other income	10,934	13,388	-18.3%
Other expense	25,497	28,147	-9.4%
Income before income taxes	8,457	4,494	88.2%
Provision for income taxes	(2,021)	(874)	131.2%
Net income	$ 6,436	$ 3,620	77.8%
Dividends paid or on preferred stock	158	158	0.0%
Net income available to common shareholders	$ 6,278	$ 3,462	81.3%
Net income per common share			
Basic	$ 1.14	$ 0.63	
Diluted	$ 1.14	$ 0.63	

Balance Sheet	December 31, 2022 (Unaudited)	December 31, 2021 (Audited)
Total assets	$ 661,175	$ 672,963
Gross loans held for investment	484,676	458,753
Allowance for loan and lease losses	5,594	5,368
Loans held for investment, net	479,082	453,385
Loans held for sale	0	19,150
Federal funds sold	5,609	8,494
Securities	98,736	94,619
Total earning assets	638,469	647,034
Total deposits	568,633	563,511
Shareholders' equity	47,053	53,305
Book value per common share	7.96	9.13

Asset Quality Data	December 31, 2022 (Unaudited)	December 31, 2021 (Audited)
Nonperforming loans		
Non-accrual loans	$ 205	$ 438
Past due loans 90 days or more	35	103
Total nonperforming loans	240	541
Foreclosed Assets	25	430
Total nonperforming assets	$ 265	$ 971
Net charge-offs (recoveries) year to date	(96)	(250)
Nonperforming assets as a percentage of total loans and foreclosed assets	0.05%	0.21%
Nonperforming assets to total assets	0.04%	0.14%
Allowance for loan and lease losses to nonperforming loans	2,330.83%	992.24%
Allowance for loan and lease losses to total loans outstanding	1.15%	1.17%
Net charge-offs (recoveries) to total loans outstanding	(0.02)%	(0.05)%

Capital Ratios- Community First Bank	December 31, 2022 (Unaudited)	December 31, 2021 (Audited)
Tier 1 Leverage Capital (to average assets)	9.9%	8.8%