Consolidated Financial Statements
February 28, 2026 and 2025

OneWorld Community Health Centers, Inc. and Affiliates

Independent Auditor's Report

To The Board of Directors
OneWorld Community Health Centers, Inc. and Affiliates
Omaha, Nebraska

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of OneWorld Community Health Centers, Inc and Affiliates (OneWorld), which comprise the consolidated balance sheets as of February 28, 2026 and 2025, and the related consolidated statements of operations and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of OneWorld as of February 28, 2026 and 2025, and the results of its operations, 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 in accordance with auditing standards generally accepted in the United States of America (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 OneWorld 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 financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with 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 financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of OneWorld's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about OneWorld'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 audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 July 20, 2026 on our consideration of OneWorld'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 OneWorld'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 OneWorld's internal control over financial reporting and compliance.

Eide Bailly LLP

Omaha, Nebraska
July 20, 2026

	2026	2025
Assets		
Current assets		
Cash and cash equivalents	$ 14,899,369	$ 16,323,850
Short-term investments	-	1,288,410
Receivables		
Patient, net	2,106,476	1,971,781
Contributions	5,264,332	2,199,390
Grants and contracts	1,143,953	994,079
Other	298,636	442,166
Supplies	512,668	391,611
Prepaid expenses	1,406,263	1,190,364
Total current assets	25,631,697	24,801,651
Restricted cash	10,411,788	6,617,910
Investments	23,725,391	20,039,383
Due from Livestock Commons, LLC	1,168,237	1,130,629
Contributions receivable, net of current maturities	665,000	-
Property and equipment, net	32,639,680	27,517,540
Operating lease right-of-use assets	2,213,139	2,292,737
Total assets	$ 96,454,932	$ 82,399,850
Liabilities and Net Assets		
Current liabilities		
Current maturities of operating lease liabilities	$ 224,375	$ 203,960
Current maturities of long term debt	378,035	172,525
Accounts payable	3,732,769	2,505,846
Accrued expenses	4,532,096	4,062,363
Prepaid rent	25,068	26,338
Total current liabilities	8,892,343	6,971,032
Refundable deposits	37,065	32,022
Operating lease liabilities, less current maturities	2,122,598	2,191,338
Long term debt, less current maturities	3,565,138	3,934,675
Total liabilities	14,617,144	13,129,067
Net assets		
Without donor restrictions		
Undesignated	66,443,337	62,081,905
Board designated	903,150	943,683
With donor restrictions	14,491,301	6,245,195
Total net assets	81,837,788	69,270,783
Total liabilities and net assets	$ 96,454,932	$ 82,399,850

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue			
Patient service revenue	$ 41,507,184	$ -	$ 41,507,184
Grants and contracts revenue	19,525,026	5,742,723	25,267,749
Contributions	-	11,306,005	11,306,005
Donated services and supplies	9,172,240	-	9,172,240
Rental revenue	1,384,288	-	1,384,288
Other revenue	962,221	-	962,221
Net assets released from restrictions used for operations	7,972,712	(7,972,712)	-
Total revenue	80,523,671	9,076,016	89,599,687
Expenses			
Salaries and wages	37,383,100	-	37,383,100
Employee benefits	6,436,234	-	6,436,234
Professional fees and purchased services	5,344,569	-	5,344,569
Supplies and other	28,010,111	-	28,010,111
Rent	584,630	-	584,630
Depreciation	2,359,678	-	2,359,678
Interest	173,963	-	173,963
Total expenses	80,292,285	-	80,292,285
Operating Income	231,386	9,076,016	9,307,402
Nonoperating Gains			
Investment income, net	3,259,603	-	3,259,603
Excess of Revenue over Expenses	3,490,989	9,076,016	12,567,005
Net Assets Released for Purchase of Property and Equipment	829,910	(829,910)	-
Change in Net Assets	4,320,899	8,246,106	12,567,005
Net Assets, Beginning of Year	63,025,588	6,245,195	69,270,783
Net Assets, End of Year	$ 67,346,487	$ 14,491,301	$ 81,837,788

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue			
Patient service revenue	$ 37,226,716	$ -	$ 37,226,716
Grants and contracts revenue	20,471,694	5,742,723	26,214,417
Contributions	-	4,864,238	4,864,238
Donated services and supplies	7,839,803	-	7,839,803
Rental revenue	1,215,512	-	1,215,512
Other revenue	876,524	-	876,524
Net assets released from restrictions used for operations	8,868,399	(8,868,399)	-
Total revenue	76,498,648	1,738,562	78,237,210
Expenses			
Salaries and wages	34,907,307	-	34,907,307
Employee benefits	5,998,754	-	5,998,754
Professional fees and purchased services	5,640,716	-	5,640,716
Supplies and other	25,541,071	-	25,541,071
Rent	551,736	-	551,736
Depreciation	2,435,231	-	2,435,231
Interest	184,553	-	184,553
Total expenses	75,259,368	-	75,259,368
Operating Income	1,239,280	1,738,562	2,977,842
Nonoperating Gains			
Investment income, net	2,313,390	-	2,313,390
Excess of Revenue over Expenses	3,552,670	1,738,562	5,291,232
Net Assets Released for Purchase of Property and Equipment	133,333	(133,333)	-
Change in Net Assets	3,686,003	1,605,229	5,291,232
Net Assets, Beginning of Year	59,339,585	4,639,966	63,979,551
Net Assets, End of Year	$ 63,025,588	$ 6,245,195	$ 69,270,783

	Program Services					Supporting Services				
	Medical	Dental	Pharmacy	Other Programs	Total	General and Administrative	Fundraising	Total	Rental Expenses	Total
Salaries and wages	$ 21,790,134	$ 5,211,301	$ 3,256,454	$ 2,878,690	$ 33,136,579	$ 3,699,772	$ 259,686	$ 3,959,458	$ 287,063	37,383,100
Employee benefits	2,888,261	1,087,867	752,707	755,156	5,483,991	849,059	56,205	905,264	46,979	6,436,234
Professional fees and purchased services	3,940,748	353,122	48,343	145,548	4,487,761	608,755	158,941	767,696	89,112	5,344,569
Supplies and other	7,964,045	1,405,141	13,964,151	499,843	23,833,180	2,999,752	96,938	3,096,690	1,080,241	28,010,111
Rent	351,362	95,416	-	-	446,778	137,852	-	137,852	-	584,630
Depreciation	814,160	249,482	107,252	211,889	1,382,783	244,369	52,681	297,050	679,845	2,359,678
Interest	-	-	-	-	-	-	-	-	173,963	173,963
Total expenses	$ 37,748,710	$ 8,402,329	$ 18,128,907	$ 4,491,126	$ 68,771,072	$ 8,539,559	$ 624,451	$ 9,164,010	$ 2,357,203	$ 80,292,285

	Program Services					Supporting Services				
	Medical	Dental	Pharmacy	Other Programs	Total	General and Administrative	Fundraising	Total	Rental Expenses	Total
Salaries and wages	$ 20,990,307	$ 4,440,458	$ 2,917,997	$ 2,415,994	$ 30,764,756	$ 3,607,430	$ 306,160	$ 3,913,590	$ 228,961	34,907,307
Employee benefits	3,596,414	755,466	510,247	455,426	5,317,553	574,055	69,803	643,858	37,343	5,998,754
Professional fees and purchased services	3,908,809	195,025	93,013	245,134	4,441,981	903,392	219,931	1,123,323	75,412	5,640,716
Supplies and other	8,001,427	1,157,186	12,105,333	637,917	21,901,863	2,724,528	100,071	2,824,599	814,609	25,541,071
Rent	360,661	96,105	437	573	457,776	93,680	280	93,960	-	551,736
Depreciation	868,413	246,570	104,023	205,386	1,424,392	278,982	52,012	330,994	679,845	2,435,231
Interest	-	-	-	-	-	-	-	-	184,553	184,553
Total expenses	$ 37,726,031	$ 6,890,810	$ 15,731,050	$ 3,960,430	$ 64,308,321	$ 8,182,067	$ 748,257	$ 8,930,324	$ 2,020,723	$ 75,259,368

	2026	2025
Operating Activities		
Change in net assets	$ 12,567,005	$ 5,291,232
Adjustments to reconcile change in net assets to net cash from operating activities		
Realized and unrealized gains on investments, net	(1,820,952)	(1,004,825)
Depreciation	2,359,678	2,435,231
Amortization of debt issuance costs	3,857	3,857
Loss on disposal of property and equipment	215,406	-
Restricted support	(5,688,403)	(1,651,166)
(Increase) decrease in assets		
Patient receivables, net	(134,695)	1,190,664
Contributions receivable	(3,729,942)	241,818
Grants and contracts receivable	(149,874)	739,156
Other receivables	143,530	(42,391)
Supplies	(121,057)	(24,489)
Prepaid expenses	(215,899)	(203,075)
Due from Livestock Commons, LLC	(37,608)	-
Increase (decrease) in liabilities		
Accounts payable	1,226,923	194,848
Accrued expenses	469,733	409,965
Prepaid rent	(1,270)	10,587
Refundable deposits	5,043	9,450
Change in operating lease assets and liabilities	31,273	29,014
Net Cash from Operating Activities	5,122,748	7,629,876
Investing Activities		
Purchases of short-term investments	-	(1,288,410)
Purchases of investments	(1,865,056)	(600,000)
Withdrawals from short-term investments	1,288,410	-
Withdrawals from investments	-	501,546
Purchase of property and equipment	(7,697,224)	(795,677)
Net Cash used for Investing Activities	(8,273,870)	(2,182,541)
Financing Activities		
Payments on long term debt	(167,884)	(156,644)
Proceeds from restricted support	5,688,403	1,651,166
Net Cash from Financing Activities	5,520,519	1,494,522
Net Change in Cash, Cash Equivalents, and Restricted Cash	2,369,397	6,941,857
Cash Cash Equivalents, and Restricted Cash, Beginning of Year	22,941,760	15,999,903
Cash Cash Equivalents, and Restricted Cash, End of Year	$ 25,311,157	$ 22,941,760
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	$ 170,656	$ 181,898

Note 1 - Principal Activity and Summary of Significant Accounting Policies

Description of Organization and Principles of Consolidation

OneWorld Community Health Centers, Inc. and Affiliates (OneWorld) is located in Omaha, Nebraska, and is a Nebraska not-for-profit community health center. OneWorld Community Health Centers, Inc. provides physician and related health care services through clinics in the local area. OneWorld Community Health Centers, Inc. is the parent company of the following entities:

- OneWorld Community Builders, LLC – A wholly owned subsidiary created for the purposes of managing and distributing funds in relation to the Livestock building campus expansion.
- OneWorld Exchange, LLC – A wholly owned subsidiary created for the purposes of managing and distributing funds in relation to the Livestock building campus expansion.
- Livestock Exchange Building, LLC – A wholly owned subsidiary established to acquire, develop, and construct a 102 unit multifamily residential low income rental housing community, along with approximately 40,000 square feet of commercial space, located in Omaha, Nebraska. Livestock Exchange Building, LLC has entered into an Extended Use Agreement and Declaration of Restrictive Covenants with the Nebraska Investment Finance Authority, which restricts the use of the property to low-income and very low-income families, as defined, for twenty years after the close of the compliance period, as defined.

The financial statements include the accounts and activities of these organizations. Significant intercompany accounts and transactions have been eliminated in consolidation.

OneWorld is also a member of Livestock Commons, LLC with a 0.01% interest. Livestock Commons, LLC is a Nebraska limited liability company which was formed to develop a low-income housing tax credit project constructed in the Livestock Exchange campus buildings (Note 9).

Cash, Cash Equivalents, and Restricted Cash

Cash, cash equivalents, and restricted cash for the purpose of the consolidated statements of cash flows include investments of highly liquid debt instruments with original maturities of three months or less. At February 28, 2026 and 2025, cash equivalents consisted primarily of money market accounts. Restricted cash is limited for the following purposes:

<u>By Board for Specific Purposes</u> - Periodically, the OneWorld Board of Directors has set aside cash for specific purposes over which the Board retains control and may, at its discretion, subsequently use for other purposes.

<u>By Donor</u> - These funds have been restricted by donors for specific capital improvements and operating expenses.

<u>Under Operating Agreement</u> – These funds are restricted to use under terms of the operating agreement for Livestock Building Exchange, LLC.

Cash, cash equivalents, and restricted cash in the consolidated statements of cash flows is reconciled to the consolidated balance sheets as follows:

	2026	2025
Cash and cash equivalents	$ 14,899,369	$ 16,323,850
Restricted cash	10,411,788	6,617,910
	$ 25,311,157	$ 22,941,760

Patient Receivables, Net and Allowance for Credit Losses

OneWorld reports patient receivables for services rendered at amounts reflecting consideration to which OneWorld expects to be entitled from third-party payors, patients, and others. Payments of patient receivables are applied to the specific claims identified in the remittance advice, or if unspecified, are applied to the earliest unpaid claim. As a service to the patient, OneWorld bills third-party payors directly and bills the patient when the patient's liability is determined.

Patient accounts receivable are due in full when billed. OneWorld has tracked historical loss information for its patient receivables and compiled historical credit loss percentages of different aging categories. Payment for services is expected within 120 days of receipt of the billing. Any amounts deemed uncollectible are written off on a monthly basis. OneWorld does not charge interest on outstanding balances owed. OneWorld's patient receivables as of March 1, 2025 and 2024 were $1,971,781 and $3,162,445.

Patient receivables are reduced by an allowance for credit losses. In evaluating the collectability of patient receivables, OneWorld analyzes accounts for adverse changes in a patient's or third-party payor's ability to pay that may have occurred subsequent to recognition. Credit losses are evaluated after consideration of any implicit or explicit price concessions. Management regularly reviews specific data about receivable balances and its past history with similar cases, as well as current conditions and reasonable and supportable forecasts, to estimate the appropriate allowance for credit losses. At February 28, 2026 and 2025, the allowance for credit losses was not considered significant.

Contributions Receivable

The Organization records unconditional promises to give that are expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the consolidated statements of operations and changes in net assets. Allowance for uncollectable contributions receivable is determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. At February 28, 2026 and 2025, there was no allowance for uncollectible contributions recognized.

Grants and Contracts Receivable

Grants and contracts receivable consist primarily of amounts due from local, state, and federal grantor and contracting agencies for amounts expended under grants and contract agreements not yet received by OneWorld. All grants and contracts receivable are deemed fully collectible; therefore, no allowance for credit losses has been established.

Supplies

Supplies are stated at the lower of cost or net realizable value. Cost is determined principally using the first-in, first-out method.

Investments and Investment Income

Short-term investments include certificates of deposit with an original maturity of three to twelve months and are measured at cost. Investments in debt and equity securities are measured at fair value in the consolidated balance sheets. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included changes in net assets without donor restrictions unless donors or the law restricts the income or loss.

Investment return for the years ended February 28, 2026 and 2025 is summarized as follows:

	2026	2025
Interest and dividends	$ 1,531,813	$ 1,397,772
Investment expenses	(93,162)	(89,207)
Realized gains, net	291,097	41,800
Change in unrealized gains, net	1,529,855	963,025
Total investment return	$ 3,259,603	$ 2,313,390

Property and Equipment, Net

Property and equipment acquisitions are reported at cost. Depreciation is computed using the straight-line method based upon the estimated useful life of each class of depreciable asset. OneWorld maintains a capitalization policy of $5,000. The useful lives of property and equipment for purposes of computing depreciation are as follows:

Buildings and improvements	5 – 40 years
Equipment and furnishings	3 – 15 years
Vehicles	5 years

Gifts of long-lived assets such as land, buildings, or equipment are reported as increases in net assets without donor restrictions and are excluded from excess of revenue over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as increases in net assets with donor restrictions. Absent explicit donor stipulations about how long these long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended February 28, 2026 and 2025.

Net Assets

The financial statements report the changes in and totals of each net asset class based on the existence or absence of donor restrictions, as described below:

Net assets without donor restrictions – Net assets not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of OneWorld. Net assets without donor restrictions include undesignated net assets and net assets subject to designation by the Board of Directors.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Leases

Lessee

OneWorld recognizes right-of-use (ROU) assets and lease liabilities for lease contracts with terms greater than 12 months. Operating lease costs are recognized in the consolidated statement of operations and net assets as a single lease cost on a straight-line method over the lease term.

The weighted-average discount rate is based on the discount rate implicit in the lease, or if the implicit rate is not readily determinable from the lease, then OneWorld estimates an applicable incremental borrowing rate. The incremental borrowing rate is estimated using OneWorld's applicable borrowing rates and the contractual lease term.

OneWorld has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

Lessor

OneWorld classifies its leases at inception as operating, direct financing, or sales-type leases. Direct financing and sales-type leases meet certain criteria that have the economic characteristics of transferring ownership of the underlying asset and are accounted for similar to financing arrangements. For sales-type leases, selling profit is recognized immediately at lease commencement. Selling profit on a direct financing lease is deferred and amortized over the lease term, and a selling loss is recognized at lease commencement. Interest income on the net investment in leases is recognized as direct financing and sales-type lease revenue over the lease term in a manner that produces a constant rate of return on the net investment in the lease. A lease is classified as an operating lease if it does not qualify as a sales-type or direct financing lease.

Patient Service Revenue

Patient service revenue is reported at the amount that reflects the consideration to which OneWorld expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government programs), and others and include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, OneWorld bills the patients and third-party payors several days after the services are performed. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by OneWorld. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. OneWorld believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Revenue for performance obligations satisfied at a point in time is recognized when goods or services are provided and OneWorld does not believe it is required to provide additional goods or services to the patient.

Because all of its performance obligations relate to contracts with a duration of less than one year, OneWorld has elected to apply the optional exemption and is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

OneWorld determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with OneWorld's policy, and/or implicit price concessions provided to uninsured patients. OneWorld determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies, and historical experience. OneWorld determines its estimate of implicit price concessions based on historical collection experience with various classes of patients.

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. OneWorld provides services to uninsured patients, and offers those uninsured patients a discount, either by policy or law, from standard charges. OneWorld estimates the transaction price for patients with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions. For the years ended February 28, 2026 and 2025, no significant adjustments to revenue were recognized due to changes in estimates of implicit price concessions for performance obligations satisfied in prior years. Subsequent changes to the estimate of the transaction price are recognized as adjustments to patient service revenue in the period of change. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as credit loss expense.

OneWorld has elected the practical expedient and does not adjust the estimated amount of consideration from patients and third-party payors for the effects of a significant financing component due to OneWorld's expectation that the period between the time service is provided to the patient and the time that the patient or third-party payor pays for that service will be one year or less.

Patient Financial Assistance

To fulfill its mission of community service, OneWorld provides financial assistance to patients who meet certain criteria under its patient financial assistance policy. Because OneWorld does not pursue collection of amounts determined to qualify as patient financial assistance, they are not reported as patient service revenue in the consolidated statements of operations and changes in net assets. See Note 3 for disclosures relating to patient financial assistance.

OneWorld is dedicated to providing comprehensive healthcare services to all segments of society, including the aged and otherwise economically disadvantaged. In addition, OneWorld provides a variety of community health services at or below cost.

Rental Revenue

Rental revenue attributable to residential and commercial space operating leases is recognized when due from residents and lessees, generally upon the first day of each month for periods of up to one year, and are considered operating leases. Advance receipts of rental income will be deferred until earned. Other income results from fees for late payments, cleaning, damages, and laundry facilities and is recognized when earned.

Resident rent charges for the current month are due on the first of the month. Residents who are evicted or move out are charged with damages and/or cleaning fees, if applicable. Resident receivables, included in other receivables in the consolidated balance sheets, consist of amounts due for rental income and the charges for damages and/or cleaning fees. Interest is not accrued on outstanding resident receivable balances. Management reviews outstanding receivables monthly and charges operations with those considered uncollectible. All remaining resident receivables are considered collectible.

Grants and Contracts Revenue

OneWorld enters into agreements with the governmental agencies and other organizations to provide medical and dental services. Revenue is recognized based upon the provision of services to eligible individuals based upon specific rates identified in contracts and grant agreements.

Certain government grants and contracts are conditional upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when OneWorld has incurred expenditures in compliance with specific contract or grant provisions.

Contributions

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received or given. Conditional promises to give and indications of intentions to give, that is, those with a measurable performance or other barrier and a right of return, are recognized when the conditions on which they depend have been substantially met. The gifts are reported as support with donor restrictions if they are received with donor stipulations that limit their use.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions.

Donated Services and Supplies

Donated supplies are recognized as revenue at estimated fair value and expense at the date the supplies are received. Donated services are recognized as revenue at fair value and expenses in the period the services are used. Donated services are recognized as contributions in accordance with FASB ASC Topic 958-605, *Revenue Recognition,* if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by OneWorld.

Functional Allocation of Expenses

The costs of providing healthcare services and supporting services have been summarized on the basis of natural classification in the consolidated statements of operations and changes in net assets. The consolidated statements of functional expenses presents the detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function of OneWorld. Therefore, expenses require allocation on a reasonable basis that is consistently applied. OneWorld allocates salaries and related benefits based on an estimate of employee time spent. OneWorld allocates occupancy expenses on a weighted average of employee time spent and square footage, and other expenses are allocated by time and effort, square footage, or are directly assigned to a functional classification.

Group Health Insurance Costs

OneWorld is self-insured under its employee group health program, up to certain limits. Included in the accompanying consolidated statements of operations and changes in net assets is a provision for premiums for excess coverage and payments for claims including estimates of the ultimate costs for both reported claims and claims incurred but not yet reported at year-end. The accrual for these costs includes the unpaid portion of claims that have been reported and estimates of insured claims that have been incurred but not reported.

Advertising Expense

OneWorld follows the policy of charging the costs of advertising to expense as incurred. Advertising expenses for the years ended February 28, 2026 and 2025 were $301,290 and $369,995.

Compensated Absences

Paid time off, which includes vacation, vests at 100% of accrued hours and may be accumulated by an employee at a maximum amount of 240 hours. Paid time off expense is accrued as an expense and a liability as it is earned. Paid time off expenditures are recognized to the extent they are earned during the year and the vested amount is recognized as a current liability.

Related Party Transactions

In the ordinary course of business, OneWorld purchases legal, investment management, and similar services from organizations with employees or partners represented on OneWorld’s Board of Directors. Each member of the Board of Directors is required to complete a disclosure statement annually with regard to any possible conflicts of interest.

OneWorld is a member of the Heartland Community Health Network (the Network), which assists in the development of Electronic Health Records for the Network members. Members of the Network include:

- OneWorld Community Health Centers, Inc.
- Midtown Health Center
- Charles Drew Health Center, Inc.
- Heartland Health Center, Inc.
- Atascosa Health Center, Inc. (new member August 2024)
- Community Health Development, Inc.
- Frontera Healthcare Network, Inc.
- Community Action Partnership of Western Nebraska
- Good Neighbor Community Health Center

Members of the Network agreed to participate for a minimum of five years with each member paying a portion of the total expenses based on an agreed upon calculation. OneWorld's portion of these expenses totaled $500,488 and $431,689 for the years ended February 28, 2026 and 2025.

Investments in Affiliated Organizations

Investments in entities in which OneWorld has the ability to exercise significant influence over operating and financial policies but does not have operational control are recorded under the equity method of accounting. Under the equity method, the initial investment is recorded at cost and adjusted annually to recognize the members' share of earnings and losses of those entities, net of any additional investments or distributions. The members' share of net earnings or losses of the entities is included in other income (expense).

Investments in affiliated organization also include various investments for which the ownership percentage and ability to exercise significant influence is limited. These investments are recorded at cost minus impairment (if any) adjusted for observable price changes in orderly transactions of identical securities or similar securities of the issuer. Any dividends received from these organizations are recorded as income in the period received.

Income Taxes

OneWorld is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and Nebraska state income taxes on related income pursuant to Section 501(a) of the Code. The Internal Revenue Service has established standards to be met to maintain tax-exempt status. In general, such standards require OneWorld to meet a community benefit standard and comply with various laws and regulations.

Livestock Building Exchange, LLC is a limited liability company wholly owned by OneWorld and is a disregarded entity for income tax purposes.

OneWorld accounts for uncertainties in accounting for income tax assets and liabilities using guidance included in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 740, *Income Taxes*. OneWorld recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. At February 28, 2026 and 2025, OneWorld had no uncertain tax positions accrued.

Use of Estimates

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

Financial Instruments and Credit Risk

Deposit concentration risk is managed by placing cash, money market accounts, and certificates of deposit with financial institutions believed by OneWorld to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per depositor, per insured bank, for each account ownership category. As of February 28, 2026 and 2025, the Organization had approximately $14,787,000 and $12,875,000, in excess of FDIC insurance limits. To date, no losses have been experienced in any of these accounts.

Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets or changes in net assets.

Subsequent Events

OneWorld considered events occurring through July 20, 2026 for recognition or disclosure in the financial statements as subsequent events. That date is the date the financial statements were available to be issued.

Note 2 - Patient Service Revenue

OneWorld is approved as a Federally Qualified Health Center (FQHC) for both Medicare and Medicaid reimbursement purposes. OneWorld has agreements with third-party payors that provide for payments to OneWorld at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

Medicare – Covered FQHC services rendered to Medicare program beneficiaries have historically been paid based on a cost reimbursement methodology up to certain limits. Effective October 1, 2014, Medicare pays FQHC's under a prospective payment system. OneWorld is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of an annual cost report by OneWorld and audit thereof by the Medicare Administrative Contractor. Services not covered under the FQHC benefit are paid based on established fee schedules.

Medicaid – Covered FQHC services rendered to Medicaid program beneficiaries are paid at prospectively determined rates per visit.

OneWorld has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for reimbursement under these agreements includes discounts from established charges, prospectively determined daily rates and fee schedule amounts.

Patient service revenue by major payor class for the years ended February 28, 2026 and 2025 is presented in the following table:

	2026	2025
Medicaid	$ 19,890,252	$ 17,954,787
Medicare	1,287,057	1,591,639
Commercial Insurance	14,539,095	12,318,626
Self Pay	5,790,780	5,361,664
	$ 41,507,184	$ 37,226,716

Revenue from patients' deductibles and coinsurance are included in the categories presented above based on the primary payor.

Patient service revenue, by service line and timing of revenue recognition is as follows, as of February 28, 2026 and 2025:

	2026	2025
Medical services	$ 20,957,992	$ 19,537,222
Dental services	6,135,552	4,343,824
Pharmacy services	14,413,640	13,345,670
	$ 41,507,184	$ 37,226,716

For the years ended February 28, 2026 and 2025, OneWorld recognized revenue of $14,413,640 and $13,345,670, at the time service was provided and $27,093,544 and $23,881,046, from services provided over time. Revenue from the Medicare and state sponsored Medicaid programs accounts for approximately 51% and 53% of OneWorld's net patient service revenue for the years ended February 28, 2026 and 2025. 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 materially in the near term.

340B Drug Pricing Program

OneWorld participates in the 340B Drug Pricing Program (340B Program) enabling OneWorld to receive discounted prices from drug manufacturers on outpatient pharmaceutical purchases and enter into certain contracts with unrelated pharmacies who provide certain prescriptive drugs to OneWorld outpatients. This program is overseen by the Health Resources and Services Administration (HRSA) Office of Pharmacy Affairs. HRSA is currently conducting routine audits of these programs at healthcare organizations and increasing its compliance monitoring processes. Laws and regulations governing the 340B Program are complex and subject to interpretation and change. As a result, it is reasonably possible that material changes to financial statement amounts related to the 340B Program could occur in the near future. During 2026 and 2025, OneWorld recognized $809,145 and $528,561 of pharmacy revenue related to the 340B Program contracts with unrelated pharmacies.

Note 3 - Patient Financial Assistance

OneWorld provides patient financial assistance to patients who are financially unable to pay for the healthcare services they receive. It is the policy of OneWorld not to pursue collection of amounts determined to qualify as patient financial assistance. Accordingly, OneWorld does not report these amounts in patient service revenue. OneWorld determines the costs associated with providing patient financial assistance by aggregating the direct and indirect costs, including salaries, benefits, supplies, and other operating expenses, based on the overall cost to charge ratio. The costs of caring for patients who qualify under OneWorld's patient financial assistance policy for the years ended February 28, 2026 and 2025 were approximately $11,360,000 and $14,069,000.

Note 4 - Restricted Cash

Restricted cash as of February 28, 2026 and 2025 are held for the following purposes:

	2026	2025
Restricted Cash		
By Board		
Designated for future capital expenditures	$ 559,659	$ 541,322
98th and Giles property	343,491	402,361
Employee group health insurance plan	421,430	1,115,846
By Donor	8,561,969	4,045,805
Under Operating Agreement		
Operating reserve	246,341	244,007
Replacement reserve	208,688	206,711
Escrow deposits	32,925	29,212
Tenant security deposits	37,285	32,646
	$ 10,411,788	$ 6,617,910

Note 5 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet dates, comprise the following:

	2026	2025
Cash and cash equivalents	$ 14,899,369	$ 16,323,850
Short-term investments	-	1,288,410
Receivables		
Patient, net	2,106,476	1,971,781
Contributions due within one year	5,264,332	2,199,390
Grants and contracts	1,143,953	994,079
Other	298,636	442,166
Restricted cash	10,411,788	6,617,910
Investments	23,725,391	20,039,383
Total financial assets	57,849,945	49,876,969
Less financial assets unavailable for general expenditures within one year		
Board designated		
Designated for future capital expenditures	(903,150)	(943,683)
Contractual or donor imposed restrictions		
Restricted for the passage of time	(5,929,332)	(2,199,390)
Restricted for a specified purpose	(8,561,969)	(4,045,805)
Under Operating Agreement	(525,239)	(512,576)
Total financial assets available within one year	$ 41,930,255	$ 42,175,515

OneWorld has cash restricted by donors (Note 4) which are not available for general expenditure within the next year, but may be utilized in the next year for its intended purpose.

The Board of Directors of OneWorld designated $559,659 and $541,322 to be used for future capital expenditures as of February 28, 2026 and 2025. These funds are not intended to be spent, however, these amounts could be made available for expenditure by an action of the Board of Directors, should that be necessary.

OneWorld's liquidity management plan includes investing cash in excess of daily requirements in short-term investments, certificates of deposit, and money market funds.

Note 6 - Fair Value

Fair Value Hierarchy

Certain assets are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, considering factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to OneWorld's assessment of the quality, risk, or liquidity profile of the asset.

The following methods and assumptions were used to estimate the fair value for each class of financial instrument measured at fair value:

Cash and cash equivalents – Cash and cash equivalents, consisting primarily of cash and money market funds, are carried at cost, which approximates fair value due to its short term nature.

Equities and Mutual funds – Equities and mutual funds are classified as Level 1 as the fair value is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers.

Fixed income securities – Fixed income securities are classified as Level 2 based on multiple sources of information, which may include market data and/or quoted market prices from either markets that are not active or are for the same or similar assets in active markets.

Investment in Community Foundation – The investment in Community Foundation is classified as Level 3 as the fair value of the interest is valued based on the Omaha Community Foundation's underlying assets which are unobservable to market participants.

For fiscal years ended February 28, 2026 and 2025, the application of valuation techniques applied to similar assets and liabilities has been consistent.

Fair Value on a Recurring Basis

The following table presents the financial instruments that are measured at fair value on a recurring basis (including items that are required to be measured at fair value) at February 28, 2026 and 2025:

	Fair Value Measurements at February 28, 2026			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash equivalents, at cost	$ 130,313	$ -	$ -	$ -
Equities	4,250,510	4,250,510	-	-
Mutual funds				
Money market	141,540	141,540	-	-
Equities	10,578,269	10,578,269	-	-
Fixed income	1,384,604	1,384,604	-	-
Real estate	38,263	38,263	-	-
Fixed income securities				
U.S. Treasury securities	4,394,258	-	4,394,258	-
Corporate bonds	2,484,690	-	2,484,690	-
Municipal bonds	50,386	-	50,386	-
Investment in Community Foundation	272,558	-	-	272,558
Total investments	$ 23,725,391	$ 16,393,186	$ 6,929,334	$ 272,558

	Fair Value Measurements at February 28, 2025			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash equivalents, at cost	$ 692,210	$ -	$ -	$ -
Certificates of deposit, at cost	1,288,410	-	-	-
Equities	3,671,688	3,671,688	-	-
Mutual funds				
Money market	834,717	834,717	-	-
Equities	6,513,892	6,513,892	-	-
Fixed income	1,017,466	1,017,466	-	-
Real estate	82,176	82,176	-	-
Fixed income securities				
U.S. Treasury securities	4,817,020		4,817,020	
Corporate bonds	2,133,283	-	2,133,283	-
Municipal bonds	48,800	-	48,800	-
Investment in Community Foundation	228,131	-	-	228,131
	$ 21,327,793	$ 12,119,939	$ 6,999,103	$ 228,131

OneWorld has outsourced the management of a majority of their investment portfolios to third-party investment managers. Third-party investment managers follow OneWorld's investment policies; however, no restrictions on buying or selling specific securities are imposed. Therefore, OneWorld does not consider any impairment loss to be temporary. Impairment losses are included with other revenue, and a new cost basis is established for each security for which an impairment loss is recognized. There were no impairment losses recognized for the years ended February 28, 2026 and 2025.

Note 7 - Contributions Receivable

Included in contributions receivable as of February 28, 2026 and 2025 are the following unconditional promises to give and conditional promises to give in which the conditions have been met. Promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates. Discount rates for February 28, 2026 and 2025 ranged from 1.21% through 1.43%.

	2026	2025
Due within one year	$ 5,264,332	$ 2,199,390
In two to three years	665,000	-
Total promises to give	$ 5,929,332	$ 2,199,390

Note 8 - Property and Equipment, Net

Property and equipment as of February 28, 2026 and 2025 is summarized as follows:

	2026	2025
Land	$ 616,429	$ 616,429
Buildings and improvements	28,727,159	29,095,877
Leasehold improvements	8,332,831	8,364,231
Equipment and furnishings	5,314,426	5,117,979
Vehicles	1,538,670	1,500,556
Construction in progress	8,108,751	793,632
Total property and equipment at cost	52,638,266	45,488,704
Less accumulated depreciation	19,998,586	17,971,164
Property and equipment, net	$ 32,639,680	$ 27,517,540

Depreciation expense of $2,359,678 and $2,435,231 for the years ended February 28, 2026 and 2025 is included in the statements of operations and changes in net assets.

Construction in progress primarily consists of costs incurred for the planned new facility for workforce development programs, behavioral health services, and a child development center. The new facility project is expected to be completed in October 2026 for a total expected cost of $16,200,000. The project is being financed through grants from the state of Nebraska Department of Economic Development and through capital campaign donations.

Note 9 - Investment in Livestock Commons, LLC

OneWorld is a member of Livestock Commons, LLC with a 0.01% interest. Livestock Commons, LLC is a Nebraska limited liability company which was formed to develop an affordable housing project constructed in the Livestock Exchange campus buildings. The project was financed through low income housing tax credits through the Nebraska Investment Finance Authority.

In connection with the affordable housing project, Livestock Commons, LLC entered into loan agreements with OneWorld as follows:

- Note receivable in the amount of $196,000, interest at 6% per annum, in connection with the AHP Loan Agreement (Note 11). The note is due upon the earlier of 90 days after the end of the 15 year compliance period under the AHP Loan Agreement or the date on which the property is sold or refinanced. The amount receivable at February 28, 2026 and 2025 amounted to $404,361 and $381,413, including accrued interest.
- Note receivable in the amount of $312,107, including interest at 6%, due and payable upon the earlier of December 31, 2029, or the 90th day after the end of the compliance period under the low income housing tax credit financing agreement as defined in Section 42 of the Internal Revenue Code. The amount receivable at February 28, 2026 and 2025 amounted to $624,684 and $589,233, including accrued interest.
- Note receivable in the amount of $350,000, including interest at 4.99%, due and payable in semiannual installments of $18,294 commencing on May 15, 2014 and continuing each succeeding September and May, with remainder due and payable on September 15, 2027. The amount receivable at February 28, 2026 and 2025 amounted to $72,444 and $87,925, including accrued interest.
- OneWorld also provided operating deficit loans to Livestock Commons, LLC in the amount of $71,588, including interest at 4.00%. The amount receivable at February 28, 2026 and 2025 amounted to $66,748 and $72,058, including accrued interest.

It is the intent of management and the sponsor to operate the housing project under the terms and the conditions specified above.

Note 10 - Leases

Lessee

OneWorld leases certain real estate for a fixed term under long-term, non-cancelable operating lease agreements. The leases expire at dates through 2040. OneWorld included in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. The leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases. Certain agreements generally require OneWorld to pay real estate taxes, insurance, and repairs.

The weighted-average discount rate is based on the discount rate implicit in the lease. OneWorld has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. OneWorld has applied the risk-free rate option to the real estate class of assets.

OneWorld has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

Total lease costs for the year ended February 28, 2026 and 2025 were as follows:

	2026	2025
Operating lease cost	$ 302,225	$ 301,282
Short term lease cost	$ 136,781	$ 95,462

The following summarizes the supplemental cash flow information for the year ended February 28, 2026 and 2025:

	2026	2025
Operating cash flows from operating leases	$ 279,061	$ 272,267

The following summarizes the weighted-average remaining lease term and weight-average discount rate:

	2026	2025
Weighted-average remaining lease term:		
Operating leases	10.11 years	11.00 years
Weighted-average discount rate:		
Operating leases	2.75%	2.75%

The future minimum lease payments under noncancelable operating leases with terms greater than one year are listed below as of February 28, 2026:

Year Ending February 28,	Operating
2027	$ 303,546
2028	303,546
2029	303,546
2030	303,546
2031	258,733
Thereafter	1,104,356
Total lease payments	2,577,273
Less interest	230,300
Present value of lease liabilities	$ 2,346,973

Lessor

OneWorld classifies its leases at inception as operating, direct financing, or sales-type leases. OneWorld has evaluated its leases for commercial space and apartment units and classifies all the arrangements in which it acts as lessor as operating leases. Residents sign initial one year lease agreements which are renewed annually. Future cash flows from operating lease payments to be received for residential units as of February 28, 2026 are $266,000.

Leased property subject to operating leases at February 28, 2026 and 2025 include:

	2026	2025
Buildings and improvements	$ 11,046,131	$ 11,046,131
Less accumulated depreciation	4,988,307	4,208,203
Property and equipment, net	$ 6,057,824	$ 6,837,928

Depreciation expense for leased property subject to operating leases is provided on the straight-line method over the estimated useful life of the property in amounts necessary to reduce the assets to their estimated residual values. Depreciation expense relating to leased property subject to operating leases was $780,104 for the years ended February 28, 2026 and 2025, and is included in depreciation expense in the consolidated statement of operations and changes in net assets.

Lease income related to lease payments amounted to $1,384,288 and $1,215,512 for the year ended February 28, 2026 and 2025 is included in rental revenue in the consolidated statements of operations and changes in net assets.

The following is a maturity analysis of the annual undiscounted cash flows of the operating lease payments for commercial space to be received as of February 28, 2026:

Year Ending February 28,	Operating
2027	$ 596,503
2028	590,085
2029	561,407
2030	77,584
2031	43,451
	$ 1,869,030

Note 11 - Long-Term Debt

A summary of long-term debt obligations at February 28, 2026 and 2025 is as follows:

	2026	2025
Mortgage note, payable in monthly installments of $20,351, including interest at 4.5%, due January 10, 2028. Effective January 1, 2023, variable interest rate of at least 4.25% through maturity date, secured by interest in Livestock Exchange Building, LLC.	$ 2,404,520	$ 2,491,268
Affordable Housing Program Loan, non-interest-bearing loan due April 7, 2034, secured by interest in Livestock Exchange Building, LLC.	300,000	300,000
City of Omaha Community Development Block Grant, non-interest-bearing, payable in monthly installments of $2,444 commencing in 2034, due December 1, 2063, secured by interest in Livestock Exchange Building, LLC.	880,000	880,000
Mortgage note, payable in monthly installments of $7,861, including interest at 6.09%, through October 10, 2027.	169,717	250,853
Affordable Housing Program loan with American National Bank, non-interest bearing, except upon an event of default, forgiven in December 2026, secured by interest in real property for 15 years.	196,000	196,000
	3,950,237	4,118,121
Less current maturities	(378,035)	(172,525)
Less unamortized debt issuance costs	(7,064)	(10,921)
Long-term debt, net	$ 3,565,138	$ 3,934,675

Deferred debt issuance costs are amortized on a straight-line basis over the period of their respective debt issue, which approximates the interest rate method. Amortization expense of $3,857 in 2026 and 2025, is included with interest expense in the accompanying consolidated statements of operations and changes in net assets.

The aggregate maturities of all long-term debt during each of the next five years are as follows:

Year	Amount
2027	$ 378,035
2028	2,392,202
2029	-
2030	-
2031	-
Thereafter	1,180,000
	$ 3,950,237

Note 12 - Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods:

	2026	2025
Subject to expenditure for specified purpose		
Medical	$ 710,725	$ 2,766,203
Dental	320,245	42,917
Other programs	877,270	185,519
Capital purposes	6,653,729	1,051,166
Total subject to expenditure for specified purpose	8,561,969	4,045,805
Subject to the passage of time		
Medical	2,118,963	980,322
Dental	30,000	-
Other programs	447,143	-
Capital purposes	3,333,226	1,219,068
Total subject to the passage of time	5,929,332	2,199,390
Total net assets with donor restrictions	$ 14,491,301	$ 6,245,195

During the years ended February 28, 2026 and February 28, 2025, net assets were released from donor restriction by incurring expenses and satisfying the restricted purposes as follows:

	2026	2025
Capital purposes	$ 829,910	$ 133,333
Other	7,972,712	8,868,399
	$ 8,802,622	$ 9,001,732

Note 13 - Grants and Contracts Revenue

OneWorld is the recipient of Consolidated Health Centers (CHC) grants from the U.S. Department of Health and Human Services, Health Resources and Services Administration. The general purpose of the grants are to provide expanded health care service delivery for residents of the Omaha, Nebraska area. Terms of the grants generally provide for funding of OneWorld's operations based on an approved budget. During the years ended February 28, 2026 and 2025, OneWorld received $8,762,422 and $7,934,844 in grant funds related to the CHC grants.

OneWorld has a continuing relationship with The United Way of the Midlands that contributes funds to help OneWorld to provide health care services to low-income and underserved patients in the Omaha, Nebraska area. The United Way contributed $397,000 to OneWorld in the years ended February 28, 2026 and 2025.

In addition to the above grants, OneWorld receives additional financial support from other federal, state, local, and private sources. Generally, such support requires compliance with terms and conditions specified in grant agreements and must be renewed on an annual basis.

Note 14 - Donated Services and Supplies

Donated services and supplies are reported at fair value in the consolidated statements of operations and changes in net assets when received. The value of in-kind contributions for the year ended was as follows:

	2026	2025
Donated supplies	$ 8,622,227	$ 7,519,891
Donated services	550,013	319,912
	$ 9,172,240	$ 7,839,803

Donated supplies are medical supplies and drugs administered in providing medical and dental services to patients. The value of donated supplies is based on the fair market value of the pharmacy and vaccine cost. The donated supplies were used for the pharmacy program. Donated services are provided by healthcare providers in assisting OneWorld in providing services to their patients. Donated services are valued based upon comparable costs incurred by OneWorld. All contributed nonfinancial assets received during the years ended February 28, 2026 and 2025 were without donor restrictions.

Note 15 - Retirement Plan

OneWorld has a defined contribution pension plan. The plan is available to substantially all employees. OneWorld contributes an amount equal to 100% of the employees' annual contributions up to a maximum limit of 3% of the employees' annual salaries, plus an additional 50% of employee's annual contributions over 3% of employees' annual salaries, up to a maximum limit of 6%. Employee and employer contributions are fully vested immediately.

Total pension expense for the years ended February 28, 2026 and 2025 was $1,263,272 and $1,147,943.

Note 16 - Concentrations of Credit Risk

OneWorld grants credit without collateral to its patients, most of who are area residents and are insured under third-party payer agreements. The mix of receivables from patients and third-party payors at February 28, 2026 and 2025 was as follows:

	2026	2025
Medicaid	44%	52%
Medicare	4	7
Other third-party payors	37	24
Self Pay	15	17
	100%	100%

Note 17 - Contingencies

Medical Malpractice Liability

The U.S. Department of Health and Human Services, Bureau of Primary Health Care has deemed OneWorld and its practicing providers covered under the Federal Tort Claims Act (FTCA) for damage for personal injury, including death, resulting from the performance of medical, surgical, dental, and related functions. FTCA coverage is comparable to an occurrence policy without a monetary cap.

Accounting principles generally accepted in the United States of America require a healthcare provider recognize the ultimate costs of malpractice claims or similar contingent liabilities, which include costs associated with litigating or settling claims, when the incidents that give rise to the claims occur. OneWorld does evaluate all incidents and claims along with prior claims experienced to determine if a liability is to be recognized. For the years ending February 28, 2026 and 2025, management determined no liability should be recognized for asserted or unasserted claims. Management is not aware of any such claim that would have a material adverse impact on the accompanying financial statements.

Employee Health Self-Insured Plans

OneWorld is self-insured for its employee group health insurance plan. The claims under this plan continue to be accrued as the incidents that give rise to them occur. Unpaid claim accruals are based on the estimated ultimate costs of the claims, including claims administration expenses, in accordance with OneWorld's past experience. OneWorld has entered into reinsurance agreements with insurance companies to limit its losses on claims for health insurance. Reserves for self-insured plans were $417,101 and $253,000 as of February 28, 2026 and 2025, management, and are included in accrued expenses in the accompanying financial statements.

Litigation, Claims, and Disputes

OneWorld is involved in litigation and regulatory investigations arising in the course of business. Nearly all of these claims are covered under policies of the current insurance carrier. After consultation with legal counsel, management estimates these matters will be resolved without material adverse effect on OneWorld's future financial position or results from operations.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. Federal government activity with respect to investigations and allegations concerning possible violations by health care providers regulation could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenues from patient services.

Supplementary Information
February 28, 2026

OneWorld Community Health Centers, Inc. and Affiliates

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Financial Assistance Listing	Pass-Through Entity Identifying Number	Expenditures
U.S. Department of Health and Human Services			
Direct Awards			
Health Center Program Cluster			
Community Health Centers	93.224		$ 8,256,156
Grants for New and Expanded Services Under the Health Center Program	93.527		506,266
Total Health Center Program Cluster			8,762,422
Maternal and Child Health Federal Consolidated Programs	93.110		25,000
Passed through Nebraska Department of Health and Human Services			
Public Health Emergency Preparedness	93.069	1NU90TP9220391PHEP 24NU90TU000046BP1	16,008
Passed through the Family Planning Council of Nebraska			
Family Planning Services	93.217	1FPHPA076214 F8HPA6315A FPHPA006563-02-00	956,712
Passed through the National Alliance for Hispanic Health			
Scaling the National Diabetes Prevention Program to Priority Populations	93.261	5 NU58DP006366-03-00	32,509
Passed through Nebraska Department of Health and Human Services			
Immunization Cooperative Agreements	93.268	20NH23IP922589VWCC6	36,544
Passed through Nebraska Department of Health and Human Services			
The National Cardiovascular Health Program	93.426	23NU58DP007469	8,250
Passed through Nebraska Department of Health and Human Services			
Organized Approaches to Increase Colorectal Cancer Screening	93.800	20NU58DP006761	29,620
Passed through Region 6 Behavioral Healthcare			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	B08TI083508 B08TI083954 B08TI084658 B08TI085820 B09SM087373 B09SM086022	135,919
Total U.S. Department of Health and Human Services			10,002,984
U.S. Department of Treasury			
Passed through the University of Nebraska Medical Center			
Coronavirus State and Local Fiscal Recovery Funds	21.027	36-0130-3005-204	47,758
U.S. Department of Agriculture			
Passed through Douglas County Health Department			
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	173NE706W1003	912,296
Total Federal Financial Assistance			$ 10,963,038

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of OneWorld Community Health Centers, Inc. and Affiliates (OneWorld) under programs of the federal government for the year ended February 28, 2026. The information is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*, *Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of OneWorld, it is not intended to and does not present the consolidated financial position, changes in net assets, or cash flows of OneWorld.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the accrual basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Note 3 - Indirect Cost Rate

OneWorld does not draw for indirect administrative expenses and has not elected to use the de minimus cost rate of up to 15 percent.

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Directors
OneWorld Community Health Centers, Inc. and Affiliates
Omaha, Nebraska:

We have audited in accordance with the 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, the financial statements of the OneWorld Community Health Centers, Inc. and Affiliates (OneWorld), which comprise OneWorld's consolidated balance sheet as of February 28, 2026, and the related consolidated statements of operations and changes in net assets, functional expense, and cash flows for the year then ended, and the related notes to the consolidated financial statements (collectively, the financial statements) and have issued our report thereon dated July 20, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered OneWorld'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 OneWorld's internal control. Accordingly, we do not express an opinion on the effectiveness of OneWorld'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 OneWorld'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.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether OneWorld's 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 OneWorld's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OneWorld's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Omaha, Nebraska,
July 20, 2026

Independent Auditor's Report on Compliance for the Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance

To the Board of Directors
OneWorld Community Health Centers, Inc. and Affiliates
Omaha, Nebraska

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited OneWorld Community Health Centers, Inc. and Affiliates (OneWorld) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on OneWorld's major federal program for the year ended February 28, 2026. OneWorld's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, OneWorld complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended February 28, 2026.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of OneWorld and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of OneWorld's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to OneWorld's federal programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on OneWorld's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about OneWorld's compliance with the requirements of the major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 OneWorld's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of OneWorld's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of OneWorld's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in *internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Eide Bailly LLP

Omaha, Nebraska
July 20, 2026

Section I – Summary of the Independent Auditor's Results

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516 (a):	No

Identification of major programs:

Name of Federal Program	Federal Financial Assistance Listing
Health Center Program Cluster	
Community Health Centers	93.224
Grants for New and Expanded Services Under the Health Center Program	93.527

Dollar threshold used to distinguish between type A and type B programs:	$ 1,000,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

No financial statement findings were reported.

Section III – Federal Award Findings and Questioned Costs

No findings or questioned costs for federal awards were reported.