NEWS RELEASE

FOR IMMEDIATE RELEASE

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COMMUNITY FIRST BANCORPORATION ANNOUNCES FIRST QUARTER 2023 FINANCIAL RESULTS

Walhalla, SC (April 27, 2023) – Community First Bancorporation, Inc. (OTC: CFOK, the "Company"), parent company for Community First Bank, Inc. (the "Bank"), announced its consolidated financial results for the first quarter of 2023. Highlights of the results include:

- The Company earned $1,035,000 for the first quarter or $.18 per common share.
- Net interest income grew by 9.6% year over year.
- Noninterest income and noninterest expense declined year over year, primarily due to the sale of SeaTrust Mortgage Company in the second quarter of 2022.
- The Company's efficiency ratio improved to .77 from .83 in the first quarter of 2023 compared to the 2022 quarter.
- Total assets increased to $674,528,000 and total loans increased to $501,046,000 during the quarter.
- Deposits increased 2.2% during the quarter.
- The Bank adopted the Financial Accounting Standards Board ASU No. 2016-13, Financial Instruments- Credit Losses: Measurement of Credit Losses on Financial Instruments", also known as "CECL", at the beginning of 2023. The impact to the Company's capital upon adoption was approximately $371,000.
- Book value per common share increased to $8.36 as of March 31, 2023 from $7.96 as of December 31, 2022.

Total consolidated earnings of $1,035,000 were recorded for the first quarter of 2023 compared to $1,153,000 for the first quarter of 2022. Earnings per common share totaled $.18 for the first quarter of 2023 compared to $.20 for the first quarter of 2022. Net income was impacted by lower noninterest income, including lower revenue following the sale of SeaTrust Mortgage Company, the Company's mortgage subsidiary, in the second quarter of 2022. Gains on sales of SBA loans were also lower in the 2023 first quarter compared to the first quarter of 2022.

Net interest income grew by 9.6% year over year for the first quarter of 2023, driven by higher interest rates and, to a lesser extent, higher loan volumes. The average yield for the quarter on interest-earning assets increased to 4.73% from 3.75% in the first quarter of 2022. Average balances of loans were higher by 4.2% in the first quarter of 2023 than in the first quarter of 2022. Rates paid on deposits and borrowings also increased. The average rate paid on interest bearing funding was 1.30% in the first quarter of 2023 compared to .53% in the first quarter of 2022. The net interest margin for the first quarter was 3.71% on an annualized basis.

The Bank expensed $122,000 for credit losses during the first quarter of 2023, compared to $0 for the first quarter of 2022. The additional provision for credit losses primarily reflects growth in the loan portfolio.

Noninterest income totaled $934,000 for the first quarter of 2023 compared to $3,439,000 for the 2022 first quarter. In 2022 the Company was operating its mortgage subsidiary and also had higher income from sales of SBA loans than in the most recent quarter. The Company continues to focus on increasing its pipeline of SBA loans, some of which will be sold.

Noninterest expense decreased 28.8% year over year. The impact of the sale of the mortgage company was a significant factor in the decrease in noninterest expense. Salaries and benefit costs decreased $1,688,000, or 37.2%, in 2023 compared to the first quarter of 2022. The decrease was primarily attributed to the sale of the mortgage subsidiary. Occupancy expenses, marketing costs, professional fees, loan costs, and data processing costs also declined as a result of the sale of the mortgage subsidiary. One item related to the mortgage subsidiary that offset the decline in noninterest expense was the removal of a contra expense item related to mortgage loans held for sale commitments.

President and CEO Richard D. Burleson commented: “the first quarter of 2023 provided unprecedented opportunities to focus on our core strengths of lending locally and providing our customers with financial solutions that meet their needs. We continue to invest in training our associates and building our capabilities in a conservative manner.”

Mr. Burleson continued: “a great deal of volatility occurred in our economy in the first quarter of 2023. We have successfully weathered this volatility by communicating with our customers to determine what is most important to them. We have found that our diverse, local customer base is a profound source of strength for our Company."

In 2023, with deposit cost increasing very quickly, we have been extremely vigilant on our expenses. During the first quarter, we offered early retirement to a group of associates who met the classifications we set and completed a staffing reduction. Additional cost saving measures regarding contract renegotiations with core vendors and other cost saving measures have been initiated."

At March 31, 2023, total gross loans held for investment were $501,046,000, an increase of 3.4%, compared to total gross loans held for investment of $484,676,000 at December 31, 2022. Total deposits on March 31, 2023 were $581,307,000, compared to $568,633,000 on December 31, 2022, an increase of $12,674,000, or 2.2%. The Company estimates that approximately 13% of deposits are uninsured at March 31, 2023.

Mr. Burleson commented: "We are pleased with our quarterly earnings although our management team realizes we are not yet at the level of earnings that we desire. Our efficiency ratio improved to .77 for the first quarter of 2023, compared to .83 for the first quarter of 2022. We are focused on improving our resource utilization. I believe our shareholders and our Company will be served well with the repositioning of resources into our core business lines and with the high levels of professionalism our associates bring to our operations."

He further reported that "the Bank continues to have high asset quality. Our nonperforming assets, comprising nonperforming loans and foreclosed assets, increased to $306,000 at March 31, 2023, compared to $265,000 at December 31, 2022. As of March 31, 2023, we had one loan with an outstanding balance of $16,000 in our foreclosure pipeline and our past due percentages remained well below our peers at .17%. On March 31, 2023, our Allowance for Credit Losses ("ACL") totaled $5,987,000, an increase of 7.0% over the December 31, 2022 level, primarily as a result of our adoption of the new CECL accounting standard." The Company experienced a net recovery to the ACL during the first quarter of 2023. The ACL totaled 1.19% of total gross loans held for investment at March 31, 2023.

The Bank's Tier 1 Leverage Capital Ratio was 10.0% on March 31, 2023, and liquidity levels remain satisfactory." Book value per common share as of March 31, 2023 was $8.18. Book value per common share excluding the effect of unrealized losses on available-for-sale securities was $10.33 as of March 31, 2023.

Community First Bank has twelve full-service financial centers in North Carolina, South Carolina and Tennessee, with two in Seneca and single locations in each of Anderson, Greenville, Williamston, Walhalla and Westminster, South Carolina, Dallas, Charlotte and Franklin, North Carolina, and Elizabethton and Johnson City, Tennessee.

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 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 per share information)

Income Statement	Three Months Ended March 31, 2023	2022	Change
Net interest income	$ 5,727	$ 5,224	9.6%
Provision for loan losses	122	0	100.0%
Other income	934	3,439	-72.8%
Other expense	5,128	7,206	-28.8%
Income before income taxes	1,411	1,457	-3.2%
Benefit (provision) for income taxes	(376)	(304)	23.7%
Net income	1,035	1,153	-10.2%
Dividends paid or accumulated on preferred stock	(39)	(39)	-%
Net income available to common shareholders	$ 996	$ 1,114	-10.6%
Net income per common share			
Basic	$ 0.18	$ 0.20	
Diluted	$ 0.18	$ 0.20	

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

(continued)

Balance Sheet	March 31, 2023 (Unaudited)	March 31, 2022 (Unaudited)	December 31, 2022 (Audited)
Total assets	$ 674,528	$ 695,898	$ 661,175
Gross loans	501,046	457,501	484,676
Allowance for loan losses	5,987	5,494	5,594
Loans held for investment, net	495,059	452,007	479,082
Loans held for sale	-	14,256	-
Securities	99,713	107,251	98,736
Total earning assets	653,908	668,132	638,469
Total deposits	581,307	595,421	568,633
Shareholders' equity	49,250	49,119	47,053
Book value per common share	8.36	8.36	7.96

Asset Quality Data	March 31, 2023 (Unaudited)	March 31, 2022 (Unaudited)	December 31, 2022 (Audited)
Nonperforming loans			
Non-accrual loans	$ 281	$ 674	$ 205
Past due loans 90 days or more	0	40	35
Total nonperforming loans	281	714	240
Foreclosed Assets	25	376	25
Total nonperforming assets	$ 306	$ 1,308	$ 265
Net charge-offs (recoveries) year to date	$ (30)	$ (127)	$ (96)
Nonperforming assets as a percentage of total loans and foreclosed assets	0.06%	0.29%	0.05%
Nonperforming assets to total assets	0.05%	0.16%	0.04%
Allowance for loan losses to nonperforming loans	2,130.60%	769.47%	2,330.83%
Allowance for loan losses to total loans outstanding	1.19%	1.20%	1.15%
Net charge-offs (recoveries) to total loans outstanding	(0.01%)	(0.03%)	(0.02)%

Capital Ratios- Community First Bank	March 31, 2023 (Unaudited)	March 31, 2022 (Unaudited)	December 31, 2022 (Audited)
Tier 1 Capital (to average assets)	10.0%	8.9%	9.9%