



cib marine

BANCSHARES INC

ANNUAL SHAREHOLDER MEETING

April 27, 2023

		Previous Close (April 26, 2023)
S&P 500 Index	INX	\$4,055.99
Dow Jones Industrial Average Index	INDU	\$33,301.87
KBW Regional Banking Total Return Index	KRXTR	\$156.33
CIB Marine Bancshares, Inc.	CIBH	\$28.50

Source: Bloomberg L.P.

This presentation has not been audited by Crowe LLP.

CALL TO ORDER

Mark A. Elste
Chairman of the Board of Directors

FORWARD LOOKING STATEMENTS

CIB Marine has made statements during today's presentation 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 in today's presentation or 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. 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.

BOARD OF DIRECTORS

J. Brian Chaffin	President & CEO of CIB Marine Bancshares & CIBM Bank
Gina M. Cocking	CEO & Managing Director of Colonnade Advisors, LLC
JoAnn M. Cotter	Retired partner of Wipfli LLP
Mark A. Elste	Chairman of the Boards of CIB Marine Bancshares, Inc. and CIBM Bank
Mark D. Henderson	Chief Information Officer and Vice Chancellor of University of Pittsburgh
Rhonda L. Hopps	Executive Director of Comer Education Campus
Gary L. Longman	Retired President & CEO of Sunny Ridge Family Center and retired partner of KPMG LLP
Charles D. Mires	Retired Director of Fixed Income & Alternative Strategies of a private investment management firm
Steven C. Palmitier	Retired President & COO of North American Company for Life and Health Insurance and Midland National Life Insurance Co.
Ronald E. Rhoades	Retired Chairman, President & CEO of Plastic Container Corporation

BOARD COMMITTEE LEADERSHIP

Audit

Chairman: Gary Longman
Vice Chairman: Mark Henderson

Trust

Chairman: Charles Mires

Compensation

Chairman: Ron Rhoades
Vice Chair: JoAnn Cotter

Nominating

Chairman: Ron Rhoades

New Business Lines

Chairman: Gina Cocking

Investment Advisory

Chairman: Mark Elste

CROWE LLP

- Mike Berti & Zach Lambert

GODFREY & KAHN

- Patrick Murphy

COMPUTERSHARE

- Shawn Sharp

EXECUTIVE MANAGEMENT TEAM

J. Brian Chaffin	President & CEO of CIB Marine Bancshares & CIBM Bank
Patrick J. Straka	Chief Financial Officer of CIB Marine Bancshares & CIBM Bank
Daniel J. Rasmussen	Chief Administrative Officer & General Counsel of CIB Marine Bancshares & CIBM Bank
Scott C. Winkel	Chief Credit Officer of CIB Marine Bancshares, Inc. and CIBM Bank
Lee W. Abner	Director of Technology Services of CIBM Bank
Frank Binetti	Director of Mortgage Originations
Michelle M. Bragstad	Chief Compliance Officer of CIBM Bank
Dawn M. DeRidder	Director of Government Guaranteed Lending of CIBM Bank
Gary A. Maughan	Director of Mortgage Banking of CIBM Bank
James P. Mullaney	Director of Corporate Banking of CIBM Bank
Mark V. Wilmington	Director of Retail Banking of CIBM Bank

PROPOSAL I: ELECTION OF DIRECTORS

Nominated Directors



Gina M. Cocking



Gary L. Longman



Steven C. Palmitier

Elected directors will serve until 2026.

**PROPOSAL II: RATIFICATION OF
INDEPENDENT REGISTERED PUBLIC
ACCOUNTING FIRM**

Crowe LLP

Meeting Adjourned

All shareholders in attendance must submit their votes to the check-in table at this time.

MANAGEMENT'S PRESENTATION TO SHAREHOLDERS

*J. Brian Chaffin
President & CEO*

*Any year-to-date (YTD) information provided herein is as of March 31, 2023.
All historical per-share stock values have been adjusted to reflect the September 2020 1-for-15 reverse stock split.*

2022 KEY FINANCIAL HIGHLIGHTS

(dollars in millions)	FY 2022	FY 2021
Net Income	\$3.9	\$7.2
ROAA ⁽¹⁾	0.49%	0.88%
Net Interest Income	\$23.9	\$23.3
Net Interest Margin	3.27%	3.22%
Provision For (Reversal of) Loan Losses	(\$0.9)	(\$1.2)
Non-Interest Income	\$5.5	\$15.1
Non-Accrual Loans / Loans	0.16%	0.14%
Non-Performing Asset Ratio	0.20%	0.21%

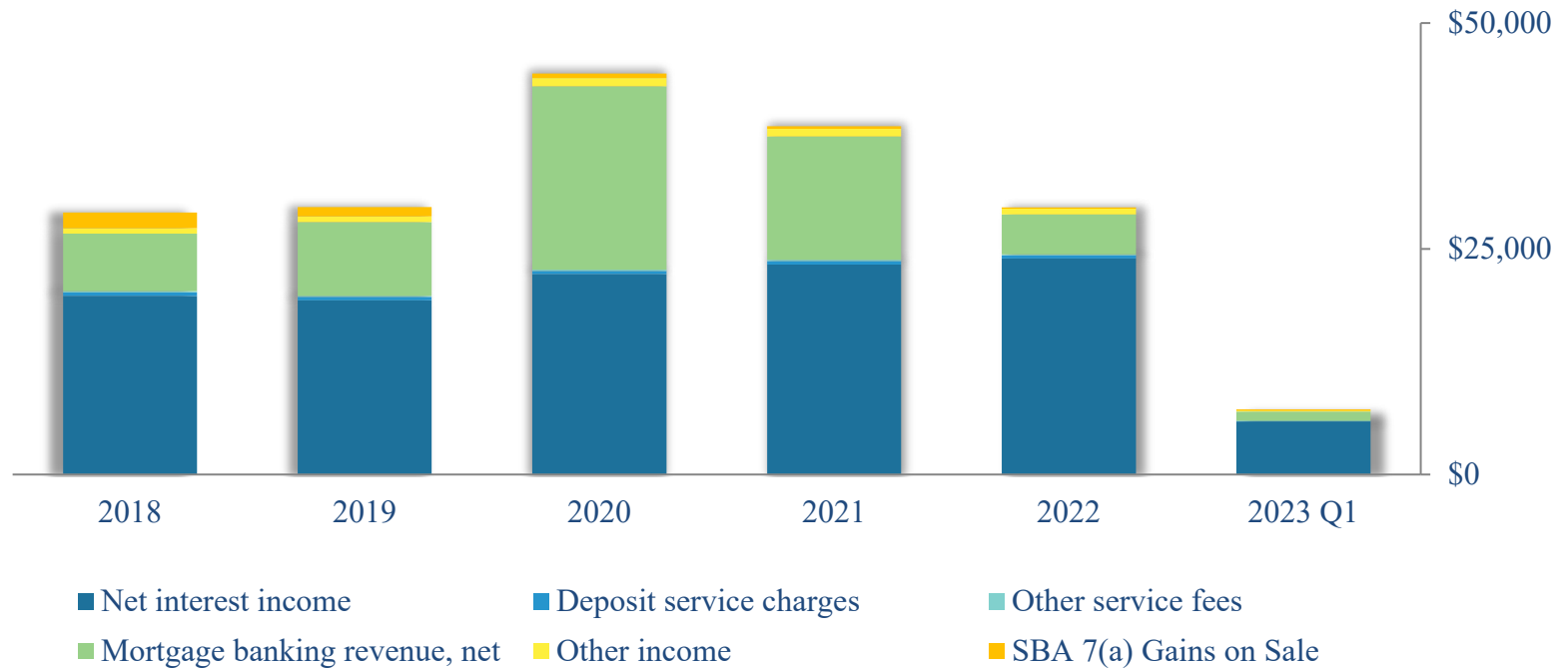
⁽¹⁾ ROAA is return on average assets.

SELECT EARNINGS VARIANCE

(dollars in thousands)	2022	2021	Variance
Mortgage Division Net Income	\$(903)	\$2,745	\$(3,648)
PPP Fee Accrual	\$269	\$1,043	\$(774)
Sub-Debt Interest	\$(419)	\$0	\$(419)
TOTAL:	\$(1,053)	\$3,788	\$(4,841)

REVENUE TRENDS

PRIMARY BANKING REVENUES (000s)



SELECT SEGMENT INCOME AND EFFICIENCY

Income				
(dollars in millions)	Total	Banking	Mortgage Banking	Other
2018	\$4.5	\$5.4	\$0.3	(\$1.1)
2019	\$2.5	\$1.9	\$1.2	(\$0.6)
2020	\$10.9	\$3.6	\$8.1	(\$0.8)
2021	\$9.2	\$6.5	\$3.8	(\$1.1)
2022	\$5.0	\$7.2	(\$1.2)	(\$1.0)
Q1'23	\$0.3	\$1.4	(\$0.8)	(\$0.3)

Efficiency (revenues / costs)				
(dollars in millions)	Total	Banking	Mortgage Banking	Other NA
2018	88%	81%	97%	
2019	89%	86%	88%	
2020	72%	76%	65%	
2021	79%	77%	75%	
2022	86%	74%	123%	
Q1'23	94%	75%	159%	

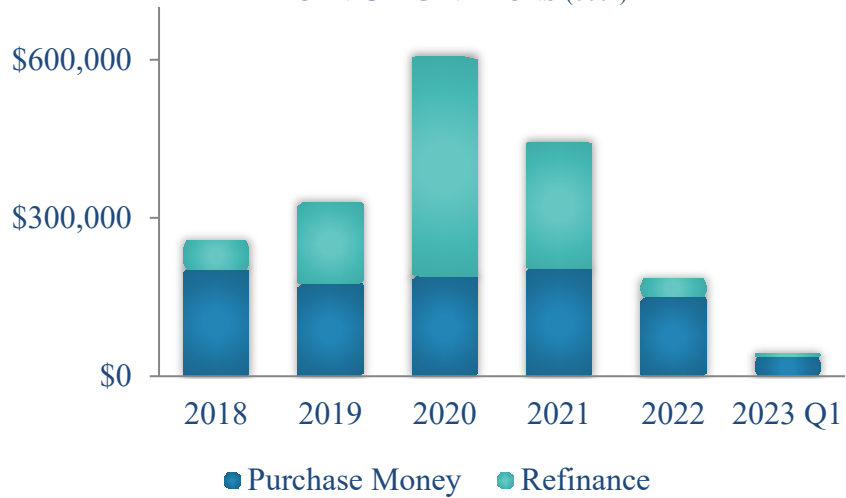
SELECT SEGMENT LEVEL REVENUE COMPONENTS

Net Interest Income				
(dollars in millions)	Total	Banking	Mortgage Banking	Other
2018	\$19.8	\$19.5	\$0.3	\$0.0
2019	\$19.3	\$19.0	\$0.3	\$0.0
2020	\$22.2	\$20.9	\$1.3	\$0.0
2021	\$23.3	\$22.7	\$0.6	\$0.0
2022	\$23.9	\$24.0	\$0.3	(\$0.4)
Q1'23	\$5.9	\$5.9	\$0.1	(\$0.1)

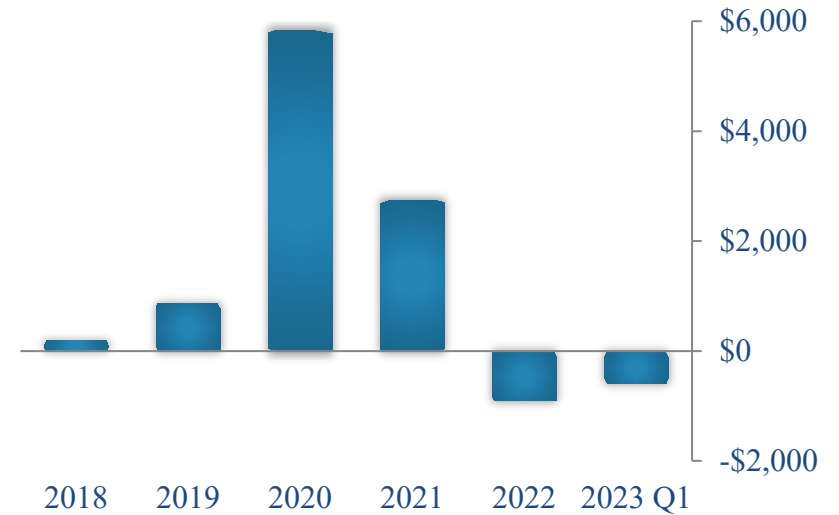
Non-Interest Income				
(dollars in millions)	Total	Banking	Mortgage Banking	Other
2018	\$9.4	\$2.1	\$7.3	\$0.0
2019	\$10.2	\$0.6	\$9.6	\$0.0
2020	\$21.8	\$0.3	\$21.5	\$0.0
2021	\$15.1	\$0.3	\$14.8	(\$0.0)
2022	\$5.5	\$0.5	\$4.9	\$0.00
Q1'23	\$1.4	\$0.1	\$1.3	\$0.0

MORTGAGE BANKING

**CIBM MORTGAGE
LOAN ORIGINATIONS (000s)**



**CIBM MORTGAGE
NET INCOME (000s)**



COMMERCIAL LOAN ORIGINATIONS

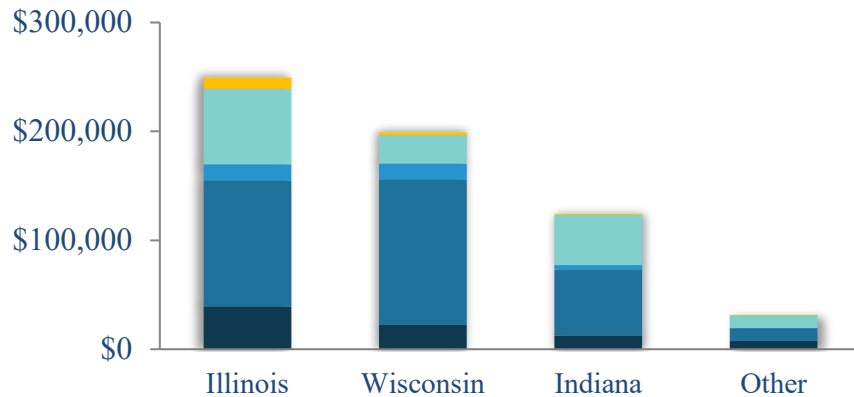


Excluding PPP loans.

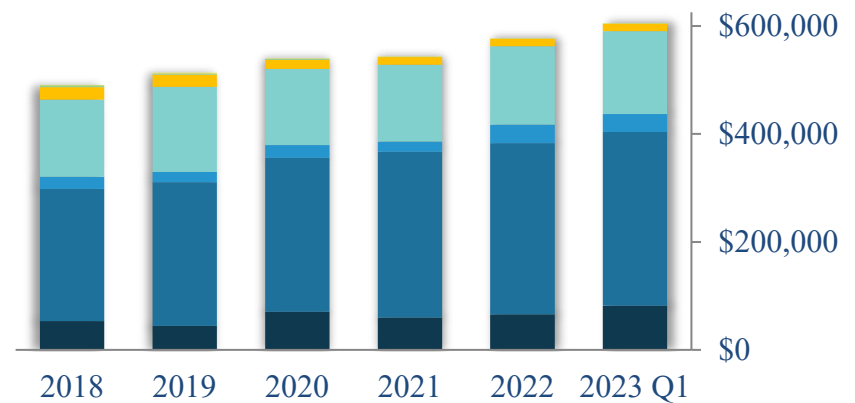
LOAN PORTFOLIO SEGMENTS & GEOGRAPHIC DISTRIBUTION

CIBM BANK

LOAN GEOGRAPHIC DISTRIBUTION (000s)



LOAN PORTFOLIO (000s)



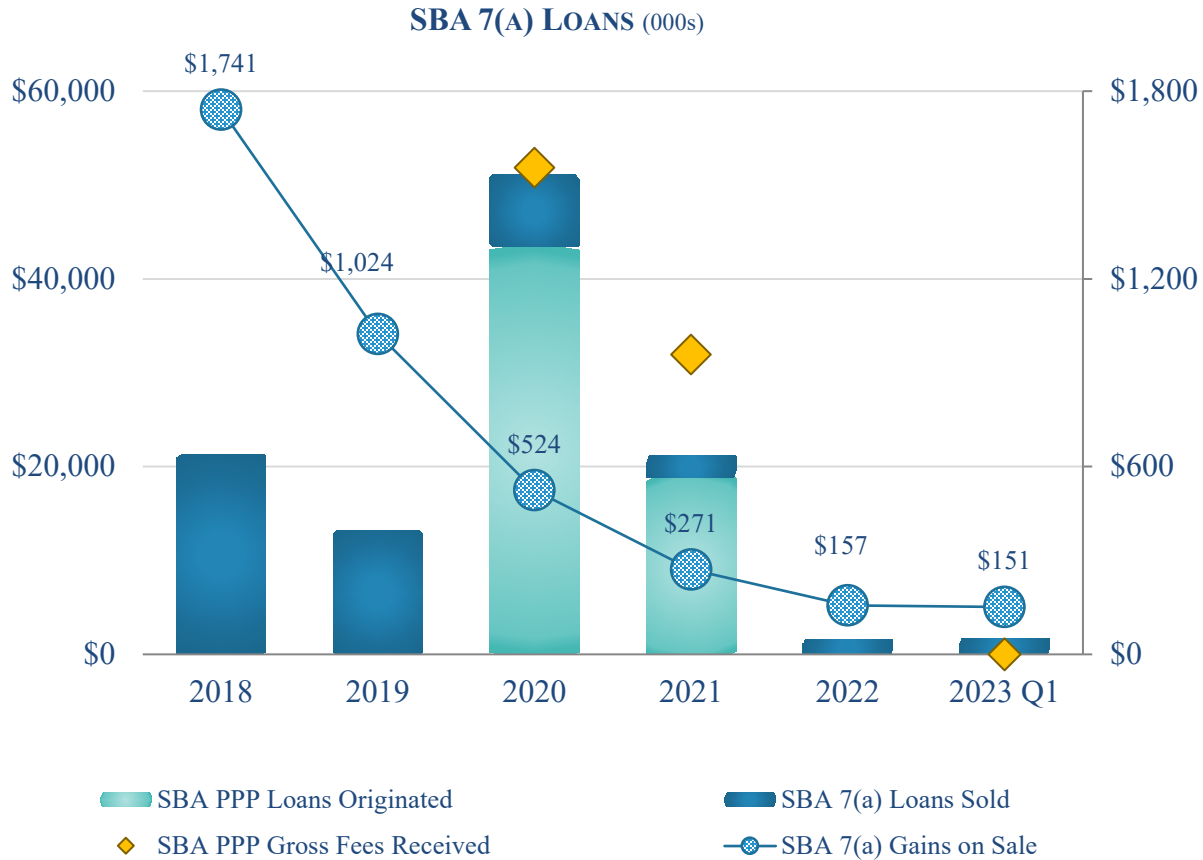
- Commercial & Industrial
- Construction & Development
- Home Equity
- Other Consumer

- Commercial Real Estate
- Residential
- Purchase Home Equity

- Commercial & Industrial
- Construction & Development
- Home Equity
- Other Consumer

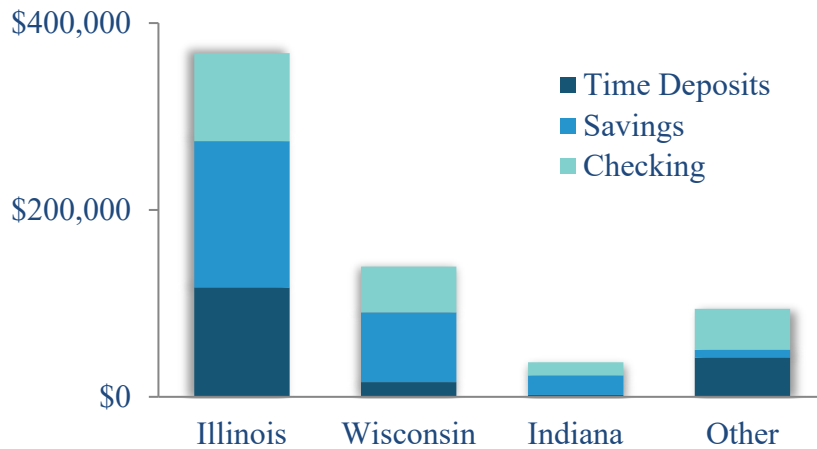
- Commercial Real Estate
- Residential
- Purchase Home Equity

GOVERNMENT GUARANTEED LENDING



RETAIL DIVISION

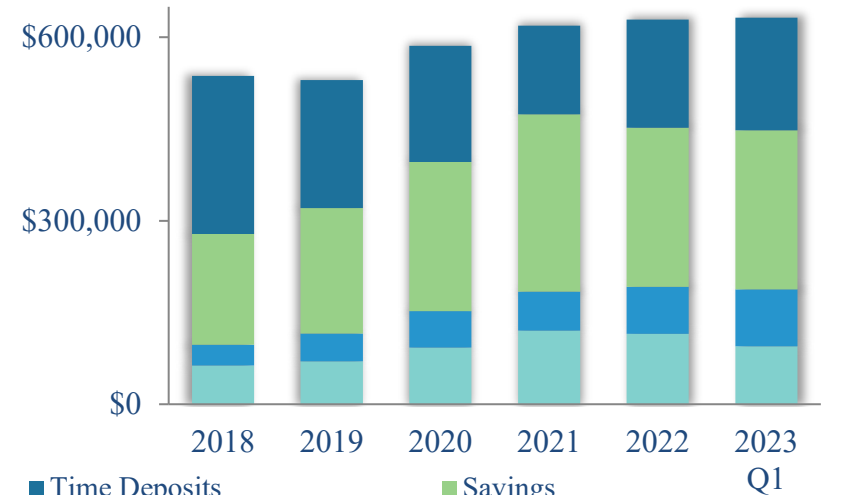
CIBM BANK DEPOSITS BY MARKET (000s)



Branches: Illinois 7, Wisconsin 2, Indiana 1, Other *

* Other includes parent and non-bank subsidiary, brokered, listing service, and reciprocal deposit balances.

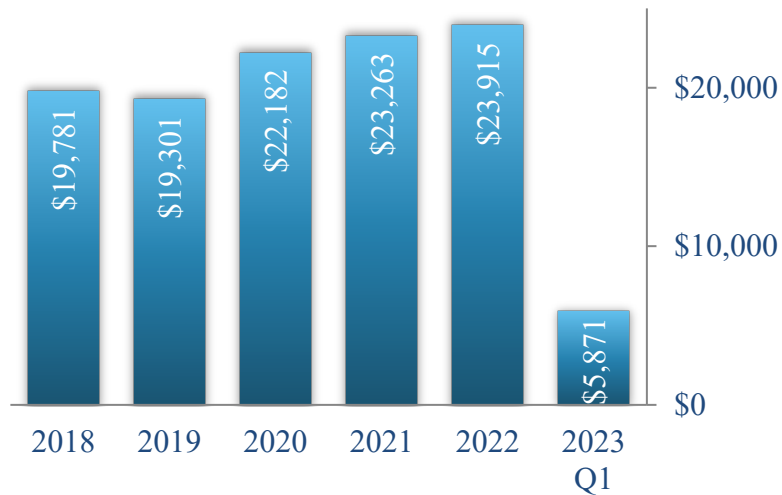
CIBM BANK DEPOSITS (000s)



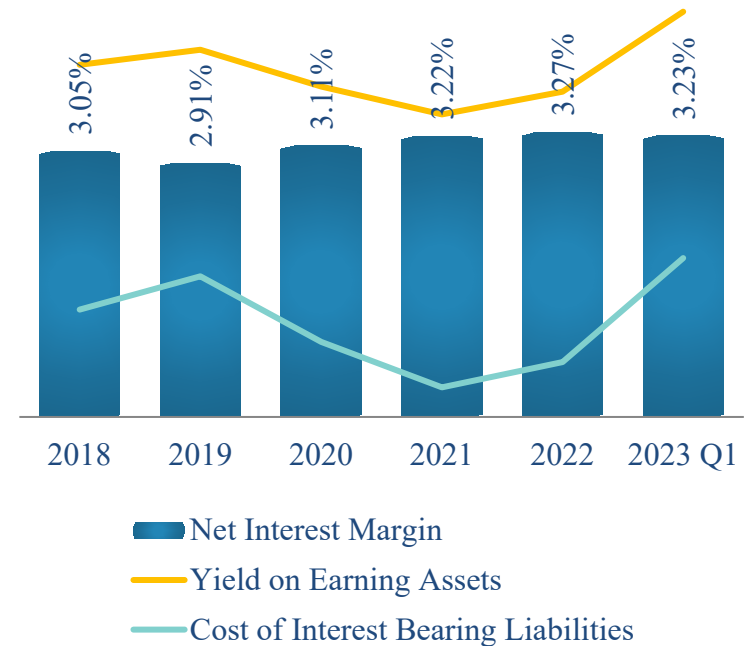
Legend: Time Deposits (dark blue), Savings (green), Checking, interest bearing (medium blue), Checking, non-interest bearing (light blue)

NET INTEREST INCOME & MARGIN

NET INTEREST INCOME (000s)

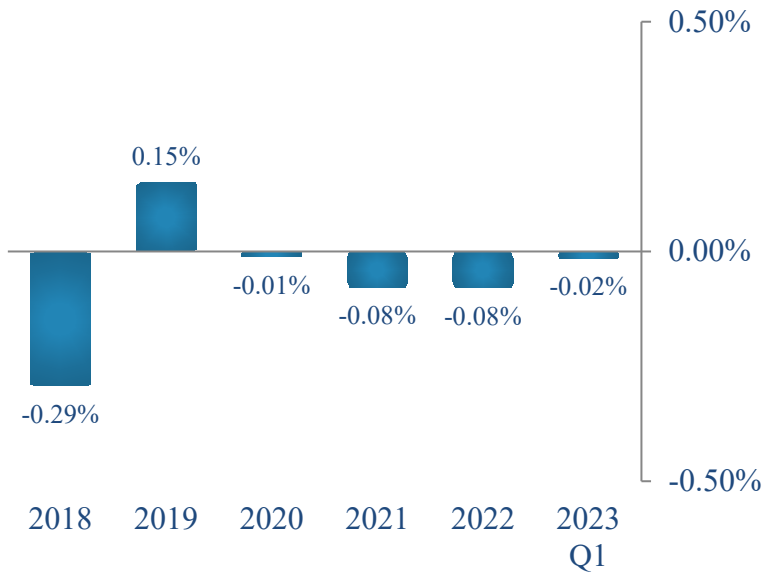


NET INTEREST MARGIN

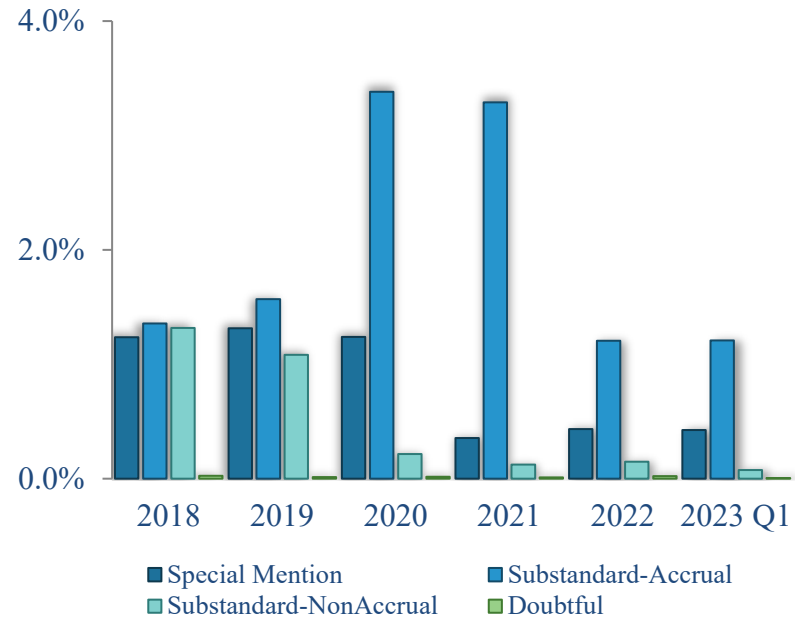


CREDIT ADMINISTRATION

NET CHARGE OFFS TO AVERAGE LOANS

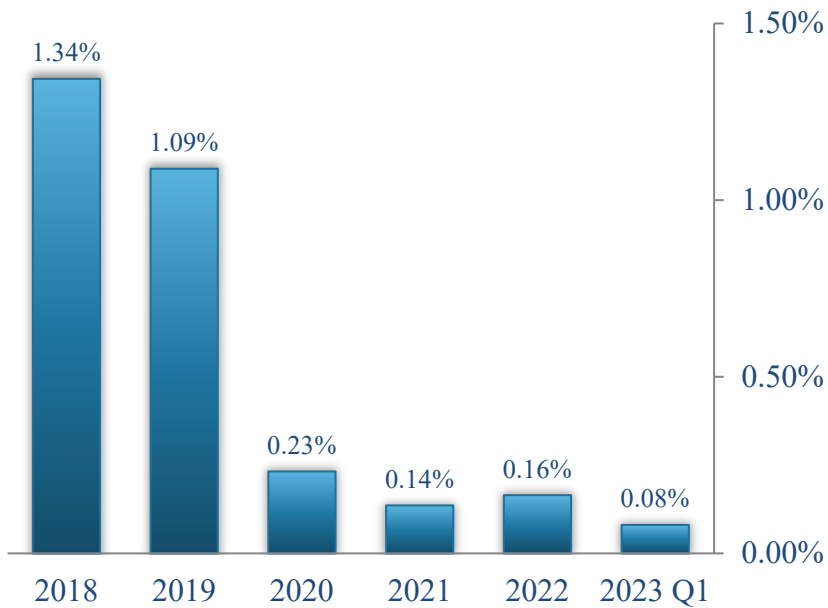


LOAN CLASSIFICATION/TOTAL LOANS



CREDIT ADMINISTRATION

NONACCRUAL LOANS/TOTAL LOANS



NONPERFORMING ASSETS/TOTAL ASSETS



SUBORDINATED DEBT

\$10 million

issued February 18, 2022

- **Rate:**
 - First 5 years: 4.50% per annum interest
 - Remaining 5 years: quarterly floating rate equal to Three-Month Term SFOR + 275 bps
- **Qualifies as Tier 2 capital** for Total Risk Based Capital (TRBC)

DTA

(Deferred Tax Asset)

(dollars in millions, except per share data)	2022	2021	Last 6 Yrs
Current tax provision (excluding other changes in the valuation allowance)	\$1.3	\$2.5	\$11.7
Net DTA ⁽¹⁾	\$16.2	\$14.7	\$22.6 ⁽²⁾
Net DTA per Share of Common Stock	\$12.43/share	\$11.40/share	\$18.68/share ⁽²⁾

(1) Net DTA increased in 2022 due to the increase in unrealized losses in securities the result of a significant increase in market interest rates during the year. The tax effect of unrecorded losses in available for sale securities was \$2.2 million as of 12/31/22.

(2) Amount reported at 12/31/2017.

1ST QUARTER 2023 HIGHLIGHTS

(dollars in millions)	Q1 2023 ⁽¹⁾	Q1 2022 ⁽¹⁾	FY 2022	FY 2021
Net Income	\$0.2	\$0.9	\$3.9	\$7.2
ROAA ⁽²⁾	0.12%	0.48%	0.49%	0.88%
Net Interest Income	\$5.9	\$5.5	\$23.9	\$23.3
Net Interest Margin	3.23%	3.06%	3.27%	3.22%
Provisions for (reversal of) credit losses ⁽³⁾	\$0.2	(\$0.3)	(\$0.9)	(\$1.2)
Non-Interest Income	\$1.4	\$1.7	\$5.5	\$15.1
Non-Accrual Loans / Loans	0.08%	0.13%	0.16%	0.14%
Non-Performing Asset Ratio	0.14%	0.19%	0.20%	0.21%

⁽¹⁾ Unaudited results.

⁽²⁾ ROAA is return on average assets.

⁽³⁾ Provisions for (reversal of) credit losses includes for loans and unfunded commitments, except for 2022 and earlier years where it includes only loans.

UNINSURED DEPOSITS & UNREALIZED SECURITIES LOSS

(as of March 31, 2023)

- CIBM Bank’s uninsured deposit balances are estimated to be no more than 25% of total deposit balances.
- CIB Marine Bancshares, Inc. had \$5.9 million in unrealized losses net of tax in its available for sale securities. The losses are primarily caused by the increase in interest rates over the past year and are expected to be fully recovered as the securities come to maturity. If we were to realize those as losses, the current and pro-forma select regulatory capital ratios would be considered “Well Capitalized” under current regulatory guidance.

	Current	Pro Forma
Total Risk Based Capital Ratio	14.85%	13.91%
Tier 1 Risk Based Capital Ratio	12.00%	11.53%
Leverage Capital Ratio	9.56%	9.21%
Common Equity Tier 1 RBC Ratio	9.73%	8.78%

2022 RESULTS & 2023 GUIDANCE

(dollars in millions, except per share data)	2022 Actual	2022 Guidance	2023 Guidance ⁽¹⁾
Net Income	\$3.9	\$3.7 - \$5.5	\$2.2 - \$5.3
Total Assets	\$753	\$720 - \$790	\$821 - \$852
ROAA	0.49%	0.51% - 0.72%	0.28% - 0.65
EPS ⁽²⁾			
- Basic	\$2.97	\$2.96 - \$4.29	\$1.64 - \$4.03
- Diluted	\$2.16	\$2.14 - \$3.11	\$1.20 - \$2.95

(1) The upper guidance range includes the effects of the sale of \$30 million in retail deposits from our Danville bank branch and the related premium.

(2) Actual for 2022 includes a \$146,000 discount to the preferred shares in the preferred stock partial redemption executed the fourth quarter of 2022.

**CHAIRMAN'S PRESENTATION
TO
SHAREHOLDERS**

Mark A. Elste

Chairman of the Board of Directors

CIBH STOCK PERFORMANCE

Period	Ending Price per Share ⁽¹⁾	Traded Stock Volume (current yr annualized)	Volume Weighted Average Price YTD ⁽¹⁾	Average Annual Total Return Since		
				12/31/2009 ⁽²⁾	12/31/2015 ⁽²⁾	12/31/2020 ⁽²⁾
12/31/2009	\$1.65	57,531	\$2.31			
12/31/2010	\$1.28	125,221	\$3.51	-23%		
12/31/2011	\$2.70	149,595	\$1.79	28%		
12/31/2012	\$3.00	130,045	\$4.01	22%		
12/31/2013	\$7.35	262,054	\$8.01	45%		
12/31/2014	\$7.02	134,107	\$7.88	34%		
12/31/2015	\$6.41	102,896	\$7.12	25%		
12/31/2016	\$16.20	190,057	\$12.09	39%	152%	
12/31/2017	\$15.75	152,913	\$20.03	33%	57%	
12/31/2018	\$23.10	102,732	\$23.44	34%	53%	
12/31/2019	\$20.85	79,490	\$21.47	29%	34%	
12/31/2020	\$15.80	227,714	\$16.43	23%	20%	
12/31/2021	\$39.10	228,499	\$25.75	30%	35%	147%
12/31/2022	\$32.40	171,314	\$35.86	26%	26%	43%
03/31/2023	\$28.80	114,046	\$30.51	24%	23%	31%

⁽¹⁾ Last stock price as reported on OTC Markets (OTCQB/OTCQX).

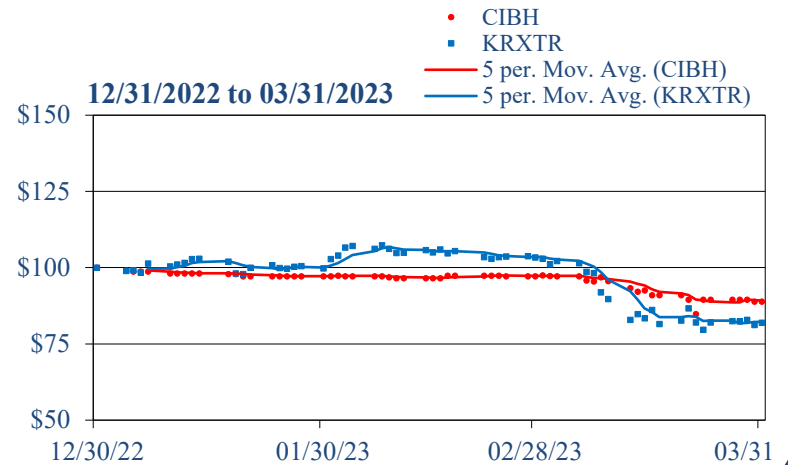
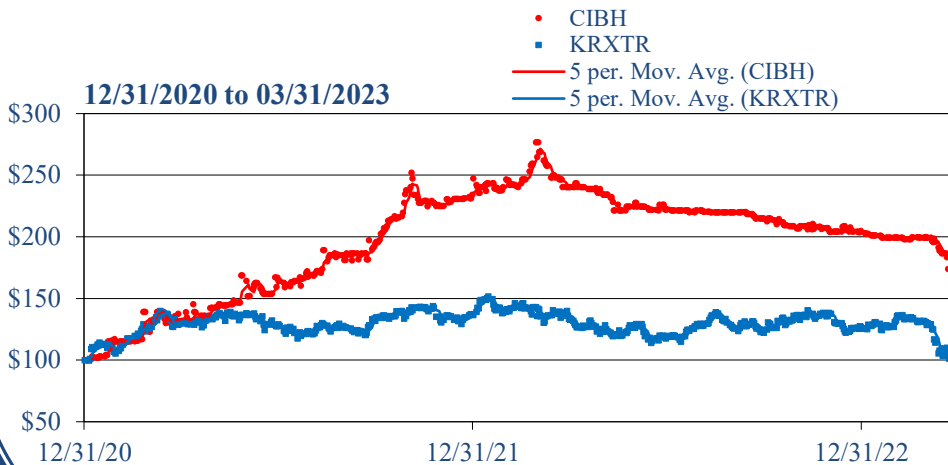
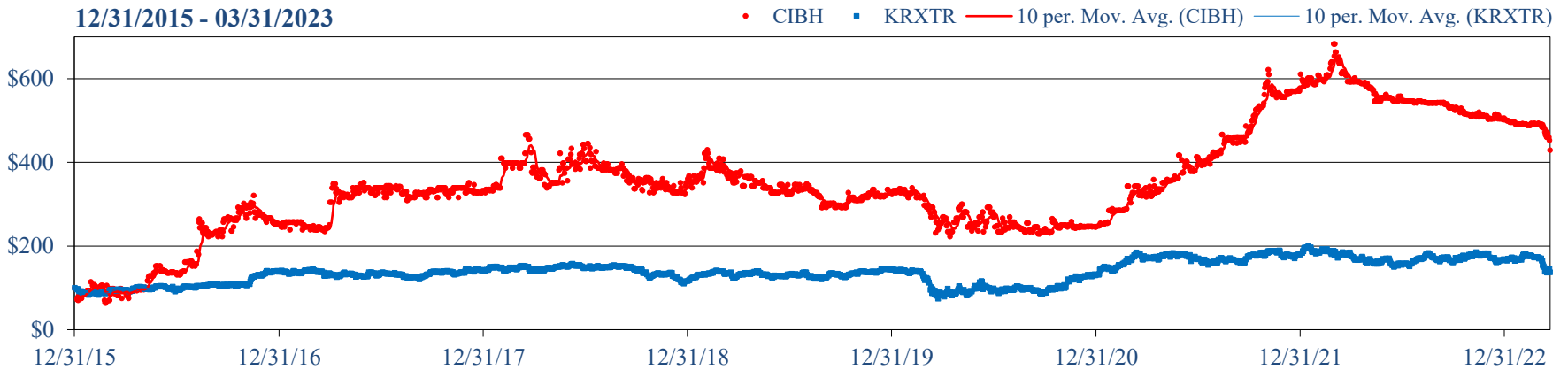
⁽²⁾ Total return based on last stock price for CIBH⁽¹⁾.

All values reflect the 1-for-15 reverse stock split in September 2020.

Source: Bloomberg, L.P.

CIBH STOCK PERFORMANCE

\$100 Investment in CIBH and KRXTR



(Starting date price has been normalized to \$100 for CIBH and KRXTR in each graph.)

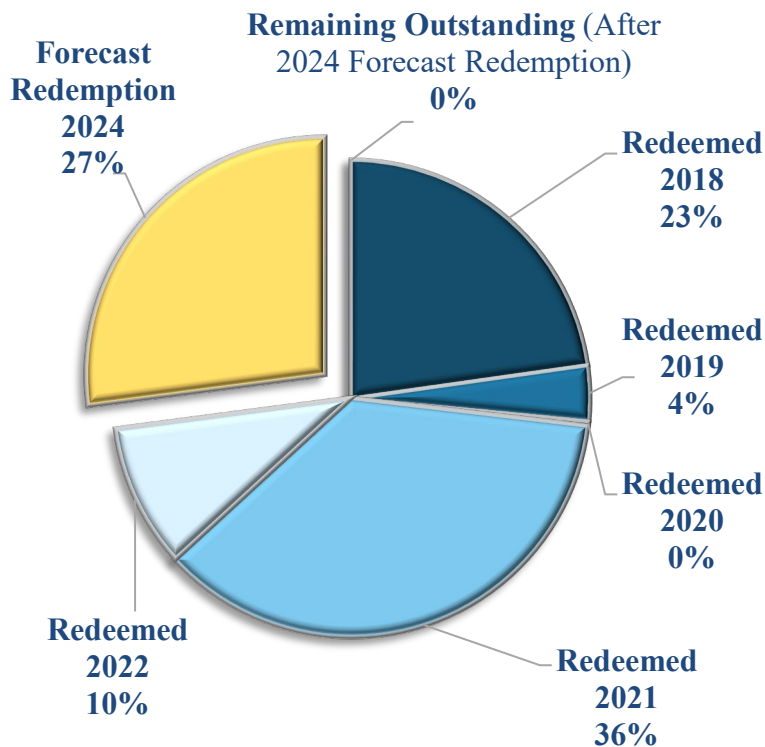
TANGIBLE BOOK VALUE

	2023 (YTD) ⁽¹⁾	2022	2021	2020	2019	2018
Tangible Book Value	\$53.28	\$53.19	\$56.44	\$52.28	\$44.86	\$42.35
Tangible Book Value Excluding DTA	\$40.70	\$40.75	\$45.03	\$39.42	\$28.71	\$24.72
Tangible Book Value Post Pref. Series B Conversion	\$40.90	\$40.84	\$43.16	\$32.52	\$27.84	\$25.68

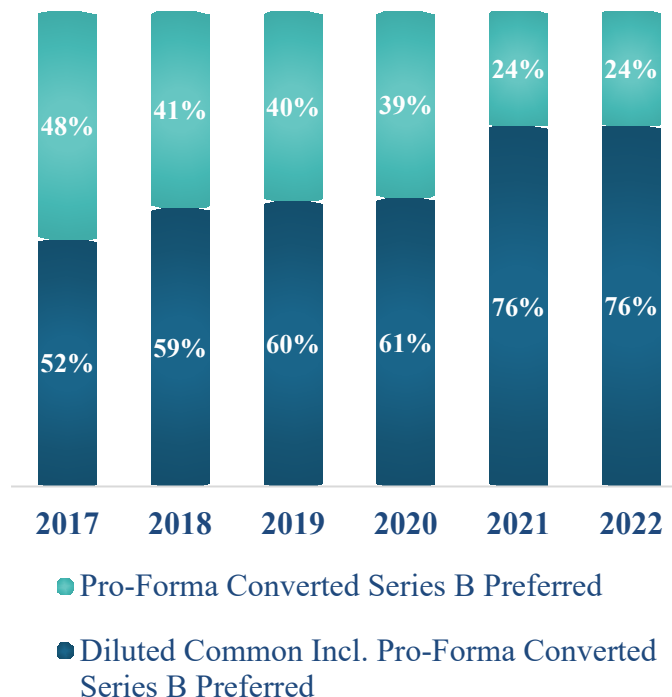
⁽¹⁾ The decline in value during 2022 was due to the unrealized losses of the available for sale securities portfolio, the result of a significant increase in market interest rates between 12/31/21 and 12/31/22.

PREFERRED REDEMPTION HISTORY & FORECAST

**TOTAL PREFERRED SHARES
DISPOSITION AND FORECAST**
(as of 03/31/23 and by agreement date)



**PRO-FORMA FULLY DILUTED
COMMON STOCK INCLUSIVE OF
CONVERTED SERIES B PREFERRED
SHARES**



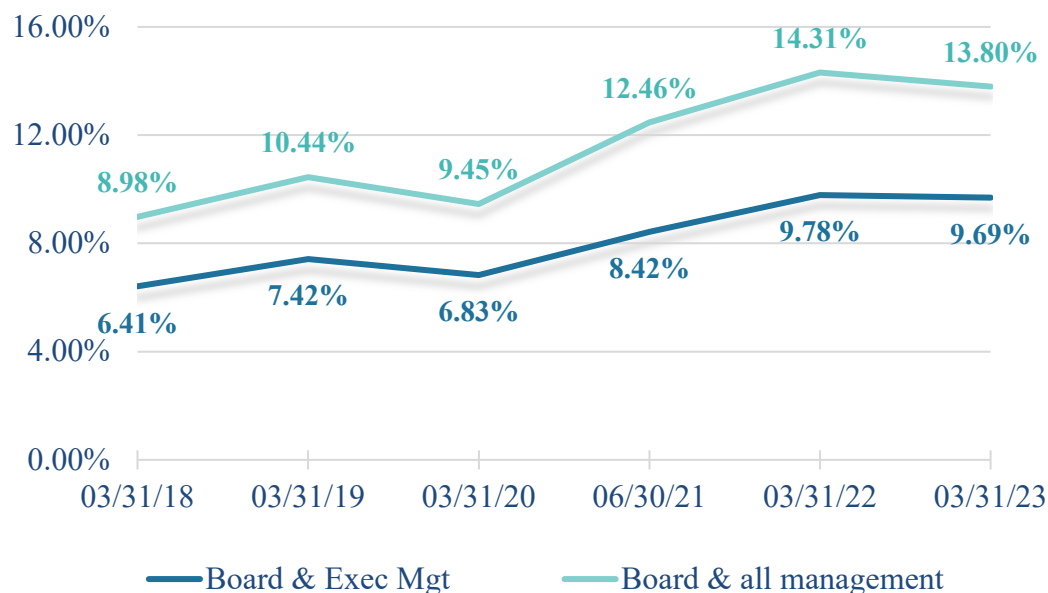
Forecasted redemptions of 14,633 Series A shares and 1,610 Series B shares at \$825 per share by the end of 2024 for a total price of \$13.4 million (a discount of \$0.4 million to the carry value of the preferred stock).



cib marine
BANCSHARES INC

SHAREHOLDERS' QUESTIONS

DIRECTOR & MANAGEMENT COMMON STOCK OWNERSHIP



- Includes vested and unvested shares granted under the Company's Restricted Stock Plan ("RSP"); does not include shares held by non-executive management in nominee name.
- The 2020 reduction reflects forfeited performance-based stock compensation for Executive Management due to unmet performance metrics.
- The 2023 reduction reflects the retirement/resignation of a Director and officers, as well as the sale or transfer of vested RSP shares into nominee name by non-executive management.



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BANCSHARES INC