

CYPRUS CREDIT UNION

2025

ANNUAL REPORT



CHAIRMAN'S REPORT

On behalf of the Cyprus Credit Union Board of Directors, I am honored to present our 2025 report.

As volunteer board members elected by you, we work closely with the Executive Team and Supervisory Committee to provide leadership, oversight, and long-term direction for Cyprus Credit Union. Our focus is to safeguard the integrity of Cyprus, implement sound strategies and policies, and ensure the continued strength and stability for the benefit of our members. Whether you are new to Cyprus or have been with us for many years, thank you for your trust and membership. Serving you is a privilege.

I am pleased to share that 2025 was a year of strong performance and continued growth. Membership reached 148,414, and assets closed the year at just over \$1.92 billion. These achievements reflect the loyalty of our members and the dedication of our Board, Executive Team, Supervisory Committee, and employees—each committed to fulfilling our mission of being Utah's most loved credit union.

“
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This year also brought meaningful recognition. Cyprus was named by American Banker as one of the “Best Credit Unions to Work For” in the United States for the sixth consecutive year. This honor underscores our commitment to a workplace built on collaboration, respect, and trust, and highlights our ongoing efforts to support our communities and reduce our environmental impact. I am particularly proud to be part of an organization that values its employees and recognizes the essential role they play in serving our members.

As we look ahead, we remain focused on strengthening the member experience, expanding opportunities for financial growth, and engaging in meaningful ways to serve our community. Your support and valued membership make this work possible and inspires us to stay true to our cooperative roots as we help support your goals and build your financial future.

Thank you for your continued confidence in Cyprus Credit Union. Together, we look forward to a successful and promising 2026.

Sincerely,

Richard Stapler
Chair, Board of Directors

PRESIDENT'S REPORT

As we look back on 2025, I'm thrilled to report on the incredible growth we've achieved together. This growth would not be possible without you, and our initiatives reflect our commitment to our memberowners and helping you achieve your financial goals. Cyprus has made great strides in 2025 to provide our members with greater convenience, and we enter 2026 with a commitment to our mission of being your most loved credit union with an enhanced suite of financial tools, more branch locations to serve you, and an increased dedication to financial literacy in Utah.

In 2025, Cyprus expanded its physical presence in Southern Utah with the opening of the new River Crossing branch in St. George, our second branch in Washington County. I am excited for the opportunity to serve more members across the state and establish a stronger sense of community throughout northern and southern Utah. Like all our new branches, members can choose how they prefer to transact. We have a staff of welltrained, serviceoriented employees ready to consult with members on their financial needs, as well as convenient inlobby teller or "Muriel" machines to make everyday transactions faster and more private.

River Crossing is our 22nd branch in Utah, and we will continue to find new opportunities to expand our footprint with additional branches and expanded services throughout the state.

I am also excited for our merger with Nebo Credit Union, based in Utah County. Nebo CU was founded in 1956 by teachers from the Nebo School District and shares our deep commitment to financial literacy and support for teachers and students. After the merger, Nebo CU will go by the name Nebo Credit Union, a division of Cyprus Credit Union.

This is a strategic merger of two aligned credit unions. The merger will add three more branches to the Cyprus network—Springville, Spanish Fork, and Payson—allowing us to serve a new market of members in Utah County. All Nebo Credit Union staff will be joining the Cyprus team, and we look forward to welcoming Nebo members and showing them the outstanding products, services, and tools we offer.

I want to thank the employees of both Cyprus and Nebo for the hard work they have put into making this merger possible. I also want to thank the Nebo board and membership for their trust in us. I look forward to our continued growth and success together.

Cyprus continues to support financial literacy in

schools and colleges. Early in 2025, Cyprus finalized a partnership with Salt Lake Community College to launch a Financial Wellbeing Program titled Smart Cents. This program helps students build financial literacy skills and achieve financial independence through inperson workshops. I'm incredibly excited for this program, as it allows students at different stages of life to prepare for their financial future with confidence.

In addition to our partnership with Salt Lake Community College, we have launched programs supporting financial literacy and student wellness at the University of Utah School of Business, Westminster University, Utah Tech University, and Dixie Technical College.

We also support teachers, students, and school districts through sponsorships, financial literacy programs, recognition programs, and classroom resources. We sponsor Stukent, which provides access to financial literacy software for every high school free of charge, and the KSL Teacher Tribute wall, which highlights outstanding educators in the State. Through our charitable giving efforts, we support school district foundations, provide scholarships, and offer minigrants to help fund special classroom initiatives. We are also dedicated to providing inperson financial literacy classes to any high school or middle school in Utah, with virtual options available for rural areas. We believe investing in education is one of the ways we live our motto, "Your Future is Our Future."

Cyprus is also committed to improving our online and mobile banking services, launching new features and an enhanced layout in 2025 to make everyday finances more seamless. Card Controls is now integrated into Home and Mobile Banking, allowing you to quickly set transaction limits, add travel alerts, or activate cards at home or on the go. We also launched a feature that allows members to open certificate accounts online, making it easier to pursue savings goals. We will continue rolling out updates to bring more convenience and better access to your finances so you can reach your goals faster.

Your security remains a top priority at Cyprus, and we are working tirelessly to protect you and your finances. Fraud schemes are on the rise, and Cyprus is committed to keeping your information safe. Please remember that Cyprus will never ask for your card numbers, PINs, or online passwords. I also encourage you to visit our Fraud Resources portal at CyprusCU.com for information on common fraud types and tips to avoid scams. If you receive unsolicited phone calls, texts, or emails and need

to verify they are from Cyprus, please call the Fraud Department at 8012607600 (option 4) before providing any personal information.

In closing, I extend my gratitude to our volunteer Board of Directors and the Supervisory Committee for their diligence and guidance in moving Cyprus toward a bigger and brighter future. I would also like to thank the Cyprus employees who work hard every day to fulfill our mission. Finally, thank you to all our members for your loyalty and the contributions you have made to the credit union in 2025.

As Cyprus looks ahead to the new year, we remain

steadfast in living our motto, “Your future is our future.” I’m excited to see what the new year has in store for Cyprus. Here’s to another year of steady growth and more opportunities to serve you. We stand by our motto, and it serves as a constant reminder of what happens when we succeed and grow together.

I wish you all the best in 2026.

Respectfully submitted,

Todd Adamson



President/CEO

SUPERVISORY COMMITTEE REPORT

The Supervisory Committee and Board of Directors of Cyprus Federal Credit Union realize that strong internal controls are necessary to protect the accounting and administrative functions of the Credit Union. It is our priority that these controls are reviewed and tested in coordination with the Internal Audit Department and Compliance functions of the credit union. Cyber threats are addressed by the Information Technology management and staff of the Credit Union and are tested by independent companies to strengthen the credit union’s ability to withstand these threats. We commend and appreciate credit union management and staff in their efforts and the Board of Directors’ emphasis to ensure that accounting and automation technology policies and procedures are in place and functioning as intended. All have done an excellent job ensuring that members’ accounts are safe and secure. Credit union management and staff continue to assist our members with their financial concerns and respond timely to their needs. I personally thank the Supervisory Committee members and Internal Audit staff for all their service and input to ensure the soundness of internal controls.

The Supervisory Committee also coordinates efforts annually with Internal Audit and reviews the results of internal audits to determine that appropriate action is taken by credit union management to improve operations and controls. We also contract with outside auditing and information systems firms to ensure that appropriate controls are in place and an annual independent audit is performed. The Committee engaged CyberAdvisors to perform an independent audit of the information systems of the credit union. The audit was completed with very few findings and the IT department is in the process of addressing the findings and recommendations. The Committee reviews the

examinations completed by governmental agencies with credit union management and the Board of Directors for appropriate follow-up.

The financial statement audit for the twelve months ending June 30, 2025 was completed by Doeren Mayhew, an independent accounting firm. The auditors concluded that the financial statements present fairly, in all material respects, the financial position of Cyprus Federal Credit Union as of June 30, 2025, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles. The auditors also reviewed the internal control structure of Cyprus Credit Union and their recommendations have been implemented to further strengthen these controls.

Credit union management is commended for maintaining sound accounting and administrative practices. The Supervisory Committee is committed to serving the members and ensuring the financial stability of the credit union.

Respectfully Submitted,



Bruce Mortensen

Chairman, Supervisory Committee



CYPRUS CREDIT UNION FINANCIALS

2023

2024

2025

BALANCE SHEET

ASSETS

| | | | |
|------------------------------|----------------------|----------------------|----------------------|
| Net Loans to Members | 1,534,831,188 | 1,634,803,258 | 1,729,735,238 |
| Accounts Receivable | 6,763,356 | 7,635,357 | 8,235,812 |
| Cash & Other Liquid Accounts | 75,580,609 | 45,156,699 | 59,526,892 |
| Investments | 18,919,640 | 7,396,108 | 6,275,071 |
| Premises & Equipment | 62,656,159 | 65,048,686 | 68,934,111 |
| Other Real Estate | - | - | 1,224,086 |
| Other Assets | 44,800,391 | 50,520,390 | 51,848,581 |
| TOTAL ASSETS | 1,743,551,343 | 1,810,560,499 | 1,925,779,791 |

LIABILITIES AND CAPITAL

| | | | |
|--|----------------------|----------------------|----------------------|
| Accounts Payable | 106,930,941 | 84,501,870 | 42,302,309 |
| Members' Savings & Deposits | 1,447,667,269 | 1,518,549,685 | 1,659,280,477 |
| Regular Reserves/Guarantee Fund | 12,892,795 | - | - |
| Other Reserves | 176,060,338 | 207,508,944 | 224,197,005 |
| TOTAL LIABILITIES & CAPITAL | 1,743,551,343 | 1,810,560,499 | 1,925,779,791 |

OPERATING STATEMENT

INCOME

| | | | |
|---------------------|--------------------|--------------------|--------------------|
| From Loans | 80,971,836 | 97,480,562 | 108,992,215 |
| Investments | 2,632,088 | 2,376,105 | 1,716,900 |
| Other | 27,704,046 | 26,953,352 | 28,275,368 |
| TOTAL INCOME | 111,307,970 | 126,810,019 | 138,984,483 |

MEMBER EXPENSE

| | | | |
|----------------------------------|-------------------|-------------------|-------------------|
| Dividends & Interest | 28,886,637 | 37,187,614 | 39,131,192 |
| Allowance for Loan Loss Reserves | 6,706,186 | 8,660,386 | 13,962,187 |
| TOTAL MEMBER EXPENSE | 35,592,823 | 45,848,001 | 53,093,379 |

OPERATING EXPENSE

| | | | |
|---------------------------------|-------------------|-------------------|-------------------|
| Salaries & Employee Benefits | 33,292,956 | 35,680,264 | 39,383,218 |
| Other | 30,604,600 | 31,528,955 | 30,611,249 |
| TOTAL OPERATING EXPENSES | 63,897,556 | 67,209,219 | 69,994,467 |

HISTORICAL DATA

| | | | |
|---------------------------------------|---------------|---------------|----------------|
| Number of Members | 134,957 | 141,010 | 148,414 |
| Number of Borrowers | 64,693 | 66,446 | 67,933 |
| Number of Loans Made | 13,041 | 16,866 | 17,935 |
| Amount Loaned During Year (New Money) | 387,883,002 | 510,545,525 | 676,590,116 |
| Amount Loaned Since October 1928 | 8,959,151,442 | 9,469,696,967 | 10,146,287,083 |
| Number of Loans Outstanding | 73,405 | 74,513 | 75,371 |
| Average Loan Balance | 21,093 | 22,079 | 23,076 |
| Average Savings Balance | 2,438 | 2,101 | 1,932 |



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