

Consolidated Financial Statements and
Report of Independent Certified Public
Accountants

DKT International, Inc. and Affiliates

December 31, 2023 and 2022

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
DKT International, Inc. and Affiliates

Opinion

We have audited the consolidated financial statements of DKT International, Inc. and Affiliates ("DKT"), which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of DKT as of December 31, 2023 and 2022, and the results of its operations 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 of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (US 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 DKT and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about DKT's ability to continue as a going concern for one year after the date 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 consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US 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 consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the 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 DKT'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about DKT'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.

Grant Thornton LLP

Philadelphia, Pennsylvania
July 25, 2024

DKT International, Inc. and Affiliates

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31,

	2023	2022
ASSETS		
Cash and cash equivalents	\$ 69,140,217	\$ 74,842,270
Grants and contributions receivable	4,381,952	4,017,312
Trade receivables, net of allowance	49,340,417	46,187,865
Inventory, net of allowance	67,728,270	57,006,663
Prepaid expenses and other current assets	14,350,548	16,170,112
Deferred tax asset	2,874,664	2,593,983
Investment in securities	115,606,478	101,284,788
Investment in joint venture	2,683,921	2,065,269
Property and equipment, net	7,404,982	9,437,082
Right-of-use assets	7,407,742	8,391,919
Other non-current assets	935,861	1,095,398
Total assets	\$ 341,855,052	\$ 323,092,661
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 77,570,781	\$ 76,625,812
Deferred revenue	7,264,866	9,060,155
Contract liabilities	172,350	478,430
Lines of credit and loans payable	5,193,129	4,295,133
Other non-current liabilities	11,009,536	10,046,754
Total liabilities	101,210,662	100,506,284
Net assets		
Without donor restrictions		
Undesignated	207,461,661	190,226,856
Board-designated	21,000,000	21,000,000
Total unrestricted	228,461,661	211,226,856
With donor restrictions	12,182,729	11,359,521
Total net assets	240,644,390	222,586,377
Total liabilities and net assets	\$ 341,855,052	\$ 323,092,661

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

DKT International, Inc. and Affiliates

CONSOLIDATED STATEMENT OF ACTIVITIES

For the year ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Sales, net of discounts	\$ 235,205,936	\$ -	\$ 235,205,936
Grants and contributions	30,902,321	19,941,821	50,844,142
Investment income, net	18,811,059	-	18,811,059
Other income	2,204,413	-	2,204,413
Net assets released from restriction			
Satisfaction of program restrictions	13,396,956	(13,396,956)	-
Satisfaction of time restrictions	5,721,657	(5,721,657)	-
	<u>306,242,342</u>	<u>823,208</u>	<u>307,065,550</u>
Expenses and losses			
Program services			
Education and reproductive health	269,939,692	-	269,939,692
	<u>269,939,692</u>	<u>-</u>	<u>269,939,692</u>
Supporting services			
Management and general	4,707,306	-	4,707,306
Development and fundraising	586,204	-	586,204
	<u>5,293,510</u>	<u>-</u>	<u>5,293,510</u>
	<u>275,233,202</u>	<u>-</u>	<u>275,233,202</u>
Foreign currency exchange losses, net	7,780,397	-	7,780,397
	<u>283,013,599</u>	<u>-</u>	<u>283,013,599</u>
Change in net assets before foreign currency translation	23,228,743	823,208	24,051,951
Foreign currency translation losses, net	(5,993,938)	-	(5,993,938)
	<u>17,234,805</u>	<u>823,208</u>	<u>18,058,013</u>
CHANGE IN NET ASSETS			
Net assets, beginning of year	<u>211,226,856</u>	<u>11,359,521</u>	<u>222,586,377</u>
Net assets, end of year	<u>\$ 228,461,661</u>	<u>\$ 12,182,729</u>	<u>\$ 240,644,390</u>

The accompanying notes are an integral part of this consolidated financial statement.

DKT International, Inc. and Affiliates

CONSOLIDATED STATEMENT OF ACTIVITIES

For the year ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Sales, net of discounts	\$ 219,119,396	\$ -	\$ 219,119,396
Grants and contributions	24,203,377	22,572,342	46,775,719
Investment loss, net	(14,693,796)	-	(14,693,796)
Other income	2,436,093	-	2,436,093
Net assets released from restriction			
Satisfaction of program restrictions	21,357,968	(21,357,968)	-
Satisfaction of time restrictions	3,658,787	(3,658,787)	-
	<u>256,081,825</u>	<u>(2,444,413)</u>	<u>253,637,412</u>
Total revenue and support			
Expenses and losses			
Program services			
Education and reproductive health	255,962,630	-	255,962,630
	<u>255,962,630</u>	<u>-</u>	<u>255,962,630</u>
Total program services			
Supporting services			
Management and general	4,643,873	-	4,643,873
Development and fundraising	567,734	-	567,734
	<u>5,211,607</u>	<u>-</u>	<u>5,211,607</u>
Total supporting services			
Total expenses	<u>261,174,237</u>	<u>-</u>	<u>261,174,237</u>
Foreign currency exchange losses, net	6,224,907	-	6,224,907
	<u>267,399,144</u>	<u>-</u>	<u>267,399,144</u>
Total expenses and losses			
Change in net assets before foreign currency translation	(11,317,319)	(2,444,413)	(13,761,732)
Foreign currency translation losses, net	(6,981,238)	-	(6,981,238)
	<u>(18,298,557)</u>	<u>(2,444,413)</u>	<u>(20,742,970)</u>
CHANGE IN NET ASSETS			
Net assets, beginning of year	<u>229,525,413</u>	<u>13,803,934</u>	<u>243,329,347</u>
Net assets, end of year	<u>\$ 211,226,856</u>	<u>\$ 11,359,521</u>	<u>\$ 222,586,377</u>

The accompanying notes are an integral part of this consolidated financial statement.

DKT International, Inc. and Affiliates

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2023

	Program Services	Supporting Services			2023 Total
	Education and Reproductive Health	Management and General	Development and Fundraising	Total Supporting Services	
Cost of goods sold - products	\$ 122,130,772	\$ -	\$ -	\$ -	\$ 122,130,772
Salaries and fringe benefits	53,158,956	3,224,951	585,429	3,810,380	56,969,336
Advertising and promotion	35,511,113	-	-	-	35,511,113
Professional fees	12,188,104	838,840	775	839,615	13,027,719
Travel and related expenses	9,773,385	168,111	-	168,111	9,941,496
Rent, insurance and warehouse logistics	9,230,399	235,732	-	235,732	9,466,131
Licenses and taxes	3,762,343	282	-	282	3,762,625
Income tax provision	3,745,693	-	-	-	3,745,693
Trainings, meetings and conferences	3,421,807	10,741	-	10,741	3,432,548
Office expenses	2,940,050	132,528	-	132,528	3,072,578
Contribution, outreach and grants to partners	2,324,329	2,652	-	2,652	2,326,981
Depreciation and amortization	2,082,930	16,014	-	16,014	2,098,944
Product development	2,053,721	-	-	-	2,053,721
Telephone, facsimile and utilities	1,581,944	28,555	-	28,555	1,610,499
Interest	1,432,548	-	-	-	1,432,548
Credit losses	673,916	-	-	-	673,916
Repairs and maintenance	611,909	-	-	-	611,909
Obsolete inventory expense	545,235	-	-	-	545,235
Bank charges	386,242	35,574	-	35,574	421,816
Other	2,384,296	13,326	-	13,326	2,397,622
Total functional expenses	<u>\$ 269,939,692</u>	<u>\$ 4,707,306</u>	<u>\$ 586,204</u>	<u>\$ 5,293,510</u>	<u>\$ 275,233,202</u>

The accompanying notes are an integral part of this consolidated financial statement.

DKT International, Inc. and Affiliates

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2022

	Program	Supporting Services			2022 Total
	Services	Management and General	Development and Fundraising	Total Supporting Services	
	Education and Reproductive Health				
Cost of goods sold - products	\$ 120,947,282	\$ -	\$ -	\$ -	\$ 120,947,282
Salaries and fringe benefits	49,452,270	3,276,520	567,734	3,844,254	53,296,524
Advertising and promotion	32,017,346	-	-	-	32,017,346
Professional fees	10,637,885	716,355	-	716,355	11,354,240
Travel and related expenses	9,167,032	120,533	-	120,533	9,287,565
Rent, insurance and warehouse logistics	8,086,980	265,023	-	265,023	8,352,003
Licenses and taxes	3,715,876	124	-	124	3,716,000
Trainings, meetings and conferences	3,164,007	34,352	-	34,352	3,198,359
Depreciation and amortization	2,707,558	16,482	-	16,482	2,724,040
Office expenses	2,563,219	84,953	-	84,953	2,648,172
Income tax provision	2,604,072	-	-	-	2,604,072
Telephone, facsimile and utilities	1,655,057	28,838	-	28,838	1,683,895
Product development	1,645,202	-	-	-	1,645,202
Contribution, outreach and grants to partners	1,418,429	-	-	-	1,418,429
Interest	1,129,826	-	-	-	1,129,826
Credit losses	965,782	-	-	-	965,782
Repairs and maintenance	671,515	-	-	-	671,515
Bank charges	447,524	63,725	-	63,725	511,249
Obsolete inventory expense	15,391	-	-	-	15,391
Other	2,950,377	36,968	-	36,968	2,987,345
Total functional expenses	<u>\$ 255,962,630</u>	<u>\$ 4,643,873</u>	<u>\$ 567,734</u>	<u>\$ 5,211,607</u>	<u>\$ 261,174,237</u>

The accompanying notes are an integral part of this consolidated financial statement.

DKT International, Inc. and Affiliates
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31,

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Change in net assets before effect of exchange rate changes on cash	\$ 20,149,525	\$ (16,498,023)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Writeoff of credit losses	(2,254,090)	(81,666)
Credit losses	673,916	965,782
Change in discount on present value of grants and contributions receivable	(62,986)	(9,443)
Change in allowance for obsolete inventory	21,153	(669,506)
Realized gains on sales of investment in securities	(5,048,805)	(6,851,237)
Unrealized (gains) losses on investment in securities	(10,861,238)	23,955,721
Unrealized gains on investment in joint venture	(315,345)	(257,537)
Depreciation and amortization	2,098,944	2,724,040
Adjustment to deferred compensation	(872,959)	855,100
Gain on sale from disposal of property and equipment	(393,427)	(18,789)
Change in discount on present value of loan payable	391,088	556,476
Interest income	(292,466)	(18,369)
Decrease (increase) in assets and increase (decrease) in liabilities:		
Grants and contributions receivable	(301,654)	1,747,430
Trade receivables	(1,572,378)	(4,359,445)
Inventory	(10,742,760)	(11,453,650)
Prepaid expenses and other current assets	1,819,564	(582,147)
Deferred tax asset	(280,681)	(1,211,415)
Other non-current assets	159,537	(537,217)
Right-of-use assets	2,703,483	2,603,566
Accounts payable and accrued expenses	954,123	7,658,180
Deferred revenue	(1,795,289)	(5,345,226)
Contract liabilities	(306,080)	478,430
Other non-current liabilities	(756,524)	4,110,977
	<u>(6,885,349)</u>	<u>(2,237,968)</u>
Net cash used in operating activities		
Cash flows from investing activities		
Purchases of investment in securities	(24,062,208)	(4,097,576)
Proceeds from sales of investment in securities	26,815,986	10,871,985
Additions to investment in joint venture	(472,461)	(157,733)
Proceeds from loan repayments	160,000	-
Proceeds from sales of property and equipment	1,673,541	3,168,125
Purchases of property and equipment	(1,307,218)	(4,351,478)
	<u>2,807,640</u>	<u>5,433,323</u>
Net cash provided by investing activities		
Cash flows from financing activities		
Proceeds from lines of credit and loans payable	1,030,397	-
Repayments of lines of credit and loans payable	(563,229)	(755,806)
	<u>467,168</u>	<u>(755,806)</u>
Net cash provided by (used in) financing activities		
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(3,610,541)	2,439,549
Cash and cash equivalents, beginning of year	74,842,270	76,647,668
Effect of exchange rate changes on cash	(2,091,512)	(4,244,947)
Cash and cash equivalents, end of year	<u>\$ 69,140,217</u>	<u>\$ 74,842,270</u>
Supplemental cash flow information		
Interest paid	<u>\$ 752,972</u>	<u>\$ 653,568</u>
Income taxes paid	<u>\$ 3,654,876</u>	<u>\$ 3,199,010</u>

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

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

DKT International, Inc. is a nonprofit corporation organized in 1984 in the United States for the purpose of designing and implementing family planning projects in developing countries. DKT International, Inc. and its Affiliates (collectively referred to as “DKT”) direct social marketing programs mainly in developing countries but have also expanded to sell products in developed countries. DKT is one of the world’s largest providers of family planning, HIV/AIDS prevention and safe abortion products and services. All activities of DKT are funded primarily from product sales and from grants and contributions.

Basis of Accounting and Presentation

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

Principles of Consolidation

The consolidated financial statements include the accounts of DKT International, Inc. and its affiliates and related parties as follows:

Country	Full Name	Short Name
Argentina	DKT Argentina S.A.	South America Group
Bolivia	DKT Bolivia S.A.	South America Group
Brazil	DKT DO Brasil Produtos De Uso Pessoal Ltda.	South America Group
Chile	DKT Chile	South America Group
Colombia	DKT Colombia S.A.S.	South America Group
Ecuador	DKT Ecuador S.A.	South America Group
Paraguay	DKT Paraguay	South America Group
Panama	DKT South America Holding Inc.	South America Group
Peru	DKT Peru	South America Group
Uruguay	SYB Salud y Belleza Internacional S.A.	South America Group
Uruguay	DKT Uruguay S.A.	South America Group
Democratic Republic of Congo	DKT DR Congo	DR Congo
Egypt	DKT Egypt	Egypt/Middle East North Africa (MENA) Group
Egypt	DKT Limited Liability Company	Egypt/MENA Group
Jordan	DKT International Inc. (Jordan)	Egypt/MENA Group
Sudan	DKT Services Co. Ltd.	Egypt/MENA Group
Ethiopia	Dink Kistet Letena	Ethiopia
Ghana	DKT International Inc. Ghana	Ghana/Anglophone West Africa Group (AWA Group)
Liberia	DKT International Inc. Liberia	Ghana/AWA Group
Sierra Leone	Sierra Leone	Ghana/AWA Group
India	Janani	India Janani Group
India	Janani Family Care Private Limited	India Janani Group (Newly consolidated entity in 2023)
India	DKT India	India Mumbai Group
India	DKT Healthcare India Private Ltd	India Mumbai Group

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

Country	Full Name	Short Name
Indonesia	Yayasan DKT Indonesia	Indonesia Group
Indonesia	PT DKT International	Indonesia Group
Indonesia	PT Dharmendra Kumar Tiyagi Indonesia	Indonesia Group
Mexico	DKT de Mexico S.A. de C.V.	Mexico Group
Guatemala	DKT Guatemala	Mexico Group (Newly consolidated entity in 2023)
Mexico	Telefem, A.C.	Mexico Group (Newly consolidated entity in 2023)
Mozambique	DKT Mozambique, Limitada	Mozambique
Myanmar	DKT International Inc. Myanmar Branch	Myanmar Group
Myanmar	Modern Choice Experts Co. Ltd.	Myanmar Group
Nigeria	Deep K. Tyagi Foundation Nigeria	Nigeria
Pakistan	DKT Pakistan (Private) Limited	Pakistan Group
Afghanistan	DKT International Inc.	Pakistan Group
Philippines	DKT Philippines, Inc	Philippines Group
Philippines	DKT Reproductive Health, Inc.	Philippines Group
Philippines	HealthSense, Inc.	Philippines Group
Philippines	DKT Health, Inc.	Philippines Group
Philippines	DKT Regional Operating Headquarters	Philippines Group
Singapore	Asia Reproductive Health International PTE. Ltd	Philippines Group
Tanzania	DKT International Tanzania Limited	Tanzania Group
Tanzania	DKT International Tanzania	Tanzania Group
Iran	DKT International Segal Company	Turkey Group
Turkey	DKT International Istanbul Saglik Urunleri Ithalat Ticaret Ltd. Sirketi	Turkey Group
Cameroon	DKT International Cameroon SUARL	Francophone West and Central Africa Group (FWACA Group)
Cote D'Ivoire	DKT International Cote D'Ivoire SUARL	FWACA
Senegal	DKT International Senegal SUARL	FWACA
Vietnam	Representative Office of DKT International Inc. in Hanoi	Vietnam Group
Vietnam	DKT International - Vietnam Office	Vietnam Group
Kenya	DKT Healthcare International Limited	Kenya & Uganda Group
Uganda	DKT Healthcare International Uganda Limited	Kenya & Uganda Group
United Kingdom	WomanCare Global Trading CIC	United Kingdom Group
France	DKT WomanCare Global Services	United Kingdom Group
United Kingdom	DKT International Foundation UK	United Kingdom Group
United States	FemHealth USA Inc.	United States

This consolidated reporting most accurately reflects the common charitable activities of DKT International, Inc. and its affiliates. All intercompany accounts between DKT International Inc. and its affiliates have been eliminated in consolidation.

Cash and Cash Equivalents

DKT considers all cash and other highly liquid investments with initial maturities of three months or less to be cash and cash equivalents. Cash and cash equivalents that are specifically held for investment purposes are reported as investments.

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

Receivables

Receivables include amounts billed and currently due from customers and are presented net of an estimate for uncollectible accounts. An allowance for credit losses related to receivable from customers is established based upon historical collection rates by age of receivables and adjusted for reasonable expectations of future collection performance, net of estimated recoveries. DKT periodically assesses its methodologies for estimating credit losses in consideration of actual experience, trends, and changes in the overall economic environment.

Inventory

Inventory consists primarily of condoms and contraceptives held for distribution or resale and is valued at the lower of cost or net realizable value. Inventory also includes goods in transit free on board shipping point. Inventories are primarily maintained on the first-in, first-out method. Inventory write-downs are recorded for shrinkage, damaged, stale and slow-moving items.

Investment in Securities

Investment in securities consist of investments in mutual funds, equities, exchange-traded and closed-end funds, money market funds, unit investment trusts and certificates of deposit and are recorded in the accompanying consolidated statements 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.

Investment in Joint Venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement and have rights to the net assets of the joint venture. DKT accounted for investments in joint ventures using the equity method. Under the equity method, investments are initially recognized at cost. Subsequently, the carrying amount of the investment is adjusted to recognize the changes in DKT's share of net assets of the joint venture.

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, DKT has categorized its applicable financial instruments into a required fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest-level input that is significant to the fair value measurement of the instrument.

Applicable financial assets and liabilities are categorized based on the inputs to the valuation techniques as follows:

- Level 1 - Financial assets and liabilities whose values are based on unadjusted quoted prices in an active market that DKT has the ability to access.
- Level 2 - Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

Level 3 - Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

Property and Equipment and Related Depreciation and Amortization

Property and equipment are stated at cost. Capitalized items must have a cost basis of greater than or equal to \$5,000 and an economic life in excess of one year. Depreciation and amortization are provided on a straight-line basis over the estimated useful lives of the assets. The estimated useful lives for property and equipment are as follows:

Vehicles	3-5 years
Office furnishings and equipment	3-5 years
Software	3 years
Building	20 years
Leasehold improvements	Shorter of remaining term of lease or useful life

Expenditures for major additions, renewals and improvements are capitalized; expenditures for repairs and maintenance are expensed when incurred. Upon the retirement or disposal of assets, the cost and accumulated depreciation and amortization are eliminated from the accounts and the resulting gain or loss is reflected in the accompanying consolidated statements of activities.

Leases

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-02, *Leases (Topic 842)*. This ASU requires lessees to recognize most leases on their consolidated statements of financial position as lease liabilities with corresponding right-of-use ("ROU") assets. DKT adopted the standard as of January 1, 2022, using a modified retrospective approach and applying the standard's transition provisions on January 1, 2022, the effective date. There was no adjustment to net assets as of January 1, 2022 resulting from the adoption of this ASU.

The lease and non-lease components of real estate and equipment leases supporting production activities are not accounted for as a single lease component. Consideration for such contracts is allocated to the lease and non-lease components based upon relative standalone prices either observable or estimated if observable prices are not readily available. DKT elected the package of practical expedients permitted under the transition guidance, which among other things, allows the carryforward of the historical lease classification. DKT made elections to exclude from right-of-use assets those leases with initial lease terms of 12 months or less. Finally, DKT elected to use the risk-free rate for a period comparable to the lease term.

Impairment of Long-Lived Assets

DKT reviews its property 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. As of December 31, 2023 and 2022, DKT has not recognized an impairment loss.

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

Classification of Net Assets

DKT's 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 DKT at the discretion of DKT's management and the Board of Directors (the "Board"). From time to time, the Board designates a portion of these net assets for specific purposes, which makes them unavailable for use at management's discretion. As of December 31, 2023 and 2022, the Board designated \$21,000,000 of net assets without donor restrictions to serve as a working capital reserve to secure DKT's long-term financial viability.
- Net assets with donor restrictions represent funds that are specifically restricted by donors for use in various programs and/or for a specific period of time. These donor restrictions can be temporary in nature in that they will be met by actions of DKT 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. As of December 31, 2023 and 2022, DKT had no net assets with donor restrictions that are required to be maintained in perpetuity.

Revenue and Support Recognition

DKT reports unconditional gifts of cash and other assets as having donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a stipulated time restriction ends or purpose of a restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

Unconditional grants and contributions are recognized as revenue and support when the donor has made an unconditional promise to contribute funds to DKT in future periods. Unconditional grants and contributions are recorded at their net realizable value, if expected to be collected in one year, or at their present value if expected to be collected in more than one year. DKT provides for probable uncollectible amounts through a provision for bad debt and an adjustment to an allowance based on its assessment on the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. As of December 31, 2023 and 2022, contributions approximating \$12,032,114 and \$18,466,396, respectively, have not been recognized in the accompanying consolidated statements of activities because the condition(s) on which they depend have not yet been met or the purpose of a restriction is accomplished.

A portion of DKT's revenue and support is derived from cost-reimbursable contracts and grants with international government agencies and other organizations, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue and support when DKT has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the accompanying consolidated statements of financial position. As of December 31, 2023 and 2022, DKT has been awarded cost-reimbursable grants of \$44,947,587 and \$14,089,197, respectively, that have not yet been recognized as revenue. As of December 31, 2023 and 2022, DKT has yet to collect \$1,331,071 and \$2,839,128, respectively, recognized under such cost-reimbursable grants, which is included in grants and contributions receivable in the accompanying consolidated statements of financial position. Additionally, DKT has received advance payments of \$7,264,866 and \$9,060,156, respectively, reported in the accompanying consolidated statements of financial position as deferred revenue.

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

Sales revenue includes a single performance obligation related to the fulfillment of customer orders for the purchase of DKT's products including condoms, other contraceptives, medical equipment and other family planning products. The performance obligation is satisfied at the point in time when title to the product, ownership and risk of loss transfers to the customer, at which time DKT recognizes sales revenue. Sales, net of discounts, reflect transaction prices based on the selling list prices reduced by discounts including costs for trade promotional programs, consumer incentives and allowances, discounts associated with aged or potentially unsaleable products and net of taxes collected on behalf of governmental authorities. A provision for discount is recorded as a reduction of sales in the same period in which the revenue is recognized. Sales revenue received in advance of the fulfillment of customer orders are recorded as contract liabilities.

Other income includes royalty income, net gains on the sale of fixed assets, and reversals of previous year provisions on customers receivable. Revenue is recognized in the period in which the underlying activities occur.

Translation of Foreign Currencies

Foreign currency transactions and financial statements are translated into U.S. dollars at current exchange rates, except for revenue and expenses that are translated at average exchange rates during each reporting period. Exchange gains and losses resulting from foreign currency transactions are included in the accompanying consolidated statements of activities, whereas adjustments resulting from translations of financial statements are reflected as a component of net assets.

A highly inflationary economy is defined as an economy with a cumulative inflation rate of approximately 100 percent or more over a three-year period. If a country's economy is classified as highly inflationary, the financial statements of the foreign entity operating in that country must be remeasured to the functional currency of the reporting entity. DKT determined five of its subsidiaries were operating in highly inflationary economy beginning January 1, 2022: Argentina, Ethiopia, Iran, Sudan and Turkey. As of December 31, 2023, DKT determined seven foreign countries, where DKT has operations, were highly inflationary. The seven highly inflationary economies include the same five subsidiaries from 2022, which continued to be highly inflationary in 2023, plus it was determined Ghana and Sierra Leone were operating in highly inflationary economies beginning January 1, 2023. DKT assessed the impact on the financial statements of remeasurement in U.S. dollars for these countries under highly inflationary economies, in accordance with Accounting Standards Codification ("ASC") Topic 830, effective January 1, 2022 and January 1, 2023. DKT concluded that the impact is not material for the years ended December 31, 2023 and 2022. As a result, the financial information of the subsidiaries has not been remeasured in U.S. dollars.

During the year ended December 31, 2023, DKT determined that a new source of foreign exchange rate, that is widely acceptable, has also been evaluated to be more representative of the current market conditions of its subsidiary in Iran. DKT evaluated the financial statement impact of the change and as result, DKT has not restated the 2022 results of operations to conform with the new source of the exchange rate, as the amount that would have been recognized through the statement of operations as part of highly inflationary accounting is not material. For each relevant line item, the difference between the amounts reported for financial reporting purposes versus the underlying U.S. dollar denominated values in 2022 are as follows:

Sales, net of discounts	\$ (2,316,758)
Cost of goods sold	\$ (1,879,787)
Net assets	\$ (428,217)

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

The impact on any unsettled transactions as of December 31, 2023 are as follows:

Trade receivable, net of allowance for credit losses	\$ (341,810)
Accounts payable and accrued expenses	\$ (2,512,613)

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statements of functional expenses. Expenses directly attributed to a specific functional area 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.

Estimates

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

Accounting Standards Adopted in the Current Fiscal Year

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13" or "ASC 326"). ASU 2016-13 revises the accounting requirements related to the measurement of credit losses and requires organizations to measure all expected credit losses for financial assets based on historical experience, current conditions, and reasonable and supportable forecasts about collectability. Assets must be presented in the financial statements at the net amount expected to be collected. The FASB has subsequently issued additional ASUs amending certain aspects of ASU 2016-13.

On January 1, 2023, DKT adopted the new accounting standard and all the related amendments using the modified retrospective method, which resulted in no cumulative-effect adjustment to net assets. DKT does not expect ASC 326 to have a significant impact on its financial condition or results of operations on an ongoing basis.

Reclassification

Certain items on the 2022 financial statement disclosures have been reclassified to correspond to the 2023 presentation. These changes had no effect on the net assets or changes in net assets for 2022.

NOTE 2 - GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants and contributions receivable as of December 31 were due as follows:

	<u>2023</u>	<u>2022</u>
In less than one year	\$ 3,290,937	\$ 4,017,312
In one to five years	1,091,015	-
Total grants and contributions receivable	<u>\$ 4,381,952</u>	<u>\$ 4,017,312</u>

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

Discounts in the amounts of \$62,986 and \$0 were recorded for multi-year pledges receivable for the years ended December 31, 2023 and 2022, respectively. The discount rate used for the year ended December 31, 2023 was 3.25%. All amounts are deemed fully collectible.

NOTE 3 - TRADE RECEIVABLES

Trade receivables primarily consist of product sales and are reported net of a \$1,063,579 and \$2,643,753 allowance for credit losses as of December 31, 2023 and 2022, respectively.

NOTE 4 - INVENTORY

DKT's inventory consisted of the following as of December 31:

	<u>2023</u>	<u>2022</u>
Condoms	\$ 28,911,506	\$ 27,489,210
Other contraceptives	24,749,279	19,728,444
Medical equipment (MVA business)	7,878,508	5,416,813
Lubricants	3,427,967	3,492,345
Implants	1,416,953	84,468
Goods in transit	118,332	46,158
Other items	<u>1,799,877</u>	<u>1,302,223</u>
 Total inventory	 68,302,422	 57,559,661
 Less: allowance for inventory obsolescence	 <u>(574,152)</u>	 <u>(552,998)</u>
 Inventory, net	 <u>\$ 67,728,270</u>	 <u>\$ 57,006,663</u>

NOTE 5 - INVESTMENT IN SECURITIES

Investment in securities consisted of the following as of December 31:

	<u>2023</u>	<u>2022</u>
Mutual funds	\$ 65,541,888	\$ 57,870,020
Equities	26,104,981	25,081,992
Exchange-traded and closed-end funds	16,195,014	13,888,764
Cash	3,758,294	2,437,300
Certificate of deposit	3,031,883	1,385,570
Unit investment trusts	578,687	507,452
Money market funds	<u>395,731</u>	<u>113,690</u>
 Total investment in securities	 <u>\$ 115,606,478</u>	 <u>\$ 101,284,788</u>

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

Investment income (loss) is summarized as follows for the years ended December 31:

	2023	2022
Unrealized gain (loss), net	\$ 11,176,583	\$ (23,698,185)
Realized gains, net	5,048,805	6,851,238
Interest and dividends	2,585,671	2,153,151
Investment income (loss), net	\$ 18,811,059	\$ (14,693,796)

NOTE 6 - PROPERTY AND EQUIPMENT, NET

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

	2023	2022
Vehicles	\$ 8,022,883	\$ 9,509,050
Office furnishings and equipment	4,385,767	4,295,755
Land	3,088,751	2,685,935
Leasehold improvements	2,183,016	1,802,195
Software	1,449,437	1,605,983
Building	304,826	1,207,957
Total property and equipment	19,434,680	21,106,875
Less: accumulated depreciation and amortization	(12,029,698)	(11,669,793)
Property and equipment, net	\$ 7,404,982	\$ 9,437,082

Depreciation and amortization expense totaled \$2,098,944 and \$2,724,040 for the years ended December 31, 2023 and 2022, respectively.

NOTE 7 - LEASES

DKT leases office, warehouse and distribution facilities, vehicles, and equipment. DKT determines if an agreement is or contains a lease at inception. Leases with an initial lease term of 12 months or less are not recorded on the consolidated statements of financial position. ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments over the remaining lease term. ROU assets are initially measured based on the corresponding lease liability adjusted for (i) payments made to the lessor at or before the commencement date, (ii) initial direct costs incurred and (iii) lease incentives under the lease.

DKT elected the practical expedient to use the risk-free rate for a period comparable to the lease term. The risk-free rate is measured by the U.S. treasury yield. Lease terms may include options to extend or terminate the lease when it is reasonably certain that such an option will be exercised.

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

DKT's lease agreements generally do not contain residual value guarantees or material restrictive covenants. The lease and non-lease components of all leases are not accounted for as a single lease component. Consideration for lease contracts is allocated to the lease and non-lease components based upon relative standalone prices either observable or estimated if observable prices are not readily available.

The components of lease expense were as follows for the year ended December 31:

	<u>2023</u>	<u>2022</u>
Finance lease expense:		
Amortization of finance ROU assets	\$ 10,128	\$ 10,707
Interest on finance lease liability	<u>1,099</u>	<u>1,052</u>
Total finance lease expense	11,227	11,759
Operating lease expense	<u>4,307,366</u>	<u>4,414,190</u>
Total lease expense	<u>\$ 4,318,593</u>	<u>\$ 4,425,949</u>

The total operating lease expense includes short-term leases and variable leases which are immaterial.

The operating lease expense is reflected in the consolidated statements of functional expenses in the rent, insurance and warehouse logistics line. Amortization of finance ROU assets is included in depreciation and amortization, and interest expense lines in the consolidated statements of functional expenses.

Amounts reported in the consolidated statements of financial position were as follows as of December 31, 2023:

	<u>2023</u>	
	<u>Operating Leases</u>	<u>Finance Leases</u>
Right-of-use asset	<u>\$ 7,398,008</u>	<u>\$ 9,734</u>
Lease liability, short-term (included within accrued expenses)	\$ 2,434,789	\$ 2,427
Lease liability, long-term (included within other non-current liabilities)	<u>4,434,774</u>	<u>7,327</u>
Total lease liabilities	<u>\$ 6,869,563</u>	<u>\$ 9,754</u>
Weighted average remaining lease term (in years)	4.19	4.00
Weighted average discount rate	3.04%	3.84%

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

Amounts reported in the consolidated statements of financial position were as follows as of December 31, 2022:

	2022	
	Operating Leases	Finance Leases
Right-of-use asset	\$ 8,372,056	\$ 19,863
Lease liability, short-term (included within accrued expenses)	\$ 2,677,312	\$ 12,034
Lease liability, long-term (included within other non-current liabilities)	5,204,849	9,107
Total lease liabilities	\$ 7,882,161	\$ 21,141
Weighted average remaining lease term (in years)	4.45	3.06
Weighted average discount rate	2.09%	5.12%

As of December 31, 2023, the maturity analysis of lease liabilities is as follows:

For the Year Ending December 31,	Operating Leases	Finance Leases	Total Leases
2024	\$ 2,599,779	\$ 2,454	\$ 2,602,233
2025	1,824,812	2,454	1,827,266
2026	1,308,052	2,454	1,310,506
2027	579,078	2,454	581,532
2028	373,796	-	373,796
2029 and thereafter	592,151	-	592,151
Total undiscounted lease liabilities	7,277,668	9,816	7,287,484
Less: imputed interest	(408,105)	(62)	(408,167)
Present value of lease liabilities	\$ 6,869,563	\$ 9,754	\$ 6,879,317

As of December 31, 2022, the maturity analysis of lease liabilities is as follows:

For the Year Ending December 31,	Operating Leases	Finance Leases	Total Leases
2023	\$ 2,866,307	\$ 12,743	\$ 2,879,050
2024	1,938,434	2,454	1,940,888
2025	1,301,206	2,454	1,303,660
2026	884,652	2,454	887,106
2027	456,469	2,454	458,923
2028 and thereafter	862,605	-	862,605
Total undiscounted lease liabilities	8,309,673	22,559	8,332,232
Less: imputed interest	(427,512)	(1,418)	(428,930)
Present value of lease liabilities	\$ 7,882,161	\$ 21,141	\$ 7,903,302

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

Supplemental cash flow and other information related to leases were as follows:

	2023	2022
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 2,933,223	\$ 3,038,051
Operating cash flows from finance leases	-	1,161
Financing cash flows from finance leases	11,387	11,398
	\$ 2,944,610	\$ 3,050,610

ROU assets obtained in exchange for lease liabilities as of December 31, 2023.

Operating leases	\$ 1,432,964
Finance leases	-

NOTE 8 - LINES OF CREDIT AND LOANS PAYABLE

South America Group

South America Group has one line of credit with one bank available as of December 31, 2023.

The line of credit was obtained on July 3, 2020. The maximum amount available under the line is \$6,182,380 and \$5,676,110 as of December 31, 2023 and 2022, respectively.

The line of credit bears interest of 15.00% and 16.72% per annum as at December 31, 2023 and 2022, respectively and revolves annually every June 28th. On November 26, 2020, South America Group made another drawdown with initial maturity of November 19, 2023 but revolved for another six months ending on May 19, 2024. This loan bears interest of 14.25% and 16.68% per annum as at December 31, 2023 and 2022, respectively. On November 26, 2023, South America Group made its third drawdown under the line which matures on November 26, 2024 and bears interest of 14.40% per annum as at December 31, 2023.

The line of credit was secured by U.S. corporate investments. As of December 31, 2023 and 2022, the outstanding balance for the three drawings against this line of credit totaled \$5,141,895 and \$4,063,437, respectively.

Philippines Group and Mozambique

As of December 31, 2022, the remaining loans payable amounting to \$231,482 are from Philippines group and Mozambique, each have outstanding loans secured by company assets in the respective countries. As of December 31, 2023, only the Philippines group have remaining loans balance amounting to \$51,234 secured by company assets.

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

DKT Consolidated Line of Credit and Loans

As of December 31, 2023, the outstanding balances on DKT's lines of credit and loans payable were scheduled to be paid as follows:

For the Year Ending December 31,

2024	\$ 5,176,945
2025	15,516
2026	5,179
2027	<u>-</u>
Total payments	5,197,640
Less: discount for present value of loan payable	<u>(4,511)</u>
Total lines of credit and loans payable	<u>\$ 5,193,129</u>

Interest expense totaled \$1,432,550 and \$1,128,775 for the years ended December 31, 2023 and 2022, respectively.

NOTE 9 - COMMITMENTS, RISKS AND CONCENTRATIONS

Credit Risk

DKT maintains its cash and cash equivalents at a number of financial institutions, where its aggregate balance may exceed, at times, the Federal Deposit Insurance Corporation ("FDIC") insured limit of \$250,000 per depositor per institution. As of December 31, 2023 and 2022, DKT had approximately \$26,413,209 and \$30,056,037, respectively, composed of demand deposits, which exceeded the maximum limit insured by the FDIC by approximately \$25,828,000 and \$29,254,000, respectively. DKT monitors the creditworthiness of these institutions and has not experienced any historical credit losses on its cash and cash equivalents.

DKT has offices in Africa, the Americas, Asia, and Europe and maintains cash accounts in those offices. The future of these programs may be adversely affected by a number of potential factors, such as currency devaluations, terrorist activity or changes in the political climate. As of December 31, 2023 and 2022, DKT had approximately \$46,748,687 and \$51,240,939, respectively, of cash held in foreign institutions.

Major Donors

For the years ended December 31, 2023 and 2022, approximately 45% and 43%, respectively, of DKT's grants and contributions were promised or received from three donors. Additionally, as of December 31, 2023 and 2022, approximately 68% and 70%, respectively, of grants and contributions receivable were due from three donors. Management of DKT has no reason to believe that its relationship with these donors will be discontinued in the foreseeable future.

Other

DKT is party to various legal actions and claims arising in the ordinary course of its business. DKT's management believes that its ultimate disposition will not have a material adverse effect on DKT's financial position or change in net assets.

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

NOTE 10 - AVAILABILITY AND LIQUIDITY

DKT 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. DKT's financial assets available within one year of the consolidated statement of financial position date for general expenditures as of December 31 were as follows:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 69,140,217	\$ 74,842,270
Grants and contributions receivable	4,381,952	4,017,312
Trade receivables, net of allowance for credit losses	49,340,417	46,187,865
Investment in securities	<u>115,606,478</u>	<u>101,284,788</u>
 Total financial assets	 238,469,064	 226,332,235
Less:		
Amounts unavailable for general expenditures within one year due to donor's restrictions	(12,182,729)	(11,359,521)
Amounts unavailable to management without Board approval: Board-designated for working capital reserve	<u>(21,000,000)</u>	<u>(21,000,000)</u>
 Financial assets available to meet general expenditures within one year	 <u>\$ 205,286,335</u>	 <u>\$ 193,972,714</u>

DKT has various sources of liquidity at its disposal, including cash and cash equivalents, receivables and investments, which are available for general expenditures, liabilities and other obligations as they come due. Management is focused on sustaining the financial liquidity of DKT throughout the year. This is done through monitoring and reviewing DKT's cash flow needs on a weekly basis. As a result, management is aware of the cyclical nature of DKT's cash flow related to DKT's 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 and equity securities. DKT can liquidate its investments anytime and, therefore, the investments are available to meet current cash flow needs. Additionally, DKT has board-designated net assets that could be available for current operations with Board approval, if necessary.

NOTE 11 - NET ASSETS

Net Assets Without Donor Restrictions

DKT's net assets without donor restrictions are composed of undesignated amounts and board-designated amounts for a working capital reserve. As of December 31, DKT's net assets without donor restrictions were as follows:

	<u>2023</u>	<u>2022</u>
Undesignated	\$ 207,461,661	\$ 190,226,856
Board-designated	<u>21,000,000</u>	<u>21,000,000</u>
 Total net assets without donor restrictions	 <u>\$ 228,461,661</u>	 <u>\$ 211,226,856</u>

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

Net Assets With Donor Restrictions

As of December 31, net assets with donor restrictions were restricted for the following purposes or periods:

	2023	2022
Subject to expenditure for specified purpose:		
Education and reproductive health		
DR Congo	\$ 1,569,823	\$ 1,000,000
South and North LATAM Groups	941,331	852,391
DR Congo Commodities	827,016	1,924,959
FWACA Group	649,598	-
Kenya & Uganda Group	608,257	-
India Bihar Group	446,121	-
Nigeria Digital	283,580	26,412
Digital Education	121,599	79,335
Mozambique	27,716	20,638
Myanmar Group	-	58,426
FemHealth		
Virtual visits and online support	1,929,224	59,990
Total subject to expenditure for specified purpose	7,404,265	4,022,151
Subject to occurrence of specified events/passage of time:		
Headquarters-General Operating Support Grant	2,256,328	1,114,243
Ethiopia	1,076,132	-
FWACA Group	125,171	374,829
FemHealth		
Health centers and online	1,145,833	1,645,833
General operating support grant	175,000	525,000
Virtual visits and online support	-	3,615,557
Others	-	61,908
Total subject to occurrence of specified events/passage of time	4,778,464	7,337,370
Total net assets with donor restrictions	\$ 12,182,729	\$ 11,359,521

NOTE 12 - RETIREMENT PLAN

DKT maintains a tax-sheltered annuity plan according to the terms of Internal Revenue Code ("IRC") Section 403(b). All eligible U.S. employees may contribute a portion of their annual compensation to the plan in accordance with plan provisions. These contributions are made on a tax-deferred basis under a salary-reduction agreement. In addition, DKT contributes 10% of the individual participant's compensation to the Plan. DKT's contribution to this plan recognized as expense totaled \$220,293 and \$260,584 for the years ended December 31, 2023 and 2022, respectively. Certain management-level international employees are given an equivalent percentage of compensation to use for funding their retirement.

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

NOTE 13 - FAIR VALUE MEASUREMENT

The following tables summarize DKT's investments measured at fair value on a recurring basis as of December 31, 2023 and 2022, aggregated by the fair value hierarchy level with which those measurements were made:

	2023		2022	
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)
Mutual funds:				
Large blend	\$ 22,445,891	\$ 22,445,891	\$ 19,800,249	\$ 19,800,249
Large growth	21,688,620	21,688,620	20,778,032	20,778,032
Large value	9,211,098	9,211,098	7,002,288	7,002,288
Emerging markets	5,083,106	5,083,106	1,604,849	1,604,849
Medium blend	484,620	484,620	4,382,910	4,382,910
Small blend	4,179,992	4,179,992	410,012	410,012
Small value	2,448,561	2,448,561	3,891,680	3,891,680
Total mutual funds	65,541,888	65,541,888	57,870,020	57,870,020
Equities:				
Communication	1,446,536	1,446,536	1,009,854	1,009,854
Consumer discretionary	1,694,241	1,694,241	986,955	986,955
Consumer staples	397,522	397,522	401,109	401,109
Energy	343,219	343,219	346,728	346,728
Financial	12,334,111	12,334,111	10,547,369	10,547,369
Healthcare	1,920,864	1,920,864	2,026,583	2,026,583
Industrial goods	5,447,749	5,447,749	6,048,108	6,048,108
Information technology	2,520,739	2,520,739	3,715,286	3,715,286
Total equities	26,104,981	26,104,981	25,081,992	25,081,992
Exchange-traded and closed-end funds	16,195,014	16,195,014	13,888,764	13,888,764
Total investments held at fair value	107,841,883	\$ 107,841,883	96,840,776	\$ 96,840,776
Cash	3,758,294		2,437,300	
Certificates of deposit	3,031,883		1,385,570	
Unit investment trusts ^(a)	578,687		507,452	
Money market funds	395,731		113,690	
Total investments	\$ 115,606,478		\$ 101,284,788	

^(a) This investment is measured at net asset value or its equivalent as a practical expedient and has not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

DKT does not have any level 2 or 3 investments at December 31, 2023 and 2022.

NOTE 14 - INCOME TAX STATUS

DKT International, Inc. follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the consolidated financial statements if the position is more-likely-than-not to be sustained if

DKT International, Inc. and Affiliates

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2023 and 2022

the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

DKT International, Inc. is exempt from federal income tax under provisions of Section 509 (a) as described in Section 501(c)(3) of the IRC of 1986, as amended. The organization is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the IRC. Several of DKT's affiliates are organized as taxable entities in their respective countries. DKT has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. Income tax expense for the affiliates is calculated using the tax rates and tax law applicable to the fiscal periods to which the tax relates, based on taxable profit for the year. DKT International has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Several of DKT's affiliates are for-profit entities that are subject to income tax in their country of operation. Income tax expense for the affiliates is calculated using the tax rates and tax law applicable to the fiscal periods to which the tax relates, based on taxable profit for the year. Income tax expense for the years ended December 31, 2023 and 2022 for such affiliates, totaled \$3,745,695 and \$2,604,072, respectively. The net deferred tax asset recognized by such affiliates for the years ended December 31, 2023 and 2022, totaled \$2,874,664 and \$2,593,983, respectively.

NOTE 15 - SUBSEQUENT EVENTS

The Company has evaluated events and transactions occurring subsequent to December 31, 2023 through July 25, 2024, the date the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULES

DKT International, Inc. and Affiliates
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
As of December 31, 2023

	DKT International, Inc.	South America Group	DR Congo	Egypt Group	Ethiopia	Ghana/ AWA Group	India Janani Group	India Mumbai Group	Indonesia Group	Mexico	Mozambique	Myanmar Group	Nigeria
ASSETS													
Cash and cash equivalents	\$ 21,242,966	\$ 1,667,062	\$ 113,676	\$ 257,683	\$ 9,947,739	\$ 1,234,563	\$ 697,687	\$ 542,803	\$ 5,136,679	\$ 165,946	\$ 1,013,739	\$ 3,805,050	\$ 976,730
Grants and contributions receivable	2,335,567	-	-	-	-	105,988	-	-	-	-	-	178,864	-
Trade receivables, net of allowance	1,183	7,116,005	2,700,028	519,406	(20,194)	1,810,120	159	1,454	11,693,574	5,950,041	21,762	305,096	5,596,024
Due from affiliates	46,432,280	-	-	-	4,338,450	-	-	-	-	-	-	32,371	-
Inventory, net of allowance	-	6,867,496	2,548,324	640,045	7,849,324	3,486,836	463,222	2,121,719	4,954,526	12,293,384	678,650	751,910	4,827,445
Prepaid expenses and other current assets	185,183	1,799,419	177,324	491,915	1,028,631	187,784	1,479,015	589,230	1,422,049	1,210,399	698,994	168,010	138,374
Deferred tax asset	-	327,129	-	(720)	-	-	-	1,356,362	212,656	737,724	-	-	-
Investment in securities	111,039,236	-	-	-	-	-	1,031,883	-	-	2,945	-	-	-
Investment in joint venture	2,683,921	-	-	-	-	-	-	-	-	-	-	-	-
Investment in affiliates	72,474,722	-	-	-	-	-	-	-	-	-	-	-	-
Property and equipment, net	94,201	233,362	226,857	64,561	107,521	317,718	14,365	52,224	603,766	81,849	111,205	56,559	535,020
Right-of-use assets	151,726	773,925	-	150,201	159,952	180,966	200,369	333,238	1,637,409	266,295	165,377	294,653	-
Other non-current assets	1,000,000	89,944	-	-	-	-	371,478	92,441	60,196	236,951	-	-	-
Total assets	\$ 257,640,985	\$ 18,874,342	\$ 5,766,209	\$ 2,123,091	\$ 23,411,423	\$ 7,323,975	\$ 4,258,178	\$ 5,089,471	\$ 25,720,855	\$ 20,945,534	\$ 2,689,727	\$ 5,592,513	\$ 12,073,593
LIABILITIES AND NET ASSETS													
Liabilities													
Accounts payable and accrued expenses	\$ 3,162,256	\$ 8,423,538	\$ 632,921	\$ 940,903	\$ 4,804,884	\$ 3,597,145	\$ 1,687,300	\$ 1,177,119	\$ 8,822,719	\$ 17,985,638	\$ 229,487	\$ 1,244,983	\$ 4,994,329
Deferred revenue	2,671,898	-	-	-	4,323,866	-	-	-	-	-	35,991	233,111	-
Contract liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Due to affiliates	4,370,821	5,004,312	39,000	7,356,811	-	-	-	-	1,569,589	-	-	1,020,409	-
Lines of credit and loans payable	-	5,186,395	-	-	-	-	-	-	-	370,276	-	-	-
Other non-current liabilities	4,563,491	535,837	585,534	138,002	-	97,451	160,463	159,306	1,356,717	681,965	36,351	112,368	7,954
Total liabilities	14,768,466	19,150,082	1,257,455	8,435,716	9,128,750	3,694,596	1,847,763	1,336,425	11,749,025	19,037,879	301,829	2,610,871	5,002,283
Net assets													
Without donor restrictions													
Undesignated	212,939,848	(275,740)	4,508,754	(6,312,625)	14,282,673	3,629,379	2,410,415	3,753,046	13,971,830	1,907,655	2,387,898	2,981,642	7,071,310
Board-designated	21,000,000	-	-	-	-	-	-	-	-	-	-	-	-
Total unrestricted	233,939,848	(275,740)	4,508,754	(6,312,625)	14,282,673	3,629,379	2,410,415	3,753,046	13,971,830	1,907,655	2,387,898	2,981,642	7,071,310
With donor restrictions	8,932,671	-	-	-	-	-	-	-	-	-	-	-	-
Total net assets	242,872,519	(275,740)	4,508,754	(6,312,625)	14,282,673	3,629,379	2,410,415	3,753,046	13,971,830	1,907,655	2,387,898	2,981,642	7,071,310
Total liabilities and net assets	\$ 257,640,985	\$ 18,874,342	\$ 5,766,209	\$ 2,123,091	\$ 23,411,423	\$ 7,323,975	\$ 4,258,178	\$ 5,089,471	\$ 25,720,855	\$ 20,945,534	\$ 2,689,727	\$ 5,592,513	\$ 12,073,593

DKT International, Inc. and Affiliates

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION - CONTINUED

As of December 31, 2023

	Pakistan	Philippines Group	Singapore	Tanzania Group	Turkey Group	West Africa Group	Vietnam Group	Kenya & Uganda Group	United Kingdom Group	United States	Subtotal	Eliminating Entries	Combined Total
ASSETS													
Cash and cash equivalents	\$ 220,618	\$ 8,079,893	\$ 2,731,560	\$ 1,029,578	\$ 326,446	\$ 1,896,165	\$ 984,549	\$ 1,018,746	\$ 4,901,775	\$ 1,148,564	\$ 69,140,217	\$ -	\$ 69,140,217
Grants and contributions receivable	18,519	-	-	-	-	-	-	-	-	1,745,014	4,381,952	-	4,381,952
Trade receivables, net of allowance	755,525	7,764,315	-	201,072	603,776	1,353,133	627,499	718,457	3,472,189	583,399	51,774,023	(2,433,606)	49,340,417
Due from affiliates	-	-	6,270,284	-	-	-	-	-	39,000	-	57,112,385	(57,112,385)	-
Inventory, net of allowance	3,400,372	11,875,936	-	594,616	314,253	2,040,838	313,677	1,420,367	3,707,327	40,696	71,190,963	(3,462,693)	67,728,270
Prepaid expenses and other current assets	714,695	1,064,290	1,487	33,383	426,279	498,754	453,616	671,860	762,133	147,724	14,350,548	-	14,350,548
Deferred tax asset	-	54,908	-	21,500	-	-	-	165,105	-	-	2,874,664	-	2,874,664
Investment in securities	-	-	-	-	-	-	-	-	-	3,532,414	115,606,478	-	115,606,478
Investment in joint venture	-	-	-	-	-	-	-	-	-	-	2,683,921	-	2,683,921
Investment in affiliates	-	-	-	-	-	-	-	-	-	-	72,474,722	(72,474,722)	-
Property and equipment, net	1,180,077	2,844,221	1,139	75,760	145,090	527,260	3,953	48,161	58,303	21,810	7,404,982	-	7,404,982
Right-of-use assets	-	35,883	-	154,498	103,062	363,289	130,813	26,707	1,705,465	573,914	7,407,742	-	7,407,742
Other non-current assets	29,196	24,272	-	2,960	23,810	-	4,613	-	-	-	1,935,861	(1,000,000)	935,861
Total assets	\$ 6,317,002	\$ 31,743,718	\$ 9,004,470	\$ 2,113,367	\$ 1,942,716	\$ 6,679,439	\$ 2,518,720	\$ 4,069,403	\$ 14,646,192	\$ 7,793,535	\$ 478,338,458	\$ (136,483,406)	\$ 341,855,052
LIABILITIES AND NET ASSETS													
Liabilities													
Accounts payable and accrued expenses	\$ 3,376,133	\$ 2,159,127	\$ 3,551,342	\$ 231,285	\$ 369,029	\$ 3,274,519	\$ 681,274	\$ 1,429,320	\$ 7,138,069	\$ 1,038,807	\$ 80,952,127	\$ (3,381,346)	\$ 77,570,781
Deferred revenue	-	-	-	-	-	-	-	-	-	-	7,264,866	-	7,264,866
Contract liabilities	-	-	-	-	-	-	-	-	-	172,350	-	-	172,350
Due to affiliates	-	6,872,759	1,222,215	1,806,823	2,795,997	16,532,515	654,017	450,000	7,003,465	-	56,698,733	(56,698,733)	-
Lines of credit and loans payable	-	51,234	-	-	-	-	-	-	-	-	5,607,905	(414,776)	5,193,129
Other non-current liabilities	142,199	(4,028)	-	82,976	87,937	282,218	69,442	-	1,507,012	406,341	11,009,536	-	11,009,536
Total liabilities	3,518,332	9,079,092	4,773,557	2,121,084	3,252,963	20,089,252	1,404,733	1,879,320	15,648,546	1,617,498	161,705,517	(60,494,855)	101,210,662
Net assets													
Without donor restrictions													
Undesignated	2,798,670	22,664,626	4,230,913	(7,717)	(1,310,247)	(13,409,813)	1,113,987	2,190,083	(1,002,354)	2,925,979	283,450,212	(75,988,551)	207,461,661
Board-designated	-	-	-	-	-	-	-	-	-	-	21,000,000	-	21,000,000
Total unrestricted	2,798,670	22,664,626	4,230,913	(7,717)	(1,310,247)	(13,409,813)	1,113,987	2,190,083	(1,002,354)	2,925,979	304,450,212	(75,988,551)	228,461,661
With donor restrictions													
	-	-	-	-	-	-	-	-	-	3,250,058	12,182,729	-	12,182,729
Total net assets	2,798,670	22,664,626	4,230,913	(7,717)	(1,310,247)	(13,409,813)	1,113,987	2,190,083	(1,002,354)	6,176,037	316,632,941	(75,988,551)	240,644,390
Total liabilities and net assets	\$ 6,317,002	\$ 31,743,718	\$ 9,004,470	\$ 2,113,367	\$ 1,942,716	\$ 6,679,439	\$ 2,518,720	\$ 4,069,403	\$ 14,646,192	\$ 7,793,535	\$ 478,338,458	\$ (136,483,406)	\$ 341,855,052

DKT International, Inc. and Affiliates
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
As of December 31, 2022

	DKT International, Inc.	South America Group	DR Congo	Egypt Group	Ethiopia	Ghana/ AWA Group	India Janani Group	India Mumbai Group	Indonesia Group	Mexico	Mozambique	Myanmar Group	Nigeria
ASSETS													
Cash and cash equivalents	\$ 17,564,892	\$ 481,192	\$ 169,211	\$ 597,663	\$ 12,809,880	\$ 1,591,438	\$ 511,144	\$ 1,836,033	\$ 5,420,680	\$ 512,606	\$ 1,327,648	\$ 1,775,281	\$ 1,262,620
Grants and contributions receivable	3,068,400	-	-	-	-	-	-	-	-	-	-	274,086	-
Trade receivables, net of allowance	1,128	4,652,467	1,272,475	203,482	17,257	1,097,710	1,286	95,718	9,605,266	6,071,117	7,946	487,769	7,794,450
Due from affiliates	53,236,925	-	-	-	458,285	-	-	-	1	97,965	-	679,257	53,493
Inventory, net of allowance	-	8,687,074	2,117,570	523,572	4,562,582	3,694,589	363,358	2,229,532	3,591,152	6,437,883	1,570,207	868,630	7,376,684
Prepaid expenses and other current assets	1,213,508	1,706,346	169,686	587,402	441,437	282,925	1,812,899	480,362	1,849,801	1,456,994	858,819	126,405	145,017
Deferred tax asset	-	268,227	-	(1)	-	-	-	1,190,684	208,359	675,271	-	-	-
Investment in securities	98,905,501	-	-	-	-	-	1,385,570	-	-	2,566	-	-	-
Investment in joint venture	2,065,269	-	-	-	-	-	-	-	-	-	-	-	-
Investment in affiliates	57,255,660	-	-	-	-	-	-	-	-	-	-	-	-
Property and equipment, net	110,216	540,233	389,027	110,040	190,891	371,628	-	52,761	379,122	145,436	151,230	31,118	1,281,057
Right-of-use assets	409,888	243,270	281,558	224,207	311,265	258,705	346,447	193,984	1,837,376	138,639	291,836	228,569	45,698
Other non-current assets	-	81,777	-	-	-	-	373,999	95,278	59,532	206,364	-	2	-
Total assets	\$ 233,831,387	\$ 16,660,606	\$ 4,399,527	\$ 2,246,365	\$ 18,791,597	\$ 7,296,995	\$ 4,794,703	\$ 6,174,352	\$ 22,951,289	\$ 15,744,841	\$ 4,207,686	\$ 4,471,117	\$ 17,959,019
LIABILITIES AND NET ASSETS													
Liabilities													
Accounts payable and accrued expenses	\$ 3,872,523	\$ 7,820,239	\$ 2,112,095	\$ 700,052	\$ 5,950,926	\$ 2,977,934	\$ 1,511,831	\$ 1,239,651	\$ 7,850,177	\$ 11,613,389	\$ 338,619	\$ 2,088,248	\$ 7,863,558
Deferred revenue	4,120,156	-	-	-	4,940,000	-	-	-	-	-	-	-	-
Contract liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Due to affiliates	1,297,247	4,981,317	-	6,655,909	-	-	-	-	1,649,000	-	-	980,000	-
Lines of credit and loans payable	-	4,063,651	-	-	-	-	-	-	-	1,422,089	-	42,438	-
Other non-current liabilities	3,369,481	48,860	410,414	206,036	108,095	94,505	261,986	66,414	1,612,044	455,401	165,377	122,646	15,126
Total liabilities	12,659,407	16,914,067	2,522,509	7,561,997	10,999,021	3,072,439	1,773,817	1,306,065	11,111,221	13,490,879	546,434	3,190,894	7,878,684
Net assets													
Without donor restrictions													
Undesignated	194,720,757	(253,461)	1,877,018	(5,315,632)	7,792,576	4,224,556	3,020,886	4,868,287	11,840,068	2,253,962	3,661,252	1,280,223	10,080,335
Board-designated	21,000,000	-	-	-	-	-	-	-	-	-	-	-	-
Total unrestricted	215,720,757	(253,461)	1,877,018	(5,315,632)	7,792,576	4,224,556	3,020,886	4,868,287	11,840,068	2,253,962	3,661,252	1,280,223	10,080,335
With donor restrictions	5,451,223	-	-	-	-	-	-	-	-	-	-	-	-
Total net assets	221,171,980	(253,461)	1,877,018	(5,315,632)	7,792,576	4,224,556	3,020,886	4,868,287	11,840,068	2,253,962	3,661,252	1,280,223	10,080,335
	\$ 233,831,387	\$ 16,660,606	\$ 4,399,527	\$ 2,246,365	\$ 18,791,597	\$ 7,296,995	\$ 4,794,703	\$ 6,174,352	\$ 22,951,289	\$ 15,744,841	\$ 4,207,686	\$ 4,471,117	\$ 17,959,019

DKT International, Inc. and Affiliates

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION - CONTINUED

As of December 31, 2022

	Pakistan	Philippines Group	Singapore	Tanzania Group	Turkey Group	West Africa Group	Vietnam Group	Kenya & Uganda Group	United Kingdom Group	United States	Subtotal	Eliminating Entries	Combined Total
ASSETS													
Cash and cash equivalents	\$ 254,194	\$ 12,147,313	\$ 744,546	\$ 1,087,231	\$ 795,808	\$ 1,560,427	\$ 593,046	\$ 1,105,991	\$ 4,656,987	\$ 6,036,439	\$ 74,842,270	\$ -	\$ 74,842,270
Grants and contributions receivable	384,269	-	-	-	-	-	-	-	-	290,557	4,017,312	-	4,017,312
Trade receivables, net of allowance	382,996	7,901,675	-	113,697	959,357	1,194,643	477,260	666,961	4,020,257	924,582	47,949,519	(1,761,654)	46,187,865
Due from affiliates	-	-	3,840,702	-	-	-	-	-	-	-	58,366,628	(58,366,628)	-
Inventory, net of allowance	2,084,234	7,252,519	-	958,610	1,455,488	1,935,801	349,062	1,506,394	1,675,164	43,562	59,283,667	(2,277,004)	57,006,663
Prepaid expenses and other current assets	764,743	1,377,195	1,487	48,932	1,771,513	328,664	491,954	764,314	360,642	129,067	17,170,112	(1,000,000)	16,170,112
Deferred tax asset	-	43,846	-	26,514	-	-	-	181,083	-	-	2,593,983	-	2,593,983
Investment in securities	-	-	-	-	-	-	-	-	-	991,151	101,284,788	-	101,284,788
Investment in joint venture	-	-	-	-	-	-	-	-	-	-	2,065,269	-	2,065,269
Investment in affiliates	-	-	-	-	-	-	-	-	-	-	57,255,660	(57,255,660)	-
Property and equipment, net	1,576,301	2,960,866	-	135,357	129,316	655,340	12,178	64,076	63,430	87,459	9,437,082	-	9,437,082
Right-of-use assets	-	89,020	-	217,598	-	530,933	57,073	64,948	1,712,094	908,811	8,391,919	-	8,391,919
Other non-current assets	190,619	20,963	-	-	62,127	-	4,737	-	-	-	1,095,398	-	1,095,398
Total assets	\$ 5,637,356	\$ 31,793,397	\$ 4,586,735	\$ 2,587,939	\$ 5,173,609	\$ 6,205,808	\$ 1,985,310	\$ 4,353,767	\$ 12,488,574	\$ 9,411,628	\$ 443,753,607	\$ (120,660,946)	\$ 323,092,661
LIABILITIES AND NET ASSETS													
Liabilities													
Accounts payable and accrued expenses	\$ 1,650,783	\$ 2,262,279	\$ 2,887,604	\$ 275,365	\$ 2,872,632	\$ 4,494,441	\$ 460,328	\$ 1,492,515	\$ 6,218,027	\$ 829,339	\$ 79,382,555	\$ (2,756,743)	\$ 76,625,812
Deferred revenue	-	-	-	-	-	-	-	-	-	-	9,060,156	(1)	9,060,155
Contract liabilities	-	-	-	-	-	-	-	-	250,348	228,082	478,430	-	478,430
Due to affiliates	-	4,441,366	-	1,806,823	3,411,626	25,668,535	652,671	450,000	4,953,830	-	56,948,324	(56,948,324)	-
Lines of credit and loans payable	-	189,044	-	-	-	-	-	-	-	-	5,717,222	(1,422,089)	4,295,133
Other non-current liabilities	126,390	83,981	-	150,328	116,759	395,146	43,233	32,616	1,457,273	704,643	10,046,754	-	10,046,754
Total liabilities	1,777,173	6,976,670	2,887,604	2,232,516	6,401,017	30,558,122	1,156,232	1,975,131	12,879,478	1,762,064	161,633,441	(61,127,157)	100,506,284
Net assets													
Without donor restrictions													
Undesignated	3,860,183	24,816,727	1,699,131	355,423	(1,227,408)	(24,352,314)	829,078	2,378,636	(390,904)	1,741,266	249,760,645	(59,533,789)	190,226,856
Board-designated	-	-	-	-	-	-	-	-	-	-	21,000,000	-	21,000,000
Total unrestricted	3,860,183	24,816,727	1,699,131	355,423	(1,227,408)	(24,352,314)	829,078	2,378,636	(390,904)	1,741,266	270,760,645	(59,533,789)	211,226,856
With donor restrictions													
	-	-	-	-	-	-	-	-	-	5,908,298	11,359,521	-	11,359,521
Total net assets	3,860,183	24,816,727	1,699,131	355,423	(1,227,408)	(24,352,314)	829,078	2,378,636	(390,904)	7,649,564	282,120,166	(59,533,789)	222,586,377
	\$ 5,637,356	\$ 31,793,397	\$ 4,586,735	\$ 2,587,939	\$ 5,173,609	\$ 6,205,808	\$ 1,985,310	\$ 4,353,767	\$ 12,488,574	\$ 9,411,628	\$ 443,753,607	\$ (120,660,946)	\$ 323,092,661

DKT International, Inc. and Affiliates
CONSOLIDATING SCHEDULE OF ACTIVITIES
Year ended December 31, 2023

	DKT International, Inc.	South America Group	DR Congo	Egypt Group	Ethiopia	Ghana/ AWA Group	India Janani Group	India Mumbai Group	Indonesia Group	Mexico	Mozambique	Myanmar Group	Nigeria
Revenue and support													
Sales, net of discounts	\$ -	\$ 26,043,312	\$ 6,466,233	\$ 2,798,814	\$ 9,576,992	\$ 7,433,994	\$ 4,090,816	\$ 8,147,275	\$ 39,923,558	\$ 36,726,815	\$ 1,576,461	\$ 4,630,088	\$ 16,636,642
Grants and contributions	37,067,034	-	-	-	8,133,918	303,726	605	-	-	982	230,915	462,082	399,783
Grants from affiliates	-	-	10,272,487	253,987	306,308	1,449,293	-	1,826,563	-	344,196	1,394,640	887,397	2,202,204
Investment income (loss), net	18,022,675	(81,109)	(1)	1,179	31,382	88,776	77,516	32,576	72,203	8,290	84,385	103,868	13
Earnings from affiliates	-	-	-	-	-	-	-	-	-	-	-	-	-
Service fees from affiliates	7,803,834	-	-	-	-	-	-	-	-	-	-	-	-
Other income	122,084	193,242	13,491	-	77,766	102,465	520	9,011	164,548	-	57,538	1,224	(2,562)
Total revenue and support	63,015,627	26,155,445	16,752,210	3,053,980	18,126,366	9,378,254	4,169,457	10,015,425	40,160,309	37,080,283	3,343,939	6,084,659	19,236,080
Expenses and losses													
Cost of goods sold - products	-	9,407,266	4,686,420	1,494,371	7,354,512	4,449,808	2,142,014	4,604,717	23,293,354	14,567,501	2,096,869	2,361,014	6,419,828
Salaries and fringe benefits	9,592,190	6,973,959	3,380,588	1,315,851	969,157	1,220,933	2,239,550	3,191,312	2,942,287	7,995,584	1,475,445	474,823	1,230,712
Advertising and promotion	513,583	4,202,847	753,093	345,716	49,048	562,143	136,812	1,417,788	4,091,809	7,265,312	451,986	327,333	451,547
Professional fees	2,256,198	1,745,459	779,579	146,179	45,678	224,226	239,959	89,158	372,128	858,882	112,209	75,947	139,254
Travel and related expenses	272,708	289,955	847,572	122,789	263,628	590,389	514,499	1,031,685	463,003	1,569,879	421,872	98,446	552,950
Rent, insurance and warehouse logistics	265,732	1,014,039	608,935	112,944	364,136	349,221	206,570	212,236	490,831	2,987,271	192,882	187,373	267,556
Trainings, meetings and conferences	15,913	248,673	439,150	13,071	55,861	868,085	23,862	58,943	77,752	199,895	134,159	23,519	144,636
Contribution, outreach and grants to partners	672,214	-	48,962	-	1,448,410	-	-	-	-	156,027	-	45	-
Depreciation and amortization	16,014	304,501	163,534	37,331	77,568	174,599	40,626	15,724	98,549	25,295	59,397	16,358	249,875
Office expenses	134,795	124,783	360,831	123,434	36,495	99,473	52,954	43,761	243,715	262,893	123,073	22,793	56,698
Licenses and taxes	1,503,720	147,063	830,801	-	-	-	-	366,686	28,884	206,451	162,875	7,337	9,921
Product development	-	259,477	602,946	16,001	82,054	100,309	20,998	21,936	23,950	468,778	36,867	1,611	77,317
Income tax (benefit) provision	-	415,226	-	11,107	-	-	-	(173,219)	1,043,777	334,511	-	81,511	-
Telephone, facsimile and utilities	29,161	256,820	329,840	22,299	12,612	245,747	56,082	64,603	70,617	1,299	68,391	11,187	123,638
Interest	-	773,565	71	-	-	8,985	4,961	1,307	5,020	611,858	7,654	-	-
Repairs and maintenance	-	1,267	93,852	14,032	1,554	33,268	73,174	29,291	11,227	8,891	3,561	16,481	174,717
Bank charges	35,909	171,128	71,711	6,805	1,587	51,049	1,695	3,291	3,991	13,247	17,820	5,855	41,682
Obsolete inventory expense	-	170,014	-	24,238	21,442	(31,905)	17,956	87,818	325	63,487	-	33,310	-
Credit losses (recovery)	-	55,731	-	(1,389)	-	57,384	-	5,228	164,302	-	4,524	18	29,197
Other	13,333	474,213	10	4,116	137	152,104	21,149	28,713	87,925	791,932	-	169,282	13,557
Program expenses	30,758,451	-	-	-	-	-	-	-	-	-	-	-	-
Service fees to affiliates	-	55,871	-	-	451,617	70,098	-	-	3,484,590	65,328	18,970	56,008	-
Total expenses	46,079,921	26,991,857	13,997,895	3,808,895	11,237,496	9,225,916	5,792,861	11,100,976	36,998,036	38,474,311	5,388,554	3,970,251	9,983,085
Foreign currency exchange losses (gains)	(137)	(146,874)	122,605	1,177,515	(137,691)	225,780	-	12,074	(133,209)	(756,443)	400	423,595	6,390,015
Total expenses and losses	46,079,784	26,844,983	14,120,500	4,986,410	11,099,805	9,451,696	5,792,861	11,113,050	36,864,827	37,717,868	5,388,954	4,393,846	16,373,100
Change in net assets before foreign currency translation and additional paid in capital	16,935,843	(689,538)	2,631,710	(1,932,430)	7,026,561	(73,442)	(1,623,404)	(1,097,625)	3,295,482	(637,585)	(2,045,015)	1,690,813	2,862,980
Foreign currency translation (losses) gains	-	341,759	26	935,437	(536,464)	(521,736)	12,933	(17,616)	(3,801)	291,280	(6,300)	10,606	(5,872,005)
Dividends issued	4,764,696	-	-	-	-	-	-	-	(1,159,919)	-	-	-	-
Additional capital issued	-	325,500	-	-	-	-	1,000,000	-	-	-	777,961	-	-
CHANGE IN NET ASSETS	21,700,539	(22,279)	2,631,736	(996,993)	6,490,097	(595,178)	(610,471)	(1,115,241)	2,131,762	(346,305)	(1,273,354)	1,701,419	(3,009,025)
Net assets (deficit), beginning of year	221,171,980	(253,461)	1,877,018	(5,315,632)	7,792,576	4,224,556	3,020,886	4,868,287	11,840,068	2,253,962	3,661,252	1,280,223	10,080,335
Net assets (deficit), end of year	\$ 242,872,519	\$ (275,740)	\$ 4,508,754	\$ (6,312,625)	\$ 14,282,673	\$ 3,629,378	\$ 2,410,415	\$ 3,753,046	\$ 13,971,830	\$ 1,907,657	\$ 2,387,898	\$ 2,981,642	\$ 7,071,310

DKT International, Inc. and Affiliates

CONSOLIDATING SCHEDULE OF ACTIVITIES - CONTINUED

Year ended December 31, 2023

	Pakistan	Philippines Group	Singapore	Tanzania Group	Turkey Group	West Africa Group	Vietnam Group	Kenya & Uganda Group	United Kingdom Group	United States	Subtotal	Eliminating Entries	Combined Total
Revenue and support													
Sales, net of discounts	\$ 3,823,498	\$ 32,729,093	\$ 20,091,594	\$ 1,021,916	\$ 2,209,182	\$ 4,137,043	\$ 4,554,930	\$ 4,005,033	\$ 17,842,395	\$ 7,126,990	\$ 261,592,674	\$ (26,386,738)	\$ 235,205,936
Grants and contributions	855,424	-	-	-	-	139,989	-	-	-	3,249,684	50,844,142	-	50,844,142
Grants from affiliates	1,770,747	-	-	500,883	147,827	6,161,292	244,166	2,516,187	-	500,000	30,778,177	(30,778,177)	-
Investment income (loss), net	65,588	49,617	-	-	3,050	-	13,428	46,171	2,884	188,568	18,811,059	-	18,811,059
Earnings from affiliates	-	-	-	-	-	-	-	-	-	-	-	-	-
Service fees from affiliates	-	-	-	-	-	-	-	-	-	-	7,803,834	(7,803,834)	-
Other income	3,149	66,005	-	65,061	2,486	384,593	7,959	17,646	1,075,798	9,051	2,371,075	(166,662)	2,204,413
Total revenue and support	6,518,406	32,844,715	20,091,594	1,587,860	2,362,545	10,822,917	4,820,483	6,585,037	18,921,077	11,074,293	372,200,961	(65,135,411)	307,065,550
Expenses and losses													
Cost of goods sold - products	3,527,331	17,905,220	13,426,926	923,115	849,469	3,331,064	3,391,533	3,362,705	13,275,952	3,236,876	146,107,865	(23,977,093)	122,130,772
Salaries and fringe benefits	1,362,472	2,351,411	-	403,028	74,311	3,299,832	474,894	846,453	1,846,429	3,308,115	56,969,336	-	56,969,336
Advertising and promotion	426,855	6,745,683	999	52,091	775,400	2,375,950	381,940	770,060	1,064,422	2,489,832	35,652,249	(141,136)	35,511,113
Professional fees	363,004	355,556	42,948	88,863	213,303	1,235,812	71,425	165,710	1,579,620	1,826,622	13,027,719	-	13,027,719
Travel and related expenses	325,255	828,819	171	70,246	11,350	980,513	45,837	279,644	312,576	47,710	9,941,496	-	9,941,496
Rent, insurance and warehouse logistics	58,461	600,327	-	70,629	18,148	257,477	68,631	127,218	477,718	526,796	9,466,131	-	9,466,131
Trainings, meetings and conferences	60,400	560,861	-	4,428	-	158,833	8,112	292,890	69,059	21,953	3,480,055	(47,507)	3,432,548
Contribution, outreach and grants to partners	-	-	-	-	-	-	-	-	-	-	2,326,981	-	2,326,981
Depreciation and amortization	95,706	269,796	227	38,413	5,093	285,762	8,049	28,127	21,755	66,645	2,098,944	-	2,098,944
Office expenses	72,200	104,347	1,051	40,385	3,087	45,986	19,230	98,286	186,872	793,446	3,072,578	-	3,072,578
Licenses and taxes	56,745	154,005	-	9,819	949	164,262	15,789	6,036	97,049	6,046	3,774,437	(11,812)	3,762,625
Product development	18,099	-	-	52	-	71	-	-	333,811	-	2,064,076	(10,355)	2,053,721
Income tax (benefit) provision	283,830	903,590	511,401	35,152	-	43,924	7,117	169,117	78,649	-	3,745,693	-	3,745,693
Telephone, facsimile and utilities	78,361	32,627	-	19,958	2,093	105,135	1,744	-	5,205	73,080	1,610,499	-	1,610,499
Interest	-	14,665	-	-	3,363	-	-	-	-	1,099	1,432,548	-	1,432,548
Repairs and maintenance	58,937	48,851	-	4,926	3,575	27,087	-	-	8,213	1,005	611,909	-	611,909
Bank charges	5,869	2,516	9,222	3,424	-	21,230	1,842	5,617	44,480	1,846	421,816	-	421,816
Obsolete inventory expense	-	-	-	23,878	65,719	13,086	-	-	55,867	-	545,235	-	545,235
Credit losses (recovery)	-	167,229	-	6,977	-	7,552	-	151,915	-	25,248	673,916	-	673,916
Other	-	445,400	81	151	27,649	154,144	3,184	-	10,542	-	2,397,622	-	2,397,622
Program expenses	-	-	-	-	-	-	-	-	-	18,014	30,776,465	(30,776,465)	-
Service fees to affiliates	-	-	3,549,596	-	-	-	-	-	2,334	121,500	7,875,912	(7,875,912)	-
Total expenses	6,791,525	31,490,903	17,542,622	1,795,535	2,053,509	12,507,720	4,501,650	6,303,778	19,488,367	12,547,819	338,073,482	(62,840,280)	275,233,202
Foreign currency exchange losses (gains)	204,103	60,519	17,190	169,148	654,756	(606,847)	6,568	19,950	77,380	-	7,780,397	-	7,780,397
Total expenses and losses	6,995,628	31,551,422	17,559,812	1,964,683	2,708,265	11,900,873	4,508,218	6,323,728	19,565,747	12,547,819	345,853,879	(62,840,280)	283,013,599
Change in net assets before foreign currency translation and additional paid in capital	(477,222)	1,293,293	2,531,782	(376,823)	(345,720)	(1,077,956)	312,265	261,309	(644,670)	(1,473,526)	26,347,082	(2,295,131)	24,051,951
Foreign currency translation (losses) gains	(584,291)	164,714	-	13,683	262,881	(101,324)	(27,356)	(449,864)	33,220	-	(6,054,218)	60,280	(5,993,938)
Dividends issued	-	(3,610,108)	-	-	-	-	-	-	-	-	(5,331)	5,331	-
Additional capital issued	-	-	-	-	-	12,121,781	-	-	-	-	14,225,242	(14,225,242)	-
CHANGE IN NET ASSETS	(1,061,513)	(2,152,101)	2,531,782	(363,140)	(82,839)	10,942,501	284,909	(188,555)	(611,450)	(1,473,526)	34,512,775	(16,454,762)	18,058,013
Net assets (deficit), beginning of year	3,860,183	24,816,727	1,699,131	355,423	(1,227,408)	(24,352,314)	829,078	2,378,636	(390,904)	7,649,564	282,120,166	(59,533,789)	222,586,377
Net assets (deficit), end of year	\$ 2,798,670	\$ 22,664,626	\$ 4,230,913	\$ (7,717)	\$ (1,310,247)	\$ (13,409,813)	\$ 1,113,987	\$ 2,190,081	\$ (1,002,354)	\$ 6,176,038	\$ 316,632,941	\$ (75,988,551)	\$ 240,644,390

DKT International, Inc. and Affiliates
CONSOLIDATING SCHEDULE OF ACTIVITIES
Year ended December 31, 2022

	DKT International, Inc.	South America Group	DR Congo	Egypt Group	Ethiopia	Ghana/ AWA Group	India Janani Group	India Mumbai Group	Indonesia Group	Mexico	Mozambique	Myanmar Group	Nigeria
Revenue and support													
Sales, net of discounts	\$ 15,460	\$ 27,623,702	\$ 4,022,485	\$ 2,928,327	\$ 9,905,671	\$ 6,038,576	\$ 4,198,506	\$ 7,861,640	\$ 35,103,069	\$ 29,081,715	\$ 1,256,636	\$ 2,625,494	\$ 19,019,533
Grants and contributions	30,543,734	-	497,971	-	5,284,267	11,417	856	-	-	-	1,145,835	1,144,112	-
Grants from affiliates	-	-	8,302,994	909,681	876,001	2,936,097	1,960,000	2,010,288	-	325,600	2,196,077	497,558	4,148,497
Investment income (loss), net	(15,196,827)	(147,354)	-	749	-	103,672	52,716	73,406	69,430	(9,845)	53,630	50,721	2
Earnings from affiliates	-	-	-	-	-	-	-	-	-	-	-	-	-
Service fees from affiliates	6,989,810	-	-	-	-	-	-	-	-	-	-	-	-
Other income	168,452	245,282	80,173	12,477	189,465	54,049	42,125	3,226	167,675	86,708	5,469	10	4,771
Total revenue and support	22,520,629	27,721,630	12,903,623	3,851,234	16,255,404	9,143,811	6,254,203	9,948,560	35,340,174	29,484,178	4,657,647	4,317,895	23,172,803
Expenses and losses													
Cost of goods sold - products	-	9,673,199	4,289,220	1,305,368	6,716,887	3,628,371	2,407,066	5,155,566	21,269,980	12,574,270	949,800	1,968,122	11,318,061
Salaries and fringe benefits	10,018,267	5,088,586	2,776,329	1,279,267	1,120,636	1,339,402	2,234,816	3,202,684	2,637,182	5,386,458	1,511,555	484,791	1,785,194
Advertising and promotion	433,486	5,484,217	915,932	710,475	181,510	673,890	146,820	1,799,499	3,576,316	4,204,761	469,489	449,433	1,152,897
Professional fees	2,118,212	1,263,569	1,004,895	242,091	89,560	197,571	266,477	80,529	268,218	339,961	142,564	32,846	178,977
Travel and related expenses	189,356	372,171	910,381	204,414	228,644	683,728	495,739	1,016,064	352,295	802,281	403,651	141,345	542,512
Rent, insurance and warehouse logistics	265,023	952,896	428,526	160,841	142,235	284,664	247,308	255,656	250,828	2,413,985	180,124	178,803	247,119
Trainings, meetings and conferences	161,149	191,594	406,689	92,290	11,833	897,938	14,514	12,191	51,704	211,851	110,782	43,410	70,958
Contribution, outreach and grants to partners	922,590	-	194,575	-	67,117	239	-	-	-	43,553	8	58,908	-
Depreciation and amortization	16,482	164,994	206,523	53,687	82,503	210,822	445,032	17,385	80,121	12,834	90,673	16,598	337,310
Office expenses	87,998	160,425	394,060	173,268	48,248	152,055	49,174	49,469	89,837	226,642	201,570	17,261	75,899
Licenses and taxes	561,664	259,779	703,360	-	-	-	-	373,583	282,660	838,177	29,523	1,809	5,757
Product development	-	351,844	380,242	45,988	22,830	141,427	24,885	-	-	384,166	48,398	34,610	33
Income tax provision (benefit)	-	347,050	-	218,169	-	-	-	(464,002)	570,150	-	-	113,299	-
Telephone, facsimile and utilities	29,302	61,239	389,238	21,623	13,518	271,939	56,827	56,201	51,573	64,778	76,985	13,527	263,200
Interest	-	727,648	22,001	-	-	-	-	853	1,294	5,919	311,997	7,343	-
Repairs and maintenance	-	10,317	97,456	16,286	2,779	45,028	67,932	25,709	5,513	34,513	4,352	12,842	231,594
Bank charges	64,108	81,327	69,246	6,819	1,025	36,736	992	1,206	3,370	68,672	11,262	1,548	60,672
Obsolete inventory expense	-	338,144	-	32,912	(476,770)	-	-	-	595	114,831	-	13,032	-
Credit losses (recovery)	-	38,539	6,036	45,418	-	257,119	-	(2,649)	129,917	-	18,989	226	-
Other	37,042	2,048,305	1,399	105,268	245	96,802	1	19,852	108,143	5,508	-	236	-
Program expenses	35,602,500	-	-	-	-	-	-	-	-	-	-	-	-
Service fees to affiliates	-	54,328	-	-	379,213	113,378	-	-	3,210,223	129,857	-	56,517	-
Total expenses	50,507,179	27,670,171	13,196,108	4,714,164	8,632,013	9,031,109	6,458,436	11,600,237	32,944,544	28,169,095	4,257,068	3,639,163	16,270,183
Foreign currency exchange (gains) losses	(2,888)	63,830	49,515	2,414,952	(69,128)	(579,512)	(44,491)	17,322	342,449	(67,667)	21,575	190,382	2,026,825
Total expenses and losses	50,504,291	27,734,001	13,245,623	7,129,116	8,562,885	8,451,597	6,413,945	11,617,559	33,286,993	28,101,428	4,278,643	3,829,545	18,297,008
Change in net assets before foreign currency translation and additional paid in	(27,983,662)	(12,371)	(342,000)	(3,277,882)	7,692,519	692,214	(159,742)	(1,668,999)	2,053,181	1,382,750	379,004	488,350	4,875,795
Foreign currency translation (losses) gains	-	271,481	-	2,069,251	(307,251)	(2,263,606)	(349,406)	(642,271)	(1,245,891)	83,629	(5,953)	(263,367)	(758,160)
Dividends issued	5,012,565	-	-	-	-	-	-	-	(1,612,565)	-	-	-	-
Additional capital issued	-	651,000	-	-	-	-	-	-	1,688,718	-	623,711	-	-
CHANGE IN NET ASSETS	(22,971,097)	910,110	(342,000)	(1,208,631)	7,385,268	(1,571,392)	(509,148)	(2,311,270)	883,443	1,466,379	996,762	224,983	4,117,635
Net assets (deficit), beginning of year	244,143,077	(1,163,571)	2,219,018	(4,107,001)	407,308	5,795,948	3,530,034	7,179,557	10,956,625	787,583	2,664,490	1,055,240	5,962,700
Net assets (deficit), end of year	\$ 221,171,980	\$ (253,461)	\$ 1,877,018	\$ (5,315,632)	\$ 7,792,576	\$ 4,224,556	\$ 3,020,886	\$ 4,868,287	\$ 11,840,068	\$ 2,253,962	\$ 3,661,252	\$ 1,280,223	\$ 10,080,335

DKT International, Inc. and Affiliates

CONSOLIDATING SCHEDULE OF ACTIVITIES - CONTINUED

Year ended December 31, 2022

	Pakistan	Philippines Group	Singapore	Tanzania Group	Turkey Group	West Africa Group	Vietnam Group	Kenya & Uganda Group	United Kingdom Group	United States	Subtotal	Eliminating Entries	Combined Total
Revenue and support													
Sales, net of discounts	\$ 5,603,238	\$ 30,899,770	\$ 16,526,388	\$ 743,248	\$ 3,281,226	\$ 3,145,771	\$ 3,839,939	\$ 2,846,586	\$ 16,420,444	\$ 7,279,154	\$ 240,266,578	\$ (21,147,182)	\$ 219,119,396
Grants and contributions	1,309,129	-	-	-	-	271,340	-	-	-	6,567,058	46,775,719	-	46,775,719
Grants from affiliates	1,955,179	-	-	557,474	-	5,492,291	-	3,354,852	-	100,000	35,622,589	(35,622,589)	-
Investment income (loss), net	56,456	54,483	-	-	123,781	-	15,209	14,075	1,860	(9,960)	(14,693,796)	-	(14,693,796)
Earnings from affiliates	-	-	-	-	-	-	-	-	-	-	-	-	-
Service fees from affiliates	-	-	-	-	-	-	-	-	-	-	6,989,810	(6,989,810)	-
Other income	117	295,659	-	6,785	-	258,420	10	2,049	972,477	32,564	2,627,963	(191,870)	2,436,093
Total revenue and support	8,924,119	31,249,912	16,526,388	1,307,507	3,405,007	9,167,822	3,855,158	6,217,562	17,394,781	13,968,816	317,588,863	(63,951,451)	253,637,412
Expenses and losses													
Cost of goods sold - products	5,602,640	16,989,974	10,915,575	733,316	2,546,323	2,646,742	2,808,156	2,748,669	12,439,030	2,603,231	141,289,566	(20,342,284)	120,947,282
Salaries and fringe benefits	1,742,018	2,125,545	-	434,085	741,503	2,984,590	540,554	845,820	1,739,223	3,278,019	53,296,524	-	53,296,524
Advertising and promotion	544,441	4,893,830	10,400	113,663	292,845	2,469,688	554,849	674,313	814,738	1,623,930	32,191,422	(174,076)	32,017,346
Professional fees	133,385	343,838	42,800	91,185	135,212	950,344	114,446	91,372	1,388,666	1,837,522	11,354,240	-	11,354,240
Travel and related expenses	349,088	681,462	-	119,085	79,871	1,111,640	41,448	158,475	316,936	86,979	9,287,565	-	9,287,565
Rent, insurance and warehouse logistics	90,879	515,407	-	88,803	149,397	301,607	70,837	143,583	511,175	472,307	8,352,003	-	8,352,003
Trainings, meetings and conferences	73,939	483,483	-	1,726	-	107,825	371	196,790	47,907	29,592	3,218,536	(20,177)	3,198,359
Contribution, outreach and grants to partners	-	(1)	-	-	-	-	4,075	126,965	-	400	1,418,429	-	1,418,429
Depreciation and amortization	138,922	264,469	619	41,347	60,204	336,728	8,197	37,509	13,823	87,258	2,724,040	-	2,724,040
Office expenses	39,139	75,487	634	52,479	22,697	99,991	16,697	72,700	170,129	372,313	2,648,172	-	2,648,172
Licenses and taxes	-	452,168	-	11,506	1,127	96,230	(22,348)	8,121	109,582	3,302	3,716,000	-	3,716,000
Product development	-	4,680	-	28	-	801	-	205,290	-	-	1,645,202	-	1,645,202
Income tax provision (benefit)	98,499	1,219,564	438,434	13,233	-	46,505	7,729	(77,459)	72,901	-	2,604,072	-	2,604,072
Telephone, facsimile and utilities	54,979	28,493	-	24,105	11,485	118,442	1,675	-	8,480	66,286	1,683,895	-	1,683,895
Interest	-	47,970	-	3,749	-	-	-	-	-	1,052	1,129,826	-	1,129,826
Repairs and maintenance	9,629	45,140	-	8,046	9,286	33,701	-	-	8,331	3,061	671,515	-	671,515
Bank charges	9,291	3,564	7,990	3,843	-	30,549	1,468	6,089	32,903	8,569	511,249	-	511,249
Obsolete inventory expense	-	3,393	-	-	-	12,724	(23,468)	-	-	(2)	15,391	-	15,391
Credit losses (recovery)	-	143	-	10,615	-	76,270	-	366,177	-	18,982	965,782	-	965,782
Other	(2,148)	421,415	201	(36)	28,092	109,157	8,757	-	(894)	-	2,987,345	-	2,987,345
Program expenses	-	-	-	-	-	-	-	-	-	18,078	64,800	(35,685,378)	-
Service fees to affiliates	-	-	2,888,915	-	-	25,000	-	-	68,465	162,000	7,087,896	(7,087,896)	-
Total expenses	8,884,701	28,600,024	14,305,568	1,747,029	4,081,791	11,558,534	4,133,443	5,399,124	17,964,763	10,719,601	324,484,048	(63,309,811)	261,174,237
Foreign currency exchange losses (gains)	139,195	482,416	(647)	(15,567)	25,470	1,124,221	10,415	26,426	69,814	-	6,224,907	-	6,224,907
Total expenses and losses	9,023,896	29,082,440	14,304,921	1,731,462	4,107,261	12,682,755	4,143,858	5,425,550	18,034,577	10,719,601	330,708,955	(63,309,811)	267,399,144
Change in net assets before foreign currency translation and additional paid in	(99,777)	2,167,472	2,221,467	(423,955)	(702,254)	(3,514,933)	(288,700)	792,012	(639,796)	3,249,215	(13,120,092)	(641,640)	(13,761,732)
Foreign currency translation (losses) gains	(1,016,368)	(2,079,259)	-	589	(95,468)	(202,897)	(36,538)	(132,459)	(25,222)	-	(6,999,166)	17,928	(6,981,238)
Dividends issued	-	-	(3,400,000)	-	-	-	-	-	-	-	-	-	-
Additional capital issued	-	400,000	-	100,000	-	-	-	-	-	-	3,463,429	(3,463,429)	-
CHANGE IN NET ASSETS	(1,116,145)	488,213	(1,178,533)	(323,366)	(797,722)	(3,717,830)	(325,238)	659,553	(665,018)	3,249,215	(16,655,829)	(4,087,141)	(20,742,970)
Net assets (deficit), beginning of year	4,976,328	24,328,514	2,877,664	678,789	(429,686)	(20,634,484)	1,154,316	1,719,083	274,114	4,400,349	298,775,995	(55,446,648)	243,329,347
Net assets (deficit), end of year	\$ 3,860,183	\$ 24,816,727	\$ 1,699,131	\$ 355,423	\$ (1,227,408)	\$ (24,352,314)	\$ 829,078	\$ 2,378,636	\$ (390,904)	\$ 7,649,564	\$ 282,120,166	\$ (59,533,789)	\$ 222,586,377