

May 14, 2026

Dear Shareholder,

CIB Marine Bancshares, Inc. (“CIB Marine” or the “Company”) is pleased to report its financial results for the quarter ended March 31, 2026. First quarter income doubled compared to the prior year, driven by gains in areas of focus for management, including a stronger net interest margin and improved operating results in the Mortgage Division.

### **Results of Operations – Summary**

Net income was \$0.6 million for the quarter, or \$0.45 basic and \$0.43 diluted net income per share, compared to \$0.3 million during the same quarter of 2025, or \$0.24 basic and \$0.23 diluted net income per share. Key developments for the quarter include:

- Net interest margin increased to 2.96% compared to 2.81% for the fourth quarter of 2025 and 2.62% for the first quarter of 2025. The rising trend continues as the cost of funds is declining at a faster pace than earning asset yields. Net interest income rose \$0.5 million compared to the same quarter of 2025, primarily due to the improved net interest margin.
- The Mortgage Division reported income of \$0.1 million in the first quarter, compared to a loss of \$0.2 million in the first quarter of 2025, reflecting improved margins and continued cost controls. Results also benefitted from increased refinance activity early in the quarter despite typical seasonal softness.

### **Financial Condition – Summary**

Loan portfolio balances grew \$3 million in the first quarter of 2026, and deposits were up \$17 million, supporting a \$16 million decline in bank borrowings. 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 March 31, 2026, include:

- Non-performing assets represented 1.04% of total assets, and non-accrual loans accounted for 1.30% of total loans, both largely unchanged from year-end. Problem loans are actively managed with the objective of achieving timely resolution and minimizing losses and are accounted for in the allowance for credit losses on loans, which was 1.30% as of March 31, 2026, compared to 1.27% as of December 31, 2025, and 1.29% a year earlier—all at or above local custom peer medians.
- Tangible book value (“TBV”) per share of common stock was \$61.09 at March 31, 2026, compared to \$60.95 at year-end 2025, and \$58.25 at March 31, 2025, due primarily to earnings, changes in accumulated other comprehensive income related to unrealized gains(losses) of available for sale securities, and stock buybacks. For further insight into other factors affecting TBV: TBV per share excluding deferred tax assets (“DTA”) was \$52.30 compared to \$52.38 on December 31, 2025.

We encourage you to visit our website, [www.cibmarine.com](http://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](mailto:Elizabeth.Neighbors@cibmarine.com) to be added to our distribution list.

### **Common Stock Repurchase Plan**

Enhancing shareholder value remains our top priority. To that end, we have purchased 64,100 shares of CIBH stock – nearly 5% of outstanding shares – at a price of \$2.3 million or \$35.99 per share. Relative to the tangible book value, these purchases have produced a return on investment of approximately 60%. In addition, the Board recently approved an expansion of the program, increasing the authorized amount from \$2.5 million to \$3.5 million, reflecting its belief that purchases remain an attractive use of capital.

## **2026 Annual Shareholder Meeting**

All matters presented to shareholders were approved at our Annual Meeting held on Thursday, April 30, 2026, including the election of three continuing directors: Gina Cocking, Mark Elste, and Steve Palmitier. The slides and script from the management presentation portion of the meeting are available on our website.

## **Concluding Comments**

Following a decade of substantially better-than-peer performance in provisions for credit losses and net charge-offs relative to our local custom peer median levels, we are currently working through a limited number of problem loans. The potential for additional provisions remains. Management remains focused on improving net interest margin, strengthening Mortgage Division results, controlling costs, growing core loan and deposit relationships, and returning capital to shareholders through our common stock repurchase program. We are encouraged by the progress being made across these areas.

Finally, we value the trust our shareholders place in us and would welcome the opportunity to deepen those relationships by serving as your banking partner. We believe that building deposit and loan relationships with our shareholders strengthens our franchise, supports long-term growth, and further aligns our interests. Shareholders interested in learning more are invited to visit CIBM Bank's website ([www.cibmbank.com](http://www.cibmbank.com)) for contact information for the branch location closest to them.

Sincerely,



J. Brian Chaffin  
President & Chief Executive Officer

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## **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.

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**CIB MARINE BANCSHARES, INC.**  
**Selected Unaudited Consolidated Financial Data**

	At or for the Three Months Ended March 31,	
	2026	2025
(Dollars in thousands, except share and per share data)		
<b>Selected Statements of Operations Data</b>		
Interest and dividend income	\$10,586	\$10,941
Interest expense	4,760	5,652
Net interest income	5,826	5,289
Provision for credit losses	268	42
Net interest income after provision for credit losses	5,558	5,247
Noninterest income (1)	1,178	1,552
Noninterest expense	5,969	6,373
Income before income taxes	767	426
Income tax expense	181	105
<b>Net income</b>	<b>\$586</b>	<b>\$321</b>
<b>Common Share Data</b>		
Basic net income	\$0.45	\$0.24
Diluted net income	0.43	0.23
Dividends	—	—
Tangible book value per share (2)	61.09	58.25
Book value per share (2)	61.13	58.30
Weighted average shares outstanding-basic	1,310,842	1,353,859
Weighted average shares outstanding-diluted	1,349,513	1,401,138
<b>Financial Condition Data</b>		
Total assets	\$832,790	\$852,018
Loans	669,543	684,787
Allowance for credit losses on loans	(8,696)	(8,818)
Investment securities	120,629	124,109
Deposits	677,349	692,028
Borrowings	62,265	67,214
Stockholders' equity	80,647	79,309
<b>Financial Ratios and Other Data</b>		
Performance Ratios:		
Net interest margin (3)	2.96%	2.62%
Net interest spread (4)	2.40	1.99
Noninterest income to average assets (5)	0.59	0.73
Noninterest expense to average assets	2.95	3.05
Efficiency ratio (6)	85.03	93.65
Earnings on average assets (7)	0.29	0.15
Earnings on average equity (8)	2.90	1.65
Asset Quality Ratios:		
Nonaccrual loans to total loans (9)	1.30%	0.84%
Nonaccrual loans, restructured loans and loans 90 days or more past due and still accruing to total loans (9)	2.20	1.21
Nonperforming assets, restructured loans and loans 90 days or more past due and still accruing to total assets (9)	1.77	0.97
Allowance for loan losses to total loans	1.30	1.29
Allowance for loan losses to nonaccrual loans, restructured loans and loans 90 days or more past due and still accruing (9)	59.08	106.25
Net charge-offs (recoveries) to average loans	(0.06)	(0.01)
Capital Ratios:		
Total equity to total assets	9.68%	9.31%
Total risk-based capital ratio	13.53	13.34
Tier 1 risk-based capital ratio	10.80	10.62
Leverage capital ratio	8.83	8.40
Other Data:		
Number of employees (full-time equivalent)	141	152
Number of banking facilities	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.

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

	March 31, 2026	December 31, 2025
	(Dollars in thousands)	
<b>Assets</b>		
Cash and due from banks	\$9,584	\$8,102
Securities available for sale and equity securities	120,629	123,319
Loans held for sale	6,160	8,640
Net loans	660,847	657,734
Other assets	35,570	35,509
Total assets	\$832,790	\$833,304
<b>Liabilities and Stockholders' Equity</b>		
Deposits	677,349	660,614
Short-term borrowings	52,462	68,022
Other liabilities	22,332	23,254
Total liabilities	752,143	751,890
<b>Stockholders' Equity</b>		
Total stockholders' equity	80,647	81,414
Total liabilities and stockholders' equity	\$832,790	\$833,304

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

	Quarters Ended March 31,	
	2026	2025
	(Dollars in thousands, except per share data)	
Total interest income	\$10,586	\$10,941
Total interest expense	4,760	5,652
<b>Net interest income</b>	5,826	5,289
Provision for provision for credit losses	268	42
<b>Net interest income after provision for credit losses</b>	5,558	5,247
<b>Noninterest income</b>		
Compensation and employee benefits	1,178	1,552
Equipment, occupancy and premises	3,726	4,066
Other expense	1,092	1,108
<b>Total noninterest expense</b>	1,151	1,199
<b>Income from operations before income taxes</b>	5,969	6,373
Income tax expense	767	426
<b>Net income</b>	181	105
Preferred stock dividends	586	321
Discount from repurchase of preferred stock	—	—
<b>Net income allocated to common stockholders</b>	\$586	\$321