NEWS RELEASE

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COMMUNITY FIRST BANCORPORATION ANNOUNCES ANNUAL AND FOURTH QUARTER FINANCIAL RESULTS

Walhalla, SC (January 30, 2024) – Community First Bancorporation, Inc. (OTCQX: CFOK), parent company for Community First Bank, Inc. (the "Bank"), announced its unaudited financial results for 2023 and its fourth quarter ended December 31, 2023. Highlights of the results include:

- Earnings per common share were $0.71 for the year ended December 31, 2023.
- Tangible book value per common share increased to $8.84 at December 31, 2023 from $7.78 one year ago.
- Total assets as of December 31, 2023 were $684,661,000 compared to total assets of $661,175,000 as of the prior year end.
- Total gross loans held for investment as of December 31, 2023 were $511,003,000, an increase of 5.4% from the prior year total.
- Total deposits as of December 31, 2023 were $579,268,000 compared to $568,633,000 as of December 31, 2022, an increase of 1.87%.
- Asset quality remained strong with a ratio of nonperforming assets to total assets of 0.10% as of December 31, 2023.

The Company recorded total consolidated earnings of $4,080,000 for the year ended December 31, 2023 compared to earnings of $6,436,000 recorded for the year ended December 31, 2022, which included the sale of the Company's former mortgage subsidiary, SeaTrust Mortgage Company ("STM"). Earnings per common share ("EPS") for 2023 were $0.71 compared to $1.14 for the year ended December 31, 2022. EPS for 2022 reflected the gain on the sale of STM.

The Company's total consolidated earnings were $885,000 for the fourth quarter of 2023 compared to $1,206,000 for the fourth quarter of 2022. EPS for the fourth quarter of 2023 totaled $0.15 compared to $0.21 for the fourth quarter of 2022. The primary driver of these decreases in earnings and EPS were changes in market interest rates which caused the Company's cost of funds to increase to a greater degree than the increases in its yields on earning assets.

Net interest income declined by 3.88% in 2023 compared to 2022. As noted, the year-over-year decrease was primarily driven by changes in interest rates. The net interest margin for 2023 was 3.45% compared to 3.65% for 2022. The yield on total interest-earning assets rose to 5.02% in 2023 compared to 4.09% in 2022. The average cost of interest-bearing funds was 2.10% in 2023 compared to 0.56% in 2022. Average gross loans grew $32,248,000, or 6.8%, in 2023 compared to 2022. Overall loan yields for 2023 were 5.54% compared to 4.82% in 2022. The yield on investments was 2.48% in 2023 compared to 2.15% in 2022. The average cost of interest-bearing deposits rose to 1.87% from 0.36% in 2022. The average cost of borrowings in 2023 was 4.30% compared to 2.95% in 2022.

Noninterest income for 2023 totaled $3,924,000 compared to $10,934,000 in 2022. The decrease was primarily due to the sale of STM in the second quarter of 2022. The Company recognized a gain of $2,293,000 ($1,743,000 net of tax) on the sale of STM. Noninterest income from mortgage banking activities, primarily related to the activities of STM, was $4.9 million in 2022. The Company's in-house origination and servicing of loans sold in the secondary market also declined throughout 2023 due to increases in market interest rates. The overall decline in noninterest income was offset in part by increases in service charges on deposits, referral fee income on swaps, and income from increases in the cash surrender value of bank owned life insurance. Gains on sales of SBA loans were $266,000 in 2023 compared to $653,000 in 2022. The Company incurred a loss on the sale of a former branch property in the fourth quarter of 2023 of $209,000 ($161,000 net of tax).

Noninterest expense decreased 20.2% to $20,357,000 from $25,497,000 in 2022. The primary drivers of this decrease were reductions in salaries and benefits, marketing expense, costs of mortgage banking activities, occupancy costs, professional services expenses, miscellaneous loan costs, and costs to maintain other real estate owned. Salaries and benefits decreased 21.8% year-over-year, and loan and other real estate owned- related costs declined in 2023 by 62.3% and 143.3%, respectively.

President and CEO Richard D. Burleson commented: "The past year was one of significant changes in interest rates and turmoil in the banking industry. An unprecedented pace of increases in market interest rates adversely impacted our cost of funds and mortgage lending volume. The adverse impact of this rate environment was reduced significantly, however, by the ability of our associates to work with even greater efficiency. During 2023 we expanded into the Franklin, North Carolina market with a full-service branch and transitioned to a full-service branch in Johnson City, Tennessee. I am extremely proud of our team and what we were able to accomplish this past year."

Mr. Burleson noted, "The Bank continues to have strong asset quality. Our nonperforming assets, comprised of nonperforming loans and foreclosed assets, remained at a low level of 0.10% of total assets at December 31, 2023. At year end, we had one loan totaling approximately $15,000 in our foreclosure pipeline and the past due percentage of our loan portfolio remained below 0.15% during the fourth quarter. As of December 31, 2023, our Allowance for Credit Losses totaled $6,077,000, or 1.19% of total loans. We continue to monitor economic conditions and review our credit standards to enable us to make prudent credit decisions while striving to continue to meet the credit needs of our communities."

Mr. Burleson reported that "the Bank's Tier 1 Leverage Capital Ratio was 10.1% and 10.0% as of December 31, 2023 and 2022, respectively. Liquidity levels continued to be satisfactory and uninsured deposits remained low as a percentage of total deposits."

Community First Bank has 12 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; Franklin, Dallas and Charlotte, 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
(Amounts in thousands except share information)

Income Statement	Three Months Ended December 31, 2023 (Unaudited)	Three Months Ended December 31, 2022 (Audited)	Change
Net interest income	$ 5,349	$ 6,249	-14.4%
Provision for credit losses	(74)	80	-192.5%
Other income	877	775	13.2%
Other expense	5,095	5,458	-6.7%
Income before income taxes	1,205	1,486	-18.9%
Provision for income taxes	(320)	(280)	14.3%
Net income	$ 885	$ 1,206	-26.6%
Dividends paid on preferred stock	40	40	0.0%
Net income available to common shareholders	$ 845	$ 1,166	-27.5%
Net income per common share			
Basic	$ 0.15	$ 0.21	
Diluted	$ 0.15	$ 0.21	

Income Statement	Year Ended December 31, 2023 (Unaudited)	Year Ended December 31, 2022 (Audited)	Change
Net interest income	$ 22,252	$ 23,150	-3.9%
Provision for credit losses	266	130	104.6%
Other income	3,924	10,934	-64.1%
Other expense	20,357	25,497	-20.2%
Income before income taxes	5,553	8,457	-34.3%
Provision for income taxes	(1,473)	(2,021)	-27.1%
Net income	$ 4,080	$ 6,436	-36.6%
Dividends paid or on preferred stock	158	158	0.0%
Net income available to common shareholders	$ 3,922	$ 6,278	-37.5%
Net income per common share			
Basic	$ 0.71	$ 1.14	
Diluted	$ 0.71	$ 1.14	

Balance Sheet	December 31, 2023 (Unaudited)	December 31, 2022 (Audited)
Total assets	$ 684,661	$ 661,175
Gross loans held for investment	511,003	484,676
Allowance for credit losses	6,077	5,594
Loans held for investment, net	504,926	479,082
Federal funds sold	3,682	5,609
Securities	96,773	98,736
Total earning assets	663,569	638,469
Total deposits	579,268	568,633
Shareholders' equity	52,615	47,053
Book value per common share	8.97	7.96

Asset Quality Data	December 31, 2023 (Unaudited)	December 31, 2022 (Audited)
Nonperforming loans		
Non-accrual loans	$ 488	$ 205
Past due loans 90 days or more	0	35
Total nonperforming loans	488	240
Foreclosed Assets	170	25
Total nonperforming assets	$ 658	$ 265
Net charge-offs (recoveries) year to date	30	(96)
Nonperforming assets as a percentage of total loans and foreclosed assets	0.13%	0.05%
Nonperforming assets to total assets	0.10%	0.04%
Allowance for credit losses to nonperforming loans	1,245.29%	2,330.83%
Allowance for credit losses to total loans outstanding	1.19%	1.15%
Net charge-offs (recoveries) to total loans outstanding	0.01%	(0.02)%

Capital Ratio- Community First Bank	December 31, 2023 (Unaudited)	December 31, 2022 (Audited)
Tier 1 Leverage Capital (to average assets)	10.1%	10.0%