

QUARTERLY BALANCE SHEET

Summit Digital Solutions, Inc.

For the Quarter Ended December 31, 2023

(Amounts in thousands of U.S. Dollars, unless otherwise noted)

CONFIDENTIAL AND PROPRIETARY

Prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP)

ASSETS

Current Assets

- Cash and cash equivalents: \$12,475
- Short-term investments: \$8,350
- Accounts receivable, net: \$15,625
- Less: Allowance for doubtful accounts: \$(785)
- Unbilled revenue: \$4,250
- Prepaid expenses: \$1,875
- Other current assets: \$925

Total Current Assets: \$42,715

Non-Current Assets

- Property and equipment, net: \$5,850
- Computer equipment and software: \$8,275
- Office furniture and fixtures: \$2,150
- Leasehold improvements: \$3,125
- Less: Accumulated depreciation: \$(7,700)
- Intangible assets: \$18,450
- Peak Performance Platform (proprietary software): \$15,275
- Patents and trademarks: \$3,175
- Goodwill: \$12,350
- Long-term investments: \$4,725
- Right-of-use assets: \$6,850

- Other non-current assets: \$1,275

Total Non-Current Assets: \$49,500

TOTAL ASSETS: \$92,215

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities

- Accounts payable: \$7,250
- Accrued expenses: \$4,875
- Current portion of lease liabilities: \$1,850
- Deferred revenue: \$5,625
- Income tax payable: \$1,275
- Other current liabilities: \$925

Total Current Liabilities: \$21,800

Non-Current Liabilities

- Long-term lease liabilities: \$5,350
- Deferred tax liabilities: \$2,875
- Long-term debt: \$15,000
- Other non-current liabilities: \$1,450

Total Non-Current Liabilities: \$24,675

TOTAL LIABILITIES: \$46,475

Stockholders' Equity

- Common stock (\$0.001 par value, 100,000,000 shares authorized; 25,000,000 shares issued and outstanding): \$25
- Additional paid-in capital: \$28,750
- Retained earnings: \$17,215
- Accumulated other comprehensive income (loss): \$(250)

Total Stockholders' Equity: \$45,740

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY: \$92,215

NOTES AND CERTIFICATIONS

This balance sheet has been prepared in accordance with U.S. GAAP and represents the financial position of Summit Digital Solutions, Inc. as of December 31, 2023.

All amounts are presented in thousands of U.S. Dollars and have been rounded to the nearest thousand.

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

This balance sheet is subject to review by independent auditors.

MANAGEMENT CERTIFICATION

The undersigned, duly authorized officers of Summit Digital Solutions, Inc., hereby certify that this balance sheet fairly presents, in all material respects, the financial position of the Company as of December 31, 2023.

CERTIFIED THIS 25th DAY OF JANUARY, 2024

—

Dr. Alexandra Reeves

Chief Executive Officer

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Sarah Blackwell

Chief Operating Officer

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