MedAssist Holding, LLC
And Subsidiaries

Financial Statements
With Supplementary Information
For the Year Ended March 31, 2023
Together With
Independent Auditor's Report

MEDASSIST HOLDING, LLC AND SUBSIDIARIES

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INDEPENDENT AUDITOR'S REPORT

To the Mangement of
MedAssist Holding, LLC and Subsidiaries
Amherst, New York

Opinion

We have audited the accompanying consolidated financial statements of MedAssist Holding, LLC and Subsidiaries (the "Company's") which comprise the consolidated balance sheet as of March 31, 2023, and the related consolidated statements of income and retained earnings, and consolidated cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company's as of March 31, 2023, and the consolidated results of operations and their consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 MedAssist Holding, LLC and Subsidiaries and to meet the other ethical responsibilities in accordance with the 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 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 MedAssist Holding, LLC and Subsidiaries' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted 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 MedAssist Holding, LLC and Subsidiaries' 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 MedAssist Holding, LLC and Subsidiaries' 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 taken as a whole. The supplementary information, as listed in the table of contents, 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 taken as a whole.

Allied CPAs, P.C.

Rochester, New York
June 16, 2023

MEDASSIST HOLDING, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
AS OF MARCH 31, 2023

ASSETS

Current assets:		
Cash	$	626,946
Accounts receivable, net of allowance for doubtful accounts of $2,883,207		34,683,678
Unbilled revenue		9,219,999
Prepaid expenses		2,457,859
Other current assets		1,594,899
Total current assets		48,583,381
Property, equipment and intangibles, net		4,358,214
Right to use assets, net		18,770,815
Goodwill		4,919,690
Due from related parties		27,645,956
TOTAL ASSETS	**$**	**104,278,056**

LIABILITIES AND STOCKHOLDER'S EQUITY

Current liabilities:		
Accounts payable	$	1,971,663
Accrued expenses		12,514,996
Other current liabilities		191,454
Current portion of operating lease liability		3,352,488
Current portion of financing lease liability		207,346
Total current liabilities		18,237,947
Long-term liabilities:		
Long-term lease liability - operating, net of current maturities		17,633,013
Long-term lease liability - financing, net of current maturities		183,073
Deferred tax liability		7,211,745
Total liabilities		43,265,778
Stockholder's equity:		
Common stock, par value $.01 per share; 992 shares authorized, issued and outstanding		10
Additional paid-in-capital		9,504,889
Retained earnings		51,507,379
Total stockholder's equity		61,012,278
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	**$**	**104,278,056**

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

MEDASSIST HOLDING, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED MARCH 31, 2023

NET REVENUES FROM SERVICES	$ 231,506,876
EXPENSES	
Cost of revenue	138,585,561
Depreciation and amortization	6,253,156
Consultancy	30,580,504
Other operating expenses	32,609,369
TOTAL EXPENSES	208,028,590
NET PROFIT FROM OPERATIONS	23,478,286
OTHER INCOME (EXPENSE)	
Interest expense	(959,575)
Loss on sale of fixed assets, net	(79,678)
TOTAL OTHER INCOME (EXPENSE), NET	(1,039,253)
NET INCOME	22,439,033
Retained earnings - beginning of year	29,068,346
RETAINED EARNINGS - END OF YEAR	**$ 51,507,379**

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

MEDASSIST HOLDING, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES	
Net income	$ 22,439,033
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	6,253,156
Changes in operating assets and liabilities:	
Decrease (increase) in assets:	
Accounts receivable	(8,551,660)
Unbilled revenue	(4,523,582)
Prepaid expenses	2,863,963
Due from related parties	(14,788,507)
Other current assets	(336,496)
Increase (decrease) in liabilities:	
Accounts payable	(2,096,118)
Other current liabilities	(74,213)
Accrued expenses	2,554,611
NET CASH PROVIDED BY OPERATING ACTIVITIES	3,740,187
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of equipment and leasehold improvements	(1,167,949)
NET CASH USED IN INVESTING ACTIVITIES	(1,167,949)
CASH FLOWS FROM FINANCING ACTIVITIES	
Reduction in lease liability	(3,607,077)
NET CASH USED IN FINANCING ACTIVITIES	(3,607,077)
NET INCREASE IN CASH	(1,034,839)
CASH AT BEGINNING OF YEAR	1,661,785
CASH AT END OF YEAR	**$ 626,946**
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:	
Cash paid for interest	$ 959,575

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

Note 1 - Organization

Organization
MedAssist Holding, LLC is a Kentucky corporation, formed in April 2003. The Company is a leading provider of revenue cycle management services in the healthcare industry. The MedAssist Holding, LLC is a wholly owned subsidiary of Firstsource Group USA, Inc., (a State of Delaware corporation), which is a wholly owned subsidiary of Firstsource Solutions Limited (a Nation of India corporation).

Subsidiaries
Firstsource Solutions USA, LLC, a limited liability company organized under the laws of the state of Delaware in April 1995, is a wholly owned subsidiary of MedAssist Holding, LLC and is a leading provider of revenue cycle management services in the healthcare industry.

Firstsource Health Plans and Healthcare Services, LLC, a limited liability company organized under the laws of New York State in April 1995, is a wholly owned subsidiary of Firstsource Solutions USA, LLC and provides debt collection services to major credit card issuers and banks throughout the United States.

PatientMatters, LLC, a limited liability company organized under the laws of the State of Delaware in April 1988, is a wholly owned subsidiary of Firstsource Solutions USA, LLC, is a leading revenue cycle management solutions provider with focus on US Healthcare Providers and provides Patient Advocacy services and Front-end RCM and SaaS platform to address the Patient Responsibility and Self-pay segment. PatientMatters, LLC has a strong presence in Texas, Arkansas, Montana and New York.

Medical Advocacy Services for Healthcare, Inc. was incorporated under the laws of the State of Texas on September 6, 1988, is a wholly owned subsidiary of PatientMatters, LLC. Medical Advocacy Services for Healthcare, Inc. provides contact center and transaction processing services for customers in the financial services, telecommunications and healthcare industries. Medical Advocacy Services for Healthcare, Inc. is a leading revenue cycle management solutions provider with a focus on US Healthcare Providers and provides Patient Advocacy services and front-end RCM SaaS platform to address the Patient Responsibility and Self-pay segment.

Kramer Technologies, LLC was incorporated under the laws of the State of Delaware on March 6, 2012 is a wholly owned subsidiary of PatientMatters, LLC and is a leading revenue cycle management solutions provider with a focus on US Healthcare Providers and provides Patient Advocacy services and front-end RCM SaaS platform to address the Patient Responsibility and Self-pay segment and has a strong presence in Texas, Arkansas, Montana, and New York.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting
The financial statements of the Company have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents
For purposes of the statement of cash flows, the Company considers all highly liquid investment instruments with an original maturity of three months or less to be cash equivalents.

Concentration of Credit Risk
Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. All such financial instruments involve risk by their nature including the credit risk of non-performance by counter parties. In management's opinion, there was no significant risk of loss in the event of non-performance to these financial instruments, other than amounts already provided for in the consolidated financial statements. The Company's cash accounts are concentrated in a few financial institutions. Although the cash accounts at March 31, 2023 exceed the federally insured deposit limit, management does not anticipate nonperformance by the financial institution. Exposure to credit risk is managed through credit approvals, establishing credit limits, and monitoring procedures.

Note 2 - Summary of Significant Accounting Policies (Continued)

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The company wrote off $562,750 to bad debts during the year ended March 31, 2023.

Property, Equipment and Intangibles

Fixed assets are stated at cost, net of accumulated depreciation. Assets under capital leases are stated at the present value of minimum lease payments. Leasehold improvements are depreciated on a straight-line basis over the shorter of the estimated useful life of the asset and the term of the lease. Depreciation of other equipment is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Computer equipment	2-4 years
Furniture and fixtures	2-5 years
Office equipment	2-5 years
Computer software	2-4 years
Leasehold improvements	5 years

Revenue Recognition

Revenue from operations comprises debt collection services to major credit card issuers and banks and is billed in accordance with the contractual terms specified in the respective customer contracts. Revenue from fixed fee based service contracts is recognized based on achievement of performance milestones specified in the customer contracts. Revenue from debt collection services is recognized when debts are collected.

In accordance with ASU 2014-09, Revenue from Contracts with Customers (Topic 606), the Company recognizes their revenue from contracts using the following five-step process: 1) Identify the contract(s) with a customer, 2) Identify the performance obligations in the contract, 3) Determine the transaction price, 4) Allocate the transaction price to the performance obligations in the contract, and 5) Recognize revenue as the Company satisfies a performance obligation.

Unbilled revenue represents work executed in accordance with the terms of the agreement with customers but not billed as of the balance sheet date.

Transaction Price

The nature of the Company's contracts gives rise to several types of variable consideration. The Company includes in the contract estimates additional revenue for claims against the customer when the Company believes it has an enforceable right to the claim, the amount can be estimated reliably, and its realization is probable. In evaluating these criteria, the Company considers the contractual/legal basis for the claim, the cause of any additional costs incurred, the reasonableness of those costs and the objective evidence available to support the claim. These estimates are based on historical experience, anticipated performance and the Company's best judgement at the time.

Combined Contract

The Company evaluates whether two or more contracts should be combined and accounted for as a single contract and whether the combined or single contract should be accounted for as more than one performance obligation. This evaluation requires significant judgement and the decision to combine a group of contracts or separate the combined or single contract into multiple performance obligations could change the amount of revenue and profit recorded in a given period.

Contract Modifications

Contract modifications are routine in the performance of the Company's contracts. Contracts are often modified to account for changes in the contract specifications or requirements. In most instances, contract modifications are for services that are not distinct, and therefore, are accounted for as part of the existing contract.

Note 2 - Summary of Significant Accounting Policies (Continued)

Contract Estimates
It is reasonably possible that changes in estimates may occur in the near term and those revisions and cost and revenue estimates are reflected in the period in which the facts that require the revisions become known.

Leases
The Company recognizes all long-term leases on their balance sheet as a lease liability at the present value of future lease obligations at the commencement of the lease with a corresponding right-of-use asset, that is amortized over the life of the lease.

Income Taxes
Current income taxes are provided for in accordance with the applicable laws in various tax jurisdictions in which the Company operates. Income tax expense consists of the current tax provision and the net change in the deferred tax asset or liability for the year. Deferred income taxes are determined under the asset and liability method. Deferred tax assets and liabilities are recognized for future tax consequences of temporary differences between the carrying amounts of assets and liabilities, and their respective tax bases and operating loss and business loss carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of changes in tax rates is recognized in the results of operations in the period of enactment of the change. The measurement of deferred tax assets is reduced, if necessary, by a valuation allowance if it is more likely than not that some portion or all of the assets will not be realized.

Advertising and Marketing
The Company expenses all advertising and marketing costs when incurred. Marketing expense was $970,914 for the year ended March 31, 2023.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events
The Company has evaluated events and transactions after March 31, 2023, and through June 16, 2023, which is the date the financial statements were available to be issued for potential recognition and disclosure in the financial statements.

Note 3- Related Party Transactions

As of March 31, 2023, accounts receivable (payable) related parties consist of the following:

Firstsource Solutions Limited	$	(14,843,752)
Sourcepoint Fulfillment Services, Inc		(34,149)
Firstsource Group USA, Inc		35,051,213
One Advantage, LLC		(160,846)
Sourcepoint, Inc		7,464,956
Firstsource Solutions UK Limited		1,502
Firstsource Advantage LLC		37,944
American Recovery Services, Incorporated		9,739
The Stonehill Group, Inc		119,826
Firstsource Solutions México, S. de R.L. de C.V		(477)
Net Due from Related Parties	**$**	**27,645,956**

Note 4 – Property and Equipment

Property and equipment at March 31, 2023 are summarized as follows:

Leasehold improvements	$	1,398,775
Furniture and fixtures		301,326
Office equipment		2,011,480
Computer equipment		2,329,691
Software		4,948,794
Network		233,415
Total property and equipment		11,223,481
Less: accumulated depreciation		(6,865,267)
Net Property and Equipment	**$**	**4,358,214**

Note 5 - Corporate Costs

The accompanying financial statements include costs allocated from the corporate parent, which includes salaries for chief executive officer and chief financial officer, related fringe benefits, travel, insurance and other costs. For the year ended March 31, 2023, corporate costs totaling $2,699,308 are included in the accompanying financial statements.

Note 6 - Pension Plan

The Company maintains a defined contribution 401(k) plan, covering all full-time employees with one year of service and age twenty-one or older. The Company's contribution is based on matching 25% of the first 6% of salary deferral elected by each eligible employee. The Company's contributions for the year ended March 31, 2023 were $830,233.

Note 7 – Lease Commitments

The Company occupies office facilities, located in throughout the United States under non-cancellable operating leases and also leases equipment from Hewlett Packard under non-cancelable finance type leases, which expire at various dates starting March 2025 through May 2030. Each lease includes options to renew the lease. Rent expense incurred under these agreements for the year ended March 31, 2023 amounted to $1,370,441.

The undiscounted minimum cash flows under these agreements are as follows:

Year ended March 31,		
2024	$	4,479,771
2025		4,206,548
2026		4,071,727
2027		3,048,851
2028		2,706,281
Thereafter		5,489,899
Total lease payments		24,003,077
Less: Imputed interest		(2,627,157)
Total	**$**	**21,375,920**

Note 7 – Lease Commitments (Continued)

The following constitutes the cumulative quantitative information for all lease agreements of the Corporation for the year ended March 31, 2023:

Lease costs		
Operating lease cost	$	4,240,956
Finance lease cost		195,956
Total lease costs	**$**	**4,436,912**
Other information:		
Right to use asset recorded in conjunction with:		
Operating leases	$	30,423,482
Finance leases		850,393
Total	**$**	**31,273,875**
Weighted average remaining lease term under:		
Operating leases		5.95 years
Finance leases		2.21 years
Weighted average discount rate under		
Operating leases		3.73%
Finance leases		3.89%

SUPPLEMENTARY INFORMATION

MEDASSIST HOLDING, LLC AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF OPERATING EXPENSES
FOR THE YEAR ENDED MARCH 31, 2023

Common costs	$	2,699,308
Insurance		712,199
Legal and professional fees		3,296,946
Rent, rates and taxes		1,893,628
Bank charges		205,084
Communications		8,312,903
Information services		1,460,688
Printing and stationary		415,481
Miscellaneous		470,781
Repairs and maintenance		627,808
Travelling and conveyance		1,749,944
Bad debt expense		562,750
Recruitment and training expenses		1,298,689
Marketing and support services		970,914
Connectivity charges		2,020,063
Car hire and other hire charges		507,130
Computer expenses		5,105,947
Utilities		299,106
TOTAL OPERATING EXPENSES	**$**	**32,609,369**

See independent auditor’s report.