

February 19, 2026

Dear Shareholder,

CIB Marine Bancshares, Inc. (“CIB Marine” or the “Company”) is pleased to report its financial results for the quarter and year ended December 31, 2025.

Achievements & Initiatives

With the ongoing recovery in our net interest margin (“NIM”), our banking segment improved its core income by \$0.9 million over the prior year, excluding tax, credit for (reversal of) credit losses, and the gain on our 2024 sale lease-back transaction. In addition, our Mortgage Division increased its income by \$0.2 million despite continued challenges in the mortgage market. Together, these results reflect meaningful progress in strengthening our core earnings and support our mission to enhance shareholder value, a mission we are further advancing through our common stock repurchase plan. During 2025, we purchased 36,383 shares, representing roughly 3% of outstanding shares, for \$1.3 million at an average price of \$34.29. The plan has \$1.2 million remaining for continued purchases in 2026.

It’s worth noting that our 2024 final redemption of preferred stock, including the Series B convertible shares, together with our 2025 common stock repurchases, had a significant positive impact on our tangible book value. Assuming conversion of the Series B shares to common stock, tangible book value increased from \$41.14 at December 31, 2023, to \$60.95 at December 31, 2025, or a 48% increase. Over that same period the price of our CIBH common stock on the OTCQX improved from \$21.10 to \$37.26 per share, or approximately 77%.

Results of Operations – Summary

Key developments for the quarter and year include:

- Our NIM continued to improve in 2025, rising steadily throughout the year as funding costs declined and earning-asset yields remained stable. This reflects the ongoing recovery trend that began in 2024, supported by deposit repricing and shifts in our earning-asset mix toward higher-spread products.
- Through cost controls and operating efficiency improvements, we have been able to contain and even reduce our non-interest expenses in both our banking and mortgage segments. AI has been a widely discussed subject in the banking community, and we have established several project groups to evaluate its use and safely implement the technology to improve process efficiencies and increase productivity.
- Provisions for credit losses were \$1.2 million for the quarter and \$1.1 million for the year, compared to reversals of \$0.3 million in the same quarter of 2024 and \$0.5 million for the full year 2024. The increase was primarily driven by \$1.5 million in charge-offs related to two relationships: one long-standing non-performing loan in the transportation industry and a commercial loan that degraded in late 2025. Net charge-offs for the year were 0.20%, versus 0.01% in the prior year. The allowance for credit losses on loans was 1.27% as of December 31, 2025, compared to 1.26% a year earlier—both at or above local and national peer medians.

Financial Condition – Summary

Commercial loan originations for the year were ahead of budget, but portfolio balances declined by \$31 million due to higher-than-expected customer payoffs driven by sales of businesses or properties. Deposits declined by a similar amount, primarily in time deposits. To support growth in net interest income, our goals for 2026 include higher commercial loan originations and expanding our core deposit accounts through ongoing relationship management and targeted marketing activities.

Additional highlights of our financial condition as of December 31, 2025, include:

- Non-performing assets represented 1.04% of total assets, and non-accrual loans accounted for 1.31% of total loans, up from 0.68% and 0.81%, respectively, on December 31, 2024. The increase was primarily related to two commercial loan relationships that moved to non-accrual status during the year. Problem loans are actively managed to achieve timely resolutions and limit losses, and are accounted for in the allowance for credit losses on loans, which was 1.27% as of December 31, 2025, compared to 1.26% a year earlier—both at or above recent local and national peer medians.
- Tangible book value (“TBV”) per share of common stock was \$60.95 at year-end 2025, compared to \$57.37 at same time in 2024, due primarily to earnings, improved accumulated other comprehensive income, and stock buybacks. For further insight into other factors affecting TBV: TBV per share excluding deferred tax assets (“DTA”) was \$52.38 compared to \$47.83 on 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.

Enhancing Board Leadership

We are pleased to share that our Board of Directors has expanded to include Dennis Pollack, who joined effective February 16, 2026. Mr. Pollack brings many years of leadership within financial institutions and a strong understanding of the banking industry, further advancing our ongoing commitment to create value for our shareholders. For additional information about his background and experience, please refer to our press release dated February 13, 2026.

2026 Annual Shareholder Meeting

We have scheduled our Annual Meeting of Shareholders for 1:00 pm (central) on Thursday, April 30, 2026. As in recent years, the meeting will be held virtually to ensure broad and convenient access for all shareholders. Additional details, including webcast instructions and proxy materials, will be distributed as we approach the meeting date.

Concluding Comments

We achieved meaningful progress over the past year, highlighted by improved net interest margins, growth in core income, and a return to profitability in our Mortgage Division. Our common stock repurchase plan also supported liquidity for our shares, with repurchases completed at a discount to tangible book value.

We remain focused on further strengthening our operating results through continued net interest margin improvement, solid performance in the Mortgage Division, and disciplined cost management. Although charge-offs and provisions for credit losses were higher than usual in 2025, we have compared favorably to peer medians over the last ten years.

CIBM Bank enters 2026 with a seasoned team of commercial banking professionals and clear goals for higher loan and deposit originations compared to the past two years. To support this growth, we have increased marketing resources to expand our base of core retail deposits and home equity lines of credit.

Finally, thank you for your continued trust and partnership. We are optimistic about the opportunities ahead and look forward to building on this momentum together in 2026.

Sincerely,



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

	At or for the Years Ended December 31,				
	2025	2024	2023	2022	2021
	(Dollars in thousands, except share and per share data)				
Selected Statements of Operations Data					
Interest and dividend income	\$43,619	\$47,544	\$39,069	\$27,332	\$25,059
Interest expense	21,597	26,703	17,614	3,417	1,796
Net interest income	22,022	20,841	21,455	23,915	23,263
Provision for (reversal of) credit losses	1,135	(463)	(92)	(893)	(1,195)
Net interest income after provision for (reversal of) credit losses	20,887	21,304	21,547	24,808	24,458
Noninterest income (1)	6,517	13,152	8,900	5,469	15,071
Noninterest expense	25,282	27,166	27,938	25,263	30,377
Income from operations before income taxes	2,122	7,290	2,509	5,014	9,152
Income tax expense	542	1,848	1,629	1,288	2,480
Net income	1,580	5,442	880	3,726	6,672
Common Share Data					
Basic net income (2)	1.19	4.32	0.66	2.97	5.64
Diluted net income (2)	1.15	3.38	0.49	2.16	4.06
Dividends	—	—	—	—	—
Tangible book value per share (3)	60.95	57.37	53.35	53.19	56.44
Book value per share (3)	61.00	57.42	51.58	51.39	53.96
Weighted average shares outstanding – basic	1,330,689	1,352,585	1,324,131	1,303,859	1,280,259
Weighted average shares outstanding – diluted	1,377,213	1,729,521	1,811,975	1,795,037	1,778,294
Financial Condition Data					
Total assets	\$833,304	\$866,474	\$899,060	\$752,997	\$745,393
Loans	666,199	697,093	722,084	577,303	543,819
Allowance for credit losses (4)	(8,465)	(8,790)	(9,136)	(7,894)	(8,352)
Investment securities	123,319	120,339	131,529	124,421	106,647
Deposits	660,614	692,378	727,565	628,869	618,991
Borrowings	77,817	81,735	76,956	34,485	27,049
Stockholders' equity	81,414	77,961	85,075	83,503	91,780
Financial Ratios and Other Data					
Performance Ratios:					
Net interest margin (5)	2.72%	2.42%	2.72%	3.27%	3.22%
Net interest spread (6)	2.10	1.72	2.18	3.10	3.13
Noninterest income to average assets (7)	0.77	1.48	1.08	0.75	2.00
Noninterest expense to average assets	3.02	3.05	3.40	3.30	4.02
Efficiency ratio (8)	88.79	79.86	92.13	85.17	79.10
Earnings on average assets (9)	0.19	0.61	0.11	0.49	0.88
Earnings on average equity (10)	1.97	6.33	1.05	4.15	6.37
Asset Quality Ratios:					
Nonaccrual loans to total loans (11)	1.31%	0.81%	0.50%	0.16%	0.14%
Nonaccrual loans, restructured loans and loans 90 days or more past due and still accruing to total loans (11)	2.36	1.19	1.07	0.20	0.21
Nonperforming assets, restructured loans and loans 90 days or more past due and still accruing to total asset (11)	1.89	0.98	0.90	0.20	0.21
Allowance for loan losses to total loans	1.27	1.26	1.27	1.37	1.54
Allowance for loan losses to nonaccrual loans, restructured loans and loans 90 days or more past due and still accruing (11)	53.87	105.95	118.59	684.06	726.26
Net charge-offs (recoveries) to average loans	0.20	0.01	(0.01)	(0.08)	(0.08)
Capital Ratios:					
Total equity to total assets	9.77%	9.00%	9.46%	11.09%	12.31%
Total risk-based capital ratio	13.67	13.02	13.24	15.71	15.53
Tier 1 risk-based capital ratio	10.94	10.33	10.62	12.78	14.28
Leverage capital ratio	8.80	8.14	8.62	9.73	10.22
Other Data:					
Number of employees (full-time equivalent)	142	165	193	189	177
Number of banking facilities	9	9	10	10	10

(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, \$0.1 million, and \$0.5 million for the years ended December 31, 2024, 2022, and 2021, respectively.

(3) 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.

(4) Allowance for credit losses on loans is allowance for loan losses in ending dates and periods prior to January 1, 2023.

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

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

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

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

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

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

(11) Excludes loans held for sale.

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

	December 31, 2025	December 31, 2024
	(Dollars in thousands)	
Assets		
Cash and due from banks	\$8,102	\$6,748
Securities available for sale and equity securities	123,319	120,339
Loans held for sale	8,640	13,291
Net loans	657,734	688,303
Other assets	35,509	37,793
Total assets	\$833,304	\$866,474
Liabilities and Stockholders' Equity		
Deposits	660,614	692,378
Short-term borrowings	68,022	71,973
Other liabilities	23,254	24,162
Total liabilities	751,890	788,513
Stockholders' Equity		
Total stockholders' equity	81,414	77,961
Total liabilities and stockholders' equity	\$833,304	\$866,474

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

	Years Ended December 31,	
	2025	2024
	(Dollars in thousands, except per share data)	
Total interest income	\$43,619	\$47,544
Total interest expense	21,597	26,703
Net interest income	22,022	20,841
Provision for (reversal of) provision for credit losses	1,135	(463)
Net interest income after provision for (reversal of) credit losses	20,887	21,304
Noninterest income		
Compensation and employee benefits	6,517	13,152
Equipment, occupancy and premises	16,006	18,185
Other expense	4,427	3,712
Total noninterest expense	4,849	5,269
Income from operations before income taxes	25,282	27,166
Income tax expense	2,122	7,290
Net income	542	1,848
Preferred stock dividends	1,580	5,442
Discount from repurchase of preferred stock	—	—
Net income allocated to common stockholders	\$1,580	\$5,848