

Humentum

Consolidated Financial Statements and
Supplementary Information

September 30, 2025 and 2024

Humentum

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September 30, 2025 and 2024

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Independent Auditors' Report

To the Board of Directors of
Humentum

Opinion

We have audited the consolidated financial statements of Humentum (the Organization), which comprise the consolidated statements of financial position as of September 30, 2025 and 2024, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as of September 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with GAAP, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information on pages 18 - 21 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets and cash flows of the individual organizations, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Baker Tilly US, LLP

New York, New York
February 16, 2026

Humentum

Consolidated Statements of Financial Position September 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Assets		
Current Assets		
Cash	\$ 724,944	\$ 1,434,285
Investments	1,003,222	1,599,299
Accounts receivable	370,957	749,009
Contributions receivable	466,240	449,363
Prepaid expenses and other current assets	<u>228,727</u>	<u>571,789</u>
Total current assets	<u>2,794,090</u>	<u>4,803,745</u>
Noncurrent Assets		
Contribution receivable, net	-	339,175
Property and equipment, net	<u>-</u>	<u>33,161</u>
Total noncurrent assets	<u>-</u>	<u>372,336</u>
Total assets	<u><u>\$ 2,794,090</u></u>	<u><u>\$ 5,176,081</u></u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 507,476	\$ 808,447
Operating lease liabilities	-	168,526
Deferred revenue	<u>903,056</u>	<u>2,301,657</u>
Total liabilities	<u>1,410,532</u>	<u>3,278,630</u>
Net Assets		
Net assets without donor restrictions	966,882	1,131,719
Net assets with donor restrictions	<u>416,676</u>	<u>765,732</u>
Total net assets	<u>1,383,558</u>	<u>1,897,451</u>
Total liabilities and net assets	<u><u>\$ 2,794,090</u></u>	<u><u>\$ 5,176,081</u></u>

See notes to consolidated financial statements

Humentum

Consolidated Statements of Activities
Years Ended September 30, 2025 and 2024

	2025	2024
Operating Revenues and Support		
Training courses	\$ 1,102,615	\$ 2,412,153
Consulting services	758,534	1,005,557
Membership dues	2,336,642	2,383,049
Contributions and grants	50,000	-
Contributed nonfinancial assets	1,783,358	2,327,481
Corporate support	38,420	76,152
Recruitment services	17,310	63,143
Other	100,103	176,794
Net assets released from restrictions	2,663,030	2,838,916
Total operating revenues and support	8,850,012	11,283,245
Expenses		
Program	6,952,913	8,260,054
Management and general	1,727,369	2,337,859
Fundraising	430,402	378,016
Total expenses	9,110,684	10,975,929
Net operating (loss) gain	(260,672)	307,316
Nonoperating Activities		
Interest and dividends	56,987	81,616
Realized and unrealized gains, net of fees	58,773	265,715
Loss on foreign currency translation adjustments	(19,925)	(26,729)
Total nonoperating activities	95,835	320,602
Change in net assets without donor restriction	(164,837)	627,918
Net Assets With Donor Restrictions		
Contributed nonfinancial assets	-	42,175
Contributions and grants	2,313,974	2,071,612
Net assets released from restrictions	(2,663,030)	(2,838,916)
Change in net assets with donor restrictions	(349,056)	(725,129)
Change in net assets	(513,893)	(97,211)
Net Assets, Beginning	1,897,451	1,994,662
Net Assets, Ending	\$ 1,383,558	\$ 1,897,451

See notes to consolidated financial statements

Humentum

Consolidated Statement of Functional Expenses
Year Ended September 30, 2025

	Training	Consultancy	Memberships	Global Initiatives	Total Program	Management and General	Fundraising	Total
Salaries, payroll taxes and fringe benefits	\$ 929,597	\$ 434,348	\$ 300,773	\$ 1,030,997	\$ 2,695,715	\$ 917,671	\$ 430,238	\$ 4,043,624
In-kind	1,783,358	-	-	-	1,783,358	-	-	1,783,358
Training support, facilities and materials	127,601	4,527	-	10,025	142,153	62	-	142,215
Consultants and contractors for client projects and grants	296,207	416,105	-	1,040,963	1,753,275	143,421	-	1,896,696
Travel	-	-	-	37,060	37,060	23,796	-	60,856
Office expenses	-	-	-	214	214	73,249	-	73,463
Technology supplies and support	238,465	852	6,452	60,967	306,736	224,212	-	530,948
Occupancy	-	-	-	-	-	18,460	-	18,460
Credit card and bank service charges	-	-	-	2,645	2,645	56,248	-	58,893
Professional services fees	38,883	46,402	65,828	80,644	231,757	237,089	164	469,010
Depreciation and amortization	-	-	-	-	-	33,161	-	33,161
Total	\$ 3,414,111	\$ 902,234	\$ 373,053	\$ 2,263,515	\$ 6,952,913	\$ 1,727,369	\$ 430,402	\$ 9,110,684

See notes to consolidated financial statements

Humentum

Consolidated Statement of Functional Expenses

Year Ended September 30, 2024

	Training	Consultancy	Memberships	Global Initiatives	Total Program	Management and General	Fundraising	Total
Salaries, payroll taxes and fringe benefits	\$ 847,185	\$ 433,837	\$ 479,987	\$ 1,207,211	\$ 2,968,220	\$ 938,891	\$ 377,696	\$ 4,284,807
In-kind	2,174,610	-	-	42,175	2,216,785	152,871	-	2,369,656
Training support, facilities and materials	199,449	2,749	-	11,734	213,932	-	-	213,932
Consultants and contractors for client projects and grants	589,656	592,109	5,100	1,096,137	2,283,002	163,178	-	2,446,180
Travel	-	-	1,104	43,100	44,204	65,615	-	109,819
Office expenses	-	-	8	348	356	52,355	-	52,711
Technology supplies and support	188,713	8,992	9,109	43,832	250,646	269,615	-	520,261
Dues and other	1,940	1,271	-	17,258	20,469	40,132	-	60,601
Occupancy	-	-	-	-	-	43,278	-	43,278
Credit card and bank service charges	-	-	-	8,739	8,739	90,289	-	99,028
Professional services fees	65,633	40,792	80,473	66,803	253,701	232,453	320	486,474
Depreciation and amortization	-	-	-	-	-	289,182	-	289,182
Total	\$ 4,067,186	\$ 1,079,750	\$ 575,781	\$ 2,537,337	\$ 8,260,054	\$ 2,337,859	\$ 378,016	\$ 10,975,929

See notes to consolidated financial statements

Humentum

Consolidated Statements of Cash Flows Years Ended September 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash Flows From Operating Activities		
Change in net assets	\$ (513,893)	\$ (97,211)
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation and amortization	33,161	289,182
Net accretion of operating leases	(168,526)	(707,138)
Effect of foreign currency translation adjustments	19,925	26,729
Change in allowance for credit losses	12,000	(37,000)
Change in discount on contributions receivable	34,785	16,809
Realized and unrealized gains on investments	(58,773)	(265,715)
Changes in operating assets and liabilities:		
Accounts receivable	366,052	269,694
Contribution receivable	287,513	159,559
Prepaid expenses and other current assets	343,062	(152,458)
Accounts payable and accrued expenses	(320,896)	193,903
Deferred revenue	(1,398,601)	558,558
Net cash flows from operating activities	<u>(1,364,191)</u>	<u>254,912</u>
Cash Flows From Investing Activities		
Proceeds from sale of investments	1,396,608	694,214
Purchases of investments	<u>(741,758)</u>	<u>(722,270)</u>
Net cash flows from investing activities	<u>654,850</u>	<u>(28,056)</u>
Net change in cash	(709,341)	226,856
Cash, Beginning	<u>1,434,285</u>	<u>1,207,429</u>
Cash, Ending	<u>\$ 724,944</u>	<u>\$ 1,434,285</u>

See notes to consolidated financial statements

1. Description of Organization and Summary of Significant Accounting Policies

Organization

Humentum aspires to be a lead player in the Social Impact Infrastructure space, leading on the critical components of a new Social Impact Infrastructure needed for locally led development; instead of just talking about how to fix the outdated systems and practices. Humentum does this by ensuring widespread adoption of new public goods by funders, international non-governmental organizations (INGOs) and civil society organizations (CSOs) for increased equity, resilience and accountability.

Humentum leverages cross-sector networks, its global reach, its expertise and products, especially in finance and compliance, as well as emerging technologies to ensure transformational reach and adoption. Its aim is to equip increasing numbers of CSOs with a model to ensure they can meet the increasing demand of funders looking to invest in innovative, scalable and locally led solutions.

Humentum's Vision: A thriving and resilient social good sector working collaboratively to address the world's most pressing challenges.

Humentum's Mission: To strengthen social good organizations and their funders by providing strategic solutions, networking, and curated resources.

During 2025, the United States government implemented changes to its funding priorities and compliance requirements for international development programs. These changes affected the timing and structure of funding opportunities available to Humentum and its members. In response, Humentum increased its focus on diversifying revenue sources and strengthening financial resilience to mitigate potential future impacts.

Basis of Accounting

The accompanying consolidated financial statements of Humentum have been prepared on the accrual basis in conformity with accounting principles generally accepted in the United States of America.

Principles of Consolidation

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 810, *Consolidation*, the accompanying consolidated financial statements include the accounts of Humentum US and its wholly owned subsidiary, Humentum UK, collectively, Humentum. All intercompany transactions have been eliminated in consolidation.

Net Assets

Humentum classifies its net assets into two categories, which are net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions - Net assets which are reflective of revenues and expenses associated with the principal operating activities of Humentum and are not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions - Net assets which are limited by donor restrictions that either expire with the passage of time or can be fulfilled and removed by actions of Humentum. Also includes net assets subject to donor-imposed restrictions that stipulate resources be maintained in perpetuity but generally permit Humentum to utilize earnings as specified by donors.

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Notes to Consolidated Financial Statements September 30, 2025 and 2024

When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the consolidated statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as contributions without donor restrictions in the consolidated financial statements.

Net assets with donor restrictions also include net assets that are subject to donor-imposed stipulations that must be maintained in perpetuity by Humentum. There are no such assets as of September 30, 2025 and 2024.

Foreign Currency

Foreign currency denominated assets and liabilities are translated into U.S. dollars using the exchange rate in effect at the consolidated statements of financial position dates. This item is not included as part of the operating indicator and is reported as nonoperating activities in the consolidated statements of activities.

Investments

Investments in marketable equity and fixed income securities are stated at fair value. Donated investments are recorded at fair value at the date of donation.

Investment income is reported net of external and direct internal investment expenses, when applicable. Realized and unrealized gains or losses on investments are reported in the consolidated statements of activities as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

Fair Value

Fair value refers to the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the market in which the entity transacts.

Humentum must determine whether its assets and liabilities recorded at fair value were based on Level 1 (valued based on quoted prices in an active market for identical assets), Level 2 (valued based on significant other observable inputs) or Level 3 (valued based on significant unobservable inputs) measurements within the fair value hierarchy.

Allowance for Credit Losses

Humentum recognizes an allowance for credit losses for its receivables arising from reciprocal transactions to present the net amount expected to be collected. Such allowance is based on the credit losses expected to arise over the life of the asset which includes consideration of past events and historical loss experience, current events and also future events. Such receivables are written off when Humentum determines that such receivables are deemed uncollectible.

Humentum utilizes the loss rate method in determining its lifetime expected credit losses on accounts receivable arising from reciprocal transactions. Qualitative and quantitative adjustments related to current conditions and the reasonable and supportable forecast period consider all the following: past due receivables, payor type, customer creditworthiness and the effect of other external forces, such as economic conditions and legal and regulatory requirements, on the level of estimated credit losses in the existing receivables. As of September 30, 2025 and 2024, the allowance for credit losses was approximately \$25,000 and \$37,000, respectively.

Contributions Receivable

Receivables and unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at present value of estimated future cash flows. Conditional promises to give are not included as support until such time as the conditions are substantially met.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful lives of the assets, which range from 5 to 15 years on the straight-line method. Leasehold improvements are amortized using the straight-line method over the shorter of the lease term or the estimated useful life of the asset. Humentum capitalizes property and equipment acquisitions at \$5,000 and above.

Contribution Income

Contributions and Grants

Contributions received and unconditional promises to give are measured at their fair values and are reported as increases in net assets. Humentum reports gifts of cash and other assets as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. Conditional contributions, including conditional promises to give, are not recognized until they become unconditional, that is, when the conditions, such as a barrier and right of return or release, are substantially met.

Contributed Nonfinancial Assets

Humentum receives donated user licenses for various programs and course content that are also provided to Humentum's members. Contributed nonfinancial assets are recorded at estimated fair value, which is based on what it would cost to purchase these licenses and courses in the consolidated statements of activities. The accompanying consolidated statements of activities include donated software, in-kind user licenses and course content related contributions and expenses of approximately \$1,783,000 and \$2,175,000 for the years ended September 30, 2025 and 2024, respectively.

Humentum UK received donated services of 90 days, for the year ended September 30, 2024, of voluntary expertise towards the International Financial Reporting for Non-Profit Organizations initiative. These contributed nonfinancial assets are measured at an average daily rate which is based on the partner and staff rates for those who donate their time to the initiative. The accompanying consolidated statement of activities include these contributed nonfinancial assets of approximately \$42,000 for the year ended September 30, 2024. There were no donated services for the year ended September 30, 2025.

In addition, Humentum UK received donated legal services of 169 hours for the year ended September 30, 2024. These contributed nonfinancial assets are measured at an hourly rate which is based on the partner rates for the work completed on Humentum's UK governance structure. The accompanying consolidated statement of activities include these contributed nonfinancial assets of approximately \$153,000 for the year ended September 30, 2024. There were no donated legal services for the year ended September 30, 2025.

Humentum also receives access to various other services and course content for the expressed purpose of providing those benefits to its members. The use and distribution of these contributed resources are controlled and directed by the donating entity and, therefore, are not recognized in the accompanying consolidated financial statements.

Revenue From Contracts With Customers

Training courses: The performance obligation corresponding to training courses is providing the course. The performance obligations are satisfied on the conclusion of the training. The revenue is recognized after each course is completed.

Consulting services: The performance obligation corresponding to consulting is to provide various consulting services. The performance obligations are satisfied over a period which is completed based on each deliverable. The revenue is recognized when each deliverable is completed or if material on conclusion of the entire service contract. The performance obligation corresponding to projects is to provide guidance on a sector-wide issue, e.g. safeguarding or cost-recovery. The performance obligations are satisfied over a period which is completed based on each deliverable and length of the project. The revenue is recognized when each deliverable is completed and invoiced monthly.

Membership/Subscription: The performance obligation corresponding to subscription is delivery of the membership benefits and/or e-learning platform throughout the stated period of the membership/subscription (i.e. yearly subscription). The performance obligations are satisfied over a period as the consumer simultaneously receives and consumes the services as Humentum provides them.

Corporate support/Sponsorship: The performance obligation corresponding to corporate support is delivery of events that the customer can support and promote their services at. The performance obligations are satisfied in some cases at a point in time, but in most cases over a period as the consumer simultaneously receives and consumes the services as Humentum provides them.

Recruitment services: The performance obligation corresponding to recruitment services is to provide job advertisements. The performance obligations are satisfied at a point in time, which is completed when the job advertisement is posted on Humentum's job board. The revenue is recognized when each job advertisement is posted.

Cash received for unsatisfied obligations is considered contract liabilities and presented as deferred revenue in the consolidated statements of financial position. Accounts receivable represent contract assets in accordance with ASC 606. There are no other contract assets. Accounts receivable and deferred revenue as of beginning and end of the years ended September 30, 2025 and 2024 are as follows:

	October 1, 2023	September 30, 2024	September 30, 2025
Accounts receivable	\$ 981,703	\$ 749,009	\$ 370,957
Deferred revenue	1,623,470	1,571,966	760,943

Humentum determines its accounts receivable and revenue estimates by considering implicit price concessions based on its historical collection experience. The transaction price is based on standard charges for services provided, reduced by implicit price concessions provided, if any.

Income Taxes

Humentum is exempt from Federal and State income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and is not considered a private foundation. Accordingly, no provision has been made for income taxes.

No corporation tax is payable for Humentum UK since, as a registered charity, Humentum UK is generally exempt on its income and capital gains if they are applied for charitable purposes.

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Notes to Consolidated Financial Statements
September 30, 2025 and 2024

Uncertain Tax Positions

Management has evaluated Humentum's tax positions and concluded that it has not taken any uncertain tax positions that require adjustment to the consolidated financial statements to comply with the provisions of FASB ASC 740.

Functional Allocation of Expenses

The consolidated financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions of Humentum. Most expenses may be identified to their related program or supporting service and are recorded accordingly. Salaries and benefits expenses are allocated based upon estimated time spent by the respective individuals on each program area. No other costs are allocated to program areas.

Operating Measure

Humentum includes in its definition of operations all revenues and expenses associated with helping members in building and leading teams who will become essential partners in accomplishing the missions of their organizations. Interest and dividends, realized and unrealized gains and losses and gains and losses on foreign currency translation adjustments are excluded from the measure of operations.

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

2. Liquidity and Availability of Resources

Humentum's financial assets available within one year of September 30, 2025 and 2024 for general expenditures such as operating expenses and fixed asset purchases are as follows as of September 30:

	2025	2024
Cash	\$ 724,944	\$ 1,434,285
Investments	1,003,222	1,599,299
Accounts receivable	370,957	749,009
Contributions receivable	466,240	449,363
Total financial assets	2,565,363	4,231,956
Less donor restricted amounts	416,676	765,732
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,148,687</u>	<u>\$ 3,466,224</u>

As part of Humentum's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. Humentum's main source of liquidity is training courses, consulting services and membership dues. Although investments are available for expenditure, it is not Humentum's intention to use investments for operating purposes.

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Notes to Consolidated Financial Statements
September 30, 2025 and 2024

3. Investments and Fair Value

Investments consist of the following as of September 30:

	2025	2024
Equity funds	\$ 727,997	\$ 1,162,743
Fixed income funds	275,225	436,556
Total	<u>\$ 1,003,222</u>	<u>\$ 1,599,299</u>

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy under authoritative guidance are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that Humentum has access to.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as:

- quoted prices for similar assets or liabilities in active markets.
- quoted prices for identical or similar assets or liabilities in inactive markets.
- inputs other than quoted prices that are observable for the asset or liability.
- inputs that are derived principally from and corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology were unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observables and minimize the use of unobservable inputs.

The availability of observable inputs can vary from instrument to instrument and is affected by a wide variety of factors, including, for example, the type of instrument, whether the instrument is new and not yet established in the marketplace, the liquidity of markets and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. The valuation levels are not necessarily an indication of the risk or liquidity associated with the underlying assets and liabilities.

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Notes to Consolidated Financial Statements September 30, 2025 and 2024

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used as of September 30, 2025 and 2024:

Equity funds and fixed income - Publicly traded in active markets.

The following tables present the fair value hierarchy for assets of Humentum measured at fair value as of September 30:

Fair Value Measurements as of September 30, 2025				
	Level 1	Level 2	Level 3	Total
Equity funds	\$ 727,997	\$ -	\$ -	\$ 727,997
Fixed income funds	275,225	-	-	275,225
Total	\$ 1,003,222	\$ -	\$ -	\$ 1,003,222

Fair Value Measurements as of September 30, 2024				
	Level 1	Level 2	Level 3	Total
Equity funds	\$ 1,162,743	\$ -	\$ -	\$ 1,162,743
Fixed income funds	436,556	-	-	436,556
Total	\$ 1,599,299	\$ -	\$ -	\$ 1,599,299

4. Contributions Receivable, Net

Contributions receivable, net as of September 30 are expected to be received as follows:

	2025	2024
Within one year	\$ 466,240	\$ 449,363
Between two and three years	-	373,960
Less unamortized discount	-	34,785
Total	\$ 466,240	\$ 788,538

As of September 30, 2024, contributions to be received between two and three years were discounted using a risk adjusted discount rate of 5.03%, respectively, through the expected term of the contribution receivable.

5. Deferred Revenue

Deferred revenue consisted of the following as of September 30:

	2025	2024
Membership dues	\$ 646,080	\$ 1,348,998
Grants and contracts	142,113	715,631
Training and client service	60,463	222,968
Events	54,400	-
Sub-lease	-	14,060
Total	\$ 903,056	\$ 2,301,657

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Notes to Consolidated Financial Statements
September 30, 2025 and 2024

6. Net Assets With Donor Restrictions

Net assets with donor restrictions consist of the following as of September 30:

	2025	2024
Purpose restricted:		
Grant Fund IFR4NPO	\$ 57,507	\$ 62,762
Time and purpose restricted:		
Grant Fund Weaving Resilience	196,584	692,990
Contract Fund TIME 2B	-	9,980
Contract Fund TIME3	146,490	-
Contract Fund Africa CPE	16,095	-
Total	<u>\$ 416,676</u>	<u>\$ 765,732</u>

Grant Fund IFR4NPO represents various grants received by Humentum and Humentum UK for technical assistance and global financial reporting guidance.

Grant Fund Weaving Resilience represents a grant from the Ford Foundation for core support for the institutional health and strengthening for the social justice sector in Southern Africa in response to the intersecting crises created by the COVID-19 pandemic. The grant was awarded for a four-year period from November 1, 2022 and is considered time and purpose restricted.

The Contract Fund TIME 2B represents a subaward from EngenderHealth, funded by The William & Flora Hewlett Foundation to engage organizations in the sexual and reproductive health and rights (SRHR) sector to identify how to accelerate development progress and evolve to maximize equity and impact in SRHR. The award was for the period April 15, 2024 to December 31, 2024.

The Contract Fund TIME3 is an extension of the TIME 2B fund and is funded by The William & Flora Hewlett Foundation and Children's Investment Fund Foundation. The awards are for the periods November 1, 2024 to May 31, 2026 and February 25, 2025 to November 27, 2025, respectively.

The Contract Fund Africa CPE represents a subaward from Papyrus, funded by the Mastercard Foundation to improve the skills, knowledge, processes and systems of the Foundation staff for better program outcomes. This collaboration supports the Foundation's broader goal of empowering Partner Institutions to create inclusive, sustainable and dignified work for young women and men on a large scale. The award is for the period April 15, 2025 to June 30, 2026.

Net assets released from restrictions consist of the following as of September 30:

	2025	2024
Purpose restricted:		
Training bursaries	\$ -	\$ 18,337
Grant Fund IFR4NPO	766,064	876,685
Time and purpose restricted:		
Grant Fund Weaving Resilience	514,524	494,527
Cooperative Agreement Fund IQTS	357,593	546,943
Contract Fund Africa CPE	814,114	798,824
Contract Fund TIME 2B	22,997	103,600
Contract Fund TIME 3	187,738	-
Total	<u>\$ 2,663,030</u>	<u>\$ 2,838,916</u>

7. Concentrations of Credit Risk

Financial instruments which potentially subject Humentum to concentrations of credit risk consist principally of cash, investments and accounts receivable. From time to time, the cash balances exceed the federal depository insurance coverage limit.

8. Retirement Plans

Humentum sponsors a defined contribution 403(b) plan, to which eligible employees may contribute at their discretion and to which Humentum also contributes. Under the plan, Humentum contributes 5% of each eligible employee's salary and Humentum contributions are vested in the plan immediately. Retirement expenses totaled approximately \$120,000 and \$138,000 for the years ended September 30, 2025 and 2024, respectively, under this plan.

Humentum UK operated a defined contribution pension scheme, the assets of which are held in external funds. Contributions of 5% of eligible compensation during the period are charged as they become payable. Retirement expense totaled approximately \$40,000 and \$37,000 for the years ended September 30, 2025 and 2024, respectively, under this plan.

9. Operating Lease

Humentum had an operating lease for real property that it leases. As a lessee, Humentum's real property lease had an original term of eight years. On May 1, 2021, Humentum entered into a sublease agreement with an unrelated third party. As a sublessor, Humentum's real property sublease had an original term of three years and 11 months.

As a sublessor, Humentum's real property sublease with tenant under lease with monthly rental charges. Rental income related to the sublease was included in other revenue in Humentum's consolidated statements of activities. Humentum's total lease expense indicated below was included in management and general expenses. Humentum recognized a right-of-use asset and lease liability for its operating lease based on the net present value of future minimum lease payments. Lease expense for Humentum's operating lease was recognized on a straight-line basis over the lease term, including renewal periods that are considered reasonably certain.

Humentum's decisions regarding lease renewal options that were reasonably certain were incorporated as part of the lease term in right-of-use asset and lease liability calculations for all leases with commencement date after the adoption of ASC 842. To support these determinations, Humentum evaluated the lease that commenced after transition and included a renewal option to assess whether the future renewal options were reasonably certain to be exercised. The periods related to any renewal options deemed not reasonably certain to be exercised were excluded from the lease term with respect to the right-of-use asset and lease liability calculations. Humentum had an operating lease for its real property, which was to expire in 2028. Humentum exercised the option to early terminate the lease on March 31, 2025 and the related termination penalty of approximately \$383,000 was paid in March 2024.

Right-of-use assets were assessed for impairment in accordance with Humentum's long-lived asset policy. As a result of the early termination of the lease and the evacuation of the premises, as of September 30, 2024, the right-of-use asset was written down to \$0. Humentum reassessed lease classification and remeasured right-of-use assets and lease liabilities when the lease was modified, and that modification was not accounted for as a separate new lease or upon certain other events that require reassessment in accordance with Topic 842.

Humentum

Notes to Consolidated Financial Statements September 30, 2025 and 2024

The components of lease cost included in the accompanying consolidated statements of functional expenses for the years ended September 30, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Lease cost:		
Operating lease cost, lease with terms greater than one year	\$ 186,986	\$ 392,044
Sublease income	<u>84,362</u>	<u>164,947</u>
Net total lease cost	<u>\$ 102,624</u>	<u>\$ 227,097</u>

Other information related to Humentum's operating lease and supplemental cash flows for the years ended September 30, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Operating cash flows from operating leases *	\$ -	\$ 183,821
Weighted-average remaining lease term:		
Operating leases	-	6 months
Weighted-average discount rate on operating leases	-	4.12%

* Cash flows relating to operating lease costs for leases with terms greater than one year. Excludes variable lease costs.

There were no future minimum lease payments as of September 30, 2025.

Lease expense was approximately \$187,000 and \$392,000 for the years ended September 30, 2025 and 2024, respectively.

10. Subsequent Events

Management has evaluated subsequent events through February 16, 2026, the date the consolidated financial statements are available for issuance, for inclusion or disclosure in the consolidated financial statements.

Humentum

Consolidating Statement of Financial Position
September 30, 2025

	<u>Humentum US</u>	<u>Humentum UK</u>	<u>Eliminations</u>	<u>Total</u>
Assets				
Assets				
Cash	\$ 688,620	\$ 36,324	\$ -	\$ 724,944
Investments	1,003,222	-	-	1,003,222
Accounts receivable	370,957	-	-	370,957
Contributions receivable	466,240	-	-	466,240
Due from affiliate	-	321,378	(321,378)	-
Prepaid expenses and other current assets	224,230	4,497	-	228,727
Total assets	<u>\$ 2,753,269</u>	<u>\$ 362,199</u>	<u>\$ (321,378)</u>	<u>\$ 2,794,090</u>
Liabilities and Net Assets				
Liabilities				
Accounts payable and accrued expenses	\$ 383,569	\$ 123,907	\$ -	\$ 507,476
Due to affiliate	321,378	-	(321,378)	-
Deferred revenue	867,532	35,524	-	903,056
Total liabilities	<u>1,572,479</u>	<u>159,431</u>	<u>(321,378)</u>	<u>1,410,532</u>
Net Assets				
Net assets without donor restrictions	821,708	145,174	-	966,882
Net assets with donor restrictions	359,082	57,594	-	416,676
Total net assets	<u>1,180,790</u>	<u>202,768</u>	<u>-</u>	<u>1,383,558</u>
Total liabilities and net assets	<u>\$ 2,753,269</u>	<u>\$ 362,199</u>	<u>\$ (321,378)</u>	<u>\$ 2,794,090</u>

Humentum

Consolidating Statement of Financial Position
September 30, 2024

	<u>Humentum US</u>	<u>Humentum UK</u>	<u>Eliminations</u>	<u>Total</u>
Assets				
Current Assets				
Cash	\$ 1,056,127	\$ 378,158	\$ -	\$ 1,434,285
Investments	1,599,299	-	-	1,599,299
Accounts receivable	748,877	132	-	749,009
Contributions receivable	449,363	-	-	449,363
Due from affiliate	-	469,455	(469,455)	-
Prepaid expenses and other current assets	570,296	1,493	-	571,789
Total current assets	<u>4,423,962</u>	<u>849,238</u>	<u>(469,455)</u>	<u>4,803,745</u>
Noncurrent Assets				
Contribution receivable, net	339,175	-	-	339,175
Property and equipment, net	33,161	-	-	33,161
Total noncurrent assets	<u>372,336</u>	<u>-</u>	<u>-</u>	<u>372,336</u>
Total assets	<u>\$ 4,796,298</u>	<u>\$ 849,238</u>	<u>\$ (469,455)</u>	<u>\$ 5,176,081</u>
Liabilities and Net Assets				
Current Liabilities				
Accounts payable and accrued expenses	\$ 651,790	\$ 156,657	\$ -	\$ 808,447
Due to affiliate	469,455	-	(469,455)	-
Operating lease liabilities, current portion	168,526	-	-	168,526
Deferred revenue	1,806,986	494,671	-	2,301,657
Total current liabilities	<u>3,096,757</u>	<u>651,328</u>	<u>(469,455)</u>	<u>3,278,630</u>
Total liabilities	<u>3,096,757</u>	<u>651,328</u>	<u>(469,455)</u>	<u>3,278,630</u>
Net Assets				
Net assets without donor restrictions	996,551	135,168	-	1,131,719
Net assets with donor restrictions	702,990	62,742	-	765,732
Total net assets	<u>1,699,541</u>	<u>197,910</u>	<u>-</u>	<u>1,897,451</u>
Total liabilities and net assets	<u>\$ 4,796,298</u>	<u>\$ 849,238</u>	<u>\$ (469,455)</u>	<u>\$ 5,176,081</u>

Humentum

Consolidating Statement of Activities

Year Ended September 30, 2025

	Humentum US		Humentum UK			
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Eliminations	Total
Operating Revenues and Support						
Training courses	\$ 1,102,615	\$ -	\$ -	\$ -	\$ -	\$ 1,102,615
Consulting services	758,534	-	-	-	-	758,534
Membership dues	2,327,770	-	8,872	-	-	2,336,642
Contributions and grants	50,000	1,553,147	-	760,827	-	2,363,974
Contributed nonfinancial assets	1,783,358	-	-	-	-	1,783,358
Corporate support	38,292	-	128	-	-	38,420
Recruitment services	17,310	-	-	-	-	17,310
Other	97,285	-	2,818	-	-	100,103
Net assets released from restrictions	1,897,055	(1,897,055)	765,975	(765,975)	-	-
Total operating revenues and support	8,072,219	(343,908)	777,793	(5,148)	-	8,500,956
Expenses						
Program	6,255,118	-	697,795	-	-	6,952,913
Management and general	1,696,245	-	31,124	-	-	1,727,369
Fundraising	410,198	-	20,204	-	-	430,402
Total expenses	8,361,561	-	749,123	-	-	9,110,684
Net operating (loss) gain	(289,342)	(343,908)	28,670	(5,148)	-	(609,728)
Nonoperating Activities						
Interest and dividends	56,667	-	320	-	-	56,987
Realized and unrealized gains, net of fees	58,773	-	-	-	-	58,773
Loss on foreign currency translation adjustments	(941)	-	(18,984)	-	-	(19,925)
Total nonoperating activities	114,499	-	(18,664)	-	-	95,835
Change in net assets	(174,843)	(343,908)	10,006	(5,148)	-	(513,893)
Net Assets, Beginning	996,551	702,990	135,168	62,742	-	1,897,451
Net Assets, Ending	\$ 821,708	\$ 359,082	\$ 145,174	\$ 57,594	\$ -	\$ 1,383,558

Humentum

Consolidating Statement of Activities

Year Ended September 30, 2024

	Humentum US		Humentum UK			
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Eliminations	Total
Operating Revenues and Support						
Training courses	\$ 2,363,599	\$ -	\$ 48,554	\$ -	\$ -	\$ 2,412,153
Consulting services	911,190	-	94,367	-	-	1,005,557
Membership dues	2,330,466	-	52,583	-	-	2,383,049
Contributions and grants	-	1,474,891	-	596,721	-	2,071,612
Contributed nonfinancial assets	2,174,610	-	152,871	42,175	-	2,369,656
Corporate support	69,833	-	6,319	-	-	76,152
Recruitment services	63,143	-	-	-	-	63,143
Other	176,721	-	73	-	-	176,794
Net assets released from restrictions	1,943,894	(1,943,894)	895,022	(895,022)	-	-
Total operating revenues and support	10,033,456	(469,003)	1,249,789	(256,126)	-	10,558,116
Expenses						
Program	7,254,136	-	1,005,918	-	-	8,260,054
Management and general	2,104,727	-	233,132	-	-	2,337,859
Fundraising	360,933	-	17,083	-	-	378,016
Total expenses	9,719,796	-	1,256,133	-	-	10,975,929
Net operating gain (loss)	313,660	(469,003)	(6,344)	(256,126)	-	(417,813)
Nonoperating Activities						
Interest and dividends	77,754	-	3,862	-	-	81,616
Realized and unrealized gains, net of fees	265,715	-	-	-	-	265,715
Loss on foreign currency translation adjustments	(5,948)	-	(20,781)	-	-	(26,729)
Total nonoperating activities	337,521	-	(16,919)	-	-	320,602
Change in net assets	651,181	(469,003)	(23,263)	(256,126)	-	(97,211)
Net Assets, Beginning	345,370	1,171,993	158,431	318,868	-	1,994,662
Net Assets, Ending	\$ 996,551	\$ 702,990	\$ 135,168	\$ 62,742	\$ -	\$ 1,897,451