



FOR IMMEDIATE RELEASE
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CIB MARINE BANCSHARES, INC. ANNOUNCES 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 year ending December 31, 2024. Earnings for the year are up \$4.6 million compared to 2023, the Company redeemed the remainder of its Preferred Stock during the fourth quarter, the net interest margin has improved from the last quarter of 2023 and the first quarter of 2024, and the Mortgage Division had its best year since 2021.

Net income allocated to common shareholders for the year was \$5.8 million, or \$4.32 basic and \$3.38 diluted earnings per share, compared to \$0.9 million, or \$0.66 basic and \$0.49 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 year ended December 31, 2024, was \$2.5 million, or \$1.87 basic and \$1.46 diluted earnings per share.

Financial highlights for the quarter and year include:

- Net interest margins (NIM) have generally trended up over the course the year. The Company's NIM also showed an upward trend through most of 2024, starting at 2.29% in the first quarter and climbing to 2.55% in the third quarter. The NIM had a slight decline to 2.44% in the fourth quarter, mainly due to an accrued interest charge-off related to a \$2.5 million non-accrual loan and volatility in the net interest margin caused by Fed rate changes. Net interest income declined in 2024 primarily due to cost of funds pressure compared to 2023, with the cost of interest-bearing liabilities up 102 basis points for the year due to the high level of bank deposit rates and competition.
- Loan portfolio balances decreased \$25 million over the year due to high loan rates and the Company’s balance sheet management strategy in support of the redemption of the remaining preferred stock. With the preferred stock redemptions completed we plan to resume growing the loan portfolio in 2025. Deposits decreased \$35 million for the year due primarily to declines in our money market savings accounts reflecting rate cuts in the latter half of the year and increased

demand for time deposits.

- As of December 31, 2024, non-performing assets, OREO, 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 0.98% and 0.81%, respectively, compared to 0.90% and 0.50%, respectively, on December 31, 2023. The primary reason for the increase in the ratios over the time-period is due to three non-accrual credit relationships with borrowers in or related to the transportation industry. One of the non-accrual loans is a loan that was reported as 90 plus days and still accruing in the third quarter of 2024.
- As of December 31, 2024, the allowance for credit losses on loans (“ACLL”) to loans was 1.26% compared to 1.27% on December 31, 2023. Over the course of 2023 and 2024, forecasts for gross domestic product and unemployment generally improved while certain qualitative factors related to loan performance deteriorated, as reflected in the increase in our asset quality ratios discussed above.
- For the year ending December 31, 2024, Banking Division net income was \$6.5 million, which is up from \$2.3 million for the same period in 2023. Excluding the sale-leaseback gain on sale, Banking Division net income for 2024 was \$3.2 million. Improvements were the result of cost save initiatives, improving the trend in the net interest margin over the course of the year, and adjustments in the provision for credit losses on loans. The Mortgage Division improved to a \$0.1 million net loss compared to \$0.7 million net loss in 2023, the result of cost save initiatives while maintaining loan production levels similar to those in 2023, despite the continued challenges of high mortgage rates and housing affordability.

Mr. J. Brian Chaffin, CIB Marine’s President and CEO, commented, “During 2024, we were able to improve our operating results, redeem the remaining preferred stock and commence improvements on NIM. Cost controls resulted in reduced staffing at the Mortgage Division and helped it turn out its best operating results over the last three years, in a very challenging operating environment. We also reduced our portfolio loan growth during 2024, but with the preferred stock redemption completed we have begun to rebuild our commercial client pipelines with a keen focus on net interest margin contributions and concentration risks. While recent federal funds rate reductions and a positively sloped yield curve are welcome, they can create some short term ‘bumpy’ outcomes for the NIM, an area of significant focus for us in 2024.”

He concluded, “We can’t overstate the significance of the final preferred stock redemption. We have simplified our capital structure and eliminated the potentially dilutive impact on our common stock, while improving our book value. Our focus for 2025 is earnings, efficiency and building a brighter future for the organization and its shareholders.”

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 nine states. 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.

CIB MARINE BANCSHARES, INC.
Selected Unaudited Consolidated Financial Data

	At or for the						
	Quarters Ended				12 Months Ended		
	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
(Dollars in thousands, except share and per share data)							
Selected Statement of Operations Data:							
Interest and dividend income	\$ 11,408	\$ 12,283	\$ 12,052	\$ 11,801	\$ 11,328	\$ 47,544	\$ 39,069
Interest expense	6,259	6,707	6,897	6,840	6,190	26,703	17,614
Net interest income	5,149	5,576	5,155	4,961	5,138	20,841	21,455
Provision for (reversal of) credit losses	(332)	(113)	10	(28)	135	(463)	(92)
Net interest income after provision for (reversal of) credit losses	5,481	5,689	5,145	4,989	5,003	21,304	21,547
Noninterest income (1)	1,724	2,897	6,904	1,627	1,824	13,152	8,900
Noninterest expense	6,678	7,163	6,904	6,421	6,669	27,166	27,938
Income before income taxes	527	1,423	5,145	195	158	7,290	2,509
Income tax expense	123	347	1,361	17	1,050	1,848	1,629
Net income (loss)	\$ 404	\$ 1,076	\$ 3,784	\$ 178	\$ (892)	\$ 5,442	\$ 880
Common Share Data:							
Basic net income (loss) per share (2)	\$ 0.60	\$ 0.79	\$ 2.79	\$ 0.13	\$ (0.67)	\$ 4.32	\$ 0.66
Diluted net income (loss) per share (2)	0.54	0.59	2.06	0.10	(0.67)	3.38	0.49
Dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tangible book value per share (3)	57.37	57.80	55.36	52.59	53.35	57.37	53.35
Book value per share (3)	57.42	56.06	53.61	50.84	51.58	57.42	51.58
Weighted average shares outstanding - basic	1,357,737	1,357,259	1,356,255	1,341,181	1,334,163	1,352,585	1,324,131
Weighted average shares outstanding - diluted	1,507,344	1,833,586	1,833,881	1,820,498	1,813,207	1,729,521	1,811,975
Financial Condition Data:							
Total assets	\$ 866,474	\$ 888,283	\$ 901,634	\$ 897,595	\$ 899,060	\$ 866,474	\$ 899,060
Loans	697,093	707,310	719,129	736,019	722,084	697,093	722,084
Allowance for credit losses on loans	(8,790)	(8,973)	(9,083)	(9,087)	(9,136)	(8,790)	(9,136)
Investment securities	120,339	120,349	123,814	119,300	131,529	120,339	131,529
Deposits	692,378	747,168	768,984	772,377	727,565	692,378	727,565
Borrowings	81,735	33,583	28,222	32,120	76,956	81,735	76,956
Stockholders' equity	77,961	92,358	89,008	85,091	85,075	77,961	85,075
Financial Ratios and Other Data:							
Performance Ratios:							
Net interest margin (4)	2.44%	2.55%	2.38%	2.29%	2.41%	2.42%	2.72%
Net interest spread (5)	1.74%	1.80%	1.71%	1.63%	1.79%	1.72%	2.18%
Noninterest income to average assets (6)	0.82%	1.25%	3.09%	0.73%	0.78%	1.48%	1.08%
Noninterest expense to average assets	3.06%	3.17%	3.09%	2.87%	3.00%	3.05%	3.40%
Efficiency ratio (7)	96.17%	85.32%	57.19%	97.20%	97.13%	79.86%	92.13%
Earnings (loss) on average assets (8)	0.19%	0.48%	1.69%	0.08%	-0.40%	0.61%	0.11%
Earnings (loss) on average equity (9)	1.94%	4.71%	17.92%	0.84%	-4.21%	6.33%	1.05%
Asset Quality Ratios:							
Nonaccrual loans to loans (10)	0.81%	0.44%	0.47%	0.48%	0.50%	0.81%	0.50%
Nonaccrual loans, modified loans to borrowers experiencing financial difficulty, loans 90 days or more past due and still accruing to total loans	1.19%	1.62%	1.38%	1.04%	1.07%	1.19%	1.07%
Nonaccrual loans, OREO, modified loans to borrowers experiencing financial difficulty, loans 90 days or more past due and still accruing to total assets	0.98%	1.32%	1.14%	0.89%	0.90%	0.98%	0.90%
Allowance for credit losses on loans to total loans (10)	1.26%	1.27%	1.26%	1.23%	1.27%	1.26%	1.27%
Allowance for credit losses on loans to nonaccrual loans, loans and loans 90 days or more past due and still accruing (10)	105.95%	82.53%	91.24%	118.77%	118.59%	105.95%	118.59%
Net charge-offs (recoveries) annualized to average loans (10)	-0.01%	-0.01%	0.03%	0.03%	0.01%	0.01%	-0.01%
Capital Ratios:							
Total equity to total assets	9.00%	10.40%	9.87%	9.48%	9.46%	9.00%	9.46%
Total risk-based capital ratio	13.02%	14.54%	13.90%	13.07%	13.24%	13.02%	13.24%
Tier 1 risk-based capital ratio	10.33%	11.89%	11.27%	10.48%	10.62%	10.33%	10.62%
Leverage capital ratio	8.14%	9.30%	8.93%	8.50%	8.62%	8.14%	8.62%
Other Data:							
Number of employees (full-time equivalent)	165	170	172	177	193	165	193
Number of banking facilities	9	9	9	9	9	9	9

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

(2) Net income available to common stockholders in the calculation of earnings per share includes the difference between the carrying amount less the consideration paid for redeemed preferred stock of \$0.4 million for the quarter and year ended December 31, 2024.

(3) 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

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

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

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

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

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

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

(10) Excludes loans held for sale.

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

	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
(Dollars in Thousands, Except Shares)					
Assets					
Cash and due from banks	\$ 6,748	\$ 13,814	\$ 10,690	\$ 7,727	\$ 9,491
Reverse repurchase agreements	-	-	-	-	-
Securities available for sale	118,206	118,145	121,687	117,160	129,370
Equity securities at fair value	2,133	2,204	2,127	2,140	2,159
Loans held for sale	13,291	19,472	17,897	8,048	9,209
Loans	697,093	707,310	719,129	736,019	722,084
Allowance for credit losses on loans	(8,790)	(8,973)	(9,083)	(9,087)	(9,136)
Net loans	688,303	698,337	710,046	726,932	712,948
Federal Home Loan Bank Stock	2,607	2,238	2,238	2,328	2,709
Premises and equipment, net	1,570	1,526	1,569	3,550	3,602
Accrued interest receivable	2,651	2,926	3,230	3,271	2,983
Deferred tax assets, net	12,955	12,796	14,840	14,849	14,753
Other real estate owned, net	200	211	283	375	375
Bank owned life insurance	6,437	6,388	6,340	6,291	6,247
Goodwill and other intangible assets	64	64	64	64	64
Other assets	11,309	10,162	10,623	4,860	5,150
Total assets	\$ 866,474	\$ 888,283	\$ 901,634	\$ 897,595	\$ 899,060
Liabilities and Stockholders' Equity					
Deposits:					
Noninterest-bearing demand	\$ 86,886	\$ 95,471	\$ 95,457	\$ 87,621	\$ 89,025
Interest-bearing demand	84,833	90,095	86,728	92,092	90,232
Savings	224,960	234,969	244,595	261,998	256,059
Time	295,699	326,633	342,204	330,666	292,249
Total deposits	692,378	747,168	768,984	772,377	727,565
Short-term borrowings	71,973	23,829	18,477	22,383	67,227
Long-term borrowings	9,762	9,754	9,745	9,737	9,729
Accrued interest payable	1,911	2,101	2,145	1,982	1,883
Other liabilities	12,489	13,073	13,275	6,025	7,581
Total liabilities	788,513	795,925	812,626	812,504	813,985
Stockholders' Equity					
Preferred stock, \$1 par value; 5,000,000 authorized shares at 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
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 December 31, 2024 and December 31, 2023, respectively. (1)	1,372	1,372	1,372	1,369	1,349
Capital surplus	181,708	181,603	181,486	181,380	181,282
Accumulated deficit	(99,487)	(100,297)	(101,373)	(105,157)	(105,335)
Accumulated other comprehensive income (loss), net	(5,098)	(3,592)	(5,749)	(5,773)	(5,493)
Treasury stock, 14,791 shares on December 31, 2024 and December 31, 2023 (2)	(534)	(534)	(534)	(534)	(534)
Total stockholders' equity	77,961	92,358	89,008	85,091	85,075
Total liabilities and stockholders' equity	\$ 866,474	\$ 888,283	\$ 901,634	\$ 897,595	\$ 899,060

(1) Both issued and outstanding shares as stated here exclude 42,259 shares and 49,308 shares of unvested restricted stock awards at December 31, 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						
	Quarters Ended				12 Months Ended		
	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(Dollars in thousands)						
Interest Income							
Loans	\$ 9,999	\$ 10,573	\$ 10,582	\$ 10,394	\$ 9,752	\$ 41,548	\$ 33,533
Loans held for sale	215	300	213	142	200	870	666
Securities	1,151	1,183	1,217	1,231	1,330	4,782	4,478
Other investments	43	227	40	34	46	344	392
Total interest income	<u>11,408</u>	<u>12,283</u>	<u>12,052</u>	<u>11,801</u>	<u>11,328</u>	<u>47,544</u>	<u>39,069</u>
Interest Expense							
Deposits	5,638	6,354	6,466	6,227	5,071	24,685	14,429
Short-term borrowings	500	232	310	493	998	1,535	2,702
Long-term borrowings	121	121	121	120	121	483	483
Total interest expense	<u>6,259</u>	<u>6,707</u>	<u>6,897</u>	<u>6,840</u>	<u>6,190</u>	<u>26,703</u>	<u>17,614</u>
Net interest income	5,149	5,576	5,155	4,961	5,138	20,841	21,455
Provision for (reversal of) credit losses	(332)	(113)	10	(28)	135	(463)	(92)
Net interest income after provision for (reversal of) credit losses	<u>5,481</u>	<u>5,689</u>	<u>5,145</u>	<u>4,989</u>	<u>5,003</u>	<u>21,304</u>	<u>21,547</u>
Noninterest Income							
Deposit service charges	55	63	67	66	74	251	330
Other service fees	(5)	(5)	1	(5)	3	(14)	36
Mortgage banking revenue, net	1,564	2,264	2,166	1,209	1,397	7,203	6,025
Other income	192	150	273	163	165	778	578
Net gains on sale of securities available for sale	0	0	0	0	0	0	0
Unrealized gains (losses) recognized on equity securities	(71)	78	(14)	(18)	96	(25)	30
Net gains (loss) on sale of SBA loans	0	420	0	202	0	622	151
Net gains on sale of assets and (writedowns)	(11)	(73)	4,411	10	89	4,337	1,750
Total noninterest income	<u>1,724</u>	<u>2,897</u>	<u>6,904</u>	<u>1,627</u>	<u>1,824</u>	<u>13,152</u>	<u>8,900</u>
Noninterest Expense							
Compensation and employee benefits	4,344	4,852	4,700	4,289	4,369	18,185	18,651
Equipment	467	504	457	462	493	1,890	1,956
Occupancy and premises	500	495	391	436	415	1,822	1,747
Data Processing	220	243	208	212	224	883	889
Federal deposit insurance	144	182	219	199	170	744	530
Professional services	240	254	219	199	243	912	1,109
Telephone and data communication	74	51	51	56	66	232	240
Insurance	71	78	80	81	79	310	317
Other expense	618	504	579	487	610	2,188	2,499
Total noninterest expense	<u>6,678</u>	<u>7,163</u>	<u>6,904</u>	<u>6,421</u>	<u>6,669</u>	<u>27,166</u>	<u>27,938</u>
Income from operations before income taxes	527	1,423	5,145	195	158	7,290	2,509
Income tax expense	123	347	1,361	17	1,050	1,848	1,629
Net income (loss)	<u>404</u>	<u>1,076</u>	<u>3,784</u>	<u>178</u>	<u>(892)</u>	<u>5,442</u>	<u>880</u>
Preferred stock dividend	0	0	0	0	0	0	0
Discount from repurchase of preferred stock	406	0	0	0	0	406	0
Net income (loss) allocated to common stockholders	<u>\$ 810</u>	<u>\$ 1,076</u>	<u>\$ 3,784</u>	<u>\$ 178</u>	<u>\$ (892)</u>	<u>\$ 5,848</u>	<u>\$ 880</u>