

PAC Newsletter
7/22/2022



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.

BUSINESS INSIGHTS

Plains State Bank reported a stellar second quarter of growth and earnings. Loan demand remains strong and the loan pipeline looks good for the remainder of the year.

The Fed increased interest rates in May and June and more rate hikes are likely. As expected, deposit funding costs have increased due to market pressure.

In other news, PSB will be undergoing a conversion of its core operating system the weekend of October 14, 2022, in an effort to improve operational efficiencies and to continue to provide our customers with exceptional products and service. Stay tuned for more updates via the PSB website; www.psbplains.com.

As always, we thank you for being a loyal shareholder.

INVESTOR INFORMATION

Plains Acquisition Corporation is now listed on the OTC Pink Market.

If you are interested in buying or selling PAC stock, please contact Mike Acampora at D.A. Davidson. Mike's contact information is as follows:

Michael Acampora
SVP | Community Bank Professional
904.456.6153 | 888.877.6807 | cell: 904.210.9960
D.A. Davidson & Co.
macampora@dadco.com

PAC paid a 0.25 cent dividend on March 31, 2022 to shareholders. Another 0.25 cent dividend will be paid to shareholders on September 30, 2022.

Headquarters

19404 Kenswick Drive
Humble, TX 77338

Contact Us

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Investor Relations Contact

Milan B. Saunders
Chairman and CEO
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PSB Results June 30, 2022

Assets	\$832.9MM
Loans	\$636.7MM
Deposits	\$728.6MM
Capital	\$97.9MM
YTD Net Income	\$7.0MM

PAC Common Stock

YTD earnings per share as of June 30, 2022	\$2.73
Book value per share as of June 30, 2022	\$34.42
Diluted BV per share excluding AOCI as of June 30, 2022	\$35.70
3rd party valuation as of Dec 31, 2021 (Non-Control Transactions)	\$43.43

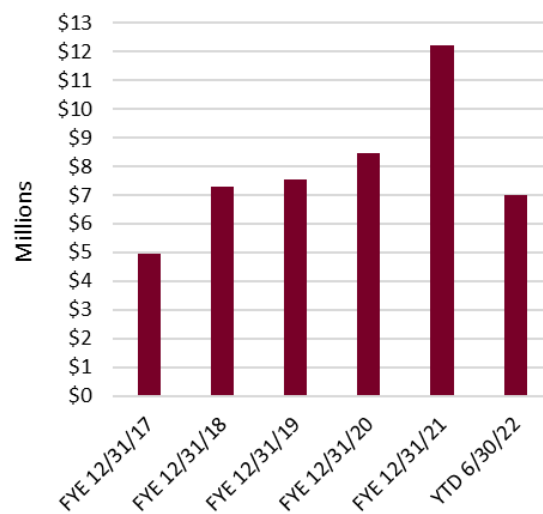
Banking the Texas Way — Since 1957



**PLAINS STATE BANK
6/30/22 FINANCIAL HIGHLIGHTS**

12 Month Average ROA	1.84%
12 Month Average ROE	14.63%
Yield on Earning Assets	5.07%
Loans to Total Deposits	86.83%
Asset Growth Rate	11.28%
Equity Growth Rate	8.32%
Loan Growth Rate	28.92%
Deposit Growth Rate	11.99%
Efficiency Ratio	48.54%

**PLAINS STATE BANK
EARNINGS TREND**



**CONSOLIDATED PAC & PSB
SECOND QUARTER TREND**

	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	Average Annual Growth
Assets	\$457,688M	\$542,828M	\$656,376M	\$722,682M	\$832,875M	16.1%
Loans	\$358,693M	\$416,046M	\$507,131M	\$506,506M	\$636,740M	15.4%
Deposits	\$407,678M	\$483,885M	\$584,242M	\$623,623M	\$728,605M	15.6%
# of Dep Accts	3,917	4,421	4,653	4,702	4,670	4.5%
Net Income	\$3,426M	\$3,393M	\$3,464M	\$4,682M	\$6,588M	17.8%
YTD Earnings/Share	\$1.50	\$1.47	\$1.46	\$1.95	\$2.73	16.2%
Book Value/Share	\$21.75	\$25.35	\$29.27	\$32.01	\$34.42	12.2%
Diluted BV/Share excluding AOCI	\$20.81	\$24.17	\$27.75	\$30.80	\$35.70	14.4%

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.