



Q2 2024 Financial Results

Financial Update and Quarterly Reports

July 17, 2024



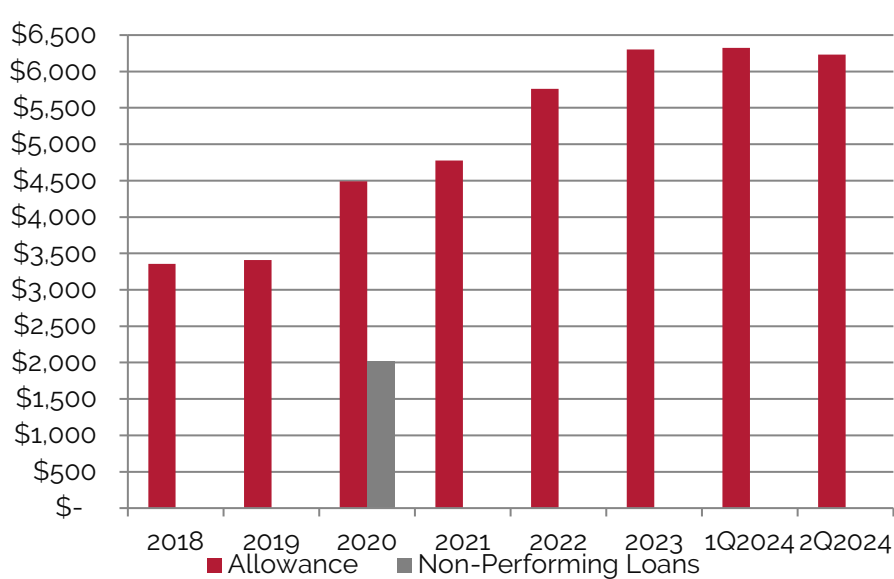
Q2 2024 Financial Highlights

| <i>(\$000s)</i> | | | |
|-----------------------------|----------------|----------------|-----------------|
| Income Summary | 2Q 2024 | 2Q 2023 | % Change |
| Net Interest Income | \$6,652 | \$5,797 | 14.7% |
| Provision for Loan Losses | (\$27) | \$15 | -280.0% |
| Non-Interest Income | \$5,532 | \$4,769 | 16.0% |
| Non-Interest Expense | \$6,589 | \$5,070 | 30.0% |
| Earnings Before Taxes | \$5,621 | \$5,481 | 2.6% |
| Income Tax Expense | \$1,107 | \$1,028 | 7.7% |
| Net Income | \$4,514 | \$4,453 | 1.4% |
| Balance Sheet | | | |
| Assets | \$985,399 | \$965,644 | 2.0% |
| Loans | \$648,300 | \$627,576 | 3.3% |
| Deposits | \$839,950 | \$789,665 | 6.4% |
| Stockholders' Equity | \$92,784 | \$78,670 | 17.9% |
| Asset Quality | | | |
| Allowance for Credit Losses | \$6,234 | \$5,982 | 4.2% |
| Allowance to Gross Loans | 0.96% | 0.95% | 1.1% |

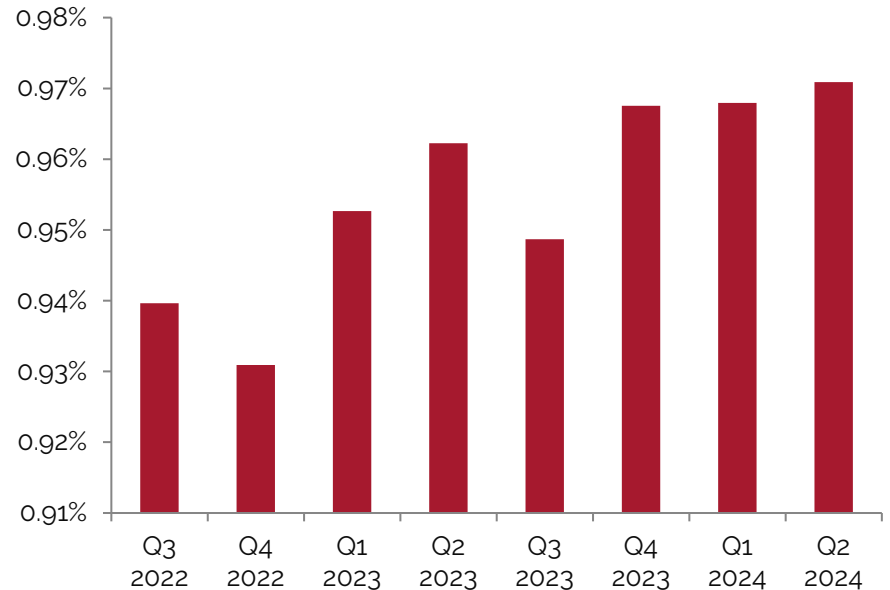
Safe and Reliable Credit Quality

- No 30 days+ past due loans
- Non-performing assets (NPAs): \$0
- No other real estate owned (OREO)

Allowance vs. NPAs (\$000s)



Reserves / Loans



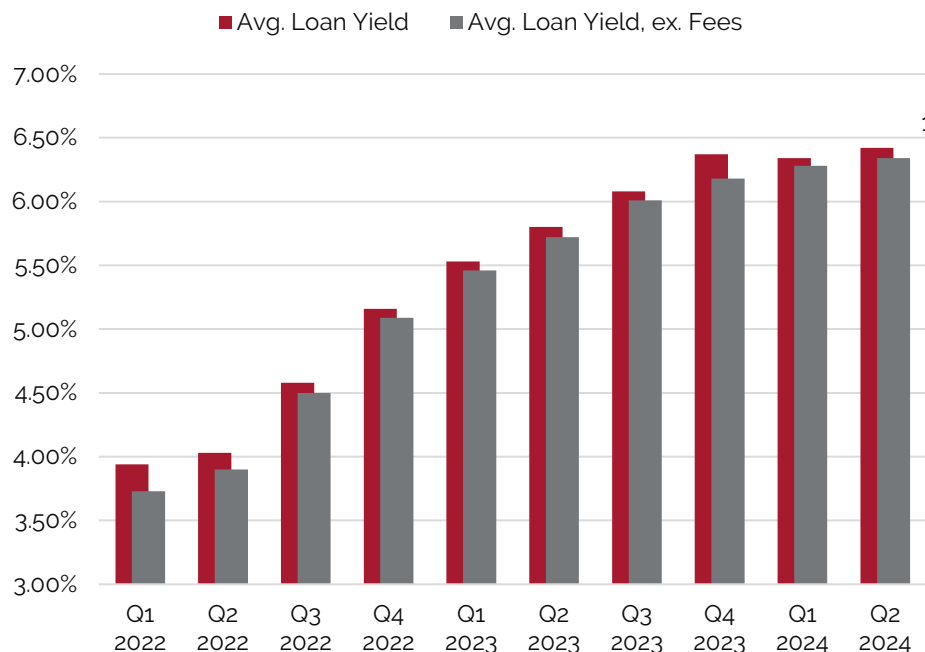
*Charts above do NOT include ACL on unfunded commitments



Loan Yield & Concentrations

- Commercial Real Estate concentration was 212% of capital at quarter end
- Acquisition, Construction, and Development loans was 39% of capital at quarter end
- Average loan yields excluding fees rose 6bps to 6.34% in 2Q24 compared to 6.28% in 1Q24

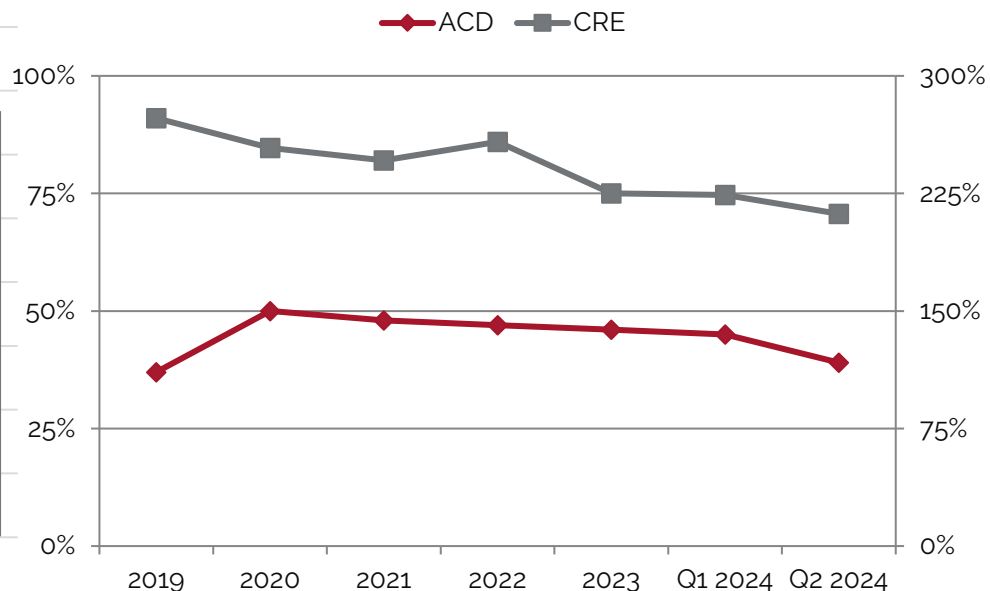
Average Loan Yields



Commercial Real Estate

ACD regulatory guideline = 100%

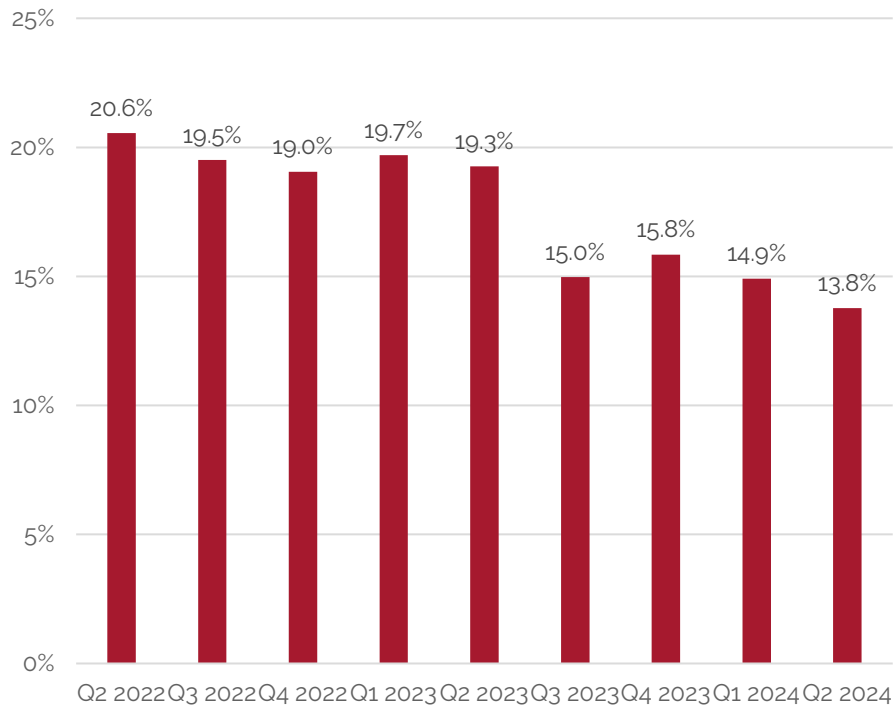
CRE regulatory guideline = 300%



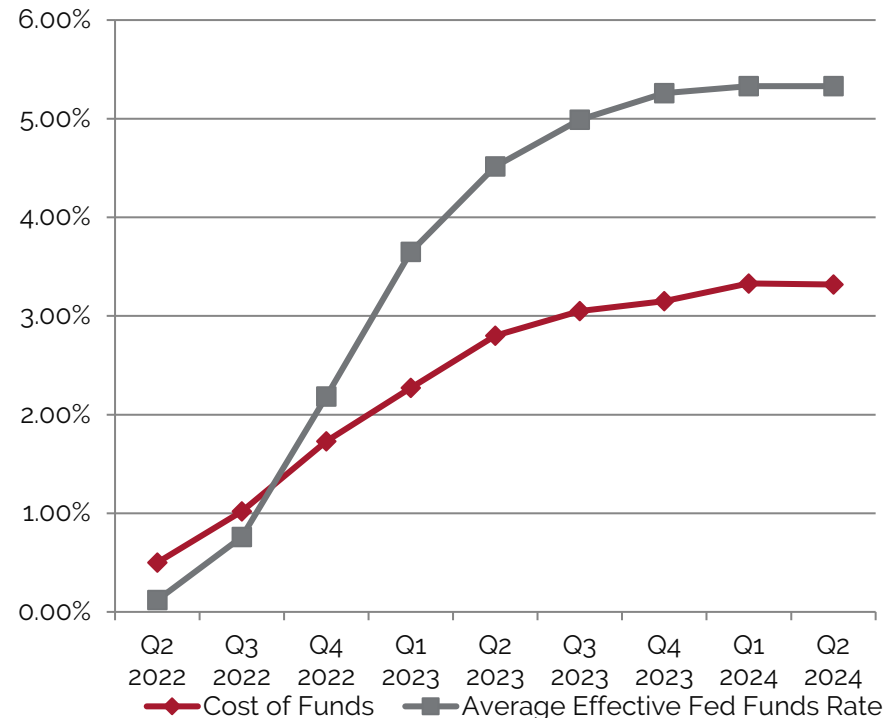
Deposit Costs Rising

- Cost of funds stabilized as we benefitted from improved average funding mix with more core client deposits even as deposit pricing pressure continued
- Average non-interest-bearing account (NIBA) balances were higher in Q2 than the previous quarter but fell at the end of June for a less favorable period end comparison

NIBA / Total Deposits



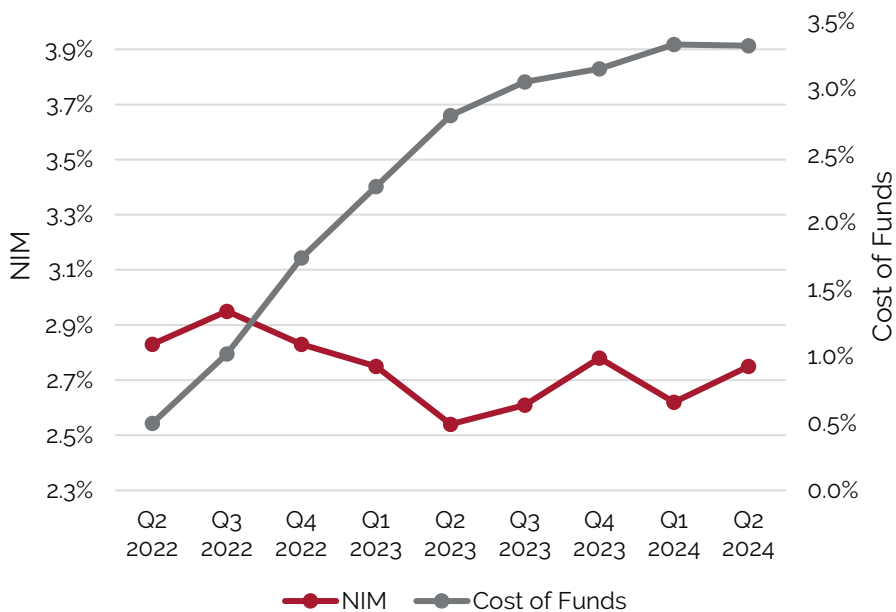
Cost of Funds



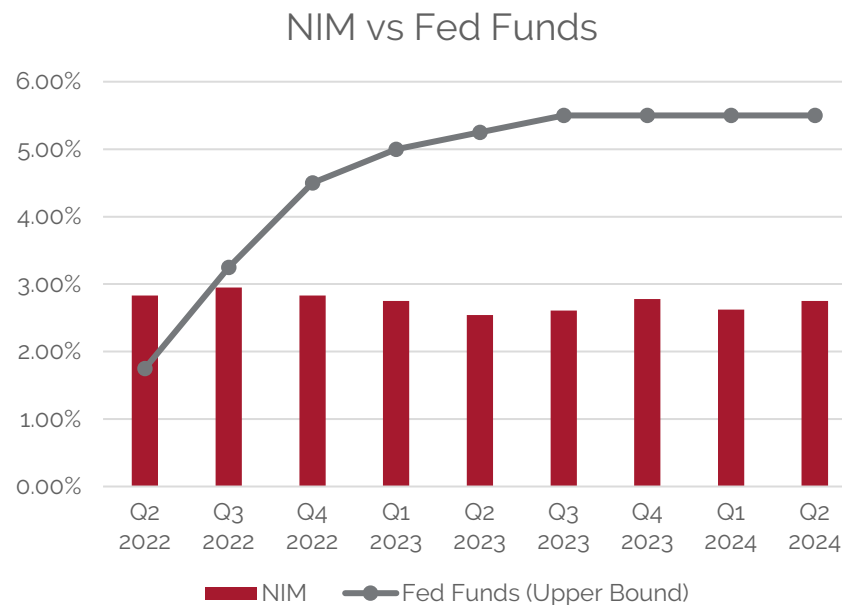
Net Interest Margin

- NIM increased 13 bps in Q2 2024 compared to Q1 2023 as our earning asset yields continue to reprice higher while cost of funds remained consistent with the prior quarter

NIM vs. Cost of Funds

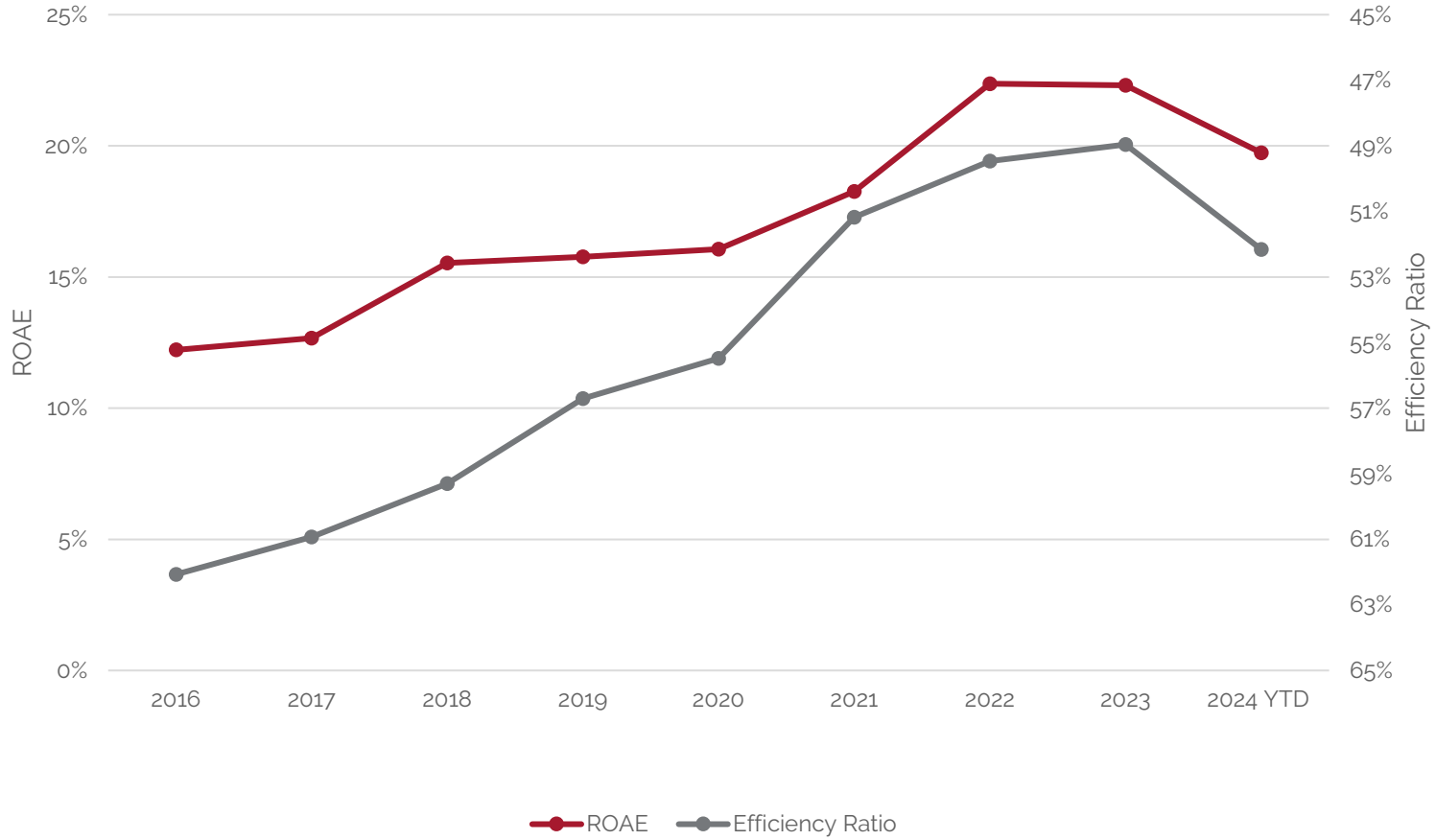


NIM vs. Fed Funds



ROAE and Efficiency Ratio

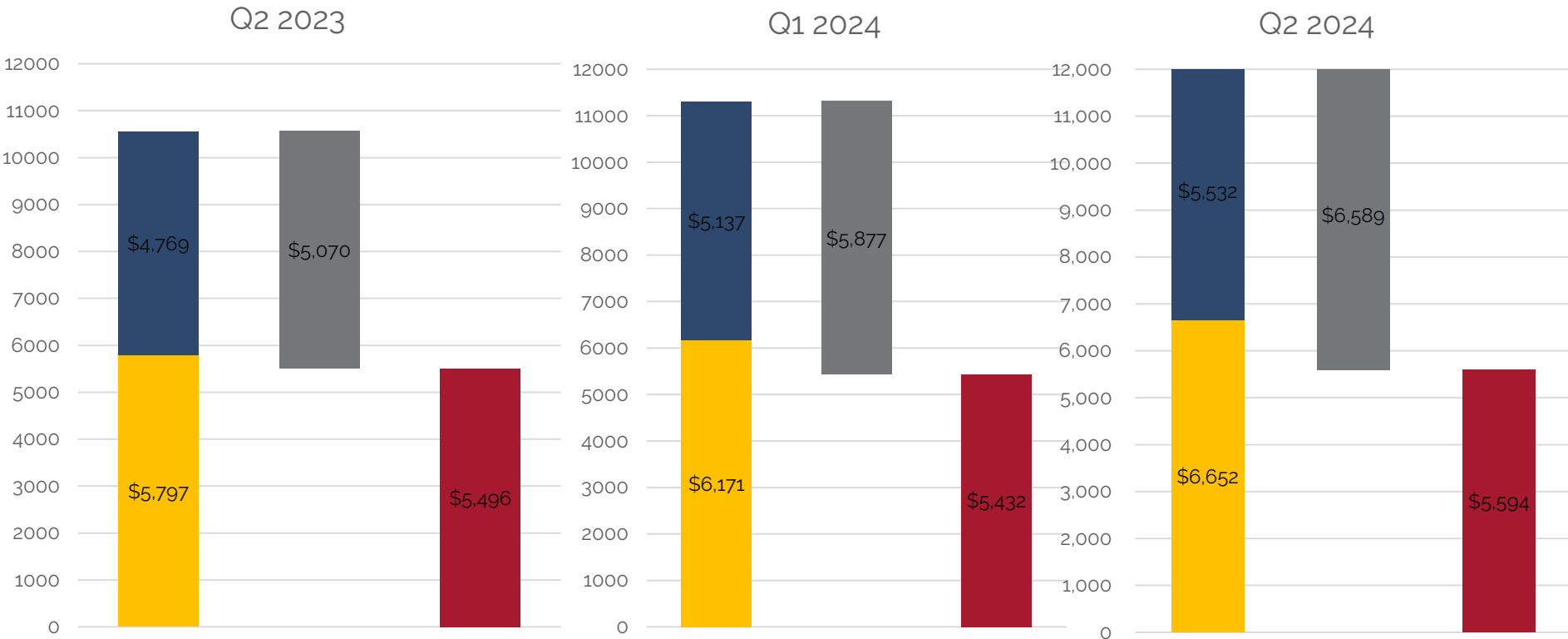
ROAE vs. Efficiency Ratio



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



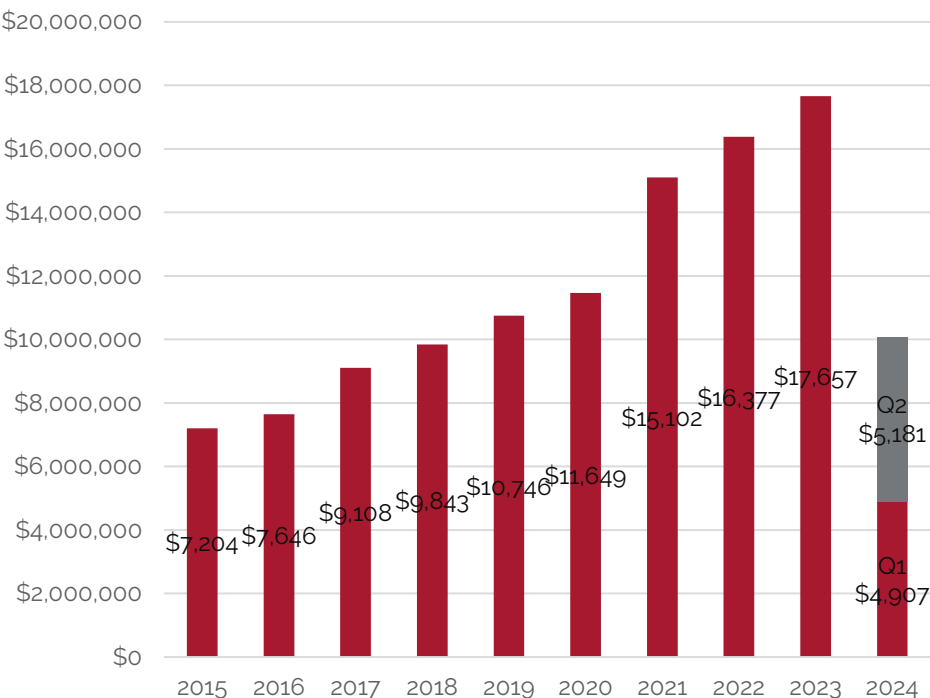
**Q2 2024 vs.
Q2 2023: +1.8%**



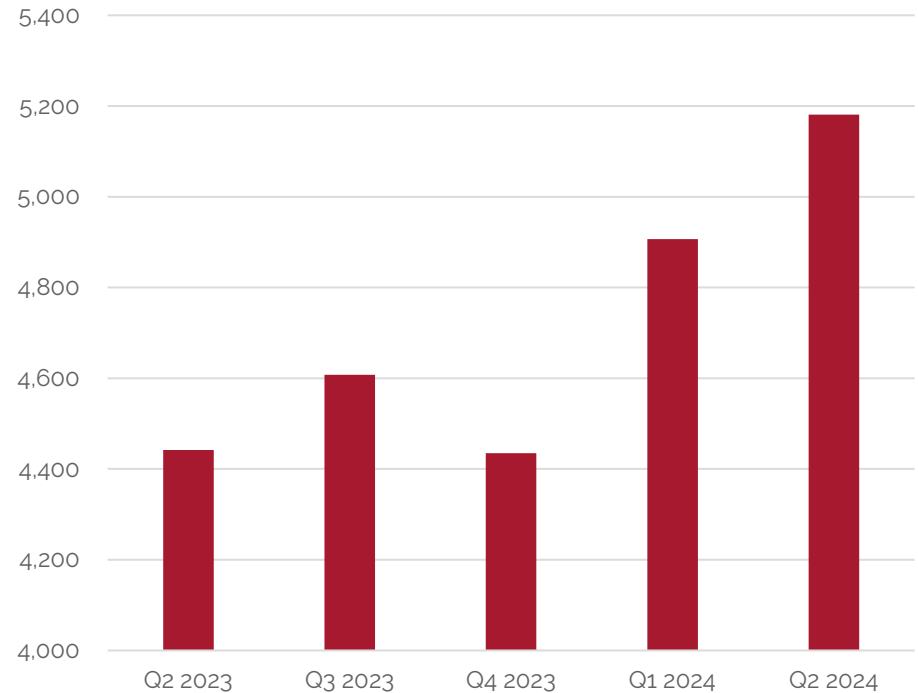
Wealth Management Growth Continues

- Wealth management services represented 42% of net revenue in Q2 2024
- Wealth management services represented 94% of total non-interest income in Q2 2024
- Wealth management revenue increased 16.62% in Q2 2024 compared to Q2 2023

Wealth Management Revenue (000s)



Wealth Management Revenue (000s)



TRUX Financial Returns

- Efficiency Ratio up 416 basis points compared to Q2 2023
- Net interest margin (NIM) up 21 basis points compared to Q2 2023
- Return on average assets (ROAA) down 8 basis points from Q2 2023
- Return on average equity (ROAE) down 336 basis points from Q2 2023
- Tier 1 Leverage Ratio for the Bank up 6 basis points from Q2 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 | Q2 2023 | Q3 2023 | Q4 2023 | Q1 2024 | Q2 2024 |
|--|---------|---------|---------|---------|---------|
| Efficiency Ratio | 48.56% | 47.87% | 47.07% | 51.55% | 52.72% |
| Net Interest Margin | 2.54% | 2.61% | 2.78% | 2.62% | 2.75% |
| ROAA | 1.90% | 1.91% | 1.75% | 1.80% | 1.82% |
| ROAE | 23.33% | 22.48% | 20.52% | 19.49% | 19.97% |
| Tier 1 Leverage Ratio (Bank) | 10.39% | 10.36% | 10.53% | 10.22% | 10.45% |
| Tangible Equity / Tangible Assets | 8.15% | 8.39% | 9.18% | 8.97% | 9.42% |



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