

**FOUNDATION FOR ANGELMAN SYNDROME THERAPEUTICS AND  
FOR-PROFIT SUBSIDIARY**

**CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT  
AUDITORS' REPORT**

**YEARS ENDED DECEMBER 31, 2022 AND 2021**

**FOUNDATION FOR ANGELMAN SYNDROME THERAPEUTICS AND FOR-  
PROFIT SUBSIDIARY  
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## INDEPENDENT AUDITOR'S REPORT

To the Officers and Directors  
Foundation for Angelman Syndrome Therapeutics  
Marble Falls, TX

### Report on the Audit of the Consolidated Financial Statements

#### *Opinion*

We have audited the accompanying consolidated financial statements of the Foundation for Angelman Syndrome Therapeutics (a nonprofit organization) and a for-profit subsidiary formed as a limited liability company which comprise the consolidated statements of financial position as of December 31, 2022 and 2021, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material aspects, the financial position of the Foundation for Angelman Syndrome Therapeutics and its for-profit subsidiary as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audits in accordance with audited standards generally accepted in the United States of America (GAAS). 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 Foundation for Angelman Syndrome Therapeutics, and its for-profit subsidiary (the Organizations) and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Responsibilities of Management for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these 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 the ability of the Organizations to continue as a going concern within one year after the date that the 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 not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted accounting 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 financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organizations' 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organizations' ability to continue as a going concern for a reasonable period of time.

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

## **Report on Supplementary Information**

Our audit was conducted for the purposes of forming an opinion on the consolidated financial statements as a whole. The consolidating information pages 26-31 are presented for purposes of additional analysis and are 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated 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 the consolidated 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 consolidated financial statements as a whole.

*Hegre, McMahon & Schimmel, LLC*

Oak Brook, Illinois  
November 14, 2023

**FOUNDATION FOR ANGELMAN SYNDROME THERAPEUTICS AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2022 AND 2021 (RESTATED)**

	<b>RESTATED</b>	
	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 54,552,297	\$ 1,369,488
Contributions receivable	600,000	1,330,000
Other receivables	237,886	-
Receivables for pending investment transactions	19,595	24,687
Investments at fair value	4,283,216	7,165,247
Derivative contracts at fair market value	566,567	169,500
	<u>60,259,561</u>	<u>10,058,922</u>
<b>Property and Equipment:</b>		
Website development	43,753	43,753
Less: Accumulated depreciation	(29,169)	(14,584)
Total property and equipment	<u>14,584</u>	<u>29,169</u>
<b>Noncurrent assets:</b>		
Contributions receivable, net of discounted rate to present value of \$93,215 and \$0 for 2022 and 2021, respectively	1,716,785	335,000
Convertible note receivable	686,379	738,024
Interest receivable on note	73,456	9,960
Patents	242,014	-
Licenses, net accumulated amortization of \$3,158	48,518	-
Investment in GeneTx Biotherapeutics, LLC (Equity Method)	-	6,211,171
	<u>2,767,152</u>	<u>7,294,155</u>
<b>TOTAL ASSETS</b>	<u><b>\$ 63,041,297</b></u>	<u><b>\$ 17,382,246</b></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities:</b>		
Derivative contracts sold short at fair market value	\$ -	\$ 8,000
Accounts payable	242,118	140,148
Payroll liabilities	-	13,070
Due to related party	652,269	69,214
Grants payable, net of discounted rate to present value of \$136,114 and \$40,725 for 2022 and 2021, respectively	4,510,650	2,165,630
Total current liabilities	<u>5,405,037</u>	<u>2,396,062</u>
Grants payable, net of discounted rate to present value of \$1,059,393 and \$19,208 for 2022 and 2021, respectively	2,522,557	1,028,044
	<u>7,927,594</u>	<u>3,424,106</u>
<b>TOTAL LIABILITIES</b>	<u><b>7,927,594</b></u>	<u><b>3,424,106</b></u>
<b>Net Assets</b>		
Without donor restrictions	55,800,184	13,553,407
Without donor restrictions - board designated	-	389,276
Total net assets without donor restrictions	<u>55,800,184</u>	<u>13,942,683</u>
With donor restrictions	15,457	15,457
<b>TOTAL NET ASSETS</b>	<u><b>55,815,641</b></u>	<u><b>13,958,140</b></u>
Members' equity	(701,938)	-
<b>TOTAL NET ASSETS AND MEMBERS' EQUITY</b>	<u><b>55,113,703</b></u>	<u><b>13,958,140</b></u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>\$ 63,041,297</b></u>	<u><b>\$ 17,382,246</b></u>

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

**FOUNDATION FOR ANGELMAN SYNDROME THERAPEUTICS**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>SUPPORT AND REVENUE</b>			
General contributions	\$ 4,140,454	\$ -	\$ 4,140,454
Special event revenues	361,783	-	361,783
Community fundraisers	707,040	-	707,040
Licensing revenue	355,507	-	355,507
Services	257	-	257
Dividends and interest, net of investment investment advisory fees of \$38,460	470,532	-	470,532
Realized gains on derivative contracts	401,263	-	401,263
Realized gains on investments	621,613	-	621,613
Unrealized losses on investments	(1,807,100)	-	(1,807,100)
Unrealized gains on derivative contracts	50,589	-	50,589
Stock donations in-kind at fair market value	100,755	-	100,755
Net assets released from restrictions	-	-	-
Total support and revenue	5,402,693	-	5,402,693
<b>EXPENSES</b>			
Program expenses	8,630,211	-	8,630,211
Supporting Services			
Management and general	541,333	-	541,333
Fundraising	1,323,868	-	1,323,868
Total supporting services	1,865,201	-	1,865,201
Total expenses	10,495,412	-	10,495,412
Change in net assets from operations	(5,092,719)	-	(5,092,719)
Nonoperating activities			
Gain on sale of member interest in Genetx	46,248,282	-	46,248,282
Change in net assets	41,155,563	-	41,155,563
<b>NET ASSETS AND MEMBERS' EQUITY, beginning of year</b>	13,942,683	15,457	13,958,140
<b>NET ASSETS AND MEMBERS' EQUITY, end of year</b>	\$ 55,098,246	\$ 15,457	\$ 55,113,703

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

**FOUNDATION OF ANGELMAN SYNDROME THERAPEUTICS AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS (RESTATED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Without Donor Restrictions</u>	<u>RESTATED With Donor Restrictions</u>	<u>Total</u>
<b>SUPPORT AND REVENUE</b>			
General contributions	\$ 4,725,424	\$ -	\$ 4,725,424
PPP debt forgiveness	55,104	-	55,104
Special event revenues	441,249	-	441,249
Community fundraisers	942,324	-	942,324
Licensing revenue	4,011	-	4,011
Dividends and interest, net of investment investment advisory fees of \$53,211	56,915	-	56,915
Realized losses on derivative contracts	(1,541,249)	-	(1,541,249)
Realized gains on investments	1,244,295	-	1,244,295
Unrealized gains on investments	438,739	-	438,739
Unrealized losses on derivative contracts	(104,367)	-	(104,367)
Stock donations in kind at fair market value	57,686	-	57,686
Other income	1,611	-	1,611
Net assets released from restrictions	30,233	(30,233)	-
Total support and revenue	6,351,975	(30,233)	6,321,742
<b>EXPENSES</b>			
Program expenses	5,586,871	-	5,586,871
Supporting Services			
Management and general	405,643	-	405,643
Fundraising	335,925	-	335,925
Total supporting services	741,568	-	741,568
Total expenses	6,328,439	-	6,328,439
Change in net assets from operations	23,536	(30,233)	(6,697)
Nonoperating activities			
Net change in value of Genetx investment	(1,953,771)	-	(1,953,771)
Change in net assets	(1,930,235)	(30,233)	(1,960,468)
NET ASSETS, beginning of year	15,872,918	45,690	15,918,608
NET ASSETS AND MEMBERS' EQUITY, end of year	<u>\$ 13,942,683</u>	<u>\$ 15,457</u>	<u>\$ 13,958,140</u>

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



**FOUNDATION FOR ANGELMAN SYNDROME THERAPEUTICS**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Supporting Services</u>			<b>Total Expenses</b>
	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	
<b>EXPENSES</b>				
Salaries and payroll taxes	\$ 582,031	\$ 310,622	\$ 121,096	\$ 1,013,749
Direct benefits to donors	-	-	967,870	967,870
Professional fees	617,806	75,191	-	692,997
Licensing fees	5,000	-	-	5,000
Video and production	53,700	-	44,288	97,988
Advertising and marketing	290,455	-	38,384	328,839
Travel scholarships	11,751	-	-	11,751
Education and awareness	131,520	-	-	131,520
Research funding	6,744,524	-	-	6,744,524
Research and development costs	124,594	-	-	124,594
Travel	10,413	71,954	47,857	130,224
Computer and software	3,526	65,523	10,075	79,124
Office supplies	8,594	3,949	-	12,543
Insurance	-	2,844	-	2,844
Interest	994	-	-	994
Licenses and permits	300	3,005	-	3,305
Bank and merchant account fees	226	1,480	14,934	16,640
Printing and postage	-	2,460	8,025	10,485
Telephone	-	4,305	-	4,305
CAN expenses	22,362	-	34,201	56,563
Local fundraising expenses	-	-	37,138	37,138
Depreciation	14,584	-	-	14,584
Amortization of licenses	3,158	-	-	3,158
Other	4,673	-	-	4,673
<b>TOTAL EXPENSES</b>	<b><u>\$ 8,630,211</u></b>	<b><u>\$ 541,333</u></b>	<b><u>\$ 1,323,868</u></b>	<b><u>\$ 10,495,412</u></b>

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

**FOUNDATION FOR ANGELMAN SYNDROME THERAPEUTICS AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES (RESTATED)  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	RESTATED	<u>Supporting Services</u>		<u>Total Expenses</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	
<b>EXPENSES</b>				
Salaries and payroll taxes	\$ 293,152	\$ 282,259	\$ 66,251	\$ 641,662
Direct benefits to donors	-	-	115,096	115,096
Professional fees	173,891	91,634	-	265,525
Video and production	22,820	-	-	22,820
Advertising and marketing	97,009	-	24,000	121,009
Travel scholarships	14,312	-	-	14,312
Education and awareness	460,055	-	-	460,055
Community outreach	230,190	-	-	230,190
Research funding	4,272,340	-	-	4,272,340
Travel	-	262	1,508	1,770
Computer and software	-	19,307	56,171	75,478
Office supplies	-	5,557	-	5,557
Insurance	-	4,351	-	4,351
Bank and merchant account fees	-	236	34,547	34,783
Postage	-	2,037	-	2,037
Telephone	5,027	-	-	5,027
CAN expenses	-	-	21,564	21,564
Local fundraising expenses	-	-	16,788	16,788
Depreciation	14,584	-	-	14,584
Other	3,491	-	-	3,491
<b>TOTAL EXPENSES</b>	<u>\$ 5,586,871</u>	<u>\$ 405,643</u>	<u>\$ 335,925</u>	<u>\$ 6,328,439</u>

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

**FOUNDATION OF ANGELMAN SYNDROME THERAPEUTICS AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 and 2021 (RESTATED)**

	<b>2022</b>	<b>RESTATED 2021</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 41,155,563	\$ (1,960,468)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	17,742	14,584
Discount on contributions receivable	93,215	-
Gain on debt forgiveness - PPP loan	-	(55,104)
Realized gains on derivative contracts	(401,263)	1,541,249
Unrealized gains on derivative contracts	(50,589)	104,367
Net realized gains and unrealized losses on investments	1,185,487	(1,683,034)
Gain on sale of member's interest in Genetx	(46,248,282)	1,953,771
In-kind stock donations	(100,755)	(57,686)
Increase in assets:		
Contributions receivable	(745,000)	(1,639,950)
Other receivables	(237,886)	-
Increase (decrease) in liabilities		
Accounts payable	101,970	110,473
Payroll liabilities	(13,070)	13,070
Due to related party	583,055	69,214
Grants payable	3,839,533	827,606
	<u>(820,280)</u>	<u>(761,908)</u>
Net cash provided by (used in) operating activities		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Receivables for pending investment transactions	5,092	3,181
Proceeds from sale of member's interest in Genetx	52,460,463	-
Proceeds from sale of derivative contracts	12,713,128	19,913,784
Purchases of derivative contracts	(13,667,351)	(19,146,963)
Purchases of investments	-	(3,643,022)
Proceeds from sale of investments	2,805,298	2,986,070
Derivative contracts sold short at fair market value	(8,000)	(16,180)
Cash advanced on convertible note receivable	(746,108)	(1,100,000)
Reduction of note receivable for services provided	797,753	392,219
Legal costs associated with patents pending	(242,014)	-
Acquisition of licenses	(51,676)	-

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

**FOUNDATION OF ANGELMAN SYNDROME THERAPEUTICS AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2022 and 2021 (RESTATED)**

**CASH FLOWS FROM INVESTING ACTIVITIES (Continued)**

Interest receivable on convertible note	<u>(63,496)</u>	<u>(9,960)</u>
Net cash provided by (used in) investing activities	<u>54,003,089</u>	<u>(620,871)</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>53,182,809</b>	<b>(1,382,779)</b>
Cash and cash equivalents, beginning of year	<u>1,369,488</u>	<u>2,752,267</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b><u>\$ 54,552,297</u></b>	<b><u>\$ 1,369,488</u></b>

**SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING ACTIVITIES**

Reduction of convertible note receivable for services provided	<u>\$ 797,753</u>	<u>\$ 361,976</u>
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**SUPPLEMENTAL DISCLOSURE OF NON-CASH FINANCING ACTIVITIES**

Debt forgiveness of Payroll Protection Program Loan	<u>\$ -</u>	<u>\$ 55,104</u>
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The accompanying notes are an integral part of these consolidated financial statements.

**FOUNDATION FOR ANGELMAN SYNDROME THERAPEUTICS AND FOR-PROFIT  
SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

**1. NATURE OF ACTIVITIES**

The Foundation for Angelman Syndrome Therapeutics (“FAST”) was incorporated under the laws of the state of California on August 19, 2008, as a not-for-profit corporation for educational and other purposes and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Over the years, the Foundation has endowed several medical grants and research programs targeted at finding treatments and a cure for the neurological disorder of Angelman Syndrome. Their main sources of revenue come from contributions from individuals, foundations, and corporations as well as from ticket sales and sponsorships for FAST’s annual gala.

FAST formed a Delaware Limited Liability Company in November 2021. The biotechnology company is singularly focused on developing and commercializing a safe and effective therapy for the treatment of Angelman Syndrome. The Company is currently conducting research and development activities related to their focus area. The Company was launched as a for-profit subsidiary of the Foundation for Angelman Syndrome Therapeutics, a patient non-profit advocacy organization and the largest non-governmental funder of Angelman Syndrome research.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Principles of Consolidation and Presentation***

The consolidated financial statements include accounts of FAST as well as a for-profit subsidiary. All significant intercompany accounts and transactions have been eliminated in the consolidated financial statements. For the year-ended December 31, 2022, FAST provided a \$500,000 investment in the for-profit subsidiary and paid directly for \$68,188 of expenses for their subsidiary which is being treated as a contribution by FAST. In 2023, FAST provided an additional \$882,131 of cash contributions to the for-profit subsidiary.

For the year ended December 31, 2021, there was no intercompany activity between the two entities.

FAST owns approximately 92% of the for-profit subsidiary and has common control with all three members of the subsidiaries’ board being board members of FAST.

***Financial Statement Presentation***

The consolidated financial statements of FAST and the for-profit subsidiary have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

GAAP requires FAST to report informational regarding its financial position and activities according to the following net asset classifications:

**FOUNDATION FOR ANGELMAN SYNDROME THERAPEUTICS AND FOR-PROFIT  
SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Financial Statement Presentation (Continued)***

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of FAST's management and the board of directors. The governing board has designated, from net assets without donor restrictions, a board designated reserve. For the year ended December 31, 2022, the board designated reserve was fully utilized. For the year ended December 31, 2021, the board designed reserve \$389,276.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of FAST or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities. Contributions that are donor-restricted for which the restriction is satisfied in the same reporting period are classified as without donor restrictions.

The Foundation has no net assets with donor restrictions that are perpetual in nature.

***Cash and Cash Equivalents***

FAST's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase.

***Concentrations of Credit Risk***

Financial instruments that potentially subject FAST to concentrations of credit risk consist principally of cash and cash equivalents and investments. FAST maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The Foundation's cash and cash equivalent accounts have been placed with high credit quality financial institutions. FAST has not experienced, nor does it anticipate, any losses with respect to such accounts.

***Contributions 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 expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization, if any, is included in contribution revenue. For the years ended December 31, 2022 and 2021, the discounted rate to present

**FOUNDATION FOR ANGELMAN SYNDROME THERAPEUTICS AND FOR-PROFIT  
SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Contributions Receivable (Continued)***

value of long-term contributions receivable was \$93,215 and \$0, respectively. All outstanding contributions receivable as of December 31, 2022 and 2021 were expected to be collected, as such, no allowance was established.

***Convertible Notes Receivable***

On October 5, 2021, the Foundation entered into a convertible promissory note with a for-profit biotechnology company that is singularly focused on developing and commercializing a safe and effective therapy for the treatment of Angelman Syndrome. The convertible note receivable was recorded at the principal face amount of \$1,100,000 plus accrued interest of \$15,732 at December 31, 2021. The note bears interest at 6% per annum and matures December 31, 2023 in which all unpaid interest and principal shall be due and payable upon request. The note is issued in part of a series of notes with an aggregate principal amount not to exceed \$4,000,000. In the event the Company issues and sells its equity securities to investors while the note remains outstanding in an equity financing with total proceeds to the Company of not less than \$1,000,000 then the outstanding principal amount of the notes and any unpaid accrued interest shall automatically convert in whole at a conversion price equal to the cash price paid per share for equity securities by the investors in the qualified financing. FAST expects the note will be repaid. The convertible note balance was restated to account for 2021 invoices to FAST not recorded for research services provided. Instead of paying the for-profit subsidiary for these services, the convertible note receivable balance was offset. As a result, the interest receivable on the note was restated. The balance of the convertible note receivable and related interest receivable was restated to \$738,024 and \$9,960, respectively as of December 31, 2021. See note 3 for further details.

On January 21, 2022, the Foundation provided an additional \$500,000 in the form of a second convertible promissory note under the same terms. Research services provided by the for-profit company on behalf of FAST for 2022 totaled \$551,645. The total balance of the convertible notes receivable totaled \$686,379 as of December 31, 2022. Interest accrued on the convertible notes for 2022 was \$63,496. Total interest receivable on the note as of December 31, 2022 was \$73,456.

***Investments***

Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair value in the consolidated statements of financial position, and changes in fair value are reported as investment return in the consolidated statements of activities.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the statements of activities in the period in which the securities are sold. Interest is recorded when earned. Dividends are accrued as of the ex-dividend date.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Option Writing***

When an option is written, an amount equal to the premium received by FAST is recorded as a liability and is subsequently adjusted to the current fair value of the option written. Premiums received from writing options that expire unexercised are treated by FAST on the expiration date as realized gains from investments. The difference between the premium and the amount paid on effecting a closing purchase transaction, including brokerage commissions, is also treated as a realized gain, or, if the premium is less than the amount paid for the closing purchase transaction, as a realized loss. If a call option is exercised, the premium is added to the proceeds from the sale of the underlying security or currency in determining whether FAST has realized a gain or loss. If a put option is exercised, the premium reduces the cost basis of the securities purchased by FAST. FAST, as writer of an option, bears the market risk of an unfavorable change in the price of the security underlying the written option.

Included on the consolidated statement of financial position are call options written with a fair value of \$566,567 and \$169,500 and call options sold short with a fair value of \$0 and \$8,000 as of December 31, 2022 and 2021, respectively. Call options give the buyer the right to purchase and put options give the buyer the right to sell to FAST the equity securities underlying the options at a stated price. Should the market price of the underlying security for any of the put options sold significantly decrease in market value the holder of the option may exercise their right and the Foundation will be required to purchase the underlying security at the stated price. Of the options written, the issuers of the underlying securities are based in the United States of America.

***Short Sales***

FAST may sell a security it does not own in anticipation of a decline in the fair value of that security. When FAST sells a security short, its custodial broker/dealer must borrow the security sold short and deliver it to the broker/dealer through which it made the short sale. A gain, limited to the price at which FAST sold the security short, or a loss, unlimited in size, will be recognized upon the termination of a short sale. FAST is also subject to the risk that it may be unable to reacquire the security to terminate the short position except at a price substantially in excess of the last quoted price. FAST is liable to pay any dividends declared during the period the short sale is open. These dividends are recorded as dividend expenses in the consolidated statement of activities. During 2022 and 2021, FAST has not incurred any dividend expenses.

***Fair Value of Financial Instruments***

The carrying amount of cash and cash equivalents, receivables for pending investment transactions, other receivable, contributions receivable, accounts payable and payroll liabilities approximate fair value due to the short maturity of these instruments.

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would



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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

use when pricing an asset. GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). FAST groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded, and the reliability of the assumptions used to determine fair value. These levels are:

- Level 1 - Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.
- Level 2 - Other observable inputs, either directly or indirectly, including:
  - Quoted prices for similar assets / liabilities in active markets;
  - Quoted prices for identical or similar assets in non-active markets;
  - Inputs other than quoted prices that are observable for the asset / liability; and,
  - Inputs that are derived principally from or corroborated by other observable market data. The Foundation does not have any investments valued with level 2 inputs.
- Level 3 - Unobservable inputs that cannot be corroborated by observable market data. The Foundation does not have any investments valued with level 3 inputs.

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows and such investments are classified as Level 2. Level 2 investment valuations are based on quoted net asset value (NAV) of shares held at year-end.

***Website Development Costs***

It is FAST's policy to capitalize costs incurred in developing a new website over \$2,500. These costs are amortized over three years from the date the website was operational. The website was operational in 2021. All costs incurred in providing maintenance to the website are expensed as incurred. Depreciation expense was \$14,584 for the years ended December 31, 2022 and 2021.

***Patents***

The for-profit subsidiary paid legal fees to apply for numerous patents during 2022. The amount of legal fees paid as related to the patents totaled \$242,014. The patents are amortized on the date the patents are issued and approved until the date the patents expire. In 2022, all patents were pending approval.

***Licenses***

The for-profit subsidiary acquired licenses in 2022 as related to their research. The amount of the license fees paid are \$51,676 and are amortized straight-line over a fifteen-year period. Amortization was \$3,158 for 2022.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Research and Development Costs***

Research and development costs are expensed as incurred.

***Contributions***

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and / or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. 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 statements of activities as net assets released from restrictions.

***Special Event Revenues***

Special event revenues consist of the fair market value of ticket sales for FAST's one gala in December as well as sponsorships as related to the event. Special event revenues also consist of any income derived from the event such as silent auction funds and raffles.

The following revenue stream is included in the new revenue standard, Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (Topic 606): Special event benefits (non-donation portion of ticket sales).

FAST records special event ticket sales at the time of admission. Tickets sold in advance are recorded as deferred revenue until performance obligations are met. All sales are nonrefundable. Ticket sales are comprised of an exchange element based on the value of benefits provided, and a contribution element for the difference between the fair market value of the ticket and the total price paid. All performance obligations were met as of December 31, 2022 and 2021; thus, no deferred revenue is recorded.

Payment terms and rights are identifiable on each purchase order. Performance obligations are satisfied when access is given to the annual gala which requires access with a ticket. There are no significant financing components. There are no multiple performance obligations.

For all special events, the transaction price is the fair market value of the tickets. The excess of the fair market value of the tickets purchased and the actual price paid for the ticket is treated as a contribution and recognized as revenue at the date of ticket purchase.

***Community Fundraisers***

FAST and associated individuals raise money through special fundraising events. Contributions from these events are recorded as income upon receipt.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

***Contributions of Goods and Services***

Contributions of services are recognized at fair value when received if the services required specialized skills, are provided by individuals or entities possessing those skills, and would have typically needed to be purchased if not donated. Contributions of goods are recorded at fair value upon receipt when there is an objective and reasonable basis upon which to value the in-kind contributions. There were no contributions of goods or services for the year ended December 31, 2022 or 2021, respectively.

FAST has a global Cure Angelman Now online fundraising campaign initiative to raise funds to support FAST's mission to cure Angelman syndrome. In 2022, FAST had 42 active CAN campaigns in the United States as well as their signature fundraiser, the Global Summit and Gala. These events involve an estimated 350 volunteers to support the local fundraisers such as golf tournaments, private activity events, dinners, and other activities. These volunteers help our host families with registration, silent auctions, event turnout, and event execution. The estimated total hours for these efforts is 9,740.

Donated marketable securities are recorded as stock donations in-kind at fair market value on the consolidated statements of activities and changes in net assets at their estimated fair value on the date of donation. For the years ended December 31, 2022 and 2021, in-kind donations of stock totaled \$100,755 and \$57,686, respectively. None of the stock donations have donor restrictions.

***Functional Expenses***

The costs of providing programs and other activities have been summarized on a functional basis in the consolidated statements of activities and on a detailed basis on the consolidated statement of functional expenses. Accordingly, certain costs have been allocated among program and supporting services benefited based on estimates made by management. Costs associated with a specific program or supporting service have been charged directly to that program or supporting service. Costs that benefit more than one program or supporting service have been allocated among the programs and supporting services benefited based on an equitable basis. Payroll and payroll taxes have been allocated based on time and effort. All other costs have been directly charged.

***Grants Payable***

Grants authorized but unpaid at year end are reported as liabilities in accordance with SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. Grants to be paid in more than one year are discounted using the long-term federal rate applicable at December 31, 2022 and 2021, respectively.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Use of Estimates*

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

*Income Taxes*

FAST is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. FAST has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. FAST has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements as of December 31, 2022 and 2021.

The for-profit subsidiary has elected to report as a partnership for federal and state income tax purposes, and accordingly, there is no provision for income taxes in the accompanying consolidated financial statements. The members of a partnership are taxed on their proportionate share of the Company's taxable income or receive the benefit of the Company's taxable losses based on allocations provided in the partnership agreement.

*Significant Accounting Standard Applicable This Year*

The Financial Accounting Standards Board (FASB) issued *ASU 2016-02, Leases (Topic 842)*, in February 2016. ASU 2016-02 will require lessees to recognize, at commencement date, a lease liability representing the lessee's obligation to make payments arising from the lease and a right-of-use asset representing the lessee's right to use or control the use of a specific asset for the lease term. ASU 2016-02 was effective for financial statements issued for fiscal years beginning after December 31, 2019. In November 2019, the FASB issued ASU 2019-10, *Financial Instruments-Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates (ASU 2019-10)*. ASU 2019-10 finalizes various effective date delays for private companies and not-for-profits applying credit losses, leases, and hedging standards. As a result of ASU 2019-10, FAST and the for-profit subsidiaries' effective date of ASU 2016-02 was deferred to January 1, 2022.

FAST adopted the standard effective January 1, 2022 and elected the optional transition method to apply the transition provisions from the effective date of adoption which requires FAST to report the cumulative effect of the adoption of the standard on the date of adoption with no changes to prior period balances. Pursuant to the practical expedients, FAST elected not to reassess: (1) whether expired or existing contracts are or contain leases, (2) the lease classification for any expired or existing leases, or (3) initial direct costs for any existing leases. FAST also elected not to separate lease components from non-lease components.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The standard had no impact on FAST's financial statements as the organization does not have any leases in place for 2022.

**3. PRIOR PERIOD ADJUSTMENTS**

FAST recorded a prior period adjustment for the year ended December 31, 2021 to reduce the convertible note receivable balance by \$361,976 for invoices to FAST not recorded for research services provided from the for-profit subsidiary in 2021 and related interest receivable on the convertible note by \$5,772.

The for-profit subsidiary reduced the amount owed from another related third party by \$293,327 for inaccurate reporting based on activity between the two entities.

The adjustments had the following impact on the 2021 consolidated financial statements:

	2021
Noncurrent assets as originally stated	\$ 7,661,903
Noncurrent assets as restated	7,294,155
Adjustment to noncurrent assets	\$ (367,748)
Total assets as originally stated	\$ 17,749,994
Total assets as restated	17,382,246
Adjustment to total assets	\$ (367,748)
Current liabilities as originally stated	\$ 2,689,389
Current liabilities as restated	2,396,062
Adjustment to current liabilities	\$ (293,327)
Net assets without donor restrictions as originally stated	\$ 13,627,828
Net assets without donor restrictions as restated	13,553,407
Adjustment to net assets without donor restrictions	\$ (74,421)

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**4. LIQUIDITY AND AVAILABILITY OF RESOURCES**

The following represents FAST's financial assets at December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 54,552,297	\$ 1,369,488
Contributions receivable	2,316,785	1,330,000
Other receivables	237,886	-
Receivables for pending investment transactions	19,595	24,687
Investments, at fair value	4,283,216	7,165,247
Derivative contracts at fair value	<u>566,567</u>	<u>169,500</u>
 Total Financial Assets	 61,976,346	 10,058,922
 Less amounts not available to be used within one year		
Board approved grants payable	4,510,650	2,165,630
Board designated reserve	-	389,276
Net assets with donor restrictions	<u>15,457</u>	<u>15,457</u>
	<u>4,526,107</u>	<u>2,570,363</u>
 Financial assets available to meet general expenditures over the next twelve months	 <u>\$ 57,450,239</u>	 <u>\$ 7,488,559</u>

FAST's goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$1 million). FAST has a goal to give out grants for research funding each year of \$4 million and invest \$5-\$10 million in the AS therapeutic pipeline annually. As part of its liquidity plan, excess cash is invested in money market accounts and mutual funds. FAST keeps around \$500,000 in their operating account.

**5. CONTRIBUTIONS RECEIVABLE**

Contributions receivable are expected to be received as follows at December 31:

	<u>2022</u>	<u>2021</u>
Less than one year	\$ 600,000	\$ 1,330,000
Noncurrent contributions:		
2024	<u>1,810,000</u>	<u>335,000</u>
	2,410,000	1,665,000
Net of discounted rate	<u>93,215</u>	<u>-</u>
Total contributions receivable	<u>\$ 2,316,785</u>	<u>\$ 1,665,000</u>

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**6. INVESTMENTS AT FAIR VALUE**

FAST's investment portfolio consists of exchange-traded products and equities (derivative investments). The fair market value of the exchange-traded products is below.

The following table summarizes the investments as of December 31, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>NAV</u>	<u>Total</u>
Exchange Traded Products	\$ 4,283,216	\$ -	\$ -	\$ -	\$ 4,283,216

The following table summarizes the investments as of December 31, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>NAV</u>	<u>Total</u>
Exchange Traded Products	\$ 7,165,247	\$ -	\$ -	\$ -	\$ 7,165,247

**7. DERIVATIVES**

In the normal course of business, FAST utilizes derivative contracts in connection with its trading activities. Investments in derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. FAST is subject to additional counterparty risk due to the potential inability of FAST's counterparties to meet the terms of their contracts.

The following table presents the FAST's fair value of derivative contracts on the accompanying statements of financial position as of December 31, 2022 and 2021, according to fair value hierarchy:

	<u>2022</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Equity - Options	\$ 566,567	\$ -	\$ -	\$ 566,567
Equity – Options sold short	-	-	-	-
Total Derivative Contracts	<u>\$ 566,567</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 566,567</u>

	<u>2021</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Equity - Options	\$ 169,500	\$ -	\$ -	\$ 169,500
Equity – Options sold short	<u>( 8,000)</u>	<u>-</u>	<u>-</u>	<u>( 8,000)</u>
Total Derivative Contracts	<u>\$ 161,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 161,500</u>

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**8. INVESTMENT USING THE EQUITY METHOD**

In 2017, FAST invested \$500,000 in GeneTx Biotherapeutics, LLC (GeneTx), a for-profit limited liability company. In 2018, the Foundation invested an additional \$1,264,239 in GeneTx. With these investments, FAST owns approximately 58% of the member units of GeneTx. Over 50% ownership in an LLC requires financial statements to be consolidated; however, FAST has elected to use the equity method to value the investment. The balance sheet and income statement, in aggregate, of GeneTx is presented below for the years ended December 31, 2022 and 2021, respectively.

	2022	2021
Total Assets	\$ 0	\$ 23,531,079
Total Liabilities	\$ 0	\$ 1,297,508
Net Loss	\$ 0	\$ 7,239,684

Under the equity method, the investment is initially recorded at cost then reduced by dividends and increased or decreased by FAST’s proportionate share of the investee’s net earnings or loss.

During 2018, the investment in GeneTx increased for tax purposes as a result of investments from outside parties and a step-up in the book basis due to the outside investments. The tax loss generated from the investment in GeneTx during 2018 exceeded its cumulative investments. As a result, the investment in GeneTx has been written down to zero as of December 31, 2018 as management does not feel that it is appropriate to reflect a negative investment in the financial statements as of December 31, 2018.

During 2019, an unrelated third party entered into an option agreement with GeneTx to acquire all of the units of the company. Under the terms of the agreement, the unrelated third party made an upfront option payment in 2019 of \$20,000,000. This payment was paid directly to GeneTx but was deemed to have been paid to each unit holder and recontributed to GeneTx as a capital contribution. FAST’s deemed contribution amount was \$11,865,527. No additional units of GeneTx were received as a result of this transaction.

In February 2020, the unrelated third party made an additional \$25,000,000 payment to extend the option period. This payment was paid directly to GeneTx but was deemed to have been paid to each unit holder and recontributed to GeneTx as a capital contribution. No additional units of GeneTx were received as a result of this transaction. The value of the investment using the equity method was \$8,164,942 at December 31, 2020

In 2021, no additional units of GeneTx were received. The value of the investment using the equity method was \$6,211,170 at December 31, 2021.



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**8. INVESTMENT USING THE EQUITY METHOD (Continued)**

In 2022, FAST sold all of their membership interests in GeneTx to an unrelated third party. As a result of the sale, FAST received approximately \$52 million for their member interests in the LLC. FAST expects to receive continued royalties as part of the purchase agreement based on certain financial metrics.

**9. RELATED PARTIES**

*Board members*

Two board members provided contributions totaling \$1,000,000 for the year ended December 31, 2022. \$1,000,000 of these contributions remain outstanding and are reported as contributions receivable as of December 31, 2022. \$1,300,000 of prior year contributions pledged from the board members remain outstanding from December 31, 2021 as of December 31, 2022.

Two board members provided contributions totaling \$1,400,000 for the year ended December 31, 2021. \$1,665,000 of these contributions remain outstanding and are reported as contributions receivable as of December 31, 2021.

*For-Profit Entity*

FAST's for-profit subsidiary has an administrative agreement with another for-profit entity to provide shared expenses in exchange for reimbursement and an administrative fee. The amount owed to this for-profit entity as of December 31, 2022 and 2021 was \$652,269 and \$69,214, respectively.

**10. NET ASSETS**

Net assets with donor restrictions for December 31, 2022 and 2021 totaled \$15,457 to be used for clinical trial travel.

No net assets with donor restrictions were released from restrictions during 2022.

Net assets were released from donor restrictions of \$30,233 in 2021 by incurring expenses satisfying the restricted purposes.

**11. BOARD DESIGNATED FUNDS**

In November 2020, the Board voted to designate \$1,000,000 to invest in Angelman syndrome specific endpoints and biomarkers to support clinical trials. These amounts were earmarked to provide grants to specific third-party grantee applications. In 2021, the board approved \$610,724 of disbursements from the board designated fund. No additional funding has been committed to the fund. In 2022, the remaining amount of the board designated fund was used. At December 31, 2022 and 2021, the amount of board designed funds was \$0 and \$389,276, respectively.

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**12. GRANTS AND GRANTS PAYABLE**

In 2019, FAST pledged a grant of \$1,111,112 for translation research in a pig model of Angelman Syndrome to Texas A&M University. None of this pledge was paid out as of the end of 2019. \$546,929 was paid out by the end of 2020. This remaining amount of this grant is to be paid out over a two-year period; therefore, this pledge was discounted accordingly to the present value amount using the U.S. Treasury long term adjusted rate at the time the pledge was authorized (1.59%) plus a risk-free rate of .5% totaling 2.09%. For the years ended December 31, 2022 and 2021, the amount remaining to be paid was \$286,355 and \$564,133, respectively. The amount discounted was \$2,195 and \$15,662 for those years then ended.

In 2020, FAST pledged a grant of \$886,894 for a study that involved the generation and characterization of a new AS mouse model to Yale University. \$233,299 of this grant were paid out during 2022 and 2021, respectively. For the years ended December 31, 2022 and 2021, \$219,815 and \$453,114 are remaining to be paid out on this grant, respectively and is expected to be paid in full in 2023. This pledge was discounted accordingly to the present value amount using the U.S. Treasury long term adjusted rate at the time the pledge was authorized (1.31%) plus a risk-free rate of .5% totaling 1.81%. The amount discounted was \$4,560 and \$13,073 for 2022 and 2021, respectively.

In 2021, FAST pledged a grant of \$1,182,465 to create care protocols for the emergency and urgent management of individuals with Angelman Syndrome to the University of Colorado. \$383,163 was paid out by the end of 2021. This remaining amount of this grant is to be paid out over a three-year period; therefore, this pledge was discounted accordingly to the present value amount using the U.S. Treasury long term adjusted rate at the time the pledge was authorized (1.45%) plus a risk-free rate of .5% totaling 1.95%. For the year ended December 31, 2021, the amount remaining to be paid on the grant was \$799,302. The amount discounted was \$31,198 for the year then ended. In 2022, the Organization that was provided the grant was unable to staff the project the grant was funding. Therefore, \$799,302 of the grant was written off in 2022. FAST received a refund of \$197,817 for work not completed in 2023.

In 2021, FAST pledged a grant of \$334,786 to create care protocols for the emergency and urgent management of individuals with Angelman Syndrome to the University of Colorado. \$173,139 was paid out by the end of 2021. The remaining amount of this grant was to be paid out in 2022. As such, no discounting of this grant has been made to present this grant at a present value amount. For the year ended December 31, 2022 and 2021, the amount remaining to be paid was \$161,647. The grant was on hold in 2022 but is expected to continue; thus, no payments were made on the grant.

In 2021, FAST pledged a grant of \$1,071,695 for IND enabling studies requested by the FDA for HSC therapy in AS to the University of California, Davis. \$496,540 was paid out by the end of 2021. The remaining amount of this grant was to be paid out in 2022. As such, no discounting of this grant has been made to present this grant at a present value amount. For the years ended December 31, 2022 and 2021, the amount remaining to be paid was \$575,155.

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**12. GRANTS AND GRANTS PAYABLE (Continued)**

FAST is currently auditing this grant to determine if the remaining amount needs to be paid. As such nothing was paid on this grant in 2022.

In 2021, FAST pledged a grant of \$378,767 for multiple projects related to AS to Research Triangle Institute. \$313,479 and \$14,454 were paid out by the end of 2022 and 2021, respectively. For the years ended December 31, 2022 and 2021, the amount remaining to be paid was \$50,833 and \$364,313, respectively.

In 2021, FAST pledged a grant of \$154,082 for planning for a newborn screening of AS to Research Triangle Institute. Nothing was paid in 2021. \$40,827 was paid in 2022. For the years ended December 31, 2022 and 2021, the amount remaining to be paid was \$113,255 and \$154,082, respectively.

In 2022, FAST pledged numerous one-year grants totaling \$2,592,233 as related to projects related to their mission. \$640,099 was paid in 2022 as related to these grants. Since these are grants expected to be fully paid in 2023, no discounting of these grants had been made to present these grants at their present value amounts. For the year-end December 31, 2022, the amount remaining on these grants totaled \$1,952,134.

In 2022, FAST pledged a grant of \$4,870,000 to establish a new center at Rush University Medical Center that will be known as the RUSH F.A.S.T Center for Translational Research and to fund research done at this newly development center. No payments on this grant were made in 2022. The grant calls for varying installment payments over a ten-year period. This pledge was discounted accordingly to the present value amount using the U.S. Treasury long term adjusted rate at the time the pledge was authorized (4.34%). No risk-free rate was used. For the year ended December 31, 2022, the amount remaining to be paid was \$4,870,000 with the first payment due by June 30, 2023. The amount discounted was \$1,188,782 in 2022.

	<u>2022</u>	<u>2021</u>
Total grants payable	\$ 8,228,744	\$ 3,253,607
Less: Discount rate to present value	<u>1,195,537</u>	<u>59,933</u>
	7,033,207	3,193,674
Less: Grants payable within one year, net of discount rate	<u>4,510,650</u>	<u>2,165,630</u>
Net Long-Term Grants Payable	<u>\$ 2,522,557</u>	<u>\$ 1,028,044</u>

**FOUNDATION FOR ANGELMAN SYNDROME THERAPEUTICS AND FOR-PROFIT  
SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

**12. GRANTS AND GRANTS PAYABLE (Continued)**

Aggregate maturities of grants payable are as follows:

<b>Year ending December 31:</b>	
2023	\$ 4,510,650
2024	156,165
2025	144,779
2026	131,689
2027	94,819
Thereafter	<u>1,995,105</u>
Total	<u>\$ 7,033,207</u>

In 2023, FAST pledged one long-term grant to another university totaling \$9,651,081.

**13. CONCENTRATIONS**

During the year ended December 31, 2022, one individual accounted for 24% of the total general contributions provided to FAST. Contributions receivable from this donor totaled 86% of the total contributions receivable as of December 31, 2022.

During the year ended December 31, 2021, three individuals accounted for 69% of the total general contributions provided to FAST. Contributions receivable from two of these donors totaled 100% of the total contributions receivable as of December 31, 2021.

**14. RETIREMENT PLAN**

FAST implemented a 401(k)-retirement plan in September 2022. Employees are eligible to participate in the plan upon hiring. The plan has an automatic deferral percentage of 3% that increases each plan year by 1% not to exceed 6%. The employee can elect to opt-out or revise deferral percentages at any time. FAST will match 100% of the employee's deferrals up to the first four percent of plan compensation not exceeding 6% percent of compensation. There was no match paid or accrued in 2022.

**14. SUBSEQUENT EVENTS**

FAST evaluated subsequent events through November 14, 2023, the date these financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the statement of financial position date that require additional disclosure in the financial statements.

## **SUPPLEMENTARY INFORMATION**

**FOUNDATION OF ANGELMAN SYNDROME THERAPEUTICS AND SUBSIDIARY**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2022**

	<u>FAST</u>	<u>FOR-PROFIT SUBSIDIARY</u>	<u>ELIMINATION S</u>	<u>Total</u>
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 54,308,955	\$ 243,342	\$ -	\$ 54,552,297
Contributions receivable	600,000	-	-	600,000
Other receivables	237,629	257	-	237,886
Receivables for pending investment transactions	19,595	-	-	19,595
Investments at fair value	4,283,216	-	-	4,283,216
Derivative contracts at fair market value	566,567	-	-	566,567
Total current assets	<u>60,015,962</u>	<u>243,599</u>	<u>-</u>	<u>60,259,561</u>
<b>Property and Equipment:</b>				
Website development	43,753	-	-	43,753
Less: Accumulated depreciation	(29,169)	-	-	(29,169)
Total property and equipment	<u>14,584</u>	<u>-</u>	<u>-</u>	<u>14,584</u>
<b>Noncurrent Assets:</b>				
Contributions receivable, net of discounted rate to present value of \$93,215	1,716,785	-	-	1,716,785
Convertible note receivable	686,379	-	-	686,379
Interest receivable on note	73,456	-	-	73,456
Patents	-	242,014	-	242,014
Licenses, net accumulated amortization of \$3,158	-	48,518	-	48,518
Investment in GeneTx Biotherapeutics, LLC (Equity Method)	-	-	-	-
Investment in For-Profit Subsidiary (Equity Method)	568,188	-	(568,188)	-
Total noncurrent assets	<u>3,044,808</u>	<u>290,532</u>	<u>(568,188)</u>	<u>2,767,152</u>
<b>TOTAL ASSETS</b>	<u>\$ 63,075,354</u>	<u>\$ 534,131</u>	<u>\$ (568,188)</u>	<u>\$ 63,041,297</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Current Liabilities:</b>				
Accounts payable	226,506	15,612	-	242,118
Payroll tax liabilities	-	-	-	-
Due to related party	-	652,269	-	652,269
Grants payable, net of discounted rate to present value of \$136,144	4,510,650	-	-	4,510,650
Total current liabilities	<u>4,737,156</u>	<u>667,881</u>	<u>-</u>	<u>5,405,037</u>
<b>Long-Term Liabilities:</b>				
Grants payable, net of discounted rate to present value of \$1,059,393	2,522,557	-	-	2,522,557
Total long-term liabilities	<u>2,522,557</u>	<u>-</u>	<u>-</u>	<u>2,522,557</u>
<b>TOTAL LIABILITIES</b>	<u>7,259,713</u>	<u>667,881</u>	<u>-</u>	<u>7,927,594</u>
<b>Net Assets</b>				
Without donor restrictions	55,800,184	-	-	55,800,184
Without donor restrictions - board designated	-	-	-	-
Total net assets without donor restrictions	<u>55,800,184</u>	<u>-</u>	<u>-</u>	<u>55,800,184</u>
With donor restrictions	15,457	-	-	15,457
<b>TOTAL NET ASSETS</b>	<u>55,815,641</u>	<u>-</u>	<u>-</u>	<u>55,815,641</u>
<b>Members' equity</b>				
Member contributions	-	568,188	(568,188)	-
Members' equity	<u>-</u>	<u>(701,938)</u>	<u>-</u>	<u>(701,938)</u>
<b>TOTAL MEMBERS' EQUITY</b>	<u>-</u>	<u>(133,750)</u>	<u>(568,188)</u>	<u>(701,938)</u>
<b>TOTAL NET ASSETS AND MEMBERS' EQUITY</b>	<u>55,815,641</u>	<u>(133,750)</u>	<u>(568,188)</u>	<u>55,113,703</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 63,075,354</u>	<u>\$ 534,131</u>	<u>\$ (568,188)</u>	<u>\$ 63,041,297</u>

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

**FOUNDATION OF ANGELMAN SYNDROME THERAPEUTICS AND SUBSIDIARY**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION (RESTATED)**  
**DECEMBER 31, 2021**

	FAST	RESTATED FOR-PROFIT SUBSIDIARY	ELIMINATIONS	Total
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 1,369,488	\$ -	\$ -	\$ 1,369,488
Contributions receivable	1,330,000	-	-	1,330,000
Receivables for pending investment transactions	24,687	-	-	24,687
Investments at fair value	7,165,247	-	-	7,165,247
Derivative contracts at fair market value	169,500	-	-	169,500
<b>Total current assets</b>	<b>10,058,922</b>	<b>-</b>	<b>-</b>	<b>10,058,922</b>
<b>Property and Equipment:</b>				
Website development	43,753	-	-	43,753
Less: Accumulated depreciation	(14,584)	-	-	(14,584)
<b>Total property and equipment</b>	<b>29,169</b>	<b>-</b>	<b>-</b>	<b>29,169</b>
<b>Noncurrent Assets:</b>				
Contributions receivable	335,000	-	-	335,000
Convertible note receivable	738,024	-	-	738,024
Interest receivable on note	9,960	-	-	9,960
Investment in GeneTx Biotherapeutics, LLC (Equity Method)	6,211,171	-	-	6,211,171
<b>Total noncurrent assets</b>	<b>7,294,155</b>	<b>-</b>	<b>-</b>	<b>7,294,155</b>
<b>TOTAL ASSETS</b>	<b>\$ 17,382,246</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 17,382,246</b>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Current Liabilities:</b>				
Derivative contracts sold short at fair market value	\$ 8,000	\$ -	\$ -	\$ 8,000
Accounts payable	140,148	-	-	140,148
Payroll tax liabilities	13,070	-	-	13,070
Due to related party	-	69,214	-	69,214
Grants payable, net of discounted rate to present value of \$40,725	2,165,630	-	-	2,165,630
<b>Total current liabilities</b>	<b>2,326,848</b>	<b>69,214</b>	<b>-</b>	<b>2,396,062</b>
<b>Long-Term Liabilities:</b>				
Grants payable, net of discounted rate to present value of \$19,208	1,028,044	-	-	1,028,044
<b>Total long-term liabilities</b>	<b>1,028,044</b>	<b>-</b>	<b>-</b>	<b>1,028,044</b>
<b>TOTAL LIABILITIES</b>	<b>3,354,892</b>	<b>69,214</b>	<b>-</b>	<b>3,424,106</b>
<b>Net Assets</b>				
Without donor restrictions	13,622,621	(69,214)	-	13,553,407
Without donor restrictions - board designated	389,276	-	-	389,276
<b>Total net assets without donor restrictions</b>	<b>14,011,897</b>	<b>(69,214)</b>	<b>-</b>	<b>13,942,683</b>
With donor restrictions	15,457	-	-	15,457
<b>TOTAL NET ASSETS</b>	<b>14,027,354</b>	<b>(69,214)</b>	<b>-</b>	<b>13,958,140</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 17,382,246</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 17,382,246</b>

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

**FOUNDATION OF ANGELMAN SYNDROME THERAPEUTICS AND SUBSIDIARY**  
**CONSOLIDATING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	FAST			FOR-PROFIT SUBSIDIARY			CONSOLIDATED		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>									
General contributions	\$ 4,140,454	\$ -	\$ 4,140,454	\$ -	\$ -	\$ -	\$ 4,140,454	\$ -	\$ 4,140,454
Special event revenues	361,783	-	361,783	-	-	-	361,783	-	361,783
Community fundraisers	707,040	-	707,040	-	-	-	707,040	-	707,040
Licensing revenue	355,507	-	355,507	-	-	-	355,507	-	355,507
Services	-	-	-	257	-	257	257	-	257
Dividends and interest, net of investment investment advisory fees of \$38,460	470,532	-	470,532	-	-	-	470,532	-	470,532
Realized gains on derivative contracts	401,263	-	401,263	-	-	-	401,263	-	401,263
Realized gains on investments	621,613	-	621,613	-	-	-	621,613	-	621,613
Unrealized losses on investments	(1,807,100)	-	(1,807,100)	-	-	-	(1,807,100)	-	(1,807,100)
Unrealized gains on derivative contracts	50,589	-	50,589	-	-	-	50,589	-	50,589
Stock donations in-kind at fair market value	100,755	-	100,755	-	-	-	100,755	-	100,755
Net assets released from restrictions	-	-	-	-	-	-	-	-	-
Total support and revenue	<u>5,402,436</u>	<u>-</u>	<u>5,402,436</u>	<u>257</u>	<u>-</u>	<u>257</u>	<u>5,402,693</u>	<u>-</u>	<u>5,402,693</u>
<b>EXPENSES</b>									
Program expenses	7,997,230	-	7,997,230	632,981	-	632,981	8,630,211	-	8,630,211
Management and general	541,333	-	541,333	-	-	-	541,333	-	541,333
Fundraising	1,323,868	-	1,323,868	-	-	-	1,323,868	-	1,323,868
Total expenses	<u>9,862,431</u>	<u>-</u>	<u>9,862,431</u>	<u>632,981</u>	<u>-</u>	<u>632,981</u>	<u>10,495,412</u>	<u>-</u>	<u>10,495,412</u>
Change in net assets from operations	(4,459,995)	-	(4,459,995)	(632,724)	-	(632,724)	(5,092,719)	-	(5,092,719)
Nonoperating activities									
Net change in value of Genetx investment	46,248,282	-	46,248,282	-	-	-	46,248,282	-	46,248,282
Change in net assets	<u>41,788,287</u>	<u>-</u>	<u>41,788,287</u>	<u>(632,724)</u>	<u>-</u>	<u>(632,724)</u>	<u>41,155,563</u>	<u>-</u>	<u>41,155,563</u>
<b>NET ASSETS, beginning of year</b>	14,011,897	15,457	14,027,354	(69,214)	-	(69,214)	13,942,683	15,457	13,958,140
Member contributions	-	-	-	568,188	-	568,188	568,188	-	568,188
<b>NET ASSETS, end of year</b>	<u>\$ 55,800,184</u>	<u>\$ 15,457</u>	<u>\$ 55,815,641</u>	<u>\$ (133,750)</u>	<u>\$ -</u>	<u>\$ (133,750)</u>	<u>\$ 55,666,434</u>	<u>\$ 15,457</u>	<u>\$ 55,681,891</u>

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



**FOUNDATION OF ANGELMAN SYNDROME THERAPEUTICS AND SUBSIDIARY**  
**CONSOLIDATING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS (RESTATED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**RESTATED**

	<b>FAST</b>			<b>FOR-PROFIT SUBSIDIARY</b>			<b>CONSOLIDATED</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>SUPPORT AND REVENUE</b>									
General contributions	\$ 4,725,424	\$ -	\$ 4,725,424	\$ -	\$ -	\$ -	\$ 4,725,424	\$ -	\$ 4,725,424
PPP debt forgiveness	55,104	-	55,104	-	-	-	55,104	-	55,104
Special event revenues	441,249	-	441,249	-	-	-	441,249	-	441,249
Community fundraisers	942,324	-	942,324	-	-	-	942,324	-	942,324
Licensing revenue	4,011	-	4,011	-	-	-	4,011	-	4,011
Dividends and interest, net of investment investment advisory fees of \$53,211	56,915	-	56,915	-	-	-	56,915	-	56,915
Realized losses on derivative contracts	(1,541,249)	-	(1,541,249)	-	-	-	(1,541,249)	-	(1,541,249)
Realized gains on investments	1,244,295	-	1,244,295	-	-	-	1,244,295	-	1,244,295
Unrealized gains on investments	438,739	-	438,739	-	-	-	438,739	-	438,739
Unrealized losses on derivative contracts	(104,367)	-	(104,367)	-	-	-	(104,367)	-	(104,367)
Stock donations in-kind at fair market value	57,686	-	57,686	-	-	-	57,686	-	57,686
Other income	1,611	-	1,611	-	-	-	1,611	-	1,611
Net assets released from restrictions	30,233	(30,233)	-	-	-	-	30,233	(30,233)	-
Total support and revenue	6,351,975	(30,233)	6,321,742	-	-	-	6,351,975	(30,233)	6,321,742
<b>EXPENSES</b>									
Program expenses	5,517,657	-	5,517,657	69,214	-	69,214	5,586,871	-	5,586,871
Management and general	405,643	-	405,643	-	-	-	405,643	-	405,643
Fundraising	335,925	-	335,925	-	-	-	335,925	-	335,925
Total expenses	6,259,225	-	6,259,225	69,214	-	69,214	6,328,439	-	6,328,439
Change in net assets from operations	92,750	(30,233)	62,517	(69,214)	-	(69,214)	23,536	(30,233)	(6,697)
Nonoperating activities									
Net change in value of Genetx investment	(1,953,771)	-	(1,953,771)	-	-	-	(1,953,771)	-	(1,953,771)
Change in net assets	(1,861,021)	(30,233)	(1,891,254)	(69,214)	-	(69,214)	(1,930,235)	(30,233)	(1,960,468)
<b>NET ASSETS, beginning of year</b>	15,872,918	45,690	15,918,608	-	-	-	15,872,918	45,690	15,918,608
<b>NET ASSETS, end of year</b>	\$ 14,011,897	\$ 15,457	\$ 14,027,354	\$ (69,214)	\$ -	\$ (69,214)	\$ 13,942,683	\$ 15,457	\$ 13,958,140

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

**FOUNDATION OF ANGELMAN SYNDROME THERAPEUTICS AND SUBSIDIARY**  
**CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	FAST				FOR-PROFIT SUBSIDIARY				CONSOLIDATED			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total	Total Program Services	Total Management and General	Total Fundraising	Total Total
Salaries and payroll taxes	\$ 497,922	\$ 310,622	\$ 121,096	\$ 929,640	\$ 84,109	\$ -	\$ -	\$ 84,109	\$ 582,031	\$ 310,622	\$ 121,096	\$ 1,013,749
Direct benefits to donors	-	-	967,870	967,870	-	-	-	-	-	-	967,870	967,870
Professional fees	218,635	75,191	-	293,826	399,171	-	-	399,171	617,806	75,191	-	692,997
Licensing fees	-	-	-	-	5,000	-	-	5,000	5,000	-	-	5,000
Video and production	53,700	-	44,288	97,988	-	-	-	-	53,700	-	44,288	97,988
Advertising and marketing	290,455	-	38,384	328,839	-	-	-	-	290,455	-	38,384	328,839
Travel scholarships	11,751	-	-	11,751	-	-	-	-	11,751	-	-	11,751
Education and awareness	131,520	-	-	131,520	-	-	-	-	131,520	-	-	131,520
Research funding	6,744,524	-	-	6,744,524	-	-	-	-	6,744,524	-	-	6,744,524
Research and development costs	-	-	-	-	124,594	-	-	124,594	124,594	-	-	124,594
Travel	-	71,954	47,857	119,811	10,413	-	-	10,413	10,413	71,954	47,857	130,224
Computer and software	-	65,523	10,075	75,598	3,526	-	-	3,526	3,526	65,523	10,075	79,124
Office supplies	7,930	3,949	-	11,879	664	-	-	664	8,594	3,949	-	12,543
Insurance	-	2,844	-	2,844	-	-	-	-	-	2,844	-	2,844
Interest	-	-	-	-	994	-	-	994	994	-	-	994
Licenses and permits	-	3,005	-	3,005	300	-	-	300	300	3,005	-	3,305
Bank and merchant account fees	-	1,480	14,934	16,414	226	-	-	226	226	1,480	14,934	16,640
Printing and postage	-	2,460	8,025	10,485	-	-	-	-	-	2,460	8,025	10,485
Telephone	-	4,305	-	4,305	-	-	-	-	-	4,305	-	4,305
CAN expenses	22,362	-	34,201	56,563	-	-	-	-	22,362	-	34,201	56,563
Local fundraising expenses	-	-	37,138	37,138	-	-	-	-	-	-	37,138	37,138
Depreciation	14,584	-	-	14,584	-	-	-	-	14,584	-	-	14,584
Amortization of licenses	-	-	-	-	3,158	-	-	3,158	3,158	-	-	3,158
Other	3,847	-	-	3,847	826	-	-	826	4,673	-	-	4,673
<b>TOTAL EXPENSES</b>	<b>\$ 7,997,230</b>	<b>\$ 541,333</b>	<b>\$ 1,323,868</b>	<b>\$ 9,862,431</b>	<b>\$ 632,981</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 632,981</b>	<b>\$ 8,630,211</b>	<b>\$ 541,333</b>	<b>\$ 1,323,868</b>	<b>\$10,495,412</b>

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

**FOUNDATION OF ANGELMAN SYNDROME THERAPEUTICS AND SUBSIDIARY  
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES (RESTATED)  
FOR THE YEAR ENDED DECEMBER 31, 2021**

RESTATED

	FAST				FOR-PROFIT SUBSIDIARY				CONSOLIDATED			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total	Total Program Services	Total Management and General	Total Fundraising	Total Total
Salaries and payroll taxes	\$ 293,152	\$ 282,259	\$ 66,251	641,662	\$ -	\$ -	\$ -	\$ -	\$ 293,152	\$ 282,259	\$ 66,251	\$ 641,662
Direct benefits to donors	-	-	115,096	115,096	-	-	-	-	-	-	115,096	115,096
Professional fees	104,677	91,634	-	196,311	69,214	-	-	69,214	173,891	91,634	-	265,525
Licensing fees	-	-	-	-	-	-	-	-	-	-	-	-
Video and production	22,820	-	-	22,820	-	-	-	-	22,820	-	-	22,820
Advertising and marketing	97,009	-	24,000	121,009	-	-	-	-	97,009	-	24,000	121,009
Travel scholarships	14,312	-	-	14,312	-	-	-	-	14,312	-	-	14,312
Education and awareness	460,055	-	-	460,055	-	-	-	-	460,055	-	-	460,055
Community outreach	230,190	-	-	230,190	-	-	-	-	230,190	-	-	230,190
Research funding	4,272,340	-	-	4,272,340	-	-	-	-	4,272,340	-	-	4,272,340
Travel	-	262	1,508	1,770	-	-	-	-	-	262	1,508	1,770
Computer and software	-	19,307	56,171	75,478	-	-	-	-	-	19,307	56,171	75,478
Office supplies	-	5,557	-	5,557	-	-	-	-	-	5,557	-	5,557
Insurance	-	4,351	-	4,351	-	-	-	-	-	4,351	-	4,351
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-
Bank and merchant account fees	-	236	34,547	34,783	-	-	-	-	-	236	34,547	34,783
Postage	-	2,037	-	2,037	-	-	-	-	-	2,037	-	2,037
Telephone	5,027	-	-	5,027	-	-	-	-	5,027	-	-	5,027
CAN expenses	-	-	21,564	21,564	-	-	-	-	-	-	21,564	21,564
Local fundraising expenses	-	-	16,788	16,788	-	-	-	-	-	-	16,788	16,788
Depreciation	14,584	-	-	14,584	-	-	-	-	14,584	-	-	14,584
Other	3,491	-	-	3,491	-	-	-	-	3,491	-	-	3,491
<b>TOTAL EXPENSES</b>	<b>\$ 5,517,657</b>	<b>\$ 405,643</b>	<b>\$ 335,925</b>	<b>\$ 6,259,225</b>	<b>\$ 69,214</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 69,214</b>	<b>\$ 5,586,871</b>	<b>\$ 405,643</b>	<b>\$ 335,925</b>	<b>\$ 6,328,439</b>

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