THE DIATRIBE FOUNDATION

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2024 AND 2023

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Independent Auditor's Report

Board of Directors
The diaTribe Foundation
San Francisco, California

Opinion

We have audited the financial statements of the diaTribe Foundation (the "Organization"), which comprise the statements of financial position as of December 31, 2024 and 2023 and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2024 and 2023, and the results of earnings and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 these financial statements in accordance with accounting principles generally accepted in the United States of America("GAAP"); this includes 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 the Organization's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these 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 the Organization'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.

Cambaliza McGee LLP

Cambaliza McGee LLP
Newport Beach, California
May 16, 2025

THE DIATRIBE FOUNDATION
Statements of Financial Position
as of December 31, 2024 and 2023

	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,721,534	$ 2,147,196
Net pledge receivables	645,439	660,769
Prepaid expenses	23,381	132,613
Total current assets	2,390,354	2,940,578
Non-current assets:		
Deposits	8,300	8,300
Right-of-use operating lease, net	18,069	44,097
Total non-current assets	26,369	52,397
Total assets	$ 2,416,723	$ 2,992,975
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	$ 36,915	$ 107,340
Accrued expenses	124,652	107,872
Deferred revenue	85,000	72,500
Operating lease liability, current portion	18,069	26,028
Total current liabilities	264,636	313,740
Non-current liabilities:		
Operating lease liability, long-term portion	-	18,069
Total liabilities	264,636	331,809
Net assets:		
Without donor restrictions	2,152,087	2,661,166
Total net assets	2,152,087	2,661,166
Total liabilities and net assets	$ 2,416,723	$ 2,992,975

See notes to financial statements and independent auditor's report.

THE DIATRIBE FOUNDATION
Statements of Activities
for the years ended December 31, 2024 and 2023

	Without donor restrictions	With donor restrictions	2024 Total	2023 Total
Operating revenue and support:				
Contributions	$ 2,410,865	$ 1,105,000	$ 3,515,865	$ 3,750,306
Book Income	117,000	-	117,000	-
Contributed Services and gifts in-kind	166,060	-	166,060	-
Other revenue	2,936	-	2,936	137,626
Net assets released from restrictions	1,105,000	(1,105,000)	-	-
Total revenue and support	3,801,861	-	3,801,861	3,887,932
Expenses:				
Program services	3,670,471	-	3,670,471	3,554,030
Management and general	480,104	-	480,104	599,553
Fundraising	235,944	-	235,944	309,831
Total expenses	4,386,519	-	4,386,519	4,463,414
Nonoperating revenue (expenses):				
Realized and unrealized gain (loss) on investments, net	(811)	-	(811)	75,652
Dividend Income	34,928	-	34,928	-
Interest income, net	41,462	-	41,462	1,022
Total nonoperating revenue	75,579	-	75,579	76,674
Change in net assets	(509,079)	-	(509,079)	(498,808)
Net assets, beginning of year	2,661,166	-	2,661,166	3,159,974
Net assets, end of year	$ 2,152,087	$ -	$ 2,152,087	$ 2,661,166

See notes to financial statements and independent auditor's report.

THE DIATRIBE FOUNDATION
Statements of Functional Expenses
for the year ended December 31, 2024

	Program Services	Supporting Services: General and Administrative	Supporting Services: Fundraising	Totals
Expenses:				
Conferences	$ 118,896	$ -	$ -	$ 118,896
Consulting	552,162	10,250	-	562,412
Contributors and lectures	14,158	-	-	14,158
Donations	106,920	-	-	106,920
Information technology	218,756	8,707	5,252	232,715
Insurance	-	30,361	-	30,361
Marketing	36,500	-	-	36,500
Office supplies	22,936	3,869	2,000	28,805
Other expenses	99,212	8,128	32,301	139,641
Outside contract services	32,179	-	-	32,179
Payroll taxes	124,894	21,069	10,888	156,851
Professional fees	151,265	75,420	-	226,685
Rent	21,977	3,707	1,916	27,600
Salaries and benefits	1,867,458	315,036	162,801	2,345,295
Telephone	2,911	491	254	3,656
Travel	191,459	3,066	12,417	206,942
Website	108,788	-	8,115	116,903
Total expenses	$ 3,670,471	$ 480,104	$ 235,944	$ 4,386,519

See notes to financial statements and independent auditor's report.

THE DIATRIBE FOUNDATION
Statement of Functional Expenses
for the year ended December 31, 2023

	Program Services	Supporting Services: General and Administrative	Supporting Services: Fundraising	Totals
Expenses:				
Conferences	$ 128,525	$ 24,572	$ 13,929	$ 167,026
Consulting	352,160	67,329	38,167	457,656
Contributors and lectures	72,274	917	520	73,711
Donations	105,214	-	-	105,214
Information technology	165,145	16,680	9,456	191,281
Insurance	-	29,320	-	29,320
Marketing	415,713	-	-	415,713
Office supplies	7,761	1,484	841	10,086
Other expenses	36,853	20,820	22,053	79,726
Outside contract services	104,300	-	-	104,300
Payroll taxes	106,985	20,454	11,595	139,034
Professional fees	-	62,349	-	62,349
Rent	48,293	9,233	5,234	62,760
Salaries and benefits	1,650,343	315,526	178,862	2,144,731
Telephone	4,890	935	530	6,355
Travel	199,005	-	11,675	210,680
Website	156,569	29,934	16,969	203,472
Total expenses	$ 3,554,030	$ 599,553	$ 309,831	$ 4,463,414

See notes to financial statements and independent auditor's report.

THE DIATRIBE FOUNDATION

Statement of Cash Flows

for the years ended December 31, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Change in net assets	$ (509,079)	$ (498,808)
Adjustments to reconcile change in net assets to net cash provided by operations:		
Adjustments to reconcile excess of support:		
Net pledge receivables	15,330	291,516
Prepaid expenses	109,232	(106,455)
Other receivable	-	5,500
Deposits	-	(1,800)
Right-of-use asset operating lease	26,028	(44,097)
Accounts payable	(70,425)	37,205
Deferred revenue	12,500	(62,500)
Accrued expenses	16,780	29,354
Right-of-use liability operating lease	(26,028)	44,097
Net cash used in operating activities	(425,662)	(305,988)
Net decrease in cash	(425,662)	(305,988)
Cash and cash equivalents, beginning of year	2,147,196	2,453,184
Cash and cash equivalents, end of year	$ 1,721,534	$ 2,147,196

See notes to financial statements and independent auditor's report.

Note A – Organization

The diaTribe Foundation (the "Organization") was created as a tax-exempt 501(c)(3) non-profit Organization in 2013 in San Francisco, California. The Organization's goal is to improve the lives of people with diabetes, pre-diabetes and obesity, and to advocate for action.

Note B – Summary of Significant Accounting Policies

(1) Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The financial statements are presented in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958 dated August 2016 and the provisions of the American Institute of Certified Public Accountants ("AICPA") "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). ASC 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

- Net assets without donor restrictions: These are net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

- Net assets with donor restrictions: These are net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

(2) Contributions

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

Note B – Summary of Significant Accounting Policies (Continued)

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets and when the assets are placed in service.

(3) Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

(4) In-Kind Contribution

The Organization receives donated legal services from unpaid professionals. These services are recognized as contributions if they (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would otherwise need to be purchased by the Organization.

For the year ended December 31, 2024, the Organization recognized in-kind contribution revenue and a corresponding expense of $166,060, which approximates the fair value of the donated services at the time of the donation.

(5) Functional Expenses

Functional expenses are those expenses incurred by the Organization in the accomplishment of its stated mission. The cost of providing the various program and other activities of the Organization have been summarized on a functional basis in the statement of activities and statement of functional expenses. These statements report expenses that are attributed to more than one program or supporting function. Therefore, expenses have been allocated on a reasonable basis and have been consistently applied. Personnel expenses are allocated on the basis of time and effort.

(6) Fixed Assets

Fixed assets are depreciated using the straight-line method over their estimated useful lives. The Organization capitalizes fixed asset purchases that exceed $2,500, based on either the purchase cost or the fair value if contributed. Purchases below this threshold are expensed.

Note B – Summary of Significant Accounting Policies (Continued)

(7) Cash and Cash Equivalents

Cash and cash equivalents include short-term, highly liquid investments such as certificates of deposit or money market funds that are readily convertible to known amounts of cash. The Organization considers all short-term investments with an original maturity of three months or less to be cash equivalents.

(8) Concentration of Credit Risk

The Organization maintains cash balances in bank accounts which, at times, exceed the federal insurable limit. The Organization has not experienced any losses from cash concentration and management does not believe it is exposed to any significant risk.

(9) Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(10) Tax Status

The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Service Code and related State of California code sections. The Organization files its Form 990, on the accrual basis of accounting, in the U.S. Federal jurisdiction and the State of California. The Organization's Form 990 is subject to examination by the Internal Revenue Service for three years after it was filed. Management believes the Organization had no uncertain tax positions as of December 31, 2024 and 2023.

(11) Fair Value Measurements

The Organization defines fair value as the exchange price that would be received for an asset or paid for a liability in the principal or most advantageous market. The Organization applies fair value measurements to assets and liabilities that are required to be recorded at fair value under GAAP. Fair value measurement techniques maximize the use of observable inputs and minimize the use of unobservable inputs and are categorized in a fair value hierarchy based on the transparency of inputs. The three levels are defined as follows:

Level 1 — Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 — Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the same term of the financial instrument.

Level 3 — Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Note B – Summary of Significant Accounting Policies (Continued)

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Note C – Net Pledges Receivable

Unconditional promises to give are included in the financial statements as pledges and revenue of the appropriate net asset category. Net pledges as of December 31, 2024 and 2023 were $645,439 and $660,769, respectively, and are expected to be realized within one year.

Note D – Deferred Revenue

Deferred revenue represents conditional donations that depend on the related events taking place during 2025 or 2024. As of December 31, 2024 and 2023, deferred revenue totaled $85,000 and $72,500, respectively.

Note E – Lease

The Organization leases its offices under a long-term, non-cancellable operating lease agreement with an independent third-party. The Organization determines if an arrangement is a lease at the inception of a contract. The Organization's operating lease term expires in 2025. As the Organization's operating lease does not provide an implicit rate, the Organization uses the risk-free rate based on the information available at commencement date in determining the present value of lease payments. Operating fixed lease expense is recognized on a straight-line basis over the lease term.

For the years ended December 31, 2024 and 2023, operating lease costs totaled $27,600 and $9,200, respectively.

As of December 31, 2024, information related to operating leases was as follows:

Operating lease right-of-use asset	$ 18,068
Current portion of operating lease liability	$ 18,068
Total lease liability	$ 18,068
Weighted-average remaining term (in years)	0.67
Weighted-average discount rate (%)	4.87%

Note E – Lease (Continued)

For the year ended December 31, 2024, supplemental cash flow information related to leases was as follows:

Cash paid for amounts included in the measurement of operating lease liability	$	27,600

Note E – Leases (Continued)

The aggregate future lease payments for operating leases as of December 31, 2024 are as follows:

2025	$	18,400
Total lease payments		18,400
Less: imputed interest		(332)
Total operating lease liability	$	18,068

Note F – Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of the December 31, 2024 and 2023, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	2024	2023
Cash and cash equivalents	$ 1,721,534	$ 2,147,196
Net pledges receivables	645,439	660,769
	2,366,973	2,807,965
Less those unavailable for general expenditures within one year due to:		
Deferred revenue for events	(85,000)	(72,500)
Total financial assets available to management for general expenditure within one year	$ 2,281,973	$ 2,735,465

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Note G – Organization 401(K) Plan

The Organization has set up a 401(k)-retirement savings plan for employees. The plan is funded to a substantial extent by elective contributions of up to 15% of the employee's pre-tax salary. The Organization contributed $119,571 and $59,426, respectively, during the years ended December 31, 2024 and 2023.

Note H – Subsequent Events

The Organization's management has evaluated subsequent events through May 16, 2025, which is the date financial statements were available to be issued.