President's Letter, July 2026

Dear Members,

This is the fourth monthly President's Letter to inform you of the activities taking place at AHA. The three previous issues are on our website.

Since the last letter, here is an update on our activities:

- The Board will convene with our CEO in person for two days on August 18th and 19th – the objectives include:
  - Understanding our CEO's 90-day organizational assessment and go forward recommendations
  - Aligning and making a number of key decisions that will empower our CEO to begin repositioning AHA for the future
  - Taking the initial steps to build the blueprint to increase the demand for the Arabian horse
- CEO, Taryl O'Shea, is working on a number of projects including improving processes, operations and workflow. She continues to work with the Board to prioritize our immediate initiatives
- We have our fourth Listening Session on August 5th to address Achievement Awards and High Point programs at AHA. Do they need to be updated, changed, revamped?
- The USEF ad hoc committee is submitting three resolutions that will reflect a summation of the work they engaged in this year.
- We have made considerable progress to advance our IT plan that will address many issues that plague our organization – specifically negotiations with our new IT provider (Innately), AHA, and the Purebred Arabian Trust (PAT) continue and should be complete in the near term

I am committed to being transparent about the Board's activities and our financial status. The latest financial reports are attached and include:

- Financial Flash, a summary of financial information
- Key Indicator report
- Additional data to help you best understand AHA's financial position and progress

Thank you to our financial team: Ralph Manning (Treasurer), Jill Orr (Controller) and Lisa Montgomery for their diligent work creating transparent, understandable financial reports. The AHA Board feels it is imperative that our members be well informed and these people are making it happen.

Please feel free to reach out to me or any member of the Board with your questions, comments, and ideas.

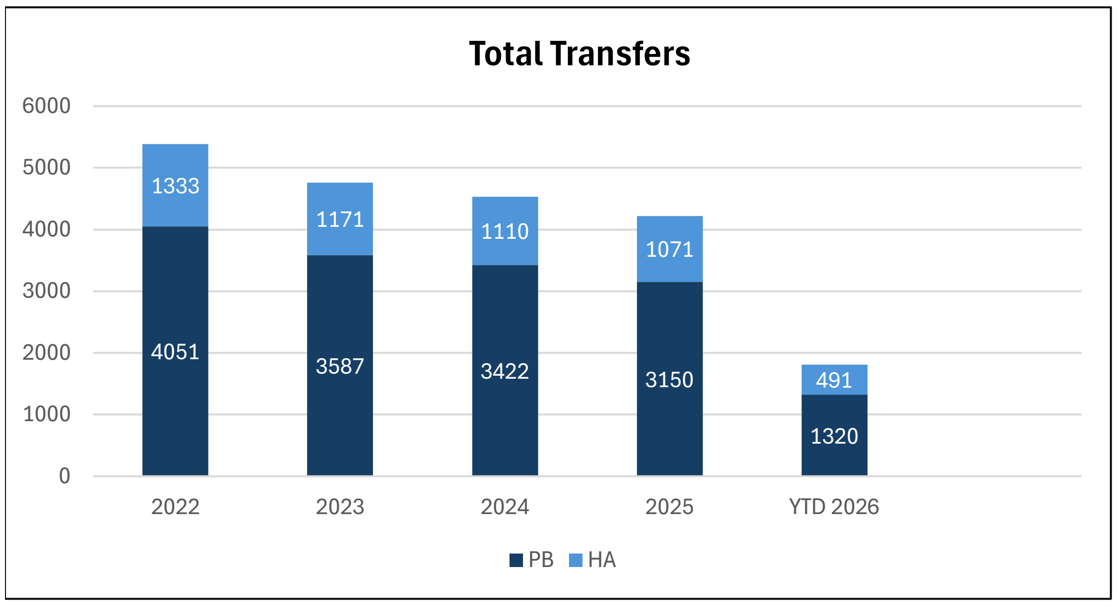
Sincerely,

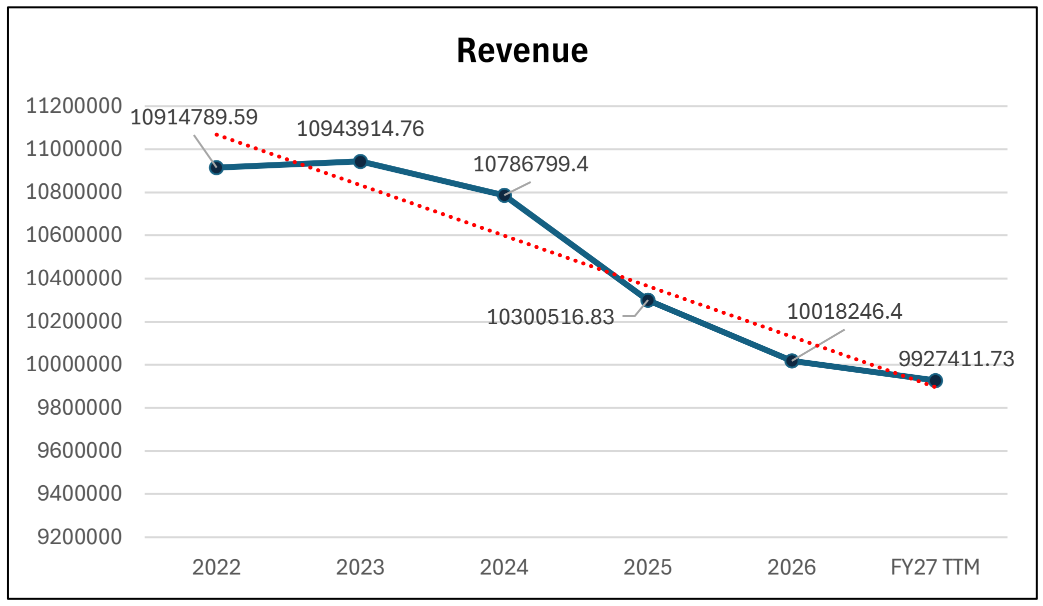
Lisa Blackstone

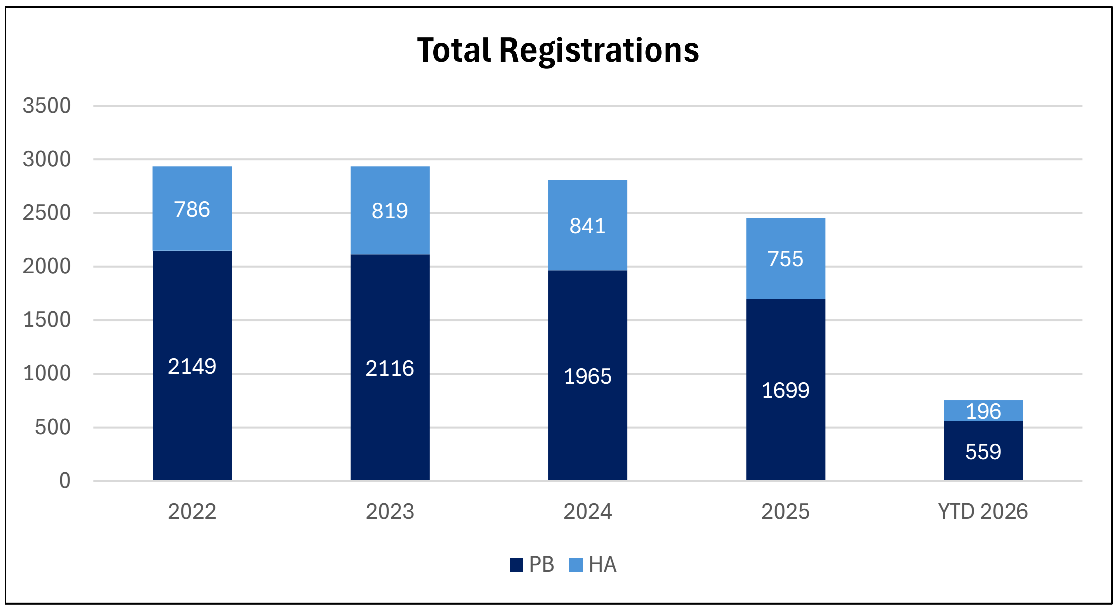
ARABIAN HORSE ASSOCIATION

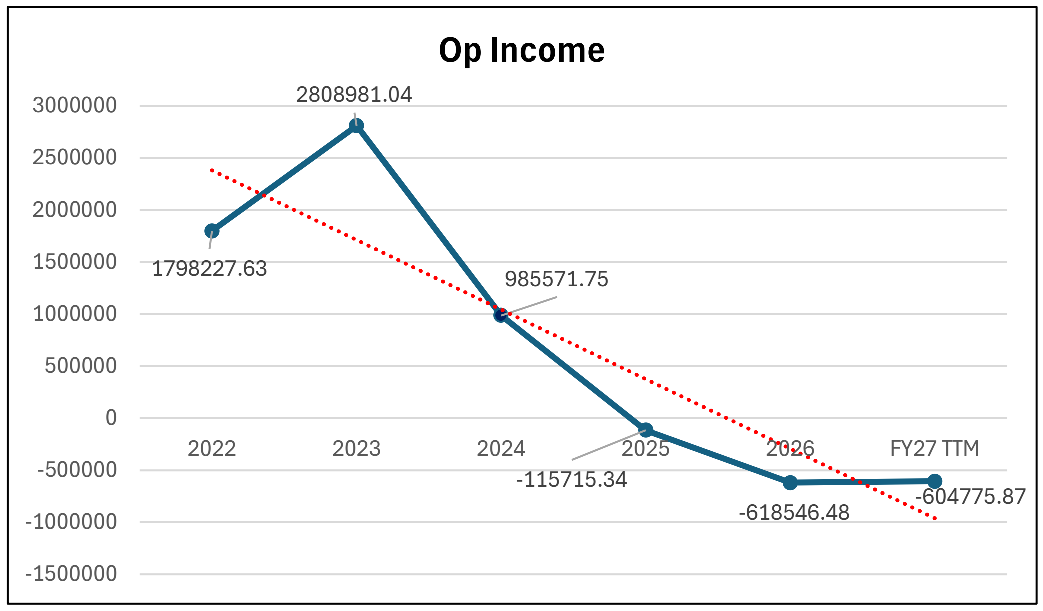
KPI Charts

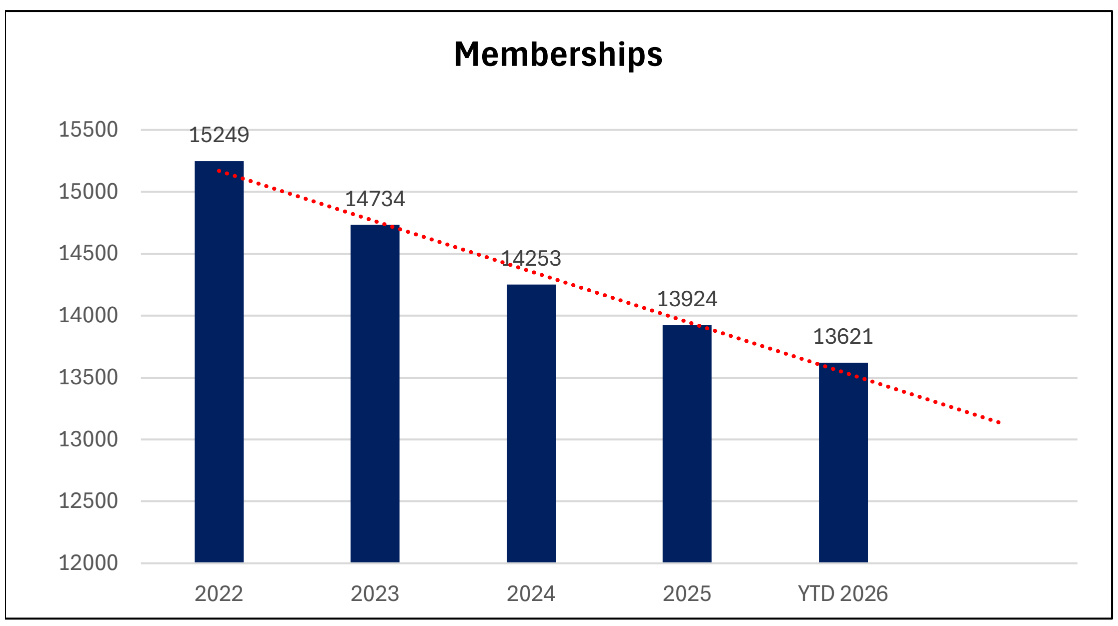
May 31, 2026

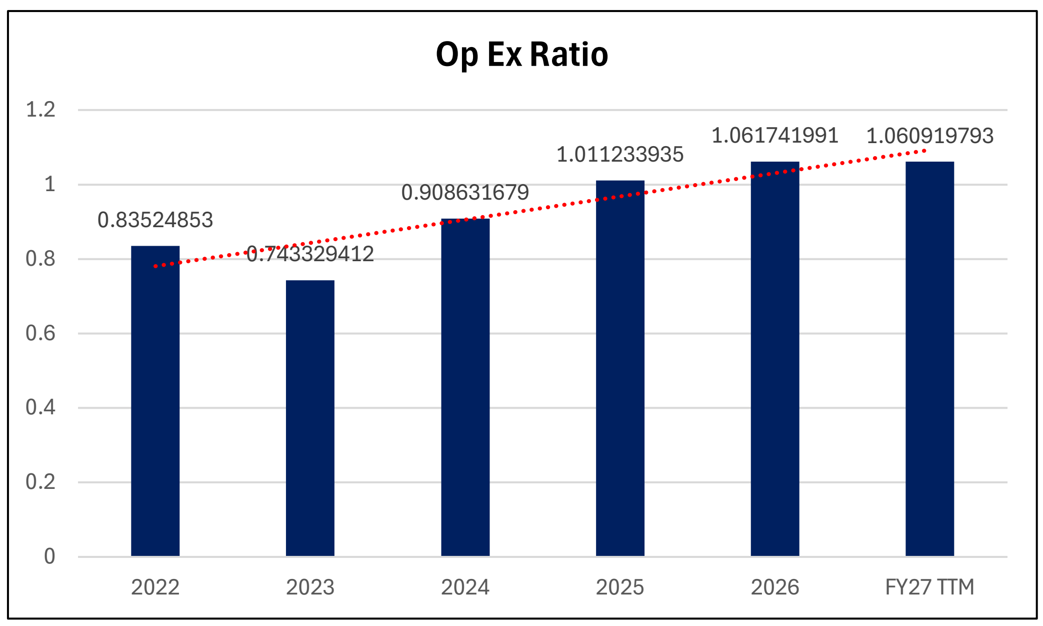


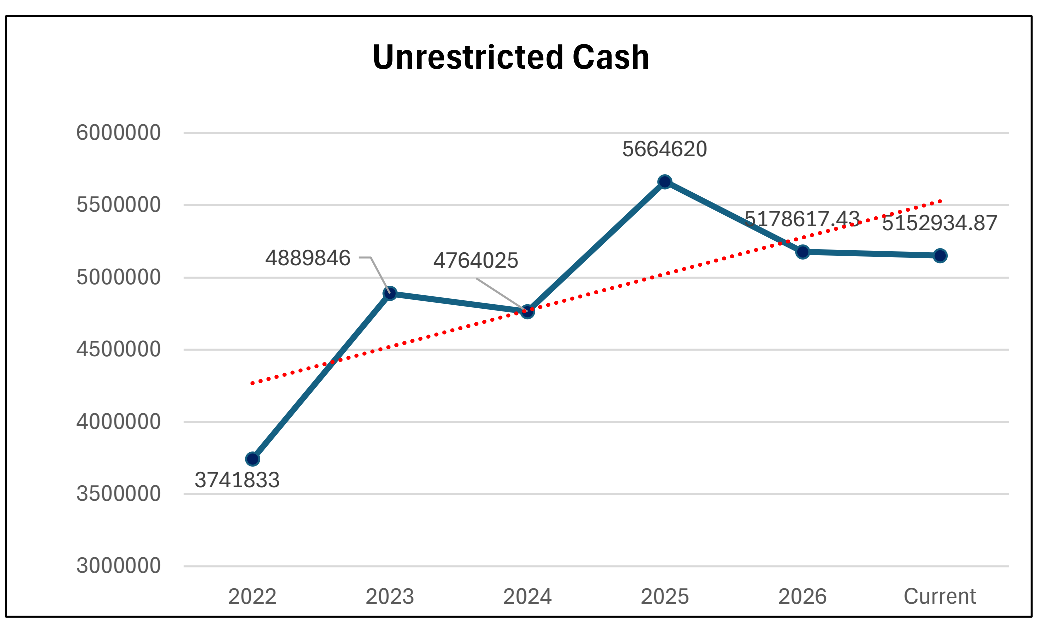












Transfers, Registrations, and Memberships are shown on a Calendar-Year basis while Financial data is shown on a Fiscal Year basis which begins April 1st

ARABIAN HORSE ASSOCIATION

Consolidated Financial Summary

May 31, 2026

	Current Month					Year-to-Date					Trailing Twelve Months		
Consolidated Statement of Activity	**Actual**	**Budget**	**Prior Year**	**vs. Budget**	**vs. Prior Year**	**Actual**	**Budget**	**Prior Year**	**vs. Budget**	**vs. Prior Year**	**Actual**	**Prior Year**	**vs. Prior Year**
Net Revenue	222,991	256,974	266,053	(33,983)	(43,062)	440,706	472,648	531,541	(31,942)	(90,835)	9,927,412	10,337,937	(410,525)
Total Operating Expenses	367,792	374,681	410,768	(6,889)	(42,975)	740,685	744,745	845,290	(4,061)	(104,605)	10,532,188	10,450,709	81,479
% of Revenue	*165%*	*146%*	*154%*	*20%*	*100%*	*168%*	*158%*	*159%*	*13%*	*115%*	*106%*	*101%*	*-20%*
Net Operating Income	(144,802)	(117,707)	(144,715)	(27,094)	(87)	(299,979)	(272,098)	(313,749)	(27,881)	13,771	(604,776)	(112,772)	(492,004)
Margin %	*-64.9%*	*-45.8%*	*-54.4%*	*79.7%*	*0.2%*	*-68.1%*	*-57.6%*	*-59.0%*	*87.3%*	*-15.2%*	*-6.1%*	*-1.1%*	*119.8%*
Interest Income	11,067	-	19,253	11,067	(8,186)	25,568	29,717	38,248	(4,149)	(12,679)	227,508	289,158	(61,650)
Realized Investment Gain/Loss	283,460	-	-	283,460	283,460	283,460	-	-	283,460	283,460	283,460	-	283,460
Unrealized Investment Gain/Loss	(462,366)	-	(57,326)	(462,366)	(405,040)	(229,901)	-	8,185	(229,901)	(238,085)	(74,848)	408,598	(483,446)
Depreciation Expense	(11,491)	(11,408)	(11,046)	(83)	(445)	(22,414)	(22,817)	(22,414)	403	0	(134,853)	(133,303)	(1,550)
Net Income	(324,131)	(129,116)	(193,834)	(195,016)	(130,298)	(243,265)	(265,197)	(289,731)	21,932	46,466	(303,509)	451,681	(755,190)
Margin %	*-145.4%*	*-50.2%*	*-72.9%*	*-95.1%*	*-72.5%*	*-55.2%*	*-56.1%*	*-54.5%*	*0.9%*	*-0.7%*	*-3.1%*	*4.4%*	*-7.4%*

Cash and Liquidity			
	Current	**Prior Year**	**vs. Prior Year**
Cash and Investments			
Unrestricted Cash	619,332	1,542,916	(923,584)
Restricted Cash	129,871	245,122	(115,251)
Total Cash	**749,203**	**1,788,038**	**(1,038,835)**
Unrestricted Investments	4,533,603	4,771,479	(237,877)
Restricted Investements	10,972,593	9,903,631	1,068,962
Total Investments	**15,506,195**	**14,675,110**	**831,085**
Total Cash and Investments	**16,255,398**	**16,463,148**	**(207,750)**
Total Restricted Cash and Investments	**11,102,464**	**10,148,753**	**953,711**
Total Unrestricted Cash and Investments	**5,152,935**	**6,314,395**	**(1,161,460)**