



FOR IMMEDIATE RELEASE  
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### **CIB MARINE BANCSHARES, INC. ANNOUNCES THIRD QUARTER 2024 RESULTS**

BROOKFIELD, Wis. – CIB Marine Bancshares, Inc. (the “Company” or “CIB Marine”) (OTCQX: CIBH), the holding company of CIBM Bank (the “Bank”), announced its unaudited results of operations and financial condition for the quarter and nine months ended September 30, 2024. Earnings are up \$0.7 million for the quarter when compared to the same quarter in 2023, and up by \$0.6 million compared to the prior quarter in 2024, if excluding the effects of the gain on sale from the sale-leaseback transaction in the prior quarter.

Net income for the quarter was \$1.1 million, or \$0.79 basic and \$0.59 diluted earnings per share, compared to \$0.4 million, or \$0.28 basic and \$0.21 diluted earnings per share, for the same period of 2023. Net income for the nine months ended September 30, 2024, was \$5.0 million, or \$3.73 basic and \$2.75 diluted earnings per share, compared to \$1.8 million, or \$1.34 basic and \$0.98 diluted earnings per share, for the same period of 2023. Excluding the effects of the non-recurring sale-leaseback transaction gain on sale reported in the second quarter of 2024, net income for the nine-month period ended September 30, 2024, was \$1.7 million, or \$1.27 basic and \$0.94 diluted earnings per share.

Financial highlights for the quarter include:

- Net interest income was up \$0.4 million from the prior quarter and net interest margin improved to 2.55% compared to 2.38% in the prior quarter and 2.43% in the third quarter of 2023. The improvement from the prior quarter was due to a 4 basis point increase in yields on earning assets and a 5 basis point decrease in the cost of funds. Net interest income was up \$0.6 million for the quarter compared to the same quarter of 2023, and down \$0.6 million for the nine months ended September 30, 2024, compared to the same period of 2023, due to the rise in cost of funds versus yields on assets over those time periods.
- Loan portfolio balances decreased \$12 million over the quarter and decreased \$15 million since December 31, 2023, due to high loan rates and the Company’s balance sheet management strategy, with further balance declines expected in the fourth quarter of 2024. Deposits decreased \$22 million for the quarter due to planned payoffs of maturing time deposits and

reductions in money market savings accounts, and increased \$20 million from December 31, 2023, as lower-cost deposits were generated and used to pay down Federal Home Loan Bank of Chicago (“FHLB”) borrowings.

- As of September 30, 2024, non-performing assets, modified loans to borrowers experiencing financial difficulty, and loans 90 days or more past due and still accruing to total assets and nonaccrual loans to total loans ratios were 1.25% and 0.44%, respectively, compared to 0.90% and 0.50%, respectively, on December 31, 2023, and 0.49% and 0.50%, respectively, on September 30, 2023. The primary reason for the increase in the ratios over the time period is due to four credit relationships with borrowers in or related to the transportation industry, including one modified loan in compliance with the modified terms, two relationships with non-accrual loans, and one that is 90 plus days past due in the process of collection.
- Also, as of September 30, 2024, the allowance for credit losses on loans (“ACLL”) to loans was 1.27% compared to 1.27% on December 31, 2023, and 1.30% on September 30, 2023. The ACLL is impacted by third-party economic forecasts and qualitative factors. Over the course of 2023 and 2024, forecasts for gross domestic product and unemployment have generally improved while certain qualitative factors related to loan performance have trended up, resulting in a lower ACLL to loans ratio.
- For the nine months ended September 30, 2024, Banking Division net income was \$5.8 million up from \$2.9 million for the same period in 2023, primarily due to the sale-leaseback gain on sale and cost reduction activities in the 2024 period. The Mortgage Division was profitable for the third quarter of 2024. For the nine months ended September 30, 2024, its net loss was \$0.1 million, improved from a \$0.5 million loss in the same period in 2023 thanks to cost saving actions and despite production being down due to housing market challenges.

Mr. J. Brian Chaffin, CIB Marine’s President and CEO, commented, “Operating results from our Banking and Mortgage Divisions improved for the quarter as highlighted above, at a time that continues to present many challenges for both community banking and mortgage banking companies. Our cost of funds and net interest margins showed nice improvements on a trending basis recently and we are working toward continued improvement, which should be accelerated by the recent decline in the Federal Funds Target Rates by the Federal Reserve. Our targeted expense controls implemented in late 2023 and early 2024 have supported improved operating results.”

He concluded, “Our plans for a final redemption of all remaining preferred stock during the fourth quarter of 2024 continue to move ahead. Earlier today, we announced the complete and final redemption of all preferred stock will occur on October 31, 2024. Although we now have sufficient cash on hand at CIB Marine for the final redemption, we have also secured lender commitments for a term loan and a line

of credit for contingency purposes. This marks a significant achievement of the Company and improves prospects for building future shareholder value.”

CIB Marine Bancshares, Inc. is the holding company for CIBM Bank, which operates nine banking offices in Illinois, Wisconsin, and Indiana, and has mortgage loan officers and/or offices in ten states. More information on the Company is available at [www.cibmarine.com](http://www.cibmarine.com), including recent shareholder letters, links to regulatory financial reports, and audited financial statements.

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**FORWARD-LOOKING STATEMENTS**

*CIB Marine has made statements in this release that may 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 Earnings Release 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.*

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**CIB MARINE BANCSHARES, INC.**  
**Selected Unaudited Consolidated Financial Data**

	At or for the							
	Quarters Ended					9 Months Ended		
	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	September 30, 2024	September 30, 2023	
(Dollars in thousands, except share and per share data)								
<b>Selected Statement of Operations Data:</b>								
Interest and dividend income	\$ 12,283	\$ 12,052	\$ 11,801	\$ 11,328	\$ 10,117	\$ 36,136	\$ 27,741	
Interest expense	6,707	6,897	6,840	6,190	5,180	20,444	11,424	
Net interest income	5,576	5,155	4,961	5,138	4,937	15,692	16,317	
Provision for (reversal of) credit losses	(113)	10	(28)	135	(140)	(131)	(227)	
Net interest income after provision for (reversal of) credit losses	5,689	5,145	4,989	5,003	5,077	15,823	16,544	
Noninterest income (1)	2,897	6,904	1,627	1,824	2,368	11,428	7,076	
Noninterest expense	7,163	6,904	6,421	6,669	7,007	20,488	21,269	
Income before income taxes	1,423	5,145	195	158	438	6,763	2,351	
Income tax expense	347	1,361	17	1,050	59	1,725	579	
Net income (loss)	\$ 1,076	\$ 3,784	\$ 178	\$ (892)	\$ 379	\$ 5,038	\$ 1,772	
<b>Common Share Data:</b>								
Basic net income (loss) per share	\$ 0.79	\$ 2.79	\$ 0.13	\$ (0.67)	\$ 0.28	\$ 3.73	\$ 1.34	
Diluted net income (loss) per share	0.59	2.06	0.10	(0.67)	0.21	2.75	0.98	
Dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Tangible book value per share (2)	57.80	55.36	52.59	53.35	52.05	57.80	52.05	
Book value per share (2)	56.06	53.61	50.84	51.58	50.28	56.06	50.28	
Weighted average shares outstanding - basic	1,357,259	1,356,255	1,341,181	1,334,163	1,333,900	1,351,205	1,320,342	
Weighted average shares outstanding - diluted	1,833,586	1,833,881	1,820,498	1,813,207	1,814,727	1,828,956	1,811,151	
<b>Financial Condition Data:</b>								
Total assets	\$ 888,283	\$ 901,634	\$ 897,595	\$ 899,060	\$ 874,247	\$ 888,283	\$ 874,247	
Loans	707,310	719,129	736,019	722,084	688,446	707,310	688,446	
Allowance for credit losses on loans	(8,973)	(9,083)	(9,087)	(9,136)	(8,947)	(8,973)	(8,947)	
Investment securities	120,349	123,814	119,300	131,529	130,476	120,349	130,476	
Deposits	747,168	768,984	772,377	727,565	644,165	747,168	644,165	
Borrowings	33,583	28,222	32,120	76,956	138,469	33,583	138,469	
Stockholders' equity	92,358	89,008	85,091	85,075	83,313	92,358	83,313	
<b>Financial Ratios and Other Data:</b>								
Performance Ratios:								
Net interest margin (3)	2.55%	2.38%	2.29%	2.41%	2.43%	2.41%	2.84%	
Net interest spread (4)	1.80%	1.71%	1.63%	1.79%	1.85%	1.71%	2.34%	
Noninterest income to average assets (5)	1.25%	3.09%	0.73%	0.78%	1.15%	1.69%	1.19%	
Noninterest expense to average assets	3.17%	3.09%	2.87%	3.00%	3.31%	3.04%	3.55%	
Efficiency ratio (6)	85.32%	57.19%	97.20%	97.13%	95.06%	75.67%	90.66%	
Earnings (loss) on average assets (7)	0.48%	1.69%	0.08%	-0.40%	0.18%	0.75%	0.30%	
Earnings (loss) on average equity (8)	4.71%	17.92%	0.84%	-4.21%	1.78%	7.74%	2.82%	
<b>Asset Quality Ratios:</b>								
Nonaccrual loans to loans (9)	0.44%	0.47%	0.48%	0.50%	0.50%	0.44%	0.50%	
Nonaccrual loans, modified loans to borrowers experiencing financial difficulty, loans 90 days or more past due and still accruing to total loans	1.54%	1.38%	1.04%	1.07%	0.56%	1.54%	0.56%	
Nonaccrual loans, modified loans to borrowers experiencing financial difficulty, loans 90 days or more past due and still accruing to total assets	1.25%	1.14%	0.89%	0.90%	0.49%	1.25%	0.49%	
Allowance for credit losses on loans to total loans (9)	1.27%	1.26%	1.23%	1.27%	1.30%	1.27%	1.30%	
Allowance for credit losses on loans to nonaccrual loans, modified loans to borrowers experiencing financial difficulty loans and loans 90 days or more past due and still accruing (9)	82.53%	91.24%	118.77%	118.59%	231.01%	82.53%	231.01%	
Net charge-offs (recoveries) annualized to average loans (9)	-0.01%	0.03%	0.03%	0.01%	-0.01%	0.02%	-0.01%	
<b>Capital Ratios:</b>								
Total equity to total assets	10.40%	9.87%	9.48%	9.46%	9.53%	10.40%	9.53%	
Total risk-based capital ratio	14.54%	13.90%	13.07%	13.24%	13.58%	14.54%	13.58%	
Tier 1 risk-based capital ratio	11.89%	11.27%	10.48%	10.62%	10.91%	11.89%	10.91%	
Leverage capital ratio	9.30%	8.93%	8.50%	8.62%	8.93%	9.30%	8.93%	
<b>Other Data:</b>								
Number of employees (full-time equivalent)	170	172	177	193	194	170	194	
Number of banking facilities	9	9	9	9	9	9	9	

(1) Noninterest income includes gains and losses on securities.

(2) Tangible book value per share is the stockholder 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 stockholder equity less the liquidation preference of the preferred stock, divided by the total shares of common outstanding. Book value measures are reported inclusive of the net deferred tax assets. As presented here, shares of common outstanding excludes unvested restricted stock awards.

(3) Net interest margin is the ratio of net interest income to average interest-earning assets.

(4) Net interest spread is the yield on average interest-earning assets less the rate on average interest-bearing liabilities

(5) Noninterest income to average assets excludes gains and losses on securities.

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

(7) Earnings on average assets are net income divided by average total assets.

(8) Earnings on average equity are net income divided by average stockholders' equity.

(9) Excludes loans held for sale.

**CIB MARINE BANCSHARES, INC.**  
**Consolidated Balance Sheets (unaudited)**

	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
(Dollars in Thousands, Except Shares)					
<b>Assets</b>					
Cash and due from banks	\$ 13,814	\$ 10,690	\$ 7,727	\$ 9,491	\$ 9,203
Reverse repurchase agreements	-	-	-	-	-
Securities available for sale	118,145	121,687	117,160	129,370	128,413
Equity securities at fair value	2,204	2,127	2,140	2,159	2,063
Loans held for sale	19,472	17,897	8,048	9,209	15,011
Loans	707,310	719,129	736,019	722,084	688,446
Allowance for credit losses on loans	(8,973)	(9,083)	(9,087)	(9,136)	(8,947)
Net loans	698,337	710,046	726,932	712,948	679,499
Federal Home Loan Bank Stock	2,238	2,238	2,328	2,709	4,645
Premises and equipment, net	1,526	1,569	3,550	3,602	3,675
Accrued interest receivable	2,926	3,230	3,271	2,983	2,748
Deferred tax assets, net	12,796	14,840	14,849	14,753	16,815
Other real estate owned, net	211	283	375	375	375
Bank owned life insurance	6,388	6,340	6,291	6,247	6,204
Goodwill and other intangible assets	64	64	64	64	70
Other assets	10,162	10,623	4,860	5,150	5,526
Total assets	\$ 888,283	\$ 901,634	\$ 897,595	\$ 899,060	\$ 874,247
<b>Liabilities and Stockholders' Equity</b>					
Deposits:					
Noninterest-bearing demand	\$ 95,471	\$ 95,457	\$ 87,621	\$ 89,025	\$ 88,674
Interest-bearing demand	90,095	86,728	92,092	90,232	73,086
Savings	234,969	244,595	261,998	256,059	254,211
Time	326,633	342,204	330,666	292,249	228,194
Total deposits	747,168	768,984	772,377	727,565	644,165
Short-term borrowings	23,829	18,477	22,383	67,227	128,748
Long-term borrowings	9,754	9,745	9,737	9,729	9,721
Accrued interest payable	2,101	2,145	1,982	1,883	1,491
Other liabilities	13,073	13,275	6,025	7,581	6,809
Total liabilities	795,925	812,626	812,504	813,985	790,934
<b>Stockholders' Equity</b>					
Preferred stock, \$1 par value; 5,000,000 authorized shares at both September 30, 2024 and December 31, 2023; 7% fixed rate noncumulative perpetual issued; 14,633 shares of series A and 1,610 shares of series B; convertible; \$16.2 million aggregate liquidation preference	13,806	13,806	13,806	13,806	13,806
Common stock, \$1 par value; 75,000,000 authorized shares; 1,372,642 and 1,349,392 issued shares; 1,358,573 and 1,335,323 outstanding shares at September 30, 2024 and December 31, 2023, respectively. (1)	1,372	1,372	1,369	1,349	1,349
Capital surplus	181,603	181,486	181,380	181,282	181,144
Accumulated deficit	(100,297)	(101,373)	(105,157)	(105,335)	(104,443)
Accumulated other comprehensive income (loss), net	(3,592)	(5,749)	(5,773)	(5,493)	(8,009)
Treasury stock, 14,791 shares on September 30, 2024 and December 31, 2023 (2)	(534)	(534)	(534)	(534)	(534)
Total stockholders' equity	92,358	89,008	85,091	85,075	83,313
Total liabilities and stockholders' equity	\$ 888,283	\$ 901,634	\$ 897,595	\$ 899,060	\$ 874,247

(1) Both issued and outstanding shares as stated here exclude 46,437 shares and 48,308 shares of unvested restricted stock awards at September 30, 2024 and December 31, 2023, respectively.

(2) Treasury stock includes 722 shares held by subsidiary bank CIBM Bank.

**CIB MARINE BANCSHARES, INC.**  
**Consolidated Statements of Operations (Unaudited)**

	At or for the					9 Months Ended	
	Quarters Ended					September 30, 2024	September 30, 2023
	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023		
	(Dollars in thousands)						
<b>Interest Income</b>							
Loans	\$ 10,573	\$ 10,582	\$ 10,394	\$ 9,752	\$ 8,718	\$ 31,549	\$ 23,781
Loans held for sale	300	213	142	200	227	655	466
Securities	1,183	1,217	1,231	1,330	1,132	3,631	3,148
Other investments	227	40	34	46	40	301	346
Total interest income	<u>12,283</u>	<u>12,052</u>	<u>11,801</u>	<u>11,328</u>	<u>10,117</u>	<u>36,136</u>	<u>27,741</u>
<b>Interest Expense</b>							
Deposits	6,354	6,466	6,227	5,071	3,918	19,047	9,358
Short-term borrowings	232	310	493	998	1,141	1,035	1,704
Long-term borrowings	121	121	120	121	121	362	362
Total interest expense	<u>6,707</u>	<u>6,897</u>	<u>6,840</u>	<u>6,190</u>	<u>5,180</u>	<u>20,444</u>	<u>11,424</u>
Net interest income	5,576	5,155	4,961	5,138	4,937	15,692	16,317
Provision for (reversal of) credit losses	(113)	10	(28)	135	(140)	(131)	(227)
Net interest income after provision for (reversal of) credit losses	<u>5,689</u>	<u>5,145</u>	<u>4,989</u>	<u>5,003</u>	<u>5,077</u>	<u>15,823</u>	<u>16,544</u>
<b>Noninterest Income</b>							
Deposit service charges	63	67	66	74	101	196	256
Other service fees	(5)	1	(5)	3	6	(9)	33
Mortgage banking revenue, net	2,264	2,166	1,209	1,397	1,984	5,639	4,628
Other income	150	273	163	165	132	586	413
Net gains on sale of securities available for sale	0	0	0	0	0	0	0
Unrealized gains (losses) recognized on equity securities	78	(14)	(18)	96	(66)	46	(66)
Net gains (loss) on sale of SBA loans	420	0	202	0	0	622	151
Net gains on sale of assets and (writedowns)	(73)	4,411	10	89	211	4,348	1,661
Total noninterest income	<u>2,897</u>	<u>6,904</u>	<u>1,627</u>	<u>1,824</u>	<u>2,368</u>	<u>11,428</u>	<u>7,076</u>
<b>Noninterest Expense</b>							
Compensation and employee benefits	4,852	4,700	4,289	4,369	4,631	13,841	14,282
Equipment	504	457	462	493	484	1,423	1,463
Occupancy and premises	495	391	436	415	490	1,322	1,332
Data Processing	243	208	212	224	245	663	665
Federal deposit insurance	182	219	199	170	123	600	360
Professional services	254	219	199	243	271	672	866
Telephone and data communication	51	51	56	66	57	158	174
Insurance	78	80	81	79	82	239	238
Other expense	504	579	487	610	624	1,570	1,889
Total noninterest expense	<u>7,163</u>	<u>6,904</u>	<u>6,421</u>	<u>6,669</u>	<u>7,007</u>	<u>20,488</u>	<u>21,269</u>
Income from operations before income taxes	1,423	5,145	195	158	438	6,763	2,351
Income tax expense	347	1,361	17	1,050	59	1,725	579
<b>Net (loss) income</b>	<u>1,076</u>	<u>3,784</u>	<u>178</u>	<u>(892)</u>	<u>379</u>	<u>5,038</u>	<u>1,772</u>
Preferred stock dividend	0	0	0	0	0	0	0
Discount from repurchase of preferred stock	0	0	0	0	0	0	0
<b>Net income (loss) allocated to common stockholders</b>	<u>\$ 1,076</u>	<u>\$ 3,784</u>	<u>\$ 178</u>	<u>\$ (892)</u>	<u>\$ 379</u>	<u>\$ 5,038</u>	<u>\$ 1,772</u>