

PAC Newsletter
02/08/2024



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 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. With the addition of the Plains Wealth Management division, PSB also provides investment products and services through Raymond James, a registered broker-dealer and investment advisor, member FINRA and SIPC.

Additionally, PAC's wholly owned subsidiary, Plains Financial Services, Inc. (PFSI) operating as Plains Tax Strategies, offers tax preparation, tax planning, bookkeeping and payroll services.

BUSINESS INSIGHTS

Plains State Bank reported another record year in after-tax earnings! Like the year before, earnings growth was fueled by interest rate hikes. The increase in loan yields more than offset increases in funding costs, resulting in strong net interest margins for the year.

Economists are forecasting that the rate hikes of the past two years are over, and the Fed is expected to start lowering rates later this year. Whether short-term interest rates increase or decrease, our strategy will be to focus on organic growth through our banking, wealth management and tax preparation lines of business.

Heading into 2024, we are equipped to fulfill our mission of taking care of the banking needs of small businesses and individuals in our community. The addition of wealth management and tax preparation services allows us to cultivate deeper client relationships and attract new customers.

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:

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The PAC board of directors has approved a 0.75 cent dividend to be paid on March 31, 2024, and September 30, 2024 to shareholders.

Headquarters

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Contact Us

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Investor Relations Contact

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PSB Results December 31, 2023

Assets	\$817.3MM
Loans	\$623.1MM
Deposits	\$686.5MM
Capital	\$122.8MM
Net Income	\$17.8MM

PAC Common Stock

YTD earnings per share as of Dec 31, 2023	\$6.83
YTD diluted earnings per share as of Dec 31, 2023	\$6.34
Book value per share as of Dec 31, 2023	\$42.83
Diluted BV per share excluding AOCI as of Dec 31, 2023	\$43.40

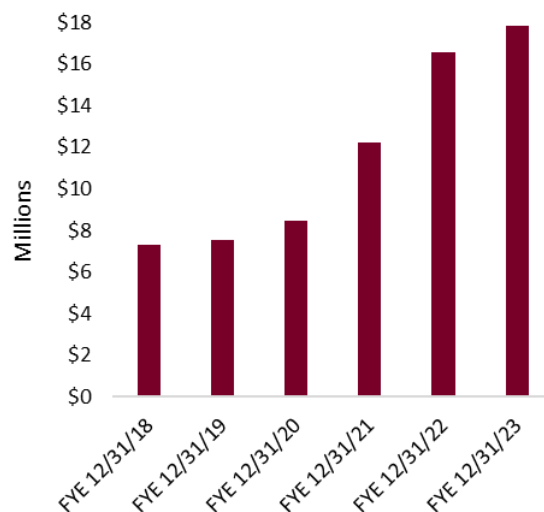
Banking the Texas Way — Since 1957



PLAINS STATE BANK
12/31/23 FINANCIAL HIGHLIGHTS

12 Month Average ROA	2.22%
12 Month Average ROE	14.92%
Net Interest Margin	5.19%
Earning Assets/Assets	97.53%
Loans to Total Deposits	90.76%
Liquidity Ratio	22.52%
Tier 1 Leverage Ratio	15.04%
Burden	1.77%
Efficiency Ratio	42.41%

PLAINS STATE BANK
EARNINGS TREND



PAC CONSOLIDATED
FOURTH QUARTER TREND

	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	Average Annual Growth
Assets	\$605,857M	\$689,219M	\$783,271M	\$818,034M	\$819,338M	7.8%
Loans	\$439,544M	\$495,569M	\$602,677M	\$617,894M	\$623,050M	9.1%
Deposits	\$540,515M	\$612,363M	\$678,514M	\$703,651M	\$682,775M	6.0%
# of Dep Accts	4,595	4,645	4,717	4,490	4,439	-0.9%
Net Income	\$7,508M	\$8,440M	\$11,609M	\$15,728M	\$16,827M	22.4%
YTD Earnings/Share	\$3.24	\$3.55	\$4.83	\$6.52	\$6.83	20.5%
YTD Diluted Earnings/Share	\$2.98	\$3.30	\$4.64	\$6.13	\$6.34	20.8%
Book Value/Share	\$26.89	\$30.78	\$34.55	\$37.86	\$42.83	12.3%
Diluted BV/Share excluding AOCI	\$25.81	\$29.27	\$33.61	\$39.04	\$43.40	13.9%

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.