



cib marine
BANCSHARES INC

2022 ANNUAL REPORT



It's your money.
We just help.



Dear Shareholders:

2022 was a year of substantial progress in some critical areas for the Company, and some disappointing results in areas that were particularly interest rate sensitive. Some of the 2022 highlights our shareholders should be aware of include:

- We completed the second redemption of preferred stock by retiring 5,830 shares of Series A preferred stock (28.5% of the outstanding Series A shares) for \$4.8 million.
- We issued \$10 million par value of subordinated debt at the favorable rate of 4.5% per annum through February 18, 2027 (and, thereafter, at a quarterly floating rate equal to the Three-Month Term SOFR plus 275 basis points) to support preferred stock redemptions and the Company.
- Our Corporate Banking Division recorded its third consecutive year of new loan originations significantly exceeding budget expectations, and strong generation of new deposit relationships.
- The Retail Banking Division successfully adjusted to the changing markets with rapid increases in interest rates and the shift toward higher interest-bearing accounts while maintaining and growing the number of account relationships.
- Net interest income increased \$0.7 million in 2022 from 2021, despite a \$0.8 million decline in PPP loan fee accretion and \$0.4 million more in subordinated debt interest expense.
- We recorded a \$600,000 loan loss reversal in the fourth quarter of 2022 after resolving a handful of long-term problem credits, which continues our string of strong credit metrics including non-performing assets to total assets at 0.20%; non-accrual loans to total loans at 0.16%; loans past due 30 days or more to total loans at 0.10%; and allowance for loan losses to total loans at 1.37% at year-end.
- Our Government Guaranteed Lending Division was able to recruit two new business development officers and is poised for growth in 2023.



J. Brian Chaffin, President & CEO, and Mark A. Elste, Chairman



- The mortgage industry performed poorly in 2022 as the unprecedented and rapid pace of Fed rate increases dramatically impacted residential mortgage originations. After two years of exceptional performance with combined mortgage earnings in excess of \$8 million, mortgage originations fell by nearly 60%, which resulted in our first divisional loss since acquiring the assets of Avenue Mortgage Corp. in 2013.

In the third quarter of 2022, we began work on a strategy to increase the number of commissioned loan officers in our Mortgage Division to utilize excess operational capacity and increase mortgage revenue. This culminated with the addition of 34 new mortgage lenders, and a limited number of new operational staff, in late December and early January. This is a long-term strategy to capitalize on a core competency and will take a number of months to develop the full financial impact we expect to have as we work to reverse the losses incurred by the Mortgage Division in 2022. We do expect overall improvement in mortgage results in 2023.

We completed the second stage of our capital plan to retire all outstanding shares of preferred stock when we executed the redemption of 5,830 shares of Series A Preferred Stock for a total price of \$4.8 million or \$825 per share. Per the terms of the plan approved by our shareholders, we have until the fourth quarter of 2025 to redeem the remaining 14,633 shares of Series A and 1,610 shares of Series B which remain outstanding at a total redemption price of \$13.4 million. Our intention is to complete the redemption in the fourth quarter of 2024, and is subject to several factors including but not limited to earnings, regulatory approval, and IRS Code Section 382 analysis of our deferred tax assets.

We recently announced an agreement with a local financial institution to sell our Danville, Illinois consumer deposits which totaled approximately \$29 million in balances as of December 31, 2022. The transaction requires regulatory approval and is expected to close in the second quarter of 2023. We have ample liquidity resources to complete this transaction and are pleased with the premium received.

We continue to utilize our Project Falcon platform as a continuous improvement program focused on improving operational efficiencies, enhancing the client experience, and growing revenue and earnings. We've been very pleased with how this initiative has been a catalyst to help engage the expertise and creative thinking of our CIBM colleagues.

Our focus in 2023 will be to improve Mortgage Division performance and consolidated earnings while continuing to maintain the strong liquidity, capital ratios, and risk profile of the bank.

We want to thank our team members across the Company for their hard work and dedication in service to our clients and the communities we live in, while upholding our core values of Service, Solutions and Integrity.

Sincerely,

Mark A. Elste
Chairman

J. Brian Chaffin
President & CEO



SELECTED UNAUDITED CONSOLIDATED FINANCIAL DATA

(Dollars in thousands, except share and per share data)	At or for the Years Ended December 31				
	2022	2021	2020	2019	2018
SELECTED STATEMENTS OF OPERATIONS DATA					
Interest and dividend income	\$27,332	\$25,059	\$26,996	\$27,948	\$26,203
Interest expense	3,417	1,796	4,814	8,647	6,422
Net interest income	23,915	23,263	22,182	19,301	19,781
Provision for (reversal of) loan losses	(893)	(1,195)	1,053	817	(1,185)
Net interest income after provision for (reversal of) loan losses	24,808	24,458	21,129	18,484	20,966
Noninterest income (1)	5,469	15,071	21,801	10,156	9,409
Noninterest expense	25,263	30,377	32,003	26,174	25,847
Income from continuing operations before income taxes	5,014	9,152	10,927	2,466	4,528
Income tax expense (benefit)	1,288	2,480	2,743	423	1,188
Net income	3,726	6,672	8,184	2,043	3,340
COMMON SHARE DATA (2)					
Basic net income (3)	2.97	5.64	6.51	1.92	4.24
Diluted net income (3)	2.16	4.06	3.79	1.08	2.20
Dividends	—	—	—	—	—
Tangible book value per share (4)	53.19	56.44	52.28	44.86	42.35
Book value per share (4)	51.39	53.96	47.19	39.66	36.77
Weighted average shares outstanding-basic	1,303,859	1,280,259	1,262,279	1,227,111	1,213,940
Weighted average shares outstanding-diluted	1,795,037	1,778,294	2,167,731	2,180,776	2,342,643
FINANCIAL CONDITION DATA					
Total assets	\$752,997	\$745,393	\$750,982	\$703,791	\$721,259
Loans	577,303	543,819	539,227	513,705	491,337
Allowance for loan losses	(7,894)	(8,352)	(9,122)	(8,007)	(7,947)
Investment securities	124,421	106,647	108,492	120,398	121,281
Deposits	628,869	618,991	586,373	530,190	536,931
Borrowings	34,485	27,049	51,310	73,847	86,710
Stockholders' equity	83,503	91,780	103,704	93,404	91,035

1. Noninterest income includes gains and losses on securities.

2. Common share data prior to September 14, 2020, is adjusted to reflect the 1-for-15 reverse split to allow for comparability between the pre- and post-reverse split periods.

3. Net income available to common stockholders in the calculation of earnings per share includes the difference between the carrying amount less the consideration paid for redeemed preferred stock of \$0.1 million, \$0.5 million, \$0.03 million, \$0.3 million, and \$1.8 million for the years ended December 31, 2022, 2021, 2020, 2019 and 2018, respectively.

4. Tangible book value per share is the shareholder equity less the carry value of the preferred stock and less the goodwill and intangible assets, divided by the total shares of common outstanding. Book value per share is the shareholder equity less the liquidation preference of the preferred stock, divided by the total shares of common outstanding. Both book value measures are reported inclusive of the net deferred tax assets. As presented here, shares of common outstanding excludes unvested Restricted Stock Awards.



(Dollars in thousands, except share and per share data)	At or for the Years Ended December 31				
	2022	2021	2020	2019	2018
FINANCIAL RATIOS AND OTHER DATA					
Performance Ratios:					
Net interest margin (5)	3.27%	3.22%	3.11%	2.91%	3.05%
Net interest spread (6)	3.10	3.13	2.93	2.60	2.80
Noninterest income to average assets (7)	0.75	2.00	2.90	1.43	1.37
Noninterest expense to average assets	3.30	4.02	4.26	3.72	3.75
Efficiency ratio (8)	85.17	79.10	72.85	89.07	88.44
Earnings (loss) on average assets (9)	0.49	0.88	1.09	0.29	0.48
Earnings (loss) on average equity (10)	4.15	6.37	8.26	2.18	3.52
Asset Quality Ratios:					
Nonaccrual loans to total loans (11)	0.16%	0.14%	0.23%	1.09%	1.34%
Nonaccrual loans, restructured loans and loans 90 days or more past due and still accruing to total loans (11)	0.20	0.21	0.40	1.38	1.62
Nonperforming assets, restructured loans and loans 90 days or more past due and still accruing to total asset (11)	0.20	0.21	0.54	1.35	1.45
Allowance for loan losses to total loans	1.37	1.54	1.69	1.56	1.62
Allowance for loan losses to nonaccrual loans, restructured loans and loans 90 days or more past due and still accruing (11)	684.06	726.26	421.14	112.66	99.72
Net charge-offs (recoveries) to average loans	(0.08)	(0.08)	(0.01)	0.15	(0.29)
Capital Ratios:					
Total equity to total assets	11.09%	12.31%	13.81%	13.27%	12.62%
Total risk-based capital ratio	15.71	15.53	17.44	15.19	15.34
Tier 1 risk-based capital ratio	12.78	14.28	16.19	13.94	14.09
Leverage capital ratio	9.73	10.22	11.46	10.71	10.10
Other Data:					
Number of employees (full-time equivalent)	189	177	176	176	183
Number of banking facilities	10	10	11	11	11

5. Net interest margin is the ratio of net interest income to average interest-earning assets.

6. Net interest spread is the yield on average interest-earning assets less the rate on average interest-bearing liabilities.

7. Noninterest income to average assets excludes gains and losses on securities.

8. The efficiency ratio is noninterest expense divided by the sum of net interest income plus noninterest income, excluding gains and losses on securities.

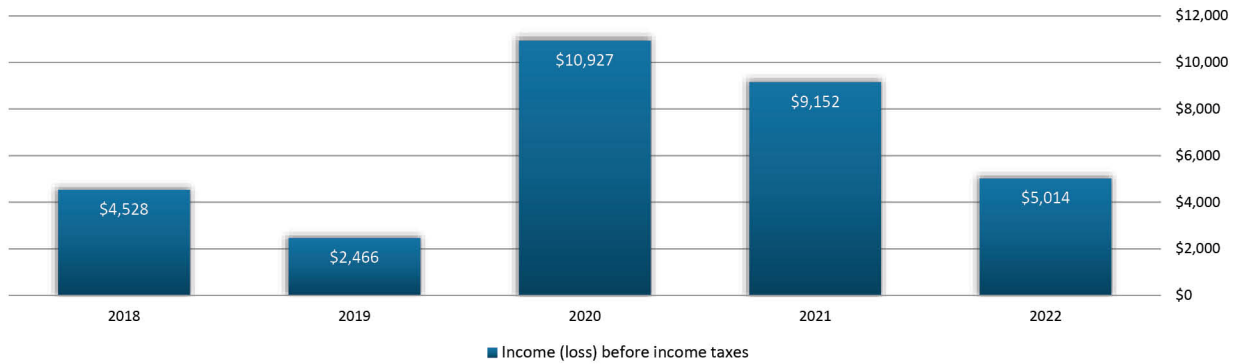
9. Earnings on average assets are net income divided by average total assets.

10. Earnings on average equity are net income divided by average stockholders' equity.

11. Excludes loans held for sale.

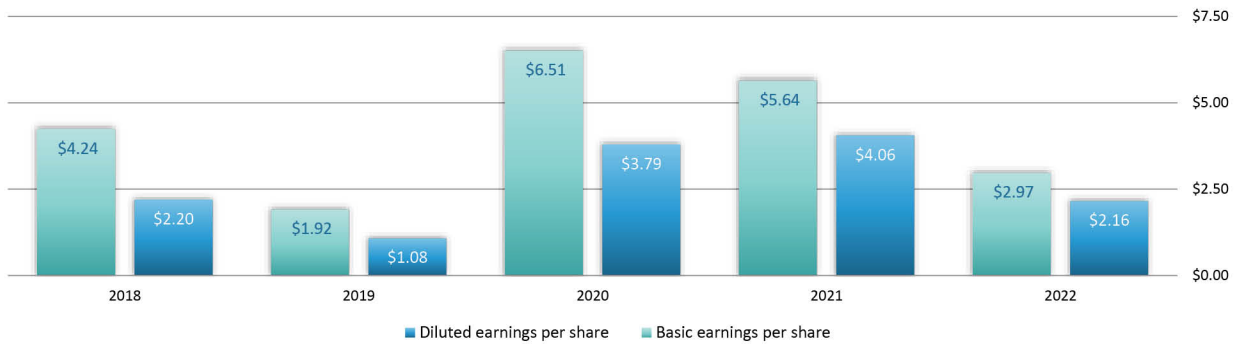


INCOME, BEFORE TAX (000s)



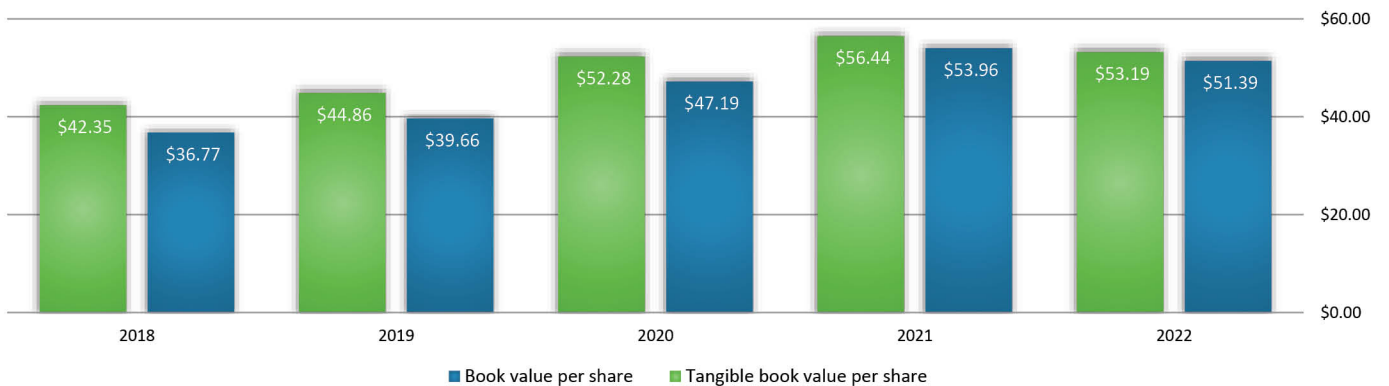
Income before tax has been over \$5 million over the last three years. The slowdown in mortgage business as interest rates rose in 2022 resulted in lower income compared to prior years, however, income from other lending & deposits was up in 2022.

EARNINGS PER SHARE, BASIC AND DILUTED



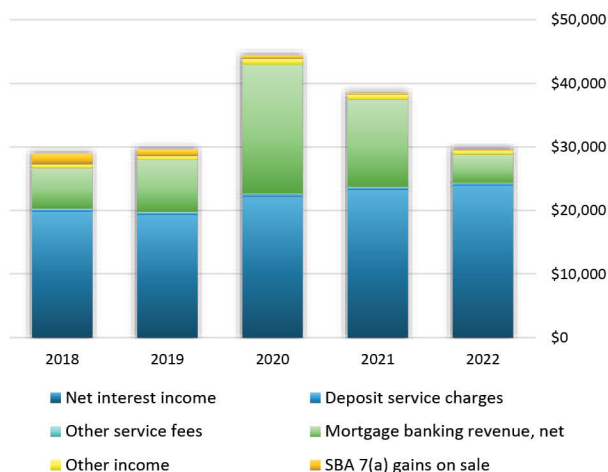
Earnings per share were \$2.97 basic and \$2.16 diluted in 2022. This included \$145,000 in discounts from redemptions of preferred shares in 2022. The decline in 2022 from 2021 was due to lower earnings as a result of the slowdown in mortgage business.

BOOK VALUE, TANGIBLE AND STATED

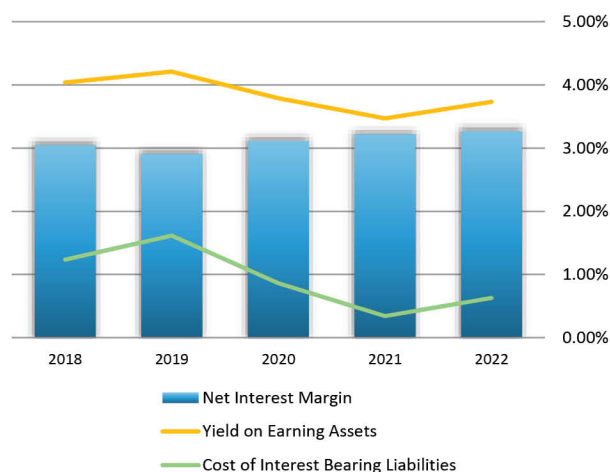


Book value has been supported with continued earnings, however, the industry and the Bank have seen reductions in the market values of their investment securities due to rising interest rates. The result has been a decline in book values over the past year.

PRIMARY BANKING REVENUES (000s)

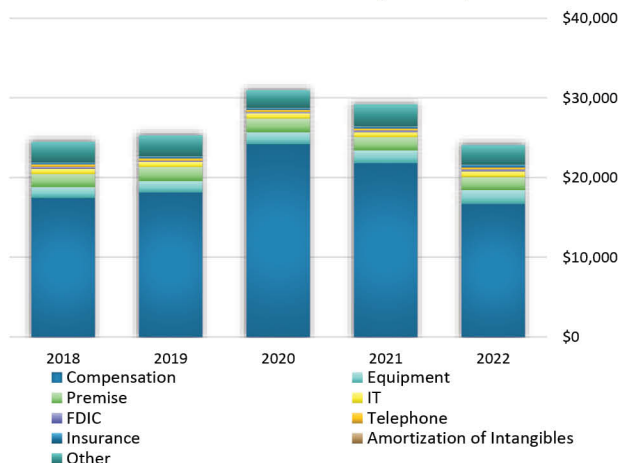


NET INTEREST MARGIN

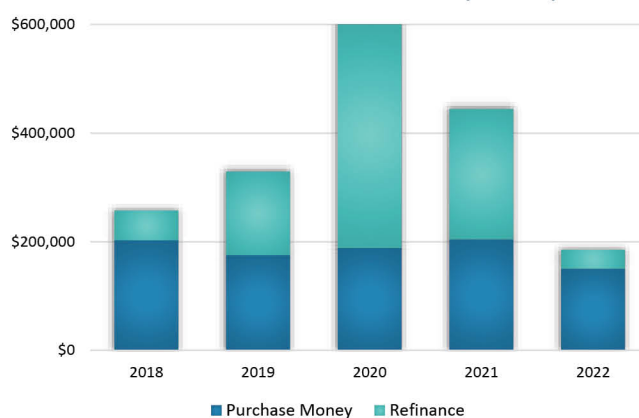


Net interest income continued to trend higher during 2022 as loan and deposit balances grew and net interest spreads widened. These improvements were despite \$0.8 million lower PPP loan fee accretions and \$0.4 million more in subordinated debt interest expense in 2022. Overall revenue declined in 2022 due to the slowdown in mortgage business due to rising interest rates.

EXPENSES (000s)

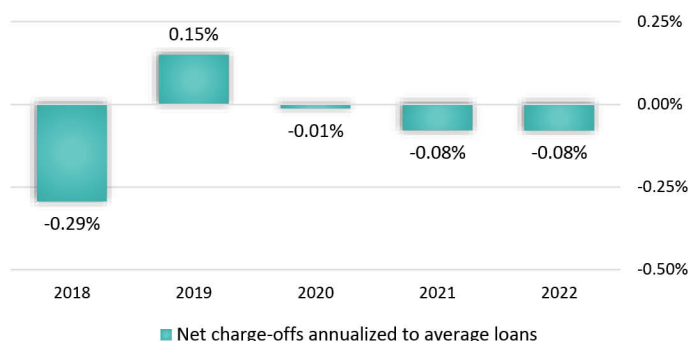
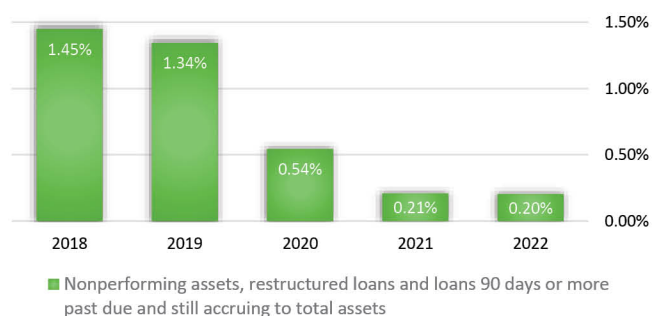


CIBM MORTGAGE, LOAN ORIGINATIONS (000s)



As mortgage revenues declined in 2022, so did mortgage production related compensation. Most other expense categories had only modest changes.

NON-PERFORMING ASSETS/TOTAL ASSETS NET CHARGE OFFS TO AVERAGE LOANS



Asset quality ended the year strong again with a historically low non-performing assets to total assets ratio, and a recovery of prior loan losses, resulting in net recoveries for the third year in a row.



CIB MARINE BANCSHARES, INC. & CIBM BANK

BOARD OF DIRECTORS

BOARD OF DIRECTORS	
<p>Mark A. Elste, <i>Chairman</i> Director Since: 2011</p> <p>Chairman of the Boards of CIB Marine Bancshares, Inc. & CIBM Bank</p> <p>Committees: Executive Loan, Investment Advisory (Chair), and Trust</p>	<p>J. Brian Chaffin Director Since: 2015</p> <p>President & CEO, CIB Marine Bancshares, Inc. & CIBM Bank</p> <p>Committees: Trust</p>
<p>Gina M. Cocking Director Since: 2019</p> <p>Managing Director & CEO, Colonnade Advisors, LLC</p> <p>Committees: Compensation, Executive Loan, and New Business Lines (Chair)</p>	<p>JoAnn M. Cotter Director Since: 2019</p> <p>Retired Partner, Wipfli LLP</p> <p>Committees: Audit, Compensation (Vice Chair), and Nominating</p>
<p>Mark D. Henderson Director Since: 2017</p> <p>Chief Information Officer & Vice Chancellor of the University of Pittsburgh</p> <p>Committees: Audit (Vice Chair) and Compensation</p>	<p>Rhonda L. Hopps Director Since: 2021</p> <p>Executive Director of Comer Education Campus, a youth development organization</p> <p>Committees: Compensation and Investment Advisory</p>
<p>Gary L. Longman Director Since: 2004</p> <p>Retired Partner, KPMG LLP</p> <p>Committees: Audit (Chair), Compensation, and Trust</p>	<p>Charles D. Mires Director Since: 2011</p> <p>Retired Director of Fixed Income & Alternative Strategies for private investment management firm</p> <p>Committees: Audit, Compensation, New Business Lines, and Trust (Chair)</p>
<p>Steven C. Palmitier Director Since: 2011</p> <p>Retired President & Chief Operating Officer of North American Company for Life and Health Insurance and Midland National Life Insurance Company</p> <p>Committees: Compensation, New Business Lines, and Nominating</p>	<p>Ronald E. Rhoades Director Since: 2010</p> <p>Retired Chairman, President and CEO of plastic manufacturer, Plastic Container Corporation</p> <p>Committees: Compensation (Chair) and Nominating (Chair)</p>

WELCOME TO CIB MARINE BANCSHARES, INC.

The Board of Directors is pleased to welcome its newest member, Ms. Rhonda Hopps, CFA. Ms. Hopps joined the Board in late 2021, and has quickly become an integral part of the team, serving on the Board's Compensation, Executive Loan, and Investment Advisory Committees. Based in the Company's Chicago market, Ms. Hopps has spent the past decade in executive management of charter schools and youth development organizations on Chicago's south side and currently serves as the Executive Director of Chicago's Comer Education Campus, an organization that serves over 2,000 youth annually with a dynamic integration of academics, youth enrichment, and college and career preparation. Prior to that, Ms. Hopps served for more than two decades in a variety of positions within the financial industry, including as Director for Red Mortgage Capital's Chicago, Illinois office; and Senior Portfolio Manager for Allstate Investments, where she managed up to \$4 billion in private placement, project finance, and non-rated municipal investments.





Pictured: (left to right) Back Row: J. Mullaney, D. DeRidder, S. Winkel, L. Abner, M. Bragstad, M. Wilmington
Front Row: D. Rasmussen, B. Chaffin, P. Straka, G. Maughan. Not pictured: Frank Binetti

EXECUTIVE MANAGEMENT

J. Brian Chaffin President & Chief Executive Officer	Lee W. Abner SVP & Director of Technology Services
Frank Binetti EVP & Director of Mortgage Originations	Michelle M. Bragstad SVP & Chief Compliance Officer
Dawn M. DeRidder EVP & Director of Government Guaranteed Lending	Gary A. Maughan EVP & Mortgage Banking Director
James P. Mullaney III EVP & Director of Corporate Banking	Daniel J. Rasmussen EVP, Chief Admin. Officer, General Counsel & Secretary
Patrick J. Straka EVP & Chief Financial Officer	Mark V. Wilmington EVP & Director of Retail Banking
Scott C. Winkel EVP & Chief Credit Officer	



WELCOME TO CIBM BANK - FRANK BINETTI, EVP & DIRECTOR OF MORTGAGE ORIGINATIONS

In January 2023, CIBM Bank commenced a significant expansion of its mortgage lending team with the hiring of Frank Binetti and his team of mortgage bankers.

Frank joined the CIBM Mortgage team as Director of Mortgage Originations alongside CIBM's Director of Mortgage Banking, Gary Maughan. Frank is based in the Bank's Chicago market and is a 35-year veteran of the mortgage lending industry, with extensive experience in recruiting, team training and development, and sales management. A former President of the Illinois Mortgage Bankers Association, he is an active member in numerous real estate and builder associations and currently serves as Treasurer of the Building Industry Association of Greater Chicago, and as a Director of H.O.M.E. DuPage, Inc.

Along with Frank, CIBM Bank hired a team of approximately 30 mortgage loan officers. The new additions are forecast to more than double the Bank's mortgage originations and improve efficiencies by utilizing excess operating staff capacity. While many new team members are located within CIBM Bank's existing footprint, the addition will expand the Bank's operations into new markets, including Arizona, Connecticut, Florida, Massachusetts, New York, and Rhode Island.



CIB Marine Bancshares, Inc. (OTCQX: CIBH) is a Wisconsin corporation and registered bank holding company with its principal executive offices in Brookfield, Wisconsin, a suburb of Milwaukee.

CIB Marine was originally incorporated in the State of Illinois in 1985 as Sidney Bancorporation, Inc. In September 1987, a group of investors acquired Sidney Bancorporation and subsequently changed its name to Central Illinois Bancorp, Inc. On August 27, 1999, Central Illinois Bancorp reincorporated as a Wisconsin corporation and changed its name to CIB Marine Bancshares, Inc.

CIB Marine owns and operates CIBM Bank, an Illinois chartered commercial bank headquartered in Champaign, Illinois. The Bank's Mortgage Division, headquartered in Naperville, Illinois, serves all CIBM Bank markets. As of 2022, CIBM Bank had total assets of \$753 million, and operated 10 banking branches and 7 mortgage lending offices.

CIBM Bank offers a full array of traditional banking services, including a broad range of loan products, such as commercial loans, commercial real estate loans,

commercial and residential construction loans, government guaranteed loans, one-to-four family residential real estate loans, home equity loans, consumer loans, and commercial and standby letters of credit; acceptance of demand, savings and time deposits; trust services, including cash management; repurchase agreements; and other banking services.

BANK MANAGEMENT

CENTRAL ILLINOIS

- David J. Bates**
Senior Credit Officer
- Jason K. Curtiss**
Corporate Banker
- Michael A. Dexter, Jr.**
Corporate Banker
- Melissa J. Halcomb**
Director of Human Resources
- Teresa L. Keen**
Retail Operations Supervisor
- Janet A. Nicholas**
Director of IT Client Services
- Bette J. Prince**
Operations Specialist
- James C. Singleton**
Facilities Manager & Security Officer
- Linda L. Wolken**
Operations Manager

CHICAGOLAND

- Michael T. Barbaglia**
Corporate Banker
- Barbara A. Carroll**
Cashier
- Daniel E. Michalski**
Corporate Banker
- Jeffrey G. Nickels**
Client Services Representative & Project Manager
- Raymond E. Vanna**
Network Engineer
- Scott D. Weller**
Corporate Banker

INDIANAPOLIS

- Cara N. Engel-Dalton**
Director of Marketing
- Kenneth B. Yedlick**
Corporate Banker

MILWAUKEE

- Julie A. Berg**
Treasury Management Officer
- Annette F. Esteves**
Assistant Controller
- Gregory L. Huber**
Corporate Banker
- William J. Kadrich**
Corporate Banker
- Michael W. Klein**
Retail Market Manager
- Brian R. McNerney**
Corporate Banker
- Pamela J. Mitchell**
Loan Operations Manager
- Elizabeth B. Neighbors**
Investor Relations Manager & Paralegal
- Jill E. Sikorski**
Loan Services Manager
- Christopher J. Wood**
Senior Credit Officer
- Christen B. Meyer**
Treasury Management Officer

CIBM MORTGAGE

- Lorraine Quintao**
Mortgage Operations & Compliance Manager

GOVERNMENT GUARANTEED LENDING

- Bridget L. Condon**
Government Guaranteed Lending Banker
- Kelly L. Ferguson**
Government Guaranteed Lending Banker
- Claudia Quintana**
Government Guaranteed Lending Banker



WILLARD BUNN AWARD FOR BUSINESS ETHICS



Willard Bunn III served on CIB Marine's Board of Directors from 2010 to 2020. Drawing on his 40+ years of experience in the banking industry, Mr. Bunn proved invaluable in assisting the Company with its credit culture and efforts to recapitalize the Company. He served in a number of Board committee leadership positions and played an integral role in critical initiatives.

In honor of Mr. Bunn's service, the CIB Marine Board of Directors has developed the Willard Bunn Award for Business Ethics. Each year, the award will be presented to a CIBM employee in recognition of personal and professional conduct that demonstrates outstanding character, honesty, integrity, and generosity.



ANNIVERSARIES

30 YEARS

Jill Sikorski, *Loan Services Manager*

20 YEARS

Mark Wilmington, *Director of Retail Banking*

Pam Mitchell, *Loan Operations Manager*

25 YEARS

James Singleton, *Facilities Manager & Security Officer*

Sandra Kupka, *Sr. Loan Documentation Specialist*

15 YEARS

Cara Engel-Dalton, *Director of Marketing*



Mark Wilmington



Sandra Kupka



James Singleton



GOVERNMENT GUARANTEED LENDING TEAM

CIBM Bank’s Government Guaranteed Lending Division supports small businesses and entrepreneurs in our communities by providing them access to federal, state, and local loan programs designed to meet the needs of small businesses and startups.

One of the key benefits of working with a government guaranteed lending team is the assurance that loans will be backed by the government, which reduces the risk for the Bank and allows for more flexible lending terms. This enables entrepreneurs to secure loans that they may not have been able to obtain through traditional channels.

In addition to providing access to funding, our team also offers a range of support services to help entrepreneurs grow and develop their businesses, including mentoring and access to networking opportunities.

Led by Dawn DeRidder, EVP – Director of Government Guaranteed Lending, the team provides access to affordable credit and support services, which helps create a more vibrant and dynamic business environment that benefits everyone.



Pictured: Kelley Ferguson, Claudia Quintana, Dawn DeRidder, Bridget Condon, Danice Rietbrock

DEPOSIT OPERATIONS TEAM

The Retail Operations Division of CIBM Bank plays a crucial role in ensuring smooth and efficient banking services for customers. Many customers may only interact with Retail Operations when they call our customer service phone number, but without their services the Bank could not function. The team manages a wide range of data processing activities, including check processing, electronic

payment systems, fraud monitoring and detection, online banking, customer service support, account opening/closing processes, statement preparation and processing, and numerous other “back office” functions.

As technology in this area of the banking industry continues to evolve, our team has adapted quickly and has been instrumental in creative problem solving and the implementation of new products and services to enhance the customer experience.

Led by Linda Wolken, SVP – Operations Manager, many of the managers within the division have been a part of the CIBM family for more than 20 years. The division plays a key role in building customer trust and loyalty and, ultimately, in supporting the Bank’s overall success.



Pictured (left to right) Back Row: William Bray, Ashley Fisher, Amy Headley, Jessica Puckett, Kristen Meredith, Katie Tuller, Lora Keyes, Carrie Scott
Seated: Teresa Keen, Linda Wolken, Bette Prince



INVENTORS BREWPUB



Pictured: Cameron Huck (GM & Owner) and Adam Draeger (Founder & CEO)

Thanks to assistance from Ms. Bridget Condon, SBA Commercial Banker, and CIBM's Government Guaranteed Lending Division, Inventors Brewpub of Port Washington, Wisconsin, broke ground on a new brewery and taproom overlooking Lake Michigan and the Port Washington Marina in July 2022.

Founded in 2016 by avid home-brewer Adam Draeger, the brewery quickly outgrew its 80-seat, one-barrel space in an American Legion Post. The new location is expected to be completed in Spring 2023 and will feature a 10-barrel brewhouse and taproom, 240-seat restaurant, 250-seat event space, and leasable office space.

"In an industry where contractors and vendors say they'll get back to you and end up disappointing, it has been an absolute joy working with Bridget and CIBM because they always make time for you and control the process with ease." - Adam Draeger

to continue to be a Port Washington business, support our employees and grow our offerings for our existing and future customers. We will be growing a local business, increasing options in the downtown and becoming a Great Lakes destination." CIBM Bank is proud to support Inventors Brewpub in their efforts to serve their local community. Prost!

Mr. Draeger highlighted the business' focus on the surrounding community, saying "We want

STARFIRE INDUSTRIES



Pictured: Brian Jurczyk (President & CEO), Robert Stubbers (VP & Chief Technology Officer), Brian Chaffin (CIBM), & Bridget Condon (CIBM)

Founded by Brian Jurczyk and Robert Stubbers, Starfire Industries graduated from the Enterprise Works Startup Incubator at the Research Park at the University of Illinois Urbana-Champaign in 2009. Today, Starfire produces ultra-compact particle accelerators used for medical therapy, environmental sensing, nuclear security, and non-destructive imaging; and pulsed power plasma sources and systems used for nuclear fuel fabrication, superconductor coatings, lightweight electric vehicle assembly, high-temperature aerospace materials and thin-film desposition and etching applications. Starfire provides "Deep Tech" Solutions for customers worldwide.

Ms. Bridget Condon, SBA Commercial Banker, worked with Starfire in navigating the SBA loan process to secure funding for a new manufacturing facility in Champaign, Illinois, which will provide a combination of office, engineering, manufacturing, and distribution space that will support Starfire's growth for years to come. Starfire projects that

the new facility will help them create at least 22 full-time jobs, retain 20 full-time jobs, and support 12 engineering co-op and part-time professional jobs in the Champaign area.



The father-son team of Brian and Rudy Trebels have many years of successful business experience in various aspects of the financing industry. Two of these ventures are sister companies Wedgewood Investment Group, LLC, and Equipment Leasing Group of America, LLC.



Pictured: Brian Trebels (ELGA co-founder & CEO), James Mullaney (CIBM - standing), and Rudy Trebels (Wedgewood CEO)

WEDGEWOOD INVESTMENT GROUP, LLC

Founded 20 years ago by lending industry veteran, Rudy Trebels, Wedgewood Investment Group, LLC is a leading private Commercial Real Estate Investment firm that focuses on helping real estate companies and developers finance the construction, acquisition, re-capitalization and development of their real property assets. Their real estate finance products include construction loans, mortgages, mezzanine loans, bridge loans and equity capital. In addition, they assist middle market companies with financing their business and acquisitions of assets to help grow their companies.

EQUIPMENT LEASING GROUP OF AMERICA, LLC

Equipment Leasing Group of America, LLC (ELGA) does two things: help businesses make the most of their capital by structuring custom-tailored equipment leases, and help vendors create leasing programs that are designed to make their offerings more affordable and accessible.

In 2022, CIBM Bank provided both direct and indirect lines of credit to ELGA for financing leased equipment in the construction, industrial and manufacturing industries, including cranes, medical and IT technology, CNC machinery, jets, and dredging equipment.



Community banks are more than just financial institutions - they are the backbone of local economies. Engaging in community service activities not only strengthens the bond between the bank and its customers, but it also demonstrates a commitment to the well-being of the community. By investing time and resources into the community, we can help foster a thriving and prosperous local economy.

Giving Tuesday is a global movement that encourages people to donate to charitable causes and organizations on the Tuesday after Thanksgiving. On Giving Tuesday, individuals, communities, and organizations come together to donate time, money, or resources to charitable causes and promote social good. CIBM Bank staff celebrated the day by delivering care packages to fire and police departments in Central Illinois and by donating funds to Home Sweet Home Ministries (Bloomington, Illinois). Home Sweet Home Ministries seeks to instill hope, restore lives, and build community through innovative approaches.



As a community bank, we understand our obligation to our neighbors and the community institutions we serve.





In August, our staff collected school supplies and donated them to the Cunningham Children's Home (Urbana, Illinois). Founded in 1895, Cunningham Children's Home serves the needs of children with emotional, behavioral, and special educational needs. Through comprehensive services including residential treatment, special education and community-based services, Cunningham transforms lives by helping youth and families reach their potential.

Sherrri Smith, Branch Manager for CIBM's Danville, Illinois branch, sits on the Advisory Board of the Salvation Army of Vermilion County and has assisted the organization with fundraising, donor lunches, and budgeting classes. Through her role, CIBM was a noted sponsor for the organization's Money Management Class. Danville staff also chipped in to participate in the Salvation Army's annual Red Kettle Campaign where volunteers ring bells and collect donations from passers-by during the holiday season.



Our Bloomington, Illinois, staff worked hard to help fill the needs of those children who may not have access to school supplies. They donated 4,000 folders filled with FDIC Money Smart materials to children via the Normal, Illinois, Back to School Alliance.

The Volunteer Income Tax Assistance (VITA) Program is a cooperative effort by the Internal Revenue Service (IRS) and many individual states, including Wisconsin. Volunteers trained by the IRS and the Wisconsin Department of Revenue (DOR) prepare basic income tax returns for free. CIBM employees have participated in the VITA program for many years, and Bridget Condon (SBA Commercial Banker) and Brian McNerney (Corporate Banker) received Volunteer of the Year awards from the Wisconsin Department of Revenue in recognition of their dedication to the VITA program.



It's our community. We just help.



PERSONAL DEPOSIT PRODUCTS

- Interest-Bearing Checking and Savings (Acceleration BankingSM)
- Classic Checking
- High Performance Checking
- Alternative Checking
- Bonus Savings
- Planned Savings
- Kids Club Savings
- Money Market
- Certificates of Deposit
- Health Savings
- Coverdell Education Savings
- Traditional IRA
- Roth IRA
- Reciprocal Deposit (MIDAS)
- Simplified Employee Pension
- Digital Banking
- eStatements
- CIBM Banking Application
- Deposit Anywhere
- Zelle®
- Your Money (Budgeting Tool)
- Reward Debit Cards
- Credit Cards
- Digital Wallet
- Safe Deposit Boxes

BUSINESS DEPOSIT PRODUCTS

- Basic Business Checking
- Premier Business Checking
- Reciprocal Deposit (MIDAS)
- Business Savings
- Money Market
- Certificates of Deposit

BUSINESS BANKING

- Remote Deposit Capture
- Remote/Mobile Deposit
- Lockbox
- Electronic Receivables
- ACH
- Controlled Disbursement
- Positive Pay
- ACH Positive Pay
- Zero Balance Accounts
- Direct Deposits
- Wire Access
- ACH Filters & Blocks
- Cash Concentration
- EFTPs
- Online Bill Pay
- Credit Cards
- Debit Cards
- Sweeps
- Merchant Services
- Repurchase Agreements
- U.S. Treasury Bills and Government Agency Discount Notes

RESIDENTIAL LENDING

- Single Family Mortgages (1-4 units)
- Home Equity Lines of Credit and Fixed Term Loans
- Affordable Home Loan Program
- Lot Loans
- Bridge Loans
- Construction Loans
- Construction-Permanent Loans

CONSUMER LENDING

- Auto Loans
- Personal Loans
- Overdraft Lines of Credit
- Empowerment Credit Building Loan

COMMERCIAL LENDING

- Equipment Financing
- Real Estate Financing
- Construction Loan Financing
- Working Capital Lines of Credit
- Small Business Loans (Fast TrackSM)
- Letters of Credit
- SBA/Government Guaranteed Loans

TRUST SERVICES

- Cash Management Strategies and SBA 7(a) Repo
- Investments



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Urbana, IL 61802

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BROOKFIELD

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Brookfield, WI 53045

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DANVILLE

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Danville, IL 61832

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WHEATON

330 S. Naperville Road
Wheaton, IL 60187

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ELM GROVE

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Elm Grove, WI 53122

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Monticello, IL 61856

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CIBM MORTGAGE | www.cibmmortgage.com

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Barrington, IL 60010

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Agawam, MA 01001

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NAPERVILLE

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Naperville, IL 60563

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Cranston, RI 02910

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214 Pecan St
Peoria, IL 61602

Phone: (309) 472-7230

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FORWARD-LOOKING STATEMENTS

CIB Marine has made statements in this Annual Report that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. CIB Marine intends these forward-looking statements to be subject to the safe harbor created thereby and is including this statement to avail itself of the safe harbor. Forward-looking statements are identified generally by statements containing words and phrases such as "may," "project," "are confident," "should be," "intend," "predict," "believe," "plan," "expect," "estimate," "anticipate" and similar expressions. These forward-looking statements reflect CIB Marine's current views with respect to future events and financial performance that are subject to many uncertainties and factors relating to CIB Marine's operations and the business environment, which could change at any time.

There are inherent difficulties in predicting factors that may affect the accuracy of forward-looking statements.

Stockholders should note that many factors, some of which are discussed elsewhere in this Annual Report and in the documents that are incorporated by reference, could affect the future financial results of CIB Marine and could cause those results to differ materially from those expressed in forward-looking statements contained or incorporated by reference in this document. These factors, many of which are beyond CIB Marine's control, include but are not limited to:

- operating, legal, execution, credit, market, security (including cyber), and regulatory risks;
- economic, political, and competitive forces affecting CIB Marine's banking business;
- the impact on net interest income and securities values from changes in monetary policy and general economic and political conditions; and
- the risk that CIB Marine's analyses of these risks and forces could be incorrect and/or that the strategies developed to address them could be unsuccessful.

These factors should be considered in evaluating the forward-looking statements, and undue reliance should not be placed on such statements. Forward-looking statements speak only as of the date they are made. CIB Marine undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Forward-looking statements are subject to significant risks and uncertainties and CIB Marine's actual results may differ materially from the results discussed in forward-looking statements.

 EQUAL HOUSING LENDER. MEMBER FDIC.

