USCB Financial Holdings, Inc. Reports Fully Diluted EPS of $0.34 for Q4 2024 and doubles the quarterly dividend to $0.10 per share; ROAA of 1.08% and ROAE of 12.73%

January 23, 2025

MIAMI, Jan. 23, 2025 (GLOBE NEWSWIRE) -- **USCB Financial Holdings, Inc. (the "Company") (NASDAQ: USCB)**, the holding company for U.S. Century Bank (the "Bank"), reported net income of $6.9 million or $0.34 per fully diluted share for the three months ended December 31, 2024, compared with net income of $2.7 million or $0.14 per fully diluted share for the same period in 2023.

"The results in Q4 2024, highlight a record year for USCB. The team outperformed our internal budget and delivered impressive results for our shareholders. A year ago, we posted $0.14 per share in diluted EPS in Q4 2023 and more than doubled those earnings this quarter to $0.34 per share. Our continued focus on reducing deposit costs has contributed to the net interest margin (NIM) expansion, helping us maintain solid profitability. While we did experience an increase in non-interest expense, primarily due to non-routine items, overall profitability was consistent with the third quarter. Given the earnings power of the Company, outlook for 2025, and strong capital levels, the board approved to double the quarterly cash dividend to $0.10 per share. For 2025, we remain focused on managing operating costs efficiently to drive sustainable performance and delivering value to our shareholders," said Luis de la Aguilera, Chairman, President, and CEO.

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

Profitability

- Annualized return on average assets for the quarter ended December 31, 2024 was 1.08% compared to 0.48% for the fourth quarter of 2023.
- Annualized return on average stockholders' equity for the quarter ended December 31, 2024 was 12.73% compared to 5.88% for the fourth quarter of 2023.
- The efficiency ratio for the quarter ended December 31, 2024 was 55.92% compared to 68.27% for the fourth quarter of 2023.
- Net interest margin for the quarter ended December 31, 2024 was 3.16% compared to 2.65% for the fourth quarter of 2023.
- Net interest income before provision for credit losses was $19.4 million for the quarter ended December 31, 2024, an increase of $5.0 million or 34.7% compared to the fourth quarter of 2023.

Balance Sheet

- Total assets were $2.6 billion at December 31, 2024, representing an increase of $242.1 million or 10.4% from $2.3 billion at December 31, 2023.
- Total loans held for investment were $2.0 billion at December 31, 2024, representing an increase of $192.0 million or 10.8% from $1.8 billion at December 31, 2023.
- Total deposits were $2.2 billion at December 31, 2024, representing an increase of $236.9 million or 12.2% from $1.9 billion at December 31, 2023.
- Total stockholders' equity was $215.4 million at December 31, 2024, representing an increase of $23.4 million or 12.2% from $192.0 million at December 31, 2023. Total stockholders' equity included accumulated comprehensive loss of $44.5 million at December 31, 2024 compared to accumulated comprehensive loss of $44.3 million at December 31, 2023.

Asset Quality

- The allowance for credit losses ("ACL") increased by $3.0 million to $24.1 million at December 31, 2024 from $21.1 million at December 31, 2023.
- The ACL represented 1.22% of total loans at December 31, 2024 and 1.18% at December 31, 2023.
- The provision for credit loss was $1.0 million for the quarter ended December 31, 2024, a decrease of $445 thousand compared to the fourth quarter of 2023.

- Non-performing loans to total loans was 0.14% at December 31, 2024 and 0.03% at December 31, 2023. Nonperforming loans totaled $2.7 million at December 31, 2024 and $468 thousand at December 31, 2023.

Non-interest Income and Non-interest Expense

- Non-interest income was $3.6 million for the three months ended December 31, 2024, an increase of $2.3 million or 173.5% compared to $1.3 million for the same period in 2023.

- Non-interest expense was $12.9 million for the three months ended December 31, 2024, an increase of $2.1 million or 19.9% compared to $10.7 million for the same period in 2023.

- Non-interest expense for the three months ended December 31, 2024, increased $1.4 million compared to the three months ended September 30, 2024 due to routine increases of $362 thousand and non-routine increases of $1.0 million. Routine increases for the fourth quarter 2024 were: $110 thousand increase to salaries and employee benefits due to merit increases and higher replacement cost of personnel, $218 thousand increase in consulting and legal fees due to timing of billings throughout the year, and $104 thousand increase in other operating expense. Occupancy, regulatory assessment and fees, and network and information technology had a net decrease of $70 thousand. Non-routine increases for the fourth quarter 2024 were: $620 thousand in salaries and employee benefits due to restricted stock award expense (a shorter initial vesting period; annual expense was recognized in two months), $173 thousand in legal expenses for various items which the Company expects to be reimbursed in coming quarters, $174 thousand increase in other operating expenses due to forced placed-insurance expense related to borrowers which the Company expects to be reimbursed in coming quarters, and $71 thousand due to excise tax related to the Company's stock repurchases pursuant to its previously announced stock repurchase programs. Non-routine expenses had an impact of ($0.04) on diluted EPS for the fourth quarter 2024.

Capital

- On January 21, 2025, the Company's Board of Directors declared a quarterly cash dividend of $0.10 per share of the Company's Class A common stock. The dividend will be paid on March 5, 2025 to shareholders of record at the close of business on February 14, 2025.

- As of December 31, 2024, total risk-based capital ratios for the Company and the Bank were 13.51% and 13.34%, respectively.

- Tangible book value per common share (a non-GAAP measure) was $10.81 at December 31, 2024, representing increase of $1.00 or 10.2% from $9.81 at December 31, 2023. At December 31, 2024, tangible book value per common share was negatively affected by ($2.24) per share due to an accumulated comprehensive loss of $44.5 million due to changes in the market value of our available for sale securities during the fourth quarter. At December 31, 2023, tangible book value per common share was negatively affected by ($2.26) per share due to an accumulated comprehensive loss of $44.3 million.

Conference Call and Webcast

The Company will host a conference call on Friday, January 24, 2025, at 11:00 a.m. Eastern Time to discuss the Company's unaudited financial results for the quarter ended December 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," "seek,""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

our 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, and 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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CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(Dollars in thousands, except per share data)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2024	2023	2024	2023
Interest income:				
Loans, including fees	$ 30,757	$ 24,803	$ 115,236	$ 87,884
Investment securities	2,846	2,511	11,480	10,012
Interest-bearing deposits in financial institutions	564	662	4,517	3,121
Total interest income	34,167	27,976	131,233	101,017
Interest expense:				
Interest-bearing checking deposits	338	327	1,509	901
Savings and money market accounts	9,569	9,126	40,098	29,658
Time deposits	3,447	2,733	13,354	8,500
FHLB advances and other borrowings	1,455	1,414	6,336	3,390
Total interest expense	14,809	13,600	61,297	42,449
Net interest income before provision for credit losses	19,358	14,376	69,936	58,568
Provision for credit losses	1,030	1,475	3,157	2,367
Net interest income after provision for credit losses	18,328	12,901	66,779	56,201
Non-interest income:				
Service fees	2,667	1,348	8,839	5,055
Gain (loss) on sale of securities available for sale, net	-	(883)	14	(1,859)
Gain on sale of loans held for sale, net	154	105	747	801
Other non-interest income	806	756	3,140	3,406
Total non-interest income	3,627	1,326	12,740	7,403
Non-interest expense:				
Salaries and employee benefits	7,930	6,104	28,793	24,429
Occupancy	1,337	1,262	5,258	5,230
Regulatory assessments and fees	405	412	1,766	1,453
Consulting and legal fees	552	642	1,568	1,899
Network and information technology services	494	552	1,993	2,016
Other operating expense	2,136	1,747	7,664	6,781
Total non-interest expense	12,854	10,719	47,042	41,808
Net income before income tax expense	9,101	3,508	32,477	21,796
Income tax expense	2,197	787	7,803	5,251
Net income	$ 6,904	$ 2,721	$ 24,674	$ 16,545
Per share information:				
Net income per common share, basic	$ 0.35	$ 0.14	$ 1.25	$ 0.84
Net income per common share, diluted	$ 0.34	$ 0.14	$ 1.24	$ 0.84
Cash dividends declared	$ 0.05	$ -	$ 0.20	$ -
Weighted average shares outstanding:				
Common shares, basic	19,795,589	19,503,043	19,675,444	19,621,698
Common shares, diluted	20,183,731	19,573,350	19,831,421	19,687,634

USCB FINANCIAL HOLDINGS, INC.

SELECTED FINANCIAL DATA (UNAUDITED)

(Dollars in thousands, except per share data)

	As of or For the Three Months Ended				
	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023
Income statement data:					
Net interest income	$ 19,358	$ 18,109	$ 17,311	$ 15,158	$ 14,376
Provision for credit losses	1,030	931	786	410	1,475
Net interest income after provision for credit losses	18,328	17,178	16,525	14,748	12,901
Service fees	2,667	2,544	1,977	1,651	1,348
Gain (loss) on sale of securities available for sale, net	-	-	14	-	(883)

Gain on sale of loans held for sale, net	154	109	417	67	105
Other income	806	785	803	746	756
Total non-interest income	3,627	3,438	3,211	2,464	1,326
Salaries and employee benefits	7,930	7,200	7,353	6,310	6,104
Occupancy	1,337	1,341	1,266	1,314	1,262
Regulatory assessments and fees	405	452	476	433	412
Consulting and legal fees	552	161	263	592	642
Network and information technology services	494	513	479	507	552
Other operating expense	2,136	1,787	1,723	2,018	1,747
Total non-interest expense	12,854	11,454	11,560	11,174	10,719
Net income before income tax expense	9,101	9,162	8,176	6,038	3,508
Income tax expense	2,197	2,213	1,967	1,426	787
Net income	$ 6,904	$ 6,949	$ 6,209	$ 4,612	$ 2,721
Per share information:					
Net income per common share, basic	$ 0.35	$ 0.35	$ 0.32	$ 0.23	$ 0.14
Net income per common share, diluted	$ 0.34	$ 0.35	$ 0.31	$ 0.23	$ 0.14
Cash dividends declared	$ 0.05	$ 0.05	$ 0.05	$ 0.05	$ -
Balance sheet data (at period-end):					
Cash and cash equivalents	$ 77,035	$ 38,486	$ 77,261	$ 126,546	$ 41,062
Securities available-for-sale	$ 260,221	$ 259,527	$ 236,444	$ 259,992	$ 229,329
Securities held-to-maturity	$ 164,694	$ 167,001	$ 169,606	$ 173,038	$ 174,974
Total securities	$ 424,915	$ 426,528	$ 406,050	$ 433,030	$ 404,303
Loans held for investment [1]	$ 1,972,848	$ 1,931,362	$ 1,869,249	$ 1,821,196	$ 1,780,827
Allowance for credit losses	$ (24,070)	$ (23,067)	$ (22,230)	$ (21,454)	$ (21,084)
Total assets	$ 2,581,216	$ 2,503,954	$ 2,458,270	$ 2,489,142	$ 2,339,093
Non-interest-bearing demand deposits	$ 575,159	$ 637,313	$ 579,243	$ 576,626	$ 552,762
Interest-bearing deposits	$ 1,598,845	$ 1,489,304	$ 1,477,459	$ 1,526,168	$ 1,384,377
Total deposits	$ 2,174,004	$ 2,126,617	$ 2,056,702	$ 2,102,794	$ 1,937,139
FHLB advances and other borrowings	$ 163,000	$ 118,000	$ 162,000	$ 162,000	$ 183,000
Total liabilities	$ 2,365,828	$ 2,290,038	$ 2,257,250	$ 2,294,131	$ 2,147,125
Total stockholders' equity	$ 215,388	$ 213,916	$ 201,020	$ 195,011	$ 191,968
Capital ratios: [2]					
Leverage ratio	9.53%	9.34%	9.03%	8.91%	9.28%
Common equity tier 1 capital	12.28%	12.01%	11.93%	11.80%	11.62%
Tier 1 risk-based capital	12.28%	12.01%	11.93%	11.80%	11.62%
Total risk-based capital	13.51%	13.22%	13.12%	12.98%	12.78%

(1) Loan amounts include deferred fees/costs.

(2) Reflects the Company's regulatory capital ratios which are provided for informational purposes only; as a small bank holding company, the Company is not subject to regulatory capital requirements. The Bank's total risk-based capital for fourth quarter 2024 was 13.34%.

USCB FINANCIAL HOLDINGS, INC.

AVERAGE BALANCES, RATIOS, AND OTHER DATA (UNAUDITED)

(Dollars in thousands)

	As of or For the Three Months Ended				
	12/31/2024	**9/30/2024**	**6/30/2024**	**3/31/2024**	**12/31/2023**
Average balance sheet data:					
Cash and cash equivalents	$ 56,937	$ 87,937	$ 107,831	$ 132,266	$ 57,069
Securities available-for-sale	$ 255,786	$ 244,882	$ 263,345	$ 239,896	$ 215,649
Securities held-to-maturity	$ 165,831	$ 168,632	$ 171,682	$ 174,142	$ 181,151
Total securities	$ 421,617	$ 413,514	$ 435,027	$ 414,038	$ 396,800
Loans held for investment [1]	$ 1,958,566	$ 1,878,230	$ 1,828,487	$ 1,781,528	$ 1,698,611
Total assets	$ 2,544,592	$ 2,485,434	$ 2,479,222	$ 2,436,103	$ 2,268,811
Interest-bearing deposits	$ 1,547,789	$ 1,468,067	$ 1,473,513	$ 1,473,831	$ 1,336,470
Non-interest-bearing demand deposits	$ 590,829	$ 609,456	$ 610,370	$ 574,760	$ 577,133
Total deposits	$ 2,138,618	$ 2,077,523	$ 2,083,883	$ 2,048,591	$ 1,913,603

FHLB advances and other borrowings	$ 151,804	$ 156,043	$ 162,000	$ 164,187	$ 139,000
Total liabilities	$ 2,328,877	$ 2,278,793	$ 2,281,467	$ 2,243,011	$ 2,085,182
Total stockholders' equity	$ 215,715	$ 206,641	$ 197,755	$ 193,092	$ 183,629
Performance ratios:					
Return on average assets [2]	1.08%	1.11%	1.01%	0.76%	0.48%
Return on average equity [2]	12.73%	13.38%	12.63%	9.61%	5.88%
Net interest margin [2]	3.16%	3.03%	2.94%	2.62%	2.65%
Non-interest income to average assets [2]	0.57%	0.55%	0.52%	0.41%	0.23%
Non-interest expense to average assets [2]	2.01%	1.83%	1.88%	1.84%	1.87%
Efficiency ratio [3]	55.92%	53.16%	56.33%	63.41%	68.27%
Loans by type (at period end): [4]					
Residential real estate	$ 297,979	$ 283,477	$ 256,807	$ 237,906	$ 204,419
Commercial real estate	$ 1,128,399	$ 1,095,112	$ 1,053,030	$ 1,057,800	$ 1,047,593
Commercial and industrial	$ 258,311	$ 246,539	$ 248,525	$ 228,045	$ 219,757
Correspondent banks	$ 82,438	$ 103,815	$ 112,510	$ 100,182	$ 114,945
Consumer and other	$ 198,091	$ 198,604	$ 194,644	$ 194,325	$ 191,930
Asset quality data:					
Allowance for credit losses to total loans	1.22%	1.19%	1.19%	1.18%	1.18%
Allowance for credit losses to non-performing loans	889%	846%	2,933%	4,705%	4,505%
Total non-performing loans[5]	$ 2,707	$ 2,725	$ 758	$ 456	$ 468
Non-performing loans to total loans	0.14%	0.14%	0.04%	0.03%	0.03%
Non-performing assets to total assets[5]	0.10%	0.11%	0.03%	0.02%	0.02%
Net charge-offs (recoveries of) to average loans [2]	0.00%	(0.00)%	(0.00)%	(0.00)%	(0.00)%
Net charge-offs (recovery) of credit losses	$ (11)	$ (6)	$ (2)	$ (7)	$ (3)
Interest rates and yields:[2]					
Loans held for investment	6.25%	6.32%	6.16%	6.01%	5.79%
Investment securities	2.63%	2.61%	2.80%	2.69%	2.46%
Total interest-earning assets	5.57%	5.61%	5.54%	5.34%	5.16%
Deposits[6]	2.48%	2.66%	2.64%	2.76%	2.53%
FHLB advances and other borrowings	3.81%	4.05%	4.03%	4.10%	4.04%
Total interest-bearing liabilities	3.47%	3.79%	3.76%	3.86%	3.66%
Other information:					
Full-time equivalent employees	199	198	197	199	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 was no other real estate owned (OREO) recorded.

(6) Reflects effect of non-interest-bearing deposits.

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

	Three Months Ended December 31,					
	2024			2023		
	Average Balance	Interest	Yield/Rate [1]	Average Balance	Interest	Yield/Rate [1]
Assets						

Interest-earning assets:												
Loans held for investment[2]	$	1,958,566	$	30,757	6.25%	$	1,698,611	$	24,803	5.79%		
Investment securities [3]		430,465		2,846	2.63%		404,850		2,511	2.46%		
Other interest-earning assets		49,561		564	4.53%		49,583		662	5.30%		
Total interest-earning assets		2,438,592		34,167	5.57%		2,153,044		27,976	5.16%		
Non-interest-earning assets		106,000					115,767					
Total assets	$	2,544,592				$	2,268,811					
Liabilities and stockholders' equity												
Interest-bearing liabilities:												
Interest-bearing checking deposits	$	51,033		338	2.63%	$	49,675		327	2.61%		
Saving and money market deposits		1,155,776		9,569	3.29%		1,004,805		9,126	3.60%		
Time deposits		340,980		3,447	4.02%		281,990		2,733	3.85%		
Total interest-bearing deposits		1,547,789		13,354	3.43%		1,336,470		12,186	3.62%		
FHLB advances and other borrowings		151,804		1,455	3.81%		139,000		1,414	4.04%		
Total interest-bearing liabilities		1,699,593		14,809	3.47%		1,475,470		13,600	3.66%		
Non-interest-bearing demand deposits		590,829					577,133					
Other non-interest-bearing liabilities		38,455					32,579					
Total liabilities		2,328,877					2,085,182					
Stockholders' equity		215,715					183,629					
Total liabilities and stockholders' equity	$	2,544,592				$	2,268,811					
Net interest income			$	19,358				$	14,376			
Net interest spread [4]					2.10%					1.50%		
Net interest margin [5]					3.16%					2.65%		

(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				
	12/31/2024	**9/30/2024**	**6/30/2024**	**3/31/2024**	**12/31/2023**
Pre-tax pre-provision ("PTPP") income:[1]					
Net income	$ 6,904	$ 6,949	$ 6,209	$ 4,612	$ 2,721
Plus: Provision for income taxes	2,197	2,213	1,967	1,426	787
Plus: Provision for credit losses	1,030	931	786	410	1,475
PTPP income	$ 10,131	$ 10,093	$ 8,962	$ 6,448	$ 4,983

PTPP return on average assets:[1]					
PTPP income	$ 10,131	$ 10,093	$ 8,962	$ 6,448	$ 4,983
Average assets	$ 2,544,592	$ 2,485,434	$ 2,479,222	$ 2,436,103	$ 2,268,811
PTPP return on average assets [2]	1.58%	1.62%	1.45%	1.06%	0.87%
Operating net income:[1]					
Net income	$ 6,904	$ 6,949	$ 6,209	$ 4,612	$ 2,721
Less: Net gains (losses) on sale of securities	-	-	14	-	(883)
Less: Tax effect on sale of securities	-	-	(4)	-	224
Operating net income	$ 6,904	$ 6,949	$ 6,199	$ 4,612	$ 3,380
Operating PTPP income:[1]					
PTPP income	$ 10,131	$ 10,093	$ 8,962	$ 6,448	$ 4,983
Less: Net gains (losses) on sale of securities	-	-	14	-	(883)
Operating PTPP income	$ 10,131	$ 10,093	$ 8,948	$ 6,448	$ 5,866
Operating PTPP return on average assets:[1]					
Operating PTPP income	$ 10,131	$ 10,093	$ 8,948	$ 6,448	$ 5,866
Average assets	$ 2,544,592	$ 2,485,434	$ 2,479,222	$ 2,436,103	$ 2,268,811
Operating PTPP return on average assets [2]	1.58%	1.62%	1.45%	1.06%	1.03%
Operating return on average assets:[1]					
Operating net income	$ 6,904	$ 6,949	$ 6,199	$ 4,612	$ 3,380
Average assets	$ 2,544,592	$ 2,485,434	$ 2,479,222	$ 2,436,103	$ 2,268,811
Operating return on average assets [2]	1.08%	1.11%	1.01%	0.76%	0.59%
Operating return on average equity:[1]					
Operating net income	$ 6,904	$ 6,949	$ 6,199	$ 4,612	$ 3,380
Average equity	$ 215,715	$ 206,641	$ 197,755	$ 193,092	$ 183,629
Operating return on average equity [2]	12.73%	13.38%	12.61%	9.61%	7.30%
Operating Revenue:[1]					
Net interest income	$ 19,358	$ 18,109	$ 17,311	$ 15,158	$ 14,376
Non-interest income	3,627	3,438	3,211	2,464	1,326
Less: Net gains (losses) on sale of securities	-	-	14	-	(883)
Operating revenue	$ 22,985	$ 21,547	$ 20,508	$ 17,622	$ 16,585
Operating Efficiency Ratio:[1]					
Total non-interest expense	$ 12,854	$ 11,454	$ 11,560	$ 11,174	$ 10,719
Operating revenue	$ 22,985	$ 21,547	$ 20,508	$ 17,622	$ 16,585
Operating efficiency ratio	55.92%	53.16%	56.37%	63.41%	64.63%

(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				
	12/31/2024	**9/30/2024**	**6/30/2024**	**3/31/2024**	**12/31/2023**

Tangible book value per common share (at period-end):[1]					
Total stockholders' equity	$ 215,388	$ 213,916	$ 201,020	$ 195,011	$ 191,968
Less: Intangible assets	-	-	-	-	-
Tangible stockholders' equity	$ 215,388	$ 213,916	$ 201,020	$ 195,011	$ 191,968
Total shares issued and outstanding (at period-end):					
Total common shares issued and outstanding	19,924,632	19,620,632	19,630,632	19,650,463	19,575,435
Tangible book value per common share[2]	$ 10.81	$ 10.90	$ 10.24	$ 9.92	$ 9.81
Operating diluted net income per common share:[1]					
Operating net income	$ 6,904	$ 6,949	$ 6,199	$ 4,612	$ 3,380
Total weighted average diluted shares of common stock	20,183,731	19,825,211	19,717,167	19,698,258	19,573,350
Operating diluted net income per common share:	$ 0.34	$ 0.35	$ 0.31	$ 0.23	$ 0.17
Tangible Common Equity/Tangible Assets[1]					
Tangible stockholders' equity	$ 215,388	$ 213,916	$ 201,020	$ 195,011	$ 191,968
Tangible total assets[3]	$ 2,581,216	$ 2,503,954	$ 2,458,270	$ 2,489,142	$ 2,339,093
Tangible Common Equity/Tangible Assets	8.34%	8.54%	8.18%	7.83%	8.21%

(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.