



2024 Annual Report

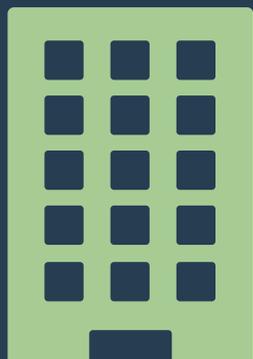
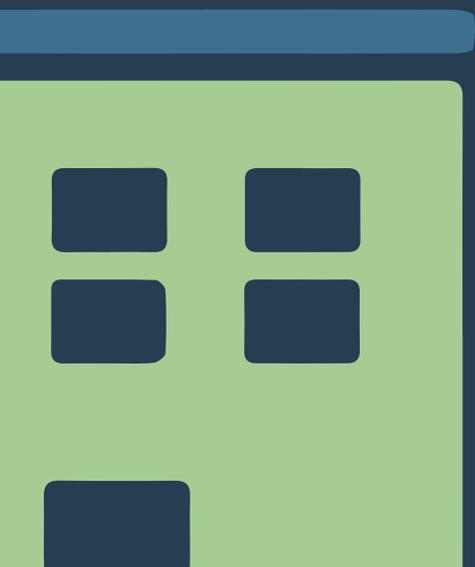
# 90 YEARS STRONG





# BUILDING TOMORROW, TOGETHER

Nearly a century in, Pinnacle Bank remains a trusted partner, building relationships that empower individuals and strengthen communities. As we look ahead, our commitment to personal service and lasting connections continues to create opportunities for the next generation.





# LETTER FROM OUR CHAIRMAN AND CEO



Dear Shareholder,

2024 has been a year of celebration for Pinnacle Financial Corporation as we marked the milestone of our 90th anniversary. You may have joined us at some point as we spread the festivities across our footprint. A lot can happen in 90 years, and we have reflected on the vast amount of change experienced in that time and the importance of building resiliency.

From the modest circumstances of a community recovering from the Depression, a group of businessmen restarted the First National Bank in Elberton, determined to serve the people of their town. We now enjoy the opportunity to serve many communities with over 350 employees. We assist people and businesses through over 30 locations, including branches, loan offices and service centers across north Georgia. This year has also been a year of anticipation and planning as we work toward the next 90 years.

Pinnacle completed the year with just under \$2.2 billion in total assets, loans totaling \$1.5 billion and deposits of \$1.9 billion, all high-water marks for the company. Growth was difficult to obtain in the last couple of years as the economy was negatively affected by inflation and a difficult interest rate environment. The loan portfolio maintained historically strong credit quality and while we are prudently reserved in case of loss, we remain optimistic about the new year. Loan demand returned in the fourth quarter of 2024, which we believe will carry over into 2025. Our deposit portfolio is positively influenced by the local community-based core deposits, which constitute most of our funding. This base improves the stability of funding and the predictability of the pricing. The resiliency mentioned above is reflected in these two critical balance sheet components—stable funding and a diversified loan portfolio.

Net income for 2024 improved to \$25.4 million or \$19.42 per share. This value marks a 27% increase over the prior year of \$19.6 million or \$15.27 per share. Net interest income remains the largest component of our income and increased due to higher loan balances and an improvement in the net interest margin (NIM). The NIM has been under pressure in recent years, but seems to have stabilized. We expect to improve the NIM into 2025 as well. Other important contributors come from non-interest income, derived mostly from our large consumer checking account base and the related services used. We experienced improvement in mortgage lending fee income, debit card fees, checking account fees and income generated from treasury management services for commercial businesses.

The company remains very well capitalized and positioned to continue the growth activities you have seen in recent years. We paid a dividend in 2024 totaling \$5.10 per share, about 26% of earnings. Our expectation is the 2025 dividend will increase. One of the advantages of having 90 years of experience is the confidence that comes with knowing we can adapt and grow into the future. Over the years, Pinnacle has evolved its services by implementing drive-through windows, telephone banking, electronic payments, the internet, mobile phones and many other innovations. Each generation of bankers likely thought new technology would spell the end of community banking, but they found ways to adapt and thrive. I believe we will do the same.

Is this a challenging banking environment? Absolutely. But some things remain unchanged. Banking is still a people business, and we have the best people—smart, dedicated, professional bankers who are committed to serving the community and providing value to our shareholders.

As you review this report and the financial statements contained herein, please know we are dedicated to ensuring the resilience and significance of Pinnacle. I think you will be pleased with the results and will be as excited as we are about the future.

As always, I remain available to you by email at [jmccconnell@pinnaclebank.com](mailto:jmccconnell@pinnaclebank.com), phone (706) 213-3350 or visit me in person in Elberton. Thank you for your business and your confidence as an investor in Pinnacle Financial Corporation.

Sincerely,



L. Jackson McConnell, Jr.  
Chairman and CEO





WATCH OUR 90 YEAR  
**STORY**



# A LEGACY OF LIFTING

For 90 years, Pinnacle Bank has stood as a pillar of trust and support in North Georgia. What sets us apart isn't just our expertise—it's the way we truly listen, understand and deliver solutions tailored to each customer's unique needs.

From Blairsville to Augusta, our team creates meaningful one-on-one connections with our neighbors (we sometimes call them customers) that strengthen the financial health of our communities.

We're proud to say the same care and service that opened our doors in 1934 continue to keep them open today.

# SERVING EVERY GENERATION

The community around us is made up of children, parents, newlyweds, employees, business owners and retirees—and Pinnacle is here for their unique needs. For kids, we offer Captain Summit. For grandparents, we talk retirement planning.

With this range of services, we foster more than just financial security; we strengthen the bonds that hold us all together.



# SERVING BEYOND

**Our team thrives by investing in what matters most: our people.** As we celebrate our 90th anniversary, we remain dedicated to fostering a supportive environment where every team member has the tools, training and encouragement to succeed.

From day one, our employees have been immersed in a culture of learning that builds skills extending beyond the branch, emphasizing listening, coaching and using innovative tools to deliver exceptional service wherever their careers take them.





# 90 YEARS OF GIVING BACK

2024 was a special year for many reasons, the biggest of which was our 90th anniversary celebration—the Founders Festival. This traveling event brought together local artists, vendors and customers to celebrate our shared history and commitment to service.

From Augusta to West Athens to Dahlonga and throughout our footprint, this celebration became a shared moment strengthening the bonds defining our communities.

But our dedication didn't stop there. From charity donations to volunteer hours, our teams went beyond the branch, making a meaningful impact where it matters most.

## 2024 COMMUNITY HIGHLIGHTS

**\$361,476**  
Donations to Community Groups

**\$27,056**  
Denim & Donate Contributions

**15,047**  
Volunteer Hours



# CONSOLIDATED BALANCE SHEET

Pinnacle Financial Corporation & Subsidiary | Years Ended December 31, 2024 & 2023



	2024	2023
<b>Assets</b>		
Cash and due from banks.....	\$ 48,498,775	\$ 34,898,061
Interest-bearing deposits at other financial institutions.....	96,497,333	49,689,312
Federal funds sold .....	10,200,000	10,200,000
Securities available for sale.....	366,490,994	391,413,308
Equity securities .....	2,165,559	2,124,493
Federal Home Loan Bank stock, at cost.....	1,669,600	4,199,700
Loans, net of allowance for credit losses of \$20,282,046 and \$20,271,009, respectively.....	1,536,615,927	1,507,153,113
Loans held for sale.....	5,956,953	324,146
Premises and equipment, net.....	37,092,131	38,683,287
Accrued interest receivable.....	7,899,459	7,631,699
Goodwill and intangibles, net.....	34,211,989	34,594,418
Cash surrender value of life insurance .....	15,151,299	14,850,304
Other real estate owned .....	423,798	-
Other assets .....	27,037,392	23,430,338
<b>Total Assets.....</b>	<b>\$ 2,189,911,209</b>	<b>\$ 2,119,192,179</b>
<b>Liabilities &amp; Stockholders' Equity</b>		
<b>Liabilities:</b>		
<b>Deposits:</b>		
Non-interest bearing.....	\$ 590,231,415	\$ 609,982,353
Interest-bearing .....	1,367,382,763	1,255,310,071
<b>Total Deposits.....</b>	<b>1,957,614,178</b>	<b>1,865,292,424</b>
Securities sold under repurchase agreements .....	505,295	1,129,368
Federal Home Loan Bank advances .....	-	55,000,000
Federal Funds Purchased.....	192,000	-
Subordinated notes.....	24,697,726	24,647,898
Subordinated debentures.....	7,217,000	7,217,000
Accrued interest payable .....	4,318,969	4,322,788
Other liabilities.....	15,163,225	10,732,731
<b>Total Liabilities .....</b>	<b>2,009,708,393</b>	<b>1,968,342,209</b>
<b>Commitments and Contingencies</b>		
<b>Stockholders' Equity</b>		
Common stock, no par value, 10,000,000 shares authorized; 1,375,498 and 1,283,431 shares issued, respectively .....	82,697,343	69,231,924
Retained earnings.....	141,661,076	122,939,882
Accumulated other comprehensive loss .....	(44,155,603)	(41,321,836)
<b>Total Stockholders' Equity.....</b>	<b>180,202,816</b>	<b>150,849,970</b>
<b>Total Liabilities and Stockholders' Equity.....</b>	<b>\$ 2,189,911,209</b>	<b>\$ 2,119,192,179</b>

As of 1/14/2025, this statement has not been reviewed, or confirmed for accuracy or relevance, by the Federal Deposit Insurance Corporation.

# CONSOLIDATED INCOME STATEMENT

Pinnacle Financial Corporation & Subsidiary | Years Ended December 31, 2024 & 2023



	2024	2023
<b>Interest Income</b>		
Loans, including fees .....	\$ 88,725,987	\$ 79,081,520
<b>Securities:</b>		
Taxable .....	9,254,190	8,611,014
Nontaxable .....	1,770,983	2,111,483
<b>Interest-Bearing Deposits at Other Financial Institutions .....</b>	<b>5,249,324</b>	<b>1,404,914</b>
<b>Total Interest Income .....</b>	<b>105,000,483</b>	<b>91,208,932</b>
<b>Interest Expense</b>		
Deposits .....	26,096,260	12,560,819
Borrowings .....	2,956,281	3,959,636
<b>Total Interest Expense .....</b>	<b>29,052,541</b>	<b>16,520,455</b>
<b>Net Interest Income .....</b>	<b>75,947,942</b>	<b>74,688,477</b>
<b>Provision for Loan Losses .....</b>	<b>900,000</b>	<b>4,425,957</b>
<b>Net Interest Income After Provision for Loan Losses .....</b>	<b>75,047,942</b>	<b>70,262,520</b>
<b>Other Income</b>		
Service charges on deposit accounts .....	14,284,388	13,891,274
Mortgage loan origination fees .....	1,401,358	616,230
Other service charges and fees .....	1,910,902	1,637,614
Security losses, net .....	(12,116)	(1,153,056)
Gains (losses) on equity securities .....	(23,415)	13,187
Gain on sale of loans .....	598,918	758,655
Other income .....	4,667,346	941,654
<b>Total Other Income .....</b>	<b>22,827,382</b>	<b>16,705,558</b>
<b>Other Expenses</b>		
Salaries and employee benefits .....	34,679,932	32,298,206
Occupancy and equipment expense .....	9,789,091	9,835,361
Other expenses .....	20,700,256	19,766,449
<b>Total Other Expenses .....</b>	<b>65,169,279</b>	<b>61,900,016</b>
<b>Net Income Before Taxes .....</b>	<b>\$ 32,706,045</b>	<b>\$ 25,068,063</b>
<b>Taxes .....</b>	<b>\$ 7,313,447</b>	<b>\$ 5,477,578</b>
<b>Net Income .....</b>	<b>\$ 25,392,598</b>	<b>\$ 19,590,485</b>
Basic earnings per share .....	\$ 19.42	\$ 15.27
Diluted earnings per share .....	18.42	14.27
Average shares outstanding – basic .....	1,307,876	1,283,185
Average shares outstanding – diluted .....	1,378,405	1,373,100

As of 1/14/2025, this statement has not been reviewed, or confirmed for accuracy or relevance, by the Federal Deposit Insurance Corporation.

# CONSOLIDATED BALANCE SHEET



Consolidated Statement of Stockholders' Equity | Years Ended December 31, 2024 & 2023

	2024	2023
<b>Beginning Equity</b> .....	\$ 150,849,970	\$ 133,423,391
Net income.....	25,392,598	19,590,484
Dividends paid.....	(6,671,403)	(6,420,047)
Sale of common stock.....	12,234,105	376,055
Repurchase of common stock.....	(32,425)	(6,663,500)
Restricted stock change.....	1,144,571	741,281
Surplus change.....	119,169	211,482
Unrealized gain/loss change.....	(2,833,768)	9,590,825
<b>Ending Equity</b> .....	<b>\$ 180,202,816</b>	<b>\$ 150,849,970</b>

*As of 1/14/2025, this statement has not been reviewed, or confirmed for accuracy or relevance, by the Federal Deposit Insurance Corporation.*



# FINANCIAL DATA DISCLAIMER

To the Board of Directors and Shareholders  
of Pinnacle Financial Corporation

*April 8, 2025*

Data portrayed in this presentation was derived from the Company's consolidated financial statements as of and for the years ended December 31, 2024 and 2023. The December 31, 2023, consolidated financial statements were audited by Mauldin & Jenkins, L.L.C. whose audit report is dated March 21, 2024. This data should be read in conjunction with the Company's consolidated financial statements and the auditor's report thereon. The December 31, 2024, audit has not been completed as of the date of this report; therefore, the financial statements presented are unaudited. You may request a copy of the December 31, 2024, audited financial statements upon completion.

Sincerely,  
Mauldin & Jenkins, L.L.C.

## PINNACLE FINANCIAL CORPORATION 2024 BOARD OF DIRECTORS

**L. Jackson McConnell, Jr., Chairman** – *Pinnacle Bank, Elberton, GA*

**Rafy Bassali** – *Entrepreneur, Augusta, GA*

**Danielle Barron Benson** – *Candid Construction Services, Athens, GA*

**Ron Bracewell** – *Bates, Carter & Co., LLP, Gainesville, GA*

**Tony Collins** – *Retired Banker, Clarkesville, GA*

**Michael Fernandez** – *Design Mart, Elberton, GA*

**Greg T. Herring** – *Herring Properties, Covington, GA*

**Jonathan Holmes** – *Mighty 8th Media, Buford, GA*

**William McDermott** – *McDermott Financial Solutions, Norcross, GA*

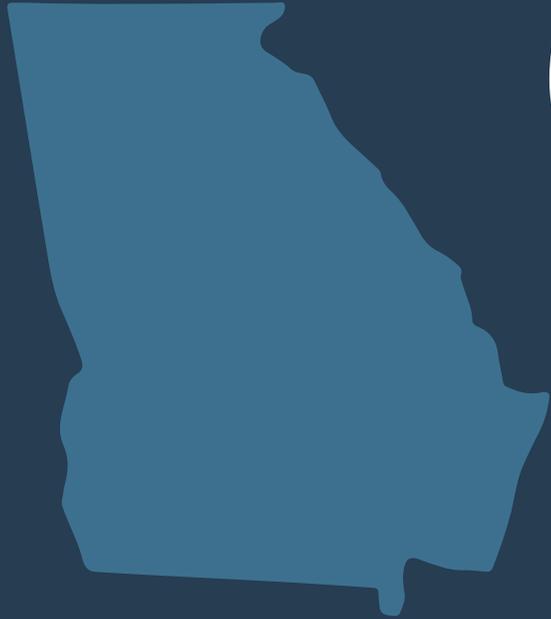
**Thomas E. McGarity, DDS** – *McGarity Dental LLC, Jersey, GA*

**Connie M. Melear** – *R.W. Allen, LLC, Augusta, GA*

**Marjorie Bond Moore** – *Downtown Market, Royston, GA*

**David Voyles** – *Pinnacle Bank, Elberton, GA*

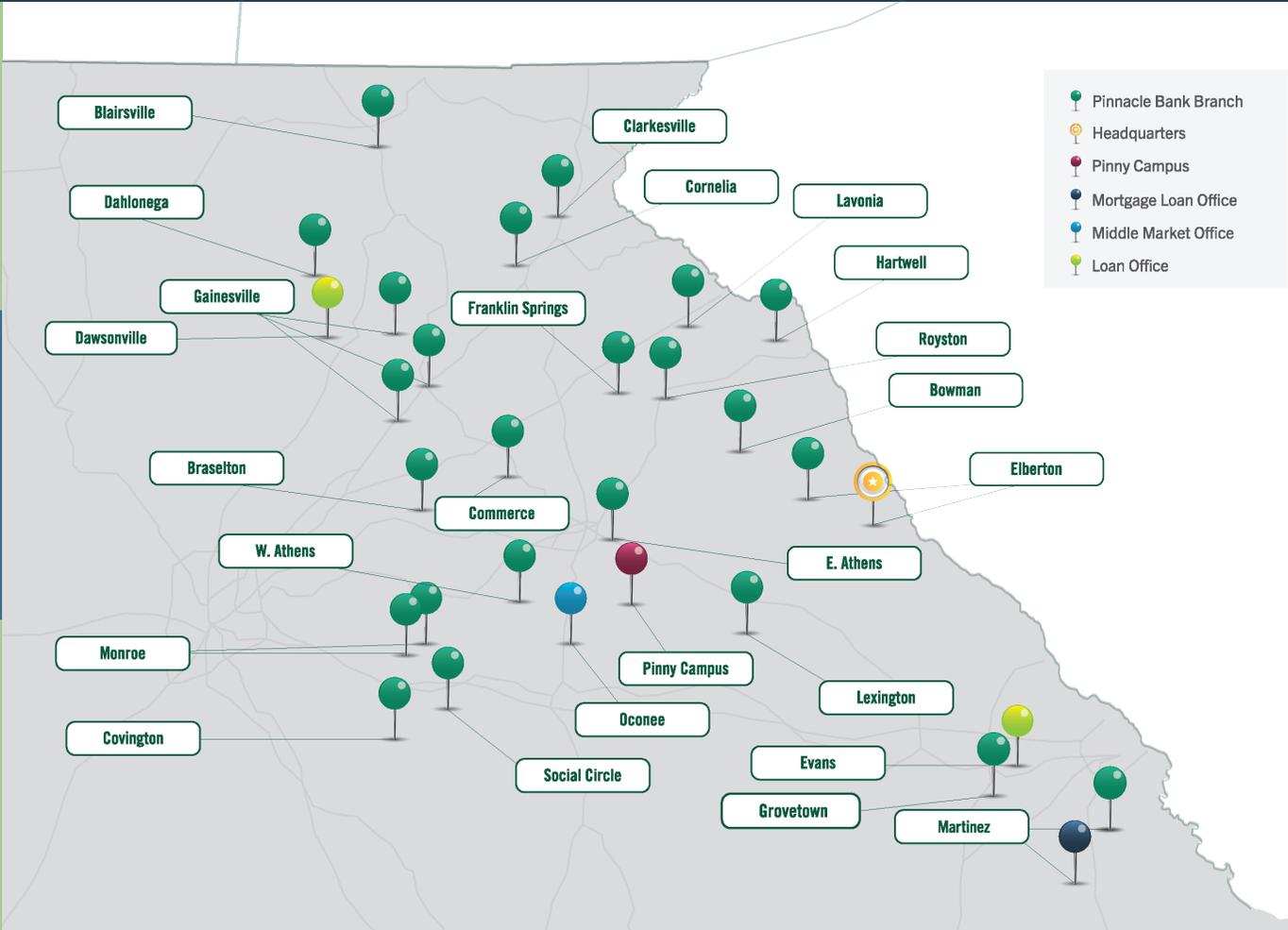
**Kalki Yalamanchili** – *HY Law, Athens, GA*



# OUR GROWING FOOTPRINT

Our growth over the past 90 years is a direct result of the exceptional service we provide every day. With each new branch, we proudly continue our legacy of building relationships, championing local decisions and serving communities with care.

<b>1</b> Call Center/ Pinny Campus	<b>16</b> Counties
<b>3</b> Loan Offices	<b>25</b> Full-Service Branches
<b>1</b> Investment Center	<b>1</b> Operations Center





# ONLY THE BEST

Innovation isn't just about technology—it's about reimagining how we serve. While convenient tools like contactless Debit Cards and person-to-person payments with Zelle® may change how we care for everyone who walks through our doors, they don't change the heart.

In fact, it's through tools like our interactive teller machines providing expanded access to live Pinny tellers that we can stay true to our foundational commitment to lift our community through the best local banking experience possible.

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**ONE BANK FOR LIFE**