

Dear Shareholders

Wow, what a quarter we have been through. We started the year with a very strong economy and looked to be on track for a good year as a nation. Then March came, and since then we have experienced unprecedented times. I hope all of you have remained well along with all your family and friends.

Our bank team has been extremely busy since the outbreak of the virus and the start of the government economic stimulus program. Our team, working days and nights as well as weekends, has disbursed 1,688 small business loans under the Paycheck Protection Program the government approved in early April. We loaned a total of \$174.1 million to small businesses in each of the markets we serve to help them keep people employed and to hopefully save their businesses. This equated to an average per loan amount of \$103 thousand.

As we start to open the economy back up, we all have a lot of work to do to bring our day to day lives back to a state of normalcy.

From a financial standpoint, the first quarter was a good one. Earnings for the quarter were \$4.9 million compared to \$2.3 million for the same period in 2019. This represents an increase of 113%. Much of the reason for an increase of this magnitude is the addition of the Wichita Falls team that transpired last year. The combination of the two banks is continuing to smooth out and we are working together well as a new team.

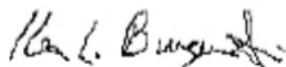
A couple of other important performance metrics are Return on Assets and Earnings Per Share. Return on Assets for the first quarter of 2020 was 1.15% compared to .83% in 2019. Earnings were \$.29 per share for 2020 vs. \$.17 per share for the first quarter of 2019. This reflects the true value to the shareholder of the combination of the two banks.

As you all know, the Annual Shareholders Meeting is coming up next week. Because of COVID-19, we will be holding a virtual Shareholder's Meeting. Our IT Team along with others have done an outstanding job of pulling this together in a short period of time. I think the exciting aspect is that we will be able to make it much easier for all shareholders to attend. As spread out as we are now, the Midland location made it very hard for many to attend.

You received information in your Shareholders package about registering for this on-line event. We will also be sending out an email reminder with a registration link if you missed the information in your package. However, please refer to the goldenrod-colored sheet in your package for the control number specific to you, which will allow you access to the meeting site. A test meeting will be held Monday, May 18th to let everyone sign in and work out any connection issues before the live meeting Tuesday, May 19th.

We hope to see all of you on-line next week.

Sincerely,



Ken L. Burgess, Jr.
CEO