PSB HOLDINGS, INC.

RAYMOND JAMES

Raymond James US Bank Conference

September 3-4, 2025

PSB HOLDINGS, INC.

Cautionary Note Regarding Forward-Looking Statements

Certain matters discussed in this presentation, including without limitation those relating to potential loan and deposit growth, future profits, changes in noninterest income and expenses, pro-forma impacts to income from non-recurring or unusual income and expense items, merger and acquisition activity, and future interest rates, are forward-looking statements and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks and uncertainties which may cause results to differ materially from those set forth in this presentation. Among other things, these risks and uncertainties include the strength of the economy, the effects of government policies, including, in particular, interest rate policies, the benefits and risks associated with acquisition activities, and other risks and assumptions. Risk and uncertainties also include the effect of the pandemic, including the bank's credit quality and business operations, as well as its impact on general economic and financial market conditions. PSB Holdings, Inc. assumes no obligation to update or supplement forward-looking statements that become untrue because of events subsequent to this release.

PSB HOLDINGS, INC.

About PSB Holdings Inc.
Peoples State Bank

Management Team



Scott M. Cattanach has served as President & Chief Executive Officer of PSB Holdings, Inc. ("PSB") and Peoples State Bank ("Bank") since 2018. Mr. Cattanach previously served as Chief Financial Officer of PSB and the Bank from 2002 through 2017. Mr. Cattanach joined Peoples after serving community banks for 11 years as a CPA with Wipfli LLP and has 30 years of experience leading banks to increased earnings with manageable and appropriate risks. He currently serves as Treasurer of the Greater Wausau Prosperity Partnership, an initiative of the Chamber of Commerce to promote economic develop in the Wausau, Wisconsin area, a director of the NTC Foundation, and a member of the Bridge Street Mission fundraising committee. His past volunteer experience includes director and officer roles with the Community Foundation of Northcentral Wisconsin, Christian Life Communications, Inc. (WCLQ Radio 89.5 FM), and the Marathon County United Soccer Club.

Phone: 715.847.4020 *E-Mail:* scott.cattanach@bankpeoples.com

INs



Jessica M. Brown Secretary and Treasurer of PSB Holdings, Inc. and Executive Vice President and Chief Financial Officer of Peoples State Bank. Prior to joining Peoples in June of 2022, Ms. Brown was Chief Financial Officer of a $5B financial institution. She has also held multiple financial leadership roles in banks of various sizes (including Associated Bank) and has spent more than a decade working as a CPA in public accounting practice (both at a regional and national firm). Ms. Brown has more than 25 years of collective experience working with and for financial institutions. She currently serves as a Board member and Treasurer of the Women's Fund of the Fox Valley. Ms. Brown is an Executive Committee member and Treasurer for LEAVEN and serves on the Finance Committee for Habitat for Humanity (Fox Valley). Jessica is passionate about financial literacy and currently serves on the WBA's Financial Literacy Board.

Phone: 715.847.4100 *E-Mail:* jessica.brown@bankpeoples.com



Erik A. Rajek is Executive Vice President and Commercial Group Leader of PSB Holdings, Inc. In September 2024, Mr. Rajek was appointed leader of the PSB commercial banking team for loan origination and treasury management services. He joined Peoples in 2022 as Chief Credit Officer and built the bank's Small Business Administration (SBA) 7a guaranteed commercial loan program. He has more than two decades of experience in commercial loans and credit work. His experience includes working on U.S. Small Business Administration (SBA) loans and as a business development officer. Mr. Rajek currently serves as a Board Member of Habitat for Humanity of Wausau, Chair of the Finance Committee for The Neighbors Place, and as an Advisory Board Member for WBD Inc.

Phone: 715.847.4043 *E-Mail:* erik.rajek@bankpeoples.com

Overview

Company Overview

- PSB Holdings, Inc. ($1.5 billion in assets) is the parent company of Peoples State Bank, a community bank headquartered in Wausau, Wisconsin, serving northcentral and southeastern Wisconsin from twelve full-service banking locations. PSB Holdings, Inc. has the **leading community bank market share in deposits in northcentral Wisconsin**.

- PSB Holdings, Inc. is focused on continuing to build full banking relationships with business customers. The strong underwriting process for new loans remains consistent with prior historical underwriting which delivered **lower than peer net charge-offs and credit costs**.

- During 2024, opened a new branch office in downtown Milwaukee making 3 locations in greater Milwaukee area. During 2023, converted Stevens Point, WI LPO to full-service branch location. In 2021, PSB Holdings, Inc. completed the acquisition of Waukesha Bankshares, Inc., in the western Milwaukee, WI market.

- Ranked #1 in Wisconsin for SBA 504 lending through WBD, Inc in 2021. In 2023 expanded internal SBA 7a program capabilities. For 2024, we were a **top-25 lender by volume in the state of Wisconsin**.

- PSB Holdings, Inc. is traded under the stock symbol "PSBQ" on the OTCQX – Best Market Exchange. Investor information may be found at www.psbholdingsinc.com.

Focused Management

Award Winning Service

- **Shareholder focused** – American Banker Magazine "Top 200 Community Banks" list in 2023 for 14 consecutive years based on 3-year average return on equity

- **Customer focused** – – Peoples State Bank voted "Best Bank" and Best Mortgage Lending Company" in Marathon County and Portage County in 2025. It's the 14th year in a row that Peoples has secured best bank in Marathon County. Peoples voted Top Choice Finalist for "Best Financial Planning Services" and "Best Mortgage Lending Company" in Milwaukee County in 2025.

- **Employee focused** – American Banker Magazine voted "Best Bank to Work For" by its staff for the past 6 years

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2025-2028 Strategy

Goal: Support local market economic growth with customer focused independent banking that also meets the changing needs of our diverse and transitioning shareholder base that requires a competitive return on their investment.

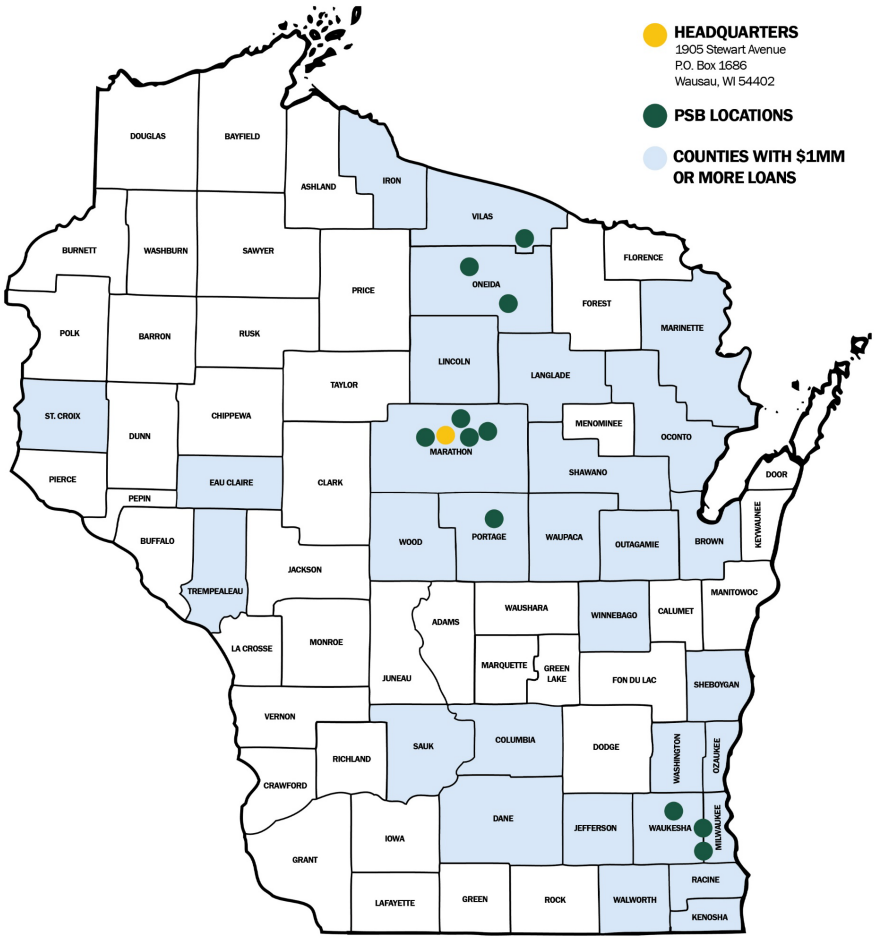
Plan: Grow in asset size and profitability to build company market value large enough to join the NASDAQ and Russell 2000 Index to provide needed generational liquidity and pricing multiples required for independence compared to a sale of control.

- ✓ $2.1B assets by December 2028 (8% CAGR +200MM assets M&A)
- ✓ $21 million net income in 2028 (1% ROA)
- ✓ Targeted Russell 2000 valuation need ~ $185 million

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Current Focus

- Continue building full banking relationships with current and prospective business customers in Wisconsin with credit spreads driven by the extent of deposit relationships
- Disciplined acquisition strategy: Explore small bank acquisitions to accelerate growth
- Manage liquidity to properly support balance sheet growth, acquisitions and share repurchases
- Disciplined outreach to commercial customers with our defined target customer to increase deposits through Treasury Management and Private Banking
- Expand SBA 7a loan program to join robust SBA 504 program
- Modernize our retail presence by refreshing deposit offerings and delivering more profitable mortgage lending platform
- Through organic growth or acquisition, prepare for SEC registration and NASDAQ Capital Market listing.



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Gaining Momentum in 2025

Positive Financial Trends continue…

- ✓ Loan growth of $31MM in first half of 2025
- ✓ NIM expansion and improvement (2.84% for Q2 2024 versus 3.09% for Q2 2025)
- ✓ Earnings per share; record setting results of $0.89 per diluted share in Q2 2025
- ✓ Tangible net book value per share improved to record-setting $27.77 at 6/30/25
- ✓ Unrealized loss rollback (after tax) of $3.6MM (or $0.88 per share) in first half of 2025

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Nonperforming Assets – Improvements Expected

Nonperforming Assets >= $500,000 net book value before specific reserves
At June 30, 2025
(dollars in thousands)

Collateral Description	Asset Type	Gross Principal	Specific Reserves
Real estate - Recreational facility	Nonaccrual	3,940	145
Real estate - Equipment dealership	Nonaccrual	2,708	560
Real estate - Non owner occupied rental properties	Nonaccrual	4,227	0
Real estate - Wood products	Nonaccrual	1,707	271
Total listed nonperforming assets		$ 12,582	$ 976
Total bank wide nonperforming assets		$ 15,641	$ 1,180
Listed assets as a % of total nonperforming assets		80%	83%

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Northcentral Wisconsin Employment Base

	Central Region		Northern Region				Southeast Region				
Industry	Marathon	% of Total	Oneida	Vilas	Total	% of Total	Waukesha	Milwaukee	Total	% of Total	All of WI
All Industries	70,785	100.0%	16,385	7,986	24,371	100.0%	250,238	470,403	720,641	100.0%	100.0%
Manufacturing	18,162	25.7%	1,589	487	2,076	8.5%	41,979	46,768	88,747	12.3%	15.6%
Education and Health Services	14,336	20.3%	4,217	1,127	5,344	21.9%	45,823	143,094	188,917	26.2%	23.3%
Trade, Transportation, and Utiliti	13,973	19.7%	4,232	1,677	5,909	24.2%	53,453	78,679	132,132	18.3%	19.7%
Leisure and Hospitality	6,286	8.9%	2,019	2,337	4,356	17.9%	22,045	50,027	72,072	10.0%	9.8%
Professional and Business Service	5,745	8.1%	830	478	1,308	5.4%	35,071	69,338	104,409	14.5%	11.2%
Financial Activities	3,993	5.6%	510	289	799	3.3%	14,678	27,834	42,512	5.9%	5.3%
Construction	3,032	4.3%	870	697	1,567	6.4%	19,747	13,481	33,228	4.6%	4.8%
Public Administration	2,095	3.0%	1,121	615	1,736	7.1%	6,197	19,674	25,871	3.6%	4.7%
Other Services	1,451	2.0%	590	134	724	3.0%	8,007	13,682	21,689	3.0%	2.8%
Natural Resources and Mining	1,216	1.7%	168	66	234	1.0%	713	86	799	0.1%	1.1%
Information	496	0.7%	239	79	318	1.3%	2,525	7,740	10,265	1.4%	1.7%

Source: Job Center of Wisconsin. Data as of December 2024.

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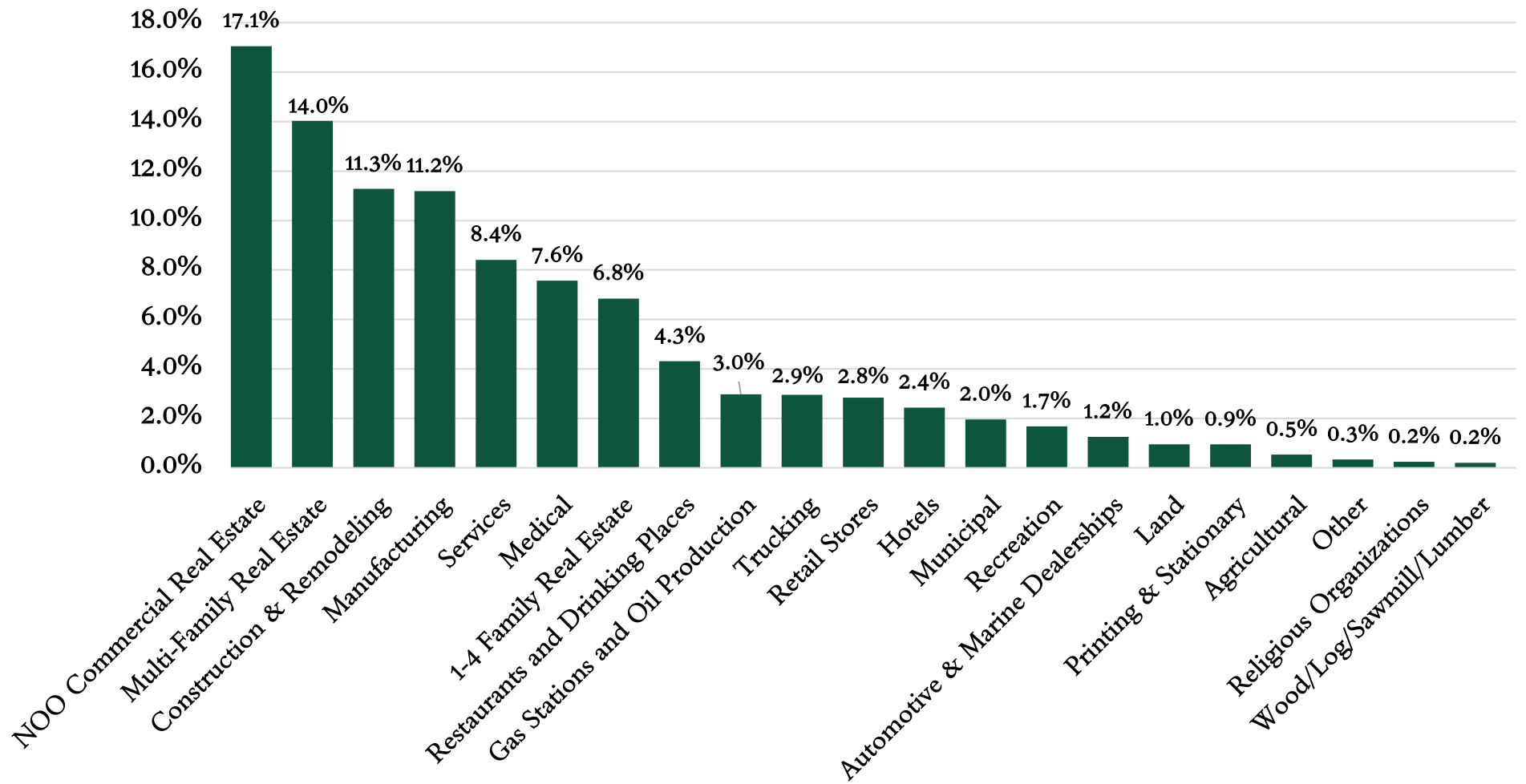
Business Model Strengths

- Strong loan growth and momentum in our Milwaukee markets
- History of strong earnings with consistent dividend growth
- Margin improving in an uncertain economic environment
- Deposit base stability and depth (strong liquidity)
- Operating expense/average assets ratio outperforming our peers (LTM 2.27% for PSBQ vs a median of 2.52% for $1B-$3B publicly traded peers)
- Well-diversified loan portfolio with strong asset quality supported by conservative underwriting
- In 2023, the current Wisconsin state budget included a provision offering an income tax exclusion on income earned from commercial loans of $5 million or less. The statutory tax rate will be reduced from 27.4% to 21.0%.

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Industries Served

(Percentage of total commercial related loan commitments as of June 30, 2025)



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Opportunities

More Economic Upside than Downside.

Economic Risks Already Imbedded in Current Stock Price:

1. Through organic growth or acquisition, the Company's market capitalization continues to move closer to minimal threshold for inclusion in the **Russell 2000**.
2. Net interest margin is expected to increase during 2025 as the pace of loans repricing to current interest rates and new loans added to the portfolio better matches with increases in deposit funding costs.
3. Credit and charge-off costs are expected to remain better than industry due to conservative underwriting practices and very little exposure in commercial office buildings.
4. Customer loan demand remains better than expected, with stronger lender pricing power across the industry.
5. In addition to OTCQX market makers, the Company maintains a consistent share buyback program to provide liquidity for shareholder stock sales.

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Shareholder Focus

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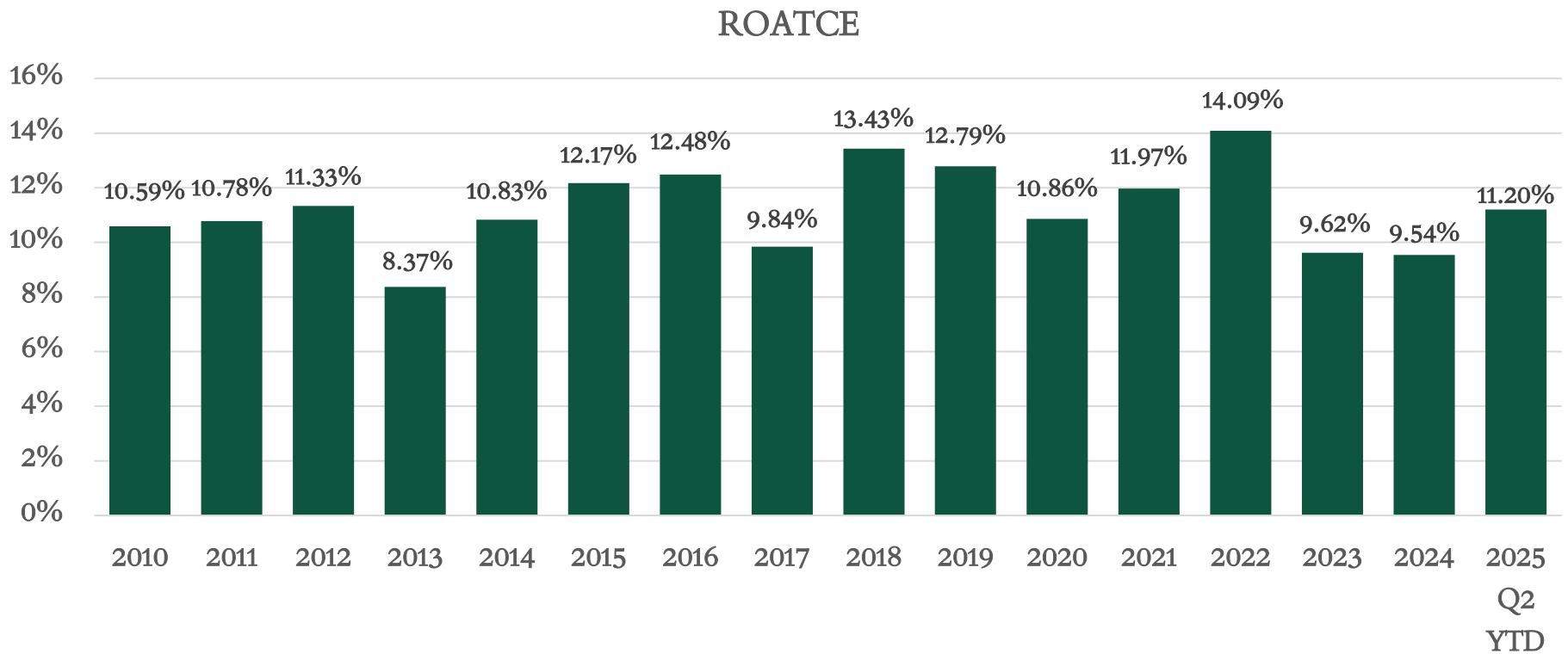
Key Data at a Glance

(Dollars in Thousands)	2020	2021	2022	2023	2024	2025 Q2YTD
Total Assets	$1,131,955	$1,298,711	$1,337,689	$1,424,100	$1,465,956	$1,506,617
Total Loans	$821,910	$879,398	$961,865	$1,078,705	$1,078,421	$1,109,645
Total Deposits	$932,137	$1,105,240	$1,148,755	$1,141,802	$1,147,349	$1,177,542
Tangible Common Equity	$104,312	$108,187	$91,819	$99,273	$106,350	$112,251
ROAA	1.01%	1.03%	1.05%	0.69%	0.71%	0.87%
ROATCE	10.86%	11.97%	14.09%	9.62%	9.54%	11.20%
Net Interest Margin	3.19%	3.30%	3.28%	2.98%	2.88%	3.06%
Efficiency Ratio	54.17%	61.95%	61.41%	66.16%	71.66%	67.81%
NPA/Assets	0.90%	1.06%	0.48%	0.42%	0.71%	1.04%
NCO/Avg Loans	0.21%	-0.04%	-0.01%	-0.02%	0.01%	0.01%
EPS (LTM)	$2.40	$2.88	$3.07	$2.16	$2.37	$1.49
Tangible Common Book Value Per Share	$23.43	$24.36	$21.37	$23.84	$25.98	$27.77
Annualized Dividends Per Share	$0.42	$0.46	$0.50	$0.60	$0.64	$0.68
Price Per Share	$20.57	$26.05	$21.90	$22.11	$26.50	$23.89
Market Capitalization ($000)	$91,584	$115,671	$94,110	$92,082	$108,464	$96,553
Price/LTM EPS	8.6x	9.0x	7.1x	10.2x	11.2x	8.2x
Price/Tangible Book	87.8%	106.9%	102.5%	92.8%	102.0%	86.0%
Dividend Yield	2.04%	1.77%	2.28%	2.71%	2.42%	2.85%

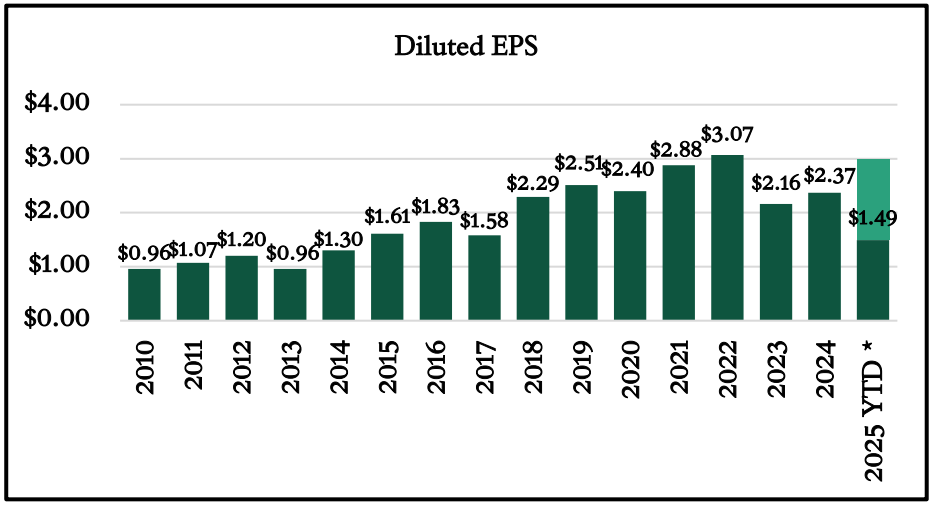
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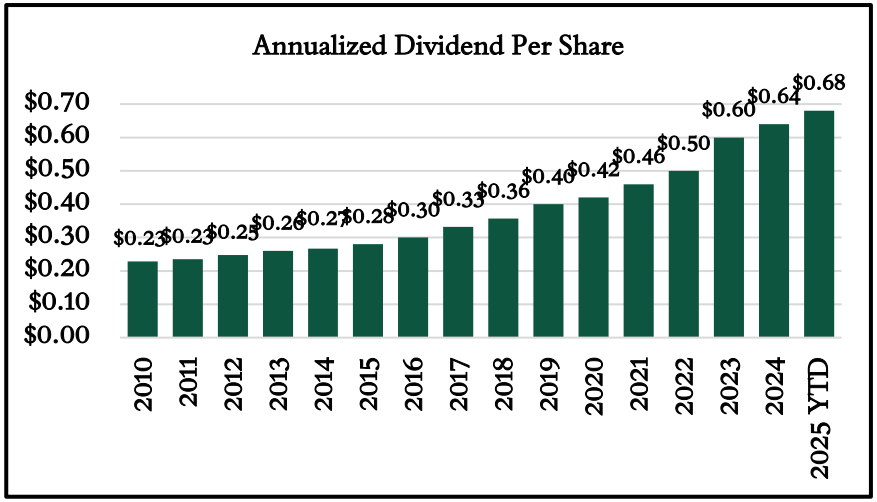
History of Strong Returns

History of Returns



Per Share Trends

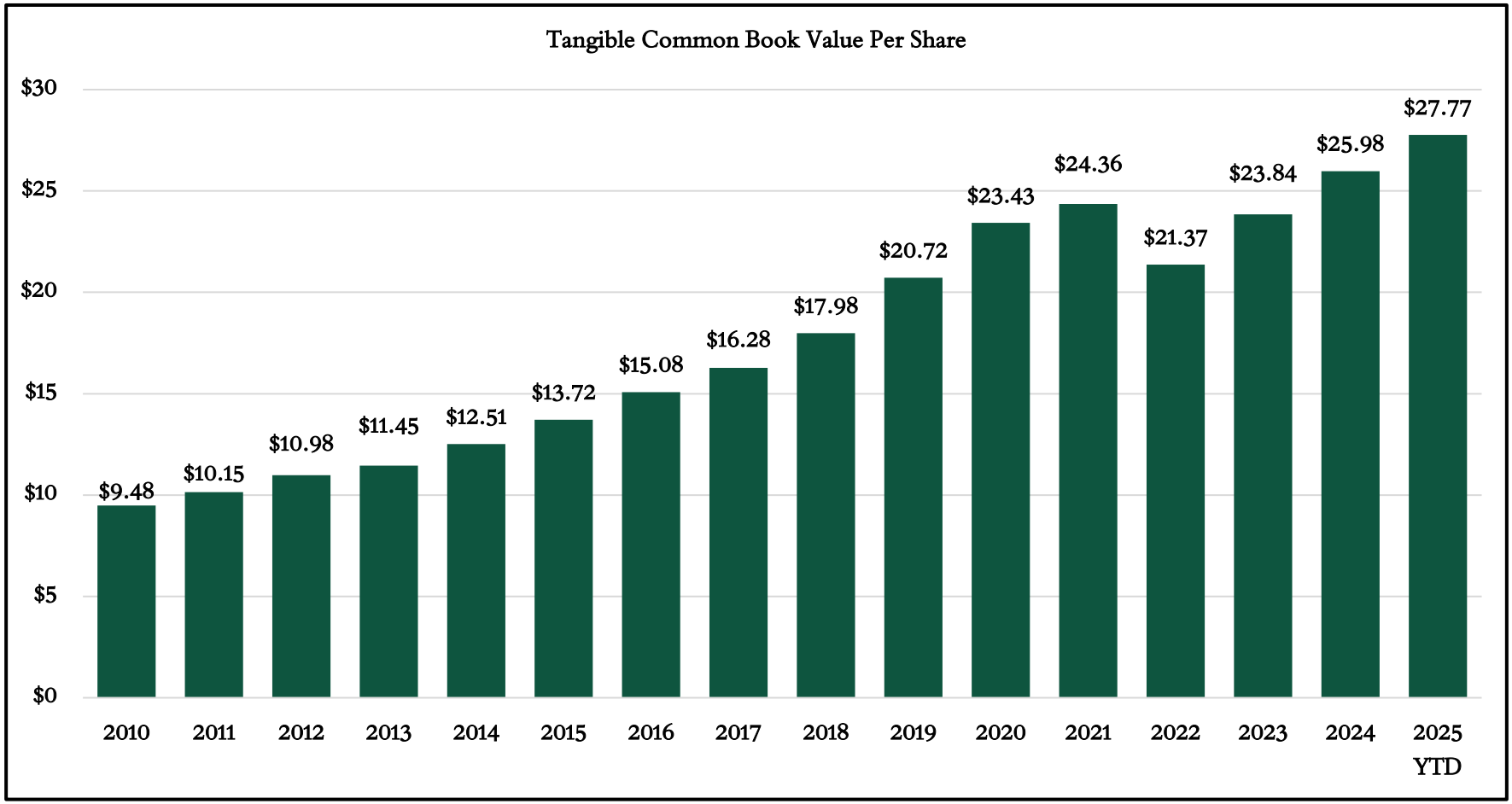




*Annualized

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Per Share Trends

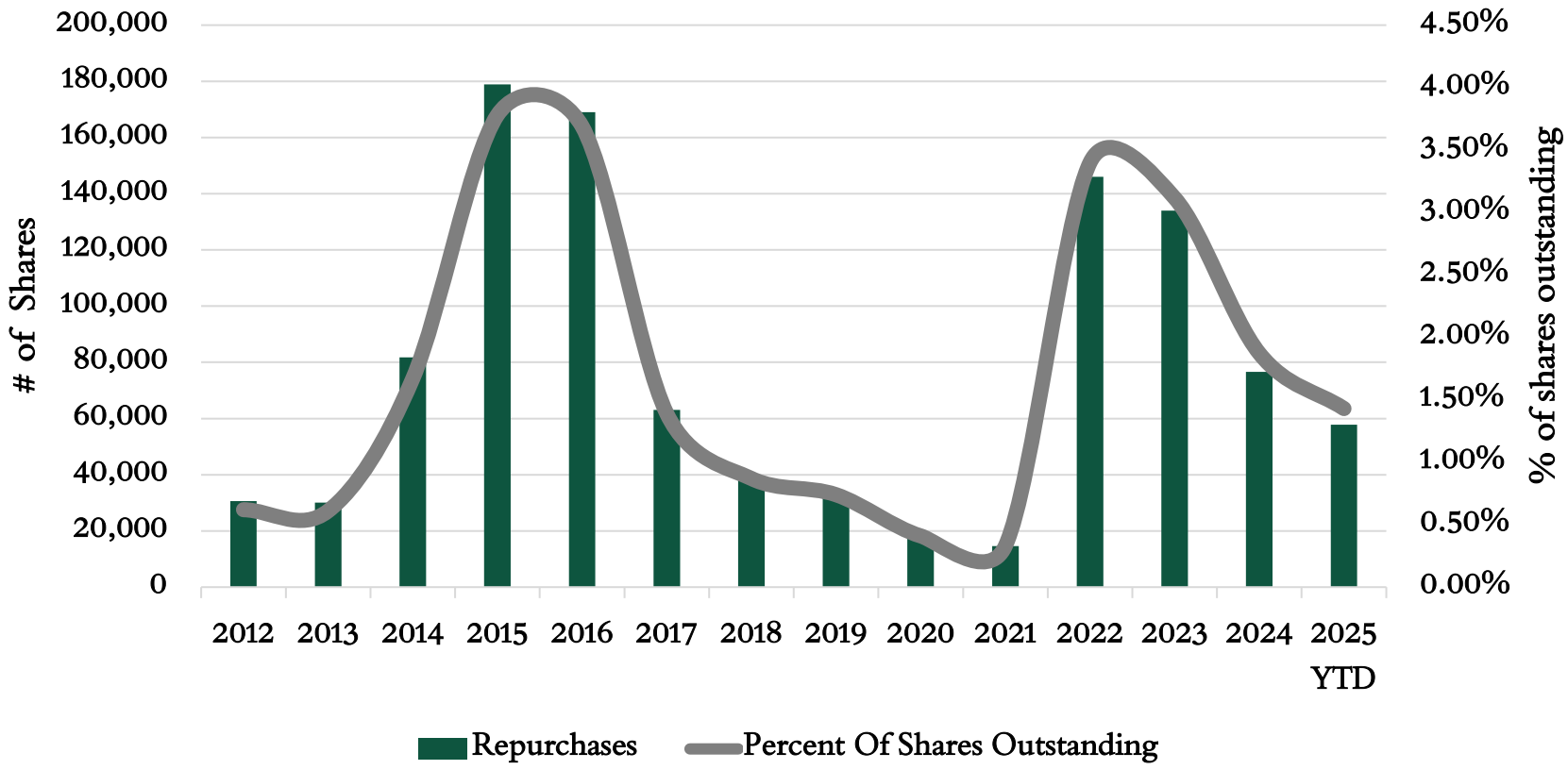


	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 YTD
AOCI Impact	$0.51	$0.39	$0.28	($0.07)	($0.13)	($0.02)	($0.16)	($0.15)	($0.37)	$0.29	$1.00	$0.14	($5.64)	($4.97)	($4.72)	($3.90)

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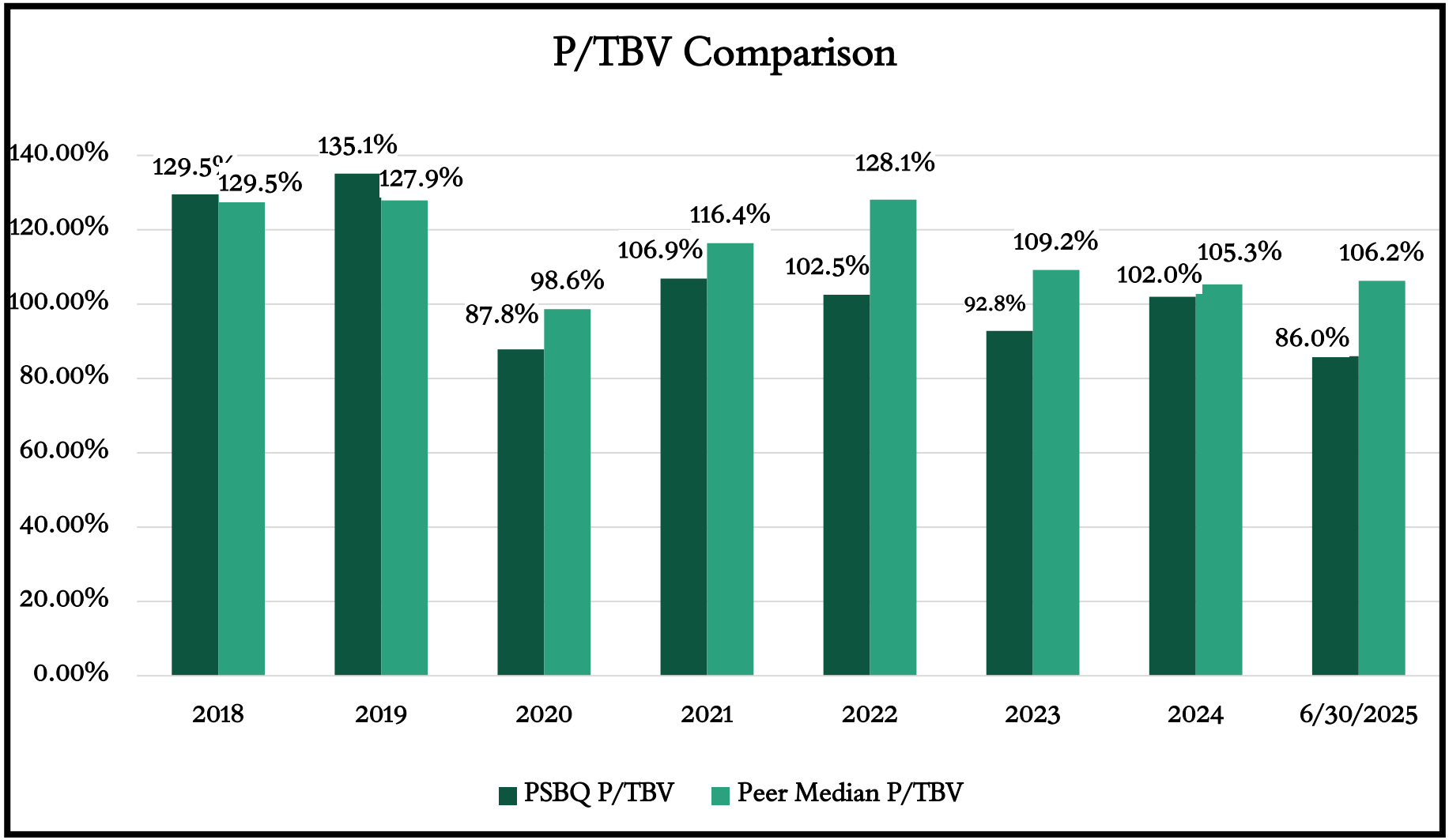
Capital Management Strategies

Actively Support Liquidity with Stock Repurchases



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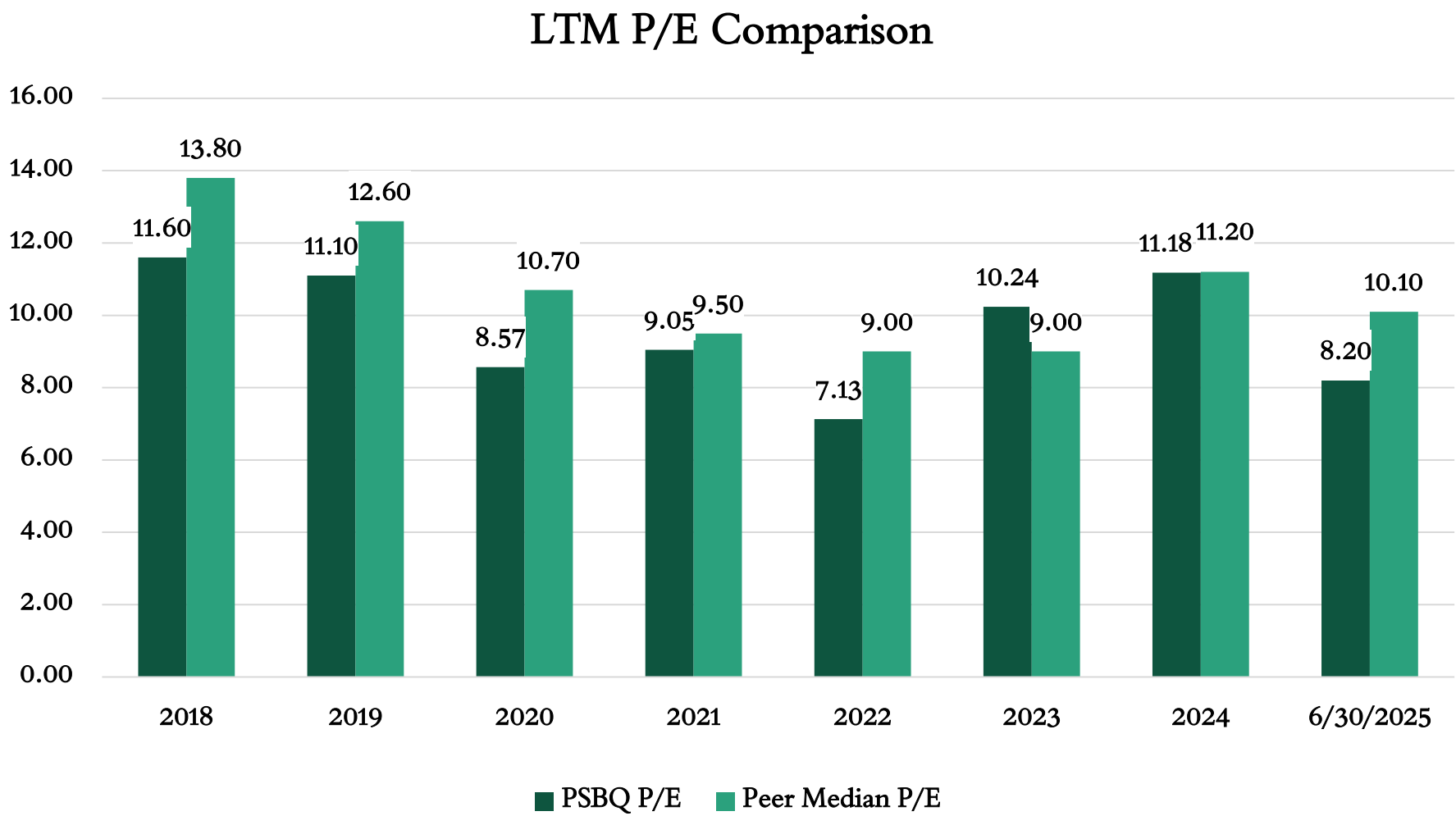
P/TBV Comparison



Peers include all publicly-traded financial institutions with assets between $1.0 billion and $3.0 billion at 06/30/25. 6/30/25 pricing as of Aug 21, 2025.

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P/E Comparison



Peers include all publicly-traded financial institutions with assets between $1.0 billion and $3.0 billion at 06/30/25. 6/30/25 pricing as of Aug 21, 2025.

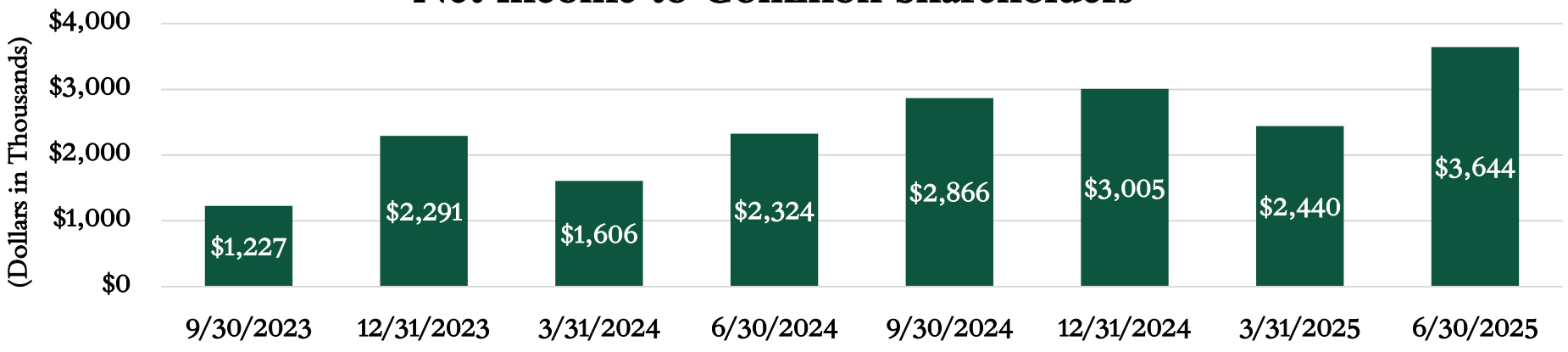
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Appendix: Historical Financial Trends

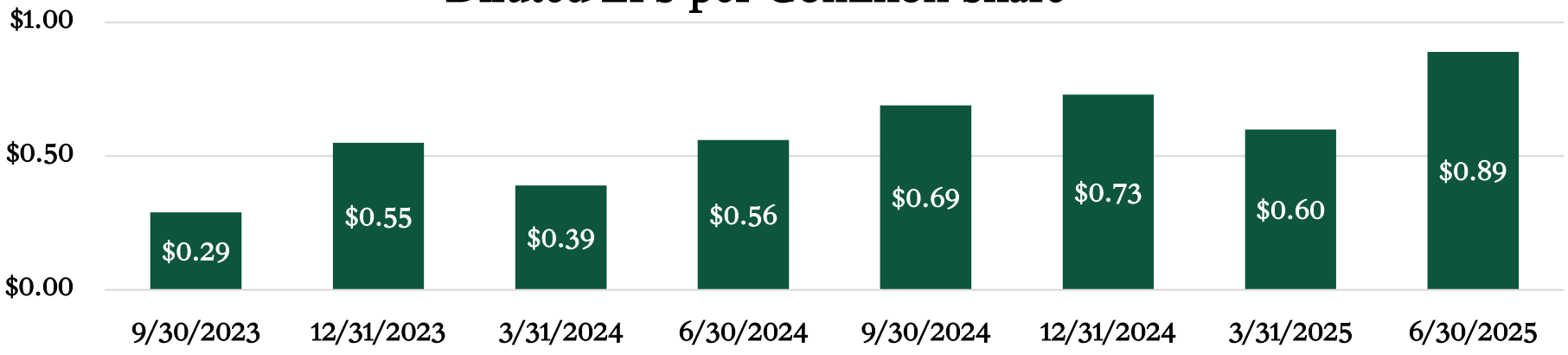
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Quarterly Net Income Trends

Net Income to Common Shareholders

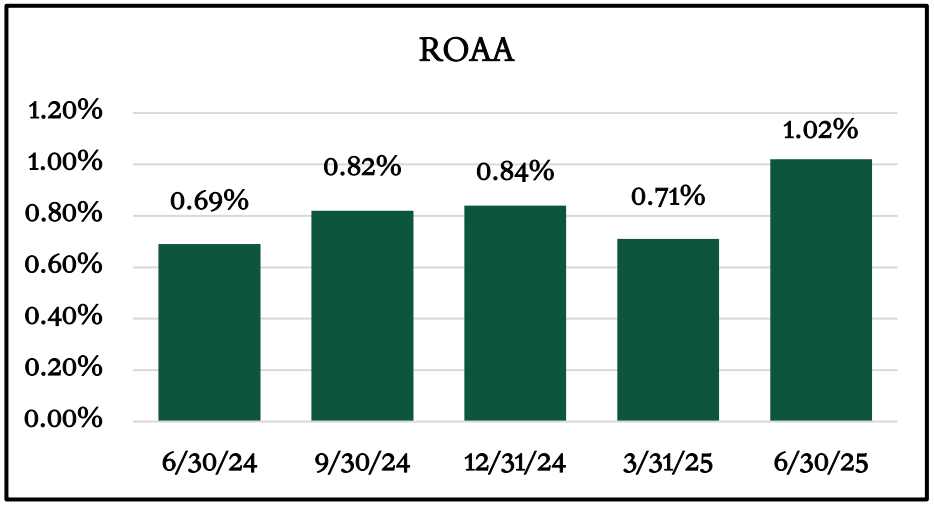


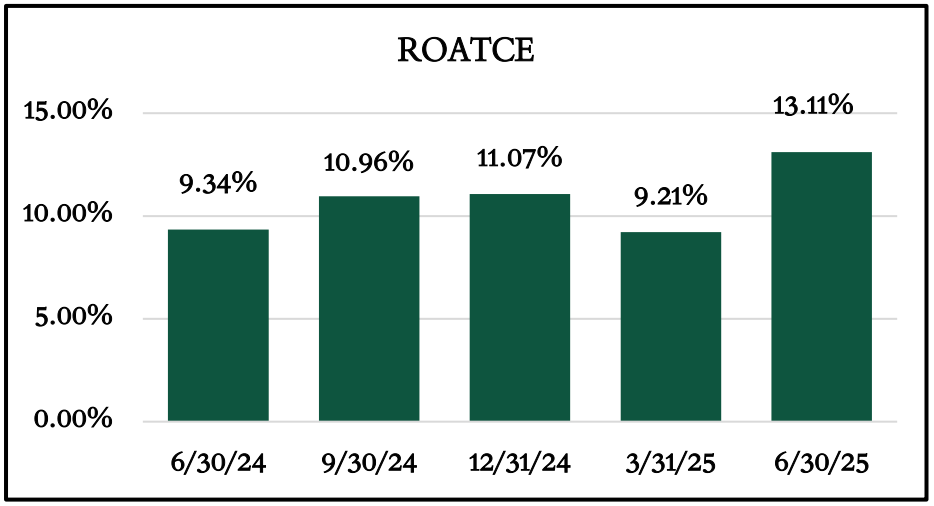
Diluted EPS per Common Share

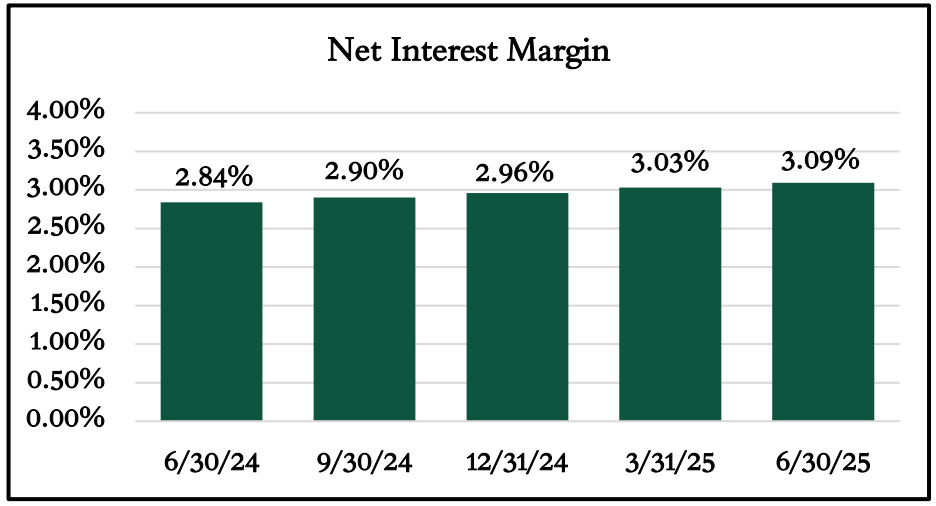


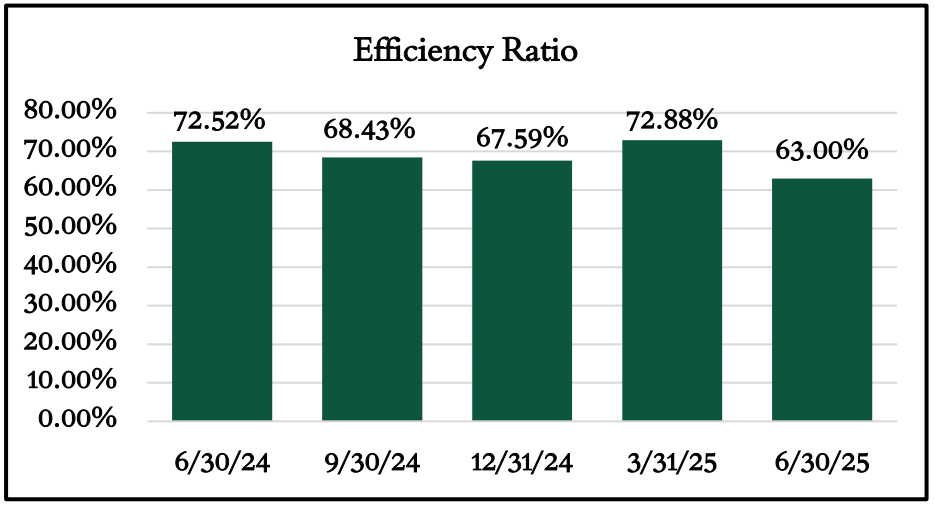
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Quarterly Earnings Trends



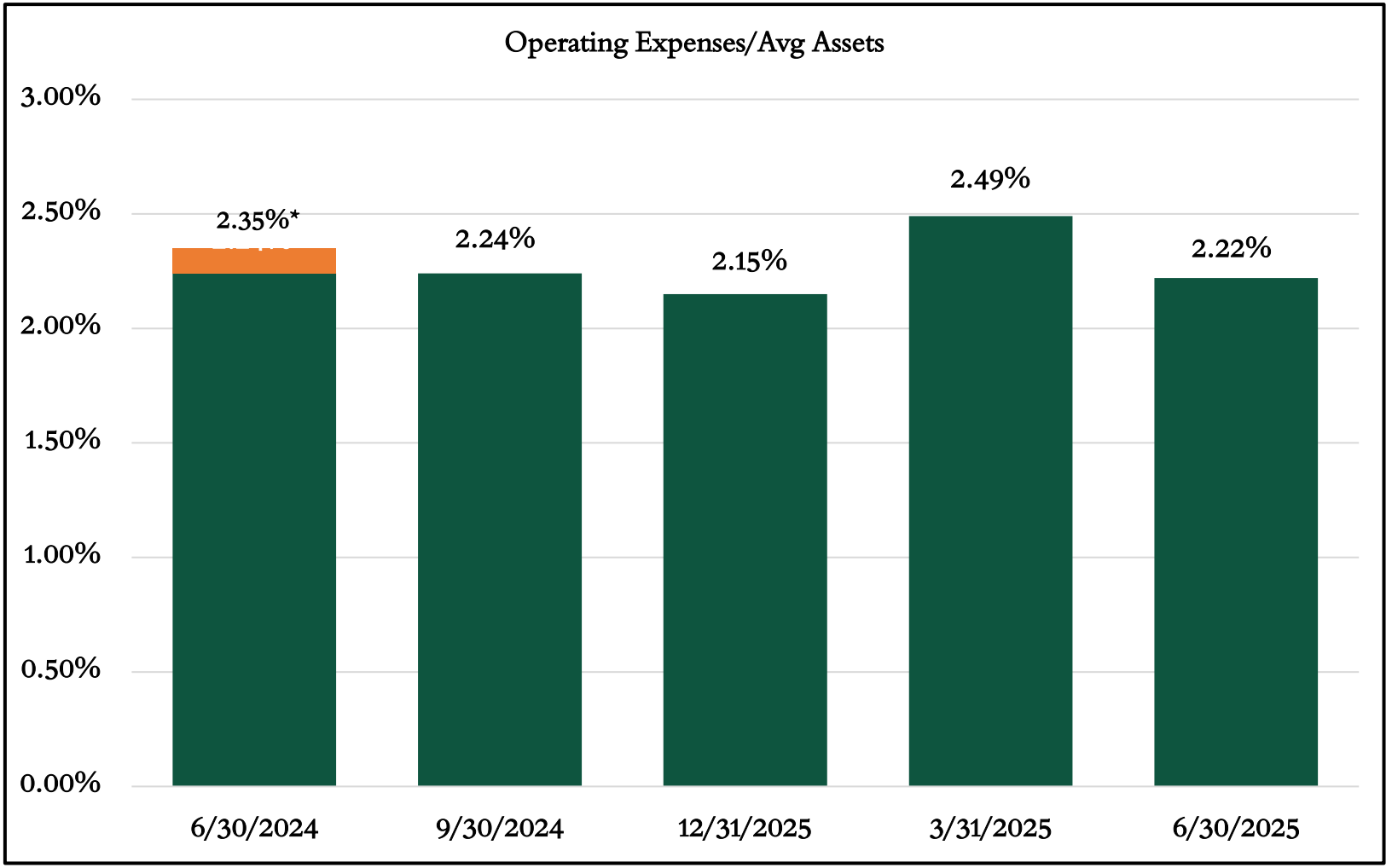






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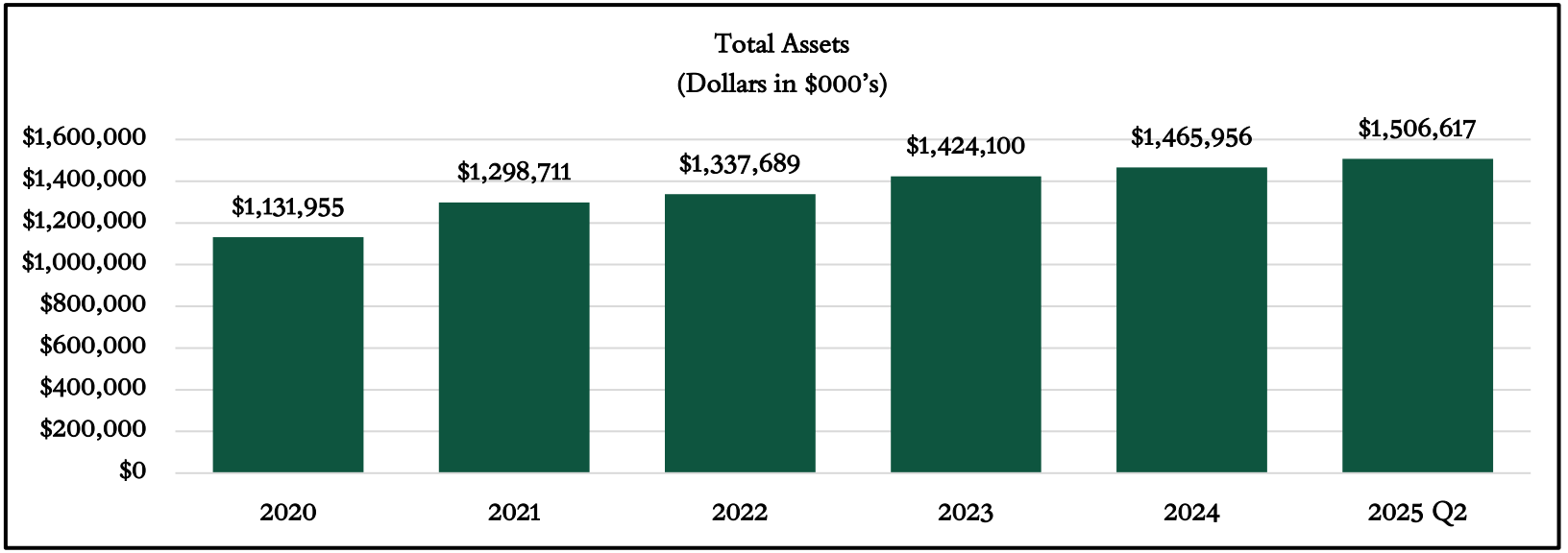
Quarterly Operating Expense Trends

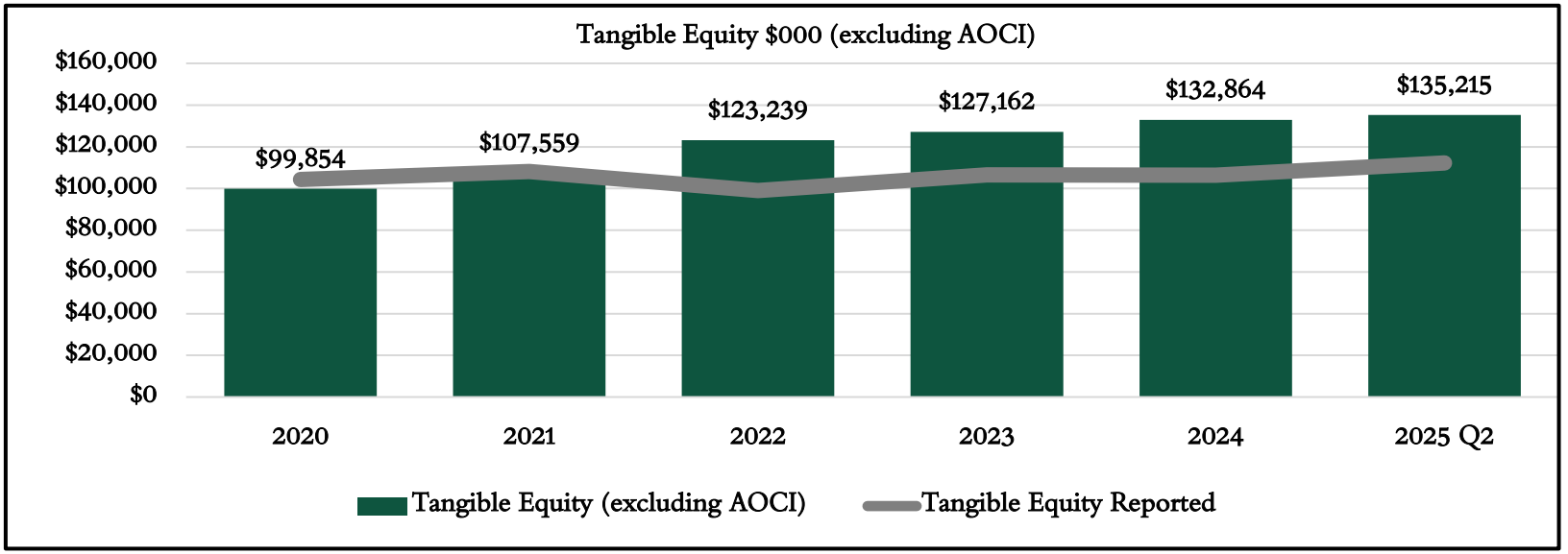


*Impact of one-time severance payments.

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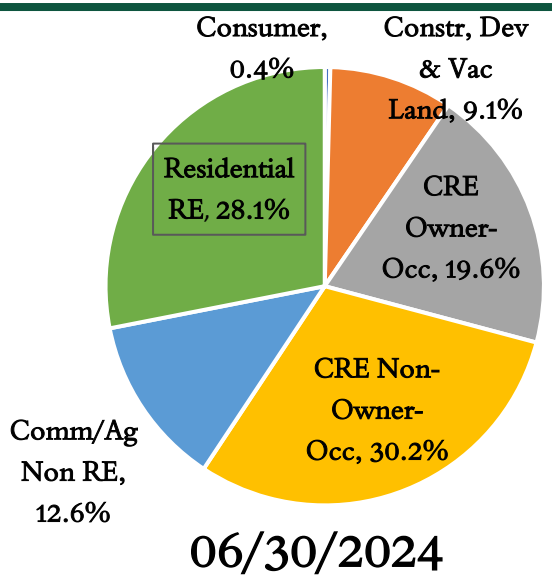
Balance Sheet Trends



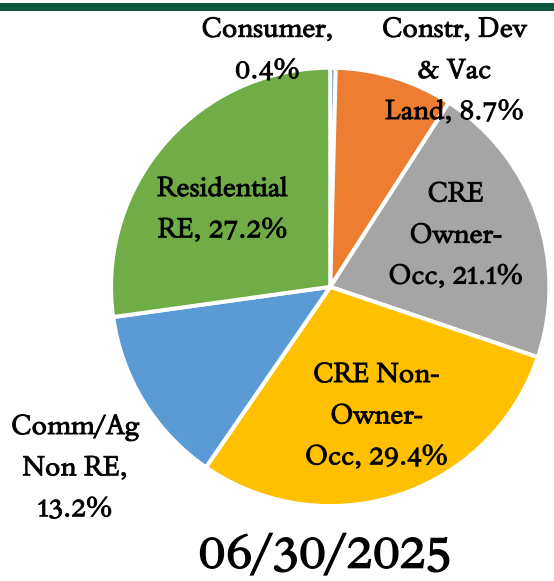


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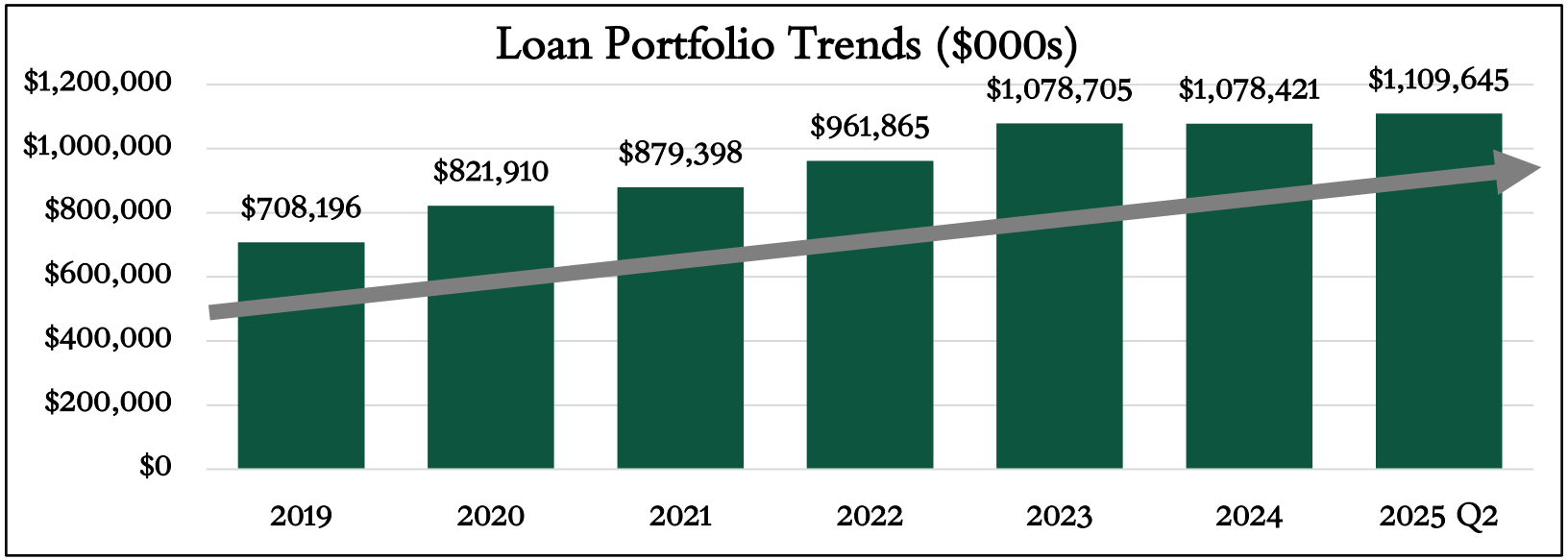
Loan Portfolio



06/30/2024

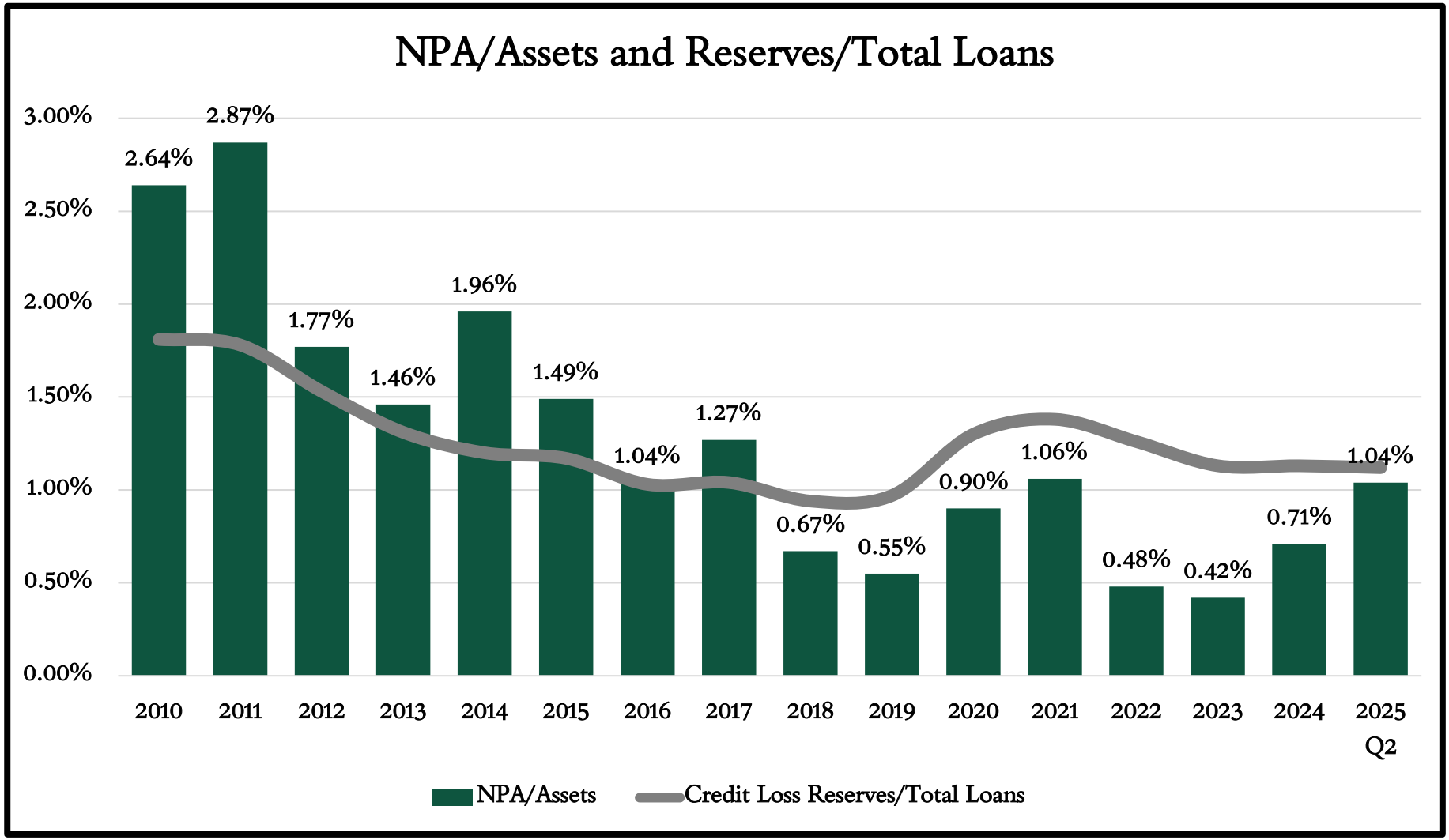


06/30/2025



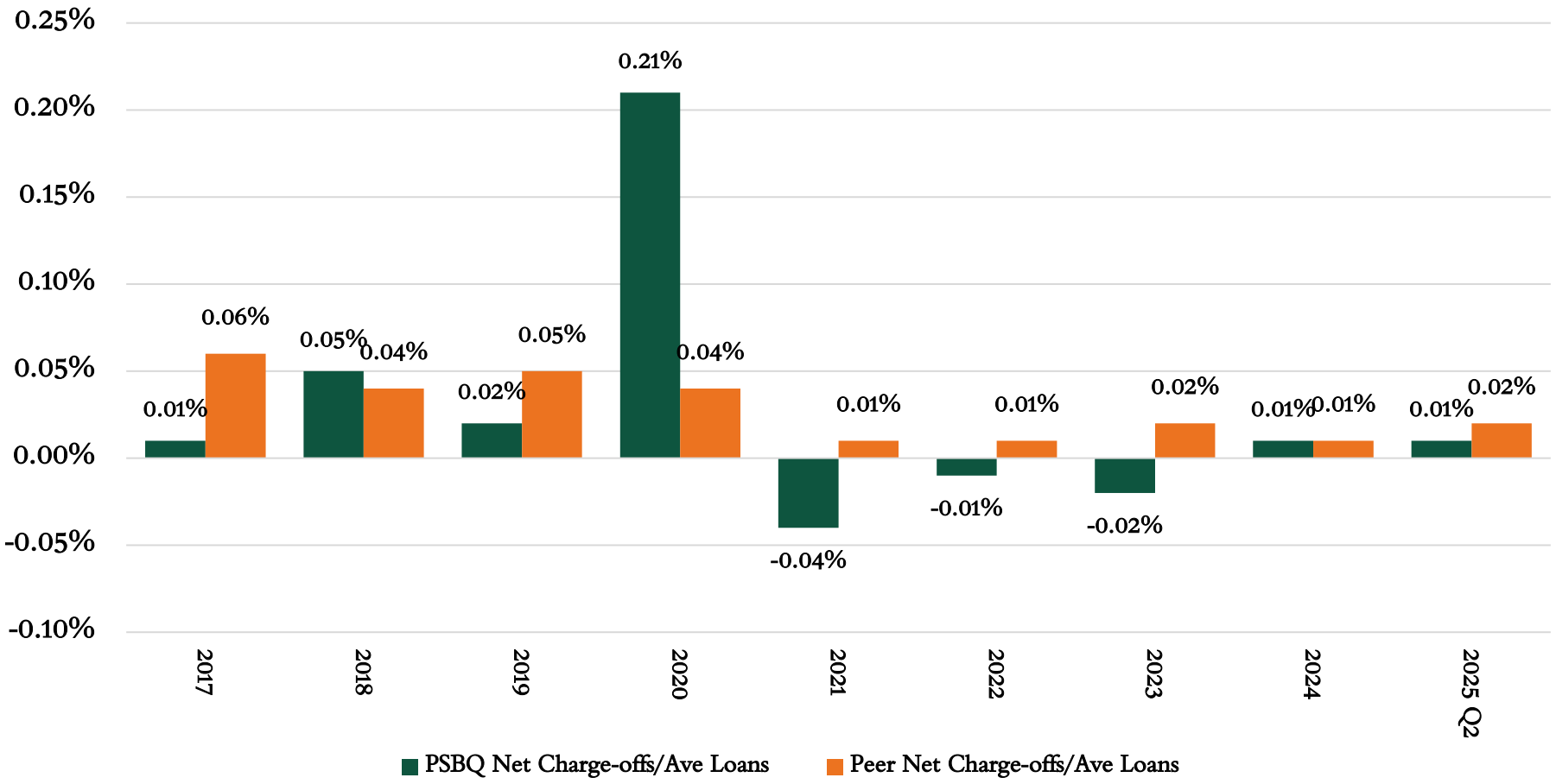
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Asset Quality Trends



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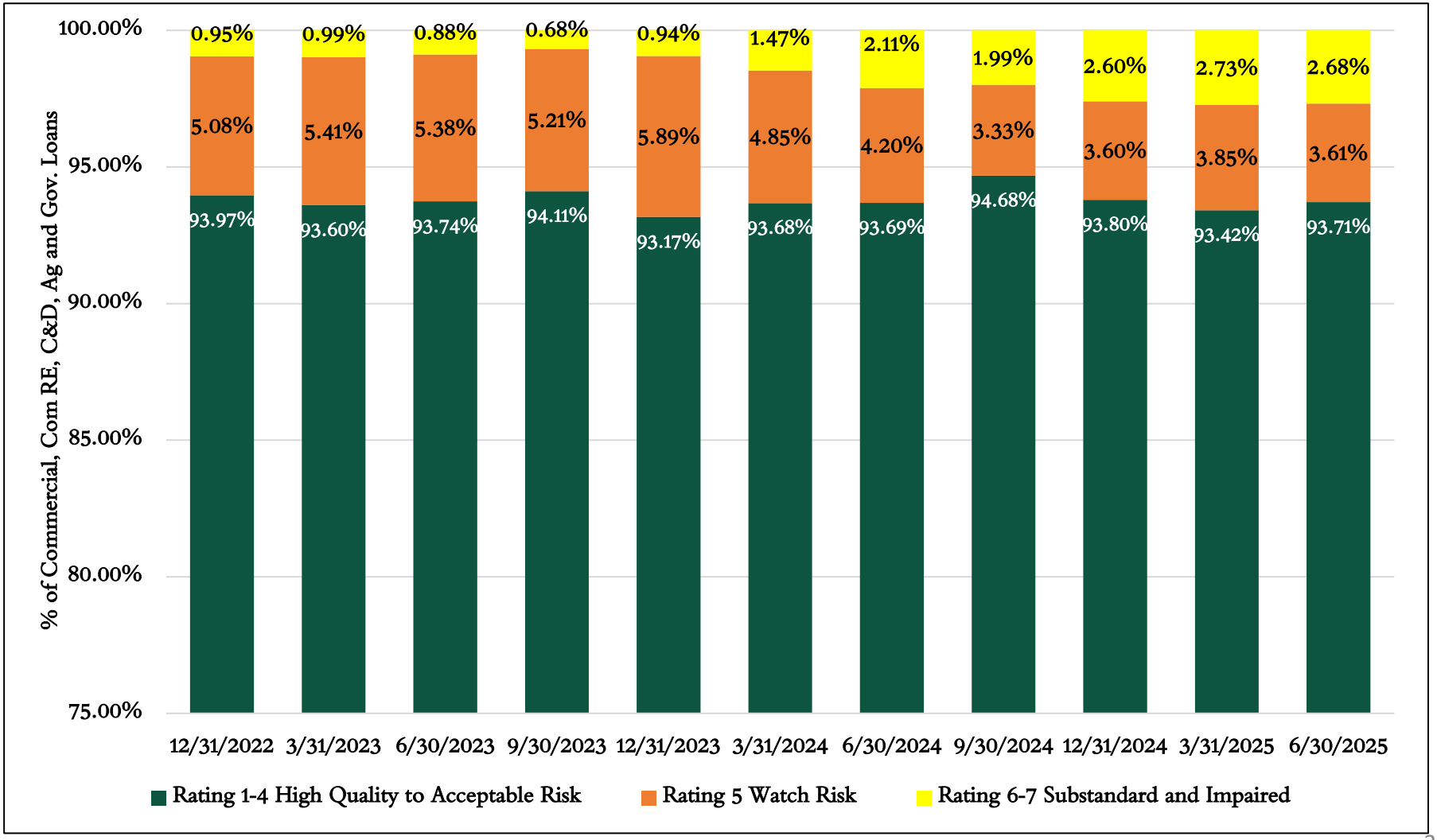
Charge-Off History



Peers include all publicly-traded financial institutions with assets between $1.0 billion and $3.0 billion at 06/30/25

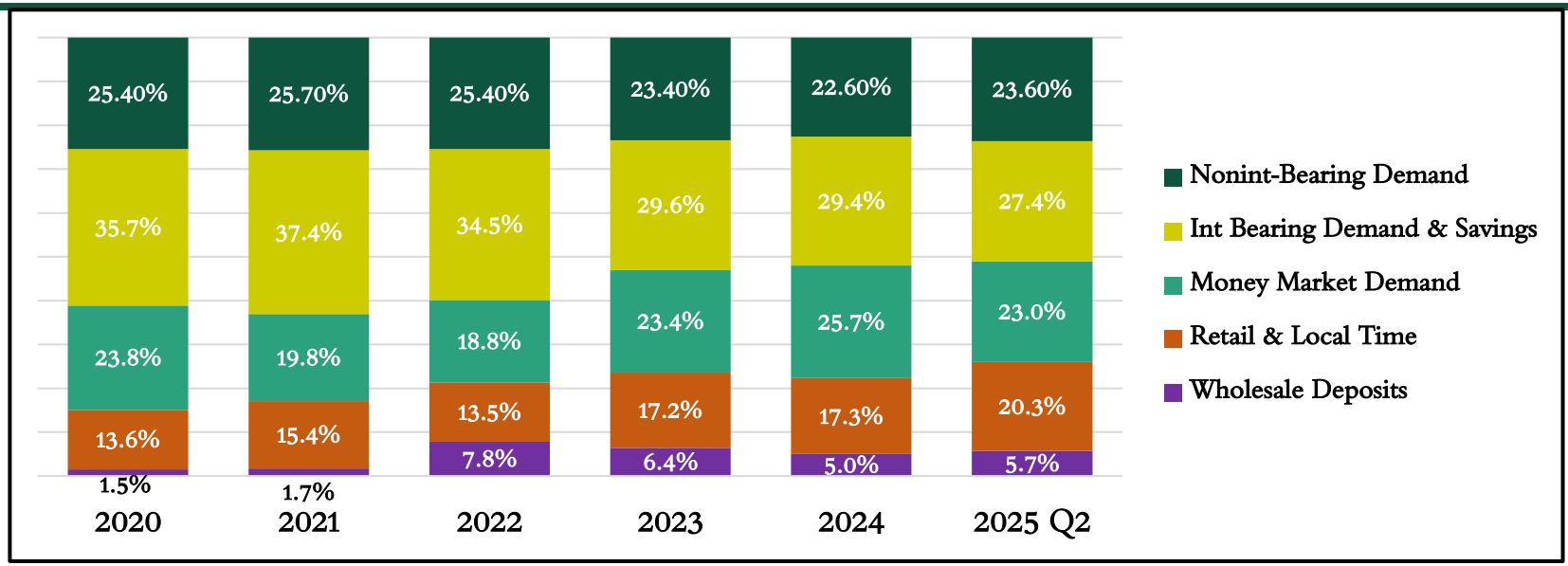
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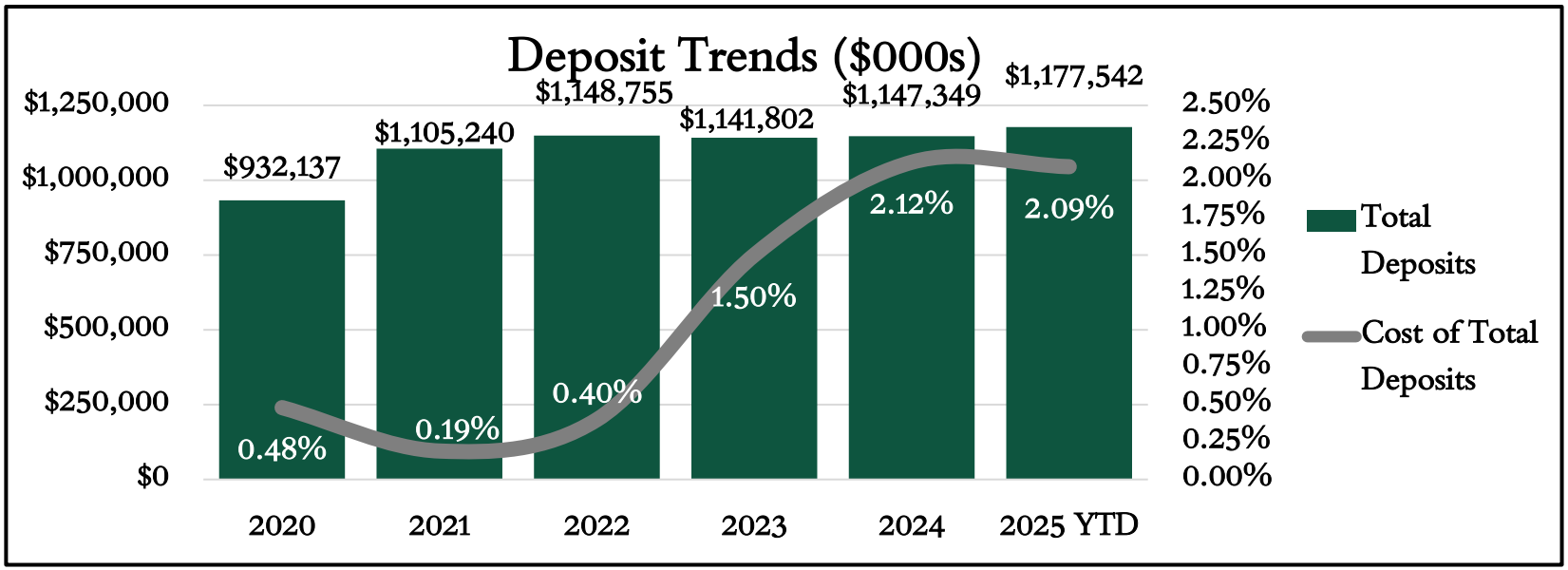
Asset Quality Trends



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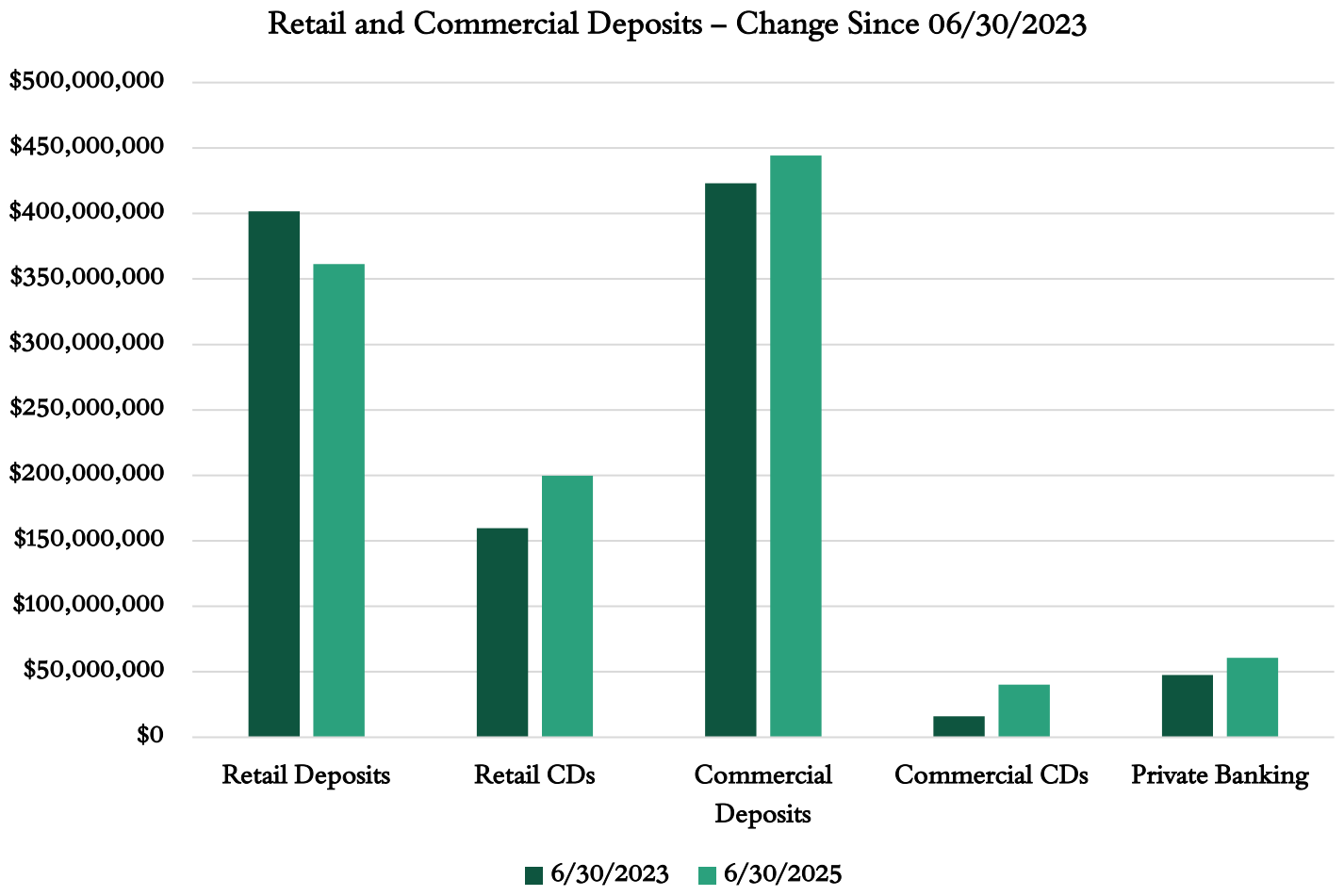
Deposit Portfolio





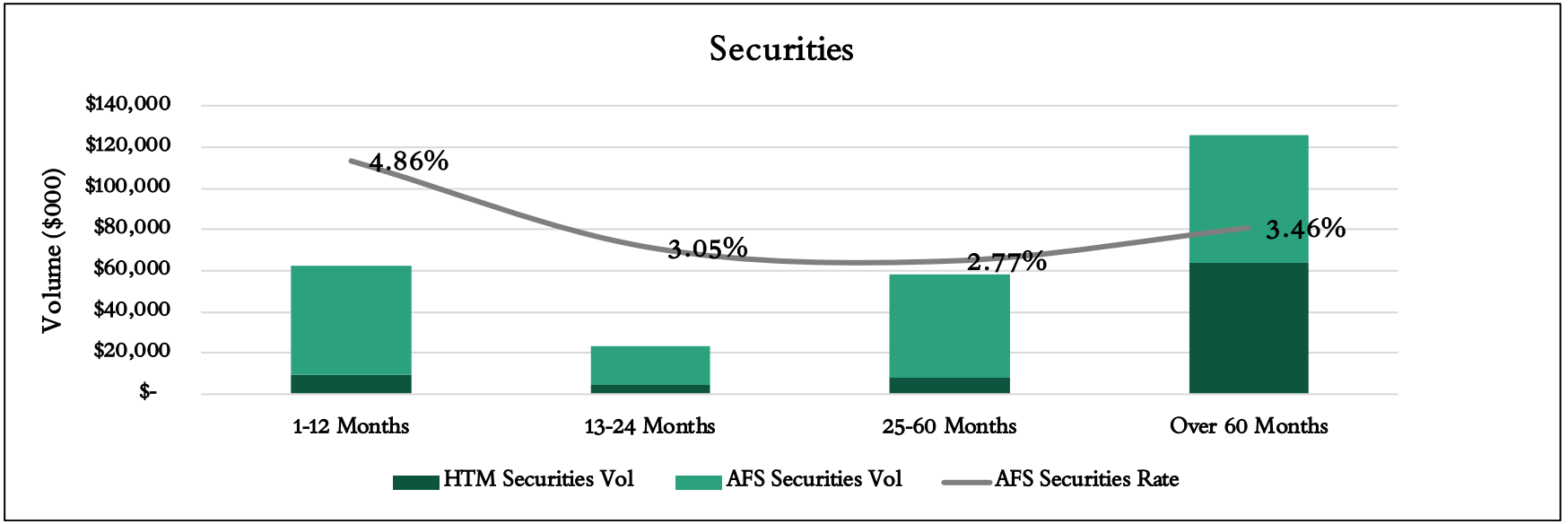
PSB HOLDINGS, INC.

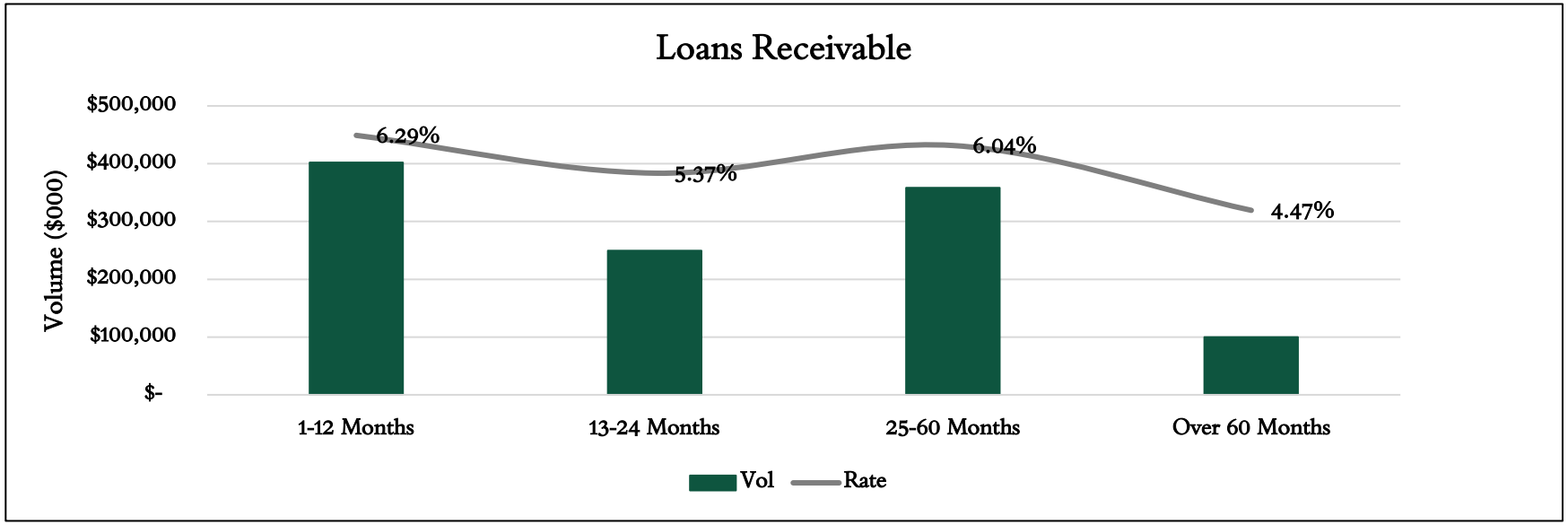
Core Deposit Changes



PSB HOLDINGS, INC.

Asset Repricing Base Case at 6/30/25





Digital Survey Responses YTD 2025

2025 Goal = 87%

95%

Overall Satisfaction

2025 YTD



+9% vs Peer Average

NOTABLE PERFORMANCE COMPARED TO PEER AVERAGE SCORE (BENCHMARK)

+4% Easy to Deposit Checks	+5% Easy to Transfer Funds	+6% Easy to Log In	+8% Easy to Find Things	+9% Easy to Make Payments
2025 YTD = **89%**	2025 YTD = **92%**	2025 YTD = **93%**	2025 YTD = **90%**	2025 YTD = **95%**

Strengths:

- **Make Payments:** The platform excels at a critical function for customers. Scoring 9% higher than peers, a perceived seamless experience reinforces trust and repeat usage.
- **Easy to Find Things:** Customers find navigation intuitive, and labels are properly named to find what they are looking for.

35

PSB HOLDINGS, INC.

Investment Appeal

- ✓ Current Price Discounted to Growth, Asset and Earnings Quality
- ✓ Actively Support Liquidity with Stock Repurchases
- ✓ Extended History of Delivering Double Digit Returns on Tangible Equity, Building Tangible Book Value
- ✓ 32 Year History of Increasing Dividends Paid to Shareholders
- ✓ New Milwaukee growth potential for loans and deposits
- ✓ Ample Organic Growth Opportunities Supported by Strong Underwriting Standards and History of Strong Credit Quality
- ✓ Smaller Bank Roll-Up Opportunities and Experience

PSB HOLDINGS, INC.

Capital Partners

- ✓ What types of small banks have you invested with in the past and what level of investment?
- ✓ How would you approach the value of PSBQ today?
- ✓ Would you be more interested in acquiring PSBQ shares over time through open market purchases, or would you prefer the single purchase of a larger block?
- ✓ Would you have interest in participating in a new common stock capital rise for growth or an acquisition? How have you structured the terms of such deals you have done in the past?
- ✓ At what point would P/EPS become more relevant than P/TBV in pricing PSBQ stock?