

Financial Statements of

**ATLANTIC SALMON
FEDERATION (U.S.), INC.**

And Independent Auditor's Report thereon

Year ended September 30, 2025



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Atlantic Salmon Federation (U.S.), Inc.

Opinion

We have audited the financial statements of Atlantic Salmon Federation (U.S.), Inc. (the Entity), which comprise:

- the statement of financial position as at September 30, 2025
- the statement of operations and net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at September 30, 2025, its results of operations and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with U.S. generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.



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Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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 a guarantee that an audit conducted in accordance with U.S. generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with U.S. generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

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.

- 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.
- Determine, from the matters communicated with those charged with governance, those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants

Fredericton, Canada

March 18, 2026

ATLANTIC SALMON FEDERATION (U.S.), INC.

Statement of Financial Position

September 30, 2025, with comparative information for 2024

	2025	2024
Assets		
Current assets:		
Cash	\$ 7,555,839	\$ 1,600,904
Accounts receivable	771,819	2,497,067
Unconditional promises to give (note 3)	3,122,000	748,500
Prepaid expenses	116,630	101,645
	<u>11,566,288</u>	<u>4,948,116</u>
Long-term unconditional promises to give (note 3)	833,864	1,101,926
Investments (note 4)	23,418,901	21,634,482
Property, plant and equipment, net (note 5)	179,838	188,279
	<u>\$ 35,998,891</u>	<u>\$ 27,872,803</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities (note 6)	\$ 364,346	\$ 2,353,333
Payable to ASF (Canada) (note 8)	500,150	218,635
Deferred revenue (note 7)	257,934	454,363
	<u>1,122,430</u>	<u>3,026,331</u>
Net assets:		
Unrestricted:		
Operating	(1,293,784)	950,783
Board designated	13,203,030	12,177,598
Property, plant and equipment	179,838	188,279
Total unrestricted	<u>12,089,084</u>	<u>13,316,660</u>
Temporarily restricted net assets (note 9)	16,760,667	7,328,449
Permanently restricted net assets (note 10)	6,026,710	4,201,363
	<u>34,876,461</u>	<u>24,846,472</u>
	<u>\$ 35,998,891</u>	<u>\$ 27,872,803</u>

See accompanying notes to the financial statements.

On behalf of the Board:

Signed by:

Donald Calder

Director

Signed by:

Mark Colman

Director

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ATLANTIC SALMON FEDERATION (U.S.), INC.

Statement of Activities

Year ended September 30, 2025, with comparative information for 2024

	Unrestricted	Temporarily restricted	Permanently restricted	2025 Total	2024 Total
Revenues:					
Development and annual giving	\$ 939,963	\$ 13,067,712	\$ 1,825,331	\$ 15,833,006	\$ 11,511,554
Dinners and raffles	1,197,540	-	-	1,197,540	1,036,024
Investment income (note 4)	345,274	133,740	16	479,030	629,680
Realized gain (loss) on sale of investments (note 4)	649,803	(10,734)	-	639,069	1,279,293
Unrealized gain on investments (note 4)	742,859	34,819	-	777,678	1,251,884
Gain (loss) on foreign exchange fluctuation	14,256	-	-	14,256	(482)
Miscellaneous	326,500	-	-	326,500	288,890
Net assets released in satisfaction of restrictions (note 9)	3,793,319	(3,793,319)	-	-	-
	8,009,514	9,432,218	1,825,347	19,267,079	15,996,843
Expenses and other deductions:					
Conservation programs:					
General	356,060	-	-	356,060	381,530
Regional & US Operations	727,813	-	-	727,813	520,627
Maine Headwaters	2,202,309	-	-	2,202,309	7,148,409
	3,286,182	-	-	3,286,182	8,050,566
Communications & Marketing	1,456,123	-	-	1,456,123	120,507
Research & Environment	213,359	-	-	213,359	34,800
Development programs	401,207	-	-	401,207	468,049
Dinners and raffles	308,570	-	-	308,570	306,662
Administration	78,004	-	-	78,004	28,577
Facilities	47,945	-	-	47,945	40,589
Contributions to ASF (Canada) (note 8)	3,445,700	-	-	3,445,700	2,615,000
	9,237,090	-	-	9,237,090	11,664,750
Excess (deficiency) of revenues over expenses	(1,227,576)	9,432,218	1,825,347	10,029,989	4,332,093
Net assets, beginning of year	13,316,660	7,328,449	4,201,363	24,846,472	20,514,379
Net assets, end of year	\$ 12,089,084	\$ 16,760,667	\$ 6,026,710	\$ 34,876,461	\$ 24,846,472

See accompanying notes to financial statements.

ATLANTIC SALMON FEDERATION (U.S.), INC.

Statement of Cash Flows

Year ended September 30, 2025, with comparative information for 2024

	2025	2024
Operating activities		
Excess of revenues over expenses	\$ 10,029,989	\$ 4,332,093
Adjustments to reconcile excess of revenues over expenses to net cash used by operating activities:		
Realized gain on sale of investments	(639,069)	(1,279,293)
Unrealized gain on investments	(777,678)	(1,251,884)
Depreciation	13,809	12,022
Decrease (increase) in accounts receivable	1,725,248	(1,648,776)
Increase in net unconditional promises to give	(2,105,438)	(159,126)
Contributions restricted for long-term investments	(1,804,731)	(875,000)
Increase in prepaid expenses	(14,985)	(7,273)
(Decrease) increase in accounts payable and accrued liabilities	(1,988,987)	1,491,062
Increase (decrease) in accounts payable to ASF Canada	281,515	(651,598)
(Decrease) increase in deferred revenue	(196,429)	82,863
Net cash provided by operating activities	4,523,244	45,090
Financing activities		
Contributions restricted for long-term investments	1,804,731	875,000
Net cash provided by financing activities	1,804,731	875,000
Investing activities		
Acquisition of investments	(19,434,815)	(19,609,949)
Proceeds from sale of investments	19,067,143	19,171,111
Purchase of property, plant and equipment	(5,368)	(5,028)
Net cash provided by (used for) investing activities	(373,040)	(443,866)
Increase (decrease) in cash position	5,954,935	476,224
Cash position, beginning of year	1,600,904	1,124,680
Cash position, end of year	\$ 7,555,839	\$ 1,600,904

See accompanying notes to financial statements.

ATLANTIC SALMON FEDERATION (U.S.), INC.

Notes to Financial Statements

Year ended September 30, 2025

Atlantic Salmon Federation (U.S.), Inc. (the "Federation") is incorporated in New York and promotes the conservation of the wild Atlantic salmon through scientific research, public awareness programs and other activities. The Federation is generally exempt from Federal income taxes under Section 501(a) as an organization described in Section 501 (c)(3) of the U.S. Internal Revenue Code, and is also generally exempt from state and local income taxes.

1. Significant accounting policies:

(a) Basis of presentation and reporting currency:

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

All amounts in the financial statements are expressed in U.S. dollars. Because the Federation carries on much of its activity in U.S. dollars, its functional currency has been determined to be the U.S. dollar.

(b) Foreign currency:

All accounts in the statement of financial position are translated into U.S. dollars at the year-end rate of exchange with any gain or loss reported in the statement of activities and all accounts in the statement of activities are translated at the exchange rate at the dates on which those items are recorded.

(c) Revenue recognition:

Unrestricted contributions of revenue and support are recognized as revenue when received. Contributions of assets other than cash are recorded at their fair values at the date of contribution. Contributions of revenue and support with donor-imposed restrictions that are met in the same year as received or earned are reported as unrestricted revenues.

Grants and contributions restricted by the donor, grantor or other outside party for particular purposes or are time restricted are reported as temporarily restricted revenues and are reclassified to unrestricted net assets when expenses are incurred that satisfy the donor-imposed restrictions or time restrictions are met.

Endowment contributions are those permanently restricted by the donor. Investment income available for distribution is recorded as unrestricted or temporarily restricted revenue depending on the terms specified by the donor.

Contribution of services is recognized when the services received create or enhance non financial assets or require specialized skills.

Revenue from fees for service is recognized when the services are provided and collection is probable.

Unconditional promises to give due in the next year are reflected as current assets and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises and are recorded at the present value of their net realizable value using risk-free interest rates when the pledge is recorded.

Collectability of unconditional promises to give is determined based on the history of collections for each donor.

The Federation has classified its financial instruments as follows:

- Cash and investments are classified as held-for-trading and carried at fair value. Gains and losses on changes in fair value are recognized in the statement of activities in the period in which they are incurred.
- Financial liabilities: accounts payable and accrued liabilities are classified as other payables and recorded at amortized costs.

ATLANTIC SALMON FEDERATION (U.S.), INC.

Notes to Financial Statements (continued)

Year ended September 30, 2025

1. Significant accounting policies (continued):

(d) Property, plant and equipment:

Property, plant and equipment are stated at cost. Depreciation is provided using the straight-line method at the following annual rates:

Asset	Rate
Buildings and research facilities	30 years
Office furniture and fixtures	10 years
Motor vehicles	7 years

(e) Use of estimates:

The preparation of financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include the useful lives of fixed property, plant, and equipment, allowance for doubtful accounts and the valuation of unconditional promises to give, investments and currency forward exchange contracts.

2. Concentrations of risk:

(a) Credit and market risk:

The Federation is exposed to credit risk on financial assets, such as cash balances, investments, accounts receivable and unconditional promises to give. Cash balances are maintained at high quality financial institutions. The collectability of accounts receivable and unconditional promises is assessed on an individual basis and written off in the statement of activities when deemed irrecoverable. Investments are subject to both credit and market risk which is managed by holding a diverse portfolio.

3. Unconditional promises to give:

	Temporarily restricted	Permanently restricted	2025	2024
Total unconditional promises to give	\$ 3,497,546	\$ 590,000	\$ 4,087,546	\$ 2,062,593
Receivables in less than one year	2,942,000	180,000	3,122,000	748,500
Receivable in one to three years	555,546	410,000	965,546	1,314,093
Less discounts to net present value	73,932	57,750	131,682	212,167
Net receivable in one to three years	\$ 481,614	\$ 352,250	\$ 833,864	\$ 1,101,926

4. Investments:

	2025		2024	
	Cost	Fair value	Cost	Fair value
Cash and equivalents	\$ 502,802	\$ 502,802	\$ 269,883	\$ 269,883
Governmental securities	8,030,204	8,092,277	7,261,754	7,241,499
Corporate bonds	2,170,249	2,120,730	1,998,479	1,919,029
Mutual funds	333,411	460,719	418,296	554,492
Equities	8,593,466	12,242,373	8,672,750	11,649,579
	\$ 19,630,132	\$ 23,418,901	\$ 18,621,162	\$ 21,634,482

ATLANTIC SALMON FEDERATION (U.S.), INC.

Notes to Financial Statements (continued)

Year ended September 30, 2024

4. Investments (continued):

2025	Unrestricted	Temporarily restricted	Permanently restricted	Total
Investment income (interest and dividend)	\$ 345,274	\$ 133,740	\$ 16	\$ 479,030
Realized gain/(loss) on sale of investments	649,803	(10,734)	-	639,069
Unrealized gain/(loss) on investments	742,859	34,818	-	777,677
Total investment return	\$ 1,737,936	\$ 157,824	\$ 16	\$ 1,895,776

2024	Unrestricted	Temporarily restricted	Permanently restricted	Total
Investment income (interest and dividend)	\$ 485,948	\$ 143,732	\$ -	\$ 629,680
Realized gain on sale of investments	1,283,427	(4,134)	-	1,279,293
Unrealized gain on investments	1,166,608	85,276	-	1,251,884
Total investment return	\$ 2,935,983	\$ 224,874	\$ -	\$ 3,160,857

As part of the organization's investment strategies to ensure that its investment funds (considered by the board as the Endowment) are managed efficiently there is a policy in place that allows the organization to have a set percentage of funds available for operations in any one given year. This calculation is based on the net assets of the organization over the last three fiscal periods by taking 4.5% of this average as available to the organization for operations but no withdrawal would occur that would put the organization's investment portfolio below a threshold of \$11,500,000.

5. Property, plant and equipment:

	2025		2024	
	Cost	Accumulated depreciation	Net book value	Net book value
Land and land improvements	\$ 51,887	\$ -	\$ 51,887	\$ 51,887
Buildings and research facilities	2,544,430	2,424,996	119,434	128,462
Office furniture and fixtures	205,952	197,435	8,517	7,930
Motor vehicles	27,031	27,031	-	-
	\$ 2,829,300	\$ 2,649,462	\$ 179,838	\$ 188,279

6. Accounts payable and accrued liabilities:

	2025	2024
Accounts payable	\$ 241,429	\$ 2,277,363
Accrued liabilities	122,917	75,970
	\$ 364,346	\$ 2,353,333

7. Deferred revenue:

Deferred revenue is comprised of deposits on dinners to be held subsequent to year end.

8. Related party transactions:

The program of conservation activities in United States, complete with budgets that cover all costs to be incurred, including staffing and other direct and indirect components, is developed and approved for implementation by the Board of Directors of the Atlantic Salmon Federation (U.S.), Inc. ("ASF (US)").

ASF (US) receives requests for funding from Atlantic Salmon Federation (Canada) ("ASF (Canada)"), a separate but affiliated Canadian charity with a separate board of directors, to support certain conservation programs and activities implemented by ASF (Canada).

ATLANTIC SALMON FEDERATION (U.S.), INC.

Notes to Financial Statements (continued)

Year ended September 30, 2025

8. Related party transactions (continued):

ASF (US) has entered into a lease agreement with ASF (Canada) for use of all real estate, improvements and equipment which ASF (US) owns in Canada. Under this lease agreement, ASF (Canada) pays all costs related to occupancy of the real estate and operation of the equipment; and pays ASF (US) an annual rental fee of \$1.

ASF (US) has entered into agreements with ASF (Canada), pursuant to which, the President of ASF (Canada) will provide services as President of ASF (US); and, the employees of ASF (Canada)'s Fundraising and Administration departments will provide fundraising and administration services to ASF (US). Under the terms of these agreements ASF (US) will pay ASF (Canada) amounts as determined during the annual budget process.

During the fiscal Year ended September 30, 2025, ASF (US) contributed a total of \$3,445,700 (2024 - \$2,615,000) to ASF (Canada) relative to certain conservation programs and other activities, including agreements, as described in the paragraph immediately above.

These related party transactions are recorded at the exchange amount as agreed upon by the two parties.

9. Temporarily restricted net assets:

Temporarily restricted net assets are available for the following purposes:

	2025	2024
Conservation	\$ 102,854	\$ 332,477
Greenland Atlantic Salmon Conservation (note 13)	1,853,432	1,701,040
Open Net Pen Aquaculture	2,267,527	420,186
Marine & Coastal Oceans Protection	1,989,960	-
Kennebec Restoration Project	5,000,000	-
West Greenland tracking	388,171	391,396
US Operations - Maine Headwaters	1,623,231	1,837,463
Wild Salmon Watersheds	1,449,442	1,201,327
Research	145,655	130,076
Education	2,494	3,801
Time restricted	1,937,901	1,310,683
	\$ 16,760,667	\$ 7,328,449

Time restricted net assets represent funds whereby the donor has stipulated that the funds are to be spent for general operations in future periods.

Net assets were released from donor restrictions by incurring expenses satisfying the purpose and time restrictions specified by donors as follows:

	2025	2024
Conservation	\$ -	\$ 1,355,756
Greenland Atlantic Salmon Conservation (note 13)	23,892	-
Open Net Pen Aquaculture	578,727	-
Marine & Coastal Oceans Protection	875,040	-
West Greenland tracking	3,225	-
US Operations - Maine Headwaters	2,202,309	7,184,554
Wild Salmon Watersheds	107,770	-
Education	2,356	1,324
	\$ 3,793,319	\$ 8,541,634

ATLANTIC SALMON FEDERATION (U.S.), INC.

Notes to Financial Statements (continued)

Year ended September 30, 2025

10. Permanently restricted net assets:

Endowment contributions received or recorded as unconditional promises to give are recorded as permanently restricted net assets.

Investment income on \$5,832,436 (2024 - \$3,986,231) of endowment contributions is available for unrestricted program expenses. One endowment contribution of \$50,000 (2024 - \$50,000) carries the donor restriction that the investment income is temporarily restricted for educational scholarships. A second endowment contribution of \$11,250 (2024 - \$10,908) carries the donor stipulation that 15% of annual investment income be added to the endowment capital and the balance is available for unrestricted program expenses. A third endowment of \$154,224 (2024 - \$154,224) stipulates that all investment income be allocated to Greenland specific projects.

11. Contributed services:

The Federation receives a significant amount of donated services from unpaid volunteers who assist in fundraising and special projects. No amounts have been recognized in the statement of activities because the services provided by volunteers did not create or enhance non financial assets or require special skills.

12. Fair value measures:

a) Fair value of financial instruments:

The following table presents the carrying amounts and estimated fair values of the Federation's financial instruments at September 30, 2025 and 2024. The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties.

	2025		2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Cash	\$ 7,555,839	\$ 7,555,839	\$ 1,600,904	\$ 1,600,904
Receivable from ASF (Canada)			-	-
Accounts receivable	771,819	771,819	2,497,067	2,497,067
Unconditional promises to give	4,087,546	3,955,864	2,062,593	1,850,426
Investments	19,630,132	23,418,901	21,634,482	21,634,482
Financial liabilities:				
Payable to ASF (Canada)	500,150	500,150	218,635	218,635
Accounts payable and accrued liabilities	364,346	364,346	2,353,333	2,353,333

Cash, accounts receivable, current unconditional promises to give, accounts payable, accrued liabilities and receivable from ASF (Canada): the carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of these instruments.

Long-term unconditional promises to give: The value of promises to give that are due in more than one year is estimated by discounting the future cash flows using a current risk free rate of return over the expected collection period.

ATLANTIC SALMON FEDERATION (U.S.), INC.

Notes to Financial Statements (continued)

Year ended September 30, 2025

12. Fair value measures (continued):

b) Fair value hierarchy:

The Federation utilized valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Federation determines the fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurement, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- Level 1 Inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the Federation at the measurement date.
- Level 2 Inputs: Other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Such inputs may include prices for similar assets, observable inputs other than quoted prices (interest rates, yield curves, etc.) as inputs derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 Inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

	2025	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:				
Cash	\$ 7,555,839	\$ 7,555,839	\$ -	\$ -
Investments:				
Cash and equivalents	502,802	502,802	-	-
Governmental securities	8,092,277	-	8,092,277	-
Corporate bonds	2,120,730	-	2,120,730	-
Mutual and fixed income funds	460,719	460,719	-	-
Equities	12,242,373	12,242,373	-	-
	\$ 30,974,740	\$ 20,761,733	\$ 10,213,007	\$ -

	2024	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:				
Cash	\$ 1,600,904	\$ 1,600,904	\$ -	\$ -
Investments:				
Cash and equivalents	269,883	269,883	-	-
Governmental securities	7,241,499	-	7,241,499	-
Corporate bonds	1,919,029	-	1,919,029	-
Mutual and fixed income funds	554,492	554,492	-	-
Equities	11,649,579	11,649,579	-	-
	\$ 23,235,386	\$ 14,074,858	\$ 9,160,528	\$ -

The Federation's accounting policy is to recognize transfers between levels of the fair value hierarchy on the date of the event or change in circumstances that caused the transfer. There were no significant transfer into or out of levels 1, 2, or 3 for the Year ended September 30, 2025.

ATLANTIC SALMON FEDERATION (U.S.), INC.

Notes to Financial Statements (continued)

Year ended September 30, 2025

13. Contingency:

In 2018, the Federation signed a 12-year agreement called the Greenland Atlantic Salmon Conservation Agreement. This agreement is between the Federation, The North Atlantic Salmon Fund and The Organization of Fishermen and Hunters in Greenland (KNAPK). The agreement signifies that there will be no commercial export fishery for salmon, only a well-regulated subsistence fishery during the lifetime of the agreement. Each year there is a financial commitment of 2,050,000 Danish Kroner (approximately \$307,500 in United States dollars) for compliance of the agreement to which the Federation is responsible for 50% of this amount. The expected payout dates are in September and December of each year once the information on the year's harvest has been reported. There are penalties if the harvest goes over the 20-tonne threshold as well as incentives should the harvest come in below the established threshold. This incentive amounts to 50,000 Danish Kroner (approximately \$7,500 United States dollars) per tonne.

ASF and NASF worked closely with Greenland's Ministry of Fishing, Hunting and Agriculture in 2023 to improve the monitoring and reporting of the salmon fishery and to increase public awareness about the plight of the salmon and need for conservation. While these initiatives have significantly reduced Greenland's salmon harvest, the 20-tonne target was again exceeded in 2023. As a result, the only payments scheduled to be made for a project to improve reporting will be 50,000 DKK (\$7,500 USO).

As at September 30, 2025, the Federation has \$1,853,462 (\$1,701,040 as at September 30, 2024) on hand which are restricted to use in support of this Agreement. This amount is included in the Temporarily Restricted Net Assets – Conservation amount shown in note 9.

The agreement states that any violation of any term of the agreement allows any of the parties to declare the agreement null and void and as such due to the uncertainty of such agreement there has been no contingency recorded in these financial statements.