

Combined Financial Statements and  
Report of Independent Certified Public  
Accountants

**Endeavor Global, Inc. and Subsidiaries**

December 31, 2020 and 2019

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## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors  
Endeavor Global, Inc. and Subsidiaries

We have audited the accompanying combined financial statements of Endeavor Global, Inc. and subsidiaries (collectively, the "Organization"), which comprise the combined statements of financial position (tax-basis) as of December 31, 2020 and 2019, and the related combined statements of revenue, expenses and changes in net assets (tax-basis), functional expenses (tax-basis) and cash flows (tax-basis) for the years then ended, and the related notes to the combined financial statements.

### **Management's responsibility for the combined financial statements**

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with the tax basis of accounting described in Note 2; this includes determining that the tax basis of accounting is an acceptable basis for the preparation of the combined financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the combined financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

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

**Opinion**

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position - income tax basis of Endeavor Global, Inc. and subsidiaries as of December 31, 2020 and 2019, and its revenue and expenses and changes in net assets - income tax basis and its cash flows - income tax basis for the years then ended in accordance with the basis of accounting the Organization uses for income tax purposes described in Note 2.

**Basis of accounting**

We draw attention to Note 2 of the combined financial statements, which describes the basis of accounting. The combined financial statements are prepared on the basis of accounting the Organization uses for income tax purposes, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

**Supplemental information**

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying combining statements of financial position (tax-basis) and combining statements of revenue, expenses, and changes in net assets (tax-basis) are presented for purposes of additional analysis, rather than to present the financial position, revenues, expenses, and changes in net assets, and cash flows (tax-basis) of the individual entities (or, organizations or companies), and are not a required part of the combined financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the combined financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

*Grant Thornton LLP*

New York, New York  
September 21, 2021

**Endeavor Global, Inc. and Subsidiaries**  
**COMBINED STATEMENTS OF FINANCIAL POSITION (TAX-BASIS)**  
**As of December 31,**

|                                       | <b>2020</b>    | <b>2019</b>    |
|---------------------------------------|----------------|----------------|
| <b>ASSETS</b>                         |                |                |
| Cash and cash equivalents             | \$ 42,440,136  | \$ 14,518,455  |
| Contributions receivable, net         | 961,668        | 2,375,711      |
| Grants receivable                     | 100,000        | 250,000        |
| Investments                           | 140,494,449    | 97,690,615     |
| Prepaid expenses and other assets     | 361,775        | 179,334        |
| Due from affiliated entities          | 298,458        | 333,828        |
| Property and equipment - net          | 408,712        | 527,317        |
|                                       |                |                |
| Total assets                          | \$ 185,065,198 | \$ 115,875,260 |
| <b>LIABILITIES AND NET ASSETS</b>     |                |                |
| <b>Liabilities</b>                    |                |                |
| Accounts payable and accrued expenses | \$ 889,003     | \$ 1,663,091   |
| Due to affiliated entities            | 292,980        | 917,870        |
| Loans payable                         | 918,477        | -              |
| Other                                 | 375,000        | -              |
| Deferred revenue                      | 79,583         | 182,470        |
| Deferred rent obligation              | 54,789         | 140,309        |
|                                       |                |                |
| Total liabilities                     | 2,609,832      | 2,903,740      |
| <b>Net assets</b>                     |                |                |
| Without donor restrictions            | 49,941,037     | 18,803,558     |
| Noncontrolling interest               | 131,518,594    | 91,661,268     |
|                                       |                |                |
| Total without donor restrictions      | 181,459,631    | 110,464,826    |
| With donor restrictions               | 995,735        | 2,506,694      |
|                                       |                |                |
| Total net assets                      | 182,455,366    | 112,971,520    |
|                                       |                |                |
| Total liabilities and net assets      | \$ 185,065,198 | \$ 115,875,260 |

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

**Endeavor Global, Inc. and Subsidiaries**

**COMBINED STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET ASSETS (TAX-BASIS)**

**Year ended December 31, 2020**

|                                           | <b>Without Donor<br/>Restrictions</b> | <b>With Donor<br/>Restrictions</b> | <b>Total</b>          |
|-------------------------------------------|---------------------------------------|------------------------------------|-----------------------|
| <b>Support and revenue</b>                |                                       |                                    |                       |
| Contributions                             | \$ 3,137,109                          | \$ 116,333                         | \$ 3,253,442          |
| Grants                                    | 357,000                               | -                                  | 357,000               |
| Gala and other fundraising events         | 1,379,651                             | -                                  | 1,379,651             |
| Net realized gain on investments          | 32,231,144                            | -                                  | 32,231,144            |
| Interest, dividend, and other income      | (67,488)                              | -                                  | (67,488)              |
| Net assets released from restrictions     | 1,627,292                             | (1,627,292)                        | -                     |
|                                           | <b>38,664,708</b>                     | <b>(1,510,959)</b>                 | <b>37,153,749</b>     |
| <b>Expenses</b>                           |                                       |                                    |                       |
| Programs                                  |                                       |                                    |                       |
| Entrepreneur selection and growth         | 2,920,830                             | -                                  | 2,920,830             |
| Endeavor Net                              | 716,720                               | -                                  | 716,720               |
| Insight                                   | 1,146,413                             | -                                  | 1,146,413             |
| Expansion                                 | 1,381,537                             | -                                  | 1,381,537             |
| Partnerships and networks                 | 1,211,237                             | -                                  | 1,211,237             |
| Other                                     | 468,531                               | -                                  | 468,531               |
|                                           | <b>7,845,268</b>                      | <b>-</b>                           | <b>7,845,268</b>      |
| Total program expenses                    | 7,845,268                             | -                                  | 7,845,268             |
| Cost of direct benefits to donor          | 64,314                                | -                                  | 64,314                |
| Fundraising and development               | 2,106,258                             | -                                  | 2,106,258             |
| Management and general                    | 2,514,087                             | -                                  | 2,514,087             |
|                                           | <b>12,529,927</b>                     | <b>-</b>                           | <b>12,529,927</b>     |
| Total expenses                            | 12,529,927                            | -                                  | 12,529,927            |
| Change in net assets from operations      | 26,134,781                            | (1,510,959)                        | 24,623,822            |
| Changes in net assets not from operations |                                       |                                    |                       |
| Partners' capital contributions           | 47,571,180                            | -                                  | 47,571,180            |
| Partners' capital distributions           | (2,711,156)                           | -                                  | (2,711,156)           |
|                                           | <b>70,994,805</b>                     | <b>(1,510,959)</b>                 | <b>69,483,846</b>     |
| <b>CHANGE IN NET ASSETS</b>               | <b>70,994,805</b>                     | <b>(1,510,959)</b>                 | <b>69,483,846</b>     |
| <b>Net assets, beginning of year</b>      | <b>110,464,826</b>                    | <b>2,506,694</b>                   | <b>112,971,520</b>    |
| <b>Net assets, end of year</b>            | <b>\$ 181,459,631</b>                 | <b>\$ 995,735</b>                  | <b>\$ 182,455,366</b> |

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

**Endeavor Global, Inc. and Subsidiaries**

**COMBINED STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET ASSETS (TAX-BASIS)**

**Year ended December 31, 2019**

|                                           | <b>Without Donor<br/>Restrictions</b> | <b>With Donor<br/>Restrictions</b> | <b>Total</b>          |
|-------------------------------------------|---------------------------------------|------------------------------------|-----------------------|
| <b>Support and revenue</b>                |                                       |                                    |                       |
| Contributions                             | \$ 4,500,212                          | \$ 310,000                         | \$ 4,810,212          |
| Grants                                    | 1,327,884                             | -                                  | 1,327,884             |
| Gala and other fundraising events         | 2,224,875                             | -                                  | 2,224,875             |
| Net realized gain on investments          | 4,254,738                             | -                                  | 4,254,738             |
| Interest, dividend, and other income      | 28,258                                | -                                  | 28,258                |
| Net assets released from restrictions     | 1,995,466                             | (1,995,466)                        | -                     |
|                                           | <b>14,331,433</b>                     | <b>(1,685,466)</b>                 | <b>12,645,967</b>     |
| <b>Expenses</b>                           |                                       |                                    |                       |
| Programs                                  |                                       |                                    |                       |
| Entrepreneur selection and growth         | 4,485,315                             | -                                  | 4,485,315             |
| Endeavor Net                              | 600,453                               | -                                  | 600,453               |
| Insight                                   | 1,872,813                             | -                                  | 1,872,813             |
| Expansion                                 | 1,516,781                             | -                                  | 1,516,781             |
| Partnerships and networks                 | 2,000,901                             | -                                  | 2,000,901             |
| Other                                     | 293,911                               | -                                  | 293,911               |
|                                           | <b>10,770,174</b>                     | <b>-</b>                           | <b>10,770,174</b>     |
| Total program expenses                    | 10,770,174                            | -                                  | 10,770,174            |
| Cost of direct benefits to donor          | 506,178                               | -                                  | 506,178               |
| Fundraising and development               | 2,726,744                             | -                                  | 2,726,744             |
| Management and general                    | 2,437,873                             | -                                  | 2,437,873             |
|                                           | <b>16,440,969</b>                     | <b>-</b>                           | <b>16,440,969</b>     |
| Total expenses                            | 16,440,969                            | -                                  | 16,440,969            |
| Change in net assets from operations      | (2,109,536)                           | (1,685,466)                        | (3,795,002)           |
| Changes in net assets not from operations |                                       |                                    |                       |
| Partners' capital contributions           | 33,636,253                            | -                                  | 33,636,253            |
| Partners' capital distributions           | (2,137,626)                           | -                                  | (2,137,626)           |
|                                           | <b>29,389,091</b>                     | <b>(1,685,466)</b>                 | <b>27,703,625</b>     |
| <b>CHANGE IN NET ASSETS</b>               | <b>29,389,091</b>                     | <b>(1,685,466)</b>                 | <b>27,703,625</b>     |
| <b>Net assets, beginning of year</b>      | <b>81,075,735</b>                     | <b>4,192,160</b>                   | <b>85,267,895</b>     |
| <b>Net assets, end of year</b>            | <b>\$ 110,464,826</b>                 | <b>\$ 2,506,694</b>                | <b>\$ 112,971,520</b> |

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

Endeavor Global, Inc. and Subsidiaries

COMBINED STATEMENT OF FUNCTIONAL EXPENSES (TAX-BASIS)

Year ended December 31, 2020

|                                  | Entrepreneur<br>Selection<br>and Growth | Endeavor<br>Net   | Insight             | New<br>Country<br>Expansion | Partnerships<br>and<br>Networks | Other<br>Programs | Total<br>Programs   | Cost of<br>Direct<br>Benefits<br>to Donor | Fundraising<br>and<br>Development | Management<br>and General | Total                |
|----------------------------------|-----------------------------------------|-------------------|---------------------|-----------------------------|---------------------------------|-------------------|---------------------|-------------------------------------------|-----------------------------------|---------------------------|----------------------|
| Salaries and wages               | \$ 1,967,762                            | \$ 398,464        | \$ 673,291          | \$ 915,815                  | \$ 421,530                      | \$ 227,766        | \$ 4,604,628        | \$ -                                      | \$ 1,396,987                      | \$ 1,059,044              | \$ 7,060,659         |
| Employee benefits                | 326,396                                 | 57,643            | 116,526             | 94,903                      | 45,973                          | 32,949            | 674,390             | -                                         | 133,085                           | 153,205                   | 960,680              |
| Payroll taxes                    | 125,614                                 | 21,698            | 45,135              | 47,987                      | 26,898                          | 12,403            | 279,735             | -                                         | 46,230                            | 57,668                    | 383,633              |
| Professional fees                | 157,280                                 | 78,845            | 173,217             | 167,702                     | 41,118                          | 38,985            | 657,147             | -                                         | 150,823                           | 378,559                   | 1,186,529            |
| Stipends                         | 578                                     | 262               | 182                 | 219                         | 159                             | 150               | 1,550               | -                                         | 558                               | 696                       | 2,804                |
| Contractor fees                  | 8,133                                   | 3,688             | 4,334               | 3,089                       | 2,238                           | 22,358            | 43,840              | 20,400                                    | 7,857                             | 66,605                    | 138,702              |
| Supplies                         | 95                                      | 221               | 36                  | 31                          | 23                              | 34                | 440                 | -                                         | 80                                | 3,147                     | 3,667                |
| Telephone                        | 4,367                                   | 1,681             | 1,152               | 2,048                       | 434                             | 726               | 10,408              | -                                         | 1,944                             | 63,289                    | 75,641               |
| Postage and shipping             | 839                                     | 321               | 223                 | 473                         | 195                             | 183               | 2,234               | 348                                       | 1,093                             | 2,947                     | 6,622                |
| Rent, occupancy and utilities    | 106,932                                 | 48,487            | 33,708              | 40,610                      | 29,421                          | 27,715            | 286,873             | -                                         | 103,308                           | 128,868                   | 519,049              |
| Equipment rental and maintenance | -                                       | -                 | -                   | -                           | -                               | -                 | -                   | -                                         | -                                 | 999                       | 999                  |
| Printing and publications        | 31                                      | 14                | 19                  | 12                          | 9                               | 8                 | 93                  | 136                                       | 42,861                            | 2,578                     | 45,668               |
| Grants awarded                   | 11,674                                  | 5,293             | 3,680               | 4,433                       | 595,612                         | 3,026             | 623,718             | -                                         | 11,278                            | 14,069                    | 649,065              |
| Information technology           | 50,290                                  | 35,454            | 18,251              | 11,561                      | 8,316                           | 48,039            | 171,911             | -                                         | 45,689                            | 36,230                    | 253,830              |
| Depreciation and amortization    | 64,020                                  | 29,029            | 20,181              | 24,313                      | 17,614                          | 16,593            | 171,750             | -                                         | 61,850                            | 77,153                    | 310,753              |
| Office expense                   | 401                                     | 243               | 358                 | 43                          | 2                               | 3,130             | 4,177               | -                                         | 65                                | 2,864                     | 7,106                |
| Marketing and education          | 405                                     | 420               | 5,385               | 2,316                       | 423                             | 203               | 9,152               | 24,239                                    | 10,883                            | 2,409                     | 46,683               |
| Events and activities            | 36,358                                  | 7,622             | 31,921              | 43,754                      | 4,850                           | 18,701            | 143,206             | 4,192                                     | 32,522                            | 78,254                    | 258,174              |
| Other expenses                   | 59,655                                  | 27,335            | 18,814              | 22,228                      | 16,422                          | 15,562            | 160,016             | 14,999                                    | 59,145                            | 385,503                   | 619,663              |
| Total expenses                   | <u>\$ 2,920,830</u>                     | <u>\$ 716,720</u> | <u>\$ 1,146,413</u> | <u>\$ 1,381,537</u>         | <u>\$ 1,211,237</u>             | <u>\$ 468,531</u> | <u>\$ 7,845,268</u> | <u>\$ 64,314</u>                          | <u>\$ 2,106,258</u>               | <u>\$ 2,514,087</u>       | <u>\$ 12,529,927</u> |

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

Endeavor Global, Inc. and Subsidiaries

COMBINED STATEMENT OF FUNCTIONAL EXPENSES (TAX-BASIS)

Year ended December 31, 2019

|                                  | Entrepreneur<br>Selection<br>and Growth | Endeavor<br>Net   | Insight             | New<br>Country<br>Expansion | Partnerships<br>and<br>Networks | Other<br>Programs | Total<br>Programs   | Cost of<br>Direct<br>Benefits<br>to Donor | Fundraising<br>and<br>Development | Management<br>and General | Total               |
|----------------------------------|-----------------------------------------|-------------------|---------------------|-----------------------------|---------------------------------|-------------------|---------------------|-------------------------------------------|-----------------------------------|---------------------------|---------------------|
| Salaries and wages               | \$ 2,867,415                            | \$ 357,980        | \$ 1,189,353        | \$ 893,583                  | \$ 482,784                      | \$ 166,741        | \$ 5,957,856        | \$ -                                      | \$ 853,979                        | \$ 1,029,894              | \$ 7,841,729        |
| Employee benefits                | 455,848                                 | 49,521            | 160,108             | 121,373                     | 66,786                          | 29,013            | 882,649             | -                                         | 118,134                           | 142,470                   | 1,143,253           |
| Payroll taxes                    | 188,894                                 | 19,233            | 67,485              | 49,424                      | 25,938                          | 8,958             | 359,932             | -                                         | 45,881                            | 55,332                    | 461,145             |
| Professional fees                | 337,790                                 | 71,067            | 161,702             | 147,972                     | 99,953                          | 33,102            | 851,586             | 22,668                                    | 157,645                           | 430,895                   | 1,462,794           |
| Stipends                         | 629                                     | 186               | 246                 | 181                         | 250                             | 86                | 1,578               | -                                         | 443                               | 534                       | 2,555               |
| Contractor fees                  | 295                                     | 87                | 7,515               | 85                          | 22,366                          | 41                | 30,389              | -                                         | 208                               | 17,700                    | 48,297              |
| Supplies                         | 421                                     | 13                | 17                  | 12                          | 1,194                           | 6                 | 1,663               | 213                                       | 134                               | 6,977                     | 8,987               |
| Telephone                        | 6,747                                   | 839               | 3,011               | 4,034                       | 2,999                           | 505               | 18,135              | -                                         | 2,920                             | 53,647                    | 74,702              |
| Postage and shipping             | 2,960                                   | 831               | 1,151               | 818                         | 3,540                           | 456               | 9,756               | -                                         | 93,258                            | 27,479                    | 130,493             |
| Rent, occupancy and utilities    | 156,521                                 | 46,143            | 61,248              | 45,037                      | 62,250                          | 21,493            | 392,692             | -                                         | 110,076                           | 132,751                   | 635,519             |
| Equipment rental and maintenance | 812                                     | 214               | 284                 | 209                         | 288                             | 100               | 1,907               | 4,311                                     | 510                               | 1,861                     | 8,589               |
| Printing and publications        | 11,936                                  | -                 | -                   | -                           | 1,417                           | 1,258             | 14,611              | 21,885                                    | 63,320                            | 2,638                     | 102,454             |
| Grants awarded                   | -                                       | -                 | -                   | -                           | 763,095                         | -                 | 763,095             | -                                         | -                                 | -                         | 763,095             |
| Information technology           | 45,587                                  | 6,023             | 17,636              | 7,453                       | 124,701                         | 2,857             | 204,257             | 36                                        | 64,168                            | 17,327                    | 285,788             |
| Depreciation and amortization    | 92,627                                  | 27,307            | 36,246              | 26,652                      | 36,827                          | 12,719            | 232,378             | -                                         | 65,141                            | 78,560                    | 376,079             |
| Office expense                   | 2,611                                   | -                 | 2,716               | 39                          | 1,334                           | 102               | 6,802               | 92                                        | 2,815                             | 6,771                     | 16,480              |
| Marketing and education          | -                                       | -                 | 57,973              | -                           | -                               | -                 | 57,973              | 37,791                                    | 29,263                            | -                         | 125,027             |
| Events and activities            | 292,469                                 | 15,670            | 96,240              | 164,692                     | 294,167                         | 13,982            | 877,220             | 419,182                                   | 1,105,759                         | 199,150                   | 2,601,311           |
| Other expenses                   | 21,753                                  | 5,339             | 9,882               | 55,217                      | 11,012                          | 2,492             | 105,695             | -                                         | 13,090                            | 233,887                   | 352,672             |
| Total expenses                   | <u>\$ 4,485,315</u>                     | <u>\$ 600,453</u> | <u>\$ 1,872,813</u> | <u>\$ 1,516,781</u>         | <u>\$ 2,000,901</u>             | <u>\$ 293,911</u> | <u>\$10,770,174</u> | <u>\$ 506,178</u>                         | <u>\$ 2,726,744</u>               | <u>\$ 2,437,873</u>       | <u>\$16,440,969</u> |

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

Endeavor Global, Inc. and Subsidiaries

**COMBINED STATEMENTS OF CASH FLOWS (TAX-BASIS)**

Years ended December 31,

|                                                                                         | <b>2020</b>          | <b>2019</b>          |
|-----------------------------------------------------------------------------------------|----------------------|----------------------|
| <b>Cash flows from operating activities:</b>                                            |                      |                      |
| Change in net assets from operations                                                    | \$ 24,623,822        | \$ (3,795,002)       |
| Adjustments to reconcile change in net assets to net cash used in operating activities: |                      |                      |
| Depreciation and amortization                                                           | 310,753              | 376,079              |
| Amortization of deferred rent                                                           | (85,520)             | (71,360)             |
| Net realized gains on investments                                                       | (32,231,144)         | (4,254,738)          |
| Present value discount on contributions and grants receivable                           | 30,000               | 23,947               |
| Bad debts                                                                               | -                    | 314,065              |
| Increase and decrease in assets and liabilities:                                        |                      |                      |
| Decrease in contributions receivable                                                    | 1,384,043            | 2,122,591            |
| Decrease (increase) in grants receivable                                                | 150,000              | (159,000)            |
| Increase in prepaid expenses and other assets                                           | (182,441)            | (3,335)              |
| Decrease (increase) in due from affiliated entities                                     | 35,370               | (180,011)            |
| (Decrease) increase in accounts payable and other accrued liabilities                   | (774,088)            | 469,217              |
| Decrease in due to affiliated entities                                                  | (624,890)            | (134,531)            |
| Increase in other                                                                       | 375,000              | -                    |
| (Decrease) increase in deferred revenue                                                 | (102,887)            | 152,470              |
|                                                                                         | <u>(7,091,982)</u>   | <u>(5,139,608)</u>   |
| Net cash used in operating activities                                                   |                      |                      |
|                                                                                         | <u>(7,091,982)</u>   | <u>(5,139,608)</u>   |
| <b>Cash flows from investing activities:</b>                                            |                      |                      |
| Purchase of property and equipment                                                      | (185,191)            | (227,240)            |
| Purchase of investments                                                                 | (28,174,843)         | (36,783,436)         |
| Proceeds from sale of investments                                                       | 17,595,196           | 5,724,597            |
|                                                                                         | <u>(10,764,838)</u>  | <u>(31,286,079)</u>  |
| Net cash used in investing activities                                                   |                      |                      |
|                                                                                         | <u>(10,764,838)</u>  | <u>(31,286,079)</u>  |
| <b>Cash flows from financing activities:</b>                                            |                      |                      |
| Proceeds from debt                                                                      | 918,477              | -                    |
| Partners' capital contributions                                                         | 47,571,180           | 33,636,253           |
| Partners' capital distributions                                                         | (2,711,156)          | (2,137,626)          |
|                                                                                         | <u>45,778,501</u>    | <u>31,498,627</u>    |
| Net cash provided by financing activities                                               |                      |                      |
|                                                                                         | <u>45,778,501</u>    | <u>31,498,627</u>    |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>                             | 27,921,681           | (4,927,060)          |
| <b>Cash and cash equivalents, beginning of year</b>                                     | 14,518,455           | 19,445,515           |
| <b>Cash and cash equivalents, end of year</b>                                           | <u>\$ 42,440,136</u> | <u>\$ 14,518,455</u> |
| <b>Supplemental disclosure:</b>                                                         |                      |                      |
| Non-cash gain on acquisition of stock                                                   | <u>\$ 20,273,435</u> | <u>\$ -</u>          |

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

## Endeavor Global, Inc. and Subsidiaries

### NOTES TO COMBINED FINANCIAL STATEMENTS (TAX-BASIS)

December 31, 2020 and 2019

#### NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES

Endeavor Global, Inc. (“Endeavor”), a not-for-profit organization, is leading the high-impact entrepreneurship movement around the world.

With the support of an unrivaled network of seasoned business leaders, Endeavor works to catalyze long-term economic growth by selecting, mentoring, and accelerating the best high-impact entrepreneurs worldwide.

Endeavor supports high-impact entrepreneurs so that they can build thriving companies that employ thousands of people, generate billions in wages, and inspire countless others as role models. Together, these entrepreneurs hold the key to sustained economic growth in every part of the world.

Through a rigorous, multi-step selection process, Endeavor annually screens thousands of entrepreneurs from around the world to identify those with the best talent and potential for impact.

Endeavor Catalyst, Inc. (“Catalyst”) is a not-for-profit supporting organization that supports Endeavor and was registered on September 20, 2011. Catalyst supports Endeavor in two ways. First, Catalyst raises funds that will be used for the benefit of Endeavor. Second, Catalyst invests some of its assets in other high-impact entrepreneur companies, which are associated with and the beneficiaries of Endeavor. These activities are expected to further the mission of Endeavor by enabling Endeavor to focus its charitable mission instead of fundraising and by providing a more stable source of funding for Endeavor’s activities.

In May 2013, Catalyst established Endeavor Catalyst GP, Inc. (“Catalyst GP”), a Delaware Corporation, to be the general partner for Endeavor Catalyst I LP (“Catalyst I LP”), a for-profit Limited Partnership that co-invests in Endeavor Entrepreneurs alongside Catalyst. Catalyst I LP was also established in May 2013.

In August 2015, Endeavor Catalyst IDB Side Car LP (“Catalyst IDB Side Car”) was created. This vehicle invests along-side Catalyst I LP, but only in the following markets: Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Peru, and Uruguay. Like Catalyst I LP, Catalyst IDB Side Car is managed by Catalyst GP.

In October 2016, Catalyst established Endeavor Catalyst GP II, LLC. (“Catalyst II GP”), a Delaware Corporation, to be the general partner for Endeavor Catalyst II LP (“Catalyst II LP”) and Endeavor Catalyst II-A LP (“Catalyst II-A LP”), both for-profit Limited Partnerships that co-invest in Endeavor Entrepreneurs alongside Catalyst. Catalyst II LP was established in October 2016 and Catalyst II-A LP was established in December 2016.

In March 2019, Catalyst established Endeavor Catalyst GP III, LLC. (“Catalyst III GP”), a Delaware Corporation, to be the general partner for Endeavor Catalyst III LP (“Catalyst III LP”), a for-profit Limited Partnership that co-invests in Endeavor Entrepreneurs alongside Catalyst. Catalyst III LP was established in March 2019.

Endeavor Global Limited (“Singapore”) is a not-for-profit organization, incorporated in the Republic of Singapore on August 26, 2011. Singapore was established to act as a global support office of Endeavor based in and focusing on Asian markets. As of November 2020, Singapore has ceased operations.

## Endeavor Global, Inc. and Subsidiaries

### NOTES TO COMBINED FINANCIAL STATEMENTS (TAX-BASIS) - CONTINUED

December 31, 2020 and 2019

Endeavor's programs are described as follows:

#### Entrepreneur Selection and Growth

Working with a network of global business leaders, Endeavor identifies and screens thousands of entrepreneurial candidates annually who run high-growth businesses. Several times each year, a panel of experienced business people gather to select a new class of Endeavor Entrepreneurs, those individuals who demonstrate fulfillment of a specific set of values and conditions that match Endeavor's expectations and goals at an International Selection Panel.

Selected Endeavor Entrepreneurs receive customized services that meet their specific challenges. Endeavor's services include connecting Endeavor Entrepreneurs with local and global mentors and managerial talent from blue-chip companies and top business schools, and providing access to difficult-to-penetrate networks and educational programming for companies that seek venture capital/private equity and/or companies in later growth stages. At the same time, Endeavor has built a peer network of entrepreneurs that provide a strong, supportive community to face any challenge. At the end of 2020, Endeavor supported approximately 2,121 entrepreneurs from over 1,326 companies across 37 growth markets.

#### Endeavor Net

Endeavor codifies and transfers the information, best practices, and lessons learned that it has gathered through its proprietary Intranet and, where appropriate, through its website, <http://www.endeavor.org>. Endeavor is in the process of developing a social networking site that will connect entrepreneurs, board members, staff, volunteers and network members around the world.

#### Endeavor Insight

Launched in 2009, Endeavor Insight is Endeavor's research team. Endeavor Insight seeks to deepen understanding of how high-impact entrepreneurs and scale-ups contribute to job creation and long-term economic growth in order to educate key constituencies, such as policy makers. In addition, Endeavor Insight seeks to serve as a knowledge center for high-impact entrepreneurs, venture capitalists and others in order to provide useful information and tools that assist entrepreneurs as they grow their businesses.

#### Expansion

Endeavor believes that building strong local offices is the best way to ensure scalable and long-term success. This model places co-ownership of the Endeavor brand and lead responsibility for program execution on the local or affiliate office. Moreover, a local presence enables the organization to raise funds from local country benefactors and local sources to sustain local operations. Until the point at which an affiliate office is legalized as a separate, independent entity and has established a board of directors, Endeavor incurs all start-up and development costs. In 2018, Endeavor launched new operations in Kenya and Tunisia.

#### Partnerships and Networks

The Partnerships and Networks team is focused on building a world-class community of Chief Executive Officers, business leaders, investors, and academia to mentor and support Catalyst's portfolio of high-impact entrepreneurs. Current activities include: engaging a U.S.-based mentor network of 575 individuals; leading the Catalyst Investor Network of 25+ leading venture capital firms; and building out a corporate network of top global companies that are interested in emerging and growth markets.

**Endeavor Global, Inc. and Subsidiaries**

**NOTES TO COMBINED FINANCIAL STATEMENTS (TAX-BASIS) - CONTINUED**

**December 31, 2020 and 2019**

Endeavor provides opportunities for both staff members and key Endeavor Entrepreneurs to discuss with world-class philanthropists and socially responsible corporate leaders ways to give back to the community on a personal and professional level. Endeavor encourages all of its donors not just to contribute financially, but also to donate their time to mentoring entrepreneurs and to pushing forward the cause of economic development in emerging markets. Each November, Endeavor hosts a gala event to highlight the social and philanthropic contributions of its entrepreneurs and network members. Endeavor Entrepreneurs are also spearheading the launch of affiliate-office endowments and/or local-country entrepreneur give-back programs to help build self-sustaining Endeavor operations for future generations of entrepreneurs.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Principles of Combination***

The combined financial statements include the accounts of Endeavor, Catalyst, Catalyst GP, Catalyst I LP, Catalyst II GP, Catalyst II LP, Catalyst II-A LP, Catalyst IDB Side Car, Catalyst III GP, Catalyst III LP, and Singapore, which are collectively governed by a single common board of directors and are collectively referred to as the Organization (the "Organization"). All significant inter-organizational accounts and transactions between these entities have been eliminated in combination.

***Basis of Accounting***

The accompanying combined financial statements of the Organization have been prepared using tax-basis accounting. Management believes that this accounting method results in less costly, more understandable, and relevant financial reporting, given the needs of the users of the combined financial statements.

Endeavor's federal income tax returns are subject to examination by taxing authorities. Due to the application of tax laws and regulations certain types of transactions are susceptible to varying interpretations; amounts reported in the combined financial statement could be changed at a later date upon final determination by taxing authorities. The change in basis of accounting required retrospective application, which was not material to the 2017 financial statements.

***Classification of Net Assets***

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

*Net Assets Without Donor Restrictions* - Represent net assets which are not restricted by donors. Net assets without donor restrictions are funds that are fully available, at the discretion of the Board of Directors and management, for the Organization to utilize in any of its programs or supporting services. Net assets without donor restrictions may be designated for specific purposes by the Organization's Board of Directors or may be limited by legal requirements or contractual agreements with outside parties.

*Net Assets With Donor Restrictions* - Represent net assets which are subject to donor-imposed restrictions whose use is restricted by time and/or purpose. A portion of the Organization's net assets with donor restrictions are subject to donor-imposed restrictions that require the Organization to use or expend the gifts as specified, based on purpose or passage of time. When donor restrictions expire, that is, when a purpose restriction is fulfilled or a time restriction ends, such net assets are reclassified to net assets without donor restrictions and reported on the combined statements of revenue, expenses, and changes in net assets as net assets released from restrictions.

**Endeavor Global, Inc. and Subsidiaries**

**NOTES TO COMBINED FINANCIAL STATEMENTS (TAX-BASIS) - CONTINUED**

**December 31, 2020 and 2019**

Another portion of net assets with donor restrictions stipulates that the corpus of the gifts be maintained in perpetuity, but allow for the expenditure of net investment income and gains earned on the corpus for either specified or unspecified purposes.

***Revenue Recognition***

The Organization records the following types of contributions and grants at fair value when they are received unconditionally: cash and gifts of other assets, and promises to give. Grants and contributions are evaluated as to whether they qualify as exchange transactions or contributions as defined by accounting principles generally accepted in the United States of America. Conditional contributions and grants are recognized as support when the conditions on which they depend have been substantially met. The Organization determines whether a contribution is conditional based on whether an agreement includes a barrier that must be overcome, and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. If the agreement (or a referenced document) includes both, the Organization is not entitled to the transferred assets (or a future transfer of assets) until it has overcome the barriers in the agreement. Contributions, grants and unconditional promises to give are classified as support with donor restrictions or without donor restrictions based on the absence or existence of donor restrictions. All donor-restricted support is reported as an increase in net assets with donor restrictions. 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 combined statements of activities as net assets released from restrictions. Grants and contributions received that are restricted by donors for investments in Endeavor Entrepreneurs are released from restrictions when the amounts have been invested. Donor-imposed restrictions that are met in the same period are classified as contributions without donor restrictions or grants in the combined statements of activities.

Gross proceeds from gala and other fundraising events are recognized as support and revenue, with the direct cost of benefits to donors in these events recognized as expenses, in the combined statements of activities.

***Cash and Cash Equivalents***

The Organization considers all highly liquid financial instruments purchased with a maturity of three months or less to be cash equivalents.

***Capital Contributions***

As of December 31, 2020, the Organization had contributions receivable for capital calls, not included on the combined statement of financial position under the tax basis of accounting, amounting to \$494,151, of which \$340,034 has been received as of July 6, 2021.

***Contributions and Grants Receivable***

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are to be collected in future years are recorded at the present value of their estimated future cash flows, using a borrowing rate which also considers the credit risk factors of the donor at the time the unconditional promise is recorded. Receivables are written off when management deems the possibility of collecting amounts due as remote. Bad debt expenses for the years ended December 31, 2020 and 2019 were \$315,000 and \$314,065, respectively, which are included in other expenses in combined statements of functional expenses.

**Endeavor Global, Inc. and Subsidiaries**

**NOTES TO COMBINED FINANCIAL STATEMENTS (TAX-BASIS) - CONTINUED**

**December 31, 2020 and 2019**

***Allowance for Doubtful Accounts***

Factors used to determine whether an allowance should be recorded for contributions receivable and other receivables include the age of the receivable, the creditworthiness of the donors, account activity, and a review of payments subsequent to year end.

***Investments***

Investments in readily marketable equity securities are reported at cost, in accordance with the tax basis of accounting.

The Organization regularly assesses its investments recorded via cost basis to determine whether or not they should be written off. These investments would be written off when the investment is deemed worthless upon the completion of a facts and circumstances test, which bankruptcy and the remote possibility of collection would satisfy.

Due to the level of risk associated with investments in general, it is possible that changes in the value of investments may occur in the near term and that such changes could materially affect the amounts reported in the combined financial statements and accompanying notes. Risks affecting these investments include, but are not limited to, increasing competition, access to additional financing, changes in economic and industry conditions and political changes. Other significant types of financial risks to which the Organization is exposed include, but are not limited to, market risk, illiquidity risk and other additional risks. Certain aspects of those risks are addressed below.

***Market Risk***

Market risk encompasses the potential for both losses and gains and includes price risk.

***Price Risk/Nature of Investment***

The majority of the Organization's investments are long term and highly illiquid, and there is no assurance that the Organization will achieve investment objectives. Due to the illiquidity of the investments, valuation of the assets may be difficult, as there generally will be no established markets for these assets. As such, the Organization's investments are stated at cost.

Many of the Organization's portfolio companies may be unseasoned, unprofitable and/or have no established operating history or earnings. These companies may also lack technical, marketing, financial and other resources or may be dependent upon the success of one product or service, a unique distribution channel, or the effectiveness of a manager or management team. The failure of a product, service or distribution channel, or the loss or ineffectiveness of a key executive or executives within the management team, may have a materially adverse impact on such companies. Furthermore, these companies may be more vulnerable to competition and to overall economic conditions than larger, more established entities.

The Organization invests in companies at early and expansion stages of development, including the start-up stage. In these types of enterprises, a risk exists that a proposed service or product cannot be developed successfully with the resources available to the portfolio company.

***Illiquidity of Investments***

The portfolio companies in which the Organization initially invests are initially privately held. As a result, there will be no readily available secondary market for the Organization's interests in such portfolio companies, and those interests will be subject to legal restrictions on transfer. Therefore, there is no assurance that the Organization will be able to realize liquidity for such investments in a timely manner, if at all. Unless a portfolio company subsequently succeeds in obtaining approval from the relevant authorities

**Endeavor Global, Inc. and Subsidiaries**

**NOTES TO COMBINED FINANCIAL STATEMENTS (TAX-BASIS) - CONTINUED**

**December 31, 2020 and 2019**

to list its shares on a recognized exchange, this avenue to liquidity will not be available to the Organization, which must then rely on other means to achieve liquidity. In addition, the Organization may be precluded from selling its shares in a public portfolio company for some time after such portfolio company's initial public offering, if any.

The Organization may be prohibited by lock-up agreements or insider trading restrictions from distributing or selling portfolio company securities for a period of time, during which the price of a portfolio company's securities could decline.

***Concentration Risk***

The Organization participates in a limited number of portfolio investments and, as a consequence, the aggregate return of the Organization may be materially and adversely affected by the unfavorable performance of even a single portfolio investment.

The Organization focuses on investments primarily in technology, health and life sciences industries. Thus, the performance of the Organization may be closely linked to the performance of these industries and the Organization could be severely impacted by adverse developments affecting these industries.

The Organization has not adopted policies requiring that its portfolio companies be diversified in different geographic areas. If several investments are concentrated in one geographic area, the Organization could be severely impacted by adverse developments affecting that geographic area.

***Legal and Regulatory Risks***

The Organization invests in certain portfolio companies that may be subject to extensive governmental regulations and oversight with respect to their business activities. The failure of such portfolio companies to comply with applicable regulations, obtain applicable regulatory approvals, or maintain those approvals so obtained may subject the applicable portfolio company to civil penalties, suspension or withdrawal of any regulatory approval obtained, product recalls and seizures, injunctions, operating restrictions, and criminal prosecutions and penalties, which could, individually or in the aggregate, have a material adverse effect on the Organization's investment in such companies.

The determination of the recorded value of these investments that are reported at cost, as described in this note, involves a significant degree of judgment by management. The eventual realized value of these investments may differ materially from these values.

***Property and Equipment***

Property and equipment is stated at cost at the date of acquisition or fair market value at date of donation. The Organization's capitalization policy for property and equipment, which includes betterments, improvements and major repairs, is limited to purchases greater than \$1,000 with an estimated useful life greater than one year. Assets are capitalized from three to seven years while leasehold improvements are capitalized over the lessor of the lease term or asset life. Maintenance and minor repairs of property are expensed as incurred.

Depreciation and amortization are recognized on a straight-line basis over the estimated useful lives of the respective assets.

**Endeavor Global, Inc. and Subsidiaries**

**NOTES TO COMBINED FINANCIAL STATEMENTS (TAX-BASIS) - CONTINUED**

**December 31, 2020 and 2019**

***Grants Awarded***

Grants awarded to other organizations are recognized in the period an unconditional promise to give is approved and committed by the Organization. All grant awards are paid within one year. Grants are recorded as an expense of the Organization when authorized by the Board of Directors and the grantee has been selected and notified. Refunded grants are recorded as a reduction to grant expense. Conditional grants are not recorded until the conditions are substantially met.

***Functional Allocation of Expenses***

The costs of providing the various programs and other activities have been summarized on a functional basis in the combined statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

***Accounting Estimates***

When management prepares the combined financial statements in conformity with tax basis of accounting, management is required 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 combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Income Taxes***

Endeavor Global 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 combined financial statements if the position is “more likely than not” to be sustained if 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.

Endeavor Global and Catalyst are exempt from federal income tax under Internal Revenue Code (“IRC”) section 501(c)(3), though both are subject to tax on income unrelated to their respective exempt purposes, unless that income is otherwise excluded by the IRC. Endeavor Global has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated business income; to determine its filing and tax obligations in jurisdictions for which it was nexus; and to identify and evaluate other matters that may be considered tax positions. Endeavor Global has determined that there are no material uncertain tax positions that require recognition or disclosure in the combined financial statements. In addition, Endeavor Global has not recorded a provision for income taxes as it has no material tax liability from unrelated business income activities.

Catalyst I LP, Catalyst II LP, Catalyst II-A LP, Catalyst III, and Catalyst IDB Side Car are not subject to federal income tax, but may be subject to certain state taxes. Each partner is individually liable for taxes on its share of the limited partnerships’ income or loss.

Management has evaluated the aforementioned entities’ tax positions for all open tax years and has concluded that they have taken no uncertain tax positions that would require adjustment or disclosure to the accompanying combined financial statements.

The income taxes for Singapore are accounted for using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognized in the combined financial statements or tax returns.

**Endeavor Global, Inc. and Subsidiaries**

**NOTES TO COMBINED FINANCIAL STATEMENTS (TAX-BASIS) - CONTINUED**

**December 31, 2020 and 2019**

***Recently Issued Accounting Pronouncements***

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2014-09, *Revenue from Contracts with Customers*, which supersedes most of the current revenue-recognition requirements. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The guidance provides a five-step analysis of transactions to determine when and how revenue is recognized. Other major provisions include capitalization of certain contract costs, consideration of time value of money in the transaction price, and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The guidance also requires enhanced disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity’s contracts with customers. In June 2020, the FASB issued ASU No. 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities*, which deferred the effective date of ASU 2014-09 by one year. The guidance is effective for the interim and annual periods beginning on or after December 15, 2019 (i.e., fiscal year ended December 31, 2020). The guidance permits the use of either a retrospective or cumulative effect transition method. The results of applying Accounting Standards Codification 606 using the five-step approach did not have any impact on the statements of financial position, statements of activities, statements of cash flows, business processes, controls or systems of the Organization.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires organizations that lease assets (lessees) to recognize the assets and related liabilities for the rights and obligations created by the leases on the statements of financial position for leases with terms exceeding 12 months. ASU No. 2016-02 defines a lease as a contract or part of a contract that conveys the right to control the use of identified assets for a period of time in exchange for consideration. The lessee will be required to initially measure the right-of-use (“ROU”) asset and the lease liability at the present value of the remaining lease payments, as well as capitalize initial direct costs as part of the ROU asset. ASU No. 2016-02 is effective for the Organization for fiscal year 2022. Early adoption is permitted. The Organization is in the process of evaluating the impact this standard will have on the combined financial statements.

***Subsequent Events***

The Organization has evaluated subsequent events occurring after the date of the combined financial statements to consider whether or not the impact of such events needs to be reflected and/or disclosed in the combined financial statements. Such evaluation was performed through September 21, 2021, the date the combined financial statements were available to be issued. Other than the subsequent events denoted in Notes 6 and 10, there were no other material events that require disclosure.

**Endeavor Global, Inc. and Subsidiaries**

**NOTES TO COMBINED FINANCIAL STATEMENTS (TAX-BASIS) - CONTINUED**

**December 31, 2020 and 2019**

**NOTE 3 - CONTRIBUTIONS AND GRANTS RECEIVABLE**

Contributions and grants receivable consist of unconditional promises to give, all of which are expected to be collectible as of December 31, 2020 and 2019 as follows:

|                                                                     | <u>Contributions</u> | <u>Grants</u>     | <u>Total</u>        | <u>Contributions</u> | <u>Grants</u>     | <u>Total</u>        |
|---------------------------------------------------------------------|----------------------|-------------------|---------------------|----------------------|-------------------|---------------------|
| Amount due in less than one year                                    | \$ 985,615           | \$ 100,000        | \$ 1,085,615        | \$ 2,311,623         | \$ 250,000        | \$ 2,561,623        |
| Due in one to three years                                           | -                    | -                 | -                   | 88,035               | -                 | 88,035              |
|                                                                     | 985,615              | 100,000           | 1,085,615           | 2,399,658            | 250,000           | 2,649,658           |
| Less discount to present value at rates ranging from 1.38% to 2.43% | <u>(23,947)</u>      | <u>-</u>          | <u>(23,947)</u>     | <u>(23,947)</u>      | <u>-</u>          | <u>(23,947)</u>     |
|                                                                     | <u>\$ 961,668</u>    | <u>\$ 100,000</u> | <u>\$ 1,061,668</u> | <u>\$ 2,375,711</u>  | <u>\$ 250,000</u> | <u>\$ 2,625,711</u> |

**NOTE 4 - INVESTMENTS**

Investments are comprised of equity securities at cost. Equity securities at cost represent the aggregate of 161 individual investments made by Catalyst, Catalyst I LP, Catalyst IDB Side Car, Catalyst II, Catalyst II-A and Catalyst III in Endeavor Entrepreneur companies, with ownership interests ranging from approximately 0.002% to 3.33% in each respective company.

The aggregate value of equity investments that are reported at the cost basis was \$140,494,449 and \$97,690,615 at December 31, 2020 and 2019, respectively. While Catalyst has adopted a policy of following the investment decisions made by the lead investor in each respective Endeavor Entrepreneur company, there is no requirement to do so, with all investment transactions being subject to the discretion of the sustainability subcommittee of Endeavor's board of directors.

In 2020 and 2019, the Organization sold equity securities that were recorded under the cost method, and reported \$32,231,144 and \$2,074,345, respectively, of realized gain on the combined statements of revenue, expenses, and changes in net assets.

As of December 31, 2020 and 2019, the Organization had \$0 of unfunded commitments to its portfolio investments.

**Endeavor Global, Inc. and Subsidiaries**

**NOTES TO COMBINED FINANCIAL STATEMENTS (TAX-BASIS) - CONTINUED**

**December 31, 2020 and 2019**

**NOTE 5 - PROPERTY AND EQUIPMENT**

As of December 31, 2020 and 2019, property and equipment consist of the following:

|                                                 | 2020        | 2019        |
|-------------------------------------------------|-------------|-------------|
| Software                                        | \$ 870,307  | \$ 746,857  |
| Leasehold improvements                          | 1,171,682   | 1,171,682   |
| Furniture and fixtures                          | 160,445     | 160,445     |
| Computer equipment                              | 178,104     | 163,382     |
| Other equipment                                 | 180,671     | 105,670     |
|                                                 | 2,561,209   | 2,348,036   |
| Less: accumulated depreciation and amortization | (2,152,497) | (1,820,719) |
|                                                 | \$ 408,712  | \$ 527,317  |

Depreciation expense for the years ended December 31, 2020 and 2019 was \$310,753 and \$376,079, respectively.

**NOTE 6 - COMMITMENTS**

Endeavor, Catalyst, Catalyst GP, Catalyst II GP, Catalyst I LP, Catalyst II LP, Catalyst II-A LP, Catalyst III LP and Catalyst IDB Side Car LP operate under a lease for office space in New York City expiring on July 31, 2021. There is also a satellite office in San Francisco that operates under a month-to-month lease. In addition to the base rent, these leases included monthly electric charges. There was no office space utilized in Singapore.

Future minimum rental payments required under this operating lease as of December 31, 2020 is as follows:

| Year Ending December 31, |            |
|--------------------------|------------|
| 2021                     | \$ 289,000 |
|                          | \$ 289,000 |

The Organization recognizes deferred rent payable for the difference between the cumulative amounts of recorded rent expense on a straight-line basis over the term of the lease and the cumulative required amounts paid under the lease. Deferred rent payable amounted to approximately \$54,789 and \$140,309 as of December 31, 2020 and 2019, respectively. Rent expense for the office spaces for the years ended December 31, 2020 and 2019 was approximately \$435,183 and \$496,706, respectively.

On July 26, 2021, the Organization entered into a nine-year lease agreement for office space in New York City with total future minimum rental payments of \$5,459,000.

**Endeavor Global, Inc. and Subsidiaries**

**NOTES TO COMBINED FINANCIAL STATEMENTS (TAX-BASIS) - CONTINUED**

**December 31, 2020 and 2019**

**NOTE 7 - CONCENTRATION OF CREDIT RISK**

The Organization maintains its cash and cash equivalents in a number of bank accounts. The cash in these accounts from time to time exceeds the Federal Deposit Insurance Corporation coverage and subjects the Organization to concentration risk. However, the Organization monitors this risk on a regular basis. The Organization has not experienced any losses in such accounts. As of December 31, 2020 and 2019, the Organization held \$40,641,575 and \$12,932,031, respectively, in excess of federally insured limits.

**NOTE 8 - NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following purposes as of December 31, 2020 and 2019:

|                                    | 2020       | 2019         |
|------------------------------------|------------|--------------|
| Endeavor expansion                 | \$ 500,000 | \$ 500,000   |
| Time restricted                    | 457,815    | 1,518,774    |
| Insight                            | 12,920     | 462,920      |
|                                    | 970,735    | 2,481,694    |
| Endowment funds held in perpetuity | 25,000     | 25,000       |
|                                    | \$ 995,735 | \$ 2,506,694 |

Net assets with donor restrictions were released from restrictions during the years ended December 31, 2020 and 2019 by incurring expenses satisfying the restricted purposes, passage of time, or occurrence of other events, as follows:

|                    | 2020         | 2019         |
|--------------------|--------------|--------------|
| Endeavor expansion | \$ 800,000   | \$ 700,000   |
| Insight            | 250,000      | 277,080      |
| Time restricted    | 577,292      | 1,018,386    |
|                    | \$ 1,627,292 | \$ 1,995,466 |

**NOTE 9 - ENDOWMENT FUNDS**

Included in net assets with donor restrictions are contributions received in prior years for the establishment of an endowment for Endeavor's Global Initiative Fund. Endowment funds to be held in perpetuity as of December 31, 2020 and 2019 totaled \$25,000 and \$25,000, respectively.

**Endeavor Global, Inc. and Subsidiaries**

**NOTES TO COMBINED FINANCIAL STATEMENTS (TAX-BASIS) - CONTINUED**

**December 31, 2020 and 2019**

**NOTE 10 - LINE OF CREDIT AND LOAN PAYABLE**

Endeavor maintained a \$2,000,000 business line of credit (the "Line") with a certain financial institution during 2020. Borrowings under this arrangement are for general operating needs of Endeavor. Borrowings on this line of credit note accrued interest at the LIBOR rate plus the applicable margin of 3.788% per annum for the years ended December 31, 2020 and 2019. The Line matured on February 13, 2021 and was subsequently renewed on February 26, 2021 for another year.

In response to the COVID-19 uncertainty, the Organization drew down \$2,000,000 on the Line on March 20, 2020. The entire Line was paid back on July 24, 2020. Total interest incurred related this drawdown was \$30,335.

The interest rate as of December 31, 2020 and 2019 was 3.94% and 5.33%, respectively. There was no outstanding balance on the Line at December 31, 2020 and 2019.

On April 7, 2020, Endeavor Global Inc. (the "Borrower"), was granted a loan (the "Loan") from Chase Bank, in the aggregate amount of \$918,477, pursuant to the Small Business Administration Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The Loan, which was in the form of a Note dated April 7, 2020 issued by the Borrower, matures on April 7, 2022 and bears interest at a rate of 0.98% per annum, payable monthly commencing on October 7, 2020. The Note may be prepaid by the Borrower at any time prior to maturity with no prepayment penalties. Funds from the Loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, and utilities. The Organization used the entire Loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. On March 26, 2021, the forgiveness is granted, the extinguishment is recognized into income at that time.

**NOTE 11 - RETIREMENT PLAN**

The Organization maintains a 403(b) plan. All contributions made to the 403(b) plan are fully vested when made. Individuals are eligible to enroll on the first day of any month that follows their date of hire. The Organization makes contributions equal to earned salary reductions as elected by the participant, up to \$12,500 or 5% of the participant's earned, annual salary, whichever is lower. The Organization paid matching contributions totaling \$279,920 and \$252,228 during 2020 and 2019, respectively.

The Organization also maintains a 457(b) plan for Executive Retirement Savings to supplement the above 403(b) plan for the employees with salaries over \$250,000. Eligible participants are designated by the Organization's Management and the Compensation Committee. The Organization makes contributions to the 457(b) plan of employees who cannot reach a 5% salary match under the 403(b) plan. Such contributions by the Organization amounted to \$39,000 and \$19,000 during 2020 and 2019, respectively.

**NOTE 12 - MAJOR CONTRIBUTORS AND GRANTORS**

Endeavor received contributions and grants from five and four donors during fiscal 2020 and 2019 totaling to approximately \$1,421,000 and \$2,515,000, respectively. These contributions and grants accounted for approximately 28% and 30% of the 2020 and 2019 total support and revenue for Endeavor, respectively. There were no outstanding receivables from the five donors as of December 31, 2020. There were no outstanding receivables from the four donors as of December 31, 2019.

**Endeavor Global, Inc. and Subsidiaries**

**NOTES TO COMBINED FINANCIAL STATEMENTS (TAX-BASIS) - CONTINUED**

**December 31, 2020 and 2019**

**NOTE 13 - DUE FROM/TO AFFILIATED ENTITIES**

Due to affiliated entities represents cash received by Endeavor on behalf of its affiliated entities, and these amounts will be ultimately distributed to the affiliated entities. Due from affiliated entities consists of balances due from various affiliates arising from transactions entered into during the ordinary course of business.

**NOTE 14 - RELATED-PARTY TRANSACTIONS**

During 2020 and 2019, Catalyst I LP and Catalyst incurred \$0 in aggregate of commission fees for a fundraising consulting service firm whose partner is a member of Endeavor's Board of Directors. Included in accounts payable and accrued expenses is \$53,376, representing the unpaid portion of the commission fees as of December 31, 2020 and 2019 in the combined statements of financial position.

The Organization received contributions and gala sponsorship fees of approximately \$245,000 and \$290,000 from its board members during 2020 and 2019, respectively.

**NOTE 15 - CHANGES IN COMBINED NET ASSETS WITHOUT DONOR RESTRICTIONS**

The changes in combined net assets without donor restrictions of the Organization and the noncontrolling interests in Catalyst I LP, Catalyst II LP, Catalyst II-A LP, Catalyst IDB Side Car LP, and Catalyst III LP during the years ended December 31, 2020 and 2019 are summarized below.

|                                           | Total Without<br>Donor<br>Restrictions | Without Donor<br>Restrictions | Noncontrolling<br>Interest |
|-------------------------------------------|----------------------------------------|-------------------------------|----------------------------|
| Balance, December 31, 2018                | \$ 81,075,735                          | \$ 18,207,378                 | \$ 62,868,357              |
| Change in net assets from operations      | (2,109,536)                            | 596,180                       | (2,705,716)                |
| Changes in net assets not from operations |                                        |                               |                            |
| Partners' capital contributions           | 33,636,253                             | -                             | 33,636,253                 |
| Partners' capital distributions           | (2,137,626)                            | -                             | (2,137,626)                |
| Change in net assets                      | 29,389,091                             | 596,180                       | 28,792,911                 |
| Balance, December 31, 2019                | 110,464,826                            | 18,803,558                    | 91,661,268                 |
| Change in net assets from operations      | 26,134,781                             | 31,137,479                    | (5,002,698)                |
| Changes in net assets not from operations |                                        |                               |                            |
| Partners' capital contributions           | 47,571,180                             | -                             | 47,571,180                 |
| Partners' capital distributions           | (2,711,156)                            | -                             | (2,711,156)                |
| Change in net assets                      | 70,994,805                             | 31,137,479                    | 39,857,326                 |
| Balance, December 31, 2020                | <u>\$ 181,459,631</u>                  | <u>\$ 49,941,307</u>          | <u>\$ 131,518,594</u>      |

**Endeavor Global, Inc. and Subsidiaries**

**NOTES TO COMBINED FINANCIAL STATEMENTS (TAX-BASIS) - CONTINUED**

**December 31, 2020 and 2019**

**NOTE 16 - COVID-19**

The COVID-19 pandemic, whose effects first became known in January 2020, has caused economic interruptions through mandated and voluntary closings of businesses and organizations throughout the United States. The extent of the impact of COVID-19 on the Organization's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impact on the Organization's donors, employees, and vendors, all of which at present cannot be fully determined. Accordingly, the extent to which COVID-19 may impact the Organization's financial position and changes in net assets and cash flows is uncertain and the accompanying combined financial statements include no adjustments relating to the effects of this pandemic.

**NOTE 17 - LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Organization's financial assets available within one year of the combined statements of financial position date for general expenditures as of December 31, 2020 and 2019 are as follows:

|                                                                                        | 2020          | 2019          |
|----------------------------------------------------------------------------------------|---------------|---------------|
| Cash and cash equivalents                                                              | \$ 42,440,136 | \$ 14,518,455 |
| Contributions and grants receivable                                                    | 1,061,668     | 2,625,711     |
| Investments                                                                            | 140,494,449   | 97,690,615    |
| Total financial assets                                                                 | 183,996,253   | 114,834,781   |
| Less:                                                                                  |               |               |
| Contractual, legal or donor-imposed restrictions                                       | (995,735)     | (2,506,694)   |
| Cash restricted to the use of Catalyst investing and operations                        | (31,064,437)  | (9,190,417)   |
| Investments with liquidity horizons greater than one year                              | (140,494,449) | (97,690,615)  |
| Total amount unavailable for general expenditures within one year                      | (172,554,621) | (109,387,726) |
| Financial assets available to meet cash needs for general expenditures within one year | \$ 11,441,632 | \$ 5,447,055  |

The Organization is primarily supported by contributions (both with and without donor restriction). Because donor restrictions require resources to be used in a particular manner or in future periods, The Organization maintains sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. The Organization manages its liquidity and reserves following three guiding principles: Operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. To follow these principles, the entity forecasts its future cash flows and monitors its liquidity quarterly and monitors its reserves annually. In the event of financial distress or an immediate liquidity need resulting from events outside general operations, the Organization could draw on its \$2,000,000 line of credit (as further discussed in Note 10). During the year ended December 31, 2020, the level of liquidity and reserves was managed within this requirement.

SUPPLEMENTARY INFORMATION

Endeavor Global, Inc. and Subsidiaries

COMBINING STATEMENT OF FINANCIAL POSITION (TAX-BASIS)

As of December 31, 2020

|                                       | GLOBAL              | SINGAPORE   | CATALYST             | GP                  | LP                   | LP II/A              | SIDE CAR LP         | GPII                | GPIII               | LP III               | Eliminating            | Total                 |
|---------------------------------------|---------------------|-------------|----------------------|---------------------|----------------------|----------------------|---------------------|---------------------|---------------------|----------------------|------------------------|-----------------------|
| <b>ASSETS</b>                         |                     |             |                      |                     |                      |                      |                     |                     |                     |                      |                        |                       |
| Cash and cash equivalents             | \$ 7,532,433        | \$ -        | \$ 3,843,266         | \$ 742              | \$ 462,004           | \$ 5,088,733         | \$ 80,725           | \$ -                | \$ -                | \$ 25,432,233        | \$ -                   | \$ 42,440,136         |
| Contributions receivable, net         | 961,668             | -           | -                    | -                   | -                    | -                    | -                   | -                   | -                   | -                    | -                      | 961,668               |
| Grants receivable                     | 100,000             | -           | -                    | -                   | -                    | -                    | -                   | -                   | -                   | -                    | -                      | 100,000               |
| Investments                           | -                   | -           | 39,062,983           | 2,640,702           | 13,797,479           | 66,463,925           | 1,171,472           | 9,177,185           | 4,619,379           | 36,499,213           | (32,937,889)           | 140,494,449           |
| Prepaid expenses and other assets     | 112,723             | -           | -                    | -                   | 168,672              | -                    | -                   | -                   | -                   | 80,380               | -                      | 361,775               |
| Due from affiliated entities          | 460,413             | -           | 608,963              | (12,056)            | 208,940              | 546                  | 210,697             | 175,629             | -                   | 63,931               | (1,418,605)            | 298,458               |
| Property and equipment - net          | 408,712             | -           | -                    | -                   | -                    | -                    | -                   | -                   | -                   | -                    | -                      | 408,712               |
| Total assets                          | <u>\$ 9,575,949</u> | <u>\$ -</u> | <u>\$ 43,515,212</u> | <u>\$ 2,629,388</u> | <u>\$ 14,637,095</u> | <u>\$ 71,553,204</u> | <u>\$ 1,462,894</u> | <u>\$ 9,352,814</u> | <u>\$ 4,619,379</u> | <u>\$ 62,075,757</u> | <u>\$ (34,356,494)</u> | <u>\$ 185,065,198</u> |
| <b>LIABILITIES AND NET ASSETS</b>     |                     |             |                      |                     |                      |                      |                     |                     |                     |                      |                        |                       |
| <b>Liabilities</b>                    |                     |             |                      |                     |                      |                      |                     |                     |                     |                      |                        |                       |
| Accounts payable and accrued expenses | \$ 731,605          | \$ -        | \$ 14,302            | \$ -                | \$ 84,015            | \$ 33,065            | \$ 4,857            | \$ -                | \$ -                | \$ 20,262            | \$ 897                 | \$ 889,003            |
| Due to affiliated entities            | 288,282             | -           | 22,335               | 2,629,388           | 616,672              | 67,480               | 230,375             | 9,352,814           | 4,619,379           | 143,721              | (17,677,466)           | 292,980               |
| Loans payable                         | 918,477             | -           | -                    | -                   | -                    | -                    | -                   | -                   | -                   | -                    | -                      | 918,477               |
| Other                                 | -                   | -           | -                    | -                   | -                    | -                    | -                   | -                   | -                   | 375,000              | -                      | 375,000               |
| Deferred revenue                      | 79,583              | -           | -                    | -                   | -                    | -                    | -                   | -                   | -                   | -                    | -                      | 79,583                |
| Deferred rent obligation              | 54,789              | -           | -                    | -                   | -                    | -                    | -                   | -                   | -                   | -                    | -                      | 54,789                |
| Total liabilities                     | <u>2,072,736</u>    | <u>-</u>    | <u>36,637</u>        | <u>2,629,388</u>    | <u>700,687</u>       | <u>100,545</u>       | <u>235,232</u>      | <u>9,352,814</u>    | <u>4,619,379</u>    | <u>538,983</u>       | <u>(17,676,569)</u>    | <u>2,609,832</u>      |
| <b>Net assets</b>                     |                     |             |                      |                     |                      |                      |                     |                     |                     |                      |                        |                       |
| Without donor restrictions            | 6,507,478           | -           | 43,478,575           | -                   | 13,936,408           | 71,452,659           | 1,227,662           | -                   | -                   | 61,536,774           | (16,679,925)           | 181,459,631           |
| With donor restrictions               | 995,735             | -           | -                    | -                   | -                    | -                    | -                   | -                   | -                   | -                    | -                      | 995,735               |
| Total net assets                      | <u>7,503,213</u>    | <u>-</u>    | <u>43,478,575</u>    | <u>-</u>            | <u>13,936,408</u>    | <u>71,452,659</u>    | <u>1,227,662</u>    | <u>-</u>            | <u>-</u>            | <u>61,536,774</u>    | <u>(16,679,925)</u>    | <u>182,455,366</u>    |
| Total liabilities and net assets      | <u>\$ 9,575,949</u> | <u>\$ -</u> | <u>\$ 43,515,212</u> | <u>\$ 2,629,388</u> | <u>\$ 14,637,095</u> | <u>\$ 71,553,204</u> | <u>\$ 1,462,894</u> | <u>\$ 9,352,814</u> | <u>\$ 4,619,379</u> | <u>\$ 62,075,757</u> | <u>\$ (34,356,494)</u> | <u>\$ 185,065,198</u> |

Endeavor Global, Inc. and Subsidiaries

COMBINING STATEMENT OF FINANCIAL POSITION (TAX-BASIS)

As of December 31, 2019

|                                             | GLOBAL              | SINGAPORE   | CATALYST             | GP                  | LP                   | LP II/II-A           | SIDE CAR LP         | GPII                | LPIII                | Eliminating            | Total                 |
|---------------------------------------------|---------------------|-------------|----------------------|---------------------|----------------------|----------------------|---------------------|---------------------|----------------------|------------------------|-----------------------|
| <b>ASSETS</b>                               |                     |             |                      |                     |                      |                      |                     |                     |                      |                        |                       |
| Cash and cash equivalents                   | \$ 5,327,288        | \$ -        | \$ 354,060           | \$ 742              | \$ 602,395           | \$ 3,798,746         | \$ 9,032            | \$ -                | \$ 4,426,192         | \$ -                   | \$ 14,518,455         |
| Contributions receivable, net               | 2,075,711           | -           | 300,000              | -                   | -                    | -                    | -                   | -                   | -                    | -                      | 2,375,711             |
| Grants receivable                           | 250,000             | -           | -                    | -                   | -                    | -                    | -                   | -                   | -                    | -                      | 250,000               |
| Partnership capital contribution receivable | -                   | -           | -                    | -                   | -                    | -                    | -                   | -                   | -                    | -                      | -                     |
| Investments                                 | -                   | -           | 4,302,357            | -                   | 14,859,868           | 68,106,250           | 1,284,405           | -                   | 9,137,735            | -                      | 97,690,615            |
| Prepaid expenses and other assets           | 92,538              | -           | 570                  | -                   | -                    | -                    | -                   | -                   | 86,226               | -                      | 179,334               |
| Due from affiliated entities                | 1,133,248           | -           | 9,513,686            | 2,905,689           | 209,509              | 11,509               | 208,875             | 6,696,222           | -                    | (20,344,910)           | 333,828               |
| Property and equipment - net                | 527,317             | -           | -                    | -                   | -                    | -                    | -                   | -                   | -                    | -                      | 527,317               |
| Total assets                                | <u>\$ 9,406,102</u> | <u>\$ -</u> | <u>\$ 14,470,673</u> | <u>\$ 2,906,431</u> | <u>\$ 15,671,772</u> | <u>\$ 71,916,505</u> | <u>\$ 1,502,312</u> | <u>\$ 6,696,222</u> | <u>\$ 13,650,153</u> | <u>\$ (20,344,910)</u> | <u>\$ 115,875,260</u> |
| <b>LIABILITIES AND NET ASSETS</b>           |                     |             |                      |                     |                      |                      |                     |                     |                      |                        |                       |
| <b>Liabilities</b>                          |                     |             |                      |                     |                      |                      |                     |                     |                      |                        |                       |
| Accounts payable and accrued expenses       | \$ 1,350,081        | \$ -        | \$ 15,491            | \$ -                | \$ 107,470           | \$ 108,013           | \$ 6,643            | \$ -                | \$ 75,393            | \$ -                   | \$ 1,663,091          |
| Due to affiliated entities                  | 845,768             | -           | 10,318               | 2,894,069           | 644,246              | -                    | 246,966             | 6,696,222           | 842,716              | (11,262,435)           | 917,870               |
| Deferred revenue                            | 182,470             | -           | -                    | -                   | -                    | -                    | -                   | -                   | -                    | -                      | 182,470               |
| Deferred rent obligation                    | 140,309             | -           | -                    | -                   | -                    | -                    | -                   | -                   | -                    | -                      | 140,309               |
| Total liabilities                           | <u>2,518,628</u>    | <u>-</u>    | <u>25,809</u>        | <u>2,894,069</u>    | <u>751,716</u>       | <u>108,013</u>       | <u>253,609</u>      | <u>6,696,222</u>    | <u>918,109</u>       | <u>(11,262,435)</u>    | <u>2,903,740</u>      |
| <b>Net assets</b>                           |                     |             |                      |                     |                      |                      |                     |                     |                      |                        |                       |
| Without donor restrictions                  | 4,680,780           | -           | 14,144,864           | 12,362              | 14,920,056           | 71,808,492           | 1,248,703           | -                   | 12,732,044           | (9,082,475)            | 110,464,826           |
| With donor restrictions                     | 2,206,694           | -           | 300,000              | -                   | -                    | -                    | -                   | -                   | -                    | -                      | 2,506,694             |
| Total net assets                            | <u>6,887,474</u>    | <u>-</u>    | <u>14,444,864</u>    | <u>12,362</u>       | <u>14,920,056</u>    | <u>71,808,492</u>    | <u>1,248,703</u>    | <u>-</u>            | <u>12,732,044</u>    | <u>(9,082,475)</u>     | <u>112,971,520</u>    |
| Total liabilities and net assets            | <u>\$ 9,406,102</u> | <u>\$ -</u> | <u>\$ 14,470,673</u> | <u>\$ 2,906,431</u> | <u>\$ 15,671,772</u> | <u>\$ 71,916,505</u> | <u>\$ 1,502,312</u> | <u>\$ 6,696,222</u> | <u>\$ 13,650,153</u> | <u>\$ (20,344,910)</u> | <u>\$ 115,875,260</u> |

Endeavor Global, Inc. and Subsidiaries

COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET ASSETS (TAX-BASIS)

Year ended December 31, 2020

|                                                           | GLOBAL              |                    |                     | SINGAPORE   | CATALYST             |                  |                      | GP              | LP                   | LP II/II-A           | SIDE CAR LP         | GPII             | LP III               | Eliminating            | Total                 |
|-----------------------------------------------------------|---------------------|--------------------|---------------------|-------------|----------------------|------------------|----------------------|-----------------|----------------------|----------------------|---------------------|------------------|----------------------|------------------------|-----------------------|
|                                                           | Without Donor       | With Donor         | Total               |             | Without Donor        | With Donor       | Total                |                 |                      |                      |                     |                  |                      |                        |                       |
|                                                           | Restrictions        | Restrictions       |                     |             | Restrictions         | Restrictions     |                      |                 |                      |                      |                     |                  |                      |                        |                       |
| <b>Support and revenue</b>                                |                     |                    |                     |             |                      |                  |                      |                 |                      |                      |                     |                  |                      |                        |                       |
| Contributions                                             | \$ 3,109,280        | \$ 116,333         | \$ 3,225,613        | \$ -        | \$ 27,829            | \$ 27,829        | \$ -                 | \$ -            | \$ -                 | \$ -                 | \$ -                | \$ -             | \$ -                 | \$ -                   | \$ 3,253,442          |
| Grants                                                    | 357,000             | -                  | 357,000             | -           | -                    | -                | -                    | -               | -                    | -                    | -                   | -                | -                    | -                      | 357,000               |
| Gala and other fund-raising events                        | 1,379,651           | -                  | 1,379,651           | -           | -                    | -                | -                    | -               | -                    | -                    | -                   | -                | -                    | -                      | 1,379,651             |
| Net realized and unrealized gains (losses) on investments | 2,854,668           | -                  | 2,854,668           | -           | 33,182,916           | 33,182,916       | 467,799              | (356,754)       | 76,400               | 15,345               | 557,237             | -                | (4,566,467)          | 32,231,144             |                       |
| Interest, dividend, and other income                      | 38,325              | -                  | 38,325              | -           | (791,480)            | (791,480)        | -                    | 19,129          | (150,575)            | -                    | -                   | -                | 25,596               | 791,517                | (67,488)              |
| Net assets released from restrictions                     | 1,327,292           | (1,327,292)        | -                   | -           | 300,000              | (300,000)        | -                    | -               | -                    | -                    | -                   | -                | -                    | -                      | -                     |
| <b>Total support and revenue</b>                          | <b>9,066,216</b>    | <b>(1,210,959)</b> | <b>7,855,257</b>    | <b>-</b>    | <b>32,719,265</b>    | <b>(300,000)</b> | <b>32,419,265</b>    | <b>467,799</b>  | <b>(337,625)</b>     | <b>(74,175)</b>      | <b>15,345</b>       | <b>557,237</b>   | <b>25,596</b>        | <b>(3,774,950)</b>     | <b>37,153,749</b>     |
| <b>Expenses</b>                                           |                     |                    |                     |             |                      |                  |                      |                 |                      |                      |                     |                  |                      |                        |                       |
| Programs                                                  |                     |                    |                     |             |                      |                  |                      |                 |                      |                      |                     |                  |                      |                        |                       |
| Entrepreneur selection and growth                         | 1,918,821           | -                  | 1,918,821           | -           | 39,798               | 39,798           | -                    | 13,377          | 232,231              | 5,190                | -                   | 711,413          | -                    | 2,920,830              |                       |
| Endeavor Net                                              | 262,373             | -                  | 262,373             | -           | 18,046               | 18,046           | -                    | 6,066           | 105,302              | 2,353                | -                   | 322,580          | -                    | 716,720                |                       |
| Insight                                                   | 830,549             | -                  | 830,549             | -           | 12,546               | 12,546           | -                    | 4,217           | 73,206               | 1,636                | -                   | 224,259          | -                    | 1,146,413              |                       |
| Expansion                                                 | 1,001,001           | -                  | 1,001,001           | -           | 15,114               | 15,114           | -                    | 5,080           | 88,195               | 1,971                | -                   | 270,176          | -                    | 1,381,537              |                       |
| Partnerships and networks                                 | 935,549             | -                  | 935,549             | -           | 10,950               | 10,950           | -                    | 3,680           | 63,895               | 1,428                | -                   | 195,735          | -                    | 1,211,237              |                       |
| Other                                                     | 233,848             | -                  | 233,848             | -           | 2,910,031            | 2,910,031        | 480,161              | 3,068           | 128,564              | 1,347                | 557,237             | 184,386          | (4,030,111)          | 468,531                |                       |
| <b>Total program expenses</b>                             | <b>5,182,141</b>    | <b>-</b>           | <b>5,182,141</b>    | <b>-</b>    | <b>3,006,485</b>     | <b>3,006,485</b> | <b>480,161</b>       | <b>35,488</b>   | <b>691,393</b>       | <b>13,925</b>        | <b>557,237</b>      | <b>1,908,549</b> | <b>(4,030,111)</b>   | <b>7,845,268</b>       |                       |
| Cost of direct benefits to donor                          | 64,314              | -                  | 64,314              | -           | -                    | -                | -                    | -               | -                    | -                    | -                   | -                | -                    | 64,314                 |                       |
| Fundraising and development                               | 993,643             | -                  | 993,643             | -           | 180,904              | 180,904          | -                    | 20,354          | 220,810              | 1,312                | -                   | 689,235          | -                    | 2,106,258              |                       |
| Management and general                                    | 999,420             | -                  | 999,420             | -           | 198,165              | 198,165          | -                    | 286,231         | 726,993              | 21,149               | -                   | 282,129          | -                    | 2,514,087              |                       |
| <b>Total expenses</b>                                     | <b>7,239,518</b>    | <b>-</b>           | <b>7,239,518</b>    | <b>-</b>    | <b>3,385,554</b>     | <b>3,385,554</b> | <b>480,161</b>       | <b>342,073</b>  | <b>1,639,196</b>     | <b>36,386</b>        | <b>557,237</b>      | <b>2,879,913</b> | <b>(4,030,111)</b>   | <b>12,529,927</b>      |                       |
| <b>Change in net assets from operations</b>               | <b>1,826,698</b>    | <b>(1,210,959)</b> | <b>615,739</b>      | <b>-</b>    | <b>29,333,711</b>    | <b>(300,000)</b> | <b>29,033,711</b>    | <b>(12,362)</b> | <b>(679,698)</b>     | <b>(1,713,371)</b>   | <b>(21,041)</b>     | <b>-</b>         | <b>(2,854,317)</b>   | <b>255,161</b>         | <b>24,623,822</b>     |
| Other changes in net assets                               |                     |                    |                     |             |                      |                  |                      |                 |                      |                      |                     |                  |                      |                        |                       |
| Partners' capital contributions                           | -                   | -                  | -                   | -           | -                    | -                | -                    | 400,000         | 4,177,829            | -                    | -                   | 51,659,047       | (8,665,696)          | 47,571,180             |                       |
| Partners' capital distributions                           | -                   | -                  | -                   | -           | -                    | -                | -                    | (703,950)       | (2,820,291)          | -                    | -                   | -                | 813,085              | (2,711,156)            |                       |
| <b>CHANGE IN NET ASSETS</b>                               | <b>1,826,698</b>    | <b>(1,210,959)</b> | <b>615,739</b>      | <b>-</b>    | <b>29,333,711</b>    | <b>(300,000)</b> | <b>29,033,711</b>    | <b>(12,362)</b> | <b>(983,648)</b>     | <b>(355,833)</b>     | <b>(21,041)</b>     | <b>-</b>         | <b>48,804,730</b>    | <b>(7,597,450)</b>     | <b>69,483,846</b>     |
| <b>Net assets, beginning of year</b>                      | <b>4,680,780</b>    | <b>2,206,694</b>   | <b>6,887,474</b>    | <b>-</b>    | <b>14,144,864</b>    | <b>300,000</b>   | <b>14,444,864</b>    | <b>12,362</b>   | <b>14,920,056</b>    | <b>71,808,492</b>    | <b>1,248,703</b>    | <b>-</b>         | <b>12,732,044</b>    | <b>(9,082,475)</b>     | <b>112,971,520</b>    |
| <b>Net assets, end of year</b>                            | <b>\$ 6,507,478</b> | <b>\$ 995,735</b>  | <b>\$ 7,503,213</b> | <b>\$ -</b> | <b>\$ 43,478,575</b> | <b>\$ -</b>      | <b>\$ 43,478,575</b> | <b>\$ -</b>     | <b>\$ 13,936,408</b> | <b>\$ 71,452,659</b> | <b>\$ 1,227,662</b> | <b>\$ -</b>      | <b>\$ 61,536,774</b> | <b>\$ (16,679,925)</b> | <b>\$ 182,455,366</b> |

Endeavor Global, Inc. and Subsidiaries

COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET ASSETS (TAX-BASIS)

Year ended December 31, 2019

|                                                           | GLOBAL                     |                         |                     | SINGAPORE       | CATALYST                   |                         |                      | GP               | LP                   | LP II/II-A           | SIDE CAR LP         | GPII             | LPIII                | Eliminating           | Total                 |
|-----------------------------------------------------------|----------------------------|-------------------------|---------------------|-----------------|----------------------------|-------------------------|----------------------|------------------|----------------------|----------------------|---------------------|------------------|----------------------|-----------------------|-----------------------|
|                                                           | Without Donor Restrictions | With Donor Restrictions | Total               |                 | Without Donor Restrictions | With Donor Restrictions | Total                |                  |                      |                      |                     |                  |                      |                       |                       |
| <b>Support and revenue</b>                                |                            |                         |                     |                 |                            |                         |                      |                  |                      |                      |                     |                  |                      |                       |                       |
| Contributions                                             | \$ 4,475,212               | \$ 310,000              | \$ 4,785,212        | \$ -            | \$ 25,000                  | \$ 25,000               | \$ -                 | \$ -             | \$ -                 | \$ -                 | \$ -                | \$ -             | \$ -                 | \$ -                  | \$ 4,810,212          |
| Grants                                                    | 1,327,884                  | -                       | 1,327,884           | -               | -                          | -                       | -                    | -                | -                    | -                    | -                   | -                | -                    | -                     | 1,327,884             |
| Gala and other fund-raising events                        | 2,224,875                  | -                       | 2,224,875           | -               | -                          | -                       | -                    | -                | -                    | -                    | -                   | -                | -                    | -                     | 2,224,875             |
| Net realized and unrealized gains (losses) on investments | 1,423,747                  | -                       | 1,423,747           | -               | 927,507                    | 927,507                 | 485,825              | 564,469          | 3,638,030            | (36,090)             | 1,415,294           | -                | (4,164,044)          | 4,254,738             |                       |
| Interest, dividend, and other income                      | 84,663                     | -                       | 84,663              | 97,073          | -                          | -                       | 12,931               | 1,292            | -                    | -                    | -                   | -                | (167,701)            | 28,258                |                       |
| Net assets released from restrictions                     | 1,995,466                  | (1,995,466)             | -                   | -               | -                          | -                       | -                    | -                | -                    | -                    | -                   | -                | -                    | -                     |                       |
| <b>Total support and revenue</b>                          | <b>11,531,847</b>          | <b>(1,685,466)</b>      | <b>9,846,381</b>    | <b>97,073</b>   | <b>952,507</b>             | <b>-</b>                | <b>952,507</b>       | <b>498,756</b>   | <b>565,761</b>       | <b>3,638,030</b>     | <b>(36,090)</b>     | <b>1,415,294</b> | <b>-</b>             | <b>(4,331,745)</b>    | <b>12,645,967</b>     |
| <b>Expenses</b>                                           |                            |                         |                     |                 |                            |                         |                      |                  |                      |                      |                     |                  |                      |                       |                       |
| Programs                                                  |                            |                         |                     |                 |                            |                         |                      |                  |                      |                      |                     |                  |                      |                       |                       |
| Entrepreneur selection and growth                         | 3,609,602                  | -                       | 3,609,602           | -               | 32,164                     | 32,164                  | -                    | 32,464           | 229,163              | 5,085                | -                   | 576,837          | -                    | 4,485,315             |                       |
| Endeavor Net                                              | 342,292                    | -                       | 342,292             | -               | 9,483                      | 9,483                   | -                    | 9,571            | 67,557               | 1,499                | -                   | 170,051          | -                    | 600,453               |                       |
| Insight                                                   | 1,530,141                  | -                       | 1,530,141           | -               | 12,586                     | 12,586                  | -                    | 12,704           | 89,674               | 1,990                | -                   | 225,718          | -                    | 1,872,813             |                       |
| Expansion                                                 | 1,264,808                  | -                       | 1,264,808           | -               | 9,255                      | 9,255                   | -                    | 9,341            | 65,939               | 1,463                | -                   | 165,975          | -                    | 1,516,781             |                       |
| Partnerships and networks                                 | 1,650,331                  | -                       | 1,650,331           | -               | 1,432,233                  | 1,432,233               | 485,825              | 12,907           | 91,111               | 2,022                | 1,415,294           | 229,334          | (3,318,156)          | 2,000,901             |                       |
| Other                                                     | 173,662                    | -                       | 173,662             | -               | 4,417                      | 4,417                   | -                    | 4,458            | 31,467               | 699                  | -                   | 79,208           | -                    | 293,911               |                       |
| <b>Total program expenses</b>                             | <b>8,570,836</b>           | <b>-</b>                | <b>8,570,836</b>    | <b>-</b>        | <b>1,500,138</b>           | <b>-</b>                | <b>1,500,138</b>     | <b>485,825</b>   | <b>81,445</b>        | <b>574,911</b>       | <b>12,758</b>       | <b>1,415,294</b> | <b>1,447,123</b>     | <b>(3,318,156)</b>    | <b>10,770,174</b>     |
| Cost of direct benefits to donor                          | 506,178                    | -                       | 506,178             | -               | -                          | -                       | -                    | -                | -                    | -                    | -                   | -                | -                    | 506,178               |                       |
| Fundraising and development                               | 1,562,238                  | -                       | 1,562,238           | 19,464          | 267,570                    | 267,570                 | -                    | 24,138           | 266,054              | 3,563                | -                   | 583,717          | -                    | 2,726,744             |                       |
| Management and general                                    | 560,243                    | -                       | 560,243             | -               | 420,676                    | 420,676                 | 15                   | 375,473          | 838,327              | 11,374               | -                   | 231,765          | -                    | 2,437,873             |                       |
| <b>Total expenses</b>                                     | <b>11,199,495</b>          | <b>-</b>                | <b>11,199,495</b>   | <b>19,464</b>   | <b>2,188,384</b>           | <b>-</b>                | <b>2,188,384</b>     | <b>485,840</b>   | <b>481,056</b>       | <b>1,679,292</b>     | <b>27,695</b>       | <b>1,415,294</b> | <b>2,262,605</b>     | <b>(3,318,156)</b>    | <b>16,440,969</b>     |
| Change in net assets from operations                      | 332,352                    | (1,685,466)             | (1,353,114)         | 77,609          | (1,235,877)                | -                       | (1,235,877)          | 12,916           | 84,705               | 1,958,738            | (63,785)            | -                | (2,262,605)          | (1,013,589)           | (3,795,002)           |
| Other changes in net assets                               |                            |                         |                     |                 |                            |                         |                      |                  |                      |                      |                     |                  |                      |                       |                       |
| Partners' capital contributions                           | -                          | -                       | -                   | -               | -                          | -                       | -                    | -                | -                    | 21,092,093           | -                   | -                | 14,994,649           | (2,450,489)           | 33,636,253            |
| Partners' capital distributions                           | -                          | -                       | -                   | -               | -                          | -                       | -                    | -                | (511,297)            | (4,060,981)          | -                   | -                | -                    | 2,434,652             | (2,137,626)           |
| <b>CHANGE IN NET ASSETS</b>                               | <b>332,352</b>             | <b>(1,685,466)</b>      | <b>(1,353,114)</b>  | <b>77,609</b>   | <b>(1,235,877)</b>         | <b>-</b>                | <b>(1,235,877)</b>   | <b>12,916</b>    | <b>(426,592)</b>     | <b>18,989,850</b>    | <b>(63,785)</b>     | <b>-</b>         | <b>12,732,044</b>    | <b>(1,029,426)</b>    | <b>27,703,625</b>     |
| <b>Net assets (deficit), beginning of year</b>            | <b>4,348,428</b>           | <b>3,892,160</b>        | <b>8,240,588</b>    | <b>(77,609)</b> | <b>15,380,741</b>          | <b>300,000</b>          | <b>15,680,741</b>    | <b>(554)</b>     | <b>15,346,648</b>    | <b>52,818,642</b>    | <b>1,312,488</b>    | <b>-</b>         | <b>-</b>             | <b>(8,053,049)</b>    | <b>85,267,895</b>     |
| <b>Net assets (deficit), end of year</b>                  | <b>\$ 4,680,780</b>        | <b>\$ 2,206,694</b>     | <b>\$ 6,887,474</b> | <b>\$ -</b>     | <b>\$ 14,144,864</b>       | <b>\$ 300,000</b>       | <b>\$ 14,444,864</b> | <b>\$ 12,362</b> | <b>\$ 14,920,056</b> | <b>\$ 71,808,492</b> | <b>\$ 1,248,703</b> | <b>\$ -</b>      | <b>\$ 12,732,044</b> | <b>\$ (9,082,475)</b> | <b>\$ 112,971,520</b> |