PATIENT ACCESS NETWORK FOUNDATION

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

As of and for the Year Ended December 31, 2025
(With Comparative Totals for 2024)

And Report of Independent Auditor

Cherry Bekaert LLP
Your Guide Forward

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Cherry Bekaert LLP
Your Guide Forward

Report of Independent Auditor

To the Board of Directors
Patient Access Network Foundation
Washington, D.C.

Opinion

We have audited the accompanying financial statements of Patient Access Network Foundation (the "Foundation"), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation'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.

Report of Summarized Comparative Information

We have previously audited the Foundation's 2024 financial statements, and we have expressed an unmodified audit opinion on those audited financial statements in our report dated May 12, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024 is consistent, in all material respects, with the audited statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of contributions by month as noted on the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Cherry Bekaert LLP

Charlotte, North Carolina
August 11, 2026

PATIENT ACCESS NETWORK FOUNDATION
STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR 2024)

	2025	2024
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 171,772,886	$ 104,163,981
Investments	331,132,092	311,595,732
Contributions receivable	22,406,875	43,057,670
Governmental grant receivable	-	1,461,431
Prepaid expenses and other assets	784,220	587,004
Total Current Assets	526,096,073	460,865,818
Internal use software	6,073,386	8,584,192
Operating lease right-of-use asset	1,350,319	1,807,483
Total Assets	$ 533,519,778	$ 471,257,493
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued expenses	$ 1,999,127	$ 1,793,596
Grants payable	1,186,652	1,678,569
Co-payment assistance obligation, net	49,074	56,976,884
Current portion of operating lease liability	405,917	394,299
Total Current Liabilities	3,640,770	60,843,348
Operating lease liability, net of current portion	995,214	1,401,131
Total Liabilities	4,635,984	62,244,479
Net Assets:		
Without Donor Restrictions:		
Invested in internal use software and leases, net	6,022,574	8,596,245
Board designated - Financial Reserve	10,320,000	10,320,000
Undesignated	15,091,052	22,739,171
Total Without Donor Restrictions	31,433,626	41,655,416
With Donor Restrictions	497,450,168	367,357,598
Total Net Assets	528,883,794	409,013,014
Total Liabilities and Net Assets	$ 533,519,778	$ 471,257,493

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

PATIENT ACCESS NETWORK FOUNDATION
STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2025
(WITH SUMMARIZED TOTALS FOR 2024)

	Without Donor Restrictions	With Donor Restrictions	2025 Total	2024 Total
Support and Revenue:				
Contributions	$ 2,044,264	$ 214,918,010	$ 216,962,274	$ 190,332,111
Contributed nonfinancial services	-	-	-	195,000
Net investment return	21,397,214	-	21,397,214	19,668,465
Governmental grants	-	-	-	1,461,431
Other income	264,029	-	264,029	295,493
	23,705,507	214,918,010	238,623,517	211,952,500
Net assets released from restrictions	84,825,440	(84,825,440)	-	-
Total Support and Revenue	108,530,947	130,092,570	238,623,517	211,952,500
Expenses:				
Program service	103,104,388	-	103,104,388	145,731,787
Management and general	13,700,636	-	13,700,636	16,974,151
Fundraising	1,947,713	-	1,947,713	1,421,934
Total Expenses	118,752,737	-	118,752,737	164,127,872
Change in net assets	(10,221,790)	130,092,570	119,870,780	47,824,628
Net assets, beginning of year	41,655,416	367,357,598	409,013,014	361,188,386
Net assets, end of year	$ 31,433,626	$ 497,450,168	$ 528,883,794	$ 409,013,014

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

PATIENT ACCESS NETWORK FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2025
(WITH SUMMARIZED TOTALS FOR 2024)

	Program Service	Management and General	Fundraising	2025 Total	2024 Total
Co-payment assistance	$ 94,595,084	$ -	$ -	$ 94,595,084	$ 135,672,699
Compensation expense	4,718,947	5,799,202	1,417,045	11,935,194	11,671,386
Board honorarium	-	156,000	-	156,000	164,000
Professional fees and settlement	185,633	2,146,936	-	2,332,569	5,396,938
Alliance	6,721	-	-	6,721	121,417
Travel	195,197	191,855	52,258	439,310	487,808
Conferences	19,130	96,066	18,322	133,518	123,861
Occupancy	399,104	142,257	27,626	568,987	411,326
Office expenses	83,278	259,146	217,020	559,444	688,481
Information technology	13,251	1,677,474	536	1,691,261	2,127,685
Insurance	-	217,399	-	217,399	248,003
Amortization	1,761,153	627,746	121,907	2,510,806	1,632,062
Consulting services	1,126,890	2,386,555	92,999	3,606,444	5,382,206
	$ 103,104,388	$ 13,700,636	$ 1,947,713	$ 118,752,737	$ 164,127,872

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

PATIENT ACCESS NETWORK FOUNDATION
STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR 2024)

	2025	2024
Cash flows from operating activities:		
Change in net assets	$ 119,870,780	$ 47,824,628
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Amortization expense	2,510,806	1,632,062
Unrealized and realized gains on investments	(7,820,677)	(8,488,821)
Noncash lease activity	62,865	(38,603)
Change in operating assets and liabilities:		
Contributions receivable	20,650,795	15,282,329
Governmental grant receivable	1,461,431	(1,461,431)
Prepaid expenses and other assets	(197,216)	424,964
Accounts payable and accrued expenses	205,531	(6,426,071)
Co-payment assistance obligation	(56,927,810)	(38,326,167)
Grants payable	(491,917)	-
Net cash flows from operating activities	79,324,588	10,422,890
Cash flows from investing activities:		
Investments in internal use software	-	(1,101,709)
Purchases of investments	(23,807,008)	(30,522,397)
Proceeds from sale of investments	12,091,325	22,351,157
Net cash flows from investing activities	(11,715,683)	(9,272,949)
Net change in cash and cash equivalents	67,608,905	1,149,941
Cash and cash equivalents, beginning of year	104,163,981	103,014,040
Cash and cash equivalents, end of year	$ 171,772,886	$ 104,163,981

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

Note 1—Nature of organization and summary of significant accounting policies

Organization and Nature of Activities – The Patient Access Network Foundation (the "Foundation") is an independent, non-profit organization incorporated under the District of Columbia Non-Profit Corporation Act on May 12, 2004, for the purpose of helping underinsured patients access needed treatments through co-payment assistance. The Foundation solicits, receives, and administers funds and other contributions for this purpose and is operated through an independent Board of Directors.

In December 2023, the Foundation formed PAN BrightTrack, LLC a limited liability company registered in Delaware. The Foundation is the sole member of the PAN BrightTrack, LLC. The purpose of PAN BrightTrack, LLC is to pursue activities related to clinical trials. PAN BrightTrack, LLC had no activity during the years ended December 31, 2025 and 2024.

Basis of Accounting – The accompanying 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"). The Financial Accounting Standards Board ("FASB") has established the Accounting Standards Codification ("ASC") as the source of authoritative accounting principles to be applied in the preparation of financial statements in accordance with U.S. GAAP. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and the Board of Directors. The Foundation has chosen to provide further classification information about net assets without donor restrictions on the statement of financial position. The sub-classifications are as follows:

Invested in Internal Use Software and Leases – Represents net assets invested in software, and operating leases, net of accumulated depreciation and related liabilities.

Board Designated – Financial Reserve – Represents certain amounts designated by the Board of Directors to be utilized to meet specific objectives of the Foundation. The Financial Reserve funds may be used to pay for specified purposes that may not otherwise be accommodated in the budgetary year.

Undesignated – Represents the cumulative net assets without donor restrictions excluding those net assets invested in software and leases and designated by the board for specific objectives.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions that may or will be met, either by actions of the Foundation and/or the passage of time. When a restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Other donor restrictions may require the Foundation to maintain funds in perpetuity. Generally, the donors of these assets do not place restrictions on the use of investment income earned from related investments. However, donors may specify that such income be used for general purposes or specific purposes supporting the Foundation's mission. At December 31, 2025 and 2024, there are no net assets with donor restrictions to be maintained in perpetuity.

Note 1—Nature of organization and summary of significant accounting policies (continued)

Contributions – Contributions are recognized when cash, other assets, or an unconditional promise to give is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return or right of release, are not recognized until the conditions on which they depend have been substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Governmental Grant Receivable – During the year ended December 31, 2024, the Foundation claimed $1,461,431 in grant funding from the Employee Retention Credit through the Coronavirus Aid, Relief, and Economic Security Act, which is included within government grant receivable on the statements of financial position as of December 31, 2024. The funding was subsequently received on February 25, 2025.

Income Taxes – The Foundation is a non-profit, tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Management believes the Foundation continues to satisfy the requirements of a tax-exempt organization and is not subject to tax. Accordingly, no provision for income taxes has been reflected in the accompanying financial statements.

Management has evaluated the effect of FASB guidance on accounting for uncertainty in income taxes. The guidance clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements by prescribing a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The Foundation's policy is to record a liability for any tax position taken that is beneficial to the Foundation, including any related interest and penalties, when it is more-likely-than-not the position taken by management with respect to a transaction or class of transactions will be overturned by a taxing authority upon examination.

Cash and Cash Equivalents – The Foundation considers all highly-liquid investments with a maturity of three months or less when purchased to be cash equivalents, except for those short-term investments managed as part of the Foundation's investment management strategies (see Note 3). Cash and cash equivalents consist mainly of cash and money funds.

Investments – Investments in marketable securities with readily determinable fair values are recorded at cost when purchased or at fair value if donated. Therefore, investments are included in the statement of financial position at fair value. Fair value is determined by reference to exchange or dealer-quoted market prices. If a quoted market price is not available, fair value is estimated using quoted market prices for similar investment securities. Changes in investments carried at fair value are reflected as investment return in the accompanying statement of activities.

Property and Equipment – The Foundation capitalizes all property and equipment purchases greater than $1,000 with a useful life greater than one year. Depreciation is determined using the straight-line method over the estimated useful lives of the assets. The Foundation currently has no remaining property and equipment as remaining leasehold improvements were fully depreciated at the time the Foundation entered into a sublease its office space as further disclosed in Note 11.

Internal Use Software – The Foundation's software development and website development costs are accounted for in accordance with ASC 350-40, *Internal-Use Software*, and ASC 350-50, *Website Development Costs*. Costs incurred in the preliminary stages of the development are expensed as incurred. Once an application or website has reached the development stage, internal and external costs, if direct and incremental, are capitalized until the software or website is substantially complete and ready for its intended use. The Foundation placed the internally developed software and website into service in 2024. The Foundation has estimated the useful life of its internally developed software, website, and purchased software to range from 2 to 5 years. Capitalized software costs will be amortized on a straight-line basis and reported in depreciation and amortization expense in the accompanying financial statements.

Note 1—Nature of organization and summary of significant accounting policies (continued)

Change in Accounting Policy – During the year ended December 31, 2025, the Foundation adopted a change in its accounting policy for the recognition of co-payment assistance expenses. Under the prior policy, the Foundation recognized co-payment assistance expense and a corresponding obligation at the time grant awards were approved, based on estimated future utilization derived from actuarial models incorporating historical utilization and patient spending patterns. Under the new policy, the Foundation recognizes co-payment assistance grants as conditional grants that are subject to the incurrence of allowable co-payment assistance costs by the grant recipient. Co-payment assistance expense is recognized only when such conditions are substantially met, which occurs when the Foundation receives and approves allowable copay expenses for payment.

This change represents a voluntary change in accounting principle in accordance with ASC 250, *Accounting Changes and Error Corrections*. The Foundation believes the new method is preferable because it more closely aligns the recognition of obligations and expenses with the incurrence of an enforceable obligation to the grantee, eliminates reliance on significant estimates and actuarial assumptions, and enhances the transparency and reliability of financial reporting.

The Foundation has applied this change prospectively beginning on January 1, 2025, as retrospective application was deemed impracticable due to the difficulty of reconstructing historical actuarial estimates and assumptions. Accordingly, prior period financial statements have not been adjusted. Obligations established under the prior methodology are recognized and settled as claims are paid or as co-payment assistance grants expire.

Co-Payment Assistance Obligation, Grants Payable, and Copayment Assistance Expenses – The Foundation provides financial assistance to underinsured patients with chronic or life-threatening diseases through grant awards that are subject to specified eligibility and usage conditions. Prior to January 1, 2025, the Foundation recognized a co-payment assistance obligation for grants awarded to eligible patients based on estimated, future payments. These estimates were determined using an actuarial model that projected the expected utilization of awarded funds. Under this methodology, the Foundation recorded both a co-payment assistance expense and a corresponding liability at the time each grant was awarded. As assistance payments were made on behalf of patients, the liability was reduced accordingly. The remaining co-payment assistance obligation was reassessed at each reporting date and adjusted to reflect updated estimates of expected future payments.

Beginning on January 1, 2025, the Foundation made a change in accounting policy as described above. Accordingly, amounts related to approved but unclaimed grants are not recognized as liabilities because no enforceable obligation exists until co-pay expense claims are submitted and approved. Consistent with this approach, co-payment assistance is recognized as program service expense in the period in which eligible patients incur allowable costs and submit claims for payment from the conditional grant, representing the point at which the Foundation incurs an enforceable obligation under the grant award agreement and the conditions of the grant are substantially met.

Grants payables represent amounts due to third-party beneficiaries under approved grant awards for co-pay expenses that have been submitted and approved for payment.

Fair Value Measurements – Fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction value hierarchy which requires an entity to maximize the use of observable inputs when measuring fair value.

Note 1—Nature of organization and summary of significant accounting policies (continued)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. There have been no changes in the methodologies used at December 31, 2025 or 2024.

Three levels of inputs may be used to measure fair value:

Level 1 – Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date;

Level 2 – Inputs to the valuation methodology are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies; and

Level 3 – Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

Use of Estimates – The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could significantly differ from those estimates.

Functional Allocation of Expenses – The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The expenses that are allocated include the following:

Expense	Method of Allocation
Compensation expense	Time and effort of the personnel of the Foundation
Occupancy	Employee headcount
Depreciation	Employee headcount

Comparative Totals – The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2025, from which the summarized information was derived.

Note 2—Liquidity and availability

Substantially all contributions received by the Foundation have donor-imposed restrictions requiring the funds to be used in accordance with the associated purpose restrictions on specific disease funds. Investment income earned on funds held for patient assistance is classified as income without donor restrictions.

The Foundation considers investment income without donor restrictions, and contributions with donor restrictions for use in current patient assistance programs which are ongoing, major, and central to its annual operations, to be available to meet cash needs for general expenditures. General expenditures include administrative and general expenses, fundraising expenses, and grant commitments expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Foundation's fiscal year.

The Foundation manages its cash available to meet general expenditures following three guiding principles:

1. Operating within a prudent range of financial soundness and stability;

2. Maintaining adequate liquid assets; and

3. Maintaining sufficient reserves to provide reasonable assurance that long-term grant commitments with donor restrictions that support mission fulfillment, will continue to be met, ensuring the sustainability of the Foundation.

The following represents the Foundation's financial assets available to meet general expenditures within one year as of December 31:

	2025	2024
Financial assets at year-end:		
Cash and cash equivalents	$ 171,772,886	$ 104,163,981
Contributions receivable	22,406,875	43,057,670
Governmental grant receivable	-	1,461,431
Investments	331,132,092	311,595,732
Total financial assets	525,311,853	460,278,814
Less amounts not available to be used for general expenditures within one year:		
Board designated - Financial Reserve	10,320,000	10,320,000
Financial assets available to meet general expenditures within one year	$ 514,991,853	$ 449,958,814

The Foundation's goal is generally to maintain readily available cash to meet the general expenditures over the next 12 months. The Foundation considers general expenditures to include all program service activity related to its mission as well as the supporting services required to administer those programs. General expenditures are primarily funded by donor-restricted contributions and the Foundation's financial assets without donor restriction. As part of its liquidity plan, excess cash is invested in short-term investments. Board-designated funds are not intended to be used for general expenditures but can be drawn upon by management in accordance with the Foundation's reserves policy.

Note 3—Investments

Investments are stated at fair value and are summarized as follows as of December 31:

	2025	2024
Cash and money market funds	$ 77,669,859	$ 63,982,089
Equities	28,390,932	23,979,032
Fixed income	225,071,301	223,634,611
Total investments	$ 331,132,092	$ 311,595,732

The Foundation's investments are exposed to various risks such as interest rates, market, liquidity, and credit risks. Due to the current and potential future volatility in the financial markets, it is possible that changes in the investment values and liquidity could occur in the near term and could materially affect the reported investments valued in the accompanying statement of financial position.

Net investment return is comprised of the following for the years ended December 31:

	2025	2024
Interest and dividends	$ 13,930,319	$ 11,499,419
Realized losses, net	(346,828)	(570,181)
Unrealized gains, net	8,167,505	9,059,002
Investment management fees	(353,782)	(319,775)
	$ 21,397,214	$ 19,668,465

Note 4—Contributions receivable

Contributions receivable is unconditional and all outstanding promises to give are current and anticipated to be collected within one year. Management periodically reviews contributions receivable and assesses their collectability. Management believes all outstanding contributions receivable is fully collectible; therefore, no allowance for uncollectible contributions receivable was necessary as of December 31, 2025 or 2024.

Note 5—Internal use software

Internal use software consists of the following at December 31:

	2025	2024
Off the shelf software	$ 44,706	$ 246,270
Internally developed software	8,025,447	8,025,447
Website development costs	2,150,922	2,150,922
Accumulated depreciation	(4,147,689)	(1,838,447)
	$ 6,073,386	$ 8,584,192

Amortization expense for the years ended December 31, 2025 and 2024 was $2,510,806 and $1,632,062, respectively.

Note 6—Co-payment assistance obligation and grants payable

As of December 31, 2025 and 2024, the Foundation recognized $49,074 and $58,655,453, respectively, as co-payment assistance obligation relating to grants awarded prior to January 1, 2025.

As further described in Note 1, the Foundation began to recognize co-payment assistance as conditional grants beginning on January 1, 2025. As of December 31, 2025, the Foundation had total grants payable of $1,186,652, reflecting approved but unpaid claims on grants awarded after January 1, 2025. Additionally, as of December 31, 2025, the Foundation has awarded, but not yet recognized, conditional co-payment assistance grants totaling $282,166,510. Payment of these conditional grants is contingent upon the Foundation's review and approval of qualifying expenses that meet the Foundation's eligibility and usage criteria specific to each disease state and treatment regime. Based on the Foundation's historical experience, some conditional grants will likely not be fully utilized by the patient and will expire and these amounts may be material in relation to the total amount of conditional grants awarded.

As of December 31, 2025, the Foundation is serving patients across the following active disease states and treatment regimens:

Acromegaly
Acute myeloid leukemia
Amyloidosis
Ankylosing Spondylitis
Asthma
Atopic Dermatitis
Basal Cell Carcinoma
Biliary Tract Cancer
Bipolar Disorder
Bladder Cancer
Breast Cancer
Chronic Inflammatory Demyelinating Polyneuropathy
Chronic Kidney Disease
Chronic Lymphocytic Leukemia
Chronic Obstructive Pulmonary Disease
Chronic Spontaneous Urticaria
Colorectal Cancer
Covid-19
Cushing's Disease or Syndrome
Duchenne Muscular Dystrophy
Fabry Disease
Fabry Disease Premium
Follicular Lymphoma
Gastrointestinal Stromal Tumnors
Gaucher Disease
Glioblastoma Multiforme
Graft vs Host Disease
Heart Failure
Hemolytic Uremic Syndrome
Hemolytic Uremic Syndrome Premium
Hemophilia
Hemophilia Premium
Hepatitis C
HIV Treatment and Prevention
HoFH Premium
Hypercholesterolemia
Hyperkalemia
Hypophosphatasia
Hypophosphatasia Premium
Idiopathic Pulmonary Fibrosis
Immune Thrombocytopenic Purpura
Inflammatory Bowel Disease
Liver Cancer
Long-chain Fatty Acid Oxidation Disorders
Lysosomal Acid Lipase Deficiency
Lysosomal Acid Lipase Deficiency Premium
Macular Diseases
Mantle Cell Lymphoma
Melanoma
Metabolic Dysfunction-associated
Multiple Myeloma
Multiple Sclerosis
Myasthenia Gravis
Myasthenia Gravis Premium
Myelodysplastic Syndromes
Neurofibromatosis
Neurofibromatosis Premium
Neuromyelitis Optica Spectrum Disorder
Neurotrophic Keratitis
Neutropenia
Non-Hodgkin's Lymphoma
Non-small Cell Lung Cancer
Obesity
Osteoporosis
Ovarian Cancer
Pancreatic Cancer
Parkinson's Disease
Paroxysmal Nocturnal Hemoglobinuria
Paroxysmal Nocturnal Hemoglobinuria Premium
Pemphigus Vulgaris
Philadelphia Chromosome Negative
Plaque Psoriasis
Pompe Disease
Pompe Disease Premium
Prostate Cancer
Psoriatic Arthritis
Pulmonary Hypertension
Renal Cell Carcinoma
Retinal Vein Occlusion
Rett Syndrome
Rheumatoid Arthritis
Short Bowel Syndrome
Short Bowel Syndrome Premium
Small Cell Lung Cancer
Spinal Muscular Atrophy
Systemic Lupus Erythematosus
Transportation
Type 2 Diabetes
Uveitis
Von Willebrand Disease
Waldenstrom Macroglobulinemia

Note 7—Fair value measurements of assets and liabilities

The Foundation measures certain financial assets and liabilities at fair value on a recurring basis. Fair value is a market-based measurement that should be determined based on the assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the Foundation uses a three-level hierarchy established by FASB that prioritizes fair value measurements based on the types of inputs used for the various valuation techniques (market approach, income approach, and cost approach).

The Foundation's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability. Financial assets and liabilities are classified in their entirety based on the most stringent level of input that is significant to the fair value measurement.

The following table presents information about the Foundation's financial assets and liabilities measured at fair value on a recurring basis as of December 31 based on the level of input utilized to measure fair value:

	2025		
	Level 1	**Level 2**	**Total**
Investments:			
Cash and money funds	$ 77,669,859	$ -	$ 77,669,859
Equities	28,390,932	-	28,390,932
Fixed income	-	225,071,301	225,071,301
	$ 106,060,791	$ 225,071,301	$ 331,132,092

	2024		
	Level 1	**Level 2**	**Total**
Investments:			
Cash and money funds	$ 63,982,089	$ -	$ 63,982,089
Equities	23,979,032	-	23,979,032
Fixed income	-	223,634,611	223,634,611
	$ 87,961,121	$ 223,634,611	$ 311,595,732

The Foundation's investment in fixed income investments are valued based upon market transactions for comparable securities in active markets and various relationships between securities which are generally recognized by institutional traders.

As of December 31, 2025 and 2024, the Foundation had no Level 3 measurements and no assets or liabilities measured at fair value on a non-recurring basis.

Note 8—Net assets with donor restrictions

The Foundation's net assets with donor restrictions are subject to purpose restrictions for patient assistance within certain disease funds. The active disease funds of the Foundation are listed in Note 6. Donor agreements also allow for certain percentages of the contributed funds to be used for program administration and other operating expenses of the Foundation. As of December 31, donor restricted net assets were restricted for the following general categories:

	2025	2024
Cancer funds	$ 112,456,183	$ 222,414,292
Chronic disease funds	241,407,381	40,059,801
Rare disease funds	143,586,604	104,883,505
Total net assets with donor restrictions	$ 497,450,168	$ 367,357,598

Note 9—Commitments and service agreements

The Foundation has various master services agreements with third parties that expire in 2026. During the years ended December 31, 2025 and 2024, management fees and expenses billed under these agreements to the Foundation were $1,755,723 and $1,482,689, respectively. These fees are reported in both co-payment assistance and fees for program administration in the accompanying statement of functional expenses. These agreements are volume based and have no minimum committed fees.

Note 10—Retirement plan

The Foundation has a 401(k) employee savings plan available to all employees who are at least 21 years old and have completed three months of service with the Foundation. The Foundation matches up to 4% of employee compensation. Foundation contributions to the plan were $490,253 and $453,564 for the years ended December 31, 2025 and 2024, respectively, and are included within compensation expense on the statement of functional expenses.

Note 11—Leases

The Foundation leases office space. The Foundation determines whether a contract contains a lease at inception by determining if the contract conveys the right to control the use of identified property, plant, or equipment for a period of time in exchange for consideration.

Right-of-use assets and lease liabilities are recognized at the commencement date based on the present value of the future minimum lease payments over the lease term. Renewal and termination clauses that are factored into the determination of the lease term if it is reasonably certain these options would be exercised by the Foundation. Lease assets are amortized over the lease term unless there is a transfer of title or purchase option reasonably certain of exercise, in which case the asset life is used. In order to determine the present value of lease payments, the Foundation uses the implicit rate when it is readily determinable. As the Foundation's lease does not provide an implicit rate, management elected to use the risk-free rate to determine the present value of lease payments.

Note 11—Leases (continued)

The Foundation's lease agreement does not contain any material residual value guarantee or material restrictive covenants. The Foundation does not have a lease where it is involved with the construction or design of an underlying asset. The Foundation has no material obligation for leases signed but not yet commenced as of December 31, 2025.

Future minimum lease payments are as follows:

Years Ending December 31,	
2026	$ 410,641
2027	420,907
2028	431,429
2029	147,405
Total undiscounted cash flows	1,410,382
Less present value discount	(9,251)
Total lease liabilities	$ 1,401,131

Required supplemental information relating to our lease is as follows:

	2025	**2024**
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 400,625	$ 390,854
Weighted-average remaining lease term in years for operating leases	3	4
Weighted-average discount rate for operating leases	0.4%	0.4%

Operating lease expense amounted to $565,860 and $407,871 for the years ended December 31, 2025 and 2024, respectively.

The Foundation entered into a sublease agreement in September 2023. The term of the sublease extends through September 2029. Sublease revenue amounted to $264,029 and $295,493 for the years ended December 31, 2025 and 2024, respectively, and was reported on the statement of activities within other income.

The following is a schedule of future minimum payments to the Foundation by the lessee:

Years Ending December 31,	
2026	$ 272,790
2027	283,702
2028	295,050
2029	101,271
	$ 952,813

Note 12—Concentrations of credit risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents. The Foundation places its cash and cash equivalents in financial institutions in the United States. The Federal Deposit Insurance Corporation covers $250,000 for substantially all depository accounts. The Foundation from time to time may have amounts on deposit in excess of the insured limits. The Foundation had funds in financial institutions in excess of the federally insured limit of $171,522,886 and $103,529,921 at December 31, 2025 and 2024, respectively. No such amounts were held within investments at December 31, 2024 and 2025.

The Foundation receives contributions and promises to give from other organizations or individuals, primarily within the pharmaceutical drug industry. The Foundation's three largest donors represented 59% of total contributions in 2025. The Foundation's five largest donors represented 70% of total contributions in 2024. Changes in economic conditions can directly affect a donor's ability and willingness to make future contributions to the Foundation. In addition, changing regulations within the pharmaceutical drug industry could further limit a donor's ability and willingness to make future contributions to the Foundation.

As of December 31, 2025, approximately 97% of the Foundation's contributions receivable were provided by two donors. As of December 31, 2024, approximately 96% of the Foundation's contributions receivable were provided by four donors.

Note 13—Subsequent events

The Foundation has evaluated subsequent events through August 11, 2026, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

Subsequent to year-end, on March 1, 2026, the Foundation entered into a strategic merger with Patient Advocate Foundation, a national nonprofit organization dedicated to helping patients navigate, access, and afford healthcare. Upon consummation of the merger, the combined organization will operate as Patient Advocate Foundation and will integrate the programs and services of both organizations, including disease-specific financial assistance funds, case management services, patient advocacy and education initiatives, research, and community engagement efforts. Management is in the process of evaluating the financial and operational impacts of the merger; accordingly, the effects of this transaction, if any, have not been reflected in the accompanying financial statements.

SUPPLEMENTARY INFORMATION

PATIENT ACCESS NETWORK FOUNDATION
SCHEDULE OF CONTRIBUTIONS BY MONTH

YEAR ENDED DECEMBER 31, 2025
(WITH COMPARATIVE TOTALS FOR 2024)

	2025	2024
January	$ 659,993	$ 6,206,760
February	152,363	15,326,442
March	6,982,169	27,264,205
April	13,284,038	2,901,907
May	3,666,432	104,244
June	561,338	2,782,632
July	5,711,283	10,046,348
August	99,404	4,575,811
September	15,847,554	9,628,888
October	17,629,218	76,506
November	9,961,443	354,501
December	142,407,039	111,063,867
	$ 216,962,274	$ 190,332,111