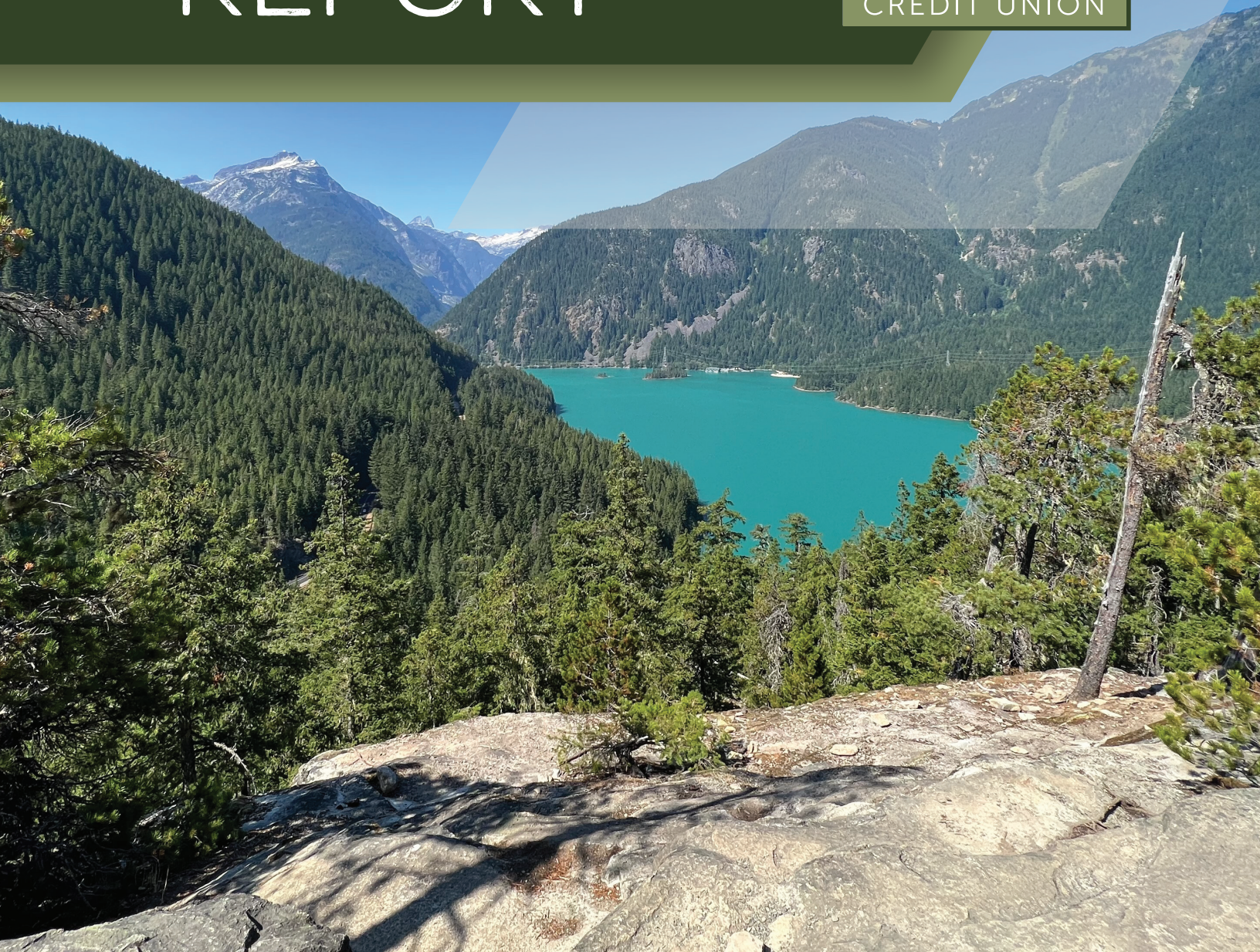


2025 ANNUAL REPORT



A MESSAGE FROM THE PRESIDENT & CEO

Hello! First and foremost, thank you to our members for making 2025 another successful year in the history of WCLA Credit Union. It really can't be said enough that serving this community is entirely possible due to your patronage and commitment to our institution. Whether that's through trusting us with your deposits and savings, or coming to us for a business loan, and everything in between, you make that happen and we're grateful for it.

If you don't receive our email newsletter, 'The Cut Above' from ourneckofthewoods@loggerscu.com, I'll take this opportunity to promote it as a good source of information for happenings around the credit union and offerings or developments that you may be interested in. I'd like to thank everyone who sent in photos showing their lives in the woods for us to use in our annual calendar and showcase on our website!

The credit union remains healthy, growing, and poised to continue to operate and grow in fulfilling its mission of providing valuable financial services to people in the timber industry. There's some more language in our Mission Statement, but today I wanted to share with you our Vision Statement, which we put down on paper about two years ago when I became the credit union's CEO:

WCLA Credit Union's vision is to be the financial partner of first choice for the PNW timber industry, furthering a legacy of sustained cooperation to "make loggers' lives better".

It gives us at the credit union a lot of pride in working toward and doing our best to implement this vision. From continuing to partner with businesses that have utilized the credit union for years, to working with new businesses and industry members just getting to know us, we genuinely appreciate the opportunity to be a part of your lives and find meaning in support of this community.

Until next time,

CHARLES THOMPSON
President & CEO



SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is a member-volunteer group responsible for providing independent oversight of the credit union's financial condition and internal controls. Each year, the Committee fulfills this responsibility by performing required audit and verification activities to provide reasonable assurance that the credit union's records are accurate, internal controls are functioning as intended, and operations are conducted in compliance with applicable laws and regulatory requirements.

Our work focused on areas that are fundamental to the safe and sound operation of the credit union. These areas include cash handling practices, delinquent accounts and related follow-up, account reconciliations, and other core control processes.

Based on the results of these activities, the Supervisory Committee determined that the credit union continues to operate with appropriate controls in place, maintains compliance with applicable regulatory requirements, and safeguards member information. We also concluded that accounting records are properly maintained and that the organization continues to operate in a safe and sound manner.

To further support our responsibilities, the Supervisory Committee engaged qualified independent professionals during the year to assist with audit related activities. The results of these independent reviews were complimentary and supported the Committee's overall conclusions regarding the credit union's financial condition and control environment.

The Supervisory Committee will continue to serve independently on behalf of the membership, providing oversight and reporting as required. We remain committed to fulfilling our fiduciary responsibilities and supporting the long term strength and stability of the credit union.

Thank you for your continued trust and confidence.
We appreciate the opportunity to serve you.

SHANE MEESE

Harborstone Credit Union

Chairperson, WCLA Credit Union Supervisory Committee

Supervisory Committee MEMBERS

Shane Meese, Harborstone Credit Union (Chairperson)
Veronica Bains, Harborstone Credit Union
Carmen Smith, R. L. Smith Logging, Inc.
Kathryn Thomsen, Thomsen Timber, LLC
Robert Thomsen, Thomsen Timber, LLC
Susan Vessey, Vessey & Sons, Inc.

A MESSAGE FROM THE BOARD CHAIRMAN

On behalf of WCLA Credit Union's Board of Directors, I am pleased to report that 2025 was once again a year of growth and strengthening of your credit union. The credit union ended the year with \$143 Million in Total Assets, an almost 14% increase in asset size from the previous year. The credit union's net worth grew at an expected, healthy pace, and continued to meet the mission of providing valuable financial services to loggers and members of the timber industry.

In addition to launching a new online banking platform and mobile app, the credit union rolled out updated statements and worked to provide the membership with high caliber service. The Board focused on making sure that WCLA Credit Union is well positioned for future growth and sustainability, knowing how valuable this credit union is to us and many of you.

All of our Board Directors and Supervisory Committee Members remained engaged in 2025, and I would like to personally thank all of you for your time and effort in our meetings and in support of WCLA CU. The credit union's staff continue to grow in tenure and in their professional lives, and we're very happy with their performance and dedication to the credit union.

Importantly, allow me to say a sincere thank you to you, our members, for your continued utilization of the credit union. Your deposits are directly put to work in our industry, and I know how important this institution is to you. It's because of your trust, camaraderie, and association that the credit union is as successful as it is and continues to operate with purpose and prosperity.

EDWARD GOULD

Gould-Sunrise Logging, Inc.

Chairperson, WCLA Credit Union Board of Directors

BOARD MEMBERS

Edward Gould, Gould-Sunrise Logging, Inc. (Chairperson)
Rob Allen, Allen Brothers Forest Management, Incorporated
Tim Eastman, Tim Eastman Mechanical, LLC
Kylie Pegoraro, Levanen, Inc.
Roger Smith, R.L. Smith Logging, Inc.
Blair Stadin, Precision Forestry, Inc.



To be the financial partner of first choice for the PNW timber industry, furthering a legacy of sustained cooperation to "make loggers' lives better"

STATEMENT OF FINANCIAL CONDITION

| | Year 2024 | Year 2025 | YOY Change |
|--|--------------------|--------------------|-------------------|
| GROSS LOANS | 110,622,554 | 121,338,575 | 10,716,021 |
| Allowance for Loan Loss | (794,566) | (1,031,347) | (236,781) |
| Collateral in Process of Liquidation | 354,522 | 258,522 | (96,000) |
| Net Loans (less origination fees) | 109,644,430 | 119,976,708 | 10,332,278 |
| Cash + Investments | 15,318,395 | 22,421,198 | 7,102,803 |
| Total Other Assets | 952,718 | 927,379 | (25,339) |
| Total Assets | 125,915,543 | 143,325,286 | 17,409,742 |
| Borrowings & Misc. Liabilities | 3,553,255 | 3,912,565 | 359,310 |
| Share Deposits | 101,056,616 | 115,855,678 | 14,799,062 |
| Total Liabilities | 104,609,871 | 119,768,243 | 15,158,372 |
| Total Equity | 21,305,673 | 23,557,043 | 2,251,370 |
| Liabilities & Equity | 125,915,543 | 143,325,286 | 17,409,742 |

INCOME & EXPENSE

| | Year 2024 | Year 2025 | |
|------------------------------|------------------|------------------|----------------|
| Total Income from Assets | 8,194,381 | 9,206,382 | 1,012,001 |
| Less Interest Expense | (4,053,705) | (4,421,000) | (367,295) |
| Less Provision for Loan Loss | (124,000) | (268,000) | (144,000) |
| Gross Spread | 4,016,676 | 4,517,382 | 500,706 |
| Less Operating Expenses | (2,086,284) | (2,369,615) | (283,331) |
| Plus Fee & Other Income | 127,496 | 103,603 | (23,893) |
| Net Income (ROA) | 2,057,888 | 2,251,370 | 193,482 |

YEAR TO DATE RATIOS

| | Year 2024 | Year 2025 | |
|-------------------------|------------------|------------------|--------|
| Operating Expense Ratio | 1.65% | 1.70% | 0.05% |
| Gross Spread Ratio | 3.17% | 3.24% | 0.07% |
| Return on Assets (ROA) | 1.62% | 1.61% | -0.01% |
| Net Worth Ratio | 16.92% | 16.44% | -0.48% |
| Loan to Share Ratio | 109.47% | 104.73% | -4.74% |
| Loans to Total Assets | 87.85% | 84.66% | -3.19% |

COMMERCIAL LOAN PORTFOLIO

AS OF 12/31/25



YOUR CREDIT UNION. YOUR DEPOSITS.

TOGETHER WE FINANCE THE TIMBER INDUSTRY.

