

November 6, 2025

Dear Shareholder,

CIB Marine Bancshares, Inc. (“CIB Marine” or the “Company”) is pleased to report its financial results for the quarter and nine months ended September 30, 2025. Operating results reflect continued improvement in operations represented by ongoing recovery of the net interest margin and net interest income, as well as improved results in mortgage operations compared to the same periods in 2024.

Results of Operations – Summary

CIB Marine reported net income of \$0.9 million for the quarter ended September 30, 2025, compared to \$1.1 million in the same period the prior year. CIB Marine also reported net income of \$1.9 million for the nine months ended September 30, 2025, compared to \$1.7 million for the same period of 2024, excluding the effects of the net gain related to the sale-leaseback transaction in June of 2024. Key developments that led to improved operating performance included the following:

- Net interest margin (“NIM”) increased again to 2.78% for the quarter ended September 30, 2025, and 2.69% for the nine months ended September 30, 2025, compared to 2.55% and 2.41% for the respective periods in 2024. The improvement was primarily driven by lower cost of funds relative to yields on interest earning assets, which was partially offset by a decline in interest earning assets, and resulted in an increase in net interest income of \$0.7 million year-to-date compared to the same period last year.
- The Mortgage Division’s earnings for the nine months ended September 30, 2025, were \$0.1 million, up \$0.1 million compared to the same period last year. The third quarter ended strong with some improvement in residential mortgage refinance activity as mortgage rates declined.

Financial Condition – Summary

Loan portfolio balances for the quarter were down \$10 million from June 30, 2025, and down \$41 million from December 31, 2024. While commercial loan production remains on budget, the Bank continues to experience elevated loan payoffs as borrowers execute business strategies (e.g., selling properties or businesses) which has contributed to a decline in overall loan portfolio balances. Additional highlights of our financial condition as of September 30, 2025, include:

- Non-performing assets represented 0.75% of total assets, and non-accrual loans accounted for 0.95% of total loans—both up from 0.68% and 0.81%, respectively, as of December 31, 2024, due primarily to one commercial relationship.
- Tangible book value (“TBV”) per share of common stock rose to \$60.72, up from \$57.37 at year-end 2024 and \$57.80 on September 30, 2024. This growth was primarily driven by earnings, a reduction in unrealized losses on available for sale securities due to lower interest rates, and the repurchase of CIBH shares below TBV as a part of our 2025 common stock repurchase program initiated during the first quarter of 2025. For further insight into other factors affecting TBV: TBV per share excluding deferred tax assets (“DTA”) was \$52.00 compared to \$47.83 December 31, 2024.

We encourage you to visit our website, www.cibmarine.com, where you will find our audited financial statements, shareholder communications, earnings releases and other financial information. If you prefer a mailed or e-mailed copy of our quarterly results, please contact Shareholder Relations Manager, Elizabeth Neighbors, at (262) 695-6010 or Elizabeth.Neighbors@cibmarine.com to be added to our distribution list.

Concluding Comments

We remain focused on core performance through initiatives that strengthen NIM, grow the commercial loan portfolio, develop and deepen deposit relationships, improve mortgage results, and control expenses. While elevated commercial loan payoffs—driven by borrower strategies, rather than service or rate concerns—have exceeded expectations, our lending team continues to build a strong pipeline to support future growth. We expect controlled loan and deposit growth through late 2025 and into 2026, with pricing strategies that support NIM recovery and sound credit metrics.

We also continue to monitor asset quality closely and do not view recent deterioration in a few isolated commercial loan relationships as systemic. Each quarter, we provide timely disclosures of problem loans, all of which have individual collection plans and are reflected in our allowance for credit losses through specifically assessed estimates. Recent market news regarding bankruptcies among non-depository auto financing companies is not expected to impact our portfolio, as we do not lend to such firms and our total exposure to loans secured by automobiles is less than \$2 million.

In addition, at our annual shareholder meeting in April, we emphasized our commitment to enhancing shareholder value. Since then, the Board and management have continued working closely with investment banking advisors to evaluate strategic initiatives that support this goal. With the full repurchase of preferred stock, strong capital ratios that keep us “well capitalized,” and improving operational results, the Bank is in its strongest position in two decades—opening the door to a range of strategic opportunities the Board is actively exploring to ensure the best possible outcome for shareholders.

Finally, we are nearing the full utilization of the \$1 million in repurchase activity authorized under our common stock repurchase plan, having completed \$0.7 million in repurchases as of September 30, 2025. In anticipation of fully executing the initial authorization by year-end, the Board has approved an extension of the plan, increasing the total repurchase authorization to \$2.5 million and extending the plan through December 31, 2026, as announced in our November 3, 2025, press release. While the plan continues to deliver short-term value to shareholders, our long-term focus remains on strengthening operating performance, which we believe is the most sustainable path to enhancing shareholder value over time.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Brian Chaffin". The signature is stylized with a large, sweeping initial "J" and a cursive "Chaffin".

J. Brian Chaffin
President & Chief Executive Officer

FORWARD-LOOKING STATEMENTS

CIB Marine has made statements in this Shareholder Letter 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 Shareholder Letter 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.

CIB MARINE BANCSHARES, INC.
Selected Unaudited Consolidated Financial Data

	Quarters Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
(Dollars in thousands, except share and per share data)				
Selected Statements of Operations Data				
Interest and dividend income	\$10,780	\$12,283	\$32,738	\$36,136
Interest expense	5,196	6,707	16,389	20,444
Net interest income	5,584	5,576	16,349	15,692
Provision for (reversal of) credit losses on loans	(90)	(113)	(39)	(131)
Net interest income after provision for (reversal of) credit losses	5,674	5,689	16,388	15,823
Noninterest income (1)	1,908	2,897	5,225	11,428
Noninterest expense	6,375	7,163	19,059	20,488
Income before income taxes	1,207	1,423	2,554	6,763
Income tax expense	299	347	657	1,725
Net income	\$908	\$1,076	\$1,897	\$5,038
Common Share Data				
Basic net income	\$0.68	\$0.79	\$1.41	\$3.73
Diluted net income	0.65	0.59	1.37	2.75
Dividends	—	—	—	—
Tangible book value per share (2)	60.72	57.80	60.72	57.80
Book value per share (2)	60.77	56.06	60.77	56.06
Weighted average shares outstanding-basic	1,345,233	1,357,259	1,341,077	1,351,205
Weighted average shares outstanding-diluted	1,391,648	1,833,586	1,388,222	1,828,956
Financial Condition Data				
Total assets	\$836,760	\$888,283	\$836,760	\$888,283
Loans	655,620	707,310	655,620	707,310
Allowance for credit losses on loans	(8,721)	(8,973)	(8,721)	(8,973)
Investment securities	128,214	120,349	128,214	120,349
Deposits	702,078	747,168	702,078	747,168
Borrowings	39,245	33,583	39,245	33,583
Stockholders' equity	81,789	92,358	81,789	92,358
Financial Ratios and Other Data				
Performance Ratios:				
Net interest margin (3)	2.78%	2.55%	2.69%	2.41%
Net interest spread (4)	2.17	1.81	2.07	1.71
Noninterest income to average assets (5)	0.91	1.25	0.82	1.69
Noninterest expense to average assets	3.06	3.17	3.04	3.04
Efficiency ratio (6)	85.33	85.32	88.61	75.67
Earnings on average assets (7)	0.44	0.48	0.30	0.75
Earnings on average equity (8)	4.46	4.71	3.18	7.74
Asset Quality Ratios:				
Nonaccrual loans to total loans (9)	0.95%	0.44%	0.95%	0.44%
Nonperforming assets to total assets (10)	0.75	0.38	0.75	0.38
Nonaccrual loans, modified loans to borrowers experiencing financial difficulty and loans 90 days or more past due and still accruing to total loans (9)	2.38	1.68	2.38	1.68
Nonperforming assets, modified loans to borrowers experiencing financial difficulty and loans 90 days or more past due and still accruing to total assets (9)(10)	1.87	1.36	1.87	1.36
Allowance for loan losses to total loans	1.33	1.27	1.33	1.27
Allowance for loan losses to nonaccrual loans, modified loans to borrowers experiencing financial difficulty and loans 90 days or more past due and still accruing (9)	55.78	75.68	55.78	75.68
Net charge-offs (recoveries) to average loans	0.00	(0.01)	(0.01)	0.02
Capital Ratios:				
Total equity to total assets	9.77%	10.40%	9.77%	10.40%
Total risk-based capital ratio	13.90	14.54	13.90	14.54
Tier 1 risk-based capital ratio	11.15	11.90	11.15	11.90
Leverage capital ratio	8.88	9.30	8.88	9.30
Other Data:				
Number of employees (full-time equivalent)	143	170	143	170
Number of banking facilities	9	9	9	9

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

(2) 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.

(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.
(10) Nonperforming assets include nonaccrual loans, nonaccrual securities, and other real estate owned.

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

	September 30, 2025	December 31, 2024
	(Dollars in thousands)	
Assets		
Cash and due from banks	\$19,016	\$6,748
Securities available for sale and equity securities	128,214	120,339
Loans held for sale	7,287	13,291
Net loans	646,899	688,303
Other assets	35,344	37,793
Total assets	<u>\$836,760</u>	<u>\$866,474</u>
Liabilities and Stockholders' Equity		
Deposits	702,078	692,378
Short-term borrowings	29,458	71,973
Other liabilities	23,435	24,162
Total liabilities	<u>754,971</u>	<u>788,513</u>
Stockholders' Equity		
Total stockholders' equity	<u>81,789</u>	<u>77,961</u>
Total liabilities and stockholders' equity	<u>\$836,760</u>	<u>\$866,474</u>

CIB MARINE BANCSHARES, INC.
Summary Consolidated Statements of Operations (unaudited)

	Quarters Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(Dollars in thousands)			
Interest income	10,780	12,283	32,738	36,136
Interest expense	5,196	6,707	16,389	20,444
Net interest income	<u>5,584</u>	<u>5,576</u>	<u>16,349</u>	<u>15,692</u>
Provision for (reversal of) credit losses	(90)	(113)	(39)	(131)
Net interest income after provision for (reversal of) credit losses	<u>5,674</u>	<u>5,689</u>	<u>16,388</u>	<u>15,823</u>
Noninterest income	1,908	2,897	5,225	11,428
Compensation and employee benefits	4,047	4,852	12,173	13,841
Equipment, occupancy, and premises	1,091	999	3,301	2,745
Other expense	1,237	1,312	3,585	3,902
Total noninterest expense	<u>6,375</u>	<u>7,163</u>	<u>19,059</u>	<u>20,488</u>
Income from operations before income taxes	<u>1,207</u>	<u>1,423</u>	<u>2,554</u>	<u>6,763</u>
Income tax expense	299	347	657	1,725
Net income	<u>908</u>	<u>1,076</u>	<u>1,897</u>	<u>5,038</u>
Discount from repurchase of preferred shares	—	—	—	—
Net income allocated to common stockholders	<u>\$908</u>	<u>\$1,076</u>	<u>\$1,897</u>	<u>\$5,038</u>