



# Q3 2024 Financial Results

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*Financial Update and Quarterly Reports*

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October 16, 2024



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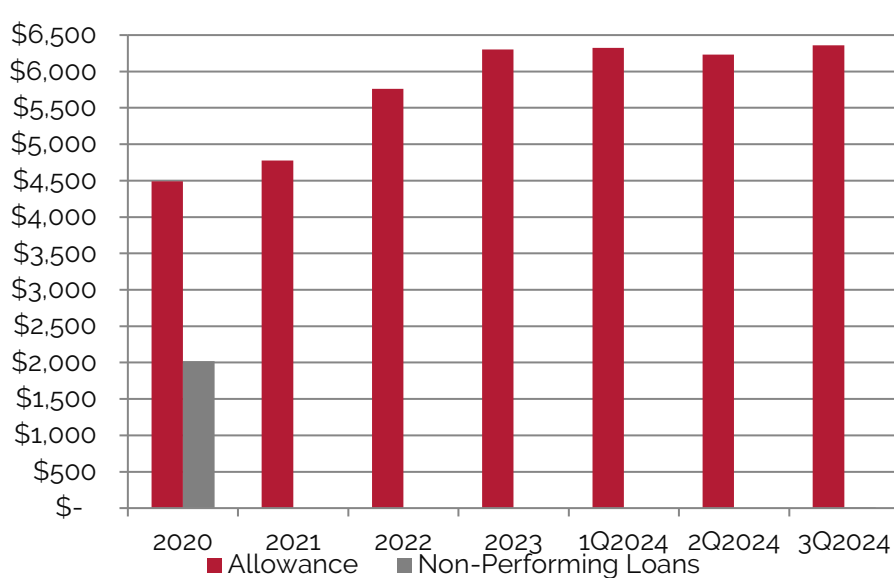
# Q3 2024 Financial Highlights

<i>(\$000s)</i>			
<b>Income Summary</b>	<b>3Q 2024</b>	<b>3Q 2023</b>	<b>% Change</b>
Non-Interest Income	\$5,520	\$4,877	13.2%
Net Interest Income	\$6,699	\$6,117	9.5%
Provision for Credit Losses	\$105	\$6	1650.0%
Non-Interest Expense	\$6,442	\$5,314	21.2%
Earnings Before Taxes	\$5,672	\$5,674	0.0%
Income Tax Expense	\$1,102	\$1,109	-0.6%
Net Income	\$4,570	\$4,564	0.1%
<b>Balance Sheet</b>			
Assets	\$1,035,253	\$946,566	9.4%
Loans	\$664,630	\$641,697	3.6%
Deposits	\$888,761	\$780,868	13.8%
Stockholders' Equity	\$95,546	\$79,543	20.1%
<b>Asset Quality</b>			
Allowance for Credit Losses	\$6,358	\$6,031	5.4%
Allowance to Gross Loans	0.96%	0.94%	1.8%

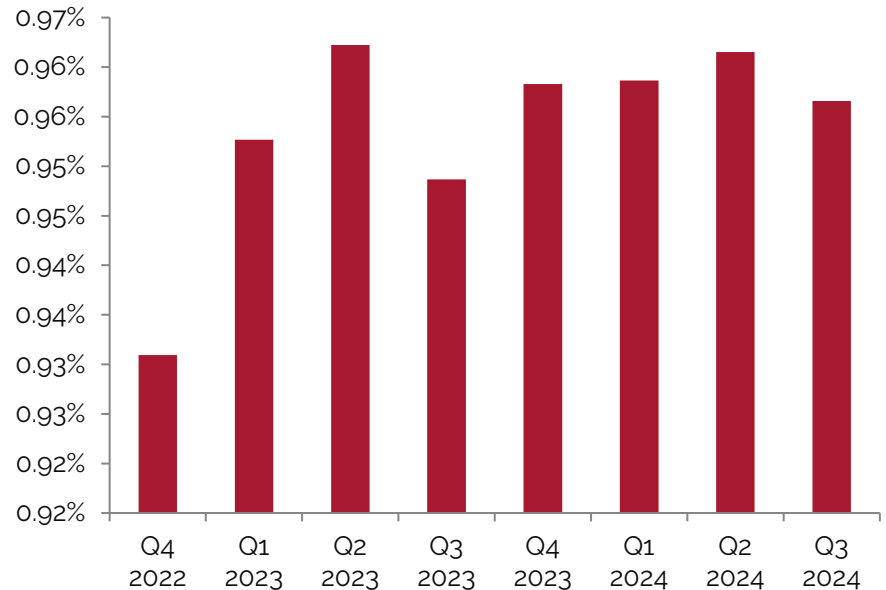
# Safe and Reliable Credit Quality

- 30 days+ past due loans: \$1.86MM
  - \$1.4MM paid off and \$0.45MM renewed with interest reserves as of 10/15
- Non-performing assets (NPAs): \$11k, 90+ days past due but still accruing interest
  - All are down payment assistance loans for LMI borrowers
- No other real estate owned (OREO)

## Allowance vs. NPAs (\$000s)



## Reserves / Loans



\*Charts above do NOT include ACL on unfunded commitments

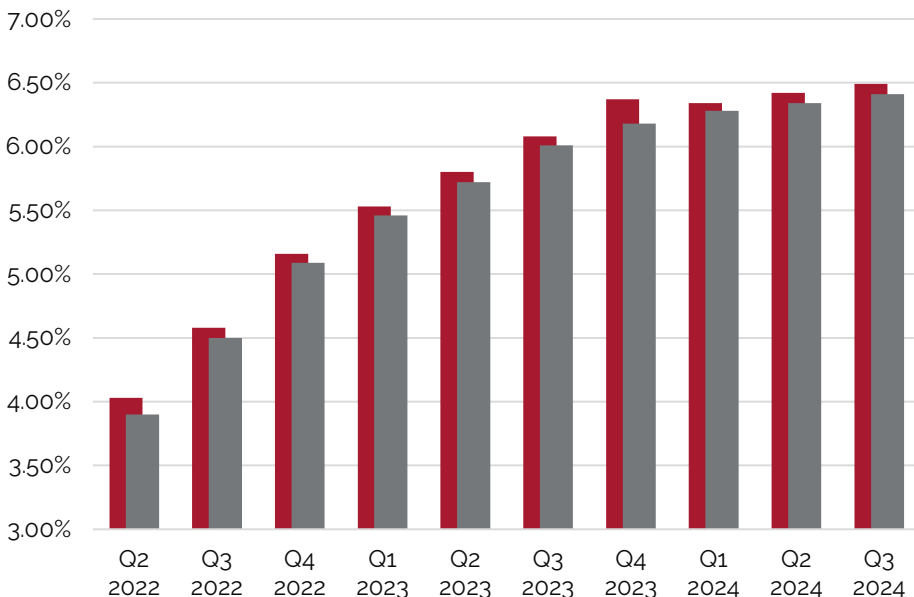


# Loan Yield & Concentrations

- Commercial Real Estate concentration was 204% of capital at quarter end
- Acquisition, Construction, and Development loans was 42% of capital at quarter end
- Average loan yields excluding fees rose 7bps to 6.41% in 3Q24 compared to 6.34% in 2Q24

## Average Loan Yields

■ Avg. Loan Yield ■ Avg. Loan Yield, ex. Fees

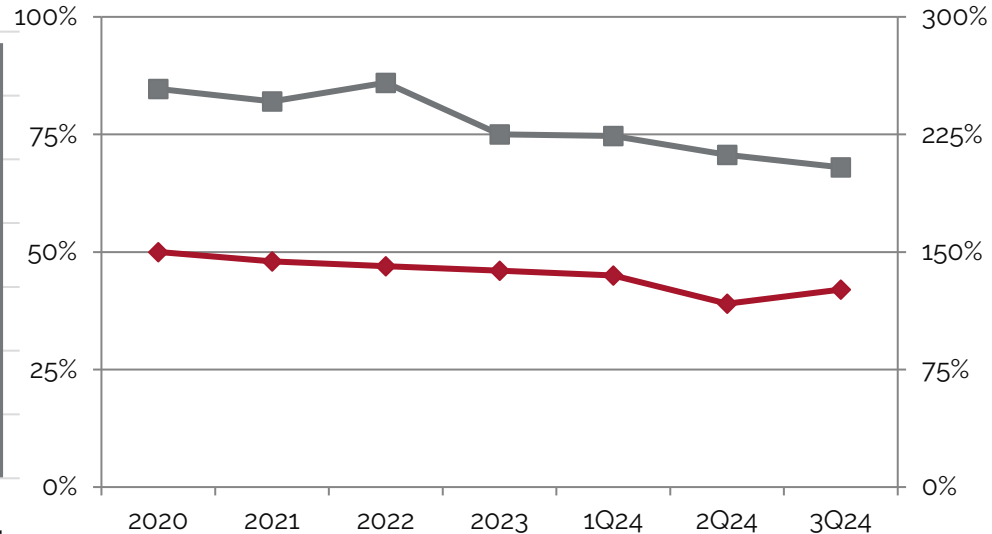


## Commercial Real Estate

ACD regulatory guideline = 100%

CRE regulatory guideline = 300%

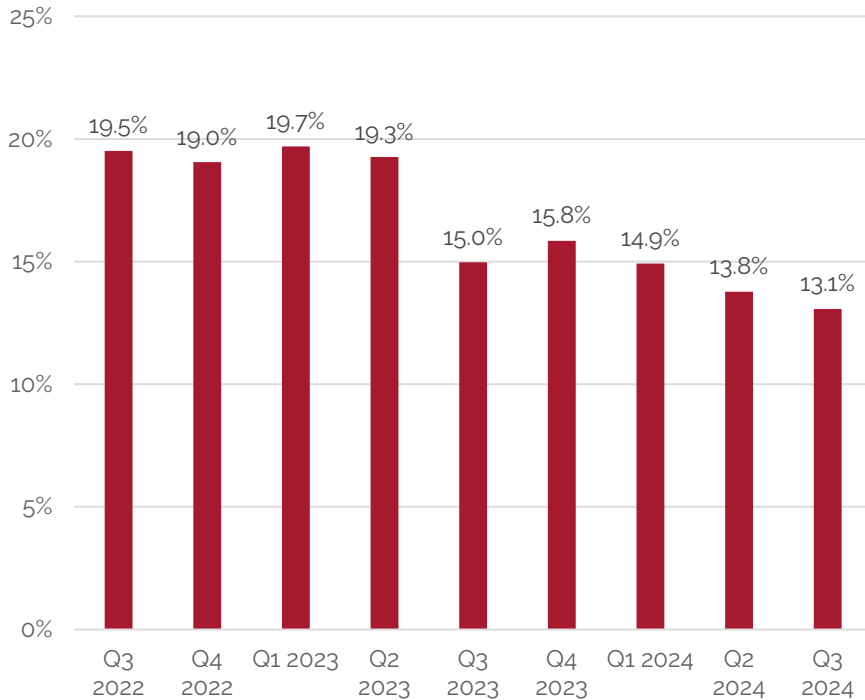
◆ ACD ■ CRE



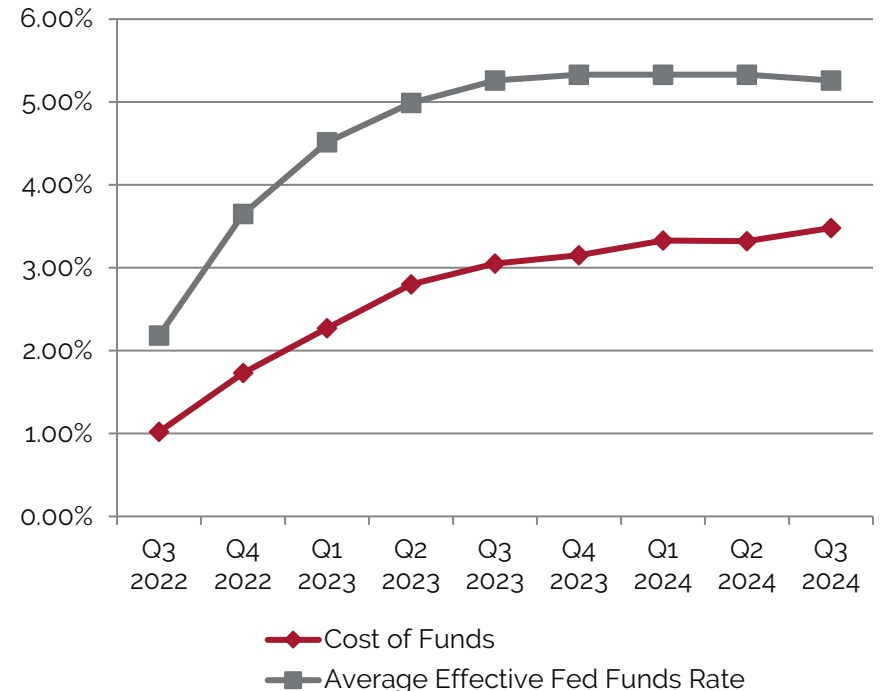
# Deposit Costs

- Cost of funds rose during the quarter, but deposit cost pressures seemed to ease after the 50bps Fed rate cut in mid September
- Average and period-end non-interest-bearing account (NIBA) balances continued to fall

## NIBA / Total Deposits



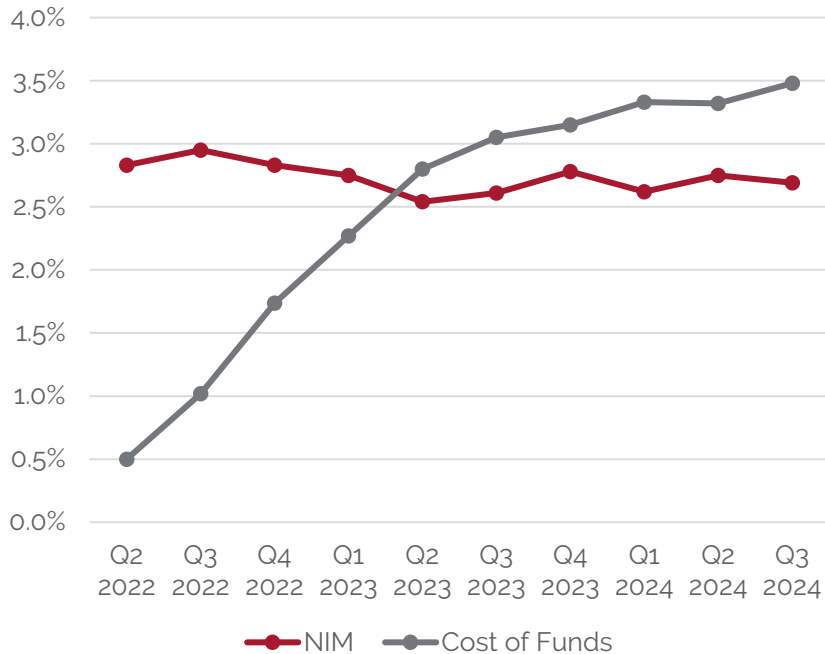
## Cost of Funds



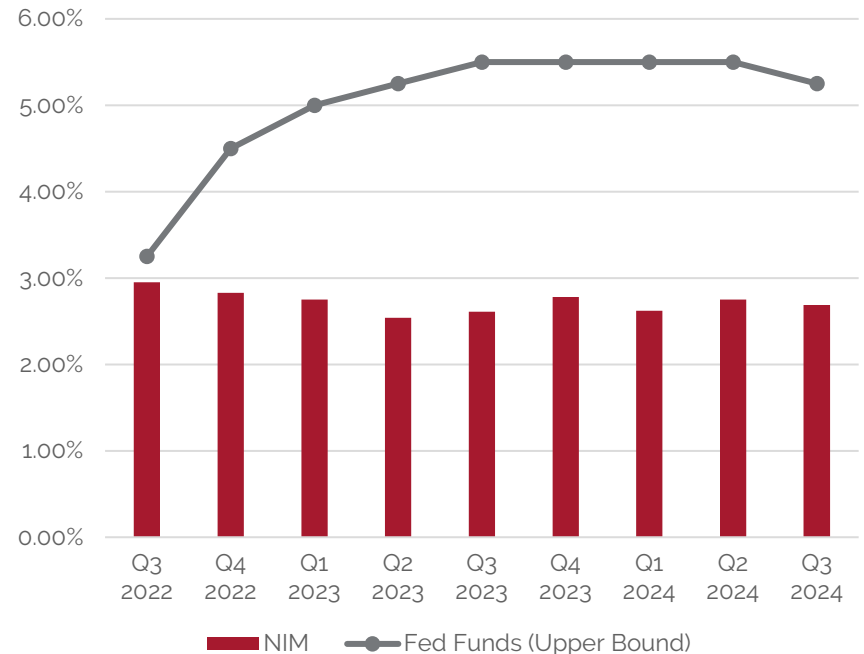
# Net Interest Margin

- NIM declined 6bps in Q3 2024 compared to Q2 2023 as cost of funds outpaced earning asset yield growth

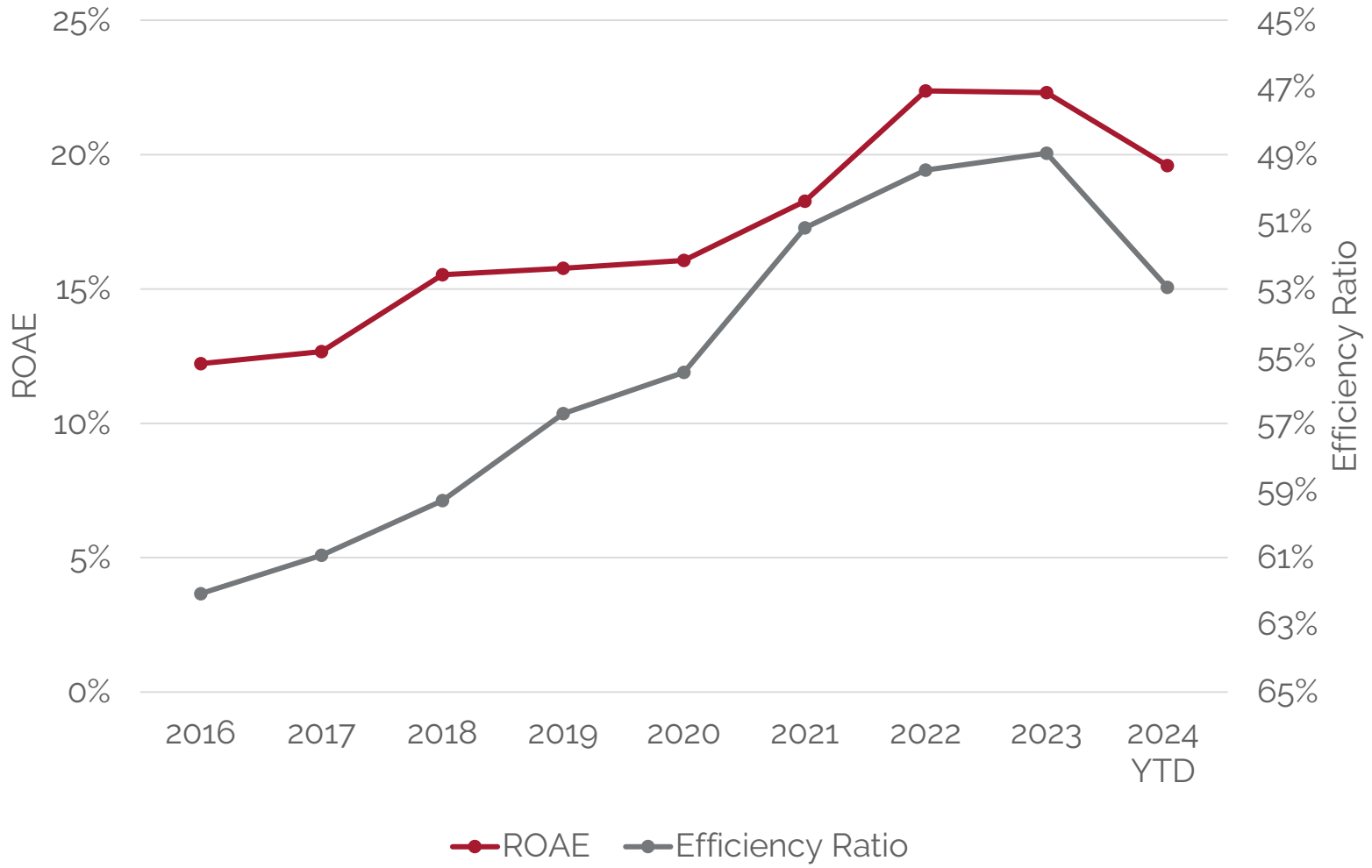
## NIM vs. Cost of Funds



## NIM vs. Fed Funds



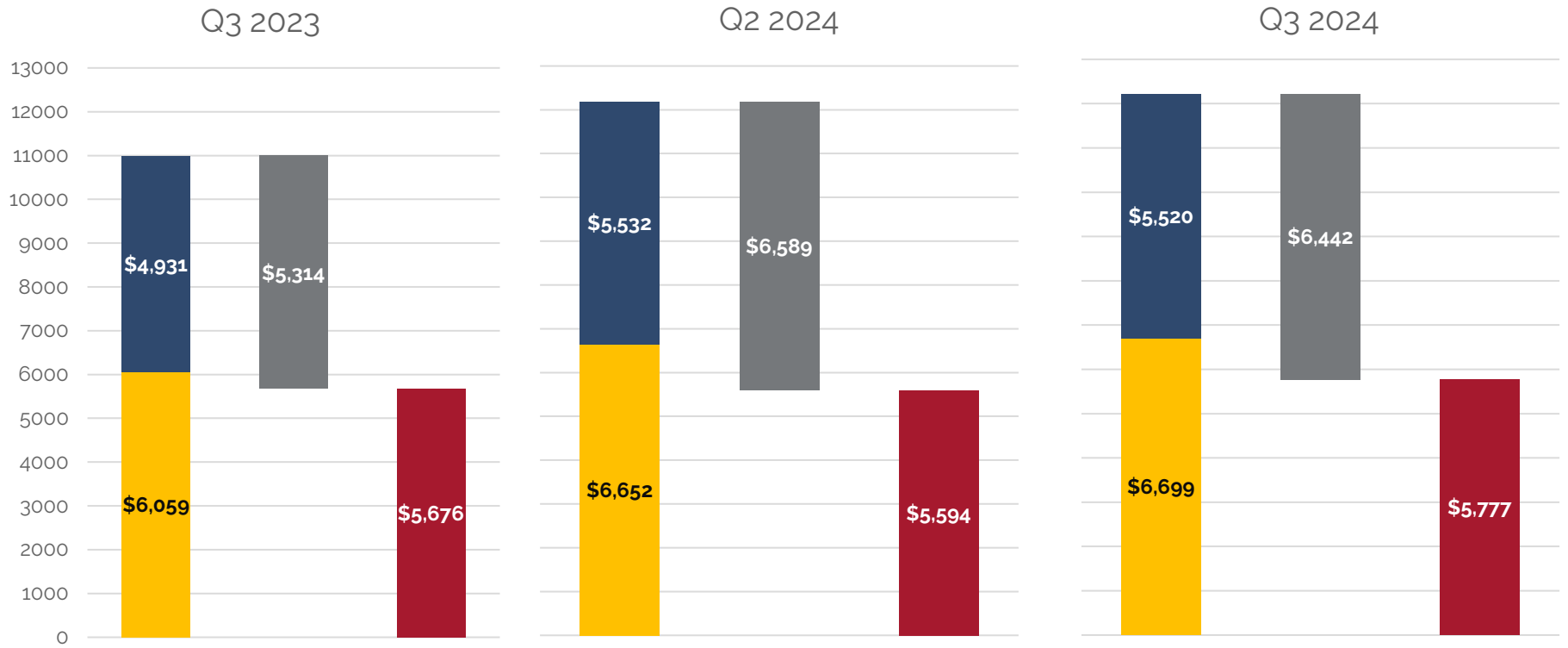
# ROAE and Efficiency Ratio



# Pre-Tax, Pre-Provision Net Revenue (PPNR)



**Q3 2024 vs.  
Q3 2023: +1.8%**

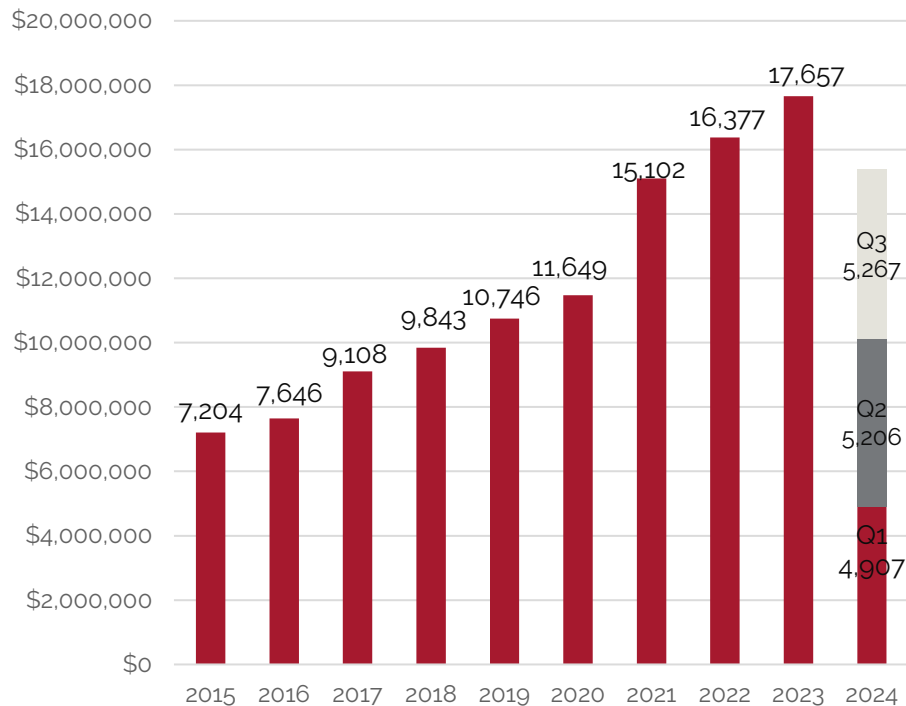




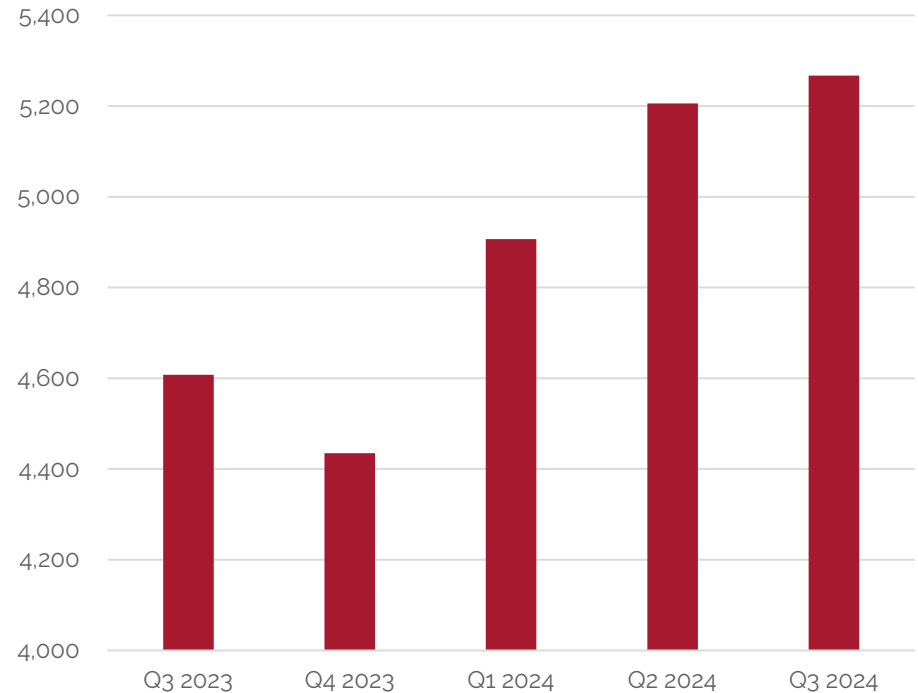
# Wealth Management Growth Continues

- Wealth management services represented 43.5% of net revenue in Q3 2024
- Wealth management services represented 95% of total non-interest income in Q3 2024
- Wealth management revenue increased 14.3% in Q3 2024 compared to Q3 2023

## Wealth Management Revenue (000s)



## Wealth Management Revenue (000s)



# TRUX Financial Returns

- Efficiency Ratio up 485 basis points compared to Q3 2023
- Net interest margin (NIM) up 8 basis points compared to Q3 2023
- Return on average assets (ROAA) down 14 basis points from Q3 2023
- Return on average equity (ROAE) down 319 basis points from Q3 2023
- Tier 1 Leverage Ratio for the Bank up 10 basis points from Q3 2023
- While not all trending the right direction, all key metrics remain strong
  - ROAE declines driven by increased equity with improved bond portfolio mark-to-market

Key Ratios	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
<b>Efficiency Ratio</b>	47.87%	47.07%	51.55%	52.72%	52.72%
<b>Net Interest Margin</b>	2.61%	2.78%	2.62%	2.75%	2.69%
<b>ROAA</b>	1.91%	1.75%	1.80%	1.82%	1.77%
<b>ROAE</b>	22.48%	20.52%	19.49%	19.97%	19.29%
<b>Tier 1 Leverage Ratio (Bank)</b>	10.36%	10.53%	10.40%	10.45%	10.46%
<b>Tangible Equity / Tangible Assets</b>	8.39%	9.18%	8.97%	9.42%	9.23%



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