NEWS RELEASE

FOR IMMEDIATE RELEASE

Contact: **Richard D. Burleson, Jr. – President and CEO**
Jennifer M. Champagne – Executive Vice President and CFO
864-886-0206

COMMUNITY FIRST BANCORPORATION
Private Placement of Subordinated Debt.

Walhalla, SC

November 24, 2020 (ACCESS WIRE) – Community First Bancorporation (the "Company") (OTC Pink: "CFOK"), the bank holding company for Community First Bank (the "Bank"), today announced the completion of a private placement of $10.0 million of its 5.125% Fixed-to-Floating Rate Subordinated Notes due 2030 (the "Notes") to certain qualified institutional buyers and accredited investors.

The Notes have a maturity date of November 23, 2030 and initially bear interest, payable semi-annually in arrears, at a fixed annual rate of 5.125% per annum until November 23, 2025. Commencing on that date, the interest rate applicable to the outstanding principal amount due will be reset quarterly to an interest rate per annum equal to a benchmark rate, which is expected to be the three-month secured overnight financing rate (SOFR) plus 484.3 basis points, payable semi annually in arrears, until maturity or earlier redemption date. The Company may redeem the Notes at par, in whole or in part, at its option, beginning on November 23, 2025. The Notes are intended to qualify as Tier 2 capital for regulatory capital purposes for the Company.

The Company intends to use the net proceeds from the private placement to fund $8.8 million of its purchase of Security Federal Bancorp announced on October 9, 2020, to enhance its and the banks regulatory capital and for general corporate purposes.

D.A. Davidson and Co. served as sole placement agent for Community First and Brooks, Pierce, McLendon, Humphrey & Leonard, LLP, served as legal counsel.

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 may 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.

# # #