

PAC Newsletter  
10/29/2021



# Plains Acquisition Corp. and Plains State Bank

## COMPANY OVERVIEW

Plains State Bank (PSB) was founded in 1957 in Plains, Texas. In 2008, Chairman and CEO Milan Saunders organized a group of investors to acquire PSB. Following the acquisition, the bank charter and headquarters were moved to Humble, Texas. Over the past 13 years, the bank has experienced strong and steady growth.

We have 6 branches and 1 Loan Production Office with nearly 80 employees. We are proud to offer the best in full-service banking backed by an unwavering commitment to always do the right thing by our shareholders, customers and employees.

We are excited to report that the new Conroe branch located at 5452 Highway 105, Suite 100 in the Wedgewood Falls office building opened on October 12, 2021. We will have an open house for the new Conroe location on December 16, 2021 and all are welcome.

## BUSINESS INSIGHTS

Plains State Bank had another strong quarter for after tax earnings. The primary reasons were fee income generated from the Payroll Protection Program (PPP) Loans, reduced deposit funding costs and robust loan growth, and sale of loans in the secondary markets.

We remain optimistic about the economic rebound of Texas, as well as our nation. Two positive economic signs are the increasing price of oil and the decreasing unemployment trend. As we enter the fourth quarter, we are very confident about what the future holds for our customers and our community.

A significant noteworthy event: PSB was able to sell all of its ORE during the 3<sup>rd</sup> quarter.

## INVESTOR INFORMATION

Plains Acquisition Corporation is privately held and does not trade on any exchange. The Bank's stock is traded through the bank's internal trading desk, as the transfer agent. Existing shareholders or investors seeking to purchase shares of the Bank are directed to contact Milan Saunders, CEO at 713-559-6801 or Lori Saunders Hilman, President at 713-559-6803. We are in the process of listing the PAC stock on the OTC market. Once this listing is complete, we will let you know the process for PAC stock transactions.

### Headquarters

19404 Kenswick Drive  
Humble, TX 77338

### Contact Us

713-559-6800  
Fax: 713-559-6811  
psbplains.com

### Investor Relations Contact

Milan B. Saunders  
Chairman and CEO  
713-559-6801  
msaunders@psbplains.com

### PSB Results September 30, 2021

Assets	\$735,4MM
Loans	\$540.9MM
Deposits	\$632.9MM
Capital	\$95.3MM
YTD Net Income	\$8.9MM

### PAC Common Stock

Diluted BV per Share as of Sept 30, 2021	\$32.38
3rd Party Valuation as of June 30, 2021 (Non-Control Transactions)	\$36.19

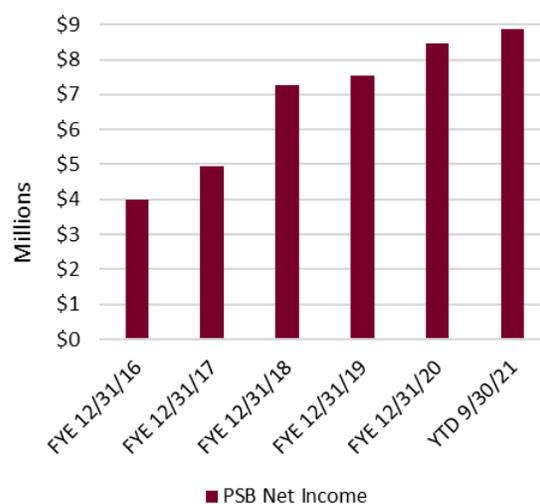
Banking the Texas Way — Since 1957



**PLAINS STATE BANK  
9/30/21 FINANCIAL HIGHLIGHTS**

12 Month Average ROA	1.62%
12 Month Average ROE	14.06%
Yield on Earning Assets	5.16%
Loans to Total Deposits	84.75%
Asset Growth Rate	11.95%
Equity Growth Rate	37.50%
Loan Growth Rate	4.98%
Deposit Growth Rate	9.29%
Efficiency Ratio	46.00%

**PLAINS STATE BANK  
EARNINGS TREND**



**CONSOLIDATED PAC & PSB  
THIRD QUARTER TREND**

	9/30/2017	9/30/2018	9/30/2019	9/30/2020	9/30/2021	Average Annual Growth
<b>Assets</b>	\$406,024M	\$467,679M	\$561,728M	\$652,167M	\$735,383M	16.0%
<b>Loans</b>	\$324,017M	\$377,449M	\$449,239M	\$511,910M	\$540,853M	13.7%
<b>Deposits</b>	\$357,889M	\$415,054M	\$500,229M	\$578,043M	\$632,906M	15.3%
<b># of Dep Accts</b>	3,711	4,024	4,505	4,669	4,748	6.4%
<b>Net Income</b>	\$3,817M	\$5,368M	\$5,440M	\$5,811M	\$8,432M	21.9%
<b>Diluted BV/Share</b>	\$19.50	\$21.50	\$25.00	\$28.22	\$32.38	13.5%

*DISCLOSURE: The information presented herein reflects historical financial performance and is not a prediction of future performance. This information should not be construed as investment advice. Investors are directed to confer with their investment advisor. Investments involve risk, including loss of principal. Funds held in corporate stock are not insured by the FDIC or any other government agency and are not bank guaranteed. This is neither an offer to sell nor a solicitation of an offer to buy any securities.*