cib marine BANCSHARES INC

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November 5, 2026

Dear Shareholder,

CIB Marine Bancshares, Inc. ("CIB Marine" or the "Company") is pleased to report its financial results for the quarter and nine months ended September 30, 2026. While quarterly net income was lower than the same quarter of the prior year, year-to-date results improved, reflecting higher net interest margin and net interest income, as well as continued expense discipline.

Results of Operations – Summary

Net income declined by $0.1 million for the quarter and increased by $0.4 million for the nine months ended September 30, 2026, compared to the same periods last year. Year-to-date net income per share showed corresponding improvement. Key contributors to the improved results for the year-to-date period included:

- Net interest margin increased to 3.05% for the quarter and 3.02% for nine months ended September 30, 2026, up 28 and 33 basis points, respectively, from the same periods of 2025. Net interest income also improved by $0.5 million and $1.5 million for the quarter and nine-month periods, respectively. The continued improvement resulted from lower cost of funds driven by deposit relationship development and repricing activities, as well as higher earning asset yields.
- Non-interest expenses were down by $0.8 million for the nine-month period compared to the same period last year. Improvements were supported by ongoing cost management efforts, which offset higher marketing investments made primarily to support deposit growth.
- Provisions for credit losses increased $0.4 million for the nine-month period compared to the same period of 2025. Improved economic forecasts from the Federal Reserve and lower loan balances partially offset deterioration in qualitative adjustments related to changes in credit classifications and other factors.

Financial Condition – Summary

Loan portfolio balances were down $15 million for the nine-month period, contributing to a $29 million reduction in FHLB borrowings. Deposit composition also improved as money market account balances increased by $37 million, which offset a $17 million decline in time deposits, a significant portion of which reflected targeted reductions in brokered deposits.

Additional highlights of our financial condition as of September 30, 2026, include:

- Non-performing assets to total assets and non-accrual loans to loans were 0.92% and 1.15%, respectively, on September 30, 2026, compared to 1.04% and 1.31%, respectively, on December 31, 2025. While these measures of asset quality were not significantly changed, migration within other credit risk categories resulted in the combined total of credits classified as Special Mention, Substandard, and Doubtful increasing from $37 million at December 31, 2025, to $56 million at September 30, 2026.
- Tangible book value ("TBV") per share of common stock was $60.67, compared to $60.95 at year-end 2025. Earnings-led improvements in TBV were partially offset during the period by changes in accumulated other comprehensive income resulting from unrealized losses on available-for-sale securities caused by higher interest rates. Although rising interest rates have generated unrealized losses on investment securities across the banking industry, we continue to rank in the best quartile of our peer group for investment yields and unrealized losses. For further insight into other factors affecting TBV: TBV per share excluding deferred tax assets ("DTA") was $51.55 compared to $52.38 on December 31, 2025.

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.

Concluding Comments

Growing shareholder value remains at the center of our decision-making. Recent credit rating downgrades have presented challenges, and management and the Board remain keenly focused on addressing the underlying issues. Earnings improved during the nine-month period, supported by growth in net interest income and continued expense discipline, which more than offset higher provisions for credit losses and a loss in the Mortgage Division.

Our stock repurchase program has also enhanced shareholder value. Since the program's inception, we have repurchased 68,115 shares of CIBH common stock, representing nearly 5% of outstanding shares, at a total cost of $2.5 million, or $ 36.17 per share. The average purchase price was $24.50 per share below current tangible book value. Our current repurchase authorization provides for up to $3.5 million of repurchases, leaving approximately $1.0 million available through the end of 2026.

As we move forward, management and the Board remain committed to strengthening the franchise while pursuing value-enhancing opportunities and long-term shareholder gains.

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

	Quarters Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Selected Statements of Operations Data	(Dollars in thousands, except share and per share data)			
Interest and dividend income	$10,871	$10,780	$32,196	$32,738
Interest expense	4,816	5,196	14,315	16,389
Net interest income	6,055	5,584	17,881	16,349
Provision for (reversal of) credit losses on loans	73	(90)	315	(39)
Net interest income after provision for (reversal of) credit losses	5,982	5,674	17,566	16,388
Noninterest income (1)	1,163	1,908	3,678	5,225
Noninterest expense	6,129	6,375	18,289	19,059
Income before income taxes	1,016	1,207	2,955	2,554
Income tax expense	249	299	687	657
Net income	$767	$908	$2,268	$1,897
Common Share Data				
Basic net income	$0.58	$0.67	$1.73	$1.41
Diluted net income	0.57	0.65	1.69	1.36
Dividends	—	—	—	—
Tangible book value per share (2)	60.67	60.72	60.67	60.72
Book value per share (2)	60.72	60.77	60.72	60.77
Weighted average shares outstanding-basic	1,318,554	1,350,097	1,314,251	1,345,941
Weighted average shares outstanding-diluted	1,345,372	1,396,512	1,345,372	1,393,086
Financial Condition Data				
Total assets	$812,901	$836,760	$812,901	$836,760
Loans	650,954	655,620	650,954	655,620
Allowance for credit losses on loans	(7,987)	(8,721)	(7,987)	(8,721)
Investment securities	124,964	128,214	124,964	128,214
Deposits	671,675	702,078	671,675	702,078
Borrowings	49,186	39,245	49,186	39,245
Stockholders' equity	80,065	81,789	80,065	81,789
Financial Ratios and Other Data				
Performance Ratios:				
Net interest margin (3)	3.05%	2.77%	3.02%	2.69%
Net interest spread (4)	2.48	2.17	2.45	2.07
Noninterest income to average assets (5)	0.61	0.91	0.62	0.82
Noninterest expense to average assets	2.98	3.06	2.99	3.04
Efficiency ratio (6)	83.96	85.33	84.41	88.61
Earnings on average assets (7)	0.37	0.44	0.37	0.30
Earnings on average equity (8)	3.73	4.46	3.72	3.18
Asset Quality Ratios:				
Nonaccrual loans to total loans (9)	1.15%	0.95%	1.15%	0.95%
Nonperforming assets to total assets	0.92	0.75	0.92	0.75
Nonaccrual loans, modified loans to borrowers experiencing financial difficulty and loans 90 days or more past due and still accruing to total loans (9)	2.00	2.38	2.00	2.38
Nonperforming assets, modified loans to borrowers experiencing financial difficulty and loans 90 days or more past due and still accruing to total assets (9)	1.60	1.87	1.60	1.87
Allowance for loan losses to total loans	1.23	1.33	1.23	1.33
Allowance for loan losses to nonaccrual loans, modified loans to borrowers experiencing financial difficulty and loans 90 days or more past due and still accruing (9)	61.30	55.78	61.30	55.78
Net charge-offs (recoveries) to average loans	0.01	0.00	0.14	(0.01)
Capital Ratios:				
Total equity to total assets	9.85%	9.77%	9.85%	9.77%
Total risk-based capital ratio	14.11	13.90	14.11	13.90
Tier 1 risk-based capital ratio	11.34	11.15	11.34	11.15
Leverage capital ratio	9.04	8.88	9.04	8.88
Other Data:				
Number of employees (full-time equivalent)	142	143	142	143
Number of banking facilities	9	9	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)

	September 30, 2026	December 31, 2025
	(Dollars in thousands)	
Assets		
Cash and due from banks	$6,258	$8,102
Securities available for sale and equity securities	124,964	123,319
Loans held for sale	3,434	8,640
Net loans	642,967	657,734
Other assets	35,278	35,509
Total assets	$812,901	$833,304
Liabilities and Stockholders' Equity		
Deposits	671,675	660,614
Short-term borrowings	39,366	68,022
Long-term borrowings	9,820	9,795
Other liabilities	11,975	13,459
Total liabilities	732,836	751,890
Stockholders' Equity		
Total stockholders' equity	80,065	81,414
Total liabilities and stockholders' equity	$812,901	$833,304

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

	Quarters Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(Dollars in thousands)			
Interest income	10,871	10,780	32,196	32,738
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Net interest income	6,055	5,584	17,881	16,349
Provision for (reversal of) credit losses	73	(90)	315	(39)
Net interest income after provision for (reversal of) credit losses	5,982	5,674	17,566	16,388
Noninterest income	1,163	1,908	3,678	5,225
Compensation and employee benefits	3,801	4,047	11,327	12,173
Equipment, occupancy, and premises	1,038	1,091	3,164	3,301
Other expense	1,290	1,237	3,798	3,585
Total noninterest expense	6,129	6,375	18,289	19,059
Income from operations before income taxes	1,016	1,207	2,955	2,554
Income tax expense	249	299	687	657
Net income	767	908	2,268	1,897
Discount from repurchase of preferred shares	—	—	—	—
Net income allocated to common stockholders	**$767**	**$908**	**$2,268**	**$1,897**