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caresyntax GmbH Heinsdorfergrund	Accounting/ financial reports	Annual financial statements for the financial year from April 1st, 2021 to December 31st, 2021	January 18, 2023

**caresyntax GmbH****Heinsdorfergrund****Annual financial statements for the financial year from April 1st, 2021 to December 31st, 2021****Situation report****1. The company**

S-CAPE GmbH was founded in April 1990 in Reichenbach in Saxony.

In 2013, S-CAPE GmbH was bought by a group of investors led by managing directors Dennis Kogan and Björn from Siemens. In the third quarter of 2018 the company was renamed caresyntax GmbH.

According to the partnership agreement, the object of the company is the development, production, distribution of and services for medical IT and media technology systems, all kinds of medical software as well as the development, production and distribution of medical technology.

Since December 2019, the newly founded caresyntax Corporation, based in the USA, has been the sole shareholder of caresyntax GmbH.

**2. Development of the industry**

The global healthcare IT market is expected to reach USD 821.1 billion by 2026 from USD 326.1 billion in 2021, with a CAGR of 20.3% during the forecast period. The growth of the healthcare IT market is primarily driven by government mandates, support for IT solutions and the increasing use of big data. Additionally, many customers are experiencing a need to contain increased healthcare costs, which is increasing the growing demand for and use of healthcare IT (HCIT) solutions. Another growth factor in IT healthcare is the increasing demand for mHealth, telemedicine and remote patient monitoring.

Due to the COVID-19 outbreak, digitalization in healthcare has become the focus of political actors' interest. In many European markets such as Germany, France and Spain, extensive digitalization funding measures worth several billion euros have been launched. The COVID-19 pandemic has also increased the need for social distancing between doctors, patients and industry, increasing the demand for healthcare IT solutions such as: B. Remote monitoring of patients and telemedicine solutions, or technical support from a distance for the healthcare facility from the medical technology suppliers increased.

While 2020 was still heavily influenced by the negative effects of the Corona pandemic, in 2021 the business situation for caresyntax GmbH's products turned into a positive trend. It is assumed that demand for caresyntax's software-based products will increase, which is also reflected in the market development forecast described above.

In recent years, the volume of electronic data generated in healthcare has increased significantly, largely due to the digitization of administrative, clinical and financial information. In addition to the growing volume, the sheer diversity of data in healthcare also represents a major challenge for healthcare providers. The interoperability of the various systems and data streams was rated by hospital managers as one of the most relevant investment points but also as one of the most demanding challenges. To address these challenges, healthcare providers are increasingly turning to analytics and data management solutions.

**3. Sales development**

Over the past two calendar years, the company has focused on developing its software to improve surgical quality and reduce medical errors. The developed platform includes hardware and, above all, software components for:

- collection of quality data,
- analysis of this data,
- Video-based training elements to increase quality and
- Monitoring the implementation of new quality-enhancing techniques and processes.

The management of caresyntax GmbH therefore expects to benefit from the digital transformation and the increased focus on patient safety and quality-enhancing processes. Furthermore, it can be assumed that this product segment will be exposed to lower price pressure due to reduced competitive pressure.

Caresyntax relies on collaboration with medical societies to introduce its quality improvement platform into clinical practice and establish it as a benchmark. Partnerships with some of the world's largest medical technology companies open up further good opportunities in this context.

**4. Investments**

In the short financial year from April 1, 2021 to December 31, 2021, investments were made primarily in line with the focus on quality-enhancing solutions described in the management report. A significant portion was invested in research into software solutions (Prime 365 and CX-Advance). Prime 365 is a flexible and manufacturer-independent integration solution for image and video management in the operating room. CX-Advance is a user-friendly and vendor-independent content management platform for managing and reviewing recorded surgical data, accessible from any device. Furthermore, extensive investments were made in the development of a new product, a fully integrated surgical video conference solution for remote support (CX-CONNECT); this solution will already be completed in the 2022 financial year.

Due to the increasing importance of the US market for quality-enhancing software solutions, the expansion of sales structures in the USA was continued via the American parent company. In Europe, the area of clinical risk management was further expanded in terms of sales.

Investments continued to be made throughout the company in improved process integration, project management and implementation, as well as comprehensive digitalization of business processes (CRM, etc.).

## **5. Personnel**

In the short financial year from April 1, 2021 to December 31, 2021, the company employed an average of 93 employees - 14 of whom were part-time. (Previous year: 96 - including 10 part-time employees). No significant changes in the number of employees were or are planned for the 2022 financial year.

## **6. Financial situation**

The balance sheet total, excluding the deficit not covered by equity, increased by around EUR 3,692 thousand or 23.22% in the reporting year. The fixed assets amount to EUR 9,788 thousand, of which EUR 4,831 thousand relate to self-created intangible assets. Current assets amounted to EUR 9,745 thousand as of the balance sheet date, of which EUR 2,267 thousand relate to inventories.

At the end of the financial year, equity amounted to EUR 0 thousand and was burdened by a deficit of EUR 21,448 thousand (previous year: EUR 52,172 thousand) that was not covered by equity. We, the management, assume that we will be able to reduce this deficit in the long term through further payments into the capital reserves by the shareholder, the caresyntax Corporation, and through our own funds in the form of annual surpluses.

The liabilities amount to TEUR 37,585 and mainly consist of loan liabilities in the amount of TEUR 27,923.

## **7. Earnings situation**

For the short financial year from April 1, 2021 to December 31, 2021, an annual loss of EUR -14,275,674.15 (previous year: EUR -14,330 thousand) is reported.

Other operating expenses increased by EUR 660 thousand from EUR 4,398 thousand to EUR 5,058 thousand, interest expenses decreased by EUR 324 thousand and the cost of materials increased by EUR 1,671 thousand. Furthermore, an increase in sales of EUR 1,238 thousand was recorded. The reasons for the increase in sales can be attributed, among other things, to the opening of hospitals that were closed during the Corona crisis.

## **8. Financial position**

Liquid assets increased to EUR 5,923 thousand in the reporting year (previous year: EUR 1,923 thousand), which was mainly due to the payment into the capital reserve i.e. Hv EUR 45,000 thousand from Caresyntax Corp. is attributable.

The operating business did not cover costs in the reporting year, which led to a negative cash flow from ongoing business activities of EUR -9,896 thousand (previous year: EUR -11,432 thousand). In order to close this gap, payments were made to the capital reserves in the reporting year.

The cash flow from investing activities amounted to EUR -1,046 thousand and the cash flow from financing to EUR 14,943 thousand. In the previous financial year, the cash flow from investing activities was EUR -196 thousand and the cash flow from financing was EUR 12,932 thousand.

## **9. Opportunities and risks of future development**

caresyntax GmbH is exposed to the following risks with regard to its investments, receivables and other assets, liquid assets and liabilities:

**Default risks:** The risks from possible defaults on receivables are prevented by strict debtor management. Individual and milestone-oriented acceptance protocols for each customer ensure a low risk of failure. The majority of customers outside the EU are only delivered against advance payment in order to minimize the risk. Risks of price changes due to the corona crisis or the war in Ukraine can lead to rising prices on the procurement side and are not yet apparent. If the procurement prices unexpectedly increase, these would be passed on to the customers.

**Liquidity risks:** Liquidity risk is the risk that the company will not be able to obtain the financial resources necessary to settle its obligations. Based on the existing corporate planning, the company assumes that the liabilities to lenders recognized as of the balance sheet date can be settled on the due date. As long as there is sufficient possibility of timely financing via the parent company, the company's liquidity is secured.

In the 2020 /2021 financial year, a financing round of approximately \$50 million was finalized at the level of the parent company, caresyntax Corporation, which is also intended to secure the long-term financing of caresyntax GmbH. During the short financial year 2021, the parent company has already paid EUR 45,000 thousand into the capital reserves of caresyntax GmbH. These funds were primarily used to service existing liabilities and further expand the business.

When assessing the assets and liabilities, the financial statements for the short financial year ended December 31, 2021 were prepared using the going concern principles in accordance with Section 252 of the German Commercial Code (HGB). As of the balance sheet date, the company reported a loss of EUR 21,448 thousand that was not covered by equity. Any liquidity shortfalls arising based on liquidity planning were compensated for by financing from the parent company in the 2022 calendar year. It is planned to resolve further additions to equity by the balance sheet date of December 31, 2022; corresponding resolutions have not yet been made as of the date of this report.

The continued existence of the company depends on the ability to obtain sufficient new liquid funds.

**Interest rate risks:** Interest rate risks from fluctuations in cash flows to which the company could be exposed do not exist as of the balance sheet date, as fixed interest rates have been agreed for all loans

In addition, the company is exposed to usual business risks such as economic fluctuations, intensifying competition, the worsening shortage of skilled workers, changes in the political and legal framework as well as organizational and control risks. Due to the direct

involvement of the managing directors in the company's operational business, it is ensured that risks that could have an impact on business development are immediately known to the managing directors. There is no written documented risk management, although various controlling instruments and key figures (credit checks of debtors, earnings and liquidity planning, etc.) ensure comprehensive risk management. The company has a quality management system that is continuously developed in order to meet the high requirements for medical technology products.

The caresyntax business area is currently subject to risks in the procurement of hardware components as well as the fluctuation of well-trained software development engineers and other specialists. Digitalization in hospitals has led to a bottleneck in hospital IT departments, for example in the form of specialist staff. Caresyntax relies on collaboration with healthcare providers' IT departments to implement its solutions, which is why such bottlenecks on the customer side could pose a certain risk to the company's sales development. Due to the high pressure to innovate, the high effort (especially personnel costs) during implementation and high data protection requirements among healthcare providers, the factors mentioned represent a certain risk for business development in the medium term.

Caresyntax counteracts these risks by optimizing work processes with the aim of creating a modern and attractive working environment.

The management of caresyntax GmbH expects to benefit in the long term from the transformation that began this financial year from a pure provider of OR integration solutions to a provider that offers both the OR integration solution and software solutions to improve quality and risk management in the hospital. The increasing importance of software products in the product portfolio will have a positive impact on the company's gross margin, since the unit margin of a software product is usually much higher than that of a hardware product and software products are subject to fewer risks regarding raw material prices. In addition, the newly formed partnerships with some large medical technology companies will open up new opportunities. The established sales channels of the channel partners will offer caresyntax GmbH new markets and customers.

The company has been constantly optimizing and differentiating its organizational processes for years in order to meet its own high standards and the requirements of the market and the entire environment for a modern and high-performance company in the field of medical technology. caresyntax GmbH employs highly motivated and well-trained employees, so no significant risks are expected from this side. The age structure can also be described as very balanced, so that from a demographic perspective, the management is doing everything it can to be competitive here.

Due to the COVID-19 pandemic and the gas crisis, the 2022 financial year will be fraught with major challenges for caresyntax GmbH - as for the majority of companies in Germany. As already mentioned, the corona crisis or the war in Ukraine as well as the gas crisis can, among other things, lead to rising prices on the procurement side. Furthermore, high government spending (e.g. financial support for private individuals and the economy to mitigate the effects of the corona crisis) could lead to cuts in investments, e.g. in hospitals, which in turn could have an impact on sales at caresyntax. However, these risks are currently not foreseeable.

In the long term, caresyntax GmbH's business development is expected to be significantly positive due to the expected digitalization of the healthcare system. We, the management, see the company with its products, employees and sales partnerships as well-equipped to survive in the rapidly changing market and to emerge stronger from the current pandemic.

## 10. Supplementary report

The consequences of the war in Ukraine, which has been progressing since the end of February 2022, especially with regard to price developments in the areas of energy and material costs, cannot yet be estimated, but may have a noticeable impact on the company's future asset, financial and earnings situation.

## Berlin, October 16, 2022

### Balance sheet

#### assets

	12/31/2021 EUR	March 31, 2021 EUR
A. Fixed assets	9,788,352.67	9,450,155.60
I. Intangible assets	5,055,616.50	5,657,313.50
1. Intangible assets under development	4,830,839.00	5,330,585.00
2. other intangible assets	224,777.50	326,728.50
II. Tangible assets	164,250.00	237,732.50
1. other facilities, operating and business equipment	164,250.00	237,732.50
III. Financial investments	4,568,486.17	3,555,109.60
1. Loans to affiliated companies	0.00	3,555,109.60
2. Investments	4,568,486.17	0.00
B. Current assets	9,745,137.49	6,381,783.09
I. Supplies	2,266,671.04	2,126,248.93
II. Receivables and other assets	1,555,167.43	2,332,907.87
1. Claims against affiliated companies	181,638.39	1,066,579.32
of which have a remaining term of more than one year	0.00	562,513.43
2. other assets	1,373,529.04	1,266,328.55
of which have a remaining term of more than one year	0.00	250.00
III. Cash on hand, federal bank balances, balances at credit institutions and checks	5,923,299.02	1,922,626.29
C. Prepaid expenses	59,022.42	68,147.85
D. deficit not covered by equity	21,447,885.56	52,172,211.41
Total assets, total assets	41,040,398.14	68,072,297.95

#### liabilities

	12/31/2021 EUR	March 31, 2021 EUR
	12/31/2021 EUR	March 31, 2021 EUR
A. Equity	0.00	0.00
I. Drawn capital	25,600.00	25,600.00
II. Capital reserves	45,000,000.00	0.00
III. Loss carryforward	52,197,811.41	37,867,391.59
IV. Annual deficit	14,275,674.15	14,330,419.82
V. deficit not covered	21,447,885.56	52,172,211.41
B. Provisions	1,767,479.03	1,070,874.89
C. Liabilities	37,585,184.53	65,155,825.51
1. Liabilities to affiliated companies	4,914,177.18	33,029,621.68
of which have a remaining term of up to one year	0.00	1,965,197.35
of which have a remaining term of more than one year	4,914,177.18	31,064,424.33
2. other liabilities	32,671,007.35	32,126,203.83
of which have a remaining term of up to one year	4,726,025.85	4,804,214.83
of which have a remaining term of more than one year	27,944,981.50	27,321,989.00
D. Prepaid expenses	229,787.37	236,827.00
E. Deferred tax liabilities	1,457,947.21	1,608,770.55
Total assets, total liabilities	41,040,398.14	68,072,297.95

### Profit and loss statement

	April 1, 2021 - December 31, 2021 EUR	April 1, 2020 - March 31, 2021 EUR
1. Raw result	152,200.50	1,759,264.28
2. Personnel expenses	5,769,562.54	7,244,749.52
a) Wages and salaries	4,851,054.68	6,194,451.95
b) social contributions and expenses for pensions and support of that for pensions	918,507.86 4,349.78	1,050,297.57 6,012.00
3. Depreciation	707,918.90	954,304.97
a) Depreciation of intangible fixed assets and property, plant and equipment	707,918.90	954,304.97
4. other operating expenses	5,058,357.55	4,398,285.79
of which expenses from currency translation	926,422.86	27,675.22
5. other interest and similar income	194,638.83	253,559.85
thereof from affiliated companies	190,321.37	253,551.56
6. Interest and similar expenses	3,248,749.37	3,572,807.35
thereof to affiliated companies	676,110.17	755,772.54
7. Taxes on income and earnings	-163,483.88	126,276.62
a) Expenses from the change in deferred taxes	-150,823.34	126,274.63
8. Earnings after taxes	-14,274,265.15	-14,283,600.12
9. other taxes	1,409.00	3,377.14
10. Profits transferred on the basis of a profit pool, a profit transfer agreement or partial profit transfer agreement	0.00	43,442.56
11. Annual net income	14,275,674.15	14,330,419.82

### Attachment

#### (1. General information

##### Information identifying the company according to the registry court

Company name according to the registry court: caresyntax GmbH

Legal form: GmbH

Company headquarters according to the registry court: Heinsdorfergrund

Register entry: commercial register

Registration court: Chemnitz

Register number: 7

These annual financial statements were prepared in accordance with Sections 242 ff. and 264 ff. HGB and the relevant provisions of the GmbHG. The company is classified as a medium-sized corporation within the meaning of Section 267 of the German Commercial Code (HGB).

The profit and loss statement is structured according to the total cost method.

The size-dependent simplifications in accordance with Section 288 of the German Commercial Code (HGB) with regard to the information in the notes were partially taken advantage of.

## (2) Information on accounting and valuation methods

### Accounting and valuation principles

Acquired and self-created intangible fixed assets are recognized at acquisition or production cost and, if they are subject to wear and tear, are reduced by scheduled depreciation in accordance with their normal useful life.

Tangible assets are valued at acquisition or production cost and, to the extent that they can be worn out, are reduced by scheduled straight-line depreciation. The basis for scheduled depreciation is the expected useful life of the respective asset. The acquisition costs of movable assets up to a value of €250 were immediately recorded as expenses in the year of acquisition.

In addition to the directly attributable costs, the manufacturing costs also included necessary overhead costs and depreciation caused by production.

The financial assets were recognized and valued as follows:

- Shares in affiliated companies at acquisition cost.

If necessary, the lower fair value available on the balance sheet date was used. The right to vote in accordance with Section 253 Paragraph 3 Sentence 6 of the German Commercial Code (HGB) was exercised.

Inventories were stated at acquisition or production cost. If the current values were lower on the balance sheet date, these were recognized.

Receivables were assessed taking all identifiable risks into account.

The cash balances and balances at credit institutions were stated at nominal values.

The other provisions were created for uncertain liabilities. All identifiable risks were taken into account. The amount was recognized in the amount of the settlement amount necessary according to reasonable commercial judgement.

Liabilities were stated at the settlement amount.

### (3) Different accounting and valuation methods compared to the previous year

The accounting and valuation methods previously applied were essentially adopted in the annual financial statements.

There was no fundamental change in accounting and valuation methods compared to the previous year.

### (4) Information on the balance sheet

#### Development of fixed assets in the financial year

The development and distribution of the individual items of fixed assets are shown in the statement of fixed assets.

Software developed in-house is reported under self-created intangible assets.

The financial assets include shares in affiliated companies.

#### Information on receivables with a remaining term of more than one year

Type of claim as of December 31, 2021	Total amount as of December 31, 2021 EUR thousand	less than 1 year EUR thousand	greater than 1 year EUR thousand
from deliveries and services	856 (previous year 662)	856 (previous year 662)	0 (previous year 0)
vs. affiliated companies	182 (previous year 1,067)	182 (previous year 1,067)	0 (previous year 0)
Other assets	517 (previous year 604)	324 (previous year 433)	193 (previous year 171)
total	1,555 (previous year 2,333)	1,362 (previous year 2,162)	193 (previous year 171)

#### Information on claims against shareholders

The amount of receivables from shareholders amounts to EUR 46,509.95 (previous year: EUR 85,000.00).

#### Active prepaid expenses

Expenses before the balance sheet date that represent expenses for a certain period of time after this day are shown as prepaid expenses on the assets side.

#### accruals

The other provisions amounting to EUR 1,767 thousand include EUR 793 thousand for personnel costs, EUR 102 thousand for vacation provisions, EUR 60 thousand for warranty provisions, EUR 76 thousand for closing and audit costs, EUR 458 thousand for ongoing audits of the German pension insurance, and EUR 278 thousand for outstanding incoming invoices.

#### liabilities

	December 31, 2021 (TEUR)	Remaining term up to one year (TEUR)	Remaining term 1 to 5 years (EUR thousand)	Remaining term more than 5 years (TEUR)
Advance payments received on orders	4,171	4,171	0	0

	December 31, 2021 (TEUR)	Remaining term up to one year (TEUR)	Remaining term 1 to 5 years (EUR thousand)	Remaining term more than 5 years (TEUR)
	(previous year 3,398)	(previous year 2,467)	(previous year 931)	(previous year 0)
liabilities from goods and services	308	308	0	0
	(previous year 770)	(previous year 770)	(previous year 0)	(previous year 0)
Liabilities to other Pursue	4,914	4,914	0	0
	(PY: 33,029)	(PY: 33,029)	(previous year 0)	(previous year 0)
Other liabilities	28,193	269	27,923	0
	(PY: 27,958)	(previous year 666)	(previous year 27,292)	(previous year 0)
In total	37,585	9,662	27,923	0
	(previous year 65,155)	(previous year 36,932)	(previous year 28,223)	(previous year 0)

#### Information on liabilities to shareholders

The amount of liabilities to shareholders amounts to EUR 4,914,177.18 (previous year: EUR 29,730,352.88).

#### Deferred income

On the liabilities side, income before the balance sheet date is shown as deferred income if it represents income for a certain period after this day.

#### Deferred taxes

The active differences arising from the tax ban on capitalizing self-created intangible assets lead to the recognition of deferred tax liabilities. In the reporting period, self-created intangible assets amounting to EUR 4,830,839.00 (previous year: EUR 5,330,585.00) were recognized. At the tax rate of 30.18% applicable to companies based in Berlin, deferred tax liabilities amount to EUR 1,457,947.21 (previous year: EUR 1,608,770.55).

#### Other financial obligations

As of the balance sheet date, the company has other financial obligations totaling EUR 2,593 thousand (previous year: EUR 971 thousand), these relate to rent for the office space in Berlin. The rental agreements have different remaining terms and end by August 31, 2026 at the latest.

#### (5) Information on the profit and loss statement

No development costs were incurred in the reporting year with regard to the self-created intangible assets in accordance with Section 248 Paragraph 2a of the German Commercial Code (HGB). The research costs were recorded as expenses in accordance with Section 255 Paragraph 2 Sentence 4 in conjunction with Paragraph 2a HGB.

#### (6) Other information

##### Information on investments

The company holds 100% of the shares in Caresyntax Inc, Stoughton, Massachusetts (USA). In the short financial year, a payment was made into the equity capital of Caresyntax Inc. in the amount of EUR 4,568,486.17.

Name, location	Equity capital	participation	Signed capital	Result
Caresyntax Inc., Stoughton, Massachusetts (USA)	EUR 26,729.70	100.00%	EUR 1.13	EUR 13,727.79
	(USD 30,274.06)		(USD 1.00)	(USD 16,235.86)

##### Names of the managing directors

During the past short financial year, the company's business was managed by the following people:

Mr. Björn from Siemens, Berlin (until April 4, 2022),

Mr. Björn from Siemens, Berlin (from August 16, 2022),

Mr. Dennis Kogan, Berlin (until April 4, 2022),

Mr. Timothy Lantz, Wisconsin (USA) (from April 4, 2022).

##### Remuneration of the managing directors

Remuneration is not stated with reference to Section 286 Paragraph 4 of the German Commercial Code (HGB).

##### Compensation of the advisory board

The members of the advisory board did not receive any remuneration within the meaning of Section 285 No. 9 HGB in the reporting period.

##### Average number of employees employed during the financial year

The following employee groups were employed in the company on average during the short financial year:

Employee groups	Number
Employee	90
senior employees	3
The total number of average employees is thus	93
including full-time employees	79
including part-time employees	14

##### Block on distributions (Section 268 Para. 8 HGB)

The amount blocked for distributions due to the capitalization of self-created intangible fixed assets and deferred tax assets is as of December 31, 2021:

Capitalized self-created intangible assets	€	4,830,839.00
less deferred tax liabilities formed thereon	€	1,457,947.21
Blocking amount	€	3,372,891.79

### Proposal or decision on the use of results

The management suggests that the accumulated loss be carried forward to new account.

#### Group affiliation

The company is a fully consolidated subsidiary of Caresyntax Corporation, Wilmington, USA. After publication, the consolidated financial statements can be viewed on the Caresyntax Corporation homepage at <https://caresyntax.com/>.

#### Signature of the management

Berlin, October 16, 2022

*Björn from Siemens*

*Timothy Lantz*

#### Investment statement

	Acquisition and production costs April 1, 2021 EUR	Additions EUR	thereof FK interest EUR	Departures EUR	
Capital assets					
Intangible assets					
Intangible assets under development	6,542,716.19	0.00	0.00	0.00	
Acquired concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	809,066.57	0.00	0.00	0.00	
Total intangible assets	7,351,782.76	0.00	0.00	0.00	
Property, plant and equipment					
Other equipment, factory and office equipment	848,941.27	32,739.40	0.00	0.00	
Total fixed assets	848,941.27	32,739.40	0.00	0.00	
Financial investments					
Shares in affiliated companies	35,000.00	0.00	0.00	0.00	
Loans to affiliated companies	3,555,109.60	796,965.41	0.00	4,352,075.01	
Investments	0.00	4,568,486.17	0.00	0.00	
Total financial assets	3,590,109.60	5,365,451.58	0.00	4,352,075.01	
Total fixed assets	11,790,833.63	5,398,190.98	0.00	4,352,075.01	
		Acquisition and production costs December 31, Rebookings EUR	accumulated depreciation April 1, 2021 EUR	Depreciation fiscal year EUR	
Capital assets					
Intangible assets					
Intangible assets under development	0.00	6,542,716.19	1,212,131.19	499,746.00	
Acquired concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	0.00	809,066.57	482,338.07	101,951.00	
Total intangible assets	0.00	7,351,782.76	1,694,469.26	601,697.00	
Property, plant and equipment					
Other equipment, factory and office equipment	0.00	881,680.67	611,208.77	106,221.90	
Total fixed assets	0.00	881,680.67	611,208.77	106,221.90	
Financial investments					
Shares in affiliated companies	0.00	35,000.00	35,000.00	0.00	
Loans to affiliated companies	0.00	0.00	0.00	0.00	
Investments	0.00	4,568,486.17	0.00	0.00	
Total financial assets	0.00	4,603,486.17	35,000.00	0.00	
Total fixed assets	0.00	12,836,949.60	2,340,678.03	707,918.90	
		Additions EUR	accumulated depreciation 12/31/2021 EUR	Write-ups fiscal year EUR	Book value as of December 31, 2021 EUR
Capital assets					

	Additions EUR	Departures EUR	Rebookings EUR	accumulated depreciation 12/31/2021 EUR	Write-ups fiscal year EUR	Book value as of December 31, 2021 EUR
Intangible assets						
Intangible assets under development	0.00	0.00	0.00	1,711,877.19	0.00	4,830,839.00
Acquired concessions, industrial property rights and similar rights and values as well as licenses to such rights and values	0.00	0.00	0.00	584,289.07	0.00	224,777.50
Total intangible assets	0.00	0.00	0.00	2,296,166.26	0.00	5,055,616.50
Property, plant and equipment						
Other equipment, factory and office equipment	0.00	0.00	0.00	717,430.67	0.00	164,250.00
Total fixed assets	0.00	0.00	0.00	717,430.67	0.00	164,250.00
Financial investments						
Shares in affiliated companies	0.00	0.00	0.00	35,000.00	0.00	0.00
Loans to affiliated companies	0.00	0.00	0.00	0.00	0.00	0.00
Investments	0.00	0.00	0.00	0.00	0.00	4,568,486.17
Total financial assets	0.00	0.00	0.00	35,000.00	0.00	4,568,486.17
Total fixed assets	0.00	0.00	0.00	3,048,596.93	0.00	9,788,352.67

#### other report components

*e.g. v. Siemens, GF*

Information about the determination:

The annual financial statements were approved on October 26, 2022.

#### Audit opinion

We have issued the following audit opinion on the annual financial statements and the management report: "Audit report from the independent auditor

To caresyntax GmbH, Heinsdorfergrund

#### Audit opinions

We have the financial statements of caresyntax GmbH, Heinsdorfergrund, - consisting of the balance sheet as of December 31, 2021 and the profit and loss statement for the short financial year from April 1, 2021 to December 31, 2021 as well as the notes, including the presentation of the accounting and evaluation methods - checked. In addition, we examined the management report of caresyntax GmbH, Heinsdorfergrund, for the short financial year from April 1, 2021 to December 31, 2021.

According to our assessment based on the findings gained during the audit

- the attached financial statements comply in all material respects with the German commercial law regulations applicable to corporations and, taking into account the German principles of proper accounting, provide a true and fair view of the company's assets and financial position as of December 31, 2021 and its earnings situation for the short financial year from April 1, 2021 to December 31, 2021 and
- The attached management report provides an accurate picture of the company's situation overall. In all material respects, this management report is consistent with the financial statements, complies with German legal requirements and accurately presents the opportunities and risks of future development.

In accordance with Section 322 Paragraph 3 Sentence 1 HGB, we declare that our audit did not lead to any objections to the propriety of the financial statements and the management report.

#### Basis for the audit opinions

We carried out our audit of the financial statements and the management report in accordance with Section 317 of the German Commercial Code (HGB), taking into account the German principles of proper auditing as established by the Institute of Public Accountants (IDW). Our responsibilities under these regulations and principles are further described in the "Auditor's Responsibility for the Audit of the Financial Statements and the Management Report" section of our auditor's report. We are independent of the company in accordance with German commercial and professional law and have fulfilled our other German professional obligations in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to serve as a basis for our opinions on the financial statements and the management report.

#### Note to emphasize a fact

- As of the balance sheet date of December 31, 2021, the company recorded a loss not covered by equity of EUR 21,447,885.56 (previous year: EUR 52,172,211.41). We refer to the statements in the management report under point 6. Asset situation.
- In the 2020 / 2021 financial year, a financing round of approximately \$50 million was finalized at the level of the parent company, caresyntax Corporation, which is also intended to secure the long-term financing of caresyntax GmbH. During the short financial year ending December 31, 2021, the parent company paid EUR 45,000 thousand into the capital reserves of caresyntax GmbH. These funds were primarily used to settle existing liabilities. to replace affiliated companies.
- We would also like to point out that, due to the existing liquidity, it cannot currently be ruled out that the continued existence of the company may depend on the addition of new equity capital and/or new liquidity. We refer to the statements in the management report under point 6. Asset situation.

- Contrary to the provisions of Section 318 of the German Commercial Code (HGB), the commissioning of the audit of the financial statements was not made before the end of the short financial year to which the audit activity extends.

Our opinion on the financial statements is not modified in this regard.

### **Responsibility of the legal representatives and the advisory board for the annual financial statements and the management report**

The legal representatives are responsible for preparing the financial statements that comply with the German commercial law regulations applicable to corporations in all material respects and for ensuring that the financial statements present a true and fair view of the assets and finances, taking into account the German principles of proper accounting - and earnings situation of the company. Furthermore, the legal representatives are responsible for the internal controls that they have determined, in accordance with German accounting principles, to be necessary to enable the preparation of financial statements that are free from material misstatement, whether intentional or unintentional.

When preparing the financial statements, the legal representatives are responsible for assessing the company's ability to continue as a going concern. They also have the responsibility to disclose matters relating to the continuation of the company's operations, where relevant. In addition, they are responsible for accounting based on the going concern basis of accounting, unless actual or legal circumstances conflict with this.

In addition, the legal representatives are responsible for preparing the management report, which as a whole provides an accurate picture of the company's situation and is consistent with the financial statements in all material respects, complies with German legal requirements and accurately presents the opportunities and risks of future development. Furthermore, the legal representatives are responsible for the precautions and measures (systems) that they have deemed necessary to enable the preparation of a management report in accordance with the applicable German legal regulations and to provide sufficient appropriate evidence for the statements in the management report can.

The advisory board is responsible for monitoring the company's accounting process for the preparation of the financial statements and the management report.

### **Responsibility of the auditor for the audit of the annual financial statements and the management report**

Our objective is to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatements, whether intentional or unintentional, and whether the management report as a whole provides a fair view of the company's situation and is consistent with the financial statements in all material respects is consistent with the findings obtained during the audit, complies with German legal requirements and accurately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the financial statements and the management report.

Adequate certainty is a high level of certainty, but is not a guarantee that an audit carried out in accordance with Section 317 of the German Commercial Code (HGB) and in compliance with the German principles of proper auditing established by the Institute of Public Accountants (IDW) will always uncover a material misstatement. Misstatements may result from fraud or inaccuracy and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements and management report.

During the audit, we exercise due discretion and maintain a critical attitude. Over and beyond

- we identify and assess the risks of material - intentional or unintentional - misstatements in the financial statements and the management report, plan and carry out audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to serve as a basis for our audit opinions. The risk of failure to detect a material misstatement is higher for fraud than for error, as violations may involve collusion, forgery, intentional omissions, misleading statements or the override of internal controls.
- we gain an understanding of the internal control system relevant to the audit of the financial statements and the arrangements and measures relevant to the audit of the management report in order to plan audit procedures that are appropriate in the circumstances, but not with the aim of expressing an opinion on the effectiveness of these systems to society.
- we assess the appropriateness of the accounting methods used by the legal representatives as well as the reasonableness of the estimated values and related information presented by the legal representatives.
- we draw conclusions about the appropriateness of the going concern basis of accounting used by the legal representatives and, based on the audit evidence obtained, whether a material uncertainty exists in connection with events or circumstances that cast significant doubt on the Company's ability to continue as a going concern business activities can raise. If we come to the conclusion that a material uncertainty exists, we are obliged to draw attention to the relevant information in the financial statements and the management report in the auditor's report or, if this information is inappropriate, to modify our respective audit opinion. We draw our conclusions based on the audit evidence obtained up to the date of our audit report. However, future events or circumstances may result in the company no longer being able to continue as a going concern.
- we assess the overall presentation, structure and content of the financial statements, including the information, as well as whether the financial statements present the underlying business transactions and events in such a way that the financial statements represent a true and fair view of the assets and finances, taking into account the German principles of proper accounting - and earnings situation of the company.
- we assess the consistency of the management report with the financial statements, its compliance with the law and the picture it conveys of the company's situation.
- we carry out audit procedures on the future-oriented information presented by the legal representatives in the management report. On the basis of sufficient, appropriate audit evidence, we particularly evaluate the significant assumptions on which the legal representatives base the future-oriented information and assess the appropriate derivation of the future-oriented information from these assumptions. We do not issue an independent audit opinion on the forward-looking information or the underlying assumptions. There is a significant, unavoidable risk that future events may differ materially from those contained in the forward-looking statements.

We discuss with those charged with oversight, among other things, the planned scope and timing of the audit and significant audit findings, including any deficiencies in internal control that we identify during our audit."

**Berlin, October 18, 2022**

**GOLDSTEIN CONSULTING GMBH**  
auditing company  
*A. Goldstein, auditor*

