

ACCOUNTS RECEIVABLE AGING REPORT

Summit Digital Solutions, Inc.

As of December 31, 2023

CONFIDENTIAL - FOR DUE DILIGENCE PURPOSES ONLY

1. EXECUTIVE SUMMARY

This Accounts Receivable Aging Report presents the detailed analysis of outstanding receivables for Summit Digital Solutions, Inc. ("Company") as of December 31, 2023. All amounts are expressed in United States Dollars (USD).

Total Accounts Receivable: \$12,847,625

Total Number of Active Accounts: 143

2. AGING CATEGORIES SUMMARY

2.1 Current (0-30 Days)

- Amount Outstanding: \$7,256,840
- Percentage of Total: 56.5%
- Number of Accounts: 82

2.2 31-60 Days

- Amount Outstanding: \$2,985,430
- Percentage of Total: 23.2%
- Number of Accounts: 35

2.3 61-90 Days

- Amount Outstanding: \$1,542,875
- Percentage of Total: 12.0%
- Number of Accounts: 16

2.4 91-120 Days

- Amount Outstanding: \$687,240
- Percentage of Total: 5.3%

- Number of Accounts: 7

2.5 Over 120 Days

- Amount Outstanding: \$375,240
- Percentage of Total: 3.0%
- Number of Accounts: 3

3. MAJOR ACCOUNT DETAILS

3.1 Top 10 Outstanding Accounts

GlobalTech Manufacturing Corp.: \$1,245,000

Nexus Logistics Solutions: \$985,000

Advanced Industrial Systems: \$875,000

Pacific Ridge Enterprises: \$742,000

Meridian Professional Services: \$685,000

Eastern Valley Operations: \$584,000

Westbrook Manufacturing: \$562,000

Continental Dynamics Corp.: \$498,000

Alliance Industrial Group: \$475,000

Precision Automation Systems: \$465,000

4. INDUSTRY SECTOR DISTRIBUTION

4.1 Manufacturing

- Total Outstanding: \$5,892,500
- Percentage of Total: 45.9%
- Number of Accounts: 58

4.2 Logistics

- Total Outstanding: \$3,854,287
- Percentage of Total: 30.0%
- Number of Accounts: 43

4.3 Professional Services

- Total Outstanding: \$3,100,838
- Percentage of Total: 24.1%
- Number of Accounts: 42

5. COLLECTION STATUS

5.1 Regular Collection Process

- Accounts in Standard Collection: 136
- Total Value: \$11,985,385

5.2 Enhanced Collection Efforts

- Accounts Under Enhanced Collection: 5
- Total Value: \$687,240
- Average Days Outstanding: 98

5.3 Legal Collection Process

- Accounts in Legal Collection: 2
- Total Value: \$175,000
- Status: Active litigation proceedings

6. CREDIT QUALITY ANALYSIS

6.1 Credit Rating Distribution

- AAA-A: \$7,708,575 (60%)
- BBB-B: \$3,854,287 (30%)
- CCC-C: \$1,284,763 (10%)

6.2 Security Status

- Secured Receivables: \$3,854,287
- Unsecured Receivables: \$8,993,338

7. PAYMENT TERMS ANALYSIS

7.1 Standard Terms

- Net 30: 65% of accounts

- Net 45: 25% of accounts
- Net 60: 10% of accounts

7.2 Special Payment Arrangements

- Number of Accounts: 3
- Total Value: \$425,000
- Nature: Installment payment plans

8. RECONCILIATION AND VERIFICATION

The undersigned hereby certifies that this Accounts Receivable Aging Report:

Has been prepared in accordance with GAAP

Reflects all known receivables as of December 31, 2023

Has been reconciled with the general ledger

Excludes any inter-company receivables

Accounts for all credits and adjustments

9. DISCLAIMERS AND LIMITATIONS

This report is provided for due diligence purposes only. All figures are unaudited and subject to adjustment. The Company makes no representations or warranties regarding the collectibility of any receivables listed herein. This report shall be treated as confidential information subject to applicable non-disclosure agreements.

10. CERTIFICATION

Prepared and certified by:

/s/ Jennifer Martinez

Jennifer Martinez

Controller

Summit Digital Solutions, Inc.

Date: January 5, 2024

Reviewed by:

/s/ Sarah Blackwell

Sarah Blackwell

Chief Operating Officer

Summit Digital Solutions, Inc.

Date: January 5, 2024

[END OF REPORT]