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**First Quarter 2022  
Earnings Presentation**  
**April 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 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 margins;
- 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 the Company filed or will file with the SEC and, for periods prior to the completion of the bank holding company reorganization in December 31, 2021, the 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.



# Q1 2022 Highlights

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## Capital/ Credit

- **Credit metrics** remain pristine.
  - There were **no loans classified as nonperforming**.
  - ACL coverage ratio was 1.20% in line with pre-pandemic levels.
  - On January 24, 2022 the Board of Directors approved a **share repurchase program** for 750,000 shares of Class A common stock. There were no repurchases in the quarter.
  - Recovered \$161k in default interest from a prior loan customer of the Bank.
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## Profitability

- **Net income** was **\$4.9 million** or \$0.24 per diluted share.
  - **Income tax** expenses increased due to a one-time adjustment to DTA of \$300k.
  - **ROAA** was **1.03%** and **ROAE** was **9.75%**.
  - **Efficiency ratio** was **58.88%**.
  - **NIM** was **3.22%** and **NII** was **\$14.4 million**, up \$1.9 million or 15.3% compared to first quarter 2021.
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## Growth

- Deployed cash by growing loans and purchasing securities.
- **Average deposits** increased by **\$306.6 million** or 22.8% compared to first quarter 2021.
- **Average loans** excluding PPP increased by **\$217.4 million** or 22.7% compared to first quarter 2021.



# Financial Results

In thousands (except per share data)

	Q1 2022	Q4 2021	Q1 2021	
<b>Balance Sheet (EOP)</b>	Total Securities	\$514,575	\$524,200	\$341,344
	Total Loans <sup>(1)</sup>	\$1,258,388	\$1,190,081	\$1,103,981
	Total Assets	\$1,967,252	\$1,853,939	\$1,633,359
	Total Deposits	\$1,713,294	\$1,590,379	\$1,404,231
	Total Equity	\$192,039	\$203,897	\$170,425
<b>Income Statement</b>	Net Interest Income	\$14,379	\$14,076	\$12,475
	Non-interest Income	\$1,945	\$2,644	\$2,321
	Revenue	\$16,324	\$16,720	\$14,796
	Provision for Credit Losses	\$0	\$0	(\$160)
	Non-interest Expense	\$9,612	\$9,319	\$8,677
	Net Income	\$4,854	\$5,650	\$4,781
	Net Income available to common stockholders	\$4,854	\$5,650	\$4,000
	Diluted Earning Per Share (EPS) <sup>(2)</sup>			
	Class A Common Stock	\$0.24	\$0.30	\$0.78
	Class B Common Stock	\$0.00	\$0.00	\$0.16

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

<sup>(2)</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 Q1'22 and Q4'21.



# Key Performance Indicators

	Q1 2022	Q4 2021	Q1 2021
Tangible Common Equity/Tangible Assets <sup>(1)</sup>	9.76%	11.00%	8.47%
Total Risk Based Capital <sup>(2)</sup>	14.49%	14.92%	13.80%
NCO/Avg Loans <sup>(3)</sup>	-0.01%	-0.05%	-0.03%
NPA/Assets	0.00%	0.06%	0.04%
Allowance Credit Losses/Loans	1.20%	1.27%	1.36%



Capital/  
Credit

Return On Average Assets (ROAA) <sup>(2)</sup>	1.03%	1.23%	1.23%
Return On Average Equity (ROAE) <sup>(2)</sup>	9.75%	11.08%	11.30%
Net Interest Margin <sup>(2)</sup>	3.22%	3.19%	3.35%
Efficiency Ratio	58.88%	55.74%	58.64%
PTPP ROAA <sup>(1)(2)</sup>	1.42%	1.61%	1.58%



Profitability

In thousands (except for TBV/share)

Total Assets (EOP)	\$1,967,252	\$1,853,939	\$1,633,359
Total Loans (EOP)	\$1,258,388	\$1,190,081	\$1,103,981
Total Deposits (EOP)	\$1,713,294	\$1,590,379	\$1,404,231
Tangible Book Value/Share <sup>(1)</sup>	\$9.60	\$10.20	\$27.05



Growth

<sup>(1)</sup> Non-GAAP Financial Measures. TBV/Share for Q1'22 and Q4'21, 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> Bank Holding Company was created in Q4 2021. As such, the capital ratios for Q1 2022 and Q4 2021 are for the Bank Holding Company while Q1 2021 is for the Bank only.

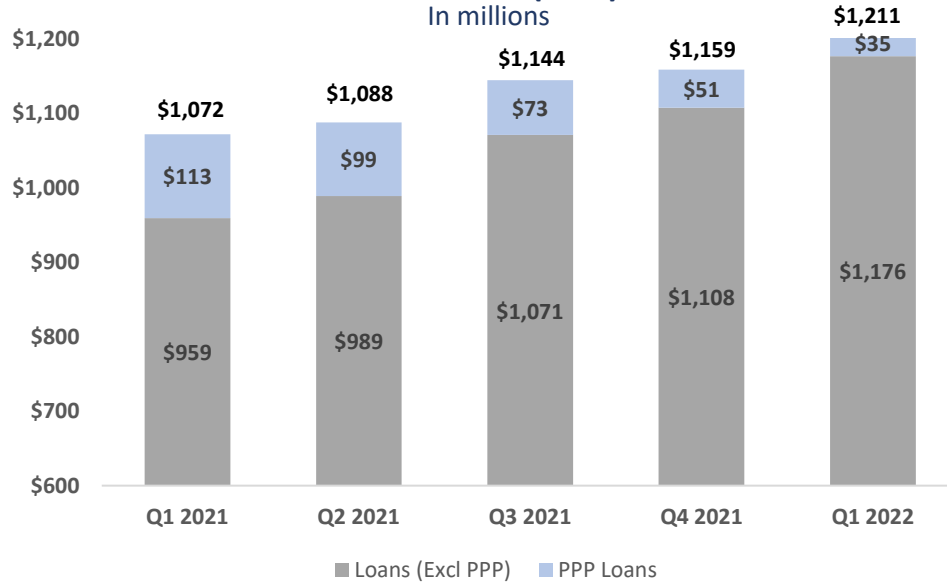
<sup>(3)</sup> Annualized.



# Loan Portfolio

## Total Loans (AVG)

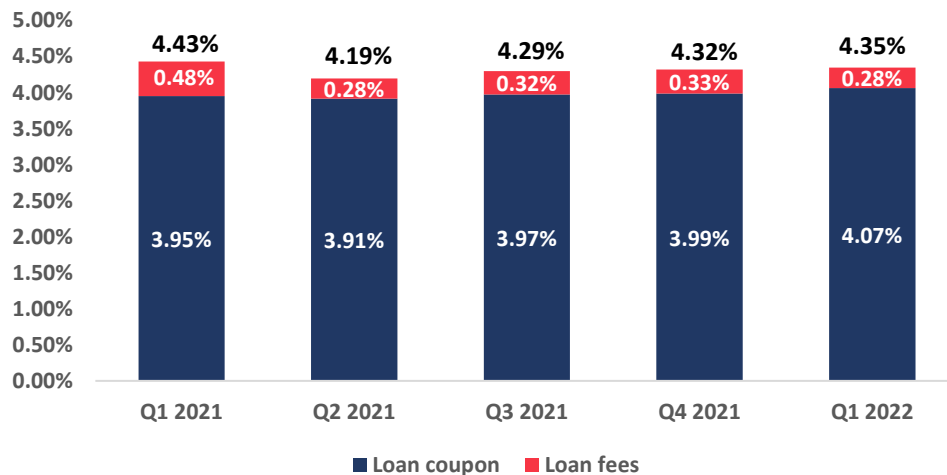
In millions



## Commentary

- Total average loans excluding PPP loans increased \$68.9 million or 25.2% annualized compared to prior quarter and \$217.4 million or 22.7% compared to first quarter 2021.
- Loan yields up slightly from prior quarters with the loan coupon up 12bps from first quarter 2021 and 8bps from prior quarter.
- PPP loans was \$34.9 million in the first quarter 2022, a decrease of \$77.7 million from the first quarter 2021.

## Loan Yields





# 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)

	Q1 2022	Q4 2021	Q1 2021
Pre-Tax Income	\$6,712	\$7,401	\$6,279
Net Income	\$4,854	\$5,650	\$4,781
Average Assets	\$1,913,484	\$1,828,037	\$1,573,881
ROAA <sup>(1)</sup>	1.03%	1.23%	1.23%



<i>of which</i>			
PPP Income	\$1,001	\$978	\$1,477
Unrealized PPP Fees EOP	\$590	\$1,506	\$3,131
PPP Balance EOP	\$24,646	\$42,424	\$113,949
PPP AVG. Balance	\$34,901	\$51,098	\$112,625

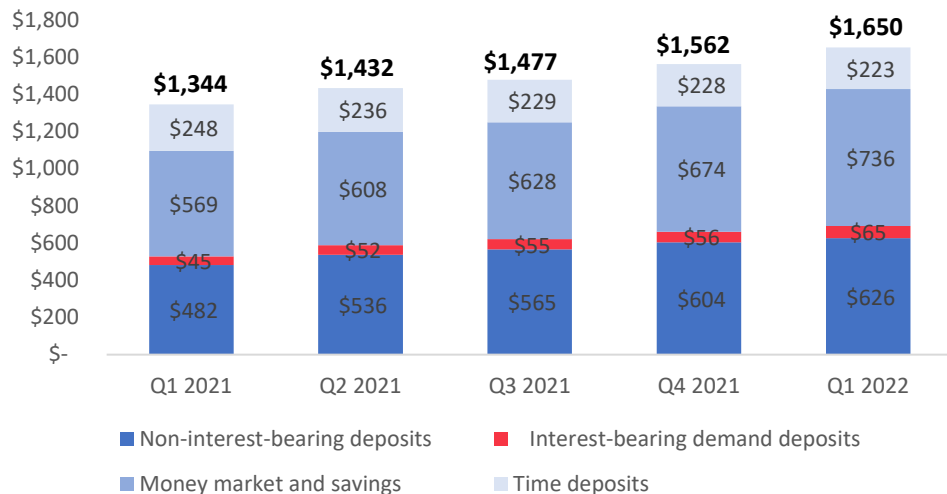
<sup>(1)</sup> Annualized.



# Deposit Portfolio

## Deposits (AVG)

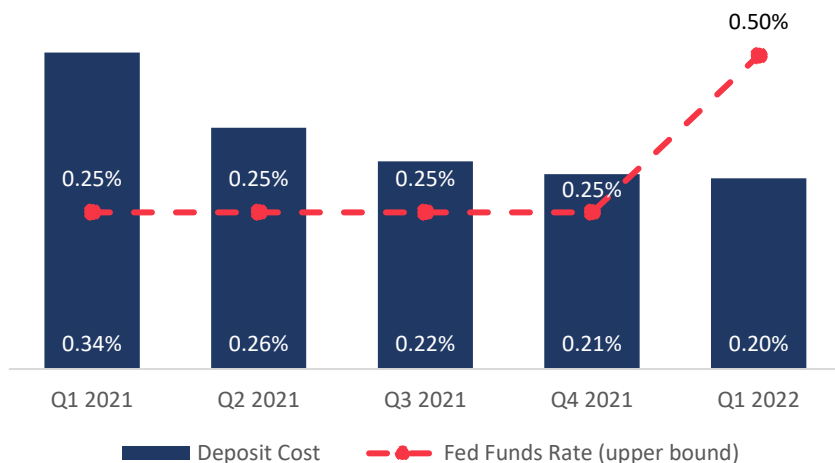
In millions



## Commentary

- Average deposits increased \$88.2 million or 22.9% annualized compared to prior quarter and \$306.6 million or 22.8% compared to first quarter 2021.
- No wholesale deposits.
- DDA average deposits grew \$22.4 million or 15.2% annualized compared to prior quarter and \$144.0 million or 29.9% compared to first quarter 2021.
- DDA balances comprise 38.0% of total deposits at March 31, 2022.
- 14 bps decrease in deposit cost compared to first quarter 2021.

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



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

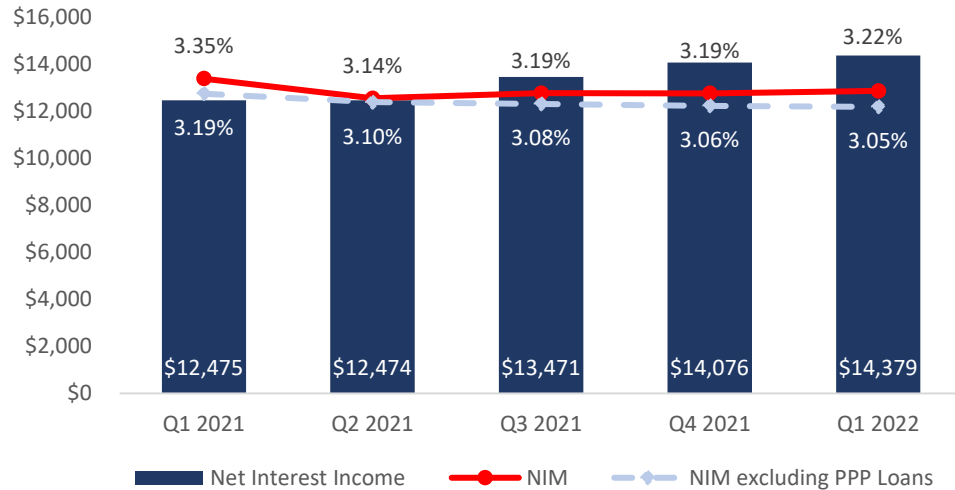




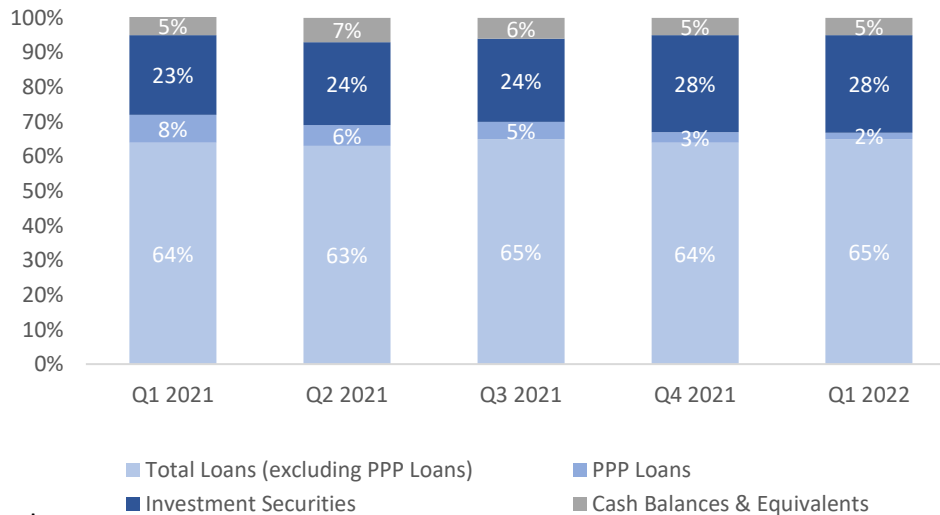
# Net Interest Margin

## Net Interest Income/Margin <sup>(1)</sup>

In thousands (except ratios)



## Interest Earning Assets Mix (AVG)



## Commentary

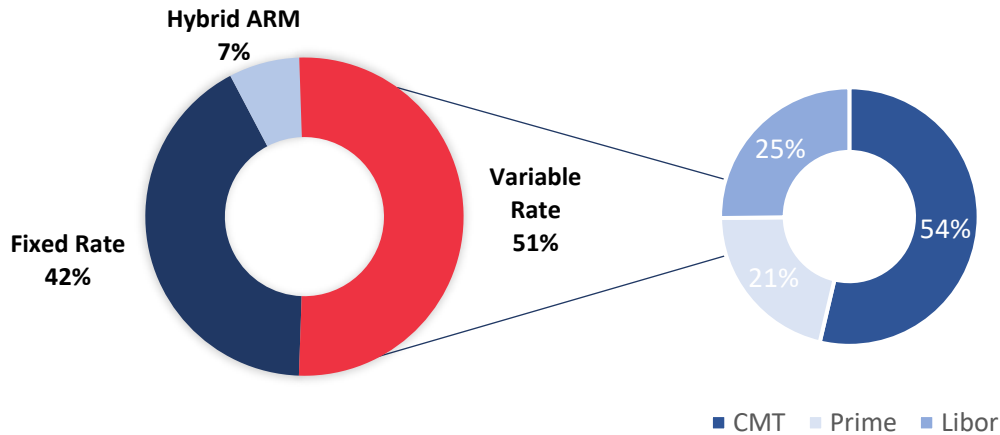
- Net interest income increased by \$303K or 8.7% annualized compared to last quarter and \$1.9 million or 15.3% compared to first quarter 2021.
- NII growth driven by lower deposit cost and higher interest income generated by a larger loan and investment portfolio.
- NIM impacted by shift in balance sheet mix. Cash balances and securities make up 33.1% of total interest-earning assets in the first quarter 2022.

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

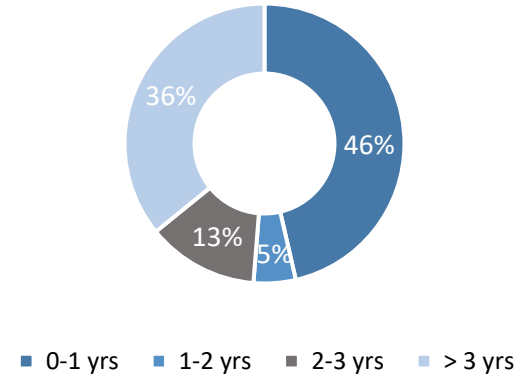


# Interest Rate Sensitivity

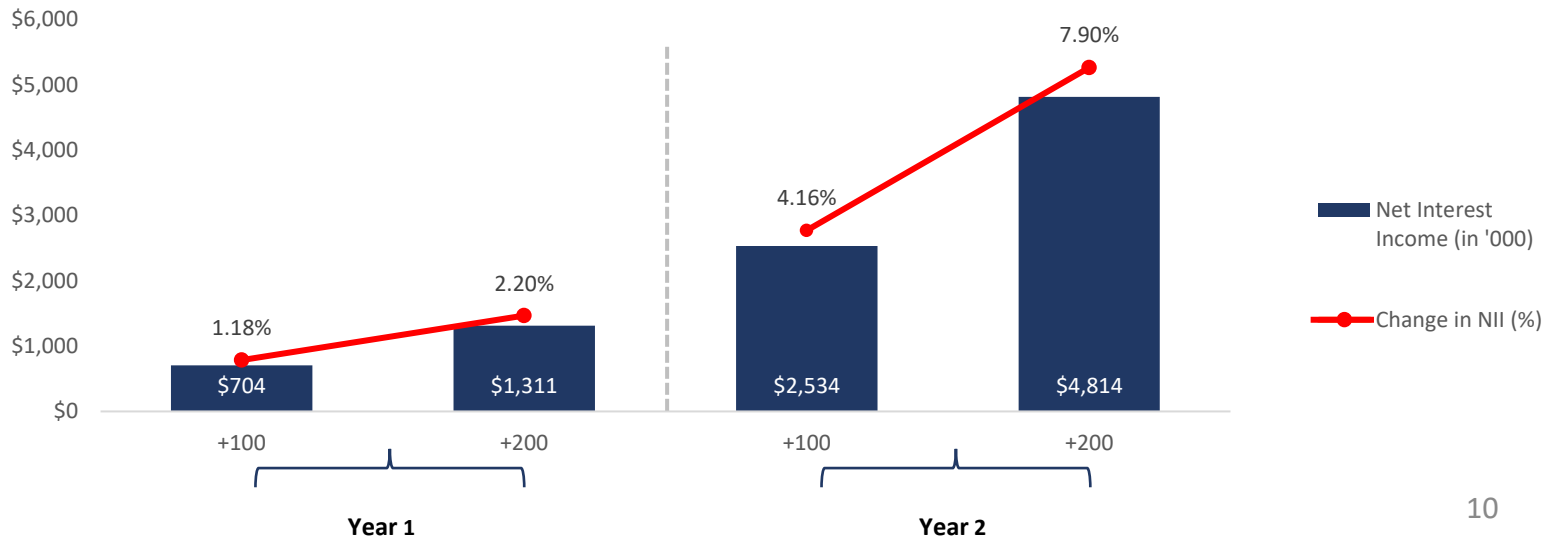
Loan Portfolio Repricing Profile  
by Rate Type



Loan Repricing Schedule  
Variable/Hybrid Rate Loans



Static NII Simulation Year 1 & 2





# Non-interest Income

In thousands (except ratios)

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Service fees	\$900	\$961	\$856	\$903	\$889
Gain (loss) on sale of securities available for sale	21	35	(70)	187	62
Gain on sale of loans held for sale	334	107	532	23	964
Gain on sale of other assets	-	983	-	-	-
Loan settlement	161	-	2,500	-	-
Other income	529	558	399	403	406
<b>Total non-interest income</b>	<b>\$1,945</b>	<b>\$2,644</b>	<b>\$4,217</b>	<b>\$1,516</b>	<b>\$2,321</b>
Average total assets	\$1,913,484	\$1,828,037	\$1,741,423	\$1,660,060	\$1,573,881
Non-interest income / Average assets <sup>(1)</sup>	0.41%	0.57%	0.96%	0.37%	0.60%
Revenue	\$16,324	\$16,720	\$17,688	\$13,990	\$14,796
Non-interest income as % of revenue	11.91%	15.81%	23.85%	10.84%	15.69%

## Commentary

- \$161k default interest recovery from a prior loan customer of the Bank.
- Gain on sale of loans up from prior quarter due to SBA 7a activity.

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



# Non-interest Expense

In thousands (except ratios and FTE)

	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Salaries and employee benefits	\$5,875	\$5,634	\$5,313	\$5,213	\$5,278
Occupancy	1,270	1,267	1,192	1,411	1,387
Regulatory assessment and fees	213	93	317	195	178
Consulting and legal fees	517	539	357	373	185
Network and information technology services	387	268	358	332	508
Other operating	1,350	1,518	1,470	1,150	1,141
<b>Total non-interest expenses</b>	<b>\$9,612</b>	<b>\$9,319</b>	<b>\$9,007</b>	<b>\$8,674</b>	<b>\$8,677</b>
Efficiency ratio	58.88%	55.74%	50.92%	62.00%	58.64%
Average total assets	\$1,913,484	\$1,828,037	\$1,741,423	\$1,660,060	\$1,573,881
Non-interest expense / Average assets <sup>(1)</sup>	2.04%	2.02%	2.05%	2.10%	2.24%
Full-time equivalent employees	190	187	184	183	186

## Commentary

- Salaries and employee benefits increased primarily due to new hires, increases in salary compensation, and seasonal increase in payroll taxes.
- 3 new hires were revenue producers.
- Consulting and legal fees contains \$181k of one-time expense related to the formation of the bank holding company.
- Absent this one-time cost, the efficiency ratio would have been 57.78%.

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

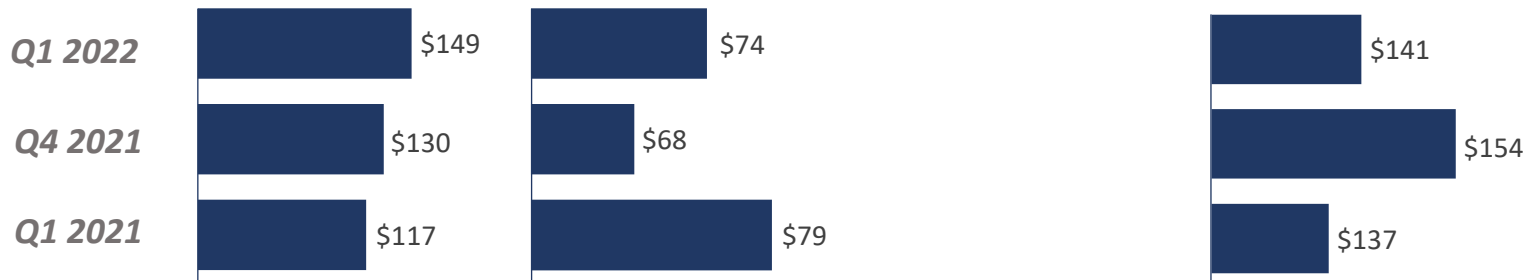


# Business Verticals

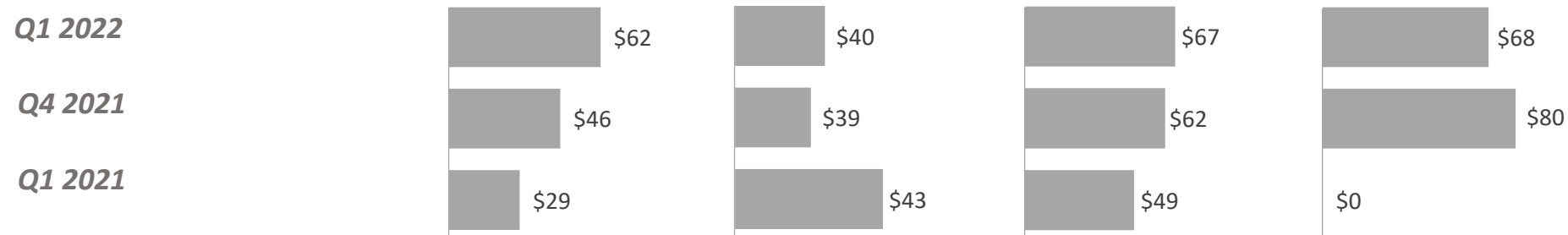
EOP (in millions)



## Deposits



## Loans



<sup>(1)</sup> JA/PCG: Jurist Advantage/Private Client Group.

<sup>(2)</sup> HOA: Homeowners Association.

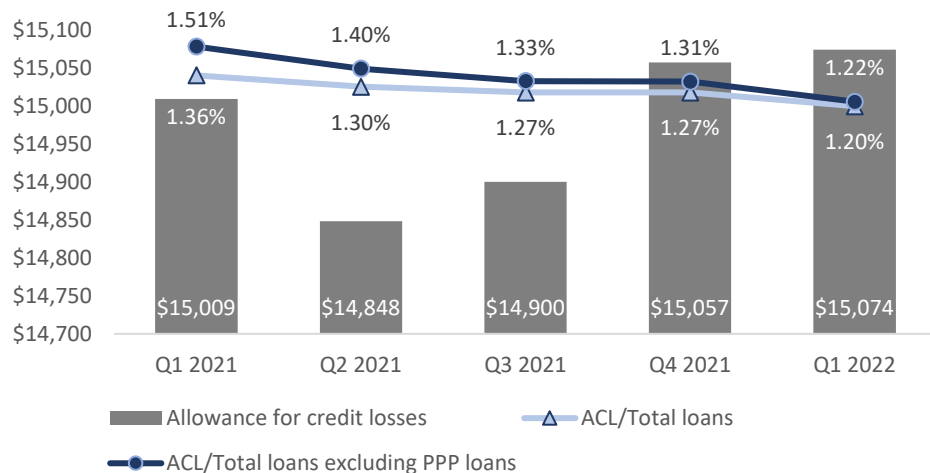
<sup>(3)</sup> Does not include PPP Loans.



# Asset Quality

## Allowance for Credit Losses

In thousands (except ratios)

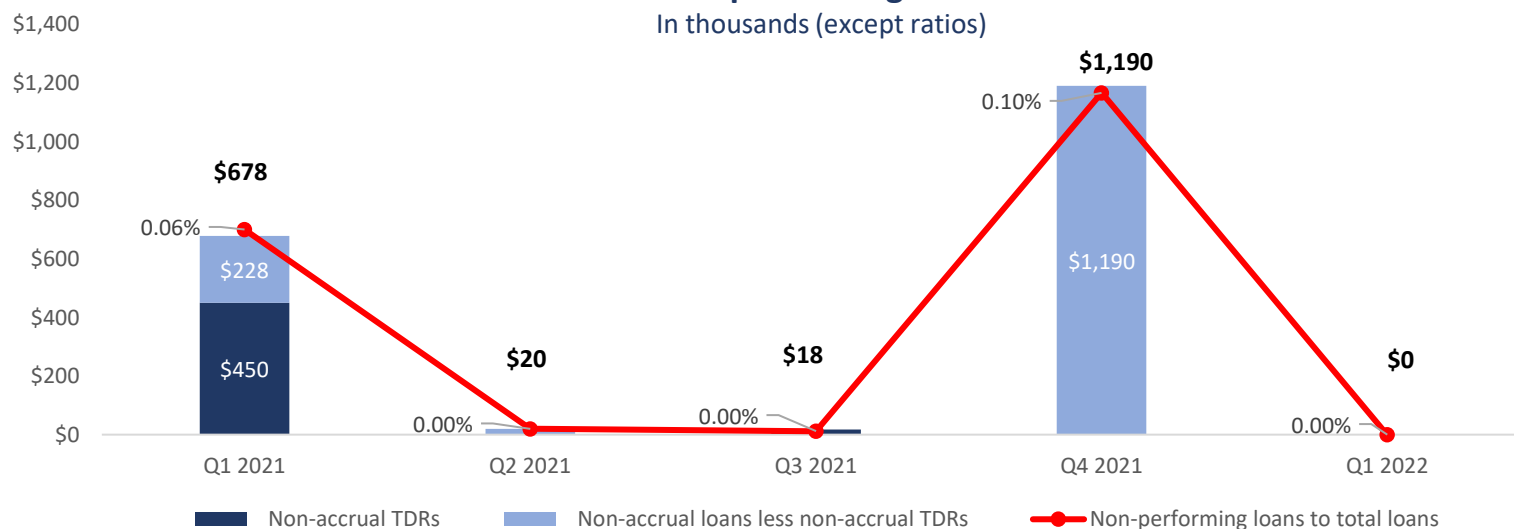


## Commentary

- ACL coverage ratio is at 1.20% or 1.22% excluding PPP loans, in line with pre-pandemic levels.
- No loans classified as non-performing.
- No OREOs.
- CECL modeling progressing as planned; initial results expected in Q2.

## Non-performing Loans

In thousands (except ratios)





# Capital

Capital Ratios	Q1 2022 <sup>(1)</sup>	Q4 2021	Q1 2021	Well-Capitalized
Leverage Ratio	9.47%	9.55%	8.57%	5.00%
TCE/TA <sup>(2)</sup>	9.76%	11.00%	8.47%	NA
Tier 1 Risk Based Capital	13.35%	13.70%	12.54%	8.00%
Total Risk Based Capital	14.49%	14.92%	13.80%	10.00%

## Commentary

- All capital ratios remain significantly above “well capitalized” guidelines
- On January 24, 2022, the Board of Directors approved a share repurchase program for 750,000 shares of Class A common stock. There were no repurchases in the quarter.
- Q1 2022 EOP Shares outstanding:  
Class A Common Stock: 20,000,753

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

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



# Takeaways



**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**



**Low Risk, Commercially Oriented Loan Portfolio**



**Strong Asset Quality, with Minimal Charge-offs Experienced Since Recapitalization**



**Strong Profitability, with Pathway For Future Enhancement Identified**



**Core Funded Deposit Base with 38.3% Non-Interest-Bearing Deposits (EOP)**



**Balanced Liquidity Profile – 73.4% Loan / Deposit Ratio to Support Future Loan Deployment**





# Non-GAAP Reconciliation

In thousands (except ratios)

	As of or for the three months ended				
	3/31/2022	12/31/2021	9/30/2021	6/30/2021	3/31/2021
<b>Pre-Tax Pre-Provision ("PTPP") Income:</b>					
Net income	\$ 4,854	\$ 5,650	\$ 6,593	\$ 4,053	\$ 4,781
Plus: Provision for income taxes	1,858	1,751	2,088	1,263	1,498
Plus: Provision for (recovery of) credit losses	-	-	-	-	(160)
PTPP income	<u>\$ 6,712</u>	<u>\$ 7,401</u>	<u>\$ 8,681</u>	<u>\$ 5,316</u>	<u>\$ 6,119</u>
<b>PTPP Return on Average Assets:</b>					
PTPP income	\$ 6,712	\$ 7,401	\$ 8,681	\$ 5,316	\$ 6,119
Average assets	\$ 1,913,484	\$ 1,828,037	\$ 1,741,423	\$ 1,660,060	\$ 1,573,881
PTPP return on average assets <sup>(1)</sup>	1.42%	1.61%	1.98%	1.28%	1.58%
<b>Operating Net Income:</b>					
Net income	\$ 4,854	\$ 5,650	\$ 6,593	\$ 4,053	\$ 4,781
Less: Net gains (losses) on sale of securities	21	35	(70)	187	62
Less: Tax effect on sale of securities	(5)	(9)	17	(46)	(15)
Operating net income	<u>\$ 4,838</u>	<u>\$ 5,624</u>	<u>\$ 6,646</u>	<u>\$ 3,912</u>	<u>\$ 4,734</u>
<b>Operating PTPP Income:</b>					
PTPP income	\$ 6,712	\$ 7,401	\$ 8,681	\$ 5,316	\$ 6,119
Less: Net gains (losses) on sale of securities	21	35	(70)	187	62
Operating PTPP Income	<u>\$ 6,691</u>	<u>\$ 7,366</u>	<u>\$ 8,751</u>	<u>\$ 5,129</u>	<u>\$ 6,057</u>
<b>Operating PTPP Return on Average Assets:</b>					
Operating PTPP income	\$ 6,691	\$ 7,366	\$ 8,751	\$ 5,129	\$ 6,057
Average assets	\$ 1,913,484	\$ 1,828,037	\$ 1,741,423	\$ 1,660,060	\$ 1,573,881
Operating PTPP Return on average assets <sup>(1)</sup>	1.42%	1.60%	1.99%	1.24%	1.56%
<b>Operating Return on Average Assets:</b>					
Operating net income	\$ 4,838	\$ 5,624	\$ 6,646	\$ 3,912	\$ 4,734
Average assets	\$ 1,913,484	\$ 1,828,037	\$ 1,741,423	\$ 1,660,060	\$ 1,573,881
Operating return on average assets <sup>(1)</sup>	1.03%	1.22%	1.51%	0.95%	1.22%

(1) Annualized.



# Non-GAAP Reconciliation

In thousands (except per share data)

	As of or For the Three Months Ended				
	3/31/2022	12/31/2021	9/30/2021	6/30/2021	3/31/2021
<b>Tangible book value per common share (at period-end):<sup>(1)</sup></b>					
Total stockholders' equity (GAAP)	\$ 192,039	\$ 203,897	\$ 201,918	\$ 166,302	\$ 170,425
Less: Intangible assets	-	-	-	-	-
Less: Preferred stock	-	-	-	24,616	32,077
Tangible stockholders' equity (non-GAAP)	\$ 192,039	\$ 203,897	\$ 201,918	\$ 141,686	\$ 138,348
<b>Total shares issued and outstanding (at period-end):<sup>(2)</sup></b>					
Class A common shares	20,000,753	19,991,753	18,767,541	3,889,469	3,889,469
Class B common shares	-	-	1,224,212	1,224,212	1,224,212
Total common shares issued and outstanding	20,000,753	19,991,753	19,991,753	5,113,681	5,113,681
Tangible book value per common share (non-GAAP)	\$ 9.60	\$ 10.20	\$ 10.10	\$ 27.71	\$ 27.05
<b>Operating net income available to common stockholders:<sup>(1)</sup></b>					
Net income (GAAP)	\$ 4,854	\$ 5,650	\$ 6,593	\$ 4,053	\$ 4,781
Less: Preferred dividends	-	-	542	754	781
Less: Exchange and redemption of preferred shares	-	-	89,585	-	-
Net income (loss) available to common stockholders (GAAP)	4,854	5,650	(83,534)	3,299	4,000
Add back: Exchange and redemption of preferred shares	-	-	89,585	-	-
Operating net income avail. to common stock (non-GAAP)	\$ 4,854	\$ 5,650	\$ 6,051	\$ 3,299	\$ 4,000
<b>Allocation of operating net income per common stock class:</b>					
Class A common stock	\$ 4,854	\$ 5,650	\$ 5,598	\$ 2,509	\$ 3,042
Class B common stock	\$ -	\$ -	\$ 453	\$ 790	\$ 958
<b>Weighted average shares outstanding:</b>					
Class A common stock					
Basic	19,994,953	18,913,914	15,121,460	3,889,469	3,889,469
Diluted	20,109,783	19,023,686	15,187,729	3,933,636	3,913,279
Class B common stock					
Basic	-	-	6,121,052	6,121,052	6,121,052
Diluted	-	-	6,121,052	6,121,052	6,121,052
<b>Diluted EPS:<sup>(3) (4)</sup></b>					
Class A common stock					
Net income (loss) per diluted share (GAAP)	\$ 0.24	\$ 0.30	\$ (5.11)	\$ 0.64	\$ 0.78
Add back: Exchange and redemption of preferred shares	-	-	5.48	-	-
Operating net income per diluted share (non-GAAP)	\$ 0.24	\$ 0.30	\$ 0.37	\$ 0.64	\$ 0.78
Class B common stock					
Net income (loss) per diluted share (GAAP)	\$ -	\$ -	\$ (1.02)	\$ 0.13	\$ 0.16
Add back: Exchange and redemption of preferred shares	-	-	1.09	-	-
Operating net income per diluted share (non-GAAP)	\$ -	\$ -	\$ 0.07	\$ 0.13	\$ 0.16

(1) The Company believes these non-GAAP measurements are a key indicator 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 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) 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.

(4) During the quarter ended December 31, 2021, the Company entered into agreements with the Class B shareholders to exchange all outstanding Class B non-voting stock for Class A voting common stock at a ratio of 5 to 1. 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.



# Contact Information

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**Lou de la Aguilera**  
*President, CEO & Director*



(305) 715-5186



laguilera@uscentury.com



**Rob Anderson**  
*Chief Financial Officer*



(305) 715-5393



rob.anderson@uscentury.com

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**Investor Relations**



InvestorRelations@uscentury.com