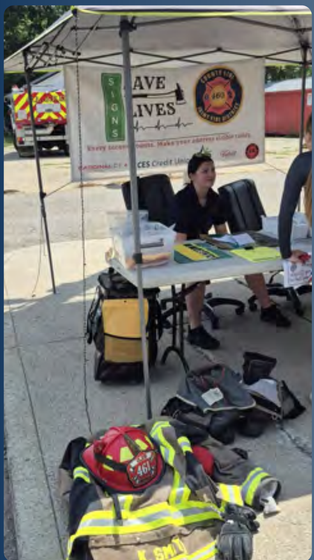
CES Credit Union®

Annual Report

Annual Meeting for CES Credit Union
Monday September 28, 2026 | 7:00pm | Virtual

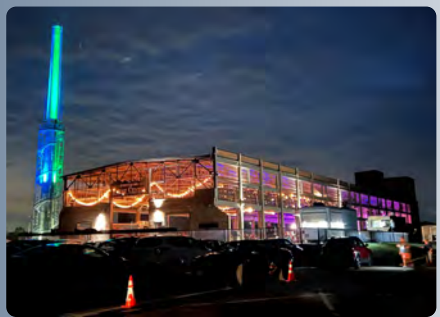









CES Credit Union is dedicated to the financial success of our members and the communities we serve.







Fiscal Year of 2025-2026

CES Credit Union

CES Credit Union Mission Statement

CES Credit Union is dedicated to the financial success of our members and the communities we serve.

Agenda for the 2026 Annual Meeting

- Call to order
- Determination of a Quorum
- Election of members to Board of Directors (by Acclamation)
- Roll Call of Directors
- Reading of the Minutes of September 29, 2025 (Virtual) Annual Meeting (shown here)
- Meeting Reports:
  - Treasurer's Report: Brenda Bowers
  - CEO: Mike Copley
  - Board of Directors: Jeff Wells
- Unfinished Business
- New Business
- Adjournment

Minutes from Last Year's CES Credit Union's Annual Meeting | Monday September 29, 2025

The Annual Meeting was held virtually.

1. Call to order.
2. There were 64 members present: well within the requirement for a quorum.
3. Jason Booth, Teresa Bemiller and Brenda Curry were the candidates for the Board of Directors that were elected by acclamation.
4. Jeff Wells introduced the Board of Directors.
5. By acclamation to dispense with the reading of the 2024 Minutes.
6. Jeff Wells presented the treasurer's report.
7. CEO Sandy Coffing, presented her report.
8. Chairman of the Board, Jeff Wells, presented his report.
9. There was no unfinished business.
10. With no further business, the meeting was adjourned.

Meet the President and CEO, Mike Copley

FOLLOWING THE RETIREMENT OF SANDY COFFING, A LONG-TIME CES LEADER TAKES THE BATON IN THE CEO ROLE

Well ahead of the planned retirement of CEO Sandy Coffing (who served 12 of her 31 years with CES Credit Union as CEO) in December 2025, the Board of Directors conducted a national search for a qualified candidate to serve as CEO for the regional credit union.

The best, most qualified candidate chosen as CEO was right here all along. Longtime Chief Operating Officer and previous Service Center Manager Mike Copley was selected among the candidates.

Copley had worked very closely with Coffing for several years on the mission to increase the credit union's income while simultaneously reducing expenses. During this period, they helped grow the credit union by boosting profitability and building members' equity for future expansion. Coffing and Copley worked closely with the entire credit union team and the Board to implement new technologies and services.


SANDY COFFING

Mike Copley has been with CES Credit Union for 15 years, starting as a Service Center Manager for the Delaware Service Center, then serving as Chief Operations Officer since 2014.

He is active in Kiwanis of Mount Vernon (currently serving as President) and serves on the boards for Knox County Chamber of Commerce and Habitat for Humanity of Knox County. He, his wife and family reside in Morrow County.

Also joining the Senior Management Team at CES Credit Union is **Greg Rhoads**, serving as Chief Operations Officer. Greg started his role at CES in April 2026.

Rhoads comes to CES Credit Union with extensive management experience in banking and private enterprise in the Central Ohio market.

He, his wife and family live in Licking County.


MIKE COPLEY


GREG RHOADS

CES celebrates two awards in 2026

CES Credit Union was honored to receive two awards in early 2026. **Experience Mount Vernon** named CES Credit Union as **Large Business of the Year** in February 2026 at the Woodward Opera House (left).
We also received the **Community Service Award** from the **Knox County Pomona Grange** at their Farm-City Dinner at The Ramser 4-H Center in April 2026.

CES Credit Union

Welcome from the Chair of the CES Credit Union Board of Directors

Assets: Up 4.4%

Loans: Up 13.3%

For FY ending 6/30/2026

To All CES Credit Union Members:

Welcome to our 2026 Annual Meeting. I don't know where the summer has gone and it's hard to believe we're on the threshold of Fall. Although I love the Fall with the cooler and clearer air, beginning of football seasons, and the taste of fresh apple cider, I can't help but think about everything I was going to do this summer, but somehow did not get to it. Home projects, playing more golf, doing a little more traveling, you name it - but one thing we as a Credit Union have accomplished was working to make your Credit Union bigger and better. Tonight we'll report on our changes and successes.

The first success is that this year will mark the fifth year since the Coshocton Federal Credit Union has merged with us. When they joined CES, they had 572 accounts and now have grown to 1,339, or an increase of 234%. We will dig deeper into the details a little later. Secondly, we've seen tremendous growth in our loan portfolio of almost $17M, or 13.3% in one year. Thirdly, our Total Equity increased about $4.5M, or 16.3% demonstrating that your Credit Union continues to be very sound and growing. The financial review will shed more light on this.

If you've been into the Yauger Road Service Center this year, you probably noticed the new look from the remodeling efforts that began mid-year in 2025. Although Sandy Coffing left as our CEO, retiring at the end of last year, she had a vision for what needed to be done to improve our operational efficiency. You may have also noticed changes to signage and other improvements to some of the other Service Centers as well.

Lastly, as I stated above, Sandy retired at the end of last year and after an exhaustive search were pleased to promote Mike Copley to the President & Chief Executive Officer, (CEO), position. Mike has been with the Credit Union for over 14 years, most recently serving as the Chief Operations Officer (COO). Since assuming the reigns as CEO, he has back filled his previous COO position with Greg Rhoads who is doing well to provide the support that Mike needs. I think they're already making a good team to lead us into the future!

Sincerely Yours

Jeff Wells
Chair of the Board of Directors, CES Credit Union

The CES Credit Union Board of Directors

The Board of Directors Board ensures the finances of the credit union are handled properly. The Board approves and monitors the annual budget, ensures compliance with applicable legislation, and establishes and monitors financial policies and practices. This is a volunteer (uncompensated) position and is critical to the success of the financial cooperative.

- **Brenda Bowers** | **Treasurer of the Board** | Community Nurse, The Freedom Center | Mount Vernon, OH
- **Kim Fearn** | Retired, Siemens | Fredericktown, OH
- **Candice Gallagher** | Retired Educator, Fredericktown Schools | Fredericktown, OH
- **Michael Gray** | Educator & Coach, River View Local Schools | Coshocton, OH
- **Cindy McDowell** | Senior Closing Officer, ACS Title & Closing Services | Centerburg, OH
- **Kenton Mickley** | Certified Financial Planner, Spearman Financial Services | Mount Vernon, OH
- **William Moody** | Retired, Fmr. Asst. Director, Ohio Dept. of Natural Resources | Fredericktown, OH
- **Margaret Ann Ruhl | Board Vice Chair** | Retired, Ohio Senate & Ohio House of Representatives | Fredericktown, OH
- **Jeff Wells | Board Chair** | Retired, Siemens | Mount Vernon, OH

Board Chair Wells

Vice Chair Ruhl

Bowers

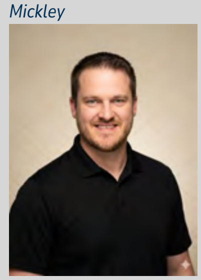
Fearn

Gallagher

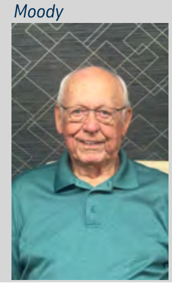
Gray

McDowell

Mickley



Moody



CES Credit Union

Asset and Liability Statement for Fiscal Year 2025-2026

(Fiscal Year runs from July 1 to June 30)

ASSETS	June 2026	June 2025	June 2024	June 2023	June 2022
Cash and Cash Equivalents	$9,924,492	$10,491,878	$13,191,716	$12,059,673	$6,731,303
Investments	$77,754,531	$85,000,278	$71,932,850	$78,769,180	$102,786,220
Loans to Members - less allowance for loan losses	$143,792,168	$126,321,883	$122,015,610	$115,519,185	$94,738,690
Other Real Estate Owned	$-	$-	$-	$-	$-
Property and Equipment - Net	$3,654,804	$3,194,468	$2,201,608	$2,095,035	$2,105,839
Other Assets	$8,548,158	$8,312,723	$7,943,876	$7,700,320	$7,360,778
Total Assets	**$243,674,153**	$233,321,230	$217,285,660	$216,143,393	$213,722,830
LIABILITIES AND MEMBERS' EQUITY					
Member Share Accounts	$210,616,799	$204,523,229	$192,947,187	$194,844,670	$193,127,300
Notes Payable	$-	$-	$-	$-	$-
Accounts Payable and Accrued Liabilities	$1,200,887	$1,417,948	$1,250,680	$1,166,347	$874,540
Total Liabilities	$211,817,686	$205,941,177	$194,197,867	$196,011,017	$194,001,840
Statutory Reserve	$2,102,834	$2,102,834	$2,102,834	$2,102,834	$2,102,834
Undivided Earnings	$29,802,593	$25,525,311	$21,927,754	$19,282,891	$17,513,100
Equity Acquired in Merger	$105,056	$105,056	$105,056	$105,056	$105,056
Unrealized Gain on Investments	$(154,016)	$(353,148)	$(1,047,851)	$(1,358,405)	$-
Total Members' Equity	$31,856,467	$27,380,053	$23,087,793	$20,132,376	$19,720,990
Total Liabilities and Members' Equity	**$243,674,153**	$233,321,230	$217,285,660	$216,143,393	$213,722,830

Financial Disclosure: The June 30, 2026 financial statements presented with this annual report were prepared by the management of the credit union. The Board of Directors of CES Credit Union engages the services of GBQ Partners LLC to perform an audit of the credit union's financial statements each year. The most recent audited financial statements as of June 30, 2026 are available upon request

Profit and Loss Statement for Fiscal Year 2025-2026

(Fiscal Year runs from July 1 to June 30)

	June 2026	June 2025	June 2024	June 2023	June 2022
Gross Income	**$14,386,644**	**$13,590,721**	**$11,494,929**	**$9,143,045**	**$7,591,946**
Less: Expenses & Dividends	**$(9,910,230)**	**$(9,298,461)**	**$(8,309,389)**	**$(7,373,254)**	**$(6,497,457)**
Comprehensive Income	**$4,476,414**	**$4,292,260**	**$3,185,540**	**$1,769,791**	**$1,094,489**
Total Interest Income	$10,837,451	$9,724,600	$8,097,740	$6,250,123	$4,578,900
Total Dividends & Interest Expense	$(1,195,237)	$(1,268,588)	$(776,383)	$(256,922)	$(135,284)
Provision for Loan Loss	$(234,470)	$(137,181)	$(96,688)	$(73,206)	$(85,068)
Non Interest Income	$3,350,061	$3,171,418	$3,086,635	$3,150,797	$3,013,046
Non Interest Expense	$(8,480,523)	$(7,436,318)	$(7,436,318)	$(7,043,126)	$(6,277,105)
Change in Unrealized Gain	$199,132	$694,703	$310,544	$(257,875)	$-
Comprehensive Income	**$4,476,414**	**$4,292,260**	**$3,185,540**	**$1,769,791**	**$1,094,489**

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Statistical Report for Fiscal Year 2025-2026

(Fiscal Year runs from July 1 to June 30)

	June 2026	June 2025	June 2024	June 2023	June 2022
Total Members	17,898	17,469	17,247	17,076	16,592
Number of Member Loans Granted	2,971	2,305	2,105	2,493	2,167
Amount of Member Loans Granted	$64,426,298	$46,391,495	$38,288,311	$50,182,529	$36,474,588
Dividends Paid to Members	$1,195,237	$1,268,558	$770,328	$175,494	$135,285
Visa Debit Card Holders (Number)	10,442	10,309	10,217	10,095	9,961
Visa Credit Card Holders (Number)	4,007	3,997	4,067	4,191	4,170

A Quick Recap of Fiscal Year 2025 to 2026

In Fiscal Year (FY) 2025-2026 (running July 1, 2025 to June 30, 2026), we saw a change in the senior management of the credit union, but also a continuance of the success and profitability of CES Credit Union. The fiscal year ended with a strong net income of nearly $4.5 million, fueled by a strong lending year with well over a $17 million increase in net loans, thanks to in-person and online loan growth, as well as a strong local command of the indirect (dealer) financing market. The first half of 2026 was particularly strong for a time frame where lending usually wanes, but loan refinancing (where members switched loans from other lenders to CES) was unusually strong.

While economic uncertainty seems to be a "given" in the last few years, we are grateful to see growth in loans as members (and new members) seek the value of a community credit union for value, cost-savings and personal service. The job and housing market in our part of the state continues to be strong, spurring a supply of new housing units, yet the market still remains tight. Meanwhile, more CES Credit Union members are looking to borrow for vehicles of all types, from cars to ATVs to RVs. The number of loans granted in FY 2025-26 was up about 29% over the previous FY. Our total loan volume continues to grow, up over 13.8% in the last FY. Meanwhile, member shares (or deposits) grew nearly 3% in this fiscal year, now over $210 million.

Profitable operations and keeping an eye on payroll and other expenses helped CES increase the Net Worth-to-Asset Ratio (the primary measure of a credit union's financial strength, also known as the Capital Ratio). As of June 30, 2026, the end of FY 2025-2026, this ratio checked in at a very healthy ratio of 13.104%. For comparison, at the end of FY 2024-2025, this ratio was 11.858%. At a national level, the credit union system's net worth ratio was 11.24% in the first quarter of 2026.*

CES Credit Union's overall loan delinquency numbers remain very low (.158% - or just under 16 basis points - for CES) at the end of FY 2025-2026. The delinquency rate at federally insured credit unions was 85 basis points in the first quarter of 2026*. Sound lending practices, thorough follow-up and quick action to resolve issues from our Payment Solutions team all contribute to this extraordinarily low delinquency rate.

This region of Ohio has seen and is still experiencing rapid economic growth, even though the pace has slowed a bit. Rising incomes and regional job growth for Central Ohio still outpace the national average, yet tech and industrial growth brings a mix of opportunity and uncertainty. Our eight county region of Ashland, Coshocton, Delaware, Holmes, Knox, Licking, Morrow and Richland counties remains in the top spots of hot housing and employment markets lists in Ohio and in the entire Midwest.

That mix of factors, from economic development and growth, lifestyles and political climate to our own competitive advantages, are continually being evaluated by the board and management of CES Credit Union. A strong financial position allows the credit union to seek opportunities to position the credit union to provide more services, secure our market share and prepare for future growth as new competitors and challenges arise.

In early 2024, the Elite Checking option was introduced as a way to add benefits to the account holder but also the local business community through a "Shop Local, Save Local" initiative. A 2025 project launched a new online and mobile banking service that strengthened our service and member options. Also in 2025, a major renovation of the Yauger Road service center and corporate offices was completed on the nearly 30 year-old building making it more inviting and functional while adding needed office space. While members demand technology, many still prefer visiting our service centers for friendly service and for prompt, accurate transactions and lending requests. Typically, new banking relationships are initially formed in a branch setting, then strengthened through technology and online channels.

The data provided in this report is just a quantitative look at what CES Credit Union does for our members and the communities we serve. There are always more projects and upgrades in motion behind the scene. We are very proactive in security, in policy, in action and in education on many fronts. Our IT team is very diligent to protect the safety of your personal data. The security surrounding personal and corporate information is a constant, diligent, critical and (quite frankly) increasingly expensive task. This is a crucial, sacred responsibility we take very seriously. At the forefront, we are always on-the-alert against the constant threat of hacks, schemes, scams and frauds against the credit union and against our members. Our employees are constantly trained to ask questions when certain red flags of potential fraud and scams are detected in member or guest behaviors, even if they are very subtle signs. In some cases, we have saved our members from actions that could have resulted in losses of tens of thousands of dollars and also protected them from potentially dangerous situations.

We have been fortunate to be able to speak with many community groups about prevention and detection of scams and frauds, and we will do the same for your organization, and at no cost. We understand the importance of getting this practical and timely information in your hands.

Meanwhile, the Board of Directors has been planning for a new CEO hire for over a year after Sandy Coffing informed the Board of her retirement plans. The board plans to continue (with the leadership of Mike and Greg) the same trajectory of smart growth, secure standing, safety of information and the delivery of accurate and professional service that has been the hallmark of the last decade under Sandy's direction.

Finally, your CES Credit Union is very healthy financially and is poised for future growth and opportunities. Our net worth ratio is the best it has been in well over a decade. All the steps we mentioned here allow us to continue practices that keep the credit union secure and strong for our members and the communities we serve. Tell your friends and neighbors they deserve a credit union working for their best interest as well.

*NCUA Quarterly Credit Union Data Summary 2026 Q1

CES Credit Union Locations & Management

Corporate Mailing Address:
PO Box 631
Mount Vernon, Ohio 43050

Website & Phone
www.cescu.com
740.397.1136 or 888.397.1136

Service Center Locations:

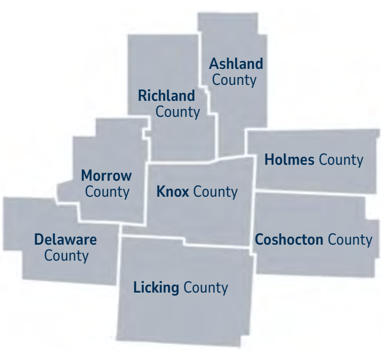
Coshocton, OH:
700 South Second St.
740.623.0527

Delaware, Ohio:
33 London Road (by Walgreens)
740.363.8118

Loudonville, Ohio:
3030 State Route 3 So.
567.203.5443

Mount Vernon, Ohio:
Chestnut Street
400 W. Chestnut St. | 740-397-1136
Yauger Road
1215 Yauger Rd. | 740-397-1136

Utica, Ohio:
8 N. Main St. - St. Rt. 13
740.892.3323



Serving a Market Area of 8 counties in Ohio:
CES Credit Union serves all who live, work, worship or attend school in these counties, as well as the immediate family (spouses, children, siblings and grandparents) of present CES Credit Union members.

CES Credit Union is federally insured by NCUA.

ATM Locations:
Coshocton:
- 700 S. Second St.

Delaware:
- 33 London Road (by Walgreens)

Fredericktown:
- Fredericktown Marathon, Zolman Rd. near OH 95 & Salem Ave.

Loudonville:
- 3030 State Route 3, by Mohican Market/Cafe

Mount Vernon:
- 400 West Chestnut Street
- 1215 Yauger Road
- Lannings' Market (inside), 1033 Newark Rd.
- Knox County Service Center (lobby), 117 E. High St.
- Harcourt Road (St. Rt. 3 & US 36), Drive-Up ATM (between GM of Mount Vernon & Sponsler CDJR dealerships)
- Gault's Cleaners, 855 Coshocton Ave.

Newark:
- Red Oak Pub (inside), 250 Goosepond Rd. off N. 21st St., by Wal-Mart

Utica:
- 8 N. Main St., St. Rt. 13 by Post Office
- Velvet's Ye Olde Mill Restaurant (inside, during open hours, May-Oct.), 11324 Mount Vernon Rd. NE - St. Rt. 13

Management Team
Mike Copley | President, Chief Executive Officer
Greg Rhoads | Chief Operations Officer
Tracy Morgan | Chief Lending Officer
Karen Bell | Chief Compliance Officer
Matthew Smith | Chief Information Officer
Jamie Forster | Chief Financial Officer
Sarah Perry | Director, Human Resources
Tammy Lahmon | Manager, Payment Solutions
James McLaughlin | Marketing Director

Operations & Lending Team
Leslie Schutte | Operations Manager
Sarah Bridges | Training Manager
Anna Durbin | Service Center Manager, Utica
Christopher Dwiggins | Service Center Manager, Delaware
Colleen Kelly | Service Center Manager, Chestnut St.
Lynette Piper | Service Center Manager, Loudonville
Karen Wright | Service Center Manager, Coshocton
Lisa Lahmon | Senior Lender, Yauger Road Service Center
Ben Menke | Mortgage Loan Officer
Colleen Myer | Loan Officer, Chestnut St. Service Center

as of 9/14/2026

Who We Are. Why We Serve.

Back in 1952, a few factory workers with an old cigar box and a little cash started a grassroots movement. With lofty ambitions, they circulated a petition to organize a credit union. They pooled what little extra money they had to charter the Cooper-Bessemer Employees Federal Credit Union to serve fellow workers that were struggling financially and found banks unwilling to help. The first ever loan was for an employee buy coal to heat his home through a cold Ohio winter. After all, credit unions were built on the idea of helping people through tough times.

Now, 73 years later, CES Credit Union provides valuable financial services to all who live, work, worship or attend school in the counties of Ashland, Coshocton, Delaware, Holmes, Knox, Licking, Morrow and Richland here in the heartland of Ohio. CES Credit Union is a community-based credit union dedicated to helping members navigate through life's financial challenges and build a plan for future success.

Cooper Bessemer plant in Mount Vernon, late 1940s

CES Credit Union is dramatically different than the "for profit" counterparts in the financial world. The income generated from our operations is returned right back to the credit union membership through greater convenience, lower fees and better rates. We mean it when we say "you deserve a credit union working for you". Everyone deserves fairness, honesty, security and prompt, professional service with technology and conveniences that work. That is our goal here at CES Credit Union.