

**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): July 28, 2022**

**USCB Financial Holdings, Inc.**

(Exact name of Registrant as Specified in Its Charter)

<b>Florida</b> (State or Other Jurisdiction of Incorporation)	<b>001-41196</b> (Commission File Number)	<b>87-4070846</b> (IRS Employer Identification No.)
2301 N.W. 87th Avenue , Miami, 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:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
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 July 28, 2022, USCB Financial Holdings, Inc. (the “Company”), issued a press release announcing its financial results for the second quarter ended June 30, 2022. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on 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.

**Item 7.01. Regulation FD Disclosure.**

As previously announced, at 9:00 a.m. ET on July 29, 2022, the Company will hold an earnings conference call to discuss its financial performance for the quarter ended June 30, 2022. 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 Exhibits 99.1 and 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.

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

**(d) Exhibits.**

**Exhibit No. Description**

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<a href="#">99.1</a>	<a href="#">USCB Financial Holdings, Inc. Press Release, dated July 28, 2022</a>
<a href="#">99.2</a>	<a href="#">Earnings Presentation, dated July 29, 2022</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: July 28, 2022

## EARNINGS RELEASE



**USCB Financial Holdings, Inc. Reports Second Quarter 2022 Results**

**MIAMI – July 28, 2022 – USCB Financial Holdings, Inc. (the “Company”) (NASDAQ: USCB)**, the holding company for U.S. Century Bank, reported net income of \$5.3 million or \$0.26 per diluted share for the three months ended June 30, 2022, compared with net income of \$4.1 million or \$0.64 and \$0.13 per diluted share for Class A and Class B common stock, respectively, for the same period in 2021. On December 21, 2021, the Company agreed to exchange all the outstanding shares of Class B common stock for Class A common stock at a ratio of 1 share of Class A common stock for each 5 shares of Class B common stock. As of December 31, 2021, the Company’s only class of securities issued and outstanding was Class A common stock.

“Second quarter results demonstrated continued solid performance by our USCB team members. Total assets exceeded \$2.0 billion for the first time, loans grew 19.9% from June 30, 2021, our net interest margin expanded to 3.37%, operating expenses remained in line with an efficiency ratio of 55.34%, and credit quality remains pristine. We are pleased with our profitability metrics and believe we will be able to continue to successfully execute on our strategy that delivers improved performance in the years to come.” said Luis de la Aguilera, President and Chief Executive Officer.

Unless otherwise stated, all percentage comparisons in the bullet points below are calculated for the quarter ended June 30, 2022 compared to the quarter ended June 30, 2021 and annualized where appropriate.

**Profitability**

- Annualized return on average assets for the quarter ended June 30, 2022 was 1.08% compared to 0.98% for the second quarter of 2021.
- Annualized return on average stockholders’ equity for the quarter ended June 30, 2022 was 11.38% compared to 9.74% for the second quarter of 2021.
- The efficiency ratio for the quarter ended June 30, 2022 was 55.34% an improvement as compared to 62.00% for the second quarter of 2021.
- Net interest margin increased to 3.37% for the quarter ended June 30, 2022 compared to 3.14% for the second quarter of 2021.
- Net interest income before provision for credit losses was \$15.6 million for the quarter ended June 30, 2022, an increase of \$3.2 million or 25.4% compared to the second quarter of 2021. The increase was primarily driven by higher loan and investment securities income.

**Balance Sheet**

- Total assets were \$2.0 billion at June 30, 2022, representing an increase of \$349.1 million or 20.9% from June 30, 2021.
- Total loans were \$1.4 billion at June 30, 2022, representing an increase of \$227.6 million or 19.9% from June 30, 2021.
- Total deposits were \$1.7 billion at June 30, 2022, representing an increase of \$299.9 million or 20.8% from June 30, 2021.
- Total stockholders’ equity was \$180.1 million at June 30, 2022, representing an increase of \$13.8 million or 8.3% from June 30, 2021.

**Asset Quality**

- The allowance for credit losses increased by \$938 thousand to \$15.8 million at June 30, 2022 from \$14.9 million at June 30, 2021.
- The allowance for credit losses represented 1.15% of total loans at June 30, 2022 compared to 1.30% at June 30, 2021.
- Non-performing loans to total loans was 0.00% at June 30, 2022 and 2021.

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

- Non-interest income was \$1.6 million for the three months ended June 30, 2022, an increase of \$101 thousand or 6.7% compared to the same period in 2021.
- Non-interest expense was \$9.6 million for the three months ended June 30, 2022 compared to \$8.7 million for the same period in 2021, an increase of \$877 thousand or 10.1%. The increase was primarily driven by higher salaries and employee benefits due to new hires and salary compensation.

#### **Capital**

- The Company and its wholly owned subsidiary, U.S. Century Bank (the “Bank”), exceeded all regulatory capital requirements and remained significantly above “well-capitalized” guidelines. As of June 30, 2022, total risk-based capital ratios for the Company and the Bank were 13.74% and 13.67%, respectively.

#### **Conference Call and Webcast**

The Company will host a conference call on Friday, July 29, 2022, at 9:00 a.m. Eastern Time to discuss the Company’s unaudited financial results for the quarter ended June 30, 2022. To access the conference call, dial (866) 374-5140 (U.S. toll-free) and use conference code 31578788.

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 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. 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 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.

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;
- the continuation of the COVID-19 pandemic and its impact on us, our employees, customers and third-party service providers, and the ultimate extent of the impacts of the pandemic and related government stimulus programs;
- 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 environment;
- our ability to comply with the extensive laws and regulations to which we are subject, including the laws for each jurisdiction where we operate;
- legislative or regulatory changes and changes in accounting principles, policies, practices or guidelines, including the effects of the forthcoming implementation of the Current Expected Credit Losses (“CECL”) standard;
- the effects of our lack of a diversified loan portfolio and concentration in the South Florida market, including the risks of geographic, depositor, and industry concentrations, including our concentration in loans secured by real estate;
- the concentration of ownership of our Class A common stock;
- fluctuations in the price of our Class A 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;
- increased competition and its effect on the pricing of our products and services as well as our interest rate margin;
- 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 statement is 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 and, for periods prior to the completion of the bank holding company reorganization in December 2021, the Bank filed with the FDIC.

#### **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 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. To the extent applicable, 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.

You should assume that all numbers are unaudited unless otherwise noted.

#### **Contacts:**

##### **Investor Relations**

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##### **Media Relations**

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
<b>Interest income:</b>				
Loans, including fees	\$ 14,053	\$ 11,538	\$ 27,035	\$ 23,406
Investment securities	2,510	1,968	4,839	3,812
Interest-bearing deposits in financial institutions	121	23	152	39
Total interest income	16,684	13,529	32,026	27,257
<b>Interest expense:</b>				
Interest-bearing deposits	17	15	33	29
Savings and money markets accounts	615	523	1,166	1,071
Time deposits	271	379	530	933
Federal Home Loan Bank advances	139	138	276	275
Total interest expense	1,042	1,055	2,005	2,308
Net interest income before provision for credit losses	15,642	12,474	30,021	24,949
Provision for credit losses	705	-	705	(160)
Net interest income after provision for credit losses	14,937	12,474	29,316	25,109
<b>Non-interest income:</b>				
Service fees	1,083	903	1,983	1,792
Gain (loss) on sale of securities available for sale, net	(3)	187	18	249
Gain on sale of loans held for sale, net	22	23	356	987
Loan settlement	-	-	161	-
Other non-interest income	515	403	1,044	809
Total non-interest income	1,617	1,516	3,562	3,837
<b>Non-interest expense:</b>				
Salaries and employee benefits	5,913	5,213	11,788	10,491
Occupancy	1,251	1,411	2,521	2,798
Regulatory assessment and fees	226	195	439	373
Consulting and legal fees	398	373	915	558
Network and information technology services	448	332	835	840
Other operating expense	1,315	1,150	2,665	2,291
Total non-interest expense	9,551	8,674	19,163	17,351
Net income before income tax expense	7,003	5,316	13,715	11,595
Income tax expense	1,708	1,263	3,566	2,761
Net income	5,295	4,053	10,149	8,834
Preferred stock dividend	-	754	-	1,535
Net income available to common stockholders	\$ 5,295	\$ 3,299	\$ 10,149	\$ 7,299
<b>Allocation of net income per common stock class: <sup>(1)</sup></b>				
Class A	\$ 5,295	\$ 2,509	\$ 10,149	\$ 5,551
Class B	\$ -	\$ 790	\$ -	\$ 1,747
<b>Per share information: <sup>(1)</sup></b>				
Class A common stock <sup>(2)</sup>				
Net income per share, basic	\$ 0.26	\$ 0.65	\$ 0.51	\$ 1.43
Net income per share, diluted	\$ 0.26	\$ 0.64	\$ 0.50	\$ 1.41
Class B common stock				
Net income per share, basic	\$ -	\$ 0.13	\$ -	\$ 0.29
Net income per share, diluted	\$ -	\$ 0.13	\$ -	\$ 0.29
<b>Weighted average shares outstanding:</b>				
Class A common stock <sup>(2)</sup>				
Basic	20,000,753	3,889,469	19,997,869	3,889,469
Diluted	20,171,261	3,933,636	20,192,918	3,933,636
Class B common stock				
Basic	-	6,121,052	-	6,121,052
Diluted	-	6,121,052	-	6,121,052

(1) For the three and six months ended June 30, 2021, the allocation of net income available to common stockholders was based on the weighted average shares outstanding per common share class to the total weighted average shares outstanding during the period. The income allocation is calculated using the weighted average shares outstanding of Class B common stock on an as-converted basis (20% per share equivalent to Class A common stock).

(2) For the three and six months ended June 30, 2021, the common stock outstanding, weighted average shares and net income per share for the Class A common stock have been adjusted to reflect the 1 for 5 reverse stock split that occurred in June 2021.

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

	As of or For the Three Months Ended				
	6/30/2022	3/31/2022	12/31/2021	9/30/2021	6/30/2021
<b>Income statement data:</b>					
Net interest income	\$ 15,642	\$ 14,379	\$ 14,076	\$ 13,471	\$ 12,474
Provision for credit losses	705	-	-	-	-
Net interest income after provision for credit losses	14,937	14,379	14,076	13,471	12,474
Service fees	1,083	900	961	856	903
Gain (loss) on sale of securities available for sale, net	(3)	21	35	(70)	187
Gain on sale of loans held for sale, net	22	334	107	532	23
Gain on sale of other assets	-	-	983	-	-
Loan settlement	-	161	-	2,500	-
Other income	515	529	558	399	403
Total non-interest income	1,617	1,945	2,644	4,217	1,516
Salaries and employee benefits	5,913	5,875	5,634	5,313	5,213
Occupancy	1,251	1,270	1,267	1,192	1,411
Regulatory assessment and fees	226	213	93	317	195
Consulting and legal fees	398	517	539	357	373
Network and information technology services	448	387	268	358	332
Other operating expense	1,315	1,350	1,518	1,470	1,150
Total non-interest expenses	9,551	9,612	9,319	9,007	8,674
Net income before income tax expense	7,003	6,712	7,401	8,681	5,316
Income tax expense	1,708	1,858	1,751	2,088	1,263
Net income	5,295	4,854	5,650	6,593	4,053
Preferred stock dividend	-	-	-	542	754
Exchange and redemption of preferred shares	-	-	-	89,585	-
Net income (loss) available to common stockholders	\$ 5,295	\$ 4,854	\$ 5,650	\$ (83,534)	\$ 3,299
<b>Allocation of net income (loss) per common stock class:<sup>(1)</sup></b>					
Class A	\$ 5,295	\$ 4,854	\$ 5,650	\$ (77,278)	\$ 2,509
Class B	-	-	-	(6,256)	790
<b>Per share information:</b>					
<b>Class A common stock<sup>(2)</sup></b>					
Net income (loss) per share, basic	\$ 0.26	\$ 0.24	\$ 0.30	\$ (5.11)	\$ 0.65
Net income (loss) per share, diluted	\$ 0.26	\$ 0.24	\$ 0.30	\$ (5.11)	\$ 0.64
<b>Class B common stock</b>					
Net income (loss) per share, basic	\$ -	\$ -	\$ -	\$ (1.02)	\$ 0.13
Net income (loss) per share, diluted	\$ -	\$ -	\$ -	\$ (1.02)	\$ 0.13
<b>Balance sheet data (at period-end):</b>					
Cash and cash equivalents	\$ 83,272	\$ 94,113	\$ 46,228	\$ 69,597	\$ 47,117
Securities available-for-sale	\$ 339,464	\$ 392,214	\$ 401,542	\$ 328,171	\$ 395,804
Securities held-to-maturity	\$ 116,671	\$ 122,361	\$ 122,658	\$ 99,866	\$ -
Total securities	\$ 456,135	\$ 514,575	\$ 524,200	\$ 428,037	\$ 395,804
Loans held for investment <sup>(3)</sup>	\$ 1,372,733	\$ 1,258,388	\$ 1,190,081	\$ 1,176,412	\$ 1,145,095
Allowance for credit losses	\$ (15,786)	\$ (15,074)	\$ (15,057)	\$ (14,900)	\$ (14,848)
Total assets	\$ 2,016,086	\$ 1,967,252	\$ 1,853,939	\$ 1,755,011	\$ 1,667,005
Non-interest-bearing deposits	\$ 653,708	\$ 656,622	\$ 605,425	\$ 570,091	\$ 555,993
Interest-bearing deposits	\$ 1,085,012	\$ 1,056,672	\$ 984,954	\$ 914,498	\$ 882,783
Total deposits	\$ 1,738,720	\$ 1,713,294	\$ 1,590,379	\$ 1,484,589	\$ 1,438,776
Federal Home Loan Bank advances and other borrowings	\$ 66,000	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000
Total liabilities	\$ 1,836,018	\$ 1,775,213	\$ 1,650,042	\$ 1,553,093	\$ 1,500,703
Total stockholders' equity	\$ 180,068	\$ 192,039	\$ 203,897	\$ 201,918	\$ 166,302
<b>Capital ratios:<sup>(4)</sup></b>					
Leverage ratio	9.43%	9.47%	9.55%	9.69%	7.91%
Common equity tier 1 capital	12.65%	13.35%	13.70%	13.85%	9.24%
Tier 1 risk-based capital	12.65%	13.35%	13.70%	13.85%	11.44%
Total risk-based capital	13.74%	14.49%	14.92%	15.10%	12.69%

(1) The allocation of net income (loss) available to common stockholders was based on the weighted average shares outstanding per common share class to the total weighted average shares outstanding during each period. The income (loss) allocation is calculated using the weighted average shares outstanding of Class B common stock on an as-converted basis (20% per share equivalent to Class A common stock).

(2) The quarter ended June 30, 2021 was adjusted for the 1 for 5 reverse stock split.

(3) Loan amounts include deferred fees/costs.

(4) The Company was formed during the quarter ended December 31, 2021. As such, the capital ratios for Q2 2022, Q1 2022 and Q4 2021 are for the Company and for Q3 2021 and prior are for the Bank. The Company, as a small bank holding company, is not subject to regulatory capital requirements.



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

	<b>As of or For the Three Months Ended</b>				
	<b>6/30/2022</b>	<b>3/31/2022</b>	<b>12/31/2021</b>	<b>9/30/2021</b>	<b>6/30/2021</b>
<b>Average balance sheet data:</b>					
Cash and cash equivalents	\$ 80,254	\$ 99,911	\$ 87,819	\$ 116,622	\$ 108,028
Securities available-for-sale	\$ 370,933	\$ 385,748	\$ 374,589	\$ 346,407	\$ 382,990
Securities held-to-maturity	\$ 120,130	\$ 122,381	\$ 114,108	\$ 51,238	\$ -
Total securities	\$ 491,063	\$ 508,129	\$ 488,697	\$ 397,645	\$ 382,990
Loans held for investment <sup>(1)</sup>	\$ 1,296,476	\$ 1,211,432	\$ 1,158,755	\$ 1,144,275	\$ 1,088,492
Total assets	\$ 1,968,381	\$ 1,913,484	\$ 1,828,037	\$ 1,741,423	\$ 1,660,060
Interest-bearing deposits	\$ 1,071,709	\$ 1,023,844	\$ 958,241	\$ 912,330	\$ 896,271
Non-interest-bearing deposits	\$ 644,975	\$ 626,400	\$ 603,735	\$ 564,928	\$ 535,894
Total deposits	\$ 1,716,684	\$ 1,650,244	\$ 1,561,976	\$ 1,477,258	\$ 1,432,165
Federal Home Loan Bank advances and other borrowings	\$ 36,330	\$ 36,011	\$ 36,000	\$ 36,000	\$ 36,000
Total liabilities	\$ 1,781,784	\$ 1,711,624	\$ 1,625,675	\$ 1,546,414	\$ 1,493,129
Total stockholders' equity	\$ 186,597	\$ 201,860	\$ 202,362	\$ 195,009	\$ 166,931
<b>Performance ratios:</b>					
Return on average assets <sup>(2)</sup>	1.08%	1.03%	1.23%	1.50%	0.98%
Return on average equity <sup>(2)</sup>	11.38%	9.75%	11.08%	13.41%	9.74%
Net interest margin <sup>(2)</sup>	3.37%	3.22%	3.19%	3.19%	3.14%
Non-interest income to average assets <sup>(2)</sup>	0.33%	0.41%	0.57%	0.96%	0.37%
Efficiency ratio <sup>(3)</sup>	55.34%	58.88%	55.74%	50.92%	62.00%
<b>Loans by type (at period end): <sup>(4)</sup></b>					
Residential real estate	\$ 203,662	\$ 204,317	\$ 201,359	\$ 201,124	\$ 213,575
Commercial real estate	\$ 843,445	\$ 782,072	\$ 704,988	\$ 693,469	\$ 673,944
Commercial and industrial	\$ 131,271	\$ 134,832	\$ 146,592	\$ 137,486	\$ 155,440
Foreign banks	\$ 84,770	\$ 63,985	\$ 59,491	\$ 58,839	\$ 62,042
Consumer and other	\$ 109,250	\$ 73,765	\$ 79,229	\$ 87,515	\$ 43,979
<b>Asset quality data:</b>					
Allowance for credit losses to total loans	1.15%	1.20%	1.27%	1.27%	1.30%
Allowance for credit losses to non-performing loans	-	-	1.265%	82.778%	74.240%
Non-accrual loans less non-accrual TDRs	-	-	1,190	-	-
Non-accrual TDRs	-	-	-	18	20
Loans- over 90 days past due and accruing	-	-	-	-	-
Total non-performing loans <sup>(5)</sup>	-	-	1,190	18	20
Non-performing loans to total loans	-	-	0.10%	0.00%	0.00%
Non-performing assets to total assets	-	-	0.06%	0.00%	0.00%
Net charge-offs (recoveries of) to average loans <sup>(2)</sup>	(0.00)%	(0.01)%	(0.05)%	(0.02)%	0.06%
Net charge-offs (recovery of) credit losses	(7)	(17)	(157)	(51)	160
<b>Interest rates and yields:<sup>(2)</sup></b>					
Loans	4.35%	4.35%	4.32%	4.29%	4.19%
Investment securities	2.04%	1.85%	1.81%	1.86%	2.04%
Total interest-earning assets	3.60%	3.43%	3.41%	3.43%	3.41%
Deposits	0.21%	0.20%	0.21%	0.22%	0.26%
Borrowings and repurchase agreements	1.53%	1.54%	1.51%	1.52%	1.52%
Total interest-bearing liabilities	0.38%	0.37%	0.38%	0.40%	0.45%
<b>Other information:</b>					
Full-time equivalent employees	192	190	187	184	183

(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 for 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 June 30,</b>					
	<b>2022</b>			<b>2021</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>	\$ 1,296,476	\$ 14,053	4.35%	\$ 1,088,492	\$ 11,538	4.19%
Investment securities <sup>(3)</sup>	493,352	2,510	2.04%	385,090	1,968	2.04%
Other interest-earnings assets	<u>69,503</u>	<u>121</u>	<u>0.70%</u>	<u>101,134</u>	<u>23</u>	<u>0.09%</u>
Total interest-earning assets	1,859,331	16,684	3.60%	1,574,716	13,529	3.41%
Non-interest-earning assets	<u>109,050</u>			<u>85,344</u>		
Total assets	<u>\$ 1,968,381</u>			<u>\$ 1,660,060</u>		
<b>Liabilities and stockholders' equity</b>						
<b>Interest-bearing liabilities:</b>						
Interest-bearing demand deposits	\$ 66,349	17	0.10%	\$ 52,620	15	0.11%
Saving and money market deposits	781,076	615	0.32%	607,752	523	0.35%
Time deposits	<u>224,284</u>	<u>271</u>	<u>0.48%</u>	<u>235,899</u>	<u>379</u>	<u>0.65%</u>
Total interest-bearing deposits	1,071,709	903	0.34%	896,271	917	0.41%
Borrowings and repurchase agreements	<u>36,330</u>	<u>139</u>	<u>1.53%</u>	<u>36,000</u>	<u>138</u>	<u>1.52%</u>
Total interest-bearing liabilities	1,108,039	1,042	0.38%	932,271	1,055	0.45%
Non-interest-bearing demand deposits	644,975			535,894		
Other non-interest-bearing liabilities	<u>28,770</u>			<u>24,964</u>		
Total liabilities	1,781,784			1,493,129		
Stockholders' equity	<u>186,597</u>			<u>166,931</u>		
Total liabilities and stockholders' equity	<u>\$ 1,968,381</u>			<u>\$ 1,660,060</u>		
Net interest income		<u>\$ 15,642</u>		<u>\$ 12,474</u>		
Net interest spread <sup>(4)</sup>			3.22%			2.96%
Net interest margin <sup>(5)</sup>			3.37%			3.14%

(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 on total interest-earning assets minus the average rate 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				
	6/30/2022	3/31/2022	12/31/2021	9/30/2021	6/30/2021
<b>Pre-tax pre-provision ("PTPP") income:</b>					
Net income	\$ 5,295	\$ 4,854	\$ 5,650	\$ 6,593	\$ 4,053
Plus: Provision for income taxes	1,708	1,858	1,751	2,088	1,263
Plus: Provision for credit losses	705	-	-	-	-
PTPP income	<u>\$ 7,708</u>	<u>\$ 6,712</u>	<u>\$ 7,401</u>	<u>\$ 8,681</u>	<u>\$ 5,316</u>
<b>PTPP return on average assets:</b>					
PTPP income	\$ 7,708	\$ 6,712	\$ 7,401	\$ 8,681	\$ 5,316
Average assets	\$ 1,968,381	\$ 1,913,484	\$ 1,828,037	\$ 1,741,423	\$ 1,660,060
PTPP return on average assets <sup>(1)</sup>	1.57%	1.42%	1.61%	1.98%	1.28%
<b>Operating net income:</b>					
Net income	\$ 5,295	\$ 4,854	\$ 5,650	\$ 6,593	\$ 4,053
Less: Net gains (losses) on sale of securities	(3)	21	35	(70)	187
Less: Tax effect on sale of securities	1	(5)	(9)	17	(46)
Operating net income	<u>\$ 5,297</u>	<u>\$ 4,838</u>	<u>\$ 5,624</u>	<u>\$ 6,646</u>	<u>\$ 3,912</u>
<b>Operating PTPP income:</b>					
PTPP income	\$ 7,708	\$ 6,712	\$ 7,401	\$ 8,681	\$ 5,316
Less: Net gains (losses) on sale of securities	(3)	21	35	(70)	187
Operating PTPP income	<u>\$ 7,711</u>	<u>\$ 6,691</u>	<u>\$ 7,366</u>	<u>\$ 8,751</u>	<u>\$ 5,129</u>
<b>Operating PTPP return on average assets:</b>					
Operating PTPP income	\$ 7,711	\$ 6,691	\$ 7,366	\$ 8,751	\$ 5,129
Average assets	\$ 1,968,381	\$ 1,913,484	\$ 1,828,037	\$ 1,741,423	\$ 1,660,060
Operating PTPP return on average assets <sup>(1)</sup>	1.57%	1.42%	1.60%	1.99%	1.24%
<b>Operating return on average assets:</b>					
Operating net income	\$ 5,297	\$ 4,838	\$ 5,624	\$ 6,646	\$ 3,912
Average assets	\$ 1,968,381	\$ 1,913,484	\$ 1,828,037	\$ 1,741,423	\$ 1,660,060
Operating return on average assets <sup>(1)</sup>	1.08%	1.03%	1.22%	1.51%	0.95%

(1) 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				
	6/30/2022	3/31/2022	12/31/2021	9/30/2021	6/30/2021
<b>Tangible book value per common share (at period-end):<sup>(1)</sup></b>					
Total stockholders' equity (GAAP)	\$ 180,068	\$ 192,039	\$ 203,897	\$ 201,918	\$ 166,302
Less: Intangible assets	-	-	-	-	-
Less: Preferred stock	-	-	-	-	24,616
Tangible stockholders' equity (non-GAAP)	\$ 180,068	\$ 192,039	\$ 203,897	\$ 201,918	\$ 141,686
<b>Total shares issued and outstanding (at period-end):<sup>(2)</sup></b>					
Class A common shares	20,000,753	20,000,753	19,991,753	18,767,541	3,889,469
Class B common shares	-	-	-	1,224,212	1,224,212
Total common shares issued and outstanding	20,000,753	20,000,753	19,991,753	19,991,753	5,113,681
Tangible book value per common share (non-GAAP) <sup>(3)</sup>	\$ 9.00	\$ 9.60	\$ 10.20	\$ 10.10	\$ 27.71
<b>Operating net income available to common stockholders:<sup>(4)</sup></b>					
Net income (GAAP)	\$ 5,295	\$ 4,854	\$ 5,650	\$ 6,593	\$ 4,053
Less: Preferred dividends	-	-	-	542	754
Less: Exchange and redemption of preferred shares	-	-	-	89,585	-
Net income (loss) available to common stockholders (GAAP)	5,295	4,854	5,650	(83,534)	3,299
Add back: Exchange and redemption of preferred shares	-	-	-	89,585	-
Operating net income avail. to common stock (non-GAAP)	\$ 5,295	\$ 4,854	\$ 5,650	\$ 6,051	\$ 3,299
<b>Allocation of operating net income per common stock class:</b>					
Class A common stock	\$ 5,295	\$ 4,854	\$ 5,650	\$ 5,598	\$ 2,509
Class B common stock	-	-	-	453	790
<b>Weighted average shares outstanding:</b>					
Class A common stock					
Basic	20,000,753	19,994,953	18,913,914	15,121,460	3,889,469
Diluted	20,171,261	20,109,783	19,023,686	15,187,729	3,933,636
Class B common stock					
Basic	-	-	-	6,121,052	6,121,052
Diluted	-	-	-	6,121,052	6,121,052
<b>Diluted EPS:<sup>(4)(5)</sup></b>					
Class A common stock					
Net income (loss) per diluted share (GAAP)	\$ 0.26	\$ 0.24	\$ 0.30	\$ (5.11)	\$ 0.64
Add back: Exchange and redemption of preferred shares	-	-	-	5.48	-
Operating net income per diluted share (non-GAAP)	\$ 0.26	\$ 0.24	\$ 0.30	\$ 0.37	\$ 0.64
Class B common stock					
Net income (loss) per diluted share (GAAP)	\$ -	\$ -	\$ -	\$ (1.02)	\$ 0.13
Add back: Exchange and redemption of preferred shares	-	-	-	1.09	-
Operating net income per diluted share (non-GAAP)	\$ -	\$ -	\$ -	\$ 0.07	\$ 0.13

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

(2) During the quarter ended September 30, 2021, 47,473 shares of Class C preferred stock and 11,061,552 shares of Class D preferred stock were converted into 10,278,072 shares of Class A common stock. Additionally, the Bank closed on the initial public offering of its Class A common stock on July 27, 2021, in which it issued 4,600,000 shares of Class A common stock. As such, the total shares issued and outstanding of Class A common stock was 18,767,541 shares at September 30, 2021.

(3) Excludes the dilutive effect, if any, of shares of common stock issuable upon exercise of outstanding stock options.

(4) During the quarter ended September 30, 2021, basic net loss per share is the same as diluted net loss per share as the inclusion of all potential common shares outstanding would have been antidilutive.

(5) During the quarter ended December 31, 2021, the Company entered into agreements with the Class B common shareholders to exchange all outstanding Class B non-voting common stock for Class A voting common stock at a ratio of 1 share of Class A common stock for each 5 shares of Class B non-voting common stock. In calculating net income (loss) per diluted share for the prior quarters presented, the allocation of operating net income available to common stockholders was based on the weighted average shares outstanding per common share class to the total weighted average shares outstanding during each period. The operating net income allocation was calculated using the weighted average shares outstanding of Class B common stock on an as-converted basis.



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**Second Quarter 2022  
Earnings Presentation**  
**July 29, 2022**



# 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. 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 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.

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;
- the continuation of the COVID-19 pandemic and its impact on us, our employees, customers and third-party service providers, and the ultimate extent of the impacts of the pandemic and related government stimulus programs;
- 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 environment;
- our ability to comply with the extensive laws and regulations to which we are subject, including the laws for each jurisdiction where we operate;
- legislative or regulatory changes and changes in accounting principles, policies, practices or guidelines, including the effects of the forthcoming implementation of the Current Expected Credit Losses (“CECL”) standard;
- the effects of our lack of a diversified loan portfolio and concentration in the South Florida market, including the risks of geographic, depositor, and industry concentrations, including our concentration in loans secured by real estate;
- the concentration of ownership of our Class A common stock;
- fluctuations in the price of our Class A 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;
- increased competition and its effect on the pricing of our products and services as well as our interest rate margin;
- 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 statement to reflect events or circumstances after the date on which the statement is 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 and, for periods prior to the completion of the bank holding company reorganization in December 31, 2021, U.S. Century Bank filed with the FDIC.

#### 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 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. To the extent applicable, 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.

You should assume that all numbers are unaudited unless otherwise noted.



## Q2 2022 Highlights

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Capital/  
Credit

- **Credit metrics** remain pristine.
  - There were **no loans classified as nonperforming**.
  - ACL coverage ratio was 1.15%.
  - Tangible Book Value per Share is at \$9.00, down \$0.60 from prior quarter primarily due to AOCI.
  - No shares repurchased during the quarter; Board approved repurchase program in place covering 750,000 shares of Class A common stock.
- 



Profitability

- **Net income** was **\$5.3 million** or \$0.26 per diluted share.
  - **ROAA** was **1.08%** and **ROAE** was **11.38%**.
  - **Efficiency ratio** was **55.34%**.
  - **NIM** was **3.37%** and **NII** was **\$15.6 million**, up \$3.2 million or 25.4% compared to second quarter 2021.
- 



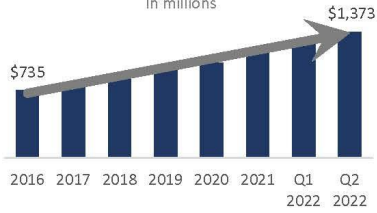
Growth

- **Average deposits** increased by **\$284.5 million** or 19.9% compared to second quarter 2021.
- Total **average loans**, excluding PPP loans, increased \$102.3 million or 34.9% annualized compared to prior quarter and \$289.9 million or 29.3% compared to second quarter 2021.

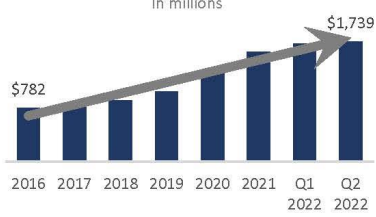


# Historical Financial Data

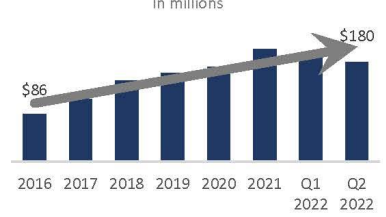
**Total Loans <sup>(1)</sup>**  
In millions



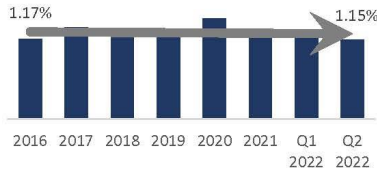
**Total Deposits**  
In millions



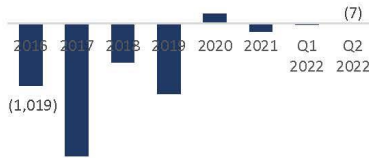
**Total Stockholders' Equity**  
In millions



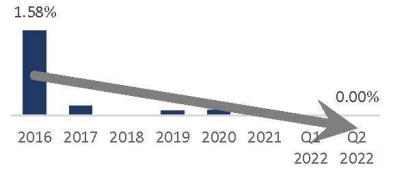
**ACL/Total Loans**



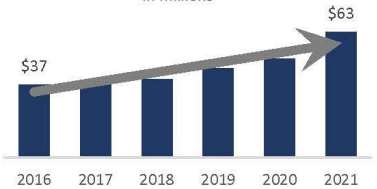
**Net Charge off**  
In thousands



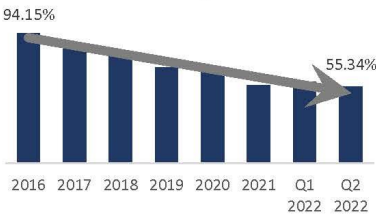
**Nonperforming Assets/Total Assets**



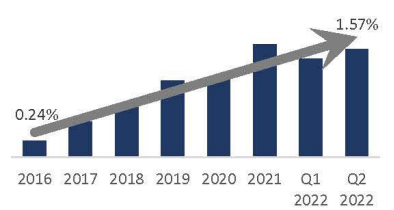
**Total Revenue**  
In millions



**Efficiency ratio**



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



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

<sup>(2)</sup> Non-GAAP Financial Measure.

\* As of end of period for Balance Sheet amounts.





# Financial Results

In thousands (except per share data)

	Q2 2022	Q1 2022	Q2 2021	
<b>Balance Sheet</b> (EOP)	Total Securities	\$456,135	\$514,575	\$395,804
	Total Loans <sup>(1)</sup>	\$1,372,733	\$1,258,388	\$1,145,095
	Total Assets	\$2,016,086	\$1,967,252	\$1,667,005
	Total Deposits	\$1,738,720	\$1,713,294	\$1,438,776
	Total Equity	\$180,068	\$192,039	\$166,302
<b>Income Statement</b>	Net Interest Income	\$15,642	\$14,379	\$12,474
	Non-interest Income	\$1,617	\$1,945	\$1,516
	Total Revenue	\$17,259	\$16,324	\$13,990
	Provision for Credit Losses	\$705	\$0	\$0
	Non-interest Expense	\$9,551	\$9,612	\$8,674
	Net Income	\$5,295	\$4,854	\$4,053
	Net Income available to common stockholders <sup>(2)</sup>	\$5,295	\$4,854	\$3,299
	<b>Diluted Earning Per Share (EPS) <sup>(3)</sup></b>			
	Class A Common Stock	\$0.26	\$0.24	\$0.64
	Class B Common Stock	\$0.00	\$0.00	\$0.13

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

<sup>(2)</sup> No preferred stock outstanding as of Q2'22 and Q1'22.

<sup>(3)</sup> See footnote disclosure in the Non-GAAP table for common stock activity (redemption and exchange of preferred stock, IPO, and exchange of Class B common stock) which impacted diluted EPS for Q2'22 and Q1'22.



# Key Performance Indicators



	Q2 2022	Q1 2022	Q2 2021
Tangible Common Equity/Tangible Assets <sup>(1)</sup>	8.93%	9.76%	8.50%
Total Risk-Based Capital <sup>(2)</sup>	13.74%	14.49%	12.69%
NCO/Avg Loans <sup>(3)</sup>	0.00%	-0.01%	0.06%
NPA/Assets	0.00%	0.00%	0.00%
Allowance Credit Losses/Loans	1.15%	1.20%	1.30%



Return On Average Assets (ROAA) <sup>(3)</sup>	1.08%	1.03%	0.98%
Return On Average Equity (ROAE) <sup>(3)</sup>	11.38%	9.75%	9.74%
Net Interest Margin <sup>(3)</sup>	3.37%	3.22%	3.14%
Efficiency Ratio	55.34%	58.88%	62.00%
PTPP ROAA <sup>(1)(3)</sup>	1.57%	1.42%	1.28%

In thousands (except for TBV/share)



Total Assets (EOP)	\$2,016,086	\$1,967,252	\$1,667,005
Total Loans (EOP)	\$1,372,733	\$1,258,388	\$1,145,095
Total Deposits (EOP)	\$1,738,720	\$1,713,294	\$1,438,776
Tangible Book Value/Share <sup>(1)</sup>	\$9.00	\$9.60	\$27.71

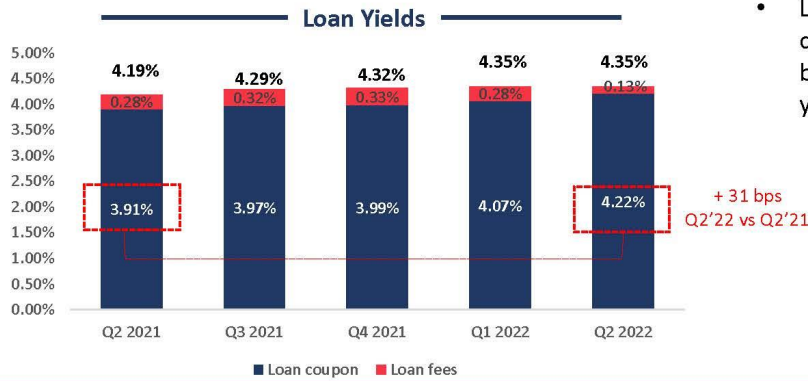
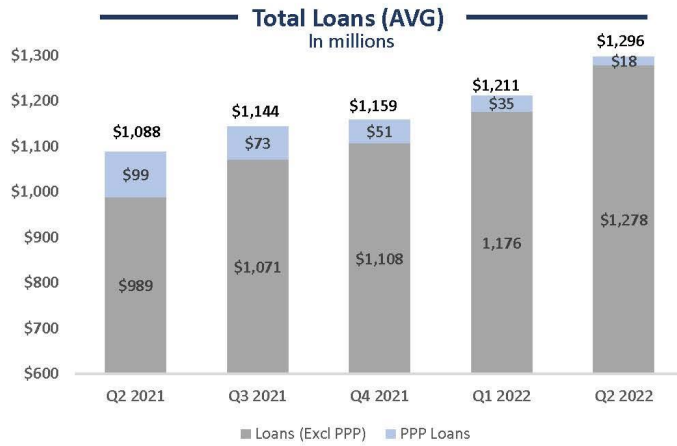
<sup>(1)</sup> Non-GAAP Financial Measures. TBV/Share for Q2'22 and Q1'22, see footnote disclosure in the Non-GAAP table for common stock activity (redemption and exchange of preferred stock, IPO, and exchange of Class B common stock) which impacted TBV/share.

<sup>(2)</sup> The Company was established in Q4 2021. As such, the capital ratios for Q2 2022 and Q1 2022 are for the Bank Holding Company while Q2 2021 is for the Bank only.

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



# Loan Portfolio



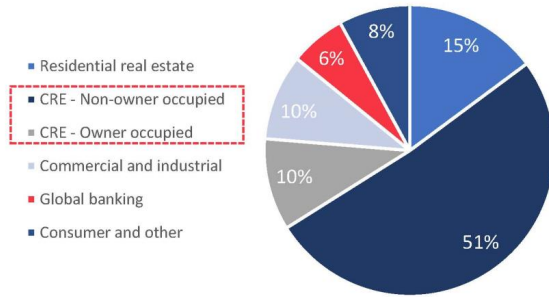
### Commentary

- Total average loans, excluding PPP loans, increased \$102.3 million or 34.9% annualized compared to prior quarter and \$289.9 million or 29.3% compared to second quarter 2021.
- Loan coupon increased 15 bps due to a higher interest rate environment compared to prior quarter and 31 bps increase compared to second quarter 2021.
- Loan fees decreased 15 bps from prior quarter as most of the PPP loan fees have been recognized, normalizing the loan yield composition.



# Loan Portfolio Mix

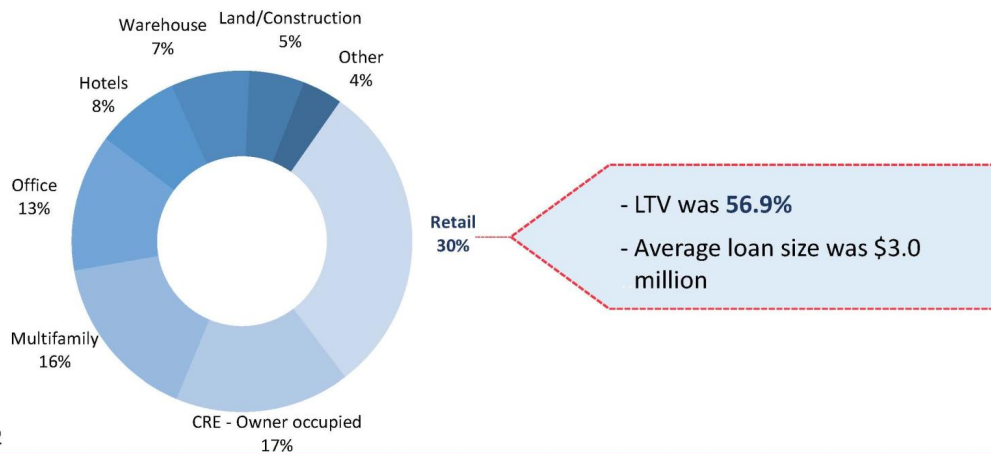
## Loan Portfolio Mix



## Commentary

- Total Loan balances at quarter end was \$1.373 billion.
- Commercial Real Estate (owner occupied and non-owner occupied) was 61% or \$843.4 million of the total loan portfolio.
- CRE mix is diversified and granular. Retail makes up 30% of total CRE or \$252.6 million.

## CRE Loan Portfolio



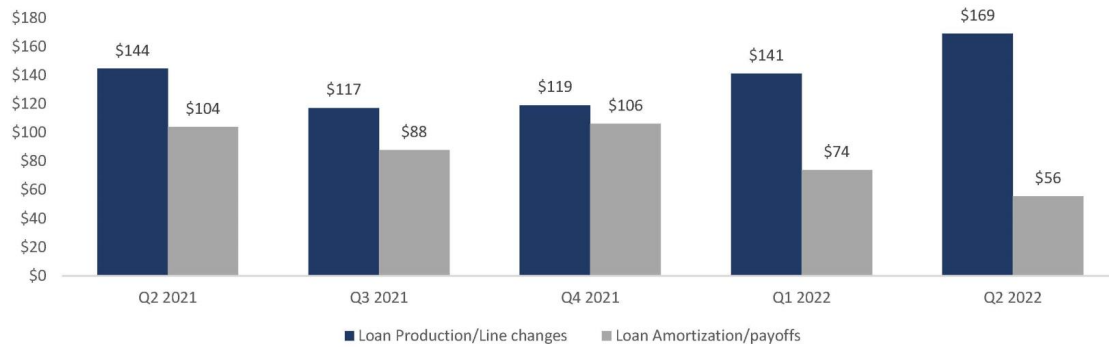
As of 6/30/22



# Loan Production

## Net Loan Production Trend

In millions



## Commentary

- Q2 loan growth driven by increased production levels and lower payoffs and paydowns.
- Payoffs and paydowns slowing with increase in interest rates.
- \$169 million loan production in Q2 2022 is attributable to \$158 million in new loans and \$11 million in net increase of existing lines of credit.



# Paycheck Protection Program (PPP)

3 successful rounds of PPP loans, originating \$168.4 million. Forgiveness of the last round of PPP loans is in process.

In thousands (except for ROAA)

	Q2 2022	Q1 2022	Q2 2021
Pre-Tax Income	\$7,003	\$6,712	\$5,316
Net Income	\$5,295	\$4,854	\$4,053
Average Assets	\$1,968,381	\$1,913,484	\$1,660,060
ROAA <sup>(1)</sup>	1.08%	1.03%	0.98%



<i>of which</i>			
PPP Income <sup>(2)</sup>	\$484	\$1,001	\$925
Unrealized PPP Fees EOP	\$149	\$590	\$3,169
PPP Balance EOP	\$13,507	\$24,646	\$84,240
PPP AVG. Balance	\$17,643	\$34,901	\$99,563

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

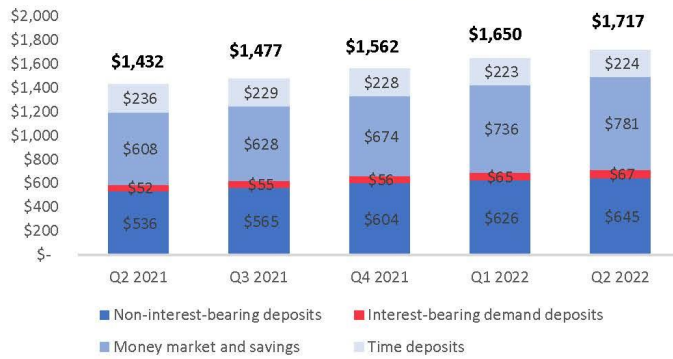
<sup>(2)</sup> PPP Income includes loan fees and interest income.



# Deposit Portfolio

## Deposits (AVG)

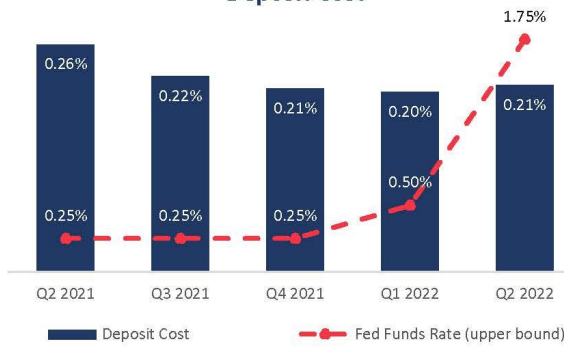
In millions



## Commentary

- Average deposits increased \$66.4 million or 16.1% annualized compared to prior quarter and \$284.5 million or 19.9% compared to second quarter 2021.
- Average DDA deposits grew \$18.6 million or 11.9% annualized compared to prior quarter and \$109.1 million or 20.4% compared to second quarter 2021.
- DDA balances comprised 37.6% of total deposits as of June 30, 2022.
- Deposit cost increased 1bps compared to prior quarter and decreased 5 bps compared to second quarter 2021.

## Deposit Cost <sup>(1)</sup>

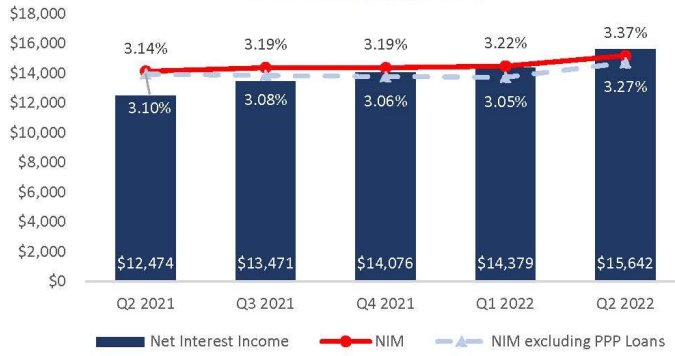


<sup>(1)</sup> Annualized.

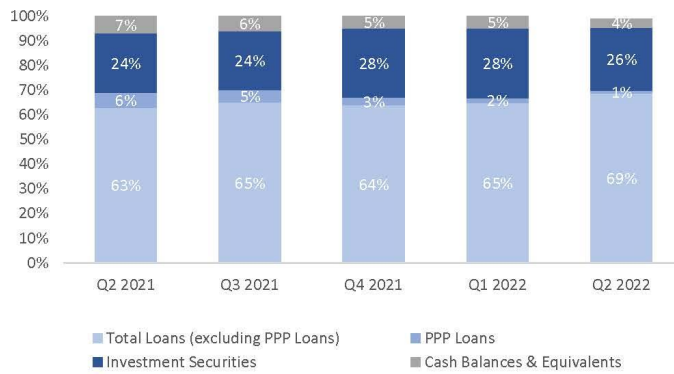


# Net Interest Margin

**Net Interest Income/Margin <sup>(1)</sup>**  
In thousands (except ratios)



**Interest-Earning Assets Mix (AVG)**



## Commentary

- Net interest income increased by \$1.3 million or 35.2% annualized compared to prior quarter and \$3.2 million or 25.4% compared to second quarter 2021.
- NIM impacted by an increase in interest rates and a shift in balance sheet mix. Loan production growth shifted assets to a higher yielding asset class and was funded by cash balances, a lower securities portfolio and growth in new deposits.
- NIM of 3.37% up 15 bps from prior quarter and up 23 bps from second quarter 2021 demonstrating an asset sensitive balance sheet.

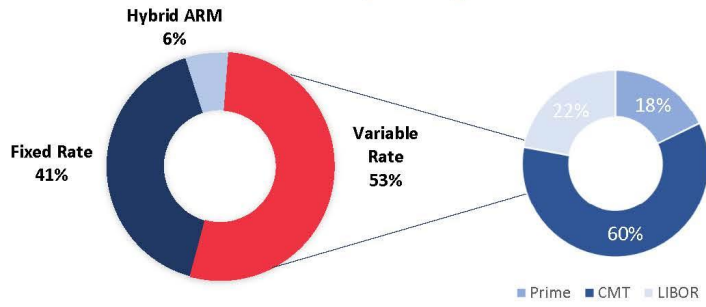
<sup>(1)</sup> Annualized.



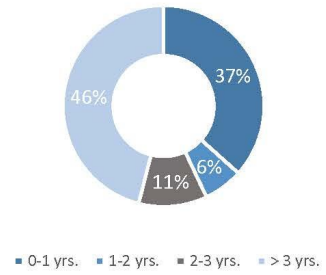


# Interest Rate Sensitivity

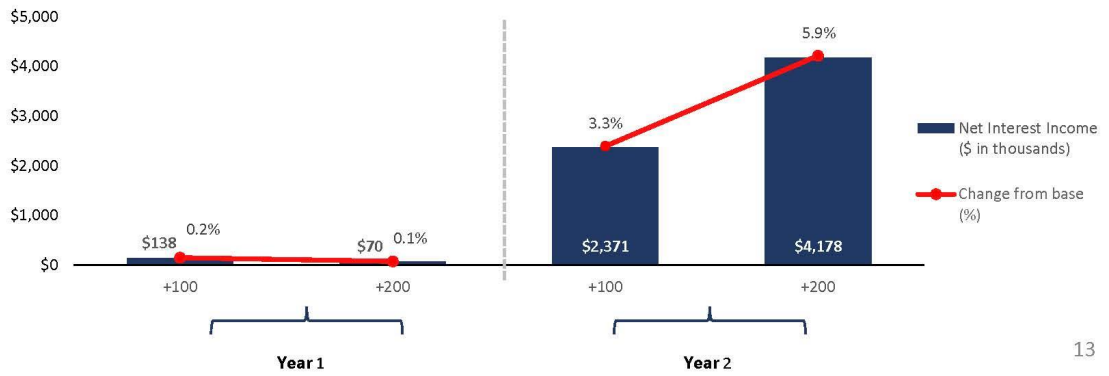
Loan Portfolio Repricing Profile by Rate Type



Loan Repricing Schedule Variable/Hybrid Rate Loans



Static NII Simulation Year 1 & 2



As of 6/30/22



# Non-interest Income

In thousands (except ratios)

	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Service fees	\$1,083	\$900	\$961	\$856	\$903
Gain (loss) on sale of securities available for sale	(3)	21	35	(70)	187
Gain on sale of loans held for sale	22	334	107	532	23
Gain on sale of other assets	-	-	983	-	-
Loan settlement	-	161	-	2,500	-
Other income	515	529	558	399	403
<b>Total non-interest income</b>	<b>\$1,617</b>	<b>\$1,945</b>	<b>\$2,644</b>	<b>\$4,217</b>	<b>\$1,516</b>
Average total assets	\$1,968,381	\$1,913,484	\$1,828,037	\$1,741,423	\$1,660,060
Non-interest income / Average assets <sup>(1)</sup>	0.33%	0.41%	0.57%	0.96%	0.37%
Total Revenue	\$17,259	\$16,324	\$16,720	\$17,688	\$13,990
Non-interest income as % of total revenue	9.37%	11.91%	15.81%	23.85%	10.84%

## Commentary

- Service fees and other income remain consistent quarter over quarter.
- Fluctuation of non-interest income primarily impacted by one-time items in prior quarters.
- Prudently managing securities with minimal losses (\$3 thousand) in Q2 2022 as interest rates increase.

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



# Non-interest Expense

In thousands (except ratios and FTE)

	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Salaries and employee benefits	\$5,913	\$5,875	\$5,634	\$5,313	\$5,213
Occupancy	1,251	1,270	1,267	1,192	1,411
Regulatory assessment and fees	226	213	93	317	195
Consulting and legal fees	398	517	539	357	373
Network and information technology services	448	387	268	358	332
Other operating expense	1,315	1,350	1,518	1,470	1,150
<b>Total non-interest expenses</b>	<b>\$9,551</b>	<b>\$9,612</b>	<b>\$9,319</b>	<b>\$9,007</b>	<b>\$8,674</b>
Efficiency ratio	55.34%	58.88%	55.74%	50.92%	62.00%
Average total assets	\$1,968,381	\$1,913,484	\$1,828,037	\$1,741,423	\$1,660,060
Non-interest expense / Average assets <sup>(1)</sup>	1.95%	2.04%	2.02%	2.05%	2.10%
Full-time equivalent employees	192	190	187	184	183

## Commentary

- Salaries and employee benefits increased primarily due to 2 new FTEs.
- Consulting and legal fees normalizing after one-time expenses related to the holding company reorganization in Q1 2022 and Q4 2021.
- Higher revenue and slightly lower non-interest expense improved efficiency ratio to 55.34%.

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



# Asset Quality

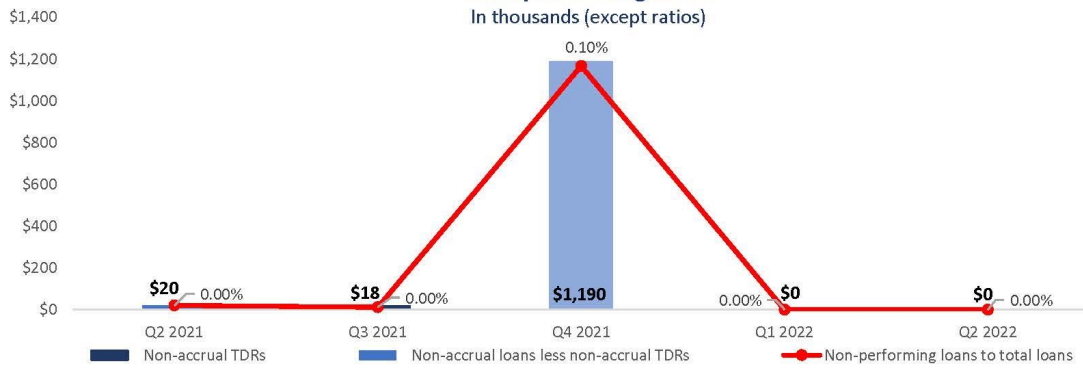
## Allowance for Credit Losses In thousands (except ratios)



## Commentary

- ACL coverage ratio is at 1.15% or 1.16% excluding PPP loans, in line with pre-pandemic levels.
- No loans classified as non-performing.
- No OREOs.
- CECL modeling progressing as planned; first parallel run was completed in Q2 2022.

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





# Capital

Capital Ratios <sup>(1)</sup>	Q2 2022	Q1 2022	Q2 2021	Well-Capitalized
Leverage Ratio	9.43%	9.47%	7.91%	5.00%
TCE/TA <sup>(2)</sup>	8.93%	9.76%	8.50%	NA
Tier 1 Risk Based Capital	12.65%	13.35%	11.44%	8.00%
Total Risk Based Capital	13.74%	14.49%	12.69%	10.00%

### Commentary

- All capital ratios remain significantly above “well capitalized” guidelines.
- Q2 2022 EOP shares outstanding:  
Class A Common Stock: 20,000,753
- No shares repurchased during the quarter; Board approved repurchase program in place covering 750,000 shares of Class A common stock.

<sup>(1)</sup> The Company was established in Q4 2021. As such, the capital ratios for Q2 2022 and Q1 2022 are for the Company while Q2 2021 is for the Bank only.

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



# Takeaways

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-  Leading Franchise Located in one of the Most Attractive Banking Markets in Florida and the U.S.
-  Experienced and Tested Management Team
-  Robust Organic Growth
-  Strong Asset Quality, with Minimal Charge-offs Experienced Since Recapitalization
-  Strong Profitability, with Pathway For Future Enhancement Identified
-  Core Funded Deposit Base with 37.6% Non-Interest-Bearing Deposits (EOP)



# Non-GAAP Reconciliation

In thousands (except ratios)

	As of or for the three months ended				
	6/30/2022	3/31/2022	12/31/2021	9/30/2021	6/30/2021
<b>Pre-Tax Pre-Provision ("PTPP") Income:</b>					
Net income	\$ 5,295	\$ 4,854	\$ 5,650	\$ 6,593	\$ 4,053
Plus: Provision for income taxes	1,708	1,858	1,751	2,088	1,263
Plus: Provision for credit losses	705	-	-	-	-
<b>PTPP income</b>	<b>\$ 7,708</b>	<b>\$ 6,712</b>	<b>\$ 7,401</b>	<b>\$ 8,681</b>	<b>\$ 5,316</b>
<b>PTPP Return on Average Assets:</b>					
PTPP income	\$ 7,708	\$ 6,712	\$ 7,401	\$ 8,681	\$ 5,316
Average assets	\$ 1,968,381	\$ 1,913,484	\$ 1,828,037	\$ 1,741,423	\$ 1,660,060
PTPP return on average assets <sup>(1)</sup>	1.57%	1.42%	1.61%	1.98%	1.28%
<b>Operating Net Income:</b>					
Net income	\$ 5,295	\$ 4,854	\$ 5,650	\$ 6,593	\$ 4,053
Less: Net gains (losses) on sale of securities	(3)	21	35	(70)	187
Less: Tax effect on sale of securities	1	(5)	(9)	17	(46)
<b>Operating net income</b>	<b>\$ 5,297</b>	<b>\$ 4,838</b>	<b>\$ 5,624</b>	<b>\$ 6,646</b>	<b>\$ 3,912</b>
<b>Operating PTPP Income:</b>					
PTPP income	\$ 7,708	\$ 6,712	\$ 7,401	\$ 8,681	\$ 5,316
Less: Net gains (losses) on sale of securities	(3)	21	35	(70)	187
<b>Operating PTPP Income</b>	<b>\$ 7,711</b>	<b>\$ 6,691</b>	<b>\$ 7,366</b>	<b>\$ 8,751</b>	<b>\$ 5,129</b>
<b>Operating PTPP Return on Average Assets:</b>					
Operating PTPP income	\$ 7,711	\$ 6,691	\$ 7,366	\$ 8,751	\$ 5,129
Average assets	\$ 1,968,381	\$ 1,913,484	\$ 1,828,037	\$ 1,741,423	\$ 1,660,060
Operating PTPP Return on average assets <sup>(1)</sup>	1.57%	1.42%	1.60%	1.99%	1.24%
<b>Operating Return on Average Assets:</b>					
Operating net income	\$ 5,297	\$ 4,838	\$ 5,624	\$ 6,646	\$ 3,912
Average assets	\$ 1,968,381	\$ 1,913,484	\$ 1,828,037	\$ 1,741,423	\$ 1,660,060
Operating return on average assets <sup>(1)</sup>	1.08%	1.03%	1.22%	1.51%	0.95%

(1) Annualized.



# Non-GAAP Reconciliation

	As of and for the three months ended					In thousands (except per share data)	
	6/30/2022	3/31/2022	12/31/2021	9/30/2021	6/30/2021		
<b>Tangible Book Value per Common Share (at period-end):<sup>(1)</sup></b>							
Total stockholders' equity (GAAP)	\$ 180,068	\$ 192,039	\$ 203,897	\$ 201,918	\$ 166,302		
Less: Intangible assets	-	-	-	-	-		
Less: Preferred stock	-	-	-	-	24,616		
Tangible stockholders' equity (non-GAAP)	\$ 180,068	\$ 192,039	\$ 203,897	\$ 201,918	\$ 141,686		
<b>Total shares issued and outstanding (at period-end):<sup>(2)</sup></b>							
Class A common shares	20,000,753	20,000,753	19,991,753	18,767,541	3,889,469		
Class B common shares	-	-	-	1,224,212	1,224,212		
Total common shares issued and outstanding	20,000,753	20,000,753	19,991,753	19,991,753	5,113,681		
Tangible book value per common share (non-GAAP) <sup>(3)</sup>	\$ 9.00	\$ 9.60	\$ 10.20	\$ 10.10	\$ 27.71		
<b>Operating Net Income Available to Common Stockholders:<sup>(4)</sup></b>							
Net income (GAAP)	\$ 5,295	\$ 4,854	\$ 5,650	\$ 6,593	\$ 4,053		
Less: Preferred dividends	-	-	-	542	754		
Less: Exchange and redemption of preferred shares	-	-	-	89,585	-		
Net income (loss) available to common stockholders (GAAP)	5,295	4,854	5,650	(83,534)	3,299		
Add back: Exchange and redemption of preferred shares	-	-	-	89,585	-		
Operating net income avail. to common stock (non-GAAP)	\$ 5,295	\$ 4,854	\$ 5,650	\$ 6,051	\$ 3,299		
<b>Allocation of operating net income per common stock class:</b>							
Class A common stock	\$ 5,295	\$ 4,854	\$ 5,650	\$ 5,598	\$ 2,509		
Class B common stock	\$ -	\$ -	\$ -	\$ 453	\$ 790		
<b>Weighted average shares outstanding:</b>							
Class A common stock							
Basic	20,000,753	19,994,953	18,913,914	15,121,460	3,889,469		
Diluted	20,171,261	20,109,783	19,023,686	15,187,729	3,933,636		
Class B common stock							
Basic	-	-	-	6,121,052	6,121,052		
Diluted	-	-	-	6,121,052	6,121,052		
<b>Diluted EPS:<sup>(4)(5)</sup></b>							
Class A common stock							
Net income (loss) per diluted share (GAAP)	\$ 0.26	\$ 0.24	\$ 0.30	\$ (5.11)	\$ 0.64		
Add back: Exchange and redemption of preferred shares	-	-	-	5.48	-		
Operating net income per diluted share (non-GAAP)	\$ 0.26	\$ 0.24	\$ 0.30	\$ 0.37	\$ 0.64		
Class B common stock							
Net income (loss) per diluted share (GAAP)	\$ -	\$ -	\$ -	\$ (1.02)	\$ 0.13		
Add back: Exchange and redemption of preferred shares	-	-	-	1.09	-		
Operating net income per diluted share (non-GAAP)	\$ -	\$ -	\$ -	\$ 0.07	\$ 0.13		

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

(2) During the quarter ended September 30, 2021, 47,473 shares of Class C preferred stock and 11,061,552 shares of Class D preferred stock were converted into 10,278,072 shares of Class A common stock. Additionally, the Bank closed on the initial public offering of its Class A common stock on July 27, 2021, in which it issued 4,600,000 shares of Class A common stock. As such, the total shares issued and outstanding of Class A common stock was 18,767,541 shares at September 30, 2021.

(3) Excludes the dilutive effect, if any, of shares of common stock issuable upon exercise of outstanding stock options.

(4) During the quarter ended September 30, 2021, basic net loss per share is the same as diluted net loss per share as the inclusion of all potential common shares outstanding would have been antidilutive.

(5) During the quarter ended December 31, 2021, the Company entered into agreements with the Class B common shareholders to exchange all outstanding Class B non-voting common stock for Class A voting common stock at a ratio of 1 share of Class A common stock for each 5 shares of Class B non-voting common stock. In calculating net income (loss) per diluted share for the prior quarters presented, the allocation of operating net income available to common stockholders was based on the weighted average shares outstanding per common share class to the total weighted average shares outstanding during each period. The operating net income allocation was calculated using the weighted average shares outstanding of Class B common stock on an as-converted basis.





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