# ACCOUNTS RECEIVABLE AGING REPORT

DeepShield Systems, 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 DeepShield Systems, Inc. as of December 31, 2023. Total accounts receivable balance: \$8,427,500

Summary of Aging Categories:

- Current (0-30 days): \$4,215,300 (50.0%)
- 31-60 days: \$2,527,250 (30.0%)
- 61-90 days: \$842,750 (10.0%)
- 91-120 days: \$505,650 (6.0%)
- Over 120 days: \$336,550 (4.0%)

## 2. DETAILED AGING ANALYSIS

# 2.1 Current (0-30 Days) - \$4,215,300

Customer   Invoice Date   Amount   Product/Service
$ \ Maritime\ Security\ Corp.\  \ 12/15/2023\  \ \$875,\!000\  \ OT\ Security\ Platform\ -\ Enterprise$
Global Energy Partners   12/18/2023   \$725,000   SCADA Protection Suite
Atlantic Infrastructure   12/22/2023   \$650,000   Maritime Defense Module
Pacific Grid Solutions   12/28/2023   \$575,000   Annual Maintenance
Other Customers (12)   Various   \$1,390,300   Various Services

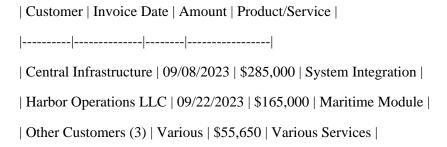
## 2.2 31-60 Days Outstanding - \$2,527,250

Customer   Invoice Date   Amount   Product/Service
Northern Manufacturing   11/12/2023   \$625,000   ICS Security Implementation
Midwest Utilities Corp   11/18/2023   \$550,000   Network Monitoring Suite

| Other Customers (8) | Various | \$1,352,250 | Various Services |

#### 2.3 61-90 Days Outstanding - \$842,750

## 2.4 91-120 Days Outstanding - \$505,650



### 2.5 Over 120 Days Outstanding - \$336,550

Customer   Invoice Date   Amount   Status
Gulf Coast Energy   08/15/2023   \$175,000   In Dispute
Mountain State Power   08/02/2023   \$125,000   Payment Plan
Other Customers (2)   Various   \$36,550   Collection Process

#### 3. COLLECTION STATUS AND ACTIONS

#### 3.1 Active Collection Efforts

- Accounts 91-120 days: Weekly follow-up calls initiated
- Payment plans established for accounts over \$100,000
- Third-party collection agency engaged for accounts over 120 days

#### 3.2 Dispute Resolution Status

- Gulf Coast Energy: Technical implementation dispute under review
- Mountain State Power: Payment plan established, current on installments

## 4. CREDIT QUALITY ANALYSIS

4.1 Customer Credit Ratings

85% of receivables rated investment grade

12% rated speculative grade

3% unrated or watch list

4.2 Industry Distribution

Utilities: 45%

Maritime Operations: 25%

Manufacturing: 20%

Other Industrial: 10%

5. ALLOWANCE FOR DOUBTFUL ACCOUNTS

Current reserve balance: \$168,550 (2% of total AR)

Specific reserves: \$125,000

General reserves: \$43,550

6. CERTIFICATION

This report has been prepared by the Finance Department of DeepShield Systems, Inc. and reviewed

by Robert Kessler, Chief Financial Officer. All amounts are stated in US Dollars and are derived

from the company's financial management system as of December 31, 2023.

7. DISCLAIMERS AND LIMITATIONS

This report is provided for due diligence purposes only and should be read in conjunction with the

company's audited financial statements. All information is confidential and subject to change. Past

payment history is not indicative of future collection performance. The aging categories and

collection status represent management's best assessment as of the report date.

Prepared by: /s/ Sarah Thompson

Title: Accounts Receivable Manager

Date: January 2, 2024

Reviewed by: /s/ Robert Kessler

Title: Chief Financial Officer

Date: January 2, 2024

[END OF REPORT]