

**Montclair Health System, LLC**  
Condensed Consolidated Balance Sheet  
*(In Thousands)*  
**Unaudited**

**September 30,  
2024**

**Assets**

Current assets:

Accounts receivable, net	\$	47,721
Inventories		6,759
Prepaid expenses		1,879
Other current assets		9,336
<b>Total current assets</b>		<b>65,695</b>

Property and equipment, net		54,734
Right of use assets		43,485
Goodwill		126,317
Other intangible assets, net		5,600
Amounts due from affiliates		32,375
Other assets		1,698
<b>Total assets</b>	<b>\$</b>	<b>329,904</b>

**Liabilities and members' equity**

Current liabilities:

Accounts payable		11,851
Accrued salaries and benefits		7,276
Other accrued expenses and liabilities		10,032
Current installments of long-term debt		589
<b>Total current liabilities</b>		<b>29,748</b>

Long-term debt, less current installments		3,512
Noncurrent lease liabilities		39,261
Other long-term liabilities		279
<b>Total liabilities</b>		<b>72,800</b>

Members' equity:

Common units		63,276
Accumulated earnings		193,828
<b>Members' equity</b>		<b>257,104</b>
<b>Total liabilities and members' equity</b>	<b>\$</b>	<b>329,904</b>

**Montclair Health System, LLC**  
Condensed Consolidated Statement of Operations  
*(In Thousands)*  
**Unaudited**

	<b>Three Months Ended September 30, 2024</b>	<b>Nine Months Ended September 30, 2024</b>
Total revenue	\$ 88,970	\$ 267,850
Expenses:		
Salaries and benefits	33,284	102,758
Professional fees and contract services	11,567	33,859
Supplies	11,964	37,438
Other operating expenses	12,558	36,275
Depreciation and amortization	2,336	6,657
Management fees	1,859	5,332
Total operating expenses	<u>73,568</u>	<u>222,319</u>
Income from operations	15,402	45,531
Interest income, net	410	1,228
Net income	<u>\$ 15,812</u>	<u>\$ 46,759</u>

**Montclair Health System, LLC**  
Condensed Consolidated Statement of Equity  
(In Thousands, Except for Unit Amounts)  
**Unaudited**

	<u>Units</u>	<u>Amount</u>	<u>Accumulated Earnings</u>	<u>Total</u>
<b>Balance at December 31, 2023</b>	1,900	\$ 63,276	\$ 178,849	\$ 242,125
Distributions made to:				
LHP Montclair, LLC	-	-	(5,104)	(5,104)
Hackensack UMC	-	-	(1,276)	(1,276)
Net income	-	-	15,986	15,986
<b>Balance at March 31, 2024</b>	1,900	63,276	188,455	251,731
Distributions made to:				
LHP Montclair, LLC	-	-	(10,872)	(10,872)
Hackensack UMC	-	-	(2,718)	(2,718)
Net income	-	-	30,768	30,768
<b>Balance at June 30, 2024</b>	1,900	63,276	205,633	268,909
Distributions made to:				
LHP Montclair, LLC	-	-	(9,448)	(9,448)
Hackensack UMC	-	-	(2,362)	(2,362)
Net income	-	-	5	5
<b>Balance at September 30, 2024</b>	<u>1,900</u>	<u>\$ 63,276</u>	<u>\$ 193,828</u>	<u>\$ 257,104</u>

**Montclair Health System, LLC**  
Condensed Consolidated Statement of Cash Flow  
*(In Thousands)*  
**Unaudited**

**Nine Months Ended  
September 30,  
2024**

<b>Cash flows from operating activities:</b>	
Net income	\$ 46,759
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	6,657
Changes in operating assets and liabilities, net of effect of acquisitions and divestitures:	
Accounts receivable	5,213
Inventories and other assets	(673)
Accounts payable and accrued expenses	(12,273)
<b>Net cash provided by operating activities</b>	<b>45,683</b>
<b>Cash flows from investing activities:</b>	
Purchases of property and equipment	(5,547)
<b>Net cash used in investing activities</b>	<b>(5,547)</b>
<b>Cash flows from financing activities:</b>	
Proceeds from long-term debt	1,371
Payments of principal on long-term debt	(312)
Distributions to noncontrolling interests	(31,780)
Payments from (to) affiliate	(9,415)
<b>Net cash used in financing activities</b>	<b>(40,136)</b>
<b>Change in cash and cash equivalents</b>	<b>–</b>
Cash and cash equivalents at beginning of period	–
<b>Cash and cash equivalents at end of period</b>	<b>\$ –</b>