

Ovarian Cancer Research Alliance

Consolidated Financial Statements

December 31, 2024

Independent Auditors' Report

Board of Directors
Ovarian Cancer Research Alliance

Opinion

We have audited the accompanying consolidated financial statements of Ovarian Cancer Research Alliance ("OCRA"), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Ovarian Cancer Research Alliance as of December 31, 2024, and the consolidated changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Consolidated Financial Statements section of our report. We are required to be independent of OCRA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Consolidated Financial Statements

The consolidated financial statements of OCRA as of December 31, 2023 were audited by other auditors whose report, dated December 18, 2024, expressed an unmodified opinion on those statements before restatement. As part of our audit of the 2024 consolidated financial statements, we also audited the adjustments described in Note 13 that were applied to restate the 2023 consolidated financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review or apply any procedures to the 2023 consolidated financial statements of OCRA other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2023 consolidated financial statements. The summarized comparative information presented herein as of and for the year ended December 31, 2023 is consistent in all material respects with the audited consolidated financial statements from which it has been derived, after the restatement.

Responsibilities of Management for the Consolidated 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.

Responsibilities of Management for the Consolidated Financial Statements (continued)

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 OCRA's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated 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 auditors' 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 consolidated 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 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 the 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 OCRA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant 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 OCRA'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.

PKF O'Connor Davies, LLP

August 27, 2025

Ovarian Cancer Research Alliance

Consolidated Statement of Financial Position December 31, 2024 (with comparative amounts at December 31, 2023)

| | 2024 | 2023 |
|---------------------------------------|----------------------|----------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 3,156,704 | \$ 3,799,251 |
| Investments | 33,033,627 | 34,483,382 |
| Contributions receivable | 1,212,071 | 669,631 |
| Prepaid expenses and other assets | 171,968 | 124,542 |
| Property and equipment, net | 80,000 | 2,375 |
| Right-of-use asset - operating lease | 416,233 | 124,176 |
| | <u>\$ 38,070,603</u> | <u>\$ 39,203,357</u> |
| LIABILITIES AND NET ASSETS | | |
| Liabilities | | |
| Accounts payable and accrued expenses | \$ 361,274 | \$ 247,245 |
| Grants payable, net | 14,132,020 | 14,388,180 |
| Lease liability | 421,488 | 84,868 |
| Total Liabilities | <u>14,914,782</u> | <u>14,720,293</u> |
| Net Assets | | |
| Without donor restrictions | 10,207,440 | 12,729,445 |
| With donor restrictions | <u>12,948,381</u> | <u>11,753,619</u> |
| Total Net Assets | <u>23,155,821</u> | <u>24,483,064</u> |
| | <u>\$ 38,070,603</u> | <u>\$ 39,203,357</u> |

See notes to consolidated financial statements

Ovarian Cancer Research Alliance

Consolidated Statement of Activities Year Ended December 31, 2024 (with summarized totals for the year ended December 31, 2023)

| | Year Ended December 31, 2024 | | | 2023 |
|---|-------------------------------|----------------------------|----------------------|----------------------|
| | Without Donor Restrictions | With Donor Restrictions | Total | Total |
| REVENUE AND SUPPORT | | | | |
| Contributions | \$ 7,409,978 | \$ 932,325 | \$ 8,342,303 | \$ 10,395,812 |
| Special events, net of direct cost of benefits to donors of \$11,079 in 2024 and \$145,898 in 2023 | 184,812 | - | 184,812 | 1,160,499 |
| Conferences | 301,023 | - | 301,023 | 438,937 |
| Contributed services | 512,660 | - | 512,660 | 675,638 |
| Investment return | 1,027,428 | 2,100,526 | 3,127,954 | 3,331,829 |
| Net assets released from restrictions | 1,838,089 | (1,838,089) | - | - |
| Total Revenue and Support | <u>11,273,990</u> | <u>1,194,762</u> | <u>12,468,752</u> | <u>16,002,715</u> |
| OPERATING EXPENSES | | | | |
| Program Services | | | | |
| Research | 7,048,631 | - | 7,048,631 | 8,851,448 |
| Conferences | 982,758 | - | 982,758 | 625,720 |
| Education, support and advocacy | 2,214,588 | - | 2,214,588 | 2,034,142 |
| Total Program Services | <u>10,245,977</u> | <u>-</u> | <u>10,245,977</u> | <u>11,511,310</u> |
| Supporting Services | | | | |
| Fundraising | 1,425,591 | - | 1,425,591 | 1,589,779 |
| General and administrative | 1,199,427 | - | 1,199,427 | 1,248,828 |
| Total Supporting Services | <u>2,625,018</u> | <u>-</u> | <u>2,625,018</u> | <u>2,838,607</u> |
| Total Operating Expenses | <u>12,870,995</u> | <u>-</u> | <u>12,870,995</u> | <u>14,349,917</u> |
| Excess (Deficiency) of Revenue and Support Over Operating Expenses | (1,597,005) | 1,194,762 | (402,243) | 1,652,798 |
| NON-OPERATING EXPENSES | | | | |
| Lease termination | (925,000) | - | (925,000) | - |
| Change in Net Assets | (2,522,005) | 1,194,762 | (1,327,243) | 1,652,798 |
| NET ASSETS | | | | |
| Beginning of year, as restated | <u>12,729,445</u> | <u>11,753,619</u> | <u>24,483,064</u> | <u>22,830,266</u> |
| End of year | <u>\$ 10,207,440</u> | <u>\$ 12,948,381</u> | <u>\$ 23,155,821</u> | <u>\$ 24,483,064</u> |

See notes to consolidated financial statements

Ovarian Cancer Research Alliance

Consolidated Statement of Functional Expenses Year Ended December 31, 2024 (with summarized totals for the year ended December 31, 2023)

| | Program Services | | | | Supporting Services | | | Total | 2023 Total |
|-------------------------------------|------------------|-------------|------------------------------------|----------------------------|---------------------|-------------------------------|------------------------------|---------------|---------------|
| | Research | Conferences | Education, Support and Advocacy | Total Programs Services | Fundraising | General and Administrative | Total Supporting Services | | |
| Research and support grants | \$ 6,139,048 | \$ 75,000 | \$ 35,000 | \$ 6,249,048 | \$ - | \$ - | \$ - | \$ 6,249,048 | \$ 8,117,910 |
| Salaries | 263,450 | 124,654 | 867,380 | 1,255,484 | 662,763 | 288,149 | 950,912 | 2,206,396 | 2,414,771 |
| Payroll taxes and employee benefits | 82,576 | 39,072 | 271,871 | 393,519 | 207,736 | 90,317 | 298,053 | 691,572 | 661,301 |
| Conferences | - | 129,842 | - | 129,842 | - | - | - | 129,842 | 287,193 |
| Rent expense | 20,877 | 9,878 | 68,734 | 99,489 | 52,519 | 22,834 | 75,353 | 174,842 | 156,400 |
| Professional fees | 215,354 | 128,979 | 562,360 | 906,693 | 7,815 | 670,744 | 678,559 | 1,585,252 | 875,669 |
| Advertising | 50,766 | 412,593 | 92,488 | 555,847 | 81,749 | 30,725 | 112,474 | 668,321 | 780,749 |
| Internet and communications | 20,851 | 9,866 | 68,651 | 99,368 | 52,456 | 29,166 | 81,622 | 180,990 | 307,666 |
| Travel and entertainment | 4,839 | 31,006 | 7,768 | 43,613 | - | 10,292 | 10,292 | 53,905 | 56,824 |
| Genetic testing | 183,556 | - | - | 183,556 | - | - | - | 183,556 | 285,602 |
| Printing | 37,500 | 7,729 | 61,383 | 106,612 | 185,989 | 22,595 | 208,584 | 315,196 | 214,137 |
| Office expense | 2,109 | 1,030 | 87,737 | 90,876 | 5,307 | 2,307 | 7,614 | 98,490 | 89,699 |
| Insurance | 2,251 | 1,065 | 7,411 | 10,727 | 5,663 | 2,462 | 8,125 | 18,852 | 18,366 |
| Bank fees | 1,796 | 850 | 5,915 | 8,561 | 115,156 | 1,965 | 117,121 | 125,682 | 107,472 |
| Filing fees | 1,634 | 773 | 5,380 | 7,787 | 4,111 | 1,787 | 5,898 | 13,685 | 18,306 |
| Dues and subscriptions | 20,132 | 9,526 | 66,282 | 95,940 | 50,646 | 22,019 | 72,665 | 168,605 | 76,790 |
| Depreciation | 1,478 | 699 | 4,865 | 7,042 | 3,717 | 1,616 | 5,333 | 12,375 | 12,074 |
| Miscellaneous | 414 | 196 | 1,363 | 1,973 | 1,043 | 2,449 | 3,492 | 5,465 | 14,886 |
| Total Expenses | 7,048,631 | 982,758 | 2,214,588 | 10,245,977 | 1,436,670 | 1,199,427 | 2,636,097 | 12,882,074 | 14,495,815 |
| Less: direct cost of benefit | - | - | - | - | (11,079) | - | (11,079) | (11,079) | (145,898) |
| Total Operating Expenses | \$ 7,048,631 | \$ 982,758 | \$ 2,214,588 | \$ 10,245,977 | \$ 1,425,591 | \$ 1,199,427 | \$ 2,625,018 | \$ 12,870,995 | \$ 14,349,917 |

See notes to consolidated financial statements

Ovarian Cancer Research Alliance

Consolidated Statement of Cash Flows

Year Ended December 31, 2024

(with comparative amounts for the year ended December 31, 2023)

| | 2024 | 2023 |
|--|---------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in net assets | \$ (1,327,243) | \$ 1,652,798 |
| Adjustments to reconcile change in net assets to net cash from operating activities | | |
| Depreciation | 12,375 | 12,074 |
| Donated securities | (703,872) | - |
| Proceeds from sale of donated securities | 685,264 | - |
| Unrealized and realized gain on investments | (2,229,213) | (2,315,210) |
| Amortization of right-of-use asset - operating lease | 128,754 | 1,277,263 |
| Changes in operating assets and liabilities | | |
| Contributions receivable | (542,440) | 6,203,545 |
| Prepaid expenses and other assets | (47,426) | (39,481) |
| Accounts payable and accrued expenses | 114,029 | 51,136 |
| Grants payable, net | (256,160) | 1,368,049 |
| Operating lease obligation | (84,191) | (1,527,714) |
| Net Cash from Operating Activities | <u>(4,250,123)</u> | <u>6,682,460</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Proceeds from sale of investments | 12,022,794 | 24,562,455 |
| Purchases of investments | (8,325,218) | (34,666,983) |
| Purchases of property and equipment | (90,000) | - |
| Net Cash from Investing Activities | <u>3,607,576</u> | <u>(10,104,528)</u> |
| Net Change in Cash and Cash Equivalents | (642,547) | (3,422,068) |
| CASH AND CASH EQUIVALENTS | | |
| Cash and cash equivalents at beginning of year | <u>3,799,251</u> | <u>7,221,319</u> |
| Cash and cash equivalents at the end of year | <u>\$ 3,156,704</u> | <u>\$ 3,799,251</u> |

See notes to consolidated financial statements

Ovarian Cancer Research Alliance

Notes to Consolidated Financial Statements December 31, 2024

1. Organization and Tax Status

The Ovarian Cancer Research Fund, Inc. ("OCRF") D/B/A Ovarian Cancer Research Alliance ("OCRA") is a corporation which was organized in the State of New York as a not-for-profit entity on December 8, 1994. OCRA executed a D/B/A on October 3, 2018 to assume the name Ovarian Cancer Research Alliance. OCRA previously operated as the Ovarian Cancer Research Fund Alliance ("OCRFA"), which name was adopted on January 1, 2016, the date on which the operations of the Ovarian Cancer National Alliance ("OCNA") were consolidated with OCRF.

OCRA is committed to preventing and developing better treatments for and ultimately curing ovarian cancer and related gynecologic cancers through innovative research, raising awareness and ensuring the best care possible through advocacy and support for patients and families.

OCRA is a qualified organization exempt from income tax under 501(c)(3) of the Internal Revenue Code.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of OCRF and its affiliate, OCNA (collectively referred to as "OCRA"). The entities have interrelated directors and share common facilities and personnel. All intercompany balances and transactions have been eliminated in consolidation.

Net Asset Presentation

Net assets, revenue, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Net assets without donor restrictions are those currently available at the discretion of management and the Board for use in the operations of OCRA. Net assets with donor restrictions are restricted by donor-imposed restrictions as to use or time. When a restriction expires, restricted net assets are re-classified to net assets without restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

Ovarian Cancer Research Alliance

Notes to Consolidated Financial Statements December 31, 2024

2. Summary of Significant Accounting Policies (*continued*)

Cash and Cash Equivalents

OCRA considers all highly liquid financial instruments with a maturity of three months or less at the time of purchase to be cash equivalents.

Contributions and Contributions Receivable

Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution is received. Gifts are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Contributions with donor restrictions that are received and expended in the same year are treated as contributions without donor restrictions.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are subsequently met.

Contributions receivable as of December 31, 2024 are expected to be collected within one year.

Allowance for Accounts Doubtful for Collection

OCRA determines whether an allowance for uncollectible balances should be provided for receivables. Such estimates are based on management's assessment of the aged basis of its receivables, current economic conditions, subsequent receipts and historical information. Receivables are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted. OCRA has deemed an allowance for accounts doubtful of collection to be unnecessary at December 31, 2024.

Grants Refund Receivable Allowance

Grant funds that were issued to a grantee but not expended by the grantee must be returned to OCRA when the research project is terminated or completed or when the grant period ends. All grant refunds receivable are expected to be collected within one year. At December 31, 2024, grant refund receivables are included within prepaid expenses and other assets on the consolidated statement of financial position.

Ovarian Cancer Research Alliance

Notes to Consolidated Financial Statements December 31, 2024

2. Summary of Significant Accounting Policies *(continued)*

Fair Value Measurements

OCRA follows U.S. GAAP guidance on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Investment Valuation and Income Recognition

Investments are stated at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized gains and losses on the sale of investments are computed on the specific identification basis. Realized and unrealized gains and losses are included in the determination of the change in net assets.

Donated Securities

Donated securities are recorded at their estimated fair value as determined by OCRA's management on the date of donation. OCRA's policy is to sell the donated securities immediately, and, accordingly, for purposes of the consolidated statement of cash flows, donated securities and the proceeds generated from their sale are included within operating activities.

Property and Equipment

OCRA follows the practice of capitalizing all expenditures for property and equipment with a cost in excess of \$5,000. Assets are recorded at cost or in the case of a gift, at the fair value at the date of the gift. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which are approximately 5 years for furniture and equipment and 3 years for website. Property and equipment are reviewed for impairment if the use of the asset significantly changes or another indicator of possible impairment is identified. If the carrying amount for the asset is not recoverable, the asset is written down to its fair value. There were no asset impairments for the year ended December 31, 2024.

Leases

OCRA leases office space and determines if an arrangement is a lease at inception. The operating lease is included in right-of-use ("ROU") asset – operating lease and lease liability on the accompanying consolidated statement of financial position.

Ovarian Cancer Research Alliance

Notes to Consolidated Financial Statements December 31, 2024

2. Summary of Significant Accounting Policies (*continued*)

Leases (continued)

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating 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. When leases do not provide an implicit borrowing rate, OCRA uses a risk-free rate based on the information available at the commencement date in determining the present value of lease payments. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

OCRA's lease agreement does not contain any material residual value guarantees or material restrictive covenants.

Special Events

Special events include fundraising activities such as cycling classes, run/walk challenges, and other fundraisers. A portion of the gains proceeds paid by the attendees of the event represent payment for the direct cost of the benefits received by the attendees of the event. Revenues and expenses incurred relative to special events are recognized upon occurrence of the respective event. Revenues are shown net of costs of direct benefits to donors.

Contributed Services

OCRA records donated goods and services at fair value at the date of donation if these goods and services (i) create or enhance nonfinancial assets or (ii) typically need to be purchased if not acquired by donation. Additionally, recognition of donated services must (i) require a specialized skill; and (ii) be provided by individuals possessing these skills. Donated goods and services that meet the requirements for recognition are recorded as revenue and expense in the accompanying consolidated statement of activities.

OCRA received contributed services for the year ended December 31, 2024 as follows:

| Type | Amount | Usage in Program/Activities | Donor Restrictions | Fair Value Techniques |
|----------------------------------|-------------------|--------------------------------|-----------------------|--|
| Advertising | \$ 405,300 | Research and Conferences | None | Usual and customary rates of the vendor |
| Scientific Advisory Committee | 101,000 | Research | None | Usual and customary rates |
| Software | 6,360 | General and Administrative | None | Usual and customary rates of the vendor |
| | <u>\$ 512,660</u> | | | |

Ovarian Cancer Research Alliance

Notes to Consolidated Financial Statements December 31, 2024

2. Summary of Significant Accounting Policies (*continued*)

Grants Payable

Grants payable are recognized in the period the grant is approved, provided the grant is not subject to significant future conditions. Conditional grants are recognized as a grant expense and as a grant payable in the period in which the grantee meets the terms of the conditions.

Functional Expense Allocation

The consolidated financial statements report categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Program services include research, conferences, and education, support and advocacy. Supporting services include general and administrative and fundraising. Expenses reported by functional categories include allocations of costs for salaries, payroll taxes and employee benefits, rent, advertising, and office expenses, among other costs. OCRA allocates costs among the program and supporting functions based on time and effort, and purpose of expenditure.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expense for the year ended December 31, 2024 was \$668,321.

Operating Measure

OCRA has elected to present an operating measure in its consolidated statement of activities. Accordingly, items affecting operations are segregated from those not affecting operations. OCRA includes in its measure of operations all revenues and expenses that are an integral part of its program and supporting activities, which excludes a one-time cost incurred related to the termination of OCRA's New York, New York lease.

Reclassifications

Certain reclassifications were made to the components of the summarized totals from the 2023 consolidated financial statements to conform to the 2024 presentation

Accounting for Uncertainty in Income Taxes

OCRA recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that OCRA had no uncertain tax positions that would require financial statement recognition or disclosure. OCRA is no longer subject to examinations by the applicable taxing jurisdictions for years prior to December 31, 2021.

Ovarian Cancer Research Alliance

Notes to Consolidated Financial Statements December 31, 2024

2. Summary of Significant Accounting Policies (*continued*)

Prior Year Summarized Comparative Information

The financial statements include certain prior-year comparative information in total but not by net asset class. Accordingly, such information does not constitute a presentation in conformity with U.S. GAAP. Such information should be read in conjunction with OCRA's consolidated financial statements as of and for the year ended December 31, 2023, from which the summarized information was derived.

Subsequent Events

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is August 27, 2025.

3. Concentration of Credit Risk

OCRA places its cash with highly rated financial institutions. Deposits held at financial institutions insured by the Federal Deposit Insurance Corporation ("FDIC") are insured up to \$250,000. At times, balances may be in excess of federally insured limits. This potentially subjects OCRA to a concentration of credit risk. As of December 31, 2024, OCRA's uninsured cash and cash equivalents were approximately \$1,865,000. OCRA has not experienced any losses in such accounts and, as such, believes it is not exposed to any significant credit risk on cash and cash equivalents.

The investment portfolio is diversified by type of investments and industry concentrations so that no individual investment or groups of investments represent a significant concentration of market risk. Investments are managed by a professional investment management firm, are monitored by the Board of Directors and are reviewed by the Investment Committee of OCRA. The Securities Investor Protection Corporation ("SIPC") protects customers from brokerage firm failures. In the event of a failure, SIPC covers losses caused by the misappropriations of securities up to \$500,000 (inclusive of up to \$250,000 for cash holdings). As of December 31, 2024, OCRA's uninsured investment holdings were approximately \$33,583,000. OCRA has not experienced any losses in such accounts and, as such, believes it is not exposed to any significant credit risk on investments.

Three donors represent approximately 44% of contributions receivable as of December 31, 2024. Concentrations of credit risk with respect to contribution revenue is limited due to the fact that revenues come from a significant number of donors.

Ovarian Cancer Research Alliance

Notes to Consolidated Financial Statements December 31, 2024

4. Investments

The following are major categories of assets measured at fair value on a recurring basis at December 31, 2024:

| Description | Level 1 | Level 2 | Total |
|-----------------------|----------------------|---------------------|----------------------|
| U.S. large cap equity | \$ 9,015,777 | \$ - | \$ 9,015,777 |
| U.S. mid cap equity | 2,211,693 | - | 2,211,693 |
| U.S. small cap equity | 2,126,166 | - | 2,126,166 |
| International equity | 1,084,394 | - | 1,084,394 |
| Fixed income | 13,919,201 | 2,056,025 | 15,975,226 |
| Alternatives | 1,555,223 | - | 1,555,223 |
| Balanced mutual funds | <u>1,065,148</u> | <u>-</u> | <u>1,065,148</u> |
| Total | <u>\$ 30,977,602</u> | <u>\$ 2,056,025</u> | <u>\$ 33,033,627</u> |

The composition of investment return as reported in the consolidated statement of activities for the year ended December 31, 2024 was as follows:

| | |
|----------------------------|---------------------|
| Interest and dividends | \$ 992,906 |
| Investment management fees | (94,165) |
| Realized gains | 226,954 |
| Unrealized gains | <u>2,002,259</u> |
| Net Return on Investments | <u>\$ 3,127,954</u> |

5. Property and Equipment

Property and equipment consisted of the following as of December 31, 2024:

| | |
|---|------------------|
| Furniture and equipment | \$ 107,819 |
| Equipment | 115,471 |
| Website | <u>90,000</u> |
| | 313,290 |
| Accumulated depreciation and amortization | <u>(233,290)</u> |
| | <u>\$ 80,000</u> |

Ovarian Cancer Research Alliance

Notes to Consolidated Financial Statements December 31, 2024

6. Grants Payable

The maturity analysis and reconciliation to the consolidated statement of financial position at December 31, 2024, are as follows:

| | |
|--|----------------------|
| 2025 | \$ 7,195,744 |
| 2026 | 4,865,825 |
| 2027 | 2,324,578 |
| 2028 | <u>494,924</u> |
| Total future undiscounted grant payments | 14,881,071 |
| Less: present value discount | <u>(749,051)</u> |
| | <u>\$ 14,132,020</u> |

Grants payable are discounted at a rate of 7.5%.

Subsequent to year end, OCRA made grant payments of approximately \$6,685,000.

7. Retirement Plan

OCRA sponsors a defined contribution 401(k) plan (the "Plan") covering all eligible employees of OCRA. OCRA makes annual contributions to the Plan equal to a percentage determined by OCRA prior to the end of each year. OCRA made contributions of \$71,355 for the year ended December 31, 2024.

8. Lease

OCRA has one operating lease for office space in Washington, DC. The lease expired in November 2024, but was renewed on December 1, 2024 and is now set to expire in January 2032. In connection with the lease renewal, OCRA recognized a right-of-use asset and corresponding lease liability of \$420,811 during the year ended December 31, 2024. The operating lease includes a base fee which increases annually and variable payments for real estate taxes. The lease is non-cancelable unless there is a violation under the lease agreement.

OCRA amortizes the ROU asset over the life of the lease agreement. The ROU asset consists of the following as of December 31, 2024:

| | |
|---------------------------------------|-------------------|
| Right-of-use assets - operating lease | \$ 420,811 |
| Less: accumulated amortization | <u>(4,578)</u> |
| | <u>\$ 416,233</u> |

For the year ended December 31, 2024, cash paid for the operating lease was \$127,603 and rent expense amounted to \$174,842.

Ovarian Cancer Research Alliance

Notes to Consolidated Financial Statements December 31, 2024

8. Lease (*continued*)

Future minimum lease payments are as follows:

| | |
|-------------------------------------|-------------------|
| Year ending December 31, | |
| 2025 | \$ 54,359 |
| 2026 | 60,918 |
| 2027 | 62,594 |
| 2028 | 64,315 |
| 2029 | 66,084 |
| Thereafter | <u>143,630</u> |
| Total future minimum lease payments | 451,900 |
| Less imputed interest | <u>(30,412)</u> |
| Total lease liability | <u>\$ 421,488</u> |

The weighted average operating lease term is 7.08 years. The rate implicit in the operating lease cannot be determined and OCRA uses the Applicable Federal Rate, a risk-free rate. The weighted average interest rate is 1.93%.

9. Net Assets

Net assets with donor restrictions at December 31, 2024 were restricted for the following purposes:

| | |
|---|----------------------|
| Research in Ovarian Cancer (Shirley Johnson Fund) | \$ 10,573,350 |
| Research in Ovarian Cancer (Edmee Firth Fund) | 1,354,753 |
| Awareness and Education Campaigns | 214,558 |
| Advocate Leadership | 310,720 |
| Patient Registry | 280,000 |
| Endometrial Cancer Seminar | 80,000 |
| Research Advocacy | 60,000 |
| Patient Support Programs | 50,000 |
| Time-restricted for future periods | <u>25,000</u> |
| Total Net Assets with Donor Restrictions | <u>\$ 12,948,381</u> |

Ovarian Cancer Research Alliance

Notes to Consolidated Financial Statements December 31, 2024

9. Net Assets (*continued*)

During fiscal 2024, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of other events specified by the donors as follows:

| | |
|---|---------------------|
| Research in Ovarian Cancer (Shirley Johnson Fund) | \$ 678,221 |
| Research in Ovarian Cancer (Edmee Firth Fund) | 50,000 |
| Awareness and Education Campaigns | 544,160 |
| Advocate Leaders | 24,470 |
| Educational Conferences | 76,469 |
| Patient Support Programs | 195,000 |
| Woman to Woman Program | 179,769 |
| Time-restricted for future periods | 90,000 |
| | <u>\$ 1,838,089</u> |

10. Liquidity and Availability

The following reflects OCRA's financial assets as of December 31, 2024, reduced by amounts not available for general use within one year of that date because of contractual or donor-imposed restrictions. Amounts not available include net assets with donor restrictions, which are reduced by amounts expected to be released within 12 months. OCRA's goal is generally to maintain financial assets to meet at least 90 days of operating expenses. As part of its liquidity plan, excess cash is maintained in interest-bearing bank accounts at an FDIC insured institution and in investment accounts.

Financial assets:

| | |
|---------------------------|-------------------|
| Cash and cash equivalents | \$ 3,156,704 |
| Contributions receivable | 1,212,071 |
| Investments | 33,033,627 |
| Total Financial Assets | <u>37,402,402</u> |

Less contractual or donor imposed restricted amounts:

| | |
|--------------------------------|-------------------|
| Purpose and/or time restricted | <u>11,365,966</u> |
|--------------------------------|-------------------|

Financial Assets Available to Meet General

| | |
|--|----------------------|
| Expenditures Over the Next Twelve Months | <u>\$ 26,036,436</u> |
|--|----------------------|

Ovarian Cancer Research Alliance

Notes to Consolidated Financial Statements

December 31, 2024

11. Commitments and Contingencies

OCRA may be subject to claims or litigation in the ongoing course of fulfilling its mission. However, management is not aware of any claim or litigation, the outcome of which would have a material adverse impact on OCRA's consolidated statements of financial position or activities.

12. Subsequent Events

Effective January 1, 2025, OCRA acquired The Clarity Foundation. This combined OCRA's leading research, advocacy, and patient support programs with The Clarity Foundation's focus on scientific education and support for women and families facing an ovarian cancer diagnosis.

Effective April 1, 2025, OCRA acquired the Rivkin Center for Ovarian Cancer. OCRA will build upon this Seattle-based organization's legacy of funding innovative ovarian cancer research and connecting the Pacific Northwest community to vital resources. The union will also allow OCRA to enhance its national and global reach, allowing for broader access to education, support, and scientific advancements for the ovarian cancer community.

13. Restatement

In 2024, OCRA restated its consolidated financial statements in order to properly reflect the net assets as of December 31, 2023. The adjustment from the restatement on the consolidated statements of financial position and activities is as follows:

| | <u>Previously Reported</u> | <u>Prior Period Adjustment</u> | <u>Restated Amount</u> |
|---|--------------------------------|------------------------------------|----------------------------|
| Net assets - without donor restrictions | \$ 13,689,736 | \$ (960,291) | \$ 12,729,445 |
| Net assets - with donor restrictions | 10,793,328 | 960,291 | 11,753,619 |

* * * * *