

Consolidated Financial Statements and
Report of Independent Certified Public
Accountants

**H. Lee Moffitt Cancer Center & Research
Institute, Inc. and Subsidiaries**

June 30, 2026 and 2025

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

Opinion

We have audited the consolidated financial statements of H. Lee Moffitt Cancer Center & Research Institute, Inc. and subsidiaries (the Cancer Center), which comprise the consolidated balance sheets as of June 30, 2026 and 2025, and the related consolidated statements of operation, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Cancer Center as of June 30, 2026 and 2025, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

We conducted our audits of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Cancer Center and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS and *Government 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 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 consolidated financial statements.

In performing an audit in accordance with US GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Cancer Center'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cancer Center'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.

Supplementary information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating balance sheet and the consolidating statement of operations are presented for purposes of additional analysis, rather than to present the financial position and results of operations of the individual entities, and are not a required part of the consolidated financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures. These additional procedures included

comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with US GAAS and *Government Auditing Standards*. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other reporting required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2026 on our consideration of the Cancer Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Cancer Center's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Cancer Center's internal control over financial reporting and compliance.

Grant Thornton LLP

Tampa, Florida
September 29, 2026

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

CONSOLIDATED BALANCE SHEETS

June 30,

	2026	2025
ASSETS		
Current assets		
Cash and cash equivalents	\$ 683,214,272	\$ 523,960,342
Short-term investments	111,504,268	89,050,548
Patient accounts receivable	346,987,441	329,296,281
Current portion of assets limited as to use	41,598,789	38,800,455
Current portion of pledges receivable	11,155,263	11,458,599
Inventories	73,187,759	59,125,702
Grant receivables, net	61,044,408	64,162,390
Estimated third-party settlements receivable, net	14,635,265	17,264,102
Prepaid and other current assets	98,174,396	58,994,566
Total current assets	1,441,501,861	1,192,112,985
Assets limited as to use, net of current portion	1,027,440,446	1,082,743,130
Pledges receivable, less discounts and allowances for uncollectible pledges, net of current portion	30,208,845	18,136,479
Right-of-use asset - operating and finance leases	72,981,961	90,329,006
Property, plant, and equipment		
Land	45,688,330	45,688,330
Building and land improvements	1,588,656,963	1,144,454,932
Equipment	962,508,197	829,205,207
	2,596,853,490	2,019,348,469
Less: accumulated depreciation	(980,272,490)	(903,702,968)
	1,616,581,000	1,115,645,501
Construction in progress	53,306,495	311,097,688
	1,669,887,495	1,426,743,189
Other assets	15,158,280	25,545,481
Total assets	<u>\$ 4,257,178,888</u>	<u>\$ 3,835,610,270</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 224,085,915	\$ 212,910,055
Accrued employee compensation	155,231,976	115,581,276
Accrued interest	19,919,935	20,302,356
Current portion of deferred revenue	493,620	489,361
Current portion of lease liability	21,603,036	24,143,299
Current portion of long-term debt	20,815,000	19,820,000
Total current liabilities	442,149,482	393,246,347
Other liabilities	49,972,444	42,990,929
Lease liability, net of current portion	42,896,074	60,829,568
Long-term debt, net of current portion	1,107,368,774	1,134,015,200
Total liabilities	1,642,386,774	1,631,082,044
Net assets		
Without donor restrictions	2,450,264,743	2,026,208,036
With donor restrictions	164,527,371	178,320,190
Total net assets	2,614,792,114	2,204,528,226
Total liabilities and net assets	<u>\$ 4,257,178,888</u>	<u>\$ 3,835,610,270</u>

The accompanying notes are an integral part of these consolidated financial statements.

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS

Years ended June 30,

	2026	2025
Net assets without donor restrictions		
Revenues		
Patient service revenues	\$ 2,974,127,882	\$ 2,609,543,436
Other revenues, less provision for grant and other bad debts (2026 - \$2,290,979; 2025 - \$2,494,699)	345,027,712	302,600,719
Net assets released from restrictions and used for operating expenses	128,909,596	104,611,101
Total revenues and other support without donor restrictions	3,448,065,190	3,016,755,256
Expenses		
Salaries, wages, benefits and faculty fees	1,455,677,586	1,291,067,350
Purchased services	276,008,355	228,141,334
Supplies	1,198,772,401	1,108,560,609
Other operating expenses	142,103,553	146,353,390
Depreciation and amortization	102,830,558	85,956,519
Interest	34,299,916	29,188,940
Total expenses	3,209,692,369	2,889,268,142
Income from operations	238,372,821	127,487,114
Nonoperating gains (losses), net	125,940,875	90,746,868
Excess of revenues and gains over expenses and losses before tax	364,313,696	218,233,982
Income tax expense	(1,557,208)	(1,634,607)
Excess of revenues and gains over expenses and losses	362,756,488	216,599,375
Other changes		
Net assets released from restrictions and used to purchase property, plant, and equipment	884,349	744,181
Net assets released from restrictions and used for payment of long-term debt	31,084,533	28,954,224
Grants received for reimbursement of property, plant, and equipment	25,753,151	18,644,784
Restricted investment income	(1,220,566)	(1,118,697)
Other	4,798,752	16,894,848
Increase in net assets without donor restrictions	424,056,707	280,718,715
Net assets with donor restrictions		
Contributions and memorials	42,236,267	23,203,422
Grants and contracts with purpose restrictions	69,159,497	75,402,675
Investment income	1,220,566	1,118,697
Net assets released from purpose restrictions and used to purchase property, plant, and equipment	(884,349)	(744,181)
Net assets released from purpose restrictions and used for payment of long-term debt	(31,084,533)	(28,954,224)
Net assets released from purpose restrictions and used for payment of operating expenses	(116,541,207)	(94,738,350)
Net assets released from purpose restrictions and used for payment of interest	(10,873,281)	(8,169,498)
Net assets released from time restrictions and used for payment of operating expenses	(1,495,108)	(1,703,253)
Proceeds from the Cigarette Tax and Trust Fund	38,425,800	38,425,800
Interest earnings on proceeds from the Cigarette Tax and Trust Fund	179,544	261,547
Loss on uncollectible restricted pledges	(4,146,333)	(67,713)
Other	10,318	(26,416)
(Decrease) increase in net assets with donor restrictions	(13,792,819)	4,008,506
INCREASE IN NET ASSETS	410,263,888	284,727,221
Net assets at beginning of year	2,204,528,226	1,919,801,005
Net assets at end of year	\$ 2,614,792,114	\$ 2,204,528,226

The accompanying notes are an integral part of these consolidated financial statements.

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended June 30,

	2026	2025
Operating activities and nonoperating gains (losses), net:		
Increase in net assets	\$ 410,263,888	\$ 284,727,221
Adjustments to reconcile increase in net assets to net cash provided by operating activities and nonoperating gains (losses), net:		
(Gain) loss on sale of property, plant, and equipment	63,634	19,951
Restricted contributions and restricted investment income	(82,062,177)	(63,009,467)
Contribution of unrestricted and restricted securities	(3,748,460)	(2,300,265)
Grants and contracts with purpose restrictions	(69,159,497)	(75,402,675)
Grants received for reimbursement of property, plant, and equipment purchases	(25,753,151)	(18,644,784)
Change in net unrealized (gains) losses on investments	(13,756,337)	(23,583,638)
Depreciation and amortization	102,830,558	85,956,519
Amortization of bond premium, discount and issuance costs	(5,831,427)	(5,963,146)
Provision for grant bad debts	2,290,979	2,494,699
Changes in operating assets and liabilities:		
Patient accounts receivable	(17,691,160)	(40,701,178)
Inventories	(14,062,057)	(5,712,785)
Grant receivables	827,003	(6,187,024)
Prepaid and other assets	(28,792,629)	(504,731)
Right-of-use asset - leases, net of lease liability	17,347,046	3,705,231
Pledges receivable	(11,769,030)	(9,570,283)
Accounts payable and accrued expenses	1,272,242	39,702,978
Accrued employee compensation	39,650,700	(1,695,174)
Accrued interest	(382,421)	(282,750)
Estimated third-party settlements, net	2,628,837	(29,968,486)
Other liabilities	6,985,774	7,291,132
Net cash provided by operating activities and nonoperating gains (losses), net	311,152,315	140,371,345
Investing activities:		
Purchases of short-term investments	(22,453,720)	(89,050,548)
Purchases of property, plant, and equipment	(336,134,879)	(318,155,219)
Change in assets limited as to use	66,301,697	141,916,383
Net cash used in investing activities	(292,286,902)	(265,289,384)
Financing activities:		
Payments on long-term debt	(19,820,000)	(14,215,000)
Payments on right-of-use finance leases	(20,473,756)	(13,478,159)
Restricted contributions and restricted investment income	82,062,177	63,009,467
Grants and contracts with purpose restrictions	69,159,497	75,402,675
Contribution of securities with purpose restrictions	3,707,448	2,242,046
Grants received for reimbursement of property, plant, and equipment purchases	25,753,151	18,644,784
Net cash provided by financing activities	140,388,517	131,605,813
INCREASE IN CASH AND CASH EQUIVALENTS	159,253,930	6,687,774
Cash and cash equivalents at beginning of year	523,960,342	517,272,568
Cash and cash equivalents at end of year	<u>\$ 683,214,272</u>	<u>\$ 523,960,342</u>
Supplemental information:		
Capital expenditures accrued in accounts payable	\$ 9,903,620	\$ 7,224,584
Cash paid for interest	<u>\$ 49,901,602</u>	<u>\$ 51,466,871</u>

The accompanying notes are an integral part of these consolidated financial statements.

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2026 and 2025

NOTE 1 - ORGANIZATION

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries (the Cancer Center), located in Tampa, Florida, was created by the Florida Legislature and incorporated on April 17, 1984, as a not-for-profit corporation, and is currently licensed to operate 346 general acute care beds. The Cancer Center's activities relate primarily to research in the areas of basic science, cancer prevention and control, translational science, pre-clinical and clinical investigations, and providing management and certain other support services as the sole corporate member and parent for the following subsidiary corporations:

- H. Lee Moffitt Cancer Center & Research Institute Hospital, Inc. (the Hospital) - The Hospital, a not-for-profit organization, provides medical and hospital care, medical education, and training and clinical (patient-related) research in maintaining health and preventing, detecting, and treating cancer.
- H. Lee Moffitt Cancer Center & Research Institute Lifetime Cancer Screening Center, Inc. (the Screening Center) - The Screening Center, a not-for-profit organization, is doing business as the Moffitt Medical Group (MMG) and operates as part of the Cancer Center's health care system by employing and managing physicians and other medical professionals who staff the Hospital and provide clinical research services to the Cancer Center.
- H. Lee Moffitt Cancer Center & Research Institute Foundation, Inc. (the Foundation) - The Foundation, a not-for-profit organization, is the principal fundraising organization for the Cancer Center and its subsidiaries.
- Moffitt Technologies Corporation (MTC) - MTC is a for-profit subsidiary of the Cancer Center through which the Cancer Center manages for profit activities that are unrelated to the core tax-exempt purpose of the Cancer Center, including commercialization activities for intellectual property originally developed by the Cancer Center.
- Moffitt Real Estate Holding Corporation (Moffitt Real Estate) - Moffitt Real Estate, a not-for-profit organization, is the principal holding company for the Cancer Center's real estate assets in Pasco County, Florida.
- Moffitt Lifesciences Campus Management Corporation (Lifesciences Campus Management) - Lifesciences Campus Management, a not-for-profit organization, which provides management and development services to Moffitt Real Estate for its real estate assets in Pasco County, Florida.

The Cancer Center's consolidated financial statements include the accounts of the Hospital, MMG, the Foundation, MTC, Moffitt Real Estate, and Lifesciences Campus Management (collectively, the Cancer Center). All intercompany transactions and accounts have been eliminated in consolidation.

Mission Statement

The mission of the Cancer Center is to contribute to the prevention and cure of cancer. The Cancer Center is a leader in focused, innovative cancer research, a major regional oncology referral center, and an environment conducive for training future scientific and clinical leaders in oncology. The Cancer Center has been designated as a National Cancer Institute Comprehensive Cancer Center.

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nonoperating Gains and Losses

The Cancer Center's revenues and other support include amounts generated from direct patient care, unrestricted appropriations from the State of Florida (the State), federal and nonfederal grants and contracts, and sundry revenues related to the operations of the Cancer Center's facilities. Activities that result in gains or losses unrelated to the Cancer Center's operations are considered to be nonoperating. Nonoperating gains and losses primarily include investment income, dividends and realized and unrealized gains and losses on unrestricted investments, and gains and losses on disposals of assets.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States (US GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Significant estimates are used in recording patient service revenue, estimated settlements with third-party payors, useful lives of property, plant and equipment, self-insurance liabilities, and the reported fair values of certain assets and liabilities. Actual results could differ from those estimates.

Statements of Cash Flows

For the purposes of the consolidated statements of cash flows, the Cancer Center considers all highly liquid investments with a maturity of three months or less when purchased, except those classified as assets limited as to use, to be cash equivalents.

Short-Term Investments

The Cancer Center invests excess funds in short-term investments to increase yields. As of June 30, 2026, short-term investments consist of U.S. Treasury obligations and corporate debt which are not limited to use.

Estimated Third-Party Settlements

The Cancer Center is reimbursed on a cost basis for Medicare inpatient and outpatient services subject to certain limitations. The Cancer Center is reimbursed at a tentative rate with final settlement determined after submission of annual cost reports by the Cancer Center and audits by the Medicare fiscal intermediary. Regulations require annual retroactive cost reimbursement settlements for these amounts based upon annual cost reports. These retroactive cost settlements are estimated and recorded in the consolidated financial statements.

For services provided to Medicaid beneficiaries, the Cancer Center is reimbursed based on All Payor Related-Diagnostic Related Groups for inpatient services. The Florida Agency for Health Care Administration (AHCA) has an Enhanced Ambulatory Group (EAPG) payment methodology for hospital outpatient services, which provides reimbursement for services on prospectively determined prices. The Florida Cancer Hospital Program (FCHP) was created to provide eligible hospitals, including the Cancer Center, an enhanced reimbursement for inpatient and outpatient hospital services. The Centers for Medicare and Medicaid Services (CMS) approved the State Plan Amendment (SPA), which authorized the supplemental payment plan. These payments are contingent upon the nonfederal share being provided through intergovernmental transfers.

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

Patient Service Revenues and Patient Accounts Receivable

Patient service revenues are recorded at the amounts that reflect the consideration to which the Cancer Center expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including managed care payors and government programs, i.e., Medicare and Medicaid) and others, and they include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. Patient service revenue increased and decreased by approximately \$6,500,000 and \$2,200,000 for the years ended June 30, 2026 and 2025, respectively, for adjustments to prior year estimated third-party settlements. Generally, patients and third-party payors are billed several days after the services are performed or shortly after discharge. Patient service revenue is recognized in the period in which the performance obligations are satisfied under contracts by transferring services to customers.

Performance obligations are determined based on the nature of the services provided. The Cancer Center recognizes revenues for performance obligations satisfied over time based on actual charges incurred in relation to total expected charges. The Cancer Center believes that this method provides an appropriate depiction of the transfer of services over the term of performance obligations based on the inputs needed to satisfy the obligations. Generally, performance obligations satisfied over time relate to patients receiving inpatient acute care services. The Cancer Center measures performance obligations from admission to the point when there are no further services required for the patient, which is generally the time of discharge. The Cancer Center recognizes revenues for performance obligations satisfied at a point in time, which generally relate to patients receiving outpatient services, when (1) services are provided and (2) when it is believed the patient does not require additional services. The Cancer Center determines estimates of contractual adjustments and discounts based on government regulations, contractual agreements, discount policies and historical experience, as applicable. The Cancer Center determines its estimate of implicit price concessions based on historical collection experience within each class of patients using a portfolio approach as a practical expedient to account for patient contracts as collective groups rather than individually.

Patient revenues are recorded during the period the health care services are provided based upon the estimated amounts due from the patients and third-party payors. Third-party payors include federal and state agencies (under Medicare, Medicaid, and other programs), managed care health plans, and other private contractual agreements. Estimates of contractual adjustments under managed care health plans are based upon the payment terms specified in the related contractual agreements. Revenues related to uninsured patients and copayment and deductible amounts for patients who have health care coverage may have discounts applied (uninsured discounts and contractual discounts).

Patient service revenues from third-party payors and others for the years ended June 30, 2026 and 2025 are summarized in the following table:

	Years Ended June 30,	
	2026	2025
Managed care	79%	79%
Medicare	20	20
Medicaid/other/commercial/self-pay	1	1
	100%	100%

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

When there is an unconditional right to payment, subject only to the passage of time a receivable is recognized. Patient accounts receivable, including billed accounts and unbilled accounts, which have the unconditional right to payment (and estimated amounts due from third-party payors for retroactive adjustments) are considered receivables if the right to consideration is unconditional and only the passage of time is required before payment of that consideration is due.

The estimated uncollectible amounts for patient accounts receivable are generally considered implicit price concessions and are a direct reduction to patient accounts receivable.

Excess of Revenues and Gains Over Expenses and Losses

The consolidated statements of operations and changes in net assets include the excess of revenues and gains over expenses and losses. Changes in net assets without donor restrictions that are excluded from the excess of revenues and gains over expenses and losses include contributions of long-lived assets (including assets acquired using contributions, which by donor restriction, were to be used for the purposes of acquiring such assets), and contributions restricted for the payment of long-term debt.

Inventories

Inventories consist principally of medical and surgical supplies and pharmaceuticals and are valued at the lower of cost (first-in, first-out method) or market.

Risk Management and Self-Insurance

The Cancer Center is exposed to various risks from torts, thefts, damage to and destruction of assets, business interruption, errors and omissions, employee injuries and illnesses, and natural disasters. Commercial insurance coverage is purchased for claims arising from such matters. The Cancer Center is insured for medical malpractice claims as described in Note 14.

The Cancer Center is self-insured for amounts up to specified levels for health, medical, and workers' compensation claims for its employees. The estimated liability for such self-insurance arrangements is the total estimated amounts to be paid for all known claims or incidents, and an estimate for incurred but not reported claims.

Fair Value of Certain Financial Instruments

The carrying amounts reported in the consolidated balance sheets for financial instruments classified as current assets and current liabilities approximate fair value because of the short-term maturity of these instruments.

Fair Value Measurements

Fair value is determined using assumptions that market participants would use to determine the price of an asset or liability as opposed to measurements determined based upon information specific to the entity holding those assets and liabilities. To determine those market participant assumptions, the Financial Accounting Standards Board established a hierarchy of inputs that the entity must consider, including both independent market data inputs and the entities' assumptions about the market's participant assumptions. Investments that are valued using net asset value (NAV) as a practical expedient are excluded from this three-tier hierarchy. For all other investments measured at fair value, the hierarchy prioritizes the inputs used to measure fair value. The hierarchy is summarized as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets and liabilities as of the reporting date;

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

Level 2 - Directly or indirectly observable inputs, other than quoted prices included in Level 1. Level 2 inputs may include, among others, interest rates and yield curves observable at commonly quoted intervals, volatilities, credit risks, and other inputs that are derived principally from or corroborated by observable market data by correlation or other means as of the reporting date; and

Level 3 - Unobservable inputs used when there is little, if any, market activity for the asset or liability at the measurement date. These inputs represent the entity's own assumptions about the assumptions that market participants would use to price the asset or liability developed using the best information available.

The Cancer Center's Level 1 assets include investments in equity and U.S. government agency securities, and are valued at the quoted market prices. The Cancer Center's Level 2 assets include investments in fixed income securities and are valued based upon directly or indirectly observable inputs. Transfers between levels in the hierarchy are recognized at the end of the reporting period.

The following table summarizes the Cancer Center's significant financial assets, excluding those measured using NAV as a practical expedient, measured at fair value as of June 30, 2026 and 2025:

June 30, 2026				
	Total	Level 1	Level 2	Level 3
Assets:				
Cash and cash equivalents	\$ 683,214,272	\$ 683,214,272	\$ -	\$ -
Short-term investments	111,504,268	24,765,354	86,738,914	-
Assets limited as to use:				
Equity securities	546,739,963	546,739,963	-	-
Cash and cash equivalents	235,438,562	235,438,562	-	-
Fixed income securities	96,373,083	-	96,373,083	-
U.S. Government obligations	115,508,974	115,508,974	-	-
Total assets	\$1,788,779,122	\$1,605,667,125	\$ 183,111,997	\$ -
June 30, 2025				
	Total	Level 1	Level 2	Level 3
Assets:				
Cash and cash equivalents	\$ 523,960,342	\$ 523,960,342	\$ -	\$ -
Short-term investments	89,050,548	21,623,309	67,427,239	-
Assets limited as to use:				
Equity securities	503,126,629	503,126,629	-	-
Cash and cash equivalents	398,543,799	398,543,799	-	-
Fixed income securities	83,547,274	-	83,547,274	-
U.S. Government obligations	66,614,068	66,614,068	-	-
Total assets	\$1,664,842,660	\$1,513,868,147	\$ 150,974,513	\$ -

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

The following table represents a reconciliation of financial instruments at fair value to the accompanying consolidated balance sheets as follows:

	June 30,	
	2026	2025
Cash, investments and assets limited as to use at fair value	\$1,788,779,122	\$1,664,842,660
Alternative investments at NAV	74,978,653	69,711,815
Total	<u>\$1,863,757,775</u>	<u>\$1,734,554,475</u>

Alternative Investments

The Cancer Center's investment policy provides for a diversified investment portfolio which considers risk, return, preservation and appreciation of capital as well as the Cancer Center's short-term and long-term liquidity needs. This policy allows participation in alternative investment funds (hedge and real estate funds). The hedge funds' principal investment objective is to achieve consistent, positive returns, while attempting to reduce risk and volatility. The real estate fund's objective is to outperform the NFI-ODCE Index over a full market cycle with a lower level of risk. Alternative investments often have liquidity restrictions under which the Cancer Center's capital may be divested only at specified times. The hedge funds were closed in December 2018. Liquidity restrictions may apply to all or portions of a particular invested amount. The real estate fund has quarterly liquidity subject to available cash flow. There were no unfunded commitments for these investments as of June 30, 2026 and 2025. Realized and unrealized gains and losses from these alternative investments are included in the nonoperating gains (losses), net section of the consolidated statements of operations and changes in net assets.

Alternative investments are classified as investments and assets limited as to use in the accompanying consolidated balance sheets.

Assets Limited as to Use

Assets limited as to use represent funds internally designated for program development and capital expenditures, funds externally designated by donors and under the terms of bond indentures, and funds from the State of Florida Cigarette Tax Trust Fund (Cigarette Tax). The Board of Directors (the Board) retains control over internally designated funds and may, at its discretion, use the funds for other purposes. Amounts required to meet current liabilities have been reclassified to current assets in the consolidated balance sheets.

Investments and Investment Income

Investments in debt and equity securities with readily determinable fair values are recorded at fair value in the consolidated balance sheets.

Investments without readily determinable fair values (collectively, alternative investments) are accounted for based on NAV, a practical expedient, of each alternative investment. Financial information used by the Cancer Center to evaluate its alternative investments is provided by the investment manager and may include fair value valuations (quoted market prices and values determined through other means) of the underlying securities and other financial instruments held by the investee and estimates that require varying degrees of judgment. The financial statements of the investee companies are audited annually by independent auditors, although the timing for reporting the results of such audits does not always coincide with the Cancer Center's consolidated financial statement reporting period.

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

Funds held by the bond trustee under indenture and from the Cigarette Tax are invested in cash and cash equivalents and are designated as other-than-trading investments. Investment securities are designated as trading investments.

Investment income is reported net of management fees, and includes interest and dividend income, as well as realized gains and losses on such investments. Investment income in nonoperating gains (losses), net is reported as an increase in net assets without donor restrictions in the period earned, unless such earnings are subject to donor-imposed restrictions. Investment income restricted by donor stipulations is reported as an increase in net assets with donor restrictions in the period earned.

Liquidity and Availability of Resources

The Cancer Center's financial assets and resources available to meet cash needs for general expenditures within one year primarily consist of cash, patient accounts receivable, grant receivables and assets limited as to use that are internally designated as disclosed in the accompanying consolidated balance sheets. Excess cash is invested in accordance with the Board investment policy, and there are no investments with purchase commitments as of June 30, 2026. In addition to its liquid resources and cash provided by operating activities, the Cancer Center has \$150,000,000 of unused lines of credit (Note 6) for future operating needs.

As of June 30, 2026 and 2025, the Cancer Center's net working capital was approximately \$999,352,000 and \$798,867,000, respectively, which includes the current assets limited as to use by Board designation.

Property, Plant, and Equipment

Property, plant, and equipment are recorded at historical cost or fair market value, if donated, at the date of donation. Depreciation expense is computed using the straight-line method over the estimated useful lives of the related assets. Interest cost incurred during the period of construction of capital assets is capitalized as a component of the cost of constructing those assets. Expenditures that materially increase values, change capacity, or extend useful lives are capitalized.

The Cancer Center has under construction, or is planning construction projects, with remaining estimated costs to complete of approximately \$230,181,000 as of June 30, 2026, to be primarily funded by the bond proceeds described in Note 6 and additional bond proceeds expected in the future.

Contributed Resources

The Cancer Center reports gifts of cash and other assets as restricted contributions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction or implied time restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of operations and changes in net assets as net assets released from donor restrictions.

Unconditional promises to give with payments to be received in future periods are reported as contributions with donor restrictions in the period the pledge is made. If there are no purpose restrictions on the pledge, the net assets with donor restrictions are reclassified to net assets without donor restrictions in the period the payment is received. Conditional promises to give are recognized when the conditions on which they depend have been met.

State Appropriations

The Cancer Center receives annual appropriations from the State, which were approximately \$64,115,000 and \$60,198,000 for the years ended June 30, 2026 and 2025, respectively. For the years ended June 30, 2026 and 2025, a portion of the appropriation totaling approximately \$23,577,000 and \$20,577,000 for the

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

years ended June 30, 2026 and 2025, respectively, was redirected to be used as state matching funds for the Cancer Center's participation in the Low Income Pool and received by the Cancer Center as enhanced Medicaid funding. These annual appropriations are recorded as other revenues in the accompanying consolidated statements of operations and changes in net assets.

Beginning January 1, 1999, the Florida Legislature enacted an appropriation for the Cancer Center to receive a percentage of net collections derived from the cigarette tax imposed by Section 210.02, Florida Statutes (Cigarette Tax Funds). During the year ended June 30, 2021, the State amended the appropriation to 4.04% through June 30, 2021 (approximately \$15,600,000 annually) increasing to 7.0% for the period July 1, 2021 through June 30, 2024 (approximately \$27,000,000 annually) and 10% for the period July 1, 2024 through June 30, 2054 (approximately \$38,700,000 annually).

From January 1, 1999 and continuing through June 30, 2013, the Cigarette Tax funds were to be used for the purposes of constructing, furnishing, and equipping a cancer center research facility (research tower) at the university adjacent to the Cancer Center, as well as for the repayment of the debt incurred for the research tower. As of July 1, 2013, the Cigarette Tax funds are to be used for the purposes of constructing, furnishing, equipping, financing, operating, and maintaining cancer research and clinical and related facilities and other properties owned or leased by the Cancer Center, as well as for the repayment of the debt incurred for the Series 2012A bonds with additional bonds issued for the Series 2016A, Series 2020A, Series 2022A, and Series 2023A. No receivable is recorded as of June 30, 2026 or 2025 in the accompanying consolidated balance sheets for the proceeds from the Cigarette Tax related to the period July 1, 2025 to June 30, 2054, as the amounts are subject to future legislative support from the State. For each of the years ended June 30, 2026 and 2025, the Cancer Center received approximately \$38,426,000 from the Cigarette Tax proceeds and applicable earnings. These amounts are recorded as both other operating revenue and increases in net assets with donor restrictions for the years ended June 30, 2026 and 2025.

Deferred Financing Costs

Deferred financing costs are included as a reduction of long-term debt and are amortized over the remaining lives of the financing.

Bond Premium and Discount

Bonds payable are included in long-term debt, net of related original issue premium and discount. Such premiums and discounts are being amortized over the life of the bonds.

Income Taxes

The Cancer Center, and its nonprofit subsidiaries, qualify as tax exempt organizations exempt from federal and state income tax on related income. Other than the Cancer Center's tax-exempt entity, Moffitt Real Estate Holding Corporation which is organized pursuant to Internal Revenue Code (IRC) 501(c)(2) to exclusively hold title to property and collect income, the Cancer Center and its nonprofit subsidiaries are exempt from federal and state taxes on related income under IRC 501(c)(3) and Chapter 220.13 of the Florida Statutes, respectively. Moffitt Technologies Corporation is a Florida corporation subject to federal and state income tax. With respect to its for-profit entity, as well as any unrelated business income generated by the tax exempt entities, the Cancer Center records income taxes using the asset and liability method under which deferred tax assets and liabilities are recognized for expected future tax consequences of temporary differences between financial accounting and tax basis and are measured using the currently enacted tax rate and laws applicable in the period that the deferred tax asset or liability is expected to be realized or settled.

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

Significant judgment is required to evaluate uncertain tax positions. The Cancer Center evaluates its uncertain tax positions on a regular basis based on a number of factors, including changes in facts and circumstances, changes in tax law, and correspondence with tax authorities. The Cancer Center accounts for uncertain tax positions by recognizing a tax benefit or liability at the largest amount that, in its judgment, is more than 50% likely to be realized or paid based upon technical merits of the position. The Cancer Center currently has no tax benefits or liabilities related to uncertain tax positions.

Community Benefit

Since its inception and in accordance with its mission, the Cancer Center has been dedicated to improving community health and to collaborating with other community members to provide comprehensive care through an array of health programs and education, health services, and medical research for the uninsured and underinsured. Community benefit projects and services provided by the Cancer Center are identified through health assessments and strategic and/or clinical priorities. Community benefit categories include community benefit services, traditional charity care, and unpaid charges for government programs. The community benefit services include health care programs for the underserved in the community, including services such as health screenings, preventive care, and health education programs.

The Cancer Center provides care to patients who meet criteria under established charity care policies without charge or at amounts less than its established rates. The Cancer Center does not pursue collection of amounts determined to qualify as charity care, and they are not reported as revenue. Charity care is reported based upon criteria established by the Cancer Center and the State of Florida Agency for Health Care Administration. The estimated costs of providing the charity care were approximately \$51,539,000 and \$41,593,000 for the years ended June 30, 2026 and 2025, respectively. The Cancer Center also provides services to indigent patients who meet criteria established by Medicaid and other governmental programs at amounts that are less than its established rates.

The Cancer Center maintains records to identify and monitor the level of subsidized government indigent care it provides. The estimated costs of providing these services were approximately \$6,951,000 for the year ended June 30, 2026 and approximately \$7,009,000 for the year ended June 30, 2025. The estimated costs (based on selected operating expenses, which include salaries, wages and benefits, supplies, and other operating expenses) were based on a calculation that multiplied the percentage of the selected operating expenses identified above to gross charges by the gross charity care or indigent care amount.

In addition to the charity and indigent care services noted above, an assessment of 1.0% to 1.5% of certain operating revenues is paid by the Cancer Center to help fund the Florida Medicaid and indigent care program. These assessments were approximately \$29,030,000 and \$26,908,000 for the years ended June 30, 2026 and 2025, respectively, and are included as a component of other operating expenses in the accompanying consolidated statements of operations and changes in net assets.

NOTE 3 - SUBSEQUENT EVENTS

The Cancer Center has evaluated subsequent events for the year ended June 30, 2026 as of September 29, 2026, the date the consolidated financial statements were available to be issued.

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

NOTE 4 - ASSETS LIMITED AS TO USE

The composition of assets limited as to use, stated at fair value, is set forth in the following table:

	June 30,	
	2026	2025
Cash and cash equivalents:		
Money market funds	\$ 235,438,562	\$ 398,543,799
Fixed income securities:		
Corporate debt securities	59,874,598	58,806,376
Mortgage-backed securities	22,217,911	12,120,773
Asset-backed securities	14,280,574	12,620,125
Equity securities	546,739,963	503,126,629
U.S. Government obligations	115,508,974	66,614,068
Alternative investments	74,978,653	69,711,815
	<u>1,069,039,235</u>	<u>1,121,543,585</u>
Less: current portion	<u>(41,598,789)</u>	<u>(38,800,455)</u>
Total	<u>\$ 1,027,440,446</u>	<u>\$ 1,082,743,130</u>

Assets limited as to use are designated as follows:

	June 30,	
	2026	2025
Investment securities:		
Internally designated	\$ 664,619,153	\$ 580,893,164
Donor restricted	189,855,556	159,576,247
Held by bond trustee under indenture:		
Construction fund	169,055,815	336,678,730
Principal fund	18,429,876	13,789,344
Interest fund	20,124,072	20,596,361
Revenue allocation fund	3,044,840	4,414,750
	<u>210,654,603</u>	<u>375,479,185</u>
Cigarette tax	<u>3,909,923</u>	<u>5,594,989</u>
	1,069,039,235	1,121,543,585
Less: current portion	<u>(41,598,789)</u>	<u>(38,800,455)</u>
Total	<u>\$ 1,027,440,446</u>	<u>\$ 1,082,743,130</u>

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS

Contributions received from donors and the State for a specific time period or purpose are reported as net assets with donor restrictions. Such net assets are available for the following purposes:

	June 30,	
	2026	2025
Research and education	\$ 109,889,640	\$ 123,426,421
Operations	-	455,355
Patient care	27,016,717	25,187,305
Cigarette tax	3,909,923	5,594,989
Financial aid for employees	100,718	105,853
	<u>\$ 140,916,998</u>	<u>\$ 154,769,923</u>

In addition, endowment contributions received from donors which are required to be held in perpetuity are reported as net assets with donor restrictions, the income from which is expendable for the following purposes:

	June 30,	
	2026	2025
Investment in perpetuity, the income from which is expendable to support:		
Research and education	\$ 13,392,847	\$ 13,332,847
Patient care	9,046,856	9,046,750
Operations	1,170,670	1,170,670
	<u>\$ 23,610,373</u>	<u>\$ 23,550,267</u>

Net asset classification of donor-restricted endowment funds for not-for-profit organizations are subject to a State-enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006. The Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) enhances provisions of FUPMIFA; applies to all charitable institutions, not just those associated exclusively with education purposes; allows pooling for institutional funds for purposes of managing and investing; delineates factors to be considered prior to expenditures of funds; provides new procedures for releasing restrictions on small institutional funds; provides for modification of restrictions on the use of endowment funds; and provides for reversion of real property to the Board of Trustees of the State of Florida Internal Improvement Trust Fund if an entity holding a deed subject to a reverter clause violates the deed restrictions.

The following disclosures are made as required by these rules:

The Cancer Center endowment consists of 28 individual funds established for a variety of purposes. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

FUPMIFA requires the Board to use reasonable care, skill, and caution, as exercised by a prudent investor, in considering the investment management and expenditures of endowment funds. In accordance with FUPMIFA, the Board may expend so much of an endowment fund as the Board determines to be prudent for the uses and purposes for which the endowment fund is established consistent with the goal of conserving the long-term purchasing power of the endowment fund.

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

In accordance with FUPMIFA, the Cancer Center considered the following factors in making a determination to distribute or accumulate donor-restricted funds:

- (1) The duration and preservation of fund
- (2) The purposes of the Cancer Center and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effects of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Cancer Center
- (7) The investment policies of the Cancer Center

As a result of this interpretation, the Cancer Center classifies as net assets with donor restrictions held in perpetuity: (1) the original value of gifts donated to the permanent endowment; (2) the original value of subsequent gifts to the permanent endowment; and (3) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The Cancer Center has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Cancer Center must hold in perpetuity. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to conservatively appreciate capital by emphasizing total return, net of inflation, and investment management costs over the long term.

To satisfy its long-term rate-of-return objectives, the Cancer Center relies on a total return strategy in which investment returns are achieved through capital appreciation (realized and unrealized) plus dividend and interest income. The Cancer Center targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term objective within prudent risk constraints.

The Cancer Center has a policy of appropriating for distribution each year 4% of its endowment fund's 12-month moving average market value at June 30 annually. In establishing this policy, the Cancer Center considered the long-term expected return on its endowment.

Accordingly, over the long term, the Cancer Center expects the current spending policy to allow its endowment to grow at an average of the long-term rate of inflation. This is consistent with the Cancer Center's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specific term, as well as to provide additional real growth through new gifts and investment return.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor of FUPMIFA requires the Cancer Center to retain as a fund of perpetual duration.

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

The following is a summary of changes in endowment net assets for the years ended June 30, 2026 and 2025:

	Without Donor- Imposed Restrictions	With Donor- Imposed Restrictions	Total
Endowment net assets, June 30, 2024	\$ 14,387,763	\$ 23,150,267	\$ 37,538,030
Investment income	793,909	-	793,909
Net appreciation (realized and unrealized)	2,169,816	-	2,169,816
Contributions and memorials	-	400,000	400,000
Appropriation of endowment assets for expenditure	(931,067)	-	(931,067)
Appropriation of endowment interest	1,118,697	-	1,118,697
Endowment net assets, June 30, 2025	17,539,118	23,550,267	41,089,385
Investment income	901,320	-	901,320
Net appreciation (realized and unrealized)	3,216,213	-	3,216,213
Contributions and memorials	-	60,106	60,106
Appropriation of endowment assets for expenditure	(1,751,655)	-	(1,751,655)
Appropriation of endowment interest	1,220,566	-	1,220,566
Endowment net assets, June 30, 2026	<u>\$ 21,125,562</u>	<u>\$ 23,610,373</u>	<u>\$ 44,735,935</u>

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

NOTE 6 - LONG-TERM DEBT

The Cancer Center is obligated under long-term debt as follows:

	June 30,	
	2026	2025
Capital Improvement Cigarette Tax Allocation Bonds, Series 2016A, including \$18,145,000 in serial bonds due in varying amounts from September 1, 2026 to September 1, 2030, at fixed interest rates ranging from 5.00% to 5.50%, and \$12,365,000 of term bonds at a fixed interest rate of 3.25% due September 1, 2033, including unamortized net original premium and issuance costs of \$965,369 and \$1,363,945 at June 30, 2026 and 2025, respectively.	\$ 31,475,369	\$ 34,988,945
Hospital Revenue Refunding Bonds, Series 2016B, including \$21,065,000 in serial bonds due in varying amounts from July 1, 2026 to July 1, 2031, at fixed interest rates ranging from 3.125% to 5.00%, and \$45,065,000 of term bonds at a fixed interest rate of 5.00% due July 1, 2037, including unamortized net original premium and issuance costs of \$3,986,286 and \$4,475,491 at June 30, 2026 and 2025, respectively.	70,116,286	72,725,491
Capital Improvement Cigarette Tax Allocation Bonds, Series 2020A, including \$68,486,552 in capital appreciation bonds with serial bonds due in varying amounts from September 1, 2033 to September 1, 2042, at interest rates ranging from 3.55% to 4.05%, term bonds of \$16,705,036 at an interest rate of 4.080% due September 1, 2045, term bonds of \$19,139,897 at an interest rate of 4.120% due September 1, 2049 and term bonds of \$15,647,450 at an interest rate of 4.18% due September 1, 2053, including unamortized net original discount and issuance costs of \$888,453 and \$921,157 at June 30, 2026 and 2025, respectively.	119,090,482	119,057,778
Hospital Revenue Bonds, Series 2020B, including \$73,385,000 in serial bonds due in varying amounts from July 1, 2026 to July 1, 2040, at fixed interest rates ranging from 3.00% to 5.00%, term bonds of \$80,455,000 at a fixed interest rate of 4.00% due July 1, 2045 and term bonds of \$100,860,000 at a fixed interest rate of 5.00% due July 1, 2050, including unamortized net original premium and issuance costs of \$31,731,954 and \$33,070,812 at June 30, 2026 and 2025, respectively.	286,431,954	289,060,812
Capital Improvement Cigarette Tax Allocation Refunding Bonds, Series 2022A, including \$58,855,000 in serial bonds due in varying amounts from September 1, 2026 to September 1, 2033, at a fixed interest rate of 5.00%, including unamortized net original premium and issuance costs of \$5,541,616 and \$6,972,311 at June 30, 2026 and 2025, respectively.	64,396,616	71,867,311
Hospital Revenue Refunding Bonds, Series 2022B, including \$10,615,000 in serial bonds due in varying amounts from July 1, 2026 to July 1, 2029, at fixed interest rates of 5.00%, including unamortized net original premium and issuance costs of \$482,120 and \$770,667 at June 30, 2026 and 2025, respectively.	11,097,120	13,735,667

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

	June 30,	
	2026	2025
Capital Improvement Cigarette Tax Allocation Bonds, Series 2023A, including \$150,160,000 in serial bonds due in varying amounts from September 1, 2026 to September 1, 2044, at fixed interest rates ranging from 5.25% to 5.50%, \$53,400,000 of term bonds at a fixed interest rate of 5.00% due September 1, 2048 and \$117,420,000 of term bonds at a fixed interest rate of 5.75% due September 1, 2054, including unamortized net original premium and issuance costs of \$18,830,360 and \$19,456,464 at June 30, 2026 and 2025, respectively.	\$ 339,810,360	\$ 345,341,464
Hospital Revenue Bonds, Series 2023B, including \$200,000,000 in serial bonds at a fixed rate of 4.08% due July 1, 2030, including unamortized net original premium and issuance costs of \$5,765,589 and \$7,057,732 at June 30, 2026 and 2025, respectively.	205,765,587	207,057,732
	1,128,183,774	1,153,835,200
Less: current portion	(20,815,000)	(19,820,000)
	<u>\$ 1,107,368,774</u>	<u>\$ 1,134,015,200</u>

In November 2016, the Cancer Center issued additional Cigarette Tax Bonds, Series 2016A (2016A Bonds) in the amount of \$51,885,000. The 2016A Bonds were issued for the construction and equipping of a clinical support facility, the relocation of a childcare center, as well as the retrofitting of existing hospital facilities and clinic operations floors and various facilities, clinical support equipment and infrastructure. The 2016A Bonds are secured under the Indenture that provides for, among other things, a security interest in the annual collections from the Cigarette Tax Trust Fund as discussed in Note 2. The Indenture also provides for limitations on additional indebtedness and transfers of operating assets, unrestricted cash, and marketable securities. At June 30, 2026 and 2025, the Cancer Center is in compliance with these requirements.

In November 2016, the Cancer Center issued \$83,945,000 in Hospital Revenue Refunding Bonds, Series 2016B (2016B Bonds). The proceeds were used to refinance the existing Series 2007A Hospital Revenue Bonds in order to achieve cost savings. The 2016B Bonds are secured under the Indenture that provides, among other things, a security interest in gross revenues, accounts receivable, and certain property. Under the terms of the Indenture, the Cancer Center is required to maintain a minimum debt service coverage ratio. The Indenture also provides for limitations on additional indebtedness and transfers of operating assets, unrestricted cash, and marketable securities. At June 30, 2026 and 2025, the Cancer Center is in compliance with these requirements.

In June 2020, the Cancer Center issued additional Cigarette Tax Bonds, Series 2020A (2020A Bonds) in the amount of \$119,978,935 through capital appreciation bonds. The 2020A Bonds were issued to pay certain costs associated with the construction, equipping, furnishing improvement and equipping of various medical and research facilities including a hospital expansion project and various facilities, infrastructure support, equipment, furnishings, backfill and refurbishment projects. The 2020A Bonds are secured under the Indenture that provides for, among other things, a security interest in the annual collections from the Cigarette Tax Trust Fund as discussed in Note 2 related to the appropriation amendment that extended the Act through 2053. The Indenture also provides for limitations on additional indebtedness and transfers of operating assets, unrestricted cash, and marketable securities. At June 30, 2026 and 2025, the Cancer Center is in compliance with these requirements.

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

In June 2020, the Cancer Center issued \$260,700,000 in Hospital Revenue Bonds, Series 2020B (2020B Bonds). The proceeds were used for the construction, equipping, furnishing and improvement of various medical and research facilities capital projects including a hospital expansion project and various facilities, infrastructure support, equipment, furnishings, backfill and refurbishment projects. The 2020B Bonds are secured under the Indenture that provides, among other things, a security interest in gross revenues, accounts receivable, and certain property. Under the terms of the Indenture, the Cancer Center is required to maintain a minimum debt service coverage ratio. The Indenture also provides for limitations on additional indebtedness and transfers of operating assets, unrestricted cash, and marketable securities. At June 30, 2026 and 2025, the Cancer Center is in compliance with these requirements.

In April 2022, the Cancer Center issued \$17,330,000 in Revenue Bonds, Series 2022B (2022B Bonds). The proceeds were used to refinance the existing Series 2012B Revenue Bonds in order to achieve cost savings. The 2022B Bonds are secured under the Indenture that provides, among other things, a security interest in gross revenues, accounts receivable, and certain property. Under the terms of the Indenture, the Cancer Center is required to maintain a minimum debt service coverage ratio. The Indenture also provides for limitations on additional indebtedness and transfers of operating assets, unrestricted cash, and marketable securities. At June 30, 2026 and 2025, the Cancer Center is in compliance with these requirements.

In June 2022, the Cancer Center issued \$76,125,000 in Cigarette Tax Bonds, Series 2022A (2022A Bonds). The proceeds were used to refinance the existing Series 2012A Bonds in order to achieve cost savings. The Cigarette Bonds are secured under the Indenture that provides for, among other things, a security interest in the annual collections from the Cigarette Tax Trust Fund as discussed in Note 2. The Indenture also provides for limitations on additional indebtedness and transfers of operating assets, unrestricted cash, and marketable securities. At June 30, 2026 and 2025, the Cancer Center is in compliance with these requirements.

In March 2023, the Cancer Center issued additional Cigarette Tax Bonds, Series 2023A (2023A Bonds) in the amount of \$325,885,000. The 2023A Bonds were issued to pay certain costs associated with the acquisition, development, construction, equipping, furnishing and improvement of various medical and research facilities, including, without limitation, one or more research buildings, proton therapy centers, Moffitt Ambulatory Clinics and other capital expenses associated with the new development in Pasco County, Florida. The 2023A Bonds are secured under the Indenture that provides for, among other things, a security interest in the annual collections from the Cigarette Tax Trust Fund related to the appropriation amendment that extended the Act through 2054. The Indenture also provides for limitations on additional indebtedness, transfers of operating assets, unrestricted cash, and marketable securities. At June 30, 2026 and 2025, the Cancer Center is in compliance with these requirements.

In September 2023, the Cancer Center issued \$200,000,000 in Revenue Bonds, Series 2023B (2023B Bonds). The proceeds will be used for the acquisition, development, construction, equipping, furnishing and improvement of capital projects. The 2023B Bonds are secured under the Indenture that provides, among other things, a security interest in gross revenues, accounts receivable, and certain property. Under the terms of the Indenture, the Cancer Center is required to maintain a minimum debt service coverage ratio. The Indenture also provides for limitations on additional indebtedness and transfers of operating assets, unrestricted cash, and marketable securities. At June 30, 2026 and 2025, the Cancer Center is in compliance with these requirements.

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

Maturities of long-term debt as of June 30, 2026, are as follows:

2027	\$ 20,815,000
2028	21,860,000
2029	22,935,000
2030	24,110,000
2031	26,060,000
Thereafter	<u>945,988,935</u>
	1,061,768,935
Plus unamortized net premium and issuance costs	<u>66,414,839</u>
	<u>\$1,128,183,774</u>

For the years ended June 30, 2026 and 2025, the Cancer Center incurred interest expense of approximately \$34,300,000 and \$29,189,000, respectively, and paid interest of approximately \$49,902,000 and \$51,467,000, respectively. Interest capitalized was \$8,241,000 (interest costs of approximately \$15,317,000 net of capitalized interest income of approximately \$7,076,000) and \$1,233,000 (interest costs of approximately \$21,625,000 net of capitalized interest income of approximately \$20,392,000) for the years ended June 30, 2026 and 2025, respectively.

The Cancer Center has a line of credit for short-term working capital needs. Under the terms of the line of credit agreement, the Cancer Center is required to maintain a minimum debt service coverage ratio and a certain level of days cash on hand with the agreement secured by an obligation under the Master Trust Indenture. At June 30, 2026 and 2025, the Cancer Center is in compliance with these requirements. On March 22, 2024, the Cancer Center entered into an amendment to the line of credit that increased the borrowing capacity from \$40,000,000 to \$150,000,000 and extended the maturity date to March 21, 2025. On March 20, 2026, the line of credit agreement was amended to extend the line of credit availability to March 20, 2027. Interest is based upon the Secured Overnight Financing Rate (SOFR) daily floating rate plus applicable margin. There was no outstanding balance under the line of credit at June 30, 2026 and 2025.

NOTE 7 - LEASES

The Cancer Center has operating and finance leases primarily for space and equipment. The leases have remaining lease terms of less than one year to approximately 10 years, some of which include options to extend or terminate the lease term. The Cancer Center determines if an arrangement is a lease at inception. Operating leases are included in the consolidated balance sheets as a right-of-use (ROU) - operating leases asset, current portion of lease liability and lease liability, net of current portion. Finance leases are included in the consolidated balance sheets as a ROU - finance leases asset, current portion of lease liability and lease liability, net of current portion.

ROU assets represent the Cancer Center's right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and lease liabilities are recognized on the commencement date of the lease based on the present value of the lease payments over the lease term. Variable lease payments that depend on an index or rate include the variable portion when calculating ROU assets and lease liabilities. Variable lease payments that do not depend on an index or rate are expensed as incurred. As most of the leases do not provide an implicit rate, an incremental borrowing rate is used to determine the present value of lease payments. The implicit rate is used when readily determinable. The operating lease ROU assets include any lease

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

payments made and lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain at time of commencement that it will be exercised. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

While the Cancer Center has lease agreements with lease and non-lease components, they are accounted for as a single lease component. The components of lease expense were as follows:

	For the Years Ended June 30,	
	2026	2025
Operating lease cost included in other operating expenses	\$ 12,685,247	\$ 13,656,009
Finance lease cost:		
Amortization of ROU assets included in depreciation and amortization	\$ 8,305,894	\$ 8,305,894
Interest on lease liabilities included in interest	2,335,435	2,930,957
Total finance lease cost	\$ 10,641,329	\$ 11,236,851

Lease payments made for short-term leases where terms are 12 months or less are recognized as payments are incurred. Short-term lease cost for the years ended June 30, 2026 and 2025 was approximately \$0 and \$54,000, respectively.

Supplemental consolidated balance sheet information related to leases is as follows:

	June 30,	
	2026	2025
Operating leases:		
Operating lease included in ROU asset	\$ 34,678,649	\$ 44,140,445
Operating lease included in current portion of lease liability	\$ 9,074,753	\$ 11,140,118
Operating lease included in lease liability, net of current portion	22,036,790	29,334,561
Total operating lease liability	\$ 31,111,543	\$ 40,474,679
Finance leases:		
Finance lease included in ROU asset	\$ 38,303,312	\$ 46,188,562
Finance lease included in current portion lease liability	\$ 12,528,283	\$ 13,003,181
Finance lease included in lease liability, net of current portion	20,859,284	31,495,007
Total finance lease liability	\$ 33,387,567	\$ 44,498,188

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

	June 30,	
	2026	2025
Weighted-average remaining lease term (in years):		
Operating leases	6.21	6.11
Finance leases	3.04	4.02
Weighted-average discount rate:		
Operating leases	2.50%	2.54%
Finance leases	4.97%	4.99%

Supplemental cash flow information related to leases is as follows:

	For the Years Ended June 30,	
	2026	2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows related to operating leases	\$ 12,602,542	\$ 13,548,937
Operating cash flows related to finance leases	354,848	130,347

Commitments for non-cancelable operating and finance leases with terms in excess of one year are as follows:

	Operating Leases	Finance Leases
2027	\$ 5,736,280	\$ 857,670
2028	6,653,855	12,500,358
2029	4,805,804	11,928,578
2030	2,817,880	11,356,799
2031	2,426,720	-
Thereafter	11,163,878	-
	33,604,417	36,643,405
Less: imputed interest	2,492,874	3,255,838
	<u>\$ 31,111,543</u>	<u>\$ 33,387,567</u>

The Cancer Center has a master lease agreement for the purpose of financing certain equipment to be used for a surgical hospital expansion project. The agreement included a draw down period of up to 18 months whereby multiple advances could be requested and treated as a non-revolving line of credit, not to exceed \$75,000,000 in aggregate, with interest only payments during the draw down period based upon SOFR plus applicable margin. Upon expiration of the draw down period in May 2024, the agreement converted to a finance lease with a fixed rate of interest with a five year term. The balance under the lease agreement as of June 30, 2026 was \$36,643,405.

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

NOTE 8 - RETIREMENT AND HEALTH PLAN

The Cancer Center has a defined contribution benefit plan (the Plan) covering substantially all its employees with contributions to retirement accounts that are made through a matching contribution formula. Employee forfeitures are used to reduce the Cancer Center's required contribution to the Plan. The total retirement costs under the Plan, net of forfeitures, were approximately \$56,700,000 and \$52,150,000 for the years ended June 30, 2026 and 2025, respectively.

The Cancer Center has an employee health benefit plan covering substantially all health costs for eligible employees and their dependents, including self-insurance coverage for amounts up to specified levels. Health claims expense was approximately \$112,385,000 and \$86,991,000 for the years ended June 30, 2026 and 2025, respectively.

NOTE 9 - NONOPERATING GAINS (LOSSES), NET

Nonoperating gains (losses), net, consist of the following:

	For the Years Ended June 30,	
	2026	2025
Interest income and dividends	\$ 46,881,844	\$ 36,743,967
Net unrealized and realized investment gain (loss)	79,800,690	52,671,568
Gain (loss) on sale of property, plant, and equipment	(63,634)	(19,951)
Other	(678,025)	1,351,284
	<u>\$ 125,940,875</u>	<u>\$ 90,746,868</u>

NOTE 10 - CONCENTRATIONS OF CREDIT RISK

The Cancer Center grants credit without collateral to its patients, most of whom are from the greater Tampa Bay area and are insured under third-party payor agreements. The Cancer Center does not charge interest on patient accounts receivable. Patient accounts receivable included approximately \$276,125,000, or 80%, and \$259,576,000, or 79%, due from managed care payors, and approximately \$44,870,000, or 13%, and \$45,836,000, or 14%, due from the Medicare program at June 30, 2026 and 2025, respectively. The credit risk for other concentrations of receivables is limited due to the large number of insurance companies and other payors that provide payments for services. Patient accounts receivable are reported net of implicit price concessions in the accompanying consolidated balance sheets.

The Cancer Center maintained deposit balances at financial institutions in excess of federal insurance limits at June 30, 2026 and 2025 and at various times during those years. The Cancer Center has not experienced any losses in these accounts and maintains its cash and cash equivalents with what management believes to be high quality financial institutions. Accordingly, management does not believe that the Cancer Center is exposed to any significant credit risk with respect to cash and cash equivalents.

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

NOTE 11 - PLEDGES RECEIVABLE

Outstanding pledges receivable from various corporations, foundations, and individuals are as follows:

	June 30,	
	2026	2025
Pledges due:		
In less than one year	\$ 11,155,263	\$ 11,458,599
Greater than one year	35,325,362	21,016,442
	46,480,625	32,475,041
Discounts on pledges greater than one year	(4,516,517)	(2,679,963)
Allowance for uncollectible pledges	(600,000)	(200,000)
	41,364,108	29,595,078
Less: current portion	(11,155,263)	(11,458,599)
	<u>\$ 30,208,845</u>	<u>\$ 18,136,479</u>

At June 30, 2026 and 2025, approximately \$9,800,000 and \$10,803,000, respectively, of gross pledges receivable are due from members and officers of the Board of Directors of the Cancer Center and its subsidiaries.

NOTE 12 - OTHER FUNDING SOURCES

Grant monies received and disbursed by the Cancer Center are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the Cancer Center does not believe that such disallowances, if any, would have a material effect on the financial position of the Cancer Center.

NOTE 13 - AFFILIATED ORGANIZATIONS

The Cancer Center is affiliated with the University of South Florida (the University) through an affiliation agreement whereby the Cancer Center and its subsidiaries agree to participate as an affiliated teaching hospital of the University, and to permit the use of the facilities and access to its programs and patients by University faculty, resident physicians, and students for mutually approved patient care, training, education, and research programs and activities. The amounts charged to the Cancer Center for transactions with the University may not necessarily result in the net costs that would be incurred by the Cancer Center on a stand-alone basis.

The Cancer Center leases a portion of its property, plant, and equipment under a sublease agreement (Sublease) with The University of South Florida Board of Trustees as successor in interest to the Florida Board of Education through January 21, 2073, as amended. Under the terms of the Sublease, the Cancer Center is authorized to use the property, plant, and equipment only for the construction, maintenance, and operations of a cancer diagnosis, treatment, and education and research facility. The title to the property, plant, and equipment is held by The University of South Florida Board of Trustees or the State of Florida Board of Trustees of the Internal Improvement Fund, and at the expiration of the lease term, shall

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

automatically vest with The University of South Florida Board of Trustees according to the terms of the Sublease as amended.

The Cancer Center has other agreements with the University to purchase utility services, to lease parking spaces, and to provide maintenance, cleaning, environmental, water and other services to the University. During 2026 and 2025, the Cancer Center paid the University approximately \$7,356,000 and \$10,196,000, respectively, in connection with these agreements.

During the years ended June 30, 2026 and 2025, the Cancer Center had agreements with the University to provide professional and support staff, along with other services, at the Cancer Center. These services included research, medical education, administrative, and patient care services. The following amounts were paid in relation to these agreements:

	For the Years Ended June 30,	
	2026	2025
Faculty salaries included in salaries, wages, benefits and faculty fees	\$ 15,708,165	\$ 14,517,490
Other support included in other operating expenses and purchased services	713,378	773,104

Amounts due to the University as of June 30, 2026 and 2025 are as follows:

	June 30,	
	2026	2025
Due to included in accounts payable and accrued expenses	\$ 1,083,809	\$ 1,078,652

The University of South Florida Foundation, Inc. (the USF Foundation), a Direct Support Organization of the University, controls certain funds for the benefit of the Cancer Center. The income from these funds is distributed to the Cancer Center as determined by the USF Foundation's Board of Directors. Approximately \$8,600,000 and \$7,950,000 of investments at June 30, 2026 and 2025, respectively, are held by the Foundation for the dual benefit of the Cancer Center and the University. Such amounts are not included in these consolidated financial statements.

NOTE 14 - PROFESSIONAL LIABILITY AND OTHER CONTINGENCIES

The Cancer Center's program of professional liability coverage is a claims-made commercial insurance policy. The Cancer Center is liable for specified retention amounts under the coverage and claim amounts in excess of retention limits are payable by the commercial insurance carriers. Also, the Cancer Center is statutorily provided sovereign immunity pursuant to Chapter 768.26 of the *Florida Statutes*.

Losses from asserted and unasserted claims identified under the Cancer Center's incident reporting system are accrued based on estimates that incorporate the Cancer Center's past experience, as well as other considerations, including the nature of each claim or incident, and relevant trend factors based on actuarially determined amounts. Accruals for possible losses attributable to incidents that may have occurred but have not been identified under the incident reporting system have been made based upon the Cancer Center's experience and industry data. In the accompanying consolidated balance sheets, accrued expenses and other liabilities include approximately \$3,251,000 and \$3,397,000 for professional liability reserves as of June 30, 2026 and 2025, respectively.

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

The Cancer Center may be liable for potential losses in excess of the amount recorded at June 30, 2026 and 2025; however, in management's opinion, such losses, if any, would not have a material adverse effect on the consolidated financial position or results of operations of the Cancer Center.

From time to time, the Cancer Center is subject to other asserted claims, and is aware of other unasserted matters that might be asserted at a later date. In the opinion of management, the resolution of all such matters would not have a significant impact on the Cancer Center's consolidated financial position, results of operations or cash flows.

NOTE 15 - FUNCTIONAL EXPENSES

Costs incurred by the Cancer Center in furtherance of its mission to contribute to the prevention and cure of cancer are as follows:

	For the Year Ended June 30, 2026		
	Program Services	General and Administrative	Total
Salaries, wages, benefits and faculty fees	\$1,433,012,254	\$ 22,665,332	\$1,455,677,586
Purchased services	270,421,040	5,587,315	276,008,355
Supplies	1,198,682,891	89,510	1,198,772,401
Other operating expenses	111,534,991	30,568,562	142,103,553
Depreciation and amortization	102,830,558	-	102,830,558
Interest	34,299,916	-	34,299,916
	<u>\$3,150,781,650</u>	<u>\$ 58,910,719</u>	<u>\$3,209,692,369</u>
	For the Year Ended June 30, 2025		
	Program Services	General and Administrative	Total
Salaries, wages, benefits and faculty fees	\$1,270,282,268	\$ 20,785,082	\$1,291,067,350
Purchased services	221,532,383	6,608,951	228,141,334
Supplies	1,108,445,791	114,818	1,108,560,609
Other operating expenses	118,231,397	28,121,993	146,353,390
Depreciation and amortization	85,956,519	-	85,956,519
Interest	29,188,940	-	29,188,940
	<u>\$2,833,637,298</u>	<u>\$ 55,630,844</u>	<u>\$2,889,268,142</u>

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2026 and 2025

NOTE 16 - NET ASSETS RELEASED FROM DONOR RESTRICTIONS

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes, or by the occurrence of other events specified by donors, as follows:

	For the Years Ended June 30,	
	2026	2025
Restriction met:		
Patient care	\$ 3,400,434	\$ 5,690,678
Research and education	110,110,199	84,981,672
Patient and family lodging	354,919	162,000
Financial aid for employees	5,394	74,682
Cigarette tax - used for payment of principal and interest	45,505,091	41,697,221
Time	1,495,108	1,703,253
	<u>\$ 160,871,145</u>	<u>\$ 134,309,506</u>

NOTE 17 - OTHER ASSETS

	June 30,	
	2026	2025
Cost method investments	\$ 11,540,000	\$ 23,388,182
Other	<u>3,618,280</u>	<u>2,157,299</u>
	<u>\$ 15,158,280</u>	<u>\$ 25,545,481</u>

SUPPLEMENTARY INFORMATION

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

CONSOLIDATING BALANCE SHEET

June 30, 2026

	H. Lee Moffitt Cancer Center & Research Institute Hospital, Inc.	H. Lee Moffitt Cancer Center & Research Institute, Inc.	H. Lee Moffitt Cancer Center & Research Institute Foundation, Inc.	H. Lee Moffitt Cancer Center & Research Institute Lifetime Cancer Screening Center, Inc.	Moffitt Technologies Corporation	Moffitt Real Estate Holding Corporation	Moffitt Lifesciences Campus Management Corporation	Eliminations	Total
ASSETS									
Current assets									
Cash and cash equivalents	\$ 750	\$ 666,151,982	\$ 15,568,446	\$ -	\$ 1,493,094	\$ -	\$ -	\$ -	\$ 683,214,272
Short-term investments	-	111,504,268	-	-	-	-	-	-	111,504,268
Patient accounts receivable	330,202,896	-	-	16,784,545	-	-	-	-	346,987,441
Current portion of assets limited as to use	-	41,598,789	-	-	-	-	-	-	41,598,789
Current portion of pledges receivable	-	-	11,155,263	-	-	-	-	-	11,155,263
Inventories	73,187,759	-	-	-	-	-	-	-	73,187,759
Grant receivables, net	47,575,426	13,468,982	-	-	-	-	-	-	61,044,408
Estimated third-party settlements receivable, net	6,816,669	-	-	7,818,596	-	-	-	-	14,635,265
Prepaid and other current assets	19,932,907	89,873,490	1,060,923	303,896	1,412,266	-	-	(14,409,086)	98,174,396
Total current assets	477,716,407	922,597,511	27,784,632	24,907,037	2,905,360	-	-	(14,409,086)	1,441,501,861
Assets limited as to use, net of current portion	-	714,470,532	312,969,914	-	-	-	-	-	1,027,440,446
Pledges receivable, less discounts and allowances for uncollectible pledges, net of current portion	-	-	30,208,845	-	-	-	-	-	30,208,845
Right-of-use asset - operating and finance leases	2,143,185	70,838,776	-	-	-	-	-	-	72,981,961
Property, plant, and equipment									
Land	-	22,187,330	-	-	-	23,501,000	-	-	45,688,330
Building and land improvements	347,735	1,588,309,228	-	-	-	-	-	-	1,588,656,963
Equipment	311,505,612	650,836,839	-	165,746	-	-	-	-	962,508,197
	311,853,347	2,261,333,397	-	165,746	-	23,501,000	-	-	2,596,853,490
Less: accumulated depreciation	(230,225,491)	(749,929,362)	-	(117,637)	-	-	-	-	(980,272,490)
	81,627,856	1,511,404,035	-	48,109	-	23,501,000	-	-	1,616,581,000
Construction in progress	4,896,094	48,410,401	-	-	-	-	-	-	53,306,495
	86,523,950	1,559,814,436	-	48,109	-	23,501,000	-	-	1,669,887,495
Other assets	-	16,471,704	831,364	-	-	-	-	(2,144,788)	15,158,280
Interest in net assets of Foundation	24,169,223	98,674,454	-	-	-	-	-	(122,843,677)	-
Total assets	\$ 590,552,765	\$ 3,382,867,413	\$ 371,794,755	\$ 24,955,146	\$ 2,905,360	\$ 23,501,000	\$ -	\$ (139,397,551)	\$ 4,257,178,888

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

CONSOLIDATING BALANCE SHEET - CONTINUED

June 30, 2026

	H. Lee Moffitt Cancer Center & Research Institute Hospital, Inc.	H. Lee Moffitt Cancer Center & Research Institute, Inc.	H. Lee Moffitt Cancer Center & Research Institute Foundation, Inc.	H. Lee Moffitt Cancer Center & Research Institute Lifetime Cancer Screening Center, Inc.	Moffitt Technologies Corporation	Moffitt Real Estate Holding Corporation	Moffitt Lifesciences Campus Management Corporation	Eliminations	Total
LIABILITIES AND NET ASSETS (DEFICIENCY)									
Current liabilities									
Accounts payable and accrued expenses	\$ 123,722,525	\$ 93,497,434	\$ 18,158,456	\$ 799,393	\$ 1,555,867	\$ -	\$ 761,326	\$ (14,409,086)	\$ 224,085,915
Accrued employee compensation	12,046,000	112,278,976	602,000	30,305,000	-	-	-	-	155,231,976
Accrued interest	-	19,919,935	-	-	-	-	-	-	19,919,935
Current portion of deferred revenue	48,512	445,108	-	-	-	-	-	-	493,620
Current portion of lease liability	990,324	20,612,712	-	-	-	-	-	-	21,603,036
Current portion of long-term debt	-	20,815,000	-	-	-	-	-	-	20,815,000
Total current liabilities	136,807,361	267,569,165	18,760,456	31,104,393	1,555,867	-	761,326	(14,409,086)	442,149,482
Other liabilities	15,097,486	33,542,296	1,332,662	-	-	-	-	-	49,972,444
Lease liability, net of current portion	1,153,045	41,743,029	-	-	-	-	-	-	42,896,074
Long-term debt, net of current portion	-	1,107,368,774	-	-	-	-	-	-	1,107,368,774
Total liabilities	153,057,892	1,450,223,264	20,093,118	31,104,393	1,555,867	-	761,326	(14,409,086)	1,642,386,774
Net assets (deficiency)									
Without donor restrictions	413,325,650	1,821,694,668	199,449,293	(6,149,247)	1,349,493	23,501,000	(761,326)	(2,144,788)	2,450,264,743
With donor restrictions	24,169,223	110,949,481	152,252,344	-	-	-	-	(122,843,677)	164,527,371
Total net assets (deficiency)	437,494,873	1,932,644,149	351,701,637	(6,149,247)	1,349,493	23,501,000	(761,326)	(124,988,465)	2,614,792,114
Total liabilities and net assets (deficiency)	\$ 590,552,765	\$ 3,382,867,413	\$ 371,794,755	\$ 24,955,146	\$ 2,905,360	\$ 23,501,000	\$ -	\$ (139,397,551)	\$ 4,257,178,888

H. Lee Moffitt Cancer Center & Research Institute, Inc. and Subsidiaries

CONSOLIDATING STATEMENT OF OPERATIONS

Year ended June 30, 2026

	H. Lee Moffitt Cancer Center & Research Institute Hospital, Inc.	H. Lee Moffitt Cancer Center & Research Institute, Inc.	H. Lee Moffitt Cancer Center & Research Institute Foundation, Inc.	H. Lee Moffitt Cancer Center & Research Institute Lifetime Cancer Screening Center, Inc.	Moffitt Technologies Corporation	Moffitt Real Estate Holding Corporation	Moffitt Lifesciences Campus Management Corporation	Eliminations	Total
Net assets without donor restrictions									
Revenues									
Patient service revenues	\$ 2,805,245,342	\$ -	\$ -	\$ 168,882,540	\$ -	\$ -	\$ -	\$ -	\$ 2,974,127,882
Other revenues, less provision for grant and other bad debts	188,769,247	202,609,328	5,280,501	15,673,661	185,000	-	3,771,179	(71,261,204)	345,027,712
Net assets released from restrictions and used for operating expenses	-	97,014,408	31,895,188	-	-	-	-	-	128,909,596
Total revenues and other support without donor restrictions	2,994,014,589	299,623,736	37,175,689	184,556,201	185,000	-	3,771,179	(71,261,204)	3,448,065,190
Expenses									
Salaries, wages, benefits and faculty fees	652,957,894	409,739,214	7,368,293	382,603,558	1,209,108	-	1,799,519	-	1,455,677,586
Purchased services	102,194,706	193,434,054	2,987,739	10,473,099	1,739,830	-	4,262,454	(39,083,527)	276,008,355
Supplies	1,161,759,409	36,689,894	27,536	275,639	-	-	19,923	-	1,198,772,401
Other operating expenses	51,979,770	86,425,399	32,127,745	3,491,604	124,262	-	132,450	(32,177,677)	142,103,553
Depreciation and amortization	16,913,938	85,907,709	-	8,911	-	-	-	-	102,830,558
Interest	-	34,299,916	-	-	-	-	-	-	34,299,916
Intercompany services	378,028,845	(427,695,340)	2,143,433	47,523,062	-	-	-	-	-
Total expenses	2,363,834,562	418,800,846	44,654,746	444,375,873	3,073,200	-	6,214,346	(71,261,204)	3,209,692,369
Income (loss) from operations	630,180,027	(119,177,110)	(7,479,057)	(259,819,672)	(2,888,200)	-	(2,443,167)	-	238,372,821
Nonoperating gains (losses), net	(179,768)	91,330,344	34,217,893	554,481	18,405	-	(480)	-	125,940,875
Excess (deficiency) of revenues and gains over expenses and losses before tax	630,000,259	(27,846,766)	26,738,836	(259,265,191)	(2,869,795)	-	(2,443,647)	-	364,313,696
Income tax expense	(4,712)	(1,407,178)	-	(145,318)	-	-	-	-	(1,557,208)
Excess (deficiency) of revenues and gains over expenses and losses	\$ 629,995,547	\$ (29,253,944)	\$ 26,738,836	\$ (259,410,509)	\$ (2,869,795)	\$ -	\$ (2,443,647)	\$ -	\$ 362,756,488

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

The Board of Directors
H. Lee Moffitt Cancer Center & Research Institute, Inc

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the consolidated financial statements of H. Lee Moffitt Cancer Center & Research Institute, Inc. and subsidiaries (collectively, the Cancer Center), which comprise the consolidated balance sheet as of June 30, 2026, and the related consolidated statements of operations and changes in net assets and cash flows for the year then ended, and the related notes to the consolidated financial statements and have issued our report thereon dated September 29, 2026.

Report on internal control over financial reporting

In planning and performing our audit of the consolidated financial statements, we considered the Cancer Center's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Cancer Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Cancer Center's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Cancer Center's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on compliance and other matters

As part of obtaining reasonable assurance about whether the Cancer Center's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Cancer Center's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Cancer Center's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Tampa, Florida
September 29, 2026