ANNUAL FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT ON THE FINANCIAL STATEMENTS OF A NONPROFIT ORGANIZATION

HIAS, INC.

AS AT DECEMBER 31ST 2025

TABLE OF CONTENTS

Responsibility for the financial statements

In accordance with the Croatian Act on Financial Operations and Accounting of Nonprofit Organizations (Official Gazette Nos. 121/14 and 114/22), the Ordinance on Nonprofit Accounting and the Chart of Accounts (Official Gazette Nos. 1/15, 25/17, 96/18, 103/18 and 134/22), and the Ordinance on Reporting in Nonprofit Accounting and the Register of Nonprofit Organizations (Official Gazette Nos. 31/15, 67/17 and 115/18), the legal representative of the nonprofit organization is responsible for its organization, lawful operations and maintenance of accounting records.

A nonprofit organization subject to double-entry bookkeeping is required to perform a self-assessment of the effectiveness and efficiency of its financial management and control system.

Financial management and controls represent a system of internal controls designed to provide reasonable assurance, through risk management, that the resources of the nonprofit organization are used for their intended purpose and in an ethical, economical, efficient and effective manner in achieving the organization's objectives.

The legal representative of the nonprofit organization is responsible for implementing financial management and controls through the application of interconnected components, which include:

- Control environment;
- Risk management;
- Control activities;
- Information and communication; and
- Monitoring and evaluation of the system.

A control environment comprises the personal and professional integrity and ethical values of the legal representatives and employees, management philosophy and operating style, the definition of the nonprofit organization's mission, vision and objectives, its organizational structure, including the assignment of authority and responsibility and the establishment of appropriate reporting lines, human resource management practices, and employee competence.

Risk management is an ongoing process of identifying, assessing and monitoring risks, taking into account the objectives of the nonprofit organization, and implementing the necessary actions, particularly through modifications to the financial management and control system, with the aim of reducing risks to an acceptable level.

Control activities are based on written policies and procedures, established rules and principles, and other measures designed to achieve the objectives of the nonprofit organization by reducing risks to an acceptable level. Control activities must be appropriate and timely, and the costs of their implementation should not exceed an acceptable level.

Financial statements and other reports contain operational and financial information that enables the management and oversight of the nonprofit organization's activities. Information must be relevant, up-to-date, accurate and readily available to facilitate effective communication at all levels of the organization, support the establishment of an appropriate management information system with clearly defined responsibilities for each employee involved in financial management and controls, and ensure proper documentation of all processes and transactions.

The financial management and control system is monitored on an ongoing basis in order to assess its effectiveness and ensure its continuous improvement.

The preparation of the financial statements is the responsibility of the person in charge of the accounting function, the person responsible for maintaining the accounting records of the nonprofit organization, or another qualified individual or legal entity entrusted with the accounting function. The legal representative of the nonprofit organization is responsible for signing the financial statements.

These financial statements were approved on June 26th 2026 and were signed by:

HIAS, INC.
1300 Spring Street, Suite 500, Silver Spring, MD 20910
STRANA UDRUGA
REGISTRIRANA
U REPUBLICI
HRVATSKOJ
Ulica Vjekoslava Klaića 24, Zagreb

Emily Louise Russ

HIAS, INC.
Ulica Vjekoslava Klaića 24
10000 Zagreb
Republic of Croatia

INDEPENDENT AUDITOR'S REPORT

To the Representatives and Members of the Nonprofit Organization

Independent Auditor's review report on the financial statements of the Nonprofit Organization

We have reviewed the accompanying financial statements of HIAS, INC. for the year 2025, which comprise the Statement of Financial Position (Form BIL-NPF) as of 31st December 2025, the Statement of Revenue and Expenses (Form PR-RAS-NPF) for the year then ended, and the accompanying notes, which provide supplementary information to the Statement of Financial Position and the Statement of Revenue and Expenses.

Responsibility of the Nonprofit Organization for the financial statements

The legal representative of HIAS, INC is responsible for the preparation and fair presentation of these financial statements in accordance with the Croatian Act on Financial Operations and Accounting of Nonprofit Organizations (Official Gazette Nos. 121/14 and 114/22), and for such internal controls as he determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements as a whole are not prepared, in all material respects, in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The procedures performed primarily consist of making inquiries of the legal representative of the nonprofit organization and other appropriate persons within the organization, applying analytical procedures, and evaluating the evidence obtained.

The procedures performed in a review are substantially less extensive than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements of HIAS, INC. for the year ended 31st December 2025 have not been prepared and presented, in all material respects, in accordance with the Croatian Act on Financial Operations and Accounting of Nonprofit Organizations (Official Gazette Nos. 121/14 and 114/22).

Emphasis of matter

Events after reporting date

We draw attention to the disclosure under heading 7. Events after reporting date of Notes to Financial Statements and the fact that after the balance sheet date (31st of December 2025.), but before the issuance of this report, United States Department of State terminated HIAS' grant for Resettlement Support Center (RSC) Austria. Since HIAS, INC. in Croatia programmatically serves as a sub-office of HIAS' office in Austria, the termination of this grant raises doubt about the possibility of continuing operations on the basis of going concern principle. Management has expressed their stance that they have no intentions to liquidate HIAS, INC. in the 12 months following the balance sheet date and that HIAS Croatia will maintain its registration in good standing but will be "dormant," as it will not conduct operations or financial transactions. Management believes that the preparation of these Financial Statements on the basis of going concern is adequate. Our Conclusion is not modified in this regard.

Other matter

No review of the financial statements was performed for the previous year ended 31st December 2024, as the nonprofit organization was not subject to a statutory review requirement for that year.

In Zagreb, June 26th 2026

ACT AUDIT GLOBAL d.o.o.
Zagreb | OIB: 02054789466

Gabrijel Podolski
Certified Auditor

Gabrijel Podolski
Director

ACT AUDIT GLOBAL d.o.o.
Ulica Dujma Penića 1
Zagreb, Republic of Croatia

HIAS, INC.
Annual financial statements for the year ended 31st December 2025

Statement of Revenue and Expenses

for the year ended 31st December 2025

Account from Chart of Accounts	DESCRIPTION	AOP	Actual results for the previous year	Actual results for the reporting period	Index (5/4)
1	2	3	4	5	6
REVENUE					
3	REVENUE (AOP 002+005+008+011+024+040+049)	001	675.793,29	257.590,74	38,1
34	Revenue from assets (AOP 012+021)	011	596,04	0,26	0,0
341	Revenue from financial assets (AOP 013 do 020)	012	596,04	0,26	0,0
3415	Revenue from positive exchange rate differences	017	595,69		0,0
3418	Other revenue from financial assets	020	0,35	0,26	74,3
35	Donation revenue (AOP 025+030+033+036+037)	024	675.193,25	257.590,48	38,2
352	Revenue from foreign governments and international organisations (AOP 031+032)	030	645.436,21	245.975,17	38,1
3521	Revenue from foreign governments and international organisations	031	645.436,21	245.975,17	38,1
353	Revenue from companies and other legal entities (AOP 034+035)	033	8.802,37	5.180,65	58,9
3531	Revenue from companies and other legal entities	034	8.802,37	5.180,65	58,9
354	Revenue from individuals and households	036	20.954,67	6.434,66	30,7
36	Other revenue (AOP 041+044+045)	040	4,00	0,00	0,0
363	Other unspecified revenue (AOP 046 do 048)	045	4,00	0,00	0,0
3633	Other unspecified revenue	048	4,00		0,0
EXPENSES					
4	EXPENSES (AOP 055+067+108+109+120+128+139)	054	608.650,35	259.922,16	42,7
41	Employee expenses (AOP 056+061+062)	055	416.717,92	140.886,70	33,8
411	Salaries (AOP 057 do 060)	056	345.529,03	112.726,08	32,6
4111	Salaries for regular work	057	342.663,11	112.550,30	32,8
4113	Overtime salaries	059	2.865,92	175,78	6,1
412	Other employee expenses	061	24.949,49	9.831,65	39,4
413	Employer contributions (AOP 063 do 066)	062	46.239,40	18.328,97	39,6
4131	Health insurance contributions	063	46.239,40	18.328,97	39,6
42	Material expenses (AOP 068+072+077+082+087+097+102)	067	166.868,17	107.650,43	64,5
421	Employee expense reimbursements (AOP 069 do 071)	068	7.126,53	3.086,26	43,3
4211	Business travel	069	6.601,53	936,26	14,2
4213	Professional training of employees	071	525,00	2.150,00	409,5
425	Service expenses (AOP 088 do 096)	087	141.816,62	103.518,05	73,0
4251	Telephone, postal and transport services	088	11.177,63	12.583,32	112,6
4252	Current and investment maintenance services	089	554,99	50,00	9,0
4253	Promotion and information services	090	442,83	237,30	53,6
4255	Rent and lease expenses	092	82.498,94	81.834,64	99,2
4256	Medical and veterinary services	093	212,04		0,0
4257	Professional and personal services	094	12.274,24	4.677,79	38,1
4259	Other services	096	34.655,95	4.135,00	11,9
426	Material and energy expenses (AOP 098 do 101)	097	16.250,89	658,39	4,1
4261	Office supplies and other material expenses	098	4.893,65	92,40	1,9
4264	Small inventory and vehicle tyres	101	11.357,24	565,99	5,0
429	Other unspecified material expenses (AOP 103 do 107)	102	1.674,13	387,73	23,2
4292	Representation expenses	104	1.415,63	387,73	27,4
4295	Other unspecified material expenses	107	258,50		0,0
43	Depreciation expense	108	21.490,44	7.015,34	32,6
44	Financial expenses (AOP 110+111+115)	109	3.573,82	1.629,93	45,6
443	Other financial expenses (AOP 116 do 119)	115	3.573,82	1.629,93	45,6
4431	Banking and payment transaction services	116	1.503,64	743,03	49,4
4432	Negative exchange rate differences and currency clause adjustments	117	2.036,36	886,79	43,5
4433	Default interest expense	118	33,82	0,11	0,3
46	Other expenses (AOP 129+134)	128	0,00	2.739,76	-
462	Other unspecified expenses (AOP 135 do 138)	134	0,00	2.739,76	-
4621	Written-off value and other expenses relating to disposal and write-off of non-current assets	135		2.739,76	-
	TOTAL EXPENSES (AOP 054-146 ili 054+147)	148	608.650,35	259.922,16	42,7
	REVENUE SURPLUS (AOP 001-148)	149	67.142,94	0,00	0,0
	REVENUE DEFICIT (AOP 148-001)	150	0,00	2.331,42	-
5221	Carried forward revenue surplus	151		27.956,67	-
5222	Carried forward revenue deficit	152	39.186,27		0,0
	Revenue surplus available in the following period (AOP 149+151-150-152-153)	154	27.956,67	25.625,25	91,7

HIAS, INC.

Annual financial statements for the year ended 31st December 2025

Statement of financial position

for the year ended 31st December 2025

Account from Chart of Accounts	DESCRIPTION	AOP	As at 1st of January	As at 31st of December	Index (5/4)
1	2	3	4	5	6
ASSETS					
	ASSETS (AOP 002+074)	001	448.712,38	40.704,78	9,1
0	**Non-financial assets (AOP 003+018+047+051+055+064)**	002	23.458,13	13.703,03	58,4
01	**Non-produced non-current assets (AOP 004+008-017)**	003	556,27	0,00	0,0
012	Intangible assets (AOP 009 do 016)	008	17.764,80	0,00	0,0
0124	Other rights	012	17.764,80		0,0
019	Accumulated depreciation of non-produced non-current assets	017	17.208,53		0,0
02	**Produced non-current assets (AOP 019+023+031+034+039+042-046)**	018	22.901,86	13.703,03	59,8
022	Plant and equipment (AOP 024 do 030)	023	27.183,77	23.210,16	85,4
0221	Office equipment and furniture	024	25.119,03	23.210,16	92,4
0223	Maintenance and safety equipment	026	2.064,74		0,0
029	Accumulated depreciation of produced non-current assets	046	4.281,91	9.507,13	222,0
1	**Financial assets (AOP 075+083+100+105+125+133+142)**	074	425.254,25	27.001,75	6,3
11	Cash at bank and in hand (AOP 076+080+081+082)	075	177.223,18	16.178,23	9,1
111	Cash at bank (AOP 077 do 079)	076	177.037,04	16.160,80	9,1
1111	Cash in accounts with domestic commercial banks	077	177.037,04	16.160,80	9,1
113	Cash on hand	081	186,14	17,43	9,4
12	Deposits, guarantees, receivables from employees, tax overpayments and other receivables (AOP 084+087+088+089+095)	083	247.793,77	10.823,52	4,4
129	Other receivables (AOP 096 do 099)	095	247.793,77	10.823,52	4,4
1291	Receivables for reimbursable benefits	096	247.793,77	10.373,52	4,2
1293	Advance payments receivable	098		450,00	-
19	Prepaid expenses and accrued income (AOP 143+144)	142	237,30	0,00	0,0
191	Prepaid expenses	143	237,30		0,0
LIABILITIES AND OWN SOURCES					
	LIABILITIES AND OWNSOURCES (AOP 146+195)	145	448.712,38	40.704,78	9,1
2	**Liabilities (AOP 147+174+182+190)**	146	420.755,71	15.079,53	3,6
24	Expense-related liabilities (AOP 148+156+164+168+169+170)	147	45.451,18	5.287,82	11,6
241	Employee-related liabilities (AOP 149 do 155)	148	39.069,21	4.893,01	12,5
2411	Net salary payables	149	23.075,33	2.808,00	12,2
2414	Payroll tax and surtax liabilities	152	4.473,19	552,00	12,3
2415	Employee contribution liabilities	153	6.892,61	840,01	12,2
2416	Employer contribution liabilities	154	4.628,08	693,00	15,0
242	Operating expense liabilities (AOP 157 do 163)	156	6.381,97	394,81	6,2
2421	Employee expense reimbursements payable	157	1.287,11	80,96	6,3
2425	Trade payables to domestic suppliers	161	5.094,86	313,85	6,2
26	Loans and deposits (AOP 183+186-189)	182	364.178,05	9.791,71	2,7
262	Commodity and other loans payable (AOP 187+188)	186	364.178,05	9.791,71	2,7
2622	Foreign loans payable	188	364.178,05	9.791,71	2,7
29	Deferred expense payments and deferred income (AOP 191+192)	190	11.126,48	0,00	0,0
291	Deferred expense payments	191	11.126,48		0,0
5	**Own sources (AOP 196+199-200)**	195	27.956,67	25.625,25	91,7
511	Own sources	197			-
5221	Revenue surplus	199	27.956,67	25.625,25	91,7

1. GENERAL INFORMATION ABOUT THE ORGANIZATION

The organization HIAS, INC., Zagreb, Ulica Vjekoslava Klaića 24, OIB/PIN: 51666003926, has been registered:

- On 24.08.2023. in the register of foreign organizations in the Republic of Croatia under registration number 210017
- On 02.01.2024. in the register of non-profit organizations of the Republic of Croatia under the serial number 0490954.

The goal of the foreign non-profit organization HIAS, INC. is to provide assistance and services to refugees, returnees, stateless persons, asylum seekers, and internally displaced persons during their transit and after they arrive at their destination, and to assist such persons in their integration and in becoming citizens of other countries.

The activities of the organization HIAS, INC. are:

- Prevention of violence and the fight against racial discrimination;
- Protection of the rights of asylum seekers and foreigners under subsidiary protection;
- Provision of free legal assistance;
- Provision of international humanitarian aid;
- Help and support for asylum seekers;
- Provision of psychosocial assistance i
- Organized housing service.

The person authorized to represent in 2025 was:

- Emily Louise Russ
    - Office Manager
    - Represents the organization since 16.04.2024.

The organization had one employee as at December 31, 2025.

2. BASICS OF REPORTING

a) Declaration of conformity

The Organization's Financial Statements have been prepared in accordance with the Act on Financial Operations and Accounting of Non-Profit Organizations (OG 121/14, 114/22) and the Ordinance on Non-Profit Accounting and Chart of Accounts (OG 01/15, 25/17, 96/18, 103/18, 134/22).

b) Basis of presentation

The financial statements are presented in accordance with the historical cost basis.

c) Functional and presentation currency

The financial statements are expressed in euros ("EUR"), which is the functional currency of the Organization.

3. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies have been applied consistently to all periods presented in these financial statements.

a) Foreign currency transactions

Transactions in foreign currencies are converted into the functional currency based on the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities are translated into the functional currency at the exchange rate valid on the balance sheet date.

Profits or losses from payments and collections for such transactions and from the reduction of monetary assets and liabilities into the functional currency are included in the profit and loss account.

b) *Non-current tangible assets*

The cost of acquiring non-current tangible assets includes all costs directly related to the acquisition of those assets.

Depreciation of non-current intangible and tangible assets is calculated using the straight-line method, i.e. the purchase value is depreciated in equal annual amounts over the estimated useful life, using the prescribed annual depreciation rates set out in the Regulation on Accounting for Non-Profit Organizations:

No.	Name of asset od assets group	Useful life (y)	Depn'n rate (%)
1	2	3	4
I	PROPERTY		
1.	residential and commercial buildings		
	made of concrete, metal, stone and brick	80	1,25
	made of wood and other materials	20	5
2.	roads, railways and similar construction structures	25	4
3.	other construction structures	20	5
II	PLANT AND EQUPMENT		
1.	Office equipment and furniture		
	computers and computer equipment	4	25
	office furniture	8	12,5
	other office equipment	5	20
2.	Communication equipment	5	20
	communication devices	5	20
	mobile communication devices	2	50
3.	Maintenance and protection equipment	5	20
4.	Medical and laboratory equipment	5	20
5.	Instruments, devices and machines	8	12,5
	precision and optical instruments	5	20
	measuring and control devices, mechanical	8	12,5
	measuring and control devices, electronic	5	20
6.	Sports and musical equipment	5	20
7.	Devices, machines and equipment for other purposes	5	20
III	VEHICLES		
1.	Road transport	8	12,5
	Passenger cars and ambulances	5	20
2.	Railway transport	8	12,5
3.	Maritime and river transport	8	12,5
	Ships over 1000 GRT	20	5
4.	Air transport	10	10
IV	BOOKS		
	Library books	5	20
V	PERIODIC PLANTS AND BASE LIVESTOCK	5	20
VI	INTANGIBLE PRODUCED ASSETS		
1.	Investments in mineral exploration	10	10
2.	Investments in computer programs	4	25
VII	NON-PRODUCED INTANGIBLE PRODUCED ASSETS		
	Patents, concessions, licenses, rights to use other people's assets, multi-year leases, etc.	according to the duration of the contract	

c) Cash at bank and in hand

Cash in bank and cash on hand includes cash in euro and foreign currency accounts at commercial bank and cash in hand.

Assets in the form of money are stated in nominal value expressed in Croatian currency (EUR).

Foreign currency funds in banks and cash on hand are stated in Croatian currency (EUR) using the middle exchange rate of the Croatian National Bank on the balance sheet date.

Exchange rate differences arising from the adjustment of foreign currency funds to the middle exchange rate of the CNB are recorded as income or expense of the current period.

d) Receivables

Receivables from customers, the state, employees and other legal entities are recorded in the business books based on a proper document on the occurrence of a business event and data on their value.

The amount of receivables that are due within a period of up to one year is shown as a short-term receivable.

Receivables in foreign currency are recorded in Croatian currency (EUR) at the middle exchange rate of the Croatian National Bank on the date of recording the receivable. When collecting receivables, exchange rate differences arising are recorded as income or expenses of the Company, and on the balance sheet date, all open receivables are reduced to the middle exchange rate of the Croatian National Bank.

e) Trade payables

Trade payables are initially stated at fair value.

Liabilities in foreign currency are stated in Croatian currency (EUR) at the middle exchange rate of the Croatian National Bank on the date of recording the liability. When paying the liability, exchange rate differences arising are credited to the Company's income or expenses, and on the balance sheet date, all outstanding liabilities are reduced to the middle exchange rate of the Croatian National Bank.,

f) Accruals

Accruals are receivables or liabilities for which the criteria for recognizing income or expenses were not met in the accounting period, but these criteria are expected to be met in future periods, or income or expenses recognized in the accounting period on an accrual basis, but for which the criteria for recognizing receivables or liabilities were not met in the same accounting period, but these criteria are expected to be met in future periods.

g) Revenue and expense recognition

Income and expenses are recognized using the accrual accounting principle. The accounting principle of occurrence of events means that:

- reciprocal revenues (revenues based on delivered goods and services) are recognized in the reporting period to which they relate, provided that they can be measured independently of collection;

- non-reciprocal income (income under special regulations, donations, membership fees, aid, contributions and other similar income) is recognized in the reporting period to which they relate, provided that they are available (collected) in the reporting period, and can be recognized in the reporting period if they are collected no later than the moment of presentation of the financial statements for the same period;
- donations related to the execution of the contracted programs (projects and activities) are recognized in the balance sheet as deferred income with recognition in the income of the reporting period in proportion to the costs of the implementation of the contracted programs (projects and activities);
- donations related to non-financial assets that are amortized are recognized in the balance sheet as deferred income with recognition in the income of the reporting period on a systematic basis in proportion to the costs of using the non-financial assets in the period of use;
- expenses are recognized in the reporting period to which they refer regardless of payment;
- Expenses for the consumption of current non-financial assets are recognized at the time of actual consumption, i.e. sale, and
- acquisition costs of long-term assets are capitalized and recognized as expenses over their useful lives.

4. NOTES TO BALANCE SHEET

ASSETS

Nonfinancial assets

Manufactured fixed assets

Note 1. Property, plant and equipment

PPE with a total value of EUR 13,703.03 (2024: EUR 22,901.86) consists of office equipment.

Financial assets

Note 2. Cash at bank and in hand

Money in the bank and cash register in the amount of EUR 16,178.23 (2024: EUR 177,223.18) refers to money in the account with domestic commercial banks in the amount of EUR 16,160.80 and money in the cash register in the amount of EUR 17.43.

Deposits, security deposits and claims from employees for overpaid taxes and other

Note 3. Receivables for refunds

Claims for fees that are to be refunded refer to claims for residence taxes and health insurance in the amount of EUR 10,373.52 (2024: EUR 247,793.77).

Note 4. Receivables for prepayments

Receivables for advances amount to EUR 450.00.

LIABILITIES AND OWN SOURCES

Liabilities for expenses

Note 5. Liabilities towards employees

Liabilities towards employees in the total amount of EUR 4,893.01 (2024: EUR 39,069.21) consist of liabilities for net salaries, taxes and contributions from and on salaries.

Liabilities for material expenses

Note 6. Liabilities for material expenses

Liabilities for material expenses in the amount of EUR 394.81 (2024: EUR 6,381.97) relate to compensation of employees in the amount of EUR 80.96 (2024: EUR 1,287.11) and liabilities to suppliers in the amount of EUR 313.85 (2024: EUR 5,094.86).

Liabilities for loans and borrowings

Note 7. Liabilities for foreign loans

Liabilities for loans from abroad in the amount of EUR 9,791.71 (2024: EUR 364,178.05) relate to liabilities for loans to HIAS, INC. from the United States of America.

Note 8. Surplus income

The surplus of income over expenses amounts to EUR 25,625.25 (2024: EUR 27,956.67).

5. NOTES TO INCOME STATEMENT

REVENUES

Revenue from assets

Note 1. Revenue from financial assets

Income from financial assets in the amount of EUR 0.26 (2024: EUR 0.35) relates to interest income.

Revenue from donations

Note 2.

The Organization's income in the amount of EUR 257,590.48 (2024: EUR 675,193.25) consists of income from foreign governments and international organizations in the amount of EUR 245,975.17 (2024: EUR 645,436.21), other legal entities in the amount of EUR 5,180.65 (2024: EUR 8,802.37) and income from citizens and households in the amount of EUR 6,434.66 (2024: EUR 20,954.67).

EXPENSES

Note 3. Expenses for employees

Expenses for employees totaling EUR 140,886.70 (2024: EUR 416,717.92) mostly relate to salaries for regular work in the amount of EUR 112,550.30 (2024: EUR 342,663.11).

	2024.	**2025.**
Salaries for regular work	342,663.11	112,550.30
Overtime	2,865.92	175.78
Other employee expenses	24,949.49	9,831.65
Health insurance contribution	46,239.40	18,328.97
Expenses for employees	416,717.92	140,886.70

Material expenses

Note 4. Employee expense reimbursements

Employee expense reimbursements totaling EUR 3,086.26 (2024: EUR 7,126.53) consist of employee expense reimbursements for business trips in the amount of EUR 936.26 (2024: EUR 6,601.53) and expenses for employee professional development in the amount of EUR 2,150.00 (2024: EUR 525.00).

Note 5. Expenses for services

	2024.	**2025.**
Telephone, postal and transport services	11,177.63	12,583.32
Current and investment maintenance services	554.99	50.00
Promotion and information services	442.83	237.30
Leases and rentals	82,498.94	81,834.64
Intellectual and personal services	12,274.24	4,677.79
Other services	34,655.95	4,135.00
Expenses for services	141,816.62	103,518.05

Note 6. Expenses for materials and energy

Expenses for materials and energy in the total amount of EUR 658.39 (2024: EUR 16,250.89) relate to office supplies in the amount of EUR 92.40 (2024: EUR 4,893.65) and small inventory in the amount of EUR 565.99 (2024: EUR 11,357.24).

Note 7. Other unmentioned material expenses

Other unmentioned material expenses in the amount of EUR 387.73 (2024: EUR 1,674.13) relate to entertainment expenses in the amount of EUR 387.73 (2024: EUR 1,415.63).

Note 8. Depreciation expenses

The Organization’s depreciation expenses amount to EUR 7,015.34 (2024: EUR 21,490.44).

Note 9. Other financial expenses

Other financial expenses in the amount of EUR 1,629.93 (2024: EUR 3,573.82) relate to banking services in the amount of EUR 743.03 (2024: EUR 1,503.64), negative exchange rate differences and currency clauses in the amount of EUR 886.79 (2024: EUR 2,036.36) and default interest in the amount of EUR 0.11 (2024: EUR 33.82).

Note 10. Other expenses

Expenses of unwritten-off value and other expenses of disposed and written-off fixed assets amount to EUR 2,739.76.

Note 11. Surplus income

The revenue shortfall for the current period amounts to EUR 2,331.42. The revenue surplus carried forward from the previous period amounts to EUR 27,956.67 and will cover the revenue shortfall for the current period in the amount of EUR 2,331.42. The revenue surplus for future periods amounts to EUR 25,625.25.

6. SIGNIFICANT ACCOUNTING ESTIMATES

A non-profit organization that is required to maintain double-entry bookkeeping conducts a self-assessment of the efficient and effective functioning of its financial management and control system.

Financial management and control systems are based on five interrelated components of internal control, which include:

- control environment
- risk management
- control activities
- information and communication
- monitoring and evaluation of the system.

The control environment includes the personal and professional integrity and ethical values of legal representatives and employees, management and management style, determination of the mission, vision and objectives of the non-profit organization, organizational structure, including the assignment of authority and responsibility and the establishment of appropriate reporting lines, human resources management practices and employee competence.

Risk management is the overall process of identifying, assessing and monitoring risks, taking into account the objectives of the non-profit organization, and taking necessary actions, in particular through changes in the financial management and control system, for the purpose of reducing risks.

Control activities are based on written rules and principles, procedures and other measures that are established to achieve the objectives of the non-profit organization by reducing risks to an acceptable level. Control activities must be appropriate and timely, and the costs of their establishment must not exceed an acceptable level.

Financial statements and other reports contain business information that enables the management and control of the operations of a non-profit organization. The information must be appropriate, up-to-date, accurate and accessible for effective communication at all levels of the non-profit organization, the development of an appropriate management information system, with a clearly defined role for each employee involved in financial management and control, and the documentation of all processes and transactions.

The monitoring of the financial management and control system is carried out for the purpose of assessing its proper functioning and ensuring its further improvement.

The legal representative of the non-profit organization is responsible for the implementation of financial management and control by applying the components referred to in paragraph 2 of this Article.

The Minister of Finance, by means of an ordinance on the financial management and control system, the preparation and execution of financial plans of non-profit organizations, shall determine the manner of conducting a self-assessment of the functioning of the financial management and control system of non-profit organizations, taking into account the amount of income, the value of assets and the legal form of the non-profit organization.

7. EVENTS AFTER REPORTING DATE

The work of the Association has significantly decreased already in 2025 compared to 2024, primarily due to uncertainty about the continuation of activities and the instability of funding from abroad, governments and other humanitarian organizations.

After the balance sheet date, in January 2026, the Association no longer has any employees, as all employment contracts have been terminated.

After the date of Balance sheet (31st of December 2025.), but before the issuance of this report, United States Department of State terminated HIAS' grant for Resettlement Support Center (RSC) Austria. Since HIAS, INC. in Croatia programmatically serves as a sub-office of HIAS' office in Austria, we understand that the termination of this grant raises doubt about the possibility of continuing operations on the basis of going concern principle.

HIAS Croatia will maintain its registration in good standing but will be "dormant," as it will not conduct operations or financial transactions. We have no intentions to liquidate HIAS, INC. in the 12 months following the balance sheet date.

We believe that the preparation of these Financial Statements on the basis of going concern is adequate.

June 26th 2026

Stamp and Signature

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