UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 22, 2024

CAPITAL CITY BANK GROUP, INC.

(Exact name of registrant as specified in its charter)

Florida	0-13358	59-2273542
(State of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

217 North Monroe Street, Tallahassee, Florida	32301
(Address of principal executive offices	(Zip Code)

Registrant's telephone number, including area code: (850) 402-7821

(Former Name or Former Address, if Changed Since Last Report)

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 (see General Instruction A.2. below):

☐ 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
Common Stock, Par value $0.01	CCBG	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 pursuant to Section 13(a) of The Exchange Act. ☐

CAPITAL CITY BANK GROUP, INC.

FORM 8- K

CURRENT REPORT

Item 2.02. Results of Operations and Financial Condition.

On October 22, 2024, Capital City Bank Group, Inc. ("CCBG") issued an earnings press release reporting CCBG's financial results for the three and nine month periods ended September 30, 2024. A copy of the press release is attached as Exhibit 99.1 hereto and incorporated herein by reference.

The information furnished under Item 2.02 of this Current Report, including the Exhibits attached hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) ***Exhibits*.**

Item No.	Description of Exhibit
99.1	Press release, dated October 22, 2024.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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.

CAPITAL CITY BANK GROUP, INC.

Date:	October 22, 2024	By:	/s/ Jeptha E. Larkin
			Jeptha E. Larkin,
			Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press release, dated October 22, 2024
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

Capital City Bank Group, Inc.
Reports Third Quarter 2024 Results

TALLAHASSEE, Fla. (October 22, 2024) – Capital City Bank Group, Inc. (NASDAQ: CCBG) today reported net income attributable to common shareowners of $13.1 million, or $0.78 per diluted share, for the third quarter of 2024 compared to $14.2 million, or $0.83 per diluted share, for the second quarter of 2024, and $12.7 million, or $0.74 per diluted share, for the third quarter of 2023.

QUARTER HIGHLIGHTS (3rd Quarter 2024 versus 2nd Quarter 2024)

Income Statement

- *Tax-equivalent net interest income totaled $40.3 million compared to $39.3 million for the prior quarter*
  - *Net interest margin increased 10 basis points to 4.12% (earning asset yield up 7 basis points and total deposit cost down 3 basis points to 92 basis points)*
- *Stable credit quality metrics and credit loss provision - net loan charge-offs were 19 basis points (annualized) of average loans – allowance coverage ratio increased to 1.11% at September 30, 2024*
- *Noninterest income remained stable, decreasing $0.1 million, or 0.5%, and reflected a $0.4 million decline in mortgage banking revenues partially offset by a $0.3 million increase in wealth management fees*
- *Noninterest expense increased $2.5 million, or 6.1%, due to increases in compensation (annual merit and health care) and other expenses (professional and processing). Other expense also included a $0.5 million expense related to a counterparty payment for our VISA Class B share swap*

Balance Sheet

- *Loan balances decreased $33.2 million, or 1.2% (average), and declined $7.1 million, or 0.3% (end of period)*
- *Deposit balances decreased by $69.0 million, or 1.9% (average), and decreased $29.5 million, or 0.8% (end of period), reflecting the seasonal decline in our public fund balances*
- *Tangible book value per diluted share (non-GAAP financial measure) increased $0.91, or 4.2%*

Commenting on the company's results, William G. Smith, Jr., Capital City Bank Group Chairman, President, and CEO, said, "I am pleased with what we accomplished in the quarter to enhance shareowner value – 4.2% growth in tangible book value per share and a 9.5% increase in the dividend. Earnings for the quarter remained stable driven by margin expansion, stable credit, and core deposit growth. Looking ahead, I remain optimistic about our full year financial performance and beyond, driven by our balance sheet flexibility, revenue diversification, and focus on continuous improvement."

Discussion of Operating Results

Net Interest Income/Net Interest Margin

Tax-equivalent net interest income for the third quarter of 2024 totaled $40.2 million, compared to $39.3 million for the second quarter of 2024, and $39.3 million for the third quarter of 2023. Compared to the second quarter of 2024, the increase was primarily due to increases in loan and investment interest income and a decrease in deposit interest expense, partially offset by a decrease in overnight funds interest income. One additional calendar day also contributed to the increase. Favorable repricing of existing adjustable/fixed rate loans at higher rates drove the increase in loan interest income. The increase in investment interest income was due to the reinvestment of maturing securities at higher rates. The decrease in deposit interest expense was attributable to lower average NOW account balances and average rate, in addition to lower rates on promotional deposit products.

Compared to the third quarter of 2023, the $0.9 million increase was primarily driven by an increase in loan interest income and to a lesser extent overnight funds interest income, partially offset by an increase in deposit interest expense. For the first nine months of 2024, tax-equivalent net interest income totaled $118.0 million compared to $120.1 million for the same period of 2023 with the decrease primarily attributable to an increase in deposit interest expense and a decrease in investment interest income, partially offset by an increase in loan interest income.

Our net interest margin for the third quarter of 2024 was 4.12%, an increase of 10 basis points over the second quarter of 2024 and an increase of nine basis points over the third quarter of 2023. For the month of September 2024, our net interest margin was 4.16%. For the first nine months of 2024, our net interest margin was 4.05% compared to 4.04% for the same period of 2023. The increase over the second quarter of 2024 reflected favorable loan and investment repricing, partially offset by a lower overnight funds rate. The increase over both prior year periods reflected higher loan rates partially offset by a higher cost of deposits. For the third quarter of 2024, our cost of funds was 93 basis points, a decrease of four basis points from the second quarter of 2024 and an increase of 37 basis points over the third quarter of 2023. Our cost of deposits (including noninterest bearing accounts) was 92 basis points, 95 basis points, and 58 basis points, respectively, for the same periods.

Provision for Credit Losses

We recorded a provision expense for credit losses of $1.2 million for the third quarter of 2024, comparable to the second quarter of 2024 and a $1.2 million decrease from the third quarter of 2023. The provision expense for the third quarter of 2024 reflected a $0.7 million increase in the provision for loans held for investment ("HFI"), a $0.6 million provision benefit for unfunded loan commitments, and a $0.1 million provision benefit for debt securities. The increase in the provision for loans HFI was primarily due to loan grade migration and slightly higher loss rates partially offset by lower loan balances. A lower level of commitments drove the provision benefit for unfunded loan commitments. For the first nine months of 2024, we recorded a provision expense for credit losses of $3.3 million compared to $7.7 million for the same period of 2023 with the decrease driven primarily by lower new loan volume in 2024. We discuss the allowance for credit losses further below.

Noninterest Income and Noninterest Expense

Noninterest income for the third quarter of 2024 totaled $19.5 million compared to $19.6 million for the second quarter of 2024 and $16.7 million for the third quarter of 2023. The slight decrease from the second quarter of 2024 reflected a $0.4 million decrease in mortgage banking revenues partially offset by a $0.3 million increase in wealth management fees. Compared to the third quarter of 2023, the $2.8 million increase was primarily attributable to a $2.1 million increase in mortgage banking revenues driven by a higher gain on sale margin, and a $0.8 million increase in wealth management fees.

For the first nine months of 2024, noninterest income totaled $57.2million compared to $54.5 million for the same period of 2023, primarily attributable to a $3.2 million increase in mortgage banking revenues and a $1.8 million increase in wealth management fees, partially offset by a $2.1 million decrease in other income. The increase in mortgage banking revenues was due to a higher gain on sale margin. The increase in wealth management fees was primarily driven by higher retail brokerage fees and to a lesser extent trust fees, primarily attributable to both new account growth and higher account values driven by higher market returns. The decrease in other income was primarily attributable to a $1.4 million gain from the sale of mortgage servicing rights in the second quarter of 2023, and to a lesser extent a decrease in vendor bonus income and miscellaneous income.

Noninterest expense for the third quarter of 2024 totaled $42.9 million compared to $40.4 million for the second quarter of 2024 and $39.1 million for the third quarter of 2023. The $2.5 million increase over the second quarter of 2024 was primarily due to a $1.4 million increase in compensation and a $1.0 million increase in other expense. The increase in compensation reflected higher salary expense of $0.9 million and associate benefit expense of $0.5 million. The increase in salary expense was driven by annual merit adjustments, and the increase in other associate benefit expense was primarily attributable to higher health insurance cost, and to a lesser extent higher stock-based compensation expense. The increase in other expense was primarily due to a $0.5 million increase in professional fees, processing fees of $0.3 million, and higher miscellaneous expense which included a $0.5 million payment to the counterparty for our VISA Class B share swap due to revision to the share conversion rate related to additional funding by VISA of the merchant litigation reserve. Compared to the third quarter of 2023, the $3.8 million increase was primarily attributable to a $2.8 million increase in compensation expense and a $0.9 million increase in other expense. The unfavorable variance in compensation expense reflected higher salary expense of $2.2 million and associate benefit expense of $0.6 million, with the salary variance driven by merit adjustments and the associate benefit expense variance reflective of higher health insurance cost. Further, salary expense was unfavorably impacted by lower realized loan cost (credit offset to salary expense) of $1.0 million which reflected lower loan volume in 2024. The increase in other expense was attributable to a $0.6 million increase in professional fees and higher miscellaneous expense due to the aforementioned $0.5 million share swap payment in the third quarter of 2024.

For the first nine months of 2024, noninterest expense totaled $123.5million compared to $117.1 million for the same period of 2023 with the $6.4 million increase primarily attributable to increases in compensation expense of $4.6 million, occupancy expense of $0.5 million, and other expense of $1.3 million. The increase in compensation expense reflected a $3.9 million increase in salary expense and a $0.7 million increase in associate benefit expense. The increase in salary expense was primarily due to a lower level of realized loan cost (credit offset to salary expense) of $2.9 million (lower new loan volume) and higher base salary expense of $1.9 million (primarily annual merit raises), partially offset by lower commission expense of $1.3 million (lower residential mortgage volume). The increase in occupancy was primarily attributable to an increase in maintenance agreement expense (security upgrades and addition of interactive teller machines). The increase in other expense reflected a $1.8 million gain from the sale of a banking office in the first quarter of 2023 and higher miscellaneous expense due to the aforementioned $0.5 million share swap payment in 2024, that was partially offset by lower pension plan expense (service cost) of $1.0 million.

Income Taxes

We realized income tax expense of $3.0 million (effective rate of 19.1%) for the third quarter of 2024 compared to $3.2 million (effective rate of 18.5%) for the second quarter of 2024 and $3.0 million (effective rate of 20.7%) for the third quarter of 2023. For the first nine months of 2024, we realized income tax expense of $9.7million (effective rate of 20.1%) compared to $10.1 million (effective rate of 20.5%) for the same period of 2023. The decrease in our effective tax rate from both prior year periods was primarily due to a higher level of tax benefit accrued from investments insolar tax credit equity funds. Absent discrete items, we expect our annual effective tax rate to approximate 20-21% for 2024.

Discussion of Financial Condition

Earning Assets

Average earning assets totaled $3.883 billion for the third quarter of 2024, a decrease of $51.9 million, or 1.3%, from the second quarter of 2024, and an increase of $59.4 million, or 1.6%, over the fourth quarter of 2023. The change for both prior periods was driven by variances in deposit balances (see below – *Deposits*). Compared to the second quarter of 2024, the change in the earning asset mix reflected a $33.2 million decrease in loans HFI, a $11.4 million decline in investment securities, and a $5.6 million decrease increase in overnight funds sold. Compared to the fourth quarter of 2023, the change in the earning asset mix reflected a $157.1 million increase in overnight funds that was partially offset by a $17.7 million decrease in loans HFI, a $54.7 million decrease in investment securities and a $25.2 million decline in loans held for sale.

Average loans HFI decreased $33.2 million, or 1.2%, from the second quarter of 2024 and decreased $17.7 million, or 0.7%, from the fourth quarter of 2023. Compared to the second quarter of 2024, the decrease was driven by a $19.4 million decrease in consumer loans (primarily indirect auto), commercial loans of $13.2 million, and commercial real estate loans of $7.7 million, partially offset by a $7.4 million increase in residential real estate loans. Compared to the fourth quarter of 2023, the decrease was primarily attributable to a $54.5 million decrease in consumer loans (primarily indirect auto) and commercial loans of $24.2 million (primarily tax-exempt loans) that was partially offset by a $59.2 million increase in residential real estate loans.

Period end loans HFI decreased $7.1 million, or 0.3%, from the second quarter of 2024 and decreased $50.8 million, or 1.9%, from the fourth quarter of 2023. Compared to the second quarter of 2024, the decline reflected a $20.9 million decrease in consumer loans (primarily indirect auto), a $10.4 million decrease in commercial loans, and a $3.2 million decline in commercial real estate loans, partially offset by a $10.9 million increase in residential real estate loans and a $18.1 million increase in construction loans. The decrease from the fourth quarter of 2023 was primarily attributable to a $57.7 million decrease in consumer loans (primarily indirect auto), a $30.6 million decline in commercial loans, and a $5.5 million decrease in commercial real estate loans, partially offset by a $22.2 million increase in residential real estate loans and a $22.8 million increase in construction real estate loans.

Allowance for Credit Losses

At September 30, 2024, the allowance for credit losses for loans HFI totaled $29.8 million compared to $29.2 million at June 30, 2024 and $29.9 million at December 31, 2023. Activity within the allowance is provided on Page 9. The increase in the allowance over June 30, 2024 was primarily attributable to slightly higher forecasted unemployment rate utilized in calculating loan loss rates and loan grade migration (see above *Provision for Credit Losses*). Net loan charge-offs were 19 basis points of average loans for the third quarter of 2024 versus 18 basis points for the second quarter of 2024. At September 30, 2024, the allowance represented 1.11% of loans HFI compared to 1.09% at June 30, 2024, and 1.10% at December 31, 2023.

Credit Quality

Nonperforming assets (nonaccrual loans and other real estate) totaled $7.2 million at September 30, 2024 compared to $6.2 million at June 30, 2024 and $6.2 million at December 31, 2023. At September 30, 2024, nonperforming assets as a percent of total assets equaled 0.17%, compared to 0.15% at June 30, 2024 and 0.15% at December 31, 2023. Nonaccrual loans totaled $6.6 million at September 30, 2024, a $1.1 million increase over June 30, 2024 and a $0.3 million increase over December 31, 2023. Further, classified loans totaled $25.5 million at September 30, 2024, a $0.1 million decrease from June 30, 2024 and a $3.3 million increase over December 31, 2023.

Deposits

Average total deposits were $3.572 billion for the third quarter of 2024, a decrease of $69.0 million, or 1.9%, from the second quarter of 2024 and an increase of $23.5 million, or 0.7%, over the fourth quarter of 2023. Compared to the second quarter of 2024, the decrease was primarily attributable to lower NOW account balances primarily due to the seasonal decline in our public fund balances. The increase over the fourth quarter of 2023 reflected growth in both money market and certificate of deposit balances which reflected a combination of balances migrating from savings and noninterest bearing accounts, in addition to receiving new deposits from existing and new clients via various deposit strategies.

At September 30, 2024, total deposits were $3.579 billion, a decrease of $29.5 million, or 0.8%, from June 30, 2024, and a decrease of $122.7 million, or 3.3%, from December 31, 2023. The decrease from June 30, 2024 was primarily due to lower noninterest bearing, money market, and savings account balances. The decrease from December 31, 2023 was primarily due to lower NOW account balances, primarily due to the seasonal decline in our public funds, partially offset by higher money market and certificate of deposit balances from both new and existing clients. Total public funds balances were $516.2 million at September 30, 2024, $675.0 million at June 30, 2024, and $709.8 million at December 31, 2023.

Liquidity

The Bank maintained an average net overnight funds (i.e., deposits with banksplus FED funds sold less FED funds purchased) sold position of $256.9 million in the third quarter of 2024 compared to $262.4 million in the second quarter of 2024 and $99.8 million in the fourth quarter of 2023. Compared to the second quarter of 2024, the decrease reflected lower average deposits (primarily seasonal public funds) that was substantially offset by a decline in average loans. Compared to the fourth quarter of 2023, the increase was primarily driven by higher average deposits and lower average investments.

At September 30, 2024, we had the ability to generate approximately $1.522 billion (excludes overnight funds position of $262 million) in additional liquidity through various sources including various federal funds purchased lines, Federal Home Loan Bank borrowings, the Federal Reserve Discount Window, and brokered deposits.

We also view our investment portfolio as a liquidity source as we have the option to pledge securities in our portfolio as collateral for borrowings or deposits, and/or to sell selected securities in our portfolio. Our portfolio consists of debt issued by the U.S. Treasury, U.S. governmental agencies, municipal governments, and corporate entities. At September 30, 2024, the weighted-average maturity and duration of our portfolio were 2.51 years and 2.17 years, respectively, and the available-for-sale portfolio had a net unrealized after-tax loss of $15.5 million.

Capital

Shareowners' equity was $476.5 million at September 30, 2024 compared to $461.0 million at June 30, 2024 and $440.6 million at December 31, 2023. For the first nine months of 2024, shareowners' equity was positively impacted by net income attributable to shareowners of $39.8 million, a $8.7 million decrease in the net unrealized loss on available for sale securities, net adjustments totaling $0.9 million related to transactions under our stock compensation plans, and stock compensation accretion of $1.1 million. Shareowners' equity was reduced by a common stock dividend of $11.0 million ($0.65 per share), the repurchase of common stock of $2.3 million (82,540 shares), a $0.6 million increase in the fair value of the interest rate swap related to subordinated debt, and a $0.7 million reclassification to temporary equity.

At September 30, 2024, our total risk-based capital ratio was 17.97% compared to 17.50% at June 30, 2024 and 16.57% at December 31, 2023. Our common equity tier 1 capital ratio was 14.88%, 14.44%, and 13.52%, respectively, on these dates. Our leverage ratio was 10.89%, 10.51%, and 10.30%, respectively, on these dates. At September 30, 2024, all our regulatory capital ratios exceeded the thresholds to be designated as "well-capitalized" under the Basel III capital standards. Further, our tangible common equity ratio (non-GAAP financial measure) was 9.28% at September 30, 2024 compared to 8.91% and 8.26% at June 30, 2024 and December 31, 2023, respectively. If our unrealized held-to-maturity securities losses of $12.9 million (after-tax) were recognized in accumulated other comprehensive loss, our adjusted tangible capital ratio would be 9.00%.

About Capital City Bank Group, Inc.

Capital City Bank Group, Inc. (NASDAQ: CCBG) is one of the largest publicly traded financial holding companies headquartered in Florida and has approximately $4.2 billion in assets. We provide a full range of banking services, including traditional deposit and credit services, mortgage banking, asset management, trust, merchant services, bankcards, securities brokerage services and financial advisory services, including the sale of life insurance, risk management and asset protection services. Our bank subsidiary, Capital City Bank, was founded in 1895 and now has 63 banking offices and 105 ATMs/ITMs in Florida, Georgia and Alabama. For more information about Capital City Bank Group, Inc., visit www.ccbg.com.

FORWARD -LOOKING STATEMENTS

Forward-looking statements in this Press Release are based on current plans and expectations that are subject to uncertainties and risks, which could cause our future results to differ materially. The words “may,” “could,” “should,” “would,” “believe,” “anticipate,” “estimate,” “expect,” “intend,” “plan,” “target,” “vision,” “goal,” and similar expressions are intended to identify forward-looking statements. The following factors, among others, could cause our actual results to differ: our ability to successfully manage credit risk, interest rate risk, liquidity risk, and other risks inherent to our industry; the effects of changes in the level of checking or savings account deposits and the competition for deposits on our funding costs, net interest margin and ability to replace maturing deposits and advances; legislative or regulatory changes; adverse developments in the financial services industry; inflation, interest rate, market and monetary fluctuations; uncertainty in the pricing of residential mortgage loans that we sell, as well as competition for the mortgage servicing rights related to these loans; interest rate risk and price risk resulting from retaining mortgage servicing rights and the effects of higher interest rates on our loan origination volumes; changes in monetary and fiscal policies of the U.S. Government; the cost and effects of cybersecurity incidents or other failures, interruptions, or security breaches of our systems or those of our customers or third-party providers; the effects of fraud related to debit card products; the accuracy of our financial statement estimates and assumptions; changes in accounting principles, policies, practices or guidelines; the frequency and magnitude of foreclosure of our loans; the effects of our lack of a diversified loan portfolio; the strength of the local economies in which we operate; our ability to declare and pay dividends; structural changes in the markets for origination, sale and servicing of residential mortgages; our ability to retain key personnel; the effects of natural disasters (including hurricanes), widespread health emergencies (including pandemics), military conflict, terrorism, civil unrest or other geopolitical events; our ability to comply with the extensive laws and regulations to which we are subject; the impact of the restatement of our previously issued consolidated statements of cash flows; any deficiencies in the processes undertaken to effect these restatements and to identify and correct all errors in our historical financial statements that may require restatement; any inability to implement and maintain effective internal control over financial reporting and/or disclosure control or inability to remediate our existing material weaknesses in our internal controls deemed ineffective; the willingness of clients to accept third-party products and services rather than our products and services; technological changes; the outcomes of litigation or regulatory proceedings; negative publicity and the impact on our reputation; changes in consumer spending and saving habits; growth and profitability of our noninterest income; the limited trading activity of our common stock; the concentration of ownership of our common stock; anti-takeover provisions under federal and state law as well as our Articles of Incorporation and our Bylaws; other risks described from time to time in our filings with the Securities and Exchange Commission; and our ability to manage the risks involved in the foregoing. Additional factors can be found in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, as amended, and our other filings with the SEC, which are available at the SEC’s internet site (http://www.sec.gov). Forward-looking statements in this Press Release speak only as of the date of the Press Release, and we assume no obligation to update forward-looking statements or the reasons why actual results could differ, except as may be required by law.

USE OF NON-GAAP FINANCIAL MEASURES
Unaudited

We present a tangible common equity ratio and a tangible book value per diluted share that removes the effect of goodwill and other intangibles resulting from merger and acquisition activity. We believe these measures are useful to investors because it allows investors to more easily compare our capital adequacy to other companies in the industry.

The GAAP to non-GAAP reconciliations are provided below.

(Dollars in Thousands, except per share data)		**Sep 30, 2024**	**Jun 30, 2024**	**Mar 31, 2024**	**Dec 31, 2023**	**Sep 30, 2023**
Shareowners' Equity (GAAP)		$ 476,499	$ 460,999	$ 448,314	$ 440,625	$ 419,706
Less: Goodwill and Other Intangibles (GAAP)		92,813	92,853	92,893	92,933	92,973
Tangible Shareowners' Equity (non-GAAP)	A	383,686	368,146	355,421	347,692	326,733
Total Assets (GAAP)		4,225,316	4,225,695	4,259,922	4,304,477	4,138,287
Less: Goodwill and Other Intangibles (GAAP)		92,813	92,853	92,893	92,933	92,973
Tangible Assets (non-GAAP)	B	$ 4,132,503	$ 4,132,842	$ 4,167,029	$ 4,211,544	$ 4,045,314
Tangible Common Equity Ratio (non-GAAP)	**A/B**	**9.28%**	**8.91%**	**8.53%**	**8.26%**	**8.08%**
Actual Diluted Shares Outstanding (GAAP)	C	16,980,686	16,970,228	16,947,204	17,000,758	16,997,886
Tangible Book Value per Diluted Share (non-GAAP)	**A/C**	**$ 22.60**	**$ 21.69**	**$ 20.97**	**$ 20.45**	**$ 19.22**

CAPITAL CITY BANK GROUP, INC.
EARNINGS HIGHLIGHTS
Unaudited

(Dollars in thousands, except per share data)	Three Months Ended Sep 30, 2024	Three Months Ended Jun 30, 2024	Three Months Ended Sep 30, 2023	Nine Months Ended Sep 30, 2024	Nine Months Ended Sep 30, 2023
EARNINGS					
Net Income Attributable to Common Shareowners	$ 13,118	$ 14,150	$ 12,655	$ 39,825	$ 40,539
Diluted Net Income Per Share	$ 0.78	$ 0.83	$ 0.74	$ 2.35	$ 2.38
PERFORMANCE					
Return on Average Assets (annualized)	1.24 %	1.33 %	1.19 %	1.26 %	1.26 %
Return on Average Equity (annualized)	10.87	12.23	11.74	11.39	13.00
Net Interest Margin	4.12	4.02	4.03	4.05	4.04
Noninterest Income as % of Operating Revenue	32.67	33.30	29.87	32.69	31.25
Efficiency Ratio	71.81 %	68.61 %	69.88 %	70.49 %	67.07 %
CAPITAL ADEQUACY					
Tier 1 Capital	16.77 %	16.31 %	15.11 %	16.77 %	15.11 %
Total Capital	17.97	17.50	16.30	17.97	16.30
Leverage	10.89	10.51	9.98	10.89	9.98
Common Equity Tier 1	14.88	14.44	13.26	14.88	13.26
Tangible Common Equity (1)	9.28	8.91	8.08	9.28	8.08
Equity to Assets	11.28 %	10.91 %	10.14 %	11.28 %	10.14 %
ASSET QUALITY					
Allowance as % of Non-Performing Loans	452.64 %	529.79 %	619.58 %	452.64 %	619.58 %
Allowance as a % of Loans HFI	1.11	1.09	1.08	1.11	1.08
Net Charge-Offs as % of Average Loans HFI	0.19	0.18	0.17	0.20	0.16
Nonperforming Assets as % of Loans HFI and OREO	0.27	0.23	0.17	0.27	0.17
Nonperforming Assets as % of Total Assets	0.17 %	0.15 %	0.11 %	0.17 %	0.11 %
STOCK PERFORMANCE					
High	$ 36.67	$ 28.58	$ 33.44	$ 36.67	$ 36.86
Low	26.72	25.45	28.64	25.45	28.03
Close	$ 35.29	$ 28.44	$ 29.83	$ 35.29	$ 29.83
Average Daily Trading Volume	37,151	29,861	26,774	32,720	33,936

(1) Tangible common equity ratio is a non-GAAP financial measure. For additional information, including a reconciliation to GAAP, refer to Page 6.

CAPITAL CITY BANK GROUP, INC.
CONSOLIDATED STATEMENT OF FINANCIAL CONDITION
Unaudited

	2024			2023	
(Dollars in thousands)	**Third Quarter**	**Second Quarter**	**First Quarter**	**Fourth Quarter**	**Third Quarter**
ASSETS					
Cash and Due From Banks	$ 83,431	$ 75,304	$ 73,642	$ 83,118	$ 72,379
Funds Sold and Interest Bearing Deposits	261,779	272,675	231,047	228,949	95,119
Total Cash and Cash Equivalents	345,210	347,979	304,689	312,067	167,498
Investment Securities Available for Sale	336,187	310,941	327,338	337,902	334,052
Investment Securities Held to Maturity	561,480	582,984	603,386	625,022	632,076
Other Equity Securities	6,976	2,537	3,445	3,450	3,585
Total Investment Securities	904,643	896,462	934,169	966,374	969,713
Loans Held for Sale	31,251	24,022	24,705	28,211	34,013
Loans Held for Investment ("HFI"):					
Commercial, Financial, & Agricultural	194,625	204,990	218,298	225,190	221,704
Real Estate - Construction	218,899	200,754	202,692	196,091	197,526
Real Estate - Commercial	819,955	823,122	823,690	825,456	828,234
Real Estate - Residential	1,023,485	1,012,541	1,012,791	1,001,257	966,512
Real Estate - Home Equity	210,988	211,126	214,617	210,920	203,606
Consumer	213,305	234,212	254,168	270,994	285,122
Other Loans	461	2,286	3,789	2,962	1,401
Overdrafts	1,378	1,192	1,127	1,048	1,076
Total Loans Held for Investment	2,683,096	2,690,223	2,731,172	2,733,918	2,705,181
Allowance for Credit Losses	(29,836)	(29,219)	(29,329)	(29,941)	(29,083)
Loans Held for Investment, Net	2,653,260	2,661,004	2,701,843	2,703,977	2,676,098
Premises and Equipment, Net	81,876	81,414	81,452	81,266	81,677
Goodwill and Other Intangibles	92,813	92,853	92,893	92,933	92,973
Other Real Estate Owned	650	650	1	1	1
Other Assets	115,613	121,311	120,170	119,648	116,314
Total Other Assets	290,952	296,228	294,516	293,848	290,965
Total Assets	$ 4,225,316	$ 4,225,695	$ 4,259,922	$ 4,304,477	$ 4,138,287
LIABILITIES					
Deposits:					
Noninterest Bearing Deposits	$ 1,330,715	$ 1,343,606	$ 1,361,939	$ 1,377,934	$ 1,472,165
NOW Accounts	1,174,585	1,177,180	1,212,452	1,327,420	1,092,996
Money Market Accounts	401,272	413,594	398,308	319,319	304,323
Savings Accounts	507,604	514,560	530,782	547,634	571,003
Certificates of Deposit	164,901	159,624	151,320	129,515	99,958
Total Deposits	3,579,077	3,608,564	3,654,801	3,701,822	3,540,445
Repurchase Agreements	29,339	22,463	23,477	26,957	22,910
Other Short-Term Borrowings	7,929	3,307	8,409	8,384	18,786
Subordinated Notes Payable	52,887	52,887	52,887	52,887	52,887
Other Long-Term Borrowings	794	1,009	265	315	364
Other Liabilities	71,974	69,987	65,181	66,080	75,585
Total Liabilities	3,742,000	3,758,217	3,805,020	3,856,445	3,710,977
Temporary Equity	6,817	6,479	6,588	7,407	7,604
SHAREOWNERS' EQUITY					
Common Stock	169	169	169	170	170
Additional Paid-In Capital	36,070	35,547	34,861	36,326	36,182
Retained Earnings	454,342	445,959	435,364	426,275	418,030
Accumulated Other Comprehensive Loss, Net of Tax	(14,082)	(20,676)	(22,080)	(22,146)	(34,676)
Total Shareowners' Equity	476,499	460,999	448,314	440,625	419,706
Total Liabilities, Temporary Equity and Shareowners' Equity	$ 4,225,316	$ 4,225,695	$ 4,259,922	$ 4,304,477	$ 4,138,287
OTHER BALANCE SHEET DATA					
Earning Assets	$ 3,880,769	$ 3,883,382	$ 3,921,093	$ 3,957,452	$ 3,804,026
Interest Bearing Liabilities	2,339,311	2,344,624	2,377,900	2,412,431	2,163,227
Book Value Per Diluted Share	$ 28.06	$ 27.17	$ 26.45	$ 25.92	$ 24.69
Tangible Book Value Per Diluted Share[1]	22.60	21.69	20.97	20.45	19.22
Actual Basic Shares Outstanding	16,944	16,942	16,929	16,950	16,958
Actual Diluted Shares Outstanding	16,981	16,970	16,947	17,001	16,998

[1] Tangible book value per diluted share is a non-GAAP financial measure. For additional information, including a reconciliation to GAAP, refer to Page 6.

CAPITAL CITY BANK GROUP, INC.
CONSOLIDATED STATEMENT OF OPERATIONS
Unaudited

	2024			2023		Nine Months Ended September 30,	
(Dollars in thousands, except per share data)	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	2024	2023
INTEREST INCOME							
Loans, including Fees	$ 41,659	$ 41,138	$ 40,683	$ 40,407	$ 39,344	$ 123,480	$ 111,845
Investment Securities	4,155	4,004	4,244	4,392	4,561	12,403	14,300
Federal Funds Sold and Interest Bearing Deposits	3,514	3,624	1,893	1,385	1,848	9,031	8,741
Total Interest Income	49,328	48,766	46,820	46,184	45,753	144,914	134,886
INTEREST EXPENSE							
Deposits	8,223	8,579	7,594	5,872	5,214	24,396	11,710
Repurchase Agreements	221	217	201	199	190	639	314
Other Short-Term Borrowings	52	68	39	310	440	159	1,228
Subordinated Notes Payable	610	630	628	627	625	1,868	1,800
Other Long-Term Borrowings	11	3	3	5	4	17	15
Total Interest Expense	9,117	9,497	8,465	7,013	6,473	27,079	15,067
Net Interest Income	40,211	39,269	38,355	39,171	39,280	117,835	119,819
Provision for Credit Losses	1,206	1,204	920	2,025	2,393	3,330	7,689
Net Interest Income after Provision for Credit Losses	39,005	38,065	37,435	37,146	36,887	114,505	112,130
NONINTEREST INCOME							
Deposit Fees	5,512	5,377	5,250	5,304	5,456	16,139	16,021
Bank Card Fees	3,624	3,766	3,620	3,713	3,684	11,010	11,205
Wealth Management Fees	4,770	4,439	4,682	4,276	3,984	13,891	12,061
Mortgage Banking Revenues	3,966	4,381	2,878	2,327	1,839	11,225	8,072
Other	1,641	1,643	1,667	1,537	1,765	4,951	7,093
Total Noninterest Income	19,513	19,606	18,097	17,157	16,728	57,216	54,452
NONINTEREST EXPENSE							
Compensation	25,800	24,406	24,407	23,822	23,003	74,613	69,965
Occupancy, Net	7,098	6,997	6,994	7,098	6,980	21,089	20,562
Other	10,023	9,038	8,770	9,038	9,122	27,831	26,539
Total Noninterest Expense	42,921	40,441	40,171	39,958	39,105	123,533	117,066
OPERATING PROFIT	15,597	17,230	15,361	14,345	14,510	48,188	49,516
Income Tax Expense	2,980	3,189	3,536	2,909	3,004	9,705	10,130
Net Income	12,617	14,041	11,825	11,436	11,506	38,483	39,386
Pre-Tax Loss Attributable to Noncontrolling Interest	501	109	732	284	1,149	1,342	1,153
NET INCOME ATTRIBUTABLE TO COMMON SHAREOWNERS	$ 13,118	$ 14,150	$ 12,557	$ 11,720	$ 12,655	$ 39,825	$ 40,539
PER COMMON SHARE							
Basic Net Income	$ 0.77	$ 0.84	$ 0.74	$ 0.69	$ 0.75	$ 2.35	$ 2.38
Diluted Net Income	0.78	0.83	0.74	0.70	0.74	2.35	2.38
Cash Dividend	$ 0.23	$ 0.21	$ 0.21	$ 0.20	$ 0.20	$ 0.65	$ 0.56
AVERAGE SHARES							
Basic	16,943	16,931	16,951	16,947	16,985	16,942	17,001
Diluted	16,979	16,960	16,969	16,997	17,025	16,966	17,031

CAPITAL CITY BANK GROUP, INC.
ALLOWANCE FOR CREDIT LOSSES ("ACL")
AND CREDIT QUALITY
Unaudited

	2024			2023		Nine Months Ended September 30,	
(Dollars in thousands, except per share data)	**Third Quarter**	**Second Quarter**	**First Quarter**	**Fourth Quarter**	**Third Quarter**	**2024**	**2023**
ACL - HELD FOR INVESTMENT LOANS							
Balance at Beginning of Period	$ 29,219	$ 29,329	$ 29,941	$ 29,083	$ 28,243	$ 29,941	$ 25,068
Transfer from Other (Assets) Liabilities	-	-	(50)	66	-	(50)	-
Provision for Credit Losses	1,879	1,129	932	2,354	1,993	3,940	7,175
Net Charge-Offs (Recoveries)	1,262	1,239	1,494	1,562	1,153	3,995	3,160
Balance at End of Period	$ 29,836	$ 29,219	$ 29,329	$ 29,941	$ 29,083	$ 29,836	$ 29,083
As a % of Loans HFI	1.11%	1.09%	1.07%	1.10%	1.08%	1.11%	1.08%
As a % of Nonperforming Loans	452.64%	529.79%	431.46%	479.70%	619.58%	452.64%	619.58%
ACL - UNFUNDED COMMITMENTS							
Balance at Beginning of Period	3,139	$ 3,121	$ 3,191	$ 3,502	$ 3,120	$ 3,191	$ 2,989
Provision for Credit Losses	(617)	18	(70)	(311)	382	(669)	513
Balance at End of Period[1]	2,522	3,139	3,121	3,191	3,502	2,522	3,502
ACL - DEBT SECURITIES							
Provision for Credit Losses	$ (56)	$ 57	$ 58	$ (18)	$ 18	$ 59	$ 1
CHARGE-OFFS							
Commercial, Financial and Agricultural	$ 331	$ 400	$ 282	$ 217	$ 76	$ 1,013	$ 294
Real Estate - Construction	-	-	-	-	-	-	-
Real Estate - Commercial	3	-	-	-	-	3	120
Real Estate - Residential	-	-	17	79	-	17	-
Real Estate - Home Equity	23	-	76	-	-	99	39
Consumer	1,315	1,061	1,550	1,689	1,340	3,926	4,065
Overdrafts	611	571	638	602	659	1,820	2,187
Total Charge-Offs	$ 2,283	$ 2,032	$ 2,563	$ 2,587	$ 2,075	$ 6,878	$ 6,705
RECOVERIES							
Commercial, Financial and Agricultural	$ 176	$ 59	$ 41	$ 83	$ 28	$ 276	$ 194
Real Estate - Construction	-	-	-	-	-	-	2
Real Estate - Commercial	5	19	204	16	17	228	36
Real Estate - Residential	88	23	37	34	30	148	219
Real Estate - Home Equity	59	37	24	17	53	120	209
Consumer	405	313	410	433	418	1,128	1,503
Overdrafts	288	342	353	442	376	983	1,382
Total Recoveries	$ 1,021	$ 793	$ 1,069	$ 1,025	$ 922	$ 2,883	$ 3,545
NET CHARGE-OFFS (RECOVERIES)	$ 1,262	$ 1,239	$ 1,494	$ 1,562	$ 1,153	$ 3,995	$ 3,160
Net Charge-Offs as a % of Average Loans HFI[2]	0.19%	0.18%	0.22%	0.23%	0.17%	0.20%	0.16%
CREDIT QUALITY							
Nonaccruing Loans	$ 6,592	$ 5,515	$ 6,798	$ 6,242	$ 4,694		
Other Real Estate Owned	650	650	1	1	1		
Total Nonperforming Assets ("NPAs")	$ 7,242	$ 6,165	$ 6,799	$ 6,243	$ 4,695		
Past Due Loans 30-89 Days	$ 9,388	$ 5,672	$ 5,392	$ 6,855	$ 5,577		
Classified Loans	25,501	25,566	22,305	22,203	21,812		
Nonperforming Loans as a % of Loans HFI	0.25%	0.21%	0.25%	0.23%	0.17%		
NPAs as a % of Loans HFI and Other Real Estate	0.27%	0.23%	0.25%	0.23%	0.17%		
NPAs as a % of Total Assets	0.17%	0.15%	0.16%	0.15%	0.11%		

[1] *Recorded in other liabilities*
[2] *Annualized*

CAPITAL CITY BANK GROUP, INC.
AVERAGE BALANCE AND INTEREST RATES
Unaudited

(Dollars in thousands)	Third Quarter 2024			Second Quarter 2024			First Quarter 2024			Fourth Quarter 2023			Third Quarter 2023	
	Average Balance	*Interest*	*Average Rate*	*Average Balance*	*Interest*	*Average Rate*	*Average Balance*	*Interest*	*Average Rate*	*Average Balance*	*Interest*	*Average Rate*	*Average Balance*	
ASSETS:														
Loans Held for Sale	$ 24,570	$ 720	7.49 %	$ 26,281	$ 517	5.26 %	$ 27,314	$ 563	5.99 %	$ 49,790	817	6.50 %	$ 62,768	$
Loans Held for Investment (1)	2,693,533	40,985	6.09	2,726,748	40,683	6.03	2,728,629	40,196	5.95	2,711,243	39,679	5.81	2,672,653	
Investment Securities														
Taxable Investment Securities	907,610	4,148	1.82	918,989	3,998	1.74	952,328	4,239	1.78	962,322	4,389	1.81	1,002,547	
Tax-Exempt Investment Securities (1)	846	10	4.33	843	9	4.36	856	9	4.34	862	7	4.32	2,456	
Total Investment Securities	908,456	4,158	1.82	919,832	4,007	1.74	953,184	4,248	1.78	963,184	4,396	1.82	1,005,003	
Federal Funds Sold and Interest Bearing Deposits	256,855	3,514	5.44	262,419	3,624	5.56	140,488	1,893	5.42	99,763	1,385	5.51	136,556	
Total Earning Assets	3,883,414	$ 49,377	5.06 %	3,935,280	$ 48,831	4.99 %	3,849,615	$ 46,900	4.90 %	3,823,980	$ 46,277	4.80 %	3,876,980	$
Cash and Due From Banks	70,994			74,803			75,763			76,681			75,941	
Allowance for Credit Losses	(29,905)			(29,564)			(30,030)			(29,998)			(29,172)	
Other Assets	291,359			291,669			295,275			296,114			295,106	
Total Assets	$ 4,215,862			$ 4,272,188			$ 4,190,623			$ 4,166,777			$ 4,218,855	
LIABILITIES:														
Noninterest Bearing Deposits	$ 1,332,305			$ 1,346,546			$ 1,344,188			$ 1,416,825			$ 1,474,574	
NOW Accounts	1,145,544	$ 4,087	1.42 %	1,207,643	$ 4,425	1.47 %	1,201,032	$ 4,497	1.51 %	1,138,461	$ 3,696	1.29 %	1,125,171	$
Money Market Accounts	418,625	2,694	2.56	407,387	2,752	2.72	353,591	1,985	2.26	318,844	1,421	1.77	322,623	
Savings Accounts	512,098	180	0.14	519,374	176	0.14	539,374	188	0.14	557,579	202	0.14	579,245	
Time Deposits	163,462	1,262	3.07	160,078	1,226	3.08	138,328	924	2.69	116,797	553	1.88	95,203	
Total Interest Bearing Deposits	2,239,729	8,223	1.46	2,294,482	8,579	1.50	2,232,325	7,594	1.37	2,131,681	5,872	1.09	2,122,242	
Total Deposits	3,572,034	8,223	0.92	3,641,028	8,579	0.95	3,576,513	7,594	0.85	3,548,506	5,872	0.66	3,596,816	
Repurchase Agreements	27,126	221	3.24	26,999	217	3.24	25,725	201	3.14	26,831	199	2.94	25,356	
Other Short-Term Borrowings	2,673	52	7.63	6,592	68	4.16	3,758	39	4.16	16,906	310	7.29	24,306	
Subordinated Notes Payable	52,887	610	4.52	52,887	630	4.71	52,887	628	4.70	52,887	627	4.64	52,887	
Other Long-Term Borrowings	795	11	5.55	258	3	4.31	281	3	4.80	336	5	4.72	387	
Total Interest Bearing Liabilities	2,323,210	$ 9,117	1.56 %	2,381,218	$ 9,497	1.60 %	2,314,976	$ 8,465	1.47 %	2,228,641	$ 7,013	1.25 %	2,225,178	$
Other Liabilities	73,767			72,634			68,295			78,772			83,099	
Total Liabilities	3,729,282			3,800,398			3,727,459			3,724,238			3,782,851	
Temporary Equity	6,443			6,493			7,150			7,423			8,424	
SHAREOWNERS' EQUITY:	480,137			465,297			456,014			435,116			427,580	
Total Liabilities, Temporary Equity and Shareowners' Equity	$ 4,215,862			$ 4,272,188			$ 4,190,623			$ 4,166,777			$ 4,218,855	
Interest Rate Spread		$ 40,260	3.49 %		$ 39,334	3.38 %		$ 38,435	3.43 %		$ 39,264	3.55 %		$
Interest Income and Rate Earned (1)		49,377	5.06		48,831	4.99		46,900	4.90		46,277	4.80		
Interest Expense and Rate Paid (2)		9,117	0.93		9,497	0.97		8,465	0.88		7,013	0.73		
Net Interest Margin		$ 40,260	4.12 %		$ 39,334	4.02 %		$ 38,435	4.01 %		$ 39,264	4.07 %		$

(1) *Interest and average rates are calculated on a tax-equivalent basis using a 21% Federal tax rate.*
(2) *Rate calculated based on average earning assets.*