



FOR IMMEDIATE RELEASE

Truxton Corporation Reports Fourth Quarter and Full Year 2024 Results

NASHVILLE, TN, January 30, 2025 - Truxton Corporation, the parent company for Truxton Trust Company ("Truxton" or "the Bank") and subsidiaries, announced its operating results for the quarter ended December 31, 2024. Fourth quarter net income attributable to common shareholders was \$4.99 million, or \$1.74 per diluted share, compared to \$4.23 million, or \$1.46 per diluted share, for the same quarter in 2023.

For the year ended December 31, 2024, net income increased by 5% to \$18.4 million from \$17.5 million in 2023. For the year ended December 31, 2024, earnings per diluted share rose to \$6.34 from \$6.02, an increase of 5% from 2023.

"Truxton grew earnings again in 2024, despite the headwinds of mostly one-time expenses related to our technology and physical office upgrades," said Truxton Chairman Tom Stumb. "Net Interest Income grew 7% and Wealth revenue increased 17% year-over-year, and we believe we are positioned well for 2025. Truxton continues to succeed as we drive successful outcomes for our clients through our dedication to service and sophisticated, sage advice."

Key Highlights

- Non-interest income was \$5.7 million in the fourth quarter of 2024, which was \$173 thousand higher than the third quarter of 2024 and \$1.4 million over the fourth quarter of 2023. Excluding gains and losses on the sale of securities, Wealth revenue constituted 90% of non-interest income in the fourth quarter of 2024, compared to 95% for the third quarter of 2024 and to 94% for fourth quarter of 2023. Other non-interest income was elevated due to a large non-recurring payment from an SBIC fund in which we are invested.
- Non-interest expense was \$230 thousand lower in the fourth quarter of 2024 compared to the third, driven largely by the timing of certain expense accruals and a refund of some costs related to our bank technology upgrade recognized in the third quarter.
- Loans increased 1% to \$670 million at quarter end compared to \$665 million at September 30, 2024, and were up 2% compared to \$658 million at December 31, 2023.
- Total deposits decreased by 3% from \$889 million at September 30, 2024, to \$866 million at December 31, 2024, and were 11% higher in comparison to \$782 million at December 31, 2023. Truxton continues to fund its growth from a single banking location led by its commitment to provide what it believes is superior deposit operations service and technology.

- Asset quality remains sound at Truxton. The Bank had \$11 thousand of non-performing assets at December 31, 2024. Truxton had \$4 thousand in charge-offs in the fourth quarter of 2024, \$9 thousand in the trailing quarter, and \$8 thousand of recoveries in the fourth quarter of 2023.
- Net interest margin for the fourth quarter of 2024 was 2.79%, an increase of 10 basis points from the 2.69% experienced in the quarter ended September 30, 2024, and an increase of 1 basis point from the 2.78% recorded in the quarter ended December 31, 2023. Cost of funds was 3.08% in the fourth quarter of 2024, down from 3.48% in the third quarter of 2024, and 3.15% in the fourth quarter of 2023.
- Allowance for credit losses, excluding that for unfunded commitments, was \$6.4 million at quarter end December 31, 2024, compared to \$6.4 million at September 30, 2024, and \$6.3 million at December 31, 2023. For those three periods, such allowance amounts were each 0.96% of gross loans outstanding at each period end. For the same three periods, the Bank's allowance for unfunded commitments was \$483 thousand, \$409 thousand, and \$412 thousand, respectively.
- The Bank's capital position remains strong. Its Tier 1 leverage ratio was 10.63% at December 31, 2024, compared to 10.46% at September 30, 2024, and 10.53% at December 31, 2023. Book value per common share was \$34.42, \$33.30, and \$30.31 at December 31, 2024, September 30, 2024, and December 31, 2023, respectively.
- During the twelve months ended December 31, 2024, Truxton Corporation paid dividends of \$2.72 per common share, inclusive of a \$1.00 special cash dividend, and repurchased 62,382 shares of its common stock for \$4.2 million in the aggregate, or an average price of \$66.97 per share.

About Truxton

Truxton is a premier provider of wealth, banking, and family office services for wealthy individuals, their families, and their business interests. Serving clients across the world, Truxton's vastly experienced team of professionals provides customized solutions to its clients' complex financial needs. Founded in 2004 in Nashville, Tennessee, Truxton upholds its original guiding principle: do the right thing. Truxton Trust Company is a subsidiary of financial holding company, Truxton Corporation (OTCPK: TRUX). For more information, visit truxtontrust.com.

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Truxton Corporation
Consolidated Balance Sheets
(000's)
(Unaudited)

	December 31, 2024*	September 30, 2024*	December 31, 2023*
ASSETS			
Cash and due from financial institutions	\$ 4,225	\$ 5,499	\$ 4,272
Interest bearing deposits in other financial institutions	25,698	24,678	3,417
Federal funds sold	4,054	4,816	1,537
Cash and cash equivalents	33,977	34,993	9,226
Time deposits in other financial institutions	245	245	490
Securities available for sale	258,322	295,905	259,926
Gross loans, excluding Paycheck Protection Program	669,962	664,630	657,811
Allowance for credit losses	(6,433)	(6,358)	(6,304)
Paycheck Protection Program Loans	20	27	29
Net loans	663,549	658,299	651,536
Bank owned life insurance	16,722	16,602	10,808
Restricted equity securities	2,272	2,261	1,858
Premises and equipment, net	3,293	3,328	189
Accrued interest receivable	4,567	4,954	4,388
Deferred tax asset, net	5,257	4,649	6,010
Other assets	15,577	14,017	10,839
Total assets	<u>\$ 1,003,781</u>	<u>\$ 1,035,253</u>	<u>\$ 955,270</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits			
Non-interest bearing	\$ 126,016	\$ 116,149	\$ 123,918
Interest bearing	\$ 740,406	\$ 772,612	\$ 658,061
Total deposits	866,422	888,761	781,979
Federal funds purchased	-	-	-
Swap counterparty cash collateral	4,230	1,890	4,060
Federal Home Loan Bank advances	8,250	13,250	4,500
Federal Reserve Bank Term Funding Program advances	-	10,000	53,800
Subordinated debt	14,426	14,401	14,327
Other liabilities	11,747	11,405	8,922
Total liabilities	905,075	939,707	867,588
SHAREHOLDERS' EQUITY			
Common stock, \$0.10 par value	\$ 286	\$ 285	\$ 289
Additional paid-in capital	28,945	28,729	31,457
Retained earnings	61,316	62,548	51,679
Accumulated other comprehensive income (loss)	(10,252)	(9,434)	(13,279)
Net Income	\$ 18,411	\$ 13,418	\$ 17,536
Total shareholders' equity	98,706	95,546	87,682
Total liabilities and shareholders' equity	<u>\$ 1,003,781</u>	<u>\$ 1,035,253</u>	<u>\$ 955,270</u>

*The information is preliminary, unaudited and based on company data available at the time of presentation.

Truxton Corporation
Consolidated Statements of Net Income
(000's)
(Unaudited)

	Three Months Ended			Year To Date	
	December 31, 2024*	September 30, 2024*	December 31, 2023*	December 31, 2024*	December 31, 2023*
Non-interest income					
Wealth management services	\$ 5,242	\$ 5,267	\$ 4,435	\$ 20,597	\$ 17,657
Service charges on deposit accounts	85	92	111	360	461
Securities gains (losses), net	(122)	0	(445)	(335)	(386)
Bank owned life insurance income	124	90	56	333	216
Other	391	98	115	1,164	524
Total non-interest income	<u>5,720</u>	<u>5,547</u>	<u>4,272</u>	<u>22,119</u>	<u>18,472</u>
Interest income					
Loans, including fees	\$ 10,354	\$ 10,654	\$ 10,495	\$ 41,721	\$ 37,804
Taxable securities	3,039	3,361	2,554	11,932	9,350
Tax-exempt securities	217	222	210	834	876
Interest bearing deposits	348	488	198	1,475	695
Federal funds sold	75	113	41	288	101
Total interest income	<u>14,033</u>	<u>14,838</u>	<u>13,498</u>	<u>56,250</u>	<u>48,826</u>
Interest expense					
Deposits	6,798	7,667	6,048	27,854	20,881
Short-term borrowings	90	260	685	1,294	2,154
Long-term borrowings	85	51	23	164	490
Subordinated debentures	188	188	187	752	771
Total interest expense	<u>7,161</u>	<u>8,166</u>	<u>6,943</u>	<u>30,064</u>	<u>24,296</u>
Net interest income	6,872	6,672	6,555	26,186	24,530
Provision for credit losses	<u>145</u>	<u>105</u>	<u>215</u>	<u>217</u>	<u>296</u>
Net interest income after provision for loan losses	<u>6,727</u>	<u>6,567</u>	<u>6,340</u>	<u>25,969</u>	<u>24,234</u>
Total revenue, net	<u>12,447</u>	<u>12,114</u>	<u>10,612</u>	<u>48,088</u>	<u>42,706</u>
Non interest expense					
Salaries and employee benefits	4,635	4,044	3,563	16,652	14,810
Occupancy	326	315	272	1,578	1,185
Furniture and equipment	107	115	24	300	76
Data processing	282	625	389	1,763	1,703
Wealth management processing fees	195	221	166	838	729
Advertising and public relations	96	27	109	206	248
Professional services	247	609	285	1,337	941
FDIC insurance assessments	33	80	225	423	460
Other	291	406	322	2,024	901
Total non interest expense	<u>6,212</u>	<u>6,442</u>	<u>5,355</u>	<u>25,121</u>	<u>21,053</u>
Income before income taxes	<u>6,235</u>	<u>5,672</u>	<u>5,257</u>	<u>22,967</u>	<u>21,653</u>
Income tax expense	<u>1,242</u>	<u>1,102</u>	<u>1,028</u>	<u>4,556</u>	<u>4,117</u>
Net income	<u>\$ 4,993</u>	<u>\$ 4,570</u>	<u>\$ 4,229</u>	<u>\$ 18,411</u>	<u>\$ 17,536</u>

Earnings per share:

Basic	\$1.74	\$1.58	\$1.46	\$6.35	\$6.04
Diluted	\$1.74	\$1.57	\$1.46	\$6.34	\$6.02

*The information is preliminary, unaudited and based on company data available at the time of presentation. Totals may not foot due to rounding.

Truxton Corporation
Selected Quarterly Financial data
At Or For The Three Months Ended
(000's)
(Unaudited)

	December 31, 2024*	September 30, 2024*	December 31, 2023*
Per Common Share Data			
Net income attributable to common shareholders, per share			
Basic	\$1.74	\$1.58	\$1.46
Diluted	\$1.74	\$1.57	\$1.46
Book value per common share	\$34.42	\$33.30	\$30.31
Tangible book value per common share	\$34.42	\$33.30	\$30.31
Basic weighted average common shares	2,787,805	2,819,035	2,821,846
Diluted weighted average common shares	2,792,363	2,823,728	2,828,274
Common shares outstanding at period end	2,867,850	2,869,015	2,893,064
Selected Balance Sheet Data			
Tangible common equity (TCE) ratio	9.83%	9.23%	9.18%
Average Loans	\$667,957	\$652,624	\$653,804
Average earning assets (1)	\$998,861	\$1,006,370	\$956,793
Average total assets	\$1,025,415	\$1,029,802	\$960,852
Average shareholders' equity	\$97,026	\$94,225	\$81,759
Selected Asset Quality Measures			
Nonaccrual loans	\$0	\$0	\$0
90+ days past due still accruing	\$11	\$11	\$0
Total nonperforming loans	\$11	\$11	\$0
Total nonperforming assets	\$11	\$11	\$0
Net charge offs (recoveries)	\$4	\$9	(\$8)
Nonperforming loans to assets	0.00%	0.00%	0.00%
Nonperforming assets to total assets	0.00%	0.00%	0.00%
Nonperforming assets to total loans and other real estate	0.00%	0.00%	0.00%
Allowance for credit losses to total loans	0.96%	0.96%	0.96%
Net charge offs to average loans	0.00%	0.00%	0.00%
Capital Ratios (Bank Subsidiary Only)			
Tier 1 leverage	10.63%	10.46%	10.53%
Common equity tier 1	15.19%	15.17%	14.58%
Total risk-based capital	16.15%	16.11%	15.53%
Selected Performance Ratios			
Efficiency ratio	48.45%	52.72%	47.07%
Return on average assets (ROA)	1.94%	1.77%	1.75%
Return on average shareholders' equity (ROE)	20.47%	19.29%	20.52%
Return on average tangible common equity (ROTCE)	20.47%	19.29%	20.52%
Net interest margin	2.79%	2.69%	2.78%

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(1) Average earning assets is the daily average of earning assets. Earning assets consists of loans, mortgage loans held for sale, federal funds sold, deposits with banks, and investment securities.

Truxton Corporation
Yield Tables
For The Periods Indicated
(000's)
(Unaudited)

The following table sets forth the amount of our average balances, interest income or interest expense for each category of interest earning assets and interest bearing liabilities and the average interest rate for interest earning assets and interest bearing liabilities, net interest spread and net interest margin for the periods indicated below:

	Three Months Ended December 31, 2024*			Three Months Ended September 30, 2024*			Three Months Ended December 31, 2023*		
	Average Balances	Rates/ Yields (%)	Interest Income/ Expense	Average Balances	Rates/ Yields (%)	Interest Income/ Expense	Average Balances	Rates/ Yields (%)	Interest Income/ Expense
Earning Assets									
Loans	\$667,957	6.08	\$10,215	\$652,624	6.41	\$10,520	\$653,804	6.18	\$10,183
Loan fees	\$0	0.09	\$146	\$0	0.08	\$134	\$0	0.19	\$312
Loans with fees	667,957	6.17	\$10,361	652,624	6.49	\$10,654	\$653,804	6.37	\$10,495
Mortgage loans held for sale	\$0	0.00	\$0	\$0	0.00	\$0	\$0	0.00	\$0
Federal funds sold	\$6,232	4.71	\$75	\$8,367	5.28	\$113	\$2,985	5.41	\$41
Deposits with banks	\$28,570	4.85	\$348	\$35,784	5.43	\$488	\$14,240	5.51	\$198
Investment securities - taxable	\$260,605	4.66	\$3,039	\$273,488	4.92	\$3,361	\$248,778	4.11	\$2,554
Investment securities - tax-exempt	\$35,497	3.65	\$217	\$36,107	3.67	\$222	\$36,986	3.39	\$210
Total Earning Assets	\$998,861	5.64	\$14,040	\$1,006,370	5.92	\$14,838	\$956,793	5.65	\$13,498
Non interest earning assets									
Allowance for loan losses	(6,359)			(6,224)			(6,123)		
Cash and due from banks	\$5,985			\$6,529			\$5,402		
Premises and equipment	\$3,305			\$3,370			\$119		
Accrued interest receivable	\$3,721			\$3,746			\$3,575		
Other real estate	\$0			\$0			\$0		
Other assets	\$36,453			\$34,150			\$30,404		
Unrealized gain (loss) on inv. securities	(16,551)			(18,139)			(29,318)		
Total Assets	\$1,025,415			\$1,029,802			\$960,852		
Interest bearing liabilities									
Interest bearing demand	\$329,625	3.26	\$2,703	\$333,177	3.60	\$3,018	\$345,966	3.42	\$2,984
Savings and money market	\$200,257	2.83	\$1,427	\$195,751	3.60	\$1,773	\$138,244	2.95	\$1,027
Time deposits - retail	\$13,170	3.39	\$112	\$13,505	3.40	\$115	\$16,343	3.18	\$131
Time deposits - wholesale	\$228,144	4.46	\$2,556	\$226,673	4.85	\$2,761	\$165,756	4.56	\$1,906
Total interest bearing deposits	\$771,196	3.51	\$6,798	\$769,106	3.97	\$7,667	\$666,309	3.6	\$6,048
Federal Home Loan Bank advances	\$9,554	3.48	\$85	\$5,728	3.50	\$51	\$4,500	1.98	\$23
Subordinated debt	\$14,520	5.08	\$188	\$14,656	4.53	\$188	\$14,422	5.08	\$187
Other borrowings	\$12,369	4.04	\$90	\$24,011	4.22	\$259	\$60,859	4.39	\$685
Total borrowed funds	\$36,443	3.90	\$363	\$44,395	4.40	\$499	\$79,781	4.39	\$895
Total interest bearing liabilities	\$807,639	3.52	\$7,161	\$813,501	3.99	\$8,166	\$746,090	3.69	\$6,943
Net interest rate spread		2.12	\$6,879		1.93	\$6,672		1.96	\$6,555
Non-interest bearing deposits	\$115,593			\$118,216			\$126,534		
Other liabilities	\$5,157			\$3,860			\$6,469		
Shareholder's equity	\$97,026			\$94,225			\$81,759		
Total Liabilities and Shareholder's Equity	\$1,025,415			\$1,029,802			\$960,852		
Cost of funds		3.08			3.48			3.15	
Net interest margin		2.79			2.69			2.78	

*The information is preliminary, unaudited and based on company data available at the time of presentation. Totals may not foot due to rounding.

Yield Table Assumptions - Average loan balances are inclusive of nonperforming loans. Yields computed on tax-exempt instruments are on a tax equivalent basis. Net interest spread is calculated as the yields realized on interest-bearing assets less the rates paid on interest-bearing liabilities. Net interest margin is the result of net interest income calculated on a tax-equivalent basis divided by average interest earning assets for the period. Changes in net interest income are attributed to either changes in average balances (volume change) or changes in average rates (rate change) for earning assets and sources of funds on which interest is received or paid. Volume change is calculated as change in volume times the previous rate while rate change is change in rate times the previous volume. Changes not due solely to volume or rate changes are allocated to volume change and rate change in proportion to the relationship of the absolute dollar amounts of the change in each category.

Truxton Corporation
Yield Tables
For The Periods Indicated
(000's)
(Unaudited)

The following table sets forth the amount of our average balances, interest income or interest expense for each category of interest earning assets and interest bearing liabilities and the average interest rate for interest earning assets and interest bearing liabilities, net interest spread and net interest margin for the periods indicated below:

	Twelve Months Ended December 31, 2024*			Twelve Months Ended December 31, 2023*		
	Average Balances	Rates/ Yields (%)	Interest Income/ Expense	Average Balances	Rates/ Yields (%)	Interest Income/ Expense
Earning Assets						
Loans	\$658,226	6.28	\$41,328	\$635,059	5.85	\$37,150
Loan fees	\$0	0.08	\$504	\$0	0.10	\$654
Loans with fees	\$658,226	6.36	\$41,832	\$635,059	5.95	\$37,804
Mortgage loans held for sale	\$0	0.00	\$0	\$0	0.00	\$0
Federal funds sold	\$5,592	5.08	\$289	\$1,907	5.21	\$101
Deposits with banks	\$27,967	5.27	\$1,475	\$13,711	5.07	\$695
Investment securities - taxable	\$259,313	4.6	\$11,931	\$247,483	3.78	\$9,350
Investment securities - tax-exempt	\$34,867	3.57	\$834	\$38,410	3.40	\$876
Total Earning Assets	\$985,965	5.76	\$56,361	\$936,570	5.26	\$48,826
Non interest earning assets						
Allowance for loan losses	(6,299)			(6,087)		
Cash and due from banks	\$6,161			5,960		
Premises and equipment	\$2,662			\$154		
Accrued interest receivable	\$3,730			\$3,271		
Other real estate	\$0			\$0		
Other assets	\$33,513			\$29,175		
Unrealized gain (loss) on inv. securities	(19,553)			(26,891)		
Total Assets	\$1,006,179			\$942,152		
Interest bearing liabilities						
Interest bearing demand	\$333,322	3.5	\$11,681	\$351,956	3.20	\$11,247
Savings and Money Market	\$183,557	3.33	\$6,121	\$134,518	2.50	\$3,368
Time deposits - Retail	\$14,275	3.41	\$486	\$17,168	2.53	\$435
Time Deposits - Wholesale	\$207,457	4.61	\$9,566	\$143,922	4.05	\$5,832
Total interest bearing deposits	\$738,611	3.77	\$27,854	\$647,564	3.22	\$20,882
Federal home Loan Bank advances	\$5,476	2.95	\$164	\$12,355	3.91	\$490
Subordinated debt	\$14,565	5.08	\$752	\$14,831	5.12	\$771
Other borrowings	\$31,032	4.41	\$1,294	\$47,985	4.42	\$2,153
Total borrowed funds	\$51,073	4.26	\$2,210	\$75,171	4.48	\$3,414
Total interest bearing liabilities	\$789,685	3.80	\$30,064	\$722,735	3.36	\$24,296
Net interest rate spread		1.95	\$26,297		1.90	\$24,530
Non-interest bearing deposits	\$119,150			\$135,909		
Other liabilities	\$4,424			\$4,810		
Shareholder's equity	\$92,920			\$78,619		
Total Liabilities and Shareholder's Equity	\$1,006,179			\$942,073		
Cost of funds		3.30			2.82	
Net interest margin		2.71			2.67	

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Yield Table Assumptions - Average loan balances are inclusive of nonperforming loans. Yields computed on tax-exempt instruments are on a tax equivalent basis. Net interest spread is calculated as the yields realized on interest-bearing assets less the rates paid on interest-bearing liabilities. Net interest margin is the result of net interest income calculated on a tax-equivalent basis divided by average interest earning assets for the period. Changes in net interest income are attributed to either changes in average balances (volume change) or changes in average rates (rate change) for earning assets and sources of funds on which interest is received or paid. Volume change is calculated as change in volume times the previous rate while rate change is change in rate times the previous volume. Changes not due solely to volume or rate changes are allocated to volume change and rate change in proportion to the relationship of the absolute dollar amounts of the change in each category.