

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): October 26, 2023**

**USCB Financial Holdings, Inc.**

(Exact name of Registrant as Specified in Its Charter)

**Florida**  
(State or Other Jurisdiction  
of Incorporation)

**001-41196**  
(Commission File Number)

**87-4070846**  
(IRS Employer  
Identification No.)

**2301 N.W. 87th Avenue,**  
**Doral, Florida**  
(Address of Principal Executive Offices)

**33172**  
(Zip Code)

**Registrant's Telephone Number, Including Area Code: (305) 715-5200**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, \$1.00 par value per share	USCB	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## **Item 2.02. Results of Operations and Financial Condition.**

On October 26, 2023, USCB Financial Holdings, Inc. (the “Company”), issued a press release announcing its financial results for the third quarter ended September 30, 2023. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on the (“Form 8-K”) and is incorporated herein by reference.

The information in this Item 2.02, including Exhibit 99.1, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”), or otherwise subject to the liability of that section, and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 (the “Securities Act”) or the Exchange Act except as expressly set forth by specific reference in such filing to this Form 8-K.

## **Item 7.01. Regulation FD Disclosure.**

As previously announced, at 11:00 a.m. ET on October 27, 2023, the Company will hold an earnings conference call to discuss its financial performance for the quarter ended September 30, 2023. A copy of the slides forming the basis of the presentation is being furnished as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference. A copy of the slides has also been posted to the Company’s investor relations website, located at [investors.uscenturybank.com](http://investors.uscenturybank.com).

The information in this Item 7.01, including Exhibit 99.2, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, and shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act except as set forth by specific reference in such filing to this Form 8-K.

## **Item 9.01. Financial Statements and Exhibits.**

### **(d) Exhibits.**

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#">USCB Financial Holdings, Inc. Press Release, dated October 26, 2023</a>
99.2	<a href="#">Earnings Presentation, dated October 26, 2023</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**USCB Financial Holdings, Inc.**

By: /s/ Robert Anderson  
Name: Robert Anderson  
Title: Chief Financial Officer

Date: October 26, 2023

## EARNINGS RELEASE



## USCB Financial Holdings, Inc. Reports Diluted EPS of \$0.19 for Q3 2023

**MIAMI, FL – October 26, 2023 – USCB Financial Holdings, Inc. (the “Company”) (NASDAQ: USCB)**, the holding company for U.S. Century Bank (the “Bank”), reported net income of \$3.8 million or \$0.19 per diluted share for the three months ended September 30, 2023, compared with net income of \$5.6 million or \$0.28 per diluted share, for the same period in 2022.

“As we deliver our third quarter earnings, I am pleased to highlight the rebound in loan growth, following earlier concerns this year about the safety and soundness of the banking industry,” said Luis de la Aguilera, Chairman, President and CEO. “We are encouraged by the continued diversification of our loan growth, particularly the 59% in new non-CRE loans for the quarter,” reported de la Aguilera. “Our commitment to enhancing Net Interest Margin (NIM) is evident in the 8.00% weighted average coupon for the quarter on new loans, exceeding our portfolio average,” he said. “Furthermore, we took the opportunity to restructure our bank-owned life insurance, which bolstered BOLI revenue by \$982 thousand this quarter and we offset this one-time, non-recurring gain with a comparable size securities loss. This small portfolio restructuring will allow us to optimize our investment portfolio by transitioning from lower-yielding securities to higher-return investments,” said de la Aguilera. “Despite a decrease in NIM early in the third quarter, September’s NIM increased to 2.70% which reflects the resilience and adaptive spirit of our bank in fortifying our financial performance.” said de la Aguilera.

Unless otherwise stated, all percentage comparisons in the bullet points below are calculated for the quarter ended September 30, 2023 compared to the quarter ended September 30, 2022 and annualized where appropriate.

### Profitability

- Annualized return on average assets for the quarter ended September 30, 2023 was 0.67% compared to 1.09% for the third quarter of 2022.
- Annualized return on average stockholders’ equity for the quarter ended September 30, 2023 was 8.19% compared to 11.90% for the third quarter of 2022.
- The efficiency ratio for the quarter ended September 30, 2023 was 64.64% compared to 54.58% for the third quarter of 2022.
- Net interest margin for the quarter ended September 30, 2023 was 2.60% compared to 3.47% for the third quarter ended 2022.
- Net interest income before provision for credit losses was \$14.0 million for the quarter ended September 30, 2023, a decrease of \$2.8 million or 16.4% compared to the third quarter of 2022.

### Balance Sheet

- Total assets were \$2.2 billion at September 30, 2023, representing an increase of \$207.1 million or 10.2% from September 30, 2022.
- Total loans were \$1.7 billion at September 30, 2023, representing an increase of \$245.0 million or 17.1% from September 30, 2022.
- Total deposits were \$1.9 billion at September 30, 2023, representing an increase of \$124.3 million or 6.9% from September 30, 2022.
- Total stockholders’ equity was \$182.9 million at September 30, 2023, representing an increase of \$5.5 million or 3.1% from September 30, 2022. Total stockholders’ equity includes accumulated comprehensive loss of \$51.2 million at September 30, 2023 compared to accumulated comprehensive loss of \$45.2 million at September 30, 2022.

### Asset Quality

- Allowance for credit losses (“ACL”) was calculated under the Current Expected Credit Losses (“CECL”) standard methodology for all periods in 2023 and the incurred loss methodology for all periods in 2022.
- The ACL increased by \$2.9 million to \$19.5 million at September 30, 2023 from \$16.6 million at September 30, 2022.
- The allowance for credit losses represented 1.16% of total loans at both September 30, 2023 and at September 30, 2022.
- Non-performing loans to total loans was 0.03% at September 30, 2023 compared to 0.00% at September 30, 2022.

### Non-interest Income and Non-interest Expense

- Non-interest income was \$2.2 million for the three months ended September 30, 2023, an increase of \$372 thousand or 20.8% compared to \$1.8 million for the same period in 2022.
- Non-interest expense was \$10.5 million for the three months ended September 30, 2023, an increase of \$329 thousand or 3.2% compared to \$10.1 million for the same period in 2022.

### Capital

- As of September 30, 2023, 172,397 shares remain authorized for repurchase under the Company’s previously announced share repurchase program. No shares were repurchased during the third quarter 2023.

- As of September 30, 2023, total risk-based capital ratios for the Company and the Bank were 13.10% and 13.06%, respectively.
- Tangible book value per common share (a non-GAAP measure) of \$9.36 was negatively affected by \$2.62 due to accumulated comprehensive loss of \$51.2 million at September 30, 2023. At September 30, 2022, tangible book value per common share of \$8.87 was negatively affected by \$2.26 due to \$45.2 million in accumulated comprehensive loss.

### Conference Call and Webcast

The Company will host a conference call on Friday, October 27, 2023, at 11:00 a.m. Eastern Time to discuss the Company's unaudited financial results for the quarter ended September 30, 2023. To access the conference call, dial (800) 715-9871 (U.S. toll-free) and ask to join the USCB Financial Holdings Call or provide conference ID 6813115.

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](http://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](http://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," "should," "would," "believe," "contemplate," "expect," "aim," "plan," "estimate," "continue," and "intend," 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 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.

**Contacts:**

**Investor Relations**

[InvestorRelations@uscentury.com](mailto:InvestorRelations@uscentury.com)

**Media Relations**

Martha Guerra-Kattou

[MGuerra@uscentury.com](mailto:MGuerra@uscentury.com)

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
<b>Interest income:</b>				
Loans, including fees	\$ 22,523	\$ 15,954	\$ 63,081	\$ 42,989
Investment securities	2,833	2,201	7,501	7,040
Interest-bearing deposits in financial institutions	1,026	322	2,459	474
Total interest income	26,382	18,477	73,041	50,503
<b>Interest expense:</b>				
Interest-bearing checking	331	19	574	52
Savings and money market accounts	8,779	1,141	20,532	2,307
Time deposits	2,565	363	5,767	893
FHLB advances and other borrowings	685	180	1,976	456
Total interest expense	12,360	1,703	28,849	3,708
Net interest income before provision for credit losses	14,022	16,774	44,192	46,795
Provision for credit losses	653	910	892	1,615
Net interest income after provision for credit losses	13,369	15,864	43,300	45,180
<b>Non-interest income:</b>				
Service fees	1,329	934	3,707	2,917
Gain (loss) on sale of securities available for sale, net	(955)	(558)	(976)	(540)
Gain on sale of loans held for sale, net	255	330	696	686
Loan settlement	-	-	-	161
Other non-interest income	1,532	1,083	2,650	2,127
Total non-interest income	2,161	1,789	6,077	5,351
<b>Non-interest expense:</b>				
Salaries and employee benefits	6,066	6,075	18,325	17,863
Occupancy	1,350	1,281	3,968	3,802
Regulatory assessments and fees	365	269	1,041	708
Consulting and legal fees	513	604	1,257	1,519
Network and information technology services	481	488	1,464	1,323
Other operating expense	1,686	1,415	5,034	4,080
Total non-interest expense	10,461	10,132	31,089	29,295
Net income before income tax expense	5,069	7,521	18,288	21,236
Income tax expense	1,250	1,963	4,464	5,529
Net income	3,819	5,558	13,824	15,707
<b>Per share information:</b>				
Net income per common share, basic	\$ 0.20	\$ 0.28	\$ 0.70	\$ 0.79
Net income per common share, diluted	\$ 0.19	\$ 0.28	\$ 0.70	\$ 0.78
<b>Weighted average shares outstanding:</b>				
Common shares, basic	19,542,723	20,000,753	19,661,685	19,998,841
Common shares, diluted	19,611,897	20,148,208	19,729,181	20,178,089

**USCB FINANCIAL HOLDINGS, INC.**  
**SELECTED FINANCIAL DATA (UNAUDITED)**

(Dollars in thousands, except per share data)

	As of or For the Three Months Ended				
	9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022
<b>Income statement data:</b>					
Net interest income	\$ 14,022	\$ 14,173	\$ 15,997	\$ 16,866	\$ 16,774
Provision for credit losses	653	38	201	880	910
Net interest income after provision for credit losses	13,369	14,135	15,796	15,986	15,864
Service fees	1,329	1,173	1,205	1,093	934
Gain (loss) on sale of securities available for sale, net	(955)	-	(21)	(1,989)	(558)
Gain on sale of loans held for sale, net	255	94	347	205	330
Other income	1,532	579	539	568	1,083
Total non-interest income	2,161	1,846	2,070	(123)	1,789
Salaries and employee benefits	6,066	5,882	6,377	6,080	6,075
Occupancy	1,350	1,319	1,299	1,256	1,281
Regulatory assessments and fees	365	452	224	222	269
Consulting and legal fees	513	386	358	371	604
Network and information technology services	481	505	478	483	488
Other operating expense	1,686	1,908	1,440	1,602	1,415
Total non-interest expense	10,461	10,452	10,176	10,014	10,132
Net income before income tax expense	5,069	5,529	7,690	5,849	7,521
Income tax expense	1,250	1,333	1,881	1,415	1,963
Net income	\$ 3,819	\$ 4,196	\$ 5,809	\$ 4,434	\$ 5,558
<b>Per share information:</b>					
Net income per common share, basic	\$ 0.20	\$ 0.21	\$ 0.29	\$ 0.22	\$ 0.28
Net income per common share, diluted	\$ 0.19	\$ 0.21	\$ 0.29	\$ 0.22	\$ 0.28
<b>Balance sheet data (at period-end):</b>					
Cash and cash equivalents	\$ 33,435	\$ 87,280	\$ 63,251	\$ 54,168	\$ 73,326
Securities available-for-sale	\$ 218,609	\$ 218,442	\$ 229,409	\$ 230,140	\$ 248,571
Securities held-to-maturity	\$ 197,311	\$ 220,956	\$ 186,428	\$ 188,699	\$ 178,865
Total securities	\$ 415,920	\$ 439,398	\$ 415,837	\$ 418,839	\$ 427,436
Loans held for investment <sup>(1)</sup>	\$ 1,676,520	\$ 1,595,959	\$ 1,580,394	\$ 1,507,338	\$ 1,431,513
Allowance for credit losses	\$ (19,493)	\$ (18,815)	\$ (18,887)	\$ (17,487)	\$ (16,604)
Total assets	\$ 2,244,602	\$ 2,225,914	\$ 2,163,821	\$ 2,085,834	\$ 2,037,453
Non-interest-bearing deposits	\$ 573,546	\$ 572,360	\$ 633,606	\$ 629,776	\$ 662,808
Interest-bearing deposits	\$ 1,347,376	\$ 1,348,941	\$ 1,196,856	\$ 1,199,505	\$ 1,133,834
Total deposits	\$ 1,920,922	\$ 1,921,301	\$ 1,830,462	\$ 1,829,281	\$ 1,796,642
FHLB advances and other borrowings	\$ 102,000	\$ 87,000	\$ 120,000	\$ 46,000	\$ 26,000
Total liabilities	\$ 2,061,718	\$ 2,042,229	\$ 1,979,963	\$ 1,903,406	\$ 1,860,036
Total stockholders' equity	\$ 182,884	\$ 183,685	\$ 183,858	\$ 182,428	\$ 177,417
<b>Capital ratios:<sup>(2)</sup></b>					
Leverage ratio	9.26%	9.32%	9.36%	9.61%	9.48%
Common equity tier 1 capital	11.97%	12.27%	12.04%	12.53%	12.56%
Tier 1 risk-based capital	11.97%	12.27%	12.04%	12.53%	12.56%
Total risk-based capital	13.10%	13.42%	13.20%	13.65%	13.65%

(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**

	<b>9/30/2023</b>	<b>6/30/2023</b>	<b>3/31/2023</b>	<b>12/31/2022</b>	<b>9/30/2022</b>
<b>Average balance sheet data:</b>					
Cash and cash equivalents	\$ 90,742	\$ 94,313	\$ 50,822	\$ 61,892	\$ 77,887
Securities available-for-sale	\$ 222,134	\$ 224,913	\$ 230,336	\$ 242,144	\$ 331,206
Securities held-to-maturity	\$ 218,694	\$ 192,628	\$ 187,826	\$ 184,459	\$ 116,733
Total securities	\$ 440,828	\$ 417,541	\$ 418,162	\$ 426,603	\$ 447,939
Loans held for investment <sup>(1)</sup>	\$ 1,610,864	\$ 1,569,266	\$ 1,547,393	\$ 1,456,780	\$ 1,398,761
Total assets	\$ 2,250,258	\$ 2,183,542	\$ 2,120,218	\$ 2,051,867	\$ 2,026,791
Interest-bearing deposits	\$ 1,353,516	\$ 1,270,657	\$ 1,179,878	\$ 1,150,049	\$ 1,107,129
Non-interest-bearing deposits	\$ 587,917	\$ 601,778	\$ 664,369	\$ 653,820	\$ 655,853
Total deposits	\$ 1,941,433	\$ 1,872,435	\$ 1,844,247	\$ 1,803,869	\$ 1,762,982
FHLB advances and other borrowings	\$ 85,326	\$ 93,075	\$ 61,600	\$ 37,500	\$ 43,935
Total liabilities	\$ 2,065,357	\$ 1,999,304	\$ 1,936,847	\$ 1,874,311	\$ 1,841,503
Total stockholders' equity	\$ 184,901	\$ 184,238	\$ 183,371	\$ 177,556	\$ 185,288
<b>Performance ratios:</b>					
Return on average assets <sup>(2)</sup>	0.67%	0.77%	1.11%	0.86%	1.09%
Return on average equity <sup>(2)</sup>	8.19%	9.13%	12.85%	9.91%	11.90%
Net interest margin <sup>(2)</sup>	2.60%	2.73%	3.22%	3.45%	3.47%
Non-interest income (loss) to average assets <sup>(2)</sup>	0.38%	0.34%	0.40%	(0.02)%	0.35%
Efficiency ratio <sup>(3)</sup>	64.64%	65.25%	56.32%	59.81%	54.58%
<b>Loans by type (at period end):<sup>(4)</sup></b>					
Residential real estate	\$ 188,880	\$ 183,093	\$ 184,427	\$ 185,636	\$ 186,551
Commercial real estate	\$ 1,005,280	\$ 989,401	\$ 987,757	\$ 970,410	\$ 928,531
Commercial and industrial	\$ 212,975	\$ 169,401	\$ 160,947	\$ 126,984	\$ 121,145
Foreign banks	\$ 94,640	\$ 85,409	\$ 97,405	\$ 93,769	\$ 94,450
Consumer and other	\$ 173,096	\$ 167,845	\$ 149,410	\$ 130,429	\$ 100,845
<b>Asset quality data:</b>					
Allowance for credit losses to total loans	1.16%	1.18%	1.20%	1.16%	1.16%
Allowance for credit losses to non-performing loans	4,070%	3,871%	3,886%	-	-
Total non-performing loans <sup>(5)</sup>	\$ 479	\$ 486	\$ 486	\$ -	\$ -
Non-performing loans to total loans	0.03%	0.03%	0.03%	-	-
Non-performing assets to total assets <sup>(5)</sup>	0.02%	0.02%	0.02%	-	-
Net charge-offs (recoveries of) to average loans <sup>(2)</sup>	(0.00)%	0.01%	(0.01)%	(0.00)%	0.03%
Net charge-offs (recovery) of credit losses	\$ (5)	\$ 29	\$ (49)	\$ (2)	\$ 91
<b>Interest rates and yields:<sup>(2)</sup></b>					
Loans	5.55%	5.33%	5.17%	4.86%	4.53%
Investment securities	2.52%	2.26%	2.20%	2.13%	1.94%
Total interest-earning assets	4.89%	4.68%	4.51%	4.21%	3.82%
Deposits	2.39%	1.99%	1.29%	0.77%	0.34%
FHLB advances and other borrowings	3.19%	3.42%	3.27%	2.27%	1.63%
Total interest-bearing liabilities	3.41%	2.97%	2.08%	1.25%	0.59%
<b>Other information:</b>					
Full-time equivalent employees	194	198	196	191	191

(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)

	<b>Three Months Ended September 30,</b>					
	<b>2023</b>			<b>2022</b>		
	<b>Average Balance</b>	<b>Interest</b>	<b>Yield/Rate <sup>(1)</sup></b>	<b>Average Balance</b>	<b>Interest</b>	<b>Yield/Rate <sup>(1)</sup></b>
<b>Assets</b>						
<b>Interest-earning assets:</b>						
Loans <sup>(2)</sup>	\$ 1,610,864	\$ 22,523	5.55%	\$ 1,398,761	\$ 15,954	4.53%
Investment securities <sup>(3)</sup>	445,828	2,833	2.52%	450,514	2,201	1.94%
Other interest-earnings assets	83,479	1,026	4.88%	70,540	322	1.81%
Total interest-earning assets	2,140,171	26,382	4.89%	1,919,815	18,477	3.82%
Non-interest-earning assets	110,087			106,976		
Total assets	<u>\$ 2,250,258</u>			<u>\$ 2,026,791</u>		
<b>Liabilities and stockholders' equity</b>						
<b>Interest-bearing liabilities:</b>						
Interest-bearing checking	\$ 52,080	331	2.52%	\$ 66,585	19	0.11%
Saving and money market deposits	1,011,164	8,779	3.44%	823,521	1,141	0.55%
Time deposits	290,272	2,565	3.51%	217,023	363	0.66%
Total interest-bearing deposits	1,353,516	11,675	3.42%	1,107,129	1,523	0.55%
FHLB advances and other borrowings	85,326	685	3.19%	43,935	180	1.63%
Total interest-bearing liabilities	1,438,842	12,360	3.41%	1,151,064	1,703	0.59%
Non-interest-bearing demand deposits	587,917			655,853		
Other non-interest-bearing liabilities	38,598			34,586		
Total liabilities	2,065,357			1,841,503		
Stockholders' equity	184,901			185,288		
Total liabilities and stockholders' equity	<u>\$ 2,250,258</u>			<u>\$ 2,026,791</u>		
Net interest income		<u>\$ 14,022</u>			<u>\$ 16,774</u>	
Net interest spread <sup>(4)</sup>			1.48%			3.23%
Net interest margin <sup>(5)</sup>			2.60%			3.47%

(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)

	<b>As of or For the Three Months Ended</b>				
	<b>9/30/2023</b>	<b>6/30/2023</b>	<b>3/31/2023</b>	<b>12/31/2022</b>	<b>9/30/2022</b>
<b>Pre-tax pre-provision ("PTPP") income:<sup>(1)</sup></b>					
Net income	\$ 3,819	\$ 4,196	\$ 5,809	\$ 4,434	\$ 5,558
Plus: Provision for income taxes	1,250	1,333	1,881	1,415	1,963
Plus: Provision for credit losses	653	38	201	880	910
PTPP income	<u>\$ 5,722</u>	<u>\$ 5,567</u>	<u>\$ 7,891</u>	<u>\$ 6,729</u>	<u>\$ 8,431</u>
<b>PTPP return on average assets:<sup>(1)</sup></b>					
PTPP income	\$ 5,722	\$ 5,567	\$ 7,891	\$ 6,729	\$ 8,431
Average assets	\$ 2,250,258	\$ 2,183,542	\$ 2,120,218	\$ 2,051,867	\$ 2,026,791
PTPP return on average assets <sup>(2)</sup>	1.01%	1.02%	1.51%	1.30%	1.65%
<b>Operating net income:<sup>(1)</sup></b>					
Net income	\$ 3,819	\$ 4,196	\$ 5,809	\$ 4,434	\$ 5,558
Less: Net gains (losses) on sale of securities	(955)	-	(21)	(1,989)	(558)
Less: Tax effect on sale of securities	242	-	5	504	141
Operating net income	<u>\$ 4,532</u>	<u>\$ 4,196</u>	<u>\$ 5,825</u>	<u>\$ 5,919</u>	<u>\$ 5,975</u>
<b>Operating PTPP income:<sup>(1)</sup></b>					
PTPP income	\$ 5,722	\$ 5,567	\$ 7,891	\$ 6,729	\$ 8,431
Less: Net gains (losses) on sale of securities	(955)	-	(21)	(1,989)	(558)
Operating PTPP income	<u>\$ 6,677</u>	<u>\$ 5,567</u>	<u>\$ 7,912</u>	<u>\$ 8,718</u>	<u>\$ 8,989</u>
<b>Operating PTPP return on average assets:<sup>(1)</sup></b>					
Operating PTPP income	\$ 6,677	\$ 5,567	\$ 7,912	\$ 8,718	\$ 8,989
Average assets	\$ 2,250,258	\$ 2,183,542	\$ 2,120,218	\$ 2,051,867	\$ 2,026,791
Operating PTPP return on average assets <sup>(2)</sup>	1.18%	1.02%	1.51%	1.69%	1.76%
<b>Operating return on average assets:<sup>(1)</sup></b>					
Operating net income	\$ 4,532	\$ 4,196	\$ 5,825	\$ 5,919	\$ 5,975
Average assets	\$ 2,250,258	\$ 2,183,542	\$ 2,120,218	\$ 2,051,867	\$ 2,026,791
Operating return on average assets <sup>(2)</sup>	0.80%	0.77%	1.11%	1.14%	1.17%
<b>Operating return on average equity:<sup>(1)</sup></b>					
Operating net income	\$ 4,532	\$ 4,196	\$ 5,825	\$ 5,919	\$ 5,975
Average equity	\$ 184,901	\$ 184,238	\$ 183,371	\$ 177,556	\$ 185,288
Operating return on average equity <sup>(2)</sup>	9.72%	9.13%	12.88%	13.23%	12.79%
<b>Operating Revenue:<sup>(1)</sup></b>					
Net interest income	\$ 14,022	\$ 14,173	\$ 15,997	\$ 16,866	\$ 16,774
Non-interest income	2,161	1,846	2,070	(123)	1,789
Less: Net gains (losses) on sale of securities	(955)	-	(21)	(1,989)	(558)
Operating revenue	<u>\$ 17,138</u>	<u>\$ 16,019</u>	<u>\$ 18,088</u>	<u>\$ 18,732</u>	<u>\$ 19,121</u>
<b>Operating Efficiency Ratio:<sup>(1)</sup></b>					
Total non-interest expense	\$ 10,461	\$ 10,452	\$ 10,176	\$ 10,014	\$ 10,132
Operating revenue	\$ 17,138	\$ 16,019	\$ 18,088	\$ 18,732	\$ 19,121
Operating efficiency ratio	61.04%	65.25%	56.26%	53.46%	52.99%

(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				
	9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022
<b>Tangible book value per common share (at period-end):<sup>(1)</sup></b>					
Total stockholders' equity	\$ 182,884	\$ 183,685	\$ 183,858	\$ 182,428	\$ 177,417
Less: Intangible assets	-	-	-	-	-
Tangible stockholders' equity	\$ 182,884	\$ 183,685	\$ 183,858	\$ 182,428	\$ 177,417
<b>Total shares issued and outstanding (at period-end):</b>					
Total common shares issued and outstanding	19,542,290	19,544,777	19,622,380	20,000,753	20,000,753
Tangible book value per common share <sup>(2)</sup>	\$ 9.36	\$ 9.40	\$ 9.37	\$ 9.12	\$ 8.87
<b>Operating diluted net income per common share:<sup>(1)</sup></b>					
Operating net income	\$ 4,532	\$ 4,196	\$ 5,825	\$ 5,919	\$ 5,975
Total weighted average diluted shares of common stock	19,611,897	19,639,682	19,940,606	20,172,438	20,148,208
Operating diluted net income per common share:	\$ 0.23	\$ 0.21	\$ 0.29	\$ 0.29	\$ 0.30
<b>Tangible Common Equity/Tangible Assets<sup>(1)</sup></b>					
Tangible stockholders' equity	\$ 182,884	\$ 183,685	\$ 183,858	\$ 182,428	\$ 177,417
Tangible total assets <sup>(3)</sup>	\$ 2,244,602	\$ 2,225,914	\$ 2,163,821	\$ 2,085,834	\$ 2,037,453
Tangible Common Equity/Tangible Assets	8.15%	8.25%	8.50%	8.75%	8.71%

(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.



# EARNINGS PRESENTATION

**THIRD QUARTER 2023**

**NASDAQ: USCB**





# FORWARD-LOOKING STATEMENTS

This presentation 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,” “should,” “would,” “believe,” “contemplate,” “expect,” “aim,” “plan,” “estimate,” “continue,” and “intend,” 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 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 presentation 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 presentation are made only as of the date hereof, and we undertake no obligation to update or revise any forward-looking statements 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 USCB Financial Holdings, Inc. filed or will file with the SEC.

## Non-GAAP Financial Measures

This presentation 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 expectations 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 presentation.

All numbers included in this presentation are unaudited unless otherwise noted.



# Q3 2023 HIGHLIGHTS



## GROWTH

Average deposits increased by \$178.5 million or 10.1% compared to the third quarter 2022.

Average loans increased \$212.1 million or 15.2% compared to the third quarter 2022.

Liquidity sources at September 30, 2023, totaled \$742 million in on-balance sheet and off-balance sheet sources.

Insured and collateralized deposits maintained at 51% for third quarter 2023.

Tangible Book Value per Share <sup>(1)</sup> at September 30, 2023 of \$9.36 includes AOCI impact of (\$2.62).



## PROFITABILITY

Net income was \$3.8 million or \$0.19 per diluted share.

ROAA was 0.67% compared to 1.09% for the third quarter 2022.

ROAE was 8.19% compared to 11.90% for the third quarter 2022.

Efficiency ratio was 64.64% compared to 54.58% for the third quarter 2022.



## CAPITAL/ CREDIT

Credit metrics remain strong.

One C&I loan classified as nonaccrual for a total of \$479 thousand.

ACL coverage ratio was 1.16% at September 30, 2023. Effective January 1, 2023, the Company adopted the CECL methodology for estimating credit losses.

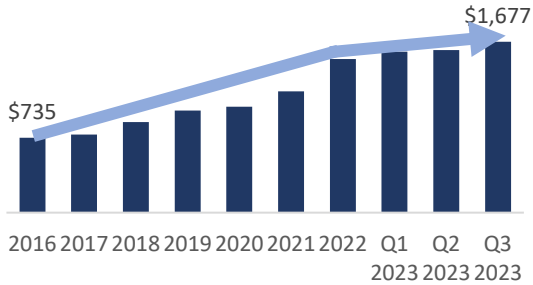


# HISTORICAL FINANCIALS

EOP for Balance Sheet amounts

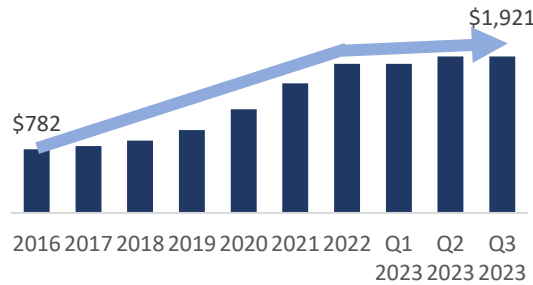
## Loans <sup>(1)</sup>

In millions



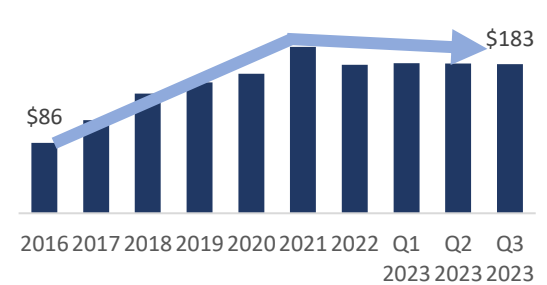
## Deposits

In millions

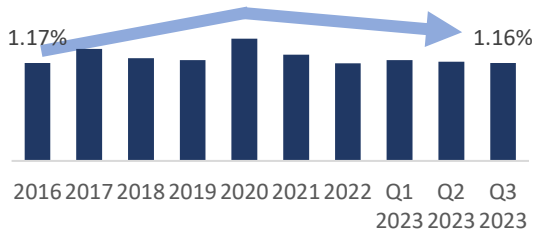


## Total stockholders' equity

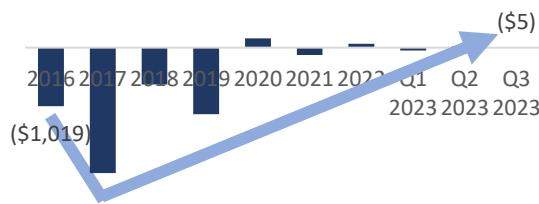
In millions



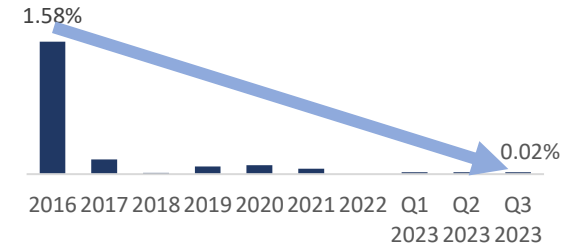
## Allowance for credit losses to non-performing loans



## Net charge-offs (recoveries) of loan losses

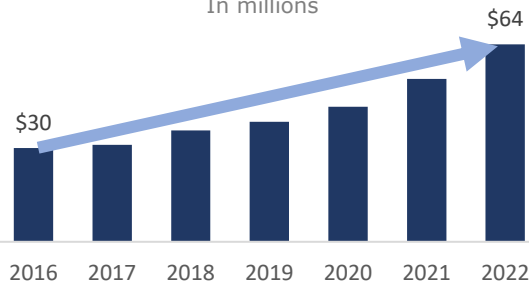


## Non-performing assets to total assets

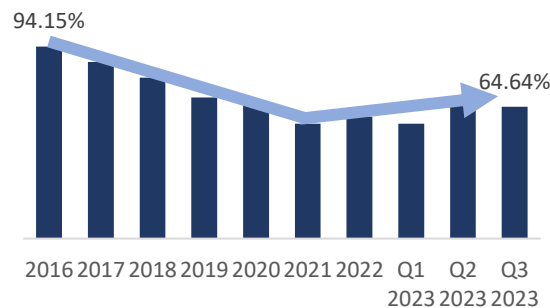


## Net Interest Income

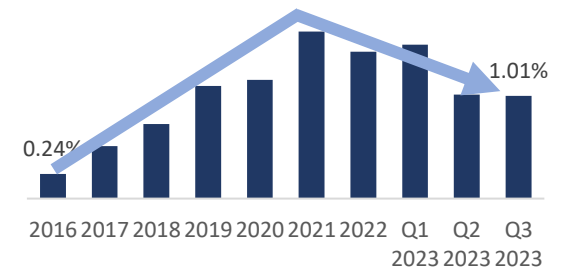
In millions



## Efficiency ratio



## PTPP ROAA <sup>(2)</sup>



<sup>(1)</sup> Loan amounts include deferred fees/costs.

<sup>(2)</sup> Non-GAAP financial measure. Annualized.





# FINANCIAL RESULTS

In thousands (except per share data)

	Q3 2023	Q2 2023	Q3 2022	
<b>Balance Sheet (EOP)</b>	Total Securities	\$415,920	\$439,398	\$427,436
	Total Loans <sup>(1)</sup>	\$1,676,520	\$1,595,959	\$1,431,513
	Total Assets	\$2,244,602	\$2,225,914	\$2,037,453
	Total Deposits	\$1,920,922	\$1,921,301	\$1,796,642
	Total Equity <sup>(2)</sup>	\$182,844	\$183,685	\$177,417
<b>Income Statement</b>	Net Interest Income	\$14,022	\$14,173	\$16,774
	Non-interest Income	\$2,161	\$1,846	\$1,789
	Total Revenue	\$16,183	\$16,019	\$18,563
	Provision for Credit Losses	\$653	\$38	\$910
	Non-interest Expense	\$10,461	\$10,452	\$10,132
	Net Income	\$3,819	\$4,196	\$5,558
	Diluted Earning Per Share (EPS)	\$0.19	\$0.21	\$0.28
	Weighted Average Diluted Shares	19,611,897	19,639,682	20,148,208

<sup>(1)</sup> Loan amounts include deferred fees/costs.

<sup>(2)</sup> Total Equity includes accumulated comprehensive loss of \$51.2 million for Q3 2023, \$46.3 million for Q2 2023, and \$45.2 million for Q3 2022.



# KEY PERFORMANCE INDICATORS



## CAPITAL/ CREDIT

	Q3 2023	Q2 2023	Q3 2022
Tangible Common Equity/Tangible Assets <sup>(1)</sup>	8.15%	8.25%	8.71%
Total Risk-Based Capital <sup>(2)</sup>	13.10%	13.42%	13.65%
NCO/Avg Loans <sup>(3)</sup>	0.00%	0.01%	0.03%
NPA/Assets	0.02%	0.02%	0.00%
Allowance Credit Losses/Loans	1.16%	1.18%	1.16%



## PROFITABILITY

Return On Average Assets (ROAA) <sup>(3)</sup>	0.67%	0.77%	1.09%
Return On Average Equity (ROAE) <sup>(3)</sup>	8.19%	9.13%	11.90%
Net Interest Margin <sup>(3)</sup>	2.60%	2.73%	3.47%
Efficiency Ratio	64.64%	65.25%	54.58%
Non-Interest Expense/Avg Assets <sup>(3)</sup>	1.84%	1.92%	1.98%



## GROWTH

	In thousands (except for TBV/share)		
Total Assets (EOP)	\$2,244,602	\$2,225,914	\$2,037,453
Total Loans (EOP)	\$1,676,520	\$1,595,959	\$1,431,513
Total Deposits (EOP)	\$1,920,922	\$1,921,301	\$1,796,642
Tangible Book Value/Share <sup>(1)(4)</sup>	\$9.36	\$9.40	\$ 8.87

<sup>(1)</sup> Non-GAAP financial measures.

<sup>(2)</sup> 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.

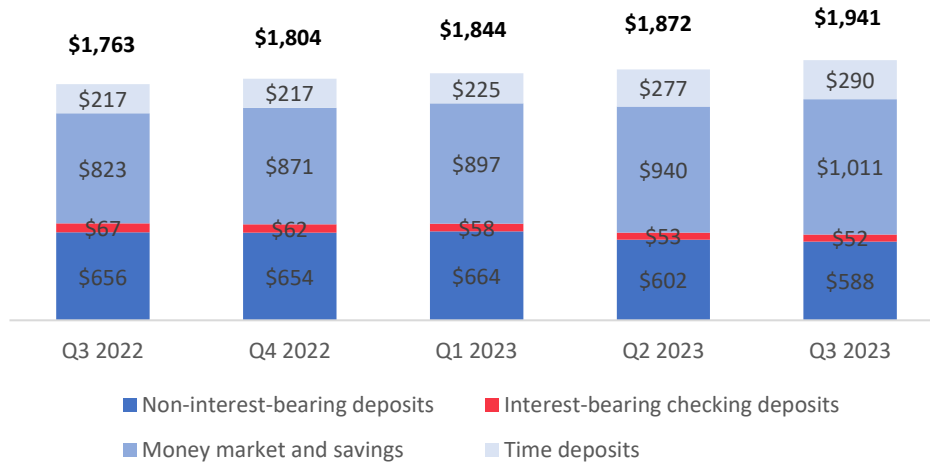
<sup>(3)</sup> Annualized.

<sup>(4)</sup> AOCI effect on tangible book value per share was (\$2.62) for Q3 2023, (\$2.37) for Q2 2023 and (\$2.26) for Q3 2022.

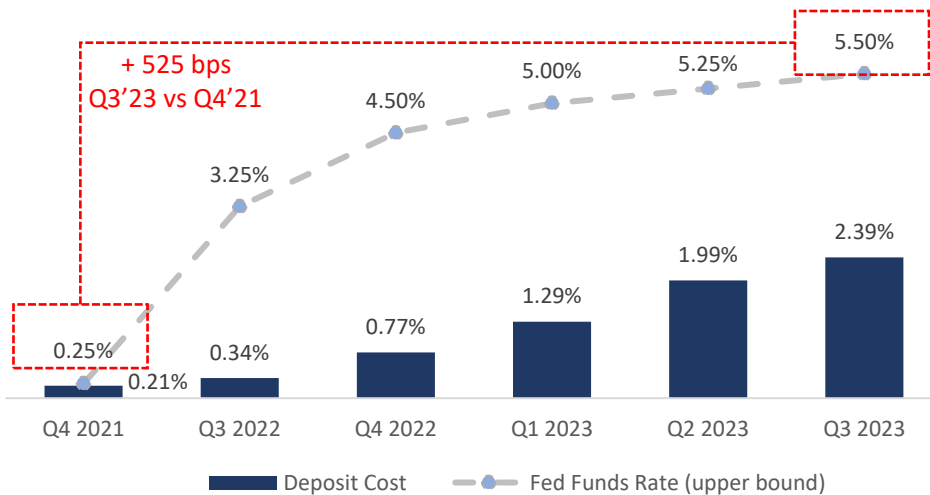


# DEPOSIT PORTFOLIO

## Deposits AVG In millions



## Deposit Cost



## Commentary

Average deposits increased \$69.0 million or 14.62% annualized compared to the prior quarter and \$178.5 million or 10.1% compared to the third quarter 2022.

Deposit composition mix shifted towards interest bearing and ICS/CDARS products.

Average DDA balances comprised 30.3% of total deposits as of September 30, 2023.

Deposit beta of 41% since Q4 2021.

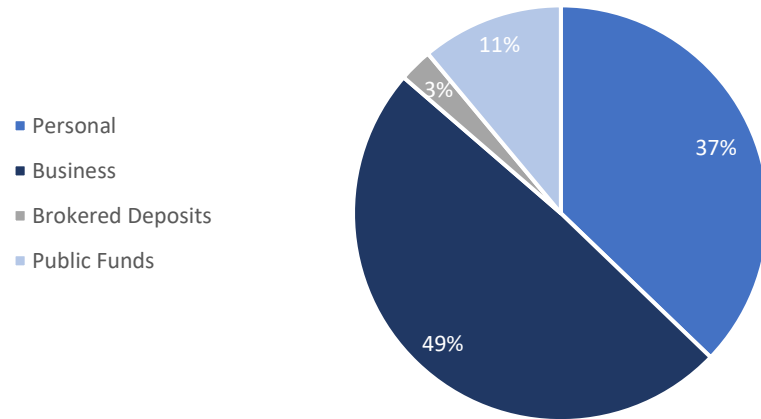
Deposit cost increasing but at a slower pace. September deposit cost was at 2.42%.



# DEPOSIT DISTRIBUTION

EOP for Balance Sheet amounts

## Deposits Composition



## Deposits by Customer Segment

In thousands for balance sheet amounts

Deposit Type	Total Balance	% of Total	(#) Accounts	Average Balance per Account
Business	\$ 944,477	49%	7,298	\$ 129
Personal	\$ 714,150	37%	12,891	\$ 55
Public Funds	\$ 212,295	11%	30	\$ 7,076
Brokered CDs	\$ 50,000	3%	2	\$ 25,000
<b>Grand Total</b>	<b>\$ 1,920,922</b>	<b>100%</b>	<b>20,221</b>	<b>\$ 95</b>

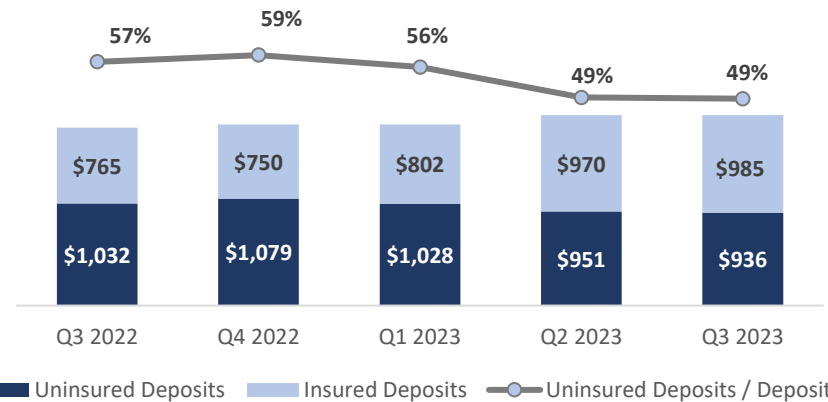
## Commentary

Our deposit base reflects our business model: a commercial bank.

The total amount of uninsured deposits adjusted to exclude the collateralized portion of public funds was 49% at quarter end. Including the collateralized portion of public funds, uninsured deposits were 53%.

As of September 30, 2023, the deposit balance of ICS/CDARS was \$116.5 million, an increase of \$2.2 million from second quarter 2023.

## Uninsured Deposits to Total Deposits <sup>(1)</sup> In millions



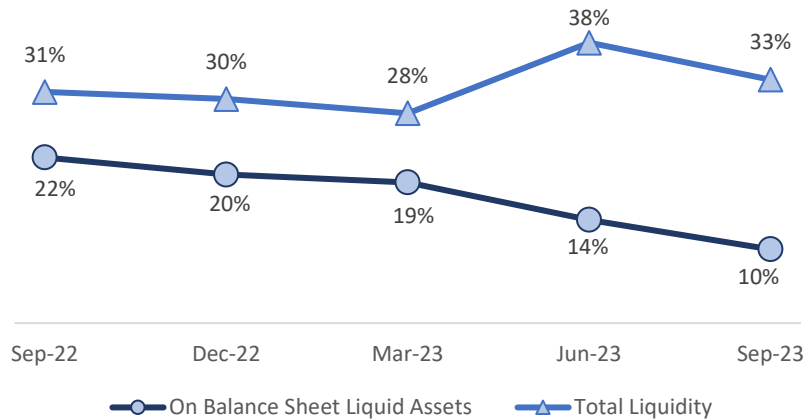
<sup>(1)</sup> Excludes public funds collateralized deposits amounting to 4% of total deposits.



# LIQUIDITY

EOP for Balance Sheet amounts

## Total Liquidity



**Liquid Assets:** On-Balance Sheet Liquidity / Total Assets

**Total Liquidity:** Total Liquidity / Total Assets

Sources of Liquidity (in millions)	9/30/2023
<b>On Balance Sheet Liquidity</b>	
Cash	\$4
Due from banks	\$25
Investment securities unpledged	\$200
<b>Total on balance sheet liquidity (Liquid Assets)</b>	<b>\$229</b>
<b>Off Balance Sheet Liquidity</b>	
FHLB excess capacity	\$237
Bank Term Funding Program (BTFP)	\$134
Federal Reserve Discount Window	\$37
Fed Fund Lines	\$105
<b>Total off balance sheet liquidity</b>	<b>\$513</b>
<b>Total Liquidity</b>	<b>\$742</b>

Liquidity calculation excludes vault cash reserves

## Commentary

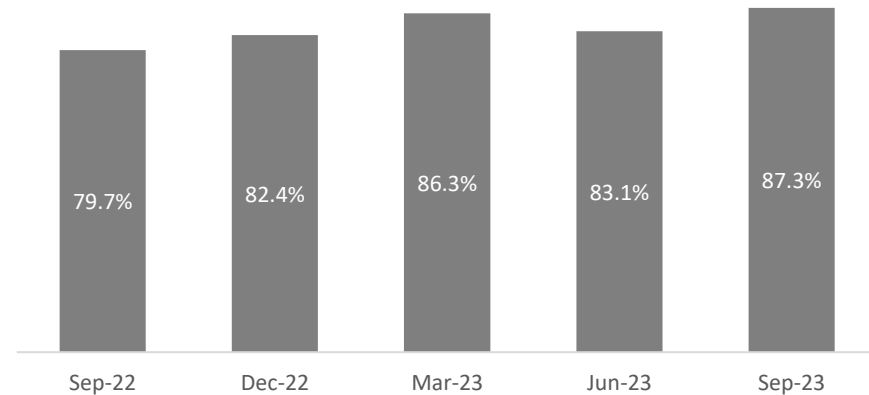
We believe we are well positioned to weather the current economic environment.

We have ample sources of liquidity both on and off-balance sheet.

Loan-to-deposits ratio increase due to additional loan production during the quarter.

We are enrolled in BTFP but have not drawn any funds.

## Loan-to-Deposit Ratio

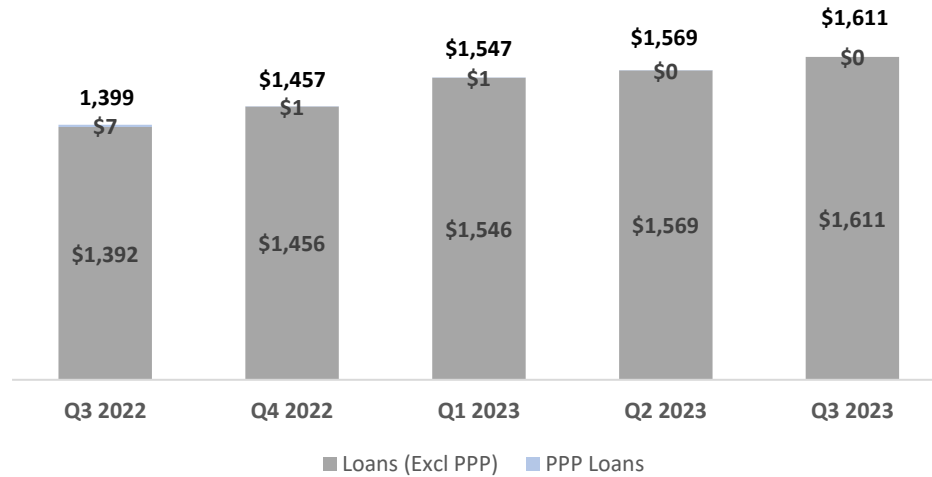




# LOAN PORTFOLIO

## Total Loans (AVG)

In millions



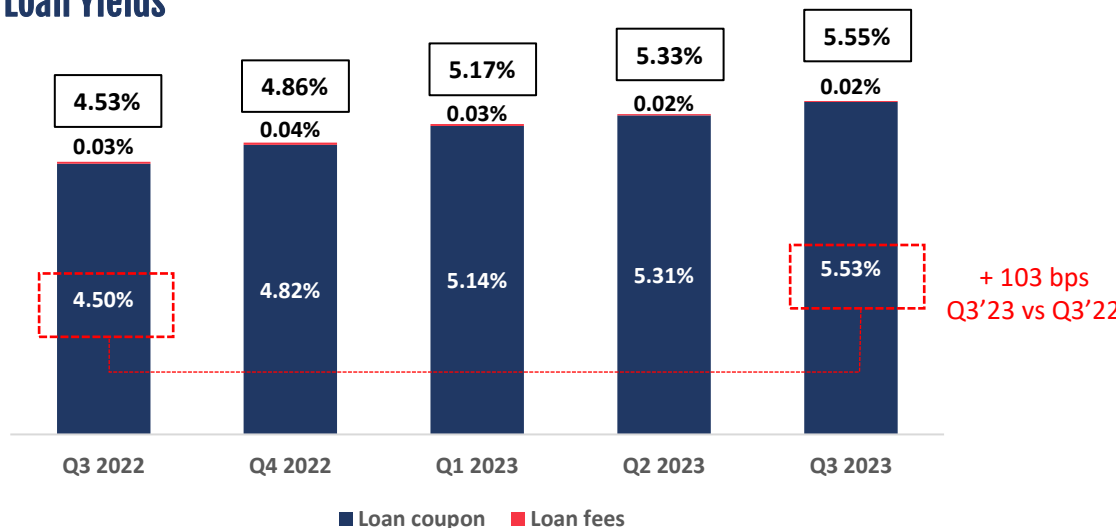
## Commentary

Average loans increased \$41.6 million or 10.52% annualized compared to prior quarter and \$212.1 million or 15.2% compared to the third quarter 2022.

Loan coupon increased 22 bps compared to prior quarter and 103 bps compared to the third quarter 2022.

Loan fees are normalizing after PPP loans have been forgiven and paid off.

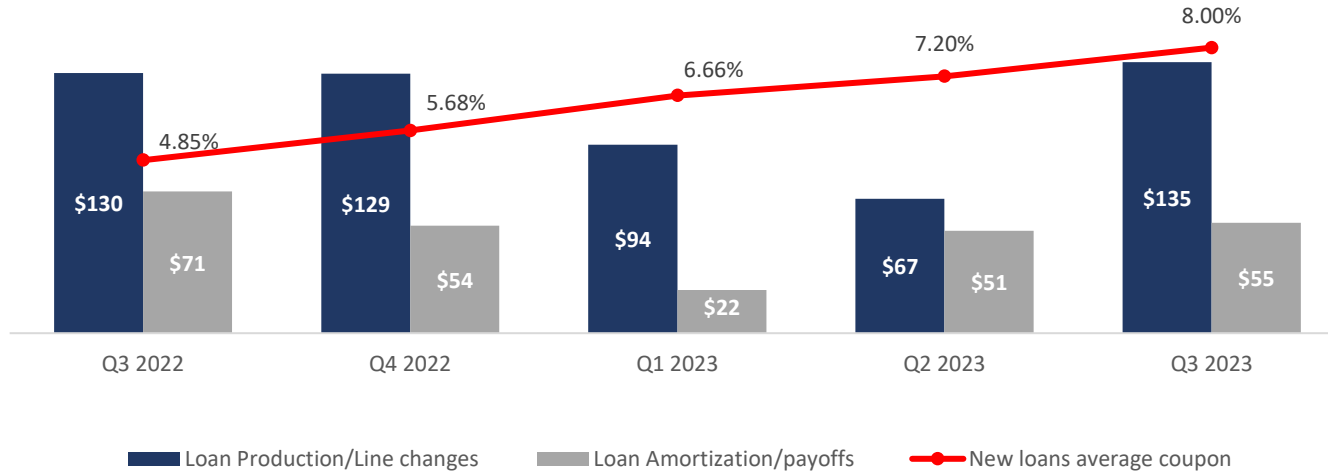
## Loan Yields





# LOAN PRODUCTION

## Net Loan Production Trend In millions



## Commentary

\$296 million in new loan production in 2023 at increasing yields.

Weighted average coupon on new loans was 8.00% for third quarter 2023, 247 bps above portfolio average.

Q3 2023 loan production was well diversified; 41% C&I, 38% CRE, 6% consumer, 12% correspondent banks, and 3% residential.

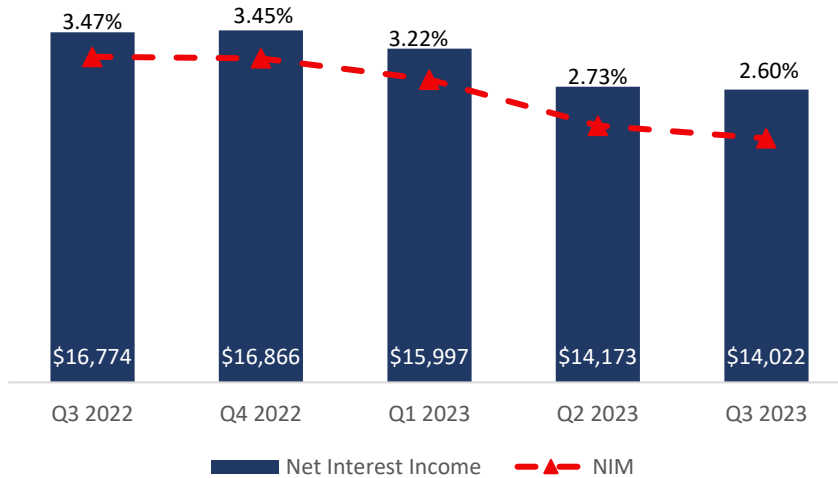
Loan composition shows diversification and growth in C&I and consumer loans.



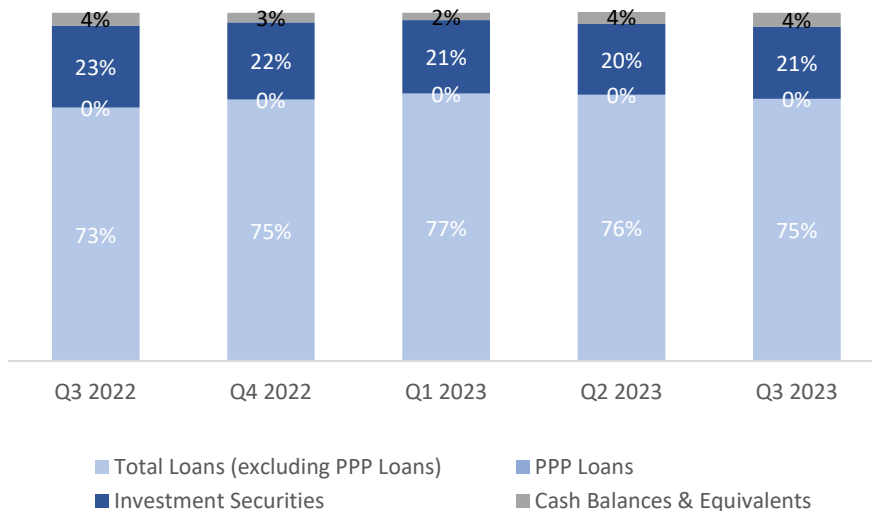
# NET INTEREST MARGIN

## Net Interest Income/Margin (1)

In thousands (except ratios)



## Interest-Earning Assets Mix (AVG)



## Commentary

Net interest income decreased by \$151 thousand compared to the prior quarter predominately due to increase in deposit cost and a liability sensitive balance sheet.

Shift in deposit mix; out of DDA and into interest bearing deposits.

Third quarter NIM decreased early in the quarter, however loan production, SWAPs, and slower increase in deposit cost improved the NIM mid-quarter. September NIM was 2.70%.

NIM expected to be stable or increase going forward, absent of further rate hikes.

Deposit cost is increasing but at a slower pace. September deposit cost was 2.42%.

Third quarter new loan production at 8.00% coupon will continue to elevate portfolio loan yields.

Interest rate swaps will help improve NIM going forward. At current rates, we expect approximately \$500 thousand in additional carry.

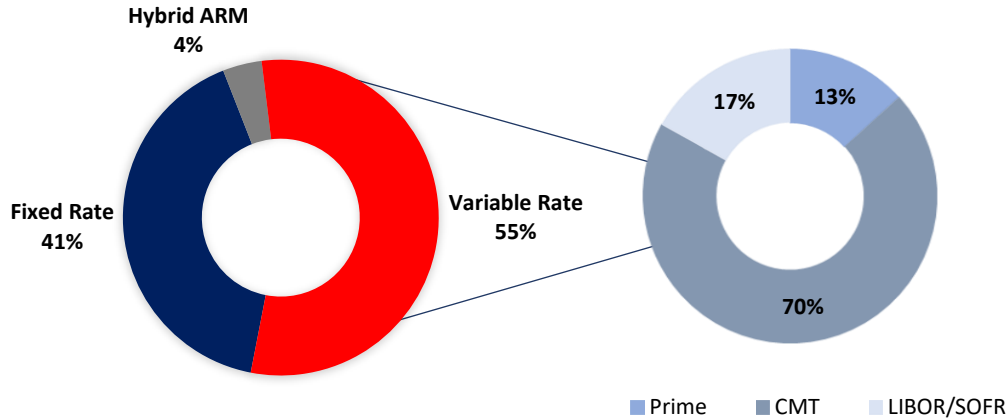
(1) Annualized.



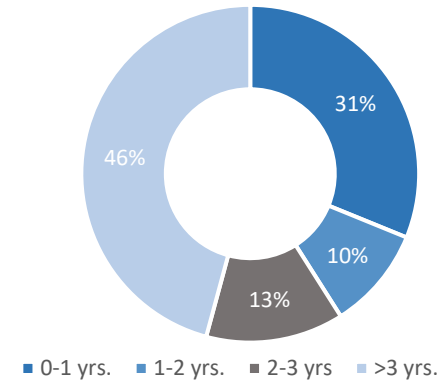


# INTEREST RATE SENSITIVITY

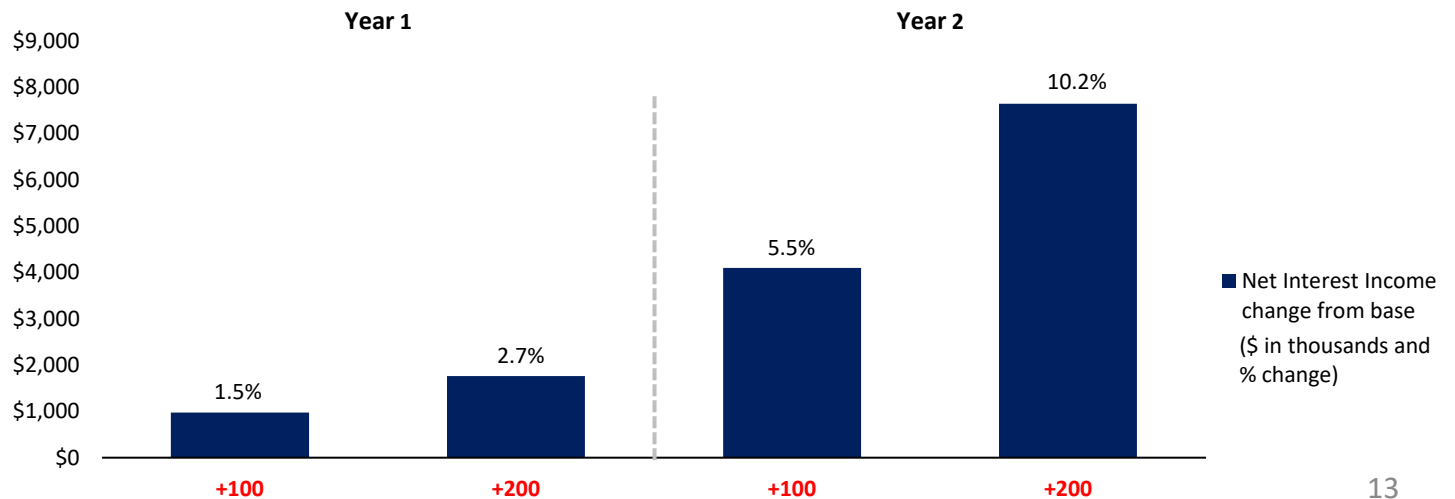
## Loan Portfolio Repricing Profile by Rate Type



## Loan Repricing Schedule Variable/Hybrid Rate Loans



## Static NII Simulation Year 1 & 2

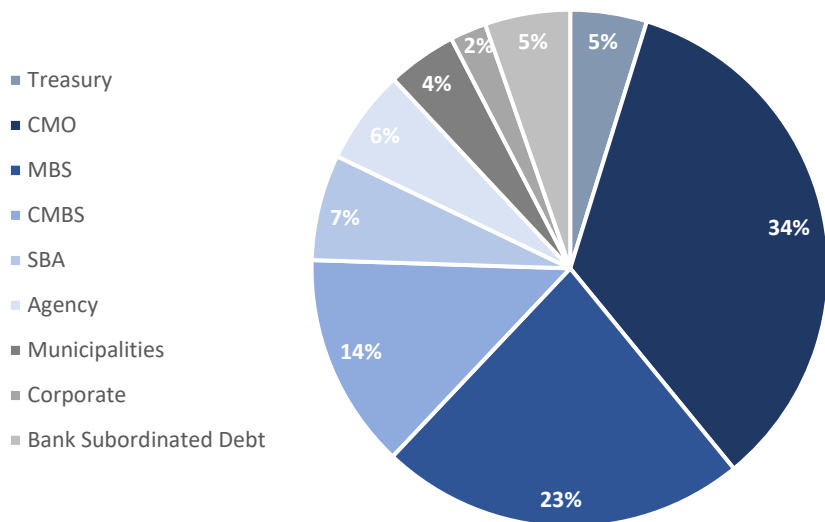




# SECURITIES PORTFOLIO

EOP for Balance Sheet amounts, in millions

## Portfolio Composition



## Securities Portfolio Key Metrics

Metrics	as of 9/30/2023	
Securities Portfolio Fair Value	\$	415.9
AFS as % of portfolio		52.6%
HTM as % of portfolio		47.4%
Portfolio Yield		2.3%
Average Life		7.0
Mod Duration		5.4
AFS AOCI	\$	(60.3)

## Commentary

Securities portfolio had a fair value of \$415.9 million. 52.6% of the portfolio is classified as AFS, while 47.4% is classified as HTM.

The modified duration is 5.4 and the average life is 7 years. Duration has increased as the result of higher rates and lower prepayments.

We expect to receive \$29.8 million from the securities portfolio in the 4Q 2023, these cashflows will support loan growth or debt repayment. If rates remain at current levels through 2026, we expect to receive \$149.8 million on cashflows.

70.7% of the portfolio is invested in mortgage-backed securities, boosting the liquidity.

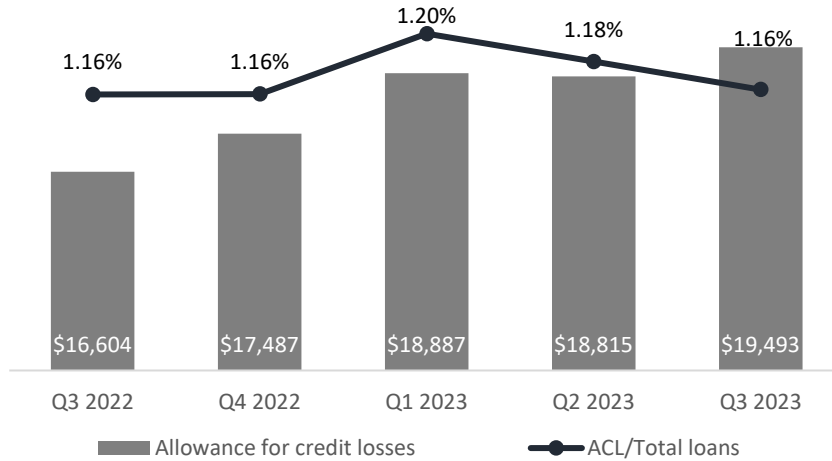
## Short Term Cashflows

	Base	+100	-100
2023	\$29.8	\$29.5	\$30.4
2024	\$36.7	\$33.8	\$44.9
2025	\$38.8	\$31.9	\$36.1
2026	\$44.4	\$43.0	\$46.1
<b>Total</b>	<b>\$149.7</b>	<b>\$138.2</b>	<b>\$157.5</b>
<b>Securities Portfolio %</b>	<b>36.0%</b>	<b>33.2%</b>	<b>37.9%</b>



# ASSET QUALITY

## Allowance for Credit Losses In thousands (except ratios)



## Commentary

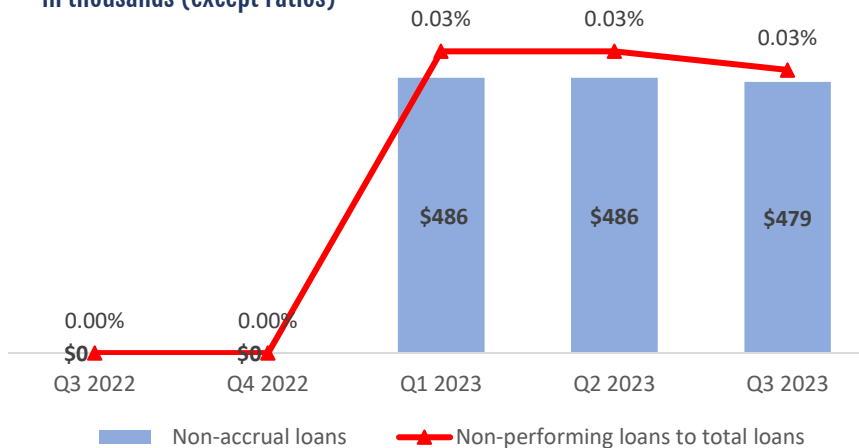
ACL coverage ratio is at 1.16% at September 30 2023, slightly down from prior quarter due to improvement in economic outlook.

One C&I loan for \$479 thousand was classified as nonaccrual on September 30, 2023.

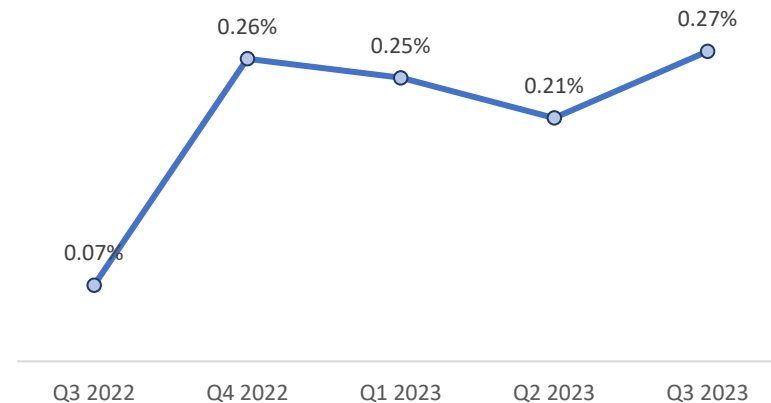
No OREO.

ACL increased by \$678 thousand due to net portfolio growth during the quarter.

## Non-performing Loans In thousands (except ratios)



## Classified Loans <sup>(1)</sup> to Total Loans



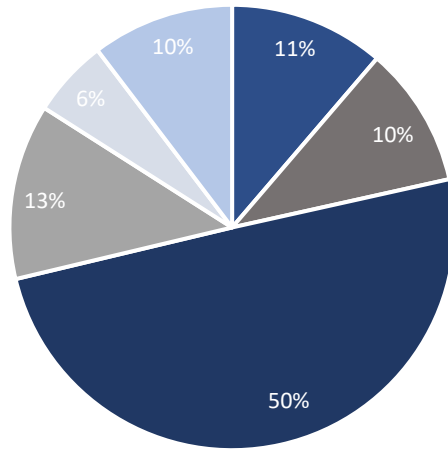
<sup>(1)</sup> Loans classified as substandard at period end. No loans classified doubtful or loss at period ends.



# LOAN PORTFOLIO MIX

## Loan Portfolio Mix <sup>(1)</sup>

- Residential real estate
- CRE - Owner occupied
- CRE - Non-owner occupied
- Commercial and industrial
- Correspondent banks
- Consumer and other



\$1,675MM <sup>(1)</sup>

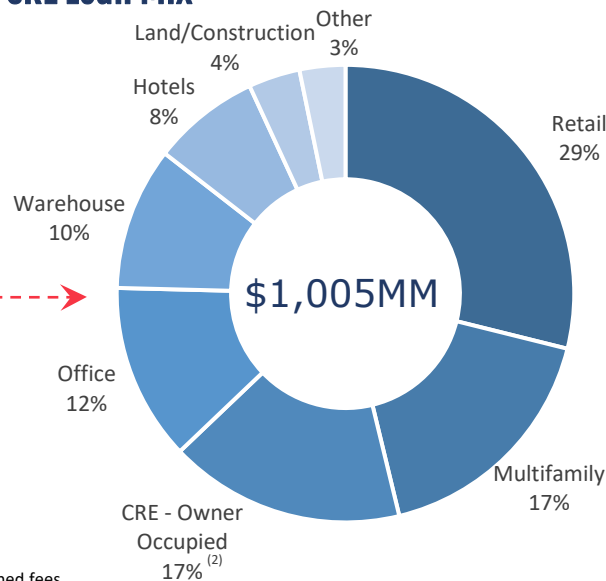
## Commentary

Total Loan balance at quarter end was \$1,675 million <sup>(1)</sup>.

Commercial Real Estate (owner occupied and non-owner occupied) was 60% or \$1,005 million of the total loan portfolio <sup>(1)</sup>.

CRE mix is diversified and granular. Retail non-owner occupied makes up 29% of total CRE or \$295.8 million.

## CRE Loan Mix



\$1,005MM

## CRE Loan Portfolio (non-owner occupied and owner occupied)

Loan Type	Weighted Average		
	LTV <sup>(1)</sup>	DSCR <sup>(2)</sup>	Average Loan Size <sup>(3)</sup>
Retail	57%	1.68	\$2.9
Multifamily	60%	1.38	\$1.4
Office	58%	2.18	\$1.5
Warehouse	59%	1.83	\$1.3
Hotels	54%	1.96	\$4.8
Other	57%	1.99	\$1.8
Land/Construction	60%	NA	\$3.1

<sup>(1)</sup> LTV - Loan to value ratio.

<sup>(2)</sup> DSCR - Debt service coverage ratio.

<sup>(3)</sup> Balance in millions.

In thousands (except ratios)

	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Service fees	\$1,329	\$1,173	\$1,205	\$1,093	\$934
Gain (loss) on sale of securities available for sale	(955)	-	(21)	(1,989)	(558)
Gain on sale of loans held for sale	255	94	347	205	330
Other income	1,532	579	539	568	1,083
<b>Total non-interest income</b>	<b>\$2,161</b>	<b>\$1,846</b>	<b>\$2,070</b>	<b>(\$123)</b>	<b>\$1,789</b>
Average total assets	\$2,250,258	\$2,183,542	\$2,120,218	\$2,051,867	\$2,026,791
Non-interest income (loss)/Average assets <sup>(1)</sup>	0.38%	0.34%	0.40%	(0.02%)	0.35%

## Commentary

Service fees increased from prior quarters due to an increase in wire fees.

Loss on sale of securities of \$955 thousand due to portfolio restructuring strategy which resulted in the sale of \$7.7 million of lower yielding securities.

Strategic restructuring of bank-owned life insurance increased other income by \$982 thousand included in other income; offset this one-time, non-recurring gain with a comparable sized securities loss.



# NON-INTEREST EXPENSE

In thousands (except ratios)

	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Salaries and employee benefits	\$6,066	\$5,882	\$6,377	\$6,080	\$6,075
Occupancy	1,350	1,319	1,299	1,256	1,281
Regulatory assessments and fees	365	452	224	222	269
Consulting and legal fees	513	386	358	371	604
Network and information technology services	481	505	478	483	488
Other operating expense	1,686	1,908	1,440	1,602	1,415
<b>Total non-interest expense</b>	<b>\$10,461</b>	<b>\$10,452</b>	<b>\$10,176</b>	<b>\$10,014</b>	<b>\$10,132</b>
Efficiency ratio	64.64%	65.25%	56.32%	59.81%	54.58%
Average total assets	\$2,250,258	\$2,183,542	\$2,120,218	\$2,051,867	\$2,026,791
Non-interest expense / Average assets <sup>(1)</sup>	1.84%	1.92%	1.95%	1.94%	1.98%
Full-time equivalent employees	194	198	196	191	191

## Commentary

Salaries and employee benefits expense increased due to slight adjustments in sales incentives.

Other operating expense decreased \$222 thousand due to decrease in advertising and promotional expense, and miscellaneous losses.

Consulting and legal fees increased \$150 thousand due to a one-time, nonrecurring legal expense.

Non-interest expense / Average assets has improved 14 bps year-over-year.

<sup>(1)</sup> Annualized.

Capital Ratios <sup>(1)</sup>	Q3 2023	Q2 2023	Q3 2022	Well-Capitalized
<b>Leverage Ratio</b>	9.26%	9.32%	9.48%	5.00%
<b>TCE/TA <sup>(2)</sup></b>	8.15%	8.25%	8.71%	NA
<b>Tier 1 Risk-Based Capital</b>	11.97%	12.27%	12.56%	8.00%
<b>Total Risk-Based Capital</b>	13.10%	13.42%	13.65%	10.00%
<b>AOCI</b> In Millions	(\$51.2)	(\$46.3)	(\$45.2)	

### Commentary

172,397 common shares remain authorized for repurchase under the current repurchase program.

AOCI was (\$51.2) million or (\$2.62) per share as of September 30, 2023.

Q3 2023 EOP shares outstanding:  
Common Stock: 19,542,290

<sup>(1)</sup> 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.

<sup>(2)</sup> Non-GAAP financial measures.



## TAKEAWAYS



Leading franchise located in one of the most attractive banking markets in Florida and the U.S.

Robust organic growth

Strong asset quality, with minimal charge-offs experienced since 2015 recapitalization

Experienced and tested management team

Strong profitability, with pathway for future enhancement identified

Core funded deposit base with 30% Non-Interest-Bearing Deposits (EOP)





# APPENDIX – NON-GAAP RECONCILIATION

In thousands (except ratios)

	As of or for the three months ended				
	9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022
<b>Pre-Tax Pre-Provision ("PTPP") Income: <sup>(1)</sup></b>					
Net income	\$ 3,819	\$ 4,196	\$ 5,809	\$ 4,434	\$ 5,558
Plus: Provision for income taxes	1,250	1,333	1,881	1,415	1,963
Plus: Provision for credit losses	653	38	201	880	910
PTPP income	<u>\$ 5,722</u>	<u>\$ 5,567</u>	<u>\$ 7,891</u>	<u>\$ 6,729</u>	<u>\$ 8,431</u>
<b>PTPP Return on Average Assets: <sup>(1)</sup></b>					
PTPP income	\$ 5,722	\$ 5,567	\$ 7,891	\$ 6,729	\$ 8,431
Average assets	\$ 2,250,258	\$ 2,183,542	\$ 2,120,218	\$ 2,051,867	\$ 2,026,791
PTPP return on average assets <sup>(2)</sup>	1.01%	1.02%	1.51%	1.30%	1.65%
<b>Operating Net Income: <sup>(1)</sup></b>					
Net income	\$ 3,819	\$ 4,196	\$ 5,809	\$ 4,434	\$ 5,558
Less: Net gains (losses) on sale of securities	(955)	-	(21)	(1,989)	(558)
Less: Tax effect on sale of securities	242	-	5	504	141
Operating net income	<u>\$ 4,532</u>	<u>\$ 4,196</u>	<u>\$ 5,825</u>	<u>\$ 5,919</u>	<u>\$ 5,975</u>
<b>Operating PTPP Income: <sup>(1)</sup></b>					
PTPP income	\$ 5,722	\$ 5,567	\$ 7,891	\$ 6,729	\$ 8,431
Less: Net gains (losses) on sale of securities	(955)	-	(21)	(1,989)	(558)
Operating PTPP Income	<u>\$ 6,677</u>	<u>\$ 5,567</u>	<u>\$ 7,912</u>	<u>\$ 8,718</u>	<u>\$ 8,989</u>
<b>Operating PTPP Return on Average Assets: <sup>(1)</sup></b>					
Operating PTPP income	\$ 6,677	\$ 5,567	\$ 7,912	\$ 8,718	\$ 8,989
Average assets	\$ 2,250,258	\$ 2,183,542	\$ 2,120,218	\$ 2,051,867	\$ 2,026,791
Operating PTPP Return on average assets <sup>(2)</sup>	1.18%	1.02%	1.51%	1.69%	1.76%
<b>Operating Return on Average Assets: <sup>(1)</sup></b>					
Operating net income	\$ 4,532	\$ 4,196	\$ 5,825	\$ 5,919	\$ 5,975
Average assets	\$ 2,250,258	\$ 2,183,542	\$ 2,120,218	\$ 2,051,867	\$ 2,026,791
Operating return on average assets <sup>(2)</sup>	0.80%	0.77%	1.11%	1.14%	1.17%
<b>Operating Return on Average Equity: <sup>(1)</sup></b>					
Operating net income	\$ 4,532	\$ 4,196	\$ 5,825	\$ 5,919	\$ 5,975
Average equity	\$ 184,901	\$ 184,238	\$ 183,371	\$ 177,556	\$ 185,288
Operating return on average equity <sup>(2)</sup>	9.72%	9.13%	12.88%	13.23%	12.79%
<b>Operating Revenue: <sup>(1)</sup></b>					
Net interest income	\$ 14,022	\$ 14,173	\$ 15,997	\$ 16,866	\$ 16,774
Non-interest income	2,161	1,846	2,070	(123)	1,789
Less: Net gains (losses) on sale of securities	(955)	-	(21)	(1,989)	(558)
Operating revenue	<u>\$ 17,138</u>	<u>\$ 16,019</u>	<u>\$ 18,088</u>	<u>\$ 18,732</u>	<u>\$ 19,121</u>
<b>Operating Efficiency Ratio: <sup>(1)</sup></b>					
Total non-interest expense	\$ 10,461	\$ 10,452	\$ 10,176	\$ 10,014	\$ 10,132
Operating revenue	\$ 17,138	\$ 16,019	\$ 18,088	\$ 18,732	\$ 19,121
Operating efficiency ratio	61.04%	65.25%	56.26%	53.46%	52.99%

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

(2) Annualized.



# APPENDIX – NON-GAAP RECONCILIATION

In thousands (except ratios and share data)

	As of and for the three months ended				
	9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022
<b>Tangible Book Value per Common Share (at period-end):</b> <sup>(1)</sup>					
Total stockholders' equity	\$ 182,884	\$ 183,685	\$ 183,858	\$ 182,428	\$ 177,417
Less: Intangible assets	-	-	-	-	-
Tangible stockholders' equity	\$ 182,884	\$ 183,685	\$ 183,858	\$ 182,428	\$ 177,417
<b>Total shares issued and outstanding (at period-end):</b>					
Total common shares issued and outstanding	19,542,290	19,544,777	19,622,380	20,000,753	20,000,753
Tangible book value per common share <sup>(2)</sup>	\$ 9.36	\$ 9.40	\$ 9.37	\$ 9.12	\$ 8.87
<b>Operating diluted net income per share of common stock:</b> <sup>(1)</sup>					
Operating net income	\$ 4,532	\$ 4,196	\$ 5,825	\$ 5,919	\$ 5,975
Weighted average shares diluted	19,611,897	19,639,682	19,940,606	20,172,438	20,148,208
Operating diluted net income per share of common stock	\$ 0.23	\$ 0.21	\$ 0.29	\$ 0.29	\$ 0.30
<b>Tangible Common Equity/Tangible Assets:</b> <sup>(1)</sup>					
Tangible stockholders' equity	\$ 182,884	\$ 183,685	\$ 183,858	\$ 182,428	\$ 177,417
Tangible total assets <sup>(3)</sup>	2,244,602	2,225,914	2,163,821	2,085,834	2,037,453
Tangible Common Equity/Tangible total assets:	8.15%	8.25%	8.50%	8.75%	8.71%

(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.



# LOU DE LA AGUILERA

*Chairman, President & CEO*



(305) 715-5186



laguilera@uscentury.com

# ROB ANDERSON

*EVP, Chief Financial Officer*



(305) 715-5393



rob.anderson@uscentury.com

# INVESTOR RELATIONS



InvestorRelations@uscentury.com