CIBL Inc.
165 West Liberty Street, Suite 210
Reno, NV 89501
(775) 329-8555

To our shareholders:

In 2025, we achieved a year of growth and continued shareholder value creation.

We operate two New Hampshire–based telecommunications companies: Bretton Woods Telephone Company, Inc., a fiber-based Rural Local Exchange Carrier serving the Mt. Washington and Carroll, NH areas, and World Surfer, Inc., a fiber broadband provider serving the same communities and expanded areas primarily throughout northern New Hampshire. Together, these companies are leading providers of Two gigabit high-speed broadband and advanced communications services across an approximately 49 square mile region primarily in northern New Hampshire; however, our customer base has expanded into providing service in twelve additional states. Our service territory includes some of the state's most iconic and geographically challenging areas, including the summit of Mount Washington, which is the highest peak in the Northeast. Through continued investment in fiber infrastructure and next-generation network technology, we deliver reliable, high-performance connectivity to residents, businesses, and institutions in one of New England's most unique service environments.

For 2025, revenues from our New Hampshire operations increased $300,000 to $2,275,000 from $1,975,000 in 2024 due to new services, and a significant sale of equipment. EBITDA from operations during 2025 decreased $25,000 to $565,000 from $590,000 in the previous year. Lower EBITDA was the result of lower capitalized labor in 2025.

During 2025, our New Hampshire Operations completed two significant projects. Firstly, we can now provide 2 Gig fiber optic broadband service to all of our subscribers throughout the Bretton Woods service area. Second, we installed fiber optic cable to summit of Mount Washington, the highest peak in the Eastern United States. Both of these projects significantly expand and enhance our service offerings and result in improved future revenue streams.

As of December 31, 2025, we held cash and U.S. Treasury investments of $16.4 million, an investment in a limited partnership of $1.8 million, preferred shares issued by a related entity of $1.0 million and publicly traded common stock of $204,000, totaling $19.4 million, or equivalent to $1,726 per share. We also held 10,000 shares in Solix, Inc., a private outsourcing firm that provides, among other services, Universal Service Fund ("USF") administration services to the telecommunications industry.

On September 24, 2025, CIBL acquired 100,000 shares of The Gabelli Global Small and Mid Cap Value Trust Series E Cumulative Preferred Shares ("Preferred Shares") at a cost of $10 per share. The Preferred Shares include a dividend of 5.2% per annum payable semi annually (March and September) with mandatory and optional redemptions by the issuer on September 26, 2027, and September 26, 2026, respectively. These Preferred Shares include an optional put by CIBL on December 26, 2025, March 26, 2026, September 26, 2026, and March 26, 2027. As of December 31, 2025, these Preferred Shares had an aggregate fair value of $1,008,000. *The Gabelli Global Small and Mid Cap Value Trust* is managed by CIBL's Chairman.

The optional put on these Preferred Shares was exercised on March 26, 2026, and the Company received proceeds of $1,000,000.

On September 25, 2024, CIBL announced that it completed its acquisition of 20% of Brick Skirt from LICT at an aggregate purchase price of $1,500,000 comprised of 750 shares of CIBL common stock. Brick Skirt has an approximate fair value of $1,051,000 based on a multiple of their EBITDA for the year ended December 31, 2025.

Brick Skirt offers broadband and data transport and also local, long distance and digital voice service, and internet. Other services include communication and data networking services, fiber and copper wiring solutions. Its service territory includes five counties in western New York state: Chautauqua, Cattaraugus, Erie, Genesee and Niagara.

CIBL repurchased $1,732,000 of its common stock during 2025, or 1,022 shares, reflecting 9.1% of our Company. As of December 31, 2025, the Company had 11,244 shares outstanding. Through March 19, 2026, the Company returned an additional $612,000, or 357 shares at an average price of $1,713 per share.

On October 10, 2025, we welcomed Gary L. Sugarman to our Company's board of directors. Mr. Sugarman brings industry experience in broadband and telecommunications, with a particular focus on mergers and acquisitions. In addition to CIBL and LICT, Mr. Sugarman also serves on the Board of Directors of MachTen, Inc ("MACT"), a publicly traded company spun-off from LICT, since 2023. Previously, Mr. Sugarman served on the Board of Directors of Fiberlight Inc, an enterprise fiber company based in Dallas, from April 2023 to May 2025; the Board of Directors of Telephone and Data Systems, Inc., a public telecommunications company with both wireless and wireline operations, from September 2009 to January 2022; the Board of Directors Otelco, a publicly traded company ("OTEL") that operates telecom operating companies, from 2013 to May 2020 (OTEL was acquired and taken private in 2021).

We pursued several acquisitions in 2025 and will continue seeking more acquisition opportunities in 2026 to complement our organic growth initiatives.

(Y) our Board of Directors continues to review strategic alternatives for the Company to create shareholder value.

We look forward to working with Mr. Sugarman in the coming year and leveraging his valuable experience and insights in the telecommunications industry.

We thank all our customers in New Hampshire, our management and our shareholders for their continued confidence in us.

CIBL, Inc.
April 13, 2026

CIBL, Inc.

The Company and Its Business

Introduction

CIBL, Inc. ("CIBL" or the "Company") primarily consists of cash and liquid investments and an operating broadband and telecommunications operations in New Hampshire as discussed further below. CIBL trades on OTC Pink® under the symbol CIBY. The Company was originally spun off by LICT Corporation ("LICT") on November 19, 2007. It was founded as a holding company for certain portfolio investments of LICT.

As of December 31, 2025, CIBL holds $19.4 million in investments, which includes cash and U.S. Treasuries of $16.4 million, an investment in a limited partnership of $1.8 million, preferred shares issued by a related entity of $1.0 million and publicly traded common stock of $204,000.

On December 31, 2019, CIBL acquired New Hampshire Granite Inc., and its New Hampshire operations from LICT in exchange for 1,000 shares of CIBL common stock.

On August 31, 2023, CIBL received 5,700 shares of MachTen, Inc. (OTC Pink: MACT) as a spin- off distribution from our holdings of LICT Corporation shares.

On September 25, 2024, CIBL announced that it completed its acquisition of 20% of Brick Skirt Holdings, Inc. ("Brick Skirt") from LICT. CIBL acquired this interest through the issuance of 750 of its common shares. Brick Skirt, through subsidiaries, provides broadband and communication services to sections of western New York state.

New Hampshire Operations

New Hampshire Granite is the holding company consisting of Bretton Woods Telephone Company ("BWTC"), a fiber-based Rural Local Exchange Carrier serving the Mt. Washington and Carroll, New Hampshire areas, and World Surfer, Inc., a fiber broadband provider serving the same region and extended surrounding communities. Bretton Woods Telephone Company began operations as a department of the historic Mount Washington Hotel, providing telephone service to the buildings located on the property. In 1947, BWTC became an independent public utility company. In February 1992, Lynch Corporation (predecessor to LICT Corporation) acquired Bretton Woods Telephone Company. In 2007, CIBL was created as a spin-off from LICT Corporation, and BWTC became a subsidiary of New Hampshire Granite and CIBL at that time.

BWTC has been an early leader in delivering high-speed broadband to the communities it serves. Through significant network investments and equipment conversions, the company deployed a 49 mile fiber optic network that now delivers 1 Gigabit high-speed broadband service to the resort and to 100% of subscribers within its serving area.

Our 1 Gigabit service has been well received by both existing and new subscribers. BWTC's Active Ethernet network architecture enables the delivery of any IP-based service over a single dedicated fiber connection from our serving wire center.

BWTC has continually modernized its network infrastructure, upgrading switching equipment and expanding telecommunications services throughout the Bretton Woods community and outside the RLEC service area through our affiliated company, World Surfer. Our team continues to expand network reach beyond our traditional ILEC territory, serving additional subscribers and potential customers through strategic use of wholesale leased facilities.

BWTC leases approximately 2,800 square feet of business office space and garage/storage space located in Bretton Woods, New Hampshire. It also owns two central office buildings on leased land in Bretton Woods totaling 844 square feet. BWTC has 29 miles of copper cable and 49 miles of fiber optic cable.

Art Nicholson has served as the President of BWTC and World Surfer since 2020 along with Hallie Kenny serving as their controller since 2022.

Regulatory Environment

The Company's Rural Local Exchange Carrier ("RLEC") subsidiary, Bretton Woods Telephone Company, Inc. ("BWTC"), provides telecommunications services subject to federal, state, and, in certain cases, local regulation. BWTC is regulated by the Federal Communications Commission ("FCC") with respect to interstate services and participation in federal programs, and by the New Hampshire Public Utilities Commission ("NHPUC") with respect to intrastate obligations applicable to incumbent rural carriers.

RLECs, including Excepted Local Exchange Carriers ("ELECs") such as BWTC, and Competitive Local Exchange Carriers ("CLECs"), including the Company's CLEC subsidiary, World Surfer Inc., are regulated differently under federal and state law. As an incumbent rural carrier, BWTC is subject to obligations such as carrier-of-last-resort responsibilities, intercarrier compensation requirements, and participation in federal and state universal service programs. CLECs typically operate under a different regulatory structure and do not necessarily have the same incumbent-carrier obligations.

Telecommunications regulation continues to evolve at the federal and state levels as a result of legislative, judicial, and administrative actions, as well as broader industry and policy developments. In addition, both RLECs and CLECs may be subject to local governmental requirements in certain circumstances, including regulations governing access to and use of public rights-of-way and related infrastructure.

Enhanced ACAM

BWTC elected to participate in the FCC's Enhanced Alternative Connect America Cost Model ("Enhanced ACAM") program, which became effective January 1, 2024. Enhanced ACAM replaced the FCC's Alternative Connect America Cost Model II ("ACAM II") program which BWTC previously elected effective in 2019. Enhanced ACAM extends BWTC's support payments through 2038. ACAM II would have terminated December 31, 2028, if BWTC had not adopted Enhanced ACAM. Consistent with electing ACAM II, electing EACAM provides more predictable, albeit declining, support.

Nationwide, the Enhanced ACAM program is designed to further increase broadband speed and expand deployment of broadband capabilities throughout the nation's rural areas. However, since

BWTC is already 100% fiber-to-the-home ("FTTH"), the mandatory Enhanced ACAM build-out requirement of 100/20 Mbps by December 31, 2028, has already been met by BWTC.

BWTC's 2024 annual Enhanced ACAM revenues of $114,000 decreased in 2025 to $93,000 and down to $73,000 for 2026. The FCC's final 2025 Enhanced ACAM true-up will provide $53,000 in 2027 and $52,000 annually from 2028 through 2038.

Compliance and Reporting

BWTC is required to report deployment progress and testing progress through the Universal Service Administrative Co. ("USAC") High-Cost Universal Broadband ("HUBB") portal to ensure transparency and accountability in meeting the program's objectives. By already being 100% FTTH, BWTC significantly enhanced broadband connectivity in its service area, thereby supporting the community's growing digital needs.

National Exchange Carrier Association ("NECA")

In addition to receiving Enhanced ACAM revenues, BWTC continues to participate in NECA's Traffic Sensitive (TS) pool for both switched and special access, excluding Digital Subscriber Line (DSL) service. BWTC is a rural, rate-of-return company for interstate regulatory purposes and receives interstate special access support from the NECA TS pool based on a cost study computed based on BWTC's own interstate costs, subject to the FCC caps and phase-downs. RLECs electing ACAM II or Enhanced ACAM cannot participate in NECA's Common Line (CL) tariffs and access revenue pool; however, the FCC permits ACAM II and Enhanced ACAM companies to remain in NECA's TS tariff for interstate access rates.

Interstate access revenue for rate-of-return carriers is based on an FCC regulated rate-of-return on investment and recovery of operating expenses related to interstate access. FCC rules mandate that frozen TS Switched Access earns 11.25%, whereas TS Special Access is authorized to recover 9.75%. Unlike TS Switched Access, which has a guaranteed rate-of-return, there is no guarantee TS Special Access will achieve the 9.75% rate-of-return. The TS Special Access rate-of-return is derived based on the actual demand during the year and actual costs of the RLECs participating in the TS pool.

ACAM II and Enhanced ACAM were set at a 9.75% rate-of-return and remain constant through 2038.

Intercarrier Compensation ("ICC")

Intercarrier compensation refers to payments between telecommunications carriers for the origination, transport, and termination of calls across different networks. The FCC regulations standardized these payments, aiming to promote fairness and efficiency in the telecommunications industry.

BWTC charges an Access Recovery Charge ("ARC") designed to help offset revenues lost due to mandated reductions in ICC rates. Additionally, BWTC received Connect America Fund ("CAF") ICC support of $190,000 in 2025 and $192,000 in 2024. CAF ICC support declines 5% annually per the FCC rules.

Compliance with these regulations necessitates that BWTC submits filings to the NHPUC to ensure that the company's intercarrier compensation practices align with both federal and state requirements.

Eligible Telecommunication Carrier

An Eligible Telecommunications Carrier ("ETC") is a designation by the FCC that allows telecommunications providers to receive federal universal service funds, such as ACAM II and Enhanced ACAM, to offer services to underserved or rural areas. This status also enables carriers to participate in programs like Lifeline, which offers discounted services to qualifying low-income consumers.

Intrastate Access Revenues

BWTC is compensated for their intrastate costs through a bill-and-keep intrastate access charge. (i.e., there is no intrastate access revenue pool). Intrastate access charge revenues are based on intrastate access rates filed with the NHPUC. The FCC requires BWTC's intrastate access charge rates be at or below interstate rates by July 1st of each tariff year; therefore, BWTC was required to adjust its intrastate rates on July 1st of both 2025 and 2024 and will continue with each subsequent interstate tariff filing thereafter, as needed.

Voice over Internet Protocol

Voice of Internet Protocol ("VoIP") services are prevalent across the nation, including in the areas served by BWTC. Competition from VoIP services has a detrimental impact on current and future revenues. The regulatory environment for RLEC operations is becoming less supportive than has historically been the case, which may enhance the competitive impact of VoIP. The FCC's regulations provide that all carriers originating and terminating VoIP calls will be on equal footing in their ability to obtain compensation for this traffic.

Competition

We have experienced competitive pressure from fixed wireless providers primarily from customers using their mobile service for their broadband needs and also for those who have mobile service where a hot spot can be added and work in our territory at minimal cost paid to their mobile provider. We anticipate that such competition will continue to expand for customers not using a significant amount of bandwidth. However, we are continually assessing the best solutions for the competitive challenges.

Investments

In addition to cash and direct and indirect investments in United States Treasury securities of $16.4 million, BWTC and WS, the Company holds non-controlling ownership of; preferred shares of $1,008,000, a 20% interest in Brick Skirt Holdings, Inc. of $1,650,000, MachTen, Inc. of $91,000, SM Merger/Arbitrage, L.P. of $1,810,000 and Solix, Inc. of $100,000 as more fully described below.

The Gabelli Global Small and Mid Cap Value Trust Series E Preferred Shares

On September 24, 2025, CIBL acquired 100,000 shares of The Gabelli Global Small and Mid Cap Value Trust Series E Cumulative Preferred Shares ("Preferred Shares") at a cost of $10 per share. The Preferred Shares include a dividend of 5.2% per annum payable semiannually (March and September) with mandatory and optional redemptions by the issuer on September 26, 2027, and September 26, 2026, respectively. These Preferred Shares include an optional put by CIBL on December 26, 2025, March 26, 2026, September 26, 2026, and March 26, 2027. As of December 31, 2025, these Preferred Shares had an aggregate fair value of $1,008,000. The Gabelli Global Small and Mid Cap Value Trust is managed by CIBL's CEO and Chairman.

On March 26, 2026, the Company exercised its optional put on the Preferred Shares originally acquired on September 24, 2025 and received proceeds of $1,000,000.

***Brick Skirt Holdings, Inc*.**

On September 25, 2024, CIBL announced that it completed its acquisition of 20% of Brick Skirt from LICT at an aggregate purchase price of $1,500,000 comprised of 750 shares of CIBL common stock. 40% of this interest was acquired in the third quarter of 2023 and the remaining interest was acquired in the third quarter of 2024.

Brick Skirt is accounted for under the equity method and has an aggregate carry value of $1,650,000 and $1,536,000 as of December 31, 2025, and 2024, respectively.

***MachTen, Inc*.**

On August 31, 2023, CIBL received 5,700 shares of MachTen, Inc. (OTC Pink: MACT) as a spin-off distribution from our holdings of LICT shares. During 2025, 6,300 MachTen shares were acquired at an average price per share of $8.02. As of December 31, 2025, and 2024, these shares had a mark to market value of $91,000 and $40,000, respectively.

SM Merger/Arbitrage, L.P.

During 2016, CIBL invested $1,300,000 in a merger/arbitrage limited partnership ("Partnership") whose primary purposes are to invest in liquidations; in stub securities resulting from corporate merger, acquisition and recapitalization activities; and in risk arbitrage transactions related to mergers, consolidations, acquisitions, transfers of assets, tender offers, exchange offers, recapitalizations or other similar transactions. The Partnership may also engage, to a lesser extent, in other investments in securities including capital structure arbitrage, matched pair trading and related trading in options. A former director of the Company is the managing member of the limited liability company which is the General Partner of the Partnership. As of December 31, 2025 and 2024, the Company's investment was recorded at $1,810,000 and $1,645,000 respectively.

Solix, Inc.

CIBL owns, as part of the original spin-off from LICT, 10,000 shares of common stock (a 1.43% interest) in Solix, Inc. ("Solix"). Solix is an outsourcing firm that provides, among other things, USF administration services and other business process services to the telecommunications industry. The shares are restricted and there is no public trading market for them. The carrying value of such investment as of December 31, 2025, and 2024 was $100,000.

Employees

As of December 31, 2025, the Company had 6 employees. CIBL has executive management providing administrative and management services and an administrator located in its Reno, NV headquarters office and 4 employees in broadband/telecommunications operations.

Legal Proceedings

The Company may from time to time be involved in legal proceedings in the normal course of its business and such a proceeding could be material, but the Company is not involved in any such legal proceeding at the current time.

CIBL, Inc.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of the Company's financial condition and results of operations should be read in conjunction with its audited consolidated financial statements and related notes.

Forward-Looking Statements and Uncertainty of Financial Projections

The following discussion contains certain forward-looking statements. Forward-looking statements are not based on historical information but relate to future operations, strategies, financial results or other developments. Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to significant business, financial, economic and competitive uncertainties and contingencies, many of which are beyond our control and all of which, with respect to future business decisions, are subject to change. These uncertainties and contingencies can affect actual results and could cause actual results to differ materially from those expressed in any forward-looking statements made by, or on behalf of, the Company.

Results from Operations

Year 2025 compared to 2024

Revenues

Revenues increased 15.2% to $2,275,000 for the year ending December 31, 2025, from $1,975,000 for the year ending December 31, 2025, primarily due to new services, one-time equipment revenues, and system upgrades.

Operating Expenses

Total operating expenses increased $475,000 to $2,948,000 for the year ending December 31, 2025, from $2,473,000 for the year ending December 31, 2024. The increase was primarily due to the following:

- Service costs increased $286,000 to $1,433,000 for the year ended December 31, 2025, from $1,147,000 for the year ended December 31, 2024, due to less capitalized labor for plant under construction and switch replacements compared to the prior year's period.
- Corporate office expenses increased $86,000 to $1,031,000 for the year ended December 31, 2025, from $945,000 for the same period ended December 31, 2024, due to higher directors' fees.
- Depreciation expense increased $64,000 to $207,000 for the year ended December 31, 2025, from $143,000 for the year ended December 31, 2024, due to capitalized expenditures placed in service.

EBITDA from Operations

EBITDA from operations decreased $25,000 to $565,000 for the year ending December 31, 2025, from $590,000 for the year ending December 31, 2024. The decrease was primarily due to an increase in service revenues of $300,000 from broadband, end-user terminals and voice over internet protocol, offset by less capitalized labor for plant under construction and switch replacements in the current year period of $286,000 and higher general and administrative costs of $39,000.

Total Other Income

Total other income increased $337,000 to $1,038,000 for the year ending December 31, 2025, from $701,000 for the year ending December 31, 2024. The increase is primarily due to higher equity in earnings from the Company's equity investments in affiliated companies and higher unrealized gains on available for sale securities offset by lower investment income due to lower yields on U.S. Treasuries.

The Company's effective tax rates for 2025 and 2024 were 27.7% and 29.6%, respectively.

As a net result, CIBL's operations had earnings of $264,000, or $22.83 per share in 2025 and $143,000, or $11.38 per share in 2024, respectively.

Non-GAAP Financial Measures

To supplement our Consolidated Financial Statements presented on a GAAP basis, the Company presents its financial condition and results of operations in the way it believes will be most meaningful and representative of its business results. Some of the measurements the Company uses are "Non-GAAP financial measures." The non-GAAP financial measures the Company presents are listed below and may not be comparable to similarly-named measures reported by other companies. The presentation of this additional information is not meant to be considered in isolation or as a substitute for net earnings or diluted earnings per share prepared in accordance with GAAP.

The Company uses the following operating performance measure because the Company believes it provides both management and investors with a more complete understanding of the underlying operational results and trends and our marketplace performance.

Earnings before Interest, Taxes, Depreciation, and Amortization ("EBITDA") from Operations is derived by excluding the items set forth below from Net income:

- Interest income;
- Interest expense;
- Income taxes;
- Depreciation;
- Amortization;
- Non-operating investment income and gains and losses;
- Corporate office expenses;
- Other discrete items that might have a significant impact on comparable GAAP measures and could distort the evaluation of our normal operating performance.

Reconciliation of GAAP Net Income to Non-GAAP EBITDA from Operations

Year ended December 31, 2025 compared to year ended December 31, 2024

The following table presents a reconciliation of net income to EBITDA from operations for the period indicated:

	Year Ended December 31,	
(in thousands)	**2025**	**2024**
Net income	**$ 264**	**$ 143**
Adjustments:		
Interest income	(735)	(1,013)
Income tax expense	101	60
Depreciation and amortization	207	143
Total adjustments	(427)	(810)
EBITDA	**(163)**	**(667)**
Corporate office expenses	1,031	945
Equity in (earnings) loss of affiliated companies	(278)	215
Unrealized and realized (gains) losses on available for sale equity securities	(25)	97
EBITDA from operations	**$ 565**	**$ 590**
Average shares outstanding	11,566	12,565

Liquidity and Capital Resources

On October 2, 2023, the Company announced Bretton Woods has submitted its election to participate in the Enhanced A-CAM. This election was authorized by the FCC on October 30, 2023. Enhanced A-CAM requires a commitment to continue to provide broadband speeds at or above 100/20 Mbps to Bretton Woods' incumbent local exchange network. Bretton Woods would receive Enhanced A-CAM support payments averaging $55,400 per annum. through 2038; whereas current A-CAM support payments were scheduled to expire in 2028.

Working Capital

As of December 31, 2025, CIBL had current assets of $19.0 million and current liabilities of $0.5 million resulting in working capital of $18.5 million compared to $21.0 million as of December 31, 2024.

Capital expenditures were $167,000 and $423,000 for the year endings December 31, 2025, and 2024, respectively.

Net cash provided by operating activities was $288,000 in 2025. Operating cash flows in 2025 were driven by net income of $264,000 and $30,000 of adjustments for noncash items, primarily depreciation and amortization of $207,000, equity in income of affiliated companies ($278,000) and available for sale securities of ($25,000) and deferred taxes of $126,000 offset by $6,000 net change in receivables/payables.

Net cash provided by operating activities was $447,000 in 2024. Operating cash flows in 2024 were driven by net income of $143,000 and $379,000 of adjustments for noncash items, primarily depreciation and amortization of $143,000, equity in losses of a limited partnership of $215,000 and available for sale securities of $97,000 and deferred taxes of $76,000 offset by $75,000 net change in receivables/payables.

Net cash provided by investing activities in 2025 was $1.2 million due to $2.3 million in net redemptions of U.S. Treasury Bills, proceeds from the sale of available sale securities of $270,000, offset by purchases of available for sale securities and preferred securities of $1.2 million and capital expenditures of $167,000.

Net cash provided by investing activities in 2024 was $2.2 million due to $2.4 million in net redemptions of U.S. Treasury Bills, proceeds from the sale of available sale securities of $160,000, offset by capitalized acquisition costs of $18,000 and capital expenditures of $423,000.

Net cash used in financing activities was $1,732,000 and $1,524,000 in 2025 and 2024, respectively, from stock buyback payments.

During 2024, the Company issued 450 common shares in exchange for the remaining 12% interest in Brick Skirt.

Share Repurchases and Distributions

CIBL's Board of Directors has authorized a stock repurchase program. Since its spin-off from LICT Corporation, the Board has authorized the repurchase of a cumulative 11,350 shares of its common stock, of which 474 shares remain to be purchased. Since CIBL was spun-off by LICT Corporation, on November 19, 2007, the Company has acquired 10,876 shares of its common stock at an average price of $1,567; 1,022 of these shares, at an average price of $1,695 per share, were purchased in 2025.

In addition to its open market repurchase programs, during 2012 and 2014 the Company conducted two tender offers for its shares, purchasing a total of 4,746 shares at an average price of $1,100 per share.

Through March 19, 2026, the Company repurchased 357 shares of its common stock for $612,000, at an average price of $1,713 per share.

CIBL, Inc. and Subsidiaries

Consolidated Financial Statements

December 31, 2025 and 2024

Report of Independent Auditors

The Board of Directors
CIBL, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of CIBL, Inc., which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the related consolidated statements of income, changes in equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of CIBL, Inc., as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of CIBL, Inc., and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CIBL, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are issued.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CIBL, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CIBL, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Baker Tilly US, LLP

Spokane, Washington
April 13, 2026

CIBL, Inc. and Subsidiaries
Consolidated Balance Sheets
(in thousands, except share data)

	December 31, 2025	December 31, 2024
Assets:		
Current assets:		
Cash and cash equivalents	$ 2,123	$ 2,341
Investment in United States Treasury Bills	14,312	16,598
Investment in available for sale securities	204	294
Investment in equity method limited partnership	1,810	1,645
Accounts receivable	294	284
Prepaid expenses	181	192
Materials and supplies	-	59
Income taxes receivable	105	-
Total current assets	19,029	21,413
Telecommunications property, plant and equipment, net	929	958
Goodwill	337	337
Other intangibles, net	19	30
Other investments	2,758	1,636
Deferred income taxes	-	39
Other assets	46	59
Total assets	**$ 23,118**	**$ 24,472**
Liabilities:		
Current liabilities:		
Income taxes payable	$ -	$ 14
Trade accounts payable and accrued expenses	186	138
Accrued liabilities	324	284
Total current liabilities	510	436
Deferred income taxes	87	-
Other liabilities	32	46
Total liabilities	**629**	**482**
Equity:		
Common stock ($0.01 par value; 30,000 shares authorized; 26,865 issued; 11,244 and 12,266 outstanding	-	-
Contributed capital	7,112	7,112
Retained earnings	37,680	37,416
Treasury stock (15,622 and 14,600 shares at cost)	(22,303)	(20,538)
Total equity	**22,489**	**23,990**
Total liabilities and equity	**$ 23,118**	**$ 24,472**

See notes to consolidated financial statements

CIBL, Inc. and Subsidiaries
Consolidated Statements of Income
(in thousands, except share data)

	Year Ended December 31,	
	2025	**2024**
Revenues	**$ 2,275**	**$ 1,975**
Costs and expenses:		
Operating costs, excluding depreciation and amortization	1,433	1,147
General and administrative	277	238
Corporate office expenses	1,031	945
Depreciation and amortization	207	143
Total costs and expenses	**2,948**	**2,473**
Operating loss	**(673)**	**(498)**
Other income:		
Interest income	735	1,013
Equity in earnings (loss) of affiliated companies	278	(215)
Unrealized and realized gains (losses) on available-for-sale securities	25	(97)
Total other income	**1,038**	**701**
Income before income taxes	**365**	**203**
Income tax expense	101	60
Net income	**$ 264**	**$ 143**
Earnings per share:		
Basic and diluted	$ 22.83	$ 11.38
Weighted average shares outstanding		
Basic and diluted	11,566	12,565
Actual shares outstanding	**11,244**	**12,266**

See notes to consolidated financial statements

CIBL, Inc. and Subsidiaries
Consolidated Statements of Changes in Equity
(in thousands, except share data)

	Shares of Common Stock Outstanding		Common Stock		Additional Paid-in Capital		Retained Earnings		Treasury Stock		Total
Balance, January 1, 2024	**12,668**	**$**	**-**	**$**	**6,212**	**$**	**37,273**	**$**	**(19,014)**	**$**	**24,471**
Net income	-		-		-		143		-		143
Issuance of stock	450		-		900		-		-		900
Purchase of treasury stock	(852)		-		-		-		(1,524)		(1,524)
Balance, December 31, 2024	**12,266**	**$**	**-**	**$**	**7,112**	**$**	**37,416**	**$**	**(20,538)**	**$**	**23,990**
Net income	-		-		-		264		-		264
Purchase of treasury stock	(1,022)		-		-		-		(1,765)		(1,765)
Balance, December 31, 2025	**11,244**	**$**	**-**	**$**	**7,112**	**$**	**37,680**	**$**	**(22,303)**	**$**	**22,489**

See notes to consolidated financial statements

CIBL, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(in thousands, except share data)

	Year Ended December 31, 2025	2024
Cash flows from operating activities:		
Net income	$ 264	$ 143
Adjustments to reconcile net income to net cash from operating activities:		
Noncash revenues, expenses, gains and losses included in income:		
Depreciation and amortization	207	143
Equity in (income) loss of limited partnership investment	(278)	215
Unrealized (gain) loss on available for sale equity securities	(9)	47
Realized (gain) loss on available for sale equity securities	(16)	50
Deferred income taxes	126	(76)
Changes in operating assets and liabilities:		
Accounts receivable	(10)	(56)
Accounts payable and accrued liabilities	88	(24)
Other operating assets and liabilities	(84)	5
Net cash provided by operating activities	**288**	**447**
Cash from investing activities:		
Capital expenditures	(167)	(423)
Proceeds from sale of available for sale equity securities	270	160
Purchase of available for sale securities and preferred	(1,163)	-
Capitalized acquisition costs	-	(18)
Redemption of U.S. Treasury Bills	52,093	73,923
Acquisition of U.S. Treasury Bills	(49,807)	(71,476)
Net cash provided by investing activities	**1,226**	**2,166**
Cash flows from financing activities:		
Purchase of treasury stock	(1,732)	(1,524)
Net cash used in financing activities	**(1,732)**	**(1,524)**
(Decrease) increase in cash and cash equivalents	(218)	1,089
Cash and cash equivalents, beginning of year	2,341	1,252
Cash and cash equivalents, end of year	**$ 2,123**	**$ 2,341**
Supplemental disclosure:		
Cash paid for income taxes, net	$ 120	$ 77
Noncash investing activities:		
Common Stock exchanged for investment in affiliate	$ -	$ 900

For 2025, the Company accrued excise tax payable on purchases of treasury stock of $33

See notes to consolidated financial statements

1. Organization

In 2007, CIBL, Inc. ("CIBL" or the "Company") was spun off of LICT Corporation ("LICT"), a publicly traded company with subsidiaries providing broadband and voice services.

Acquisition of New Hampshire Operations

On December 31, 2019, the Company completed the acquisition of operations in New Hampshire ("NH") from LICT. The acquired operations consist of Bretton Woods Telephone Company ("BWTC"), a Rural Local Exchange Carrier serving the Mt. Washington/Carroll, New Hampshire area, and World Surfer, Inc. ("WS"), a fiber broadband provider serving the same and extended areas.

The Company exchanged 1,000 shares of its common stock for all the outstanding shares of BWTC and WS. The Company recognized goodwill on the acquisition of approximately $337.

Other

In addition, CIBL holds, or has held, investments in affiliates in which the Company does not have majority voting control but has the ability to significantly influence management decisions (either through an ownership of 20% or more or structured as a partnership or limited liability company treated as a partnership). These investments are accounted for in accordance with the equity method and consist of a merger/arbitrage limited partnership and a broadband/telecom services company in western New York state.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying financial statements include the operations of the Company and its wholly-owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

<u>Accounting Standards Adopted</u>

<u>Income Taxes</u>

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-09, Income Taxes (Topic 740): *Improvements to Income Tax Disclosures* ("ASU 2023-09"), to enhance the transparency and decision usefulness of income tax disclosures. The amendments in ASU 2023-09 provide improvements primarily related to the rate reconciliation and income taxes paid information included in the income tax disclosures. CIBL would be required to disclose additional information regarding reconciling items equal to or greater than five percent of the amount computed by multiplying pretax income (loss) by the applicable statutory tax rate. Similarly, the Company would be required to disclose income taxes paid (net of refunds received) equal to or greater than five percent of total income taxes paid (net of refunds received). The Company adopted ASU 2023-09 retrospectively during 2025. Refer to Note 6 – Income Taxes for further information.

Future Application of Accounting Standards

Disaggregation of Income Statement Expenses

In *November 2024,* the FASB issued ASU *2024-03,* "*Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*" ("ASU *2024-03"*). The standard requires additional disclosure of certain costs and expenses within the notes to the financial statements. The provisions of the standard are effective for annual reporting periods beginning after *December 15, 2026,* and interim reporting periods beginning after *December 15, 2027,* with early adoption permitted. This accounting standards update *may* be applied either prospectively or retrospectively. We are assessing the impact of this standard.

Regulatory Accounting

The Company's public utility activities are regulated by the Federal Communications Commission ("FCC"), and the applicable state Public Service Commissions. The Company follows the FCC's Uniform System of Accounts under Part 32 of the FCC's Rules and Regulations.

Where applicable, this regulated accounting recognizes the economic effects of rate regulation by recording costs and a return on investment; as such, amounts are recovered through rates authorized by regulatory authorities. Developments that could give rise to substantial modifications of regulatory accounting practices include (1) increasing competition restricting the Company's wireline business' ability to establish prices to recover specific costs, and (2) significant changes in the manner in which rates are set by regulators from cost-based regulation to another form of regulation. The Company periodically reviews the applicability of regulatory accounting guidelines based on the developments in its current regulatory and competitive environments.

In 2019, BWTC adopted the FCC's voluntary USF Alternative Connect America Cost Model ("A-CAM") II effective January 1, 2019. BWTC's A-CAM II revenues for the years ended of December 31, 2025, and 2024 were $93 and $114, respectively. A-CAM II revenues for BWTC, transition down $20 per year through 2028.

On October 30, 2023, BWTC received its authorization to participate in the FCC's Enhanced Alternative Connect America Cost Model ("Enhanced A-CAM"). Enhanced A-CAM requires a commitment to continue to provide broadband speeds at or above 100/20 Mbps to BWTC incumbent local exchange network. BWTC would receive Enhanced A-CAM aggregate support payments of $831 through 2038 to average $55.4 per annum. These amounts replace the A-CAM II revenues which were set to expire in 2028.

Use of Estimates

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the financial statement date, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less at the date of purchase to be cash equivalents.

United States Treasury Bills

The Company considers all highly liquid investments with maturities in excess of three months, and no greater than six months at the date of purchase, to be short-term investments.

As of December 31, 2025, the Company holds United States Treasury Bills with an aggregate face amount of $14,350, with maturity dates of January 13, 2026, through February10, 2026, and annual yields of 3.83% through 3.86%. These investments are recorded at fair value.

Investment in Available for Sale Equity Securities

Equity securities are stated at fair value, with unrealized gains and losses, reported as part of other income (loss) in the consolidated statement of income.

During 2025 and 2024, the Company sold 18 shares and 10 shares of LICT Corporation stock at a realized gain of $16 and realized loss of $50, respectively. Our Chairman is also Chairman and CEO of LICT.

On August 31, 2023, CIBL received 5,700 shares of MachTen, Inc. (OTC Pink: MACT) as a spin-off distribution from our holdings of LICT Corporation shares. During 2025, the Company purchased an additional 6,300 shares at an average price of $8.02 per share. On December 31, 2025, and 2024, these shares had an aggregate fair value of $91 and $40, respectively.

During 2025, CIBL purchased 2,300 shares of other available-for-sale equity securities at an average price of $48.88 per share. On December 31, 2025, these shares had an aggregate fair value of $113.

Investment in Equity Method Limited Partnership

The Company accounts for its investment in an equity method limited partnership in which it does not have majority voting control but has the ability to significantly influence financial and operating policies, in accordance with the equity method, based upon information in such equity investees' financial statements.

During 2016, the Company invested $1,300 in a merger/arbitrage limited partnership ("Partnership") whose primary purpose is to invest in liquidations; stub securities resulting from corporate merger, acquisition and recapitalization activities; and risk arbitrage transactions in connection with mergers, consolidations, acquisitions, transfers of assets, tender offers, exchange offers, recapitalizations or other similar transactions. The Partnership may engage, to a lesser extent, in other investments in securities including capital structure arbitrage, matched pair trading and related trading in options. A former director of the Company is the managing member of the limited liability company which is the General Partner of the Partnership. For the years ending December 31, 2025, and 2024, earnings of $165 and losses of ($233), respectively, have been included in the consolidated statements of income as other income (expense). As of December 31, 2025, and 2024, the Company's investment in the Partnership had a fair value of $1,810 and $1,645, respectively.

Accounts Receivable

Trade receivables consist of uncollateralized customer obligations due under normal trade terms requiring payment within 30 days from the invoice date. The receivables are non-interest-bearing. Payments on trade receivables are applied to the applicable unpaid invoices. The carrying amount of the trade receivables is reduced by an amount that reflects management's best estimate of the amounts that will not be collected.

Other Investments

Solix, Inc.

The Company's 1.43% ownership interest in Solix, Inc. ("Solix") is accounted for using the cost method. Solix is an outsourcing firm that provides services such as USF administration services to the telecommunications industry. The carrying value of such investment as of December 31, 2025, and 2024 was $100.

Brick Skirt Holdings, Inc.

On September 25, 2024, CIBL announced that it completed its acquisition of 20% of Brick Skirt Holdings, Inc. ("Brick Skirt") from LICT. CIBL acquired this interest through the issuance of 750 of its common shares. Brick Skirt, through subsidiaries, provides broadband and communication services to sections of western New York state.

The aggregate purchase price of the Brick Skirt shares was $1,500 payable by delivery of said shares by LICT to CIBL. As consideration for the Brick Skirt shares, CIBL delivered a total of 750 of its common shares to LICT.

Our interest in Brick Skirt is recorded using the equity accounting method. For the years ended December 31, 2025, and 2024, earnings of $113 and $18 have been included in the consolidated statement of income as other income, respectively.

The carrying value of Brick Skirt as of December 31, 2025, and 2024, was $1,650 and $1,536, respectively.

The Gabelli Global Small and Mid Cap Value Trust Series E Preferred Shares

On September 24, 2025, CIBL acquired 100,000 shares of The Gabelli Global Small and Mid Cap Value Trust Series E Cumulative Preferred Shares ("Preferred Shares") at a cost of $10 per share. The Preferred Shares include a dividend of 5.2% per annum payable semi annually (March and September) with mandatory and optional redemptions by the issuer on September 26, 2027, and September 26, 2026, respectively. These Preferred Shares include an optional put by CIBL on December 26, 2025, March 26, 2026, September 26, 2026, and March 26, 2027. As of December 31, 2025, these Preferred Shares had an aggregate fair value of $1,008. The Gabelli Global Small and Mid Cap Value Trust is managed by an affiliate of CIBL's Chairman.

Telecommunications Property, Plant and Equipment

Additions to the Telecommunications plant and equipment are recorded at cost, which includes contracted work, direct labor and materials, and allocable overheads. When units of plant and equipment are retired, sold, or otherwise disposed of in the ordinary course of business, their average book cost less net salvage is charged to accumulated depreciation.

Maintenance and repair costs and the replacement and renewal of items determined to be less than units of plant and equipment are charged to expense.

Depreciation

The majority of plant and equipment is used for the wireline telephone business. Depreciation is based on the composite group remaining life method and straight-line composite rates. This methodology provides for the recognition of the cost of the remaining investment in telephone plant and equipment less anticipated positive net salvage value, over the remaining asset lives. Use of this methodology requires the periodic revision of depreciation rates. In the evaluation of asset lives, multiple factors are considered, including expected future retirements, technological changes and the adequacy of depreciation reserves.

Goodwill and Other Intangible Assets

The Company follows the Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2017-04, Simplifying the Test for Goodwill Impairment, which eliminates the second step in the goodwill impairment test that required an entity to determine the implied fair value of the reporting unit's goodwill. Under the ASU, goodwill impairment testing should be completed at least annually by comparing the fair value of a reporting unit with its carrying value. As a result of this comparison, the Company would recognize an impairment charge for the amount by which the carrying amount exceeds the unit's fair value, with any losses recognized not to exceed the total amount of goodwill allocated to the reporting unit. Prior to performing this quantitative assessment, the Company has the option to perform a qualitative assessment to determine if impairment is more likely than not to have occurred. If the Company concludes that it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then the quantitative assessment is not required.

The Company performed a qualitative assessment to determine if impairment is more likely than not to have occurred. As of December 31, 2025, and 2024, the Company concluded that the Company's fair value exceeded its carrying value therefore "it is not more likely than not" that their goodwill was impaired; therefore, no impairment of goodwill was recorded in the years ended December 31, 2025 and 2024. Further, there were no changes to goodwill recorded in the years ended December 31, 2025, and 2024.

Fair Value Measurement

The Company follows the authoritative guidance for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis, and of nonfinancial assets and nonfinancial liabilities that are recognized or disclosed at fair value in the financial statements on a nonrecurring basis or are presented only in disclosures. Authoritative guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, or quoted prices for identical assets and liabilities in inactive markets. Level 3 inputs are unobservable.

The Company has four types of assets that are measured at fair value. A money market mutual fund that invests in United States Treasury bills, included in cash and cash equivalents, United States Treasury Bills owned by the company, included in United States Treasury Bills and available for sale equity securities invested in common shares which are all classified as Level 1 inputs, because they are valued using quoted market prices. In September 2025, the Company invested in preferred shares issued by an affiliated closed-end fund which is classified as Level 3 and included in other assets.

The Company uses discounted cash flow analysis when determining the fair value of preferred shares issued by an affiliated closed-end fund that is classified as Level 3. Projected cash flows in the discounted cash flow analysis represent the relevant security dividend rate plus the assumption of full principal repayment at the preferred security's earliest available redemption date.

The significant unobservable input used in the fair value measurement of the Company's investment in preferred securities of an affiliated closed-end fund is the discount rate. The discount rate was determined using the interest rates of U.S. Treasury Bills that are held over a similar period of the preferred security. The discount rate used in the valuation of this investment as of December 31, 2025, was 3.48%. Significant changes in the discount rate could result in a significantly lower or higher fair value measurement of this Level 3 investment.

(in thousands, except share data)

The following table presents assets measured at fair value as of December 31, 2025:

	Level 1	Level 2	Level 3	Total
US Treasury money market fund	$ 705	$ -	$ -	$ 705
Investment in US Treasury Bills	14,312	-	-	14,312
Investment in available for sale securities	204	-	-	204
Preferred shares issued by a closed-end fund	-	-	1,008	1,008
Total assets at fair value	**$ 15,221**	**$ -**	**$ 1,008**	**$ 16,229**

The following table presents assets measured at fair value as of December 31, 2024:

	Level 1	Level 2	Level 3	Total
US Treasury money market fund	$ 1,449	$ -	$ -	$ 1,449
Investment in US Treasury Bills	16,598	-	-	16,598
Investment in available for sale securities	294	-	-	294
Total assets at fair value	**$ 18,341**	**$ -**	**$ -**	**$ 18,341**

There were no Level 3 assets measured at fair value as of December 31, 2024.

Impairment of Long-Lived Assets

Long-lived assets, such as telecommunications plant, and purchased intangibles subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset group to estimated undiscounted future cash flows expected to be generated by the asset group. If the carrying amount of an asset group exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset group exceeds the fair value of the asset group. There were no asset impairments recorded during the years ended December 31, 2025 and 2024.

Income Taxes

Income taxes are provided for the tax effects of transactions reported in the financial statements. Income taxes consist of taxes currently payable and those deferred due to temporary differences between the financial reporting and tax basis of the Company's assets and liabilities, using tax rates in effect in the period in which the temporary differences are expected to reverse. The Company establishes valuation allowances relating to deferred tax assets when management concludes that it is more likely than not that the Company will not realize a benefit from the reversal of such temporary differences. The Company files a consolidated federal tax return with BWTC and WS filing separate state returns.

Accounting for Uncertainty in Income Taxes

The Company recognizes the effect of income tax positions only when the tax position is more likely than not to be sustained. Management is not aware of any exposure to uncertain tax positions that would require financial statement recognition or disclosure. The Company is no longer subject to federal or state income tax examinations for periods prior to the year ended December 31, 2021. Interest and penalties, if any, are recorded as interest expense and other expense, respectively.

Revenue Recognition

Revenue is measured according to ASC 606, Revenue from Contracts with Customers which outlines a single comprehensive model to use in accounting for revenue arising from contracts with customers. At contract inception, the Company assesses the goods and services to be provided to the customer and identifies the associated performance obligation. The Company considers all obligations, whether they are explicitly stated in the contract or are implied by customary business practices.

Telecommunication service revenue related to New Hampshire's operations was primarily derived from regulated local, intrastate and interstate access and USF services and recognized as services are provided.

Of the Company's $2,275 and $1,975 in operating revenue for the years ended December 31, 2025 and 2024, $2,182 and $1,861, respectively, was related to contracts with customers and was recognized over the time period that the service was provided. Revenue recognized at a point in time was not material.

Leases

The Company recognizes leases in accordance with ASC Topic 842, *Leases* ("ASC 842"), which requires a lessee to recognize a right-of-use ("ROU") asset and a lease liability on the balance sheet for operating leases.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term. The Company estimated the incremental borrowing rate derived from information available at the lease commencement date to determine the present value of our lease payments if a discount rate is not stated within the lease agreement. To estimate the incremental borrowing rate, the Company utilized a risk free rate plus the incremental interest rate spread for collateralized debt, which is updated on an annual basis. Multiple incremental borrowing rates are used that correspond to term of the lease.

Short-term leases primarily consist of month-to-month leases where either party has the option to cancel with less than one year's notice, or for those leases where the agreement terms are not final. Expenses are recognized as incurred.

See Note 5. Leases for additional information.

(in thousands, except share data)

3. Telecommunications Property, Plant and Equipment

Components of the Company's telecommunications, plant and equipment and accumulated depreciation are as follows:

	December 31, 2025	December 31, 2024
Buildings and leasehold improvements	$ 364	$ 364
Machinery and equipment	4,406	4,435
	4,770	4,799
Accumulated depreciation	(3,841)	(3,841)
	$ 929	**$ 958**

4. Treasury Stock

Since it was spun-off from LICT in November 2007, CIBL's Board of Directors has increased its authorized share repurchase program up to a cumulative 11,350 shares of common stock, of which 474 shares are remaining to be purchased. Through December 31, 2025, CIBL has purchased 10,876 shares at an average price of $1,567 per share; 1,022 shares were purchased in 2025 at an average price of $1,695 per share, and 852 shares were purchased in 2024 at an average price of $1,788 per share.

In addition to its open market repurchase programs, during 2012 and 2014 the Company has conducted two tender offers for its shares, purchasing a total of 4,746 shares at an average price of $1,100 per share.

5. Leases

Leases primarily consist of:

- Business office and equipment
- Remote equipment facilities

Lease terms may include options to extend or terminate the lease. Options to extend leases are included when it is reasonably certain that we will exercise that option based on the individual lease and our business objectives at lease inception. The Company has elected to not record leases with a term of 12 months or less on the balance sheet.

The practical expedient was elected to combine the lease and non-lease components for all asset classes.

(in thousands, except share data)

As of December 31, 2025, the weighted average remaining lease term and the weighted average discount rate for operating leases are as follows:

Weighted-average lease term	3.0 years
Weighted-average discount rate	4.18%

The following table provides a summary of future minimum payments for operating leases:

For the years ending December 31,		
2026	$	17
2027		17
Thereafter		18
Total lease payments		**52**
Less: interest		(6)
Present value of lease liabilities	**$**	**46**
Lease liabilities, current portion	**$**	**14**
Lease liabilities, non-current portion	**$**	**32**

Right-to-use assets related to the Company's leases are recorded as other assets with the corresponding liability recorded as current and other liabilities in the accompanying balance sheets.

6. Income Taxes

Income tax expense (benefit) from continuing operations for the years ended December 31, 2025 and 2024 is as follows:

	Year Ended December 31,			
	2025		**2024**	
Current tax (benefit) expense:				
Federal	$	(45)	$	120
State		20		16
Total current tax (benefit) expense	**$**	**(25)**	**$**	**136**
Deferred tax expense (benefit):				
Federal		131		(61)
State		(5)		(15)
Total deferred tax expense (benefit)		**126**		**(76)**
Total income tax expense	**$**	**101**	**$**	**60**

(in thousands, except share data)

Deferred income tax assets and (liabilities), which are provided for the temporary differences between the financial reporting bases and the tax bases of the Company's assets and liabilities for continuing operations, as December 31, 2025 and 2024 consisted of:

	December 31,	
	2025	**2024**
Deferred tax assets:		
Net operating losses	$ 118	$ 89
Other	7	7
Total deferred tax assets	**$ 125**	**$ 96**
Deferred tax liabilities:		
Depreciation	173	77
Equity method investments	39	20
Total deferred tax liabilities	**212**	**57**
Net deferred tax (liabilities) assets	**$ (87)**	**$ 39**

The Company has state net operating loss carryforwards of $1.8 million that expire in varying amounts beginning in 2030.

A reconciliation of the Federal statutory income tax rate to the effective tax rate is set forth below:

	Year Ended December 31,	
	2025	**2024**
Statutory Federal income tax rate	21.0%	21.0%
State income tax, net of Federal benefit	5.9%	5.9%
Other	0.8%	2.7%
Effective income tax rate	**27.7%**	**29.6%**

Cash paid for income taxes by jurisdiction pursuant to the disclosure requirements of ASU 2023-09 are set forth below:

	Year Ended December 31,	
	2025	**2024**
Federal	$ 109	$ 39
State	11	38
Cash paid for income taxes	**$ 120**	**$ 77**

7. Concentration of Risk

Credit Risk

Financial instruments which potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents. The Company's cash and cash equivalents may at times exceed federally insured amounts.

8. Related Party Transactions (Not Disclosed Elsewhere)

Transactions with Brick Skirt

An affiliate of Brick Skirt provides back-office support services to BWTC and WS. During 2025 and 2024, Brick Skirt received fees in aggregate of $137 from these entities for both periods.

Transactions with Gabelli Funds, LLC

As of December 31, 2025 and 2024, cash and short-term investments of $0.7 million and $1.5 million, respectively, were invested in United States Treasury money market funds for which affiliates of the Company's Chairman and CEO serve as an investment manager.

9. Subsequent Events

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is April 13, 2026.

Through March 19, 2026, the Company repurchased 357 shares of its common stock for $612, at an average price of $1,713 per share.

On March 26, 2026, the Company exercised its optional put on the Preferred Shares originally acquired on September 24, 2025 and received proceeds of $1,000.

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