



FOR IMMEDIATE RELEASE
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**CIB MARINE BANCSHARES, INC. ANNOUNCES DETAILS OF PLAN TO
REPURCHASE ALL PREFERRED STOCK**

Annual Meeting to be Rescheduled for a Later Date

BROOKFIELD, Wis. – CIB Marine Bancshares, Inc. (the “Company” or “CIB Marine”) (OTCQB: CIBH) announced an agreement with Hildene Capital Management, LLC (including their affiliated investment funds, Hildene Opportunities Master Fund, Ltd. and Hildene Opportunities Master Fund II, Ltd., collectively “Hildene”) on a plan for the repurchase and retirement of all preferred stock over the next four years, including an initial repurchase in 2021 of \$18 million for roughly half of the currently outstanding preferred stock, at a price of \$825 per share.

Implementation of the preferred stock repurchase plan will require amendment of the Company’s Articles of Incorporation. Accordingly, the Company’s proposed Second Amended and Restated Articles of Incorporation will be submitted to all classes of common and preferred shareholders for a vote at separate meetings of such shareholders expected to be held in September of this year.

If the Company’s shareholders approve the Second Amended and Restated Articles of Incorporation, the Company intends to repurchase all shares of preferred stock at \$825 per share (a 17.5% discount from the \$1,000 per share liquidation preference value) by the end of 2025. The initial repurchase of \$18 million of outstanding preferred shares, comprising a pro rata repurchase of Series A and Series B preferred shares from each preferred shareholder, is expected to be concluded by the end of 2021. Following the initial repurchase, the Company intends to engage in periodic repurchases of Series A preferred shares until fully retired, and thereafter Series B preferred shares until fully retired. Subsequent repurchases after the initial repurchase would be in such amounts and at such times as determined by the CIB Marine Board of Directors but are expected to culminate in the repurchase of all preferred stock by the end of 2025. Each repurchase transaction is subject to CIB Marine obtaining all regulatory approvals, including approval from the FDIC, State of Illinois, and Federal Reserve.

The agreement also concludes the proxy contest initiated by Hildene in conjunction with CIB Marine’s upcoming annual meeting of shareholders and aligns the interests of CIB Marine and Hildene in

support of the repurchase plan described above. Additional information regarding the agreement and the proposed Second Amended and Restated Articles of Incorporation will be included in the Company's proxy statement for the rescheduled 2021 Annual Shareholder Meeting.

J. Brian Chaffin, CEO of CIB Marine said, "This agreement represents a significant step forward for the Company in the long process of trying to retire the outstanding preferred stock. We and Hildene are aligned in pursuit of the same goal, and with this agreement, we have a means to achieve that goal."

The proposal to approve the Second Amended and Restated Articles of Incorporation was not included in either the Company's white proxy card or Hildene's blue proxy card issued for the 2021 Annual Shareholder Meeting, which was adjourned until July 29, 2021. Accordingly, the Annual Meeting has been canceled and will be rescheduled for a later date. A new Proxy Statement will be distributed to all shareholders and will include a proposal to approve the Second Amended and Restated Articles of Incorporation. The previously executed proxy cards submitted for the now-canceled Annual Meeting will be voided.

Mark Elste, Chairman of the Board of CIB Marine concluded, "The Board of Directors of CIB Marine greatly appreciates the dedication and hard work put into this process. An agreed means for repurchasing the outstanding preferred stock is a critical issue that needs to be resolved as part of the Company's strategic capital plan. We thank our shareholders for their input and assistance as we worked through this process. We look forward to working with you in the next phase as we seek common and preferred shareholder approval, followed by the execution of the preferred stock repurchases."

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 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.
