USCB Financial Holdings, Inc. Reports Diluted EPS of $0.23 for Q1 2024 and Announces Adoption of New 500,000 Share Repurchase Program

April 25, 2024

MIAMI, April 25, 2024 (GLOBE NEWSWIRE) -- **USCB Financial Holdings, Inc. (the "Company") (NASDAQ: USCB)**, the holding company for U.S. Century Bank (the "Bank"), reported net income of $4.6 million or $0.23 per diluted share for the three months ended March 31, 2024, compared with net income of $5.8 million or $0.29 per diluted share for the same period in 2023.

"We are pleased to report a robust start to the year, marked by a strong increase in deposits of $165.7 million from the close of 2023. This achievement reflects our diligent execution of strategic plans emphasizing organic growth, including business and retail banking initiatives to deepen existing relationships, new production hires, and innovative deposit-aggregating business verticals," said Luis de la Aguilera, Chairman, President, and CEO. The growth in deposits continues to bolster our capacity for safe and sound lending activities, delivering accretive quarter-over-quarter improvement in average loan coupon rates which contributes to interest income."

"Last month, we initiated a dividend program starting with a rate of $0.05 per share, underscoring our commitment to delivering shareholder value," affirmed de la Aguilera. "Looking ahead to the coming year and evaluating our thriving Florida economy, we anticipate diversified sustainable growth in both loans and deposits."

Unless otherwise stated, all percentage comparisons in the bullet points below are calculated for the quarter ended March 31, 2024 compared to the quarter ended March 31, 2023 and annualized where appropriate.

Profitability

- Annualized return on average assets for the quarter ended March 31, 2024 was 0.76% compared to 1.11% for the first quarter of 2023.
- Annualized return on average stockholders' equity for the quarter ended March 31, 2024 was 9.61% compared to 12.85% for the first quarter of 2023.
- The efficiency ratio for the quarter ended March 31, 2024 was 63.41% compared to 56.32% for the first quarter of 2023.
- Net interest margin for the quarter ended March 31, 2024 was 2.62% compared to 3.22% for the first quarter of 2023.
- Net interest income before provision for credit losses was $15.2 million for the quarter ended March 31, 2024, a decrease of $839 thousand or 5.2% compared to the first quarter of 2023.

Balance Sheet

- Total assets were $2.5 billion at March 31, 2024, representing an increase of $325.3 million or 15.0% from March 31, 2023.
- Total loans were $1.8 billion at March 31, 2024, representing an increase of $240.8 million or 15.2% from March 31, 2023.
- Total deposits were $2.1 billion at March 31, 2024, representing an increase of $272.3 million or 14.9% from March 31, 2023.
- Total stockholders' equity was $195.0 million at March 31, 2024, representing an increase of $11.2 million or 6.1% from March 31, 2023. Total stockholders' equity included accumulated comprehensive loss of $45.4 million at March 31, 2024 compared to accumulated comprehensive loss of $42.1 million at March 31, 2023.

Asset Quality

- The allowance for credit losses ("ACL") increased by $2.6 million to $21.5 million at March 31, 2024 from $18.9 million at March 31, 2023.
- The allowance for credit losses represented 1.18% of total loans at March 31, 2024 and 1.20% at March 31, 2023.
- Non-performing loans to total loans was 0.03% at both March 31, 2024 and March 31, 2023.

Non-interest Income and Non-interest Expense

- Non-interest income was $2.5 million for the three months ended March 31, 2024, an increase of $394 thousand or 19.0% compared to $2.1 million for the same period in 2023.
- Non-interest expense was $11.2 million for the three months ended March 31, 2024, an increase of $998 thousand or 9.8% compared to $10.2 million for the same period in 2023.

Capital

- On January 29, 2024, the Company's Board of Directors declared a cash dividend of $0.05 per share of the Company's Class A common stock. The dividend was paid on March 5, 2024 to shareholders of record at the close of business on February 15, 2023. The aggregate amount distributed in connection with this dividend was $1.0 million.

- The Company's Board of Directors declared a cash dividend of $0.05 per share of the Company's Class A common stock on April 22, 2024. The dividend will be paid on June 5, 2024 to shareholders of record at the close of business on May 15, 2024.
- As of March 31, 2024, total risk-based capital ratios for the Company and the Bank were 12.98% and 12.89%, respectively.
- Tangible book value per common share (a non-GAAP measure) of $9.92 was negatively affected by $2.31 due to accumulated comprehensive loss of $45.4 million at March 31, 2024. At March 31, 2023, tangible book value per common share of $9.37 was negatively affected by $2.14 due to $42.1 million in accumulated comprehensive loss.
- During the quarter the Company repurchased 7,100 shares of Class A common stock at a weighted average price per share of $11.15. The aggregate purchase price for these transactions was approximately $79.2 thousand, including transaction costs. As of March 31, 2024, 72,980 shares remain authorized for repurchase under the Company's previously announced share repurchase program.
- On April 22, 2024, the Board of Directors approved a new share repurchase program of up to 500,000 shares of Class A common stock or approximately 2.5% of the Company's issued and outstanding shares of common stock. Under the repurchase program, the Company may purchase shares of Class A common stock on a discretionary basis from time to time through open market repurchases, privately negotiated transactions, or other means. The repurchase program has no expiration date and may be modified, suspended, or terminated at any time. The new repurchase program will commence upon completion of the current repurchase program. Repurchases under this program will be funded from the Company's existing cash and cash equivalents or future cash flow. As of April 22, 2024, 572,980 shares remain authorized for repurchase under the Company's share repurchase programs.

Conference Call and Webcast

The Company will host a conference call on Friday, April 26, 2024, at 11:00 a.m. Eastern Time to discuss the Company's unaudited financial results for the quarter ended March 31, 2024. To access the conference call, dial (833) 816-1416 (U.S. toll-free) and ask to join the USCB Financial Holdings Call.

Additionally, interested parties can listen to a live webcast of the call in the "Investor Relations" section of the Company's website at www.uscentury.com. An archived version of the webcast will be available in the same location shortly after the live call has ended.

About USCB Financial Holdings, Inc.

USCB Financial Holdings, Inc. is the bank holding company for U.S. Century Bank. Established in 2002, U.S. Century Bank is one of the largest community banks headquartered in Miami, and one of the largest community banks in the State of Florida. U.S. Century Bank is rated 5-Stars by BauerFinancial, the nation's leading independent bank rating firm. U.S. Century Bank offers customers a wide range of financial products and services and supports numerous community organizations, including the Greater Miami Chamber of Commerce, the South Florida Hispanic Chamber of Commerce, and ChamberSouth. For more information about us or to find a banking center near you, please call (305) 715-5200 or visit www.uscentury.com.

Forward-Looking Statements

This earnings release may contain statements that are not historical in nature and are intended to be, and are hereby identified as, forward-looking statements for purposes of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are those that are not historical facts. The words "may," "will," "anticipate," "could," "should," "would," "believe," "contemplate," "expect," "aim," "plan," "estimate," "continue," and "intend,", the negative of these terms, as well as other similar words and expressions of the future, are intended to identify forward-looking statements. These forward-looking statements include, but are not limited to, statements related to our projected growth, anticipated future financial performance, and management's long-term performance goals, as well as statements relating to the anticipated effects on results of operations and financial condition from expected or potential developments or events, or business and growth strategies, including anticipated internal growth and balance sheet restructuring.

These forward-looking statements involve significant risks and uncertainties that could cause our actual results to differ materially from those anticipated in such statements. Potential risks and uncertainties include, but are not limited to:

- the strength of the United States economy in general and the strength of the local economies in which we conduct operations;
- our ability to successfully manage interest rate risk, credit risk, liquidity risk, and other risks inherent to our industry;
- the accuracy of our financial statement estimates and assumptions, including the estimates used for our credit loss reserve and deferred tax asset valuation allowance;
- the efficiency and effectiveness of our internal control procedures and processes;
- our ability to comply with the extensive laws and regulations to which we are subject, including the laws for each jurisdiction where we operate;
- adverse changes or conditions in capital and financial markets, including actual or potential stresses in the banking industry;
- deposit attrition and the level of our uninsured deposits;
- legislative or regulatory changes and changes in accounting principles, policies, practices or guidelines, including the on-going effects of the implementation of the Current Expected Credit Losses ("CECL") standard;
- the lack of a significantly diversified loan portfolio and the concentration in the South Florida market, including the risks of

geographic, depositor, and industry concentrations, including our concentration in loans secured by real estate, in particular, commercial real estate;
- the effects of climate change;
- the concentration of ownership of our common stock;
- fluctuations in the price of our common stock;
- our ability to fund or access the capital markets at attractive rates and terms and manage our growth, both organic growth as well as growth through other means, such as future acquisitions;
- inflation, interest rate, unemployment rate, market and monetary fluctuations;
- impacts of international hostilities and geopolitical events;
- increased competition and its effect on the pricing of our products and services as well as our interest rate spread and net interest margin;
- the loss of key employees;
- the effectiveness of our risk management strategies, including operational risks, including, but not limited to, client, employee, or third-party fraud and security breaches; and
- other risks described in this earnings release and other filings we make with the Securities and Exchange Commission ("SEC").

All forward-looking statements are necessarily only estimates of future results, and there can be no assurance that actual results will not differ materially from expectations. Therefore, you are cautioned not to place undue reliance on any forward-looking statements. Further, forward-looking statements included in this earnings release are made only as of the date hereof, and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statements are made or to reflect the occurrence of unanticipated events, unless required to do so under the federal securities laws. You should also review the risk factors described in the reports the Company filed or will file with the SEC.

Non-GAAP Financial Measures

This earnings release includes financial information determined by methods other than in accordance with generally accepted accounting principles ("GAAP"). This financial information includes certain operating performance measures. Management has included these non-GAAP measures because it believes these measures may provide useful supplemental information for evaluating the Company's operations and underlying performance trends. Further, management uses these measures in managing and evaluating the Company's business and intends to refer to them in discussions about our operations and performance. Operating performance measures should be viewed in addition to, and not as an alternative to or substitute for, measures determined in accordance with GAAP, and are not necessarily comparable to non-GAAP measures that may be presented by other companies. Reconciliations of these non-GAAP measures to the most directly comparable GAAP measures can be found in the 'Non-GAAP Reconciliation Tables' included in the exhibits to this earnings release.

All numbers included in this press release are unaudited unless otherwise noted.

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USCB FINANCIAL HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
(Dollars in thousands, except per share data)

	Three Months Ended March 31,	
	2024	**2023**
Interest income:		
Loans, including fees	$ 26,643	$ 19,711
Investment securities	2,811	2,286
Interest-bearing deposits in financial institutions	1,433	382
Total interest income	30,887	22,379
Interest expense:		
Interest-bearing checking	369	43
Savings and money market accounts	10,394	4,785
Time deposits	3,294	1,057
FHLB advances and other borrowings	1,672	497
Total interest expense	15,729	6,382
Net interest income before provision for credit losses	15,158	15,997
Provision for credit losses	410	201

Net interest income after provision for credit losses	14,748	15,796
Non-interest income:		
Service fees	1,651	1,205
Gain (loss) on sale of securities available for sale, net	-	(21)
Gain on sale of loans held for sale, net	67	347
Other non-interest income	746	539
Total non-interest income	2,464	2,070
Non-interest expense:		
Salaries and employee benefits	6,310	6,377
Occupancy	1,314	1,299
Regulatory assessments and fees	433	224
Consulting and legal fees	592	358
Network and information technology services	507	478
Other operating expense	2,018	1,440
Total non-interest expense	11,174	10,176
Net income before income tax expense	6,038	7,690
Income tax expense	1,426	1,881
Net income	$ 4,612	$ 5,809
Per share information:		
Net income per common share, basic	$ 0.23	$ 0.29
Net income per common share, diluted	$ 0.23	$ 0.29
Cash dividends declared	$ 0.05	$ -
Weighted average shares outstanding:		
Common shares, basic	19,633,330	19,855,409
Common shares, diluted	19,698,258	19,940,606

USCB FINANCIAL HOLDINGS, INC.
SELECTED FINANCIAL DATA (UNAUDITED)
(Dollars in thousands, except per share data)

	As of or For the Three Months Ended				
	3/31/2024	**12/31/2023**	**9/30/2023**	**6/30/2023**	**3/31/2023**
Income statement data:					
Net interest income	$ 15,158	$ 14,376	$ 14,022	$ 14,173	$ 15,997
Provision for credit losses	410	1,475	653	38	201
Net interest income after provision for credit losses	14,748	12,901	13,369	14,135	15,796
Service fees	1,651	1,348	1,329	1,173	1,205
Gain (loss) on sale of securities available for sale, net	-	(883)	(955)	-	(21)
Gain on sale of loans held for sale, net	67	105	255	94	347
Other income	746	756	1,532	579	539
Total non-interest income	2,464	1,326	2,161	1,846	2,070
Salaries and employee benefits	6,310	6,104	6,066	5,882	6,377
Occupancy	1,314	1,262	1,350	1,319	1,299
Regulatory assessments and fees	433	412	365	452	224
Consulting and legal fees	592	642	513	386	358
Network and information technology services	507	552	481	505	478
Other operating expense	2,018	1,747	1,686	1,908	1,440
Total non-interest expense	11,174	10,719	10,461	10,452	10,176
Net income before income tax expense	6,038	3,508	5,069	5,529	7,690
Income tax expense	1,426	787	1,250	1,333	1,881
Net income	$ 4,612	$ 2,721	$ 3,819	$ 4,196	$ 5,809
Per share information:					
Net income per common share, basic	$ 0.23	$ 0.14	$ 0.20	$ 0.21	$ 0.29
Net income per common share, diluted	$ 0.23	$ 0.14	$ 0.19	$ 0.21	$ 0.29
Cash dividends declared	$ 0.05	$ -	$ -	$ -	$ -

Balance sheet data (at period-end):					
Cash and cash equivalents	$ 126,546	$ 41,062	$ 33,435	$ 87,280	$ 63,251
Securities available-for-sale	$ 259,992	$ 229,329	$ 218,609	$ 218,442	$ 229,409
Securities held-to-maturity	$ 173,038	$ 174,974	$ 197,311	$ 220,956	$ 186,428
Total securities	$ 433,030	$ 404,303	$ 415,920	$ 439,398	$ 415,837
Loans held for investment (1)	$ 1,821,196	$ 1,780,827	$ 1,676,520	$ 1,595,959	$ 1,580,394
Allowance for credit losses	$ (21,454)	$ (21,084)	$ (19,493)	$ (18,815)	$ (18,887)
Total assets	$ 2,489,142	$ 2,339,093	$ 2,244,602	$ 2,225,914	$ 2,163,821
Non-interest-bearing deposits	$ 576,626	$ 552,762	$ 573,546	$ 572,360	$ 633,606
Interest-bearing deposits	$ 1,526,168	$ 1,384,377	$ 1,347,376	$ 1,348,941	$ 1,196,856
Total deposits	$ 2,102,794	$ 1,937,139	$ 1,920,922	$ 1,921,301	$ 1,830,462
FHLB advances and other borrowings	$ 162,000	$ 183,000	$ 102,000	$ 87,000	$ 120,000
Total liabilities	$ 2,294,131	$ 2,147,125	$ 2,061,718	$ 2,042,229	$ 1,979,963
Total stockholders' equity	$ 195,011	$ 191,968	$ 182,884	$ 183,685	$ 183,858
Capital ratios: (2)					
Leverage ratio	8.91%	9.28%	9.26%	9.32%	9.36%
Common equity tier 1 capital	11.80%	11.62%	11.97%	12.27%	12.04%
Tier 1 risk-based capital	11.80%	11.62%	11.97%	12.27%	12.04%
Total risk-based capital	12.98%	12.78%	13.10%	13.42%	13.20%

(1) Loan amounts include deferred fees/costs.

(2) Reflects the Company's regulatory capital ratios which are provided for information purposes only; as a small bank holding company, the Company is not subject to regulatory capital requirements.

USCB FINANCIAL HOLDINGS, INC.
AVERAGE BALANCES, RATIOS, AND OTHER DATA (UNAUDITED)
(Dollars in thousands)

	As of or For the Three Months Ended				
	3/31/2024	**12/31/2023**	**9/30/2023**	**6/30/2023**	**3/31/2023**
Average balance sheet data:					
Cash and cash equivalents	$ 132,266	$ 57,069	$ 90,742	$ 94,313	$ 50,822
Securities available-for-sale	$ 239,896	$ 215,649	$ 222,134	$ 224,913	$ 230,336
Securities held-to-maturity	$ 174,142	$ 181,151	$ 218,694	$ 192,628	$ 187,826
Total securities	$ 414,038	$ 396,800	$ 440,828	$ 417,541	$ 418,162
Loans held for investment(1)	$ 1,781,528	$ 1,698,611	$ 1,610,864	$ 1,569,266	$ 1,547,393
Total assets	$ 2,436,103	$ 2,268,811	$ 2,250,258	$ 2,183,542	$ 2,120,218
Interest-bearing deposits	$ 1,473,831	$ 1,336,470	$ 1,353,516	$ 1,270,657	$ 1,179,878
Non-interest-bearing deposits	$ 574,760	$ 577,133	$ 587,917	$ 601,778	$ 664,369
Total deposits	$ 2,048,591	$ 1,913,603	$ 1,941,433	$ 1,872,435	$ 1,844,247
FHLB advances and other borrowings	$ 164,187	$ 139,000	$ 85,326	$ 93,075	$ 61,600
Total liabilities	$ 2,243,011	$ 2,085,182	$ 2,065,357	$ 1,999,304	$ 1,936,847
Total stockholders' equity	$ 193,092	$ 183,629	$ 184,901	$ 184,238	$ 183,371
Performance ratios:					
Return on average assets (2)	0.76%	0.48%	0.67%	0.77%	1.11%
Return on average equity (2)	9.61%	5.88%	8.19%	9.13%	12.85%
Net interest margin (2)	2.62%	2.65%	2.60%	2.73%	3.22%
Non-interest income (loss) to average assets (2)	0.41%	0.23%	0.38%	0.34%	0.40%
Efficiency ratio (3)	63.41%	68.27%	64.64%	65.25%	56.32%
Loans by type (at period end): (4)					
Residential real estate	$ 237,906	$ 204,419	$ 188,880	$ 183,093	$ 184,427
Commercial real estate	$ 1,057,800	$ 1,047,593	$ 1,005,280	$ 989,401	$ 987,757
Commercial and industrial	$ 228,045	$ 219,757	$ 212,975	$ 169,401	$ 160,947
Foreign banks	$ 100,182	$ 114,945	$ 94,640	$ 85,409	$ 97,405
Consumer and other	$ 194,325	$ 191,930	$ 173,096	$ 167,845	$ 149,410
Asset quality data:					
Allowance for credit losses to total loans	1.18%	1.18%	1.16%	1.18%	1.20%

Allowance for credit losses to non-performing loans	4,705%	4,505%	4,070%	3,871%	3,886%
Total non-performing loans[5]	$ 456	$ 468	$ 479	$ 486	$ 486
Non-performing loans to total loans	0.03%	0.03%	0.03%	0.03%	0.03%
Non-performing assets to total assets[5]	0.02%	0.02%	0.02%	0.02%	0.02%
Net charge-offs (recoveries of) to average loans [2]	(0.00)%	(0.00)%	(0.00)%	0.01%	(0.01)%
Net charge-offs (recovery) of credit losses	$ (7)	$ (3)	$ (5)	$ 29	$ (49)
Interest rates and yields:[2]					
Loans	6.01%	5.79%	5.55%	5.33%	5.17%
Investment securities	2.69%	2.46%	2.52%	2.26%	2.20%
Total interest-earning assets	5.34%	5.16%	4.89%	4.68%	4.51%
Deposits	2.76%	2.53%	2.39%	1.99%	1.29%
FHLB advances and other borrowings	4.10%	4.04%	3.19%	3.42%	3.27%
Total interest-bearing liabilities	3.86%	3.66%	3.41%	2.97%	2.08%
Other information:					
Full-time equivalent employees	199	196	194	198	196

(1) Loan amounts include deferred fees/costs.

(2) Annualized.

(3) Efficiency ratio is defined as total non-interest expense divided by sum of net interest income and total non-interest income.

(4) Loan amounts exclude deferred fees/costs.

(5) The amounts for total non-performing loans and total non-performing assets are the same at the dates presented since there were no impaired investments or other real estate owned (OREO) recorded.

USCB FINANCIAL HOLDINGS, INC.
NET INTEREST MARGIN (UNAUDITED)
(Dollars in thousands)

	Three Months Ended March 31,					
	2024			2023		
	Average Balance	Interest	Yield/Rate [1]	Average Balance	Interest	Yield/Rate [1]
Assets						
Interest-earning assets:						
Loans [2]	$ 1,781,528	$ 26,643	6.01%	$ 1,547,393	$ 19,711	5.17%
Investment securities [3]	419,989	2,811	2.69%	421,717	2,286	2.20%
Other interest-earning assets	125,244	1,433	4.60%	43,084	382	3.60%
Total interest-earning assets	2,326,761	30,887	5.34%	2,012,194	22,379	4.51%
Non-interest-earning assets	109,342			108,024		
Total assets	$ 2,436,103			$ 2,120,218		
Liabilities and stockholders' equity						
Interest-bearing liabilities:						
Interest-bearing checking	$ 53,344	369	2.78%	$ 58,087	43	0.30%
Saving and money market deposits	1,097,575	10,394	3.81%	897,061	4,785	2.16%
Time deposits	322,912	3,294	4.10%	224,730	1,057	1.91%
Total interest-bearing deposits	1,473,831	14,057	3.84%	1,179,878	5,885	2.02%
FHLB advances and other borrowings	164,187	1,672	4.10%	61,600	497	3.27%
Total interest-bearing liabilities	1,638,018	15,729	3.86%	1,241,478	6,382	2.08%
Non-interest-bearing demand deposits	574,760			664,369		
Other non-interest-bearing liabilities	30,233			31,000		
Total liabilities	2,243,011			1,936,847		
Stockholders' equity	193,092			183,371		

Total liabilities and stockholders' equity	$ 2,436,103		$ 2,120,218	
Net interest income		$ 15,158		$ 15,997
Net interest spread [4]		1.48%		2.43%
Net interest margin [5]		2.62%		3.22%

(1) Annualized.

(2) Average loan balances include non-accrual loans. Interest income on loans includes accretion of deferred loan fees, net of deferred loan costs.

(3) At fair value except for securities held to maturity. This amount includes FHLB stock.

(4) Net interest spread is the average yield earned on total interest-earning assets minus the average rate paid on total interest-bearing liabilities.

(5) Net interest margin is the ratio of net interest income to total interest-earning assets.

USCB FINANCIAL HOLDINGS, INC.
NON-GAAP FINANCIAL MEASURES (UNAUDITED)
(Dollars in thousands)

	As of or For the Three Months Ended				
	3/31/2024	**12/31/2023**	**9/30/2023**	**6/30/2023**	**3/31/2023**
Pre-tax pre-provision ("PTPP") income:[1]					
Net income	$ 4,612	$ 2,721	$ 3,819	$ 4,196	$ 5,809
Plus: Provision for income taxes	1,426	787	1,250	1,333	1,881
Plus: Provision for credit losses	410	1,475	653	38	201
PTPP income	$ 6,448	$ 4,983	$ 5,722	$ 5,567	$ 7,891
PTPP return on average assets:[1]					
PTPP income	$ 6,448	$ 4,983	$ 5,722	$ 5,567	$ 7,891
Average assets	$ 2,436,103	$ 2,268,811	$ 2,250,258	$ 2,183,542	$ 2,120,218
PTPP return on average assets [2]	1.06%	0.87%	1.01%	1.02%	1.51%
Operating net income:[1]					
Net income	$ 4,612	$ 2,721	$ 3,819	$ 4,196	$ 5,809
Less: Net gains (losses) on sale of securities	-	(883)	(955)	-	(21)
Less: Tax effect on sale of securities	-	224	242	-	5
Operating net income	$ 4,612	$ 3,380	$ 4,532	$ 4,196	$ 5,825
Operating PTPP income:[1]					
PTPP income	$ 6,448	$ 4,983	$ 5,722	$ 5,567	$ 7,891
Less: Net gains (losses) on sale of securities	-	(883)	(955)	-	(21)
Operating PTPP income	$ 6,448	$ 5,866	$ 6,677	$ 5,567	$ 7,912
Operating PTPP return on average assets:[1]					
Operating PTPP income	$ 6,448	$ 5,866	$ 6,677	$ 5,567	$ 7,912
Average assets	$ 2,436,103	$ 2,268,811	$ 2,250,258	$ 2,183,542	$ 2,120,218
Operating PTPP return on average assets [2]	1.06%	1.03%	1.18%	1.02%	1.51%
Operating return on average assets:[1]					
Operating net income	$ 4,612	$ 3,380	$ 4,532	$ 4,196	$ 5,825
Average assets	$ 2,436,103	$ 2,268,811	$ 2,250,258	$ 2,183,542	$ 2,120,218
Operating return on average assets [2]	0.76%	0.59%	0.80%	0.77%	1.11%
Operating return on average equity:[1]					
Operating net income	$ 4,612	$ 3,380	$ 4,532	$ 4,196	$ 5,825
Average equity	$ 193,092	$ 183,629	$ 184,901	$ 184,238	$ 183,371
Operating return on average equity [2]	9.61%	7.30%	9.72%	9.13%	12.88%

Operating Revenue:[1]					
Net interest income	$ 15,158	$ 14,376	$ 14,022	$ 14,173	$ 15,997
Non-interest income	2,464	1,326	2,161	1,846	2,070
Less: Net gains (losses) on sale of securities	-	(883)	(955)	-	(21)
Operating revenue	$ 17,622	$ 16,585	$ 17,138	$ 16,019	$ 18,088
Operating Efficiency Ratio:[1]					
Total non-interest expense	$ 11,174	$ 10,719	$ 10,461	$ 10,452	$ 10,176
Operating revenue	$ 17,622	$ 16,585	$ 17,138	$ 16,019	$ 18,088
Operating efficiency ratio	63.41%	64.63%	61.04%	65.25%	56.26%

(1) The Company believes these non-GAAP measurements are key indicators of the ongoing earnings power of the Company.
(2) Annualized.

USCB FINANCIAL HOLDINGS, INC.
NON-GAAP FINANCIAL MEASURES (UNAUDITED)
(Dollars in thousands, except per share data)

	As of or For the Three Months Ended				
	3/31/2024	**12/31/2023**	**9/30/2023**	**6/30/2023**	**3/31/2023**
Tangible book value per common share (at period-end):[1]					
Total stockholders' equity	$ 195,011	$ 191,968	$ 182,884	$ 183,685	$ 183,858
Less: Intangible assets	-	-	-	-	-
Tangible stockholders' equity	$ 195,011	$ 191,968	$ 182,884	$ 183,685	$ 183,858
Total shares issued and outstanding (at period-end):					
Total common shares issued and outstanding	19,650,463	19,575,435	19,542,290	19,544,777	19,622,380
Tangible book value per common share[2]	$ 9.92	$ 9.81	$ 9.36	$ 9.40	$ 9.37
Operating diluted net income per common share:[1]					
Operating net income	$ 4,612	$ 3,380	$ 4,532	$ 4,196	$ 5,825
Total weighted average diluted shares of common stock	19,698,258	19,573,350	19,611,897	19,639,682	19,940,606
Operating diluted net income per common share:	$ 0.23	$ 0.17	$ 0.23	$ 0.21	$ 0.29
Tangible Common Equity/Tangible Assets[1]					
Tangible stockholders' equity	$ 195,011	$ 191,968	$ 182,884	$ 183,685	$ 183,858
Tangible total assets[3]	$ 2,489,142	$ 2,339,093	$ 2,244,602	$ 2,225,914	$ 2,163,821
Tangible Common Equity/Tangible Assets	7.83%	8.21%	8.15%	8.25%	8.50%

(1) The Company believes these non-GAAP measurements are key indicators of the ongoing earnings power of the Company.
(2) Excludes the dilutive effect, if any, of shares of common stock issuable upon exercise of outstanding stock options.
(3) Since the Company has no intangible assets, tangible total assets is the same amount as total assets calculated under GAAP.