



Report of Independent Auditors and
Consolidated Financial Statements

Thrive Networks Global, Inc. and Subsidiaries

December 31, 2024 and 2023

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Report of Independent Auditors

The Board of Directors
Thrive Networks Global, Inc. and Subsidiaries

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Thrive Networks Global, Inc. and Subsidiaries (Thrive Networks), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Thrive Networks as of December 31, 2024 and 2023, and the changes in their net assets and their 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 (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 Thrive Networks 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.

Substantial Doubt About the Entity's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that Thrive Networks will continue as a going concern. As discussed in Note 8 to the consolidated financial statements, Thrive Networks has continued to experience minimal funds without donor restrictions and the lack of assurance that Thrive Networks will be able to obtain additional funding without donor restrictions raises substantial doubt about its ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to these matters.

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 financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Thrive Networks' 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 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 Thrive Networks' 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 Thrive Networks' 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.

A handwritten signature in cursive script that reads "Moss Adams LLP".

San Francisco, California
May 23, 2025

Consolidated Financial Statements

Thrive Networks Global, Inc. and Subsidiaries
Consolidated Statements of Financial Position
December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
ASSETS		
Cash and cash equivalents	\$ 598,516	\$ 519,627
Grants receivable, net	1,026,194	1,164,940
Other assets	<u>10,567</u>	<u>10,594</u>
Total assets	<u>\$ 1,635,277</u>	<u>\$ 1,695,161</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 6,776	\$ 143,458
Accrued payroll and other benefits	<u>141,545</u>	<u>212,349</u>
Total liabilities	<u>148,321</u>	<u>355,807</u>
NET ASSETS		
Without donor restrictions	4,885	26,846
With donor restrictions	<u>1,482,071</u>	<u>1,312,508</u>
Total net assets	<u>1,486,956</u>	<u>1,339,354</u>
Total liabilities and net assets	<u>\$ 1,635,277</u>	<u>\$ 1,695,161</u>

See accompanying notes.

Thrive Networks Global, Inc. and Subsidiaries
Consolidated Statements of Activities
Years Ended December 31, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Grants	\$ -	\$ 1,336,950	\$ 1,336,950	\$ 1,554	\$ 1,695,187	\$ 1,696,741
Contributions	145,196	7,997	153,193	140,194	29,758	169,952
Foreign currency gain (loss)	2,668	-	2,668	(1,073)	-	(1,073)
Net assets released from restrictions	1,175,384	(1,175,384)	-	1,566,859	(1,566,859)	-
Total support and revenue	1,323,248	169,563	1,492,811	1,707,534	158,086	1,865,620
EXPENSES						
Program services						
Water, sanitation, and hygiene	1,073,095	-	1,073,095	1,462,081	-	1,462,081
Construction and other projects	38,494	-	38,494	58,823	-	58,823
Total program services	1,111,589	-	1,111,589	1,520,904	-	1,520,904
Supporting services						
Management and general	205,521	-	205,521	314,180	-	314,180
Fundraising	28,099	-	28,099	40,483	-	40,483
Total supporting services	233,620	-	233,620	354,663	-	354,663
Total expenses	1,345,209	-	1,345,209	1,875,567	-	1,875,567
CHANGE IN NET ASSETS	(21,961)	169,563	147,602	(168,033)	158,086	(9,947)
NET ASSETS, at beginning of year	26,846	1,312,508	1,339,354	194,879	1,154,422	1,349,301
NET ASSETS, at end of year	\$ 4,885	\$ 1,482,071	\$ 1,486,956	\$ 26,846	\$ 1,312,508	\$ 1,339,354

See accompanying notes.

Thrive Networks Global, Inc. and Subsidiaries
Consolidated Statements of Functional Expenses
Years Ended December 31, 2024 and 2023

	2024				2023			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
EXPENSES								
Project implementation costs	\$ 637,984	\$ -	\$ -	\$ 637,984	\$ 997,161	\$ -	\$ -	\$ 997,161
Personnel costs	324,085	114,990	21,933	461,008	392,325	219,565	31,312	643,202
Travel and meetings	78,720	4,790	2,060	85,570	59,436	2,607	3,997	66,040
Professional fees	29,880	46,009	-	75,889	20,000	51,538	-	71,538
Office and other expenses	5,605	28,524	4,106	38,235	9,013	27,292	5,174	41,479
Occupancy	17,730	11,208	-	28,938	16,439	13,178	-	29,617
Grants to others	17,585	-	-	17,585	26,530	-	-	26,530
	<u>\$ 1,111,589</u>	<u>\$ 205,521</u>	<u>\$ 28,099</u>	<u>\$ 1,345,209</u>	<u>\$ 1,520,904</u>	<u>\$ 314,180</u>	<u>\$ 40,483</u>	<u>\$ 1,875,567</u>

See accompanying notes.

Thrive Networks Global, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 147,602	\$ (9,947)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Change in discount on grants receivable	(41)	44
Decrease (increase) in		
Grants receivable	138,787	(357,659)
Other assets	27	15,853
(Decrease) increase in		
Accounts payable and accrued expenses	(136,682)	79,006
Accrued payroll and other benefits	(70,804)	(21,265)
Net cash provided by (used in) operating activities	78,889	(293,968)
CHANGE IN CASH AND CASH EQUIVALENTS	78,889	(293,968)
CASH AND CASH EQUIVALENTS, beginning of year	519,627	813,595
CASH AND CASH EQUIVALENTS, end of year	\$ 598,516	\$ 519,627
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Donated securities	\$ 44,923	\$ 64,358

See accompanying notes.

Thrive Networks Global, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 1 – Nature of Activities and Summary of Significant Accounting Policies

Organization and nature of activities – The consolidated financial statements include the accounts of Thrive Networks Global, Inc., formerly known as East Meets West Foundation, and its subsidiaries: Thrive Networks Foundation Limited, and Embrace India, collectively referred to as “Thrive Networks”. The accounts of these organizations have been consolidated because they are under common management and control. All significant intercompany transactions and balances have been eliminated in consolidation.

Thrive Networks’ mission is to improve the health and well-being of underserved communities in Southeast Asia by working in concert with public and private sectors. Thrive Networks is an international non-governmental organization (NGO) pioneering evidence-based programs in water supply, sanitation, and hygiene (WASH); economic empowerment; gender equity; healthy cities; and resilient community development to underserved populations in Southeast Asia, using innovating financing and service delivery models.

Thrive Networks was incorporated in California in 1988, as the East Meets West Foundation, to help the people of Vietnam, and continues to do so today. Thrive Networks most recently worked in Cambodia, Laos, and Vietnam.

The following characteristics describe Thrive Networks:

- Comprehensive intervention design – Innovative technological and operational ideas are identified, then programs employing these innovations are implemented, followed by careful measurement of program performance. Finally these programs are scaled and, when appropriate, combined with dissemination of learnings to institutional entities.
- Evidence-based – Each action is rigorously evaluated, including participating in Randomized Control Trials (RCTs) and academic research that involves employing third-party monitoring and evaluation to determine what works best.
- Locally led/partnership focused – Programmatic work is locally-led and in partnership with governments, NGOs, and local organizations.
- Professional program execution – Field staff perform at a high level by managing ambitious and complex programs that consistently meet performance targets at or below budget.

With the Embrace acquisition in 2015, Thrive Networks gained control over Embrace India, which was incorporated in India in 2010. Thrive Networks currently has offices in San Francisco, California; Da Nang, Vietnam; Vientiane, Laos; and Phnom Penh, Cambodia.

Thrive Networks Global, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Description of program and supporting services

Program expenses – WASH includes programs to provide clean water, sanitation, and improved hygiene habits to poor and underserved communities in Cambodia, Laos, and Vietnam.

Output-based aid approaches – Since 2007, Thrive Networks has been applying Output-Based Aid (OBA) funding approaches to water supply and sanitation in Vietnam, and more recently in Cambodia and Laos. In the water supply programs, the OBA approach targets “last-mile” service delivery, with water service providers receiving payments for each new household connected to a new, expanded, or rehabilitated water supply network. In the sanitation programs, payments are made to both beneficiary households and implementing organizations upon verification of properly built and used hygienic latrines and hand washing stations. In some cases, communities are also eligible to earn conditional cash transfers when they achieve sanitation coverage targets. In all Thrive Networks WASH programs, OBA payments are designed to 1) reach the poor and underserved, 2) increase accountability, and 3) drive operating efficiencies. The approach has proved successful on all counts; for example, in the sanitation program, increases in coverage have been highest among the poorest population segments, and delivery costs have proven far lower than via other approaches, all while leveraging massive local investment.

Thrive Networks’ Community-Led Inclusive, Climate Resilient WASH project integrates climate change adaptation knowledge with practical adaption actions at the household and community levels and promotes inclusive, resilient WASH in Cambodia’s climate vulnerable areas. Aiming for transformative and scalable efforts with maximum impact, the approach focuses on reducing impacts and sustainability. The project adopts a mainstream approach to training and education on adaptation, and a targeted approach to implementing WASH adaptation actions that are socially inclusive and gender responsive. It builds on existing efforts of working with the government, private sector businesses, and disability groups, and develops new collaboration with experts to ensure the project produces data and information that are relevant and influential for the government and community in making decision about community resilience, especially for the most vulnerable.

The Women-led Inclusive Climate Resilient WASH Vietnam project aims to address challenges and inequities in Vietnam’s rural WASH sector, particularly in rural, northern regions that are mountainous and vulnerable to climate change impacts.

Thrive Networks’ WASH in Schools program installs water filtration systems and handwashing basins and latrines for kindergartens, primary schools, and secondary schools in rural and mountainous areas where daily living conditions of pupils and teachers are very difficult. The program also aims to raise awareness for school hygiene, and conducted a behavior change campaign promoting handwashing.

The Climate Smart School pilot tackles the effects of climate change on education by providing climate adaptation upgrades to infrastructures, and promoting green skills and green lifestyles to students, teachers, and communities in rural areas.

Thrive Networks Global, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Applied research – Nearly all of Thrive Networks' programs feature a research component that moves beyond traditional process and output monitoring into the realm of impact evaluation. In Thrive Networks' sanitation program, for example, there are dedicated resources to understand the relative advantages of individual vs. community-based output incentives, as well as exploring the interaction between smart subsidies and sanitation marketing.

Community-scale water systems – Thrive Networks has been constructing, rehabilitating, and expanding rural water supply and treatment systems since 1995. The majority are piped village water systems with metered household connections; a smaller number are school-based water systems. Upon project completion, Thrive Networks transfers ownership and management responsibilities to government, private, or community operators.

Construction and other projects include the construction of climate resilient compassion homes in Vietnam that benefit poor rural communities and their families.

Management and general expenses – These include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of Thrive Networks.

Fundraising expenses – Fundraising expenses include the cost of all activities that constitute an appeal for financial support; that is, costs incurred to induce others to contribute money, securities, time, and materials to Thrive Networks.

Basis of presentation – The consolidated financial statements are presented on the basis of net assets without donor restrictions and net assets with donor restrictions pursuant to the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*.

Basis of accounting – The consolidated financial statements are prepared using the accrual basis of accounting.

Cash and cash equivalents – For purposes of the consolidated statements of cash flows, all highly liquid investments with an initial purchased maturity of three months or less are considered to be cash equivalents.

Grants receivable and revenue – Thrive Networks records grants receivables at the time such grants are made and confirmed. Grant revenue is considered without donor restrictions unless a donor-imposed restriction limits the use of the grant. Grants restricted for time and/or program-specific purposes are recorded as net assets with donor restrictions and then released to net assets without donor restrictions when the respective restrictions are satisfied. Conditional contributions are recognized as liabilities if assets are transferred in advanced or not recognized at all until the conditions have been met or explicitly waived by the donor. As of December 31, 2024 and 2023, Thrive Networks had no conditional contributions outstanding.

Allowance for doubtful accounts – Thrive Networks reviews grants receivable on a periodic basis and reserves against estimated uncollectible amounts as necessary. Management believes that all of its accounts are collectible; accordingly, no allowance for doubtful accounts was required at December 31, 2024 and 2023.

Thrive Networks Global, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Property and equipment, net – Fixed assets with an estimated useful life in excess of one year are capitalized at cost; donated assets are capitalized at the fair value at date of receipt. Depreciation is computed using the straight-line method with estimated useful lives of three to five years. Thrive Networks capitalizes fixed asset purchases of amounts in excess of \$2,500. Thrive Networks did not have any capitalized property and equipment as of December 31, 2024 and 2023.

Compensated absences – Thrive Networks accrues a liability for earned vacations to which employees are entitled depending on their length of service and other factors. The accompanying consolidated financial statements include accrued vacation benefits of \$38,003 and \$50,940, as included in accrued payroll and other benefits in the consolidated statements of financial position as of December 31, 2024 and 2023, respectively.

Deferred revenue – Thrive Networks recognizes revenue when expenses are incurred. Amounts billed and received in advanced are recorded as deferred revenue until the related services are performed. Deferred revenue represents grant funds received in excess of expenses incurred. This deferred revenue will be recognized as revenue in future periods. Thrive Networks did not have deferred revenue outstanding as of December 31, 2024 and 2023.

Description of net assets – The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and the guidelines set forth in the industry audit and accounting guide for Not-For-Profit Entities issued by the American Institute of Certified Public Accountants (AICPA). Under these guidelines, contributions of cash and other assets are classified as one of the following two categories:

Without donor restrictions – Includes resources for which there are no donor restrictions. Such amounts are available to support Thrive Networks' general operations.

With donor restrictions – Defined as that portion of net assets that consist of a restriction on the specific use or the occurrence of a certain future event. Thrive Networks' net assets with donor restrictions as of December 31, 2024 and 2023, are restricted for the specific use and occurrence of future events.

In-kind contributions – Donated services are recognized when received if such services (a) create or enhance nonfinancial assets, (b) require specialized skills, and (c) are provided by individuals possessing those skills and would typically need to be purchased if not donated. The established fair value of donated services received was based upon the number of hours contributed at appropriate billing rates, and has been recorded as an in-kind contribution and expense without donor restrictions. During the years ended December 31, 2024 and 2023, Thrive Networks did not receive in-kind contributions.

Revenue recognition – Contributions received are recorded as without donor restrictions or with donor restrictions support depending on the existence or nature of any donor restrictions. Contributions with donor restrictions, which are expended in the year received, are accounted for as without donor restrictions.

Revenue associated with substantive performance milestones are recognized based on the achievement of milestones, as defined in the respective agreements.

Thrive Networks Global, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Use of estimates – The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses – The costs of providing programs and supporting services have been summarized on a functional basis in the consolidated statements of activities and consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the various programs and supporting services benefited based upon employee time and effort recorded on functions related to the specific activity, or in the case of shared expenses, using an allocation based on personnel costs, space usage, or other relevant bases. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of Thrive Networks.

Foreign currency transactions – Receipts and disbursements in foreign currencies are converted into U.S. dollars at the exchange rates approximating those at the transaction dates. The cash balances denoted in foreign currencies are translated into U.S. currency at the exchange rate approximating the rate at the closing date. Foreign currency exchange gain was \$2,668 in 2024 and foreign currency loss was \$1,073 in 2023, respectively, and is included in foreign currency loss on the consolidated statements of activities.

Reclassifications – Certain reclassifications have been made to the 2023 consolidated financial statements to conform to the current-year presentation. Such reclassifications did not change total assets, liabilities, revenues, expenses, or changes in net assets, as reflected in the 2023 consolidated financial statements.

Note 2 – Concentrations

Thrive Networks maintains its cash balances at various banks and brokerage houses in the United States; at Public Bank Vietnam Limited and An Binh Commercial Joint Stock Bank (ABBANK) in Vietnam; Cambodia Public Bank in Cambodia; Banque Pour Le Commerce Extérieur Lao Public in Laos; and HDFC Bank in India. Cash held by Public Bank Vietnam Limited and ABBANK is fully secured by the Vietnam State Bank. As of December 31, 2024 and 2023, cash balances at Vietnam banks (primarily in U.S. dollar accounts) amounted to \$19,622 and \$13,253, respectively. At December 31, 2024 and 2023, Thrive Networks held \$66,077 and \$58,655, respectively, in foreign currency. The Federal Deposit Insurance Corporation (FDIC) insures account balances at U.S. banks up to \$250,000. Under the FDIC's Transaction Account Guarantee Program (TAGP), all noninterest-bearing transaction accounts are fully guaranteed by the FDIC for the entire amount in the account. Coverage under TAGP is in addition to, and separate from, the coverage available under the FDIC's general deposit insurance rules. At December 31, 2024 and 2023, Thrive Networks had uninsured bank balances of \$326,765 and \$255,470, respectively.

For the years ended December 31, 2024 and 2023, Thrive Networks recognized \$1,222,265, or 82%, and \$1,584,720, or 85%, respectively, of its consolidated revenue from three organizations, Australian Department of Foreign Affairs and Trade, Charity Water, and a Switzerland based company.

Thrive Networks Global, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 3 – Grants Receivable, Net

Grants receivable are as follows as of December 31:

	2024	2023
Receivable in less than one year	\$ 843,213	\$ 673,551
Receivable in one to five years	183,000	491,448
Total grants receivable	1,026,213	1,164,999
Less discount to net present value	(19)	(59)
Grants receivable, net	<u>\$ 1,026,194</u>	<u>\$ 1,164,940</u>

The grants receivable in one to five years have been discounted using a discount of 0.01% in 2024 and 2023.

Note 4 – Lease Commitments

Thrive Networks leases office space in Vietnam, Cambodia, and Laos. The Da Nang, Vietnam lease expires in June 2025. The Cambodia and Laos lease expires in December 2025. In addition, Thrive Networks made an accounting policy election to keep leases with an initial term of 12 months or less off of the consolidated statements of financial position. Presented below is a schedule of minimum future lease obligations as of December 31, 2024.

Years Ending December 31,	
2025	\$ 14,571
Thereafter	-
Total	<u>\$ 14,571</u>

Rent expense amounted to \$22,755 and \$26,432 in 2024 and 2023, respectively. This is included in occupancy expense on the statements of functional expenses.

Note 5 – 401(k) Plan

Thrive Networks has a 401(k) plan for all eligible U.S. based employees who have completed one month of service. Pension expense in 2024 and 2023 amounted to \$6,104 and \$7,076, respectively. Internationally, Thrive Networks provides employer contributions for all employees via government-run retirement plans, where applicable.

Thrive Networks Global, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 6 – Tax Status

Thrive Networks was incorporated under the laws of the State of California and granted tax exempt status by the Internal Revenue Service under Section 501(c)(3) of the Internal Revenue Code and by the California Franchise Tax Board under Section 23701d of the Revenue and Taxation Code. Accordingly, no provision for income taxes has been included in these consolidated financial statements.

Thrive Networks assesses its accounting for uncertainties in income taxes recognized in its consolidated financial statements and prescribes a threshold of “more likely than not” for recognition and derecognition of tax positions taken or expected to be taken in the tax returns. There was no material impact on Thrive Networks’ consolidated financial statements as a result of assessing these uncertainties. Thrive Networks has no unrecognized tax benefits or uncertain tax positions as of December 31, 2024 and 2023.

Note 7 – Net Assets with Donor Restrictions

Support that is restricted by a grantor agency or a donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized.

All other donor-restricted support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

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

	2024	2023
Water, sanitation, and hygiene	\$ 1,390,034	\$ 1,251,613
Construction and other projects	92,037	60,895
Total	<u>\$ 1,482,071</u>	<u>\$ 1,312,508</u>

All net assets with donor restrictions as of December 31, 2024 and 2023, are expected to be released from restriction by January 31, 2027.

Net assets with donor restrictions released from restrictions by incurring expenses were as follows:

	2024	2023
Water, sanitation, and hygiene	\$ 1,126,491	\$ 1,505,586
Construction and other projects	48,893	61,273
Total	<u>\$ 1,175,384</u>	<u>\$ 1,566,859</u>

Thrive Networks Global, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 8 – Liquidity and Funds Available

Thrive Networks operates within a prudent range of financial soundness and stability. Thrive Networks manages its liquidity resources through monthly forecasts of future cash flows and structures the financial assets to be available as its general expenditures, liabilities, and other obligations come due. Financial assets available for general expenditure within one year as of December 31, 2024 and 2023, amounted to \$4,885 and \$26,846, respectively, as shown on the amount of net assets without donor restrictions on the consolidated statements of financial position. Thrive Networks has continued to experience minimal funds without donor restrictions for several years. However, Thrive Networks continues to seek and obtain new fundraising opportunities increasing the confidence that Thrive Networks will continue as a going concern. The consolidated financial statements do not include information about the recoverability or reclassification of recorded asset amounts or classification of liabilities should Thrive Networks be unable to continue as a going concern.

Note 9 – Commitments and Contingencies

At December 31, 2024, there were no significant outstanding legal actions or claims against Thrive Networks. Thrive Networks maintains various forms of insurance that management believes are adequate to reduce the exposure to these risks to an acceptable level.

Note 10 – Subsequent Events

Subsequent events are events or transactions that occur after the consolidated statement of financial position date but before the consolidated financial statements are available to be issued. Thrive Networks recognizes in the consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the consolidated statement of financial position, including the estimates inherent in the process of preparing the consolidated financial statements. Thrive Networks' consolidated financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the consolidated statement of financial position but arose after the consolidated statement of financial position date and before the consolidated financial statements were available to be issued.

Thrive Networks has evaluated subsequent events through, May 23, 2025, which is the date the consolidated financial statements were available to be issued, in accordance with Thrive Networks' policy related to disclosure of subsequent event.

