

Purchase Price Allocation	Amount
Cash and cash equivalents	\$ 1,000
Working capital adjustment	(2,450)
Total consideration	(1,450)
Assets acquired:	
Accounts receivable	4,282
Prepaid expenses	1,096
Property and equipment, net	400
Operating lease assets	31,635
Intangible assets	965
Total assets acquired	38,378
Liabilities assumed:	
Accounts payable and accrued liabilities	810
Deferred revenue	1,969
Lease liabilities, current	1,179
Lease liabilities, long-term	30,779
Deferred income taxes	1,263
Total liabilities assumed	36,000
Net assets acquired	2,378
Gain on acquisition	\$ 3,828

The gain on acquisition represents the excess of the fair value of net assets acquired over consideration paid. The consideration paid represents a substantial discount to the book value of GSUSA's net assets at the GSUSA Closing Date, primarily due to the fair value adjustments related to the trade name, fixed assets, and right-of-use lease assets and liabilities compared to book value. The gain on acquisition was primarily the result of prior financial results, a lack of access to capital by the Seller, and the agreed upon purchase price which reflected the fact that GSUSA may need additional capital to fund operating losses.

The fair value of the identified intangible assets, including customer contracts and relationships and trade name were determined using the income-based approach. The fair value of curricula and accreditation and licensing identified intangible assets were determined using the cost approach. The table below presents a summary of intangible assets acquired and the useful lives of these assets (in thousands):

Intangible Assets	Useful life	Amount
Customer contracts and relationships	2.5 years	\$ 744
Curricula	3 years	158
Trade name	1 year	35
Accreditation and licensing	2.5 years	28
		\$ 965

Pro forma financial information relating to the GSUSA Acquisition is not presented because the GSUSA Acquisition did not represent a significant business acquisition for the Company.

The Company incurred approximately \$7.6 million and \$1.9 million of acquisition-related expenses related to RU and GSUSA, for the years ended December 31, 2021 and December 31, 2022, respectively. These expenses are included in general and administrative expenses on the Consolidated Statements of Income.