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REST OF WORLD MEDIA, INC.
AND SUBSIDIARY

Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

Table of Contents

	Page
Independent Auditor's Report	1 - 2
Consolidated Financial Statements:	
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities and Changes in Net Assets	4
Consolidated Statements of Functional Expenses	5
Consolidated Statements of Cash Flows	6
Notes to Consolidated Financial Statements	7 - 10

Clark Nuber PS

Independent Auditor's Report

To the Board of Directors
Rest of World Media, Inc. and Subsidiary
Menlo Park, California

Opinion

We have audited the consolidated financial statements of Rest of World Media, Inc. and Subsidiary (collectively, the Organization), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended, in conformity 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 (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 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 Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 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 for one year after the date that the consolidated financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the 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 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 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.

Clark Nuber P.S.

Certified Public Accountants
June 30, 2025

REST OF WORLD MEDIA, INC. AND SUBSIDIARY

Consolidated Statements of Financial Position
December 31, 2024 and 2023
(Dollars In Thousands)

	2024	2023
Assets:		
Cash and cash equivalents	$ 9,505	$ 8,711
Prepaid expenses and other	122	58
Deposits	218	253
Operating right-of-use lease asset	1,017	1,443
Total Assets	**$ 10,862**	**$ 10,465**
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	$ 406	$ 284
Operating lease liability	1,104	1,547
Total Liabilities	**1,510**	**1,831**
Net Assets:		
Without donor restrictions	9,121	8,437
With donor restrictions	231	197
Total Net Assets	**9,352**	**8,634**
Total Liabilities and Net Assets	**$ 10,862**	**$ 10,465**

See accompanying notes.

REST OF WORLD MEDIA, INC. AND SUBSIDIARY

Consolidated Statements of Activities and Changes in Net Assets
For the Years Ended December 31, 2024 and 2023
(Dollars In Thousands)

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:						
Contributions	$ 7,368	$ 284	$ 7,652	$ 7,119	$ 300	$ 7,419
Other income	268		268	159		159
Net assets released from restrictions	250	(250)		103	(103)	
Total Support and Revenue	**7,886**	**34**	**7,920**	**7,381**	**197**	**7,578**
Expenses:						
Program	6,949		6,949	7,028		7,028
Management and general	253		253	213		213
Total Expenses	**7,202**		**7,202**	**7,241**		**7,241**
Change in Net Assets	**684**	**34**	**718**	**140**	**197**	**337**
Net assets, beginning of year	8,437	197	8,634	8,297		8,297
Net Assets, End of Year	**$ 9,121**	**$ 231**	**$ 9,352**	**$ 8,437**	**$ 197**	**$ 8,634**

See accompanying notes.

REST OF WORLD MEDIA, INC. AND SUBSIDIARY

Consolidated Statements of Functional Expenses
For the Years Ended December 31, 2024 and 2023
(Dollars In Thousands)

	Program Expenses	Management and General	2024 Total
Salaries, benefits, and payroll taxes	$ 4,379	$ 148	$ 4,527
Consulting services	1,015		1,015
Other professional fees	615		615
Occupancy expenses	408	17	425
Travel, conferences, and meetings	284		284
Legal and management fees	52	18	70
Accounting fees		50	50
Other	196	20	216
Total Expenses	**$ 6,949**	**$ 253**	**$ 7,202**

	Program Expenses	Management and General	2023 Total
Salaries, benefits, and payroll taxes	$ 3,493	$ 129	$ 3,622
Consulting services	1,723		1,723
Other professional fees	698		698
Occupancy expenses	446	17	463
Travel, conferences, and meetings	373		373
Legal and management fees	79	18	97
Accounting fees		45	45
Other	216	4	220
Total Expenses	**$ 7,028**	**$ 213**	**$ 7,241**

See accompanying notes.

REST OF WORLD MEDIA, INC. AND SUBSIDIARY

Consolidated Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023
(Dollars In Thousands)

	2024	2023
Cash Flows From Operating Activities:		
Change in net assets	$ 718	$ 337
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities-		
Changes in assets and liabilities:		
Prepaid expenses and other	(64)	28
Deposits	35	34
Accounts payable and accrued expenses	122	(4)
Operating lease liability, net of right-of-use asset	(17)	(10)
Net Cash Provided by Operating Activities	**794**	**385**
Net Change in Cash and Cash Equivalents	**794**	**385**
Cash and cash equivalents, beginning of year	8,711	8,326
Cash and Cash Equivalents, End of Year	**$ 9,505**	**$ 8,711**

See accompanying notes.

Note 1 - Organization and Summary of Significant Accounting Policies

Organization - Rest of World Media, Inc. is a 501(c)(3) private operating foundation established in April 2019 and incorporated in the state of Delaware as a nonprofit, nonstock charitable corporation with an office in New York. It is dedicated to advancing public knowledge about the impact of technology on people internationally, with a particular focus on societies beyond the United States and Europe. Rest of World Media, Inc. seeks to address this information gap on the use of digital technology outside the Western world through dedicated programs involving storytelling, research, and content distribution.

Rest of World Media International, LLC (the Subsidiary) was formed on January 2, 2020, and is wholly owned by Rest of World Media, Inc. It is registered in Kenya as a foreign registered company. The Subsidiary's purpose is to employ editorial staff.

Principles of Consolidation - The consolidated financial statements include the accounts of Rest of World Media, Inc. and its wholly owned subsidiary, Rest of World Media International LLC, (collectively, the Organization), after elimination of inter-entity accounts and transactions.

Basis of Accounting and Presentation - The Organization has presented its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

> Net Assets Without Donor Restrictions - Net assets that are not subject to externally-imposed restrictions.
>
> Net Assets With Donor Restrictions - Net assets subject to externally-imposed restrictions that may or will be met either by actions of the Organization and/or the passage of time. Net assets with donor restrictions totaling $231 and $197 at December 31, 2024 and 2023, respectively, were purpose-restricted for programs.

Revenue is reported as an increase in net assets without donor restrictions unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor restrictions on net assets are reported as transfers between the applicable classes of net assets.

Use of Estimates - The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and the accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents - The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Deposits - Deposits include a lease security deposit and the first month's fee deposit for contractors.

Note 1 - Continued

Revenue Recognition - Contributions and pledges are recognized as revenue when they are received or unconditionally pledged. There were no outstanding conditional pledges at December 31, 2024 or 2023.

Leases - The Organization determines if an arrangement contains a lease at inception. Operating leases are included in right-of-use (ROU) assets and lease liabilities in the consolidated statements of financial position. ROU assets represent a right to use an underlying asset for the lease term and operating lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization's leases do not provide an implicit rate of return; thus, the Organization uses the risk-free discount rate, determined using a period comparable with that of the lease term from the later of the lease commencement date or implementation date. The ROU asset also includes prepaid lease payments and unamortized initial direct costs, and excludes lease incentives. The Organization has lease agreements with lease and non-lease components which are accounted for as a single lease component. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. A ROU asset and operating lease liability is not recognized for leases with an initial term of 12 months or less, or when total lease payments are less than $5.

Tax-Exempt Status - The Internal Revenue Service has recognized the Organization as exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code). The Organization is a private operating foundation within the meaning of Section 509(a) of the Code, making its required charitable expenditures by sponsoring and managing its own programs. Pursuant to Section 4940(a) of the Code, the Organization’s investment income, reduced by certain allowable expenses, is subject to excise tax at a rate of 1.39% on investment income. Additionally, the Organization may be subject to tax on unrelated business income, if any, generated by investments.

The Organization’s status as an operating foundation is determined annually by satisfying the income test as well as one of three alternative tests (asset test, endowment test or support test). The Organization has met the requirements for the private operating foundation status through December 31, 2024.

Functional Allocation of Expenses - The Organization’s expenses are directly attributed to program expenses, and management and general activities. Program expenses pertain to costs related to the programs of the Organization for carrying out its charitable activities. Management and general expenses include costs related to financial management support of the Organization. Salaries, benefits and payroll taxes are attributed based on each employees’ functional responsibility. Professional fees, including consulting, legal, management, and accounting are recorded based on actual use.

Concentration of Credit Risk - Financial instruments that potentially subject the Organization to concentrations of credit and market risk consist primarily of cash and cash equivalents, which are maintained by a major financial institution. During the years ended December 31, 2024 and 2023, the Organization regularly held cash deposits in excess of federally insured limits.

Note 2 - Availability of Financial Assets and Liquidity

The Organization structures its financial assets to be available and liquid as its general expenditures, liabilities, and other obligations become due. The Organization's financial assets available within one year of December 31, 2024, to meet general expenditures consist of cash and cash equivalents of $9,505. The Organization's financial assets available within one year of December 31, 2023, to meet general expenditures consisted of cash and cash equivalents of $8,711.

Note 3 - Related Party Transactions

Contributions from a donor-advised fund (DAF) consist of cash and totaled $7,101 and $7,093 during the years ended December 31, 2024 and 2023, respectively.

Officers of the Organization are officers or employees of a company (the Company) in which related parties to the Organization have an ownership interest. The Organization entered into an agreement for professional services (the Agreement) with the Company. Under the terms of the Agreement, and in accordance with IRC Section 4941(d) and income Tax Regulation 53.4941(d)-3(c), the Organization shall pay the Company only for personal services that are reasonable and necessary to carry out the Organization's exempt purpose. The Agreement also provides that no portion of any payments by the Organization to the Company shall be for nonpersonal services or property. During each of the years ended December 31, 2024 and 2023, the Organization incurred expenses under the Agreement totaling $36 for accounting, human resources and information technology. There were no amounts payable to the Company at December 31, 2024 or 2023.

Eligible employees of the Organization may participate in a defined contribution 401(k) plan sponsored by the Company (Note 5).

Note 4 - Commitments and Contingencies

Leases - The Organization leases office space under a long-term, noncancelable lease agreement which expires in April 2027. The lease includes a renewal option of five years that is excluded from the lease liability as it is not reasonably certain the option will be exercised. Additionally, the lease includes payments for common area maintenance, utilities, taxes and insurance that are considered variable lease payments and are excluded from determining the lease liability.

The components of lease expense for the years ended December 31 were as follows:

	2024	2023
Operating lease costs	$ 403	$ 444
Variable lease costs	22	19
Total Leasing Costs	**$ 425**	**$ 463**

Note 4 - Continued

Supplemental cash flow information related to the lease was as follows:

	2024	2023
Weighted-average remaining lease term - operating lease	2.3 years	3.3 years
Weighted-average discount rate - operating lease	1.37%	1.37%
Cash paid for amounts included in measurement of lease liability	$ 462	$ 454

Future minimum lease payments for the operating lease are as follows at December 31, 2024:

For the Year Ending December 31,	
2025	$ 470
2026	478
2027	175
Total undiscounted cash flows	1,123
Less present value discount	(19)
Total Operating Lease Liability	**$ 1,104**

Note 5 - Benefit Plans

The Organization has a 401(k) Plan through participation in a related entity's Retirement Savings Plan to provide retirement benefits for its employees. Employees are eligible when they reach 21 years of age and have fulfilled three months of service. Discretionary employer matching contributions may be made at 100% of the first 30% of the employee's compensation, up to $12.5 per year. Employees are 100% vested in contributions made to the Plan. The Organization's contributions to the Plan totaled $177 and $170 for the years ended December 31, 2024 and 2023, respectively. The Plan is sponsored by the Company (Note 3).

Note 6 - Subsequent Events

The Organization has evaluated subsequent events with respect to the consolidated financial statements for the year ended December 31, 2024 through June 30, 2025, the date on which the consolidated financial statements were available to be issued, and has determined that no adjustments are necessary to the amounts reported in the accompanying consolidated financial statements, nor have any events occurred, the nature of which would require disclosure.