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

To our shareholders:

We had a productive and value-added year.

We operate two New Hampshire telecommunications companies consisting of Bretton Woods Telephone Company, Inc., a Rural Local Exchange Carrier serving the Mt. Washington/Carroll, NH area, and World Surfer, Inc., a fiber broadband provider serving the same and extended areas in New Hampshire. These operations are leading providers of 1 gigabit high speed broadband and communications services to an approximately 49-square-mile area in northern New Hampshire, including the Omni Mount Washington Hotel and Resort, the Mount Washington Cog Railway and the summit of Mount Washington's highest mountain.

Our master services agreement with the Omni Mt. Washington Hotel & Resort in Bretton Woods was renewed on March 1, 2024, for a five-year term. In addition to the renewal of the agreement we continue to work with the Omni to provide what we all believe are the services required to enhance a visit to Mt. Washington as well as to the hotel. At the same time, we focused on providing new and improved services to around 400 homes in the community that adjoins the Omni Mt. Washington Hotel & Resort in Bretton Woods and extended our fiber-optic cable to the top of Mt. Washington.

On September 25, 2024, CIBL announced, that it completed its acquisition of 20% of Brick Skirt Holdings, Inc. ("Brick Skirt"), from LICT Corporation ("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. Brick Skirt was a former subsidiary of LICT and is located in Fredonia, New York.

During 2024, revenues from our New Hampshire operations increased $66,000 to $1,975,000 from $1,909,000 in 2023 due to new services, and a significant sale of equipment. EBITDA from operations during 2024 increased $84,000 to $590,000 from $506,000 in the previous year.

At year-end 2024, we held cash and investments of $18.9 million, an investment in a limited partnership of $1.6 million and publicly traded common stock of around $294,000, equivalent to $1,702 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.

We continue seeking more opportunities both organically and via acquisitions.

During 2024, we purchased 852 of our common shares reflecting 6.9% of our company. As of December 31, 2024, shares outstanding were 12,266. Through March 31, 2025, the Company repurchased 586 of its shares for $996,000, or an average price of $1,699 per share.

(Y)our Board of Directors

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

We wish to welcome Dr. Diya Das to our Company's board of directors effective January 1, 2025. Dr. Das is the Dean of the Roger Williams University Mario J. Gabelli School of Business. Prior to this appointment, she served as Associate Dean of the College of Business at Bryant University as well as the Chair of the Management department. She completed her Ph.D. from Whitman School of Management at Syracuse University. Her research explores complex identity negotiations and identifications under conditions of globalization of work.

We look forward to working with Dr. Das this year and her valuable insight regarding the Company.

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

CIBL, Inc.
April 14, 2025

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. At December 31, 2024, CIBL holds $20.9 million in liquid assets which includes cash and investments of $18.9 million, an investment in a limited partnership of $1.6 million and publicly traded common stock of around $294,000.

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 Corporation ("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 consists of Bretton Woods Telephone Company ("BWTC"), a Rural Local Exchange Carrier serving the Mt. Washington/Carroll, NH area, and World Surfer, Inc., a fiber broadband provider serving the same area and extended areas. Bretton Woods Telephone Company began operations as a department of the Mount Washington Hotel, which served all the buildings on the property. In 1947, BWTC officially became an independent public utility company. In February 1992, Lynch Corporation (predecessor to LICT) acquired Bretton Woods Telephone Company. Over the years, BWTC has updated its switching equipment, enabling it to expand telecommunication service to additional Bretton Woods properties, including the administration buildings, the ski area, condominiums, and single-family homes. BWTC was an early leader in delivering high speed service to the communities we serve, as we invested in significant equipment conversions which enabled the company to deliver 1 Gigabit High Speed Broadband services to the resort and 100% of our subscribers over our forty nine mile fiber optic network in the surrounding communities.

Our 1 Gigabit service has been well received by existing and new subscribers. Our Active Ethernet network delivers any IP service over a single fiber from our serving wire center. Our team continues to expand the reach of our network, serving subscribers, and potential customers outside our traditional ILEC territory through the use of wholesale leased facilities.

Bretton Woods Telephone Co., Inc. 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. The company has 29 miles of copper cable and 49 miles of fiber optic cable.

Regulatory Environment

The Company's Rural Local Exchange Carrier (RLEC) subsidiary, Bretton Woods Telephone Company Inc. (BWTC), provides telecommunications services, subject to varying degrees of Federal and state regulation. BWTC is regulated by the Federal Communications Commission (FCC) related to interstate telecommunications services. In addition, the New Hampshire Public Utilities Commission (NHPUC) has limited jurisdiction over BWTC with respect to intrastate telecommunications services. The FCC and NHPUC do not regulate RLECs and Competitive Local Exchange Carriers (CLECs), such as the Company's CLEC, World Surfer Inc., in the same way. While regulation of RLECs in New Hampshire has eased as competition has increased, regulation of RLECs (which includes Excepted Local Exchange Carriers (ELECs) such as BWTC) remains more highly regulated and comprehensive than the regulation of CLECs. The extent and nature of regulation, by the FCC and by states, are evolving for various reasons, such as Congressional and judicial mandates, public policy decisions, and other factors. RLECs and CLECs are also subject to local government regulation, in some instances, such as the use of local streets and rights-of-way.

Enhanced ACAM

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

Nationwide, the EACAM 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 EACAM build-out requirement of 100/20 Mbps by December 31, 2028 has already been met by BWTC.

BWTC's 2023 annual ACAM II revenues of $134,000 decreased in 2024 to $114,000 for EACAM and declined an incremental $20,000 for 2025, down to $93,000, subject to a one-time EACAM true-up by the FCC by December 31, 2025. It is not possible to predict the amount of the 2025 EACAM true-up for BWTC at this time.

Compliance and Reporting

BWTC is required to report deployment 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 ACAM II or EACAM 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 EACAM cannot participate in NECA's Common Line (CL) tariffs and access revenue pool; however, the FCC permits ACAM II and EACAM companies to remain in NECA's 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 EACAM were set at a 9.75% rate-of-return and remains 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 $201,000 in 2023 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 EACAM, 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, the BWTC was required to adjust their intrastate rates on July 1st of both 2024 and 2023 and will continue with each subsequent interstate tariff filing thereafter, as needed.

Voice over 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.

Investments

Other than cash and direct and indirect investments in United States Treasury securities and Bretton Woods and World Surfer, the company holds non-controlling ownership in the following investments described below.

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, 2024, and 2023 was $100,000.

LICT Corporation On December 31, 2024 and 2023, the Company held 18 and 28 shares of LICT Corporation (OTC Pink®: LICT) with a mark to market value of $254,000 and $507,000, 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 Corporation shares. As of December 31, 2024 and 2023, these shares had a mark to market value of $40,000 and $44,000, respectively.

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 Corporation ("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.

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 Director Emeritus of the Company is the managing member of the limited liability company which is the General Partner of the Partnership. As of December 31, 2024 and 2023, the Company's investment was recorded at $1,645,000 and $1,878,000 respectively.

Employees

As of December 31, 2024, the Company had 7 employees. CIBL has executive management providing administrative and management services and an administrator located in its Reno, NV headquarters office and 5 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.

<u>CIBL, Inc.</u>

<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>

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 OF OPERATIONS

Year 2024 compared to 2023

During 2024, revenues from our New Hampshire operations increased $66,000 to $1,975,000 from $1,909,000 in 2023 due to new services, and a significant sale of equipment.

Total operating expenses, excluding depreciation, of its New Hampshire operations decreased $18,000 to $1,385,000 from $1,403,000, due to lower general and administrative costs. Corporate expenses decreased $137,000 to $945,000 from $1,082,000 as compared to 2023 from lower directors' and professional fees. Depreciation and amortization expense increased by $19,000 to $143,000 from $124,000.

<u>EBITDA</u>

EBITDA is used by our management as a supplemental financial measure to evaluate the operating performance of our business and when viewed with our GAAP results and the accompanying reconciliations, we believe it provides a more complete understanding of factors and trends affecting our business than the GAAP results alone. We also regularly communicate our EBITDA to the shareholders through our earnings releases because it is the financial measure commonly used by analysts that cover the telecommunications industry and by our investor base to evaluate our operating performance. In addition, we routinely use EBITDA as a metric for valuing potential acquisitions. We understand that analysts and investors regularly rely on non-GAAP financial measures, such as EBITDA, to provide a financial measure by which to compare a company's assessment of its operating performance against that of other companies in the same industry. This non-GAAP financial measure is helpful in more clearly reflecting the sales of our products and services, as well as highlighting trends in our core business that may not otherwise be apparent when relying solely on GAAP financial measures, because this non-GAAP financial measure eliminates from earnings financial items that have less bearing on our performance.

The following table provides the components of EBITDA from operations and reconciled to net income for the years ended December 31, 2024 and 2023:

EBITDA from operations during 2024 increased $84,000 to $590,000 from $506,000 in the previous year. The increase in EBITDA is related to an increase in revenues of $66,000 and a decrease in costs and expenses of $18,000.

	Year Ended December 31,	
(in thousands)	2024	2023
EBITDA from:		
Operations	$590	$506
Less:		
Corporate office expenses	(945)	(1,082)
EBITDA	$ (355)	$ (576)
Reconciliation to net income:		
EBITDA	$(355)	$(576)
Depreciation and amortization	(143)	(124)
Investment income	1,013	989
Equity in (loss) income of limited partnership investment	(215)	134
Unrealized and realized losses on available for sale equity securities	(97)	(12)
Income tax expense	(60)	(124)
Net income	$143	$287
Average Shares outstanding	12,565	12,537

Interest income of $1,013,000 in 2024 and $989,000 in 2023, primarily consists of interest from money market funds and United States Treasury securities. The increase in 2024 interest income reflects higher interest rates due to managing longer maturities.

Equity in income (loss) of a limited partnership investment represents CIBL's investment in a merger/arbitrage limited partnership investment. CIBL's share of its (loss) earnings were ($215,000) and $134,000 in 2024 and 2023, respectively.

The Company's effective tax rates for 2024 and 2023 were 29.6% and 30.1%, respectively.

As a net result, CIBL's operations had earnings of $143,000, or $11.38 per share in 2024 and $287,000, or $22.90 per share in 2023, respectively, due primarily to the loss from the limited partnership investment.

LIQUIDITY AND CAPITAL RESOURCES

On October 2, 2023, the Company announced, Bretton Woods has submitted its election to participate in the FCC Enhanced Alternative Connect America Cost Model ("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, 2024, CIBL had current assets of $21.4 million and current liabilities of $0.4 million resulting in working capital of $21.0 million compared to $22.8 million as of December 31, 2023.

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 operating activities was $302,000 in 2023. Operating cash flows in 2023 were driven by net income of $287,000 and $57,000 of adjustments for noncash items, primarily depreciation and amortization of $124,000, equity in income of a limited partnership of $134,000 and available for sale securities of $12,000 and deferred taxes of $55,000 offset by $42,000 net change in receivables/payables.

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 investing activities in 2023 was $9.4 million due to $9.1 million in net acquisitions of U.S. Treasury Bills, net purchases of common share securities of $163,000 and capital expenditures of $83,000.

Net cash used in financing activities was $1,524,000 and $346,000 in 2024 and 2023, respectively, from stock buyback payments.

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

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 10,854 shares of its common stock, of which 1,000 shares are remaining to be purchased. Since CIBL was spun-off by LICT Corporation, on November 19, 2007, the Company has acquired 9,854 shares of its common stock at an average price of $1,554; 852 of these shares, at an average price of $1,788 per share, were purchased in 2024.

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.

Through March 31, 2025, the Company repurchased 586 shares of its common stock for $996,000, at an average price of $1,699 per share.

CIBL, Inc. and Subsidiaries

Consolidated Financial Statements

December 31, 2024 and 2023

MOSSADAMS

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, 2024 and 2023, 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, 2024 and 2023, and the results of its operations and their 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.

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.

Moss Adams LLP

Spokane, Washington
April 14, 2025

CIBL, Inc. and Subsidiaries
Consolidated Balance Sheets
(In Thousands, Except Common Share Data)

	December 31, 2024	December 31, 2023
Current Assets		
Cash and cash equivalents	$2,341	$1,252
Investment in United States Treasury Bills	16,598	19,046
Investment in available for sale equity securities	294	551
Investment in equity method limited partnership	1,645	1,878
Accounts receivable	284	228
Prepaid expenses	192	160
Materials and supplies	59	59
Income taxes receivable	-	45
Total Current Assets	21,413	23,219
Telecommunications property, plant and equipment, net	958	646
Goodwill	337	337
Other intangibles, net	30	41
Other investments	1,636	700
Deferred income taxes	39	-
Other assets	59	71
Total Assets	$24,472	$25,014
Liabilities and Equity		
Current Liabilities		
Income taxes payable	$14	-
Trade accounts payable and accrued expenses	138	$ 76
Accrued liabilities	284	371
Total Current Liabilities	436	447
Deferred income taxes	--	37
Other liabilities	46	59
Total Liabilities	482	543
Equity		
Common stock, par value $.01, 30,000 shares authorized; 26,865 and 26,415 issued; and 12,266 and 12,668 outstanding	--	--
Contributed capital	7,112	6,212
Retained earnings	37,416	37,273
Treasury stock, 14,600 and 13,748 shares at cost	(20,538)	(19,014)
Total Equity	23,990	24,471
Total Liabilities and Equity	$24,472	$25,014

See notes to consolidated financial statements

CIBL, Inc. and Subsidiaries
Consolidated Statements of Income
(In Thousands, Except Common Share Data)

	Year Ended December 31,	
	2024	**2023**
Revenue		
Revenue	$1,975	$1,909
Costs and expenses		
Operating costs, excluding depreciation and amortization	1,147	1,148
General and administrative	238	255
Corporate office expenses	945	1082
Depreciation and amortization	143	124
Total Operating expenses	2,473	2,609
Operating loss	(498)	(700)
Other income (expense):		
Interest income	1,013	989
Equity in (loss) income of limited partnership investment	(215)	134
Unrealized and realized losses on available for sale equity securities	(97)	(12)
Total Other income	701	1,111
Net income before income taxes	203	411
Income tax expense	(60)	(124)
Net income	$143	$287
Basic and diluted weighted average shares outstanding	12,565	12,537
Actual shares outstanding	12,266	12,668
Per Share		
Basic and Diluted Earnings Per Share	$11.38	$22.90

See notes to consolidated financial statements

CIBL, Inc. and Subsidiaries

Consolidated Statements of Changes in Equity
(In Thousands, Except Common Share Data)

	Shares of Common Stock Outstanding	Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock	Total
Balance at January 1, 2023	12,561	$--	$5,612	$36,986	$(18,668)	$23,930
Net income	--	--	--	287	--	287
Issuance of stock	300	-	600			600
Purchase of treasury stock	(193)	--	--	--	(346)	(346)
Balance at December 31, 2023	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 at December 31, 2024	12,266	$--	$7,112	$37,416	$(20,538)	$23,990

See notes to consolidated financial statements

CIBL, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(In Thousands, Except Common Share Data)

	Year Ended December 31,	
	2024	**2023**
Cash Flows From Operating Activities		
Net income	$143	$287
Adjustments to reconcile net income to net cash from operating activities		
Depreciation and amortization	143	124
Equity in (income) loss of limited partnership investment	215	(134)
Unrealized losses on available for sale equity securities	47	(18)
Realized loss on available for sale equity securities	50	30
Deferred income taxes	(76)	55
Changes in operating assets and liabilities:		
Accounts receivable	(56)	(28)
Accounts payable and accrued liabilities	(24)	(30)
Other operating assets and liabilities	5	16
Net Cash From Operating Activities	447	302
Cash Flows From Investing Activities		
Capital expenditures	(423)	(83)
Proceeds from sale of available for sale equity securities	160	180
Purchase of available for sale securities	--	(343)
Capitalized acquisition costs	(18)	--
Redemption of U.S. Treasury Bills	73,923	78,615
Acquisition of U.S. Treasury Bills	(71,476)	(87,720)
Net Cash From Investing Activities	2,166	(9,351)
Cash Flows From Financing Activities		
Purchase of treasury stock	(1,524)	(346)
Net Cash From Financing Activities	(1,524)	(346)
Net Change in Cash and Cash Equivalents	1,089	(9,395)
Cash and Cash Equivalents		
Beginning of year	1,252	10,647
Cash and cash equivalents at end of year	$2,341	$1,252
Supplemental Cash Flow Information		
Cash paid for income taxes, net	$77	$28
Noncash investing activities		
Common Stock exchanged for investment in affiliate	$900	$600

See notes to consolidated financial statements

1. Organization

Acquisition of New Hampshire Operations

On December 31, 2019, the Company completed the acquisition of operations in New Hampshire ("NH") from LICT Corporation ("LICT"), a publicly traded company that spun off CIBL in 2007. 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 common stock for all 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 inter-company transactions and balances have been eliminated in consolidation.

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 Federal Communication Commission's (FCC) Uniform System of Accounts, Part 32 of the FCC 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, 2024, and 2023 were $114 and $134, 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 Federal Communications Commission's ("FCC) 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, 2024, the Company holds United States Treasury Bills with an aggregate face amount of $16,800, with maturity dates of March 20, 2025, through May 1, 2025, and annual yields of 4.18% through 5.51%. These investments are recorded at fair value.

Investment in Available for Sale Equity Securities

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

On December 31, 2024 and 2023, the Company held 18 and 28 shares of LICT Corporation stock (less than a 1% interest) with a fair value of $254 and $507, respectively. During 2024, the Company sold 10 shares at a realized loss of $50. Our Chairman is also Chairman and CEO of LICT Corporation.

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 December 31, 2024, and 2023, these shares had an aggregate fair value of $40 and $44, respectively.

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 Director Emeritus of the Company is the managing member of the limited liability company which is the General Partner of the Partnership. As of December 31, 2024, and 2023, the Company's investment was recorded at $1,645 and $1,878, 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, 2024, and 2023 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 Corporation (“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 is $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 year ended December 31, 2024, $18 has been included in the consolidated statement of income as other income.

The carrying value of Brick Skirt as of December 31, 2024, and 2023, was $1,536 and $600, respectively.

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, technology 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, 2024, and 2023, 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, 2024 and 2023. Further, there were no changes to goodwill recorded in the years ended December 31, 2024, and 2023.

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 three 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 an equity security invested in LICT Corporation common shares which are all classified as Level 1 inputs, because they are valued using quoted market prices. As of December 31, 2024, the money market mutual fund, US Treasury Bills and LICT Corporation and Mach Ten, Inc. common shares had values of $1,500, $16,600 and $300, respectively. As of December 31, 2023, the money market mutual fund, US Treasury Bills and LICT Corporation and Mach Ten, Inc. common shares had values of $400, $19,000 and $600, respectively.

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 mount of the asset group exceeds the fair value of the asset group. There were no asset impairments recorded during the years ended December 31, 2024 and 2023.

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 $1,975 and $1,909 in operating revenue for the years ended December 31, 2024 and 2023, $1,861 and $1,775, 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 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 Common Share Data)

3. Telecommunications Property, Plant and Equipment

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

Year Ended December 31,	**2024**	**2023**
Buildings and leasehold improvements	$ 364	$ 364
Machinery and equipment	4,435	4,011
	4,799	4,375
Accumulated depreciation	(3,841)	(3,729)
	$ 958	**$ 646**

4. Treasury Stock

Since it was spun-off from LICT Corporation on November 19, 2007, CIBL's Board of Directors has increased its authorized share repurchase program up to a cumulative 10,854 shares of common stock of which 1,000 shares are remaining to be purchased. Through December 31, 2024, CIBL has purchased 9,854 shares at an average price of $1,554 per share; 852 shares were purchased in 2024 at an average price of $1,788 per share, and 193 shares were purchased in 2023 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.

As of December 31, 2024 the weighted average remaining lease term and the weighted average discount rate for operating leases are as follows:

Weighted-average remaining lease term - operating leases	**3.0 years**
Weighted-average discount rate - operating leases	**4.18%**

The following table provides a summary of minimum payments for operating leases (in thousands):

	Operating Leases
For the years ending December 31,	
2025	$17
2026	17
2027	17
Thereafter	18
Total lease liabilities	$69
Less amount representing interest and discount	(10)
Present value of future minimum lease liabilities	59
Less current portion	(13)
Lease liabilities, net of current portion	$46

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.

(In Thousands, Except Common Share Data)

6. Income Taxes

The income tax expense (benefit) from continuing operations for the years ended December 31st are summarized as follows:

	2024	2023
Current tax provision:		
Federal	$ 120	$ 27
State	16	42
	136	69
Deferred tax provision (benefit):		
Federal	(61)	94
State	(15)	(39)
	(76)	55
Total	$ 60	$ 124

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, at December 31st consisted of:

	2024	2023
Deferred tax assets:		
Net operating loss	$ 89	$ 75
Other	7	12
Total deferred tax asset	96	87
Deferred tax liabilities:		
Depreciation	(77)	(79)
Equity method investments	20	(45)
Total deferred tax liability	(57)	(124)
Net deferred tax asset (liability)	$ 39	($ 37)

The company has state net operating loss carryforwards of $1.2 million that expire in varying amounts beginning in 2030.

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)

An affiliate of Brick Skirt provides back-office support services to BWTC and WS. During 2024 and 2023, Brick Skirt received fees in aggregate of $137 and $136, respectively, from these entities.

At December 31, 2024 and 2023, cash and short-term investments of $1.5 million and $0.4 million respectively, were invested in United States Treasury money market funds for which affiliates of one of the Company's Directors serve as investment managers.

9. Subsequent Events Evaluation by Management

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 14, 2025.

Through March 31, 2025, the Company repurchased 586 shares of its common stock for $996, at an average price of $1,699 per share.

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