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GRATITUDE REPORT

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OUR MISSION

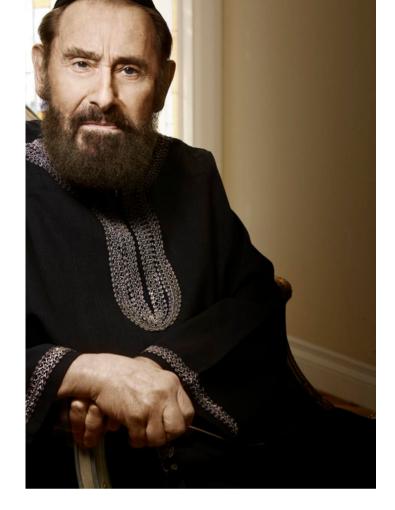
The Kabbalah Centre's mission is to create a positive global change. Through the wisdom of Kabbalah, we empower humanity to transform and achieve true fulfillment.





"The purpose of life, as I understand it from the wisdom I study and teach, is that each and every one of us has within us the Light of God-no matter our religion, race, nationality, political affiliations, or belief system. And we have the responsibility to get to the place in our consciousness where we see and respect that Light and give the person housing it the dignity and space they deserve to live freely."

> – Karen Berg, Co-Founder of The Kabbalah Centre



"Kabbalah is the solution for all ails of this world. The approach of the Zohar is that if you are looking for a solution, it must be a solution for all problems."

– Rav Berg, Co-Founder of The Kabbalah Centre

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ANNUAL DONOR GATHERING

Monica and I were honored to have the opportunity to welcome hundreds of supporters to our Annual Donor Gathering this year. We wish to convey our heartfelt appreciation to all those who have committed themselves to sharing the teachings of Kabbalah with others. Your dedication has provided countless individuals with the opportunity to learn this timeless wisdom, and we are truly grateful for your efforts.



SHARE.KABBALAH.COM/DONORGATHERING2022

GRATITUDE REPORT

THE YEAR IN REVIEW

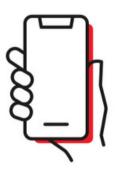
We are deeply grateful for your invaluable support, which made it possible for us to accomplish a plethora of important and inspiring work around the world. Thanks to you, we were also able to showcase these initiatives during the Rosh Hashanah celebration, sparking ever more enthusiasm in our community for spreading the power of Kabbalah. Without your generosity, truly, none of this would have been possible.

See what you helped to build in 2022



GIVING.KABBALAH.COM/2022-VIDEO

IMPACT AT A GLANCE



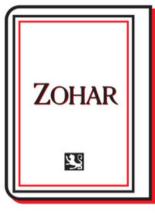


Social media reach



30K

of people impacted by the Karen Berg Scholarship fund



85K

of Zohars revealed via the Rav Berg Zohar Project



31,895 New students



32,409 New students reached by publishing K1

14,363 # of students who took Kabbalah 1

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OUR PROGRAMMATIC PILLARS



Our primary objective is to make Kabbalah accessible and affordable to everyone

Helping as many people as possible gain access to life-changing wisdom is our number one goal. No one should be deprived of the opportunity to experience personal growth and profound self-discovery.



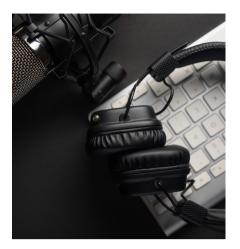
We focus on our local and online communities

We find great joy in seeing our new and long-time students alike learn and benefit from each other. By providing a nurturing space to meet and connect, new students get the support they need, and experienced students get the chance to share and volunteer.



Our digital projects are propelling us into the future

We are incredibly excited about our ongoing efforts to develop our digital platform and apps, as they hold immense potential to reach a wide audience and pave the way for a new generation of students.



Developing new and exciting activities are key to our success

Through a wide range of courses, captivating podcasts, and engaging events, our dedicated teachers endeavor to elevate consciousness in all of our students, including the younger generations.



We make an impact in our local communities

From Mexico to New York to London, our mission is to extend a helping hand – including meals, clothing, and other basic necessities – to those in need in our communities. We are dedicated to making a positive impact by striving to improve the lives of individuals facing difficult circumstances.



We make the Zohar and other ancient writings known to humanity

We are on an unwavering mission to expand the influence of the Zohar and share its profound message of unity, peace, and the end of suffering for all.

AN OVERFLOW OF GENEROSITY

\$19.4M

for sharing the wisdom of Kabbalah

We feel truly blessed to have such amazing and generous supporters. Through your donations, we are able to bring Kabbalah to millions of people around the world. This simply would not be possible without you.

We stand in awe of how much good can be accomplished when our supporters join forces to fund our programs. It is through your incredible contributions that Kabbalah's teachings can reach so many people and bring about a better world for all of us.

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UNSTOPPABLE SUPPORTERS

The commitment, strength, and heart of our community serve as the binding force that keeps all our collective endeavors thriving, and we couldn't be more grateful.

THE KAREN BERG SCHOLARSHIP FUND

In 2022, we experienced an incredible 36% increase in the number of students sponsored through this project. Over 130,000 people have been impacted by The Karen Berg Scholarship Fund since its inception. Watch Monica, a scholarship recipient's story below.

<u>GIVING.KABBALAH.COM/SCHOLARSHIP-IMPACT</u>

"My name is Monica and I'm very grateful for discovering The Kabbalah Centre and most grateful for having access to the scholarship that opened the gate for me to awareness and knowledge". Scholarship Recipient

On behalf of the Kabbalah Centre and all who benefit from it, we are deeply grateful for your generous contribution to the Karen Berg Scholarship Fund.



THE RAV BERG ZOHAR PROJECT

In 2022, a remarkable milestone was achieved as over 85,000 Zohars were revealed worldwide.

34,000 through the Eastern European Peace Project 10,000 in Florida following Hurricane Ian 6,700 spread to hundreds of NY subway stations

Thousands of political figures and other world leaders and tens of thousands more from our global network of committed volunteers

As Rav Berg would often share: "It's all about the Zohar"



We would like to express our gratitude to all the donors and volunteers who have dedicated their time and effort to share the Light of the Zohar.



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Following the devastating aftermath of Hurricane Ian in Florida, an incredible display of compassion unfolded as volunteers came together to distribute over 10,000 Zohars to the affected areas.

A new initiative called "Take 10" blessed the entire New York City Subway system with the gift of Zohars. Through a series of seven outings covering 365 subway stations, 16 subway complexes, and the headquarters of the Metropolitan Transportation Authority (MTA), the campaign illuminated the city with the Light of the Zohar.





The Eastern Europe Peace Project (EEPP) centered on safeguarding and fostering peace by creating a protective "belt" of 34,000 Zohars across Eastern Europe. Efforts include partnering with local organizations, group outings, and united meditations.

ZOHAR APP

9:59	≈ ■
4	DONATE
Z ₁ HAR	
THIS WEEK February 15, 2023 • 24 Shevat 5783	
Mishpatim 31 Chapters, 581 Verses	
TOPICS	
reater Awareness	[□] Persor
🗱 Health and Healing 🐐	Prospe
Vercoming Challenges	麊 Pr
FULL ZOHAR	1
Zoīius Prologue, Idra Rabba, Safra Det'zniuta	>
The Zohar Lessons Community	Account

This free app will bring the Zohar to everyone, everywhere, in the blink of an eye.

Thanks to the generosity of our donors, we are creating history by revolutionizing how people connect with the divine power of the Zohar. The Zohar app is packed with exciting features, but the true gem lies in the ability to effortlessly follow along and listen to the entire Zohar as it is read by Kabbalah Centre teachers.

See a preview of the app here: <u>hew?usp=share_link</u>

GIVING.KABBALAH.COM/ZOHAR-APP-UPDATE



Thanks to your support, we were able to make a significant impact in the lives of thousands of teens and parents by providing them with valuable tools and a supportive community. Here are some of the achievements we accomplished in 2022:

- The first Kabbalah 1s for teens and pre-teens opened online with students from 11 countries around the world
- "How to Be: Kabbalah for Young Adults" YouTube series released
- In-person gatherings for youths held in Connecticut, Mexico, Los Angeles, New York, Miami, Paraguay, London, and Israel
- Youth Guidance service launched, offering personalized instruction for teens

This challenge s happening for Me - Not To Me! is

10:15 am



Libby Landry 10:30am

Just a short note of thanks to the teachers of this class. We've been feeling the need for kabbalah targeted to youth and it's so great to have it. Many thanks to all involved!!

Angel Miller

10:15 am

Agreed.. this is such a huge blessing! We don't live near a centre, so there is no opportunity for my teens to connect. Thank you so much! My kids are loving it! They really treasure this time every week where they can share and ask questions with no judgement.



This is like my dream class.

SP

"Where do these kids come from? LOL. How did they learn these things? I'm 37 and barely getting to this knowledge! I wanna be like you when I grow up. Thanks for these episodes." - Lila Marix



Released on October 18th, 2022, during Dyslexia Awareness Month, The Gift of Being Different hit #1 on Amazon's New Release list in the "Teaching Students with Learning Disabilities" category.

Michael and Monica hosted book events at our Centres in New York, Miami, and Los Angeles. Monica and her daughter and her inspiration for the story, Abigail, shared the book's uplifting message through renowned media platforms like Good Morning America, Good Day New York, Mother Magazine, The Balanced Blonde, an IG Live with Lisa Bilyeu, as well as visiting dozens of schools and bookstores around the country. They've inspired hundreds of kids of all ages to recognize that that which makes them different is usually their superpower.

Over 5,000 copies were distributed, and thanks to your generous donations, hundreds have been donated to a wide variety of places, including schools, libraries, bookstores, wellness centers, child development centers, and charities.

THE GIFT OF BEING DIFFERENT

"You caught so many of the nuances, and how kids actually process. I found it very moving and unexpectedly had a lump in my throat at the end... Well told. This will do so much good. I can feel the wave of light and how it will energetically lift up little beings unsure of their "superpower," yet. What a precious contribution to the world." — Ryan H

I love how the book describes the feelings and perception someone with dyslexia can experience. I loved the imagery the illustrations provided. Everything The Gift of Being Different shares is done with kindness, as well as awareness." —Jocelyn K



SPIRITUALLY INGRY

Launched in 2020, **The Spiritually Hungry Podcast** is Monica and Michael Berg's weekly podcast series that sees them share proven spiritual wisdom and tools to help us tangibly change our lives for the better.

With the duo's thought-provoking takes on a variety of stimulating topics, the podcast has become a go-to resource for over **13,000** dedicated listeners each month.

In what has been a delightfully engaging journey, Monica and Michael have poured their hearts into recording over 120 episodes in just two short years, touching the lives of countless individuals seeking positive change. And in 2022, they hosted the first-ever Spiritually Hungry retreat in Mayakoba, Mexico, with 250 students from all over the world in attendance. "Thank you very much for all the time, love, and effort you put into your podcast. It is one of my favorite things in life. It always makes me smile and feel better after listening to it. I consider you both my teachers and I'm really grateful I found this podcast; I really don't know how my life would be right now without it. Thanks to you my life has improved a lot and I have made better choices. I can't express in words what this podcast means to me." -Jorge V.

I found Kabbalah some years ago and my life has been much better and happier ever since. Although I try all time to apply the wisdom of Kabbalah in my life, I have to say that sometimes I found myself doing or saying things that I should not. But it is a constant battle, right? To be the person I am meant to be. There is beauty in the constant correction. Listening to your podcast has been an amazing help to achieve that, so I thank you for recording it and letting me open my heart and mind to this beautiful wisdom. - Brenda I.



END OF YEAR MATCHING DONATION CAMPAIGN

We are filled with immense gratitude for the overwhelming support that The Kabbalah Centre received during the holiday season. The outpouring of generosity from 1,700 supporters and 35 matching donors has been truly humbling.

Your contributions propelled us to a remarkable milestone of nearly \$2.3M!

This incredible show of support will help us finish 2022 on a high note and kickstart 2023 with a burst of energy and enthusiasm as we strive to share the transformative tools of Kabbalah with more souls than ever. We invite you to watch this video by Michael Berg to see how your generous donations are already making a real difference in the lives of those we serve in early 2023.

GIVING.KABBALAH.COM/KABBALAH-ONE-IMPACT



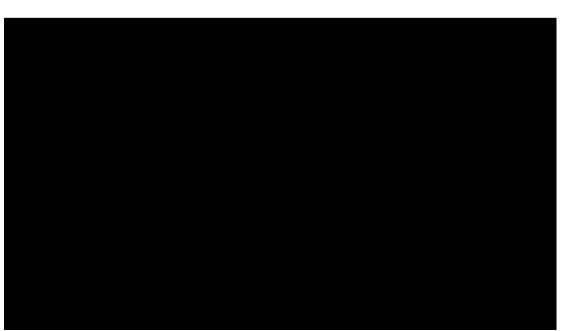


Thanks to the completion of the Torah that was founded in her honor, Karen's day of elevation was particularly meaningful this year. This Sefer Torah holds a special significance as it connects and channels Karen's energy from both the physical and metaphysical realms. The blessings received from this Torah stem not only from Karen's desire to make Kabbalah accessible to all but also from the spiritual work she continues to do beyond this physical world.

"May the Light of this Torah connect us to the Light and path of our dear mother, teacher, and guide, Karen. May we merit the complete removal of pain, suffering, and death from this world."

Watch this heartfelt message from Monica Berg on Karen's elevation day

KABBALAH.COM



PUBLISHING

Thanks to the generous support of our donors, 17 Kabbalah books have been released, including 11 eBooks, 2 audiobooks, and 4 new releases.



Among the new releases are:

The Gift of Being Different, Nano Technology in French, Tikkunei Zohar Volume 3, The Rav and Karen Sacred Zohar Volume 2, which includes sections of the Zohar never before compiled together.

Several books have also been released as audiobooks or eBooks, including:

Immortality, Finding the Light through the Darkness, The Red String Book: The Power of Protection, Simple Light: Wisdom from a Woman's Heart, Rethink Love Workbook and in Spanish: Prosperidad Verdadera, Educacion De Un Kabbalista, and Fear Is Not An Option.

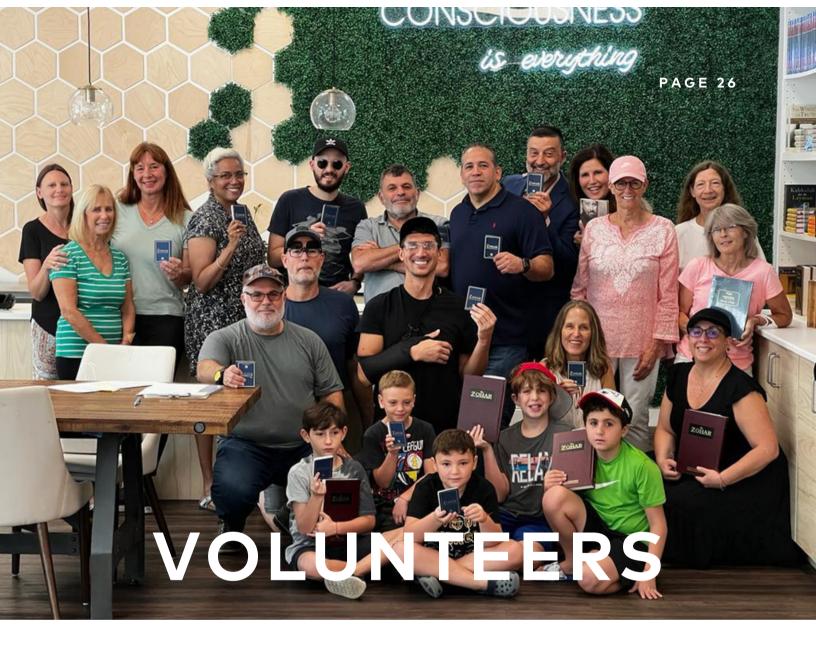
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COMMUNITY OUTREACH

Students at Centres worldwide organized local outings to give back to their communities. Here are a few highlights:

- London, New York, Berlin, Los Angeles, and Panama Centres partnered with local non-profits supporting unhoused women and children.
- 200 volunteers distributed 2,500 coats, meals, toys, clothes, and essentials to those in need.
- UK children received The Gift of Being Different
- Los Angeles adults received Zohar and kabbalistic guidance
- Panama orphans enjoyed fun activities before the holidays
- Purim donations supported The Global FoodBanking Network, providing 23,002 meals to families facing food insecurity.

We couldn't be prouder of our community's compassion and commitment to making a positive difference in the lives of those in need.



The impact of our incredible volunteers cannot be overstated. They have played an instrumental role in spreading the wisdom of Kabbalah to people from all walks of life, in every corner of the world. **It is through their selfless contributions that we have been able to empower individuals with the tools and teachings they need to navigate life's challenges and overcome adversity.**

Our generous volunteers allow us to provide a helping hand to every new student in the form of mentors who guide them on their spiritual journey. Additionally, we have continued to host a range of enlightening events at our Centres worldwide, all thanks to the invaluable contributions of our volunteers.

Thanks to the dedication of our volunteers, Kabbalah.com and the Spiritually Hungry podcast are available in 10 languages, including English, Spanish, Portuguese, French, Italian, Russian, Hebrew, German, Polish, and Serbian.

FINANCIALS

Kabbalah Centre International, Inc. and Affiliates

Supplementary Information - Combining Statement of Activities and Changes in Net Assets

Year Ended December 31, 2022

	ксі	KCNY	KCFL	KCUS	Subtotal	Eliminations	Combined
REVENUES, GAINS, AND OTHER SUPPORT							
Contributions, includes in-kind of \$22,073	\$ 9,214,574	\$ 3,387,264	\$ 2,100,510	\$ 1,509,413	\$ 16,211,761	\$ -	\$ 16,211,761
Premium and community membership, net of discounts	1,515,322	186,308	154,534	115,579	1,971,743		1,971,743
Events and classes registration	1,308,194	772,604	417,785	500,096	2,998,679	-	2,998,679
Less events and class costs	(646,230)	(455,815)	(148,724)	(174,043)	(1,424,812)	-	(1,424,812)
Net events and classes sales	661,964	316,789	269,061	326,053	1,573,867		1,573,867
Bookstore sales	1,560,144	187,888	147,088	156,945	2,052,065	-	2,052,065
Less cost of good sold	(936, 167)	27,142	(39,766)	7,131	(941,660)	-	(941,660)
Net bookstore sales	623,977	215,030	107,322	164,076	1,110,405		1,110,405
Social media revenue	-	-	-	-	-	-	-
Administration services	1,296,000	-	-	-	1,296,000	(1,296,000)	-
Interest and dividends income	134,187	5,315	479	127,403	267,384	-	267,384
Net unrealized and realized loss on investments	(474,396)	(69,139)	(3,102)	(737,284)	(1,283,921)	-	(1,283,921)
Net gain on sale of fixed assets	1,480,464	-	4,083	8,551,860	10,036,407	-	10,036,407
Rental income	168,000	2,492,211	509,089	416,044	3,585,344	-	3,585,344
Miscellaneous income	533,738	22,291	44,455	253,963	854,447		854,447
Net revenue, gains, and other support	15,153,830	6,556,069	3,186,431	10,727,107	35,623,437	(1,296,000)	34,327,437
FUNCTIONAL EXPENSES							
Program services							
Services to members	9,699,398	4,670,513	3,119,818	2,598,281	20,088,010	(1,296,000)	18,792,010
Supporting services							
Management and general	1,862,478	2,273,588	495,508	991,814	5,623,388	-	5,623,388
Fundraising	124,266		163	-	124,429		124,429
Total supporting services	1,986,744	2,273,588	495,671	991,814	5,747,817	-	5,747,817
Total functional expenses, before depreciation and amortization	11,686,142	6,944,101	3,615,489	3,590,095	25,835,827	(1,296,000)	24,539,827
Change in net assets, before depreciation and amortization	3,467,688	(388,032)	(429,058)	7,137,012	9,787,610		9,787,610
Depreciation and amortization	624,995	2,357,537	581,830	327,663	3,892,025	<u> </u>	3,892,025
Changes in net assets	2,842,693	(2,745,569)	(1,010,888)	6,809,349	5,895,585	-	5,895,585
NET ASSETS, beginning of year	2,229,159	37,769,021	7,501,930	31,271,037	78,771,147	<u> </u>	78,771,147
NET ASSETS, end of year	\$ 5,071,852	\$ 35,023,452	\$ 6,491,042	\$ 38,080,386	\$ 84,666,732	\$ -	\$ 84,666,732

See Independent Accountant's Review Report.

All other expenses 15% Fundraising Salarie expenses s 6% 38% Equipment & **Supplies** 5% Facilities Mgmt 9% Technolog У Legal & Other 9% Consulting Fees 4%

14%

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FINANCIALS

CFO STATEMENT

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Dear Students, Community Members, and Supporters,

During 2022, we marked the 100th Anniversary milestone for The Kabbalah Centre, and are proud to share the financial health of the organization to continue expanding into its second century of positively transforming lives. It was a year of growth, and therefore investment, around the world. With restrictions due to the COVID-19 pandemic waning, The Kabbalah Centre fully opened up all physical Centre locations in early 2022. With these re-openings came significant investments in technological infrastructure and marketing initiatives, which will continue in 2023, toward achieving our goals of reaching more and more new students with the wisdom, tools, and impact of the kabbalistic teachings. We were able to make these growth-driving investments in the midst of a sluggish economy, which continues to feel the effects of market volatility, rising interest rates, inflation, and the continued war in Ukraine. Even with these economic challenges, we achieved yet another year of resilient cash flow performance.

Our key funds continue to grow with increased support year-over-year, with 2022 seeing a 36% increase in students sponsored through the Karen Berg Scholarship Fund and a remarkable 85,000 Zohars distributed through the Rav Berg Zohar Project Fund. The ROOTS program also continued its expansion, with an impactful 581% increase in donations year-over-year, allowing our teams to introduce new teen-focused content and courses.

Through the finance, leadership, and management teams' steadfast hard work, determination, and great care throughout 2022, The Kabbalah Centre has continued the incredible financial transformation, which started in 2019, that has allowed us to continue to operate with financial stability in 2022 and thus far in 2023. This transformation is a direct result of the hard work to manage, and significantly reduce, the Centre's operating expenses and contractual obligations. Equally as important to our growth, the Centre has continued to proactively invest in our digital infrastructure and marketing initiatives, which has allowed us to generate enormous sustainable growth. Together, through the generation of mixed revenue sources and with reduced expenses, we have been able to realize results in 2022 that have yielded a surplus for the Centre.

ACCOUNTABILITY

For the fifth consecutive year, starting in 2018, we engaged an independent audit firm, SAX LLP, to conduct a thorough review of the Centre's financial statements. All of this was pursued with our goal and commitment to you of fostering a culture of transparency, accountability, and stewardship for the financial support and donations you entrust us with. Throughout this process, we have held ourselves to higher standards of financial reporting and review than those required of a non-profit 501(c)(3) religious sub-class designated organization, which is The Kabbalah Centre's filing status under the U.S. IRS tax code, which are not required under law to file annual financial updates.

It is with great privilege and pleasure that we hereby report that the independent outside audit firm issued a clean opinion of the Centre's financial statements for the year ended December 31, 2022. The bottom-line results for 2022 reflect an overall net surplus of close to \$10 million before depreciation expense. We were able to achieve such results while furthering our efforts to invest in technology and marketing efforts.

STEWARDSHIP

We've continued in our concerted internal efforts over the past year to continually improve our stewardship of resources. From our 2017 peak of \$60 million, we've reduced our overall annual expenses to ~\$28.4 million as of December 31, 2022, a 54% reduction in total expenses.

STABILITY & GROWTH

As we celebrate the Centre's 100-year anniversary, we continue on our growth path to expand our reach by investing in our talent and technological infrastructure. In this pursuit, we continue to focus on five key categories:

- 1. Technology and digital presence
- 2. Reaching new students at a global level
- 3. Spreading The Zohar In English & Spanish
- 4. Educating and supporting kids and teens The ROOTS Kabbalah Centre Youth Program
- 5. Kabbalah Centre Publishing

Underpinning these five categories of growth is the Centre's digital presence and platforms. As stated in 2021, we have begun our first year of a three-year capital investment into our overarching technological infrastructure. In 2022, this investment encompassed significant progress on the free Zohar app, the beginnings of a new app to reach thousands of new students, and new features and functionality within Kabbalah.com. Amidst all of these concerted positive efforts, there are still obstacles and challenges facing the financial health of The Kabbalah Centre. As a nonprofit organization dedicated to altruistic goals of spreading spiritual teachings and, through them, improving our students' lives, we endeavor to make the teachings and services we offer as affordable as possible for anyone to be able to access them. In addition, much like higher educational institutions, we rely on a robust cast of talented teachers and Chevre and their dedication, passion, and knowledge to disseminate this wisdom and nurture the spiritual journeys of our students. This large, global staff base carries an associated cost, one in which we are committed to continuing to invest in by offering competitive wages and benefit packages.

As of this letter dated August 2023, the conflict in Ukraine initiated by Russia continues to rage onward, while interest rates are at an all-time high and inflation concerns continue to have a global impact. We know the world is in need of the Kabbalistic wisdom and tools the Centre offers more than ever, and despite such uncertainties and challenges, we are committed to supporting its widespread dissemination through thoughtful and cost-effective means.

As we look ahead, our goal is to remain cash-flow-positive throughout 2023. We have experienced some reduction in revenue and increased our unanticipated costs, but we're confident with the help of the community, we will have positive year-end results for 2023. Our priority continues to be ensuring The Kabbalah Centre continues to fulfill our mission of spreading the wisdom of Kabbalah to all who desire to learn around the world. The Kabbalah Centre has gone through many iterations and evolutions throughout its history and our operational and financial commitment to you is to ensure the organization is on solid and stable ground to enable a foundation that can allow it to evolve and grow in the decades to come, and beyond.

With warmest regards, Angelo Federico, CFO

LOOKING AHEAD

We envision a brighter future as we strive to bring an end to pain and suffering.

A century ago, the great kabbalist, Rav Ashlag, made a momentous decision to tear down the walls separating humanity from the profound wisdom of Kabbalah. His goal was nothing less than to bring ultimate fulfillment to every man, woman, and child on the planet.

Today, we stand witness to the extraordinary fruits of the labors of these visionary kabbalists. The Kabbalah Centre has emerged as a beacon of hope and an influential force in the quest to make our world a better place for all.

As we look ahead to 2023, we are filled with optimism and enthusiasm thanks to the tireless efforts of our dedicated students, donors, and volunteers. Your unwavering support has been the driving force behind our growth, enabling us to reach more people and touch more lives than ever before.

Our community is at the heart of everything we do. We recognize that without their commitment and generosity, we could never hope to achieve our vision of bringing an end to suffering and ushering in a new era of enlightenment and peace.

We are inspired by the spirit of tikkune, the kabbalistic concept of repairing the world, and remain committed to this mission until the very end. Together, we will continue to work towards a brighter future, guided by the timeless wisdom of Kabbalah and fueled by the passion and dedication of our community.

To learn more about current and future Centre projects, please contact donorcare@kabbalah.com or visit kabbalah.com





GRATITUDE REPORT

