CBIZ CPAs

BrightFocus Foundation
Cure in Mind. Cure in Sight.

BRIGHTFOCUS FOUNDATION AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended March 31, 2026
(With Summarized Financial Information for the Year Ended March 31, 2025)

BRIGHTFOCUS FOUNDATION AND SUBSIDIARIES

Table of Contents

CBIZ CPAs P.C.

1899 L Street, NW
Suite 850
Washington, DC 20036

P: 202.227.4000

Independent Auditors' Report

The Board of Directors of
BrightFocus Foundation and Subsidiaries

Opinion

We have audited the consolidated financial statements of BrightFocus Foundation and Subsidiaries ("BrightFocus"), which comprise the consolidated statement of financial position as of March 31, 2026, 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 (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of BrightFocus as of March 31, 2026, and the 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 ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of BrightFocus 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.

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 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 BrightFocus' ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' 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 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the 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 audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about BrightFocus' 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.

Other Matter

Report on Summarized Comparative Information

We have previously audited BrightFocus' 2025 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 8, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2025, is consistent, in all material respects, with the audited financial statements from which it has been derived.

CBIZ CPAs P.C.

Washington, DC
July 29, 2026

BRIGHTFOCUS FOUNDATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

March 31, 2026
(With Summarized Financial Information as of March 31, 2025)

	2026	2025
Assets		
Current Assets		
Cash and cash equivalents	$ 3,947,980	$ 3,278,680
Short-term investments	7,558,956	6,619,066
Pledges receivable, current portion	1,050,000	1,725,000
Charitable lead trust, current portion	565,616	599,000
Bequests receivable, current portion	1,978,696	2,247,424
Prepaid expenses and other current assets	1,590,451	1,619,815
Total Current Assets	16,691,699	16,088,985
Investments	48,316,530	40,456,121
Pledges receivable, net of current portion	93,677	976,744
Charitable lead trust, net of current portion	1,889,384	2,266,000
Bequests receivable, net of current portion	1,718,625	1,091,047
Property and equipment, net	3,545,274	3,971,651
Other assets	304,980	278,744
Total Assets	$ 72,560,169	$ 65,129,292
Liabilities and Net Assets		
Liabilities		
Current Liabilities		
Accounts payable and accrued expenses	$ 2,843,567	$ 1,586,143
Research grants payable, current portion	13,888,635	12,124,168
Charitable gift annuities, current portion	105,915	118,638
Total Current Liabilities	16,838,117	13,828,949
Research grants payable, net of current portion	15,106,804	13,816,165
Charitable gift annuities, net of current portion	351,648	378,853
Other liabilities	107,506	144,858
Total Liabilities	32,404,075	28,168,825
Net Assets		
Without donor restrictions	28,428,288	25,140,265
With donor restrictions	11,727,806	11,820,202
Total Net Assets	40,156,094	36,960,467
Total Liabilities and Net Assets	$ 72,560,169	$ 65,129,292

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

BRIGHTFOCUS FOUNDATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES

For the Year Ended March 31, 2026
(With Summarized Financial Information for the Year Ended March 31, 2025)

	Without Donor Restrictions	With Donor Restrictions	Total 2026	Total 2025
Revenue and Support				
Contributions and grants	$ 1,865,440	$ 41,753,015	$ 43,618,455	$ 43,495,393
Donated services	--	18,340,051	18,340,051	9,240,763
Bequests	1,509,469	8,318,477	9,827,946	9,161,660
Investment income, net	5,585,656	--	5,585,656	1,824,514
Gain from sale of rental property	--	--	--	8,277,270
Other	--	563,971	563,971	480,234
Rental income, net	--	--	--	385,959
Special events	--	--	--	253,075
Less: cost of direct benefit to attendees	--	--	--	(87,248)
Net assets released from restrictions:				
Satisfaction of program restrictions	69,067,910	(69,067,910)	--	--
Total Revenue and Support	78,028,475	(92,396)	77,936,079	73,031,620
Expenses				
Program Services				
Health Information Services	31,967,362	--	31,967,362	21,278,055
Research	22,218,326	--	22,218,326	22,785,798
Total Program Services	54,185,688	--	54,185,688	44,063,853
Supporting Services				
Fundraising	15,928,882	--	15,928,882	13,859,870
Management and general	4,625,882	--	4,625,882	4,366,167
Total Supporting Services	20,554,764	--	20,554,764	18,226,037
Total Expenses	74,740,452	--	74,740,452	62,289,890
Change in Net Assets	3,288,023	(92,396)	3,195,627	10,741,730
Net Assets, Beginning of Year	25,140,265	11,820,202	36,960,467	26,218,737
Net Assets, End of Year	$ 28,428,288	$ 11,727,806	$ 40,156,094	$ 36,960,467

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

BRIGHTFOCUS FOUNDATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended March 31, 2026
(With Summarized Financial Information for the Year Ended March 31, 2025)

	Program Services			Supporting Services				
	Health Information Services	Research	Total Program Services	Fundraising	Management and General	Total Supporting Services	2026 Total	2025 Total
Printing, publications and media	$ 22,356,675	$ 708,115	$ 23,064,790	$ 6,503,728	$ 398,072	$ 6,901,800	$ 29,966,590	$ 18,093,159
Grants	--	16,562,525	16,562,525	--	--	--	16,562,525	16,818,245
Postage and delivery	4,637,657	69,373	4,707,030	4,552,559	537,311	5,089,870	9,796,900	9,133,274
Salaries and related expenses	1,127,072	2,463,206	3,590,278	1,063,480	2,146,903	3,210,383	6,800,661	6,479,209
Computer and mailing services	1,625,410	416,817	2,042,227	1,475,661	380,298	1,855,959	3,898,186	3,346,515
Professional fees	854,177	472,797	1,326,974	745,197	239,795	984,992	2,311,966	2,750,835
Travel, meetings and symposia	81,762	870,030	951,792	47,326	74,201	121,527	1,073,319	1,257,296
Mailing list rental	952,333	542	952,875	925,422	83,321	1,008,743	1,961,618	1,899,500
Office-related expenses	107,030	291,022	398,052	478,492	409,122	887,614	1,285,666	1,725,193
Depreciation and amortization	136,267	218,051	354,318	91,121	214,750	305,871	660,189	596,953
Occupancy and utilities	88,979	145,848	234,827	45,896	142,109	188,005	422,832	368,767
Total Expenses by Function	31,967,362	22,218,326	54,185,688	15,928,882	4,625,882	20,554,764	74,740,452	62,468,946
Less: Expenses shown net of revenue and support on the consolidated statement of activities	--	--	--	--	--	--	--	(179,056)
Total Expenses Included in the Expense Section on the Consolidated Statement of Activities	$ 31,967,362	$ 22,218,326	$ 54,185,688	$ 15,928,882	$ 4,625,882	$ 20,554,764	$ 74,740,452	$ 62,289,890

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

BRIGHTFOCUS FOUNDATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended March 31, 2026
(With Summarized Financial Information for the Year Ended March 31, 2025)

	2026	2025
Cash Flows From Operating Activities		
Change in net assets	$ 3,195,627	$ 10,741,730
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	660,189	596,953
Gain on sale of rental property	--	(8,277,270)
Realized gains on sales of investments	(930,993)	(510,951)
Unrealized gains on investments	(3,480,815)	(502,498)
Changes in fair value of charitable lead trust	(188,984)	(362,062)
Donated services revenue	(18,340,051)	(9,240,763)
Donated services expense	18,340,051	9,240,763
Changes in assets and liabilities:		
Pledges receivable	1,558,067	(2,034,287)
Charitable lead trusts	598,984	702,062
Bequests receivable	(358,850)	(1,298,698)
Prepaid expenses and other current assets	29,364	(569,375)
Other assets	(26,236)	8,079
Accounts payable and accrued expenses	1,257,424	(1,050,431)
Research grants payable	3,055,106	948,875
Other liabilities	(37,352)	37,086
Net Cash Provided by (Used in) Operating Activities	5,331,531	(1,570,787)
Cash Flows From Investing Activities		
Proceeds from sales of investments	9,570,499	22,404,949
Purchases of investments	(13,019,100)	(22,825,936)
Proceeds from sale of rental property	--	11,871,081
Purchases of property and equipment	(233,812)	(288,892)
Net Cash (Used in) Provided by Investing Activities	(3,682,413)	11,161,202
Cash Flows From Financing Activities		
Payments on line of credit	--	(9,000,000)
Contributions invested for gift annuity purposes	--	218,985
Payments to charitable gift annuitants	(39,928)	(257,844)
Net Cash Used in Financing Activities	$ (39,928)	$ (9,038,859)
Net Increase in Cash and Cash Equivalents	$ 1,609,190	$ 551,556
Cash and Cash Equivalents, Beginning of Year	9,897,746	9,346,190
Cash and Cash Equivalents, End of Year	$ 11,506,936	$ 9,897,746

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

BRIGHTFOCUS FOUNDATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the Year Ended March 31, 2026
(With Summarized Financial Information for the Year Ended March 31, 2025)

	2026	2025
Reconciliation of Cash and Cash Equivalents, as Presented on the Consolidated Statement of Financial Position		
Cash and cash equivalents	$ 3,947,980	$ 3,278,680
Short-term investments	7,558,956	6,619,066
Cash and Cash Equivalents, End of Year	$ 11,506,936	$ 9,897,746
Supplemental Disclosure of Cash Flow Information		
Equipment acquired under a finance lease	$ --	$ 26,239
Interest paid	$ --	$ 433,280

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

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

The BrightFocus Foundation is a not-for-profit organization that was incorporated in the District of Columbia in 1973 under the name American Health Assistance Foundation. The name BrightFocus Foundation with the associated tagline, “Cure in Mind. Cure in Sight.”, was chosen in 2013 to better communicate the organization’s renewed and urgent mission to fund exceptional scientific research worldwide to defeat Alzheimer’s disease, macular degeneration, and glaucoma and provide expert information on these heartbreaking diseases.

BrightFocus Foundation’s Health Information Services and Research programs are funded primarily by contributions and grants from individuals which are used for the three core programs: Alzheimer’s Disease Research, Macular Degeneration Research and National Glaucoma Research.

National Development, LLC (“NDLLC”) is a limited liability company created by BrightFocus Foundation and incorporated in Maryland in 1999. NDLLC was organized to acquire, own, invest in, develop, hold, operate, manage, lease, sell, mortgage and/or levee property, including the construction and operation of a commercial building on land donated to the BrightFocus Foundation. On December 26, 2025, NDLLC was formally dissolved, and its registration was cancelled. NDLLC did not have any activity during the year ended March 31, 2026.

American Health Assistance, LLC (“AHALLC”) is a limited liability company created by the BrightFocus Foundation and incorporated in Maryland in 2000. AHALLC owns the land and building on the property where BrightFocus Foundation is located. AHALLC was organized to operate the building on the property.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the BrightFocus Foundation and its wholly owned subsidiary, AHALLC (collectively referred to as “BrightFocus”). All intercompany balances and transactions have been eliminated in consolidation.

INVESTMENTS

Investments consist of money market funds, mutual funds, exchange-traded funds, and government-sponsored entity bonds, which are recorded in the accompanying consolidated statement of financial position at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Unrealized gains or losses on investments are determined by the change in fair value at the beginning and end of the reporting period and are included in net investment income in the accompanying consolidated statement of activities. Dividend income is recognized on the ex-dividend date while interest income

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVESTMENTS (CONTINUED)

is recognized on the accrual basis. Realized gains and losses on sales of investments are computed on an average cost method and are recorded on the trade date of the transaction and included in net investment income in the accompanying consolidated statement of activities.

Investments also include investment funds traded at net asset value (“NAV”). These investments are recorded in the accompanying consolidated financial statements at their estimated fair value, as provided by the external investment managers. The estimated fair value for these investments is based on net asset value (“NAV”) per share, or its equivalent, as a practical expedient permitted under accounting standards. The fund’s NAV is provided by the fund’s management using a variety of methodologies relevant to the particular investment portfolio that combine primary market data available from national securities exchanges for underlying securities that are actively traded as well as other factors that lead to a determination of a fair value at a different amount. Such investments are exposed to various risks, such as market and credit risk. Due to the level of risk associated with such investments, and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near-term could materially affect investment balances and the amounts reported in the accompanying consolidated financial statements.

FAIR VALUE MEASUREMENT

In accordance with the accounting standards for fair value measurement for those assets and liabilities that are measured at fair value on a recurring basis, BrightFocus has categorized its applicable financial instruments into a required fair value hierarchy based upon the transparency of the inputs to the valuation of an asset or liability. These inputs may be observable, whereby the market participant assumptions are developed based on market data obtained from independent sources, or unobservable, whereby assumptions about market participant assumptions are developed by the reporting entity based on the best information available in the circumstances. The three levels of the fair value hierarchy are described as follows:

Level 1 : Inputs based on quoted prices in active markets for identical assets or liabilities accessible at the measurement date.

Level 2 : Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets.

Level 3 : Unobservable inputs for the asset or liability, including the reporting entity’s own assumptions in determining the fair value measurement.

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY AND EQUIPMENT AND RELATED DEPRECIATION AND AMORTIZATION

Property and equipment includes the land and building where BrightFocus is located, as well as other property and equipment, and is stated at cost. The building of BrightFocus is being depreciated using the straight-line method over an estimated useful life of 39 years. Office furniture and equipment, automobile, and computer equipment and software are being depreciated using the straight-line method over useful lives of three to five years. BrightFocus capitalizes property and equipment with a cost of $2,000 or more and an economic life in excess of one year. Expenditures for major repairs and improvements are capitalized; expenditures for minor repairs and maintenance costs are expensed when incurred. Upon the retirement or disposal of the assets, the cost and accumulated depreciation and amortization are eliminated from the respective accounts and the resulting gain or loss is included in revenue and support or expenses.

IMPAIRMENT OF LONG-LIVED ASSETS

BrightFocus reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If the fair value is less than the carrying amount of the asset, an impairment loss is recognized for the difference. There were no impairment losses recognized for the year ended March 31, 2026.

RESEARCH GRANTS

Unconditional research grants are recognized as program service expenses in the year when the Board of Directors awards the grant to the grantees. Grants awarded by the Board of Directors are often paid over several years. Amounts awarded but unpaid as of the end of the fiscal year are accrued as research grants payable in the accompanying consolidated statement of financial position.

CLASSIFICATION OF NET ASSETS

BrightFocus' net assets are reported as follows:

- Net assets without donor restrictions represent the portion of expendable funds that are available for any purpose in performing the primary objectives of BrightFocus at the discretion of BrightFocus' management and the Board of Directors.

- Net assets with donor restrictions represent funds that are specifically restricted by donors for use in various programs and/or for specific periods of time. These donor restrictions can be temporary in nature in that they will be met by actions of BrightFocus or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity.

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REVENUE RECOGNITION

Unconditional contributions and grants are recorded as revenue and support when received or unconditionally promised. Wills are recorded as bequests revenue when the probate courts declare the wills valid and the proceeds are measurable. In cases in which a will's approval is required by state government authorities, bequests revenue is recognized after final approval. Irrevocable split-interest agreements, including charitable remainder trusts, charitable lead trusts and perpetual trusts, are recorded as revenue and support when the trust agreements are executed.

Revenue from split-interest agreements is based on the present value of the expected cash flows to be received by BrightFocus. Revenue recognized on unconditional contributions that have been committed to BrightFocus, but has not been received, is reflected as pledges receivable in the accompanying consolidated statement of financial position. BrightFocus reports unconditional gifts of cash and other assets as donor restricted revenue and support if they are received with donor stipulations that limit the use of the donated assets to one of the three programs of BrightFocus. When a donor restriction expires, that is, when the purpose of the restriction is accomplished or when a stipulated time restriction ends, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying consolidated statement of activities as net assets released from restrictions.

Other income consists of mailing list royalty income and returned grants. Mailing list royalty income is recognized as revenue at the point in time that payments are received from the third party. Return of previously granted funds are recognized as other income when returned.

DONATED SERVICES

BrightFocus receives donated public service announcements ("PSA") which have been reflected in the accompanying consolidated financial statements based on the cost of the PSA or airtime for the respective station. Donated PSAs are used in program services.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and supporting services have been summarized on a functional basis in the accompanying consolidated statement of functional expenses. Expenses directly attributed to a specific functional area of BrightFocus are reported as expenses of those functional areas, while shared costs that benefit multiple functional areas have been allocated among the various functional areas based on estimates determined by management to be equitable. Occupancy expense is allocated based on square footage, joint costs are allocated based on the relevant materials, and other shared costs such as personnel, finance and technology are allocated based on time spent. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Where both program and fundraising materials are developed, printed, and mailed jointly, management allocates a portion of the related costs among health information services, research, management and general, and fundraising expense, based on the related materials.

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUNCTIONAL ALLOCATION OF EXPENSES (CONTINUED)
The programs and supporting services are described as follows:

Research
Expenses incurred to facilitate research and investigation seeking causes, treatment and cures of diseases affecting mind and sight.

Health Information Services
Expenses incurred to further the vision of BrightFocus for a world free from diseases of mind and sight through educating the general population about potential causes, treatments, preventions and cures and encouraging the public to participate in the program outreach of BrightFocus, which includes the following:

Risk Factors and Symptom Recognition
Establishing and increasing public awareness of the risk factors and symptoms of diseases affecting mind and sight, and the actions the public can or should take to reduce risk and in response to such symptoms.

Lifestyle Choices
Establishing and increasing public awareness of lifestyle choices that promote good health and the actions that the public can or should take to reduce the likelihood of the onset of diseases affecting mind and sight.

Societal Information and Managing the Diseases
Increasing public awareness of current preventative measures, research and treatments which may reduce the risks and control diseases affecting mind and sight. In addition, increasing public awareness of the actions that can be taken to assist victims of diseases affecting mind and sight, their families, and their caregivers.

Fundraising
Expenses incurred for the purpose of raising funds.

Management and General
All other operating expenses incurred by BrightFocus in the accomplishment of its tax-exempt purposes.

ESTIMATES
The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – INVESTMENTS

Investments consisted of the following as of March 31, 2026:

Short-term investments:	
Money market funds	$ 5,560,948
Fixed-income mutual funds	1,998,008
Total Short-Term Investments	7,558,956
Long-term investments:	
Equity mutual funds	19,637,322
Fixed-income mutual funds	14,017,305
Venture capital managed funds	5,410,280
Private equity managed funds	3,889,565
Private credit fund	2,666,750
Private real estate fund	1,976,764
Equity exchange-traded fund	638,620
Fixed-income exchange traded fund	60,184
Government-sponsored entity bonds	19,740
Total Long-Term Investments	48,316,530
Total Investments	$ 55,875,486

A summary of net investment income is as follows for the year ended March 31, 2026:

Interest and dividends	$ 1,452,128
Realized gains, net	930,993
Unrealized gains, net	3,480,815
Management fees	(278,280)
Investment Income, Net	$ 5,585,656

NOTE 3 – BEQUESTS AND TRUST RECEIVABLE

As of March 31, 2026, bequests receivable totaled $3,697,321 and consisted of unconditional wills and trusts.

As of March 31, 2026, charitable lead trust consists of a charitable lead trust agreement from one donor that is irrevocable and administered by a trustee. Distributions are to be made to BrightFocus according to the terms of the agreement, which varies in length, based on the designated remainder beneficiaries, up to an estimated maximum of 10 years from March 31, 2026.

The expected future cash inflows from the trust have been recorded at present value based on a discount rate of 4.8%, resulting in a total receivable of $2,455,000. For the year ended March 31, 2026, the change in value of this charitable lead trust amounted to $188,984 and is included in bequest revenue in the accompanying consolidated statement of activities.

As of March 31, 2026, the bequests and trust were expected to be received as follows:

Less than one year	$ 2,544,312
One to five years	3,586,875
More than five years	323,134
Total Bequests and Trusts Receivable	6,454,321
Less: Discount	(302,000)
Bequests and Trusts Receivable, Net	$ 6,152,321

BrightFocus is also the recipient of beneficial interests in portions of two trusts for which the principal must remain intact in perpetuity and only the earnings are to be spent. The value of the trusts is $304,980, which is included in other assets in the accompanying consolidated statement of financial position.

In addition, as of March 31, 2026, BrightFocus was aware of approximately $78,000 of wills and trusts which, as of the end of the fiscal year, had not received final approval by state authorities or had other unmet conditions and, therefore, are not recognized as receivables or revenue and support in the accompanying consolidated financial statements.

NOTE 4 – FAIR VALUE MEASUREMENT

The following table summarizes the assets of BrightFocus measured at fair value on a recurring basis as of March 31, 2026:

	Fair Value	Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments:				
Equity mutual funds:				
US large cap blend	$ 13,829,265	$ 13,829,265	$ --	$ --
Europe large cap blend	1,642,500	1,642,500	--	--
EAFE equity blend	2,418,171	2,418,171	--	--
US mid cap blend	670,370	670,370	--	--
Japan large cap blend	757,089	757,089	--	--
Asia equity blend	319,927	319,927	--	--
Total Equity Mutual Funds	19,637,322	19,637,322	--	--
Government-sponsored entity bonds	19,740	--	19,740	--
Fixed-income mutual funds	16,015,313	16,015,313	--	--
Equity exchange-traded funds	638,620	638,620	--	--
Fixed-income exchange-traded fund	60,184	60,184	--	--
Investments Included in Fair Value Hierarchy	36,371,179	36,351,439	19,740	--
Charitable lead trust	2,455,000	--	--	2,455,000
Perpetual trusts	304,980	--	--	304,980
Assets Included in Fair Value Hierarchy	39,131,159	$ 36,351,439	$ 19,740	$ 2,759,980
Investments measured at NAV:				
Venture capital managed fund	5,410,280			
Private equity managed fund	3,889,565			
Private credit managed fund	2,666,750			
Private real estate managed fund	1,976,764			
Total Alternative Investments	13,943,359			
Money market funds	5,560,948			
Total Assets	$ 58,635,466			

NOTE 4 – FAIR VALUE MEASUREMENT (CONTINUED)

BrightFocus used the following methods and significant assumptions to estimate fair value for assets measured at fair value:

Equity and Fixed-Income Mutual Funds, Government-Sponsored Entity Bonds, Equity and Fixed-Income Exchange-Traded Funds - Where quoted prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include equity and fixed-income mutual funds and equity and fixed-income exchange-traded funds. If quoted market prices are not available, then fair values are estimated using pricing models, such as matrix pricing, quoted prices of securities with similar characteristics or discounted cash flows. These instruments, which would generally be classified within Level 2 of the valuation hierarchy, include government-sponsored entity bonds.

Charitable Lead and Perpetual Trust Agreements - The expected future cash inflows from the charitable lead trusts are based on the fair value of the investments, future expected investment returns, and have been recorded at present value based on a discount rate of 4.8%. The perpetual trusts are recorded at the present value of the future distributions expected to be received over the terms of the agreements. The value of these trusts is based on unobservable inputs and is classified within Level 3 of the fair value hierarchy.

BrightFocus uses NAV or its equivalent to determine the fair value of its alternative investment funds. The following table sets forth a summary of BrightFocus investments with a reported NAV as of March 31, 2026:

Strategy	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Alternative investments:				
Venture capital managed fund (a)	$ 5,410,280	$ 2,765,521	Every 2 years	90 days
Private equity managed fund (b)	3,889,565	3,939,824	Every 2 years	90 days
Private credit managed fund (c)	2,666,750	--	Quarterly	35 days
Private real estate managed fund (d)	1,976,764	--	Quarterly	95 days
Total	$ 13,943,359	$ 6,705,345		

(a) The investment objective of the fund is to achieve long-term capital appreciation by investing in a mature portfolio consisting of investment funds, discretionary accounts, and investment partnerships focused on venture capital exposures.

(b) The investment objective of the fund is to achieve long-term capital appreciation by investing in a mature portfolio consisting of investment funds, discretionary accounts, and investment partnerships focused on private equity exposures.

NOTE 4 – FAIR VALUE MEASUREMENT (CONTINUED)

The above funds are perpetual investment vehicles with an indefinite term. Each limited partner has the option to continue or discontinue participation in the ongoing program with respect to all or a portion of its interest through the funds withdrawal provisions on a two-year basis, initially at year-end (December 31st) of the calendar year in which the limited partner has held its interest for two full years and then on each two-year anniversary thereafter.

(c) This fund is a public, perpetually nontraded business development company that seeks to deliver attractive risk adjusted returns, primarily in the form of current income, by investing in a diversified, high-quality portfolio of predominantly senior secured, floating rate, privately originated loans to middle and upper middle market companies. The fund allows for quarterly repurchases of up to 5% of fund shares at NAV.

(d) This fund intends to invest predominantly in demographic-driven real estate sectors. The strategy will focus on income and capital appreciation through minor repositioning strategies. Redemptions are quarterly, after the second anniversary of an investor's initial capital call contribution date, subject to 95 days' prior written notice in advance of the effective redemption date. Withdrawals are subject, at all times, to the fund having sufficient cash available to honor withdrawal requests, as determined in the sole discretion of the general partner, and in that regard, the fund will not be obligated to sell any property or assets to satisfy the withdrawal request.

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment was as follows as of March 31, 2026:

Land	$ 1,147,363
Buildings	5,701,776
Computer equipment and software	2,049,114
Office furniture	222,605
Office equipment	176,441
Right-of-use asset	69,323
Automobile	20,500
Total Property and Equipment	9,387,122
Less: Accumulated depreciation and amortization	(5,841,848)
Property and Equipment, Net	$ 3,545,274

Depreciation and amortization expense totaled $660,189 for the year ended March 31, 2026.

NOTE 6 – RESEARCH GRANTS

BrightFocus awards annual research grants that cover periods of one to three fiscal years. As of March 31, 2026, $28,995,439 was payable for research grants that have been awarded by the Board of Directors. Of the total grants payable, $13,888,635 has been scheduled for payment by BrightFocus within the next year, with the remaining balance of $15,106,804 (net of the present value discount of $560,740) due to be paid out no later than fiscal year 2030. The average discount rate used was 3.76%.

NOTE 7 – CHARITABLE GIFT ANNUITIES

BrightFocus has charitable gift annuity agreements with individuals. Under the terms of the agreements, BrightFocus receives cash, which can be donor-restricted for one of three disease-related programs, in exchange for a survivor annuity agreement. BrightFocus is obligated to make monthly, quarterly, semi-annual or annual payments for each individual's lifetime. BrightFocus records the liability at the present value of the expected future cash flows based on the donor's life expectancy.

As of March 31, 2026, the present value of the annuity payments totaled $457,563, which is based on various life expectancies and has discount rates of 0.4% to 8%. Of the total annuity liability, $105,915 is scheduled for payment within the next year, with the remaining balance of $351,648 payable in subsequent years. The liability is supported by investments of BrightFocus. In addition, various state laws require BrightFocus to maintain additional reserves for the charitable annuities. As of March 31, 2026, BrightFocus had $1,385,353 in segregated accounts invested in equity and fixed-income mutual funds, corporate bonds and money market funds for the payment of these liabilities, which includes the additional reserves required by the various state laws.

NOTE 8 – LINE OF CREDIT

BrightFocus entered into a $12,000,000 line of credit agreement that is secured by the investments held with the financial institution. The line of credit does not have a stated maturity date and may be terminated at any time by either party with appropriate notice, as outlined in the credit agreement. The interest rate is based on a variable secured overnight financing rate, plus 1.15%, which was 4.83% as of March 31, 2026. There were no amounts outstanding under the line of credit as of March 31, 2026, and the full borrowing capacity of $12,000,000 remained available.

NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS

As of March 31, 2026, net assets with donor restrictions were restricted for the following purposes:

Subject to expenditure for future periods	$	800,070
Subject to expenditure for specified purpose:		
Alzheimer's Disease Research		4,936,489
Macular Degeneration Research		5,686,267
Total Subject to Expenditure for Specified Purpose		11,422,826
Subject to donor restriction in perpetuity:		
Alzheimer's Disease Research – Perpetual Trusts		304,980
Total Net Assets With Donor Restrictions	$	11,727,806

BrightFocus has recorded $304,980 that consists of shares of two perpetual trusts which are included in other assets in the accompanying consolidated statement of financial position. These perpetual trusts are held as permanent endowments. The earnings on these endowments are available for Alzheimer's Disease Research programs and are recorded as donor restricted and included as part of bequests on the consolidated statement of activities and released as spent.

NOTE 10 – AVAILABILITY OF RESOURCES AND LIQUIDITY

BrightFocus regularly monitors liquidity required to meet its annual operating needs and other contractual commitments while also striving to preserve the principal and return on the investment of its funds. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, held in perpetual trusts, or when required by State laws to be held in annuity reserves.

BrightFocus' financial assets available within one year of the consolidated statement of financial position date for general expenditures at March 31, 2026, are as follows:

Cash and cash equivalents	$	3,947,980
Pledges receivable, current portion		1,050,000
Charitable lead trusts, current portion		565,616
Bequests receivable, current portion		1,978,696
Investments		46,575,641
Total Financial Assets Available Within One Year		54,117,933

NOTE 10 – AVAILABILITY OF RESOURCES AND LIQUIDITY (CONTINUED)

Less:	
Amounts unavailable for general expenditures within one year due to:	
Restricted by donors with purpose restrictions	(8,026,120)
Amounts unavailable to management:	
Investments held in State-required annuity reserves	(1,385,353)
Financial Assets Available to Meet General Expenditures Within One Year	$ 44,706,460

BrightFocus has various sources of liquidity at its disposal, including cash and cash equivalents and investments which are available for general expenditures, and to meet its obligations as they come due. Management is focused on sustaining the financial liquidity of BrightFocus throughout the year. This is done through monitoring and reviewing BrightFocus' cash flow needs on a weekly basis. As a result, management is aware of the cyclical nature of BrightFocus' cash flow related to BrightFocus' various funding sources and is, therefore, able to ensure that there is cash available to meet current liquidity needs. As part of its liquidity plan, excess cash is invested in publicly traded investment vehicles, including mutual funds, fixed income and equity securities. BrightFocus can liquidate most of its investments anytime and therefore these investments are available to meet current cash flow needs. In addition, BrightFocus has $12 million of available borrowing capacity under its line of credit, which provides an additional source of liquidity as needed (see Note 8).

NOTE 11 – DONATED SERVICES

Radio and televised PSA airtime has been donated to BrightFocus to educate the general public about potential causes, treatments, prevention and cures of diseases affecting mind and sight and encourage the public to participate in BrightFocus' program outreach.

The fair value of the PSAs totaled $18,340,051 for the year ended March 31, 2026, and is included in donated services in the accompanying consolidated statement of activities and in printing, publications and media expenses for the Health Information Services program in the accompanying consolidated statement of functional expenses. PSAs are valued based on the number of times the announcements are played and the period in which the advertisements are aired at the television or radio station's equivalent advertising rate charged to paying customers for a 60 second announcement, which is prorated based on the length of the announcement. The PSAs are restricted for use in BrightFocus' disease related programs and BrightFocus does not monetize the PSAs upon receipt of the donation.

NOTE 12 – PROGRAM ACTIVITIES

For the year ended March 31, 2026, BrightFocus had expenditures for the following disease-related purposes in its two program activities, Research and Health Information Services:

	Research	Health Information Services	Total
Alzheimer's Disease Research	$ 12,932,435	$ 17,781,166	$ 30,713,601
Macular Degeneration Research	6,432,034	8,202,402	14,634,436
National Glaucoma Research	2,853,857	5,983,794	8,837,651
Total Program Services	$ 22,218,326	$ 31,967,362	$ 54,185,688

NOTE 13 – ALLOCATION OF JOINT COSTS

BrightFocus conducts direct mail programs that include fundraising appeals and education materials on diseases affecting mind and sight. In addition, the direct mail programs encourage the public to make lifestyle choices to reduce the likelihood of the onset of diseases affecting mind and sight, and to take action to assist others who are affected by these diseases. For the year ended March 31, 2026, these activities included joint costs of $20,944,393 which are included in the following expenses: printing, publications and media; postage and delivery; computer and mailing services; professional fees; and mailing list rental in the accompanying consolidated statement of functional expenses.

The joint costs have been allocated as follows:

Health Information Services	$ 9,255,359
Fundraising	10,747,823
Management and general	941,211
Total Joint Costs	$ 20,944,393

NOTE 14 – PENSION PLANS

BrightFocus sponsors a money purchase pension plan ("MPP"), which covers all full-time employees who have completed at least one year of service. BrightFocus makes contributions to the MPP based on years of service of the participant as follows: 3% after one year of service, 6% after two years of service and 9% after three or more years of service. BrightFocus employees are 25% vested in the MPP after one year of service, 50% after two years of service, 75% after three years of service and are fully vested after four years of service. Total contributions by BrightFocus to the MPP totaled $361,891 for the year ended March 31, 2026.

NOTE 14 – PENSION PLANS (CONTINUED)

BrightFocus also sponsors a defined-contribution annuity plan (the 403(b) plan). BrightFocus employees may elect to have tax-deferred amounts of their pay withheld and contributed to the 403(b) plan, subject to the maximum employee contribution limits determined by the Internal Revenue Service. There were no contributions from BrightFocus to the 403(b) plan for the year ended March 31, 2026.

NOTE 15 – INCOME TAXES

BrightFocus is exempt from the payment of taxes on income other than net unrelated business income under Section 501(c)(3) of the Internal Revenue Code. No provision for income taxes was required for the year ended March 31, 2026, as BrightFocus had no net unrelated business income. NDLLC and AHALLC are treated as disregarded entities for tax purposes and their financial activities are therefore included in the tax return of BrightFocus.

BrightFocus reviews and assesses all activities annually to identify any changes in the scope of its activities and revenue sources and the tax treatment thereof, to identify any uncertainty in income taxes. BrightFocus performed an evaluation of uncertainty in income taxes for the year ended March 31, 2026, and determined that there were no matters that would require recognition in the consolidated financial statements or that may have any effect on its tax-exempt status. As of March 31, 2026, the statute of limitations remained open with the U.S. federal jurisdiction or the various states and local jurisdictions in which BrightFocus files tax returns; however, there are currently no examinations pending or in progress. It is the policy of BrightFocus to recognize interest and/or penalties related to uncertainty in income taxes, if any, in income tax expense. As of March 31, 2026, BrightFocus had no accruals for interest and/or penalties.

NOTE 16 – PRIOR YEAR SUMMARIZED FINANCIAL INFORMATION

The consolidated financial statements include certain prior year summarized comparative information in total but not by net asset class or functional area. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with BrightFocus' consolidated financial statements as of and for the year ended March 31, 2025, from which the summarized information was derived.

NOTE 17 – SUBSEQUENT EVENTS

In preparing these consolidated financial statements, BrightFocus has evaluated events and transactions for potential recognition or disclosure through July 29, 2026, the date the consolidated financial statements were available to be issued. There were no subsequent events identified that are required to be disclosed in these consolidated financial statements.