NEWS RELEASE

PSB Holdings, Inc. Completes Private Placement Offerings of Preferred Stock and Subordinated Debt Totaling $12.0 Million

2022-11-01

WAUSAU, Wis., Nov. 01, 2022 (GLOBE NEWSWIRE) -- PSB Holdings, Inc. (“PSB”) (OTCQX: PSBQ), the holding company for Peoples State Bank (“Peoples”) serving Northcentral and Southeastern Wisconsin, announced the completion of the sale of $7.2 million in preferred stock and $4.8 million in subordinated debt securities to local community members. The capital raise will further enhance the Bank’s already strong capital position as it addresses perceived opportunities in its primary markets and provides funding for increased stock repurchases on the open market.

The perpetual preferred stock issuance for $7.2 million will pay a non-cumulative quarterly fixed dividend at an annual rate of 6.75% for the first 5 years and then floating at 90-day Secured Overnight Financing Rate (“SOFR”) plus 4.50% thereafter. PSB retains the option to redeem the preferred stock in whole or in part beginning November 1, 2027.

The Company also refinanced $2.5 million in existing 4.50% Senior Notes maturing February 2023 as part of the new subordinated debt offering totaling $4.8 million that will pay quarterly interest at an annual rate of 4.75% for the first 5 years and then floating at 90-day SOFR plus 2.00% thereafter. The subordinated debt will pay interest-only for the first 5 years and have an issuer option to redeem in whole or in part beginning November 1, 2027.

“We are excited about our results and continued growth prospects in our markets,” said Scott Cattanach, President and CEO of PSB. “Our local decision making, relationship-based approach has resonated with our clients. These offerings provide an opportunity for community members to participate in our success.”

Cattanach continued, “PSB has a successful history of profitability, including managing through the financial crisis over a decade ago while posting positive net income every quarter. Additionally, our success has enabled us to increase our dividend to common shareholders for the past 29 consecutive years. We’re confident about the

prospects for our Bank and what our board believes are positive future opportunities for growth."

About PSB Holdings, Inc.

PSB Holdings, Inc. is the parent company of Peoples State Bank. Peoples is a community bank headquartered in Wausau, Wisconsin, serving northcentral and southeastern Wisconsin from ten full-service banking locations in Marathon, Oneida, Vilas, Milwaukee and Waukesha counties and a loan production office in Stevens Point, Wisconsin. Peoples also provides investment and insurance products, along with retirement planning services, through Peoples Wealth Management, a division of Peoples. PSB Holdings, Inc. is traded under the stock symbol PSBQ on the OTCQX Market. More information about PSB, its management, and its financial performance may be found at **www.psbholdingsinc.com**.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on current expectations, estimates and projections about PSB's business based, in part, on assumptions made by management and include, without limitation, statements with respect to the potential growth of PSB, its future profits, expected stock repurchase levels, future dividend rates, future interest rates, and the adequacy of its capital position. Forward-looking statements can be affected by known and unknown risks, uncertainties, and other factors, including, but not limited to, strength of the economy, the effects of government policies, including interest rate policies, risks associated with the execution of PSB's vision and growth strategy, including with respect to current and future M&A activity, and risks associated with global economic instability relating to the COVID-19 pandemic and its effect on PSB and Peoples, and their customers, and other risks. The forward-looking statements in this press release speak only as of the date on which they are made and PSB does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this release.

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Source: PSB Holdings, Inc.