



mikenello

PLUMAS BANCORP

INVESTOR PRESENTATION

UPDATED THROUGH JUNE 30, 2021

Forward Looking Statements Disclaimer



Forward-looking statements are based on management's knowledge and belief as of today and include information concerning Plumas Bancorp's possible or assumed future financial condition, and its results of operations, business and earnings outlook. These forward-looking statements are subject to risks and uncertainties. For a discussion of factors which could cause results to differ, please see Plumas Bancorp's reports on Forms 10-K and 10-Q as filed with the Securities and Exchange Commission and the Company's press releases. Readers should not place undue reliance on the forward-looking statements, which reflect management's view only as of the date hereof. Plumas Bancorp undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

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Plumas Bank Administration Building, Quincy

Overview*

NASDAQ Symbol: PLBC

Total Assets: \$1.5 billion

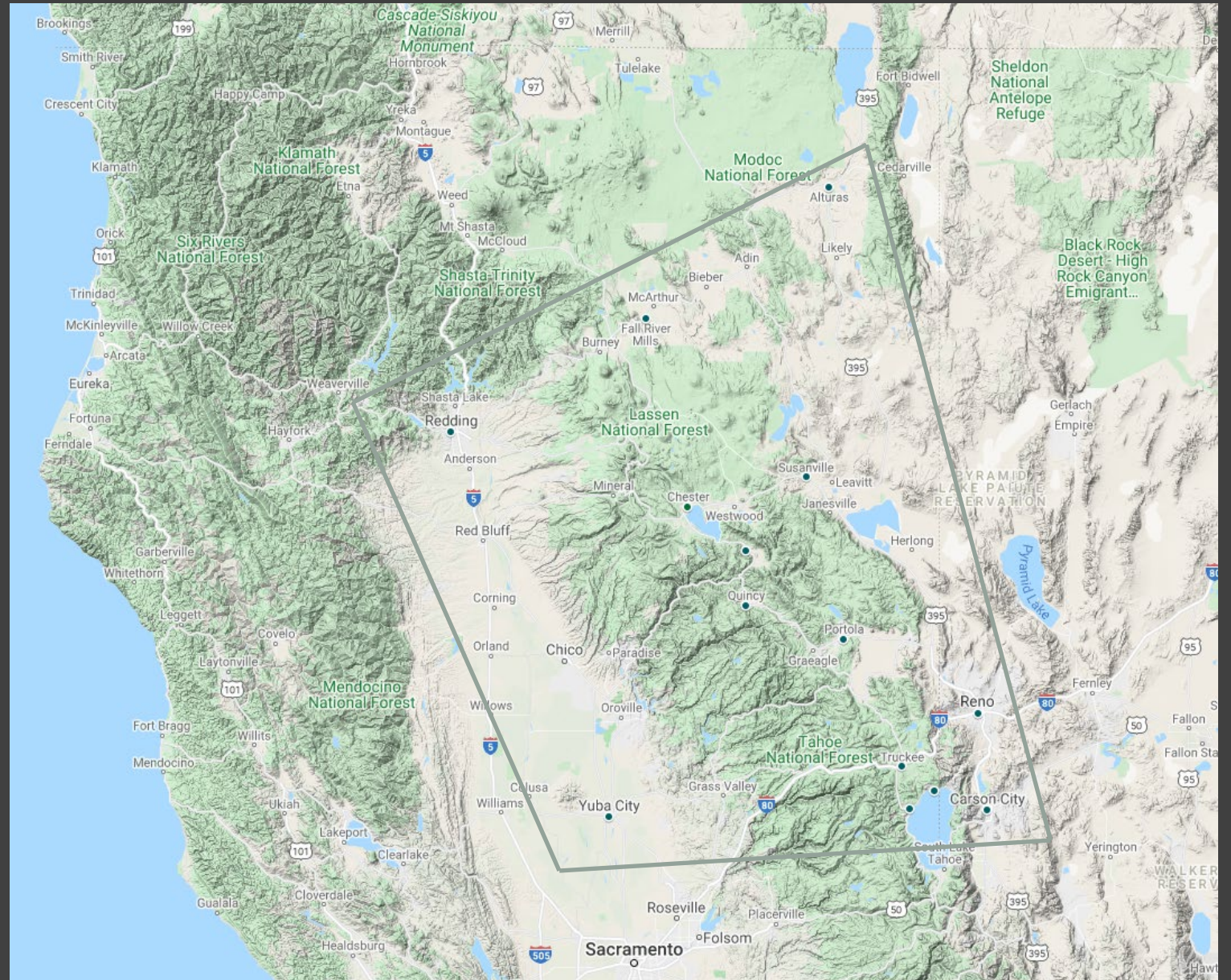
Headquartered: Quincy, CA

Bank Branches: 14

Year Established: 1980

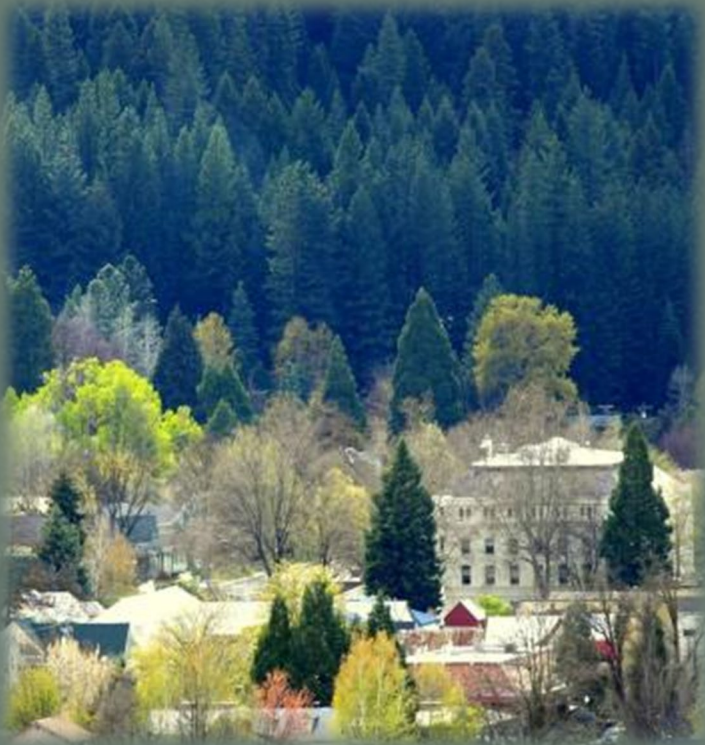


* Information as of Jul. 1, 2021





Management Team



Quincy

Andrew Ryback



President & CEO
Years at Plumas Bank – 20

Richard Belstock



EVP Chief Financial Officer
Years at Plumas Bank – 15

BJ North



EVP Chief Banking Officer
Years at Plumas Bank - 13

Aaron Boigon



EVP Chief Information Officer
Years at Plumas Bank - 8

Jeff Moore



EVP Chief Credit Officer
Years at Plumas Bank - 3



Business Model

- Branch network of 14 full-service branches and 2 lending offices.
- Predominant focus on personal service with a wide range of deposit products for the retail and commercial markets.
- Reduced costs by leveraging mobile and online banking services.
- Lending services include:
 - Business - term real estate, commercial, industrial term
 - Agricultural
 - Government-guaranteed
 - Retail - consumer, auto, home equity



Business Lending



Agricultural Lending



Government-Guaranteed



Retail Lending

Focus on small to middle market businesses.



Patterson Lake

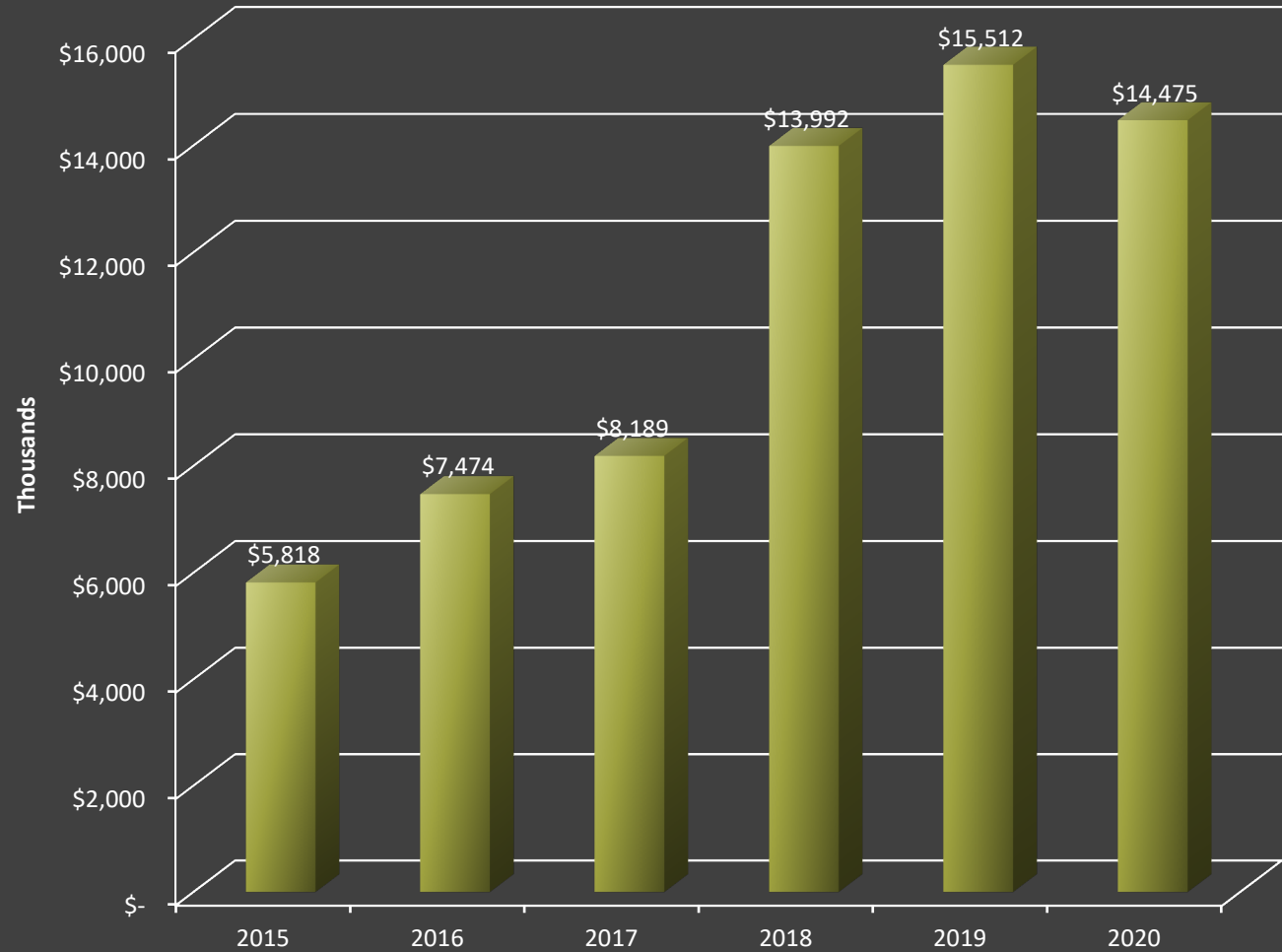
The Big Picture



Calpine Meadow

- Decline of 7% in 2020
- Net Interest Income increased by \$841 thousand
- Bank Net Interest Margin declined to 4.1% vs. bank peers at 3.50% in 4Q20*

Net Income



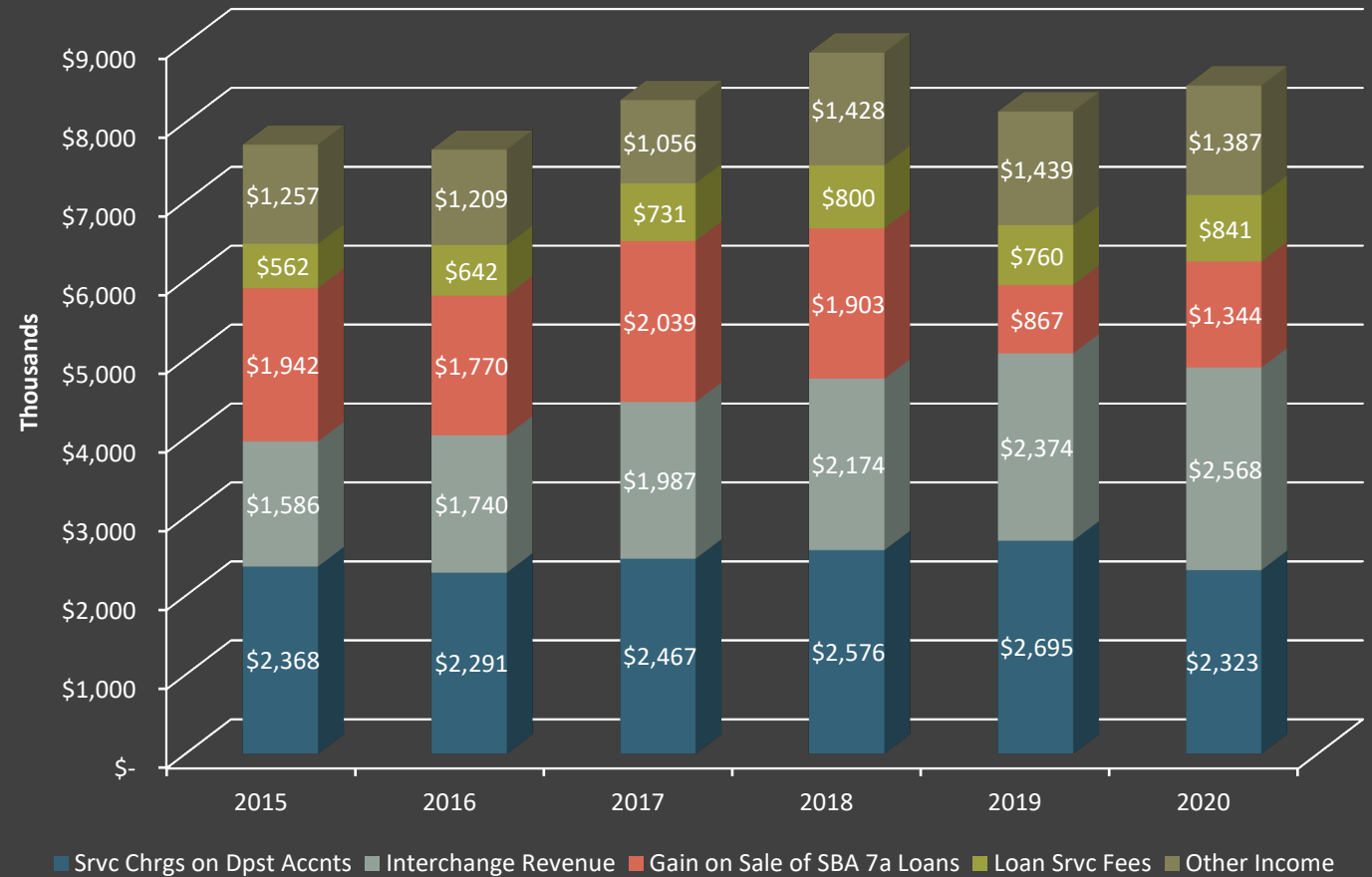


Burney Falls

- Non-Interest Income streams comprised primarily of:
 - Service charges on deposit accounts
 - Interchange revenue
 - Gains on sale of SBA loans
 - Loan servicing fees



Non-Interest Income



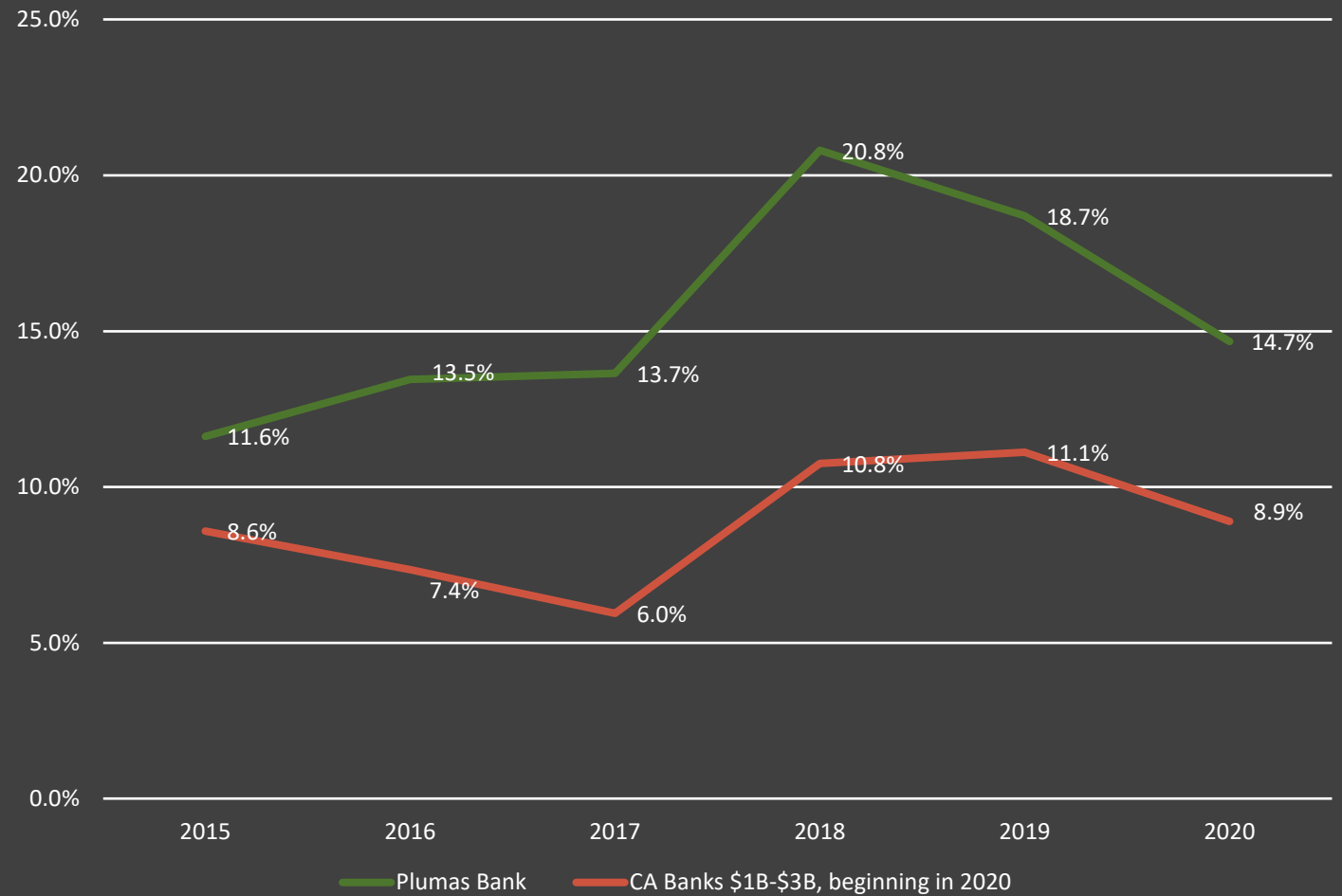


Spanish Creek

- ROE leads bank peers at 14.7% in 2020
- Strong earnings
- Efficient use of capital



Return on Bank's Equity



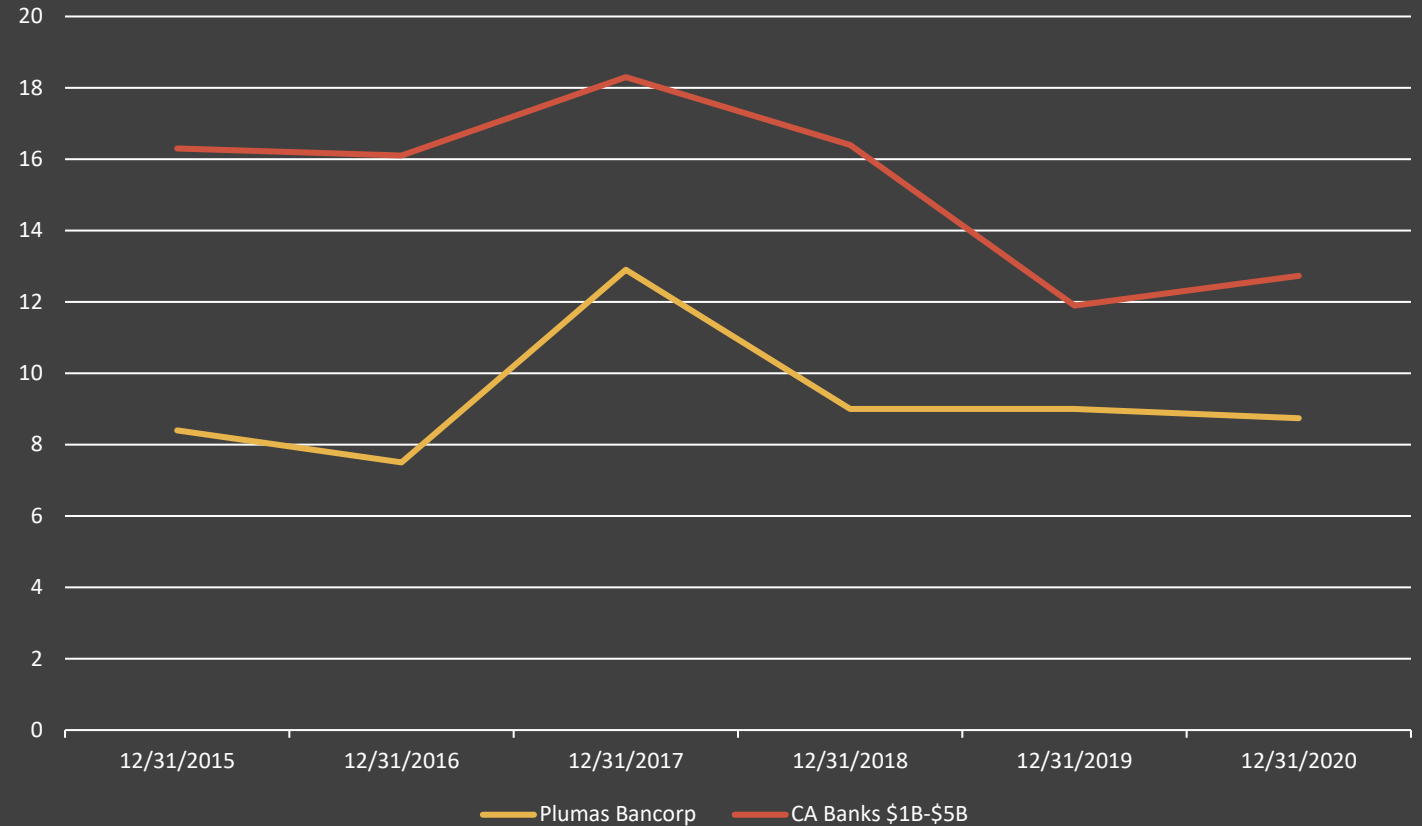


Lake Almanor

- CAGR of 29% on stock price over the past five years
- Attributable to:
 - Earnings growth
 - Asset quality improvement
 - Expense management
 - Capital management
 - Expansion opportunities
 - Re-establishment of growing dividend
- PE Ratio lags peers



Stock Price to Earnings per Share





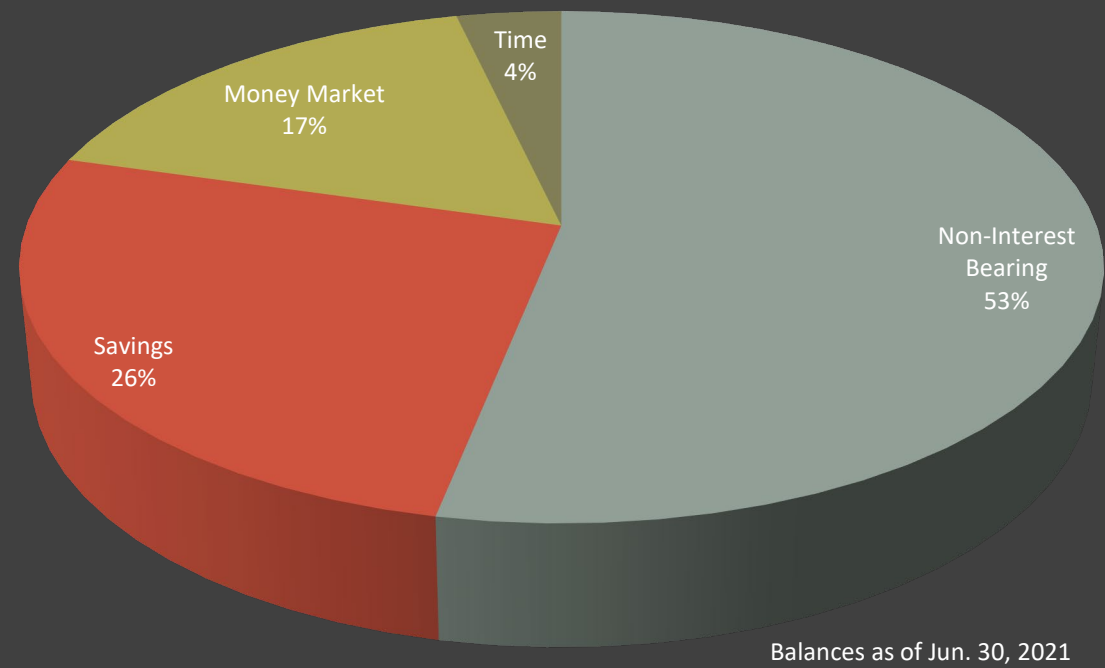
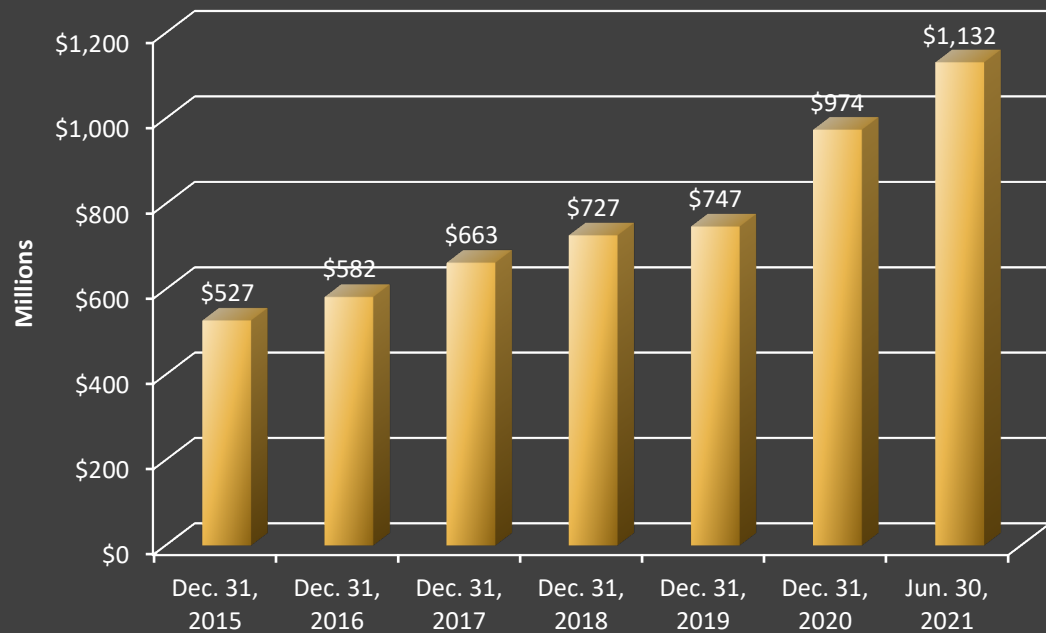
Mount Shasta

Deposits and Loans

Deposit Trends and Current Composition

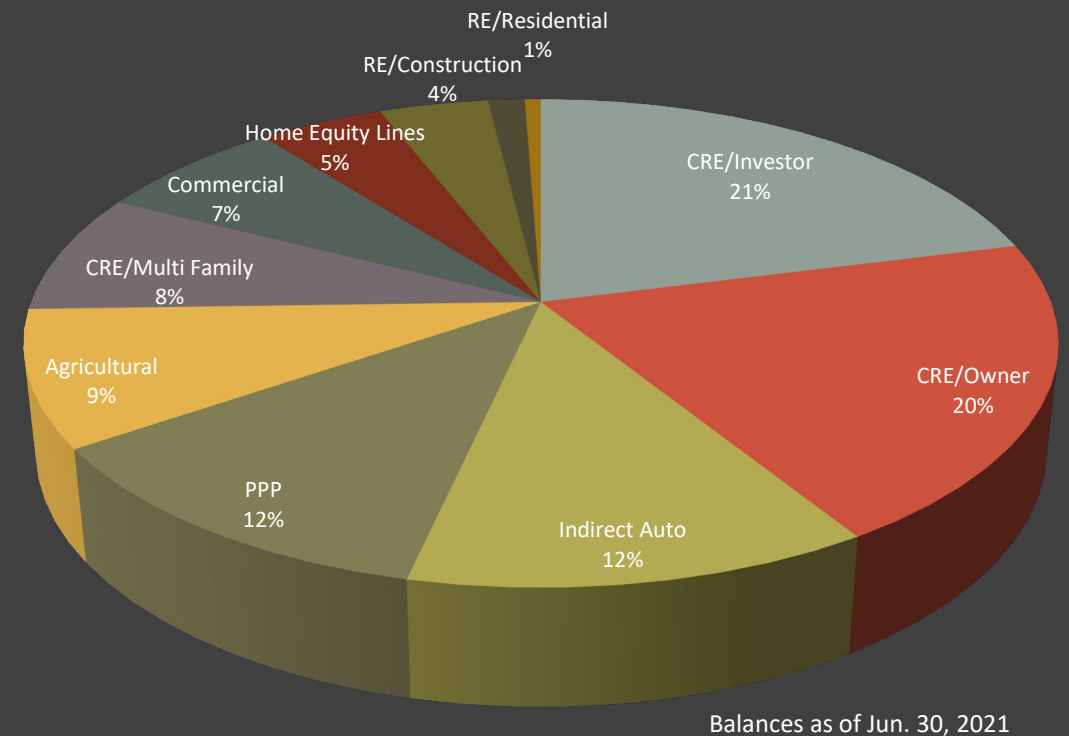
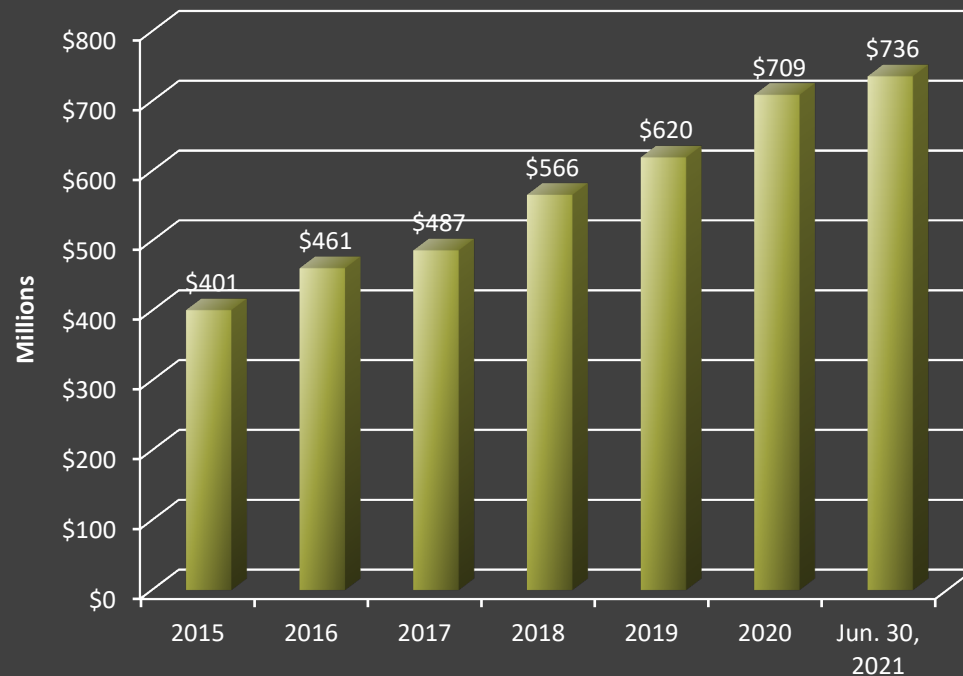
- Record level of deposits
- All core, no brokered deposits

- Average interest-bearing deposit rate is 0.14%

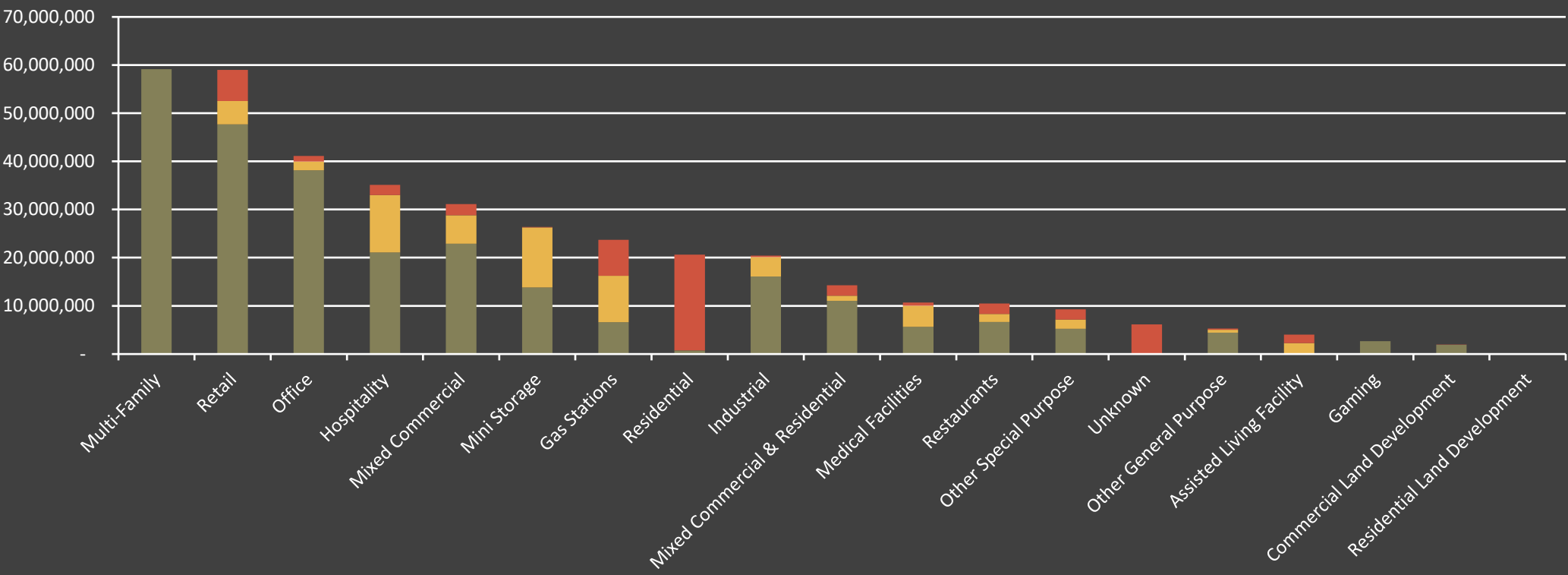


Loan Trends and Current Composition

- Record level of loan balances
- Portfolio average yield was 5.21% in 2021
- 68% of portfolio balance is variable rate, of which 47% are at a floor rate



Diversification of Commercial Real Estate Loans by Property Type



Includes CRE/Investor, CRE/Owner and CRE/Multifamily

■ CRE ■ SBA 504 ■ SBA 7a

Balances as of Jun. 30, 2021

Geographic Distribution of Commercial Real Estate Loans

CALIFORNIA AND NEVADA ECONOMIC REGIONS



CRE DISTRIBUTION BY REGION*

- 30% - NV - Western (pale green)
- 19% - CA - Northern Sacramento Valley (light green)
- 19% - CA - Northern (dark green)
- 15% - CA - Greater Sacramento (yellow)
- 4% - CA - Bay Area (pink)
- 4% - CA - Central Coast (orange)
- 4% - CA - San Joaquin Valley (chartreuse green)
- 2% - CA - Southern (blue)
- 2% - OR
- <1% - CA - Central Sierra (tan) & Southern Border (magenta)
- <1% - NV - Northwestern (pale blue), Northeastern (pale pink) & WA

* Includes CRE/Investor, CRE/Owner and CRE/Multifamily

Balances as of Jun. 30, 2021

Payroll Protection Program Loans

- 1,063 PPP loans outstanding with an average balance of \$83,000
- Total PPP loans originated - \$197 million
- Fees collected from the SBA - \$9.4 million
- Balance of unearned fees - \$4.1 million
- Balance of PPP loans at 6/30/21 - \$88 million
- Balance with a two-year maturity - \$14.6 million
- Balance with a five-year maturity - \$73.6 million

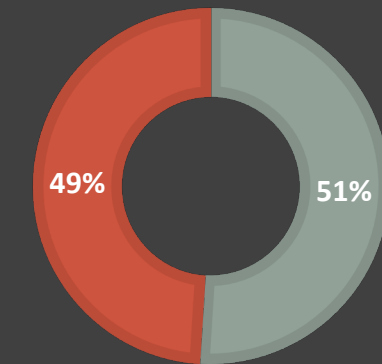
Balances as of Jun. 30, 2021

Indirect Automobile Loans

- Total automobile loans - \$91.6 million
- Average balance - \$22.4 thousand
- Average term at origination - 6.4 years
- Average FICO at origination - 732
- Delinquent loans as a percent of total by dollars – 0.90%

BALANCE BY LOAN TYPE

■ Used vehicle ■ New vehicle



Balances as of Jun. 30, 2021



Modoc County

Financial Recap

Second Quarter 2021 Financial Highlights



Reno, NV

Dollars in thousands (Except per share)	06/30/2021	06/30/2020	Change	% Change
Assets	\$ 1,267,935	\$ 1,036,864	\$ 231,071	22.3%
Deposits	\$ 1,131,757	\$ 903,992	\$ 227,765	25.2%
Loans	\$ 725,148	\$ 732,195	\$ 7,047	1.0%
Net Income	\$ 4,487	\$ 3,185	\$ 1,302	40.9%
Income Before Tax	\$ 6,229	\$ 4,391	\$ 1,838	41.9%
Net Interest Income	\$ 9,931	\$ 9,148	\$ 783	8.6%
Net Interest Margin	3.40%	4.01%	0.61%	15.2%
ROAA	1.45%	1.31%	0.14%	10.7%
ROAE	17.2%	14.0%	3.2%	22.9%
Book Value per Share	\$ 20.54	\$ 17.94	\$ 2.60	14.5%
Diluted EPS	\$ 0.85	\$ 0.61	\$ 0.24	39.3%

2020 Financial Highlights



Reno, NV

Dollars in thousands (Except per share)	12/31/2020	12/31/2019	Change	% Change
Assets	\$ 1,111,576	\$ 865,191	\$ 246,385	28.5%
Deposits	\$ 973,974	\$ 747,324	\$ 226,650	30.3%
Loans	\$ 709,939	\$ 619,718	\$ 90,221	14.6%
Net Income	\$ 14,475	\$ 15,512	\$ 1,037	6.7%
Income Before Tax	\$ 19,952	\$ 21,380	\$ 1,428	6.7%
Net Interest Income	\$ 38,396	\$ 37,555	\$ 841	2.2%
Net Interest Margin	4.02%	4.75%	0.73%	15.4%
ROAA	1.43%	1.82%	0.39%	21.4%
ROAE	15.5%	20.2%	4.7%	23.3%
Book Value per Share	\$ 19.33	\$ 16.36	\$ 2.97	18.2%
Diluted EPS	\$ 2.77	\$ 2.97	\$ 0.20	6.7%

2020 Financial Highlights – Five Year



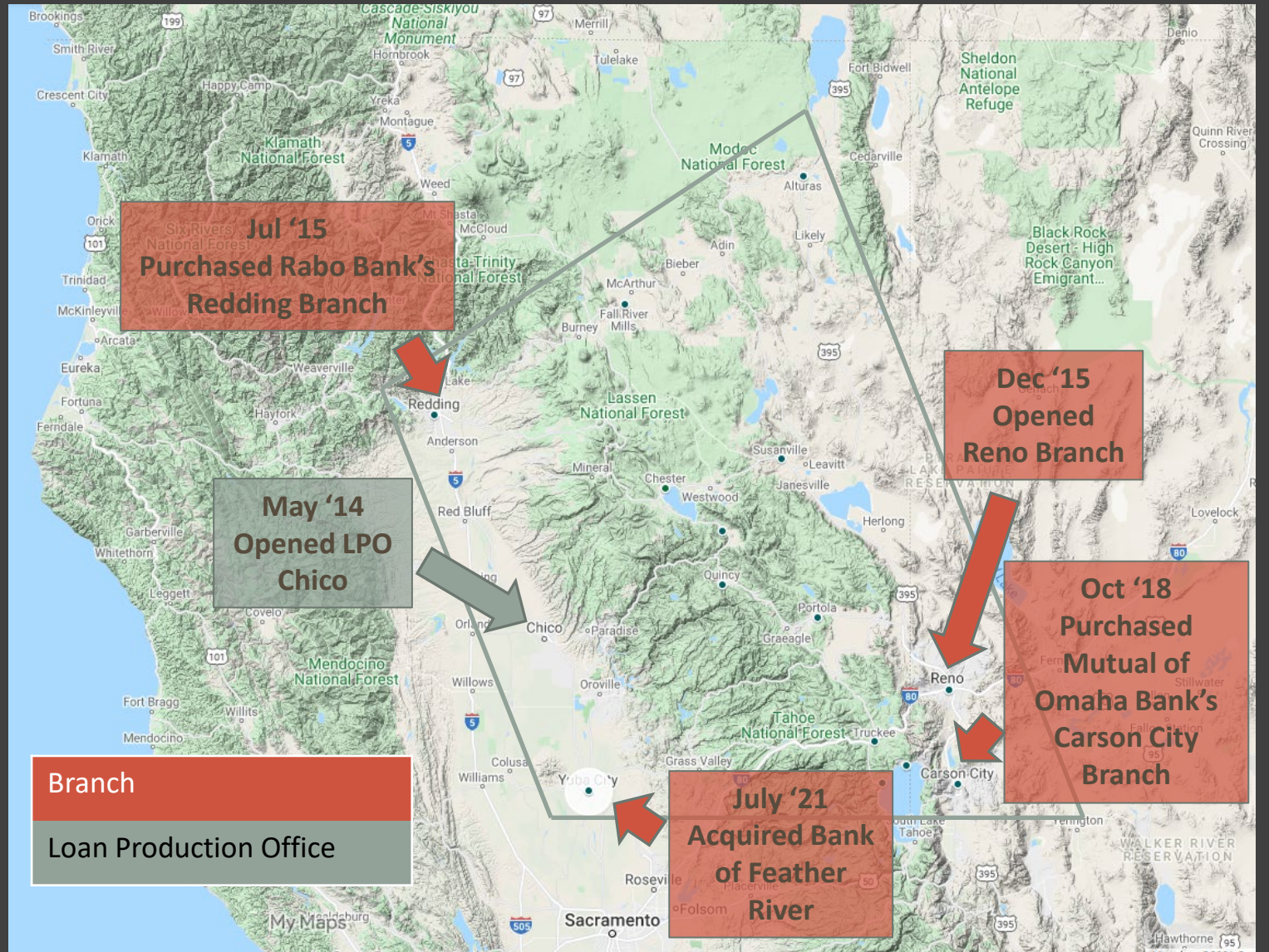
Sand Harbor, Lake Tahoe

Dollars in thousands (Except per share)	12/31/20	12/31/19	12/31/18	12/31/17	12/31/16	%
Assets	\$ 1,111,576	\$ 865,191	\$ 824,398	\$ 745,427	\$ 657,975	69%
Deposits	\$ 973,974	\$ 747,324	\$ 726,565	\$ 662,657	\$ 582,353	67%
Loans	\$ 709,939	\$ 619,718	\$ 566,199	\$ 486,634	\$ 461,123	54%
Nonperforming assets/total assets	0.27%	0.33%	0.28%	0.59%	0.53%	49%
Net Income	\$ 14,475	\$ 15,512	\$ 13,992	\$ 8,189	\$ 7,474	94%
Net Interest Margin	4.02%	4.75%	4.70%	4.35%	4.21%	5%
Efficiency ratio	50.6%	49.9%	52.0%	55.5%	58.9%	14%
ROAA	1.43%	1.82%	1.83%	1.18%	1.20%	19%
ROAE	15.5%	20.2%	23.3%	15.4%	16.1%	4%
Book Value per Share	\$ 19.33	\$ 16.36	\$ 13.03	\$ 11.00	\$ 9.80	97%
Diluted EPS	\$ 2.77	\$ 2.97	\$ 2.68	\$ 1.58	\$ 1.47	88%



Rainbow Bridge, Donner Summit

Recent Expansion Strategy

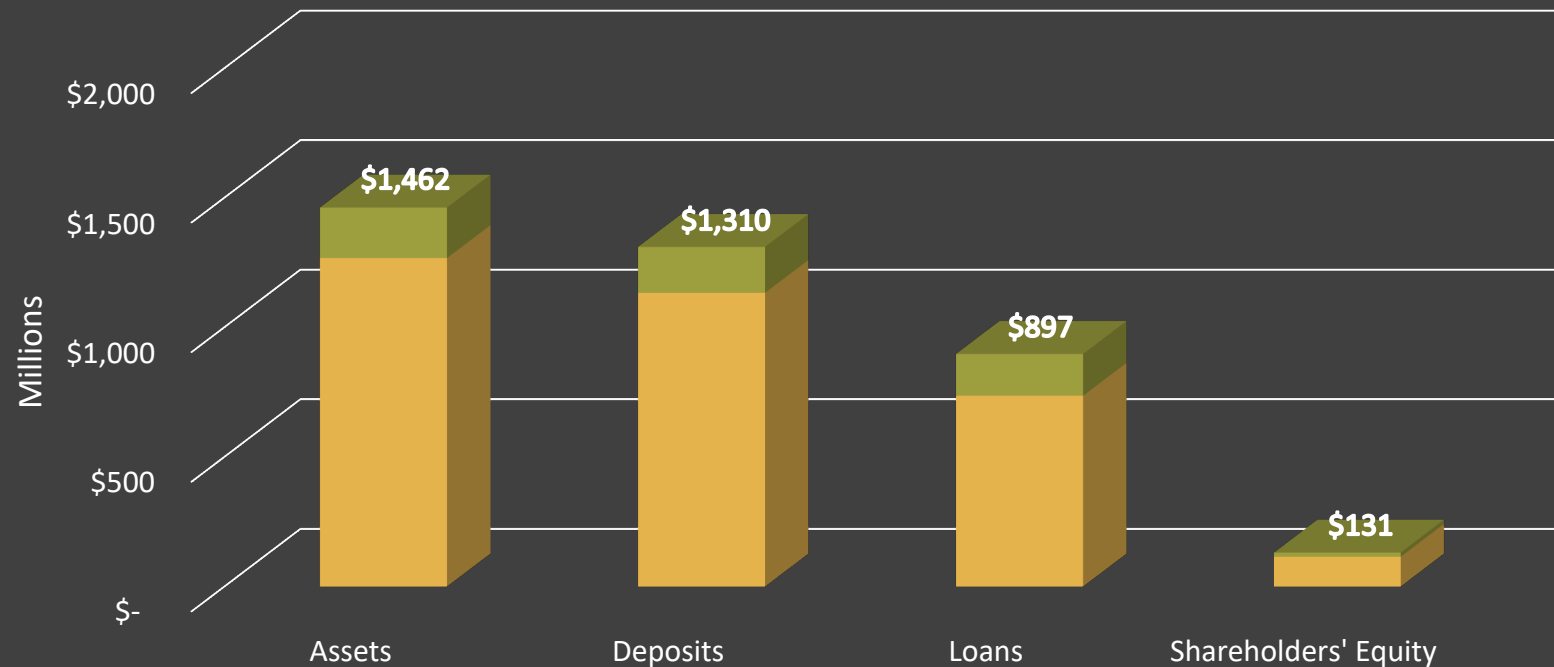




Bank of Feather River Acquisition

PLUMAS
BANCORP

Pro Forma Balances



	Assets	Deposits	Loans	Shareholders' Equity
Bank of Feather River *	13%	14%	18%	12%
Plumas Bank	87%	86%	82%	88%

Balances as of Jun. 30, 2021

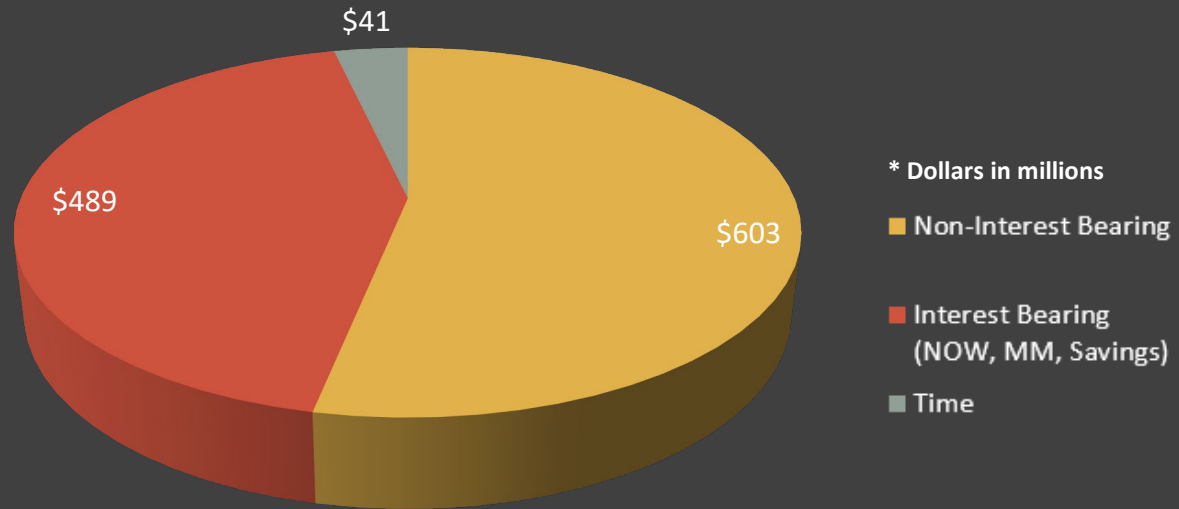
* Balance does not reflect fair value adjustments.



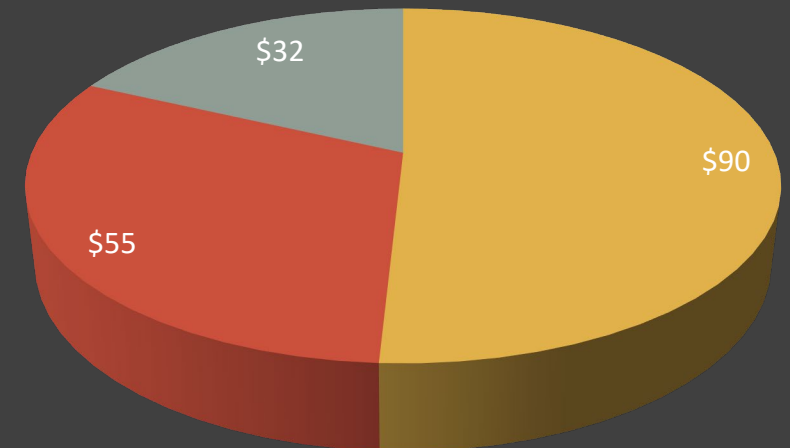
Feather River - Yuba

- BFR's cost of deposits at 6/30/21 was 0.2%.
- Plumas Bank's cost of deposits at 6/30/21 was 0.06%.
- Plumas Bank's loans to deposits ratio was 64.98% at 6/30/21. This low ratio will allow for expansion of BFR's lending portfolio.

Plumas Bank Deposits



Bank of Feather River Deposits

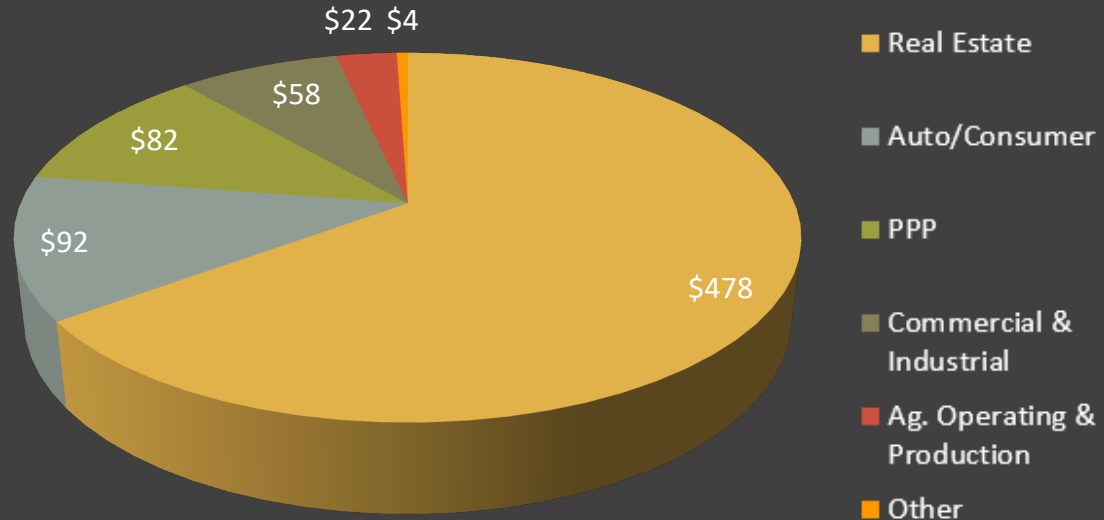




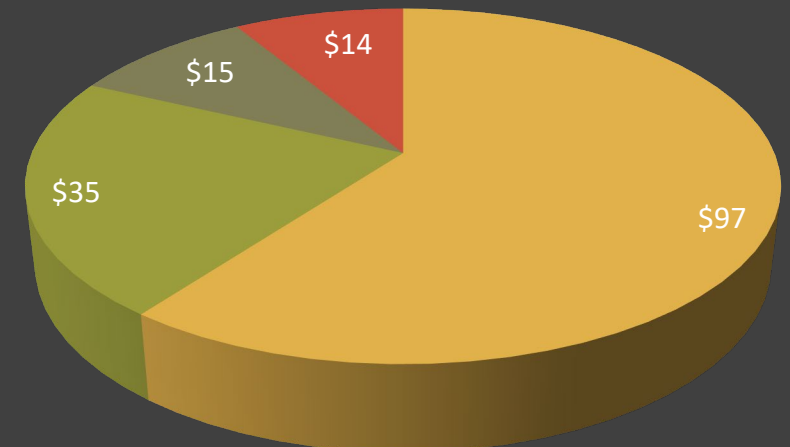
Feather River - Yuba

- Real estate loans comprised 60% of BFR's loan portfolio and 65% of Plumas' loan portfolio at 6/30/21.
- PPP loans comprised 22% of BFR's portfolio and 11% of Plumas' portfolio at 6/30/21.

Plumas Bank Loans



Bank of Feather River Loans





Lake Tahoe

Challenges

- Replacing PPP loans as balances are forgiven.
- Margin compression
- Director and Management succession
- Cybersecurity

Strengths

- Stable Management team
- Strong core deposits
- Diversified loan portfolio
- Non-Interest Income streams
- Capital management
- Positioned for opportunity in disrupted environment



Recent Plumas Bancorp & Plumas Bank Performance Based Awards



- ❖ Bankers Cup – Recognizing the top 10% of Community Banks
3rd Best Performing Community Bank in the Nation 2020
2nd Best Performing Community Bank in the Nation 2018-2019
5th Best Performing Community Bank in the Nation 2017

(publicly traded with assets between \$500 million and \$10 billion)

By Raymond James & Associates

- ❖ Sm-All Stars List of Top 30 Banks & Thrifts 2018-2020

(publicly traded on a major exchange with market cap below \$2.5 billion)

By Sandler O'Neill + Partners

- ❖ Top 100 Community Banks 2019
Top 2% of all Community Banks 2018

(with assets under \$3 billion)

By S&P Global Market Intelligence

- ❖ CB Top 10 – Recognizing the top 10% of Community Banks 2015-2020

(community banks with assets between \$500 million and \$5 billion)

By CB Resources, Inc.

- ❖ 'Super Premier' Performing Bank 2015-2020

By The Findley Reports

- ❖ Bison Select Financial Institution 2019-2020

(publicly traded banks without formal sell-side coverage)

By D.A. Davidson