

PAC Newsletter
1/27/2022



Plains Acquisition Corp. and Plains State Bank

COMPANY OVERVIEW

Plains State Bank (PSB) was established in 1957 in Plains, Texas. In 2008, Chairman and CEO Milan Saunders founded Plains Acquisition Corporation (PAC) and organized a group of investors to acquire PSB. Following the acquisition, the bank charter and headquarters were moved to Humble, Texas.

Today, we have 6 branches and 1 Loan Production Office to serve our customers. 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.

In addition to the opening of the Conroe branch this past year, we recently completed an expansion of our Houston office on W. Alabama. We will have an open house in the Houston branch in early Q2.

BUSINESS INSIGHTS

In 2021, Plains State Bank experienced a record year for after tax earnings! The two main reasons are significant loan demand and reduced deposit funding costs. Throughout the past year, we have focused on reducing our interest expense and replacing high-cost deposits with demand deposits. In addition, as our loan portfolio has grown, we have continued to stay true to our conservative credit culture.

Heading into 2022, we possess a solid loan pipeline and expect to experience additional growth throughout the year. We are excited about the year ahead and thank you for being a loyal shareholder.

INVESTOR INFORMATION

Plains Acquisition Corporation is privately held and does not trade on any exchange. PAC's stock is traded through the company's internal trading desk, with ClearTrust, LLC serving as the transfer agent. Existing shareholders or investors seeking to purchase shares of the Company are directed to contact Milan Saunders, CEO at 713-559-6801 or Lori Saunders Hilman, President at 713-559-6803.

The PAC board of directors approved a twenty-five cent dividend which will be paid on March 31, 2022 to shareholders of record as of February 28, 2022. We are pleased to announce that ClearTrust, LLC will now handle dividend payments on our behalf. Please see the attached notice concerning this transition.

We have filed an application to list the Company's securities on the OTC Markets under the "Pink Current Information" listing and to obtain a symbol for our common stock. If you have any questions regarding this process and/or how it may affect your buying and selling, if any, of our Company's securities, please contact Milan Saunders or Lori Saunders Hilman for details.

Headquarters

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Investor Relations Contact

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PSB Results December 31, 2021

Assets	\$783.3MM
Loans	\$602.7MM
Deposits	\$678.5MM
Capital	\$97.7MM
YTD Net Income	\$12.2MM

PAC Common Stock

Diluted BV per Share as of Dec 31, 2021	\$33.61
3rd Party Valuation as of June 30, 2021 (Non-Control Transactions)	\$36.19

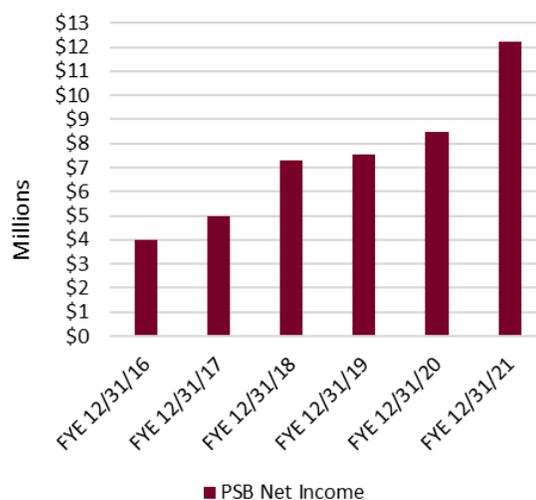
Banking the Texas Way — Since 1957



**PLAINS STATE BANK
12/31/21 FINANCIAL HIGHLIGHTS**

12 Month Average ROA	1.67%
12 Month Average ROE	13.81%
Yield on Earning Assets	4.94%
Loans to Total Deposits	88.17%
Asset Growth Rate	14.61%
Equity Growth Rate	36.41%
Loan Growth Rate	20.09%
Deposit Growth Rate	12.43%
Efficiency Ratio	40.65%

**PLAINS STATE BANK
EARNINGS TREND**



**CONSOLIDATED PAC & PSB
FOURTH QUARTER TREND**

	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	Average Annual Growth
Assets	\$428,502M	\$476,612M	\$605,857M	\$689,219M	\$783,271M	16.3%
Loans	\$337,336M	\$385,637M	\$439,544M	\$495,569M	\$602,677M	15.6%
Deposits	\$380,158M	\$421,882M	\$540,515M	\$612,363M	\$678,514M	15.6%
# of Dep Accts	3,746	4,079	4,595	4,645	4,717	5.9%
Net Income	\$4,951M	\$7,264M	\$7,508M	\$8,440M	\$11,609M	23.7%
Diluted BV/Share	\$20.06	\$22.76	\$25.81	\$29.27	\$33.61	13.8%

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.