

PAC Newsletter  
8/17/2023



# 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.

PSB, a wholly owned subsidiary of PAC, is primarily focused on serving the banking needs of small businesses in the community. We have 5 branches in the Houston area, one branch in West Texas, and one Loan Production Office in San Antonio. 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

PAC and PSB have entered into a Definitive Agreement to acquire an independent wealth management firm based in Houston, TX with approximately \$317 million in client assets. The transaction is expected to close at the end of August, after which the practice will be a division of PSB and do business as Core + Financial Strategies. In conjunction with the acquisition of Core + Financial Strategies, Raymond James, a multinational independent investment bank and financial services company has been selected as the broker/dealer, based upon their significant portfolio of capabilities and service offerings.

Additionally, PAC has entered into a Definitive Agreement to acquire a tax preparation business through its' other wholly owned subsidiary, Plains Financial Services Inc (PFSI). The transaction is expected to also close at the end of August, after which the practice will continue to do business as Core + Tax Strategies.

Wealth management and financial planning services, along with tax preparation services, will strongly complement Plains State Bank's existing core lending and treasury management services.

## INVESTOR INFORMATION

Plains Acquisition Corporation is traded under the PLQC ticker symbol 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](mailto:macampora@dadco.com)

PAC paid a 0.75 cent dividend on March 31, 2023 and will pay a 0.75 cent dividend on September 30, 2023 to shareholders.

**Headquarters**  
19404 Kenswick Drive  
Humble, TX 77338

**Contact Us**  
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[psbplains.com](http://psbplains.com)

**Investor Relations Contact**  
Milan B. Saunders  
Chairman and CEO  
713-559-6801  
[msaunders@psbplains.com](mailto:msaunders@psbplains.com)

### PSB Results June 30, 2023

Assets	\$779.8MM
Loans	\$650.0MM
Deposits	\$663.7MM
Capital	\$111.1MM
Net Income	\$8.9MM

### PAC Common Stock

YTD earnings per share as of June 30, 2023	\$3.46
YTD diluted earnings per share as of June 30, 2023	\$3.27
Book value per share as of Jun 30, 2023	\$39.21
Diluted BV per share excluding AOCI as of June 30, 2023	\$40.50

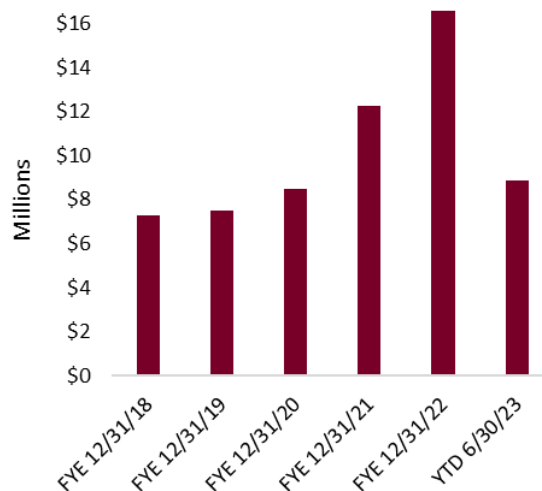
*Banking the Texas Way — Since 1957*



**PLAINS STATE BANK**  
**6/30/23 FINANCIAL HIGHLIGHTS**

12 Month Average ROA	2.25%
12 Month Average ROE	16.42%
Net Interest Margin	5.12%
Earning Assets/Assets	97.58%
Loans to Total Deposits	97.92%
Liquidity Ratio	13.93%
Tier 1 Leverage Ratio	14.52%
Burden	1.86%
Efficiency Ratio	42.90%

**PLAINS STATE BANK**  
**EARNINGS TREND**



**CONSOLIDATED PAC & PSB**  
**SECOND QUARTER TREND**

	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023	Average Annual Growth
<b>Assets</b>	\$542,828M	\$656,376M	\$722,682M	\$832,875M	\$779,846M	9.5%
<b>Loans</b>	\$416,046M	\$507,131M	\$506,506M	\$636,740M	\$649,969M	11.8%
<b>Deposits</b>	\$483,885M	\$584,242M	\$623,623M	\$728,605M	\$659,140M	8.0%
<b># of Dep Accts</b>	4,421	4,653	4,702	4,670	4,443	0.1%
<b>Net Income</b>	\$3,393M	\$3,464M	\$4,682M	\$6,588M	\$8,431M	25.6%
<b>YTD Earnings/Share</b>	\$1.47	\$1.46	\$1.95	\$2.73	\$3.46	23.9%
<b>YTD Diluted Earnings/Share</b>	\$1.35	\$1.35	\$1.87	\$2.62	\$3.27	24.8%
<b>Book Value/Share</b>	\$25.35	\$29.27	\$32.01	\$34.42	\$39.21	11.5%
<b>Diluted BV/Share excluding AOCI</b>	\$24.17	\$27.75	\$30.97	\$35.71	\$40.50	13.8%

*DISCLOSURE: The financial information presented herein reflects preliminary, unaudited historical financial results, which are not final until the Company's audited financial statements are issued 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.*