



Truxton Corporation Reports First Quarter 2025 Results

April 24, 2025 1:00 PM EDT

NASHVILLE, Tenn., April 24, 2025 (GLOBE NEWSWIRE) -- Truxton Corporation, the parent company for Truxton Trust Company ("Truxton" or "the Bank") and subsidiaries, announced its operating results for the quarter ended March 31, 2025. First quarter net income attributable to common shareholders was \$5.1 million, or \$1.75 per diluted share, compared to \$4.3 million, or \$1.48 per diluted share, for the same quarter in 2024. Net income and fully diluted earnings per share for the quarter rose by 17% and 18%, respectively, compared to the first quarter of 2024.

"We are pleased to start 2025 with another quarter of financial growth led by our core businesses," said Chairman and CEO Tom Stumb. "Net Interest Income increased by 18% compared to the first quarter of 2024 while non-interest income increased by 23%. We achieved another quarterly earnings high-water mark while continuing to invest in technology and human capital to better serve our clients."

Key Highlights

- Non-interest income totaled \$6.4 million in the first quarter of 2025, which was \$657 thousand higher than the fourth quarter of 2024 and \$1.2 million over the first quarter of 2024. Wealth revenue in the first quarter of 2025 was \$5.3 million, up 2% from the fourth quarter of 2024 and 8% from the first quarter of 2024. Other non-interest income was elevated due to capital advisory fee revenue associated with a successful sell-side engagement.
- Loans increased by 5% to \$702 million at quarter end compared to \$670 million on December 31, 2024, and were up 6% compared to \$660 million on March 31, 2024.
- Total deposits increased by 19% from \$866 million at December 31, 2024, to \$1.03 billion at March 31, 2025, and were 21% higher in comparison to \$850 million at March 31, 2024. 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.
- Net interest margin for the first quarter of 2025 was 2.90%, an increase of 11 basis points from the 2.79% experienced in the quarter ended December 31, 2024, and an increase of 28 basis points from the 2.62% in the quarter ended March 31, 2024. Cost of funds was 2.91% in the first quarter of 2025, down from 3.08% for the quarter ended December 31, 2024, and down from 3.33% for the quarter ended March 31, 2024.
- Allowance for credit losses, excluding that for unfunded commitments, was \$6.7 million at quarter end March 31, 2025, compared to \$6.4 million at December 31, 2024, and \$6.3 million at March 31, 2024. For each of those three periods, such allowance amounts were 0.96% of gross loans outstanding at period end. For the same three periods, the Bank's allowance for unfunded commitments was \$589 thousand, \$483 thousand, and \$374 thousand, respectively.
- The Bank's capital position remains strong. Its Tier 1 leverage ratio was 10.46% at March 31, 2025, compared to 10.63% at December 31, 2024, and 10.53% at March 31, 2024. Book value per common share was \$34.46, \$34.42, and \$30.62 at March 31, 2025, December 31, 2024, and March 31, 2024, respectively.
- During the three months ended March 31, 2025, Truxton Corporation paid dividends of \$1.50 per common share, inclusive of a \$1.00 special cash dividend, and repurchased 5,000 shares of its common stock for \$400 thousand in aggregate, or an average price of \$80.00 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.

Investor Relations

Austin Branstetter
615-250-0783
austin.branstetter@truxtontrust.com

Media Relations

Swan Burrus
615-250-0773
swan.burrus@truxtontrust.com

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

	March 31, 2025*	December 31, 2024	March 31, 2024*
ASSETS			
Cash and due from financial institutions	\$ 10,704	\$ 4,225	\$ 4,909

Interest bearing deposits in other financial institutions	24,887	25,698	34,361
Federal funds sold	10,231	4,054	6,733
Cash and cash equivalents	45,822	33,977	46,003
Time deposits in other financial institutions	-	245	490
Securities available for sale	414,190	258,322	256,517
Gross loans, excluding Paycheck Protection Program	701,660	669,962	659,622
Allowance for credit losses**	(6,708)	(6,433)	(6,324)
Paycheck Protection Program Loans	-	20	48
Net loans	694,952	663,549	653,346
Bank owned life insurance	16,863	16,722	10,865
Restricted equity securities	3,718	2,272	1,822
Premises and equipment, net	3,176	3,293	2,089
Accrued interest receivable	4,989	4,567	4,522
Deferred tax asset, net	5,297	5,257	5,576
Other assets	14,440	15,577	16,484
Total assets	\$ 1,203,447	\$ 1,003,781	\$ 997,714

LIABILITIES AND SHAREHOLDERS' EQUITY

Deposits			
Non-interest bearing	\$ 127,851	\$ 126,016	\$ 126,838
Interest bearing	\$ 900,489	\$ 740,406	\$ 723,645
Total deposits	1,028,340	866,422	850,483
Federal funds purchased	-	-	-
Swap counterparty cash collateral	2,790	4,230	5,570
Federal Home Loan Bank advances	45,000	8,250	3,250
Federal Reserve Bank borrowings	2,400	-	22,700
Subordinated debt	14,439	14,426	14,514
Other liabilities	11,154	11,747	11,706
Total liabilities	1,104,123	905,075	908,223
SHAREHOLDERS' EQUITY			
Common stock, \$0.10 par value	\$ 284	\$ 286	\$ 290
Additional paid-in capital	28,957	28,945	31,881
Retained earnings	75,396	61,316	65,035
Accumulated other comprehensive income (loss)	(10,365)	(10,252)	(12,055)
Net Income	\$ 5,052	\$ 18,411	\$ 4,340
Total shareholders' equity	99,324	98,706	89,491
Total liabilities and shareholders' equity	\$ 1,203,447	\$ 1,003,781	\$ 997,714

*The information is preliminary, unaudited and based on company data available at the time of presentation. **Truxton adopted the Current Expected Credit Loss methodology as of January 1, 2023. The total excludes reserve for credit losses on unfunded commitments recorded in Other liabilities.

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

	Three Months Ended		
	March 31, 2025*	December 31, 2024*	March 31, 2024*
Non-interest income			
Wealth management services	\$ 5,338	\$ 5,242	\$ 4,907
Capital advisory fees	555	70	40
Service charges on deposit accounts	45	85	91
Securities gains (losses), net	0	(122)	0
Bank owned life insurance income	142	124	58
Other	297	321	68
Total non-interest income	6,377	5,720	5,164

Interest income			
Loans, including fees	\$ 10,378	\$ 10,354	\$ 10,357
Taxable securities	3,371	3,039	2,599
Tax-exempt securities	182	217	188
Interest bearing deposits	331	348	231
Federal funds sold	34	75	41
Total interest income	<u>14,296</u>	<u>14,033</u>	<u>13,414</u>
Interest expense			
Deposits	6,599	6,798	6,450
Short-term borrowings	60	90	618
Long-term borrowings	199	85	15
Subordinated debentures	188	188	188
Total interest expense	<u>7,046</u>	<u>7,161</u>	<u>7,270</u>
Net interest income	7,250	6,872	6,144
Provision for credit losses	<u>390</u>	<u>145</u>	<u>(6)</u>
Net interest income after provision for loan losses	<u>6,860</u>	<u>6,727</u>	<u>6,150</u>
Total revenue, net	13,237	12,447	11,314
Non interest expense			
Salaries and employee benefits	5,127	4,635	4,076
Occupancy	351	326	453
Furniture and equipment	109	107	4
Data processing	407	282	418
Wealth management processing fees	215	195	214
Advertising and public relations	53	96	34
Professional services	222	247	209
FDIC insurance assessments	108	33	190
Other	391	291	278
Total non interest expense	<u>6,983</u>	<u>6,212</u>	<u>5,877</u>
	0		
Income before income taxes	6,254	6,235	5,438
Income tax expense	<u>1,202</u>	<u>1,242</u>	<u>1,104</u>
Net income	\$ 5,052	\$ 4,993	\$ 4,334
Earnings per share:			
Basic	\$ 1.75	\$ 1.74	\$ 1.49
Diluted	\$ 1.75	\$ 1.74	\$ 1.48

*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)

	March 31, 2025*	December 31, 2024*	March 31, 2024*
Per Common Share Data			
Net income attributable to shareholders, per share			
Basic	\$1.75	\$1.74	\$1.49
Diluted	\$1.75	\$1.74	\$1.48
Book value per common share	\$34.46	\$34.42	\$30.62
Tangible book value per common share	\$34.46	\$34.42	\$30.62
Basic weighted average common shares	2,793,834	2,787,805	2,831,217
Diluted weighted average common shares	2,797,388	2,792,363	2,838,003
Common shares outstanding at period end	2,882,241	2,867,850	2,922,761

Selected Balance Sheet Data

Tangible common equity (TCE) ratio	8.25%	9.83%	8.97%
Average Loans	\$691,360	\$667,957	\$656,790
Average earning assets (1)	\$1,047,778	\$998,861	\$958,138
Average total assets	\$1,085,506	\$1,025,415	\$970,228
Average shareholders' equity	\$99,923	\$97,026	\$89,441

Selected Asset Quality Measures

Nonaccrual loans	\$0	\$0	\$0
90+ days past due still accruing	\$0	\$11	\$0
Total nonperforming loans	\$0	\$11	\$0
Total nonperforming assets	\$0	\$11	\$0
Net charge offs (recoveries)	\$8	\$4	\$11
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	10.46%	10.63%	10.53%
Common equity tier 1	13.82%	15.19%	14.58%
Total risk-based capital	14.73%	16.15%	15.53%

Selected Performance Ratios

Efficiency ratio	51.2%	48.5%	51.5%
Return on average assets (ROA)	1.89%	1.94%	1.80%
Return on average shareholders' equity (ROE)	20.50%	20.47%	19.52%
Return on average tangible common equity (ROTCE)	20.50%	20.47%	19.52%
Net interest margin	2.90%	2.79%	2.62%

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

(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 March 31, 2025*			Three Months Ended December 31, 2024*			Three Months Ended March 31, 2024*		
	Average Balances	Rates/ Yields (%)	Interest Income/ Expense	Average Balances	Rates/ Yields (%)	Interest Income/ Expense	Average Balances	Rates/ Yields (%)	Interest Income/ Expense
Earning Assets									
Loans	\$691,360	6.04	\$10,300	\$667,957	6.08	\$10,215	\$656,790	6.28	\$10,261
Loan fees	\$0	0.16	\$271	\$0	0.09	\$146	\$0	0.06	\$95
Loans with fees	\$691,360	6.2	\$10,571	\$667,957	6.17	\$10,361	\$656,790	6.34	\$10,356
Mortgage loans held for sale	\$0	0.00	\$0	\$0	0.00	\$0	\$0	0.00	\$0
Federal funds sold	\$3,308	4.15	\$34	\$6,232	4.71	\$75	\$3,255	4.93	\$41
Deposits with banks	\$29,756	4.51	\$331	\$28,570	4.85	\$348	\$19,536	4.75	\$231
Investment securities - taxable	\$291,104	4.63	\$3,371	\$260,605	4.66	\$3,039	\$245,516	4.23	\$2,599
Investment securities - tax-exempt	\$32,250	3.37	\$182	\$35,497	3.65	\$217	\$33,041	3.4	\$188
Total Earning Assets	\$1,047,778	5.62	\$14,489	\$998,861	5.64	\$14,040	\$958,138	5.66	\$13,415
Non interest earning assets									
Allowance for loan losses	(6,618)			(6,359)			(6,309)		

Cash and due from banks	\$17,307			\$5,985			\$5,270		
Premises and equipment	\$3,249			\$3,305			\$1,260		
Accrued interest receivable	\$3,608			\$3,721			\$3,478		
Other real estate	\$0			\$0			\$0		
Other assets	\$37,447			\$36,453			\$30,494		
Unrealized gain (loss) on inv. securities	(17,265)			(16,551)			(22,103)		
Total Assets	<u>\$1,085,506</u>			<u>\$1,025,415</u>			<u>\$970,228</u>		
Interest bearing liabilities									
Interest bearing demand	\$326,793	3.04	\$2,448	\$329,625	3.26	\$2,703	\$330,343	3.53	\$2,898
Savings and money market	\$229,304	2.63	\$1,486	\$200,257	2.83	\$1,427	\$162,640	3.4	\$1,375
Time deposits - retail	\$12,965	3.61	\$115	\$13,170	3.39	\$112	\$15,557	3.43	\$133
Time deposits - wholesale	\$241,662	4.28	\$2,550	\$228,144	4.46	\$2,556	\$173,570	4.74	\$2,044
Total interest bearing deposits	\$810,724	3.3	\$6,599	\$771,196	3.51	\$6,798	\$682,110	3.8	\$6,450
Federal Home Loan Bank advances	\$20,369	3.9	\$199	\$9,554	3.48	\$85	\$3,401	1.7	\$15
Subordinated debt	\$14,687	5.09	\$188	\$14,520	5.08	\$188	\$14,610	5.09	\$188
Other borrowings	\$9,419	4.12	\$60	\$12,369	4.04	\$90	\$57,060	4.28	\$618
Total borrowed funds	\$44,475	4.02	\$447	\$36,443	3.90	\$363	\$75,071	4.32	\$821
Total interest bearing liabilities	<u>\$855,199</u>	<u>3.34</u>	<u>\$7,046</u>	<u>\$807,639</u>	<u>3.52</u>	<u>\$7,161</u>	<u>\$757,181</u>	<u>3.85</u>	<u>\$7,271</u>
Net interest rate spread		<u>2.28</u>	<u>\$7,443</u>		<u>2.12</u>	<u>\$6,879</u>		<u>1.81</u>	<u>\$6,144</u>
Non-interest bearing deposits	\$126,049			\$115,593			\$118,809		
Other liabilities	\$4,335			\$5,157			\$4,797		
Shareholder's equity	\$99,923			\$97,026			\$89,441		
Total Liabilities and Shareholder's Equity	<u>\$1,085,506</u>			<u>\$1,025,415</u>			<u>\$970,228</u>		
Cost of funds		<u>2.91</u>			<u>3.08</u>			<u>3.33</u>	
Net interest margin		<u>2.90</u>			<u>2.79</u>			<u>2.62</u>	

*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.