

***MEXICAN HASS AVOCADO IMPORTERS’
ASSOCIATION
CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025
WITH INDEPENDENT AUDITORS’ REPORT***



INDEPENDENT AUDITORS' REPORT

Board of Directors
Mexican Hass Avocado Importers' Association and Subsidiary
Fallston, Maryland

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Mexican Hass Avocado Importers' Association and Subsidiary (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Mexican Hass Avocado Importers' Association and Subsidiary as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial statements section of our report. We are required to be independent of Mexican Hass Avocado Importers' Association and Subsidiary and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Consolidated financial statements

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

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

Auditor's Responsibilities for the Audit of the Consolidated financial statements

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

Board of Directors
Mexican Hass Avocado Importers' Association and Subsidiary
Fallston, Maryland
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In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 27, 2025, on our consideration of Mexican Hass Avocado Importers' Association and Subsidiary's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Mexican Hass Avocado Importers' Association and Subsidiary's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Mexican Hass Avocado Importers' Association and Subsidiary's internal control over financial reporting and compliance.

Gruber and Lopez, Inc.

Gruber and Lopez, Inc.

Newport Beach, CA
August 27, 2025

MEXICAN HASS AVOCADO IMPORTERS' ASSOCIATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

JUNE 30, 2025

ASSETS

Current assets:	
Cash and cash equivalents	\$ 11,985,895 *
Contributions receivable - HAB assessments	2,865,310
Contributions receivable - APEAM	580,534
Prepaid expenses and deposits	<u>150,061</u>
Total current assets	<u>15,581,800</u>
Non-current assets:	
Restricted cash held for long-term purposes (Note 8)	2,762,813
Property and equipment	8,728,458
Less: accumulated depreciation	<u>(3,368,697)</u>
Net property and equipment	<u>5,359,761</u>
Total non-current assets	<u>8,122,574</u>
TOTAL ASSETS	<u><u>\$ 23,704,374</u></u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable - trade	\$ 2,316,920
Credit payable - APEAM	-
Accrued liabilities	2,287,736
Leases payable - current (Note 4)	460,273
Accrued salaries, benefits, and vacation	<u>276,820</u>
Total current liabilities	<u>5,341,749</u>
Non-current liabilities:	
Leases payable (Note 4)	4,802,893
Deferred compensation (Note 8)	<u>2,762,813</u>
TOTAL LIABILITIES	<u>12,907,455</u>
NET ASSETS (Note 10)	
Without donor restrictions	-
With donor restrictions	<u>10,796,919</u>
TOTAL NET ASSETS	<u>10,796,919</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 23,704,374</u></u>

* MHAIA's goal is to reserve 15% of HAB assessments in cash and cash equivalents which amounts to \$ 6,710,885

See accompanying notes to financial statements and independent auditors' report.

MEXICAN HASS AVOCADO IMPORTERS' ASSOCIATION

CONSOLIDATED STATEMENT OF ACTIVITIES, FUNCTIONAL EXPENSES, AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUE AND OTHER SUPPORT			
Contributions from HAB assessments	\$ -	44,739,230	44,739,230
Contributions from APEAM	5,843,105	14,844,940	20,688,045
Interest income	-	11,829	11,829
TOTAL OPERATING REVENUE AND OTHER SUPPORT	5,843,105	59,595,999	65,439,104
NET ASSETS RELEASED FROM RESTRICTIONS (Note 10)	60,327,285	(60,327,285)	-
TOTAL REVENUE	66,170,390	(731,286)	65,439,104
EXPENSES			
Program services (Note 3):			
Direct marketing and promotional expenses:			
Consumer branding, digital, food service , market development (shoppers and hispanic) seasonal programs, exhibits and other events	40,817,782	-	40,817,782
Retail and trade support	8,857,663	-	8,857,663
Total direct marketing and promotional expenses	49,675,445	-	49,675,445
Marketing and promotional administrative expenses:			
Marketing administrative- salaries, benefits, travel, consulting, other	10,369,309	-	10,369,309
AMS program fees	282,531	-	282,531
Total marketing and promotional administrative expenses	10,651,840	-	10,651,840
Total program services	60,327,285	-	60,327,285
Support services - management and general:			
Administrative salaries and benefits and related travel	1,485,108	-	1,485,108
Bank service charges and other fees	140,764	-	140,764
Office expense, telephone, web, and small equipment	170,963	-	170,963
Accounting, legal, and other professional fees	1,577,926	-	1,577,926
Insurance - directors and officers	139,651	-	139,651
Postage, licenses, taxes, dues, and miscellaneous	584,655	-	584,655
Rent, building and utilities (Note 4)	865,441	-	865,441
Rent- interest expense - contra	(419,387)	-	(419,387)
(Gain) Loss on disposal of assets	(5,700)	-	(5,700)
Board of director meetings, training, and related expenses	560,467	-	560,467
Amortization	421,883	-	421,883
Depreciation	321,334	-	321,334
Total support services - management and general	5,843,105	-	5,843,105
TOTAL EXPENSES	66,170,390	-	66,170,390
CHANGE IN NET ASSETS	-	(731,286)	(731,286)
NET ASSETS - BEGINNING OF PERIOD (as restated - Note 9)	-	11,528,205	11,528,205
NET ASSETS - END OF PERIOD	\$ -	10,796,919	10,796,919

See accompanying notes to financial statements and independent auditors' report.

MEXICAN HASS AVOCADO IMPORTERS' ASSOCIATION

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ (731,286)
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:	
Amortization	421,883
Depreciation	321,334
Lease interest expense - contra	(419,387)
(Gain) Loss on disposal of assets	(5,700)
(Increase) decrease in operating assets:	
Contributions receivable - HAB assessments	(128,922)
Contributions receivable - APEAM	482,349
Contributions receivable - MHAIA	(52,089)
Accounts receivable - others	-
Prepaid expenses and deposits	(1,805)
Increase (decrease) in operating liabilities:	
Accounts payable - trade	(1,752,863)
Accounts payable - intercompany and APEAM	125,321
Accrued liabilities	(2,044,621)
Deferred compensation	847,236
Total adjustments	<u>(2,207,264)</u>
NET CASH PROVIDED BY (USED FROM) OPERATING ACTIVITIES	<u>(2,938,550)</u>
CASH FLOWS FROM (USED FROM) INVESTING ACTIVITIES	
Purchase of furniture, leasehold improvements, software and equipment	<u>(70,802)</u>
NET CASH PROVIDED BY (USED FROM) INVESTING ACTIVITIES	<u>(70,802)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,009,352)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>17,758,060</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u><u>\$ 14,748,708</u></u>
Cash and cash equivalents have been presented in the Combined Statement of Financial Position as follows:	
Cash and cash equivalents	\$ 11,985,895
Restricted cash held for long-term purposes	2,762,813
	<u><u>\$ 14,748,708</u></u>

There were no cash investing or financing activities for fiscal year ended June 30, 2025.

See accompanying notes to financial statements and independent auditors' report.

SUPPLEMENTARY INFORMATION



Independent Auditors' Report on Supplementary Information

To the Board of Directors of
Mexican Hass Avocado Importers Association

We have audited the consolidated financial statements of Mexican Hass Avocado Importers Association and Subsidiary (a nonprofit organization) as of and for the year ended June 30, 2025, and our report thereon dated August 27, 2025, which expressed an unmodified opinion on those consolidated financial statements, appears on Page 1. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Gruber and Lopez, Inc.
Gruber and Lopez, Inc.
Newport Beach, CA
August 27, 2025

MEXICAN HASS AVOCADO IMPORTERS ASSOCIATION

COMBINING SCHEDULE OF FINANCIAL POSITION

JUNE 30, 2025

	MHAIA	AFM	Intercompany Eliminations	Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 9,307,895 *	2,678,000	-	11,985,895
Contributions receivable - HAB assessments	2,865,310	-	-	2,865,310
Accounts receivable - intercompany	-	1,659,554	(1,659,554)	-
Contributions receivable - APEAM	173,250	407,284	-	580,534
Prepaid expenses and deposits	64,810	85,251	-	150,061
	<u>12,411,265</u>	<u>4,830,089</u>	<u>(1,659,554)</u>	<u>15,581,800</u>
Non-current assets:				
Restricted cash held for long-term purposes	-	2,762,813	-	2,762,813
Property and equipment	273,407	8,455,051	-	8,728,458
Less: accumulated depreciation	(273,407)	(3,095,290)	-	(3,368,697)
Net property and equipment	<u>-</u>	<u>5,359,761</u>	<u>-</u>	<u>5,359,761</u>
Total non-current assets	<u>-</u>	<u>8,122,574</u>	<u>-</u>	<u>8,122,574</u>
TOTAL ASSETS	<u><u>\$ 12,411,265</u></u>	<u><u>12,952,663</u></u>	<u><u>(1,659,554)</u></u>	<u><u>23,704,374</u></u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable - trade	\$ 80,899	2,236,021	-	2,316,920
Accounts payable - intercompany	1,659,554	-	(1,659,554)	-
Credit payable - APEAM	-	-	-	-
Accrued liabilities	32,059	2,255,677	-	2,287,736
Leases payable - current	-	460,273	-	460,273
Accrued salaries, benefits, and vacation	-	276,820	-	276,820
	<u>1,772,512</u>	<u>5,228,791</u>	<u>(1,659,554)</u>	<u>5,341,749</u>
Non-current liabilities:				
Leases payable - long-term	-	4,802,893	-	4,802,893
Deferred compensation	-	2,762,813	-	2,762,813
	<u>-</u>	<u>7,565,706</u>	<u>-</u>	<u>7,565,706</u>
TOTAL LIABILITIES	<u><u>1,772,512</u></u>	<u><u>12,794,497</u></u>	<u><u>(1,659,554)</u></u>	<u><u>12,907,455</u></u>
NET ASSETS				
Without donor restrictions	-	-	-	-
With donor restrictions	10,638,753	158,166	-	10,796,919
TOTAL NET ASSETS	<u><u>10,638,753</u></u>	<u><u>158,166</u></u>	<u><u>-</u></u>	<u><u>10,796,919</u></u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 12,411,265</u></u>	<u><u>12,952,663</u></u>	<u><u>(1,659,554)</u></u>	<u><u>23,704,374</u></u>

* MHAIA's policy is to reserve 15% of HAB assessments in cash and cash equivalents which amounts to

\$ 6,710,885

MEXICAN HASS AVOCADO IMPORTERS' ASSOCIATION
COMBINING SCHEDULE OF ACTIVITIES, FUNCTIONAL EXPENSES,
AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2025

	MHAIA	AFM	Intercompany Eliminations	Total
OPERATING REVENUE AND OTHER SUPPORT				
Contributions from HAB assessments	\$ 44,739,230	-	-	44,739,230
Contributions from APEAM	1,091,301	19,596,744	-	20,688,045
Contributions from MHAIA	-	43,236,088	(43,236,088)	-
Communications and analytics	-	181,357	(181,357)	-
Interest income	7,555	4,274	-	11,829
TOTAL OPERATING REVENUE AND OTHER SUPPORT	45,838,086	63,018,463	(43,417,445)	65,439,104
EXPENSES				
Program services:				
Direct marketing and promotional expenses:				
Consumer branding, digital, food service, market development (shoppers and hispanic) seasonal programs, exhibits and other events	30,223,970	40,817,782	(30,223,970)	40,817,782
Retail and trade support	6,579,122	8,857,663	(6,579,122)	8,857,663
Total direct marketing and promotional expenses	36,803,092	49,675,445	(36,803,092)	49,675,445
Marketing and promotional administrative expenses:				
Marketing administrative- salaries, benefits, travel, consulting, other AMS program fees	8,151,199	8,832,463	(6,614,353)	10,369,309
AMS program fees	282,531	-	-	282,531
Total marketing and promotional administrative expenses	8,433,730	8,832,463	(6,614,353)	10,651,840
Total program services	45,236,822	58,507,908	(43,417,445)	60,327,285
Support services - management and general:				
Administrative salaries and benefits and related travel	-	1,485,108	-	1,485,108
Bank service charges and other fees	8,459	132,305	-	140,764
Office expense, telephone, web, and small equipment	-	170,963	-	170,963
Accounting, legal, and other professional fees	848,922	729,004	-	1,577,926
Insurance - directors and officers	44,730	94,921	-	139,651
Postage, licenses, taxes, dues, and miscellaneous	134,618	450,037	-	584,655
Rent, building and utilities (Note 4)	-	865,441	-	865,441
Rent- interest expense - contra	-	(419,387)	-	(419,387)
(Gain) Loss on disposal of assets	-	(5,700)	-	(5,700)
Board of director meetings, training, and related expenses	47,672	512,795	-	560,467
Amortization	-	421,883	-	421,883
Depreciation	5,095	316,239	-	321,334
Total support services - management and general	1,089,496	4,753,609	-	5,843,105
TOTAL EXPENSES	46,326,318	63,261,517	(43,417,445)	66,170,390
CHANGE IN NET ASSETS	(488,232)	(243,054)	-	(731,286)
NET ASSETS - BEGINNING OF PERIOD (as restated - Note 9)	11,126,985	401,220	-	11,528,205
NET ASSETS - END OF PERIOD	<u>\$ 10,638,753</u>	<u>158,166</u>	<u>-</u>	<u>10,796,919</u>

MEXICAN HASS AVOCADO IMPORTERS' ASSOCIATION

**COMBINING SCHEDULE OF
PROPERTY AND EQUIPMENT**

JUNE 30, 2025

	MHAIA	AFM	Total
PROPERTY AND EQUIPMENT:			
Construction in process*	\$ -	-	-
Right-to-use lease asset	-	5,550,464	5,550,464
Leasehold improvements	-	2,036,743	2,036,743
Computer and accessories	20,242	235,408	255,650
Software	253,165	195,450	448,615
Work stations and furniture	-	436,986	436,986
Total property and equipment	273,407	8,455,051	8,728,458
Less: accumulated depreciation	(273,407)	(3,095,290)	(3,368,697)
Net property and equipment	\$ -	5,359,761	5,359,761

*- Not depreciated.

MEXICAN HASS AVOCADO IMPORTERS ASSOCIATION
DETAIL SCHEDULE OF ACTIVITIES -BUDGET vs ACTUAL-MHAIA
FOR THE YEAR ENDED JUNE 30, 2025
(EXCLUDES CONSOLIDATION ENTRIES)

	FY2025-Actual	FY2025- Budget	\$ Change
Operating Revenue and Other Support	45,838,086	47,877,435	(2,039,349)
Board Contribution	45,830,531	47,869,214	(2,038,683)
400001 APEAM Board Contribution	1,091,301	1,166,862	(75,561)
400003 HAB Contribution	44,739,230	46,702,352	(1,963,122)
Interest Income	7,555	8,221	(666)
406000 Interest Earned MHAIA	7,555	8,221	(666)
Marketing Expenses	45,236,822	47,296,464	(2,059,642)
AFM Marketing	43,417,445	44,936,922	(1,519,477)
Marketing Direct	36,803,092	38,168,779	(1,365,687)
Consumer Branding	11,672,307	12,093,046	(420,739)
Digital	5,786,050	6,028,520	(242,470)
Food Service	3,316,978	3,566,169	(249,191)
Market Development	8,067,277	8,213,419	(146,142)
Trade Retail Support	6,579,122	6,949,347	(370,225)
Crisis Management	1,381,358	1,318,278	63,080
Marketing Administrative	6,432,996	6,587,063	(154,067)
Marketing Admin (Salaries and Benefits, Travel)	6,272,250	6,380,915	(108,665)
Marketing Admin Others (Reserve for Marketing Oppurtunities)	160,746	206,148	(45,402)
MHAIA Communications and Analytics to AFM	181,357	181,080	277
MHAIA Marketing	1,819,377	2,359,542	(540,165)
MHAIA Marketing Direct	107,840	107,840	-
MHAIA Marketing Administrative	1,711,537	2,251,702	(540,165)
Administrative Expenses	1,089,496	1,165,061	(75,565)
Total Expenses	46,326,318	48,461,525	(2,135,207)
Net Change in Assets	(488,232)	(584,090)	95,858

MEXICAN HASS AVOCADO IMPORTERS ASSOCIATION
DETAIL SCHEDULE OF FINANCIAL POSITION - CURRENT YEAR vs PRIOR YEAR - MHAIA
JUNE 30, 2025
(EXCLUDES CONSOLIDATION ENTRIES)

	June 30, 2025	June 30, 2024	\$ Change
Assets	\$ 12,411,265	12,784,624	(373,359)
Current Assets	12,411,265	12,784,624	(373,359)
Cash or Cash Equivalents	9,307,895	9,817,112	(509,217)
Accounts Receivable	3,038,560	2,904,507	134,053
Prepaid Expenses	64,810	63,005	1,805
Non-Current Assets	-	-	-
Fixed Assets, net	-	-	-
Software, net	-	-	-
Liabilities and Net Assets	12,411,265	12,784,624	(373,359)
Liabilities	1,772,512	1,657,639	114,873
Current Liabilities	1,772,512	1,657,639	114,873
Accounts Payable Trade	80,899	69,954	10,945
Accounts Payable Related Companies	1,659,554	1,534,234	125,320
Accounts Payable Others	32,059	53,451	(21,392)
Net Assets	10,638,753	11,126,985	(488,232)

**MEXICAN HASS AVOCADO IMPORTERS ASSOCIATION
 DETAIL SCHEDULE OF CASH FLOWS - MHAIA
 FOR THE YEAR ENDED JUNE 30, 2025**

CASH FLOWS FROM OPERATING ACTIVITIES

Total change in net assets	\$ <u>(488,232)</u>
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:	
Depreciation	5,095
(Increase) decrease in operating assets:	
Accounts receivable - HAB	(128,922)
Accounts receivable - Intercompany-APEAM	(5,131)
Prepaid expenses	(1,805)
Increase (decrease) in operating liabilities:	
Accounts payable - trade	10,945
Accounts payable - Intercompany-to and from AFM	125,321
Accrued liabilities	<u>(21,393)</u>
Total adjustments	<u>(15,890)</u>
NET CASH PROVIDED BY (USED FROM) OPERATING ACTIVITIES	<u>(504,122)</u>
CASH FLOWS PROVIDED BY (USED FROM) INVESTING ACTIVITIES	
Purchase of furniture, leasehold improvements, software and equipment	<u>(5,095)</u>
NET CASH PROVIDED BY (USED FROM) INVESTING ACTIVITIES	<u>(5,095)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(509,217)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>9,817,112</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u><u>\$ 9,307,895</u></u>

AVOCADOS FROM MEXICO
DETAIL SCHEDULE OF ACTIVITIES - BUDGET vs ACTUAL - AFM
FOR THE YEAR ENDED JUNE 30, 2025
(EXCLUDES CONSOLIDATION ENTRIES)

	<u>FY2025-Actual</u>	<u>FY2025- Budget</u>	<u>\$ Change</u>
Operating Revenue and Other Support	63,018,463	65,222,026	(2,203,563)
Board Contribution	62,832,832	65,036,903	(2,204,071)
APEAM Board Contribution	19,596,744	20,281,061	(684,317)
MHAIA Contribution	43,236,088	44,755,842	(1,519,754)
MHAIA Communications and Analytics to AFM	181,357	181,081	276
Interest Income	4,274	4,042	232
406000 Interest Earned MHAIA	4,274	4,042	232
Marketing Expenses	58,507,908	60,396,058	(1,888,150)
Marketing Direct	49,675,445	51,352,200	(1,676,755)
Consumer Branding	15,896,196	16,257,683	(361,487)
Digital	7,769,889	8,105,185	(335,296)
Food Service	4,462,040	4,806,401	(344,361)
Market Development	10,834,573	11,046,036	(211,463)
Trade Retail Support	8,857,663	9,365,195	(507,532)
Crisis Management	1,855,084	1,771,700	83,384
Marketing Administrative	8,651,106	8,862,777	(211,671)
Marketing Admin (Salaries and Benefits, Travel)	8,651,106	8,862,777	(211,671)
Marketing Admin Others (Reserve for Marketing Opportunities)	-	-	-
MHAIA Communications and Analytics to AFM	181,357	181,081	276
Administrative Expenses	4,753,609	5,074,825	(321,216)
Total Expenses	63,261,517	65,470,883	(2,209,366)
Net Change in Assets	(243,054)	(248,857)	5,803

AVOCADOS FROM MEXICO
DETAIL SCHEDULE OF FINANCIAL POSITION - CURRENT YEAR vs PRIOR YEAR - AFM
JUNE 30, 2025
(EXCLUDES CONSOLIDATION ENTRIES)

	<u>As of Jun 30, 2025</u>	<u>As of Jun 30, 2024</u>	<u>\$ Change</u>
Assets	\$ 12,952,663	16,554,904	(3,602,241)
Current Assets	7,592,902	10,528,428	(2,935,526)
Cash or Cash Equivalents	5,440,813	7,940,948	(2,500,135)
Accounts Receivable	407,284	894,764	(487,480)
Accounts Receivable-Others/Downpayment	-	-	-
Accounts Receivable - Affiliated	1,659,554	1,607,465	52,089
Prepaid Expenses	85,251	85,251	-
Non-Current Assets	5,359,761	6,026,476	(666,715)
Fixed Assets, net	5,359,761	6,026,476	(666,715)
Liabilities and Net Assets	12,952,663	16,554,904	(3,602,241)
Liabilities	12,794,497	16,153,684	(3,359,187)
Current Liabilities	7,531,331	15,153,684	(7,622,353)
Accounts Payable Trade	2,236,021	3,999,829	(1,763,808)
Accounts Payable Others	2,255,677	4,555,725	(2,300,048)
Other Liabilities	3,039,633	6,598,130	(3,558,497)
Net Assets	158,166	401,220	(243,054)

AVOCADOS FROM MEXICO
DETAIL SCHEDULE OF CASH FLOWS - AFM
FOR THE YEAR ENDED JUNE 30, 2025

	Total
CASH FLOWS FROM OPERATING ACTIVITIES	
Total change in net assets	\$ (243,054)
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:	
Amortization	421,883
Depreciation	316,239
Lease interest expense - contra	(419,387)
(Gain) loss on disposal of fixed assets	(5,700)
(Increase) decrease in operating assets:	
Accounts receivable - others	-
Accounts receivable - Intercompany-APEAM	487,480
Accounts receivable - Intercompany-MHAIA	(52,089)
Prepaid expenses	-
Increase (decrease) in operating liabilities:	
Accounts payable - trade	(1,763,808)
Accounts payable - Intercompany-MHAIA/APEAM	-
Accrued liabilities	(2,023,228)
Executive program, compensation package and payroll tax payable	847,236
Total adjustments	(2,191,374)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVIT	(2,434,428)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of furniture, leasehold improvements, software and equipment	(65,707)
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	(65,707)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(2,500,135)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	7,940,948
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 5,440,813
Cash and cash equivalents have been presented in the Combining Statement of Financial Position as follows:	
Cash and cash equivalents	2,678,000
Restricted cash held for long-term purposes	2,762,813
	5,440,813