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MARKET STATISTICS

| | |
|--------------------------|-----------------|
| Exchange / Symbol | NASDAQ: PLBC |
| Price: | \$38.76 |
| Market Cap (mm): | \$226.1 |
| Shares Outstanding (mm): | 5.8 |
| Float (%): | 83.7% |
| 52-week Range: | \$26.33-\$41.30 |
| Headquarters: | Reno, Nevada |
| Industry: | Regional Banks |

CONDENSED BALANCE SHEET

(\$mm, except per share data)

| | |
|-------------------------|------------|
| Balance Sheet Date | 12/31/2021 |
| Cash & Cash Equivalent: | \$380.6 |
| Net Loans: | \$829.4 |
| Total Assets: | \$1,614.1 |
| Total Deposits: | \$1,439.0 |
| Debt: | \$27.6 |
| Equity (Book Value): | \$134.1 |
| Equity/Share: | \$23.05 |

CONDENSED INCOME STATEMENTS

(\$mm, except per share data)

| FY - 12/31 | Int. Income | Net Int. Income | Net Income | Dil. EPS |
|------------|-------------|-----------------|------------|----------|
| FY19 | \$39.3 | \$37.6 | \$15.5 | \$2.97 |
| FY20 | \$39.6 | \$38.4 | \$14.5 | \$2.77 |
| FY21 | \$48.1 | \$46.9 | \$21.0 | \$3.76 |
| FY22E | \$51.0 | \$49.8 | \$21.0 | \$3.53 |

LARGEST SHAREHOLDERS

| | |
|----------------------------|---------|
| Cortopassi Partners, L.P. | 476,967 |
| FMR LLC | 341,400 |
| Siena Capital Partners, LP | 252,476 |
| Grandeur Peak Global Adv | 188,188 |
| The Vanguard Group, Inc. | 182,951 |
| Manulife Asset Mgmt | 160,181 |
| Columbia Mgmt Invest Adv | 159,680 |
| River Oaks Capital | 108,700 |
| Robert McClintock | 102,772 |
| Terrance Reeson | 86,031 |
| Andrew Ryback | 73,796 |
| Walhausen & Co | 68,680 |

STOCK CHART



COMPANY DESCRIPTION

Plumas Bancorp (the Company or Plumas) is a bank holding company headquartered in Reno, Nevada and was incorporated in 2002. Plumas Bancorp is the holding company for Plumas Bank, a Quincy, California based bank founded in 1980. The Company owns all outstanding shares of Plumas Bank. Plumas Bank provides various banking products and services for small and middle market businesses and individuals in Northeastern California and Northwestern Nevada with a focus on personal service. Plumas Bank offers an array of deposit products such as checking, savings, and retirement accounts in addition to its loan portfolio consisting of commercial, industrial, agricultural, and construction loans. Plumas Bank also provides consumer, home equity, and auto loans. Plumas Bank currently operates 14 branches including 12 in California and two in Nevada. Plumas Bank also operates 2 lending offices located in Northern California and one lending office in Southern Oregon.

SUMMARY

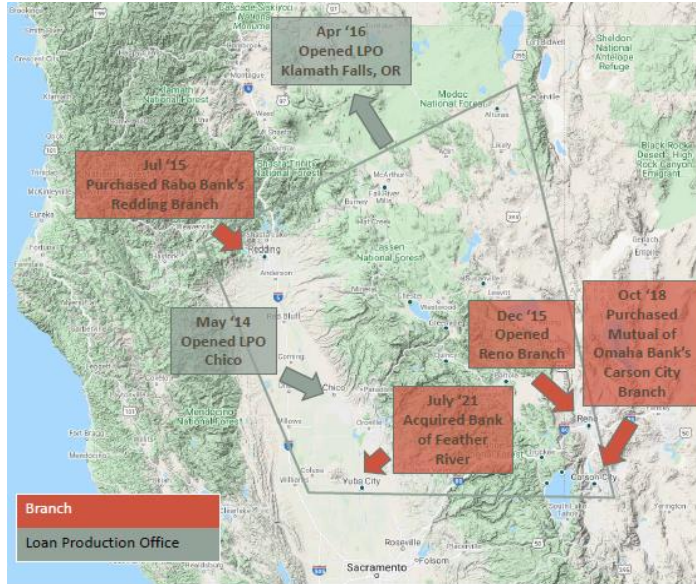
- **Profits continue despite COVID** – The Company reported F21 net income of \$21.0M (\$3.76/diluted share), up 45% Y/Y due to the Feather River Bancorp acquisition, an increase in net interest income, and lower provision for loan losses. Net interest income was up 22% Y/Y due to the acquisition, an increase in interest income and an increase in PPP fees. The provision for loan losses decreased \$2.1M Y/Y, to \$1.1M.
- **Closed acquisition creates upside** – The Company closed its previously announced \$23.4M acquisition of Feather River Bancorp on 7/1/2021. Assets increased to \$1.6B at Q421 end, up from \$1.3B at Q221. Deposits also increased to \$1.4B in Q421 from \$1.1B in Q221. Additional attractive features from the acquisition include expanded market opportunities in Northern California markets, scale is enhanced with geographic expansion, it further diversifies the loan portfolio, and is immediately accretive to EPS.
- **Strong core deposits** – Plumas has a strong history of increasing its demand, savings, and money market deposits from local businesses and individuals. In total, deposits grew by 47% Y/Y to reach \$1.4B on December 31, 2021. Since 2016, the Company has grown deposits at a ~20% CAGR.
- **Diversified loan portfolio** – PLBC provides a range of lending services including retail consumer, automobile, home equity, commercial real estate, commercial and industrial term loans, as well as SBA government-guaranteed loans, agricultural loans, and credit lines. The breadth of loan diversification helps Plumas to avoid becoming overly concentrated in a single industry.
- **Non-interest earnings income growth**– In addition to the Company’s primary source of revenue, interest income, Plumas also derives ~18% of its revenue from a variety of noninterest income items including loan servicing fees, service charges on deposit accounts, interchange revenue and gains on sales of SBA 7a loans. Plumas has grown non-interest income ~3% since 2016.
- **Successful growth strategy** - The Company continued to expand its branch operations into targeted growth markets of Northern California and Northwestern Nevada over the years with great success including the purchase of Mutual of Omaha Bank’s Carson City Branch in October 2018 and the acquisition of Feather River Bancorp in 2021.
- **Valuation** – We use a comp analysis on P/E and P/TBV to help frame valuation. Using a P/E range of 10x to 12x with a mid-point of 11x on our FY22 EPS estimate results in a valuation range of \$33.25 to \$40.00 with a mid-point of \$36.75. Using a P/TBV multiple range of 1.4x to 1.7x, we arrive at a valuation range of \$31.00 to \$37.50 with a mid-point of \$35.25. Additional details can be found on page 8.

BUSINESS OVERVIEW

Plumas Bank was founded in 1980 in Quincy, California. Plumas Bancorp was founded in 2002 for the purpose of operating as the holding company for Plumas Bank in a one bank holding company reorganization. This specific holding structure gives the Company greater operational flexibility as well as expansion and diversification benefits.

Plumas Bank operates 14 traditional branches with 12 located in California and 2 in Nevada. In December 2015, the Company opened its first branch outside of California in Reno, Nevada, and continued expansion in 2018 by purchasing a Mutual of Omaha Bank branch in Carson City. In addition to its traditional branch locations, PLBC also operates a lending office specializing in government guaranteed lending in Auburn, California, and commercial/agricultural lending offices in Chico, California and Klamath Falls, Oregon.

Exhibit 1: Plumas Bank Expansion



Source: Company Reports

Plumas Bancorp currently has assets of \$1.6B up roughly 167% from 2015. The Company has grown both organically and inorganically over the years. The Company's organic growth has come from its ability to open additional branches and expand its geographic footprint as well as investing in technology to help its business and retail customers. In addition to its investments in technology, Plumas provides a unique style of community-oriented, personalized service. The Company relies on localized promotional activities and personal contacts from the Company's directors, employees, and shareholders. With every location that is opened, PLBC's focus is on community banking and putting the resources in place (from Directors down to service team members) to successfully compete against other banks in the area. This individualized, community focused approach coupled with flexible policies has been successful in gaining market share from larger regional and national competitors.

Plumas Bank has successfully marketed to retail customers in its legacy branches by heavily integrating themselves into the communities where branches are located. Plumas is then able to expand upon a traditional deposit account relationship by offering additional services such as consumer and commercial loans. As the Company has expanded into larger markets, competition for traditional retail deposits has increased. In these markets Plumas is focused on extending loans to small and medium sized businesses, who may then turn into business and retail deposit customers.

In addition to organic growth the Company also made its first Northern Nevada acquisition in October 2018, purchasing a former Mutual of Omaha Bank branch location in Carson City, Nevada. This was followed by the acquisition of Feather River Bancorp (FRB) in July 2021. The FRB acquisition expands market opportunities in Northern California markets, enhances scale with geographic expansion, further diversifies the loan portfolio, and is immediately accretive to EPS.

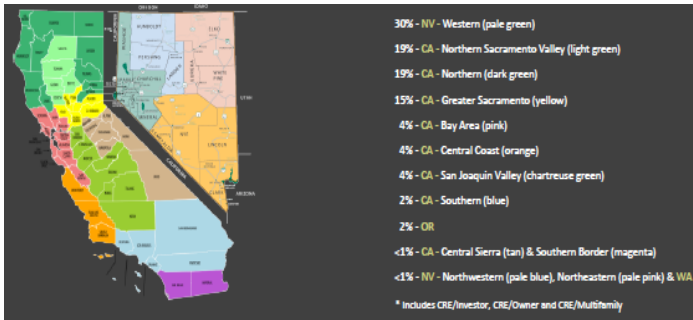
Accompanying its traditional branch network, the Bank also operates an office located in Auburn, California specializing in government-guaranteed loans. Most of these loans are 75% guaranteed by the Federal Government and are variable rates tied to the Prime rate. For loans originated in 2021 the guarantee has been increased to 90% until October 1, 2021. The guaranteed portion of the loan is then sold off in the secondary market and serviced by Plumas Bank for a fee of 1%, while the unguaranteed portion is retained by Plumas Bank. Selling the federally guaranteed portion allows Plumas to profit on the sale as well as continuing to profit on the higher yielding unguaranteed portion of the loan. Richard Belstock, CFO, and his team have a long history of managing and selling these SBA loans giving them an added competitive advantage. PLBC has received nationwide Preferred Lender status with the United States Small Business Administration.

Lastly, the Company has commercial and agricultural lending offices in Chico, California, and Klamath Falls Oregon. The primary commercial lending services include term real estate, commercial and industrial term loans, agricultural loans, construction loans, and credit lines, as well as land development loans on a limited basis.

Loan Portfolio

Plumas' main source of revenue is generated from providing loans to retail and commercial customers who reside in the surrounding areas. The Company's commercial loans are largely provided to small and medium sized businesses. As of Q421 commercial real estate loans comprised the largest portion of the Bank's loan portfolio. Although commercial real estate occupies a large portion of the portfolio, Plumas attempts to further diversify through loans of differing property types and geographic location throughout California, Northern Nevada, and Southern Oregon. PLBC's lenders are separated by geographic region, and each integrates themselves into the communities they serve. These are seasoned lenders who have longstanding relationships within their respective communities, which helps the Company earn business when rate competition is stiff.

Exhibit 2: CRE Distribution by Region

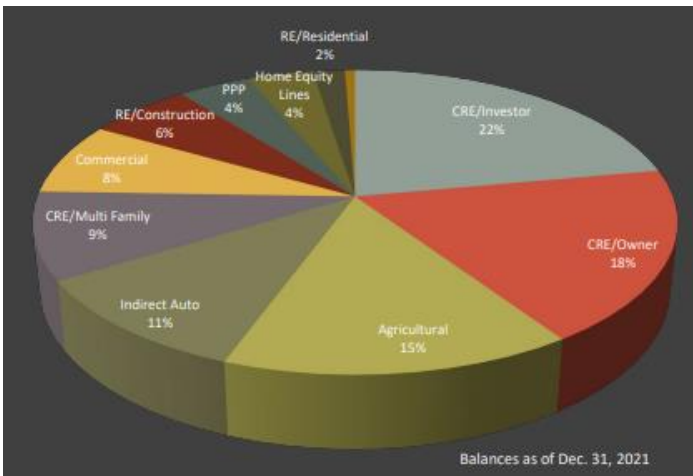


Source: Company Reports, Stonegate Capital Partners

Despite the Company's current concentration in commercial real estate, which comprises 49.9% of the total portfolio, Plumas has continued to diversify the portfolio to mitigate the risks associated with any one sector. Moreover, 76% of the Company's portfolio balance is variable rate which helps to reduce interest rate risk.

In addition to the Company's real estate loan portfolio, auto loans have also become a large portion of the portfolio. In fact, the auto loan portfolio has grown from 2.5% of gross loans at year-end 2011 to 10.6% of gross loans as of Q4F21. Auto loans have provided a benefit of diversification to PLBC's other loans as auto loans tend to have a much shorter term and balance than commercial real-estate loans and are fixed rate. The Company also has a large portfolio of agricultural loans, which it intends to continue to pursue. As of Q4F21 agricultural loans totaled \$126.5M or 15.1% of the total loan portfolio.

Exhibit 3: Current Loan Composition

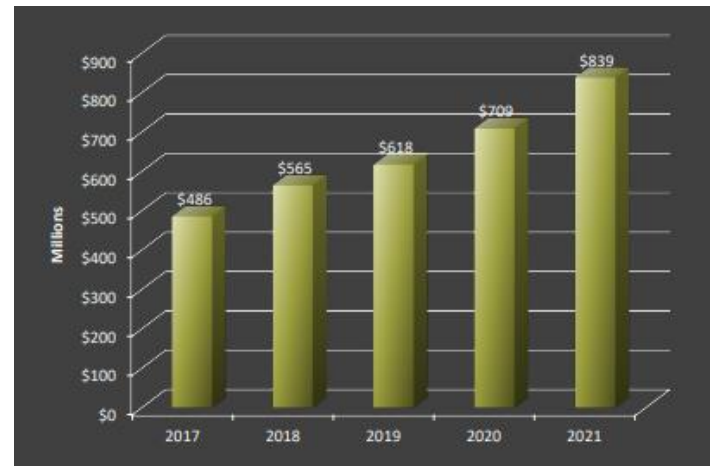


Source: Company Reports, Stonegate Capital Partners

In 2021, Plumas Bancorp was actively participating in the CARES Act, Paycheck Protection Program (PPP). The Company originated 2,256 PPP loans in the aggregate amount of \$197M. Plumas recorded \$6.1M in fees from the SBA and has a balance of unearned fees of \$1.3M on December 31, 2021. On December 31, 2021, Plumas Bancorp had a balance of PPP loans of \$35M, of which \$1.7M has a two-year maturity and \$32.9M with a five-year maturity.

As mentioned earlier, Plumas is currently focused on small to medium size commercial businesses. They offer both floating and fixed rate loans and obtain collateral through real property, business assets and deposit accounts. PLBC's overall loan balances have been trending upward since 2017 and as of Q4F21, the portfolio was at a record level of \$839M with an average yield of 5.41% in 2021.

Exhibit 4: Loan Trends



Source: Company Reports

The Company's current loan to deposit ratio is 58.3% as of Q4F21, which compares to 72.9% at Q4F20. Management notes that the balance sheet is adequately structured to accommodate additional loan growth; thus, Plumas has the capacity to fulfill the credit needs of creditworthy applicants.

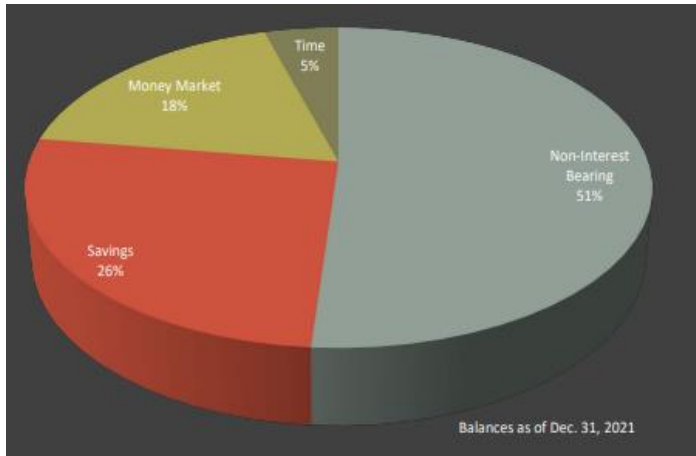
Deposits

Alongside Plumas' loan balances, deposits have shown steady growth over recent years. Deposits come from both individuals and businesses living or located in the Company's local markets. The deposit base consists of:

- Demand deposits
- Savings deposits
- Money market accounts
- Time deposit accounts

Deposits represent the primary source of funds for the Bank. The individuals and businesses who open accounts with the Bank are considered long-term, stable relationships which helps facilitate a steady growth of overall deposit balances without major variations.

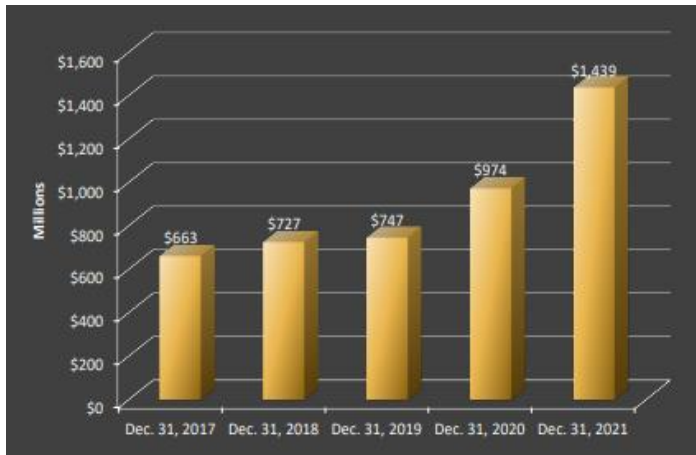
Exhibit 5: Breakdown of Deposit Base



Source: Company Reports, Stonegate Capital Partners

Plumas Bancorp has been successful in growing deposits organically since the inception of the bank. In the past few years, the Bank's deposits have grown consistently year over year from a balance of \$527M in 2015 to a record \$1,439M as of December 31, 2021. These are core, non-brokered deposits.

Exhibit 6: Deposit Trends



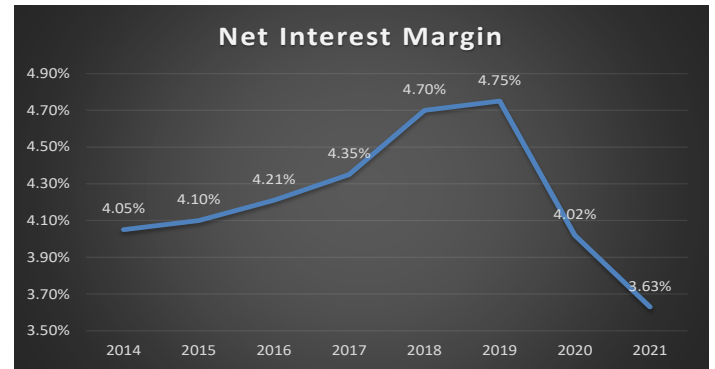
Source: Company Reports, Stonegate Capital Partners

Due to slower growth during November through April and higher growth from May-October, the company does experience some seasonality in its deposits. Seasonality in these markets is generally due to the natural ebb and flow of tourism and agriculture production that is higher in the summer months; however, this has become much less prevalent as the Company's geographic diversification increases. Plumas also maintains a borrowing arrangement through Federal Home Loan Bank San Francisco (FHLB) which helps the Bank meet any funding needs they may have. The Company can borrow up to \$253M from FHLB; however, they are required to hold FHLB stock as a condition of the agreement.

Net Interest Income and Margins

The net interest margin is a good indicator of how profitably banks are making investments. Exhibit 7 provides the net interest margin trends.

Exhibit 7: Net Interest Margin (As a % of Avg Earnings Assets)



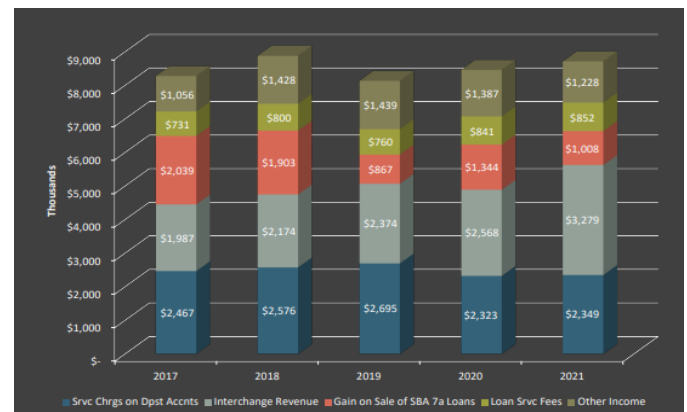
Source: Company Reports, Stonegate Capital Partners

Since 2014, Plumas has done a good job growing both net interest income and net interest income margins. The primary driver of growth has been an increase in interest income on investments and loans. However, in F20, Plumas Bank saw a decrease in net interest margin largely driven by a decrease in yield on interest earning assets as market interest rates fell after the Federal Reserve cut rates in response to the COVID-19 crisis and an increase in cash balances.

Non-Interest Income

Non-interest income has become a secondary source of revenue for the Bank and has continued to grow as deposits and loans increase. Noninterest income is derived primarily from service charges on deposit accounts, interchange revenue, gains on sales of SBA loans and loan servicing fees. Although noninterest income has increased steadily since 2014, the strong growth of the loan portfolio and interest income has caused non-interest income to become a less important factor in total revenue growth. In F21, non-interest income increased 3% y/y to \$8.7M. The largest component of the increase in non-interest income was a \$711K increase in interchange revenue and the largest decline in non-interest income was \$336K in gains on sale of SBA loans.

Exhibit 8: Non-Interest Income Trends



Source: Company Reports, Stonegate Capital Partners

MARKET OVERVIEW

Community banks focus on providing traditional banking services in their local communities. These banks obtain most of their core deposits from the local communities they service as well as provide loans to local businesses and consumers. Most community banks maintain strong relationships within the community through their employees, directors, and owners that helps facilitate loan and deposit growth. These relationships allow local community banks some flexibility in lending to small, local businesses, who may not be able to obtain loans from larger national or regional banks.

In addition to being relationship driven, community banks also tend to be significantly smaller in asset size when compared to national or regional banks. Community banks are commonly defined as holding less than \$10 billion in assets.

Publicly traded community banks have performed well over the past 3 years as tax reform and rising interest rates have helped growth in net income. In 2017, the federal tax overhaul lowered the corporate statutory tax rate to 21% from the 34% statutory tax rate. According to the FDIC, community banks had an increase of 18.7% in net income directly attributable to the tax cut. Community banks continued to perform well in 2019 with net income growing 7.5% from full-year 2018. In 2020, the COVID-19 pandemic negatively impacted many community banks as net income declined 9.4% from 2019.

Although the last few years have yielded strong results, the impact of COVID-19 on the economy in 2020/2021 has provided a tougher environment for community banks. One of the biggest impacts is decreased yields on investable securities and loans as the Federal Reserve cut rates twice to reduce short term interest rates to near 0%. In addition to decreased yields on interest earning assets, community banks will be at risk for increased defaults on loans, especially those banks that have large exposure to the most impacted areas of the economy like entertainment, travel, and oil and gas businesses. According to the Mortgage Bankers Association Economic Forecast, Q1F20 and Q2F20 saw the biggest hits from COVID-19, with real GDP declining at -5% and -31.4%, respectively. However, growth snapped back in Q3F20 at 33.4% and Q4F20 was 4.1%. Currently, the MBA forecasts 2021 real GDP growth at 5.6%, followed by 2022 real GDP growth at 3.1%.

RISKS

Geographic concentration – Plumas is largely concentrated in Northern California and Northwestern Nevada, which exposes the Company to risks associated with lack of geographic diversification. A local or regional economic downturn could adversely affect the Company's profitability.

Drought conditions in the West – A portion of PLBC's customers are involved in the agricultural business, which depends on water. If the lack of water due to the recent dry conditions continues, those that depend on the agriculture business may not be able repay outstanding loans or go out of business.

Changes in interest rates – The Company's results depend on its net interest income. Should the rates it earns on loans, securities and other interest-bearing assets continue to decline results would suffer.

Security of systems – Any material breaches in the security of Plumas' banking systems could cause material losses for the Company. Protecting sensitive consumer data is essential as is maintenance and backup of key financial and customer information.

Failure to stay competitive – Plumas operates in a competitive marketplace, and failure of its branches to stay competitive in its respective local markets could cause significant harm to financial results and result in closures; competition continues to increase as consolidation occurs in the industry and changes to regulations affect the business. The Company is much smaller than certain competitors that have access to significantly more resources when compared to Plumas. Additionally, technology now enables banking online which broadens the reach of the competition, and Plumas faces higher costs than the newer trending online financial services organizations that lack physical branches.

Trading of common shares is limited – Trading in the Company's common shares is not very active, which could cause concern for current and future shareholders, and the limited trading can cause exaggerated price volatility for shares of PLBC.

Access to future capital – Should the Company incur significant loan losses, desire to execute acquisitions, or require additional funds for other operational purposes, the timing and terms of the capital may not be favorable given certain economic and/or market conditions.

External shocks - War, terrorism, other acts of violence or natural or manmade disasters such as a global pandemic may affect the markets in which the Company operates, the Company's customers, the Company's delivery of products and customer service, and could have a material adverse impact on our business, results of operations, or financial condition.

BALANCE SHEETS

| Plumas Bancorp and Subsidiary | | | |
|--|-------------------|---------------------|---------------------|
| Consolidated Balance Sheets (in thousands \$, except per share amounts) | | | |
| Fiscal Year: December | | | |
| | FY 2019 | FY 2020 | FY 2021 |
| Assets | | | |
| Cash and cash equivalents | \$ 46,942 | \$ 184,909 | \$ 380,584 |
| Investment securities available-for-sale | 159,320 | 179,613 | 305,914 |
| Loans (less allowance for loan losses) | 616,036 | 700,102 | 829,385 |
| Loans held for sale | - | 693 | 31,277 |
| Real Estate acquired through foreclosure | 707 | 403 | 487 |
| Premises and equipment, net | 14,629 | 14,016 | 16,424 |
| Bank-owned life insurance | 13,184 | 13,526 | 15,844 |
| Goodwill | - | - | 5,502 |
| Accrued interest receivable and other assets | 14,373 | 18,314 | 28,657 |
| Total assets | \$ 865,191 | \$ 1,111,576 | \$ 1,614,074 |
| Liabilities | | | |
| Noninterest-bearing | \$331,619 | \$ 516,682 | \$ 736,582 |
| Interest-bearing deposits | 415,705 | 457,292 | 702,417 |
| Total deposits | 747,324 | 973,974 | 1,438,999 |
| Repurchase Agreements | 16,013 | 13,878 | 17,283 |
| Accrued interest payable and other liabilities | 7,039 | 8,260 | 13,400 |
| Federal Home Loan Bank advances | - | 5,000 | - |
| Junior subordinated deferrable interest debentures | 10,310 | 10,310 | 10,310 |
| Total liabilities | 780,686 | 1,011,422 | 1,479,992 |
| Shareholders' equity | | | |
| Common stock | 7,312 | 7,656 | 26,801 |
| Retained earnings | 75,144 | 87,753 | 105,681 |
| Accumulated other comprehensive income (loss), net | 2,049 | 4,745 | 1,600 |
| Total shareholders equity | 84,505 | 100,154 | 134,082 |
| Total liabilities & shareholders equity | \$ 865,191 | \$ 1,111,576 | \$ 1,614,074 |
| Book value per share | \$ 16.36 | \$ 19.33 | \$ 23.05 |
| Return on average equity (%) | 20.2 | 15.5 | 17.8 |
| Return on average assets (%) | 1.8 | 1.4 | 1.5 |
| Leverage ratio (%) | 10.4 | 9.2 | 8.4 |

Source: Company Reports; Stonegate Capital Partners

INCOME STATEMENTS

| Plumas Bancorp and Subsidiary | | | | |
|--|------------------|------------------|------------------|------------------|
| Consolidated Statements of Income (in thousands \$, except per share amounts) | | | | |
| Fiscal Year: December | | | | |
| | FY 2019 | FY2020 | FY2021 | FY2022 E |
| Interest income | | | | |
| Interest and fees on loans | \$34,275 | \$35,980 | \$ 43,313 | \$ 46,088 |
| Interest on investment securities | 4,395 | 3,434 | 4,412 | 4,658 |
| Other | 632 | 210 | 345 | 300 |
| Total interest income | 39,302 | 39,624 | 48,070 | 51,046 |
| Interest expense | | | | |
| Interest on deposits | 1,201 | 832 | 780 | 853 |
| Interest on junior subordinated deferrable interest debentures | 531 | 385 | 348 | 348 |
| Other | 15 | 11 | 8 | 10 |
| Total Interest Expense | 1,747 | 1,228 | 1,136 | 1,212 |
| Net interest income | 37,555 | 38,396 | 46,934 | 49,834 |
| Provisions for loan losses | 1,500 | 3,175 | 1,125 | 1,246 |
| Net interest income after provisions for loan losses | 36,055 | 35,221 | 45,809 | 48,588 |
| Non-interest income | | | | |
| Service charges | 2,695 | 2,323 | 2,349 | 2,396 |
| Interchange revenue | 2,374 | 2,568 | 3,279 | 3,607 |
| Gain on sale of loans | 867 | 1,344 | 1,008 | 3,100 |
| Loan servicing fees | 760 | 841 | 852 | 966 |
| Gain (loss) on sale of investments | 114 | - | (209) | - |
| Earnings on bank owned life insurance policies, net | 328 | 342 | 380 | 375 |
| Other | 997 | 1,045 | 1,057 | 1,000 |
| Total non-interest income | 8,135 | 8,463 | 8,716 | 11,444 |
| Non-interest expense | | | | |
| Salaries & employee benefits | 13,009 | 13,282 | 12,792 | 17,269 |
| Occupancy & equipment | 3,311 | 3,362 | 3,983 | 4,102 |
| Other | 6,490 | 7,088 | 9,263 | 9,726 |
| Total non-interest expense | 22,810 | 23,732 | 26,038 | 31,104 |
| Net income before income taxes | 21,380 | 19,952 | 28,487 | 28,934 |
| Provision for income taxes | 5,868 | 5,477 | 7,478 | 7,957 |
| Net income | \$ 15,512 | \$ 14,475 | \$ 21,009 | \$ 20,977 |
| Basic EPS - GAAP | \$ 3.01 | \$ 2.80 | \$ 3.82 | \$ 3.59 |
| Diluted EPS - GAAP | \$ 2.97 | \$ 2.77 | \$ 3.76 | \$ 3.53 |
| Cash dividends declared per share | \$ 0.46 | \$ 0.36 | \$ 0.56 | \$ 0.56 |
| Weighted average shares outstanding | | | | |
| Basic | 5,155 | 5,177 | 5,502 | 5,850 |
| Diluted | 5,228 | 5,230 | 5,583 | 5,936 |

Source: Company Reports; Stonegate Capital Partners

VALUATION

Plumas' experienced management and service teams bring not only valuable industry knowledge, but also a unique grasp of the local economy and target demographics. This experience, coupled with the Company's liquidity, should allow it to take advantage of any opportunities that may present themselves.

Exhibit 12: Comparable Analysis

Plumas Bancorp and Subsidiary

(all figures in \$M except per share information)

| Name | Ticker | Price ⁽¹⁾ | S/O | Mrkt Cap | Financial (MRQ) | | | EPS ⁽²⁾ | | | Valuation | | | | Credit ⁽³⁾ | | Profitability ⁽³⁾ | | | |
|----------------------------------|-------------|----------------------|------------|-----------------|-------------------|-----------------|-----------------|--------------------|----------------|----------------|----------------|--------------|--------------|-------------|-----------------------|-------------|------------------------------|--------------|--------------|--------------|
| | | | | | Assets | BV/sh | TBV/sh | 2020 | 2021 | 2022E | P/E 2021 | P/E 2022E | P/BV | P/TBV | NPAs / Assets | Res. / NPLs | NIM | ROA | ROE | |
| TriCo Bancshares | TCBK | \$ 39.66 | 29.7 | \$ 1,179.1 | \$ 8,614.8 | \$ 33.64 | \$ 25.80 | \$ 1.81 | \$ 3.46 | \$ 3.92 | 11.5x | 10.1x | 1.2x | 1.5x | 0.4% | 281% | 34.4% | 1.4% | 12.2% | |
| Merchants Bancorp | MBIN | \$ 27.25 | 43.3 | \$ 1,179.0 | \$ 11,278.6 | \$ 18.37 | \$ 17.96 | \$ 3.53 | \$ 4.41 | \$ 4.68 | 6.2x | 5.8x | 1.5x | 1.5x | 0.0% | 4119% | 52.8% | 2.2% | 23.1% | |
| Heritage Commerce Corp | HTBK | \$ 11.26 | 60.4 | \$ 679.8 | \$ 5,499.4 | \$ 9.91 | \$ 6.91 | \$ 0.54 | \$ 0.73 | \$ 0.83 | 15.4x | 13.6x | 1.1x | 1.6x | 0.1% | 1158% | 30.0% | 0.9% | 8.1% | |
| Central Valley Community Bancorp | CVCY | \$ 23.32 | 11.8 | \$ 275.6 | \$ 2,450.1 | \$ 20.80 | \$ 16.24 | \$ 1.30 | \$ 1.94 | \$ 2.27 | 12.0x | 10.3x | 1.1x | 1.4x | 0.0% | 1015% | 33.1% | 1.3% | 11.5% | |
| Oak Valley Bancorp | OVLY | \$ 18.34 | 8.2 | \$ 149.8 | \$ 1,964.5 | \$ 17.50 | \$ 17.05 | \$ 1.37 | \$ 1.66 | N/A | 11.0x | N/A | 1.0x | 1.1x | N/A | N/A | 29.8% | N/A | 12.0% | |
| United Security Bancshares | UBFO | \$ 8.38 | 17.0 | \$ 142.7 | \$ 1,330.9 | \$ 7.06 | \$ 6.80 | \$ 0.45 | \$ 0.49 | N/A | 17.1x | N/A | 1.2x | 1.2x | 1.3% | 77% | 27.3% | 0.8% | 8.5% | |
| Summit State Bank | SSBI | \$ 16.82 | 6.7 | \$ 112.4 | \$ 922.6 | \$ 12.26 | \$ 11.65 | \$ 1.40 | N/A | N/A | N/A | N/A | 1.4x | 1.4x | 0.0% | 2753% | 34.8% | 1.6% | 17.9% | |
| Citizens Bancorp | CZBC | \$ 15.75 | 5.6 | \$ 88.6 | \$ 1,067.3 | \$ 16.64 | \$ 16.64 | \$ 0.58 | \$ 1.52 | N/A | 10.4x | N/A | 0.9x | 0.9x | N/A | N/A | 30.0% | 1.0% | 10.7% | |
| 1st Capital Bancorp | FISB | \$ 15.50 | 5.6 | \$ 86.9 | \$ 999.4 | \$ 14.26 | \$ 14.26 | \$ 0.71 | \$ 1.16 | N/A | 13.4x | N/A | 1.1x | 1.1x | 0.1% | 895% | 24.9% | N/A | N/A | |
| | | | | | | | | Average | \$ 1.37 | \$ 2.03 | \$ 2.92 | 11.9x | 10.0x | 1.2x | 1.4x | 0.3% | 1567% | 34.0% | 1.3% | 13.0% |
| | | | | | | | | Median | \$ 1.33 | \$ 1.66 | \$ 1.29 | 11.5x | 11.2x | 1.2x | 1.4x | 0.1% | 1086% | 31.5% | 1.3% | 11.8% |
| Plumas Bancorp | PLBC | \$38.76 | 5.8 | \$ 226.1 | \$ 1,614.1 | \$ 23.05 | \$ 22.10 | \$ 2.77 | \$ 3.76 | \$ 3.33 | 10.3x | 11.6x | 1.7x | 1.8x | 0.3% | 213% | 38.5% | 1.5% | 17.9% | |

(1) Previous day's closing price

(2) Estimates are from CapitalIQ except for PLBC which are Stonegate estimates

(3) Credit and Profitability are for the LTM period

Source: Company Reports, Stonegate Capital Partners, Capital IQ

We employ a P/E and P/TBV to help frame valuation. Based off the above metrics, PLBC is trading at a discount to comp P/E ratios and at a slight premium to comps P/TBV. We also note that Plumas has a higher ROA and ROE vs. the comps. In addition, the Company's net income margin is superior to the average of its comps. For these reasons, we believe Plumas Bancorp makes a strong case to trade at a premium valuation to the comp set.

Price / Earnings

Based on FY21 results, PLBC is trading at a 10.3x P/E vs. a median of 11.5x for comparable companies. While FY22 EPS estimates for selected comparables were largely unavailable, those with estimates are trading at a median of 11.2x. Combining current multiples along with 3-year historical trading multiples for the comps and PLBC, we believe PLBC should trade in a forward P/E range of 10x to 12x with a mid-point of 11x. Using this range on our FY22 EPS estimate results in a valuation range of \$33.25 to \$40.00 with a mid-point of \$36.75.

Price / Tangible Book

PLBC is currently trading at 1.7x P/TBV vs. comps at 1.4x. Combining current multiples along with historical trading ranges of the comps and PLBC, we believe using a P/TBV multiple range of 1.4x to 1.7x is reasonable. As such, we arrive at a valuation range of \$31.00 to \$37.50 with a mid-point of \$35.25.

RECENT NEWS

January 20, 2022 – Plumas Bancorp Declares Quarterly Cash Dividend.

January 19, 2022 - Plumas Bancorp Reports Record Earnings for the Year Ended December 31, 2021.

December 20, 2021 – Plumas Bank and the Federal Home Loan Bank of San Francisco Join Forces to Donate \$75,000 for Wildfire Relief.

October 21, 2021 – Plumas Bancorp Declares Quarterly Cash Dividend.

October 20, 2021 – Plumas Bancorp Reports Record Third Quarter 2021 Results.

July 22, 2021 – Plumas Bancorp Declares Quarterly Cash Dividend.

July 21, 2021 – Plumas Bancorp Reports Record Second Quarter 2021 Results.

July 1, 2021 – Julie Morehead Appointed to Plumas Bancorp and Plumas Bank Board of Directors.

July 1, 2021 – Plumas Bancorp Acquires Feather River Bancorp, Inc.

May 13, 2021 – Plumas Bancorp Awarded Prestigious Raymond James Community Bankers Cup for 4th Consecutive Year.

April 22, 2021 – Plumas Bancorp Declares Quarterly Cash Dividend.

April 21, 2021 – Plumas Bancorp Reports Record Quarterly Results.

March 15, 2021 – Plumas Bancorp Relocates its Corporate Headquarters to Reno, Nevada.

March 11, 2021 – Plumas Bancorp to Acquire Feather River Bancorp, Inc.

February 2, 2021 – Plumas Bank Donates \$25,000 to Support Local Non-Profits Addressing Food Insecurity.

January 21, 2021 – Plumas Bancorp Declares Quarterly Dividend Issuance.

January 20, 2021 – Plumas Bancorp Reports Quarterly Earnings.

January 4, 2021 – Plumas Bancorp Announces the Retirement of Past President and Board Member William E. Elliott.

December 15, 2020 – Plumas Bank Celebrates 40 Years of Serving Our Communities.

October 22, 2020 – Plumas Bancorp Declares Quarterly Dividend Issuance.

October 21, 2020 – Plumas Bancorp Reports Third Quarter 2020 Results.

September 29, 2020 – Plumas Bancorp Receives Nationwide Recognition from Two Prestigious Companies: D.A. Davidson's Fall 2020 Bison Select and Piper Sandler's Sm-All Stars.

PLUMAS BANCORP GOVERNANCE

Andrew Ryback – Andrew J. Ryback is the President and Chief Executive Officer of Plumas Bank and its holding company, Plumas Bancorp. He joined Plumas Bank in July 2001 and became a member of the Company's Board of Directors in 2016. Mr. Ryback received his Bachelor of Science degree in Business Administration from California State University, Northridge. He is a Certified Public Accountant and a graduate of Pacific Coast Banking School. Mr. Ryback actively serves in a variety of national, regional, and local organizations: He was appointed to the Federal Reserve Board's Community Depository Institutions Advisory Council (CDIAC) in 2020 and was the chairman of the Federal Reserve Bank of San Francisco's CDIAC, which he has served on since 2017. Mr. Ryback is also the California Delegate to the Federal Delegate Board of the Independent Community Bankers of America (ICBA), he serves on ICBA's Legislative Issues Committee, and he is on the board of the California Community Banking Network. Furthermore, Mr. Ryback is past president of the Rotary Club of Quincy and is currently serving as an assistant governor for Rotary District 5190. Locally, he serves on the Board of Directors of Plumas District Hospital and as Commissioner and Treasurer for the Quincy Fire Protection District where he previously served as a volunteer firefighter.

Richard Belstock – Executive VP & CFO - Richard L. Belstock is the Executive Vice President and Chief Financial Officer of Plumas Bank and its holding company, Plumas Bancorp, as of July 18, 2012. He previously held the position of Senior Vice President, Chief Financial Officer. Mr. Belstock joined the bank in 2006 as Vice President and Controller for Plumas Bank and Bancorp. He currently manages accounting, internal audit and risk management. Mr. Belstock is a Phi Beta Kappa graduate of the University of Colorado with a Bachelor of Arts degree in Mathematics. He received his Master of Accountancy degree from the University of Denver. Mr. Belstock has over 30 years of experience in financial accounting and regulatory reporting with 10 of those years as controller and chief accounting officer for Sierra West Bancorp in Truckee. He has been a licensed Certified Public Accountant since 1980.

Board of Directors:

Daniel E. West – *Chairman of the Board*

Robert J. McClintock - *Vice Chairman of the Board*

Andrew J. Ryback – *Director*

Michonne R. Ascuaga – *Director*

Steven M. Coldani – *Director*

Gerald W. Fletcher – *Director*

Heidi S. Gansert – *Director*

Richard F. Kenny – *Director*

Terrance J. Reeson – *Director*

Julie A. Morehead - *Director*

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