

# **myAgro Farms and Subsidiaries**

Consolidated Financial Report  
December 31, 2025

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**Independent Auditor's Report**

The Board of Directors  
myAgro Farms and Subsidiaries

**Opinion**

We have audited the consolidated financial statements of myAgro Farms and Subsidiaries (the Organization), which comprise the consolidated statement of financial position as of December 31, 2025, the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Other Matter**

The financial statements of the Organization, as of and for the year ended December 31, 2024, were audited by other auditors, whose report, dated July 31, 2025, expressed an unmodified opinion on those statements.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 financial statements are issued or available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 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 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 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.

*RSM US LLP*

Washington, D.C.  
October 7, 2026

**myAgro Farms and Subsidiaries**

**Consolidated Statements of Financial Position  
December 31, 2025 and 2024**

|                                                          | 2025                 | 2024                 |
|----------------------------------------------------------|----------------------|----------------------|
| <b>Assets</b>                                            |                      |                      |
| Cash and cash equivalents (Note 4)                       | \$ 23,651,207        | \$ 13,675,870        |
| Grants and contributions receivable, net (Notes 4 and 5) | 7,165,000            | 14,432,070           |
| Other receivables                                        | 292,492              | 871,903              |
| Inventory                                                | 896,267              | 952,429              |
| Advances for inventory                                   | 254,422              | 1,610,139            |
| Prepaid expenses and other assets                        | 901,192              | 1,541,957            |
| Fixed assets, net (Note 7)                               | 219,948              | 385,070              |
| Security deposits                                        | 335,877              | 343,669              |
| <b>Total assets</b>                                      | <b>\$ 33,716,405</b> | <b>\$ 33,813,107</b> |
| <b>Liabilities and Net Assets</b>                        |                      |                      |
| <b>Liabilities:</b>                                      |                      |                      |
| Accounts payable and accrued expenses                    | \$ 737,872           | \$ 2,300,501         |
| Accrued payroll and other liabilities                    | 891,557              | 1,886,437            |
| Deferred revenue (Note 6)                                | 1,141,044            | 997,446              |
| Line of credit (Note 8)                                  | 222,141              | 994,255              |
| Notes payable (Note 9)                                   | 1,100,000            | 2,500,000            |
| <b>Total liabilities</b>                                 | <b>4,092,614</b>     | <b>8,678,639</b>     |
| Commitments and contingencies (Note 10)                  |                      |                      |
| <b>Net assets:</b>                                       |                      |                      |
| Without donor restrictions                               | 27,356,053           | 22,141,598           |
| With donor restrictions (Notes 4 and 11)                 | 2,267,738            | 2,992,870            |
| <b>Total net assets</b>                                  | <b>29,623,791</b>    | <b>25,134,468</b>    |
| <b>Total liabilities and net assets</b>                  | <b>\$ 33,716,405</b> | <b>\$ 33,813,107</b> |

See notes to consolidated financial statements.

**myAgro Farms and Subsidiaries**

**Consolidated Statement of Activities**  
**Year Ended December 31, 2025**

|                                                                 | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                |
|-----------------------------------------------------------------|-------------------------------|----------------------------|----------------------|
| Revenue and public support:                                     |                               |                            |                      |
| Foundation grants                                               | \$ 26,885,450                 | \$ 2,455,795               | \$ 29,341,245        |
| Inputs and layaway (Note 6)                                     | 6,353,693                     | -                          | 6,353,693            |
| Government grants                                               | -                             | 821,811                    | 821,811              |
| Other grants and contributions                                  | 65,359                        | -                          | 65,359               |
| Interest and other income                                       | 183,852                       | -                          | 183,852              |
| Net assets released from restrictions (Note 11)                 | 4,002,738                     | (4,002,738)                | -                    |
| <b>Total revenue and public support</b>                         | <b>37,491,092</b>             | <b>(725,132)</b>           | <b>36,765,960</b>    |
| Expenses:                                                       |                               |                            |                      |
| Program services                                                | 27,070,931                    | -                          | 27,070,931           |
| Management and general                                          | 2,642,259                     | -                          | 2,642,259            |
| Fundraising                                                     | 1,463,539                     | -                          | 1,463,539            |
| <b>Total expenses</b>                                           | <b>31,176,729</b>             | <b>-</b>                   | <b>31,176,729</b>    |
| <b>Change in net assets before<br/>nonoperating gain (loss)</b> | <b>6,314,363</b>              | <b>(725,132)</b>           | <b>5,589,231</b>     |
| Nonoperating gain (loss):                                       |                               |                            |                      |
| Foreign currency translation loss                               | (1,099,908)                   | -                          | (1,099,908)          |
| <b>Total nonoperating gain</b>                                  | <b>(1,099,908)</b>            | <b>-</b>                   | <b>(1,099,908)</b>   |
| <b>Change in net assets</b>                                     | <b>5,214,455</b>              | <b>(725,132)</b>           | <b>4,489,323</b>     |
| Net assets:                                                     |                               |                            |                      |
| Beginning                                                       | 22,141,598                    | 2,992,870                  | 25,134,468           |
| Ending                                                          | <b>\$ 27,356,053</b>          | <b>\$ 2,267,738</b>        | <b>\$ 29,623,791</b> |

See notes to consolidated financial statements.

**myAgro Farms and Subsidiaries**

**Consolidated Statement of Activities**  
**Year Ended December 31, 2024**

|                                                                 | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                |
|-----------------------------------------------------------------|-------------------------------|----------------------------|----------------------|
| Revenue and public support:                                     |                               |                            |                      |
| Foundation grants                                               | \$ 3,115,488                  | \$ 1,830,246               | \$ 4,945,734         |
| Inputs and layaway                                              | 7,721,771                     | -                          | 7,721,771            |
| Government grants                                               | -                             | 500,000                    | 500,000              |
| Other grants and contributions                                  | 47,873                        | -                          | 47,873               |
| Interest and other income                                       | 566,986                       | -                          | 566,986              |
| Net assets released from restrictions                           | 10,014,901                    | (10,014,901)               | -                    |
| <b>Total revenue and public support</b>                         | <b>21,467,019</b>             | <b>(7,684,655)</b>         | <b>13,782,364</b>    |
| Expenses:                                                       |                               |                            |                      |
| Program services                                                | 34,531,502                    | -                          | 34,531,502           |
| Management and general                                          | 5,449,712                     | -                          | 5,449,712            |
| Fundraising                                                     | 1,160,208                     | -                          | 1,160,208            |
| <b>Total expenses</b>                                           | <b>41,141,422</b>             | <b>-</b>                   | <b>41,141,422</b>    |
| <b>Change in net assets before<br/>nonoperating gain (loss)</b> | <b>(19,674,403)</b>           | <b>(7,684,655)</b>         | <b>(27,359,058)</b>  |
| Nonoperating gain (loss):                                       |                               |                            |                      |
| Loss on early disposal of leasehold improvements                | (124,857)                     | -                          | (124,857)            |
| Foreign currency translation gain                               | 753,526                       | -                          | 753,526              |
| <b>Total nonoperating gain</b>                                  | <b>628,669</b>                | <b>-</b>                   | <b>628,669</b>       |
| <b>Change in net assets</b>                                     | <b>(19,045,734)</b>           | <b>(7,684,655)</b>         | <b>(26,730,389)</b>  |
| Net assets:                                                     |                               |                            |                      |
| Beginning                                                       | 41,187,332                    | 10,677,525                 | 51,864,857           |
| Ending                                                          | <u>\$ 22,141,598</u>          | <u>\$ 2,992,870</u>        | <u>\$ 25,134,468</u> |

See notes to consolidated financial statements.

**myAgro Farms and Subsidiaries**

**Consolidated Statement of Functional Expenses**  
**Year Ended December 31, 2025**

|                                                 | Program<br>Services  | Management<br>and General | Fundraising         | Total                |
|-------------------------------------------------|----------------------|---------------------------|---------------------|----------------------|
| Personnel expenses:                             |                      |                           |                     |                      |
| Salaries                                        | \$ 8,832,873         | \$ 1,497,193              | \$ 1,163,413        | \$ 11,493,479        |
| Payroll taxes and benefits                      | 2,744,032            | 224,831                   | 196,667             | 3,165,530            |
| <b>Total personnel expenses</b>                 | <b>11,576,905</b>    | <b>1,722,024</b>          | <b>1,360,080</b>    | <b>14,659,009</b>    |
| Other expenses:                                 |                      |                           |                     |                      |
| Advertising                                     | 184,701              | -                         | -                   | 184,701              |
| Bank charges                                    | 103,631              | 77,601                    | -                   | 181,232              |
| Cost of goods sold                              | 4,917,860            | -                         | -                   | 4,917,860            |
| Fuel                                            | 79,198               | -                         | -                   | 79,198               |
| Insurance                                       | 92,237               | 30,781                    | -                   | 123,018              |
| Interest                                        | -                    | 151,102                   | -                   | 151,102              |
| Office expenses                                 | 215,951              | -                         | 7,316               | 223,267              |
| Professional fees                               | 3,290,820            | 419,219                   | 63,660              | 3,773,699            |
| Program expenses                                | 1,305,881            | -                         | -                   | 1,305,881            |
| Rent, utilities and telecommunication (Note 10) | 1,992,196            | 34                        | -                   | 1,992,230            |
| Software and subscriptions                      | 288,667              | 159,884                   | 3,784               | 452,335              |
| Taxes and fees                                  | 1,276,667            | 15,839                    | -                   | 1,292,506            |
| Transportation and travel                       | 1,581,095            | 65,775                    | 28,699              | 1,675,569            |
| <b>Total other expenses</b>                     | <b>15,328,904</b>    | <b>920,235</b>            | <b>103,459</b>      | <b>16,352,598</b>    |
| Depreciation                                    | 165,122              | -                         | -                   | 165,122              |
| <b>Total expenses</b>                           | <b>\$ 27,070,931</b> | <b>\$ 2,642,259</b>       | <b>\$ 1,463,539</b> | <b>\$ 31,176,729</b> |

See notes to consolidated financial statements.

## myAgro Farms and Subsidiaries

### Consolidated Statement of Functional Expenses Year Ended December 31, 2024

|                                       | Program<br>Services  | Management<br>and General | Fundraising         | Total                |
|---------------------------------------|----------------------|---------------------------|---------------------|----------------------|
| Personnel expenses:                   |                      |                           |                     |                      |
| Salaries                              | \$ 10,334,864        | \$ 1,692,643              | \$ 726,889          | \$ 12,754,396        |
| Payroll taxes and benefits            | 1,893,296            | 567,292                   | 58,582              | 2,519,170            |
| <b>Total personnel expenses</b>       | <b>12,228,160</b>    | <b>2,259,935</b>          | <b>785,471</b>      | <b>15,273,566</b>    |
| Other expenses:                       |                      |                           |                     |                      |
| Advertising                           | 331,513              | -                         | -                   | 331,513              |
| Bank charges                          | 127,120              | 78,065                    | -                   | 205,185              |
| Cost of goods sold                    | 5,782,111            | -                         | -                   | 5,782,111            |
| Fuel                                  | 247,352              | 126                       | -                   | 247,478              |
| Insurance                             | 100,822              | 51,740                    | 164                 | 152,726              |
| Interest                              | -                    | 317,313                   | -                   | 317,313              |
| Office expenses                       | 389,964              | 134,107                   | -                   | 524,071              |
| Professional fees                     | 4,290,607            | 1,601,781                 | 36,967              | 5,929,355            |
| Program expenses                      | 3,475,927            | -                         | 866                 | 3,476,793            |
| Rent, utilities and telecommunication | 2,493,331            | 25,831                    | -                   | 2,519,162            |
| Software and subscriptions            | 203,347              | 282,577                   | 291,359             | 777,283              |
| Taxes and fees                        | 2,067,846            | 414,656                   | -                   | 2,482,502            |
| Transportation and travel             | 2,641,522            | 283,581                   | 45,381              | 2,970,484            |
| <b>Total other expenses</b>           | <b>22,151,462</b>    | <b>3,189,777</b>          | <b>374,737</b>      | <b>25,715,976</b>    |
| Depreciation                          | 151,880              | -                         | -                   | 151,880              |
| <b>Total expenses</b>                 | <b>\$ 34,531,502</b> | <b>\$ 5,449,712</b>       | <b>\$ 1,160,208</b> | <b>\$ 41,141,422</b> |

See notes to consolidated financial statements.

**myAgro Farms and Subsidiaries**

**Consolidated Statements of Cash Flows**  
**Years Ended December 31, 2025 and 2024**

|                                                                                                       | 2025               | 2024                |
|-------------------------------------------------------------------------------------------------------|--------------------|---------------------|
| Cash flows from operating activities:                                                                 |                    |                     |
| Change in net assets                                                                                  | \$ 4,489,323       | \$ (26,730,389)     |
| Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities: |                    |                     |
| Depreciation                                                                                          | 165,122            | 151,880             |
| (Gain) loss on disposal of fixed assets                                                               | -                  | 124,857             |
| Decrease (increase) in:                                                                               |                    |                     |
| Grants and contributions receivable                                                                   | 7,267,070          | 9,073,494           |
| Other receivables                                                                                     | 579,411            | 213,467             |
| Inventory                                                                                             | 56,162             | 2,421,747           |
| Advances for inventory                                                                                | 1,355,717          | (514,629)           |
| Prepaid expenses and other assets                                                                     | 640,765            | (1,179,262)         |
| Security deposits                                                                                     | 7,792              | 193,724             |
| Increase (decrease) in:                                                                               |                    |                     |
| Accounts payable and accrued expenses                                                                 | (1,562,629)        | 1,302,055           |
| Accrued payroll and other liabilities                                                                 | (994,880)          | 359,918             |
| Deferred revenue                                                                                      | 143,598            | (1,046,499)         |
| <b>Net cash provided by (used in) operating activities</b>                                            | <b>12,147,451</b>  | <b>(15,629,637)</b> |
| Cash flows from investing activities:                                                                 |                    |                     |
| Purchases of fixed assets                                                                             | -                  | (206,726)           |
| <b>Net cash used in investing activities</b>                                                          | <b>-</b>           | <b>(206,726)</b>    |
| Cash flows from financing activities:                                                                 |                    |                     |
| Net payments on line of credit                                                                        | (772,114)          | 994,255             |
| Proceeds from notes payable                                                                           | -                  | 1,750,000           |
| Principal payments on notes payable                                                                   | (1,400,000)        | (3,200,000)         |
| <b>Net cash used in financing activities</b>                                                          | <b>(2,172,114)</b> | <b>(455,745)</b>    |
| <b>Net increase (decrease) in cash and cash equivalents</b>                                           | <b>9,975,337</b>   | <b>(16,292,108)</b> |
| Cash and cash equivalents:                                                                            |                    |                     |
| Beginning                                                                                             | 13,675,870         | 29,967,978          |
| Ending                                                                                                | \$ 23,651,207      | \$ 13,675,870       |
| Supplemental disclosure of cash flow information:                                                     |                    |                     |
| Cash paid for interest                                                                                | \$ 151,102         | \$ 317,313          |

See notes to consolidated financial statements.

## myAgro Farms and Subsidiaries

### Notes to Consolidated Financial Statements

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#### Note 1. Nature of Organization

**Nature of organization:** myAgro Farms is a California not-for-profit organization that was incorporated in March 2012 and is registered to operate in its program countries. Currently, the primary countries of operations are Senegal, Mali and Ivory Coast. The mission of myAgro Farms is to move small-scale farmers out of poverty. myAgro Farms achieves this mission by helping farmers using a mobile network layaway system to purchase agricultural inputs and by providing technical training to help increase their harvests.

In September 2025, myAgro Farms decided to discontinue its operations in Mali due to ongoing challenges in the operating environment, including security concerns and other operational matters. The Organization substantially ceased operating activities in Mali during 2026 and does not intend to resume operations. The remaining activities primarily relate to the wind-down of operations and settlement of outstanding matters. Management expects the wind-down process to be completed during 2026.

No material loss was recognized in connection with the decision to discontinue operations in Mali during the year ended December 31, 2025. Any costs associated with the wind-down of operations are recognized within operating expenses in the accompanying statement of activities as incurred. Management does not expect the remaining activities to have a material impact on the Organization's financial position or results of operations.

#### Note 2. Principles of Consolidation

The consolidated financial statements include the entities of myAgro Farms and Subsidiaries that are required to be consolidated and are related through shared management and members of the Board of Directors. For the years ended December 31, 2025 and 2024, myAgro Farms and Subsidiaries include myAgro Farms (U.S.), myAgro Farms Senegal (Senegal), myAgro Farms Mali (Mali), myAgro Farms Tanzania (Tanzania), and myAgro Farms Ivory Coast (Ivory Coast) (collectively, the Organization). All significant intercompany transactions are eliminated in consolidation.

#### Note 3. Summary of Significant Accounting Policies

**Basis of accounting:** The Organization maintains its accounting records and prepares its consolidated financial statements on the accrual basis of accounting, whereby unconditional support is recognized when received, revenue is recognized when earned, and expenses are recognized when incurred.

**Basis of presentation:** The consolidated financial statements have been prepared on an accrual basis in accordance with accounting principles generally accepted in the United States (GAAP). In the consolidated statement of financial position, assets are presented in order of liquidity or conversion to cash, and liabilities are presented according to their maturity resulting in the use of cash.

**Consolidated financial statement presentation:** The classification of a not-for-profit organization's net assets and its support, revenue, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of two classes of net assets—with and without donor restrictions—be displayed in a consolidated statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a consolidated statement of activities.

These classes are defined as follows:

**Without donor restrictions:** This class consists of net assets that are available for use at the discretion of the Board of Trustees and/or management for general operating purposes. These amounts are not subject to donor-imposed stipulations.

## myAgro Farms and Subsidiaries

### Notes to Consolidated Financial Statements

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#### Note 3. Summary of Significant Accounting Policies (Continued)

**With donor restrictions:** This class consists of net assets whose use is limited by donor-imposed, time, and/or purpose restrictions. The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as support without donor restrictions. When a donor restriction expires—that is, when a stipulated time restriction ends, or purpose restrictions is accomplished—the net assets are reclassified as net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

See Note 11 for more information on the composition of net assets with donor restrictions and the releases from restrictions.

**Cash and cash equivalents:** The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Organization's cash and cash equivalents, at times, may exceed government-insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

**Grants and contributions receivable:** Grants and contributions receivable are stated at the amount management expects to collect from outstanding balances. Receivables that are to be collected over one year from December 31, 2025, have been discounted at a rate of 5% (see Note 5).

**Allowance for credit losses:** The Organization evaluates outstanding receivables for expected credit losses based on historical collection experience, the financial condition of debtors, current economic conditions and other factors affecting collectability. Management has determined that substantially all receivables outstanding as of December 31, 2025 and 2024 are collectible. Accordingly, no allowance for credit losses was considered necessary.

**Inventory:** Inventory is valued at the lower of cost or market with cost determined on a weighted-average basis. Inventories consist of seeds and fertilizer for use in the Organization's programs or kept for sale. During 2025, the Organization had a one-time sale of excess inventory with a cost of \$77,991 and \$240,265 for Senegal and Mali, respectively. During 2024, the Organization completed a one-time sale of excess inventory with a cost of \$438,680 and \$277,470, respectively.

**Advances for inventory:** Advances for inventory represent amounts paid to the Organization's suppliers as under contracts prior to 2025 for inventory shipped and delivered to the Organization's warehouses after year-end.

**Fixed assets:** Fixed assets are recorded at cost when purchased, while donated fixed assets are recorded at their estimated fair value on the date of donation. Expenditures for repairs and maintenance are charged to expense as incurred, whereas renewals and betterments that extend the lives of fixed assets are capitalized. Depreciation and amortization is computed on the straight-line method over various useful lives.

| Asset Category          | Useful Life<br>(Years) |
|-------------------------|------------------------|
| Furniture and equipment | 7-10                   |
| Computer hardware       | 3-5                    |
| Vehicles                | 3-5                    |

Notes to Consolidated Financial Statements

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**Note 3. Summary of Significant Accounting Policies (Continued)**

**Impairment of fixed assets:** The Organization reviews fixed assets for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the undiscounted future cash flows from the use of the asset are less than the carrying amount of that asset. As of December 31, 2025, and 2024, there have been no such losses.

**Security deposit:** The security deposits primarily represent refundable deposits paid to Professional Employer Organizations (PEOs) on behalf of employees in certain countries. The deposits are required by the PEOs upon employee onboarding and are refundable to myAgro upon the employee's termination or departure from the PEO arrangement.

**Leases (Topic 842):** In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Accounting for Leases*, as amended, which applies a right-of-use (ROU) model that requires a lessee to record, for all leases with a lease term of more than 12 months, an asset representing its right to use the underlying asset and a liability to make lease payments. For leases with a term of 12 months or less at inception, a practical expedient is available whereby a lessee may elect, by class of underlying asset, not to recognize an ROU asset or lease liability. The organization made such election. At inception, lessees must classify all leases as either finance or operating based on five criteria. Consolidated statement of financial position recognition of finance and operating leases is similar, but the pattern of expense recognition in the consolidated statement of activities, as well as the effect on the consolidated statement of cash flows, differs depending on the lease classification. In addition, lessees and lessors are required to provide certain qualitative and quantitative disclosures to enable users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

**Revenue recognition:** Contributions are recognized when cash, securities or other assets, and unconditional promise to give, or notification of a beneficial interest is received.

Contributions received, including unconditional promises to give, if any, are reported at their net realizable values. Gifts of cash and other assets are reported as support with donor restrictions if they are received with donor stipulations that limit their use or if they are intended to support activities in future periods. Contributions with donor-imposed restrictions that are met in the same accounting period are recorded as income without donor restrictions.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of services are recognized if the services received: (a) create or enhance non-financial assets; or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. There were no such amounts for the years ended December 31, 2025 and 2024.

Grant contributions are evaluated for conditions that may exist. Factors indicating the existence of a conditional contribution include the presence of a barrier that must be overcome and either a right of return of assets transferred or a right of release of a funder's obligation to transfer the assets. Revenue from grants and contributions is recognized when the conditions are satisfied, which is generally when the service has been performed or expenditures have been incurred.

The Organization has grant agreements with several donors that consist of providing conditional funding in future years amounting to \$3,271,425 at December 31, 2025. Corresponding grants receivable have not been recorded on the consolidated statement of financial position, as the conditional grants are contingent upon incurring qualifying expenditures and fulfilling milestones.

**Note 3. Summary of Significant Accounting Policies (Continued)**

Revenue from foundations, government, and other grants is recognized as revenue without donor restrictions when expenditures have been incurred in compliance with the grantor's restrictions or when applicable performance-based milestones are reached, and as requisitions for payments are submitted. Foundation, government, and other grants revenues are nonexchange transactions in which no commensurate value is exchanged. Accordingly, contribution accounting is applied under Accounting Standards Codification (ASC) Topic 958, Not-for-Profit Entities. Government and other grants contracts are evaluated for contributions that are conditional.

**Inputs and layaway revenue:** The Organization provides agricultural inputs, including seeds and fertilizer, as well as related training and support services to participating farmers. Farmers enroll in the program and make cash deposits toward the purchase of these goods and services. The Organization's performance obligation is satisfied when the agricultural inputs are delivered and the related training and support services are provided to the farmers.

Revenue from inputs and layaway arrangements is recognized at a point in time when control of the promised goods and services transfers to the farmer, which generally occurs upon delivery of the agricultural inputs and provision of the related services. The transaction price is based on the amount agreed upon with participating farmers and does not contain significant financing components or variable consideration.

Cash deposits received from farmers prior to the Organization satisfying its performance obligations are recorded as deferred revenue within the consolidated statements of financial position. Deferred revenue is recognized as revenue when the related goods and services are provided to the farmers. The Organization generally satisfies its performance obligations within one operating cycle and therefore does not disclose the value of unsatisfied performance obligations as of year-end.

**Income taxes:** The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, a provision for income taxes has not been made on the consolidated financial statements. It is also classified as "other than a private foundation." The Organization had no unrelated business income during the year and, therefore, no provision for federal or state income taxes has been made in the accompanying consolidated financial statements. Additionally, the Organization has filed Internal Revenue Service Form 990 information returns, as required, and all other applicable returns in jurisdictions where so required. The Organization is subject to routine audits by a taxing authority. As of December 31, 2025, the Organization was not subject to any examination by a taxing authority.

Under ASC 740, Income Taxes, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not that the position will be sustained upon examination by a taxing authority. The implementation of ASC 740 had no impact on the Organization's consolidated financial statements. The Organization does not believe they have taken any material uncertain tax positions and, accordingly, it has not recorded any liability for unrecognized tax benefits. The Organization has filed for and received income tax exemptions in the jurisdictions where it is required to do so.

**Use of estimates:** In preparing the consolidated financial statements in conformity with GAAP, management is required to make estimates and judgments that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the revenues and expenses during the reporting period. Actual results could differ from those estimates.

## myAgro Farms and Subsidiaries

### Notes to Consolidated Financial Statements

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#### Note 3. Summary of Significant Accounting Policies (Continued)

**Functional allocation of expenses:** The costs of providing the Organization's program and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated by management among the programs and supporting services benefited, including rent and utilities, internet and telecommunication, office expenses and depreciation, based on an estimation of time and/or space utilized.

For country reporting purposes, Senegal only allows the delivery inputs to be included in the cost of goods sold. For the consolidated financial statements, management allocated all relevant delivery expenses (i.e., salaries, delivery expense) to the cost of goods sold. Salaries are allocated based on estimated time and effort of personnel.

**Foreign currency translations:** Foreign currencies are translated in accordance with ASC 830, Foreign Currency Matters. Under the provisions of ASC 830, the local currencies used in the Organization's foreign operations are considered to be the functional currencies of these operations. Assets and liabilities denominated in each functional currency are translated to U.S. dollars (USD) using the exchange rate in effect at the date of the consolidated statement of financial position. Revenues, expenses, gains, and losses are translated using the average exchange rate for the year. Gains or losses on foreign currency translation are recognized in the accompanying consolidated financial statements. The foreign currency exchange rate utilized within the consolidated statements of financial position at December 31, 2025 and 2024, was USD 1/0.001667 CFA and USD 1/0.00168 CFA, respectively.

The cumulative translation gain is included in net assets without donor restrictions. Cumulative translation (loss) gain on foreign currency translation for the years ended December 31, 2025 and 2024, amounted to \$(1,099,908) and \$753,526, respectively.

**Reclassification:** Certain reclassifications of amounts previously reported in the 2024 financial statements have been made to the consolidated statement of financial position to maintain consistency between periods presented. These reclassifications had no impact on the previously reported net assets or changes in net assets.

**Subsequent events:** The Organization has evaluated subsequent events through October 7, 2026, the date on which the financial statements were available to be issued.

#### Note 4. Liquidity and Availability of Resources

As of December 31, 2025 and 2024, the Organization's financial assets available to meet annual general expenditures are as follows:

|                                                                                                                       | December 31,<br>2025 | December 31,<br>2024 |
|-----------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| Cash and cash equivalents                                                                                             | \$ 23,651,207        | \$ 13,675,870        |
| Grants and contributions receivable, current portion                                                                  | 7,165,000            | 8,538,332            |
| Total financial assets available                                                                                      | 30,816,207           | 22,214,202           |
| Less amounts unavailable for general expenditures within one year<br>due to restricted by donors with purpose or time | 2,267,738            | 2,992,870            |
| Total financial assets unavailable for general expenditures                                                           | 2,267,738            | 2,992,870            |
| Total financial assets available to management for general<br>expenditures within one year                            | \$ 28,548,469        | \$ 19,221,332        |

## myAgro Farms and Subsidiaries

### Notes to Consolidated Financial Statements

#### Note 5. Grants and Contributions Receivable, Net

The net present value of grants and contributions receivable was calculated using a discount rate equal to 5%. Grants and contributions receivable consist of the following amounts:

|                                          | December 31,<br>2025 | December 31,<br>2024 |
|------------------------------------------|----------------------|----------------------|
| Less than one year                       | \$ 7,165,000         | \$ 8,538,332         |
| One to two years                         | -                    | 7,093,738            |
| Unconditional promises to give           | 7,165,000            | 15,632,070           |
| Less discount to present value           | -                    | (1,200,000)          |
| Grants and contributions receivable, net | <u>\$ 7,165,000</u>  | <u>\$ 14,432,070</u> |

#### Note 6. Inputs and Layaway Revenue

The following table shows the Organization's inputs and layaway revenue, disaggregated by geographical area:

|                                       | December 31,<br>2025 | December 31,<br>2024 |
|---------------------------------------|----------------------|----------------------|
| Mali                                  | \$ 4,110,349         | \$ 5,017,854         |
| Senegal                               | 2,218,542            | 2,683,330            |
| Ivory Coast                           | 24,802               | 20,587               |
| Total revenue from inputs and layaway | <u>\$ 6,353,693</u>  | <u>\$ 7,721,771</u>  |

Receivables from inputs and layaway arrangements totaled \$292,492 and \$871,903 as of December 31, 2025 and 2024, respectively, and \$114,261 as of January 1, 2024. Deferred revenue related to inputs and layaway arrangements totaled \$1,141,044 and \$997,446 as of December 31, 2025 and 2024, respectively, and \$387,264 as of January 1, 2024. Deferred revenue represents amounts received from customers in advance of the transfer of goods and is recognized as revenue when the related performance obligations are satisfied.

Inputs and layaway revenue is reported in the amount that reflects consideration to which the Organization is entitled in exchange for providing services. These amounts do not include variable consideration (reductions to revenue) for valuation discounts. Since the Organization's performance obligations are satisfied at a point in time, there was no adjustment to prior-year amounts. All respective geographical locations' farmers' revenues are presented above.

As substantially all of its performance obligations relate to a bundle of service-type agreements with a duration of less than one year, the Organization has elected, as part of its adoption of ASC 606, Revenue from Contracts with Customers, to apply the optional exemption provided in ASU 2014-09 and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

**myAgro Farms and Subsidiaries****Notes to Consolidated Financial Statements****Note 7. Fixed Assets, Net**

Fixed assets, net, consist of the following at December 31, 2025 and 2024

|                                | December 31, 2025 |                   |             |                   |
|--------------------------------|-------------------|-------------------|-------------|-------------------|
|                                | Mali              | Senegal           | Ivory Coast | Total             |
| Furniture and equipment        | \$ 6,656          | \$ 211,641        | \$ -        | \$ 218,297        |
| Computer hardware              | -                 | 186,959           | -           | 186,959           |
| Licenses                       | -                 | 25,659            | -           | 25,659            |
| Vehicles                       | -                 | 149,107           | -           | 149,107           |
|                                | 6,656             | 573,366           | -           | 580,022           |
| Less: accumulated depreciation | -                 | (360,074)         | -           | (360,074)         |
|                                | <u>\$ 6,656</u>   | <u>\$ 213,292</u> | <u>\$ -</u> | <u>\$ 219,948</u> |

  

|                                | December 31, 2024 |                   |                  |                   |
|--------------------------------|-------------------|-------------------|------------------|-------------------|
|                                | Mali              | Senegal           | Ivory Coast      | Total             |
| Furniture and equipment        | \$ 90,458         | \$ 139,310        | \$ 800           | \$ 230,568        |
| Computer hardware              | 52,999            | 190,920           | 1,583            | 245,502           |
| Vehicles                       | 125,667           | 149,202           | 20,067           | 294,936           |
|                                | 269,124           | 479,432           | 22,450           | 771,006           |
| Less: accumulated depreciation | (175,036)         | (209,931)         | (969)            | (385,936)         |
|                                | <u>\$ 94,088</u>  | <u>\$ 269,501</u> | <u>\$ 21,481</u> | <u>\$ 385,070</u> |

Depreciation expense for the years ended December 31, 2025 and 2024, was \$165,122 and \$151,880, respectively.

**Note 8. Line of Credit**

The Organization is obligated under the following line-of-credit arrangement:

|                                                                                                                                                                                                      | December 31,<br>2025 | December 31,<br>2024 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| Bank line of credit due June 7, 2029. Secured by all assets held in the U.S. interest rate is subject to change from time to time based on changes in an independent index determined by the lender. |                      |                      |
| The line bears interest at Secured Overnight Financing Rate one-month plus 2.4% (6.14 % at December 31, 2025)                                                                                        |                      |                      |
| The line has a limit of \$5,000,000.                                                                                                                                                                 | <u>\$ 222,141</u>    | <u>\$ 994,255</u>    |

## myAgro Farms and Subsidiaries

### Notes to Consolidated Financial Statements

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#### Note 9. Notes Payable

Notes payable consist of the following:

|                                                                                                                                                                     | December 31,<br>2025 | December 31,<br>2024 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| \$100,000 note payable to Kasperick dated December 2, 2025, due in one payment on August 31, 2026, inclusive of interest at 5.0%.                                   | \$ 100,000           | \$ -                 |
| \$500,000 note payable to Impact Bridge Asset Management SGIIC, S.A. dated August 31, 2025, due in one payment on August 31, 2026, inclusive of interest at 6.6%.   | 500,000              | -                    |
| \$500,000 note payable to Whole Foods Market Foundation dated October 2, 2024, due in one payment on October 31, 2027, inclusive of interest of 0.0%.               | 500,000              | -                    |
| \$750,000 note payable to Netri Fundación Privada dated December 4, 2023, due in one payment on August 31, 2025, inclusive of interest at 7.3%.                     | -                    | 750,000              |
| \$1,500,000 note payable to Impact Bridge Asset Management SGIIC, S.A. dated October 2, 2024, due in one payment on August 31, 2025, inclusive of interest at 7.0%. | -                    | 1,500,000            |
| \$250,000 note payable to Whole Foods Market Foundation dated October 2, 2024, due in one payment on October 31, 2027, inclusive of interest of 7.0%.               | -                    | 250,000              |
| Total notes payable                                                                                                                                                 | <u>\$ 1,100,000</u>  | <u>\$ 2,500,000</u>  |

Total notes payable were \$1,100,000 and \$2,500,000 as of December 31, 2025 and 2024, respectively. All notes payable outstanding as of December 31, 2025 and 2024 are unsecured and are not collateralized by any assets of the Organization.

Subsequent to year-end, the \$100,000 note payable to Kasperick that matured on August 31, 2026, was repaid in full. In addition, the \$500,000 note payable to Impact Bridge Asset Management SGIIC, S.A. that matured on August 31, 2026, was renewed and its maturity date was extended to August 31, 2027 under substantially similar terms.

Future principal payments are as follows:

Years ending December 31:

|      |                     |
|------|---------------------|
| 2026 | \$ 100,000          |
| 2027 | 1,000,000           |
|      | <u>\$ 1,100,000</u> |

## myAgro Farms and Subsidiaries

### Notes to Consolidated Financial Statements

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#### Note 10. Commitments and Contingencies

**Leases:** The Organization leases offices, apartments and warehouse space, and housing for its workforce in Africa under multiple operating leases expiring on various dates. Lease commitments amount to \$193,533 for the year ending December 31, 2026.

Total rent expense under all leases for the years ended December 31, 2025 and 2024, was \$519,850 and \$781,834, respectively. This is included in the rent, utilities and telecommunication line of the functional expenses. All existing leases are for periods less than twelve months at inception.

**Litigation:** From time to time, the Organization is involved in judicial and administrative proceedings in the normal course of business. Although adverse decisions or settlements may occur, management believes that the final disposition of such matters will not have a material adverse effect on the consolidated financial statements.

#### Note 11. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes:

|                                         | December 31,<br>2025 | December 31,<br>2024 |
|-----------------------------------------|----------------------|----------------------|
| Mali                                    | \$ 675,580           | \$ 1,914,107         |
| Senegal                                 | 777,158              | 1,071,773            |
| Tanzania                                | -                    | 6,990                |
| Without geographic specific designation | 815,000              | -                    |
|                                         | <u>\$ 2,267,738</u>  | <u>\$ 2,992,870</u>  |

Net assets were released from donor restrictions by incurring expenses satisfying the following purpose restrictions specified by donors during the year:

|                                         | December 31,<br>2025 | December 31,<br>2024 |
|-----------------------------------------|----------------------|----------------------|
| Mali                                    | \$ 858,537           | \$ 5,813,801         |
| Senegal                                 | 1,022,337            | 2,263,960            |
| Tanzania                                | -                    | 46,399               |
| Without geographic specific designation | 2,121,864            | 1,890,741            |
|                                         | <u>\$ 4,002,738</u>  | <u>\$ 10,014,901</u> |