NEWS RELEASE

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COMMUNITY FIRST BANCORPORATION ANNOUNCES THIRD QUARTER 2023 FINANCIAL RESULTS

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

- The Company earned $928,000 for the third quarter and $3,195,000 for the first nine months of 2023. Earnings per common share were $0.16 (basic and diluted) for the third quarter of 2023 and $0.56 (basic and diluted) for the nine months ended September 30, 2023. Year to date comparisons were affected by the sale of the Company's mortgage subsidiary ("SeaTrust") in the second quarter of 2022.
- Total assets as of September 30, 2023 were $703.7 million, an increase of 6.3% over total assets as of September 30, 2022. Deposits and loans held for investment increased 2.7% and 9.1%, respectively, year over year.
- Net interest income in the first nine months of 2023 was comparable to the 2022 period, even with significant pressure on cost of funds over the last twelve months. The net interest margin for the first nine months of 2023 was 3.53% compared to 3.54% for the nine months ended September 30, 2022.
- Noninterest income increased 21.1% and noninterest expense decreased 5.5% in the third quarter of 2023 compared to the third quarter of 2022.
- Nonperforming assets to total assets remained manageable at 0.11% on September 30, 2023. Past due ratios remained low at 0.14% of total loans.
- The Company's book value and tangible book per common share were $8.14. and $8.01, respectively, as of September 30, 2023. Accumulated other comprehensive loss was $14,171,000 as of September 30, 2023.

Net interest income decreased year over year for the third quarter of 2023, driven by significantly higher rates and changes in the mix of interest-bearing liabilities. A shift to term deposits and wholesale funding caused interest expense to climb significantly. Brokered funds, consisting of certificates of deposit and money market funds totaling $19,963,000, were outstanding for the entire third quarter. The increases in interest expense were partially offset by an increase in interest-earning assets. Average balances of loans were higher by 9.9% for the third quarter of 2023 compared to the third quarter of 2022.

Noninterest income increased to $958,000 for the most recent quarter from $791,000 for the third quarter of 2022. The change primarily related to an increase in service charges.

Noninterest expense decreased 5.5% year over year for the third quarter. The Company has paid particular attention to improving its efficiency ratio. In the third quarter of 2023 compared to the third quarter of 2022, professional fees decreased 10.8%, miscellaneous loan expense decreased 21.9%, and other operating expenses decreased 13.6%. We credit our associates with finding ways to reduce expenses without impacting service levels for our customers.

Net income for the first nine months of 2023 was $3,195,000 compared to $5,230,000 for the first nine months of 2022. The comparison was impacted by the sale of SeaTrust in 2022. Earnings per share for the first nine months of 2023 totaled $0.56 per basic and diluted common share, compared to $0.93 for the first nine months of 2022. Net interest income in 2023 was comparable to net interest income for the first nine months of 2022. Average earning assets were $640,707,000 for the first nine months of 2023 and $638,721,000 for the first nine months of 2022. The Company's net interest margin for the first nine months of 2023 was 3.53% compared to 3.54% for the first nine months of 2022. The pace of changes in interest rates as well as the changing composition of earning assets and interest-bearing liabilities have created a challenging environment for net interest income management in the past twelve to eighteen months.

The Company reported noninterest income of $3,047,000 for the first nine months of 2023, a decrease of 70.0% from the $10,159,000 reported for the comparable period of 2022. The sale of SeaTrust in the second quarter of 2022 was a significant driver of noninterest income in 2022 and impacted the comparison. Service charges increased to $1,239,000 in 2023 from $816,000 in the first nine months of 2022. The Company earned higher income from swap-related referral income in the first nine months of 2023 than in 2022 but experienced a decline in gains on SBA and mortgage loan sales.

Noninterest expense in the first nine months of 2023 totaled $15,262,000 compared to $20,039,000 for the first nine months of 2022, a decrease of 23.8%. Reductions in all major categories of expense contributed to the overall decrease. The sale of SeaTrust in May 2022 had a significant impact on the year-over-year comparison.

President and CEO Richard D. Burleson commented: “The Company continues to have excellent asset quality. Nonperforming assets, comprising nonperforming loans and foreclosed assets, increased to $745,000 from $387,000 as of the linked quarter ended June 30, 2023, and $265,000 on December 31, 2022. These levels remain low and are very manageable. As of September 30, 2023, we had one loan in our foreclosure pipeline and our past due percentages remained low at 0.14% of total loans. On September 30, 2023, our Allowance for Credit Losses totaled $6,107,000, or 1.18% of total loans outstanding. The reserve for unfunded commitments totaled $221,000 as of September 30, 2023. Net charge-offs totaled just $75,000 for all of 2023. The Bank’s Tier 1 Leverage Capital Ratio was 9.9% on September 30, 2023, and liquidity levels remain satisfactory.”

Burleson continued, “the third quarter demonstrates the challenges we have as a community bank with the cost of funds increasing at a rate that outpaces the repricing of our assets. Over time we expect to be able regain the balance and return our profitability to an acceptable level. However, this is contingent upon the Federal Reserve slowing its increases in interest rates and our ability to retain our excellent credit standards. Our loan pipelines are strong, and we will remain very conservative in our lending approach.”

Community First Bank has twelve full-service financial centers in South Carolina, North Carolina, and Tennessee, with two locations in Seneca and single locations in Anderson, Greenville, Williamston, Walhalla and Westminster, South Carolina, and 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 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
(Unaudited)
(Amounts in thousands except per share information)

	Three Months Ended September 30,		
Income Statement	2023	2022	Change
Net interest income	$ 5,487	$ 6,167	-11.0%
Provision for credit losses	120	50	140.0%
Other income	958	791	21.1%
Other expense	5,062	5,358	-5.5%
Income before income taxes	1,263	1,550	-18.5%
Provision for income taxes	(335)	(412)	-18.7%
Net income	928	1,138	-18.5%
Dividends paid or accumulated on preferred stock	(39)	(39)	0.0%
Net income available to common shareholders	$ 889	$ 1,099	-19.1%
Net income per common share			
Basic	$ 0.16	$ 0.20	
Diluted	$ 0.16	$ 0.20	

	Nine Months Ended September 30,		
Income Statement	2023	2022	Change
Net interest income	$ 16,903	$ 16,901	0.0%
Provision for credit losses	340	50	580.0%
Other income	3,047	10,159	-70.0%
Other expense	15,262	20,039	-23.8%
Income before income taxes	4,348	6,971	-37.6%
Provision for income taxes	(1,153)	(1,741)	-33.8%
Net income	$ 3,195	$ 5,230	-38.9%
Dividends paid or accumulated on preferred stock	(118)	(118)	0.0%
Net income available to common shareholders	$ 3,077	$ 5,112	-39.8%
Net income per common share			
Basic	$ 0.56	$ 0.93	
Diluted	$ 0.56	$ 0.93	

(Continued)

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

(continued)

Balance Sheet	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)	December 31, 2022 (Audited)
Total assets	$ 703,688	$ 662,234	$ 661,175
Gross loans	518,641	475,131	484,676
Allowance for credit losses	6,107	5,504	5,594
Loans held for investment, net	512,534	469,627	479,082
Securities and Federal Funds Sold	96,327	103,812	104,345
Total earning assets	682,079	639,578	638,469
Total deposits	601,868	586,121	568,633
Shareholders' equity	48,049	45,582	47,053
Book value per common share	8.14	7.69	7.96

Asset Quality Data	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)	December 31, 2022 (Audited)
Nonperforming loans			
Non-accrual loans	$ 483	$ 162	$ 205
Past due loans 90 days or more	0	0	35
Total nonperforming loans	483	162	240
Foreclosed Assets	262	0	25
Total nonperforming assets	$ 745	$ 162	$ 265
Net charge-offs (recoveries) year to date	$ 75	$ (86)	$ (96)
Nonperforming assets as a percentage of total loans and foreclosed assets	0.14%	0.03%	0.05%
Nonperforming assets to total assets	0.11%	0.02%	0.04%
Allowance for credit losses to nonperforming loans	1,264.4%	3,397.5%	2,330.8%
Allowance for credit losses to total loans outstanding	1.18%	1.16%	1.15%
Net charge-offs (recoveries) to total loans outstanding	0.01%	(0.02)%	(0.02)%

Capital Ratios- Community First Bank	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)	December 31, 2022 (Audited)
Tier 1 Capital (to average assets)	9.9%	9.6%	9.9%