STONEGATE CAPITAL PARTNERS

FEBRUARY 28, 2023

INDUSTRY: REGIONAL BANK

RESEARCH UPDATE

PLUMUS BANCORP (NASDAQ: PLBC)

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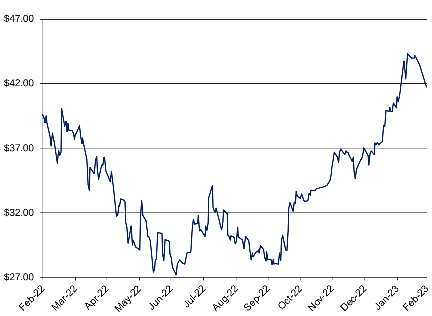
Market Statistics

Price:	$41.74
52-Week Range:	$26.48 - $45.31
Daily Vol. (3 Month Avg.):	12,630
Market Cap ($M):	$244.18
Shares Outstanding (M):	5.9
Float (M):	4.9

Financial Summary

Cash & Equivalents:	$183.43
Net Loans:	$903.97
Total Assets:	$1,621.04
Total Deposits:	$1,457.81
Debt:	$10.31
Equity (Book Value):	$119.00
Equity/Share:	$20.34

FYE: DEC	2021	2022	2023E
(in $M)			
Rev	$48	$60	$66
Chng%	21.3%	24.3%	11.0%
EPS	$3.76	$4.47	$5.01



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 two lending offices located in Northern California and one lending office in Southern Oregon.

Company Summary

Continued growth: Assets slightly increased to $1.62B at 4Q22 end, up from $1.61B at 4Q21. Deposits also increased to $1.46B in 4Q22 from $1.44B in 4Q21. Non-performing assets have decreased by $4.2M Y/Y to $1.2M at 4Q22, a decrease of 78%. Additionally, investment securities have grown by $139M Y/Y to $445M.

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 1% Y/Y to reach $1.5B on Dec 31, 2022. Since 2018, the Company has grown deposits at a ~19% 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 derived ~$11.0M 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. Non-interest income has increased in FY22 by $2.3M.

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. Most recently the company announced the opening of its Chico, California branch that will open in 2Q23.

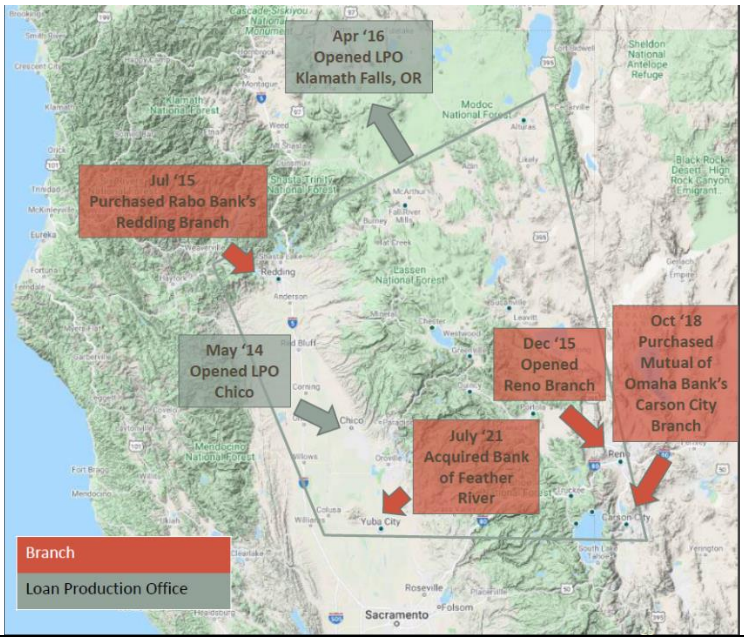
Valuation: We use a comp analysis on P/E and P/BV to help frame valuation. Using a P/E range of 10.5x to 11.5x with a mid-point of 11x on our FY23 EPS estimate results in a valuation range of $53.28 to $58.33 with a mid-point of $55.82. Using a P/BV multiple range of 1.6x to 2.0x, we arrive at a valuation range of $32.55 to $40.69 with a mid-point of $36.62. Additional details can be found on page 10.

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 $1.62B up roughly 170% 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 and employees. 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 Yuba City, California 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.

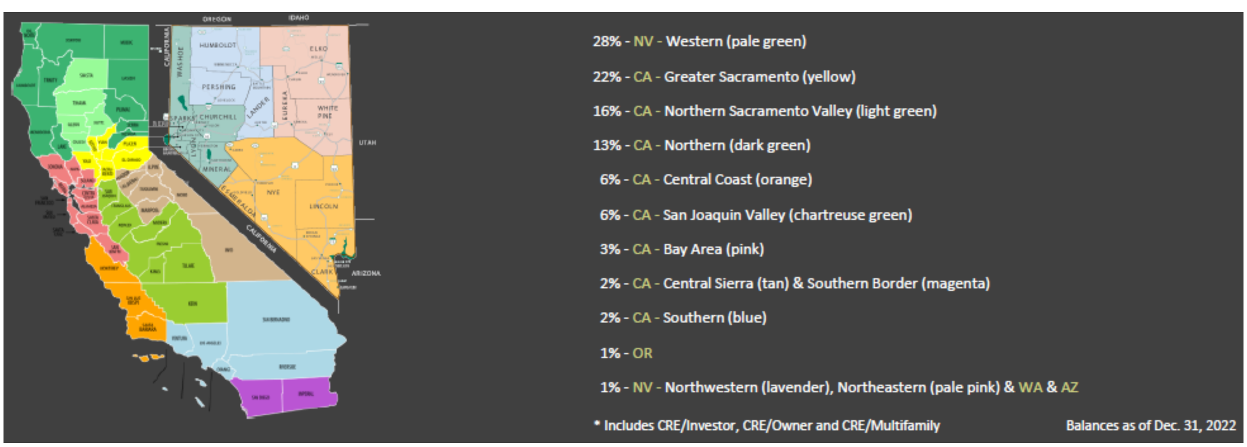
Accompanying its traditional branch network, the Bank also operates an office located in Auburn, California specializing in government-guaranteed loans. Most of these loans are 75% guaranteed by the Federal Government and are variable rates tied to the Prime rate. For loans originated in 2021 the guarantee was increased to 90% until October 1, 2021. Typically, 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 4Q22 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

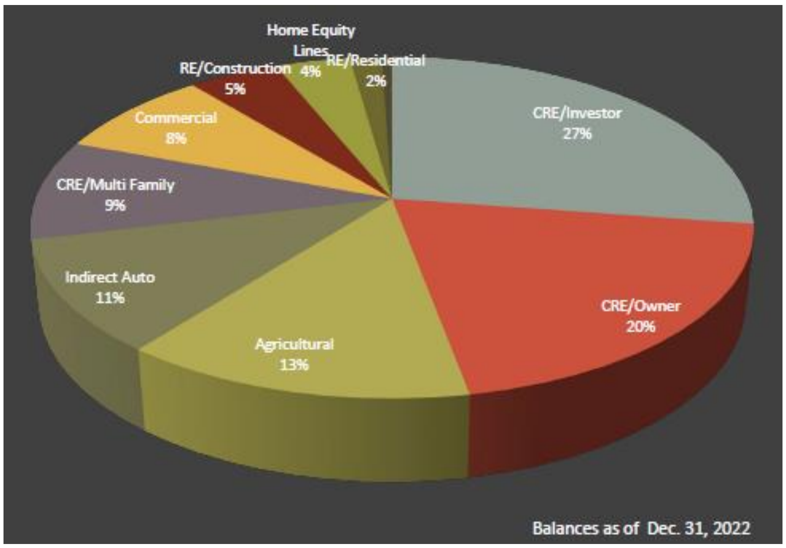


Source: Company Reports

Despite the Company's current concentration in commercial real estate, which comprises 56.6% of the total portfolio, Plumas has continued to diversify the portfolio to mitigate the risks associated with any one sector. Moreover, 80% 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 11.0% of gross loans as of 4Q22. 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 develop. As of 4Q22 agricultural loans totaled $122.9M or 13% of the total loan portfolio.

Exhibit 3: Current Loan Composition

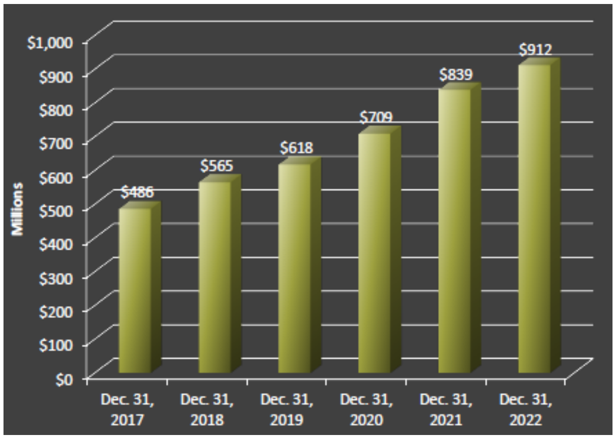


Source: Company Reports

In 2021, Plumas Bancorp, including Feather River Bancorp, was actively participating in the CARES Act, Paycheck Protection Program (PPP). The Company originated 2,817 PPP loans in the aggregate amount of $256M. PPP loans declined to $35.0 million at December 31, 2021 and $300 thousand at December 31, 2022.

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 4Q22, the portfolio was at a record level of $912M with an average yield of 5.28% in 2022.

Exhibit 4: Loan Trends



Source: Company Reports

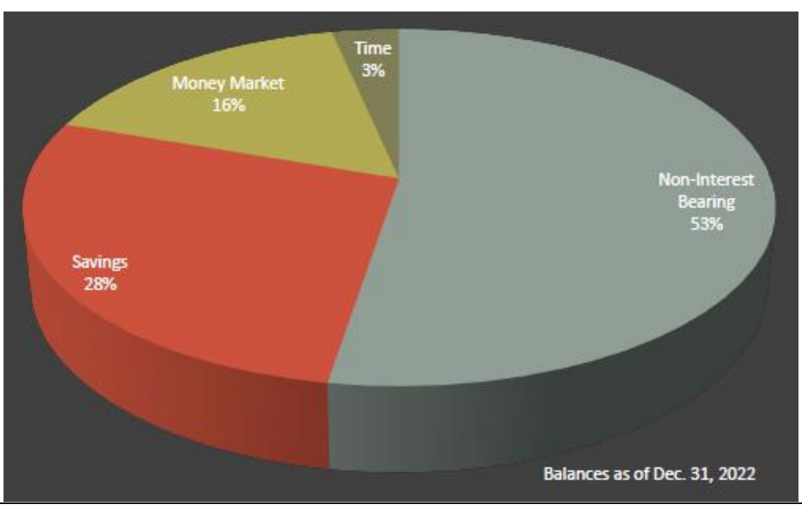
The Company's current loan to deposit ratio is 62.6% as of 4Q22 YTD, which compares to 58.3% at F21. Management notes that the balance sheet is adequately structured to accommodate additional loan growth; thus, Plumas has the capacity to fulfill the credit needs of creditworthy applicants.

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, and 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

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 $1.5B as of Dec 31, 2022. These are core, non-brokered deposits.

Exhibit 6: Deposit Trends

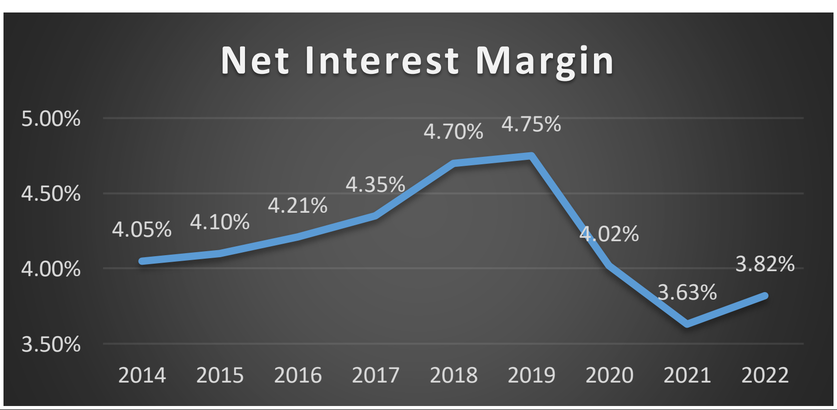
Source: Company Reports

Due to slower growth during November through April and higher growth from May through 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 has increased. 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 $254M from FHLB; however, they are required to hold FHLB stock as a condition of the agreement.

Net Interest Income and Margin

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)



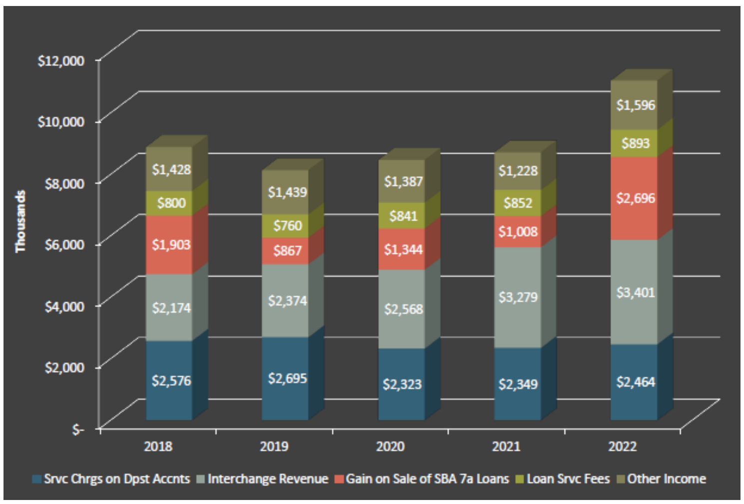
Source: Company Reports

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, beginning in F20, Plumas Bank experienced 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**.** This trend has reversed in 2022 after the Federal Reserve started to raise rates in response to inflation.

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 FY22, non-interest income increased from $8.7M in FY21 to $11.0M.

Exhibit 8: Non-Interest Income trends



Source: Company Reports

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 help 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.

The impact of COVID-19 on the economy in 2020/2021 provided a tougher environment for community banks. One of the biggest impacts was 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 were 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.

Recently the Federal Reserve has been increasing rates as they compete with above target inflation. Since the beginning of 2022 the Fed has raised rates from 0.25% to 4.75%. This raise has buoyed the NIM of community banks, and assuming the economy does not enter a downturn, does not negatively impact credit worthiness. 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. Currently, real GDP growth reached 1.0% in 2022 with real GDP growth forecast at 0.2% in 2023 followed by 1.8% in 2024.

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 its business, results of operations, or financial condition.

VALUATION SUMMARY

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.

					Financial (MRQ)			EPS (2)			Valuation					Profitability (3)		
Name	Ticker	Price (1)	S/O	Mrkt Cap	Assets	BV/sh	TBV/sh	2021	2022	2023E	P/E 2021	P/E 2022	P/E 2023E	P/BV	P/TBV	NIM	ROA	ROE
TriCo Bancshares	TCBK	$50.51	33.3	$ 1,683.6	$ 9,931.0	$ 31.39	$ 21.76	$ 3.46	$ 3.46	$ 4.62	14.6x	14.6x	10.9x	1.6x	2.3x	32.0%	1.4%	12.3%
Merchants Bancorp	MBIN	$30.25	43.1	$ 1,304.2	$12,615.2	$ 22.27	$ 21.88	$ 4.41	$ 4.22	$ 4.73	6.9x	7.2x	6.4x	1.4x	1.4x	51.4%	1.8%	16.8%
Heritage Commerce Corp	HTBK	$12.11	60.9	$ 736.9	$ 5,154.2	$ 10.39	$ 7.46	$ 0.73	$ 0.97	$ 1.30	16.6x	12.4x	9.4x	1.2x	1.6x	35.2%	1.2%	10.8%
Central Valley Community Banco	CVCY	$25.51	11.7	$ 299.4	$ 2,422.5	$ 14.88	$ 10.30	$ 1.94	$ 1.87	$ 2.74	13.1x	13.6x	9.3x	1.7x	2.5x	31.9%	1.1%	12.6%
Oak Valley Bancorp	OVLY	$27.35	8.2	$ 223.5	$ -	$ 13.00	$ 12.56	$ 1.66	$ 2.27	$ -	16.4x	12.0x	N/A	2.1x	2.2x	34.2%	N/A	18.4%
United Security Bancshares	UBFO	$ 7.70	17.1	$ 131.4	$ 1,299.2	$ 6.59	$ 6.33	$ 0.49	$ 0.81	$ -	15.7x	9.5x	N/A	1.2x	1.2x	34.0%	1.2%	13.5%
Summit State Bank	SSBI	$16.01	6.7	$ 107.0	$ 1,113.0	$ 13.24	$ 12.62	$ 1.95	$ 2.23	$ -	8.2x	7.2x	N/A	1.2x	1.3x	35.8%	N/A	19.6%
Citizens Bancorp	CZBC	$11.95	6.0	$ 71.7	$ 1,098.1	$ 9.12	$ 9.12	$ 1.52	$ -	$ -	7.9x	nm	N/A	1.3x	1.3x	23.4%	0.7%	9.6%
1st Capital Bancorp	FISB	$11.60	5.5	$ 63.9	$ 942.2	$ 10.03	$ 10.03	$ 1.18	$ 1.31	$ -	9.8x	8.9x	N/A	1.2x	1.2x	25.4%	N/A	N/A
							Average	**$ 2.02**	**$ 1.98**	**$ 3.35**	**12.4x**	**10.9x**	**9.0x**	**1.5x**	**1.7x**	**34.7%**	**1.2%**	**14.2%**
							Median	**$ 1.80**	**$ 2.05**	**$ 1.29**	**13.9x**	**12.0x**	**11.2x**	**1.3x**	**1.5x**	**34.1%**	**1.2%**	**13.0%**
Plumas Bancorp	**PLBC**	**$41.74**	**5.9**	**$ 244.2**	**$ 1,621.0**	**$ 20.34**	**$ 19.40**	**$ 3.82**	**$ 4.53**	**$ 5.07**	**10.9x**	**9.2x**	**8.2x**	**2.1x**	**2.2x**	**38.7%**	**1.6%**	**20.9%**

(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: Capital IQ, Stonegate Capital Partners

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 FY22 results, PLBC is trading at an 9.2x P/E vs. an average of 10.9x for comparable companies. While FY23 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 10.5x to 11.5x with a mid-point of 11x. Using this range on our FY23 EPS estimate results in a valuation range of $53.28 to $58.36 with a mid-point of $55.82.

Price / Book Value

PLBC is currently trading at 2.2x P/TBV vs. comps at 1.7x. Combining current multiples along with historical trading ranges of the comps and PLBC, we believe using a P/BV multiple range of 1.6x to 2.0x is reasonable, partially derived by applying a similar premium to P/BV as seen in the P/TBV value. As such, we arrive at a valuation range of $32.55 to $40.69 with a mid-point of $36.62.

	P/E		
	10.5x	**11.0x**	**11.5x**
EPS - 2023	$ 5.07	$ 5.07	$ 5.07
Target Price	$ 53.28	$ 55.82	$ 58.36

	P/BV		
	1.6x	**1.8x**	**2.0x**
BV/S	$ 20.34	$ 20.34	$ 20.34
Target Price	$ 32.55	$ 36.62	$ 40.69

BALANCE SHEET

Plumas Bancorp and Subsidiary
Consolidated Balance Sheets (in millions $, except per share amounts)
Fiscal Year: December

	FY 2018	FY 2019	FY 2020	FY 2021	Q1 Mar-22	Q2 Jun-22	Q3 Sep-22	Q4 Dec-22	FY 2022
Assets									
Cash and cash equivalents	$ 46.7	$ 46.9	$ 184.9	$ 380.6	$ 389.0	$ 317.7	$ 334.1	$ 183.4	$ 183.4
Investment securities available-for-sale	171.5	159.3	179.6	305.9	316.2	365.2	383.2	444.7	444.7
Allowance for loan losses	7.0	7.2	7.2	-	-	-	-	-	-
Loans (less allowance for loan losses)	562.5	616.0	700.1	829.4	830.2	853.4	849.7	904.0	904.0
Loans held for sale	-	-	0.7	31.3	14.0	4.6	0.4	2.3	2.3
Real Estate acquired through foreclosure	1.2	0.7	0.4	0.5	0.5	0.4	0.4	-	-
Premises and equipment, net	14.3	14.6	14.0	16.4	18.2	18.2	18.1	18.1	18.1
Bank-owned life insurance	12.9	13.2	13.5	15.8	15.9	16.0	15.9	16.0	16.0
Goodwill	-	-	-	5.5	5.5	5.5	5.5	5.5	5.5
Accrued interest recievable and other assets	15.4	14.4	18.3	28.7	32.7	39.6	45.7	47.0	47.0
Total assets	**$ 824.4**	**$ 865.2**	**$ 1,111.6**	**$ 1,614.1**	**$ 1,622.2**	**$ 1,620.6**	**$ 1,653.1**	**$ 1,621.0**	**$ 1,621.0**
Liabilities									
Noninterest-bearing	$ 304.0	$ 331.6	$ 516.7	$ 736.6	$ 752.2	$ 764.9	$ 795.9	$ 766.5	$ 766.5
Interest-bearing deposits	422.5	415.7	457.3	702.4	715.4	707.7	715.3	691.3	691.3
Total deposits	**726.6**	**747.3**	**974.0**	**1,439.0**	**$ 1,467.7**	**$ 1,472.6**	**$ 1,511.2**	**$ 1,457.8**	**1,457.8**
Repurchase Agreements	13.1	16.0	13.9	17.3	$ 9.9	$ 10.4	$ 13.0	$ -	-
Accrued interest payable and other liabilities	7.5	7.0	8.3	13.4	11.3	11.1	12.2	33.9	33.9
Federal Home Loan Bank advances	-	-	5.0	-	-	-	-	-	-
Junior subordinated deferrable interest debentures	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3
Total liabilities	**757.5**	**780.7**	**1,011.4**	**1,480.0**	**$ 1,499.2**	**$ 1,504.5**	**$ 1,546.6**	**$ 1,502.0**	**1,502.0**
Shareholders' equity									
Common stock	6.9	7.3	7.7	26.8	$ 27.0	$ 27.1	$ 27.2	$ 27.4	27.4
Retained earnings	62.0	75.1	87.8	105.7	110.5	115.2	121.5	128.4	128.4
Accumulated other comprehensive income (loss), net	(2.0)	2.0	4.7	1.6	(14.4)	(26.2)	(42.3)	(36.8)	(36.8)
Total shareholders equity	**66.9**	**84.5**	**100.2**	**134.1**	**123.1**	**116.2**	**106.5**	**119.0**	**119.0**
Total liabilities & shareholders equity	**$ 824.4**	**$ 865.2**	**$ 1,111.6**	**$ 1,614.1**	**$ 1,622.2**	**$ 1,620.6**	**$ 1,653.1**	**$ 1,621.0**	**$ 1,621.0**
Book value per share	$ 13.03	$ 16.36	$ 19.33	$ 23.05	$ 21.08	$ 19.87	$ 18.20	$ 20.34	$ 20.34
Return on average equity (%)	23.3%	20.2%	15.5%	17.8%	17.6%	18.3%	23.7%	27.9%	21.9%
Return on average assets (%)	1.8%	1.8%	1.4%	1.5%	1.4%	1.4%	1.7%	1.9%	1.6%
Non Performing Assets to Total Assets(%)	0.28%	0.33%	0.27%	0.33%	0.32%	0.12%	0.11%	0.07%	0.07%
Non Performing Loans to Total Loans(%)	0.20%	0.33%	0.36%	0.58%	0.56%	0.18%	0.17%	0.13%	0.13%
Tier I Capital ratio	11.8%	13.1%	14.2%	14.4%	14.8%	14.4%	14.8%	14.7%	14.7%
Leverage Ratio	9.3%	10.4%	9.2%	8.4%	8.5%	8.7%	8.9%	9.2%	9.2%
Loan / Deposits Ratio	77.7%	82.6%	72.9%	58.3%	57.1%	58.5%	56.8%	62.6%	62.6%

Source: Company Reports; Stonegate Capital Partners

INCOME STATEMENT

Plumas Bancorp and Subsidiary
Consolidated Statements of Income (in millions $, except per share amounts)
Fiscal Year: December

	FY 2019	FY 2020	FY 2021	Q1 Mar-22	Q2 Jun-22	Q3 Sep-22	Q4 Dec-22	FY 2022	Q1 E Mar-23	Q2 E Jun-23	Q3 E Sep-23	Q4 E Dec-23	FY2023 E
Interest income													
Interest and fees on loans	$34.3	$36.0	$43.3	$10.6	$11.1	$11.7	$12.3	$45.7	$11.8	$11.9	$11.9	$12.3	$47.9
Interest on investment securities	4.4	3.4	4.4	1.5	1.9	2.6	3.1	9.1	2.5	2.7	2.8	3.0	11.0
Other	0.6	0.2	0.3	0.2	0.7	1.8	2.3	4.9	1.9	1.9	1.9	1.9	7.4
Total interest income	**39.3**	**39.6**	**48.1**	**12.3**	**13.7**	**16.0**	**17.7**	**59.8**	**16.1**	**16.5**	**16.6**	**17.1**	**66.3**
Interest expense													
Interest on deposits	1.2	0.8	0.8	0.2	0.2	0.2	0.3	0.8	0.3	0.3	0.3	0.3	1.0
Interest on note payable	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest on junior subordinated deferrable interest debentures	0.5	0.4	0.3	0.1	0.1	0.1	0.1	0.4	0.1	0.1	0.1	0.1	0.4
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Total Interest Expense	**1.7**	**1.2**	**1.1**	**0.3**	**0.3**	**0.3**	**0.4**	**1.2**	**0.4**	**0.4**	**0.4**	**0.4**	**1.4**
Net interest income	**37.6**	**38.4**	**46.9**	**12.0**	**13.4**	**15.7**	**17.4**	**58.5**	**15.8**	**16.1**	**16.2**	**16.8**	**64.9**
Provisions for loan losses	1.5	3.2	1.1	0.3	0.4	0.3	0.3	1.3	0.3	0.3	0.3	0.3	1.1
Net interest income after provisions for loan losses	**36.1**	**35.2**	**45.8**	**11.7**	**13.0**	**15.4**	**17.1**	**57.2**	**15.5**	**15.8**	**15.9**	**16.5**	**63.8**
Non-interest income													
Service charges	2.7	2.3	2.3	0.6	0.6	0.7	0.6	2.5	0.7	0.7	0.7	0.7	2.8
Interchange revenue	2.4	2.6	3.3	0.8	0.9	0.9	0.9	3.4	0.9	0.9	0.9	0.9	3.7
Gain on sale of loans	0.9	1.3	1.0	1.7	0.6	0.4	0.0	2.7	0.8	0.8	0.8	0.8	3.0
Loan servicing fees	0.8	0.8	0.9	0.0	0.0	0.0	0.3	0.3	0.3	0.0	0.0	0.3	0.5
Gain (loss) on sale of investments	0.1	0.0	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings on bank owned life insurance policies, net	0.3	0.3	0.4	0.0	0.0	0.0	0.1	0.1	0.1	0.0	0.0	0.1	0.2
Other	1.0	1.0	1.1	0.6	0.6	0.7	0.3	2.1	0.3	0.3	0.3	0.3	1.1
Total non-interest income	**8.1**	**8.5**	**8.7**	**3.7**	**2.7**	**2.6**	**2.2**	**11.0**	**3.0**	**2.6**	**2.6**	**3.0**	**11.3**
Non-interest expense													
Salaries & employee benefits	13.0	13.3	12.8	4.1	4.2	4.4	4.8	17.5	4.8	4.8	4.8	4.8	19.0
Occupancy & equipment	3.3	3.4	4.0	1.1	1.1	1.2	1.1	4.6	1.1	1.1	1.1	1.1	4.6
Other	6.5	7.1	9.3	2.5	2.7	2.6	2.8	10.5	2.8	2.8	2.8	2.8	11.2
Total non-interest expense	**22.8**	**23.7**	**26.0**	**7.7**	**8.0**	**8.2**	**8.7**	**32.6**	**8.7**	**8.7**	**8.7**	**8.7**	**34.7**
Net income before income taxes	**21.4**	**20.0**	**28.5**	**7.7**	**7.7**	**9.8**	**10.5**	**35.7**	**9.8**	**9.8**	**9.9**	**10.8**	**40.3**
Provision for income taxes	5.9	5.5	7.5	2.0	2.0	2.5	2.7	9.2	2.6	2.6	2.6	2.9	10.7
Net income	**$15.5**	**$14.5**	**$21.0**	**$5.7**	**$5.7**	**$7.2**	**$ 7.8**	**$26.4**	**$7.2**	**$7.2**	**$7.3**	**$8.0**	**$29.6**
Basic EPS - GAAP	**$ 3.01**	**$ 2.80**	**$ 3.82**	**$ 0.98**	**$ 0.97**	**$ 1.24**	**$ 1.34**	**$ 4.53**	**$ 1.23**	**$ 1.23**	**$ 1.25**	**$ 1.36**	**$ 5.07**
Diluted EPS - GAAP	**$ 2.97**	**$ 2.77**	**$ 3.76**	**$ 0.97**	**$ 0.96**	**$ 1.23**	**$ 1.32**	**$ 4.47**	**$ 1.22**	**$ 1.22**	**$ 1.23**	**$ 1.35**	**$ 5.01**
Cash dividends declared per share	**$ 0.46**	**$ 0.36**	**$ 0.56**	**$ 0.16**	**$ 0.16**	**$ 0.16**	**$ 0.16**	**$ 0.64**	**$ 0.25**	**$ 0.25**	**$ 0.25**	**$ 0.25**	**$ 1.00**
Weighted average shares outstanding													
Basic	5,155	5,177	5,502	5,824	5,843	5,845	5,840	5,840	5,840	5,840	5,840	5,840	5,840
Diluted	5,228	5,230	5,583	5,920	5,909	5,895	5,912	5,912	5,912	5,912	5,912	5,912	5,912

	FY 2019	FY 2020	FY 2021	Q1 Mar-22	Q2 Jun-22	Q3 Sep-22	Q4 Dec-22	FY 2022	Q1 E Mar-23	Q2 E Jun-23	Q3 E Sep-23	Q4 E Dec-23	FY2023 E
Margin Analysis													
Net income margin	39.5%	36.5%	43.7%	46.4%	41.4%	45.2%	44.1%	44.3%	44.6%	43.7%	43.9%	46.5%	44.7%
Net Interest margin	4.75%	4.02%	3.63%	3.2%	3.6%	4.0%	4.5%	3.8%	3.8%	3.9%	3.9%	4.3%	3.95%
Interest Income %	5.0%	4.2%	3.7%	3.3%	3.9%	4.1%	4.6%	3.9%	5.2%	5.2%	5.2%	5.2%	5.1%
Interest Expense %	0.4%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Net Provision Ratio	4.0%	8.3%	2.4%	2.5%	3.0%	1.9%	1.7%	2.2%	1.9%	1.7%	1.5%	1.5%	1.7%
Tax %	27.4%	27.5%	26.3%	25.7%	25.8%	26.0%	25.9%	25.9%	26.5%	26.5%	26.5%	26.5%	26.5%
Growth Rate Y/Y													
Interest and Dividend Income	14.5%	0.8%	21.3%	14.7%	34.7%	15.4%	33.4%	24.3%	31.1%	20.1%	3.4%	-3.3%	11.0%
Interest expense	41.3%	-29.7%	-7.5%	17.6%	14.7%	-9.4%	19.4%	9.9%	21.2%	25.3%	26.5%	-3.1%	16.2%
Net Income Interest after provision for loan losses	12.4%	-2.3%	30.1%	15.9%	34.6%	15.9%	34.0%	24.9%	32.2%	21.5%	3.4%	-3.1%	11.5%
Earnings Before Taxes	-17.3%	-6.7%	42.8%	24.8%	23.0%	12.3%	42.6%	25.2%	27.4%	27.8%	1.3%	2.8%	13.0%
Net Income	-25.2%	-6.7%	45.1%	28.8%	26.6%	9.9%	42.1%	25.9%	25.9%	26.7%	0.6%	1.9%	12.1%
Non Interest Income	-8.4%	4.0%	3.0%	55.3%	41.7%	27.6%	-12.2%	26.8%	-17.8%	-0.9%	3.4%	37.6%	2.1%
Non Interest Expense	51.0%	4.0%	9.7%	234.8%	244.5%	78.2%	27.5%	25.2%	13.2%	8.1%	6.0%	0.0%	6.6%

Source: Company Reports; Stonegate Capital Partners

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