

HIGH ATLAS FOUNDATION

**INDEPENDENT ACCOUNTANT'S REVIEW REPORT
YEAR ENDED DECEMBER 31, 2024**

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT ACCOUNTANT'S REPORT FOR THE YEAR ENDED DECEMBER 31, 2024	
STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2024,	3
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2024,	4
STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2024,	5
STATEMENT OF THE FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2024,	6
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024,	7

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**TO THE BOARD OF DIRECTORS
HIGH ATLAS FOUNDATION****INDEPENDENT ACCOUNTANT 'S REPORT
YEAR ENDED DECEMBER 31, 2024**

We have reviewed the accompanying consolidated financial statements as at December 31, 2024 of High Atlas Foundation (HAF), based on our review of its affiliated entity in Morocco "High Atlas Foundation for Sustainable Development (HAFSD)" financial statements as at December 31, 2024 and the HAF US Bank account's operations as reflected in its bank statements for that year. Those accompanying consolidated financial statements comprise the statement of financial position as of December 31, 2024 and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements.

A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and the fair presentation of these financial statements in accordance with generally accepted accounting principles. This includes the design, implementation, and maintenance of internal control relevant to the presentation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with the generally accepted Standard on Review Engagement. This Standard requires us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with generally accepted accounting principles.

We are required to be independent of HAF and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Basis of a qualified conclusion

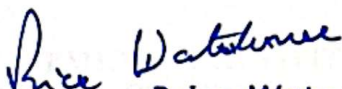
As described in Note 5 to the financial statements, trees inventoried as of December 31, 2024 represent 2 212 000 units which are valued at unit cost price of US\$ 0,385 representing then a total of US\$ 851 581. The trees distributed since January 2025 out of trees inventoried at 2024 year end have been sold at an average unit nominal price of US\$ 0,20. Based on that price, the total of the 2 212 000 units will lead to a loss of approximately US\$ 409 000. No provision has been provided on the HAFSD nor HAF 2024 financial statements.

Qualified conclusion

Based on our review, except for the effects of the matter described in the basis for qualified conclusion paragraph above, we are not aware of any other material modifications that should be made to the accompanying financial statements in order for them to be in accordance with generally accepted accounting principles.

Casablanca, September 19th, 2025

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STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2024

(Expressed in U.S. dollars)

TABLE OF CONTENTS

ASSETS

Current assets

Cash and banks

Accounts receivable

Inventories

Other current assets

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024,

STATEMENT OF CASH FLOWS FOR THE YEAR

ENDED DECEMBER 31, 2024,

STATEMENT OF ACTIVITIES FOR THE YEAR

ENDED DECEMBER 31, 2024,

STATEMENT OF THE FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2024,

NOTES TO FINANCIAL STATEMENTS FOR

THE YEAR ENDED DECEMBER 31, 2024,

LIABILITIES

Accounts payable and other current liabilities

Long-term liabilities

Other long-term liabilities

Equity

Other equity

Other equity

Other equity

Page

3

4

5

6

7

HIGH ATLAS FOUNDATION

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2024

(Expressed in US dollars)

	<u>Notes</u>	<u>2024</u>	<u>2023</u>
ASSETS			
Current assets			
cash and banks		1 113 457	2 960 595
accounts receivable	4	35 853	17 062
inventories	3.3 & 5	851 581	688 169
other current assets	6	<u>8 246</u>	<u>15 093</u>
		<u>2 009 137</u>	<u>3 680 919</u>
Fixed assets			
property, plant and equipment		85 279	74 681
less: accumulated depreciation		<u>(19 429)</u>	<u>(7 048)</u>
	3.2&7	<u>65 850</u>	<u>67 633</u>
Other assets	8	<u>9 898</u>	<u>30 665</u>
Total assets		<u>2 084 885</u>	<u>3 779 217</u>
LIABILITIES AND NET ASSETS			
Current liabilities			
accounts payable and other current liabilities	9	<u>114 806</u>	<u>748 396</u>
		<u>114 806</u>	<u>748 396</u>
Non-current liabilities			
long term loan	10	<u>1 334 912</u>	<u>1 334 912</u>
		<u>1 334 912</u>	<u>1 334 912</u>
Total liabilities		<u>1 449 718</u>	<u>2 083 308</u>
Net Assets – unrestricted -	3.5	<u>635 167</u>	<u>1 695 909</u>
Total liabilities and Net Assets		<u>2 084 885</u>	<u>3 779 217</u>

The accompanying notes form part of these financial statements.

HIGH ATLAS FOUNDATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2024

(Expressed in US dollars)

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Change in net assets	(1 060 742)	2 028 220
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation of the year	12 381	7 048
Accumulated depreciation of fixed assets disposed	-	(26 374)
Equity adjustments	-	(367 176)
	<u>(1 048 361)</u>	<u>1 641 718</u>
<u>Change in:</u>		
Inventories	(163 412)	74 375
Receivable	(18 791)	(15 875)
Other current assets	6 847	(15 093)
Other assets	20 767	(4 527)
Current liabilities	(633 590)	519 288
Deferred income	-	(1 125 000)
	<u>(1 836 540)</u>	<u>1 074 886</u>
Cash flows from financing activities		
loan repayment	-	(67 089)
	<u>-</u>	<u>(67 089)</u>
Cash flows from investing activities		
Capital expenditure	(10 598)	(74 681)
Fixed assets disposed	-	66 513
	<u>(10 598)</u>	<u>(8 168)</u>
Increase/ (Decrease) in cash and banks	(1 847 138)	999 629
Cash and banks, beginning of the year	<u>2 960 595</u>	<u>1 960 966</u>
Cash and banks, end of the year	<u>1 113 457</u>	<u>2 960 595</u>

The accompanying notes form part of these financial statements

HIGH ATLAS FOUNDATION**STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2024**

(Expressed in US dollars)

	<u>Notes</u>	<u>2024</u>	<u>2023</u>
INCOME			
Grants support and other public contributions	3.1 & 11	3 679 503	5 329 753
Individual donations	12	314 295	1 222 214
Program realization income	13	213 336	119 967
Miscellaneous income		<u>12 643</u>	<u>12 226</u>
Total income		<u>4 219 777</u>	<u>6 684 160</u>
EXPENSES			
Program services		4 490 527	3 605 940
Supporting services		<u>792 441</u>	<u>1 009 861</u>
Total expenses		<u>5 282 968</u>	<u>4 615 801</u>
Excess (deficit) of income over expenses		<u>(1 063 191)</u>	<u>2 068 359</u>
NON-OPERATING REVENUE, GAIN AND LOSSES			
Noncurrent losses			(40 139)
Other exceptional gains		<u>2 449</u>	<u>-</u>
		<u>2 449</u>	<u>(40 139)</u>
Change in net assets		(1 060 742)	2 028 220
Net Assets – unrestricted- Beginning of the Year		1 695 909	34 865
Equity adjustments		<u>-</u>	<u>(367 176)</u>
Net Assets unrestricted- -End of the Year		<u>635 167</u>	<u>1 695 909</u>

The accompanying notes form part of these financial statements.

STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2024

(Expressed in US Dollars)

	Notes	December 31, 2024				December 31, 2023	
		Program services	Management and general	Fund raising	Total supporting services	Total Expenses (Note 14)	Total expenses
		US\$	US\$	US\$	US\$	US\$	US\$
Salaries and related expenses	15	1 184 519	327 468	-	327 468	1 511 987	1 317 044
Operations expenses	16	2 911 344	237 706	-	237 706	3 149 050	2 243 814
Travel expenses	17	195 732	7 316	1 898	9 214	204 946	585 461
Professional services	18	48 946	23 147	-	23 147	72 093	129 857
Facilities	19	101 535	1 100	-	1 100	102 635	53 270
Computer and internet expenses	20	-	70 630-	-	70 630	70 630	142 126
Telephone and communications		-	13 360	-	13 360	13 360	11 544
Insurance	21	28 771	7 843	-	7 843	36 614	15 733
Postage and mailing services		747	-	-	-	747	226
Due and subscriptions		1 748	18 666	223	18 889	20 637	10 638
Depreciation		12 381	-	-	-	12 381	7 048
Bank fees		4 804	3 672	125	3 797	8 601	6 887
Interest expenses	10	-	79 287	-	79 287	79 287	-
Support for cooperatives		-	-	-	-	-	88 151
Miscellaneous expenses		-	-	-	-	-	4 002
Total expenses		<u>4 490 527</u>	<u>790 195</u>	<u>2 246</u>	<u>792 441</u>	<u>5 282 968</u>	<u>4 615 801</u>

HIGH ATLAS FOUNDATION**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED
DECEMBER 31, 2024**

(All figures expressed in US Dollars)

1. Activities

High Atlas Foundation (HAF) is a U.S 501 (c) (3) nonprofit organization founded in September 2000 by former Peace Corps Volunteers. In 2008, the HAF Board made the decision that in order to effectively and sustainably carry out its human development mission in Morocco, to create a Moroccan local civil association to manage projects and to operate administratively. This association has thus obtained in 2023 its formal registration as a not for profit Association exercising in Morocco named "High Atlas Foundation for Sustainable Development".

Its purposes are to assist communities in Morocco with the creation of sustainable human development capabilities, to promote the sustainable and wide use of natural resources and to foster the development of leadership and social capital.

Its revenues are composed of grants and other contributions made by US and other governmental and institutional entities or private organizations as well as individual donors.

Entirety of HAF operational activities, including implementation of projects and programs, takes place in Morocco (see Note 14 to the financial statements below).

2. Presentation of the 2024 financial statements

Further to its formal recognition, intervened in 2023, as a non-profit organization for its operational activities in Morocco, HAF has to prepare, as required by the Moroccan law, separate financial statements and files correspondent tax returns dedicated to those activities.

HAF financial statements for the year as of December 31, 2024 consolidate thus its operations undertaken in USA through its US bank channel (Citibank) and in Morocco as reflected in the undermentioned separate financial statements.

3. Summary of significant accounting policies***Basis of accounting***

The consolidated financial statements of High Atlas Foundation have been prepared on the accrual basis of accounting.

3.1 *Income*

- Grant and public support revenue represent contributions received by the Foundation. These contributions are recognized as revenue in its statement of activities of the year of their perception,
- US Federal contracts are cost reimbursement grants and therefore conditional upon the incurrence of allowable qualifying expenses. Grant receivable as compensation for expenses already incurred are recognized as income in the period in which it is received when all grant recognition conditions have been achieved,
- Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. There were no temporarily restricted contributions in the year ending December 31, 2024.

3.2 *Fixed assets*

Property, plant and equipment are recorded at cost reduced by accumulated depreciation. Depreciation is provided based on estimated related tax lives of the assets.

3.3 *Inventories*

Inventories consists of fruit tree saplings held for distribution or sale at no or nominal consideration as part of the Foundation charitable activities.

Trees inventories are valued at cost (materials, labor, transportation,) relating to all activities regarding planting, sowing, reforestation and care of fruit trees saplings among the different HAF nurseries.

3.4 *Income taxes*

The Foundation is exempted in USA from Federal and State income taxes under Internal Revenue Code Section 501 (c) (3) in USA.

The Foundation is also recognized in Morocco as a nonprofit association and as such, has to file annual tax returns relating to its local operational activities. According to the Moroccan regulatory requirements, HAF, as a nonprofit association, is exempted from any income taxes for its operations if fulfilled in compliance with its bylaws in Morocco.

Accordingly, no provision has been made for income taxes in these financial statements.

3.5 *Net assets released from restrictions*

There were no temporarily restricted contributions received and allocated during 2024.

HIGH ATLAS FOUNDATION**3.6 Currency translation**

The consolidated financial statements of the Foundation are maintained in US dollars. For the year as of December 31, 2024, a flat rate of DH 10,103 = US\$ 1 has been used to translate all amounts expressed in Moroccan Dirhams in financial statements. This rate corresponds to the average official exchange rate between US Dollar and Moroccan Dirham prevailing during the year 2024.

3.7 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 statements of functional expenses present the natural classification detail of expenses by function.

4. Accounts receivable

	<u>2024</u>	<u>2023</u>
Accounts receivable	<u>35 853</u>	<u>17 062</u>

Balance as of December 31, 2024 represents outstanding amounts to be collected at the year-end in relation with sales of trees undertaken during the year within planting trees programs in Morocco. As of September 15, 2025, subsequent collection of 2024 year end outstanding receivables amounted US\$ 24 883, the remaining balance at that date, i.e. US\$10 970, is expected to be collected by the 2025 year end.

Balance of accounts receivable as of December 31, 2024 relates in entirety to HAFSD activities in Morocco.

5. Inventories

	<u>2024</u>	<u>2023</u>
Fruit trees inventory	<u>851 581</u>	<u>688 169</u>

Inventories consist of fruit tree saplings held for distribution or sale among the HAFSD nurseries in Morocco and thus, relates in entirety to HAFSD activities.

Trees inventoried as of December 31, 2024 represent 2 212 000 units valued at unit cost price of DH 3,89 (equivalent to US\$ 0,385).

The trees distributed since January 2025 out of trees inventoried at 2024 year end have been sold at an average unit nominal price of DH 2,00 (equivalent to US\$ 0,20).

6. Other current assets

	<u>2024</u>	<u>2023</u>
	<u>8 246</u>	<u>15 093</u>

Analysis of this account as of December 31, 2024 is as follows:

<u>Description</u>	<u>US\$</u>
Advances on rents	3 949
Prepaid expenses	2 405
Others	1 892
	<u>8 246</u>

HIGH ATLAS FOUNDATION

Balance of other current assets as of December 31, 2024 relates in entirety to HAFSD activities in Morocco.

7. Property, plant and equipment

	<u>2024</u>	<u>2023</u>
Cost		
Computer equipment	62 945	52 820
Other equipment	<u>22 334</u>	<u>21 861</u>
	85 279	74 681
Depreciation	<u>(19 429)</u>	<u>(7 048)</u>
Net book value	<u>65 850</u>	<u>67 633</u>

Entirety of HAF's fixed assets are located in Morocco and relates, thus, to HAFSD activities.

8. Other assets

	<u>2024</u>	<u>2023</u>
Other assets	<u>9 898</u>	<u>30 665</u>

Balance as of December 31, 2024, includes US\$ 7 928 relating to security deposits made by HAF when submitting to call for tenders launched by some local public administration in Morocco for the use of lands within their jurisdiction.

Balance of other assets as of December 31, 2024 relates in entirety to HAFSD activities in Morocco.

9. Accounts payable and other current liabilities

	<u>2024</u>	<u>2023</u>
Account payable	<u>114 806</u>	<u>748 396</u>

Breakdown of this account is as follows for the year as of December 31, 2024:

<u>Description</u>	<u>US\$</u>
Suppliers (a)	36 646
Social bodies (CNSS) (b)	15 219
State (c)	16 191
Accrual interest on SBA loan (Note 10)	<u>46 750</u>
	<u>114 806</u>

(a) Breakdown of the suppliers 'balance as of December 31, 2024 is as follows :

<u>Suppliers</u>	<u>US\$</u>
Amdent (furniture)	1 865
ASK Assurance (Insurance)	9 173
Publab	9 898
Others	<u>5 978</u>
	<u>26 914</u>

Accrued expenses

(*)	<u>9 732</u>
	<u>36 646</u>

- (*) Relates to the insurance company ASK Assurance 'invoices relating to 2024 and subsequently received in 2025.

All those above outstanding debts as of December 31, 2024, relating entirely to HAFSD activities, have been subsequently paid as at September 15, 2025.

- (b) This account relates to the contributions to the CNSS body in Morocco subsequently paid in January 2025.
- (c) This account relates to the payroll tax in Morocco as of December 31, 2024 subsequently paid in January 2025.

10. Long term loan

	<u>2024</u>	<u>2023</u>
Small Business Administration loan (SBA)	<u>1 334 912</u>	<u>1 334 912</u>

On June 2020, the US Small Business Administration (SBA) authorized an Economic Injury Disaster loan on behalf HAF in USA amounting US\$ 150 000 and updated on October 2021 to US\$ 1 408 100. The loan supports prior planned activities in community-based fruit tree agriculture and monitoring trees for carbon offset credits.

The loan's terms of payment are the followings:

- Installment payments; including principal and interest, of US\$ 6 099 are payable on a monthly basis ;
- The balance of principal and interests are payable thirty (30) years from the date of the promissory note, i.e. June 2050.

As of December 31, 2024, such agreed schedule of installment payments has been thoroughly respected by HAF.

As a result of adjustments made during the year to correct some previous allocations made between principal and interest on HAF's books, entirety of the monthly installments payments intervened in 2024, i.e. US\$ 79 287, have been exclusively applied to interest.

11. Grants support and other contributions

		<u>2024</u>	<u>2023</u>
Grants support	(a)	3 496 041	3 296 468
Other contributions	(b)	<u>183 462</u>	<u>2 033 285</u>
		<u>3 679 503</u>	<u>5 329 753</u>

Grants supports and other contributions relates to projects and programs entirely executed in Morocco.

HIGH ATLAS FOUNDATION

Breakdown by main donors of grants and other contributions received in 2024 is detailed below:

(a) Grants support	<u>US\$</u>
<u>US Federal awards</u>	
Dakira (US AID)	1 059 554
MEPI	43 453
NED	37 500
	<u>1 140 507</u>
<u>Other awards</u>	
Reforest Australia	79 063
University of Virginia	91 917
Reforest Action	50 703
Ecologia	39 159
Planterra International Foundation	151 718
Yves Saint Laurent	63 943
YCC	174 947
Berge Bulk Blue Solution (BBBS)	75 000
University College London	29 196
	<u>755 646</u>
<u>September 2023 earthquake relief and rebuilding awards</u>	
King Baudouin Foundation	213 148
Muslim Aid	109 591
Hope	238 531
Siemens caring	210 993
Annenberg Foundation	119 279
Apple	192 287
Choose love	60 575
Cargill Foundation	65 000
Other awards (a)	390 484
	<u>1 599 888</u>
	<u>3 496 041</u>

(a) Composed of numerous awards each amounting less than US\$ 50 000.

**13
HIGH ATLAS FOUNDATION**

(b) Other contributions

Global Giving Income	(a)	126 109
Others		<u>57 353</u>
		<u>183 462</u>

Other contributions' level in 2023 has been exceptionally high due to the importance of contributions received to support HAF actions on behalf victims of the earthquake that struck High Atlas region in September 2023.

- (a) Global Giving income relate to contributions collected during 2024 through the global crowd funding platform of Global Giving organization.

12. Individual donations

	<u>2024</u>	<u>2023</u>
	<u>314 295</u>	<u>1 222 214</u>

Total amount, for the year as of December 31, 2024, is composed of numerous individual donations.

Individual donations' level in 2023 has been exceptionally high due to the importance of contributions received to support HAF actions on behalf victims of the earthquake that struck High Atlas region in September 2023.

13. Program realization income

	<u>2024</u>	<u>2023</u>
	<u>213 336</u>	<u>119 967</u>

Total amount, for the year as of December 31, 2024, relates to income from sales of trees made as part of the implementation of the Tree Planting programs in Morocco.

14. Distribution of functional expenses

As mentioned in Note 1 to the financial statements, entirety of the Foundation operational programs' activities are undertaken in Morocco by HAFSD.

For illustration purposes, the table below details the distribution of the 2024 functional expenses between expenses incurred in USA by HAF and those incurred in Morocco through HAFSD.

Functional expenses	relating to HAFSD in Morocco		relating to HAF in USA		Total	
	US\$	%	US\$	%	US\$	%
salaries and related expenses	1 184 519	78%	327 468	22%	1 511 987	100%
operation expenses	3 149 050	100%	-	0%	3 149 050	100%
travel expenses	194 761	95%	10 185	5%	204 946	100%
professional services	35 083	49%	37 010	51%	72 093	100%
facilities	99 699	97%	2 936	3%	102 635	100%
computer and internet expenses	70 630	100%	-	0%	70 630	100%
telephone and communication	9 298	70%	4 062	30%	13 360	100%
insurance	28 771	79%	7 843	21%	36 614	100%
postage and mailing services	747	100%	-	0%	747	100%
due and subscription	-	0%	20 637	100%	20 637	100%
depreciation	12 381	100%	-	0%	12 381	100%
bank fees	3 096	36%	5 505	64%	8 601	100%
interest expenses	-	0%	79 287	100%	79 287	100%
	4 788 035	91%	494 933	9%	5 282 968	100%

15. Salaries and related charges

2024

2023

1 511 9871 317 044

This account is detailed as follows:

2024

2023

Moroccan salary expenses

827 680

699 650

Moroccan employment tax and employee benefit expenses

146 667

125 333

Moroccan salary income tax

210 172

186 587

US salary expenses

242 939

234 919

US payroll expenses

45 030

34 011

US specific salaries expenses

39 499

36 544

1 511 9871 317 044

HIGH ATLAS FOUNDATION

Increase in salaries and related charges expenses in 2024 is notably explained by the continuation in the implementation during the year of important carbon offset programs needing to resort to additional local nursery supervisors.

16. Operations expenses

<u>2024</u>	<u>2023</u>
<u>3 149 050</u>	<u>2 243 814</u>

Increase in operations expenses in 2024 in comparison with 2023 is significantly explained by expenses made within the acceleration in the implementation of the planting programs initiated during the previous year.

This account is detailed for the year as of December 31, 2024 as follows:

		<u>2024</u>	<u>2023</u>
Cost of goods sold	(a)	1 473 816	796 815
Subcontractors	(b)	602 451	305 000
Special Activities - relief operations	(c)	873 518	919 627
Training and workshop expenses		109 852	103 369
Transportation fees		40 081	69 182
Office supplies		36 565	37 094
Other expenses		<u>12 767</u>	<u>12 727</u>
		<u>3 149 050</u>	<u>2 243 814</u>

- (a) Represents costs related to activities regarding planting, sowing, reforestation and care of trees among the different HAFSD nurseries in Morocco.

Breakdown of cost of goods sold as of December 31, 2024 is as follows:

<u>Description</u>	<u>US\$</u>
Purchase of trees	794 464
Plantation	368 121
Solar system installations	8 762
Technical studies and surveys	137 317
Nursery care takers – seasonal-	29 574
Roads and digs	11 711
Irrigation system and drinking water	123 234
Others	<u>633</u>
	<u>1 473 816</u>

HIGH ATLAS FOUNDATION

Breakdown of the 2024 cost of goods sold by program is as follows:

<u>Program</u>	<u>US\$</u>
Annenberg	126 283
Apple	201 566
BBBS	430 708
Hope (irrigation)	121 039
Muslim Aid	136 558
King Baudouin Foundation	150 024
Dakira (US AID)	126 086
Others	<u>181 552</u>
	<u>1 473 816</u>

- (b) Breakdown of payments to the organizations that have beneficiated from HAFSD financial support in 2024 as part of HAFSD projects' implementation in Morocco is as follows:

	<u>US\$</u>
Association Mimouna	228 000
Association Mogador	68 138
Foundation "Memories for the Future"	190 587
Association "Les Amis des Ecoles "	100 000
Others	<u>15 726</u>
	<u>602 451</u>

- (c) This amount relates in its entirety to expenses that have continued to be incurred in 2024 within the different relief operations undertaken by the Foundation on behalf the population affected by the earthquake that struck the High Atlas region on September 8th, 2023.

Its analysis is as follows:

<u>Description</u>	<u>US\$</u>
Irrigation and water supply	863 184
Shelters	<u>10 334</u>
	<u>873 518</u>

17. Travel expenses

<u>2024</u>	<u>2023</u>
<u>204 946</u>	<u>585 461</u>

This component records expenses incurred by the Foundation's staff as part of supervision and monitoring of the different projects and for general purposes (travel for grants negotiations, trainings ...).

Decrease in level of those expenses in 2024 compared to 2023 is explained by:

- the fact that numerous previous programs have required in 2023 a more intensive supervision as they were in their ending or growth phases (Farmer to Farmer, EU, Dakira, BBBS, ...).
- the impact on those expenses of relief operations handled by the Foundation following the September 2023 earthquake.

For illustration purposes, major variations, by program, of travel expenses noted between 2024 and 2023 are detailed below:

Programs	<u>2024</u>	<u>2023</u>
Hope	25 002	9 080
Mepi	10 574	19 420
Dakira	11 464	93 314
Farmer to farmer	-	138 751
EU	-	49 340
UVA	21 722	28 917
YCC	22 782	25 511
Princeton	-	20 541
Reforest action	-	14 546
NED	4 710	10 922
BBBS	10 564	40 010
AKVO	-	25 648

18. Professional services

	<u>2024</u>	<u>2023</u>
Accounting and audit fees (*)	50 406	65 883
Contractor / consultant services	<u>21 687</u>	<u>63 974</u>
	<u>72 093</u>	<u>129 857</u>

- (*) including , for the year 2024, US\$ 21 900 relating to the Single Audit on US Federal awards undertaken by HAF in USA .

19. Facilities

<u>2024</u>	<u>2023</u>
<u>102 635</u>	<u>53 270</u>

HIGH ATLAS FOUNDATION

Increase in the level of those charges in 2024 is explained notably by:

- the acceleration noted in the implementation of trees planting programs, that has led to the development in existing nurseries activities and creation of new ones,
- non recurrent facilities expenses occurred during the year (the most significant relates to the HAFSD stand in the "Salon International de l'Agriculture (SIAM)" for US\$14 000).

20. Computer and internet expenses

<u>2024</u>	<u>2023</u>
<u>70 630</u>	<u>142 126</u>

For reminder, balance as of December 31, 2023 has included a non-recurrent expense of USD 130 776 relating to the redesign of the Foundation website (supplier Design by Cosmic).

21. Insurance expenses

<u>2024</u>	<u>2023</u>
<u>36 614</u>	<u>15 733</u>

Insurance expenses for the year 2024 are detailed as follows:

	<u>US\$</u>
- Work accident insurance	17 334
- Supplemental insurance	11 437
- US insurance expenses (*)	<u>7 843</u>
	<u>36 614</u>

(*) Including the HAF Board of Directors' insurance for US\$ 3 269.

22. Contingencies

- HAF participates in a number of US federally funded grant programs, which are subject to financial and compliance audits by federal agencies or their representatives. Management does not anticipate any significant adjustments as a result of such audits,

As detailed below, and further to its formal recognition, intervened in 2023, as a non-profit organization for its operational activities in Morocco, HAFSD has to prepare, as required by the Moroccan law, separate financial statements and files correspondent tax returns dedicated to its activities. Such tax returns under the Income Tax (IS) as well the Individual Tax on Salaries (IR) for the fiscal non prescribed years 2023 and 2024 and those established for the Social Security Body (CNSS) could be therefore subject to an audit from the concerned Moroccan administrations and eventually adjusted.

23. Going concern

HAF consolidated financial statements for the year as of December 31, 2024 are prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of obligations in the normal course of business.

US Federal awards have constituted, until end of 2024, a significant part of the Foundation revenues (representing, for illustration, 32% of the total 2024 grants support). As a result of recent US Federal Administration decisions aiming a freeze of those awards, this part could be significantly reduced for the upcoming years.

The Foundation's management has taken several initiatives in 2024 and current 2025 to diversify its sources of funding in order to counterbalance such anticipated contributions shortfall and is very confident that those actions, based on theirs results obtained to date, will create for the upcoming years robust contributions streams providing, then, an opportunity for the Foundation to continue as a going concern.
