

**TARGET ALS FOUNDATION, INC.**

**Financial Statements  
and Supplementary Information**

**Year Ended December 31, 2024**

**(With Independent Auditors' Report Thereon)**

**TARGET ALS FOUNDATION, INC.**

**FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**Year Ended December 31, 2024**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Target ALS Foundation, Inc.:

### Opinion

We have audited the accompanying financial statements of Target ALS Foundation, Inc. (a not-for-profit organization) (the Foundation), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Target ALS Foundation, Inc. as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Emphasis of Matter

As discussed in Note 3 to the financial statements, certain errors resulting in an overstatement of amounts previously reported for grants receivable and contributions and grants as of December 31, 2023, were discovered by management of the Foundation during the current year. Accordingly, amounts reported for grants receivable at December 31, 2023 and contributions and grants for the year ended December 31, 2023 have been restated. Our opinion is not modified with respect to that matter.

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

Management is responsible for the preparation and fair presentation of these 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 Foundation's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

## **Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, including omissions, 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 generally accepted auditing standards, 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 Foundation'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 Foundation'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.

## Report on Summarized Comparative Information

We have previously audited the Foundation's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 19, 2024. In our opinion, the summarized comparative information, as restated, presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects and, with the exception of the restatement, with the audited financial statements from which it has been derived.

## Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information on Supplemental Schedule I is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and is of a non-accounting nature. The information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

*Kahn, Litwin, Kenya & Co, Ltd.*

May 5, 2025

**TARGET ALS FOUNDATION, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**December 31, 2024**  
**(With Comparative Totals at December 31, 2023)**



	<b>2024</b>	<b>2023</b> <b>(As Restated)</b>
<b>Assets</b>		
Cash	\$ 10,489,781	\$ 25,815,121
Investments	68,783,323	38,537,227
Receivables:		
Grants, net	730,032	2,087,035
Pledges, net	48,581,875	37,060,511
Loan	250,000	-
Prepaid expenses	76,751	48,235
<b>Total Assets</b>	<b>\$ 128,911,762</b>	<b>\$ 103,548,129</b>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Grants payable	\$ 4,318,332	\$ 3,030,383
Accounts payable and accrued expenses	33,343	18,396
<b>Total liabilities</b>	<b>4,351,675</b>	<b>3,048,779</b>
Net Assets:		
Without donor restrictions	81,346,621	59,872,935
With donor restrictions	43,213,466	40,626,415
<b>Total net assets</b>	<b>124,560,087</b>	<b>100,499,350</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 128,911,762</b>	<b>\$ 103,548,129</b>

**TARGET ALS FOUNDATION, INC.**  
**STATEMENT OF ACTIVITIES**  
**Year Ended December 31, 2024**  
**(With Comparative Totals for the Year Ended December 31, 2023)**



	<b>2024</b>	<b>2023</b> <b>(As Restated)</b>
Change in Net Assets Without Donor Restrictions:		
Revenue and Support:		
Contributions and grants	\$ 22,423,290	\$ 31,472,735
Investment earnings, net	2,638,040	403,757
Other income	550,754	4,197
Net assets released from restriction	15,105,670	9,477,586
<b>Total revenue and support</b>	<b>40,717,754</b>	<b>41,358,275</b>
Expenses:		
Research	22,684,199	12,536,830
Management and general	3,357,525	2,714,125
Development	989,215	594,728
<b>Total expenses</b>	<b>27,030,939</b>	<b>15,845,683</b>
<b>Change in net assets without donor restrictions</b>	<b>13,686,815</b>	<b>25,512,592</b>
Change in Net Assets With Donor Restrictions:		
Contributions and grants	25,479,592	22,445,675
Net assets released from restrictions	(15,105,670)	(9,477,586)
<b>Change in net assets with donor restrictions</b>	<b>10,373,922</b>	<b>12,968,089</b>
<b>Change in Net Assets</b>	<b>24,060,737</b>	<b>38,480,681</b>
<b>Net Assets, beginning of year</b>	<b>100,499,350</b>	<b>113,813,078</b>
Prior period adjustments (Note 3)	-	(51,794,409)
<b>Net Assets, end of year</b>	<b>\$ 124,560,087</b>	<b>\$ 100,499,350</b>

**TARGET ALS FOUNDATION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended December 31, 2024**  
**(With Comparative Totals for the Year Ended December 31, 2023)**



	<b>Research</b>	<b>Management and General</b>	<b>Development</b>	<b>2024 Total</b>	<b>2023 Total</b>
Research awards	\$ 21,639,451	\$ -	\$ -	\$ 21,639,451	\$ 11,786,738
Personnel and related:					
Salaries	-	1,911,885	468,671	2,380,556	1,585,942
Payroll taxes and employee benefits	-	569,428	100,642	670,070	434,291
<b>Total personnel and related</b>	<b>-</b>	<b>2,481,313</b>	<b>569,313</b>	<b>3,050,626</b>	<b>2,020,233</b>
Other expenses:					
Advertising and promotion	-	-	158,606	158,606	169,568
Conferences, conventions and meetings	1,044,748	-	-	1,044,748	750,092
Office expenses	-	153,361	-	153,361	28,785
Professional services	-	477,336	261,296	738,632	975,002
Travel	-	143,031	-	143,031	48,260
Meals	-	20,325	-	20,325	4,054
Telephone and internet	-	82,159	-	82,159	62,951
<b>Total other expenses</b>	<b>1,044,748</b>	<b>876,212</b>	<b>419,902</b>	<b>2,340,862</b>	<b>2,038,712</b>
<b>Total Expenses</b>	<b>\$ 22,684,199</b>	<b>\$ 3,357,525</b>	<b>\$ 989,215</b>	<b>\$ 27,030,939</b>	<b>\$ 15,845,683</b>

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



**TARGET ALS FOUNDATION, INC.**  
**STATEMENT OF CASH FLOWS**  
**Year Ended December 31, 2024**  
**(With Comparative Totals for the Year Ended December 31, 2023)**



	<b>2024</b>	<b>2023</b> <b>(As Restated)</b>
Cash Flows from Operating Activities:		
Change in net assets	\$ 24,060,737	\$ 38,480,681
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized gain on investments	(3,098,738)	(403,757)
Contributions of stock received	(3,797,358)	(2,034,407)
Discount on pledges and grants receivable	2,273,045	(2,853,991)
Changes in operating assets and liabilities:		
Grants receivable	1,500,000	2,000,000
Pledges receivable	(13,937,406)	(15,871,571)
Prepaid expenses	(28,516)	(3,485)
Grants payable	1,287,949	1,294,914
Accounts payable and accrued expenses	14,947	4,475
<b>Net cash provided by operating activities</b>	<b>8,274,660</b>	<b>20,612,859</b>
Contributions and grants		
Purchase of investments	(23,350,000)	(33,000,000)
Issuance of loan receivable	(250,000)	-
<b>Net cash used by investing activities</b>	<b>(23,600,000)</b>	<b>(33,000,000)</b>
<b>Net Decrease in Cash</b>	<b>(15,325,340)</b>	<b>(12,387,141)</b>
<b>Cash, beginning of year</b>	<b>25,815,121</b>	<b>38,202,262</b>
<b>Cash, end of year</b>	<b>\$ 10,489,781</b>	<b>\$ 25,815,121</b>
<b>Supplemental Cash Flow Information, noncash investing activities:</b>		
Noncash contributions of investments	\$ 3,797,358	\$ 2,034,407

**TARGET ALS FOUNDATION, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended December 31, 2024**



**1. Nature of Operations**

Target ALS Foundation, Inc. (the Foundation), a not-for-profit Delaware corporation operating in New York, New York, was incorporated on December 3, 2015 to promote, support, and further the funding of medical and scientific research to accelerate drug discovery and development for Amyotrophic Lateral Sclerosis (ALS). The Foundation pursues its mission by awarding grants to fund ALS - related research.

**2. Summary of Significant Accounting Policies**

This summary of significant accounting policies of the Foundation is presented to assist the reader in understanding the Foundation's financial statements. The financial statements and notes are representations of the Foundation's management, who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

***Comparative Financial Information***

The accompanying financial statements include certain prior year summarized comparative information without accompanying note disclosures and certain functional expense information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements and related notes to the financial statements for the year ended December 31, 2023, from which the summarized information was derived.

***Financial Statement Presentation***

The Foundation prepares its financial statements on the accrual basis of accounting and, in accordance with authoritative guidance, reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, and net assets with donor restrictions.

***Net Assets without Donor Restrictions***

Net assets without donor restrictions are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes. From time to time, the Board may designate a portion of these net assets for specific purposes which make them unavailable for use at management's discretion.

***Net Assets with Donor Restrictions***

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed time and/or purpose restrictions. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Foundation had no net assets to be maintained in perpetuity as of December 31, 2024.

**TARGET ALS FOUNDATION, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended December 31, 2024**



Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction is satisfied, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

***Investments and Fair Value Measurement***

The Foundation measures its investments at fair value. Fair value is 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. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by authoritative guidance, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Foundation has the ability to access.

Level 2 inputs (other than quoted prices included within level 1) are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. The unobservable inputs are developed based on the best information available in the circumstances and may include the Foundation's own data.

The Foundation reports investments at fair value on a recurring basis. The investments are classified as level 1 within the fair value hierarchy.

Level 1 investments owned by the Foundation and listed on a National Securities Exchange are valued at the last recorded sales price as of the financial statement reporting date, or, in the absence of recorded sales, at the last quoted bid price reported as of the financial statement reporting date.

Realized and unrealized gains and losses on investments are reported as changes in net assets without donor restrictions, unless gains and losses on investments are restricted by a donor's explicit stipulation or by a law that extends a donor's restriction.

Dividends and interest are recorded as received, which does not differ materially from the accrual basis. Purchases and sales of securities are recorded on the trade date.

**TARGET ALS FOUNDATION, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended December 31, 2024**



***Receivables***

The Foundation carries its receivables at net realizable value. Pledges receivable consist of unconditional promises to give. Pledges and grants receivables that are expected to be collected within one year are recorded at net realizable value. Pledges and grants receivables expected to be collected after more than one year are recorded at the present value of the estimated future cash flows to be received. On a periodic basis, the Foundation evaluates its receivables and establishes an allowance for doubtful accounts, based on historical experience, current conditions, and reasonable and supportable forecasts.

Note receivable consists of a one-time note issued to another ALS research organization.

The Foundation does not accrue interest on receivables. A receivable is considered past due if payment has not been received within stated terms. The Foundation will then exhaust all methods in-house to collect the receivable. Once all practical resources to collect the receivable have been utilized without success, the receivable is deemed uncollectible and charged against the allowance for doubtful accounts. At December 31, 2024, management determined that no allowance for doubtful accounts was necessary.

***Grants Payable***

Unconditional research grants are recognized in the financial statements when they are recommended and approved by the Independent Review Committee (IRC) and the Chief Advisor of the Foundation. Conditional research grants are expensed by the Foundation as the researchers substantially meet the terms and conditions of the grant during the grant period.

***Revenue Recognition***

The Foundation recognizes contributions and grant income in the year in which the contribution or grant is made. Conditional promises to give are recognized in the period in which the condition is met. Contributions and grants are recorded either as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor-imposed restrictions. However, it is the policy of the Foundation to recognize restricted contributions and grants that are both received and fully expended during the same fiscal year as net assets without donor restrictions.

Donated assets are recorded as contributions at their fair value on the date of donation.

***Allocation of Expenses***

The Foundation's operating costs have been allocated between research, management and general, and development based on direct identification when possible, and allocation if a single expenditure benefits more than one program or function. Expenditures that require allocation are allocated based on personnel cost. Development expenses consist of fundraising expenses.

**TARGET ALS FOUNDATION, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended December 31, 2024**



***Income Taxes***

The Foundation is exempt from income taxes as a public charity under Section 501(c)(3) of the Internal Revenue Code. The Foundation is considered a Private Foundation under Section 170(b); therefore, it pays an excise tax on its net investment income at either 1% or 2%, depending on the ratio of qualifying disbursements to the fair value of Foundation assets. The qualifying disbursements include amounts paid to qualifying charities. Management believes that the Foundation operates in a manner consistent with its tax-exempt status. The Foundation has notified the Internal Revenue Service (IRS) of its intention to convert to a public charity, and the IRS has ruled that grantors and contributors may consider Target ALS Foundation, Inc. a public charity for the purpose of making contributions to the Foundation.

The Foundation annually files IRS Form 990-PF, *Return of Private Foundation*, reporting various information that the IRS uses to monitor the activities of private foundations. The Foundation currently has no tax examinations in progress.

***Estimates and Assumptions***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

***Subsequent Events***

The Foundation has evaluated subsequent events through May 5, 2025, which is the date these financial statements were available to be issued.

**3. Prior Period Adjustments**

During the year ended December 31, 2024, management reviewed the Foundation's receivables, which included conditional bequests and amounts intended to be fulfilled through donor-advised funds. Such amounts are not permitted to be reported as receivables under accounting principles generally accepted in the United States of America. Accordingly, the Foundation recorded adjustments to decrease contributions and grants with donor restrictions by \$25,230,423 for the year ended December 31, 2023, and to decrease grants receivable, net, by \$77,024,832 as of December 31, 2023. These adjustments resulted in a decrease to the Foundation's total net assets of \$51,794,409 as of January 1, 2023 and a decrease to change in net assets of \$25,230,423 for the year ended December 31, 2023.

**TARGET ALS FOUNDATION, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended December 31, 2024**



**4. Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at December 31, 2024:

Financial assets:	
Cash	\$ 10,489,781
Investments	68,783,323
Grants receivable	730,032
Pledges receivable	48,581,875
Loan receivable	250,000
Total financial assets	<u>128,835,011</u>
Less: financial assets unavailable for general expenditure:	
Receivables scheduled to be collected in more than one year	41,525,035
Required to satisfy donor purpose restrictions within one year	<u>1,688,431</u>
Total financial assets unavailable for general expenditure	<u>43,213,466</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 85,621,545</u>

The Foundation has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, as part of its liquidity management, the Foundation manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they come due. Actual performance is reported and monitored monthly in comparison to budgets. Adjustments are made to the policy as needed to ensure adequate liquidity.

Included within the cash balance above is \$1,684,198 of grant funding maintained within separately designated accounts at the Foundation's financial institution. These funds can be utilized to support the Foundation's mission, as defined in the grant agreement.

**TARGET ALS FOUNDATION, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended December 31, 2024**



**5. Investments**

Investments consisted of the following:

Level 1:

Money market funds	\$ 22,550,191
Exchange traded funds	50,403
Mutual funds – bond funds	36,696,913
Mutual funds – equity funds	9,435,672
Common stock – consumer defensive	<u>50,144</u>
Total investments	<u><u>\$ 68,783,323</u></u>

**6. Pledges and Grants Receivable**

Pledges receivable consist of unconditional promises to give to support the Foundation's mission. Grants receivable consist of funding to be received within the terms of executed grant agreements. The present value of pledges and grants receivable has been calculated using interest rates of 4.25% to 4.58%, which approximate the Federal Reserve five-to-ten year Treasury bill rates.

Grants receivable are due as follows:

<u>Year Ending</u>	
December 31, 2025	\$ 500,000
December 31, 2026	<u>250,000</u>
	750,000
Less present value component	<u>19,968</u>
Grants receivable, net	<u><u>\$ 730,032</u></u>

**TARGET ALS FOUNDATION, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended December 31, 2024**



Pledges receivable are due as follows:

<u>Year Ending</u>	
December 31, 2025	\$ 9,017,942
December 31, 2026	8,612,334
December 31, 2027	8,443,500
December 31, 2028	7,425,500
December 31, 2029	6,044,000
Thereafter	<u>17,828,000</u>
	57,371,276
Less present value component	<u>8,789,401</u>
Pledges receivable, net	<u>\$ 48,581,875</u>

**7. Net Assets**

A summary of net assets is as follows:

Net Assets without Donor Restrictions	
Undesignated – available for operations	\$ 81,346,621
Total net assets without donor restrictions	<u>81,346,621</u>
Net Assets with Donor Restrictions	
Subject to expenditure for specified purposes:	
Data Engine	580,311
Expanding Diversity, Representation, and Recruitment	377,743
Biomarker Consortia Grants	304,188
In Vivo Target Validation Studies	232,217
Research on Related Neurodegenerative Diseases	135,972
ALS Network Grant	<u>58,000</u>
	1,688,431
Subject to time restriction	<u>41,525,035</u>
Total net assets with donor restrictions	<u>43,213,466</u>
Total net assets	<u>\$ 124,560,087</u>



**TARGET ALS FOUNDATION, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended December 31, 2024**



***Data Engine***

Funds from the Secunda Family Foundation are restricted to the creation and maintenance of the Target ALS Data Engine and creation of data sets. The Data Engine hosts comprehensive data collections from Target ALS's Research Cores, including the Postmortem Tissue Core, Longitudinal Biofluids Core, and Stem Cell Core, facilitating multi-omic analysis (computational scientific analysis in which researchers integrate information about all of the DNA, RNA, or protein in individual cells or samples) to discover ALS biomarkers and therapeutic targets. New data is uploaded to the Data Engine every 4-6 months, ensuring all samples collected from the ALS community through our Cores can have a near-immediate impact on ALS research.

***Expanding Diversity, Representation, and Recruitment***

Funds from the Chan Zuckerberg Initiative are restricted to supporting projects that expand the diversity of patients participating in clinical trials. Local outreach efforts in the Phoenix area will serve as a pilot for expanding such efforts across the country. Additionally, community-based pop-up clinics serve as an easy onramp for further trial participation, asking patients for a one-time blood draw. Analyzed data from this collection will be fed into the Data Engine and shared with the scientific community.

***Biomarker Consortia Grants***

Funds have been restricted to accelerating the development of Biofluid-based Biomarkers that are applicable to ALS, Alzheimer's disease and frontotemporal lobar degeneration. Gates Ventures has provided \$1,000,000 to the Foundation to support this initiative; however, the Foundation will also be required to contribute \$1,400,000 to investigators that are part of the approved collaborative consortia.

***In Vivo Target Validation Studies***

Funds have been restricted to support In Vivo Target Validation RFAs. The Foundation partners with contract research organizations to enable evaluation of novel therapeutics for target engagement and disease-modifying potential in ALS. Results from these studies have the potential to catapult ALS drug candidates from preclinical to clinical pipelines, accelerating development of novel therapeutics.

***Research on Related Neurodegenerative Disease Areas***

One-third of a \$25,000,000 gift from the Pershing Square Foundation is restricted for projects supporting research in neurodegenerative disease areas related to ALS. The Foundation has awarded grants across its innovation ecosystem for projects related to Frontotemporal Dementia and Alzheimer's Disease.

**TARGET ALS FOUNDATION, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended December 31, 2024**



***ALS Network Grant***

Funds received from the ALS Network are restricted to specific grants in the current Target ALS grantmaking portfolio. Funds totaling \$50,000 are restricted to Biomarker Consortia grants, focused on developing a toolkit of validated biomarkers to advance ALS research and improve patient care and outcomes. Funds totaling \$8,000 are restricted to expanding the pipeline of ALS researchers and clinicians, by supporting scientists in early stages of their careers through the Early-Stage Clinician and Springboard Fellowship grants.

**8. Commitments and Subsequent Event**

The Foundation enters into commitments annually to award scientific research grants. All research distribution-making decisions are made by the IRC and are reviewed by the Conflict-of-Interest Committee to ensure the IRC has no stake in the projects selected. Subject to the annual review and reapproval process, these distributions generally cover a period of one to two years. Research commitments at December 31, 2024 are reported as grants payable in the accompanying statement of financial position. Subsequent to year-end, the Foundation committed to future research distributions in the amount of approximately \$540,200 for the year ending December 31, 2025.

Except as previously provided for by restricted gifts, the Foundation's ability to meet these distribution commitments may be dependent on future contributions to be received.

**9. Retirement Plan**

The Foundation sponsors a defined contribution plan under Internal Revenue Code Section 403(b). The plan covers all employees over 21 years old, excluding temporary employees. In addition, the Foundation elects to make a noncontributory match equal to 5% of total wages. Employer contributions of approximately \$118,100 were made to the plan during the year ended December 31, 2024.

**10. Concentrations of Risks**

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash, grants and pledges receivable and investments.

The Foundation maintains its cash balance in one financial institution. The balance is insured by the Federal Deposit Insurance Corporation up to \$250,000. At year-end, the uninsured portion of this balance was \$9,708,062. The Foundation monitors its exposure with regard to cash and cash equivalents and has not experienced losses on such accounts.

**TARGET ALS FOUNDATION, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended December 31, 2024**



At December 31, 2024, the Foundation's outstanding pledges receivable were due from seventy-nine contributors, three of which represent approximately 45% of pledges receivable. Management has performed an analysis of these receivables at year end and does not believe that there is a significant credit risk related to those receivables.

Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is possible that changes in values of investment securities could occur in the near term and that such changes could materially affect investment balances and activity included in the financial statements. At year end, management does not believe that significant credit risk exists relative to the investments.

**TARGET ALS FOUNDATION, INC.**  
**PROGRAM ACCOMPLISHMENTS (UNAUDITED)**  
**Year Ended December 31, 2024**

The Foundation continues to break down barriers to ALS research to find effective treatments. Through our comprehensive strategy to fund research through innovative grant programs, enable research through our Research Cores, and conduct research through our ALS Global Research initiative, we are accelerating the discovery and development of drugs and biomarkers for ALS. Select accomplishments during 2024 include the following:

- **Research we Fund:** Target ALS launched six competitive funding opportunities and funded 67 research grants in 2024, advancing the best ideas on ALS research from scientists across the globe.
  - Our Basic Biology Consortia grant program received applications from 106 scientists across 76 institutions in 13 countries, and six collaborative teams were selected for funding. These consortia will explore the biology behind sporadic ALS, which makes up 90% of all ALS cases, with the goal of identifying new drug targets and biomarkers.
  - We launched two distinct In Vivo Target Validation grant programs, a required step in the drug discovery process to prove a therapeutic's safety and potential to significantly modify disease. Five projects were selected for testing in a TDP-43 mouse model, and two projects were selected for testing in a C9orf73 mouse model. Results from these studies have the potential to catapult ALS drug candidates from preclinical stages to clinical trials.
  - Through our Neurology Resident Grant program, three individuals have received funding to pursue innovative projects, translating research findings into practical applications that can enhance patient care and treatment outcomes.
  - Our Biomarker Consortia Grant Program attracted widespread appeal, with 139 scientists representing 34 collaborative projects from 17 different countries applying for funding. Five collaborative projects were selected to advance biomarkers for ALS, offering avenues to track disease progression, stratify patient populations to learn who will respond best to which treatment, and design better clinical trials to drive effective treatments to market.
- **Research we Enable:** Unique to the field, Target ALS is breaking down barriers to ALS research by providing no-strings-attached access to critical scientific tools and resources through our innovative Research Cores. Addressing issues like resource scarcity, lack of standardization, and high costs that traditionally hinder progress in ALS research, the Cores are designed to accelerate drug discovery and biomarker development.

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- *Target ALS Data Engine:* In March 2024, Target ALS launched our revolutionary Data Engine, designed to accelerate breakthroughs in biomarker and drug discovery for ALS. Created in collaboration with DNASTACK and Verily, the Data Engine hosts comprehensive data collections from Target ALS's Research Cores, facilitating multi-omic analysis to discover ALS biomarkers and therapeutic targets. New data is uploaded to the Engine every 4-6 months, ensuring all samples collected from the ALS community through our Cores can have a near-immediate impact on ALS research. True to our mission, the Data Engine breaks down barriers by providing no-strings-attached access to all data and researchers retain full rights to any intellectual property stemming from their discoveries. Since the launch, 250 scientists worldwide have already accessed the Data Engine, underscoring the significant need for this resource.
- *Postmortem Tissue Core:* This Core provides high-quality human postmortem brain and spinal cord tissue and associated clinical data to academic and industry researchers worldwide. In 2024, expert pathologists from the University of Edinburgh joined the Core as the first international site, dramatically expanding our biobank as the largest with ALS cases in the world, with over 50,000 brain and spinal cord tissue samples banked. The bank currently holds frozen and preserved tissue from a total of 532 donors with ALS and frontotemporal dementia (FTD), a related neurodegenerative disease, and healthy controls.
- *Longitudinal Biofluids Core:* In February 2024, we officially launched distribution of biofluids (blood, urine, and cerebrospinal fluid) collected from our Global Natural History Study to ALS researchers. To date, our Independent Review Committee (IRC) has reviewed 29 unique requests, 19 of which were approved, and 12 biofluid requests have been shipped to research teams across the globe. Two of these shipments were sent to researchers who are already demonstrating success in their experiments with the first round of samples received. We prioritize efficiency; turnaround time from request to receipt of samples can be as short as 12 days, an unprecedented pace compared to other repositories.
- *Stem Cell Core:* Stem cell models are an invaluable resource for researchers to study disease mechanisms and test new therapeutics, however research efforts have been plagued with difficulties reproducing results across laboratories because of complicated protocols for generating disease-relevant cells and the large impact of genetic variation on experimental outcomes. To tackle this major obstacle, Target ALS assembled an international consortium of iPSC experts in 2024, aiming to provide robust ALS iPSC resources globally.

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- *Reagents Core:* We offer a range of high-quality antibodies for ALS research through our Reagents Core. Scientists use these antibodies to detect and study mutant proteins associated with ALS. In 2024, we announced the availability of a new validated phosphorylated TDP-43 (pTDP-43) antibody in collaboration with Dr. Len Petrucelli and the Developmental Studies Hybridoma Bank (DSHB). In just one month, our first batch of this antibody was exhausted through requests from researchers worldwide, emphasizing the critical need among the ALS scientific community.
- **Research we Conduct:** Our ALS Global Research Initiative (AGRI) encompasses two clinical research studies aimed to identify causes of the ALS and novel biomarkers to diagnose, predict, and monitor disease progression. By prioritizing enrolling participants from diverse and underrepresented communities in our studies, AGRI is broadening our understanding of how ALS manifests and progresses in different populations, ensuring that treatments will be developed for everyone with ALS.
  - *Global Natural History Study:* In 2024, total enrollment in the study doubled, reaching 182 participants, including 104 with ALS and 78 healthy controls. The first international study sites were activated in Colombia and South Korea this year, bringing the study to a total 14 domestic and international sites. The biorepository now includes 17,000+ biofluid samples. New in 2024, researchers can request these samples to be shipped to their labs or analyze associated datasets via our Data Engine to identify novel targets for treatments and critical biomarkers.
  - *Community-Based Pop-Up Clinics:* A new initiative in 2024, this study aims to explore how genetic and environmental factors affect ALS with a focus on diverse and underrepresented populations in research. The study aims to enroll approximately 5,000 symptomatic individuals living with ALS and 1,000 healthy control participants to provide a one-time blood sample and answer an environmental questionnaire. At our inaugural pop up clinic in Los Angeles this December, we enrolled 13 participants in the study. Seven participants also contributed to a substudy collecting saliva to investigate potential links between diet and ALS.