

Accounts Receivable Aging Report

Confidential Document - Nexus Intelligent Systems, Inc.

1. Executive Summary

This Accounts Receivable Aging Report ("Report") provides a comprehensive analysis of outstanding receivables for Nexus Intelligent Systems, Inc. ("Company") as of December 31, 2023. The report details the aging status, concentration, and potential risk profile of the Company's accounts receivable portfolio.

2. Reporting Methodology

1 Scope of Analysis

- Reporting Period: January 1, 2023 - December 31, 2023
- Total Accounts Receivable Population: \$4,237,622
- Number of Active Client Accounts: 42
- Reporting Basis: Accrual Accounting Standards

2 Aging Categorization

Receivables have been categorized into the following standard aging buckets:

- Current (0-30 days)
- 31-60 days past due
- 61-90 days past due
- 91-120 days past due
- >120 days past due

3. Detailed Receivables Analysis

1 Aging Distribution

Aging Category	Total Amount	Percentage of Total
-----	-----	-----
Current	\$3,412,198	80.5%
31-60 days	\$412,733	9.7%
61-90 days	\$217,441	5.1%

| 91-120 days | \$95,250 | 2.2% |

| >120 days | \$100,000 | 2.5% |

2 Client Concentration Analysis

Top 5 Clients by Receivables:

Global Manufacturing Solutions: \$1,237,622 (29.2%)

TransEnergy Infrastructure: \$892,445 (21.1%)

Advanced Logistics Network: \$612,331 (14.5%)

Industrial Automation Inc.: \$487,229 (11.5%)

Smart City Technologies: \$378,114 (8.9%)

4. Risk Assessment

1 Potential Credit Risk Indicators

- Total Receivables >90 days: \$195,250 (4.7% of total)
- Estimated Potential Bad Debt Reserve: \$87,375 (2.1% of total receivables)

2 Collection Performance Metrics

- Average Collection Period: 42 days
- Receivables Turnover Ratio: 2.95x
- Days Sales Outstanding (DSO): 38 days

5. Qualitative Risk Commentary

The Company's receivables portfolio demonstrates moderate risk characteristics typical of enterprise B2B technology service providers. While the majority of receivables (80.5%) remain current, there are potential concentration risks with top clients representing approximately 75% of the total receivable balance.

6. Limitations and Disclaimers

1 This report is prepared for internal and confidential use in connection with potential corporate transactions and financial analysis.

2 The information presented represents management's best estimate based on available financial records as of the reporting date.

3 No representation or warranty is made regarding the ultimate collectibility of these receivables.

7. Certification

I, Sarah Williamson, Chief Strategy Officer of Nexus Intelligent Systems, Inc., certify that to the best of my knowledge, the information contained in this Accounts Receivable Aging Report is accurate and complete.

—

Sarah Williamson

Chief Strategy Officer

Nexus Intelligent Systems, Inc.

Date: January 22, 2024

8. Confidentiality Notice

This document contains confidential and proprietary information of Nexus Intelligent Systems, Inc. Unauthorized reproduction or distribution is strictly prohibited.