THE MESOTHELIOMA APPLIED RESEARCH FOUNDATION, INC.

AUDITED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2025

THE MESOTHELIOMA APPLIED RESEARCH FOUNDATION, INC.

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1-2
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7-14

Hyde and Associates
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
The Mesothelioma Applied Research Foundation, Inc.
Washington, DC

Opinion

We have audited the accompanying financial statements of The Mesothelioma Applied Research Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2025, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Mesothelioma Applied Research Foundation, Inc. as of December 31, 2025, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Mesothelioma Applied Research Foundation, Inc. (the Foundation) 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.

CPA
31 Fairmount Avenue, Suite 104 ● P.O. Box 385 ● Chester, NJ 07930
Tel: 908.879.9732 ● Fax: 908.955.4373
www.hydetaxes.com

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Foundation's ability to continue as a going concern within one year after the date that the financial statements are 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Foundation'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 Foundation'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.

Hyde and Associates LLC

Hyde and Associates LLC

LLC June 15, 2026

THE MESOTHELIOMA APPLIED RESEARCH FOUNDATION INC.

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED DECEMBER 31, 2025

(See Independent Auditor's Report)

ASSETS

	Without Donor Restrictions	With Donor Restrictions	Total
Current Assets			
Cash and Cash Equivalents:			
Checking and Savings accounts	$ 1,287,275	$ -	$ 1,287,275
Cash Equivalents held in investments	$ 887,971	$ -	$ 887,971
Total cash and cash equivalents	$ 2,175,246	$ -	$ 2,175,246
Contributions Receivable	$ 28,670	$ -	$ 28,670
Certificate of deposit, current	450,143	-	450,143
Prepaid Expense	44,583	-	44,583
Total Current Assets	2,698,642	-	2,698,642
Long Term Investment	$ 8,831,022	$ -	$ 8,831,022
Fixed Assets, net of Accumulated Depreciation	$ 1,693	$ -	$ 1,693
Total Assets	$ 11,531,357	$ -	$ 11,531,357

LIABILITIES AND NET ASSETS

Current Liabilities			
Accounts Payable and Accrued Expenses	$ 370,509	$ -	$ 370,509
Credit Cards	$ 4,729	$ -	$ 4,729
Deferred Revenue	$ 27,215	$ -	$ 27,215
Accrued Payroll	$ 55,228	$ -	$ 55,228
Total Current Liabilities	457,681	-	457,681
Total Liabilities	457,681	-	457,681
Net Assets	11,073,676	-	11,073,676
Total Net Assets	11,073,676	-	11,073,676
Total Liabilities and Net Assets	$ 11,531,357	$ -	$ 11,531,357

The accompanying notes are an integral part of the financial statements.

THE MESOTHELIOMA APPLIED RESEARCH FOUNDATION INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2025

(See Independent Auditor's Report)

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Contribution	$ 1,406,691	$ 18,206	$ 1,424,897
Donated securities	-	-	$ -
Sponsorships	585,000	-	$ 585,000
Symposium events	31,120	-	$ 31,120
Other income	6,335	-	$ 6,335
Net investment income (loss)	495,183	-	$ 495,183
Net assets released from restrictions	18,206	(18,206)	$ -
Total Revenue and Support	2,542,535	-	2,542,535
Expenses			
Program services	1,167,773	-	1,167,773
Management and general	145,428	-	145,428
Fundraising	228,858	-	228,858
Total Expenses	1,542,060	-	1,542,060
Increase (Decrease) in Net Assets	1,000,475	-	1,000,475
Net Assets (Beginning of Year)	10,073,201	-	10,073,201
Net Assets (End of Year)	$ 11,073,676	$ -	$ 11,073,676

The accompanying notes are an integral part of the financial statements.

Statement 3

THE MESOTHELIOMA APPLIED RESEARCH FOUNDATION INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2025

(See Independent Auditor's Report)

Cash Flows from Operating Activities:	
Change in Net Assets	$ 1,000,475
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
(Increase) in Contributions Receivable	(5,306)
Decrease in Certificate of deposit, current	447,590
(Increase) in Prepaid Expenses	(24,668)
Decrease in Due from employees	2,738
Increase in Accounts Payable and Accrued Expenses	355,616
Increase in Credit Cards	4,729
(Decrease) in Deffered Revenue	(25,000)
Increase in Accrued Payroll	3,013
(Decrease) in Grants payable	(467,500)
Net Cash provided by Operating Activities	1,291,687
Cash Flows from Investing Activities:	
Purchase and Reinvestment of Investment Securities	(5,796,395)
Sale of Investment Securities	3,805,939
Dividends/Interest Income	406,963
Investment Fees	(71,425)
Net cash provided by Investing Activities	(1,654,918)
Net cash provided by Financing Activities	-
Net Increase in Cash and Cash Equivalents	(363,231)
Cash and Cash Equivalents, Beginning of Year	2,538,477
Cash and Cash Equivalents, End of Year	$ 2,175,246

The accompanying notes are an integral part of the financial statements.

THE MESOTHELIOMA APPLIED RESEARCH FOUNDATION INC.

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2025

	Program Services	Management & General	Fund-raising	Total
Personel Costs:				
Salaries	378,448	64,877	97,315	540,639
Employee Benefits	103,202	17,692	26,538	147,432
Payroll Taxes	27,957	4,793	7,189	39,938
Payroll Services Fees	1,673	287	430	2,390
Professional Fees:				
Accounting	40,775	6,990	10,485	58,250
Consulting	33,952	5,820	8,730	48,502
Legal	3,228	553	830	4,612
Others	212	36	55	303
Advertising and Marketing	14,852	2,546	3,819	21,217
Bank and Credit Card Fees	5,558	953	1,429	7,940
Computer and Internet	30,180	5,174	7,761	43,115
Conferences & Seminars	-	1,950	-	1,950
Dues & Subscriptions	-	3,326	-	3,326
Events	77,242	6,717	-	83,959
Gifts	-	4,343	327	4,670
Grants - travel	108,827	1,110	1,110	111,048
Grants - research	300,000	-	-	300,000
Insurance	1,678	5,253	365	7,296
Legislative Counsel	-	-	-	-
Meal & Entertainment	38	1,839	19	1,896
Rent and Storage	2,077	356	534	2,968
Office Expenses and Supplies	2,537	435	652	3,624
Outside Service - Fundrasing Campaign	-	-	51,200	51,200
Postage	-	4,645	-	4,645
Printing and Design	5,682	1,420	7,102	14,205
Professional development	-	2,335	-	2,335
Travel	17,110	-	-	17,110
Filing fees	11,540	1,978	2,967	16,485
Depreciation	1,005	-	-	1,005
Total Functional Expenses	$ 1,167,773	$ 145,428	$ 228,858	$ 1,542,060

The accompanying notes are an integral part of the financial statements.

THE MESOTHELIOMA APPLIED RESEARCH FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
For the year ended December 31, 2025

NOTE 1 - DESCRIPTION OF ORGANIZATION

The Mesothelioma Applied Research Foundation, Inc. (the Foundation) is a nonprofit organization dedicated to eradicating mesothelioma and easing the suffering caused by this cancer. The Foundation funds peer-reviewed mesothelioma research, provides support services and education to patients and their families, and advocates for increased federal funding for mesothelioma research.

Research - The Foundation funds the most promising mesothelioma research projects globally, as determined by a rigorous peer-review process.

Education, Support and Symposium - Patient support services offered by the Foundation include personalized consultations and guidance through treatment with mesothelioma experts. This includes providing patients with information about treatment options, connecting them with mesothelioma treatment specialists when needed, and facilitating access to the Foundation's support groups.

Advocacy - The Foundation advocates on behalf of its patients and families for increased funding of mesothelioma research through federal investment.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP), whereby revenue is recognized when the performance obligation is met, and expenses are recognized when incurred.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all checking, money market, cash held by investment brokers, and short-term investments with original maturity of three months or less, to be cash and cash equivalents.

Contributions Receivable and Allowance for Credit Losses

Contributions receivables consist of unconditional commitments to the Foundation and are recorded at the earlier of the date received or the date of receipt of a donor's non-contingent promise or pledge. Unconditional contributions receivable that are expected to be collected in one year are recorded at their net realizable value. Unconditional contributions receivable that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The balance of contribution receivable as of December 31, 2025 was $28,670.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions Receivable and Allowance for Credit Losses (Continued)

The Foundation treats uncollectible contribution receivable as credit losses. Methods, inputs, and assumptions used to evaluate when contributions are considered uncollectible include closely monitoring of outstanding receivable balances by management, and susceptibility to factors outside the Foundation's control. No allowance for credit losses is deemed necessary as of December 31, 2025.

Investments and Donated Securities

Investments are reported at fair value on the date of the statements of financial position, which may differ from the amount ultimately realized at the time of sale. Interest and dividend income realized and unrealized gains and losses, and less investment management fees are reflected in net investment income on the statements of activities. Donated securities are recorded at fair value and sold immediately upon receipt to establish fair market value.

Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to the unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- *Level 1*: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date (e.g., equity securities traded on the New York Stock Exchange).

- *Level 2*: Inputs are from other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly (e.g., quoted market prices of similar assets or liabilities in active markets, or quoted market prices for identical or similar assets or liabilities in markets that are not active).

- *Level 3*: Inputs are unobservable (e.g., a company’s own data) and are used to measure fair value to the extent that observable inputs are not available.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements (Continued)

The 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 used should maximize the use of the observable inputs and minimize the use of the unobservable inputs. There have been no changes in the methodology used at December 31, 2025. The following is a description of the valuation methodologies used for instruments measured at fair value and their classification in the valuation hierarchy:

Mutual Funds and Exchange-Traded Funds - The securities that are listed on a national market or exchange are valued at the last sales price, or if there is no sale and the market is still considered active, at the last transaction priced before year-end. Such securities are classified within Level 1 of the valuation hierarchy.

Certificates of Deposit - The certificates of deposit are held in a brokerage account and offer an interest rate for a certain period of time. The fair value reported includes the accrued interest. The brokered certificates of deposit are subject to market/interest rate risk if sold prior to maturity and the value can decline due to rising interest rates. These investments are classified within Level 2 of the valuation hierarchy.

Property and Intangible Assets

Property and equipment acquisitions with a useful life greater than one year and cost in excess of $500 (including major renewals, replacements, and betterments) are capitalized and stated at cost. Depreciation of computer equipment is provided for under the straight-line method over the estimated useful lives of the assets of approximately five years. Website costs are amortized using the straight-line basis over an estimated useful life of three years. Intangibles are recorded at cost and are amortized using the straight-line method over an estimated useful life of fifteen years. Expenditures for ordinary maintenance and repair items are charged to operations as incurred.

Contributed property and equipment are recorded at fair value at the date of donation and utilized for program and support services. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

Grants Payable

Grants awarded by the Foundation are recorded in the financial statements at the time the unconditional grants are approved by the Board of Directors, which are payable within one to two years. The Foundation records the rescission of grants in the year the grant is cancelled.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets

Net assets, revenue, gains, and losses are classified based on the existence or absence of contributions with donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets without donor restrictions are available for use at the discretion of the Board and committees (the Board) and/or management for general operating purposes.

Net assets with donor restrictions - Net assets with donor restrictions consist of assets whose use is limited by donor-imposed time and/or purpose restrictions. The Foundation 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 asset. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is completed, the net assets are reclassified as net assets without donor restriction and reported in the statements as net assets released from restrictions.

There were no net assets with donor restrictions remaining as of December 31, 2025.

Revenue Recognition

The Foundation recognizes contributions received and made, including unconditional contributions receivable, as revenue in the period received or made. Contributions received are reported as either revenue without donor restrictions or revenue with donor restrictions. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. There were no conditional promises to give for the years ended December 31, 2025.

The Foundation recognizes sponsorships from the symposium as revenue in the period in which the event takes place. Sponsorships and registration fees received prior to the annual symposium event are included in deferred revenue. The Foundation recognizes other income when earned.

Donated Services and Materials

The Foundation relies heavily on volunteers to perform certain services for its programs. Because these services do not meet specified criteria for recognition as income and expenses, the value of these services has not been included in the statements of activities.

In accordance with GAAP, contributions of donated services that require specialized skills are provided by individuals possessing those skills, and the services would typically need to be purchased if not provided by donation. Donated services and materials are recorded as contributions at their estimated fair value at the date of donation and are utilized for program and support services. Such donations are reported as increases in contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of 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 financial statements. Such estimates affect the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates.

Expense Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statements of activities and functional expenses. Expenses that can be identified with a specific program or supporting service are charged directly to that program or supporting service.

Supporting services are comprised of management and general and fundraising expenses and include those costs that are not directly identifiable with any specific program but provide for the overall support and direction of the Foundation. Accordingly, certain overhead expenses have been allocated based on time spent by the Foundation's personnel in such functions.

Income Taxes

The Foundation is exempt from federal and state income taxes (except taxes on unrelated business income) under 501(c)(3) of the Internal Revenue Code. No provision for income taxes is required for the year ended December 31, 2025 since the Foundation did not have any taxable income from unrelated business activities.

The income tax positions taken by the Foundation for any years open under the various statutes of limitations are that the Foundation continues to be exempt from income taxes and that they have properly reported unrelated business income that is subject to income taxes. Management believes that there are no tax positions taken or expected to be taken that would significantly increase unrecognized tax liabilities within 12 months of the reporting date. The Foundation's federal and state income tax returns are not currently under examination.

Advertising Expenses

Advertising costs are expensed as incurred. Advertising expense for the year ended December 31, 2025 totaled $21,217, and is included with advertising and marketing in the statements of functional expenses.

Reclassification

Certain reclassifications have been made for presentation purposes. The reclassifications have no effect on net assets or changes in net assets.

THE MESOTHELIOMA APPLIED RESEARCH FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
For the year ended December 31, 2025

NOTE 3 – LONG TERM INVESTMENTS

As of December 31, 2025, long term investments consist of the following, at fair value:

	Level 1	Level 2	Level 3	Total
Mutual funds	$ 7,920,181	$ -	$ -	$ 7,920,181
Exchange traded funds	910,841	-	-	910,841
Total	$ 8,831,022	$ -	$ -	$ 8.831,022

Net investment income consisted of the following for the year ended December 31, 2025:

		2025
Interest and dividends		$ 414,058
Realized gains (losses)		$ 237,056
Unrealized gains (losses)		($ 86,403)
Less: Investment fees		$ 69,528
Total net investment income		$ 495,183

NOTE 4 - PROPERTY AND INTANGIBLE ASSETS

Property and intangible assets consisted of the following as of December 31, 2025:

	2025
Computer equipment	$ 13,005
Intangible asset - logo	$ 6,000
Less: accumulated depreciation and amortization	$ (17,312)
Net book value of fixed assets and intangible assets	**$ 1,693**

For the year ended December 31, 2025, depreciation expense was $1,005. Intangible assets have been fully amortized.

NOTE 5 - RETIREMENT PLAN

All Foundation employees are eligible to participate in a deferred salary savings plan under Section 403(b) of the Internal Revenue Code. The Foundation matches up to 6% of the eligible salary upon participation. For the years ended December 31, 2025, employer contributions totaled $19,562 which are included in employee benefits in the statements of functional expenses.

NOTE 6 - CONCENTRATIONS OF CREDIT RISK

Market Risk

The Foundation has placed its investments in a professionally managed portfolio that contains equity and fixed income mutual funds and exchange-traded funds. Such investments are exposed to various risks such as interest rate, market, and credit risk. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term would materially affect investment balances and the amounts reported in the financial statements.

Credit Risk

The Foundation’s assets that are expected to create risk consist primarily of cash and cash equivalents, which are held by two separate banks. These balances may, from time to time, exceed amounts insured by the Federal Deposit Insurance Corporation. As of December 31, 2025, the Foundation had approximately $1,925,246 of uninsured cash and cash equivalents.

THE MESOTHELIOMA APPLIED RESEARCH FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
For the year ended December 31, 2025

NOTE 7 - LIQUIDITY

The Foundation's financial assets available for operating expenditure within one year of the statement of financial position date are as follows:

	2025
Cash	$ 1,287,275
Contributions receivable	$ 28,670
Investments	
Cash equivalents held by investment manager	$ 887,971
Certificate of deposit, current	$ 450,143
Total financial assets available within one year	$ 2,203,916

The Foundation maintains its financial assets, so they are available to meet general expenditures, liabilities, and other obligations as they come due. The Foundation has sufficient liquidity to cover its annual operating needs.

NOTE 8 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 15, 2026, which is the date the financial statements are available to be issued.