



Confidential:

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Maya Association for Rural Well-being in the Sarstún Area (APROSARSTUN)
Independent Auditor's Report
Financial Statements Prepared in Accordance with the Tax
Update Law and Internal Accounting Policies
As of December 31, 2025
(With comparative figures for the year ended December 31, 2024)

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OPINION OF THE INDEPENDENT AUDITORS,

To the
Board of Directors
Maya Association for Rural Well-being in the Sarstún Area
(APROSARSTUN)
Livingston, Izabal, Guatemala

Report on the Audit of the Statutory Financial Statements

Opinion:

We have audited the accompanying statutory financial statements of **the MAYA ASSOCIATION FOR RURAL WELFARE IN THE SARSTÚN AREA (APROSARSTUN)**, a nonprofit organization, which comprise the statutory statement of financial position as of December 31, 2025, the statutory statement of income and expenses, the statutory statement of changes in net assets, and the statutory statement of cash flows, for the year ended on that date, as well as the notes to the financial statements, numbered 1 through 16, which include a summary of significant accounting policies and other explanatory notes. The entity prepares its financial statements on an accrual basis and in accordance with the accounting policies adopted by management.

In our opinion, the accompanying statutory financial statements of **ASOCIACIÓN MAYA PRO BIENESTAR RURAL DEL ÁREA SARSTÚN (APROSARSTUN)** for the year ended December 31, 2025, are prepared, in all material respects, in accordance with the accrual basis of accounting and the accounting policies adopted by management, as described in Note 2.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are described further below in the section “Auditor’s Responsibilities Regarding the Audit of the Statutory Financial Statements” of our report. We are independent of the Asociación Maya Pro Bienestar Rural del Área Sarstún (APROSARSTUN), in accordance with the International Ethical Requirements applicable to our audits of statutory financial statements set forth in the Code of Ethics for Professional Accountants, issued by the International Ethics Standards Board for Accountants (IESBA), and we have fulfilled our other ethical responsibilities in accordance with those requirements.

We believe that the audit evidence we have obtained provides a sufficient and appropriate basis for our opinion.

Basis of Accounting and Restriction on Distribution and Use

Without affecting our opinion, we draw attention to Note 2 of the statutory financial statements, which describes the accounting basis used. The statutory financial statements have been prepared to assist the Maya Association for Rural Well-being in the Sarstún Area (APROSARSTUN) in meeting the financial requirements of its Board of Directors and cooperating agencies. Consequently, the statutory financial statements may not be appropriate for any other purpose. Our report is intended exclusively for the Association's Board of Directors and donors and should not be distributed to parties outside the entity. Our opinion has not been modified as a result of this matter.

Responsibility of Management and the Association's Governance Bodies Regarding the Statutory Financial Statements

Management is responsible for the preparation and fair presentation of these accompanying statutory financial statements in accordance with the accounting policies and practices established by the Association's management and for the internal control that management deems necessary to enable the preparation of statutory financial statements free from material misstatement, whether due to fraud or error.

In preparing the statutory financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as appropriate, matters related to going concern, and applying the going concern accounting principle, unless management intends to liquidate the entity or cease its operations, or there is no realistic alternative.

The entity's governance body is responsible for overseeing the entity's financial reporting process.

The auditor's responsibilities regarding the audit of the statutory financial statements

Our objectives are to obtain reasonable assurance that the statutory financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report containing our opinion. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements may result from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions that users make based on the statutory financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain an attitude of professional skepticism throughout the audit. We also:

- We identify and assess the risks of material misstatement in the statutory financial statements due to fraud or error, design and perform audit procedures to address those risks, and obtain sufficient and appropriate audit evidence to provide a basis for our opinion. The risk of failing to detect a material misstatement due to fraud is higher than in the case of a material misstatement due to error, since fraud may involve collusion, forgery, deliberate omissions, intentionally misleading representations, or the circumvention of the entity's internal control.
- We obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- We evaluate the appropriateness of the accounting policies applied and the reasonableness of the accounting estimates and the related information disclosed by management.
- We conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether or not there is material uncertainty related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the statutory financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions



are based on the audit evidence obtained as of the date of our audit report. However, future events or conditions may cause the Association to cease to be a going concern.

We communicate with the entity's management regarding, among other matters, the scope and timing of the planned audit and significant audit findings, as well as any significant internal control deficiencies we identify during the course of the audit.

Lic. Francisco Dagoberto Xiloj Charuc
CONTADOR PÚBLICO Y AUDITOR
COLEGIADO No. 2916

Francisco Dagoberto Xiloj Charuc, Esq.

Certified Public Accountant and
Registered Auditor No. 2916

Guatemala, C. A.

August 24, 2026

**Maya Association for Rural Well-being in the
Sarstún Area (APROSARSTUN)**
Statutory Statement of Financial Position
As of December 31, 2025 and 2024
(Amounts expressed in quetzales – Q)

	<u>Note</u>	<u>2025</u>	<u>2024</u>
<u>Assets</u>			
<i>Current</i>			
Cash	4	Q. 138,523	Q. 167,636
Accounts receivable	5	-	2,517
Total current assets		138,523	170,153
<i>Non-current</i>			
Property, plant, and equipment—net	6	58,477	54,981
Total non-current assets		58,477	54,981
Total Assets		Q. 197,000	Q. 225,134
<u>Liabilities</u>			
<i>Current</i>			
Accounts Payable	7	Q. -	Q. 338
Total current liabilities		-	338
Total Liabilities		Q. -	Q. 338
<u>Net Assets</u>			
Net Assets	8	Q. 217,544	Q. 107,400
(Deficit) / Net surplus for the period		(20,544)	117,396
Total Net Assets		197,000	224,796
Total Liabilities and Net Assets		Q. 197,000	Q. 225,134

The accompanying notes are an integral part of the statutory financial statements

**Maya Association for Rural Well-being in the
Sarstún Area (APROSARSTUN)
's Statutory Statement of Income and Expenses
For the years ended December 31, 2025 and 2024 (Amounts
expressed in quetzales – Q)**

	Note	2025	2024
Program Activities (Exempt):			
Revenue from agreements	9	Q. 1,026,861	Q. 876,586
(-) Expenses from Agreements			
Operating costs and expenses	11	1,046,137	759,017
(Deficit) / Surplus from programs		(19,276)	117,569
Comprehensive Income:			
Other Financial Expenses, net		1,268	173
(Deficit) / Surplus for the Period before Income Tax		(20,544)	117,396
Income Tax	14	-	-
(Loss) / Net Income for the Period		Q. (20,544)	Q. 117,396

The accompanying notes are an integral part of the statutory financial statements

**Maya Association for Rural Well-being in the
Sarstún Area (APROSARSTÚN)**
Statement of Changes in Net Assets , as Required by Statute
For the years ended December 31, 2025 and 2024 (Amounts
expressed in quetzales – Q)

Description	Accumulated Net Assets
Balances as of December 31, 2023	Q. 105,565
Adjustments from prior periods	1,835
Net Surplus for the 2024 Period	117,396
Balances as of December 31, 2024	Q. 224,796
Adjustments from prior periods	(7,252)
Net Deficit for the 2025 Period	(20,544)
Balances as of December 31, 2025 (Note 8)	Q. 197,000

The accompanying notes are an integral part of the statutory financial statements

**Maya Association for Rural Well-being in the
Sarstún Area (APROSARSTÚN)**
Statutory Statement of Cash Flows
For the years ended December 31, 2025 and 2024 (Amounts
expressed in quetzales – Q)

	2025	2024
Cash Flow from Operating Activities		
Net (Deficit) / Surplus for the Period	Q. (20,544)	Q. 117,396
Adjustments for:		
Depreciation and amortization	12,394	17,799
Adjustment from prior years	(7,252)	1,835
	(15,402)	137,029
Changes in net assets and liabilities:		
Decrease and <increase> in assets		
Accounts receivable	2,517	(726)
<Decrease> and increase in liabilities		
Accounts payable	(338)	-
Funds to be applied	-	(156,689)
Net Cash (Used) Generated from Operating Activities	(13,223)	(20,387)
Cash Flow from Investing Activities		
Acquisition of property, plant, and equipment	(15,890)	-
Net Cash (Used) Generated from Investing Activities	(15,890)	-
Net (Decrease) Increase in Cash	(29,113)	(20,387)
Cash at the beginning of the year	167,636	188,023
Cash at the end of the year	Q. 138,523	Q. 167,636

The accompanying notes are an integral part of the statutory financial statements

Maya Association for Rural Well-being in the Sarstún Area (APROSARSTÚN)

Notes to the Statutory Financial Statements

As of December 31, 2025 and 2024

(Amounts expressed in quetzales – Q)

1. A BRIEF HISTORY OF THE ASSOCIATION AND ITS OPERATIONS

On September 23, 2008, the **MAYA ASSOCIATION FOR RURAL WELFARE IN THE SARSTÚN AREA (APROSARSTÚN)** was incorporated pursuant to Deed one hundred sixty-six (166), before notary Erick Giovanni Díaz Orellana, and registered in the Registry of Legal Entities of the Ministry of the Interior on April 21, 2009, under entry number 20208, folio 20208 of Book 1 of the Unified Electronic Registry of Legal Entities of Guatemala. It is a private, nonprofit, apolitical organization dedicated to social and humanitarian service, culture, education, and solidarity. The purpose of the Association is to bring its members together to develop assessments and projects that contribute to community development and to advocate at the community, government, and international levels to achieve its goals and objectives; it seeks the social well-being and development of its indigenous youth members. The Association's goals are:

- To establish communication channels with local and national institutions, private companies, and international organizations to promote the approval of projects that benefit members, thereby fostering human development in the community—particularly by securing technical and financial assistance for the projects they implement.
- To develop, support, and promote comprehensive development projects for the benefit of its members, their families, and the community.
- To manage, raise, and administer funds through a policy of evaluating projects that benefit its members.
- To foster solidarity and mutual support among the organization's members and other communities and organizations in order to achieve their objectives.
- Manage the acquisition of movable and immovable property for the development of the organization's projects, programs, and activities.
- To promote and foster the importance of unity, participation, solidarity, and sustainability in the projects they lead.
- To promote programs and projects aimed at the empowerment and development of individuals, providing opportunities for access to employment and income.
- To foster solidarity and mutual support among members and members of other communities and organizations.
- Manage the acquisition and disposal, by any legal means, of movable and immovable property, rights, programs, and projects for the benefit of the Association and its members.
- To import all kinds of lawful products.

Maya Association for Rural Well-Being in the Sarstún Area (APROSARSTÚN)

Notes to the Statutory Financial Statements as of December 31, 2025 and 2024 (Amounts expressed in quetzales – Q)

To achieve its purposes and objectives, the Maya Association for Rural Well-being in the Sarstún Area (APROSARSTÚN) obtains income from various sources, such as:

- A contribution under the Financial Grant Agreement between S.H.A.R.E. AGRICULTURE FOUNDATION and the Maya Association for Rural Well-being in the Sarstún Area (APROSARSTÚN) to carry out Project No. 1020, titled “Families and Land II — Strengthening Community Initiatives with Sustainable Strategies for Climate Change Mitigation in the Municipality of Livingston, Department of Izabal, Guatemala,” in the amount of US\$241,800, for a period of 3 years beginning September 1, 2022, which expired on August 31, 2025.
- Funding provided under the Financial Grant Agreement between S.H.A.R.E. AGRICULTURE FOUNDATION and the Maya Association for Rural Well-being in the Sarstún Area (APROSARSTUN) to carry out Project No. 1071 titled “Opportunities to Support the Sustainable Integral Development of Rural Communities” (*Supporting Opportunities for Sustainable Integral Development for Rural Communities*), in the amount of US\$241,800, to be disbursed through twelve (12) scheduled bank transfers over a 3-year term, beginning September 1, 2025, and ending August 31, 2028.
- Contribution under a Grant Agreement between the WILDLIFE CONSERVATION SOCIETY (WCS) and the Maya Association for Rural Well-being in the Sarstún Area (APROSARSTUN), originally funded by the United Kingdom’s Department for Environment, Food, and Rural Affairs (Defra) under the *Darwin Initiative*, to implement the project titled “*Combating Illegal Fishing: Designing Evidence-Based Interventions in the Gulf of Honduras*,” for a fixed amount of GBP 15,446 (Pounds Sterling), equivalent to US\$ 20,790 at the contractual exchange rate. These funds are disbursed in installments (30%, 60%, and 10%) denominated in quetzales at the rate authorized monthly by WCS, for an estimated implementation period of 6 months beginning on March 27, 2025, and ending on September 30, 2025.
- Contribution under a Financial Grant Agreement between ECO-LOGIC DEVELOPMENT FUND and the Maya Association for Rural Well-being in the Sarstún Area (APROSARSTUN). The donor’s commitment is to cover the monthly payment of the Association’s field technician’s fees.
- Letters of understanding signed between ECO-LOGIC DEVELOPMENT FUND and the Maya Association for Rural Well-being in the Sarstún Area (APROSARSTUN) on various dates during fiscal year 2025. These agreements cover disbursements totaling Q 27,000, intended exclusively to fund stipends for two interns at the Association, covering different periods of the year in accordance with the schedules approved by the donor.

Maya Association for Rural Well-Being in the Sarstún Area (APROSARSTÚN)

Notes to the Statutory Financial Statements

As of December 31, 2025 and 2024

(Amounts expressed in quetzales – Q)

- Funds received from the ROTARY CLUB OF SAN ANTONIO AIRPORT as a direct, earmarked allocation, without the prior signing of a framework cooperation agreement. The total contribution amounted to Q 39,500, earmarked exclusively and irrevocably for the purchase of 100 portable water filter kits using *Uzima Q-Beta* technology, aimed at mitigating health vulnerabilities in the beneficiary communities.
- Funds received under a Financial Grant Agreement signed between the PAN AMERICAN DEVELOPMENT FOUNDATION (PADF) and the Maya Association for Rural Well-being in the Sarstún Area (APROSARSTUN). During the current fiscal year, funds totaling Q 13,116 were received for the project titled “Sumamos,” which were allocated to the continuation and implementation of the community and operational activities planned by the organization.

The Association’s term is indefinite; its registered address is in the department of Izabal, and its headquarters are in the municipal seat of Livingston; however, it may establish branch offices in other locations within or outside the Republic. Currently, its tax address is Barrio Nuevo Crique Chino, Livingston, Izabal. The fiscal year runs from January 1 to December 31 of each year, and its Tax Identification Number (NIT) is 6603398-5.

The Association is an organization composed of young people from communities located within the AUMRS; its mission is rooted in the participation and input of community leaders, who play a key role in managing the well-being of the communities and their natural resources. Strengthening community leadership is one of the Association’s main strengths, which is built on planned, participatory community consultations and project initiatives where communities lead the implementation.

Its main areas of action include the following: construction of fuel-efficient stoves, construction of composting latrines, reforestation, agroforestry systems, strengthening of COCODES, water filters, construction of drinking water systems, implementation of income-generating alternatives, nixtamal mills, poultry farms, pig farms, and gardens for medicinal and native plants, among others.

2. MAIN ACCOUNTING POLICIES

Basis of Preparation

The accompanying statutory financial statements have been prepared in accordance with a specific-purpose accounting basis, which consists of the accounting policies and practices established by the Association’s Management and, on a supplementary basis, by the provisions of the Guatemalan Tax Update Law (Decree 10-2012).

Maya Association for Rural Well-Being in the Sarstún Area (APROSARSTÚN)

Notes to the Statutory Financial Statements

As of December 31, 2025 and 2024

(Amounts expressed in quetzales – Q)

Although the Guatemalan Association of Certified Public Accountants and Auditors adopted the International Financial Reporting Standard for Small and Medium-Sized Entities (IFRS for SMEs) as the general-purpose financial reporting framework in the country, the Association—due to its nature as a nonprofit entity and to comply with the requirements of its bylaws and cooperating agencies—uses a specific-purpose financial reporting framework. Consequently, these statutory financial statements are not intended to present the financial position or results of operations in accordance with IFRS for SMEs.

a) Presentation of Financial Statements

The Maya Association for Rural Well-being in the Sarstún Area (APROSARSTÚN) records revenue from donor contributions based on the use of resources and revenue from member contributions on an accrual basis; expenses are recognized when incurred; this basis differs from the International Financial Reporting Standard for Small and Medium-Sized Entities (IFRS for SMEs).

b) Financial Instruments

The Association classifies its financial assets and liabilities into: a) cash and cash equivalents, b) accounts receivable, and c) accounts payable. These instruments are recognized at the time of the transaction and are derecognized upon settlement. Due to their short-term maturity, their carrying amount approximates their fair value.

Cash: Includes petty cash balances and demand deposits in local bank accounts.

Accounts receivable: These are stated at their original invoice or contract amount. Management assesses the collectibility of these balances based on current economic conditions; as of December 31, 2025, and 2024, it was not deemed necessary to establish an allowance for doubtful accounts.

c) Property, Plant, and Equipment

These are recorded at acquisition cost. Significant repairs and improvements that extend the original useful life of the assets are capitalized. Minor replacements, repairs, and routine maintenance are charged to expenses for the period as they are incurred. Depreciation is calculated using the straight-line method, applying the annual rates permitted by Guatemala's Tax Update Law:

	<u>Estimated useful life Estimated</u>	<u>Annual Depreciation depreciation</u>
Machinery	10 years	10%

Maya Association for Rural Well-Being in the Sarstún Area (APROSARSTÚN)

Notes to the Statutory Financial Statements

As of December 31, 2025 and 2024

(Amounts expressed in quetzales – Q)

	<u>Estimated Estimated</u>	<u>Annual depreciation depreciation</u>
Land and water vehicles	5 years	20%
Furniture and office equipment	5 years	20%
Computer equipment	3 years	33.33%

d) Accounts Payable

These represent payment obligations for goods or services purchased from suppliers in the normal course of business. They are classified as current liabilities on the Statutory Statement of Financial Position, since they are due within one year. Otherwise, they are reported as noncurrent liabilities.

e) Provisions

Provisions are recognized when the Association has a legal or constructive obligation arising from a past event, it is probable that financial resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

f) Employee Benefits

Expenses for statutory benefits related to the year-end bonus, the Annual Bonus for Private and Public Sector Workers (Bono 14), and vacation pay are recognized in income for the fiscal year when the actual payments are made, in accordance with the applicable legal payment schedules in Guatemala. The Association has a policy of neither accruing nor reporting provision balances for employee liabilities at the end of each fiscal year.

g) Provision for Severance Pay

In accordance with Decree No. 1441, Labor Code, Article 82 (Calculation of Severance Pay); Decree No. 42-92, Law on Annual Bonuses for Private and Public Sector Workers, Articles 4; and Decree No. 76-78, Law Regulating the Payment of the Year-End Bonus for Private Sector Workers, Article 9. It states: Entities are required to pay severance pay to employees they terminate under certain circumstances, at the rate of one month's salary plus one-twelfth of the year-end bonus and the fourteenth-month bonus for each year of service. The Association's policy, in accordance with the Labor Code, is not to record a provision. The Association settles accounts with its employees annually, and payment is made in August of each year.

This item is recorded on a paid-as-you-go basis and is directly recognized as an expense for the year at the time the final disbursement is made at the end of August each year. For this reason, the Association does not maintain an accrued provision for severance pay in its liabilities as of December 31 of each period.

**Maya Association for Rural Well-Being in the
Sarstún Area (APROSARSTÚN)**
Notes to the Statutory Financial Statements
As of December 31, 2025 and 2024
(Amounts expressed in quetzales – Q)

h) Recognition of Revenue, Costs, and Expenses

These are recorded using the accrual method. The specific criteria are:

Donations and Grants: These are recorded as they are awarded and formally notified by national or international institutions, and are strictly allocated to the execution of authorized projects.

Other Revenue (Interest): Interest income is recognized when it is credited by banking institutions.

Costs and Expenses: These are recognized for accounting purposes when they are incurred. In the case of commercial operations subject to income tax, the deductibility of expenses is limited to those that strictly comply with the requirements for deductibility, economic substance, and legal documentation established in the Tax Update Law.

i) Foreign Currency Transactions

Foreign currency transactions are recorded at the reference exchange rate of the Bank of Guatemala in effect on the date of the transaction. Foreign currency balances at year-end are restated at the exchange rate in effect on that date, with any resulting foreign exchange gain or loss recognized in the Statutory Statement of Income and Expenses.

j) Deferred Income Tax

Because the accounting basis used to prepare these statutory financial statements does not differ from the basis used for tax settlement under the Optional Simplified Regime and the Association's tax-exempt income, no temporary differences arise that would require the recognition of deferred income tax assets or liabilities.

k) Contingencies

Contingent liabilities are not recognized for accounting purposes. They are disclosed in the notes unless the probability of an outflow of resources is remote. As of December 31, 2025, management is not aware of any litigation or claims requiring disclosure.

l) Subsequent Events

No significant events have occurred between the closing date of the financial statements (December 31, 2025) and the date of this report (August 24, 2026) that would require adjustments or additional disclosures to the figures presented.

Maya Association for Rural Well-Being in the Sarstún Area (APROSARSTÚN)

Notes to the Statutory Financial Statements

As of December 31, 2025 and 2024

(Amounts expressed in quetzales – Q)

m) Risk Management

Exchange Rate Fluctuations: The Association receives donations in foreign currency. This risk is managed by converting the funds to the national currency upon receipt; however, drastic fluctuations could affect the purchasing power of external grants.

Liquidity Risk: This risk is mitigated by diversifying international donors and complying with grant agreements, thereby ensuring the necessary cash flow to fund the Association's programs and operations.

Cash Flow Risk: The adequacy of cash flows to be generated to cover obligations is assessed annually.

Compliance with regulations against money laundering or other assets and to prevent and suppress the financing of terrorism: The Association is in the process of regularizing its registration as a "Regulated Entity" with the Special Verification Office (IVE), in accordance with the Law Against Money Laundering or Other Assets and its regulations.

n) Key Differences from the International Financial Reporting Standard for Small and Medium-Sized Entities (IFRS for SMEs):

The Association's statutory accounting policies differ from the IFRS for SMEs primarily in the following ways:

- Property, plant, and equipment are recorded at historical cost and depreciated according to statutory rates, without performing impairment tests or revaluations to fair value.
- No actuarial provision is recognized for employee benefits; the paid-as-you-go method is used.
- Revenue from donations is recognized upon the allocation and use of the funds in accordance with the agreement, not necessarily based on strict accrual for the period.
- Deferred income tax is not recognized.

3. REPORTING CURRENCY AND EXCHANGE RATES

Accounting records are maintained in quetzales (Q), the national currency of the Republic of Guatemala, which is used for the presentation of the accompanying statutory financial statements. In accordance with the Law on the Free Trading of Foreign Currency, the disposal, holding, contracting, remittance, transfer, purchase, sale, collection, and payment of foreign currency are unrestricted; as are the holding and management of deposits and accounts in foreign currency within the national banking system.

Maya Association for Rural Well-Being in the Sarstún Area (APROSARSTÚN)

Notes to the Statutory Financial Statements

As of December 31, 2025 and 2024

(Amounts expressed in quetzales – Q)

The Bank of Guatemala's reference exchange rate against the United States dollar (US\$) as of December 31, used for the revaluation of balances, was as follows:

- 2025: Q 7.66451 per US\$ 1.00
- 2024: Q 7.70625 per US\$ 1.00

4. CASH

As of December 31, the cash account is composed as follows:

Description	Type	Account No.	2025	2024
Rural Development Bank, S.A. Q	Monetaria	3251014931	Q. 132,415	Q. 148,465
Rural Development Bank, S.A. Q	Monetaria	3251007514	6,003	-
Rural Development Bank, S.A. Q	Monetaria	3251032262	105	-
Rural Development Bank, S.A. Q	Monetaria	3251028351	-	11,531
Cash in local currency			138,523	159,996
Rural Development Bank, S.A. US dollars	Monetaria	6251000102	-	7,640
Foreign currency cash			-	7,640
Total Cash			Q. 138,523	Q. 167,636

5. ACCOUNTS RECEIVABLE

As of December 31, accounts receivable are composed as follows:

	2025	2024
Miscellaneous Accounts Receivable	Q. -	1,550
Accounts receivable from employees	-	967
Total	Q. -	Q. 2,517
Current portion of accounts receivable	Q. -	Q. 726
Long-term accounts receivable	Q. -	Q. 1,791

Management has not deemed it necessary to recognize an allowance for uncollectible accounts.

Maya Association for Rural Well-Being in the Sarstún Area (APROSARSTÚN)

Notes to the Statutory Financial Statements

As of December 31, 2025 and 2024

(Amounts expressed in quetzales – Q)

6. PROPERTY, PLANT, AND EQUIPMENT—NET

A summary of property, plant, and equipment at cost and their accumulated depreciation is included below:

Assets	PROPERTY, PLANT, AND EQUIPMENT						Balance as of	
	Balance		Additions		Disposals			
	Dec. 31, 2024				Dec. 31, 2025			
Computer equipment	Q.	46,815	Q.	15,890	Q.	-	Q.	62,705
Machinery and		45,000		-		-		45,000
Land Vehicles								
and watercraft		53,800		-		-		53,800
Furniture and		16,280		-		-		16,280
equipment								
		161,895		15,890		-		177,785
Accumulated								
Depreciation		(106,914)		(12,394)		-		(119,308)
Total	Q.	54,981	Q.	3,496	Q.	-	Q.	58,477

Assets	PROPERTY, PLANT, AND EQUIPMENT					Balance as of		
	Balance		Additions		Disposals			
	Dec. 31, 2023				Dec. 31, 2024			
Computer equipment	Q.	46,815	Q.	-	Q.	-	Q.	46,815
Machinery Land		45,000		-		-		45,000
vehicles								
and watercraft		53,800		-		-		53,800
Furniture and		16,280		-		-		16,280
equipment								
		161,895		-		-		161,895
Accumulated								
Depreciation		(56,555)		(50,359)		-		(106,914)
Total	Q.	105,340	Q.	(50,359)	Q.	-	Q.	54,981

7. ACCOUNTS PAYABLE

As of December 31, it was composed as follows:

Maya Association for Rural Well-Being in the Sarstún Area (APROSARSTÚN)

Notes to the Statutory Financial Statements

As of December 31, 2025 and 2024

(Amounts expressed in quetzales – Q)

	2025	2024
Accounts Payable	Q. -	Q. 192
Other Accounts Payable	-	146
Total	Q. -	Q. 338
Current portion of accounts payable	Q. -	Q. -
Long-term accounts payable	Q. -	Q. 338

8. SOCIAL FUND (NET ASSETS)

In accordance with the entity's bylaws, the Association's net assets consist of all property, rights, and shares acquired by any legal means. To achieve its purposes, the Association is financially supported by membership dues, donations, government grants, and other lawful income received.

This item represents the accumulation of net surpluses or deficits generated by the entity in the course of its operational and commercial self-management activities. These resources are used exclusively to fulfill its social and educational purposes, and it is expressly prohibited to distribute any type of profit, surplus, or dividend among its members, whether directly or indirectly.

As of December 31, 2025, the deficit for the period of Q 20,544 was absorbed by the accumulated balance of net assets, reducing the net surplus from the previous fiscal year (2024) of Q 117,396, according to the figures reflected in the Statement of Changes in Statutory Net Assets.

9. CONTRIBUTIONS UNDER COOPERATION AGREEMENTS

As of December 31, it was composed as follows:

	2025	2024
Share Agriculture Foundation	Q. 721,780	Q. 833,299
Wildlife Conservation Society	154,478	-
Eco-Logic Development Fund	95,416	35,647
Rotary Club of San Antonio Airport	42,071	-
Pan American Development Foundation	13,116	-
Meso-American Reef Fund Inc.	-	7,640
Total	Q. 1,026,861	Q. 876,586

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10. ADMINISTRATION AND COMPLIANCE WITH DONATIONS AND GRANTS

The funds received by the Association through grant agreements and donations (described in Note 9) are subject to specific restrictions on use and accountability requirements. As of December 31, the management of these funds is governed by the following criteria:

a) Restrictions on Use:

Funds from grants provided by international partners such as the Share Agriculture Foundation, the Wildlife Conservation Society, the Eco-Logic Development Fund, the Rotary Club of San Antonio Airport, and the Pan American Development Foundation are considered restricted funds. These funds must be used exclusively for the items approved in the operational plans (POA) and budgets of each project. Any remaining balance at the end of the agreement is subject to the repayment or reprogramming clauses authorized by the donor.

b) Segregation of Funds:

To ensure transparency in implementation, the Association maintains separate, dedicated bank accounts for managing these funds, preventing them from being commingled with its own funds, thereby complying with internal control and government transparency standards.

c) Compliance with Formal Requirements:

In accordance with the requirements of Decree No. 10-2012 (Tax Update Law), the NGO Law (Decree No. 02-2003), and the amendments to Decree No. 4-2020, the Association strictly complies with:

- The issuance of valid donation receipts duly authorized by the Superintendency of Tax Administration (SAT).
- The periodic submission of monthly, quarterly, and/or annual reports on program implementation and financial accountability to its donors, ensuring transparency regarding the allocated funds.

d) Audit:

The funds received are subject to audit by the Superintendency of Tax Administration (SAT). As of December 31, 2025, management states that it has complied with all required settlements and is not aware of any significant objections or findings that would affect the continuity of the grants.

11. OPERATING EXPENSES UNDER AGREEMENTS

The operating costs and expenses related to agreements incurred during 2025 were as follows:

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	2025	2024
Equipment, Materials, Supplies	Q. 408,171	Q. 338,205
Regular Salary	205,301	181,300
Fees and Technical Services	156,449	62,817
Travel and Lodging	81,264	25,026
Stipend	23,000	6,000
External Audit	20,000	-
Compensation	19,739	14,913
Office supplies and materials	17,964	945
Year-end bonus	17,108	13,942
Annual Bonus	16,413	13,067
Rent	16,000	15,600
Depreciation Expense	12,394	17,799
Incentive Bonus	12,000	11,750
Other	11,641	41,465
Phone and Internet Service	10,570	8,600
Workshops and Training	9,663	-
Vacations	8,460	6,388
Notary Services	-	1,200
Total	<u>Q. 1,046,137</u>	<u>Q. 759,017</u>

12. TAX EXEMPTION

The Association is exempt from paying direct taxes on its non-profit income, in accordance with Resolution No. SAT-IRG-DRG-GRNO-OTI-UGA-R-2009-03-18-0000012 issued by the Superintendency of Tax Administration (SAT). Specific exemptions include:

- Income Tax (ISR): Exemption applicable to income from donations, government grants, and regular and special dues, under Article 8 of Decree 10-2012.
- Value-Added Tax (VAT): Exemption on donations received and the provision of free social and educational services, pursuant to Article 7, paragraph 13 of Decree 27-92.
- Solidarity Tax (ISO): Full exemption due to its status as a nonprofit social assistance organization.
- Stamp Tax: Exemption for civil acts or contracts documenting the receipt of its charitable funds.

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This exemption remains in effect under the legal condition that all revenue be used exclusively for the purposes for which the organization was established, with an express prohibition on distributing profits, either directly or indirectly.

13. TAX AND LABOR ISSUES

As a legal entity, withholding agent, and employer, the Association is subject to compliance with the following formal obligations in Guatemala:

- Income Tax Withholdings from Employees: Monthly withholding on employment income and payment to the tax authority within the first ten (10) business days of the following month.
- Income Tax Withholdings from Suppliers: Application of the 5% and 7% rates under the Optional Simplified Regime of Decree 10-2012.
- Special Invoices: Issuance of documents and withholding of 5% income tax and 12% VAT on the purchase of goods or services from unregistered suppliers, to be paid within the first ten (10) business days of the following month.
- Tax Returns: Filing of the annual informative income tax return no later than March 31 of each fiscal year.
- Legal and Labor Records: Maintenance of accounting records authorized by the SAT and registration of the Electronic Payroll Book with the Ministry of Labor and Social Security.
- Social Security: Monthly reporting of payrolls and payment of contributions to the Guatemalan Social Security Institute (IGSS).
- Anti-Money Laundering: Obligation to register and file reports as a Regulated Entity with the Special Verification Authority (IVE).
- Occupational Health and Safety: Compliance with current MINTRAB regulations on occupational risk prevention.

14. INCOME TAX REVIEW

For income tax (ISR) purposes, the Association is registered at a 5% rate as a final payment pursuant to Article 44 of the Income Tax Law (ISR) and, in accordance with Decree No. 6-91 "Tax Code," Article 47 establishes that the tax authorities' right to audit Income Tax (ISR) returns expires four (4) years from the date such returns were due. The Income Tax returns for the last four (4) years have not yet been audited by the tax authorities.

a) Income Tax System

(i) Tax Rates

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In accordance with Book I of the Tax Modernization Act (Decree No. 10-2012), Guatemalan tax law provides for two general regimes for the assessment and payment of income tax (ISR) on profit-making activities:

- Regime on Profits from Profit-Making Activities: Applies a 25% rate on taxable net income determined based on accounting profit, subject to the addition of non-deductible expenses and the deduction of exempt income. Payments are made quarterly.
- Optional Simplified Regime on Income from Profit-Making Activities: This regime applies a progressive tax structure of 5% on monthly gross income up to Q 30,000, and 7% on the amount exceeding that threshold. The tax is settled definitively through withholdings from clients or direct monthly payments.

The Association selected the Optional Simplified Regime for Income from Profit-Making Activities.

The Association is registered under the Exempt Regime for income tax filing. This registration was granted by the Tax Administration via Resolution No. SAT-IRG-DRG-GRNO-OTI-UGA-R-2009-03-18-0000012.

Furthermore, tax legislation provides for a regime governing capital income, capital gains, and capital losses, which establishes a 10% rate for income from movable and immovable property, as well as for net capital gains.

(ii) Significant Changes to the Income Tax System in Guatemala

During the fiscal period ended December 31, 2025, there were no substantive changes or reforms to Guatemala's income tax regulations that would affect the entity's financial or compliance structure.

(iii) The Entity's Tax Status

The tax authorities have the right to audit the entity's accounting records and other legal documentation for a period of four years, beginning on the date the tax returns were filed.

The income tax returns for the years 2021 through 2024 and the return to be filed for fiscal year 2025 are pending review by the tax authorities. The entity's management estimates that no material liabilities will arise as a result of the pending reviews.

Due to the possible interpretations that the tax authorities may give to the applicable legal regulations in each year, as of this date, it is not possible to determine whether the audits will result in liabilities for the entity; therefore, any

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potential additional tax or surcharge resulting from the tax audits would be applied to the results of the fiscal year in which they are determined. However, in management's opinion, any potential additional tax assessment would not be material to the financial statements as of December 31, 2025.

b) Income Tax Recognized in Net Income or Loss for the Year

The income tax expense recognized in the net income or loss for the year ended December 31 is detailed below:

	2025	2024
Total Income from Gainful Activities	Q. 1,026,861	Q. 876,586
(-) Exempt Income	1,026,861	(876,586)
Taxable income	-	-
Less: Withholding tax	-	-
Less: Tax paid during the period	-	-
Excess withholdings for this period	-	-
Tax not withheld or paid during this period	Q. -	Q. -

15. LITIGATION AND CONTINGENCIES

Based on the investigation and review of the Association's legal documentation, as of December 31, 2025, certain risks related to labor and tax contingencies were identified that could harm the Association. These include the failure to register its employees and file employment contracts with the Ministry of Labor, the failure to register with the Guatemalan Social Security Institute, and, finally, the Association's failure to register as a "Regulated Entity" with the Special Verification Office (IVE).

Consequently, management has not deemed it necessary to establish provisions for legal contingencies in the Statutory Statement of Financial Position as of December 31, 2025, and 2024.

16. APPROVAL OF THE STATUTORY FINANCIAL STATEMENTS

The financial statements for the year ended December 31, 2025, were originally authorized and approved for issuance by the Association's Executive Board and Management on May 29, 2026. Subsequently, following the external audit process and the subsequent incorporation of agreed-upon accounting adjustments, the final and definitive version of these financial statements was authorized and approved for issuance by the Executive Board and Management on August 24, 2026.

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Furthermore, the Annual Informative Income Tax (ISR) Return for the 2025 tax year was filed with the Superintendency of Tax Administration (SAT) on May 29, 2026.

These statutory financial statements will be formally presented to the General Assembly of Members for final ratification. In the opinion of the Association's Management, they will be approved by the highest governing body without modifications.

***** Last line *****