

CHORDOMA FOUNDATION

FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2025

And Report of Independent Auditor

CHORDOMA FOUNDATION
TABLE OF CONTENTS

REPORT OF INDEPENDENT AUDITOR..... 1-2

FINANCIAL STATEMENTS

Statement of Financial Position3

Statement of Activities.....4

Statement of Functional Expenses5

Statement of Cash Flows6

Notes to the Financial Statements 7-15

Report of Independent Auditor

To the Board of Directors
Chordoma Foundation
Durham, North Carolina

Opinion

We have audited the accompanying financial statements of Chordoma Foundation (the “Foundation”), which comprise the statement of financial position as of December 31, 2025, and the related statement 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 Foundation as of December 31, 2025, and the change 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. 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 Foundation to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe 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 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 the 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 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 audits 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.

Cherry Bekaert LLP

Raleigh, North Carolina
May 29, 2026

CHORDOMA FOUNDATION
STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2025

ASSETS

Current Assets:

Cash and cash equivalents	\$ 3,705,316
Investments, at fair value	13,207,890
Interest receivable	148,036
Unconditional promises to give, current, net	539,037
Other current assets	93,791
Total Current Assets	<u>17,694,070</u>

Noncurrent Assets:

Unconditional promises to give, long-term, net	244,403
Property and equipment, net	72,148
Total Noncurrent Assets	<u>316,551</u>

Total Assets \$ 18,010,621

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable	\$ 74,775
Grants payable to other organizations, current	1,357,002
Contract research payable	321,469
Accrued wages and payroll taxes	387,950
Accrued vacation	59,008
Other current liabilities	39,904
Total Current Liabilities	<u>2,240,108</u>

Noncurrent Liabilities:

Grants payable to other organizations, long-term, net	720,510
Total Liabilities	<u>2,960,618</u>

Net Assets:

Without Donor Restrictions:

Undesignated	3,903,086
Board-designated operating reserve	1,500,000
Net Assets Without Donor Restrictions	<u>5,403,086</u>

With Donor Restrictions: 9,646,917

Total Net Assets 15,050,003

Total Liabilities and Net Assets \$ 18,010,621

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

CHORDOMA FOUNDATION
STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Public Support and Revenue:			
Contributions	\$ 3,121,961	\$ 9,571,420	\$ 12,693,381
Contract research	18,809	-	18,809
In-kind contributions	158,675	-	158,675
Investment income, net	635,131	-	635,131
Other income	21,507	-	21,507
Net assets released from restrictions	3,539,711	(3,539,711)	-
Total Public Support and Revenue	<u>7,495,794</u>	<u>6,031,709</u>	<u>13,527,503</u>
Expenses:			
Program services	4,986,931	-	4,986,931
Management and general	433,358	-	433,358
Fundraising	823,460	-	823,460
Total Expenses	<u>6,243,749</u>	<u>-</u>	<u>6,243,749</u>
Change in Net Assets from Operations	1,252,045	6,031,709	7,283,754
Other changes in net assets:			
Foreign currency gain	46,400	-	46,400
Change in net assets	1,298,445	6,031,709	7,330,154
Net assets, beginning of year	<u>4,104,641</u>	<u>3,615,208</u>	<u>7,719,849</u>
Net assets, end of year	<u>\$ 5,403,086</u>	<u>\$ 9,646,917</u>	<u>\$ 15,050,003</u>

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

CHORDOMA FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2025

	Program Services			Supporting Services			Grand Total
	Research	Patient Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Compensation, taxes, and benefits	\$ 961,324	\$ 481,065	\$ 1,442,389	\$ 262,093	\$ 638,794	\$ 900,887	\$ 2,343,276
Research grants and contracts	2,694,981	113,977	2,808,958	-	-	-	2,808,958
Events	4,945	102,038	106,983	5,023	2,119	7,142	114,125
Advertising and promotion	35,376	100,264	135,640	1,135	6,704	7,839	143,479
Information technology	85,807	54,510	140,317	49,072	41,120	90,192	230,509
Office expenses	12,965	7,885	20,850	25,600	43,347	68,947	89,797
Travel and meetings	35,968	21,938	57,906	6,997	56,781	63,778	121,684
Contracted services	177,839	43,767	221,606	106,771	26,923	133,694	355,300
Insurance	7,090	621	7,711	19,956	358	20,314	28,025
Depreciation	36,180	8,391	44,571	3,916	7,314	11,230	55,801
Bad debt recoveries	-	-	-	(47,205)	-	(47,205)	(47,205)
Total Expenses	\$ 4,052,475	\$ 934,456	\$ 4,986,931	\$ 433,358	\$ 823,460	\$ 1,256,818	\$ 6,243,749

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

CHORDOMA FOUNDATION
STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2025

Cash flows from operating activities:

Change in net assets	\$ 7,330,154
Adjustments to reconcile change in net assets to net cash flows from operating activities:	
Depreciation	55,801
Realized and unrealized gains on investments	(8,127)
Change in provision for allowance	52,500
Net present value adjustment	47,814
Change in discount on grants payable	(46,498)
Change in assets and liabilities:	
Interest receivable	(52,095)
Unconditional promises to give	538,552
Other current assets	(3,773)
Accounts payable	(41,182)
Grants payable to other organizations	(708,045)
Contract research payable	(132,604)
Accrued wages and payroll taxes	187,487
Accrued vacation	16,555
Other current liabilities	19,610
Net cash flows from operating activities	<u>7,256,149</u>

Cash flows from investing activities:

Purchases of investments	(16,994,444)
Sale of investments	12,741,130
Purchases of property and equipment	(16,974)
Net cash flows from investing activities	<u>(4,270,288)</u>

Net change in cash and cash equivalents	2,985,861
Cash and cash equivalents, beginning of year	<u>719,455</u>
Cash and cash equivalents, end of year	<u>\$ 3,705,316</u>

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

CHORDOMA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 1—Nature of activities

Chordoma Foundation (the “Foundation”) is a not-for-profit foundation formed under the General Statutes of North Carolina. The Foundation was incorporated in February 2007 to work to improve the lives of chordoma patients by accelerating the development of effective treatments and by helping patients get the best care possible.

The Foundation initiates and funds research, facilitates information exchange and collaboration among researchers, and provides scientific resources necessary for research. Through the efforts of the Foundation, research projects are proactively funded as strategic priorities for advancing the development of new treatments for Chordoma. The Foundation also helps to create, collect, store, and distribute the information and biological materials that researchers need in order to study Chordoma and develop new treatments. The Foundation further enhances the study of Chordoma by connecting physicians, scientists, and companies from across the world to share information and collaborate on projects they can only achieve together. Finally, the Foundation is committed to patients dealing with the diagnosis of chordoma by providing accurate information about treatment options and clinical trials, referring patients to experienced doctors, and matching patients with trained peer-support mentors.

Note 2—Summary of significant accounting policies

Basis of Accounting – The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Basis of Presentation – Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958-205 *Not-for-Profit Entities: Presentation of Financial Statements*. Under ASC 958-205, the Foundation is required to report information regarding its financial position and activities according to two classes of net assets as follows:

Net Assets Without Donor Restrictions – Net assets available for general use and not subject to donor restrictions. Net assets without donor restrictions may be used for any purpose or designated for specific purposes by the Foundation. Furthermore, the governing board has designated, from net assets without donor restrictions, net assets for an operating reserve.

Net Assets With Donor Restrictions – Net assets resulting from contributions subject to donor-imposed restrictions. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenue is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets with donor restrictions based on explicit donor stipulation or by law, or if no such restriction exists, as net assets without donor restrictions. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as released from net assets with donor restrictions to net assets without donor restrictions.

The Foundation’s revenue primarily consists of contributions from individuals, corporations and foundations. As of December 31, 2025, 83% of the unconditional promises to give was due from five donors. For the year ended December 31, 2025, 79% of the contributions were received from one donor.

CHORDOMA FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Summary of significant accounting policies (continued)

Revenue Recognition – Contributions, including grants and sponsorships, are recognized when cash, other assets, or an unconditional promise to give are received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return or right of release, are not recognized until the conditions on which they depend have been substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Foreign Currency Transactions – The Foundation's functional currency is the United States ("U.S.") dollar. Transactions denominated in currencies other than the U.S. dollar are recorded at the exchange rates in effect on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are remeasured at the exchange rates in effect at the statement of financial position date. Resulting exchange gains and losses are recognized in the statement of activities and are included in other changes in net assets.

Cash and Cash Equivalents – For purposes of the statement of cash flows, the Foundation considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Interest Receivable – Interest receivable consists of interest earned but not yet received on the Foundation's investments. Interest receivable is recorded at its net realizable value. Management has determined that no allowance for credit losses is necessary as of December 31, 2025, as the receivable is considered fully collectible.

Conditional Promises to Give – That is, those with a measurable performance or other barrier and a right of return are recognized when the conditions on which they depend are substantially met.

Unconditional promises to give due in the next year are recorded at their net realizable value, less an allowance for doubtful accounts. The allowance is based on prior experience, donor history and management's best estimate. It is the Foundation's policy to charge off accounts receivable when management determines the receivable will not be collected. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value using a risk adjusted discount rate. At December 31, 2025, the Foundation determined an allowance for doubtful accounts of \$62,500 was necessary.

Investments – Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at fair value. Fair value is determined by reference to exchange or dealer-quoted market prices. If a quoted market price is not available, fair value is estimated using quoted market prices for similar investment securities. Changes in fair value of investments are reflected in the accompanying statement of activities.

Contributions of marketable securities are recorded at their fair value based upon quoted market prices at the date such securities are received. Contributed investments of other than marketable securities are recorded at their estimated fair value at the date received and adjusted for any subsequent impairment of value that is not considered to be temporary.

Property and Equipment, net – Property and equipment is stated at cost for purchased items and at estimated fair value at the date received for donated items. Maintenance and repairs are expensed as incurred. Gains or losses on dispositions are included in the statement of activities. Purchases of \$500 or more are capitalized and depreciated. Assets are depreciated using the straight-line method over the estimated useful lives, which range from 3 to 7 years. Property and equipment are reviewed for impairment if the use of the asset significantly changes or another indicator of possible impairment is noted. If the carrying value of the asset is not recoverable, the value is written down to the asset's fair value.

Use of Estimates – The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CHORDOMA FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Summary of significant accounting policies (continued)

Functional Allocation of Expenses – The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied.

Expenses that are allocated include compensation, taxes and benefits, contracted services, events, information technology, office and occupancy, travel and meetings, advertising and promotion, and insurance, which are all allocated on the basis of estimates of time and effort.

Income Taxes – The Foundation is exempt from federal income tax and applicable state statutes under the provisions of Section 501(c)(3) of the Internal Revenue Code. U.S. GAAP requires the Foundation to evaluate tax positions taken and recognize a tax liability (or asset) if the Foundation has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Foundation has analyzed the tax positions and concluded that as of December 31, 2025, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

Advertising Expenses – The cost of advertising is expensed as incurred. The Foundation incurred \$143,479 in advertising costs for the year ended December 31, 2025, of which \$92,452 relates to in-kind advertising attributable to advertising credits received through the Google Ads program.

Note 3—Liquidity and availability of resources

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

Financial assets held at year-end:

Cash and cash equivalents	\$ 3,705,316
Interest receivable	148,036
Investments	13,207,890
Unconditional promises to give	783,440
	<u>17,844,682</u>

Less amounts not available to be used within one year, due to:

Donor-imposed restrictions	(9,455,935)
Time restrictions	(196,432)
Board-designated operating reserve	(1,500,000)
	<u>(11,152,367)</u>

Financial assets available to meet general expenditures
within one year

\$ 6,692,315

The table above reflects the Foundation's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

CHORDOMA FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 3—Liquidity and availability of resources (continued)

The Foundation is substantially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Foundation must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. The Foundation considers all expenditures related to its ongoing activities of research and patient services, as well as the conduct of services undertaken to support those activities to be general expenditures. As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

In accordance with the Foundation's liquidity plan, the board of directors internally designates funds with a targeted goal of maintaining six months of operating expenses in reserves, which was \$1,500,000 as of December 31, 2025. The Foundation can access reserve funds by obtaining approval from the board of directors.

Note 4—Contributions of nonfinancial assets

For the year ended December 31, 2025, contributed nonfinancial assets recognized within the statement of activities included:

In-kind advertising	\$ 92,452
Professional services	<u>66,223</u>
	<u>\$ 158,675</u>

In-kind advertising – The Foundation recognizes in-kind advertising at fair value when the advertising is placed or otherwise utilized. Fair value is determined based on the rates the Foundation would have paid for similar advertising placements.

Services – Contributed services recognized comprise professional services from attorneys advising the Foundation on various administrative legal matters. Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar legal services.

Volunteers and members of the community perform various services for the Foundation and these services are significant and form an integral part of the efforts of the Foundation. The Foundation does not control the activities of the volunteers as it would paid employees and there is no clearly measurable basis for an amount of contributed services to be recorded. Therefore, the Foundation does not record the amount of volunteer services rendered as contributions and a corresponding amount as expense.

CHORDOMA FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 5—Unconditional promises to give, net

Unconditional promises to give is recorded after discounting to the present value the future cash flows using a discount rate of 8.20% at December 31, 2025. Unconditional promises to give are expected to be collected in the following periods at December 31, 2025:

2026	\$ 601,537
2027	136,000
2028	91,000
2029	16,000
2030	<u>16,000</u>
	860,537
Less estimated allowance for doubtful accounts	(62,500)
Less present value discount	<u>(14,597)</u>
Unconditional promises to give, net	<u><u>\$ 783,440</u></u>

Foreign currency transaction gains resulting from exchange rate fluctuations on transactions denominated in a currency other than the functional currency were approximately \$46,400 in 2025, and have been reported separately in the accompanying statement of activities.

Note 6—Investments

Investments are subject to fluctuations in market values and expose the Foundation to a certain degree of interest and credit risk. The following is a summary of investments at December 31, 2025:

Cash and money market funds	\$ 448,050
Certificates of deposit	951,264
Government bonds	11,808,576
	<u>\$ 13,207,890</u>

Investment return is comprised of the following for the year ended December 31, 2025:

Interest and dividends	\$ 627,004
Net realized and unrealized gains	8,127
Investment fees	<u>(47,760)</u>
Investment income, net	<u><u>\$ 587,371</u></u>

Cash held with investments is held for reinvestment on a short-term basis and is therefore presented with investments on the statement of financial position.

CHORDOMA FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 7—Property and equipment

Property and equipment consists of the following at December 31, 2025:

Furniture and equipment	\$ 181,868
Website and software development	63,560
	<u>245,428</u>
Less accumulated depreciation	(173,280)
	<u>\$ 72,148</u>

Depreciation expense for the year ended December 31, 2025 was \$55,801.

Note 8—Grants payable

Grants payable are payable in the following periods at December 31, 2025:

2026	\$ 1,357,002
2027	732,364
2028	34,979
	<u>2,124,345</u>
Less discount on long-term grants	(46,833)
Total grants payable, net	<u>\$ 2,077,512</u>

Amortization of discounts on grants payable is reported in the statement of activities in the same program service functional expense classification in which the promise to give was initially reported.

All research grants are recognized when they are unconditionally promised to the recipient. Those expenses are recorded in the statement of functional expenses as program expenses. As of December 31, 2025, grants payable beyond one year are reported at the present value of their estimated future cash flows using a discount rate of 6.5%.

Note 9—Fair value measurements

In accordance with guidance on fair value measurements for financial instruments measured at fair value, fair value is defined as the price the Organization would receive to sell an investment or pay to transfer a liability in a timely transaction with an independent buyer in the principal market, or in the absence of a principal market, the most advantageous market for the investment or liability. The fair value guidance establishes a three-tier hierarchy to distinguish between: 1) inputs that reflect the assumptions that market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and 2) inputs that reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs) and to establish classification of fair value measurements for disclosure purposes.

CHORDOMA FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 9—Fair value measurements (continued)

The inputs are summarized in the three broad levels listed below:

Level 1 – Quoted prices in active markets that are accessible at the measurement date for identical securities.

Level 2 – Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 – Prices or valuations that requires using significant unobservable inputs in determining fair value. The inputs into the determination of fair value require significant judgement or estimation by the investment manager.

The following are descriptions of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying statement of financial position. There were no changes in methodologies in the year ended December 31, 2025:

Cash and Money Market Funds – Cash and money market funds consist of cash and money market funds in active markets.

Certificates of Deposit – Valued at quoted prices in active markets for identical instrument.

Government Bonds – Valued at quoted prices in active markets for identical securities, based on observable market data as of the measurement date.

The Foundation recognizes transfers of assets into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels in the year ended December 31, 2025.

Fair values for assets measured on a recurring basis at December 31, 2025 are as follows:

	Fair Value	Fair Value Measurements at Reporting Date Using		
		Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments held at fair value:				
Cash and money market funds	\$ 448,050	\$ 448,050	\$ -	\$ -
Certificates of deposit	951,264	951,264	-	-
Government bonds	11,808,576	11,808,576	-	-
	<u>\$ 13,207,890</u>	<u>\$ 13,207,890</u>	<u>\$ -</u>	<u>\$ -</u>

CHORDOMA FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 10—Net assets

Net assets without donor restrictions, including board designations, consist of the following at December 31, 2025:

Undesignated	\$ 3,903,086
Board designated operating reserve	<u>1,500,000</u>
	<u>\$ 5,403,086</u>

The board of directors has designated \$1,500,000 of the Foundation's net assets without donor restrictions as of December 31, 2025 to be used in the event of a downturn in donations or an increase in expenses due to an unforeseen circumstance.

Net assets with donor restrictions are restricted for the following purposes or future periods at December 31, 2025:

Subject to the passage of time	\$ 190,982
Administration restriction	55,779
Patient services	60,360
Research	<u>9,339,796</u>
	<u>\$ 9,646,917</u>

Net assets were released from restriction during the year ended December 31, 2025 by incurring expenses satisfying the restricted purpose or passage of time:

Expiration of time restriction	\$ 631,167
Satisfaction of purpose restriction	<u>2,908,544</u>
	<u>\$ 3,539,711</u>

Note 11—Operating lease

The Foundation rents lab space on a month-to-month lease agreement. Rental expense paid for this rental agreement for the year ended December 31, 2025 was \$177,638. These expenses are recorded under program grants and contract expense on the statement of functional expense.

Note 12—Related party transactions

The Foundation received an in-kind donation of legal services from a law firm in which one of the partners is also a member of the board of directors of the Foundation. The donation of services was estimated to be \$66,223 for the year ended December 31, 2025. The donation is included in in-kind contributions on the Foundation's statement of activities and a corresponding expense has been recorded as in-kind contributions on the statement of functional expenses.

The Foundation also receives significant contributions from board members. Contributions received from board members were \$70,385 for the year ended December 31, 2025. Included in unconditional promises to give is \$150,000 from board members for the year ended December 31, 2025.

CHORDOMA FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 13—Retirement plan

The Foundation offers a 401(k) retirement plan that allows all employees over the age of 18 to participate. Under this plan, the Foundation matches up to 4% of the employees' compensation. Employer contributions for the year ended December 31, 2025 were \$61,911.

Note 14—Concentrations of risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents and unconditional promises to give. The Foundation places its cash and cash equivalents on deposit with financial institutions in the United States of America. The Federal Deposit Insurance Corporation covers \$250,000 for substantially all depository accounts. The Foundation from time to time may have had amounts on deposit in excess of the insured limits. The Foundation has also recognized unconditional promises to give from organizations and individuals that are due in future years. Changes in economic conditions can directly affect a donor's ability and willingness to make future contributions and payments to the Foundation.

Note 15—Subsequent events

Management has evaluated subsequent events through May 29, 2026, the date which the financial statements were available to be issued.