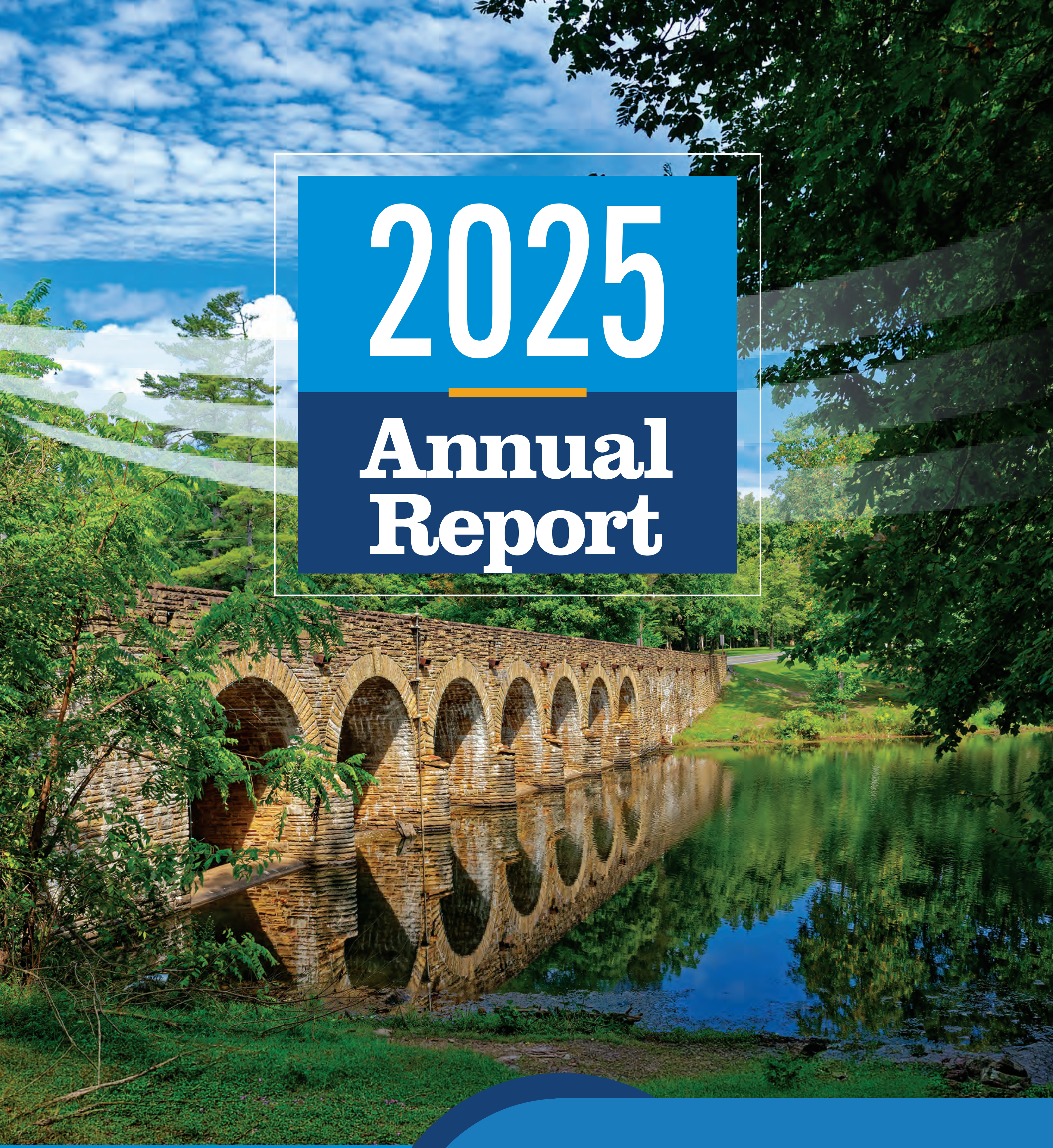
2025 Annual Report



Improving Your Financial Well-Being

UPPER CUMBERLAND
FEDERAL CREDIT UNION
Mortgages • Auto Loans • Checking & Savings

COMPARING YEAR-END

2024 to Year-End 2025

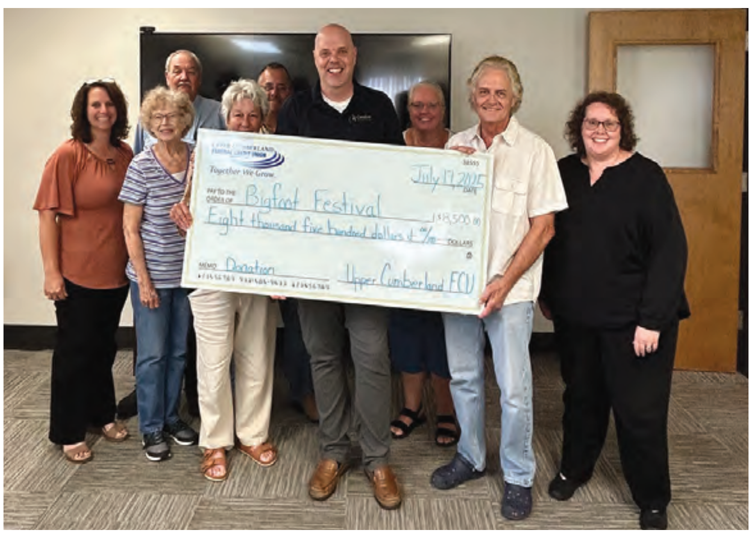
Sue Tollett, Treasurer

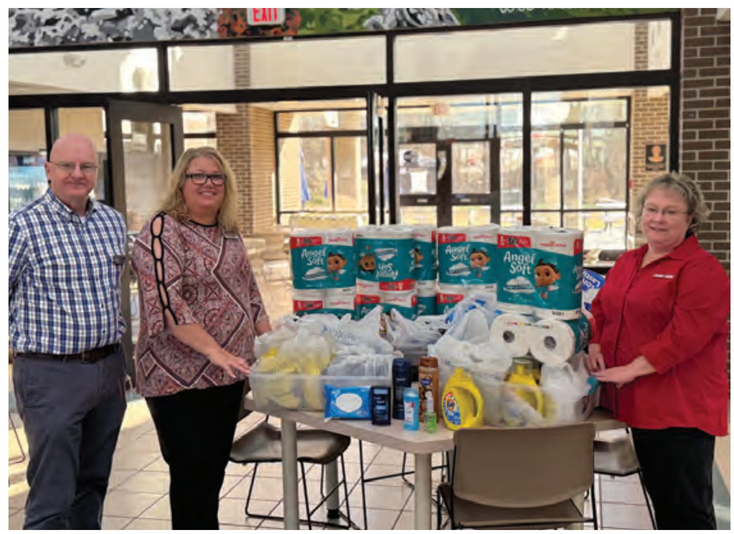
Deposits increased during Year 2025 by $7.19 million while total assets increased by $9.14 million. The average savings balance per member is $12,789 and the average loan balance per member is $16,183. Outstanding loan balances increased by $26.12 million. This increase brought the loan to share ratio up to 87.43% by year end.

Your credit union continues to experience minimal loan losses and delinquencies. Due to conservative underwriting standards and efficient loss control practices, loan charge-offs are considerably less than peer averages. Loan delinquency was low at year end due to members faithfully keeping their loans current (0.40%).

The Net Worth to Assets ratio was 9.61% as of December 2025. The credit union thanks each of you for encouraging your family, friends, and neighbors to consider UCFCU for all their financial services.

2025 COMMUNITY OUTREACH


2025 Bigfoot Festival Donation


2025 Roane State Food Pantry Donation


Youth Month Bigfoot Buddies

Pink OUT - Breast Cancer Awareness

CHAIRMAN'S REPORT

Tony Brock, Chairman

The year 2025 was full of loan and membership growth for Upper Cumberland Federal Credit Union. The credit union operates as a non-profit financial cooperative, currently offering 4 locations to serve the 5 counties in our community charter. The credit union actively pursues the goal of our mission statement of "Helping people who live or work in Bledsoe, Cumberland, Fentress, Putnam, and White County achieve their lifestyle choices by providing quality services."

Credit union members grew to 9,259 and those members borrowed over $60.8 million in new loans throughout 2025, this brought the credit union's total loans to over $103.5 million on the December 31, 2025, balance sheet. This was a 34% increase over 2024. Part of the new loan volume was due to the Indirect lending program that allows members to finance a vehicle through the credit union at the dealership after hours and on weekends. At the end of December 2025, there were over $22.4 million in indirect vehicle balances. This growth is attributed to the membership trusting the credit union to provide quality deposit and loan products and services.

In 2025, the credit union celebrated its members through a series of appreciation events. October's Member Appreciation Month featured free lunches at three of the four branches via local food trucks and gave away $4,000 in cash prizes (8 winners of $500). The holiday promotions continued with a Thanksgiving dinner cash giveaway of $1,600 (8 winners of $200), a "Christmas in November" loan paydown member drawing that paid a combined total of $20,000 in credit union loans for five lucky winners, and Christmas cash giveaways totaling $2,000 (4 winners of $500).

The credit union thanks our membership, and looks forward to what the year 2026 will bring!

The nominating committee has nominated Margaret Noland, Jay Wood, and Kimberly Whitson Herring for expiring board member terms. The credit union annual meeting and election will be held at 4:30 P.M., on Tuesday, March 31, 2026, at the Cumberland County Community Complex (fairgrounds) located at 1398 Livingston Rd., Crossville, TN.

SUPERVISORY COMMITTEE REPORT

Donald Threet
Supervisory Chairman

In accordance with current regulations, your Upper Cumberland Federal Credit Union management, policies, procedures, and financial operations are subject to a periodic federal examination by the National Credit Union Administration (NCUA). Annual and quarterly supervisory audits are also conducted by a state licensed firm hired by the supervisory committee.

The annual supervisory audit was conducted as of June 30, 2025, by the firm of Credit Union Audit Group. The last regulatory examination was performed as of December 31, 2024, by NCUA to review credit union operations, policies, and management. I am pleased to report that the supervisory audit and the NCUA federal examination showed the credit union to be in sound and stable financial condition, and operating well, both financially and administratively.

STATEMENT OF FINANCIAL CONDITION

	12/31/2024	12/31/2025
Total Loans	$77,418,344	$103,538,694
Allowance for Loan and Lease Loss	($756,456)	($998,404)
Net Loans	**$76,661,888**	**$102,540,290**
Total Other Receivables	$1,738,878	$2,235,631
Total Cash	$1,965,974	$2,499,158
Total Investments	$35,293,390	$17,259,881
NCUSIF	$1,066,480	$1,144,020
Total Prepaid & Deferred Expenses	$248,094	$273,358
Total Fixed Assets	$6,698,794	$6,806,640
Total Accrued Income	$348,593	$422,817
Total Other Asset	$43,741	$26,371
Total Assets	**$124,065,833**	**$133,208,166**
Total Accounts Payable/Other Liabilities	$908,131	$1,982,761
Total Shares	$111,227,709	$118,413,408
Total Liabilities	**$112,135,840**	**$120,396,169**
Regular Reserve	$3,000,000	$3,000,000
Undivided Earnings	$8,240,127	$9,122,131
Meded Undivided Earnings	$689,866	$689,866
Total Equity	$11,929,993	$12,811,997
Total Liabilities & Equity	**$124,065,833**	**$133,208,166**

STATEMENT OF INCOME

	12/31/2024	12/31/2025
Net Loan Income	$4,549,497	$6,231,770
Total Investment Income	$1,447,518	$1,015,386
Total Interest Income	**$5,997,015**	**$7,247,156**
Interest on Deposits	$2,027,552	$2,123,566
Net Interest Income	$3,969,463	$5,123,590
Provision for Loan Loss Expense	($279,415)	($349,931)
Net Interest Income after Provisions	**$3,690,048**	**$4,773,659**
Total Operating Expenses	**$4,730,967**	**$5,860,144**
Fees & Charges	$1,524,709	$1,667,567
Other Income	$278,075	$241,944
Total Operating Income	$1,802,784	$1,909,511
(Gain)/ Loss on Sale of Assets	($88,361)	($58,978)
Net Income	$850,226	$882,004

MINUTES OF THE UCFCU 90TH ANNUAL MEETING

Nancy Hyder, Secretary

The 90th annual meeting of the members of Upper Cumberland Federal Credit Union was held at the Cumberland County Community Complex in Crossville, Tennessee on Tuesday, March 25, 2025, at 5:00 PM.

The meeting was called to order by Chairman, Tony Brock who read to the assembled members the call for meeting which outlined the business to be presented. A quorum was certified present by the Treasurer, Sue Tollett. Since a quorum was present, Director Tony Brock declared the meeting officially open for business.

Chairman Tony Brock welcomed credit union members and stated that copies of the annual report were available at all branch locations, website, and were also located on the tables for members to review.

Supervisory Chairman, Donald Threet addressed the credit union membership concerning the supervisory audit that was performed as of June 30, 2024. Tony Brock then asked for a motion that the minutes and the annual report be accepted as reported. The motion was made, seconded, and passed.

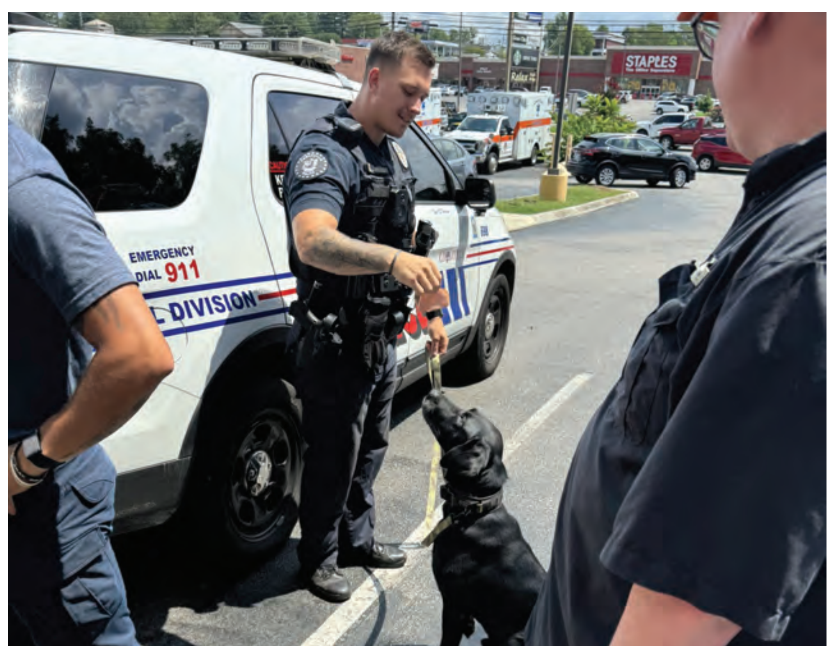
Tony Brock explained to the membership that the nominating committee (Jerry Swafford, Amanda Daugherty, and Rebecca Wood) had nominated three people for the board of directors, and the following people were elected by acclamation:

Tony Brock, Sue Tollett, Nancy Hyder, Mike Allen

Tony Brock then declared it was time for the door prize drawings. A total of $3,000 in various cash amounts ($100, $200, and $500 cash amounts) and several plants were awarded in various door prize drawings. Then, Tony Brock officially asked for a motion to dismiss from the meeting. Motion was made, seconded, and passed. There being no further business, the annual meeting adjourned.

2025 COMMUNITY OUTREACH

Youth Month Bigfoot Buddies



Free Lunch for First Responders

UPPER CUMBERLAND FEDERAL CREDIT UNION

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Clarkrange, TN 38553

Crossville 127 South Branch
9 South Bend Drive
Crossville, TN 38555

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Cookeville, TN 38501

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