

National Aquarium, Inc. and Subsidiaries

Consolidated Financial Report
December 31, 2025

Contents

Independent auditor's report	1-2
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Financial statements	
Consolidated statements of financial position	3
Consolidated statements of activities	4-5
Consolidated statements of functional expenses	6-7
Consolidated statements of cash flows	8
Notes to consolidated financial statements	9-28

Independent auditor's report on the supplementary information	29
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Supplementary information	
Consolidating statements of financial position	30-31
Consolidating statements of activities	32-35

Independent Auditor's Report

Board of Directors
National Aquarium, Inc.

Opinion

We have audited the consolidated financial statements of National Aquarium, Inc. and Subsidiaries (collectively, the Aquarium), which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Aquarium as of December 31, 2025 and 2024, and the changes in their net assets and their 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 auditing 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 Financial Statements section of our report. We are required to be independent of the Aquarium 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 Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

RSM US LLP

Gaithersburg, Maryland
May 28, 2026

National Aquarium, Inc. and Subsidiaries

**Consolidated Statements of Financial Position
December 31, 2025 and 2024**

	2025	2024
Assets		
Cash and cash equivalents	\$ 9,842,521	\$ 12,589,529
Promises to give, net (Note 3)	843,716	799,796
Grants receivable (Note 4)	1,169,522	1,358,023
Prepaid expenses	836,886	1,214,680
Other assets	1,541,351	1,512,639
Lease right-of-use assets—financing (Note 8)	156,846	165,699
Lease right-of-use assets—operating (Note 8)	3,674,873	4,220,282
Investments (Notes 5 and 6)	30,811,174	29,237,045
Interest rate swap assets (Notes 6 and 9)	658,302	1,218,210
Property and equipment, net (Note 7)	72,068,465	76,868,900
Cash restricted for capital expansion	1,250,033	1,399,031
Promises to give restricted for capital expansion (Note 3)	83,235	166,348
Investments restricted for endowment (Note 12)	5,662,513	5,416,520
	<u>5,662,513</u>	<u>5,416,520</u>
Total assets	\$ 128,599,437	\$ 136,166,702
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 3,529,084	\$ 3,262,372
Accrued salaries and benefits	1,443,846	1,015,285
Deferred revenue and refundable advances	3,794,063	4,108,357
Lease liabilities—financing (Note 8)	732,390	866,705
Lease liabilities—operating (Note 8)	5,239,697	5,872,916
Notes payable (Note 9)	1,102,459	1,299,410
Bonds payable, net of unamortized issuance costs (Note 9)	20,272,325	22,325,426
	<u>36,113,864</u>	<u>38,750,471</u>
Total liabilities	36,113,864	38,750,471
Commitments and contingencies (Notes 10, 11 and 14)		
Net assets (Note 12):		
Without donor restrictions	83,359,118	88,367,017
With donor restrictions	9,126,455	9,049,214
	<u>92,485,573</u>	<u>97,416,231</u>
Total net assets	92,485,573	97,416,231
Total liabilities and net assets	\$ 128,599,437	\$ 136,166,702

See notes to consolidated financial statements.

National Aquarium, Inc. and Subsidiaries

Consolidated Statements of Activities Years Ended December 31, 2025 and 2024

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, gains and other support:			
Admissions	\$ 29,488,093	\$ -	\$ 29,488,093
Contributions and grants	7,911,168	931,621	8,842,789
General and corporate membership programs	5,778,473	-	5,778,473
Education program	1,838,698	-	1,838,698
Group sales	1,607,779	-	1,607,779
Gift shop and food service	3,004,420	-	3,004,420
Auxiliary	1,550,184	-	1,550,184
Catered events	451,852	-	451,852
Contributions of nonfinancial assets	391,825	-	391,825
Net assets released from restrictions (Note 12):			
Satisfaction of program restrictions	1,413,643	(1,413,643)	-
Total revenue, gains and other support	53,436,135	(482,022)	52,954,113
Expenses:			
Programs:			
Aquarium experience	34,093,747	-	34,093,747
Conservation and education	8,072,509	-	8,072,509
Total program expenses	42,166,256	-	42,166,256
Supporting services:			
Fundraising and membership	6,945,442	-	6,945,442
Advertising and promotions	5,241,052	-	5,241,052
General and administrative	5,802,460	-	5,802,460
Total supporting services expenses	17,988,954	-	17,988,954
Total expenses	60,155,210	-	60,155,210
Change in net assets before other financial items	(6,719,075)	(482,022)	(7,201,097)
Investment income, net (Note 5)	3,112,178	559,263	3,671,441
(Loss) gain on interest rate swap contracts (Note 9)	(559,909)	-	(559,909)
Loss on disposal of property and equipment	(78,410)	-	(78,410)
Loss on extinguishment of debt	-	-	-
Debt service (Note 9)	(762,683)	-	(762,683)
Gain on New Markets Tax Credits	-	-	-
Total other financial items	1,711,176	559,263	2,270,439
Change in net assets	(5,007,899)	77,241	(4,930,658)
Net assets:			
Beginning	88,367,017	9,049,214	97,416,231
Ending	\$ 83,359,118	\$ 9,126,455	\$ 92,485,573

See notes to consolidated financial statements.

2024

Without Donor Restrictions		With Donor Restrictions		Total
\$	29,483,790	\$	-	\$ 29,483,790
	4,238,870		2,587,384	6,826,254
	6,035,919		-	6,035,919
	1,958,881		-	1,958,881
	1,695,872		-	1,695,872
	3,038,516		-	3,038,516
	1,701,352		-	1,701,352
	688,103		-	688,103
	364,377		-	364,377
	5,475,856		(5,475,856)	-
	54,681,536		(2,888,472)	51,793,064
	31,674,197		-	31,674,197
	7,633,916		-	7,633,916
	39,308,113		-	39,308,113
	6,037,998		-	6,037,998
	4,792,864		-	4,792,864
	6,005,209		-	6,005,209
	16,836,071		-	16,836,071
	56,144,184		-	56,144,184
	(1,462,648)		(2,888,472)	(4,351,120)
	2,754,071		414,524	3,168,595
	185,977		-	185,977
	(657)		-	(657)
	(947)		-	(947)
	(1,134,504)		-	(1,134,504)
	6,374,715		-	6,374,715
	8,178,655		414,524	8,593,179
	6,716,007		(2,473,948)	4,242,059
	81,651,010		11,523,162	93,174,172
\$	88,367,017	\$	9,049,214	\$ 97,416,231

National Aquarium, Inc. and Subsidiaries

**Consolidated Statement of Functional Expenses
Year Ended December 31, 2025**

	Program Expenses			Support Expenses					
	Aquarium Experience	Conservation and Education	Total Programmatic Expenses	Fundraising and Membership	General and Administrative	Advertising and Promotions	Total Support Expenses	Total	
Salary and wages	\$ 12,108,006	\$ 4,173,627	\$ 16,281,633	\$ 3,551,279	\$ 1,784,427	\$ 390,305	\$ 5,726,011	\$ 22,007,644	
Benefits	1,375,256	524,332	1,899,588	559,333	1,732,071	76,741	2,368,145	4,267,733	
Advertising and promotion	46,459	16,644	63,103	24,794	9,520	4,176,808	4,211,122	4,274,225	
Charitable contributions	275	45,865	46,140	4,024	330	110	4,464	50,604	
Conferences, conventions and meetings	65,999	27,378	93,377	11,404	20,208	1,588	33,200	126,577	
Dues and subscriptions	711,329	184,283	895,612	193,477	230,082	9,903	433,462	1,329,074	
Insurance	600,832	167,039	767,871	87,318	62,744	1,899	151,961	919,832	
Bank and credit card fees	628,129	166,874	795,003	83,788	66,638	-	150,426	945,429	
Miscellaneous expense	222,921	37,188	260,109	189,287	137,934	4,576	331,797	591,906	
Occupancy	3,874,215	116,615	3,990,830	162,394	45,349	-	207,743	4,198,573	
Office supplies	324,273	67,014	391,287	39,480	119,385	2,892	161,757	553,044	
Professional fees	632,184	145,213	777,397	1,005,913	471,372	528,889	2,006,174	2,783,571	
Program expenses	1,924,921	191,044	2,115,965	2,332	60,750	6,800	69,882	2,185,847	
Travel expenses	182,011	327,986	509,997	44,318	42,735	4,530	91,583	601,580	
Contract services	5,201,211	232,157	5,433,368	161,675	277,493	36,011	475,179	5,908,547	
Taxes	11,547	2,409	13,956	1,204	100,984	-	102,188	116,144	
Depreciation and amortization	6,184,179	1,646,841	7,831,020	823,422	640,438	-	1,463,860	9,294,880	
Subtotal	34,093,747	8,072,509	42,166,256	6,945,442	5,802,460	5,241,052	17,988,954	60,155,210	
Debt service	3,892	1,061	4,953	531	757,199	-	757,730	762,683	
Total	\$ 34,097,639	\$ 8,073,570	\$ 42,171,209	\$ 6,945,973	\$ 6,559,659	\$ 5,241,052	\$ 18,746,684	\$ 60,917,893	

See notes to consolidated financial statements.

National Aquarium, Inc. and Subsidiaries

Consolidated Statement of Functional Expenses Year Ended December 31, 2024

	Program Expenses			Support Expenses					
	Aquarium Experience	Conservation and Education	Total Programmatic Expenses	Fundraising and Membership	General and Administrative	Advertising and Promotions	Total Support Expenses	Total	
Salary and wages	\$ 11,128,391	\$ 4,016,182	\$ 15,144,573	\$ 3,158,057	\$ 1,438,670	\$ 326,649	\$ 4,923,376	\$ 20,067,949	
Benefits	576,240	333,402	909,642	395,549	2,422,480	68,234	2,886,263	3,795,905	
Advertising and promotion	32,539	17,239	49,778	38,697	10,553	3,859,918	3,909,168	3,958,946	
Charitable contributions	3,375	36,291	39,666	5,725	1,027	350	7,102	46,768	
Conferences, conventions and meetings	58,045	19,975	78,020	17,581	8,833	2,128	28,542	106,562	
Dues and subscriptions	751,805	202,742	954,547	148,734	189,769	10,455	348,958	1,303,505	
Insurance	484,755	131,266	616,021	65,804	50,948	85	116,837	732,858	
Bank and credit card fees	621,417	165,785	787,202	84,849	64,663	7	149,519	936,721	
Miscellaneous expense	76,049	34,852	110,901	48,930	76,696	3,030	128,656	239,557	
Occupancy	3,405,225	106,587	3,511,812	53,294	41,451	-	94,745	3,606,557	
Office supplies	358,896	99,294	458,190	63,647	290,778	6,560	360,985	819,175	
Professional fees	575,495	114,294	689,789	967,082	361,127	451,330	1,779,539	2,469,328	
Program expenses	1,925,871	302,534	2,228,405	7,282	66,489	107	73,878	2,302,283	
Travel expenses	176,820	317,013	493,833	46,525	26,430	7,121	80,076	573,909	
Contract services	5,069,798	289,746	5,359,544	212,885	391,872	56,890	661,647	6,021,191	
Taxes	4,538	1,238	5,776	619	1,292	-	1,911	7,687	
Depreciation and amortization	6,424,938	1,445,476	7,870,414	722,738	562,131	-	1,284,869	9,155,283	
Subtotal	31,674,197	7,633,916	39,308,113	6,037,998	6,005,209	4,792,864	16,836,071	56,144,184	
Debt service	88,429	1,595	90,024	798	1,043,682	-	1,044,480	1,134,504	
Total	\$ 31,762,626	\$ 7,635,511	\$ 39,398,137	\$ 6,038,796	\$ 7,048,891	\$ 4,792,864	\$ 17,880,551	\$ 57,278,688	

See notes to consolidated financial statements.

National Aquarium, Inc. and Subsidiaries

Consolidated Statements of Cash Flows Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	\$ (4,930,658)	\$ 4,242,059
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation of property and equipment	9,257,575	8,911,195
Amortization of new market tax credit loan issuance costs	-	131,816
Amortization of finance lease	37,305	41,586
Interest paid on finance leases	(29,069)	(28,794)
Amortization of bond issue costs	4,148	4,148
Gain on New Market Tax Credits	-	(6,374,715)
Loss (gain) on interest rate swap agreement	559,908	(185,977)
Loss on disposal of property and equipment	78,410	657
Loss on extinguishment of debt	-	947
(Decrease) increase in discount on and allowance for promises to give	(13,180)	24,458
Notes payable premium amortization	(196,951)	(185,430)
Net realized and unrealized gain of investments	(2,677,984)	(2,004,553)
Contributions restricted to long-term investment	(125,000)	(889,050)
Right-of-use—operating amortization	645,521	487,416
Changes in assets and liabilities:		
(Increase) decrease:		
Promises to give	52,373	(733,501)
Grants receivable	188,501	(106,863)
Prepaid expenses	377,794	(501,911)
Other assets	(28,712)	(210,843)
Increase (decrease) in:		
Accounts payable and accrued expenses	511,459	(532,795)
Accrued salaries and benefits	428,561	(420,442)
Deferred revenue and refundable advances	(314,294)	(543,245)
Lease liabilities—operating	(733,561)	(607,732)
Lease liabilities—financing	66,192	195,804
Net cash provided by operating activities	3,158,338	714,235
Cash flows from investing activities:		
Purchases of property and equipment	(4,801,050)	(9,989,171)
Purchases of investments	(3,238,317)	(8,931,469)
Proceeds from sale of investments	4,096,179	9,874,341
Net cash used in investing activities	(3,943,188)	(9,046,299)
Cash flows from financing activities:		
Contributions restricted to long-term investments	125,000	889,050
Principal payments on bond payable	(2,057,249)	(1,994,398)
Principal payments on lease liability—financing	(178,907)	(177,184)
Net cash used in financing activities	(2,111,156)	(1,282,532)
Net decrease in cash, cash equivalents and restricted cash	(2,896,006)	(9,614,596)
Cash, cash equivalents and restricted cash:		
Beginning	13,988,560	23,603,156
Ending	\$ 11,092,554	\$ 13,988,560
Supplemental disclosure of cash flow information:		
Cash payments for interest	\$ 769,712	\$ 1,064,359
Supplemental disclosures of noncash investing and financing activities:		
Property and equipment purchases in accounts payable and accrued expenses	\$ 419,554	\$ 664,301
Forgiveness of New Market Tax Credit loan receivable and accrued interest	\$ -	\$ 13,769,377
Forgiveness of New Market Tax Credit loan payable and accrued interest	\$ -	\$ 20,144,092

See notes to consolidated financial statements.

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: National Aquarium, Inc. and Subsidiaries (collectively, the Aquarium) is a nonprofit corporation that operates and manages an aquarium and centers for the study of marine sciences in Baltimore, Maryland and provides recreational and educational facilities for its guests. As of December 31, 2025, the Aquarium is comprised of two entities: National Aquarium, Inc. (NA) and National Aquarium Foundation, Inc. (the Foundation). ACRC Lender, LLC (Lender) and ACRC Lessor, Inc. (Lessor) are also included in the Aquarium's consolidated subsidiaries, but these entities were dissolved in 2024 after the completion of a structured transaction (Note 6).

A summary of the Aquarium's significant accounting policies follows:

Principles of consolidation: The consolidated financial statements include the accounts of NA, the Foundation, Lender and Lessor. All intercompany accounts and transactions were eliminated for consolidation purposes.

Basis of presentation: The Aquarium is required to report information regarding its consolidated financial position and activities according to the following classes of net assets:

Net assets without donor restrictions: Net assets without donor restrictions are the net assets that are neither invested in perpetuity, nor purpose or time restricted by donor-imposed stipulations.

Net assets with donor restrictions: Net assets with donor restrictions are the net assets that are contributions and endowment investment earnings subject to donor-imposed stipulations. Some donor-imposed restrictions are temporary in nature that either expire by passage of time or can be fulfilled and removed by actions of the Aquarium pursuant to these stipulations. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Support and revenue—program: The Aquarium performs an evaluation at contract inception focused on whether a performance obligation is satisfied over time or at a point in time. If a performance obligation meets certain specific criteria, the related revenue is recognized over time if the Aquarium is able to reasonably measure its progress toward complete satisfaction of the performance obligation using reliable information. If certain criteria is not met, the revenue is recognized at a point in time.

Membership revenue is determined to be an exchange transaction stream and is recognized ratably over the term of the membership. Prepayments are recorded as deferred revenue when received.

Admissions, group sales and education revenue is recognized on the date of admission. Prepayments are recorded as deferred revenue when received.

Auxiliary revenue consists of attendance related items, visitor photos, locker rental and revenue, in addition to sponsorship and miscellaneous income. Auxiliary revenue is recognized when the service is provided.

Commission revenue from gift shop and food sales are recorded in the month the sales occur.

The Aquarium has entered into several contracts and grants with federal and state agencies under cost reimbursable billing arrangements. These transactions are considered conditional non-exchange transactions. Revenue is recognized as costs qualified under the grants are incurred. Grant funds received in excess of costs incurred are recorded as deferred revenue and refundable advances until conditions are met. Reimbursable grant costs incurred in excess of funds received are recorded as receivables.

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

The revenue streams noted above do not include significant financing components as the performance obligations are typically satisfied within one year of receipt of payment. Economic downturns can affect the level of revenues for all of the revenue streams or can have a positive impact on cash flows in good economic times.

Support and revenue—contributions: Unconditional contributions of cash and other assets received, including grants and contracts deemed to be non-exchange transactions, are recorded as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor 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 consolidated statements of activities as net assets released from restrictions. Conditional contributions are those contributions that contain donor-imposed rights of refund/return and barriers (performance obligations and/or controlling stipulations). Conditional contributions are recognized into revenue when conditions are satisfied and then follow the above policies for unconditional contributions. Conditional contributions received in advance of satisfying conditions are recorded as refundable advances.

The Aquarium reports gifts of land, buildings and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Aquarium reports expirations of donor restrictions when the donated long-lived assets are placed in service or the acquired long-lived assets are purchased.

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. Promises to give are carried at the present value of expected future cash flows computed using a discount rate based on the appropriate market rate. Amortization of the discount is included in contributions and grants revenue.

Contributions of nonfinancial assets: Contributed nonfinancial assets utilized in programs and activities consist of volunteer services and donated goods for the years ended December 31, 2025 and 2024. There are no associated donor restrictions for the contributed nonfinancial assets.

The Aquarium utilizes a volunteer program that incorporates extensive training protocols to meet various operational needs. The fair value of these volunteer services is recognized as contribution revenue and the applicable expense in the accompanying consolidated financial statements. During the years ended December 31, 2025 and 2024, the fair value of contributed services meeting the requirements for recognition in the consolidated financial statements was \$378,534 and \$346,447, respectively. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Aquarium. In total, the Aquarium receives more than 60,000 volunteer hours per year. Volunteer hours are valued using the estimated fair market value of the services using published rates for volunteer time.

The Aquarium received \$13,291 and \$17,930 of donated goods during the years ended December 31, 2025 and 2024, respectively, which are valued using the estimated fair market value of the items provided by the donor.

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Contract balances: The timing of revenue recognition may not align with the right to invoice a customer. The Aquarium records accounts receivable when it has the unconditional right to issue an invoice and receive payment, regardless of whether revenue has been recognized. If revenue has not yet been recognized, a contract liability (deferred revenue) also is recorded. If revenue is recognized in advance of the right to invoice, a contract asset (unbilled receivable) is recorded.

Contract receivables are recorded net of any allowance for credit losses. The allowance for credit loss represents an estimate of credit losses over the lifetime of the receivable. The estimation process is based on historical experience, current conditions, asset-specific characteristics, and reasonable and supportable forecasts about future economic and market conditions. As of December 31, 2025 and 2024, there was no allowance for credit losses.

Contract balances consist of the following at December 31:

	2025	2024	2023
Contract receivables	\$ 440,166	\$ 534,034	\$ 700,870
Contract liabilities	3,794,063	4,108,357	4,461,798

Cash, cash equivalents and restricted cash: Cash and cash equivalents consist of cash and funds deposited in a money market fund and temporary investments with a maturity of three months or less. Cash equivalents held temporarily in the investment portfolio are reported with investments.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated statements of financial position that sum to the total of the same amounts shown in the consolidated statements of cash flows as of December 31:

	2025	2024
Cash	\$ 9,842,521	\$ 12,589,529
Cash restricted for capital expansion	1,250,033	1,399,031
Cash, cash equivalents and restricted cash	<u>\$ 11,092,554</u>	<u>\$ 13,988,560</u>

Financial risk: The Aquarium maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. Management considers this to be a normal business risk.

Debt issuance costs: Debt issuance costs are capitalized and amortized over the life of the related debt. Bond issuance costs, net of accumulated amortization of \$34,917 and \$39,066 as of December 31, 2025 and 2024, respectively, are included in bonds payable on the consolidated statements of financial position. Amortization expense was \$4,148 and \$135,964 for the years ended December 31, 2025 and 2024, respectively, and is included with debt service expense on the consolidated statements of activities.

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Investments: Investments are recorded at fair value based on closing values on the last trading day of the year. The Foundation invests in a portfolio that includes mutual funds, fixed income private placement funds and private investments. Such investments are exposed to various risks such as interest rate, market and credit. Due to the level of risk associated with such investments and the level of uncertainty related to the changes in value of such investments, it is at least reasonably possible that changes in risks in the near term would materially affect investment balances and the amounts reported in the consolidated financial statements.

Prepaid expenses: Cash outlays for expenses relating to future years are included in prepaid expenses and will be recognized in the years in which the expense is incurred.

Property and equipment: Expenditures made by the Aquarium for portions of capital projects, which the Aquarium will own, are included in property and equipment at cost, if purchased or at their fair value at the date of the gift, if donated. Expenditures made by the City of Baltimore (the City) for capital projects are not included in the Aquarium's consolidated financial statements because those assets are owned by the City.

Property and equipment are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Building	30
Building improvements and exhibits	10
Exhibits, lab and AV equipment	5
Vehicles	5
IT equipment and software (excluding SAAS)	3
Furniture and fixtures	3
Facility improvements	*

* Facility improvements are depreciated over the shorter of the estimated useful life of the asset or the remaining term of the facilities agreement.

Valuation of long-lived assets: The Aquarium accounts for the subsequent measurement of certain long-lived assets in accordance with subsections of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic—Property, Plant and Equipment that address Impairment or Disposal of Long-Lived Assets. The accounting standard requires that property, plant and equipment and certain identifiable intangible assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived asset is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less costs to sell.

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Leases: The Aquarium determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. Under Topic 842, a contract is or contains a lease when: (i) explicitly or implicitly identified assets have been deployed in the contract, and (ii) the customer obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Aquarium also considers whether its service arrangements include the right to control the use of an asset.

To reduce the burden of adoption and ongoing compliance with Topic 842, a number of practical expedients and policy elections are available under the new guidance. The Aquarium elected the package of practical expedients permitted under the transition guidance, which among other things, did not require reassessment of whether contracts entered into prior to adoption are or contain leases, and allowed carryforward of the historical lease classification for existing leases. The Aquarium has not elected to adopt the hindsight practical expedient, and therefore measured the right-of-use (ROU) asset and lease liability using the remaining portion of the lease term at adoption on January 1, 2022.

The Aquarium recognizes most leases on its consolidated statements of financial position as a ROU asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Leases are classified as either finance leases or operating leases based on certain criteria. Classification of the lease affects the pattern of expense recognition in the income statement.

The Aquarium made an accounting policy election under Topic 842 not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, the Aquarium recognizes ROU assets and lease liabilities based on the present value of lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives received. To determine the present value of lease payments, the Aquarium made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date (or remaining term for leases existing upon the adoption of Topic 842). The risk-free discount rates were obtained using U.S. Treasury securities as posted on the Federal Reserve website. The Aquarium uses the implicit rate when readily determinable.

Future lease payments may include fixed rent escalation clauses or payments that depend on an index (such as the consumer price index). Subsequent changes in an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

The Aquarium has made an accounting policy election to account for lease and nonlease components in its contracts as a single lease component for its real estate, vehicle and equipment asset classes. The nonlease components typically represent additional services transferred to the Entity, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

Advertising: Advertising costs are expensed as incurred and were \$4,274,223 and \$3,958,946 and for the years ended December 31, 2025 and 2024, respectively.

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Functional allocation of expenses: The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, information technology, depreciation and amortization, which are allocated on full-time equivalent employees, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, interest, insurance and other, which are allocated on the basis of estimates of time and effort and full-time equivalent employees.

Income taxes: The Aquarium and its subsidiaries are generally exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). In addition, the Aquarium and its subsidiaries qualify for charitable contribution deductions under Section 170(b)(1)(A) and have been classified as organizations that are not private foundations under Section 509(a)(1). Income, which is not related to exempt purposes, less applicable deductions, is subject to federal and state corporate income taxes. The Aquarium had no material unrelated business income for the years ended December 31, 2025 and 2024.

Management has evaluated the Aquarium's tax positions and has concluded that the Aquarium has taken no uncertain tax positions that require adjustment to the consolidated financial statements.

Interest rate swap agreement: The Aquarium recognizes all derivative financial instruments in the consolidated financial statements at their fair value. The Aquarium participates in an interest rate swap contract that is considered a derivative financial instrument. Changes in the fair value of the derivative financial instrument are recognized in the consolidated statements of activities as gain (loss) on interest rate swap contract.

Use of estimates: The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent events: The Aquarium has evaluated subsequent events through May 28, 2026, the date on which the consolidated financial statements were available to be issued.

Note 2. Liquidity and Availability

The Aquarium is supported primarily by program revenues, including admissions and admissions-related revenues, as well as annual membership revenues. Grant funds are received mostly on the reimbursement method. Additional operating support comes from: (a) annual distributions on endowment and restricted investment assets, as approved on a case-by-case basis by the Aquarium's Board of Directors (Board), (b) additional distributions from unrestricted investment assets, and (c) draws on the available line of credit.

Historical operating revenues in excess of operating expenses are instrumental in maintaining short-term liquidity.

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 2. Liquidity and Availability (Continued)

Financial assets available to meet cash needs for general expenditures within one year as of December 31, 2025 and 2024, are as follows:

	2025	2024
Cash, cash equivalents and restricted cash	\$ 11,092,554	\$ 13,988,560
Promises to give, net	926,951	966,144
Grants receivable	1,169,522	1,358,023
Accounts receivable	440,166	534,034
Investments	36,473,687	34,653,565
Total financial assets	<u>50,102,880</u>	<u>51,500,326</u>
Less:		
Donor restricted endowments	5,662,513	5,416,520
Restrictions by donor with time or purpose restrictions	3,463,942	3,632,694
Bank required amounts set aside for liquidity reserve	11,536,163	12,662,714
	<u>20,662,618</u>	<u>21,711,928</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 29,440,262</u>	<u>\$ 29,788,398</u>

Note 3. Promises to Give

Included in promises to give are the following unconditional promises to give at December 31, 2025 and 2024:

	2025	2024
Harbor Wetland	\$ 80,543	\$ 142,655
Capital Projects	2,692	23,693
Conservation, education and other	862,240	831,500
Unconditional promises to give before present value discount and allowance	945,475	997,848
Less present value discount	(17,024)	(30,204)
Less allowance for doubtful accounts	(1,500)	(1,500)
Promises to give, net	<u>\$ 926,951</u>	<u>\$ 966,144</u>

Future payments on promises to give at December 31, 2025 and 2024, are as follows:

	2025	2024
Amounts due in:		
Less than one year	\$ 461,020	\$ 292,155
One to five years	484,455	705,693
	<u>\$ 945,475</u>	<u>\$ 997,848</u>

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 4. Grants Receivable

Future payments on grants receivable at December 31, 2025 and 2024, are as follows:

	2025	2024
Amounts due in:		
Less than one year	\$ 969,522	\$ 958,023
One to five years	200,000	400,000
	<u>\$ 1,169,522</u>	<u>\$ 1,358,023</u>

Note 5. Investments

Investments owned by the Aquarium consist of the following at December 31, 2025 and 2024:

	2025	2024
Cash equivalents	\$ 996,969	\$ 654,823
Mutual funds	32,623,130	31,254,315
Real estate fund	1,708,650	1,641,071
Private investment	1,144,938	1,103,356
	<u>\$ 36,473,687</u>	<u>\$ 34,653,565</u>

Investment income is as follows for the years ended December 31, 2025 and 2024:

	2025	2024
Net unrealized and realized gain	\$ 2,677,984	\$ 2,004,553
Interest and dividends on investments	704,330	594,280
Investment fees	(139,520)	(153,831)
	<u>3,242,794</u>	<u>2,445,002</u>
Interest income on notes receivable	428,647	723,593
Total investment income	<u>\$ 3,671,441</u>	<u>\$ 3,168,595</u>

Note 6. Fair Value Measurements

The Aquarium defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and within a fair value hierarchy. The fair value hierarchy gives the highest rank to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest rank to unobservable inputs (Level 3). Inputs are broadly defined as data that market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Listed equities and holdings in mutual funds are types of investments included in Level 1.

Level 2: Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly; Level 2 includes the use of models or other valuation methodologies.

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 6. Fair Value Measurements (Continued)

Level 3: Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Aquarium's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment. The following section describes the valuation techniques used by the Aquarium:

Level 1: Investments in securities traded on a national securities exchange, or reported on the NASDAQ national market, are stated at the last reported sales price on the day of valuation. These financial instruments are classified as Level 1 in the fair value hierarchy.

Level 2: The Aquarium's interest rate swaps are observable at commonly quoted intervals for the full term of the swaps and therefore is considered a Level 2 item.

Level 3: Not applicable.

The following table classifies all investments into the hierarchy set forth by the ASC 820. The table includes those investments that are held and managed by the Aquarium measured at fair value on a recurring basis by level within the hierarchy at December 31, 2025 and 2024:

	2025				2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Mutual funds (a):								
International	\$ 4,207,297	\$ -	\$ -	\$ 4,207,297	\$ 4,253,202	\$ -	\$ -	\$ 4,253,202
Fixed income	10,801,689	-	-	10,801,689	9,551,629	-	-	9,551,629
Value	14,635,538	-	-	14,635,538	14,547,099	-	-	14,547,099
Global hard asset	2,978,606	-	-	2,978,606	2,902,385	-	-	2,902,385
Total investments at fair value	<u>\$ 32,623,130</u>	<u>\$ -</u>	<u>\$ -</u>	<u>32,623,130</u>	<u>\$ 31,254,315</u>	<u>\$ -</u>	<u>\$ -</u>	<u>31,254,315</u>
Real estate fund (a)				1,708,650				1,641,071
Private investment (b)				1,144,938				1,103,356
Cash, held at cost				996,969				654,823
Total investments				<u>\$ 36,473,687</u>				<u>\$ 34,653,565</u>
Deferred compensation plan assets	\$ 609,882	\$ -	\$ -	\$ 609,882	\$ 399,027	\$ -	\$ -	\$ 399,027
	<u>\$ 609,882</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 609,882</u>	<u>\$ 399,027</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 399,027</u>
Interest rate swap assets	\$ -	\$ 658,302	\$ -	\$ 658,302	\$ -	\$ 1,218,210	\$ -	\$ 1,218,210
	<u>\$ -</u>	<u>\$ 658,302</u>	<u>\$ -</u>	<u>\$ 658,302</u>	<u>\$ -</u>	<u>\$ 1,218,210</u>	<u>\$ -</u>	<u>\$ 1,218,210</u>

(a) Mutual funds are investments made through managed accounts and hold a variety of equity and debt securities such as U.S. and international stocks, as well as U.S. and international sovereign, agency and corporate debt. These funds are classified as Level 1 investments when the funds are publicly traded.

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 6. Fair Value Measurements (Continued)

(b) In accordance with Subtopic 820-10, as amended by Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities that Calculate Net Assets Value per Share (or its Equivalent)*, certain investments that were measured at net asset value (NAV) per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the consolidated statements of financial position.

The Aquarium invests in entities which are measured at NAV per share, or its equivalents. Information pertaining to these investments at December 31, 2025 and 2024, are as follows:

	2025 Fair Value	2024 Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Real estate fund (a)	\$ 1,708,650	\$ 1,641,071	-	None	None
Private investment (b)	1,144,938	1,103,356	-	None	180 days
Total	<u>\$ 2,853,588</u>	<u>\$ 2,744,427</u>			

(a) This category includes a partnership which invests in commercial and residential real estate. The fair value of the investment in this category has been estimated using the NAV per share of the investment.

(b) This category includes a partnership which invests in differentiated lending opportunities. The fair value of the investment in this category has been estimated using the NAV per share of the investment.

Note 7. Property and Equipment

Major classes of property and equipment at December 31, 2025 and 2024, are as follows:

	2025	2024
Land	\$ 1,282,888	\$ 1,362,888
Furniture, fixtures and office equipment	15,318,514	14,629,575
Other equipment	27,464,465	26,053,134
Building and facility improvements	211,861,518	211,527,965
Construction in progress	4,293,563	2,681,040
	260,220,948	256,254,602
Less accumulated depreciation	(188,152,483)	(179,385,702)
	<u>\$ 72,068,465</u>	<u>\$ 76,868,900</u>

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 8. Leases

The Aquarium leases premises for general office and for use of furniture and aquaculture equipment from unrelated parties under operating lease agreements that have terms from transition of 3 – 5 years. The Candler Lease includes two options to renew of five years, generally at company's sole discretion, with renewal terms that can extend the lease term. The Aquarium also has a lease with the Institute of Marine and Environmental Technology (IMET) for aquaculture facility space with the option to renew annually for up to five years. These options to extend a lease are included in the lease terms when it is reasonably certain that the Aquarium will exercise that option. The Aquarium leases copiers and postage machines from unrelated parties under finance lease agreements that have terms from transition of 1 to 4 years. In 2024, the Aquarium transitioned the iWerks agreement for its 4D attraction under Topic 842, which had previously been recognized as a capital lease obligation. The Aquarium's leases generally do not contain any material restrictive covenants.

Operating lease cost is recognized on a straight-line basis over the lease term. Finance lease cost is recognized as a combination of the amortization expense for the ROU assets and interest expense for the outstanding lease liabilities, and results in a front-loaded expense patterns over the lease term.

Operating lease ROU assets and lease liabilities as of December 31, 2025 and 2024, consisted of the following:

	2025	2024
Assets:		
Operating lease assets	\$ 3,674,873	\$ 4,220,282
Financing lease assets	\$ 156,846	\$ 165,699
Liabilities:		
Operating lease liabilities	\$ 5,239,697	\$ 5,872,916
Financing lease liabilities	\$ 732,390	\$ 866,705

The components of lease expense for the years ended December 31, 2025 and 2024, are as follows:

	2025	2024
Operating lease cost	\$ 645,521	\$ 645,270
Finance lease—amortization of ROU assets	37,305	41,586
Finance lease—interest on lease liabilities	29,069	28,794
	\$ 711,895	\$ 715,650

The lease term and discount rate for operating leases are as follows:

	2025	2024
Weighted-average remaining lease term for operating leases	7.24	8.21
Weighted-average discount rate for operating leases	1.81%	1.83%
Weighted-average remaining lease term for financing leases	3.74	4.68
Weighted-average discount rate for financing leases	3.43%	3.51%

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 8. Leases (Continued)

Supplemental cash flow information related to leases is as follows:

	2025	2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash outflows—payments on operating leases	\$ 733,561	\$ 716,552
Operating cash outflows—payments on financing leases	29,069	28,794
Financing cash outflows—payments on finance leases	178,907	177,184
ROU assets obtained in exchange for new lease obligations:		
Financing leases	\$ 35,536	\$ 145,676

Future undiscounted cash flows for each of the next five years and thereafter and reconciliation to the lease liabilities recognized on the consolidated statement of financial position as of December 31, 2025, is as follows:

	Operating Leases	Financing Leases
Years ending December 31:		
2026	\$ 750,592	\$ 209,284
2027	768,131	207,183
2028	752,252	200,061
2029	722,130	152,008
2030	738,298	1,308
Thereafter	1,851,361	-
Total lease payments	5,582,764	769,844
Less imputed interest	(343,067)	(37,454)
Present value of lease liabilities	<u>\$ 5,239,697</u>	<u>\$ 732,390</u>

Note 9. Long-Term Debt

Bonds payable: On May 30, 2019, the Aquarium issued two tax-exempt floating rate revenue bonds, Series A and Series B, in the amounts of \$17,014,000 and \$15,595,000, respectively, totaling \$32,609,000 through a financial institution. The balance of the bonds payable was \$20,307,242 and \$22,364,492 at December 31, 2025 and 2024, respectively.

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 9. Long-Term Debt (Continued)

On May 19, 2023, the Aquarium and Truist Bank agreed to amend the tax-exempt floating rate revenue bonds, Series A and Series B, in order to: (i) provide for the replacement of London Interbank Offered Rate (LIBOR) with a Secured Overnight Financing Rate (SOFR) based interest rate in light of the anticipated cessation of LIBOR on June 30, 2023, (ii) extend the Mandatory Redemption Date (as defined in the Agreement) from June 1, 2029 to the final maturity date of the Bonds on June 1, 2034 (iii) reduce the debt service coverage ratio covenant to a minimum threshold of 1.10, tested as of June 30 and December 31 of each year, and (iv) modify the minimum unrestricted liquid asset covenant such that unrestricted liquidity shall be maintained in an amount equal to or greater than 50% of the all funded indebtedness owed to the lender plus the undisbursed portion of any commitment loan amount from the lender. Interest on the bonds resets monthly based on 79% of the one-month LIBOR plus 1.35%. The interest rate at December 31, 2025 and 2024, was 4.24% and 4.75%, respectively. The bonds mature on June 1, 2034. In conjunction with the amendments, the Aquarium amended and restated trade confirmations in connection with the Aquarium's two (2) interest rate swap agreements related to the Series A and Series B Bonds in order to: (i) increase the notional amount of the swaps to hedge the entire outstanding amount of the Bonds, (ii) provide for the replacement of LIBOR with a SOFR based interest rate, and (iii) extend the termination date from June 1, 2029 to June 1, 2034. As a result of the swap amendments, the fixed interest rates were increased from 3.07% to 3.29% for both swaps. The amendments to the Bonds and swaps became effective June 1, 2023.

Principal payment requirements on the bonds payable at December 31, 2025, are due in future years as follows:

	<u>Bonds Payable</u>
Years ending December 31:	
2026	\$ 2,122,044
2027	2,188,146
2028	2,257,050
2029	2,328,900
2030	2,402,298
Thereafter	<u>9,008,804</u>
	20,307,242
Issuance costs, net of amortization	<u>(34,917)</u>
	<u>\$ 20,272,325</u>

New markets tax credit: On March 21, 2017, the Aquarium secured permanent financing related to the renovation of the ACRC property by entering into a transaction structured to qualify for the New Markets Tax Credit (NMTC), as outlined in IRC Section 45(d). As part of the transaction, the Aquarium established two new entities: ACRC Lender, LLC (Lender) and ACRC Lessor, Inc. (Lessor). Lender was a single-member LLC owned by NA and was considered a disregarded entity for income tax purposes. Lessor was a 501(c)(3) nonprofit/nonstock corporation, and was considered a Type II supporting organization under IRC Section 509(a)(3).

On the above NMTC transaction date, the loan agreement for the Aquarium's delayed draw term loan was amended to reduce the maximum principal amount available from \$20,000,000 to \$18,000,000, to revise to \$20,000,000 the Aquarium's Minimum Unrestricted Liquid Assets required to be maintained as of each June 30 and December 31 during the first seven years of the agreement, and to expand the permitted uses of proceeds to include not only the purchase, reconstruction, equipping and furnishing of the ACRC property but funding Lender and Lessor as described immediately below.

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 9. Long-Term Debt (Continued)

The Aquarium drew down \$424,681 prior to the NMTC transaction date, and an additional \$11,441,882 at the time of closing. Of the latter amount, the Aquarium contributed \$10,332,500 to Lender via an equity contribution and \$1,109,382 to Lessor. Lender, acting as the leveraged lender in the NMTC transaction, then loaned \$10,332,500 to an entity serving in the investment fund role for the transaction. Lender's loan receivable earned interest of 1.21% per annum. There are no principal payments due for the first seven years of the agreement. There were no equity distributions from the Lender during the years ended December 31, 2025 and 2024.

Lessor entered into loan agreements totaling \$14,700,000 that qualify as qualified low-income community investment (QLICI) loans under the NMTC program. Lessor's loan payable interest was 1.42% per annum. The Aquarium agreed to indemnify the qualified community development entity (CDE) investors for any potential tax credit losses.

On June 30, 2017, the Aquarium secured additional permanent financing related to the ACRC property by entering into a second transaction structured to qualify for the NMTC. In this transaction, the Aquarium made an additional equity contribution of \$3,281,040 of loan proceeds to Lender. Lender, acting as the leveraged lender in the transaction, then loaned \$3,281,040 of loan proceeds to an entity serving in the investment fund role of the NMTC transaction. Lender's loan receivable earned interest of 1.21% per annum. There are no principal payments due for the first seven years of the agreement. Total loans receivable under these transactions was \$13,613,540 at December 31, 2023.

Lessor entered into loan agreements totaling \$4,704,000 that qualify as QLICI loans under the NMTC program. Lessor's loan payable interest was 1.42% per annum. The Aquarium agreed to indemnify the CDE investors for any potential tax credit losses.

In July 2024, the Aquarium unwound the NMTC transaction following the required 7-year compliance period. The unwind resulted in the exit of both the Community Development Entities (CDEs) and entity serving in the investment fund role and left the Aquarium the sole remaining party in the transaction and owner of both leverage and QLICI loans. As part of the unwind, NA became the owner of the entity serving in the investment fund role owing the leverage loans to Lender totaling \$13,613,540. NA also became the owner of the QLICI loans owed by Lessor totaling \$19,404,000. As such, related loans were forgiven between Lender and NA, and NA and Lessor. With no regulations requiring the existence of Lender and Lessor entities, both were consolidated into NA, resulting in a net gain of \$6,374,715 on a consolidated basis as the result of the NMTC loan forgiveness. As of December 31, 2024, both Lender and Lessor were dissolved as entities.

Interest rate swap contracts: In May 2019, Aquarium entered into two new interest rate swap agreements related to its issuance of the Series A and Series B bonds with notional amounts totaling \$20,307,242 and \$22,364,492 as of December 31, 2025 and 2024, respectively. In 2023, the Aquarium amended the interest rate swap contracts to extend the termination date from June 1, 2029 to June 1, 2034. Additionally, the fixed interest rates were increased from 3.07% to 3.29% for both swaps effective June 1, 2023. The estimated total fair value of these agreements were classified as assets of \$658,301 and \$1,218,210 in the Aquarium's consolidated statements of financial position as of December 31, 2025 and 2024, respectively. Net losses of \$559,909 were recognized for the year ended December 31, 2025 and recorded on the consolidated statement of activities. Net gains of \$185,978 were recognized for the year ended December 31, 2024, and recorded on the consolidated statement of activities.

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 9. Long-Term Debt (Continued)

Notes payable: The Aquarium recorded a note payable equal to the cost of capital improvements made by its Concessionaire. The costs are amortized over seven years for equipment purchased from the prior concession operator and ten years for new furniture, fixtures, equipment, and leasehold improvements. The unamortized cost remaining at contract termination would be payable to the Concessionaire. The Aquarium has recorded capital improvements made by Concessionaire totaling \$1,789,243. The unamortized balance was \$1,102,459 and \$1,299,410 at December 31, 2025 and 2024, respectively.

Interest expense: Interest expense on long-term debt was \$758,534 and \$998,540 for the years ended December 31, 2025 and 2024, respectively, and is included with debt service expense on the consolidated statements of activities.

Note 10. Management and Facility Agreement

In 1987, the Aquarium entered into a management and facility agreement with the mayor and the city council of Baltimore for the purpose of setting forth the rights and obligations of each related to the operation, maintenance and ownership of the Aquarium. Significant provisions of the agreement are as follows:

- The Aquarium set forth its intention to operate the facilities on a self-sustaining basis, dedicating its excess of revenue over expenses for exhibit additions, replacements and renovations.
- The Aquarium is responsible for the operation of the facilities under the general direction of the City.
- The City has legal title to certain of the real and tangible personal property located at the aquarium complex and in the event of the Aquarium's dissolution, obtains title to all other corporate assets.
- The Aquarium is responsible for the maintenance, repair, replacement and upkeep of the exterior of the aquarium complex and all structural elements thereof. In addition, the Aquarium is responsible for the repair and maintenance of property and equipment such as water, electric, sewer, heating and air conditioning apparatus and all machinery, equipment and other fixtures used in connection with the operation of the facilities.
- The Aquarium is responsible for maintaining certain levels of comprehensive general liability, fire and extended coverage insurance as defined by the agreement.
- The original 1987 agreement, which does not require annual rental payments, was amended during 2001 to extend the lease term to 2049. The agreement shall automatically renew itself for five successive terms of 10 years each, upon certain conditions being met by both parties, as defined by the agreement.

As part of a public/private partnership, the Aquarium considers the administration of the facility as an exchange type transaction and does not consider use and administration of City owned assets as part of any contribution concept.

Note 11. Line of Credit

The Aquarium's existing revolving line of credit in the amount of \$3,000,000 is set to mature on December 2, 2027. The most recent amendment modified the index to Daily Simple SOFR with five look back days. The interest rate was 5.66% and 6.31% as of December 31, 2025 and 2024, respectively. There was no outstanding balance as of December 31, 2025 and 2024, respectively.

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 12. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods as of December 31, 2025 and 2024:

	2025	2024
Subject to expenditure for a specified purpose:		
NA:		
Capital projects	\$ 1,333,268	\$ 1,565,379
Conservation and education programs	280,826	116,773
Aquarium experience	130,559	149,018
Henry Hall activities	-	1,250
Internship program	15,000	-
Time restriction	1,116,427	1,239,704
Total NA	<u>2,876,080</u>	<u>3,072,124</u>
Foundation:		
Henry Hall activities	587,862	560,570
	<u>3,463,942</u>	<u>3,632,694</u>
Subject to the Aquarium's spending policy and appropriation:		
Foundation:		
Investment in perpetuity (including amounts above original gift amount totaling \$2,271,172 for both years), the income from which is expendable to support:		
Aquarium science and medicine	1,456,654	1,396,275
Lecture series	1,376,136	1,318,951
Marine life accessions	1,197,565	1,141,970
Education center	1,041,797	993,433
Professional excellence	590,361	565,891
Total Foundation	<u>5,662,513</u>	<u>5,416,520</u>
	<u>\$ 9,126,455</u>	<u>\$ 9,049,214</u>

The earnings on the net assets with donor restrictions are directed for use by the donors and are accounted for in the donor restricted funds until appropriated by the Aquarium for use in their designated purposes.

The Blaustein Foundation has established endowed funds to provide grants to the Aquarium to finance purchases of aquarium specimens and to support programming activities of the Aquatic Education Resource Center. Both original endowments were \$250,000 each. The James McBride Endowment of \$149,994, with additional matching support by the Foundation of \$150,000, was established to provide funds for education for professional staff. The Marjorie Lynn Bank Endowment of \$463,198 was established for a lecture and event series for adults. A donor has established endowed funds in the form of a \$1,007,980 bequest to aid in providing additional veterinary support to the Aquarium. Based on need and approval, annual earnings for each endowment are used for grants to the Aquarium and those earnings in excess of expenditures are to be donor restricted for the designated purposes.

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 12. Net Assets With Donor Restrictions (Continued)

Net assets released from restrictions consisted of the following for the years ended December 31, 2025 and 2024:

	2025	2024
Specific purpose restrictions accomplished:		
Capital projects	\$ 350,000	\$ 4,434,451
Conservation and education programs	224,307	152,009
Aquarium experience	99,595	14,955
Lecture series	-	58,706
Henry Hall activities	166,258	79,782
Time restriction	312,665	469,069
	<u>1,152,825</u>	<u>5,208,972</u>
Release of appropriations subject to the Aquarium's spending policy:		
Aquarium science and medicine	70,266	72,327
Lecture series	66,228	66,826
Marine life accessions	51,256	52,632
Education center	44,589	45,786
Professional excellence	28,479	29,313
	<u>260,818</u>	<u>266,884</u>
Total restrictions released	<u>\$ 1,413,643</u>	<u>\$ 5,475,856</u>

Interpretation of relevant law: The Board of the Aquarium has interpreted the Maryland-enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Aquarium classifies as net assets for investment in perpetuity: (a) the original value of gifts donated to the donor-restricted endowment, (b) the original value of subsequent gifts to the donor-restricted endowment, and (c) accumulations to the donor-restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is classified as donor restricted net assets under UPMIFA until appropriated for use in accordance with the donor's stipulations.

Funds with deficiencies: From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or UPMIFA requires the Aquarium to retain as a fund for perpetual duration. In accordance with GAAP, deficiencies of this nature are reported as a reduction of net assets with donor restrictions. There were no deficiencies as of December 31, 2025 and 2024.

Return objectives and risk parameters: The Aquarium's objective is to earn a respectable long-term, risk adjusted total rate of return to support the designated programs. The Aquarium recognizes and accepts that pursuing a respectable rate of return involves risk and potential volatility. The generation of current income will be a secondary consideration. The Aquarium targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. The Aquarium has established a policy portfolio, or normal asset allocation. While the policy portfolio can be adjusted from time to time, it is designated to serve for long-time horizons based upon long-term expected returns.

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 12. Net Assets With Donor Restrictions (Continued)

Endowment spending policy: The Aquarium will plan for expenditures in its annual budget a maximum of 5% of the rolling average of the market value of the endowment assets over the preceding three years, with the base adjusted for new capital contributions to the endowment. There may be times when the Aquarium may opt not to take the maximum spending rate but rather to reinvest some of the annual return.

The composition of the Aquarium's donor-restricted endowment and non-endowment funds at December 31, 2025 and 2024, is as follows:

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 5,662,513	\$ 5,662,513
Non-endowment funds	83,359,118	3,463,942	86,823,060
Total funds	<u>\$ 83,359,118</u>	<u>\$ 9,126,455</u>	<u>\$ 92,485,573</u>

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 5,416,520	\$ 5,416,520
Non-endowment funds	88,367,017	3,632,694	91,999,711
Total funds	<u>\$ 88,367,017</u>	<u>\$ 9,049,214</u>	<u>\$ 97,416,231</u>

Changes in endowment net assets for the fiscal years ended December 31, 2025 and 2024, are as follows:

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of the year	\$ -	\$ 5,416,520	\$ 5,416,520
Investment return, net	-	506,811	506,811
Appropriation of endowment assets for expenditures	-	(260,818)	(260,818)
Endowment net assets, end of the year	<u>\$ -</u>	<u>\$ 5,662,513</u>	<u>\$ 5,662,513</u>

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of the year	\$ -	\$ 5,307,649	\$ 5,307,649
Investment return, net	-	375,755	375,755
Appropriation of endowment assets for expenditures	-	(266,884)	(266,884)
Endowment net assets, end of the year	<u>\$ -</u>	<u>\$ 5,416,520</u>	<u>\$ 5,416,520</u>

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 13. Employee Benefit Plans

The Aquarium has a 401(k) plan for employees which provides for an employer match of participant contributions and the option to make discretionary employer contributions. In 2019, the Aquarium matched 50% of participant contributions up to 3% total. In 2020, the Aquarium continued matching up to 3% of participant contributions until March 29, 2020. Effective March 29, 2020, the Aquarium discontinued its employee match for the balance of the year. The Aquarium reinstated the employer match in 2022. In 2023, this match was increased to 100% of participant contributions up to the first 1%, and 50% of participant contributions up to 6% total. No discretionary contributions were made in 2025 or 2024. The 401(k) plan expense was \$665,244 and \$626,997 for the years ended December 31, 2025 and 2024, respectively. The Aquarium also has a 457(f) plan. The Aquarium made contributions of \$68,975 and \$123,225 to this plan for the years ended December 31, 2025 and 2024, respectively.

Plan assets for the 457(f) plan are not held in trust for plan participants but remain the property of the employer and are therefore recorded as equal amounts of accounts payable and accrued expenses liabilities and other assets in the consolidated statements of financial position.

Note 14. Commitments and Contingencies

Power purchase agreement: In July 2014, NA entered into a power purchase agreement with Constellation NewEnergy, Inc., committing NA to purchasing all of the energy output of a specifically identified solar facility completed in the second quarter of 2015. The solar facility output serves as a price component for a blended fixed rate on all electricity consumption of the Aquarium (excluding the animal care and rescue center) through March 2040. The established rate per megawatt hour was subject to an annual 2.9% increase through the fixed rate period, which ended December 2020. The pricing from January 2021 to March 2040, is on a pass-through model based on variables described in the agreement.

Self-insurance program: The Aquarium maintains a self-insured medical plan for the benefit of its employees. The medical plan is administered through a contractual relationship with an unrelated Aquarium. The Aquarium is responsible for all claims incurred up to the amount of its stop loss insurance, which it maintains on both a per employee basis and in the aggregate. The Aquarium's expense under the self-insured medical plan amounted to \$1,397,030 and \$1,125,177 for the years ended December 31, 2025 and 2024, respectively. The Aquarium includes a provision for estimated claims of \$126,890 and \$113,147 in accounts payable and accrued expenses on the consolidated statements of financial position, as of December 31, 2025 and 2024, respectively.

Litigation: Lawsuits and claims are filed from time to time against the Aquarium in the ordinary course of business. The Aquarium, after reviewing developments to date with legal counsel, is of the opinion that the outcome of such matters will not have a material adverse effect on the Aquarium's consolidated financial statements.

National Aquarium, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Note 15. Conditional Grants

During the year ended December 31, 2023, the Aquarium was awarded an additional \$3,500,000 capital grant from the State of Maryland for long-term capital projects. The Aquarium has \$559,270 to be earned on this conditional grant as of December 31, 2025.

During the year ended December 31, 2024, the Aquarium was awarded an additional \$2,250,000 capital grant from the State of Maryland for long-term capital projects. The Aquarium has \$2,250,000 to be earned on this conditional grant as of December 31, 2025.

During the year ended December 31, 2025, the Aquarium was awarded an additional \$1,500,000 capital grant from the State of Maryland for long-term capital projects. The Aquarium has \$1,500,000 to be earned on this conditional grant as of December 31, 2025.

These amounts are not recognized in the consolidated financial statements as such revenue is recognized over the multi-year period indicated in the grant agreement, conditional upon management of the Aquarium complying with grant requirements. The balances outstanding are a result of the standard processing time between initial awards and recognition of revenue.

Note 16. Related-Party Transactions

The Aquarium has a contractual relationship with a consultant (and affiliate of the consultant beginning in 2023) that is connected to a member of the Board of Directors (the Director). This relationship has been disclosed by the Director on an annual conflict of interest form and the Executive Committee has reviewed and approved the consultant agreement, with the Director recused from all such deliberations. For the years ended December 31, 2025 and 2024, expenses under this agreement totaled approximately \$2,600,000 and \$2,300,000, respectively.



RSM US LLP

Independent Auditor's Report on the Supplementary Information

Board of Directors
National Aquarium, Inc.

We have audited the consolidated financial statements of National Aquarium, Inc. and Subsidiaries (collectively, the Aquarium) as of and for the years ended December 31, 2025 and 2024, and have issued our report thereon, dated May 28, 2026, which contains an unmodified opinion on those consolidated financial statements. See pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information is presented for purposes of additional analysis rather than to present the financial position, results of operations and cash flows of the individual companies 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 consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits 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 consolidated financial statements or to 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.

RSM US LLP

Gaithersburg, Maryland
May 28, 2026

National Aquarium, Inc. and Subsidiaries

Consolidating Statements of Financial Position Years Ended December 31, 2025 and 2024

	2025			
	National Aquarium, Inc.	National Aquarium Foundation, Inc.	Eliminations	Total
Assets				
Cash and cash equivalents	\$ 9,842,521	\$ -	\$ -	\$ 9,842,521
Promises to give, net	843,716	-	-	843,716
Grants receivable	1,169,522	-	-	1,169,522
Prepaid expenses	836,886	-	-	836,886
Other assets	1,525,388	15,963	-	1,541,351
Lease right-of-use assets—financing	156,846	-	-	156,846
Lease right-of-use assets—operating	3,674,873	-	-	3,674,873
Investments	-	30,811,174	-	30,811,174
Interest rate swap assets	658,302	-	-	658,302
Property and equipment, net	72,068,465	-	-	72,068,465
Cash restricted for capital expansion	1,250,033	-	-	1,250,033
Promises to give restricted for capital expansion	83,235	-	-	83,235
Investments restricted for endowment	-	5,662,513	-	5,662,513
Total assets	\$ 92,109,787	\$ 36,489,650	\$ -	\$ 128,599,437
Liabilities and Net Assets				
Liabilities:				
Accounts payable and accrued expenses	\$ 3,529,084	\$ -	\$ -	\$ 3,529,084
Accrued salaries and benefits	1,443,846	-	-	1,443,846
Deferred revenue and refundable advances	3,794,063	-	-	3,794,063
Lease liabilities—financing	732,390	-	-	732,390
Lease liabilities—operating	5,239,697	-	-	5,239,697
Notes payable	1,102,459	-	-	1,102,459
Bonds payable, net of unamortized issuance costs	20,272,325	-	-	20,272,325
Total liabilities	36,113,864	-	-	36,113,864
Net assets:				
Without donor restrictions	53,119,843	30,239,275	-	83,359,118
With donor restrictions	2,876,080	6,250,375	-	9,126,455
Total net assets	55,995,923	36,489,650	-	92,485,573
Total liabilities and net assets	\$ 92,109,787	\$ 36,489,650	\$ -	\$ 128,599,437

2024

	National Aquarium, Inc.	National Aquarium Foundation, Inc.	ACRC Lender, LLC	ACRC Lessor, Inc.	Eliminations	Total
\$	12,589,529	\$ -	\$ -	\$ -	\$ -	12,589,529
	799,796	-	-	-	-	799,796
	1,358,023	-	-	-	-	1,358,023
	1,214,680	-	-	-	-	1,214,680
	1,493,370	19,269	-	-	-	1,512,639
	165,699	-	-	-	-	165,699
	4,220,282	-	-	-	-	4,220,282
	-	29,237,045	-	-	-	29,237,045
	1,218,210	-	-	-	-	1,218,210
	76,868,900	-	-	-	-	76,868,900
	1,399,031	-	-	-	-	1,399,031
	166,348	-	-	-	-	166,348
	-	5,416,520	-	-	-	5,416,520
\$	101,493,868	\$ 34,672,834	\$ -	\$ -	\$ -	136,166,702
\$	3,262,372	\$ -	\$ -	\$ -	\$ -	3,262,372
	1,015,285	-	-	-	-	1,015,285
	4,108,357	-	-	-	-	4,108,357
	866,705	-	-	-	-	866,705
	5,872,916	-	-	-	-	5,872,916
	1,299,410	-	-	-	-	1,299,410
	22,325,426	-	-	-	-	22,325,426
	38,750,471	-	-	-	-	38,750,471
	59,671,273	28,695,744	-	-	-	88,367,017
	3,072,124	5,977,090	-	-	-	9,049,214
	62,743,397	34,672,834	-	-	-	97,416,231
\$	101,493,868	\$ 34,672,834	\$ -	\$ -	\$ -	136,166,702

National Aquarium, Inc. and Subsidiaries

Consolidating Statement of Activities Year Ended December 31, 2025

	National Aquarium, Inc.			National Aquarium Foundation, Inc.		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, gains and other support:						
Admissions	\$ 29,488,093	\$ -	\$ 29,488,093	\$ -	\$ -	\$ -
Contributions and grants	7,911,168	931,621	8,842,789	-	-	-
General and corporate membership programs	5,778,473	-	5,778,473	-	-	-
Education program	1,838,698	-	1,838,698	-	-	-
Group sales	1,607,779	-	1,607,779	-	-	-
Gift shop and food service	3,004,420	-	3,004,420	-	-	-
Auxiliary	1,550,184	-	1,550,184	-	-	-
Catered events	451,852	-	451,852	-	-	-
Intercompany grants	1,140,000	285,978	1,425,978	-	-	-
Contributions of nonfinancial assets	391,825	-	391,825	-	-	-
Net assets released from restrictions:						
Satisfaction of program restrictions	1,413,643	(1,413,643)	-	285,978	(285,978)	-
Total revenue, gains and other support	54,576,135	(196,044)	54,380,091	285,978	(285,978)	-
Expenses:						
Programs:						
Aquarium experience	34,093,747	-	34,093,747	570,000	-	570,000
Conservation and education	8,072,509	-	8,072,509	855,978	-	855,978
Total program expenses	42,166,256	-	42,166,256	1,425,978	-	1,425,978
Supporting services:						
Fundraising and membership	6,945,442	-	6,945,442	-	-	-
Advertising and promotions	5,241,052	-	5,241,052	-	-	-
General and administrative	5,802,460	-	5,802,460	-	-	-
Total supporting services expenses	17,988,954	-	17,988,954	-	-	-
Total expenses	60,155,210	-	60,155,210	1,425,978	-	1,425,978
Change in net assets before other financial items	(5,579,075)	(196,044)	(5,775,119)	(1,140,000)	(285,978)	(1,425,978)
Investment income, net	428,647	-	428,647	2,683,531	559,263	3,242,794
Loss on interest rate swap contract	(559,909)	-	(559,909)	-	-	-
Loss on disposal of property and equipment	(78,410)	-	(78,410)	-	-	-
Loss on extinguishment of debt	-	-	-	-	-	-
Debt service	(762,683)	-	(762,683)	-	-	-
Total other financial items	(972,355)	-	(972,355)	2,683,531	559,263	3,242,794
Change in net assets	(6,551,430)	(196,044)	(6,747,474)	1,543,531	273,285	1,816,816
Net assets:						
Beginning	59,671,273	3,072,124	62,743,397	28,695,744	5,977,090	34,672,834
Ending	\$ 53,119,843	\$ 2,876,080	\$ 55,995,923	\$ 30,239,275	\$ 6,250,375	\$ 36,489,650

Without Donor Restrictions	Eliminations		Without Donor Restrictions	Total	
	With Donor Restrictions	Total		With Donor Restrictions	Total
\$ -	\$ -	\$ -	\$ 29,488,093	\$ -	\$ 29,488,093
-	-	-	7,911,168	931,621	8,842,789
-	-	-	5,778,473	-	5,778,473
-	-	-	1,838,698	-	1,838,698
-	-	-	1,607,779	-	1,607,779
-	-	-	3,004,420	-	3,004,420
-	-	-	1,550,184	-	1,550,184
-	-	-	451,852	-	451,852
(1,140,000)	(285,978)	(1,425,978)	-	-	-
-	-	-	391,825	-	391,825
(285,978)	285,978	-	1,413,643	(1,413,643)	-
(1,425,978)	-	(1,425,978)	53,436,135	(482,022)	52,954,113
(570,000)	-	(570,000)	34,093,747	-	34,093,747
(855,978)	-	(855,978)	8,072,509	-	8,072,509
(1,425,978)	-	(1,425,978)	42,166,256	-	42,166,256
-	-	-	6,945,442	-	6,945,442
-	-	-	5,241,052	-	5,241,052
-	-	-	5,802,460	-	5,802,460
-	-	-	17,988,954	-	17,988,954
(1,425,978)	-	(1,425,978)	60,155,210	-	60,155,210
-	-	-	(6,719,075)	(482,022)	(7,201,097)
-	-	-	3,112,178	559,263	3,671,441
-	-	-	(559,909)	-	(559,909)
-	-	-	(78,410)	-	(78,410)
-	-	-	-	-	-
-	-	-	(762,683)	-	(762,683)
-	-	-	1,711,176	559,263	2,270,439
-	-	-	(5,007,899)	77,241	(4,930,658)
-	-	-	88,367,017	9,049,214	97,416,231
\$ -	\$ -	\$ -	\$ 83,359,118	\$ 9,126,455	\$ 92,485,573

National Aquarium, Inc. and Subsidiaries

Consolidating Statement of Activities Year Ended December 31, 2024

	National Aquarium, Inc.			National Aquarium Foundation, Inc.		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, gains and other support:						
Admissions	\$ 29,483,790	\$ -	\$ 29,483,790	\$ -	\$ -	\$ -
Contributions and grants	4,238,870	2,587,384	6,826,254	-	-	-
General and corporate membership programs	6,035,919	-	6,035,919	-	-	-
Education program	1,958,881	-	1,958,881	-	-	-
Group sales	1,695,872	-	1,695,872	-	-	-
Gift shop and food service	3,038,516	-	3,038,516	-	-	-
Auxiliary	1,701,352	-	1,701,352	-	-	-
Catered events	688,103	-	688,103	-	-	-
Intercompany grants	1,110,000	292,717	1,402,717	-	-	-
Contributions of nonfinancial assets	364,377	-	364,377	-	-	-
Net assets released from restrictions:						
Satisfaction of program restrictions	5,475,856	(5,475,856)	-	292,717	(292,717)	-
Total revenue, gains and other support	55,791,536	(2,595,755)	53,195,781	292,717	(292,717)	-
Expenses:						
Programs:						
Aquarium experience	31,163,148	-	31,163,148	555,000	-	555,000
Conservation and education	7,633,916	-	7,633,916	847,717	-	847,717
Total program expenses	38,797,064	-	38,797,064	1,402,717	-	1,402,717
Supporting services:						
Fundraising and membership	6,037,998	-	6,037,998	-	-	-
Advertising and promotions	4,792,864	-	4,792,864	-	-	-
General and administrative	5,970,076	-	5,970,076	-	-	-
Total supporting services expenses	16,800,938	-	16,800,938	-	-	-
Total expenses	55,598,002	-	55,598,002	1,402,717	-	1,402,717
Change in net assets before other financial items	193,534	(2,595,755)	(2,402,221)	(1,110,000)	(292,717)	(1,402,717)
Investment income, net	723,594	-	723,594	2,030,477	414,524	2,445,001
Gain on interest rate swap contract	185,977	-	185,977	-	-	-
Loss on disposal of property and equipment	(657)	-	(657)	-	-	-
Loss on extinguishment of debt	(947)	-	(947)	-	-	-
Debt service	(853,472)	-	(853,472)	-	-	-
Gain on New Markets Tax Credits	20,803,515	-	20,803,515	-	-	-
Total other financial items	20,858,010	-	20,858,010	2,030,477	414,524	2,445,001
Change in net assets	21,051,544	(2,595,755)	18,455,789	920,477	121,807	1,042,284
Net asset transfers for dissolution of Lender/Lessor	(20,144,092)	-	(20,144,092)	-	-	-
Net assets (deficit):						
Beginning	58,763,821	5,667,879	64,431,700	27,775,267	5,855,283	33,630,550
Ending	\$ 59,671,273	\$ 3,072,124	\$ 62,743,397	\$ 28,695,744	\$ 5,977,090	\$ 34,672,834

ACRC Lender, LLC		ACRC Lessor, Inc.		Eliminations		Total	
Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,483,790	\$ -	\$ 29,483,790
-	-	-	-	-	4,238,870	2,587,384	6,826,254
-	-	-	-	-	6,035,919	-	6,035,919
-	-	-	-	-	1,958,881	-	1,958,881
-	-	-	-	-	1,695,872	-	1,695,872
-	-	-	-	-	3,038,516	-	3,038,516
-	108,833	(108,833)	-	(108,833)	1,701,352	-	1,701,352
-	-	-	-	-	688,103	-	688,103
-	-	(1,110,000)	(292,717)	(1,402,717)	-	-	-
-	-	-	-	-	364,377	-	364,377
-	-	(292,717)	292,717	-	5,475,856	(5,475,856)	-
-	108,833	(1,511,550)	-	(1,511,550)	54,681,536	(2,888,472)	51,793,064
-	619,882	(663,833)	-	(663,833)	31,674,197	-	31,674,197
-	-	(847,717)	-	(847,717)	7,633,916	-	7,633,916
-	619,882	(1,511,550)	-	(1,511,550)	39,308,113	-	39,308,113
-	-	-	-	-	6,037,998	-	6,037,998
-	-	-	-	-	4,792,864	-	4,792,864
-	35,133	-	-	-	6,005,209	-	6,005,209
-	35,133	-	-	-	16,836,071	-	16,836,071
-	655,015	(1,511,550)	-	(1,511,550)	56,144,184	-	56,144,184
-	(546,182)	-	-	-	(1,462,648)	(2,888,472)	(4,351,120)
88,351	-	(88,351)	-	(88,351)	2,754,071	414,524	3,168,595
-	-	-	-	-	185,977	-	185,977
-	-	-	-	-	(657)	-	(657)
-	-	-	-	-	(947)	-	(947)
-	(281,032)	-	-	-	(1,134,504)	-	(1,134,504)
(524,200)	(14,428,800)	524,200	-	524,200	6,374,715	-	6,374,715
(435,849)	(14,709,832)	435,849	-	435,849	8,178,655	414,524	8,593,179
(435,849)	(15,256,014)	435,849	-	435,849	6,716,007	(2,473,948)	4,242,059
(13,771,289)	20,144,092	13,771,289	-	13,771,289	-	-	-
14,207,138	(4,888,078)	(14,207,138)	-	(14,207,138)	81,651,010	11,523,162	93,174,172
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 88,367,017	\$ 9,049,214	\$ 97,416,231