

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

**December 31,
2023**

Assets

Current assets:

| | | |
|-----------------------------|----|---------------|
| Accounts receivable, net | \$ | 52,934 |
| Inventories | | 6,031 |
| Prepaid expenses | | 2,190 |
| Other current assets | | 9,295 |
| Total current assets | | 70,450 |

| | | |
|------------------------------|-----------|----------------|
| Property and equipment, net | | 55,943 |
| Right of use assets | | 46,936 |
| Goodwill | | 126,317 |
| Other intangible assets, net | | 5,600 |
| Amounts due from affiliates | | 22,960 |
| Other assets | | 2,659 |
| Total assets | \$ | 330,865 |

Liabilities and members' equity

Current liabilities:

| | | |
|----------------------------------------|--|---------------|
| Accounts payable | | 22,187 |
| Accrued salaries and benefits | | 8,919 |
| Other accrued expenses and liabilities | | 9,381 |
| Current installments of long-term debt | | 497 |
| Total current liabilities | | 40,984 |

| | | |
|-------------------------------------------|--|---------------|
| Long-term debt, less current installments | | 2,545 |
| Noncurrent lease liabilities | | 44,666 |
| Other long-term liabilities | | 545 |
| Total liabilities | | 88,740 |

Members' equity:

| | | |
|----------------------------------------------|-----------|----------------|
| Common units | | 63,276 |
| Accumulated earnings | | 178,849 |
| Members' equity | | 242,125 |
| Total liabilities and members' equity | \$ | 330,865 |

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

| | Three Months Ended December 31, 2023 | Twelve Months Ended December 31, 2023 |
|-----------------------------------------|-----------------------------------------------------|------------------------------------------------------|
| Total revenue | \$ 87,954 | \$ 343,675 |
| Expenses: | | |
| Salaries and benefits | 34,493 | 130,765 |
| Professional fees and contract services | 10,365 | 37,615 |
| Supplies | 14,561 | 54,348 |
| Other operating expenses | 11,521 | 46,951 |
| Depreciation and amortization | 2,111 | 8,310 |
| Management fees | 1,885 | 7,441 |
| Total operating expenses | <u>74,936</u> | <u>285,430</u> |
| Income from operations | 13,018 | 58,245 |
| Interest income, net | 433 | 1,715 |
| Net income | <u>\$ 13,451</u> | <u>\$ 59,960</u> |

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

| | <u>Units</u> | <u>Amount</u> | <u>Accumulated Earnings</u> | <u>Total</u> |
|-------------------------------------|--------------|------------------|---------------------------------|-------------------|
| Balance at December 31, 2022 | 1,900 | \$ 63,276 | \$ 169,519 | \$ 232,795 |
| Distributions made to: | | | | |
| LHP Montclair, LLC | - | - | (40,504) | (40,504) |
| Hackensack UMC | - | - | (10,126) | (10,126) |
| Net income | - | - | 59,960 | 59,960 |
| Balance at December 31, 2023 | <u>1,900</u> | <u>\$ 63,276</u> | <u>\$ 178,849</u> | <u>\$ 242,125</u> |

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

**Twelve Months
December 31,
2023**

| | |
|----------------------------------------------------------------------------------------------|-----------------|
| Cash flows from operating activities: | |
| Net income | \$ 59,960 |
| Adjustments to reconcile net income to net cash provided by operating activities: | |
| Depreciation and amortization | 8,310 |
| Changes in operating assets and liabilities, net of effect of acquisitions and divestitures: | |
| Accounts receivable | (15,492) |
| Inventories and other assets | 1,745 |
| Accounts payable and accrued expenses | 5,265 |
| Net cash provided by operating activities | 59,788 |
| Cash flows from investing activities: | |
| Purchases of property and equipment | (11,738) |
| Net cash used in investing activities | (11,738) |
| Cash flows from financing activities: | |
| Proceeds from long-term debt | 1,045 |
| Payments of principal on long-term debt | (226) |
| Distributions to noncontrolling interests | (50,630) |
| Payments from (to) affiliate | 1,761 |
| Net cash used in financing activities | (48,050) |
| Change in cash and cash equivalents | – |
| Cash and cash equivalents at beginning of period | – |
| Cash and cash equivalents at end of period | \$ – |