



FOR IMMEDIATE RELEASE
April 1, 2021

FOR INFORMATION CONTACT:
J. Brian Chaffin, President & CEO
(217) 355-0900
brian.chaffin@cibmbank.com

CIB MARINE BANCSHARES, INC. ISSUES COUNTERPROPOSAL TO HILDENE PLAN

BROOKFIELD, Wis. – CIB Marine Bancshares, Inc. (the “Company” or “CIB Marine”) (OTCQB: CIBH), has issued a letter to its shareholders in response to a proxy statement issued by offshore hedge fund, Hildene Opportunities Master Fund, Ltd. (“Hildene”). CIB Marine’s letter highlights financial performance measures over the last five years, answers shareholder questions related to Hildene’s recent communications and, most importantly, proposes a fair plan that is accretive to value as an alternative to Hildene’s self-enriching repurchase plan. The Company’s proposed preferred stock repurchase plan includes the repurchase of 50% of the Company’s currently outstanding preferred stock in 2021 with intentions to pursue future repurchases with a goal of retiring all preferred stock within four years of the first repurchase, subject to financial and other considerations. Highlights are included here with additional detail in the letter, which is available along with other Annual Meeting materials on CIB Marine’s website: www.cibmarine.com/2021AnnualMeeting.asp.

	CIB Marine Plan	Hildene Plan
Shares to be Repurchased in 2021	21,946 pro-rata (50.0%)	23,529 (53.6%)
Price Per Share	\$775	\$850
SubDebt Required	None	\$20 million
Mandatory Payment of 7% Dividends	No (no change to current noncumulative terms)	Yes (changes current noncumulative terms)
Repurchase Order	Pro-rata Series A and Series B	Mandatory purchase of Series A before Series B
Accretive to Common Tangible Book Value	Yes	No
Article Amendment Required	Yes	Yes

J. Brian Chaffin, CIB Marine’s President and CEO said, “Our estimates indicate that Hildene’s proposed plan would take twice as long as our plan to repurchase all outstanding preferred shares and it would require us to pay more than \$20 million combined in debt service and preferred dividends, not including the repayment of subordinated debt or the price paid for the repurchased shares. We believe that using our currently available cash for repurchases is far more productive for all parties and would create immediate value for our common shareholders at a price above prior Preferred Stock repurchases.”

Mr. Chaffin concluded, “Our shareholders will receive a copy of our letter with a WHITE proxy card in an upcoming mailing from CIB Marine. While shareholders may be tempted to express displeasure with Hildene’s proposal, the strongest message our shareholders could send to Hildene is to discard any materials received from Hildene and overwhelmingly vote our WHITE Proxy Card in support of our Board nominees, who have guided us in our disciplined repurchase efforts.”

CIB Marine Bancshares, Inc. is the holding company for CIBM Bank, which operates ten banking offices and five mortgage loan offices in Illinois, Wisconsin and Indiana. More information on the Company is available at www.cibmarine.com, including recent shareholder letters, links to regulatory financial reports, and audited financial statements.

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.
