FINANCIAL STATEMENTS

FUNDACION YAGUARA PANAMA

Report of the Independent Auditors to the Foundational Council

For the year ended 31 December 2022 and 2021

31 de August, 2023

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INDEPENDIENT AUDITOR'S REPORT TO THE YAGUARA PANAMA FOUNDATION COUNCIL.



Introduction

We have audited the financial statements of FUNDACION YAGUARA PANAMA, which include the balance sheet statement of December 31, 2022 y 2021, the corresponding statements of income and cash flows, for the year ended on that date. and notes to the financial statements that include a summary of significant accounting policies and other explanatory information.

In our opinion, the attached financial statements present fairly, in all material respects, the financial position of FUNDACION YAGUARA PANAMA as of December 31, 2022 y 2021, its financial performance, and its cash flows for the year completed on that date in accordance with the International Financial Reporting Standards for Small and Medium-Sized Entities (IFRS for SMEs), with the standards and interpretations issued by the International Accounting Standards Board (IASB) translated into Spanish as of December 31, year 2015.

Basis of opinion

We have carried out our audit in accordance with International Standards on Auditing (ISA). Our responsibilities in accordance with these standards are described in the Auditor's responsibilities in relation to the Audit of Financial Statements section of our report. We are independent from FUNDACION YAGUARA PANAMA, in accordance with the provisions of the Code of Ethics for Accounting Professionals of the International Ethics Standards Council for Accountants and have fulfilled our responsibilities in accordance with said requirements. We believe that the audit evidence we have obtained provides a sufficient and appropriate basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, have been the most significant in our audit of the Financial Statements for the current year.

These matters have been addressed in the context of our audit of the Financial Statements as a whole and in forming our opinion thereon, and we do not express a separate opinion on these matters.

Funds in special proyects

How the key issue was addressed in audit.

Our audit procedures included:

- We request details and analysis of the FUNDACION YAGUARA PANAMA.
- I observe the behavior of payments in bank deposits throughout the year

Responsibilities of the Administration and those in charge of Corporate Governance in relation to the Financial Statements.

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards, and for the system of internal control that Management determines necessary to permit the preparation of Financial Statements that are free of material errors. whether due to fraud or error.

In preparing the Financial Statements, management is responsible for evaluating the Company's ability to continue as a going concern, disclosing, if applicable, matters related to such ability and the use of the going concern basis of accounting as an assumption. fundamental part of the accounting policies, unless the administration or the Panamanian State intends to liquidate the Company, cease operations, or has no other alternative but to do so.

Management and those charged with governance are responsible for supervising the process of preparation and fair presentation of the Company's Financial Statements.

Responsibilities of the Auditor in relation to the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements are free of material misstatement, whether due to fraud or error, and to issue an audit report that expresses our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit performed in accordance with ISA standards will always detect significant errors if they exist.

Errors may arise from fraud or error and are considered material if, individually or in the aggregate, they could be expected to influence the economic decisions that users make in these Financial Statements.

Other Legal and Regulatory Requirements

In accordance with law 280 of December 30, 2021, which regulates the profession of the Authorized Public Accountant in the Republic of Panama, we declare:

- That the direction, execution, and supervision of this Audit work of the FUNDACION YAGUARA PANAMA for the year ending December 31, 2022 y 2021, has been physically carried out in Panamanian territory.
- That the direction, execution and supervision of this Audit work of the FUNDACION YAGUARA PANAMA to which this report refers, is made up of: Auditor Lucas A. Morales coordinator, Lic. Iris Archibold support and Yamileth Diaz management and process analysts

The audit partners who have produced this report are independent auditors; the CPAs, Lucas A. Morales R. No.10.547 and Iris Archibold Ávila No.7274

Lic. Iris Archibold Idoneidad # 7274

Morales Archibold & Co.

31 de August 2023

Panamá, República de Panamá

Balance Sheet

December 31st 2022 and 2021 (U\$\$ Dollars)

	Notes	2022	2021
ASSETS			
CURRENT ASSETS			
Cash Bank	(Note C)	500,971	464,184
Total Current Assets	_	500,971	464,184
NO CURRENT ASSETS			
Inventory Proyects (Equipment)	(Note D)	77,666	
Total Assets	=	578,637	464,184
LIABILITY AND EQUITY			
CURRENT LIABILITY			
Proyects Specials liability	(Note E)	255,623	266,901
Inventory of proyects to be deferred		77,666	
Total de Current Liability		333,289	266,901
Foundation Capital			
Fundation's Accumulated Results		197,283	189,383
Adjust and reserve		9,296	
Period Benefits 2022 and 2021		38,769	7,900
Total Benefits Accumulated		245,348	197,283
TOTAL LIABILITY AND EQUITY		578,637	464,184

Income Statements

To December 31st 2022 and 2021 (U\$\$ Dóllars)

	Notes	2022	2021
INCOME			
Donations and Programs		258,863	204,101
Intereses		678	724
Net Income		259,541	204,825
EXPENSES FOR ACTIVITIES (Detail 2022 y 2021)	(Note F)	220,773	196,924
Net Benefits for the Period 2022 y 2021		38,769	7,902
Net Benefits		38,769	7,902

See notes to the financial statements.

Cash Flow Statement

December 31st 2022 and 2021 (U\$\$ Dollars)

	2022	2021
Cash Flow From Operating Activities		
Net Income	38,769	7,900
Adjustments to reconcile net income to net cash provided by operating activities		
Vendors Liability	(14,069)	(19,859)
Inventory of proyects to be deferred	77,666	
Cash flow net provided by operating activities	102,366	(11,959)
Cash Flow net provided by inversion's activities		
Inventory Proyects (Equipment)	(77,666)	
Cash net used in activitie's inversion	(77,666)	-
Cash flow from financing activities Proceeds From		
Accumulated Benefits of the Fundation		
Adjust and reserve	11,787	
Net cash used in financing	11,787	-
Net increase (decrease) in cash	36,487	(11,959)
Cash Balance at End of Period	500,671	464,184
Cash Balance at Beg of Period	464,184	476,143
Net Increse (Decrease) in Cash	36,487	(11,959)

Financial Statement's Notes
For the Year Ended 31st December 2022 and 2021

NATURE OF THE NON-PROFIT FOUNDATION

FUNDACION YAGUARA PANAMA., Legally made based on the laws of Republic of Panama, according to the public record, September 9th 2015. Based on the scriptures # 19073 registered Folio 25026588 Asiento No 1 September 14 st 2015.

The Yaguara Panama foundation is located within the City of Knowledge Area, located in the Clayton sector, district of Ancon, province of Panama, through the lease agreement, which granted the agreement of affiliation, which are areas of special zones for the development of research and innovation, having benefits in exemption of direct taxes for their contributions in matters of value.

The Yaguara Foundation, in public deed 28,188 of one (01) of November of 2017, and that by resolved number Two Hundred Sixty-PJ-Two Hundred and Sixty (260-PJ-260) of twelve (12) of October of two thousand and seventeen (2017), and that by Resolution number zero two eight-R-zero two eight (028-R-028) of twenty-one (21) March two thousand seventeen (2017) the Minister of Government delegated to the Vice Minister of Government, the signature of the resolved ones and recognize the Non-Profit Private Interest Associations and Foundations and all matters derived from said recognition. That after the analysis of the documentation provided, which was found in accordance with the legal provisions that regulate the matter, the Ministry of Government of the Republic of Panama, in use of its powers, recognizes that the Yaguara Panama Foundation meets the requirements established in article thirty-seven (37) of the Executive Decree sixty-two (62) of March thirty-two thousand seventeen (2017). Given this information, said ratification is in the Ministry of Economy and Finance to grant the power to issue donation receipts.

Organization

Yaguara Panama Foundation is a non-profit organization focused on scientific research and the conservation of wild cats in Panama. Its mission is to conserve the six feline species found in this country: puma, ocelot, margay, oncilla, jaguarundi, with a special emphasis on the jaguar. The Foundation also aims to preserve their habitat through science, education, and working closely with local communities. Yaguara also collaborates with Panama's Ministry of the Environment, the private sector, and national and international non-profit organizations, universities and research centers to carry out its aims.

Yaguara focuses its actions in communities that coexist with felines to reduce the human-

jaguar conflict and ensure the survival of the species through scientific research, the use of technology, sustainable farm practices, and economic alternatives linked to ecotourism and environmental education. Yaguara uses advanced scientific tools to study the population and mobility of wild cats and their main prey in order to mitigate the human-jaguar conflict.

Yaguara also works closely with local communities and ranchers to develop and implement effective ways to protect their livestock by reducing the vulnerability of farms to feline attacks to avoid their senseless killing. These efforts include education, technical assistance and economic alternatives using scientific research as its core. The aforementioned activities have been carried out throughout Panama in legally protected areas and priority conservation sites, since focusing strategic efforts on these feline umbrella species also helps to conserve other animals that share their habitats and/or are vulnerable to the same threats.

The Foundation's programs are focused on:

- Scientific research
- Humans and wild cat conflict (HWC)
- Assistance in cases of feline depredation, abuse and illegal hunting.
- Education, awareness and environmental dissemination

A succinct program summary follows:

1. Scientific research: Science is at the heart of Yaguara's conservation efforts for the jaguar and other wild cats. The Foundation generates extensive scientific data through population studies with camera traps and GPS-enabled tracking collars to observe the movement of jaguars, cougars and ocelots, as well as other mammals such as mountain pigs and tapirs.

These advanced technologies provide Yaguara with information on the number of individuals who live in each area and how their population behaves over time. We track movements of wild cats such as jaguars to know where they are; we can also study their habits, such as at what hours they prefer to hunt. The data helps the Foundation ascertain their health status, the threats they face and inform how we can help to ensure their survival in the wild.

Yaguara has created the most complete and up-to-date database of land mammals in Panama with information from trap cameras in more than 30 study areas in the country that include 655 specific sites that have recorded 40,234 night hours (2012-2019).

We are currently preparing the first National Jaguar and Terrestrial Mammal Census to support conservation planning and improved management of the human wildlife conflict. In addition, we are working together with the University of Panama to develop a database on the genetic variability that affects wildlife.

Lastly, Yaguara maintains an active program of scholarships and awards to support and train

student and professional biologists on wild life feline conservation. The Foundation shares with them scientific data in close collaboration with national and international specialists, while providing advice on their final degree projects at the Bachelor, Master and Doctorate levels.

2. Humans and wild cat conflict (HWC): Habitat loss has reduced the historical range of the jaguar, causing its populations to compete with humans for the same space and resources. This interaction has generated a conflict that usually ends with their life at the hands of farmers that retaliate for the loss of their domestic animals.

We are working with communities, ranchers, farmers and government entities to identify and implement sustainable anti-depredation measures, offering technical assistance and economic alternatives to demonstrate that both cattle raising and jaguar conservation can coexist. This includes the application of effective actions to protect livestock to reduce the vulnerability of farms against feline attacks through management plans that minimize the conflict with jaguars.

In addition to technical assistance, Yaguara promotes the establishment of other financial mechanisms such as compensation funds, financial incentives and economic alternatives aimed at conserving jaguars and their associated ecosystems.

The contribution of scientific research is an innovative mechanism for the creation of differentiated tourist destinations that can support the economy of local communities. For example, the sale of feline footprints to tourists or hosting wildlife expeditions can be a source of funding that is also vital for field research aimed at the conservation of priority species such as the jaguar.

3. Assistance in cases of feline depredation, abuse and illegal hunting: Yaguara provides technical assistance to Panama's Ministry of Environment for the investigation and verification of cases concerning the death of wild cats like jaguars and pumas that occur as a result of retaliation for the depredation of domestic animals such as cattle. The Foundation also keeps track of feline abuse cases and illegal hunting practices.

Together with the aforementioned Ministry, Yaguara has monitored more than 130 conflicts in communities from 2017 to 2019. The Foundation has been directly responsible for avoiding almost all jaguar deaths where it has been able to focus its efforts, with the exception of three felines whose cases are now subject to ongoing criminal proceedings.

Our work with the Ministry of Environment and the Agricultural Insurance Institute permitted the inclusion of insurance to cattle ranchers against the depredation of carnivores such as jaguars, cougars and prairie wolves in the 2019 Agricultural Insurance Manual.

This collaboration has also allowed Yaguara to make better decisions based on scientific information to transform the human-feline conflict and turn it into peaceful co existence. It also helped establish the first Saturday of March as Panama's National Wild Cat Day, giving felines the relevance they deserve as a vital part of the country's ecosystem balance.

4. Education, awareness and environmental dissemination: Yaguara works mainly in capacity building, community management and environmental education, and awareness and outreach to promote and expand active social participation for the protection and conservation of the jaguar and its habitat. We aim to help the species become a cherished symbol for the communities with whom it coexists.

Our educational programs and technical assistance have benefited about 5,000 people in the past three years. More than 30 education workshops and 70 awareness talks are held annually in all areas that Yaguara Panama has projects, mainly in places affected by the jaguar/human conflict. We also hold talks in universities, academic and research centers, companies, government offices and non-governmental organizations.

Yaguara has worked with the Howard Hughes Medical Institute on the "WildCam Darien" project since 2017 to develop educational resources based on scientific research on wildlife in the Darién National Park and the Soberania National Park. A website with this information is available free of charge to educators and the general public in Spanish and English.

The Foundation has also worked since 2018 with the Small Grants Program (PPD) of the United Nations Development Program (UNDP) in the project "Conservation of the jaguar habitat through community participation in Darien and Chepo". This endeavour has yielded the first network of local environmental promoters for the conservation of felines, providing them with a solid base of knowledge that allows them to both inspire and influence their community with actions that promote the coexistence between beings humans and these species.

This conservation project has allowed Panama to be one of two beneficiary countries in the American continent with a special fund for the conservation of jaguars at local communities that have worked together with Yaguara. This has allowed us to channel resources to support initiatives led by local promoters that highlight the importance of ecological tourism, the inclusion of anti-depredation measures in livestock farms, environmental education campaigns, etc.

In addition, Yaguara participates actively in radio programs with national and local coverage to reach a greater number of people so they know what is being done, why is being done and how it benefits them. The results of our projects are also promoted by social media such as Twitter, Facebook and Instagram. We also actively use other local legacy media, like

magazines, television and newspapers. Yaguara scientists also published more than 40 scientific articles, books, reviews and other publications in 2017-2019. They also present the results of their ongoing research in national and international scientific platforms such as congresses, symposia, seminars and others.

Sources of finances and income

Financial support for the Yaguara Panama Foundation derives from different sources:

- i) Government Funds: Projects with the Panamanian Government executed with the Ministry of the Environment and with the National Secretariat for Science, Technology, and Innovation (SENACYT).
- ii) Projects with international organizations, such as the United Nations Development Program (UNDP) through the Small Grants Program (PPD) financed by the Global Environmental Fund (GEF).
- iii) Donations from private companies and foundations, such as the Howard Hughes Medical Institute.
- iv) Donations from individuals
- v) Income from the sale of merchandising and other products.

Principal Accounting Policies

The principals accounting policies make for preparation that these financial statements are the following.

These policies have been applied in relation with the last year accountancy statements.

Base of Preparation

The financial statements have been made according to the International Financial Laws (collectively named NIIFs) given by the Accountancy International Council.

Monetary Unit

The monetary unit is the balboa, which is the equivalent of the United States of America's dollar.

Note C: Cash Bank

	2022	2021
Banco General	500,971	464,184

Note D: Inventory Proyects (Equipment)

This inventory has been audited in its verification for the purposes of the Panama Wildcats/MSP project (GEF-7), its use has been from June 2021 to December 31, 2022 on a continuous basis.

Inventory report included within account 4202 Laboratoy Equipment detail	Telephones-fax-Copies		1,358.70	1,358.70
Inventory report included within account 4202 Laboratoy Equipment detail	Computers, printers, UPS		8,712.40	10,071.10
Inventory report included within account 4202 Laboratoy Equipment detail	Items of attraction		231.95	10,303.05
Inventory report included within account 4202 Laboratoy Equipment detail	Other Undefined		67,363.03	77,666.08
		0.00	77,666.08	77,666.08

Note E: Proyects Specials Liability

	2022	2021
Proyects Specials Liability	256,415	270,484

Note F: EXPENSES FOR ACTIVITIES

Detail Expenses (Operation)

Detail Emperiors (Operation)	2022	2021
Rent		6,124
Charges bank	568	478
Fuel	264	1,542
Communications	155	
Field consumables	3,496	6,941
Field equipment	14,017	13,332
Mantenance equipment		2,465
Office expenses	1,042	758
Salary	152,840	125,825
Insurance		527
Services Contractors	27,164	13,275
Professional Fees	10,365	7,550
Seminar and Charlas		6,654
Taxes	251	430
Guardianship of felines	721	787
Travel and expenses	9,890	10,238
·a	220,773	196,924

Activities Proyect Big Cats Wildcats/MSP project (GEF-7),

This proyect began in 2021, and is currently in full operational execution until mid-2024, the expenses related to this project are managed as special funds separately from the current expenses of de FUNDACION YAGUARA PANAMA.

Туре	Date	Num	Adj	Name	Memo	Clr	Split	Debit	Credit	Balance
										0.00
0	40/04/0004	400	.1	Fundacion Vanuari			Ot- 00 04 04 407005 0 5: V		704 70	0.00
General Journal	12/31/2021	123	V	Fundacion Yaguara	5301 Communication (tel, fax,		Cta 03-01-01-107965-6 Fun. Yagu		791.79	791.79
General Journal	12/04/2021	5	$\sqrt{}$	UN GFL-11207-14C0003-SB-017721	email, etc.)		Cta 03-01-01-107965-6 Fun. Yagu	587.59		-587.59
General Journal	12/04/2021	6	$\sqrt{}$	UN GFL-11207-14C0003-SB-017721	4302 Research facilities		Cta 03-01-01-107965-6 Fun. Yagu	204.00		-791.59
					Transfer received from UN GFL-					
General Journal	12/27/2021	2	$\sqrt{}$	UN GFL-11207-14C0003-SB-017721	11207-14C0003-SB-017721		03-01-01-139392-0 GEF Big Cats		267,730.00	266,938.41
General Journal	12/27/2021	3	$\sqrt{}$	UN GFL-11207-14C0003-SB-017721	5302 Others		03-01-01-139392-0 GEF Big Cats	37.45		266,900.96
					Transfer received from UN GFL-					
General Journal	11/29/2022	46	$\sqrt{}$	UN GFL-11207-14C0003-SB-017721	11207-14C0003-SB-017721		03-01-01-139392-0 GEF Big Cats		300,242.40	567,143.36
					1101 National Proyect					
General Journal	12/31/2022	104	√.	UN GFL-11207-14C0003-SB-017721	Coodinator		03-01-01-139392-0 GEF Big Cats	24,000.00		543,143.36
General Journal	12/31/2022	105	√.	UN GFL-11207-14C0003-SB-017721	1120 Administrative Assistant		03-01-01-139392-0 GEF Big Cats	14,580.00		528,563.36
General Journal	12/31/2022	106	√	UN GFL-11207-14C0003-SB-017721	1201 International Consultants		03-01-01-139392-0 GEF Big Cats	1,900.00		526,663.36
General Journal	12/31/2022	107	1	UN GFL-11207-14C0003-SB-017721	1202 National Consultants		03-01-01-139392-0 GEF Big Cats	14,140.00		512,523.36
General Journal	12/31/2022	108	1	UN GFL-11207-14C0003-SB-017721	1601 Staff travel & transport		03-01-01-139392-0 GEF Big Cats	53,290.02		459,233.34
General Journal	12/31/2022	109	$\sqrt{}$	UN GFL-11207-14C0003-SB-017721	3201 Training		03-01-01-139392-0 GEF Big Cats	9,848.82		449,384.52
General Journal	12/31/2022	110	$\sqrt{}$	UN GFL-11207-14C0003-SB-017721	3301 Meetings 4101 Office Supplies and		03-01-01-139392-0 GEF Big Cats	2,137.50		447,247.02
General Journal	12/31/2022	111	\checkmark	UN GFL-11207-14C0003-SB-017721	consumables		03-01-01-139392-0 GEF Big Cats	779.38		446,467.64
			,		4102 Laboratory supplies and					
General Journal	12/31/2022	112	√.	UN GFL-11207-14C0003-SB-017721	consummables		03-01-01-139392-0 GEF Big Cats	30,394.19		416,073.45
General Journal	12/31/2022	113	√	UN GFL-11207-14C0003-SB-017721	4202 Laboratory Equipment		03-01-01-139392-0 GEF Big Cats	79,850.40		336,223.05
General Journal	12/31/2022	114	V	UN GFL-11207-14C0003-SB-017721	4301 Office Promises		03-01-01-139392-0 GEF Big Cats	3,600.00		332,623.05
General Journal	12/31/2022	115	1	UN GFL-11207-14C0003-SB-017721	4302 Research Facilities		03-01-01-139392-0 GEF Big Cats	3,378.75		329,244.30
General Journal	12/31/2022	116	V	UN GFL-11207-14C0003-SB-017721	5101 Equipment Maintenance		03-01-01-139392-0 GEF Big Cats	5,961.66		323,282.64
General Journal	12/31/2022	117	\checkmark	UN GFL-11207-14C0003-SB-017721	5201 Publication Translation disemination and reporting costs 5301 Communication (tel, fax,		03-01-01-139392-0 GEF Big Cats	2,450.00		320,832.64
General Journal	12/31/2022	118	1	UN GFL-11207-14C0003-SB-017721	email, etc.)		03-01-01-139392-0 GEF Big Cats	2,695.56		318,137.08
General Journal	12/31/2022	119	$\sqrt{}$	UN GFL-11207-14C0003-SB-017721	5302 Others		03-01-01-139392-0 GEF Big Cats	6,703.01		311,434.07
General Journal	12/31/2022	120	$\sqrt{}$	UN GFL-11207-14C0003-SB-017721	5375 UNDP Charges		03-01-01-139392-0 GEF Big Cats	55,625.00		255,809.07
General Journal	12/31/2022	121	1	UN GFL-11207-14C0003-SB-017721	Accounting adjustment		03-01-01-139392-0 GEF Big Cats	289.04		255,520.03
General Journal	12/31/2022	122	1	UN GFL-11207-14C0003-SB-017721	Accounting adjustment		Cta 03-01-01-107965-6 Fun. Yagu		103.09	255,623.12
					.			312,452.37	568,075.49	255,623.12

Note F- INCOME TAX PAYABLE

The commercial activities of the company are subject to income tax in Panama, the income tax return, as well as other tax obligations, for the period ended December 31, 2022 and 2021, they are subject to review by the fiscal authorities of the Ministry of Economy and Finance.

Paragraph 2, of Article 699 of the Fiscal Code of the Republic of Panama, requires that the tax returns of income coincide with the financial statements of the taxpayer, the banks and financial institutions of the country. The inconsistency of the income tax return with the financial statements or IFRS, may, if proven, be considered as tax fraud.

The taxable profit shown in the Income Tax Returns may differ from the profit before income tax shown in the financial statements, due to non-deductible expenses made separately; for the purposes of filing the Affidavits of Income and the financial statements. The effective effective rate of income tax is 25% on the net taxable income. The YAGUARA FOUNDATION, being a non-profit organization with an environmental conservation objective, is not a contributor to this tax.

Tax returns for the last three years, including the year ended December 31, 2022, are subject to review by the tax authorities of the Ministry of Economy and Finance.

Note G- RECLASSIFICATIONS

Some accounts shown in the financial statements as of December 31, 2022 and 2021 and for the years ended on those dates, have been reclassified for purposes of comparison with the accounts shown in the financial statements.

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