



NEWS RELEASE

## PSB Holdings, Inc. Reports Earnings of \$0.73 Per Share for Q4 2024; Twelve Month 2024 Earnings up 10% to \$2.37 per Share

2025-01-27

WAUSAU, Wis., Jan. 27, 2025 (GLOBE NEWSWIRE) -- PSB Holdings, Inc. ("PSB") (OTCQX: PSBQ), the holding company for Peoples State Bank ("Peoples") serving Northcentral and Southeastern Wisconsin reported fourth quarter earnings ending December 31, 2024 of \$0.73 per common share on net income of \$3.0 million, compared to \$0.69 per common share on net income of \$2.9 million during the third quarter ending September 30, 2024, and \$0.55 per common share on net income of \$2.3 million during the fourth quarter ending December 31, 2023. For the fiscal year ended December 31, 2024, PSB reported earnings of \$2.37 per common share on net income of \$9.8 million compared to \$2.16 per common share on earnings of \$9.1 million for the fiscal year ended December 31, 2023.

PSB's fourth quarter 2024 operating results reflected the following changes from the third quarter of 2024: (1) higher net interest income supported by a net interest margin increase of six basis points; (2) lower non-interest income due primarily to a loss on the sale of securities; (3) slightly lower non-interest expenses due to lower salaries and employee benefit expenses; and (4) loan growth of 2% during the quarter.

"We are pleased with our results for the fourth quarter and fiscal 2024. We continue to maintain strong asset quality and controlled expenses, and expect to see continued expansion in our net interest margin as loan products continue to reset to higher yields and funding costs stabilize or decline. Additionally, we expect to see stronger loan growth in fiscal 2025. We are focused on delivering strong returns to shareholders through capital growth, payment of dividends and supporting our stock price through stock repurchases, when economically appropriate," stated Scott Cattanach, President and CEO.

December 31, 2024, Highlights:

- Net interest income increased to \$10.4 million for the quarter ended December 31, 2024, from \$9.9 million for the quarter ended September 30, 2024. Asset and loan yields increased while funding costs declined slightly.
- Noninterest income decreased \$566,000 to \$1.3 million for the quarter ended December 31, 2024, compared to \$1.8 million the prior quarter due primarily to a loss on the sale of securities.
- Noninterest expenses decreased to \$8.0 million during the quarter ended December 31, 2024 from \$8.2 million for the quarter ended September 30, 2024, reflecting lower salary and benefit expenses.
- Loans increased \$20.2 million, or 2% in the fourth quarter ended December 31, 2024, to \$1.08 billion largely due to new commercial real estate and construction and development loans. Allowance for credit losses was 1.13% of gross loans.
- Non-performing assets remained unchanged at \$10.4 million, or 0.71% of total assets at December 31, 2024 compared to the previous quarter.
- Total deposits increased slightly to \$1.15 billion at December 31, 2024 from \$1.14 billion at September 30, 2024, with the increase largely consisting of interest-bearing demand and savings deposits.
- Return on average tangible common equity was 11.07% for the quarter ended December 31, 2024, compared to 10.96% the prior quarter and 9.64% in the year ago quarter.
- Tangible book value per common share was up 9.0% over the past year to \$25.98 at December 31, 2024, compared to \$23.84 at December 31, 2023. Additionally, PSB paid dividends totaling \$0.64 per share during 2024, up 6.7% over the prior year.
- On January 21, 2025, the Bank acquired Larson Financial Group, LLC, a financial advisory company based in Wausau, WI.

#### Balance Sheet and Asset Quality Review

Total assets decreased \$10.0 million during the fourth quarter to \$1.47 billion at December 31, 2024, compared to September 30, 2024. Cash and cash equivalents decreased \$46.6 million to \$40.5 million at December 31, 2024 from \$87.1 million at September 30, 2024 as funds were used to originate new loans and pay down FHLB advances. Cash and cash equivalents increased \$12.7 million from one year earlier. Investment securities available for sale increased \$14.2 million to \$189.1 million at December 31, 2024, from \$174.9 million one quarter earlier. Total

collateralized liquidity available to meet cash demands was approximately \$349 million at December 31, 2024, with an additional \$354 million that could be raised in a short time frame from the brokered CDs market.

Total loans receivable increased \$20.2 million to \$1.08 billion at December 31, 2024, compared to one quarter earlier, due primarily to increased commercial non-real estate, commercial real estate and construction lending. Commercial non-real estate loans increased \$5.1 million to \$144.2 million at December 31, 2024, from \$139.0 million one quarter earlier. Commercial real estate loans increased \$10.1 million to \$551.6 million at December 31, 2024 and construction and development lending increased \$18.4 million to \$79.4 million at December 31, 2024, compared to one quarter earlier. Offsetting gross loan growth, loans in process of disbursement increased \$10.0 million to \$27.8 million as new construction and development loans have not been fully funded. Residential real estate loans decreased \$3.9 million from the prior quarter to \$337.5 million. The loan portfolio remains well diversified with commercial real estate and construction loans totaling 56.5% of gross loans, followed by residential real estate loans at 30.2% of gross loans, commercial non-real estate loans at 12.9% and consumer loans at 0.4%.

The allowance for credit losses decreased slightly to 1.13% of gross loans at December 31, 2024, from 1.18% the prior quarter. Annualized net charge-offs to average loans were 0.02% for the quarter ended December 31, 2024. Non-performing assets remained at 0.71% of total assets at December 31, 2024 and totaled \$10.4 million. Approximately 71% of the non-performing assets consisted of three loan relationships. For the eighth consecutive quarter, the Bank did not own any foreclosed real estate.

Total deposits increased \$8.2 million to \$1.15 billion at December 31, 2024, from \$1.14 billion at September 30, 2024. The increase in deposits reflects a \$12.9 million increase in interest-bearing demand and savings deposits and a \$3.3 million increase in retail and local time deposits greater than \$250,000, offset by a \$1.5 million decrease in money market deposits, a \$5.6 million decrease in non-interest bearing deposits and a \$0.9 million decrease in retail and local time deposits less than \$250,000.

At December 31, 2024, non-interest bearing demand deposits decreased to 22.6% of total deposits from 23.3% the prior quarter, while interest-bearing demand and savings deposits increased to 29.4% of deposits, compared to 28.4% at September 30, 2024. Uninsured and uncollateralized deposits decreased to 21.6% of total deposits at December 31, 2024, from 21.7% of total deposits at September 30, 2024.

FHLB advances decreased \$19.0 million to \$162.3 million at December 31, 2024, compared to \$181.3 million at September 30, 2024.

Tangible stockholder equity as a percent of total tangible assets was 7.76% at December 31, 2024, compared to 7.85% at September 30, 2024, and 7.49% at December 31, 2023.

Tangible net book value per common share increased \$2.14 to \$25.98, at December 31, 2024, compared to \$23.84 one year earlier, an increase of 9.0% after dividends of \$0.64 were paid to shareholders. Relative to the prior quarter's tangible book value per common share of \$26.41, tangible net book value per common share decreased primarily due to a fair market value decrease in the investment portfolios and payment of dividends. The accumulated other comprehensive loss on the investment portfolio was \$19.3 million at December 31, 2024, compared to \$15.8 million one quarter earlier.

## Operations Review

Net interest income increased to \$10.4 million (on a net margin of 2.96%) for the fourth quarter of 2024, from \$9.9 million (on a net margin of 2.90%) for the third quarter of 2024, and \$9.6 million (on a net margin of 2.88%) for the fourth quarter of 2023. Earning asset yields remained flat at 5.29% during the fourth quarter of 2024, while interest bearing deposit and borrowing costs decreased seven basis points to 3.06% compared to 3.13% during the third quarter of 2024. Relative to one year earlier, earning asset yields were up 30 basis points while interest bearing deposit and borrowing costs increased 27 basis points.

The increase in earning asset yields was primarily due to higher yields on loan originations and renewals. Loan yields increased during the fourth quarter of 2024 to 5.80% from 5.78% for the third quarter of 2024. Taxable security yields were 3.16% for the quarter ended December 31, 2024, compared to 3.01% for the quarter ended September 30, 2024, while tax-exempt security yields were flat at 3.31% for the quarter ended December 31, 2024. The increase in taxable security yields reflect the rise in interest rates and security restructuring activity from security sales.

The cost of all deposits declined to 2.08% for the quarter ended December 31, 2024, compared to 2.11% the prior quarter, while the overall cost of funds decreased seven basis points to 3.06% from 3.13% during the same time period. Deposit costs for all deposit categories decreased during the fourth quarter with time deposits decreasing two basis points to 4.02%, money market deposits decreasing 13 basis points to 2.56% and savings and demand deposits decreasing two basis points to 2.56%. FHLB advances also declined four basis points to 4.40% for the quarter ended December 31, 2024.

Total noninterest income decreased during the fourth quarter of 2024 to \$1.28 million, from \$1.84 million for the third quarter of 2024 due primarily to a net loss on sale of securities. Mortgage banking income decreased slightly to \$414,000 in the fourth quarter from \$433,000 the prior quarter while various decreases in nominal revenue sources accounted for the remaining decline in noninterest income. At December 31, 2024, the Bank serviced \$373.5 million in secondary market residential mortgage loans for others which provide fee income.

Noninterest expenses decreased \$149,000 to \$8.0 million for the fourth quarter of 2024, compared to \$8.2 million

for the third quarter of 2024 and increased \$644,000 from \$7.4 million for the fourth quarter of 2023. Relative to one year earlier, salary and benefit cost increased \$447,000, or 10.5% to \$4.7 million for the quarter ended December 31, 2024, compared to \$4.2 million for the fourth quarter ended December 31, 2023.

Taxes decreased \$69,000 during the fourth quarter to \$524,000, from \$593,000 one quarter earlier. The effective tax rate for the quarter ended December 31, 2024, was 14.4% compared to 16.6% for the third quarter ended September 30, 2024, and 26.7% for the fourth quarter ended December 31, 2023.

#### 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 twelve full-service banking locations in Marathon, Oneida, Vilas, Portage, Milwaukee and Waukesha counties and a loan production office in Dane County. 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](http://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. 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.



Consolidated Balance Sheets  
December 31, September 30, June 30, and March 31, 2024, unaudited, December 31, 2023 derived from audited financial statements

(dollars in thousands, except per share data)	Dec. 31, 2024	Sep. 30, 2024	Jun. 30, 2024	Mar. 31, 2024	Dec. 31, 2023
<b>Assets</b>					
Cash and due from banks	\$ 21,414	\$ 23,554	\$ 16,475	\$ 13,340	\$ 20,887
Interest-bearing deposits	3,724	5,126	251	105	1,431
Federal funds sold	15,360	58,434	69,249	2,439	5,462
Cash and cash equivalents	40,498	87,114	85,975	15,884	27,780
Securities available for sale (at fair value)	189,086	174,911	165,177	165,566	164,024
Securities held to maturity (fair values of \$79,654, \$82,389, \$79,993, \$81,234 and \$82,514 respectively)	86,748	86,847	86,825	87,104	87,081
Equity securities	2,782	1,752	1,661	1,474	1,474
Loans held for sale	217	-	2,268	865	230
Loans receivable, net (allowance for credit losses of \$12,342, \$12,598, \$12,597, \$12,494 and \$12,302 respectively)	1,078,204	1,057,974	1,074,844	1,081,394	1,078,475
Accrued interest receivable	5,042	4,837	5,046	5,467	5,136
Foreclosed assets	-	-	-	-	-
Premises and equipment, net	13,805	14,065	14,048	13,427	13,098
Mortgage servicing rights, net	1,742	1,727	1,688	1,657	1,664
Federal Home Loan Bank stock (at cost)	8,825	8,825	8,825	7,006	6,373
Cash surrender value of bank-owned life insurance	24,732	24,565	24,401	24,242	24,085
Core deposit intangible	195	212	229	249	273
Goodwill	2,541	2,541	2,541	2,541	2,541
Other assets	11,539	10,598	12,111	11,682	11,866
<b>TOTAL ASSETS</b>	<b>\$ 1,465,956</b>	<b>\$ 1,475,968</b>	<b>\$ 1,485,639</b>	<b>\$ 1,418,558</b>	<b>\$ 1,424,100</b>
<b>Liabilities</b>					
Non-interest-bearing deposits	\$ 259,515	\$ 265,078	\$ 250,435	\$ 247,608	\$ 266,829
Interest-bearing deposits	887,834	874,035	901,886	865,744	874,973
Total deposits	1,147,349	1,139,113	1,152,321	1,113,352	1,141,802
Federal Home Loan Bank advances	162,250	181,250	184,900	158,250	134,000
Other borrowings	6,872	6,128	5,775	8,096	8,058
Senior subordinated notes	4,781	4,779	4,778	4,776	4,774
Junior subordinated debentures	13,023	12,998	12,972	12,947	12,921
Allowance for credit losses on unfunded commitments	672	477	477	477	577
Accrued expenses and other liabilities	14,723	12,850	13,069	10,247	12,681
Total liabilities	1,349,670	1,357,595	1,374,292	1,308,145	1,314,813
<b>Stockholders' equity</b>					
Preferred stock - no par value:					
Authorized - 30,000 shares; no shares issued or outstanding					
Outstanding - 7,200 shares, respectively	7,200	7,200	7,200	7,200	7,200
Common stock - no par value with a stated value of \$1.00 per share:					
Authorized - 18,000,000 shares; Issued - 5,490,798 shares					
Outstanding - 4,092,977, 4,105,594, 4,128,382, 4,147,649 and 4,164,735 shares, respectively	1,830	1,830	1,830	1,830	1,830
Additional paid-in capital	8,610	8,567	8,527	8,466	8,460
Retained earnings	139,838	138,142	135,276	134,271	132,666
Accumulated other comprehensive income (loss), net of tax	(19,314)	(15,814)	(20,503)	(20,775)	(20,689)
Treasury stock, at cost - 1,397,821, 1,385,204, 1,362,416, 1,343,149 and 1,326,063 shares, respectively	(21,878)	(21,552)	(20,983)	(20,579)	(20,180)
Total stockholders' equity	116,286	118,373	111,347	110,413	109,287
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 1,465,956</b>	<b>\$ 1,475,968</b>	<b>\$ 1,485,639</b>	<b>\$ 1,418,558</b>	<b>\$ 1,424,100</b>

PSB Holdings, Inc.  
Consolidated Statements of Income

(dollars in thousands, except per share data - unaudited)	Quarter Ended					Years Ended December	
	Dec. 31, 2024	Sep. 30, 2024	Jun. 30, 2024	Mar. 31, 2024	Dec. 31, 2023	2024	2023
Interest and dividend income:							
Loans, including fees	\$ 15,646	\$ 15,634	\$ 15,433	\$ 15,109	\$ 14,888	\$ 61,822	\$ 53,633
Securities:							
Taxable	1,545	1,345	1,295	1,197	1,147	5,382	4,919
Tax-exempt	522	522	521	526	532	2,091	2,137
Other interest and dividends	948	699	265	343	320	2,255	851
<b>Total interest and dividend income</b>	<b>18,661</b>	<b>18,200</b>	<b>17,514</b>	<b>17,175</b>	<b>16,887</b>	<b>71,550</b>	<b>61,540</b>
Interest expense:							
Deposits	6,027	5,905	5,838	6,082	5,526	23,852	16,993
FHLB advances	1,890	2,038	1,860	1,450	1,349	7,238	4,417
Other borrowings	57	57	58	60	54	232	215
Senior subordinated notes	59	59	58	59	59	235	238
Junior subordinated debentures	252	252	255	251	254	1,010	985
<b>Total interest expense</b>	<b>8,285</b>	<b>8,311</b>	<b>8,069</b>	<b>7,902</b>	<b>7,242</b>	<b>32,567</b>	<b>22,848</b>
Net interest income	10,376	9,889	9,445	9,273	9,645	38,983	38,692
Provision for credit losses	-	-	100	95	100	195	450
<b>Net interest income after provision for credit losses</b>	<b>10,376</b>	<b>9,889</b>	<b>9,345</b>	<b>9,178</b>	<b>9,545</b>	<b>38,788</b>	<b>38,242</b>
Noninterest income:							
Service fees	362	367	350	336	360	1,415	1,448
Mortgage banking income	414	433	433	308	247	1,588	1,228
Investment and insurance sales commissions	226	230	222	121	100	799	910
Net loss on sale of securities	(511)	-	-	(495)	(297)	(1,006)	(576)
Increase in cash surrender value of life insurance	166	165	159	157	154	647	615
Life insurance death benefit	-	-	-	-	-	-	533
Other noninterest income	620	648	742	617	540	2,627	2,562
<b>Total noninterest income</b>	<b>1,277</b>	<b>1,843</b>	<b>1,906</b>	<b>1,044</b>	<b>1,104</b>	<b>6,070</b>	<b>6,720</b>
Noninterest expense:							
Salaries and employee benefits	4,691	4,771	5,167	5,123	4,244	19,752	18,648
Occupancy and facilities	691	757	733	721	675	2,902	2,761
Loss (gain) on foreclosed assets	-	1	-	-	1	1	(45)
Data processing and other office operations	1,111	1,104	1,047	1,022	1,001	4,284	3,785
Advertising and promotion	141	164	171	129	244	605	733
Core deposit intangible amortization	17	17	20	24	24	78	109
Other noninterest expenses	1,351	1,337	1,257	1,306	1,169	5,251	4,557
<b>Total noninterest expense</b>	<b>8,002</b>	<b>8,151</b>	<b>8,395</b>	<b>8,325</b>	<b>7,358</b>	<b>32,873</b>	<b>30,548</b>
Income before provision for income taxes	3,651	3,581	2,856	1,897	3,291	11,985	14,414
Provision for income taxes	524	593	410	169	878	1,696	4,845
<b>Net income</b>	<b>\$ 3,127</b>	<b>\$ 2,988</b>	<b>\$ 2,446</b>	<b>\$ 1,728</b>	<b>\$ 2,413</b>	<b>\$ 10,289</b>	<b>\$ 9,569</b>
Preferred stock dividends declared	\$ 122	\$ 122	\$ 122	\$ 122	\$ 122	\$ 486	\$ 486
<b>Net income available to common shareholders</b>	<b>\$ 3,005</b>	<b>\$ 2,866</b>	<b>\$ 2,324</b>	<b>\$ 1,606</b>	<b>\$ 2,291</b>	<b>\$ 9,803</b>	<b>\$ 9,083</b>
Basic earnings per common share	\$ 0.73	\$ 0.69	\$ 0.56	\$ 0.39	\$ 0.55	\$ 2.37	\$ 2.16
Diluted earnings per common share	\$ 0.73	\$ 0.69	\$ 0.56	\$ 0.39	\$ 0.55	\$ 2.37	\$ 2.16

Quarterly Financial Summary  
(dollars in thousands, except per share data)

	Quarter ended				
	Dec. 31, 2024	Sep. 30, 2024	Jun. 30, 2024	Mar. 31, 2024	Dec. 31, 2023
<b>Earnings and dividends:</b>					
Interest income	\$ 18,661	\$ 18,200	\$ 17,514	\$ 17,175	\$ 16,887
Interest expense	\$ 8,285	\$ 8,311	\$ 8,069	\$ 7,902	\$ 7,242
Net interest income	\$ 10,376	\$ 9,889	\$ 9,445	\$ 9,273	\$ 9,645
Provision for credit losses	\$ -	\$ -	\$ 100	\$ 95	\$ 100
Other noninterest income	\$ 1,277	\$ 1,843	\$ 1,906	\$ 1,044	\$ 1,104
Other noninterest expense	\$ 8,002	\$ 8,151	\$ 8,395	\$ 8,325	\$ 7,358
Net income available to common shareholders	\$ 3,005	\$ 2,866	\$ 2,324	\$ 1,606	\$ 2,291
Basic earnings per common share (3)	\$ 0.73	\$ 0.69	\$ 0.56	\$ 0.39	\$ 0.55
Diluted earnings per common share (3)	\$ 0.73	\$ 0.69	\$ 0.56	\$ 0.39	\$ 0.55
Dividends declared per common share (3)	\$ 0.32	\$ -	\$ 0.32	\$ -	\$ 0.30
Tangible net book value per common share (4)	\$ 25.98	\$ 26.41	\$ 24.55	\$ 24.21	\$ 23.84
Semi-annual dividend payout ratio	23.27%	n/a	33.61%	n/a	38.14%
Average common shares outstanding	4,094,360	4,132,218	4,139,456	4,154,702	4,168,924
<b>Balance sheet - average balances:</b>					
Loans receivable, net of allowances for credit loss	\$ 1,064,619	\$ 1,066,795	\$ 1,088,013	\$ 1,081,936	\$ 1,081,851
Assets	\$ 1,479,812	\$ 1,445,613	\$ 1,433,749	\$ 1,429,437	\$ 1,424,240
Deposits	\$ 1,151,450	\$ 1,110,854	\$ 1,111,240	\$ 1,138,010	\$ 1,148,399
Stockholders' equity	\$ 118,396	\$ 114,458	\$ 110,726	\$ 109,473	\$ 105,060
<b>Performance ratios:</b>					
Return on average assets (1)	0.84%	0.82%	0.69%	0.49%	0.67%
Return on average common stockholders' equity (1)	10.75%	10.63%	9.03%	6.32%	9.29%
Return on average tangible common stockholders' equity (1)(4)	11.07%	10.96%	9.34%	6.57%	9.64%
Net loan charge-offs to average loans (1)	0.02%	0.00%	0.00%	0.00%	0.00%
Nonperforming loans to gross loans	0.95%	0.97%	1.15%	1.08%	0.54%
Nonperforming assets to total assets	0.71%	0.71%	0.84%	0.83%	0.42%
Allowance for credit losses to gross loans	1.13%	1.18%	1.16%	1.14%	1.13%
Nonperforming assets to tangible equity plus the allowance for credit losses (4)	8.85%	8.71%	11.09%	10.59%	5.38%
Net interest rate margin (1)(2)	2.96%	2.90%	2.84%	2.80%	2.88%
Net interest rate spread (1)(2)	2.23%	2.16%	2.15%	2.12%	2.20%
Service fee revenue as a percent of average demand deposits (1)	0.53%	0.56%	0.56%	0.54%	0.52%
Noninterest income as a percent of gross revenue	6.40%	9.20%	9.81%	5.73%	6.14%
Efficiency ratio (2)	67.59%	68.43%	72.52%	78.93%	67.04%
Noninterest expenses to average assets (1)	2.15%	2.24%	2.35%	2.34%	2.05%
Average stockholders' equity less accumulated other comprehensive income (loss) to average assets	9.08%	9.06%	9.03%	8.98%	8.88%
Tangible equity to tangible assets (4)	7.76%	7.85%	7.32%	7.60%	7.49%
<b>Stock price information:</b>					
High	\$ 27.90	\$ 25.00	\$ 21.40	\$ 22.50	\$ 22.30
Low	\$ 25.00	\$ 20.30	\$ 19.75	\$ 20.05	\$ 20.10
Last trade value at quarter-end	\$ 26.50	\$ 25.00	\$ 20.40	\$ 21.25	\$ 22.11

(1) Annualized

(2) The yield on federally tax-exempt loans and securities is computed on a tax-equivalent basis using a federal tax rate of 21%.

(3) Due to rounding, cumulative quarterly per share performance may not equal annual per share totals.

(4) Tangible stockholders' equity excludes goodwill and core deposit intangibles.

(dollars in thousands - unaudited)	Dec. 31, 2024	Sep. 30, 2024	Quarter Ended Jun. 30, 2024	Mar. 31, 2024	Dec. 31, 2023
Net income	\$ 3,127	\$ 2,988	\$ 2,446	\$ 1,728	\$ 2,413
Other comprehensive income:					
Unrealized gain (loss) on securities available for sale, net of tax	(3,955)	4,738	184	(615)	5,278
Reclassification adjustment for security loss included in net income, net of tax	404	-	-	391	280
Accretion of unrealized loss included in net income on securities available for sale deferred tax adjustment for Wisconsin Act 19	(76)	-	-	(35)	-
Amortization of unrealized loss included in net income on securities available for sale transferred to securities held to maturity, net of tax	90	90	89	91	91
Unrealized gain (loss) on interest rate swap, net of tax	65	(101)	39	122	(109)
Reclassification adjustment of interest rate swap settlements included in earnings, net of tax	(27)	(38)	(40)	(41)	(39)
<b>Other comprehensive income (loss)</b>	<b>(3,499)</b>	<b>4,689</b>	<b>272</b>	<b>(87)</b>	<b>5,501</b>
<b>Comprehensive income (loss)</b>	<b>\$ (372)</b>	<b>\$ 7,677</b>	<b>\$ 2,718</b>	<b>\$ 1,641</b>	<b>\$ 7,914</b>

PSB Holdings, Inc. Nonperforming Assets as of:	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023
(dollars in thousands)					
Nonaccrual loans (excluding restructured loans)	\$ 10,109	\$ 10,116	\$ 12,184	\$ 11,498	\$ 5,596
Nonaccrual restructured loans	18	25	28	30	34
Restructured loans not on nonaccrual	286	292	299	304	310
Accruing loans past due 90 days or more	-	-	-	-	-
<b>Total nonperforming loans</b>	<b>10,413</b>	<b>10,433</b>	<b>12,511</b>	<b>11,832</b>	<b>5,940</b>
Other real estate owned	-	-	-	-	-
<b>Total nonperforming assets</b>	<b>\$ 10,413</b>	<b>\$ 10,433</b>	<b>\$ 12,511</b>	<b>\$ 11,832</b>	<b>\$ 5,940</b>
<b>Nonperforming loans as a % of gross loans receivable</b>	<b>0.95%</b>	<b>0.97%</b>	<b>1.15%</b>	<b>1.08%</b>	<b>0.54%</b>
<b>Total nonperforming assets as a % of total assets</b>	<b>0.71%</b>	<b>0.71%</b>	<b>0.84%</b>	<b>0.83%</b>	<b>0.42%</b>
<b>Allowance for credit losses as a % of nonperforming loans</b>	<b>118.52%</b>	<b>120.75%</b>	<b>100.69%</b>	<b>105.59%</b>	<b>207.10%</b>

PSB Holdings, Inc.  
 Nonperforming Assets >= \$500,000 net book value before specific reserves  
 At December 31, 2024  
 (dollars in thousands)

Collateral Description	Asset Type	Gross Principal	Specific Reserves
Real estate - Recreational Facility	Nonaccrual	\$ 4,126	\$ 151
Real estate - Independent Auto Repair	Nonaccrual	538	-
Real estate - Dealership	Nonaccrual	2,708	560
<b>Total listed nonperforming assets</b>		<b>\$ 7,372</b>	<b>\$ 711</b>
<b>Total bank wide nonperforming assets</b>		<b>\$ 10,413</b>	<b>\$ 1,043</b>
<b>Listed assets as a % of total nonperforming assets</b>		<b>71%</b>	<b>68%</b>

PSB Holding, Inc.  
 Loan Composition by Collateral Type  
 Quarter-ended (dollars in thousands)

	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023
<b>Commercial:</b>					
Commercial and industrial	\$ 116,864	\$ 115,234	\$ 125,508	\$ 118,821	\$ 117,207
Agriculture	11,568	11,203	11,480	12,081	12,304
Municipal	15,733	12,596	11,190	28,842	31,530
<b>Total Commercial</b>	<b>144,165</b>	<b>139,033</b>	<b>148,178</b>	<b>159,744</b>	<b>161,041</b>
<b>Commercial Real Estate:</b>					
Commercial real estate	551,641	541,577	544,171	546,257	536,209
Construction and development	79,377	60,952	70,540	63,375	81,701
<b>Total Commercial Real Estate</b>	<b>631,018</b>	<b>602,529</b>	<b>614,711</b>	<b>609,632</b>	<b>617,910</b>
<b>Residential real estate:</b>					
Residential	271,643	269,954	270,944	274,300	274,453
Construction and development	28,959	34,655	36,129	34,158	33,960
HELOC	36,887	36,734	33,838	31,357	29,766
<b>Total Residential Real Estate</b>	<b>337,489</b>	<b>341,343</b>	<b>340,911</b>	<b>339,815</b>	<b>338,179</b>
<b>Consumer installment</b>	<b>5,060</b>	<b>4,770</b>	<b>4,423</b>	<b>4,867</b>	<b>4,357</b>
<b>Subtotals - Gross loans</b>	<b>1,117,732</b>	<b>1,087,675</b>	<b>1,108,223</b>	<b>1,114,058</b>	<b>1,121,487</b>
<b>Loans in process of disbursement</b>	<b>(27,791)</b>	<b>(17,836)</b>	<b>(21,484)</b>	<b>(20,839)</b>	<b>(31,359)</b>
<b>Subtotals - Disbursed loans</b>	<b>1,089,941</b>	<b>1,069,839</b>	<b>1,086,739</b>	<b>1,093,219</b>	<b>1,090,128</b>
<b>Net deferred loan costs</b>	<b>605</b>	<b>733</b>	<b>702</b>	<b>669</b>	<b>649</b>
<b>Allowance for credit losses</b>	<b>(12,342)</b>	<b>(12,598)</b>	<b>(12,597)</b>	<b>(12,494)</b>	<b>(12,302)</b>
<b>Total loans receivable</b>	<b>\$ 1,078,204</b>	<b>\$ 1,057,974</b>	<b>\$ 1,074,844</b>	<b>\$ 1,081,394</b>	<b>\$ 1,078,475</b>

PSB Holding, Inc.

Selected Commercial Real Estate Loans by Purpose

(dollars in thousands)	Dec 31,		Sept 30,		June 30,		Mar 31,		Dec 31,	
	2024		2024		2024		2024		2023	
	Total Exposure	% of Portfolio (1)	Total Exposure	% of Portfolio (1)	Total Exposure	% of Portfolio (1)	Total Exposure	% of Portfolio (1)	Total Exposure	% of Portfolio (1)
Multi Family	\$ 140,087	14.0%	\$ 140,307	14.7%	\$ 146,873	15.2%	\$ 142,001	14.4%	\$ 132,386	13.2%
Industrial and Warehousing	88,297	8.8	86,818	9.1	86,025	8.9	85,409	8.6	83,817	8.3
Retail	33,991	3.4	33,020	3.5	34,846	3.6	33,177	3.4	35,419	3.5
Hotels	31,101	3.1	31,611	3.3	34,613	3.6	35,105	3.6	36,100	3.6
Office	6,234	0.6	6,378	0.7	6,518	0.7	6,655	0.7	6,701	0.7

(1) Percentage of commercial and commercial real estate portfolio and commitments.

PSB Holdings, Inc.  
Deposit Composition

Insured and Collateralized Deposits (dollars in thousands)	December 31,		September 30,		June 30,		March 31,		December 31,	
	2024		2024		2024		2024		2023	
	\$	%	\$	%	\$	%	\$	%	\$	%
Non-interest bearing demand	\$ 204,167	17.8%	\$ 210,534	18.5%	\$ 202,343	17.5%	\$ 199,076	17.8%	\$ 197,571	17.3%
Interest-bearing demand and savings	315,900	27.6%	305,631	26.8%	304,392	26.5%	318,673	28.7%	317,984	27.8%
Money market deposits	141,024	12.3%	138,376	12.2%	137,637	12.0%	143,167	12.9%	142,887	12.5%
Retail and local time deposits <= \$250	155,099	13.5%	155,988	13.7%	149,298	13.0%	148,404	13.3%	149,145	13.1%
Total core deposits	816,190	71.2%	810,529	71.2%	793,670	69.0%	809,320	72.7%	807,587	70.7%
Retail and local time deposits > \$250	25,500	2.2%	23,500	2.1%	22,500	2.0%	24,508	2.3%	23,000	2.0%
Broker & national time deposits <= \$250	1,241	0.1%	1,241	0.1%	1,490	0.1%	2,229	0.2%	3,470	0.3%
Broker & national time deposits > \$250	56,164	4.9%	56,164	4.9%	56,328	4.9%	61,752	5.5%	70,020	6.1%
Totals	\$ 899,095	78.4%	\$ 891,434	78.3%	\$ 873,988	76.0%	\$ 897,809	80.7%	\$ 904,077	79.1%

PSB Holdings, Inc.  
Deposit Composition

Uninsured Deposits (dollars in thousands)	December 31,		September 30,		June 30,		March 31,		December 31,	
	2024		2024		2024		2024		2023	
	\$	%	\$	%	\$	%	\$	%	\$	%
Non-interest bearing demand	\$ 55,348	4.8%	\$ 54,544	4.8%	\$ 48,092	4.1%	\$ 48,532	4.4%	\$ 69,258	6.1%
Interest-bearing demand and savings	20,934	1.8%	18,317	1.6%	32,674	2.8%	20,535	1.8%	20,316	1.8%
Money market deposits	153,334	13.4%	157,489	13.8%	177,954	15.4%	124,766	11.2%	124,518	10.9%
Retail and local time deposits <= \$250	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total core deposits	229,616	20.0%	230,350	20.2%	258,720	22.3%	193,833	17.4%	214,092	18.8%
Retail and local time deposits > \$250	18,638	1.6%	17,329	1.5%	19,613	1.7%	21,710	1.9%	23,633	2.1%
Broker & national time deposits <= \$250	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Broker & national time deposits > \$250	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Totals	\$ 248,254	21.6%	\$ 247,679	21.7%	\$ 278,333	24.0%	\$ 215,543	19.3%	\$ 237,725	20.9%

PSB Holdings, Inc.  
Deposit Composition

Total Deposits (dollars in thousands)	December 31,		September 30,		June 30,		March 31,		December 31,	
	2024		2024		2024		2024		2023	
	\$	%	\$	%	\$	%	\$	%	\$	%
Non-interest bearing demand	\$ 259,515	22.6%	\$ 265,078	23.3%	\$ 250,435	21.6%	\$ 247,608	22.2%	\$ 266,829	23.4%
Interest-bearing demand and savings	336,834	29.4%	323,948	28.4%	337,066	29.3%	339,208	30.5%	338,300	29.6%
Money market deposits	294,358	25.7%	295,865	26.0%	315,591	27.4%	267,933	24.1%	267,405	23.4%
Retail and local time deposits <= \$250	155,099	13.5%	155,988	13.7%	149,298	13.0%	148,404	13.3%	149,145	13.1%
Total core deposits	1,045,806	91.2%	1,040,879	91.4%	1,052,390	91.3%	1,003,153	90.1%	1,021,679	89.5%
Retail and local time deposits > \$250	44,138	3.8%	40,829	3.6%	42,113	3.7%	46,218	4.2%	46,633	4.1%
Broker & national time deposits <= \$250	1,241	0.1%	1,241	0.1%	1,490	0.1%	2,229	0.2%	3,470	0.3%
Broker & national time deposits > \$250	56,164	4.9%	56,164	4.9%	56,328	4.9%	61,752	5.5%	70,020	6.1%
<b>Totals</b>	<b>\$1,147,349</b>	<b>100.0%</b>	<b>\$1,139,113</b>	<b>100.0%</b>	<b>\$1,152,321</b>	<b>100.0%</b>	<b>\$1,113,352</b>	<b>100.0%</b>	<b>\$1,141,802</b>	<b>100.0%</b>

PSB Holdings, Inc.  
Average Balances (\$000) and Interest Rates  
(dollars in thousands)

	Quarter ended December 31, 2024			Quarter ended September 30, 2024			Quarter ended December 31, 2023		
	Average Balance	Interest	Yield / Rate	Average Balance	Interest	Yield / Rate	Average Balance	Interest	Yield / Rate
<b>Assets</b>									
Interest-earning assets:									
Loans (1)(2)	\$ 1,077,242	\$ 15,693	5.80%	\$ 1,079,393	\$ 15,674	5.78%	\$ 1,094,152	\$ 14,974	5.43%
Taxable securities	194,272	1,545	3.16%	177,520	1,345	3.01%	167,366	1,147	2.72%
Tax-exempt securities (2)	79,475	661	3.31%	79,472	661	3.31%	80,922	673	3.30%
FHLB stock	8,825	227	10.23%	8,825	176	7.93%	6,373	158	9.84%
Other	58,405	721	4.91%	36,680	523	5.67%	11,846	162	5.43%
<b>Total (2)</b>	<b>1,418,219</b>	<b>18,847</b>	<b>5.29%</b>	<b>1,381,890</b>	<b>18,379</b>	<b>5.29%</b>	<b>1,360,659</b>	<b>17,114</b>	<b>4.99%</b>
Non-interest-earning assets:									
Cash and due from banks	15,500			17,162			16,243		
Premises and equipment, net	14,001			14,216			13,243		
Cash surrender value ins	24,625			24,458			23,990		
Other assets	20,090			20,485			22,406		
Allowance for credit losses	(12,623)			(12,598)			(12,301)		
<b>Total</b>	<b>\$ 1,479,812</b>			<b>\$ 1,445,613</b>			<b>\$ 1,424,240</b>		
<b>Liabilities &amp; stockholders' equity</b>									
Interest-bearing liabilities:									
Savings and demand deposits	\$ 319,777	\$ 1,479	1.84%	\$ 323,841	\$ 1,515	1.86%	\$ 327,036	\$ 1,296	1.57%
Money market deposits	304,897	1,961	2.56%	277,884	1,876	2.69%	272,087	1,820	2.65%
Time deposits	256,201	2,587	4.02%	247,296	2,514	4.04%	273,332	2,410	3.50%
FHLB borrowings	170,701	1,890	4.40%	182,414	2,038	4.44%	133,560	1,349	4.01%
Other borrowings	6,848	57	3.31%	6,702	57	3.38%	6,999	54	3.06%
Senior sub. notes	4,780	59	4.91%	4,779	59	4.91%	4,773	59	4.90%
Junior sub. debentures	13,011	252	7.71%	12,985	252	7.72%	12,909	254	7.81%
<b>Total</b>	<b>1,076,215</b>	<b>8,285</b>	<b>3.06%</b>	<b>1,055,901</b>	<b>8,311</b>	<b>3.13%</b>	<b>1,030,696</b>	<b>7,242</b>	<b>2.79%</b>
Non-interest-bearing liabilities:									
Demand deposits	270,575			261,833			275,944		
Other liabilities	14,626			13,421			12,540		
Stockholders' equity	118,396			114,458			105,060		
<b>Total</b>	<b>\$ 1,479,812</b>			<b>\$ 1,445,613</b>			<b>\$ 1,424,240</b>		
<b>Net interest income</b>	<b>\$ 10,562</b>			<b>\$ 10,068</b>			<b>\$ 9,872</b>		

Rate spread	2.23%	2.16%	2.20%
Net yield on interest-earning assets	2.96%	2.90%	2.88%

(1) Nonaccrual loans are included in the daily average loan balances outstanding.

(2) The yield on federally tax-exempt loans and securities is computed on a tax-equivalent basis using a federal tax rate of 21%.

PSB Holdings, Inc.  
Average Balances (\$000) and Interest Rates  
(dollars in thousands)

	Year ended December 31, 2024			Year ended December 31, 2023		
	Average Balance	Interest	Yield/Rate	Average Balance	Interest	Yield/Rate
<b>Assets</b>						
Interest-earning assets:						
Loans (1)(2)	\$ 1,087,816	\$ 62,085	5.71%	\$ 1,043,144	\$ 53,824	5.16%
Taxable securities	179,074	5,382	3.01%	183,984	4,919	2.67%
Tax-exempt securities (2)	79,735	2,647	3.32%	81,481	2,705	3.32%
FHLB stock	8,024	750	9.35%	5,304	386	7.28%
Other	29,153	1,505	5.16%	9,073	465	5.13%
Total (2)	1,383,802	72,369	5.23%	1,322,986	62,299	4.71%
Non-interest-earning assets:						
Cash and due from banks	16,841			17,110		
Premises and equipment, net	13,834			13,294		
Cash surrender value ins	24,382			24,331		
Other assets	20,911			23,136		
Allowance for credit losses	(12,528)			(12,079)		
<b>Total</b>	<b>\$ 1,447,242</b>			<b>\$ 1,388,778</b>		
<b>Liabilities &amp; stockholders' equity</b>						
Interest-bearing liabilities:						
Savings and demand deposits	\$ 331,411	\$ 6,133	1.85%	\$ 344,906	\$ 4,582	1.33%
Money market deposits	281,828	7,569	2.69%	249,079	5,328	2.14%
Time deposits	256,265	10,150	3.96%	261,595	7,083	2.71%
FHLB borrowings	167,708	7,238	4.32%	116,282	4,417	3.80%
Other borrowings	7,241	232	3.20%	7,061	215	3.04%
Senior sub. notes	4,778	235	4.92%	4,927	238	4.83%
Junior sub. debentures	12,972	1,010	7.79%	12,870	985	7.65%
Total	1,062,203	32,567	3.07%	996,720	22,848	2.29%
Non-interest-bearing liabilities:						
Demand deposits	258,173			274,273		
Other liabilities	13,475			12,397		
Stockholders' equity	113,391			105,388		
<b>Total</b>	<b>\$ 1,447,242</b>			<b>\$ 1,388,778</b>		
<b>Net interest income</b>		<b>\$ 39,802</b>			<b>\$ 39,451</b>	
Rate spread			2.16%			2.42%
<b>Net yield on interest-earning assets</b>			<b>2.88%</b>			<b>2.98%</b>

(1) Nonaccrual loans are included in the daily average loan balances outstanding.

(2) The yield on federally tax-exempt loans and securities is computed on a tax-equivalent basis using a federal tax rate of 21%.

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