

FIXED ASSETS REGISTER AND DEPRECIATION SCHEDULE

Summit Digital Solutions, Inc.

As of December 31, 2023

1. DOCUMENT INFORMATION

Document Reference: FAR-2023-12

Prepared By: Finance Department

Reviewed By: Sarah Blackwell, COO

Last Updated: December 31, 2023

Currency: USD

2. SUMMARY OF FIXED ASSETS

2.1 Asset Categories

Total Fixed Assets Value (Net Book Value): \$14,275,000

Category	Gross Value	Accumulated Depreciation	Net Book Value
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Computer Hardware & Servers	\$8,500,000	\$(3,400,000)	\$5,100,000
Software Licenses & Systems	\$4,200,000	\$(1,680,000)	\$2,520,000
Office Equipment	\$1,200,000	\$(480,000)	\$720,000
Leasehold Improvements	\$4,500,000	\$(1,125,000)	\$3,375,000
IoT Testing Equipment	\$3,400,000	\$(840,000)	\$2,560,000

3. DEPRECIATION POLICIES

3.1 Depreciation Methods

- Computer Hardware & Servers: Straight-line over 5 years
- Software Licenses & Systems: Straight-line over 3 years
- Office Equipment: Straight-line over 5 years
- Leasehold Improvements: Straight-line over 8 years or lease term, whichever is shorter
- IoT Testing Equipment: Straight-line over 5 years

3.2 Capitalization Threshold

Individual assets with a cost exceeding \$2,500 are capitalized. Items below this threshold are expensed in the period of purchase.

4. DETAILED ASSET REGISTER

4.1 Computer Hardware & Servers

Asset ID	Description	Purchase Date	Original Cost	Useful Life	Annual Depreciation	Accumulated Depreciation	Net Book Value
CH-2021-001	Dell PowerEdge Server Farm	03/15/2021	\$3,200,000	5 years	\$640,000	\$1,760,000	\$1,440,000
CH-2022-002	Network Infrastructure	06/01/2022	\$2,800,000	5 years	\$560,000	\$840,000	\$1,960,000
CH-2023-003	Data Center Equipment	01/15/2023	\$2,500,000	5 years	\$500,000	\$500,000	\$2,000,000

4.2 Software Licenses & Systems

Asset ID	Description	Purchase Date	Original Cost	Useful Life	Annual Depreciation	Accumulated Depreciation	Net Book Value
SL-2022-001	Peak Performance Platform License	04/01/2022	\$2,500,000	3 years	\$833,333	\$1,388,889	\$1,111,111
SL-2023-002	Enterprise AI Systems	07/01/2023	\$1,700,000	3 years	\$566,667	\$283,334	\$1,416,666

5. ASSET DISPOSAL AND ACQUISITION

5.1 Asset Disposals (2023)

- Total disposal value: \$420,000
- Legacy server equipment (Asset ID: CH-2020-001)
 - Obsolete software licenses (Asset ID: SL-2020-002)

5.2 New Acquisitions (2023)

Total acquisition value: \$4,200,000

- Data Center Equipment: \$2,500,000
- Enterprise AI Systems: \$1,700,000

6. CERTIFICATIONS AND CONTROLS

6.1 Internal Controls

All fixed assets are:

- Tagged with unique identification numbers
- Physically verified annually
- Recorded in the asset management system
- Subject to quarterly impairment testing

6.2 Certification

The undersigned hereby certifies that this Fixed Assets Register and Depreciation Schedule accurately reflects the fixed assets owned by Summit Digital Solutions, Inc. as of December 31, 2023, in accordance with GAAP and company policies.

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Sarah Blackwell

Chief Operating Officer

Summit Digital Solutions, Inc.

Date: December 31, 2023

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Michael Chang

Chief Technology Officer

Summit Digital Solutions, Inc.

Date: December 31, 2023

7. DISCLAIMERS

This document is confidential and proprietary to Summit Digital Solutions, Inc. The information contained herein is subject to change without notice and is not warranted to be error-free. Asset values are stated at historical cost less accumulated depreciation and do not necessarily reflect current market values. This register should be read in conjunction with the company's audited financial statements and notes thereto.