

■ 2021

Annual Report

GRIT MAKES GREAT.

ARDENT.[™]
CREDIT UNION

Chairperson/CEO Report

We began 2021 with hopeful signs that the pandemic was waning as vaccines were becoming readily available. Unfortunately, with the emergence of new Covid-19 variants the easing of restrictions were delayed, which continued to be an impediment for businesses in 2021. As we enter 2022, once again there is much to be hopeful for as cases decline, masking rules are relaxed, and businesses transition to a new hybrid office work environment. It is great to see people again and feel a renewed sense of normalcy.

Even with the continued challenges faced during 2021, you will note in the Treasurer's Report we had a strong year financially with net worth remaining significantly above being considered "well-capitalized." We ended the year just shy of \$800 million in assets and enjoyed growth in both mortgage and consumer loans. Total loans booked exceeded \$211 million.

We remained committed to helping our members navigate major purchases during these unprecedented times. Our concierge level services offered unparalleled support for our members when they need it most whether purchasing a car or a first home. Our First Home Concierge is a free service for first-time homebuyers. It offers guidance and loan options specifically designed for new homeowners. We believe the mortgage is a foundational product for our members and we want the experience for the first-time homebuyer to be as stress free as possible.

For most of our members, buying a car is second only to a home when comes to the purchase price. We want our members to make that purchase with confidence, so we offer our free Auto Buying Concierge service. Our concierges provide expert assistance with everything from negotiating the deal to securing financing. They remove the mystery around buying a vehicle and help to streamline the buying process.

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Chairperson/CEO Report (continued)

Continuing to focus on technology to improve the member experience is always top of mind at Ardent. We believe engagement with the fintech community is an important part of our member experience strategy. In 2021, we started investing in Credit Union Service Organizations (CUSOs). CUSOs are businesses that offer a variety of operational and financial service to the industry that are supported through capital investments from credit unions. We look for CUSOs that focus on technology that improves the member experience or offers services to help our members.

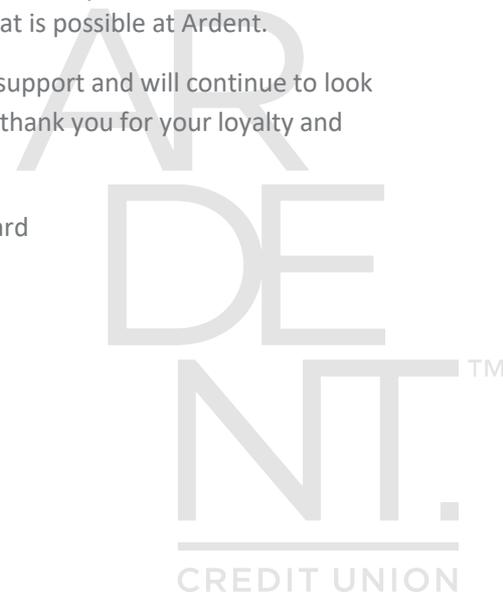
Your credit union remains financially strong with good earnings, an abundance of capital and a well-performing loan portfolio. This allows us to continue to keep all our fees and costs low to the members and provide you with competitive rates on loans and deposits. We remain committed to the credit union model and to operate fully as a financial cooperative and earn your respect and business every day.

None of the success of 2021 would be possible without the amazing dedication of our entire team. We thank all of them for their focus on our mission of empowering people and strengthening our community, during these challenging times. We would also like to thank our volunteer Board of Directors and Supervisory Committee for their leadership and shared vision of all that is possible at Ardent.

We deeply appreciate your ongoing support and will continue to look for ways to better serve you and we thank you for your loyalty and membership.

Gloria Wilson Chairperson of the Board
Rob Werner President / CEO

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Treasurer's Report

As the Treasurer of Ardent Credit Union, I closely monitor the financial decisions made throughout the year on behalf of the Credit Union's membership. I am pleased to report that the financial performance of Ardent remained strong in 2021, despite the significant challenges we've all faced in these uncertain times.

As we enter the third year in the Covid era, the strong U.S. economy continues to deal with supply chain disruptions and higher prices. These challenges have been exacerbated by the war in Ukraine and the resulting humanitarian crisis. Despite these challenges, your credit union remains strong and committed to serving all your financial needs.

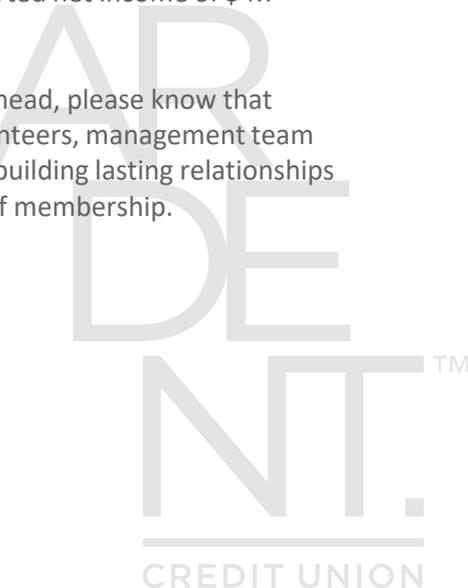
The regulatory net worth of Ardent Credit Union increased to \$83.7 million for the period ended December 31, 2021, up from \$79.0 million at the end of the previous year. Our Net Worth Ratio stands at 10.5%, well above the 7.0% required to be considered "well-capitalized" by the National Credit Union Administration.

Ardent's assets increased by \$10.7 million, or 1.4% to \$799.1 million in 2021, as growth in loans and cash was funded by deposit inflow and a reduction in investment securities. Net loans grew a solid \$26.8 million, or 5.2% as we increased first mortgage and consumer loans. Deposit balances rose modestly, up 1.5% to \$713.3 million. Our Credit Union reported net income of \$4.7 million in 2021.

As we look forward to brighter days ahead, please know that through good times and bad, the volunteers, management team and staff of Ardent are committed to building lasting relationships that will sustain the long-term value of membership.

Audrey Klijian
Treasurer

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Statement of Financial Condition

Statement of Financial Condition

	December 31,	
	2021	2020
Assets		
Net loans to members	\$537,650,259	\$510,864,996
Cash and cash equivalents	37,109,344	21,195,919
Investments	182,110,266	209,467,426
Other assets	42,261,653	46,854,482
Total Assets	799,131,522	788,382,822
Liabilities and Members' Equity		
Liabilities		
Members' deposits	713,312,457	702,827,050
Other liabilities	3,085,881	3,041,595
Total Liabilities	716,398,338	705,868,645
Members' Equity		
Retained earnings (Net worth)	83,659,312	78,963,522
Accumulated other comprehensive loss	(926,128)	3,550,655
Total Members' Equity	82,733,184	82,514,177
Total Liabilities and Members' Equity	\$799,131,522	\$788,382,822

Income Statement

Statement of Income

	For the Years Ended December 31,	
	2021	2020
Interest Income		
Loans to members	\$20,361,727	\$21,247,453
Investment securities	2,675,588	3,287,365
Total Interest Income	\$23,037,315	\$24,534,818
Interest Expense		
Members' deposit accounts	2,802,604	5,861,663
Borrowed funds	0	2,408
Total Interest expense	2,802,604	5,864,071
Net Interest Income	20,234,711	18,670,747
Provision for Loan Losses	250,000	2,225,000
Non-Interest Income	5,823,584	5,349,898
Non-Interest Expense	21,112,505	19,636,049
Net Income	\$4,695,790	\$2,159,596

Supervisory Committee Report

Ardent Credit Union's Supervisory Committee is appointed by the Board of Directors and represents the best interest of the membership by providing oversight of the Board of Directors, and ensuring that the operations of the Credit Union are carried out in compliance with the Federal Credit Union Act, the rules and regulations of the National Credit Union Administration, and the policies established by our Board of Directors. We do this by working with both internal and external auditors to provide these assurances through regular evaluation, monitoring, and strengthening of Ardent's internal control framework, and through an annual audit of Ardent's financial statements.

Accume Partners performs certain internal audit functions, and submits its quarterly audit results to the Committee, with all observations and recommendations documented and monitored for completion by the Credit Union's compliance officer. We are pleased to report that the business affairs of your Credit Union are handled accurately and in compliance with state and federal regulations.

We also engaged Doeren Mayhew CPAs and Advisors, a certified public accounting firm, to audit the financial statements of the Credit Union. Doeren Mayhew's opinion was that the Credit Union's financial statements for the year ended December 31, 2021 are presented fairly in all material respects, and that there were no weaknesses or material deficiencies in Ardent's controls over financial reporting. In other words, you can rest

assured that Ardent is practicing sound fiscal stewardship over your assets.

Based on these audits and our own observations, we are pleased to report that Ardent is well-managed and financially sound. Your Credit Union continues to maintain a high level of financial safety and compliance with laws and regulations – and most importantly, strives to make every effort that your assets are properly safeguarded.

On behalf of the entire Supervisory Committee, I'd like to thank the Board of Directors and Ardent's management and staff for their commitment to ensuring that Ardent remains a financially strong and well-managed institution relentlessly dedicated to its membership, through the most challenging of times and changing economic conditions.

We will remain vigilant representatives of our members' interests, ensuring Ardent Credit Union's financial soundness, as Ardent continues to provide you and your family with the highest level of member service. It has been our pleasure to serve the fellow member-owners of Ardent Credit Union.

Mitul Shah
Supervisory Committee Chair

■ Election of Directors

Gloria Wilson

Lisa Stanwyck

Rick Holzworth

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■ Thank
you

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