

## Appendix A – Gainwell Financial Reports

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Proposal: 4. Vol 1 Sect 2 Firm Qualifications – Gainwell, Section 2.2 Firm Financial Resources

This Appendix A contains Gainwell's financial statements for the past three fiscal years:

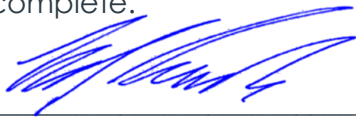
1. 2024\_Gainwell Audited Financial Statement\_YE 033124
2. 2023\_Gainwell Audited Financial Statement\_YE 033123
3. 2022\_Gainwell Audited Financial Statement\_YE 033122

This appendix also contains Gainwell's Dun & Bradstreet Business Information Report, including our D&B viability and credit ratings.

### Certification

RFP: 5.2.1.3 Firm Financial Qualifications, Table 15, Requirement F8

As the President and Chief Executive Officer of Gainwell Technologies LLC, I hereby certify that the financial information presented in this Appendix A is accurate and complete.



7.26.24

Mark Knickrehm, President and CEO

Date



**Gainwell Holding Corp. and Subsidiaries**

**Consolidated Financial Statements**

**As of and for the year ended March 31, 2024**

**INDEX—FINANCIAL STATEMENTS**  
**Gainwell Holding Corp. and Subsidiaries**  
**Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**

Report of Independent Auditors .....	1-2
Consolidated Balance Sheets.....	3
Consolidated Statements of Operations and Comprehensive Loss.....	4
Consolidated Statements of Stockholders' Equity.....	5
Consolidated Statements of Cash Flows .....	6
Notes to Consolidated Financial Statements.....	7-34

## Independent Auditor's Report

Board of Directors  
Gainwell Holding Corp.

### Opinion

We have audited the consolidated financial statements of Gainwell Holding Corp. and its subsidiaries (the Company), which comprise the consolidated balance sheets as of March 31, 2024 and 2023, the related consolidated statements of operations and comprehensive loss, stockholders' equity (deficit) and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2024 and 2023, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*RSM US LLP*

McLean, Virginia  
July 24, 2024

**Gainwell Holding Corp. and Subsidiaries**  
**Consolidated Balance Sheets**  
**(in thousands)**

	As of March 31, 2024	As of March 31, 2023
<b>ASSETS</b>		
Current assets:		
Cash and Cash equivalents	\$ 119,984	\$ 86,238
Receivables and contract assets, net	612,640	614,135
Prepaid expenses	74,728	73,249
Other current assets	63,072	57,773
Total current assets	<u>\$ 870,424</u>	<u>\$ 831,395</u>
Intangible assets, net of accumulated amortization	1,833,316	2,173,001
Operating right-of-use assets, net	36,182	45,783
Goodwill, net	2,791,593	3,210,172
Property and equipment, net of accumulated depreciation	57,373	62,636
Other assets	70,460	90,236
Total Assets	<u>\$ 5,659,348</u>	<u>\$ 6,413,223</u>
<b>LIABILITIES and EQUITY</b>		
Current liabilities:		
Short-term debt and current maturities of long-term debt	\$ 54,167	\$ 54,879
Accounts payable	129,891	161,184
Accrued payroll and related costs	62,298	48,352
Current lease liabilities	17,182	24,557
Accrued expenses and other current liabilities	203,322	211,347
Deferred revenue and advance contract payments	33,850	33,944
Total current liabilities	<u>\$ 500,710</u>	<u>\$ 534,263</u>
Long-term debt, net of current maturities, OID and financing costs	5,622,913	5,392,518
Non-current deferred revenue	41,986	33,979
Non-current lease liabilities	28,445	33,689
Non-current pension obligations	1,938	1,547
Other long-term liabilities	22,111	9,014
Deferred tax liability (net of asset)	68,679	48,727
Total Liabilities	<u>\$ 6,286,782</u>	<u>\$ 6,053,737</u>
Stockholder's Equity		
Common Stock: \$0.01 par value, 1000 shares authorized, 100 shares issued and outstanding	-	-
Additional paid-in capital	2,114,351	2,104,156
Accumulated deficit	(2,739,177)	(1,742,562)
Accumulated other comprehensive income	(2,608)	(2,108)
Total Equity	<u>(627,434)</u>	<u>359,486</u>
Total Liabilities and Equity	<u>\$ 5,659,348</u>	<u>\$ 6,413,223</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Gainwell Holding Corp. and Subsidiaries**  
**Consolidated Statements of Operations and Comprehensive Loss**  
**(in thousands)**

	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue, net	\$ 2,499,688	\$ 2,418,657
Cost of Services	1,758,176	1,664,107
Gross profit	<u>741,512</u>	<u>754,550</u>
Operating Expenses:		
Selling, general & administrative expenses	1,053,104	1,053,534
Restructuring Costs	-	8,560
Total Operating expenses	<u>1,053,104</u>	<u>1,062,094</u>
Loss from operations	<u>(311,592)</u>	<u>(307,544)</u>
Other (income) and expenses:		
Interest Expense, net	633,930	492,947
Other expense	2,178	1,879
Total other income and expense	<u>636,108</u>	<u>494,826</u>
Loss from operations, before taxes	<u>(947,700)</u>	<u>(802,370)</u>
Income tax expense (benefit)	<u>48,915</u>	<u>(2,016)</u>
<b>Net Loss</b>	<b>(996,615)</b>	<b>(800,354)</b>
Other comprehensive loss:		
Currency translation adjustments	(500)	(1,335)
Comprehensive loss	<u>\$ (997,115)</u>	<u>\$ (801,689)</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Gainwell Holding Corp. and Subsidiaries**

**Consolidated Statements of Stockholders' Equity for the year ended March 31, 2024 and 2023**

**(in thousands)**

	Common Shares	Shares Dollars	Additional Paid in Capital	Receivable against Equity	Accumulated Deficit	Accumulated Other Comprehensive Income, net	Total
Balance as at March 31, 2022	100	-	2,092,854	-	(942,208)	(773)	1,149,873
Stock Compensation	-	-	11,302	-	-	-	11,302
Net Loss	-	-	-	-	(800,354)	-	(800,354)
Cumulative translation adjustments	-	-	-	-	-	(1,335)	(1,335)
Balance as at March 31, 2023	<b>100</b>	-	<b>\$ 2,104,156</b>	<b>\$ -</b>	<b>\$ (1,742,562)</b>	<b>\$ (2,108)</b>	<b>\$ 359,486</b>
Stock Compensation	-	-	10,195	-	-	-	10,195
Net Loss	-	-	-	-	(996,615)	-	(996,615)
Cumulative translation adjustments	-	-	-	-	-	(500)	(500)
<b>Balance as at March 31, 2024</b>	<b>100</b>	-	<b>\$ 2,114,351</b>	<b>\$ -</b>	<b>\$ (2,739,177)</b>	<b>\$ (2,608)</b>	<b>\$ (627,434)</b>

The accompanying notes are an integral part of these consolidated financial statements.

**Gainwell Holding Corp. and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
**(in thousands)**

	For the year ended March 31, 2024	For the year ended March 31, 2023
<i><b>Cash flows from operating activities:</b></i>		
Net Loss	\$ (996,615)	\$ (800,354)
<i><b>Adjustments to reconcile net loss to net cash used in operating activities:</b></i>		
Depreciation and amortization	821,743	888,019
Non cash charges on ROU assets	9,600	16,656
Share-based compensation	10,195	11,302
Bad debts	335	(450)
Amortization of debt issuance costs	35,212	35,261
Loss on disposal of property, equipment and software	1,664	277
Deferred tax	19,952	(7,496)
<i><b>Changes in assets and liabilities, net of effects of acquisitions and dispositions:</b></i>		
Decrease (Increase) in receivables	1,160	1,303
Decrease (Increase) in prepaid expenses and other assets	24,552	(27,855)
(Decrease) in accounts payable and accruals	(17,418)	(67,959)
Increase (Decrease) in deferred revenue	7,913	(6,412)
(Decrease) in Income Tax Liability, net	(20,018)	(40,372)
(Decrease) in ROU liabilities	(12,384)	(7,487)
Increase in other liabilities	15,745	406
<b>Net cash used in operating activities</b>	<b>\$ (98,365)</b>	<b>\$ (5,160)</b>
 Purchase of property & equipment	 (13,954)	 (19,558)
Software purchased or developed	(47,899)	(56,567)
<b>Net cash used in investing activities</b>	<b>\$ (61,853)</b>	<b>\$ (76,125)</b>
 Borrowings on long-term debt	 237,498	 -
Borrowings on short-term debt	221,935	46,751
Principal payments on long-term debt	(42,316)	(42,316)
Payments on short-term debt	(222,647)	(34,188)
Payment of capital leases	(234)	(843)
<b>Net cash provided by (used in) financing activities</b>	<b>\$ 194,236</b>	<b>\$ (30,595)</b>
 Effect of exchange rate changes on cash and cash equivalents	 (272)	 (1,603)
Net increase (decrease) in cash and cash equivalents	33,746	(113,483)
Cash and cash equivalents at beginning of year	\$ 86,238	\$ 199,721
<b>Cash and cash equivalents at end of the year</b>	<b>\$ 119,984</b>	<b>\$ 86,238</b>

The accompanying notes are an integral part of these consolidated financial statements.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

**Note 1: Organization and Nature of Operations**

Gainwell Holding Corp. is an independent private company, founded on October 1, 2020 through the sale of DXC Technology's State & Local Health and Human Services business to an affiliate of Veritas Capital Fund Management, L.L.C. ("Veritas"). Veritas is a leading private investment firm that invests in companies that provide critical products and services, primarily technology and technology-enabled solutions, to government and commercial customers worldwide, including those operating in the healthcare, aerospace and defense, software, national security communications, energy, government services and education industries.

Gainwell Holding Corp is ultimately held by Gainwell Topco Holdings LP through an intermediate holding company namely, Gainwell Intermediate Holding Corp.

Gainwell Acquisition Corp, is a wholly owned subsidiary of Gainwell Holding Corp.

On April 1, 2021, Gainwell Acquisition Corp., and Gainwell Intermediate Holding Corp. (collectively "Gainwell") acquired HMS Holdings Corp. ("HMS"), an industry-leading healthcare technology, analytics and engagement solutions provider. Gainwell acquired HMS capabilities focused on the Medicaid market, including coordination of benefits (COB) and payment integrity (PI) solutions delivered to states and COB solutions delivered to Medicaid managed care organizations. Cotiviti Inc., a Veritas backed company, acquired from Gainwell the HMS PI and Population Health Management (PHM) capabilities focused on health plan and federal markets. Business units retained by Gainwell are HMS Inc, HMS Holdings LLC, Reimbursement Services Group Inc, Essette Inc, and Permedion Inc.

After acquisition, Gainwell Technologies LLC and HMS Holdings LLC are wholly owned subsidiaries of Gainwell Acquisition Corp. The wholly owned subsidiaries of Gainwell Technologies LLC include Milano Receivables Funding LLC, MMIS Technology Services LLC which in turn owns Gainwell Technologies Canada ULC located in Canada, Enterprise Services Caribe, LLC located in Puerto Rico, MMIS Technology Services India Private Limited located in India and PDA Software Services LLC. The wholly owned subsidiaries of HMS Holdings LLC include HMS Inc, Essette Inc, Reimbursement Services Group Inc and Permedion Inc.

The accompanying consolidated financial statements and notes present the consolidated financial position, results of operations and cash flows of Gainwell Holding Corp and its wholly owned subsidiaries (the "Company").

The Company serves Government Health & Human Services ("HHS") clients charged with the mission of enhancing and protecting the health and well-being of residents in 52 states/territories and the District of Columbia.

The Company builds software and solutions and provides technology services and business process services to its clients. This includes Medicaid Programs in 32 states as well as other HHS services. The solutions include, but are not limited to, the Medicaid Enterprise Systems ("MES") which is the claims processing system of record and analytics support system for Medicaid. Within Medicaid, services provided include fiscal agent services, claims processing, provider enrollment, pre-authorization, pharmacy drug rebates, recipient eligibility management, call center, print and mail services. Other HHS services which the Company provides include solutions to support Eligibility and Enrollment, Immunization Registries, Women, Infant & Children ("WIC") and Early Intervention ("EIC"). The Company also provides coordination of benefits ("COB") and payment integrity ("PI") services primarily to state governments, Medicaid managed care plans and commercial health plans.

The Company is headquartered in Irving, Texas.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

**Note 2: Summary of Significant Accounting Policies**

**Principles of Consolidation**

The accompanying consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). All intercompany transactions are eliminated in consolidation.

These financial statements are prepared for the year ended March 31, 2024. The accompanying consolidated financial statements and notes present the financial position as of March 31, 2024 and 2023, and the results of operations for the years ended March 31, 2024, and 2023.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant items subject to estimates and assumptions include: the determination of the fair value of acquired assets and liabilities, contract assets, deferred revenue, the allowance for doubtful accounts, valuation, and recoverability of long-lived assets (including intangible assets), depreciation and amortization periods of long-lived assets and deferred income taxes. Actual results may differ from those estimates. Therefore, accounting estimates and assumptions may change over time and may change materially in future periods.

**Cash and Cash Equivalents**

Money market funds and highly liquid debt instruments purchased with original maturity dates of three months or less, when purchased, are considered cash and cash equivalents.

**Receivables and Contract Assets**

Receivables and contract assets consist of amounts billed and currently due from customers, amounts earned but unbilled (including contracts measured under the percentage-of-completion method of accounting), amounts retained by the customer until the completion of a specified contract and a percentage of claim amounts identified for collection by customers from third parties. Over the course of a contract, invoices are billed, and cash is collected as development milestones are reached or as services are delivered. Unbilled recoverable amounts under contracts in progress generally become billable upon achievement of project milestones or upon acceptance by a customer.

Allowances for uncollectible billed receivables and contract assets are estimated based on a combination of write-off history, aging analysis, and any specific and known collectability issues. Unbilled amounts under contracts in progress that are recoverable do not have an allowance for credit losses.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

**Property and Equipment**

Property and equipment are stated at cost less accumulated depreciation. The Company depreciates the cost of property and equipment over the estimated useful lives of the related assets using the straight-line depreciation method. Leasehold improvements are amortized over the shorter of the lease term or their estimated useful lives. The estimated useful lives of the Company's property and equipment are as follows:

<b>Classification</b>	<b>Estimated useful life</b>
Property and Equipment	Up to 15 years
Computers and related equipment	Up to 7 years
Furniture and other equipment	Up to 10 years
Leasehold improvements	Shorter of lease term or useful life up to 20 years

**Intangible Assets and Long-Lived Assets**

The Company reviews intangible assets with finite lives and long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset or a group of assets may not be recoverable. The Company assesses the recoverability of assets based on a comparison of the carrying amount of such assets to the estimated future net cash flows expected to result from the use and eventual disposition of such assets. If estimated future net cash flows are less than the carrying amount of such assets, the assets are impaired. The Company measures the amount of impairment loss, if any, as the difference between the carrying amount of such assets and its fair value. Fair value is determined based on an undiscounted cash flow approach or, when available and appropriate, comparable market values.

The Company's estimated useful lives for finite-lived intangible assets are shown in the table below:

Software	2 to 7 years
Customer related intangibles	15 to 19 years

Software intangibles are amortized using the straight-line method over their estimated useful lives.

Customer related intangibles are amortized using the present value of discounted cash flows estimated to be generated by the customer contracts over the estimated useful lives.

**Software Development Costs**

After establishing technological feasibility and before software products are available for general release to customers, the Company capitalizes costs incurred to develop commercial software products to be sold, leased or otherwise marketed. The Company expenses costs related to establishing technological feasibility as incurred and capitalizes enhancements that extend the life or marketability of software products. Amortization of capitalized software development costs is determined separately for each software product.

Unamortized capitalized software costs associated with commercial software products are periodically evaluated for impairment on a product-by-product basis by comparing the unamortized balance to the product's net realizable value. The net realizable value is the estimated future gross revenues from that product reduced by the related estimated future costs. When the unamortized balance exceeds the net realizable value, the unamortized balance is written down to the net realizable value and an impairment charge is recorded.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

The Company capitalizes costs incurred to develop internal-use computer software during the application development stage. Costs related to preliminary project activities and post-implementation activities are expensed as incurred. Internal and external costs incurred in connection with development of upgrades or enhancements that result in additional functionality are capitalized as Software within Intangible assets, net of accumulated amortization on the consolidated balance sheet and amortized on a straight-line basis over the estimated useful life of the software. Internal-use software assets are evaluated for impairment whenever events or changes in circumstances occur that could impact the recoverability of these assets.

**Hosting Arrangements**

The Company entered into certain cloud-based software hosting arrangements that are accounted for as service contracts. For internal use software obtained through a hosting arrangement that is in the nature of a service contract, the Company incurs certain implementation costs such as integrating, configuring and software customization which are consistent with costs incurred during the application development stage for on premises software. The Company applies the same guidance to determine costs that are eligible for capitalization. For these arrangements, the Company amortizes the capitalized developmental costs straight-line over the fixed, noncancellable term of the associated hosting arrangement plus any reasonably certain renewal periods.

**Leases**

The Company applies ASU 2016-02, "Leases, Topic ASC 842" and determines if an arrangement is a lease at inception by evaluating whether the arrangement conveys the right to use an identified asset and whether the Company obtains substantially all economic benefits from and has the ability to direct the use of the asset. Operating leases are included in operating right-of-use ("ROU") assets, net, current operating lease liabilities and non-current operating lease liabilities in the Company's balance sheets.

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. Operating ROU assets and operating lease liabilities are recognized at commencement based on the present value of lease payments over the lease term. As most of the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at commencement to determine the present value of lease payments. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow, on a collateralized basis, an amount equal to the lease payments, in a similar economic environment and over a similar term. The rate is dependent on several factors, including the lease term, currency of the lease payments and the Company's credit ratings.

Operating ROU assets also include any lease payments made and excludes lease incentives. The Company's lease terms may include options to extend or terminate the lease. Operating ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. Lease arrangements generally do not contain any residual value guarantees or material restrictive covenants.

Lease expense for lease payments is recognized on a straight-line basis over the lease term. Variable lease expense is related to the Company's leased real estate for offices and primarily includes operational costs. The Company subleases certain leased office space to third parties when it determines there is excess leased capacity. The Company combines lease and non-lease components under its lease agreements.

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**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

**Goodwill**

The Company recognizes goodwill in a business combination as excess of purchase price over the total value of assets and liabilities acquired. The Company elected to adopt ASU 2014-02, Intangibles- Goodwill and Other (Topic 350): Accounting for Goodwill and accordingly amortizes goodwill on a straight-line basis over 10 years. Goodwill will be tested for impairment only when a triggering event occurs indicating the fair value of the entity may be below its carrying amount. Upon the occurrence of a triggering event, a one-step impairment test will be performed by comparing the fair value of the entity or reporting unit with its carrying value. The excess of carrying value over fair value is the impairment loss. After a goodwill impairment loss is recognized, the adjusted carrying amount shall be amortized over its remaining useful life. There were no triggering events identified in 2024 or 2023.

**Deferred Financing Costs**

Deferred financing costs are expenditures associated with obtaining financing that are capitalized in the consolidated balance sheets and amortized over the term of the loans to which such costs relate. Capitalized deferred financing costs related to the Company's credit facilities are presented as a reduction to the debt outstanding on the balance sheets. Amortization of deferred financing costs is included in interest expense in the Consolidated Statements of Operations and Comprehensive Loss and is recorded using the effective interest method.

**Comprehensive Loss**

Comprehensive loss represents a measure of all changes in equity that result from recognized transactions and other economic events other than transactions with owners in their capacity as owners. Other comprehensive loss includes foreign currency translation.

**Concentrations of Risk**

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of receivables from trade customers and cash. The Company performs ongoing credit evaluations of the financial condition of its customers. As of March 31, 2024 and 2023, there are no receivables from individual customers greater than 10% of the net accounts receivable. At times, cash deposits may exceed the limits insured by the Federal Deposit Insurance Corporation. The Company does not believe that its cash balances are subject to unusual credit risk beyond the normal credit risk associated with commercial banking relationships.

**Revenue Recognition**

The Company applies ASU 2014-09, "Revenue from Contracts with Customers (ASC 606)," to its contracts.

The Company generates revenue only in the United States primarily through the support of states' MES and other HHS initiatives by providing primarily Maintenance and Operations ("M&O") and Design, Development and Implementation ("DDI") services. M&O services include maintenance and operations such as application development, management, and new projects. DDI services pertain to building and/or upgrading IT infrastructure, including hardware and software related to MES. To support HHS initiatives, the Company provides business process services and fiscal agent operations (i.e. claims resolution, provider services, enrollment, call center, medical management, etc.). Revenues are recognized when control of the promised goods or services is transferred to the Company's customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

In the MES business, the Company determines revenue recognition through the five-step model as follows:

- Identification of the contract, or contracts, with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, the Company satisfies a performance obligation

The Company analyzes arrangements involving M&O and DDI services as at least two separate distinct performance obligations. In each arrangement, a customer is able to benefit from the M&O and DDI services individually or together; additionally, each service is distinct within the context of a contract. Therefore, the M&O and DDI phases are generally seen as distinct performance obligations. A possible exception is in contracts where the Company hosts solutions during the M&O phase. In such scenarios, the analysis of performance obligations would depend on the facts and circumstances of an arrangement.

For contracts with multiple performance obligations, the Company allocates a contract's transaction price to each performance obligation based on the relative standalone selling price of the goods and services provided to the customer. Some contracts also have components of variable consideration such as time and material fees which are typically based on hours incurred, and universal transaction and claim surcharge fees which are based on an agreed upon contractual floor and/or ceiling.

For M&O services, a customer simultaneously receives the benefits provided by the Company's performance as the Company meets its performance obligations. M&O service fees are typically negotiated on a fixed fee per period or milestone basis and revenue is recognized as services are performed in that period or as milestones are met.

During the DDI phase, revenue is recognized over time as a performance obligation is satisfied. The DDI phase satisfies the requirements for over time recognition given that a developed asset includes customization and is unique to the specific requirements of a client. Consequently, the asset is not easily transferable to another state and has no alternative use. Additionally, arrangements typically include a clause that provides the Company with an enforceable right to payment for performance completed to date. Management recognizes revenue during the DDI phase using the "cost-to-cost" method, i.e., an input method based on cost incurred as a project progresses towards completion, also known as percentage of completion. Costs include internal labor hours, contractor costs, and allocation of internal overhead costs.

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**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

The Company provides coordination of benefits (“COB”) and payment integrity (“PI”) services primarily to state governments, Medicaid managed care plans and commercial health plans. COB services include (a) the identification of erroneously paid claims; (b) the delivery of verified commercial insurance coverage information; (c) the identification of paid claims where another third party is liable; and (d) the identification and enrollment of Medicaid members who have access to employer insurance. PI services include (a) services designed to ensure that healthcare payments are accurate and appropriate; and (b) the identification of over/(under)payments or inaccurate charges based on a review of medical records. Most of the COB and PI services contain multiple promises, all of which are not distinct within the context of the contract. Therefore, the promises represent a single, distinct performance obligation for the types of services offered. Revenue derived from these performance obligations is largely based on variable consideration where, based on the number of claims or amount of findings the Company identified, a contingent or fixed transaction price/recovery percentage is allocated to each distinct performance obligation. The Company utilizes the expected value method to estimate the variable consideration related to the transaction price for its service contracts. Key inputs and assumptions in determining variable consideration includes identified pricing and expected recoveries and/or savings. The expected recoveries and/or savings are based on historical experience of information received from our customers. Revenue is primarily recognized at a point in time when the customers realize economic benefits from the services when the services are completed.

*Practical Expedients and Exemptions*

The Company does not adjust the promised amount of consideration for the effects of a significant financing component when the period between when the Company transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

In addition, the Company reports revenue net of any revenue-based taxes assessed by a governmental authority that are imposed on and concurrent with specific revenue-producing transactions, such as sales taxes and value-added taxes.

*Contract Balances*

The timing of revenue recognition, billings and cash collections results in accounts receivable (billed receivables, unbilled receivables and contract assets), deferred revenue and advance contract payments (contract liabilities) on the Company's balance sheet. In arrangements that contain an element of customized software solutions, amounts are generally billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g. monthly) or upon achievement of certain contractual milestones. Generally, billing occurs subsequent to revenue recognition, sometimes resulting in contract assets if the related billing is conditional upon more than just the passage of time. However, the Company sometimes receives advances or deposits from customers, before revenue is recognized, which results in the generation of contract liabilities. Payment terms vary by type of product or service being provided as well as by customer, although the term between invoicing and when payment is due is generally an insignificant period of time.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

*Costs to Obtain a Contract*

Certain sales commissions earned by the Company's sales force are considered incremental and recoverable costs of obtaining a contract with a customer. The majority of sales commissions are paid based on the achievement of quota-based targets. These costs are deferred and amortized on a straight-line basis over an average period of benefit determined to be three to five years. The Company determined the period of benefit considering the length of its customer contracts, its technology and other factors. The period of benefit approximates the average stated contract terms, excluding expected future renewals, because sales commissions are paid upon contract renewal in a manner commensurate with the initial commissions. Some commission payments are not capitalized because they are expensed during the fiscal year as the related revenue is recognized. Capitalized sales commissions costs are recorded in other assets and amortized in selling, general and administrative in the consolidated statements of operations and comprehensive loss.

*Costs to Fulfill a Contract*

Certain contract setup costs incurred upon initiation or renewal of an outsourcing contract that generate or enhance resources to be used in satisfying future performance obligations are capitalized when they are deemed recoverable. Judgment is applied to assess whether contract setup costs are capitalizable. Costs that generate or enhance resources often pertain to activities that enhance the capabilities of the services, improve customer experience and establish a more effective and efficient IT environment. The Company recognizes these transition and transformation contract costs as other assets, which are amortized over the respective contract life.

*Deferred Revenue*

The Company records amounts invoiced to customers in excess of revenue recognized as deferred revenue until the revenue recognition criteria are satisfied. Deferred revenue represents amounts invoiced in advance of services provided. In some cases, for portions of the DDI work, invoices are billed, and cash is collected as development milestones are reached. However, payments are not recognized as revenue but recorded as deferred revenue liabilities on the balance sheet. For deferred revenue recorded on transition and transformation related activities, the Company begins to recognize revenue and expenses upon go-live of the system at the start of the M&O phase by amortizing the deferred revenue liability ratably over the remaining life of the contract.

**Income Taxes**

Deferred income tax assets and liabilities represent the income tax effects of temporary differences between the tax basis of assets and liabilities and their amounts for financial reporting purposes. Deferred income taxes arise from the recognition of these temporary differences. Deferred tax assets and liabilities are measured using enacted tax rates at the reporting date, expected to apply in the year in which those temporary differences are expected to be recovered or settled. Deferred tax assets are reduced by a valuation allowance for any portions determined not likely to be realized. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company recognizes tax liabilities when, despite the Company's belief that its tax return positions are supportable, the Company believes that certain positions may not be fully sustained upon review by tax authorities. Benefits from tax positions are measured at the largest amount of benefit that is greater than 50 percent likely of being realized upon settlement. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences impact income tax expense in the period in which such determination is made.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

**Foreign Currency**

The local currency of the Company's foreign affiliates is generally their functional currency. Accordingly, the assets and liabilities of the foreign affiliates are translated from their respective functional currency to US dollars using fiscal year-end exchange rates, income and expense accounts are translated at the average rates in effect during the fiscal year and equity accounts are translated at historical rates. The resulting translation adjustment is recorded in the consolidated statements of operations and comprehensive loss and recorded as part of accumulated other comprehensive loss.

**Note 3: Recently Issued Accounting Pronouncements**

**Accounting Standard Updates Adopted:**

In September 2022, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") 2022-04 to add disclosure requirements relative to supplier financing programs under Accounting Standards Codification ("ASC") 405, Liabilities. The guidance requires entities that maintain supplier financing programs to provide information in their financial statements about their use of supplier finance programs and their effect on the entity's working capital, liquidity, and cash flows. Specifically, the amendment requires entities to disclose the key terms of their programs, amounts outstanding, balance sheet presentation, and a roll forward of amounts outstanding during the annual period. We adopted this ASU when it became effective in the fiscal year ended March 31, 2024, except for the roll forward requirement, which is effective for fiscal years beginning after December 15, 2023. We will adopt the roll forward guidance when effective, in our 2024 annual reporting. See Note 10 for disclosures currently required under this guidance.

In 2020, the FASB issued ASU 2020-04, Reference Rate Reform (Topic 848), which provides optional guidance to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform on financial reporting. The sunset provision was set for December 31, 2022. In 2022, the FASB issued ASU 2022-06, which defers the sunset date to December 31, 2024, after which entities will no longer be permitted to apply the relief in in Topic 848. In April 2023, in connection with the planned phase-out of LIBOR, we amended our Credit Facilities to replace LIBOR with SOFR as the benchmark rate under the Credit Agreements. We adopted ASU 2020-04 in connection with this transition of the benchmark rate under our Credit Agreements. This transition did not have a material impact on our consolidated financial statements and related disclosures.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments which was subsequently amended in November 2018 through ASU 2018-19, Codification Improvements to Topic 326, Financial Instruments Credit Losses. ASU 2016-13 requires entities to estimate all expected credit losses for financial assets measured at amortized cost basis, including trade receivables, held at the reporting date based on historical experience, current conditions and reasonable and supportable forecasts. The Company adopted this guidance in its fiscal year ended March 31, 2024. The adoption of this new guidance did not have a material impact on the Company's Consolidated Financial Statements and related disclosures.

**Accounting Standard Updates yet to be adopted:**

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. The ASU expands income tax disclosures in the effective tax rate reconciliation table and income taxes paid. The ASU is effective for the Company's Financial Statements for the fiscal year ended March 31, 2027. The Company is currently evaluating the impact of adopting this ASU on its disclosures.

All other newly issued accounting pronouncements not yet effective have been deemed either immaterial or not applicable.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

**Note 4: Revenue**

The following table presents the Company's MES, COB and PI revenues disaggregated by service:

	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
MES	\$ 1,760,085	\$ 1,750,340
COB	635,677	570,938
PI/PHM	103,926	97,379
<b>Total revenues</b>	<b>\$ 2,499,688</b>	<b>\$ 2,418,657</b>

***Remaining Performance Obligations***

Remaining performance obligations represent the aggregate amount of the transaction price in contracts allocated to performance obligations not delivered, or partially undelivered, as of the end of the reporting period. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revaluations, adjustments for revenue that has not materialized and adjustments for currency translations. As of March 31, 2024, approximately \$287,000 of revenue is expected to be recognized from remaining performance obligations. The Company expects to recognize revenue entirely of these remaining performance obligations in fiscal 2025. As of March 31, 2023, approximately \$234,500 of revenue on remaining performance obligations was not recognized which was entirely recognized in the year ended March 31, 2024.

***Contract Balances***

The following table provides information about the balances of the Company's trade receivables and contract assets and contract liabilities:

	<b>As of March 31, 2024</b>	<b>As of March 31, 2023</b>
Trade receivables, net	\$ 370,938	\$ 320,883
Contract assets, net	241,702	293,253
Contract liabilities	75,836	67,712

Trade receivables and Contract assets are included in Receivables and contract assets, net of credit losses on the Consolidated Balance Sheets.

Contract liabilities include deferred revenue, the current portion of which is included in Deferred revenue and advance contract payments and the non-current portion is included in non-current deferred revenue on the Consolidated Balance Sheets.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

*Changes in contract liabilities were as follows:*

	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Balance, beginning of year	\$ 67,712	\$ 74,124
Deferred revenue	54,405	39,622
Recognition of revenue	(46,281)	(46,034)
Balance, end of year	<u>\$ 75,836</u>	<u>\$ 67,712</u>

**Note 5: CECL additional disclosures**

The Company monitors collections and maintain a provision for expected credit losses based on a combination of historical trends, current conditions, and relevant forecasted information, in addition to provisions established for any specific collection issues that have been identified.

The Company evaluates expected credit losses separately for MES and COBPI businesses as they have different assets risk characteristics. COBPI historically does not have a provision for credit losses due to the nature of its business.

Summarized below is the activity in our allowances for credit losses as follows:

	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Balance at the beginning of the year	\$ 1,145	2,375
Provision during the year (net)	(46)	(1,230)
Write-off, net of recoveries	<u>-</u>	<u>-</u>
Balance at the end of the year	<u>1,099</u>	<u>1,145</u>

**Note 6: Employee Benefits**

The Company has voluntary employee savings plans in which eligible employees can contribute a portion of their income on a pretax basis. The total cost of all the plans to the Company was \$20,470 and \$19,420 for the years ended March 31, 2024 and 2023 respectively.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

**Note 7: Stock-Based Compensation**

*Incentive Plan*

Class B Membership Interests in Gainwell Topco Holdings, L.P., the ultimate parent entity of Gainwell Holding Corp., are issued to certain employees of the Company under the Amended and Restated Limited Partnership Agreement dated October 1, 2020. Awards of Membership Interests are subject to both time-based vesting and performance-based vesting. Time-based awards vest over a term of five years in five equal installments on the anniversaries of the grant effective date. Equity based compensation expense related to the time-based vesting is recognized ratably over the service period. Vesting of the performance-based awards is dependent on i) the Company's achievement of a certain multiple of invested capital returns upon a recapitalization or extraordinary dividend, or ii) upon a change-in-control. The term of the performance-based vesting is indefinite, and compensation related to these awards will not be recognized until the Company has a qualifying event. The Company accounts for its equity-based compensation in accordance with applicable accounting guidance for share-based payments. This guidance requires share-based payments to be recognized in the Consolidated Statements of Operations and Comprehensive Loss based on their grant date fair values. Compensation costs for awards with graded vesting are recognized on a straight-line basis over the anticipated vesting period. The Company has elected to not estimate forfeitures for the time-based awards and will account for forfeitures in the period they occur.

There were no grants of Class B Membership interests during the year ended March 31, 2024. The following is a summary of the assumptions used in the valuation in determining the fair values of Class B Membership interests granted during the year ended March 31, 2023:

	<b>For the year ended</b>
	<b>March 31, 2023</b>
Assumptions:	
Expected volatility	50%
Risk-free interest rate	3%
Discount for lack of marketability	25%
Time to liquidity event	3.35

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

Change in awards outstanding under the Class B Incentive Plan were as follows:

**Class B Stock**

	<b>Awards % Unvested</b>	<b>Awards % Vested</b>	<b>Total</b>
<b>Outstanding and unvested as of March 31, 2022</b>	<b>4.72</b>	<b>0.42</b>	<b>5.14</b>
Granted	0.30	-	0.30
Forfeited	(0.72)	-	(0.72)
Cancelled	-	-	-
Vested	(0.47)	0.47	-
<b>Outstanding and unvested as of March 31, 2023</b>	<b>3.82</b>	<b>0.89</b>	<b>4.72</b>
Granted	-	-	-
Forfeited	(2.22)	-	(2.22)
Cancelled	-	-	-
Vested	(0.38)	0.38	-
<b>Outstanding and unvested as of March 31, 2024</b>	<b>1.23</b>	<b>1.27</b>	<b>2.50</b>

During the years ended March 31, 2024, and March 31, 2023, the Company recognized \$10,195 and \$11,302 of equity compensation expense related to Class B Membership interests, respectively.

As of March 31, 2024, unrecognized equity compensation related to the time-based awards was \$11,062 and performance-based awards was \$9,515 totaling to \$20,577. The expense related to the time-based awards is expected to be recognized over a weighted-average period of 1.5 years.

*Phantom Equity Plan*

The Company adopted the Phantom Equity Plan effective April 1, 2021. Each allocation of phantom equity awarded to eligible qualified employees and non-employee members of its Board under the Phantom Equity Plan represents a contractual right to receive an amount in cash. No shares of common stock will be issued pursuant to the Phantom Equity Plan, as the awards are settled in cash after the required vesting period has been satisfied.

The Phantom Equity Plan is subject to both time-based vesting and performance-based vesting. Time-based awards vest based on the occurrence of the Change of Control event as well as the continuous service over the five years. The time-based compensation related to these awards will not be recognized until the Company has a qualifying event. Upon the occurrence of the Change of Control event, vesting of the performance-based awards is dependent on i) the aggregate amount of net proceeds received by Veritas, divided by (ii) the aggregate amount of the invested capital contributed by Veritas to the issuer. The performance-based compensation related to these awards will not be recognized until the Company has a qualifying event.

Awards of phantom equity are accounted for in accordance with ASC 718, *Compensation – Stock Compensation*. The Company has elected to not estimate forfeitures for the phantom units and will account for forfeitures in the period they occur. There were no cash payments for units of phantom stock for the years ended March 31, 2024 and 2023. Also, there was no compensation cost recognized as the performance conditions were not met during these years. As of March 31, 2024, unrecognized compensation related to the time-based phantom awards was \$72,584 and performance-based awards was \$63,507 totaling to \$136,091.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

The following is a summary of the assumptions used in the valuation in determining the fair values of allocations granted during the year ended March 31, 2024 and March 31, 2023:

	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Assumptions:		
Expected volatility	50%	50%
Risk-free interest rate	4%	3%
Discount for lack of marketability	25%	25%
Time to liquidity event	3.83	3.35

Change in awards outstanding under the Phantom Equity Plan were as follows:

**Phantom Equity Plan**

	<b>Awards %</b>	<b>Awards % Vested</b>	<b>Total</b>
<b>Outstanding and unvested as of March 31, 2022</b>	<b>1.20</b>	-	<b>1.20</b>
Granted	0.40	-	0.40
Forfeited	-	-	-
Cancelled	-	-	-
Vested	-	-	-
<b>Outstanding and unvested as of March 31, 2023</b>	<b>1.60</b>	-	<b>1.60</b>
Granted	3.30	-	3.30
Forfeited	-	-	-
Cancelled	-	-	-
Vested	-	-	-
<b>Outstanding and unvested as of March 31, 2024</b>	<b>4.90</b>	-	<b>4.90</b>

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

**Note 8: Income Taxes**

*Provision (Benefit) for Taxes*

The sources of income (loss) from operations, before income taxes, classified between domestic entities and foreign entities, are as follows:

	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Domestic entities	\$ (951,299)	\$ (804,081)
Foreign entities	3,599	1,711
<b>Total</b>	<b>\$ (947,700)</b>	<b>\$ (802,370)</b>

The Company's income tax provision (benefit) consisted of the following components:

	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
U.S. federal taxes:		
Current	\$ 24,560	\$ (7,707)
Deferred	16,505	(5,049)
State taxes:		
Current	5,039	12,330
Deferred	3,447	(2,447)
Non U.S. taxes:		
Current	(636)	857
<b>Total</b>	<b>\$ 48,915</b>	<b>\$ (2,016)</b>

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

The major elements contributing to the difference between the U.S. federal statutory tax rate and the effective tax rate (“ETR”) are below:

(in thousands)	For the year ended March 31, 2024		For the year ended March 31, 2023	
	ETR	Tax Expense	ETR	Tax Expense
U.S. federal statutory income tax rate	21.00%	\$ (199,017)	21.00%	\$ (167,888)
Permanent Differences	-9.44%	89,447	-11.26%	90,009
State income taxes net of federal tax benefit	-0.32%	3,064	-1.26%	10,079
Other State Taxes	3.81%	(36,071)	2.93%	(23,392)
Uncertain tax positions	0.14%	(1,326)	-0.22%	1,778
Return to provision - Permanent Differences	0.25%	(2,343)	0.80%	(6,362)
R&D Credit Generated	1.51%	(14,323)		
Valuation allowance	-23.33%	221,096	-11.95%	95,514
Other items, net	1.23%	(11,612)	0.22%	(1,754)
<b>Total</b>	<b>-5.15%</b>	<b>48,915</b>	<b>0.26%</b>	<b>\$ (2,016)</b>

*Unrecognized Tax Benefits*

The Company accounts for income tax uncertainties in accordance with ASC 740 “Income Taxes”, which prescribes a recognition threshold and measurement criteria for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Benefits from tax positions should be recognized in the financial statements only when it is more likely than not that the tax position will be sustained upon examination by the appropriate taxing authority that would have full knowledge of all relevant information. A tax position that meets the more likely than not recognition threshold is measured at the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. Tax positions that previously failed to meet the more likely than not recognition threshold should be recognized in the first subsequent financial reporting period in which that threshold is met. Previously recognized tax positions that no longer meet the more likely than not recognition threshold should be derecognized in the first subsequent financial reporting period in which that threshold is no longer met. ASC 740 also provides guidance on the accounting for and disclosure of liabilities for uncertain tax positions, interest and penalties. As of March 31, 2024, the Company had \$3,224 of unrecognized tax positions of which \$2,695 is related to uncertain tax positions and \$529 is in interest and penalties. As of March 31, 2023, the Company had \$4,550 of unrecognized tax position of which \$2,657 was related to uncertain tax position and \$1,893 was in interest and penalties. The tax years of March 31, 2024, 2023 and 2022 remain open to examination.

*Deferred Income Taxes*

Deferred income taxes result from temporary differences between the amount of assets and liabilities recognized for financial reporting and tax purposes. For purposes of the combined balance sheets, deferred tax balances and tax carryforwards and credits have been recorded under the separate return method.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

The significant components of deferred tax assets and deferred tax liabilities were as follows:

	<b>As of</b> <b>March 31, 2024</b>	<b>As of</b> <b>March 31, 2023</b>
<b>Deferred tax assets:</b>		
Net Operating Loss	\$ 19,970	\$ 18,185
Operating lease liabilities	11,416	14,355
Allowance for Doubtful Accounts	6,167	4,372
Estimated Liability for Appeals	72	54
Tax Credit Carryforwards	1,864	2,630
Section. 163(j) Interest Limitation	253,967	106,435
Transaction Costs	11,841	13,339
Goodwill and Intangible assets	140,301	112,099
Capitalized Software Cost	36,585	-
Reserves	1,020	1,060
Accrued Expenses and Others	28,337	29,160
<b>Gross Deferred Tax Assets</b>	<u>511,540</u>	<u>301,689</u>
Valuation Allowance	(320,856)	(95,514)
<b>Net Deferred tax Assets</b>	<u><b>\$ 190,684</b></u>	<u><b>\$ 206,175</b></u>
<b>Deferred Tax Liabilities:</b>		
Property and Equipment	\$ (13,680)	\$ (22,270)
Goodwill and Intangible assets	(236,687)	(218,534)
Right of Use Asset	(8,996)	(11,351)
Capitalized Software Cost	-	(2,747)
<b>Total Deferred Tax Liabilities</b>	<u><b>\$ (259,363)</b></u>	<u><b>\$ (254,902)</b></u>

Income tax related assets and liabilities are included in the accompanying consolidated balance sheets as follows:

	<b>As of</b> <b>March 31, 2024</b>	<b>As of</b> <b>March 31, 2023</b>
Deferred tax assets	\$ 190,684	\$ 206,175
Deferred tax liabilities	(259,363)	(254,902)
Deferred tax liability, net	<u><b>\$ (68,679)</b></u>	<u><b>\$ (48,727)</b></u>

Significant management judgment is required in determining the Company's provision for income taxes, deferred tax assets and liabilities and any valuation allowance recorded against deferred tax assets. As of each reporting date, management weighs new evidence, both positive and negative, that could affect its view of the future realization of its net deferred tax assets. Objective verifiable evidence, which is historical in nature, carries more weight than subjective evidence, which is forward looking in nature. The Company has recorded Post-Appportionment gross state losses of \$362,227. The state NOLs have varying expiration dates with the majority expiring in 2041 or later.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

Due to the net DTA position as a result of the Section 163(j) limitation, there is a valuation allowance of \$320,856. In assessing whether its deferred tax assets are realizable, the Company considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized and adjusts the valuation allowance accordingly. The Company considers all available positive and negative evidence including future reversals of existing taxable temporary differences, taxable income in prior carryback years, projected future taxable income, tax planning strategies and recent financial operations.

**Note 9: Term Loan**

As of March 31, 2024 and 2023, total long term debt and other indebtedness, including current portion of long term debt, were as follows:

	<b>As of</b> <b>March 31, 2024</b>	<b>As of</b> <b>March 31, 2023</b>
First Lien Term Loan	\$ 4,094,053	\$ 4,136,367
Second Lien Term Loan	1,459,000	1,459,000
B-1 Term loan	250,000	-
Total Debt	5,803,053	5,595,367
Less current maturities of long term debt	44,816	42,316
Less debt issuance costs	135,324	160,533
Long term debt, net	<b>\$ 5,622,913</b>	<b>\$ 5,392,518</b>

Accrued interest as of March 31, 2024 and March 31, 2023 was \$51,757 and \$45,971 respectively.

The Company amortized deferred financing costs of \$35,212 and \$35,261 in the year ended March 31, 2024 and March 31, 2023, respectively.

Future maturities of long-term debt as of March 31, 2024 are as follows:

<b>Fiscal Year Ended</b>	<b>Amount</b>
2025	44,816
2026	44,816
2027	44,816
2028	3,969,605
2029	1,461,500
Thereafter	237,500

**First Lien Term Loan & Revolving Loans**

In October 2020, the Company entered into a credit agreement (the “Credit Agreement”) with certain lenders and JPMorgan Chase Bank, N.A. as administrative agent. The Credit Agreement provided for an initial \$2.4 billion first-lien term loan facility (the “First Lien Term Loan”) and a \$400 million revolving credit loan facility (the “Revolving Loans”).

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

In April 2021, the Company entered into an amendment to the first lien agreement for borrowing an additional \$1.827 billion senior secured first lien term loan facility.

During the year, the Company used the Adjusted SOFR as a benchmark for establishing the interest rate. LIBOR was previously the benchmark rate used for our indebtedness. In connection with the phase-out of LIBOR, we amended our Credit Agreement and effective from April 2023 LIBOR is replaced with SOFR as the benchmark rate under the Credit Agreement.

The First Lien Term Loan along with the amendment to First Lien Term Loan under the Credit Agreement bears interest, at the Company's option, at either i) for Adjusted Term SOFR Rate Loans, 4.00%, and (ii) for Base Rate Loans, 3.00%. The interest rate was 9.41 % and 8.99 % as of March 31, 2024 and 2023.

Borrowings of Revolving Loans bear interest at a rate which depends on the Company's ratio of consolidated total net debt to earnings before interest, taxes, depreciation and amortization, both as defined in the Credit Agreement ("the Leverage Ratio"). Revolving Loans under the Credit Agreement bear interest, at the Company's option, at either i) the Base Rate, as defined in the agreement, plus an applicable margin based on the Company's Leverage Ratio or ii) the Adjusted Term SOFR (the "Term Benchmark") plus an applicable margin based on the Company's Leverage Ratio. At a Leverage Ratio greater than 4.25, borrowings will include a margin of 4% for Term Benchmark loans and 3% for Base Rate loans. At a Leverage Ratio between 3.75 and 4.25, borrowings will include a margin of 3.75% for Term Benchmark loans and 2.75% for Base Rate loans. At a Leverage Ratio less than 4.25, borrowings will include a margin of 3.5% for Term Benchmark loans and 2.75% for Base Rate loans. The interest rate was 11.5% and 8.75% as of March 31, 2024 and 2023 respectively.

The First Lien Term Loan along with the amendment on First Lien Term loan matures on October 1, 2027 and requires quarterly principal payments of \$10.5 million. The initial borrowings of Revolving Loans mature on October 1, 2025.

During the year ended March 31, 2024, the Company borrowed \$200 million under revolving loan which was repaid along with interest. There were no outstanding borrowings under the Revolving Loans during the year ended March 31, 2024 and 2023. On March 31, 2024 and 2023, the Company had \$22.16 million and \$22.16 million of letters of credit outstanding under the Credit Agreement and requires quarterly interest payments on the last day of each quarter. The letters of credit bear interest at a rate consistent with the Revolving Loans. The Company uses letters of credit primarily for purposes of satisfying requirements pertaining to the customer contracts.

The Credit Agreement requires quarterly principal and interest payments for the First Lien Term Loan. The Credit Agreement contains affirmative and negative covenants customary for financings of this type.

**Second Lien Term Loan**

In October 2020, the Company entered into a second lien credit agreement (the "Second Lien Credit Agreement") with certain lenders and JPMorgan Chase Bank, N.A. as administrative agent. The Second Lien Credit Agreement provided for an initial \$800 million second-lien term loan facility (the "Second Lien Term Loan"). In April 2021, the Company entered into an amendment to the second lien agreement for borrowing an additional \$659 million senior secured second lien term loan facility.

The Second Lien Term Loan and the amendment thereof under the Second Lien Credit Agreement bears interest, at the Company's option, at either i) the Base Rate (the "Base Rate"), as defined in the agreement, plus a margin of 7%, or ii) the adjusted Term SOFR (the "Term Benchmark") plus a margin of 8%. The interest rate was 13.43% and 12.78% as of March 31, 2024 and 2023 respectively.

The Second Lien Term Loan, including the amendment to Second Lien Term Loan, matures on October 1, 2028. The Second Lien Credit Agreement requires quarterly interest payments for the Second Lien Term Loan. The Second Lien Credit Agreement contains affirmative and negative covenants customary for financings of this type.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

**B-1 Term Loan**

In February 2024, the Company entered into an amendment to the first lien agreement for borrowing an additional \$250 million of B-1 Term loan.

The B-1 Term Loan under the amendment to the Credit Agreement bears an interest rate (A) for any period in respect of which the Administrative Borrower has not made a PIK Interest Election, (i) for Adjusted Term SOFR Rate Loans, 5.25%, and (ii) for Base Rate Loans, 4.25% and (B) for any period in respect of which the Administrative Borrower has made a PIK Interest Election, (i) for Adjusted Term SOFR Rate Loans, 5.75%, and (ii) for Base Rate Loans, 4.75%.

During the year, the Company did not make PIK Interest Election and the interest rate was 10.56%.

The Term B-1 Loan matures on February 28, 2031 and requires quarterly principal payment of \$0.625 million per quarter.

**Note 10: Supplier Finance Program**

During 2023, the Company has entered into agreements with financial institutions to facilitate the purchase of software licenses and to prepay the insurance premiums from designated suppliers under certain terms and conditions to enhance liquidity. Under these agreements, the Company received extended payment terms up to 12 months and agreed to pay the financial institutions a stated amount of confirmed invoices from its designated suppliers with additional interest. The amounts outstanding under these agreements as of March 31, 2024 and 2023 are \$9,351 and \$12,564 included in Short-term debt and current maturities of long term debt on the Consolidated Balance Sheets.

**Note 11: Property and Equipment**

	<b>As of</b>	<b>As of</b>
	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Property & equipment	\$ 36,704	\$ 34,222
Computers and related equipment	60,923	55,369
Furniture and other equipment	996	785
Construction in progress	2,216	898
	<hr/> 100,839	<hr/> 91,274
Accumulated depreciation & amortization	(43,466)	(28,638)
Property and equipment, net	<hr/> <b>\$ 57,373</b>	<hr/> <b>\$ 62,636</b>

During the year ended March 31, 2024, the Company disposed property & equipment whose cost is \$4,598 which had an accumulated depreciation of \$3,455 and the net loss was \$948 considered as loss on disposal of asset in consolidated statement of operations.

During the year ended March 31, 2023, the Company disposed property & equipment whose cost is \$2,479 which had an accumulated depreciation of \$2,268 and the net loss was \$211 considered as loss on disposal of asset in consolidated statement of operations.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

Depreciation expense for Property and equipment was \$18,242 and \$18,083 for the year ended March 31, 2024 and March 31, 2023 respectively.

Depreciation expense is split between Cost of Services and Selling, General & Administrative expenses based on the departments that had sourced the corresponding assets.

**Note 12: Goodwill and Intangible Assets**

***Goodwill***

The following table summarizes carrying amount of goodwill as of March 31, 2024 and 2023:

	<b>As of March 31, 2024</b>	<b>As of March 31, 2023</b>
Opening balance	\$ 3,210,172	\$ 3,626,741
On Acquisition	-	-
Amortization Expense	(416,612)	(416,833)
Foreign exchange translation adjustment impact	(1,967)	264
Closing balance	<u>\$ 2,791,593</u>	<u>\$ 3,210,172</u>

***Intangible Assets***

Intangible assets consisted of the following:

	<b>As of March 31, 2024</b>			<b>As of March 31, 2023</b>		
	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net Carrying Value</b>	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net Carrying Value</b>
Software	953,839	494,293	459,546	\$ 946,620	358,710	587,910
Customer related intangible assets	2,350,000	1,024,794	1,325,206	2,350,000	775,408	1,574,592
Trade name	1,000	600	400	1,000	400	600
Construction in progress- Software	48,164	-	48,164	9,899	-	9,899
Total intangible assets	<u>3,353,003</u>	<u>1,519,687</u>	<u>1,833,316</u>	<u>\$ 3,307,519</u>	<u>1,134,518</u>	<u>2,173,001</u>

During the year ended March 31, 2024, the Company retired software whose cost was \$2,436 which had an accumulated amortization of \$1,720 and the net loss was \$716 considered as loss on disposal of asset in consolidated statement of operations.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

The components of amortization expense were as follows:

	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Goodwill amortization	\$ 416,612	\$ 416,833
Intangible asset amortization		
Software	137,303	149,670
Customer related intangible assets	249,386	303,233
Trade name	200	200
<b>Total</b>	<b>\$ 803,501</b>	<b>\$ 869,936</b>

Depreciation and amortization expense is split between Cost of Services and Selling, General & Administrative expenses based on the departments that had sourced the corresponding assets.

Estimated future amortization as of March 31, 2024 for the intangible assets including goodwill is as follows:

<b>Fiscal year</b>	<b>Amount</b>
2025	757,870
2026	726,110
2027	694,073
2028	624,795
2029	541,679
Thereafter	1,232,220
	4,576,747

**Note 13: Leases**

The Company has operating leases primarily for its office space. Our leases have remaining lease terms of 1 to 8 years, some of which include options to extend the leases for up to 20 years, and some of which include options to terminate the leases within 1 to 3 years.

As of March 31, 2024, the Company has not entered into any leases that have not yet commenced which would entitle the Company to significant rights or create additional obligations.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

The components of lease expense were as follows:

	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Operating lease cost	\$ 23,798	\$ 26,543
Variable lease cost	4,045	4,008
Finance lease cost	233	917
Total costs	28,076	31,468
Sublease income	1,040	1,001
	<b>\$ 27,036</b>	<b>\$ 30,467</b>

Cash payments made from variable lease costs and short-term leases are not included in the measurement of operating lease liabilities, and as such, are excluded from the supplemental cash flow information stated below:

	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Cash paid for amounts included in the measurement of:		
Operating cash flows from operating leases	\$ 25,757	\$ 17,209
Operating cash flows from finance leases	1	9

Supplemental balance sheet information related to leases were as follows:

	<b>As of March 31, 2024</b>	<b>As of March 31, 2023</b>
Operating right-of-use assets, net	\$ 36,181	\$ 45,549
Finance right-of-use assets, net	1	234
Current operating lease liabilities	17,182	24,417
Non-current operating lease liabilities	28,445	33,688
Current finance lease liabilities	-	140
Non-current finance lease liabilities	-	1

The following maturity analysis presents expected undiscounted cash payments for operating and finance leases on an annual basis as of March 31, 2024:

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

<b>Fiscal year</b>	<b>Operating</b>	<b>Finance</b>	<b>Total</b>
2025	18,624	-	18,624
2026	10,839	-	10,839
2027	6,645	-	6,645
2028	4,563	-	4,563
2029	3,630	-	-
Remaining years	4,874	-	4,874
Total lease payments	49,175	-	49,175
Less: imputed interest	3,548	-	3,548
<b>Total payments</b>	<b>\$ 45,627</b>	<b>\$ -</b>	<b>\$ 45,627</b>

The following table provides information on the weighted average remaining lease term and weighted average discount rate for Operating and Finance leases:

<b>Weighted-average remaining lease terms (in years)</b>	<b>As of March 31, 2024</b>	<b>As of March 31, 2023</b>
Operating leases	3.98	3.21
Finance leases	0.25	0.59
<b>Weighted-average discount rate</b>		
Operating leases	2.90%	1.48%
Finance leases	1.73%	1.19%

**Note 14: Other Assets**

The table below summarizes Other assets as of March 31, 2024 and 2023:

	<b>As of March 31, 2024</b>	<b>As of March 31, 2023</b>
Sales commission (1)	5,866	6,063
Transition and Transformation costs (2)	26,899	\$ 32,757
Prepaid expense long - term	8,951	16,142
Hosting arrangements	25,825	34,523
Deposits and others	2,919	751
<b>Total</b>	<b>\$ 70,460</b>	<b>\$ 90,236</b>

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

(1) As of March 31, 2024, current portion of capitalized sales commission cost of \$3,830 is included in other current assets and \$5,866 is included in other assets in the accompanying balance sheet. As of March 31, 2023, current portion of capitalized sales commission cost of \$6,997 is included in other current assets and \$6,063 is included in other assets in the accompanying balance sheet.

(2) Transition and transformation contract costs, reflect the Company's setup costs incurred upon initiation of an outsourcing contract. The current portion of such costs of \$14,717 and \$19,264 is included in Other Current Assets as of March 31, 2024 and March 31, 2023 respectively and \$26,899 and \$32,757 are recorded in other assets as of March 31, 2024 and March 31, 2023 respectively in the accompanying balance sheet. Amortization expense of \$12,581 and \$6,235 is included within cost of services in the accompanying statement of operations and comprehensive loss for the year ended March 31, 2024 and March 31, 2023 respectively.

**Note 15: Accrued Expenses and Other Current Liabilities**

The table below summarizes accrued expenses and other current liabilities as of March 31, 2024 and 2023:

	<b>As of March 31, 2024</b>	<b>As of March 31, 2023</b>
Accrued operating expenses	\$ 158,823	\$ 166,576
Accrued professional fee expenses	36,493	38,625
Refunds due to clients	541	1,386
Current portion of Fair value of loss reserve on onerous contracts	7,465	4,760
Total	<u>\$ 203,322</u>	<u>\$ 211,347</u>

**Note 16: Related Party Transactions**

The following are the related parties and the nature of transactions with them –

<b>Name</b>	<b>Relation</b>	<b>Nature of Transactions</b>
Veritas Capital	Owner of the Company	Yearly management fees
Cotiviti Inc	A portfolio company of Veritas	a) Sale of a portion of the HMS business b) Received TSA services from the Company
Perspecta Inc	A portfolio company of Veritas	Provider of data center and network services
Guidehouse Inc	A portfolio company of Veritas	Provider of time and materials services and/or deliverables to multiple Gainwell client accounts

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

**Veritas Capital:**

The Company incurred \$Nil and \$24,750 towards management fees payable to Veritas Capital for the year ended March 31, 2024 and March 31, 2023 respectively. During the year, an amount of \$Nil was paid to Veritas Capital and \$17,250 is payable as of March 31, 2024 relating to previous year. During the year ended March 31, 2023, an amount of \$25,758 was paid and \$17,250 was payable as of March 31, 2023.

**Cotiviti Inc:**

The Company entered into a Transition Service Agreement (“TSA”) to provide accounting services to Cotiviti. The Company has also received some reverse TSA (“RTSA”) services from Cotiviti. The value of services provided (net of RTSA) during the years ended March 31, 2024 and March 31, 2023 was \$1,852 and \$15,305 respectively. As of March 31, 2024 and 2023, an amount of \$362 and \$1,822 (net of payable) is receivable from Cotiviti for such services, respectively.

**Perspecta Inc:**

During the year, the Company procured data center and network services from Perspecta Inc., for \$4,800 and there is no payable as of March 31, 2024. The amount of such services during the year 2023 was \$7,698 and an amount of \$3,080 is payable as of March 31, 2023.

**Guidehouse Inc:**

The Company procured time and material services from Guidehouse Inc. During the year there were no services procured and thus have no payable balance as of March 31, 2024. During the year 2023, the Company procured time and material services from Guidehouse Inc., for \$1,390 and the entire amount was paid during the year.

**Note 17: Litigation and Contingencies**

The Company is from time to time involved in commercial and employment disputes that arise in the ordinary course of its business. The Company may also be subject to claims from third parties arising from or in connection with the Company’s operations. In addition, the Company is sometimes asked to provide information with respect to itself and its business or as a third party in investigations or proceedings conducted by federal, state and/or local agencies. With respect to loss contingencies, the Company records a liability when it believes it is both probable that a liability has been incurred and the amount of loss can be reasonably estimated. Significant judgment is required to determine both the probability of having incurred a liability and the estimated amount of the liability. The Company reviews these matters at least quarterly and adjusts these liabilities to reflect the impact of negotiations, settlements, rulings, advice of legal counsel and other updated information and events pertaining to a particular matter. Cash flows and/or results of operations could be materially affected in any particular period by the resolution of one or more of these contingencies. The Company believes it has recorded adequate provisions for any such matters and therefore, as of March 31, 2024 and 2023, it was not reasonably possible that a material loss had been incurred in connection with such matters in excess of the amounts recognized in its financial statements.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

*Litigation*

The Company, in the normal course of business, may be subject to various claims and contingencies arising from among other things, disputes with customers, vendors, employees (current or former), contract counterparties and other parties, as well as environmental matters, matters concerning the licensing and use of intellectual property, and inquiries and investigations by regulatory authorities and other government agencies. Some of these disputes involve or may involve litigation. During the years ended March 31, 2024 and 2023, the Company was not involved in any material litigations which have not been adequately provided for nor did the Company have any settlements arising from litigations from the pre-acquisition period that were not reflected in its consolidated financial statements. Further, the Company had no material litigations or settlements between April 1, 2024 and the date of these financial statements that have not been adequately provided for in these financial statements.

**Note 18: Guarantees and Indemnifications**

*Guarantees*

In the ordinary course of business, the Company may issue performance guarantees to certain of its clients, customers and other parties pursuant to which the Company has guaranteed the performance obligations of third parties. Some of those guarantees may be backed by standby letters of credit or surety bonds. In general, the Company would be obligated to perform over the term of the guarantee in the event a specified triggering event occurs as defined by the guarantee. The Company believes the likelihood of having to perform under a material guarantee is remote.

The following table summarizes Company's financial guarantees and stand-by letters of credit outstanding as of March 31, 2024 and 2023:

	<b>As of March 31, 2024</b>	<b>As of March 31, 2023</b>
Surety bonds	\$ 323,009	\$ 339,869
Stand -by letters of credit	22,162	22,162
Total	<u><b>\$ 345,171</b></u>	<u><b>\$ 362,031</b></u>

*Indemnifications*

In the ordinary course of business, the Company enters contractual arrangements under which the Company may agree to indemnify a third party to such arrangement from any losses incurred relating to the services they perform on behalf of the Company or for losses arising from certain events as defined within the particular contract, which may include, for example, litigation or claims relating to past performance. The Company also provides indemnifications to certain vendors and customers against claims of intellectual property infringement made by third parties arising from the use by such vendors and customers of the Company's software products and services and certain other matters. Some indemnifications may not be subject to maximum loss clauses. Historically, payments made related to these indemnifications have been immaterial.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2024**  
(dollars in thousands, unless otherwise noted)

**Note 19: Supplemental cashflow disclosures**

	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Cash payments for interest, net of capitalized interest	589,522	440,880
Cash payments (receipts) for taxes, net	7,234	40,594

**Note 20: Subsequent Events**

The Company evaluated subsequent events for recognition or disclosure through July 24, 2024, the date the consolidated financial statements were available to be issued and has not identified any events which require disclosure or adjustments to consolidated financial statements.



**Gainwell Holding Corp. and Subsidiaries**  
**Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**

**INDEX—FINANCIAL STATEMENTS**  
**Gainwell Holding Corp. and Subsidiaries**  
**Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**

Report of Independent Auditors .....	1-2
Consolidated Balance Sheets.....	3
Consolidated Statements of Operations and Comprehensive Loss.....	4
Consolidated Statements of Stockholders' Equity.....	5
Consolidated Statements of Cash Flows .....	6
Notes to Consolidated Financial Statements.....	7-36

**Independent Auditor's Report**

Board of Directors  
Gainwell Holding Corp.

**Opinion**

We have audited the consolidated financial statements of Gainwell Holding Corp. and its subsidiaries (the Company), which comprise the consolidated balance sheets as of March 31, 2023 and 2022, the related consolidated statements of operations and comprehensive loss, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2023 and 2022, and the results of their operations and their cash flows for the year ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

*RSM US LLP*

McLean, Virginia  
July 13, 2023

**Gainwell Holding Corp. and Subsidiaries**  
**Consolidated Balance Sheets**  
**(in thousands)**

	As of March 31, 2023	As of March 31, 2022
<b>ASSETS</b>		
Current assets:		
Cash and Cash equivalents	\$ 86,238	\$ 199,721
Receivables and contract assets, net of allowance for doubtful accounts of \$ 15,142 and \$12,666 respectively	614,135	614,988
Prepaid expenses	73,249	72,706
Other current assets	57,773	33,559
Total current assets	<u>\$ 831,395</u>	<u>\$ 920,974</u>
Intangible assets, net of accumulated amortization of	2,173,001	2,569,604
Operating right-of-use assets, net	45,783	62,439
Goodwill	3,210,172	3,626,741
Property and equipment, net of accumulated depreciation	62,636	61,367
Other assets	90,236	78,019
Total Assets	<u>\$ 6,413,223</u>	<u>\$ 7,319,144</u>
<b>LIABILITIES and EQUITY</b>		
Current liabilities:		
Short-term debt and current maturities of long-term debt	\$ 54,879	\$ 42,316
Accounts payable	161,184	108,114
Accrued payroll and related costs	48,352	74,020
Current lease liabilities	24,557	25,760
Accrued expenses and other current liabilities	211,347	338,047
Deferred revenue and advance contract payments	33,944	28,840
Total current liabilities	<u>\$ 534,263</u>	<u>\$ 617,097</u>
Long-term debt, net of current maturities, OID and financing costs	5,392,518	5,399,575
Non-current deferred revenue	33,979	45,284
Non-current lease liabilities	33,689	40,940
Non-current pension obligations	1,547	1,653
Other long-term liabilities	9,014	8,500
Deferred tax liability	48,727	56,223
Total Liabilities	<u>\$ 6,053,737</u>	<u>\$ 6,169,272</u>
Stockholder's Equity		
Common Stock: \$0.01 par value, 1000 shares authorized, 100 shares issued and outstanding	-	-
Additional paid-in capital	2,104,156	2,092,853
Accumulated deficit	(1,742,562)	(942,208)
Accumulated other comprehensive income	(2,108)	(773)
Total Equity	<u>359,486</u>	<u>1,149,872</u>
Total Liabilities and Equity	<u>\$ 6,413,223</u>	<u>\$ 7,319,144</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Gainwell Holding Corp. and Subsidiaries**  
**Consolidated Statements of Operations and Comprehensive Loss**  
**(in thousands)**

	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue, net	\$ 2,418,657	\$ 2,257,431
Cost of Services	1,664,107	1,497,186
Gross profit	<u>754,550</u>	<u>760,245</u>
Operating Expenses:		
Selling, general & administrative expenses	1,053,534	1,152,977
Restructuring Costs	8,560	2,685
Total Operating expenses	<u>1,062,094</u>	<u>1,155,662</u>
Loss from operations	<u>(307,544)</u>	<u>(395,417)</u>
Other income and (expenses):		
Interest Expense	(492,947)	(375,784)
Other expense	(1,879)	(334)
Total other income and expense	<u>(494,826)</u>	<u>(376,118)</u>
Loss from operations, before taxes	<u>(802,370)</u>	<u>(771,535)</u>
Income tax (benefit)	<u>(2,016)</u>	<u>(157,362)</u>
<b>Net Loss</b>	<b>(800,354)</b>	<b>(614,173)</b>
Other comprehensive loss:		
Currency translation adjustments	(1,335)	(972)
Comprehensive loss	<u>\$ (801,689)</u>	<u>\$ (615,145)</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Gainwell Holding Corp. and Subsidiaries**

**Consolidated Statements of Stockholders' Equity for the year ended March 31, 2023 and 2022**

**(in thousands)**

	Common Shares	Shares Dollars	Additional Paid in Capital	Receivable against Equity	Accumulated Deficit	Accumulated Other Comprehensive Income, net	Total
Balance as at March 31, 2021	100	-	\$ 2,209,700	\$ (5,100)	\$ (328,035)	\$ 199	\$ 1,876,764
Issuance of Stock at \$0.01 per share	-	-	4,100	5,100	-	-	9,200
Stock Compensation	-	-	10,784	-	-	-	10,784
Gain on sale of Cotiviti	-	-	10,934	-	-	-	10,934
Net transfers to Owner	-	-	(142,665)	-	-	-	(142,665)
Net Loss	-	-	-	-	(614,173)	-	(614,173)
Cumulative translation adjustments	-	-	-	-	-	(972)	(972)
Balance as at March 31, 2022	<b>100</b>	-	<b>2,092,853</b>	-	<b>(942,208)</b>	<b>(773)</b>	<b>1,149,872</b>
Stock Compensation	-	-	11,302	-	-	-	11,302
Net Loss	-	-	-	-	(800,354)	-	(800,354)
Cumulative translation adjustments	-	-	-	-	-	(1,335)	(1,335)
<b>Balance as at March 31, 2023</b>	<b>100</b>	-	<b>\$ 2,104,156</b>	<b>\$ -</b>	<b>\$ (1,742,562)</b>	<b>\$ (2,108)</b>	<b>\$ 359,486</b>

The accompanying notes are an integral part of these consolidated financial statements.

**Gainwell Holding Corp. and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
**(in thousands)**

	For the year ended March 31, 2023	For the year ended March 31, 2022
<i><b>Cash flows from operating activities:</b></i>		
Net Loss	\$ (800,354)	\$ (614,173)
<i><b>Adjustments to reconcile net loss to net cash provided by operating activities:</b></i>		
Depreciation and amortization	888,019	917,072
Non cash charges on ROU assets	16,656	11,571
Share-based compensation	11,302	10,784
Provision for doubtful receivables	3,256	(345)
Amortization of debt issuance costs	35,261	37,524
Loss on disposal of property, equipment and software	277	-
Deferred tax	(7,496)	-
<i><b>Changes in assets and liabilities, net of effects of acquisitions and dispositions:</b></i>		
Increase in receivables	(2,403)	(31,715)
Increase in prepaid expenses and other assets	(27,855)	(20,453)
Increase (Decrease) in accounts payable and accruals	(67,959)	35,935
Increase (Decrease) in deferred revenue	(6,412)	22,178
Increase in Income Tax Liability, net	(40,372)	49,382
Decrease in deferred taxes	-	32,742
(Increase) in ROU liabilities	(7,487)	(5,690)
Increase (Decrease) in other liabilities	406	(188,723)
<b>Net cash (used in) provided by operating activities</b>	<b>\$ (5,160)</b>	<b>\$ 256,090</b>
<b>Purchase of property &amp; equipment</b>		
	(19,558)	(16,561)
<b>Software purchased or developed</b>		
	(56,567)	(51,855)
<b>Acquisition, net of cash acquired</b>		
	-	(2,432,533)
<b>Net cash used in investing activities</b>	<b>\$ (76,125)</b>	<b>\$ (2,500,949)</b>
<b>Borrowings on long-term debt</b>		
	-	2,486,000
<b>Borrowings on short-term debt</b>		
	46,751	-
<b>Principal payments on long-term debt</b>		
	(42,316)	(42,316)
<b>Payments on short-term debt</b>		
	(34,188)	-
<b>Debt issuance costs</b>		
	-	(119,152)
<b>Proceeds from Additional Paid in Capital</b>		
	-	9,200
<b>Taxes payable on sale of Cotiviti</b>		
	-	(146,482)
<b>Payment of capital leases</b>		
	(843)	(1,374)
<b>Net cash (used in) provided by financing activities</b>	<b>\$ (30,595)</b>	<b>\$ 2,185,876</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		
	(1,603)	(212)
<b>Net decrease in cash and cash equivalents</b>	<b>(113,483)</b>	<b>(59,195)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>\$ 199,721</b>	<b>\$ 258,916</b>
<b>Cash and cash equivalents at end of the year</b>	<b>\$ 86,238</b>	<b>\$ 199,721</b>

The accompanying notes are an integral part of these consolidated financial statements.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

**Note 1: Organization and Nature of Operations**

Gainwell Holding Corp. is an independent private company, founded on October 1, 2020 through the sale of DXC Technology's State & Local Health and Human Services business to an affiliate of Veritas Capital Fund Management, L.L.C. ("Veritas"). Veritas is a leading private investment firm that invests in companies that provide critical products and services, primarily technology and technology-enabled solutions, to government and commercial customers worldwide, including those operating in the healthcare, aerospace and defense, software, national security communications, energy, government services and education industries.

Gainwell Holding Corp is ultimately held by Gainwell Topco Holdings LP through an intermediate holding company namely, Gainwell Intermediate Holding Corp.

Gainwell Acquisition Corp, is a wholly owned subsidiary of Gainwell Holding Corp.

On April 1, 2021, Gainwell Acquisition Corp., and Gainwell Intermediate Holding Corp. (collectively "Gainwell") acquired HMS Holdings Corp. ("HMS"), an industry-leading healthcare technology, analytics and engagement solutions provider. Gainwell acquired HMS capabilities focused on the Medicaid market, including coordination of benefits (COB) and payment integrity (PI) solutions delivered to states and COB solutions delivered to Medicaid managed care organizations. Cotiviti Inc., a Veritas backed company, acquired from Gainwell the HMS PI and Population Health Management (PHM) capabilities focused on health plan and federal markets. Business units retained by Gainwell are HMS Inc, HMS Holdings Corp, Reimbursement Services Group Inc, Essette Inc, and Permedion Inc.

After acquisition, Gainwell Technologies LLC and HMS Holdings LLC are wholly owned subsidiaries of Gainwell Acquisition Corp. The wholly owned subsidiaries of Gainwell Technologies LLC include Milano Receivables Funding LLC, MMIS Technology Services LLC which in turn owns Gainwell Technologies Canada ULC located in Canada, Enterprise Services Caribe, LLC located in Puerto Rico, MMIS Technology Services India Private Limited located in India and PDA Software Services LLC. The wholly owned subsidiaries of HMS Holdings LLC include HMS Inc, Essette Inc, Reimbursement Services Group Inc and Permedion Inc.

The accompanying consolidated financial statements and notes present the consolidated financial position, results of operations and cash flows of Gainwell Holding Corp and its wholly owned subsidiaries (the "Company").

The Company serves Government Health & Human Services ("HHS") clients charged with the mission of enhancing and protecting the health and well-being of residents in 51 states/territories and the District of Columbia.

The Company builds software and solutions and provides technology services and business process services to its clients. This includes Medicaid Programs in 31 states as well as other HHS services. The solutions include, but are not limited to, the Medicaid Enterprise Systems ("MES") which is the claims processing system of record and analytics support system for Medicaid. Within Medicaid, services provided include fiscal agent services, claims processing, provider enrollment, pre-authorization, pharmacy drug rebates, recipient eligibility management, call center, print and mail services. Other HHS services which the Company provides include solutions to support Eligibility and Enrollment, Immunization Registries, Women, Infant & Children ("WIC") and Early Intervention ("EIC"). The Company also provides coordination of benefits ("COB") and payment integrity ("PI") services primarily to state governments, Medicaid managed care plans and commercial health plans.

The Company is headquartered in Irving, Texas.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

**Note 2: Summary of Significant Accounting Policies**

**Principles of Consolidation**

The accompanying consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). All intercompany transactions are eliminated in consolidation.

These financial statements are prepared for the year ended March 31, 2023. The accompanying consolidated financial statements and notes present the financial position as of March 31, 2023 and 2022, and the results of operations for the years ended March 31, 2023, and 2022.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant items subject to estimates and assumptions include: the determination of the fair value of acquired assets and liabilities, contract assets, deferred revenue, the allowance for doubtful accounts, valuation, and recoverability of long-lived assets (including intangible assets), depreciation and amortization periods of long-lived assets and deferred income taxes. Actual results may differ from those estimates. Therefore, accounting estimates and assumptions may change over time and may change materially in future periods.

**Cash and Cash Equivalents**

Money market funds and highly liquid debt instruments purchased with original maturity dates of three months or less, when purchased, are considered cash and cash equivalents.

**Receivables and Contract Assets**

Receivables and contract assets consist of amounts billed and currently due from customers, amounts earned but unbilled (including contracts measured under the percentage-of-completion method of accounting), amounts retained by the customer until the completion of a specified contract and a percentage of claim amounts identified for collection by customers from third parties. Over the course of a contract, invoices are billed, and cash is collected as development milestones are reached or as services are delivered. Unbilled recoverable amounts under contracts in progress generally become billable upon achievement of project milestones or upon acceptance by a customer.

Allowances for uncollectible billed receivables and contract assets are estimated based on a combination of write-off history, aging analysis, and any specific and known collectability issues. Unbilled amounts under contracts in progress that are recoverable do not have an allowance for credit losses.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

**Property and Equipment**

Property and equipment are stated at cost less accumulated depreciation. The Company depreciates the cost of property and equipment over the estimated useful lives of the related assets using the straight-line depreciation method. Leasehold improvements are amortized over the shorter of the lease term or their estimated useful lives. The estimated useful lives of the Company's property and equipment are as follows:

<b>Classification</b>	<b>Estimated useful life</b>
Property and Equipment	Up to 15 years
Computers and related equipment	Up to 7 years
Furniture and other equipment	Up to 10 years
Leasehold improvements	Shorter of lease term or useful life upto 20 years

**Intangible Assets and Long-Lived Assets**

The Company reviews intangible assets with finite lives and long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset or a group of assets may not be recoverable. The Company assesses the recoverability of assets based on a comparison of the carrying amount of such assets to the estimated future net cash flows expected to result from the use and eventual disposition of such assets. If estimated future net cash flows are less than the carrying amount of such assets, the assets are impaired. The Company measures the amount of impairment loss, if any, as the difference between the carrying amount of such assets and its fair value. Fair value is determined based on an undiscounted cash flow approach or, when available and appropriate, comparable market values.

The Company's estimated useful lives for finite-lived intangible assets are shown in the table below:

Software	2 to 7 years
Customer related intangibles	15 to 19 years

Software intangibles are amortized using the straight-line method over their estimated useful lives.

Customer related intangibles are amortized using the present value of cash flows estimated to be generated by the customer contracts over the estimated useful lives.

**Software Development Costs**

After establishing technological feasibility and before software products are available for general release to customers, the Company capitalizes costs incurred to develop commercial software products to be sold, leased or otherwise marketed. The Company expenses costs related to establishing technological feasibility as incurred and capitalizes enhancements that extend the life or marketability of software products. Amortization of capitalized software development costs is determined separately for each software product.

Unamortized capitalized software costs associated with commercial software products are periodically evaluated for impairment on a product-by-product basis by comparing the unamortized balance to the product's net realizable value. The net realizable value is the estimated future gross revenues from that product reduced by the related estimated future costs. When the unamortized balance exceeds the net realizable value, the unamortized balance is written down to the net realizable value and an impairment charge is recorded.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

The Company capitalizes costs incurred to develop internal-use computer software during the application development stage. Costs related to preliminary project activities and post-implementation activities are expensed as incurred. Internal and external costs incurred in connection with development of upgrades or enhancements that result in additional functionality are capitalized as Software within Intangible assets, net of accumulated amortization on the consolidated balance sheet and amortized on a straight-line basis over the estimated useful life of the software. Internal-use software assets are evaluated for impairment whenever events or changes in circumstances occur that could impact the recoverability of these assets.

**Hosting Arrangements**

The Company entered into certain cloud-based software hosting arrangements that are accounted for as service contracts. For internal use software obtained through a hosting arrangement that is in the nature of a service contract, the Company incurs certain implementation costs such as integrating, configuring and software customization which are consistent with costs incurred during the application development stage for on premises software. The Company applies the same guidance to determine costs that are eligible for capitalization. For these arrangements, the Company amortizes the capitalized developmental costs straight-line over the fixed, noncancellable term of the associated hosting arrangement plus any reasonably certain renewal periods.

**Leases**

The Company applies ASU 2016-02, "Leases, Topic ASC 842" and determines if an arrangement is a lease at inception by evaluating whether the arrangement conveys the right to use an identified asset and whether the Company obtains substantially all economic benefits from and has the ability to direct the use of the asset. Operating leases are included in operating right-of-use ("ROU") assets, net, current operating lease liabilities and non-current operating lease liabilities in the Company's balance sheets.

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. Operating ROU assets and operating lease liabilities are recognized at commencement based on the present value of lease payments over the lease term. As most of the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at commencement to determine the present value of lease payments. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow, on a collateralized basis, an amount equal to the lease payments, in a similar economic environment and over a similar term. The rate is dependent on several factors, including the lease term, currency of the lease payments and the Company's credit ratings.

Operating ROU assets also include any lease payments made and excludes lease incentives. The Company's lease terms may include options to extend or terminate the lease. Operating ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. Lease arrangements generally do not contain any residual value guarantees or material restrictive covenants.

Lease expense for lease payments is recognized on a straight-line basis over the lease term. Variable lease expense is related to the Company's leased real estate for offices and primarily includes labor and operational costs. The Company subleases certain leased office space to third parties when it determines there is excess leased capacity. The Company combines lease and non-lease components under its lease agreements.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

**Goodwill**

The Company recognizes goodwill in a business combination as excess of purchase price over the total value of assets and liabilities acquired. The Company elected to adopt ASU 2014-02, Intangibles- Goodwill and Other (Topic 350): Accounting for Goodwill and accordingly amortizes goodwill on a straight-line basis over 10 years. Goodwill will be tested for impairment only when a triggering event occurs indicating the fair value of the entity may be below its carrying amount. Upon the occurrence of a triggering event, a one-step impairment test will be performed by comparing the fair value of the entity or reporting unit with its carrying value. The excess of carrying value over fair value is the impairment loss. After a goodwill impairment loss is recognized, the adjusted carrying amount shall be amortized over its remaining useful life. There were no triggering events identified in 2023 or 2022.

**Deferred Financing Costs**

Deferred financing costs are expenditures associated with obtaining financing that are capitalized in the consolidated balance sheets and amortized over the term of the loans to which such costs relate. Capitalized deferred financing costs related to the Company's Lien 1 and Lien 2 credit facilities are presented as a reduction to the debt outstanding on the balance sheets. Amortization of deferred financing costs is included in interest expense in the Consolidated Statements of Comprehensive Income (Loss) and is recorded using the effective interest method.

**Comprehensive Loss**

Comprehensive loss represents a measure of all changes in equity that result from recognized transactions and other economic events other than transactions with owners in their capacity as owners. Other comprehensive loss includes foreign currency translation.

**Concentrations of Risk**

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of receivables from trade customers and cash. The Company performs ongoing credit evaluations of the financial condition of its customers. As of March 31, 2023 and 2022, there are no receivables from individual customers greater than 10% of the net accounts receivable. At times, cash deposits may exceed the limits insured by the Federal Deposit Insurance Corporation. The Company does not believe that its cash balances are subject to unusual credit risk beyond the normal credit risk associated with commercial banking relationships.

**Revenue Recognition**

The Company applies ASU 2014-09, "Revenue from Contracts with Customers (ASC 606)," to its contracts.

The Company generates revenue only in the United States primarily through the support of states' MES and other HHS initiatives by providing primarily Maintenance and Operations ("M&O") and Design, Development and Implementation ("DDI") services. M&O services include maintenance and operations such as application development, management, and new projects. DDI services pertain to building and/or upgrading IT infrastructure, including hardware and software related to MES. To support HHS initiatives, the Company provides business process services and fiscal agent operations (i.e. claims resolution, provider services, enrollment, call center, medical management, etc.). Revenues are recognized when control of the promised goods or services is transferred to the Company's customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

In the MES business, the Company determines revenue recognition through the five-step model as follows:

- Identification of the contract, or contracts, with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, the Company satisfies a performance obligation

The Company analyzes arrangements involving M&O and DDI services as at least two separate distinct performance obligations. In each arrangement, a customer is able to benefit from the M&O and DDI services individually or together; additionally, each service is distinct within the context of a contract. Therefore, the M&O and DDI phases are generally seen as distinct performance obligations. A possible exception is in contracts where the Company hosts solutions during the M&O phase. In such scenarios, the analysis of performance obligations would depend on the facts and circumstances of an arrangement.

For contracts with multiple performance obligations, the Company allocates a contract's transaction price to each performance obligation based on the relative standalone selling price of the goods and services provided to the customer. Some contracts also have components of variable consideration such as time and material fees which are typically based on hours incurred, and universal transaction and claim surcharge fees which are based on an agreed upon contractual floor and/or ceiling.

For M&O services, a customer simultaneously receives the benefits provided by the Company's performance as the Company meets its performance obligations. M&O service fees are typically negotiated on a fixed fee per period or milestone basis and revenue is recognized as services are performed in that period or as milestones are met.

During the DDI phase, revenue is recognized over time as a performance obligation is satisfied. The DDI phase satisfies the requirements for over time recognition given that a developed asset includes customization and is unique to the specific requirements of a client. Consequently, the asset is not easily transferable to another state and has no alternative use. Additionally, arrangements typically include a clause that provides the Company with an enforceable right to payment for performance completed to date. Management recognizes revenue during the DDI phase using the "cost-to-cost" method, i.e., an input method based on cost incurred as a project progresses towards completion, also known as percentage of completion. Costs include internal labor hours, contractor costs, and allocation of internal overhead costs.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

The Company provides coordination of benefits (“COB”) and payment integrity (“PI”) services primarily to state governments, Medicaid managed care plans and commercial health plans. COB services include (a) the identification of erroneously paid claims; (b) the delivery of verified commercial insurance coverage information; (c) the identification of paid claims where another third party is liable; and (d) the identification and enrollment of Medicaid members who have access to employer insurance. PI services include (a) services designed to ensure that healthcare payments are accurate and appropriate; and (b) the identification of over/(under)payments or inaccurate charges based on a review of medical records. Most of the COB and PI services contain multiple promises, all of which are not distinct within the context of the contract. Therefore, the promises represent a single, distinct performance obligation for the types of services offered. Revenue derived from these performance obligations is largely based on variable consideration where, based on the number of claims or amount of findings the Company identified, a contingent or fixed transaction price/recovery percentage is allocated to each distinct performance obligation. The Company utilizes the expected value method to estimate the variable consideration related to the transaction price for its service contracts. Key inputs and assumptions in determining variable consideration includes identified pricing and expected recoveries and/or savings. The expected recoveries and/or savings are based on historical experience of information received from our customers. Revenue is primarily recognized at a point in time when the customers realize economic benefits from the services when the services are completed.

*Practical Expedients and Exemptions*

The Company does not adjust the promised amount of consideration for the effects of a significant financing component when the period between when the Company transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

In addition, the Company reports revenue net of any revenue-based taxes assessed by a governmental authority that are imposed on and concurrent with specific revenue-producing transactions, such as sales taxes and value-added taxes.

*Contract Balances*

The timing of revenue recognition, billings and cash collections results in accounts receivable (billed receivables, unbilled receivables and contract assets), deferred revenue and advance contract payments (contract liabilities) on the Company's balance sheet. In arrangements that contain an element of customized software solutions, amounts are generally billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g. monthly) or upon achievement of certain contractual milestones. Generally, billing occurs subsequent to revenue recognition, sometimes resulting in contract assets if the related billing is conditional upon more than just the passage of time. However, the Company sometimes receives advances or deposits from customers, before revenue is recognized, which results in the generation of contract liabilities. Payment terms vary by type of product or service being provided as well as by customer, although the term between invoicing and when payment is due is generally an insignificant period of time.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

*Costs to Obtain a Contract*

Certain sales commissions earned by the Company's sales force are considered incremental and recoverable costs of obtaining a contract with a customer. The majority of sales commissions are paid based on the achievement of quota-based targets. These costs are deferred and amortized on a straight-line basis over an average period of benefit determined to be three to five years. The Company determined the period of benefit considering the length of its customer contracts, its technology and other factors. The period of benefit approximates the average stated contract terms, excluding expected future renewals, because sales commissions are paid upon contract renewal in a manner commensurate with the initial commissions. Some commission payments are not capitalized because they are expensed during the fiscal year as the related revenue is recognized. Capitalized sales commissions costs are recorded in other assets and amortized in selling, general and administrative in the consolidated statements of operations and comprehensive loss.

*Costs to Fulfill a Contract*

Certain contract setup costs incurred upon initiation or renewal of an outsourcing contract that generate or enhance resources to be used in satisfying future performance obligations are capitalized when they are deemed recoverable. Judgment is applied to assess whether contract setup costs are capitalizable. Costs that generate or enhance resources often pertain to activities that enhance the capabilities of the services, improve customer experience and establish a more effective and efficient IT environment. The Company recognizes these transition and transformation contract costs as other assets, which are amortized over the respective contract life.

*Deferred Revenue*

The Company records amounts invoiced to customers in excess of revenue recognized as deferred revenue until the revenue recognition criteria are satisfied. Deferred revenue represents amounts invoiced in advance of services provided. In some cases, for portions of the DDI work, invoices are billed, and cash is collected as development milestones are reached. However, payments are not recognized as revenue but recorded as deferred revenue liabilities on the balance sheet. For deferred revenue recorded on transition and transformation related activities, the Company begins to recognize revenue and expenses upon go-live of the system at the start of the M&O phase by amortizing the deferred revenue liability ratably over the remaining life of the contract.

**Income Taxes**

Deferred income tax assets and liabilities represent the income tax effects of temporary differences between the tax basis of assets and liabilities and their amounts for financial reporting purposes. Deferred income taxes arise from the recognition of these temporary differences. Deferred tax assets and liabilities are measured using enacted tax rates at the reporting date, expected to apply in the year in which those temporary differences are expected to be recovered or settled. Deferred tax assets are reduced by a valuation allowance for any portions determined not likely to be realized. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company recognizes tax liabilities when, despite the Company's belief that its tax return positions are supportable, the Company believes that certain positions may not be fully sustained upon review by tax authorities. Benefits from tax positions are measured at the largest amount of benefit that is greater than 50 percent likely of being realized upon settlement. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences impact income tax expense in the period in which such determination is made.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

**Business Combinations**

Companies acquired during the reporting period are reflected in the results of the Company effective from their respective dates of acquisition through the end of the reporting period. The Company allocates the fair value of purchase consideration to the assets acquired and liabilities assumed based on their fair values at the acquisition date. The excess of the fair value of purchase consideration over the fair value of the assets acquired and liabilities assumed in the acquired entity is recorded as goodwill. If the Company obtains new information about facts and circumstances that existed as of the acquisition date during the measurement period, which may be up to one year from the acquisition date, the Company may record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the Company's statements of operations and comprehensive loss.

**Foreign Currency**

The local currency of the Company's foreign affiliates is generally their functional currency. Accordingly, the assets and liabilities of the foreign affiliates are translated from their respective functional currency to US dollars using fiscal year-end exchange rates, income and expense accounts are translated at the average rates in effect during the fiscal year and equity accounts are translated at historical rates. The resulting translation adjustment is recorded in the consolidated statements of operations and comprehensive loss and recorded as part of accumulated other comprehensive loss.

**Recently Issued Accounting Pronouncements**

In March 2020, the FASB issued ASU 2020-04, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting. Certain amendments were provided for in ASU 2021-01, Reference Rate Reform (ASC 848): Scope, which was issued in January 2021, and in ASU 2022-06, Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848, which was issued in December 2022. The ASU and its amendments provide temporary optional guidance to ease the financial reporting burdens related to the expected market transition away from LIBOR (and other interbank offered rates) to alternative reference rates. The ASU and its amendments apply to transactions if certain criteria are met, such as contract modifications, hedging relationships, and sale or transfer of debt securities classified as held-to-maturity. The guidance was effective upon issuance and may be applied prospectively on or before December 31, 2024. Unlike other topics, the provisions of this update are only available until December 31, 2024, when the reference rate replacement activity is expected to have been completed. We will continue to evaluate any such modifications or amendments to our contracts to determine the impact of this standard on our Consolidated Financial Statements and related financial statement disclosures.

ASU 2022-04—Liabilities—Supplier Finance Programs (Subtopic 405-50): Disclosure of Supplier Finance Program Obligations. In September 2022, the FASB issued this Accounting Standards Update (“ASU”) which requires entities that use supplier finance programs in connection with the purchase of goods and services to disclose the key terms of the programs and information about obligations outstanding at the end of the reporting period. This update is effective at the beginning of the Company's 2024 fiscal year, with early adoption permitted. The Company is currently evaluating the impact that the adoption of this standard will have on the Consolidated financial statements.

All other newly issued accounting pronouncements not yet effective have been deemed either immaterial or not applicable.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

**Note 3: Acquisition**

On December 21, 2020, Gainwell Acquisition Corp., Mustang MergerCo Inc., and Gainwell Intermediate Holding Corp (collectively the “Company”, or “Gainwell”), a portfolio company of Veritas Capital (“Veritas”), entered into an Agreement and Plan of Merger (the “Purchase Agreement”) to acquire HMS Holdings Corp (the “HMS Acquisition”). Gainwell acquired HMS’ capabilities focused on the Medicaid market, including coordination of benefits (“COB”) and payment integrity (“PI”) solutions delivered to states, and COB solutions delivered to Medicaid managed care organizations. This transaction expanded Gainwell’s capabilities with unique, data-driven technology and service solutions expected to drive greater impact in the healthcare market. Under the terms of the agreement, HMS shareholders received merger consideration in the amount of \$37.00 in cash for each share of HMS common stock they held. The transaction received approval from HMS shareholders on March 26, 2021 and the acquisition closed on April 1, 2021. The acquisition was funded through a combination of cash and additional debt financing.

In addition, on March 31, 2021, Gainwell entered into a purchase and sale agreement (the “Cotiviti Purchase Agreement”) with Cotiviti, Inc. (“Cotiviti”), a portfolio company of Veritas, to sell a portion of the HMS assets to Cotiviti concurrent with the close of the Gainwell/HMS transaction for a net consideration of \$1,025,824. We consider these to be separate transactions and are therefore accounted for as a purchase and subsequent sale. Since both Gainwell and Cotiviti are portfolio companies of Veritas, the sale has been considered as a related party transaction. Refer to note 14 – Related Party Transactions for more details on the operations of Cotiviti.

As required by the Cotiviti Purchase Agreement, Gainwell and Cotiviti entered into a restructuring agreement dated April 1, 2021, which identifies and governs the separation of HMS businesses/assets from Gainwell. Overall, the following are the primary businesses/assets sold to Cotiviti (collectively, “Cotiviti Assets”):

- Eliza business unit (part of PHM)
- Other PHM business units (Vitreo, Lorica, and an investment in MedAdvisor)
- Accent business unit (Commercial COB)
- Federal business unit
- Federal related PI (portion of the PI business unit)

The total cash consideration for the HMS acquisition was \$3,516,219. The majority of the purchase price allocated to goodwill is not expected to be deductible for income tax purposes. The intangible assets acquired include customer relationships, trade names and technology which have an estimated useful life of 19 years, 5 years and 7 years respectively. Customer relationships have been valued using a version of income based approach known as Excess Earnings method where an estimation of the after-tax operating profit expected from the intangible asset less deductions for the use of contributory assets such as net tangible assets (defined as the sum of the fixed tangible assets and net working capital) and other intangible assets is present valued at the discount rate used for the intangible assets. Trade names and technology were valued using a relief from royalty approach.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

The Company's allocation of the purchase price for the HMS acquisition to the assets acquired and liabilities assumed as of the acquisition date is as follows:

	<b>Fair Value</b>
Cash and cash equivalents	\$ 114,271
Accounts receivable	256,565
Prepaid expenses and other	26,551
Other current assets	914
Total current assets	398,301
Property and equipment	31,747
Intangible assets	1,094,001
Right of Use assets	18,249
Other assets	19,340
Total assets acquired	<u>\$ 1,561,638</u>
Accounts payable, accrued payroll, accrued expenses and other current liabilities	\$ (120,664)
Deferred tax liability	(231,464)
Other long-term liabilities	(24,072)
Total liabilities assumed	<u>(376,200)</u>
Net identifiable assets acquired	1,185,438
Goodwill	2,330,781
Purchase consideration	<u>\$ 3,516,219</u>

The Company incurred transaction costs of \$42,099 during the year ended March 31, 2022, which are included in selling, general & administrative costs on the Consolidated Statements of Operations and Comprehensive Loss.

On the acquisition date, the Company had acquired certain onerous contracts which have been fair valued in accordance with ASC 805 – Business Combinations. Accordingly, an amount of \$22,000 of loss reserve was booked to Goodwill and Other long-term liabilities as of the acquisition date. These onerous contracts liability has been assigned an average life of 2.5 years and therefore amortized over this period on a straight-line basis.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

The assets and liabilities sold and the corresponding gain on sale of the Cotiviti Assets as of the sale date is as follows:

	<b>Fair Value</b>
Cash and Cash equivalents	\$ 22,890
Accounts Receivable	79,431
Prepaid Expense	1,789
Other Current Assets	609
Total Current assets	104,719
Property and equipment	3,841
Intangible assets	309,344
Goodwill	679,983
Right of Use Asset	10,153
Other LT Assets	12,686
Total assets acquired	<u>\$ 1,120,726</u>
 A/P & Accrued Expenses	 \$ (31,463)
expenses and other current liabilities	(12,954)
Deferred tax liability	(51,477)
Other long-term liabilities	(9,942)
Total liabilities assumed	<u>\$ (105,836)</u>
Net identifiable assets acquired	1,014,890
Sale price	1,025,824
Net (Gain)/Loss	<u>\$ (10,934)</u>

As the Cotiviti Assets were determined to be a business and the transfer is under common control, the entity that receives the assets should initially recognize the assets and liabilities transferred at their carrying amounts in the accounts of the transferring entity at the date of the transfer. Therefore, Gainwell transferred the assets at the carrying value as of April 1, 2021, subsequent to the HMS Merger at fair value. The difference between the purchase price and the carrying value of the net assets, including the allocated goodwill, is treated as an adjustment to equity as a capital contribution/distribution.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

**Note 4: Revenue**

The following table presents the Company's MES, COB and PI revenues disaggregated by service:

	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
MES	\$ 1,750,340	\$ 1,652,099
COB	570,938	514,908
PI/PHM	97,379	90,424
<b>Total revenues</b>	<b>\$ 2,418,657</b>	<b>\$ 2,257,431</b>

***Remaining Performance Obligations***

Remaining performance obligations represent the aggregate amount of the transaction price in contracts allocated to performance obligations not delivered, or partially undelivered, as of the end of the reporting period. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revaluations, adjustments for revenue that has not materialized and adjustments for currency translations. As of March 31, 2023, approximately \$234,500 of revenue is expected to be recognized from remaining performance obligations. The Company expects to recognize revenue entirely of these remaining performance obligations in fiscal 2024. As of March 31, 2022, approximately \$219,200 of revenue on remaining performance obligations was not recognized which was entirely recognized in the year ended March 31, 2023.

***Contract Balances***

The following table provides information about the balances of the Company's trade receivables and contract assets and contract liabilities:

	<b>As of March 31, 2023</b>	<b>As of March 31, 2022</b>
Trade receivables, net	\$ 320,883	\$ 405,548
Contract assets, net	293,252	209,440
Contract liabilities	67,712	74,124

Trade receivables and Contract assets are included in Receivables and contract assets, net of allowance for doubtful accounts on the Consolidated Balance Sheets.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

Contract liabilities include deferred revenue, the current portion of which is included in Deferred revenue and advance contract payments and the non-current portion is included in non-current deferred revenue on the Consolidated Balance Sheets.

*Changes in contract liabilities were as follows:*

	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
Balance, beginning of year	\$ 74,124	\$ 48,338
Deferred revenue on acquisition of HMS on April 1, 2021	-	3,699
Deferred revenue	39,622	53,080
Recognition of deferred revenue	(46,034)	(30,993)
Balance, end of year	<b>\$ 67,712</b>	<b>\$ 74,124</b>

**Note 5: Employee Benefits**

The Company has voluntary employee savings plans in which eligible employees can contribute a portion of their income on a pretax basis. The total cost of all the plans to the Company was \$19,420 and \$21,012 for the years ended March 31, 2023 and 2022 respectively.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

**Note 6: Stock-Based Compensation**

*Incentive Plan*

Class B Membership Interests in Gainwell Topco Holdings, L.P., the ultimate parent entity of Gainwell Holding Corp., are issued to certain employees of the Company under the Amended and Restated Limited Partnership Agreement dated October 1, 2020. Awards of Membership Interests are subject to both time-based vesting and performance-based vesting. Time-based awards vest over a term of five years in five equal installments on the anniversaries of the grant effective date. Equity based compensation expense related to the time-based vesting is recognized ratably over the service period. Vesting of the performance-based awards is dependent on i) the Company's achievement of a certain multiple of invested capital returns upon a recapitalization or extraordinary dividend, or ii) upon a change-in-control. The term of the performance-based vesting is indefinite, and compensation related to these awards will not be recognized until the Company has a qualifying event. The Company accounts for its equity-based compensation in accordance with applicable accounting guidance for share-based payments. This guidance requires share-based payments to be recognized in the Consolidated Statements of Operations and Comprehensive Income (Loss) based on their grant date fair values. Compensation costs for awards with graded vesting are recognized on a straight-line basis over the anticipated vesting period. The Company has elected to not estimate forfeitures for the time-based awards and will account for forfeitures in the period they occur.

The following is a summary of the assumptions used in the valuation in determining the fair values of Class B Membership interests granted during the years ended March 31, 2023 and March 31, 2022 respectively:

Assumptions:	For the year ended March 31, 2023	For the year ended March 31, 2022
Expected volatility	50%	50%
Risk-free interest rate	3%	1%
Discount for lack of marketability	25%	30%
Time to liquidity event	3.35	4.03

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

Change in awards outstanding under the Class B Incentive Plan were as follows:

**Class B Stock**

	<b>Awards % Unvested</b>	<b>Awards % Vested</b>	<b>Total</b>
<b>Outstanding and unvested as of March 31, 2021</b>	<b>4.22</b>	<b>-</b>	<b>4.22</b>
Granted	1.65	-	1.65
Forfeited	(0.73)	-	(0.73)
Cancelled	-	-	-
Vested	(0.42)	0.42	-
<b>Outstanding and unvested as of March 31, 2022</b>	<b>4.72</b>	<b>0.42</b>	<b>5.14</b>
Granted	0.3	-	0.30
Forfeited	(0.72)	-	(0.72)
Cancelled	-	-	-
Vested	(0.47)	0.47	-
<b>Outstanding and unvested as of March 31, 2023</b>	<b>3.82</b>	<b>0.89</b>	<b>4.72</b>

During the years ended March 31, 2023, and March 31, 2022, the Company recognized \$11,302 and \$10,784 of equity compensation expense related to Class B Membership interests, respectively.

As of March 31, 2023, unrecognized equity compensation related to the time-based awards was \$18,554 and performance-based awards was \$63,978 totaling to \$82,532. The expense related to the time-based awards is expected to be recognized over a weighted-average period of 3.35 years.

*Phantom Equity Plan*

The Company adopted the Phantom Equity Plan effective April 1, 2021. Each allocation of phantom equity awarded to eligible qualified employees and non-employee members of its Board under the Phantom Equity Plan represents a contractual right to receive an amount in cash. No shares of common stock will be issued pursuant to the Phantom Equity Plan, as the awards are settled in cash after the required vesting period has been satisfied.

The Phantom Equity Plan is subject to both time-based vesting and performance-based vesting. Time-based awards vest based on the occurrence of the Change of Control event as well as the continuous service over the five years. The time-based compensation related to these awards will not be recognized until the Company has a qualifying event. Upon the occurrence of the Change of Control event, vesting of the performance-based awards is dependent on i) the aggregate amount of net proceeds received by Veritas, divided by (ii) the aggregate amount of the invested capital contributed by Veritas to the issuer. The performance-based compensation related to these awards will not be recognized until the Company has a qualifying event.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

Awards of phantom equity are accounted for in accordance with ASC 718, *Compensation – Stock Compensation*. The Company has elected to not estimate forfeitures for the phantom units and will account for forfeitures in the period they occur. There were no cash payments for units of phantom stock for the years ended March 31, 2023 and 2022. Also, there was no compensation cost recognized as the performance conditions were not met during these years. As of March 31, 2023, unrecognized compensation related to the time-based phantom awards was \$34,407 and performance-based awards was \$31,230 totaling to \$65,637.

The following is a summary of the assumptions used in the valuation in determining the fair values of allocations granted during the year ended March 31, 2023 and March 31, 2022:

Assumptions:	For the year ended March 31, 2023	For the year ended March 31, 2022
Expected volatility	50%	50%
Risk-free interest rate	2.68%	0.66%
Discount for lack of marketability	25%	30%
Time to liquidity event	3.35	4.03

Change in awards outstanding under the Phantom Equity Plan were as follows:

	Awards %	Awards % Vested	Total
<b>Outstanding and unvested as of March 31, 2021</b>	-	-	-
Granted	1.20	-	1.20
Forfeited	-	-	-
Cancelled	-	-	-
Vested	-	-	-
<b>Outstanding and unvested as of March 31, 2022</b>	<b>1.20</b>	-	<b>1.20</b>
Granted	0.40	-	0.40
Forfeited	-	-	-
Cancelled	-	-	-
Vested	-	-	-
<b>Outstanding and unvested as of March 31, 2023</b>	<b>1.60</b>	-	<b>1.60</b>

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

**Note 7: Income Taxes**

*(Provision) Benefit for Taxes*

The sources of income(loss) from operations, before income taxes, classified between domestic entities and foreign entities, are as follows:

	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
Domestic entities	\$ (804,081)	\$ (775,675)
Foreign entities	1,711	4,140
<b>Total</b>	<b>\$ (802,370)</b>	<b>\$ (771,535)</b>

The Company's income tax provision(benefit) consisted of the following components:

	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
U.S. federal taxes:		
Current	\$ (7,707)	\$ (35,301)
Deferred	(5,049)	(105,343)
State taxes:		
Current	12,330	(776)
Deferred	(2,447)	(18,421)
Non U.S. taxes:		
Current	857	2,479
<b>Total</b>	<b>\$ (2,016)</b>	<b>\$ (157,362)</b>

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

The major elements contributing to the difference between the U.S. federal statutory tax rate and the effective tax rate (“ETR”) are below:

(in thousands)	For the year ended March 31, 2023		For the year ended March 31, 2022	
	ETR	Tax Expense	ETR	Tax Expense
U.S. federal statutory income tax rate	21.00%	\$ (167,888)	21.00%	\$ (162,022)
Permanent Differences	-11.26%	90,009	-12.51%	96,520
State income taxes net of federal tax benefit	-1.26%	10,079	3.17%	(24,432)
Other State Taxes	2.93%	(23,392)	0.00%	-
Uncertain tax positions	-0.22%	1,778	0.26%	(2,017)
Return to provision - Permanent Differences	0.80%	(6,362)	0.00%	-
Valuation allowance	-11.95%	95,514	8.55%	(65,966)
Other items, net	0.22%	(1,754)	-0.07%	555
<b>Total</b>	<b>0.26%</b>	<b>\$ (2,016)</b>	<b>20.40%</b>	<b>\$ (157,362)</b>

*Unrecognized Tax Benefits*

The Company accounts for income tax uncertainties in accordance with ASC 740 “Income Taxes”, which prescribes a recognition threshold and measurement criteria for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Benefits from tax positions should be recognized in the financial statements only when it is more likely than not that the tax position will be sustained upon examination by the appropriate taxing authority that would have full knowledge of all relevant information. A tax position that meets the more likely than not recognition threshold is measured at the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. Tax positions that previously failed to meet the more likely than not recognition threshold should be recognized in the first subsequent financial reporting period in which that threshold is met. Previously recognized tax positions that no longer meet the more likely than not recognition threshold should be derecognized in the first subsequent financial reporting period in which that threshold is no longer met. ASC 740 also provides guidance on the accounting for and disclosure of liabilities for uncertain tax positions, interest and penalties. As of March 31, 2023 and March 31, 2022, the Company had \$4,550 and \$2770 unrecognized tax positions, respectively, including \$1,893 and \$296 for interest and penalties, respectively. The amount of interest and penalty expense recorded for uncertain tax positions for the years ended March 31, 2023 and 2022 was \$(384) and \$272 respectively. The tax years of March 31, 2023, 2022 and 2021 remain open to examination.

*Deferred Income Taxes*

Deferred income taxes result from temporary differences between the amount of assets and liabilities recognized for financial reporting and tax purposes. For purposes of the combined balance sheets, deferred tax balances and tax carryforwards and credits have been recorded under the separate return method.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

The significant components of deferred tax assets and deferred tax liabilities were as follows:

	<b>As of</b> <b>March 31, 2023</b>	<b>As of</b> <b>March 31, 2022</b>
<b>Deferred tax assets:</b>		
Net Operating Loss	\$ 18,185	\$ 26,701
Operating lease liabilities	14,355	15,012
Allowance for Doubtful Accounts	4,372	3,992
Estimated Liability for Appeals	54	2
Tax Credit Carryforwards	2,630	2,067
Section. 163(j) Interest Limitation	106,435	4,376
Transaction Costs	13,339	10,677
Goodwill and Intangible assets	112,099	69,114
Right of Use Liability		
Reserves	1,060	4,984
Accrued Expenses and Others	29,160	64,995
<b>Gross Deferred Tax Assets</b>	<b>\$ 301,689</b>	<b>201,920</b>
Valuation Allowance	(95,514)	(629)
<b>Net Deferred tax Assets</b>	<b>\$ 206,175</b>	<b>\$ 201,291</b>
<b>Deferred Tax Liabilities:</b>		
Property and Equipment	\$ (22,270)	\$ (21,671)
Goodwill and Intangible assets	(218,534)	(221,027)
Right of Use Asset	(11,351)	(14,316)
Capitalized Software Cost	(2,747)	(500)
Other Liabilities		
<b>Total Deferred Tax Liabilities</b>	<b>\$ (254,902)</b>	<b>\$ (257,514)</b>

Income tax related assets and liabilities are included in the accompanying consolidated balance sheets as follows:

	<b>As of</b> <b>March 31, 2023</b>	<b>As of</b> <b>March 31, 2022</b>
Deferred tax assets	\$ 206,175	\$ 201,291
Deferred tax liabilities	(254,902)	(257,514)
Deferred tax liability net of deferred tax asset	<b>\$ (48,727)</b>	<b>\$ (56,223)</b>

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

Significant management judgment is required in determining the Company's provision for income taxes, deferred tax assets and liabilities and any valuation allowance recorded against deferred tax assets. As of each reporting date, management weighs new evidence, both positive and negative, that could affect its view of the future realization of its net deferred tax assets. Objective verifiable evidence, which is historical in nature, carries more weight than subjective evidence, which is forward looking in nature. The Company has recorded gross Federal Net Operating Loss (“NOL”) of \$112,900 and post-apportionment gross state losses of \$11,300. The federal NOLs have an unlimited life carryforward and the state NOLs have varying expiration dates with the majority expiring in 2041 or later.

The Company is in a net DTL position which is largely driven by goodwill and intangible assets. There is a valuation allowance of \$95,514 due to Section 163(j) limitation. In assessing whether its deferred tax assets are realizable, the Company considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized and adjusts the valuation allowance accordingly. The Company considers all available positive and negative evidence including future reversals of existing taxable temporary differences, taxable income in prior carryback years, projected future taxable income, tax planning strategies and recent financial operations.

**Note 8: Term Loan**

As of March 31, 2023 and 2022, total long term debt and other indebtedness, including current portion of long term debt, were as follows:

	<b>As of</b> <b>March 31, 2023</b>	<b>As of</b> <b>March 31, 2022</b>
First Lien Term Loan	\$ 4,136,367	\$ 4,178,685
Second Lien Term Loan	1,459,000	1,459,000
Total Debt	5,595,367	5,637,685
Less current maturities of long term debt	42,316	42,316
Less debt issuance costs	160,533	195,794
Long term debt, net	<b>\$ 5,392,518</b>	<b>\$ 5,399,575</b>

Accrued interest as of March 31, 2023 and March 31, 2022 was \$45,971 and \$32,596 respectively.

The Company amortized deferred financing costs of \$35,261 and \$35,513 in the year ended March 31, 2023 and March 31, 2022, respectively.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

Future maturities of long-term debt as of March 31, 2023 are as follows:

<b>Fiscal Year Ended</b>	<b>Amount</b>
2024	\$ 42,316
2025	42,316
2026	42,316
2027	42,316
2028	3,967,103
Thereafter	1,459,000

**First Lien Term Loan & Revolving Loans**

In October 2020, the Company entered into a credit agreement (the “Credit Agreement”) with certain lenders and JPMorgan Chase Bank, N.A. as administrative agent. The Credit Agreement provided for an initial \$2.4 billion first-lien term loan facility (the “First Lien Term Loan”) and a \$400 million revolving credit loan facility (the “Revolving Loans”).

In April 2021, the Company entered into an amendment to the first lien agreement for borrowing an additional \$1.827 billion senior secured first lien term loan facility.

The First Lien Term Loan along with the amendment to First Lien Term Loan under the Credit Agreement bears interest, at the Company’s option, at either i) the Base Rate (the “Base Rate”), as defined in the agreement, plus a margin of 3%, or ii) the reserve-adjusted Eurocurrency Rate (the “Eurocurrency Rate”) plus a margin of 4%. The interest rate was 8.99 % and 4.75% for the year ended March 31, 2023 and 2022.

Borrowings of Revolving Loans bear interest at a rate which depends on the Company’s ratio of consolidated total net debt to earnings before interest, taxes, depreciation and amortization, both as defined in the Credit Agreement (“the Leverage Ratio”). Revolving Loans under the Credit Agreement bear interest, at the Company’s option, at either i) the Base Rate, as defined in the agreement, plus an applicable margin based on the Company’s Leverage Ratio or ii) the reserve-adjusted Eurocurrency Rate (the “Eurocurrency Rate”) plus an applicable margin based on the Company’s Leverage Ratio. At a Leverage Ratio greater than 4.25, borrowings will include a margin of 4% for Eurocurrency Rate loans and 3% for Base Rate loans. At a Leverage Ratio between 3.75 and 4.25, borrowings will include a margin of 3.75% for Eurocurrency Rate loans and 2.75% for Base Rate loans. At a Leverage Ratio less than 4.25, borrowings will include a margin of 3.5% for Eurocurrency Rate loans and 2.75% for Base Rate loans. The interest rate was 8.75% and 4% for the year ended March 31, 2023 and 2022 respectively.

The First Lien Term Loan along with the amendment on First Lien Term loan matures on October 1, 2027 and requires quarterly principal payments of \$10.5 million. The initial borrowings of Revolving Loans mature on October 1, 2025. During the year ended March 31, 2023, the Company borrowed \$25 million under revolving loan which was repaid along with interest. There were no outstanding borrowings under the Revolving Loans during the year ended March 31, 2023 and 2022. On March 31, 2023 and 2022, the Company had \$22.16 million and \$27.16 million of letters of credit outstanding under the Credit Agreement and requires quarterly interest payments on the last day of each quarter. The letters of credit bear interest at a rate consistent with the Revolving Loans. The Company uses letters of credit primarily for purposes of satisfying requirements pertaining to the customer contracts.

The Credit Agreement requires quarterly principle and interest payments for the First Lien Term Loan. The Credit Agreement contains affirmative and negative covenants customary for financings of this type.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

**Second Lien Term Loan**

In October 2020, the Company entered into a second lien credit agreement (the “Second Lien Credit Agreement”) with certain lenders and JPMorgan Chase Bank, N.A. as administrative agent. The Second Lien Credit Agreement provided for an initial \$800 million second-lien term loan facility (the “Second Lien Term Loan”). In April 2021, the Company entered into an amendment to the second lien agreement for borrowing an additional \$659 million senior secured second lien term loan facility.

The Second Lien Term Loan and the amendment thereof under the Second Lien Credit Agreement bears interest, at the Company’s option, at either i) the Base Rate (the “Base Rate”), as defined in the agreement, plus a margin of 7%, or ii) the reserve-adjusted Eurocurrency Rate (the “Eurocurrency Rate”) plus a margin of 8%. The interest rate was 12.78% and 9% for the year ended March 31, 2023 and 2022 respectively.

The Second Lien Term Loan, including the amendment to Second Lien Term Loan, matures on October 1, 2028. The Second Lien Credit Agreement requires quarterly interest payments for the Second Lien Term Loan. The Second Lien Credit Agreement contains affirmative and negative covenants customary for financings of this type.

**Note 9: Property and Equipment**

	<b>As of</b> <b>March 31, 2023</b>	<b>As of</b> <b>March 31, 2022</b>
Property & equipment	\$ 34,222	\$ 31,796
Computers and related equipment	55,369	39,849
Furniture and other equipment	785	884
Construction in progress	898	1,643
	91,274	74,172
Accumulated depreciation & amortization	(28,638)	(12,805)
Property and equipment, net	<b>\$ 62,636</b>	<b>\$ 61,367</b>

During the year ended March 31, 2023, the Company disposed property & equipment whose cost is \$2,479 which had an accumulated depreciation of \$2,268 and the net loss was \$211 considered as loss on disposal of asset in consolidated statement of operations.

During the year ended March 31, 2022, the Company disposed property & equipment whose cost was \$12,570 which had an accumulated depreciation of \$11,007 and a carrying amount of \$1,563. The net loss thereon was considered as Goodwill.

Depreciation expense for Property and equipment was \$18,083 and \$17,739 for the year ended March 31, 2023 and March 31, 2022 respectively.

Depreciation expense is split between Cost of Services and Selling, General & Administrative expenses based on the departments that had sourced the corresponding assets.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

**Note 10: Goodwill and Intangible Assets**

***Goodwill***

The following table summarizes carrying amount of goodwill as of March 31, 2023 and 2022:

	<b>As of March 31, 2023</b>	<b>As of March 31, 2022</b>
Opening balance	\$ 3,626,741	\$ 2,358,345
On Acquisition	-	1,688,136
Amortization Expense	(416,833)	(418,983)
Foreign exchange translation adjustment impact	264	(757)
Closing balance	<u>\$ 3,210,172</u>	<u>\$ 3,626,741</u>

***Intangible Assets***

Intangible assets consisted of the following:

	<b>As of March 31, 2023</b>			<b>As of March 31, 2022</b>		
	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net Carrying Value</b>	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net Carrying Value</b>
Software	\$ 946,620	358,710	587,910	\$ 900,441	209,461	690,980
Customer related intangible assets	2,350,000	775,408	1,574,592	2,350,000	472,176	1,877,824
Trade name	1,000	400	600	1,000	200	800
Construction in progress- Software	9,899	-	9,899			
Total intangible assets	<u>3,307,519</u>	<u>1,134,518</u>	<u>2,173,001</u>	<u>\$ 3,251,441</u>	<u>681,837</u>	<u>2,569,604</u>

During the year ended March 31, 2023, the Company retired software whose cost was \$503 which had an accumulated amortization of \$437 and the net loss was \$66 considered as loss on disposal of asset in consolidated statement of operations. The components of amortization expense were as follows:

	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
Goodwill amortization	\$ 416,833	\$ 418,983
Intangible asset amortization		
Software	149,670	149,261
Customer related intangible assets	303,233	330,889
Trade name	200	200
Total	<u>\$ 869,936</u>	<u>\$ 899,333</u>

Depreciation and amortization expense is split between Cost of Services and Selling, General & Administrative expenses based on the departments that had sourced the corresponding assets.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

Estimated future amortization as of March 31, 2023 for the intangible assets including goodwill is as follows:

<b>Fiscal year</b>	<b>Amount</b>
2024	\$ 801,956
2025	757,950
2026	725,333
2027	692,413
2028	627,775
Thereafter	1,767,847

**Note 11: Leases**

The Company has operating leases primarily for its office space. Our leases have remaining lease terms of 1 to 8 years, some of which include options to extend the leases for up to 20 years, and some of which include options to terminate the leases within 1 to 3 years.

As of March 31, 2023, the Company has not entered into any leases that have not yet commenced which would entitle the Company to significant rights or create additional obligations.

The components of lease expense were as follows:

	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
Operating lease cost	\$ 26,543	\$ 28,268
Variable lease cost	4,008	3,923
Finance lease cost	917	1,065
Total costs	31,468	33,256
Sublease income	1,001	2,244
	<b>\$ 30,467</b>	<b>\$ 31,012</b>

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

Cash payments made from variable lease costs and short-term leases are not included in the measurement of operating lease liabilities, and as such, are excluded from the supplemental cash flow information stated below:

	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
Cash paid for amounts included in the measurement of:		
Operating cash flows from operating leases	\$ 17,209	\$ 8,819
Operating cash flows from finance leases	9	3,026

Supplemental balance sheet information related to leases were as follows:

	<b>As of March 31, 2023</b>	<b>As of March 31, 2022</b>
Operating right-of-use assets, net	\$ 45,549	\$ 61,400
Finance right-of-use assets, net	234	1,039
Current operating lease liabilities	24,417	24,935
Non-current operating lease liabilities	33,688	40,716
Current finance lease liabilities	140	825
Non-current finance lease liabilities	1	224

The following maturity analysis presents expected undiscounted cash payments for operating and finance leases on an annual basis as of March 31, 2023:

<b>Fiscal year</b>	<b>Operating</b>	<b>Finance</b>	<b>Total</b>
2024	\$ 25,004	\$ 140	\$ 25,144
2025	16,068	1	16,069
2026	8,020	-	8,020
2027	4,242	-	4,242
2028	2,595	-	2,595
Remaining years	4,124	-	4,124
Total lease payments	60,053	141	60,194
Less: imputed interest	1,948	-	1,948
<b>Total payments</b>	<b>\$ 58,105</b>	<b>\$ 141</b>	<b>\$ 58,246</b>

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

The following table provides information on the weighted average remaining lease term and weighted average discount rate for Operating and Finance leases:

Weighted-average remaining lease terms (in years)	<b>As of March 31, 2023</b>	<b>As of March 31, 2022</b>
Operating leases	3.21	4.58
Finance leases	0.59	1.26
Weighted-average discount rate		
Operating leases	1.48%	1.84%
Finance leases	1.19%	1.58%

**Note 12: Other Assets**

The table below summarizes Other assets as of March 31, 2023 and 2022:

	<b>As of March 31, 2023</b>	<b>As of March 31, 2022</b>
Sales commission (1)	6,063	8,186
Transition and Transformation costs (2)	32,757	\$ 23,880
Prepaid expense long - term	16,142	19,272
Hosting arrangements	34,523	26,306
Deposits and others	751	375
<b>Total</b>	<b>\$ 90,236</b>	<b>\$ 78,019</b>

(1) As of March 31, 2023, current portion of capitalized sales commission cost of \$6,997 is included in other current assets and \$6,063 is included in other assets in the accompanying balance sheet. As of March 31, 2022, the current portion of capitalized sales commission cost of \$2,566 is included in other current assets and \$8,186 is included in other assets in the accompanying balance sheet.

(2) Transition and transformation contract costs, reflect the Company's setup costs incurred upon initiation of an outsourcing contract. The current portion of such costs of \$19,264 and \$1,041 is included in Other Current Assets as of March 31, 2023 and March 31, 2022 respectively and \$32,757 and \$23,880 are recorded in other assets as of March 31, 2023 and March 31, 2022 respectively in the accompanying balance sheet. Amortization expense of \$6,235 and \$4,787 is included within cost of services in the accompanying statement of operations and comprehensive loss for the year ended March 31, 2023 and March 31, 2022 respectively.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

**Note 13: Accrued Expenses and Other Current Liabilities**

The table below summarizes accrued expenses and other current liabilities as of March 31, 2023 and 2022:

	<b>As of March 31, 2023</b>	<b>As of March 31, 2022</b>
Accrued operating expenses	\$ 166,576	\$ 253,852
Accrued professional fee expenses	38,625	58,569
Refunds due to clients	1,386	3,589
Current portion of Fair value of loss reserve on onerous contracts	4,760	22,037
<b>Total</b>	<b>\$ 211,347</b>	<b>\$ 338,047</b>

**Note 14: Related Party Transactions**

The following are the related parties and the nature of transactions with them –

<b>Name</b>	<b>Relation</b>	<b>Nature of Transactions</b>
Veritas Capital	Owner of the Company	Yearly management fees
Cotiviti Inc	A portfolio company of Veritas	a) Sale of a portion of the HMS business b) Received TSA services from the Company
Perspecta Inc	A portfolio company of Veritas	Provider of data center and network services
Guidehouse Inc	A portfolio company of Veritas	Provider of time and materials services and/or deliverables to multiple Gainwell client accounts

**Veritas Capital:**

The Company incurred \$24,750 and \$25,500 towards management fees payable to Veritas Capital for the year ended March 31, 2023 and March 31, 2022 respectively. During the year, an amount of \$25,758 was paid to Veritas Capital and \$17,250 is payable as of March 31, 2023. During the year ended March 31, 2022, an amount of \$7,500 was paid and \$18,000 was payable as of March 31, 2022.

**Cotiviti Inc:**

On March 31, 2021, Gainwell entered into a purchase and sale agreement with Cotiviti, Inc. (“Cotiviti”), a portfolio company of Veritas, to sell a portion of the HMS assets to Cotiviti concurrent with the close of the Gainwell/HMS transaction for a net consideration of \$1,025,824. Refer to note 3 – Acquisition for more details on the transaction.

Additionally, the Company entered into a Transition Service Agreement (“TSA”) to provide accounting services to Cotiviti. The Company has also received some reverse TSA (“RTSA”) services from Cotiviti. The value of services provided (net of RTSA) during the years ended March 31, 2023 and March 31, 2022 was \$15,305 and \$86,385 respectively. As of March 31, 2023 and 2022, an amount of \$1,822 and \$2,084 (net of payable) is receivable from Cotiviti for such services, respectively.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

**Perspecta Inc:**

During the year, the Company procured data center and network services from Perspecta Inc., for \$7,698 and an amount of \$3,080 is payable as of March 31, 2023. The amount of such services during the year 2022 was \$9,060 and an amount of \$1,918 is payable as of March 31, 2022.

**Guidehouse Inc:**

During the year, the Company procured time and material services from Guidehouse Inc., for \$1,390 and the entire amount was paid during the year. There is no outstanding payable as of March 31, 2023. There were no transactions with Guidehouse Inc., during the year 2022.

**Note 15: Litigation and Contingencies**

The Company is from time to time involved in commercial and employment disputes that arise in the ordinary course of its business. The Company may also be subject to claims from third parties arising from the Company's operations, and the Company is sometimes asked to provide information as a third party in investigations or proceedings conducted by state and local agencies. With respect to loss contingencies, the Company records a liability when it believes it is both probable that a liability has been incurred and the amount of loss can be reasonably estimated. Significant judgment is required to determine both the probability of having incurred a liability and the estimated amount of the liability. The Company reviews these matters at least quarterly and adjusts these liabilities to reflect the impact of negotiations, settlements, rulings, advice of legal counsel and other updated information and events pertaining to a particular matter. Cash flows or results of operations could be materially affected in any particular period by the resolution of one or more of these contingencies. The Company believes it has recorded adequate provisions for any such matters and therefore, as of March 31, 2023 and 2022, it was not reasonably possible that a material loss had been incurred in connection with such matters in excess of the amounts recognized in its financial statements.

*Litigation*

The Company, in the normal course of business, may be subject to various claims and contingencies arising from among other things, disputes with customers, vendors, employees, contract counterparties and other parties, as well as environmental matters, matters concerning the licensing and use of intellectual property, and inquiries and investigations by regulatory authorities and other government agencies. Some of these disputes involve or may involve litigation. During the year, the Company was not involved in any material litigations which have not been adequately provided for nor did the Company have any settlements arising from litigations from the pre-acquisition period that were not reflected in its consolidated financial statements. Further, the Company had no material litigations or settlements between April 1, 2023 and the date of these financial statements.

**Note 16: Guarantees and Indemnifications**

*Guarantees*

In the ordinary course of business, the Company may issue performance guarantees to certain of its clients, customers and other parties pursuant to which the Company has guaranteed the performance obligations of third parties. Some of those guarantees may be backed by standby letters of credit or surety bonds. In general, the Company would be obligated to perform over the term of the guarantee in the event a specified triggering event occurs as defined by the guarantee. The Company believes the likelihood of having to perform under a material guarantee is remote.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2023**  
(dollars in thousands, unless otherwise noted)

The following table summarizes Company's financial guarantees and stand-by letters of credit outstanding as of March 31, 2023 and 2022:

	<b>As of</b> <b>March 31, 2023</b>	<b>As of</b> <b>March 31, 2022</b>
Surety bonds	\$ 339,869	\$ 295,819
Stand -by letters of credit	22,162	27,162
Total	<u>\$ 362,031</u>	<u>\$ 322,981</u>

*Indemnifications*

In the ordinary course of business, the Company enters contractual arrangements under which the Company may agree to indemnify a third party to such arrangement from any losses incurred relating to the services they perform on behalf of the Company or for losses arising from certain events as defined within the particular contract, which may include, for example, litigation or claims relating to past performance. The Company also provides indemnifications to certain vendors and customers against claims of intellectual property infringement made by third parties arising from the use by such vendors and customers of the Company's software products and services and certain other matters. Some indemnifications may not be subject to maximum loss clauses. Historically, payments made related to these indemnifications have been immaterial.

**Note 17: Supplemental cashflow disclosures**

	<b>For the year ended</b> <b>March 31, 2023</b>	<b>For the year ended</b> <b>March 31, 2022</b>
Cash payments for interest, net of capitalized interest	440,880	321,480
Cash payments (receipts) for taxes, net	40,594	72,518

**Note 18: Subsequent Events**

The Company evaluated subsequent events for recognition or disclosure through July 13, 2023, the date the consolidated financial statements were available to be issued and has not identified any events which require disclosure or adjustments to consolidated financial statements.



**Gainwell Holding Corp. and Subsidiaries**  
**Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**

**INDEX—FINANCIAL STATEMENTS**  
**Gainwell Holding Corp. and Subsidiaries**  
**Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**

Report of Independent Auditors .....	1-2
Consolidated Balance Sheets.....	3
Consolidated Statements of Operations and Comprehensive Loss.....	4
Consolidated Statements of Stockholders' Equity.....	5
Consolidated Statements of Cash Flows .....	6
Notes to Consolidated Financial Statements.....	7-35

**Independent Auditor's Report**

Board of Directors  
Gainwell Holding Corp.

**Opinion**

We have audited the consolidated financial statements of Gainwell Holding Corp. and its subsidiaries (the Company), which comprise the consolidated balance sheets as of March 31, 2022 and 2021, the related consolidated statements of operations and comprehensive loss, changes in stockholders' equity, and cash flows for the year ended March 31, 2022 and for the period from October 1, 2020 to March 31, 2021, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2022 and 2021, and the results of their operations and their cash flows for the year ended March 31, 2022 and for the period from October 1, 2020 to March 31, 2021 in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

*RSM US LLP*

McLean, Virginia  
July 27, 2022

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**Gainwell Holding Corp. and Subsidiaries**  
**Consolidated Balance Sheets**  
**(in thousands)**

	As of March 31, 2022	As of March 31, 2021
<b>ASSETS</b>		
Current assets:		
Cash and Cash equivalents	\$ 199,721	\$ 258,916
Receivables and contract assets, net of allowance for doubtful accounts	614,988	407,754
Prepaid expenses	72,706	41,999
Other current assets	33,559	13,888
Total current assets	<u>\$ 920,974</u>	<u>\$ 722,557</u>
Intangible assets, net of accumulated amortization of	2,569,604	2,200,108
Operating right-of-use assets, net	62,439	65,916
Goodwill	3,626,741	2,358,345
Property and equipment, net of accumulated depreciation	61,367	47,600
Other assets	78,019	63,640
Total Assets	<u>\$ 7,319,144</u>	<u>\$ 5,458,166</u>
<b>LIABILITIES and EQUITY</b>		
Current liabilities:		
Short-term debt and current maturities of long-term debt	\$ 42,316	\$ 24,000
Accounts payable	108,114	66,131
Accrued payroll and related costs	52,968	44,966
Current lease liabilities	25,760	26,750
Accrued expenses and other current liabilities	359,099	240,509
Deferred revenue and advance contract payments	28,840	19,699
Total current liabilities	<u>\$ 617,097</u>	<u>\$ 422,055</u>
Long-term debt, net of current maturities, OID and financing costs	5,399,575	3,055,834
Non-current deferred revenue	45,284	28,639
Non-current lease liabilities	40,940	42,000
Non-current pension obligations	1,653	1,280
Other long-term liabilities	8,500	31,594
Deferred tax liability	56,223	-
Total Liabilities	<u>\$ 6,169,272</u>	<u>\$ 3,581,402</u>
Stockholder's Equity		
Common Stock: \$0.01 par value, 1000 shares authorized, 100 shares issued and outstanding	-	-
Additional paid-in capital	2,092,853	2,204,600
Accumulated deficit	(942,208)	(328,035)
Accumulated other comprehensive income	(773)	199
Total Equity	<u>1,149,872</u>	<u>1,876,764</u>
Total Liabilities and Equity	<u>\$ 7,319,144</u>	<u>\$ 5,458,166</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Gainwell Holding Corp. and Subsidiaries**  
**Consolidated Statements of Operations and Comprehensive Loss**  
**(in thousands)**

	For the year ended March 31, 2022	For the six month period ended March 31, 2021
Revenue, net	\$ 2,257,431	\$ 771,212
Cost of Services	1,497,186	541,762
Gross profit	<u>760,245</u>	<u>229,450</u>
Operating Expenses:		
Selling, general & administrative	1,152,977	454,582
Restructuring Costs	2,685	96
Total Operating expenses	<u>1,155,662</u>	<u>454,678</u>
Loss from operations	<u>(395,417)</u>	<u>(225,228)</u>
Other income and (expenses):		
Interest Expense	(375,784)	(102,630)
Other income (expense)	(334)	159
Total other income and expense	<u>(376,118)</u>	<u>(102,471)</u>
Loss from operations, before taxes	<u>(771,535)</u>	<u>(327,699)</u>
Income tax (benefit) expense	(157,362)	336
<b>Net Loss</b>	<u><b>(614,173)</b></u>	<u><b>(328,035)</b></u>
Other comprehensive income:		
Currency translation adjustments	(972)	199
Comprehensive loss	<u><b>\$ (615,145)</b></u>	<u><b>\$ (327,836)</b></u>

The accompanying notes are an integral part of these consolidated financial statements.

**Gainwell Holding Corp. and Subsidiaries**

**Consolidated Statements of Stockholders' Equity for the year ended March 31, 2022 and period ended March 31, 2021**  
**(in thousands)**

	Common Shares	Shares Dollars	Additional Paid in Capital	Receivable against Equity	Accumulated Deficit	Accumulated Other Comprehensive Income, net	Total
Issuance of Stock at \$0.01 per share	100	\$ -	\$ 2,205,100	\$ (5,100)	\$ -	\$ -	\$ 2,200,000
Stock Compensation	-	-	4,600	-	-	-	4,600
Net Loss	-	-	-	-	(328,035)	-	(328,035)
Cumulative translation adjustments	-	-	-	-	-	199	199
<b>Balance as at March 31, 2021</b>	<b>100</b>	<b>-</b>	<b>\$ 2,209,700</b>	<b>\$ (5,100)</b>	<b>\$ (328,035)</b>	<b>\$ 199</b>	<b>\$ 1,876,764</b>
Issuance of Stock at \$0.01 per share	-	-	4,100	5,100	-	-	9,200
Stock Compensation	-	-	10,784	-	-	-	10,784
Gain on sale of Cotiviti	-	-	10,934	-	-	-	10,934
Net transfers to Owner	-	-	(142,665)	-	-	-	(142,665)
Net Loss	-	-	-	-	(614,173)	-	(614,173)
Cumulative translation adjustments	-	-	-	-	-	(972)	(972)
<b>Balance as at March 31, 2022</b>	<b>100</b>	<b>-</b>	<b>\$ 2,092,853</b>	<b>\$ -</b>	<b>\$ (942,208)</b>	<b>\$ (773)</b>	<b>\$ 1,149,872</b>

**Gainwell Holding Corp. and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
**(in thousands)**

	<b>For the year ended March 31, 2022</b>	<b>For the six month period ended March 31, 2021</b>
<b><i>Cash flows from operating activities:</i></b>		
Net Loss	\$ (614,173)	\$ (328,035)
<b><i>Adjustments to reconcile net loss to net cash provided by operating activities:</i></b>		
Depreciation and amortization	917,072	333,024
Non cash charges on ROU assets	11,571	13,936
Share-based compensation	10,784	4,600
Provision for doubtful receivables	(345)	(4,976)
Amortization of debt issuance costs	37,524	6,753
<b><i>Changes in assets and liabilities, net of effects of acquisitions and dispositions:</i></b>		
Increase in receivables	(31,715)	(7,903)
Increase in prepaid expenses and other assets	(20,453)	(52,369)
Increase in accounts payable and accruals	35,935	52,258
Increase (Decrease) in deferred revenue	22,178	(3,643)
Increase in Income Tax Liability, net	49,382	-
Decrease in deferred taxes	32,742	-
Decrease (Increase) in ROU liabilities	(5,690)	-
Increase (Decrease) in other liabilities	(188,723)	111
<b>Net cash provided by operating activities</b>	<b>\$ 256,090</b>	<b>\$ 13,756</b>
Purchase of property & equipment	(16,561)	(9,325)
Software purchased or developed	(51,855)	-
Acquisition, net of cash acquired	(2,432,533)	(5,018,825)
<b>Net cash used in investing activities</b>	<b>\$ (2,500,949)</b>	<b>\$ (5,028,150)</b>
Borrowings on long-term debt	2,486,000	3,200,000
Principal payments on long-term debt	(42,316)	(6,000)
Debt issuance costs	(119,152)	(120,919)
Proceeds from Additional Paid in Capital	9,200	2,200,000
Taxes payable on sale of Cotiviti	(146,482)	-
Payment of capital leases	(1,374)	-
<b>Net cash used in financing activities</b>	<b>\$ 2,185,876</b>	<b>\$ 5,273,081</b>
Effect of exchange rate changes on cash and cash equivalents	(212)	229
Net increase in cash and cash equivalents	(59,195)	258,916
Cash and cash equivalents at beginning of year	\$ 258,916	-
<b>Cash and cash equivalents at end of the year</b>	<b>\$ 199,721</b>	<b>\$ 258,916</b>

The accompanying notes are an integral part of these consolidated financial statements.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

**Note 1: Organization and Nature of Operations**

Gainwell Holding Corp. is an independent private company, founded on October 1, 2020 through the sale of DXC Technology's State & Local Health and Human Services business to an affiliate of Veritas Capital Fund Management, L.L.C. ("Veritas"). Veritas is a leading private investment firm that invests in companies that provide critical products and services, primarily technology and technology-enabled solutions, to government and commercial customers worldwide, including those operating in the healthcare, aerospace and defense, software, national security communications, energy, government services and education industries.

Gainwell Holding Corp is ultimately held by Gainwell Topco Holdings LP through an intermediate holding company namely, Gainwell Intermediate Holding Corp.

Gainwell Acquisition Corp, is a wholly owned subsidiary of Gainwell Holding Corp.

On April 1, 2021, Gainwell Acquisition Corp., and Gainwell Intermediate Holding Corp. (collectively "Gainwell") acquired HMS Holdings Corp. ("HMS"), an industry-leading healthcare technology, analytics and engagement solutions provider. Gainwell acquired HMS capabilities focused on the Medicaid market, including coordination of benefits (COB) and payment integrity (PI) solutions delivered to states and COB solutions delivered to Medicaid managed care organizations. Cotiviti Inc., a Veritas backed company, acquired from Gainwell the HMS PI and Population Health Management (PHM) capabilities focused on health plan and federal markets. Business units retained by Gainwell are HMS Inc, HMS Holdings Corp, Reimbursement Services Group Inc, Essette Inc, and Permedion Inc.

After acquisition, Gainwell Technologies LLC and HMS Holdings LLC are wholly owned subsidiaries of Gainwell Acquisition Corp. The wholly owned subsidiaries of Gainwell Technologies LLC include Milano Receivables Funding LLC, MMIS Technology Services LLC which in turn owns Gainwell Technologies Canada ULC located in Canada, Enterprise Services Caribe, LLC located in Puerto Rico, MMIS Technology Services India Private Limited located in India and PDA Software Services LLC. The wholly owned subsidiaries of HMS Holdings LLC include HMS Inc, Essette Inc, Reimbursement Services Group Inc and Permedion Inc.

The accompanying consolidated financial statements and notes present the consolidated financial position, results of operations and cash flows of Gainwell Holding Corp and its wholly owned subsidiaries (the "Company").

The Company serves Government Health & Human Services ("HHS") clients charged with the mission of enhancing and protecting the health and well-being of residents in 42 states/territories.

The Company builds software and solutions and provides technology services and business process services to its clients. This includes Medicaid Programs in 31 states as well as other HHS services. The solutions include, but are not limited to, the Medicaid Enterprise Systems ("MES") which is the claims processing system of record and analytics support system for Medicaid. Within Medicaid, services provided include fiscal agent services, claims processing, provider enrollment, pre-authorization, pharmacy drug rebates, recipient eligibility management, call center, print and mail services. Other HHS services which the Company provides include solutions to support Eligibility and Enrollment, Immunization Registries, Women, Infant & Children ("WIC") and Early Intervention ("EIC"). The Company also provides coordination of benefits ("COB") and payment integrity ("PI") services primarily to state governments, Medicaid managed care plans and commercial health plans.

The Company is headquartered in Tysons, Virginia.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

**Note 2: Summary of Significant Accounting Policies**

**Principles of Consolidation**

The accompanying consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). All intercompany transactions are eliminated in consolidation.

These financial statements are prepared for the year ended March 31, 2022, and six-month period from October 1, 2020, to March 31, 2021 ('Period'). The accompanying consolidated financial statements and notes present the financial position as of March 31, 2022 and 2021, and the results of operations for the year ended March 31, 2022, and six-month period ended March 31, 2021.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant items subject to estimates and assumptions include: the determination of the fair value of acquired assets and liabilities, contract assets, deferred revenue, the allowance for doubtful accounts, valuation, and recoverability of long-lived assets (including intangible assets), depreciation and amortization periods of long-lived assets and deferred income taxes. Actual results may differ from those estimates. The severity, magnitude and duration, as well as the economic consequences of the COVID-19 pandemic, are uncertain, rapidly changing and difficult to predict. Therefore, accounting estimates and assumptions may change over time and may change materially in future periods.

**Cash and Cash Equivalents**

Money market funds and highly liquid debt instruments purchased with original maturity dates of three months or less, when purchased, are considered cash and cash equivalents.

**Receivables and Contract Assets**

Receivables and contract assets consist of amounts billed and currently due from customers, amounts earned but unbilled (including contracts measured under the percentage-of-completion method of accounting), amounts retained by the customer until the completion of a specified contract and a percentage of claim amounts identified for collection by customers from third parties. Over the course of a contract, invoices are billed, and cash is collected as development milestones are reached or as services are delivered. Unbilled recoverable amounts under contracts in progress generally become billable upon achievement of project milestones or upon acceptance by a customer.

Allowances for uncollectible billed receivables and contract assets are estimated based on a combination of write-off history, aging analysis, and any specific and known collectability issues. Unbilled amounts under contracts in progress that are recoverable do not have an allowance for credit losses.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

**Property and Equipment**

Property and equipment are stated at cost less accumulated depreciation. The Company depreciates the cost of property and equipment over the estimated useful lives of the related assets using the straight-line depreciation method. Leasehold improvements are amortized over the shorter of the lease term or their estimated useful lives. The estimated useful lives of the Company's property and equipment are as follows:

<b>Classification</b>	<b>Estimated useful life</b>
Property and equipment	Up to 15 years
Computers and related equipment	Up to 7 years
Furniture and other equipment	Up to 10 years
Leasehold improvements	Shorter of lease term or useful life up to 20 year

**Intangible Assets and Long-Lived Assets**

The Company reviews intangible assets with finite lives and long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset or a group of assets may not be recoverable. The Company assesses the recoverability of assets based on a comparison of the carrying amount of such assets to the estimated future net cash flows expected to result from the use and eventual disposition of such assets. If estimated future net cash flows are less than the carrying amount of such assets, the assets are impaired. The Company measures the amount of impairment loss, if any, as the difference between the carrying amount of such assets and its fair value. Fair value is determined based on an undiscounted cash flow approach or, when available and appropriate, comparable market values.

The Company's estimated useful lives for finite-lived intangible assets are shown in the table below:

Software	2 to 7 years
Customer related intangibles	15 to 19 years

Software intangibles are amortized using the straight-line method over their estimated useful lives.

Customer related intangibles are amortized using the present value of cash flows estimated to be generated by the customer contracts over the estimated useful lives.

**Software Development Costs**

After establishing technological feasibility and before software products are available for general release to customers, the Company capitalizes costs incurred to develop commercial software products to be sold, leased or otherwise marketed. The Company expenses costs related to establishing technological feasibility as incurred and capitalizes enhancements that extend the life or marketability of software products. Amortization of capitalized software development costs is determined separately for each software product.

Unamortized capitalized software costs associated with commercial software products are periodically evaluated for impairment on a product-by-product basis by comparing the unamortized balance to the product's net realizable value. The net realizable value is the estimated future gross revenues from that product reduced by the related estimated future costs. When the unamortized balance exceeds the net realizable value, the unamortized balance is written down to the net realizable value and an impairment charge is recorded.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

The Company capitalizes costs incurred to develop internal-use computer software during the application development stage. Costs related to preliminary project activities and post-implementation activities are expensed as incurred. Internal and external costs incurred in connection with development of upgrades or enhancements that result in additional functionality are capitalized and amortized on a straight-line basis over the estimated useful life of the software. Internal-use software assets are evaluated for impairment whenever events or changes in circumstances occur that could impact the recoverability of these assets.

**Leases**

On October 1, 2020 the Company adopted ASU 2016-02, "Leases, Topic ASC 842" using the modified retrospective method. The Company determines if an arrangement is a lease at inception by evaluating whether the arrangement conveys the right to use an identified asset and whether the Company obtains substantially all economic benefits from and has the ability to direct the use of the asset. Operating leases are included in operating right-of-use ("ROU") assets, net, current operating lease liabilities and non-current operating lease liabilities in the Company's balance sheets.

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. Operating ROU assets and operating lease liabilities are recognized at commencement based on the present value of lease payments over the lease term. As most of the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at commencement to determine the present value of lease payments. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow, on a collateralized basis, an amount equal to the lease payments, in a similar economic environment and over a similar term. The rate is dependent on several factors, including the lease term, currency of the lease payments and the Company's credit ratings.

Operating ROU assets also include any lease payments made and excludes lease incentives. The Company's lease terms may include options to extend or terminate the lease. Operating ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. Lease arrangements generally do not contain any residual value guarantees or material restrictive covenants.

Lease expense for lease payments is recognized on a straight-line basis over the lease term. Variable lease expense is related to the Company's leased real estate for offices and primarily includes labor and operational costs. The Company subleases certain leased office space to third parties when it determines there is excess leased capacity. The Company combines lease and non-lease components under its lease agreements.

**Goodwill**

The Company recognizes goodwill in a business combination as excess of purchase price over the total value of assets and liabilities acquired. The Company elected to adopt ASU 2014-02, Intangibles- Goodwill and Other (Topic 350): Accounting for Goodwill and accordingly amortizes goodwill on a straight-line basis over 10 years. Goodwill will be tested for impairment only when a triggering event occurs indicating the fair value of the entity may be below its carrying amount. Upon the occurrence of a triggering event, a one-step impairment test will be performed by comparing the fair value of the entity or reporting unit with its carrying value. The excess of carrying value over fair value is the impairment loss. After a goodwill impairment loss is recognized, the adjusted carrying amount shall be amortized over its remaining useful life. There were no triggering events identified in 2021 or 2022.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

**Deferred Financing Costs**

Deferred financing costs are expenditures associated with obtaining financing that are capitalized in the consolidated balance sheets and amortized over the term of the loans to which such costs relate. Capitalized deferred financing costs related to the Company's Lien 1 and Lien 2 credit facilities are presented as a reduction to the debt outstanding on the balance sheets. Amortization of deferred financing costs is included in interest expense in the Consolidated Statements of Comprehensive Income (Loss) and is recorded using the effective interest method.

**Comprehensive Income (Loss)**

Comprehensive income (loss) represents a measure of all changes in equity that result from recognized transactions and other economic events other than transactions with owners in their capacity as owners. Other comprehensive income (loss) includes foreign currency translation.

**Concentrations of Risk**

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of receivables from trade customers and cash. The Company performs ongoing credit evaluations of the financial condition of its customers. As of March 31, 2022 and 2021, there are no receivables from individual customers greater than 10% of the net accounts receivable. At times, cash deposits may exceed the limits insured by the Federal Deposit Insurance Corporation. The Company does not believe that its cash balances are subject to unusual credit risk beyond the normal credit risk associated with commercial banking relationships.

**Revenue Recognition**

The Company applies ASU 2014-09, "Revenue from Contracts with Customers (ASC 606)," to its contracts.

The Company generates revenue only in the United States primarily through the support of states' MES and other HHS initiatives by providing primarily Maintenance and Operations ("M&O") and Design, Development and Implementation ("DDI") services. M&O services include maintenance and operations such as application development, management, and new projects. DDI services pertain to building and/or upgrading IT infrastructure, including hardware and software related to MES. To support HHS initiatives, the Company provides business process services and fiscal agent operations (i.e. claims resolution, provider services, enrollment, call center, medical management, etc.). Revenues are recognized when control of the promised goods or services is transferred to the Company's customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services.

In the MES business, the Company determines revenue recognition through the five-step model as follows:

- Identification of the contract, or contracts, with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, the Company satisfies a performance obligation

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

The Company analyzes arrangements involving M&O and DDI services as at least two separate distinct performance obligations. In each arrangement, a customer is able to benefit from the M&O and DDI services individually or together; additionally, each service is distinct within the context of a contract. Therefore, the M&O and DDI phases are generally seen as distinct performance obligations. A possible exception is in contracts where the Company hosts solutions during the M&O phase. In such scenarios, the analysis of performance obligations would depend on the facts and circumstances of an arrangement.

For contracts with multiple performance obligations, the Company allocates a contract's transaction price to each performance obligation based on the relative standalone selling price of the goods and services provided to the customer. Some contracts also have components of variable consideration such as time and material fees which are typically based on hours incurred, and universal transaction and claim surcharge fees which are based on an agreed upon contractual floor and/or ceiling.

For M&O services, a customer simultaneously receives the benefits provided by the Company's performance as the Company meets its performance obligations. M&O service fees are typically negotiated on a fixed fee per period or milestone basis and revenue is recognized as services are performed in that period or as milestones are met.

During the DDI phase, revenue is recognized over time as a performance obligation is satisfied. The DDI phase satisfies the requirements for over time recognition given that a developed asset includes customization and is unique to the specific requirements of a client. Consequently, the asset is not easily transferable to another state and has no alternative use. Additionally, arrangements typically include a clause that provides the Company with an enforceable right to payment for performance completed to date. Management recognizes revenue during the DDI phase using the "cost-to-cost" method, i.e., an input method based on cost incurred as a project progresses towards completion, also known as percentage of completion. Costs include internal labor hours, contractor costs, and allocation of internal overhead costs.

Following the HMS Holdings Corp. acquisition on April 1, 2021, the Company also provides coordination of benefits ("COB") and payment integrity ("PI") services primarily to state governments, Medicaid managed care plans and commercial health plans. COB services include (a) the identification of erroneously paid claims; (b) the delivery of verified commercial insurance coverage information; (c) the identification of paid claims where another third party is liable; and (d) the identification and enrollment of Medicaid members who have access to employer insurance. PI services include (a) services designed to ensure that healthcare payments are accurate and appropriate; and (b) the identification of over/(under)payments or inaccurate charges based on a review of medical records. Most of the COB and PI services contain multiple promises, all of which are not distinct within the context of the contract. Therefore, the promises represent a single, distinct performance obligation for the types of services offered. Revenue derived from these performance obligations is largely based on variable consideration where, based on the number of claims or amount of findings the Company identified, a contingent or fixed transaction price/recovery percentage is allocated to each distinct performance obligation. The Company utilizes the expected value method to estimate the variable consideration related to the transaction price for its service contracts. Key inputs and assumptions in determining variable consideration includes identified pricing and expected recoveries and/or savings. The expected recoveries and/or savings are based on historical experience of information received from our customers. Revenue is primarily recognized at a point in time when the customers realize economic benefits from the services when the services are completed.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

*Practical Expedients and Exemptions*

The Company does not adjust the promised amount of consideration for the effects of a significant financing component when the period between when the Company transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

In addition, the Company reports revenue net of any revenue-based taxes assessed by a governmental authority that are imposed on and concurrent with specific revenue-producing transactions, such as sales taxes and value-added taxes.

*Contract Balances*

The timing of revenue recognition, billings and cash collections results in accounts receivable (billed receivables, unbilled receivables and contract assets), deferred revenue and advance contract payments (contract liabilities) on the Company's balance sheet. In arrangements that contain an element of customized software solutions, amounts are generally billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g. monthly) or upon achievement of certain contractual milestones. Generally, billing occurs subsequent to revenue recognition, sometimes resulting in contract assets if the related billing is conditional upon more than just the passage of time. However, the Company sometimes receives advances or deposits from customers, before revenue is recognized, which results in the generation of contract liabilities. Payment terms vary by type of product or service being provided as well as by customer, although the term between invoicing and when payment is due is generally an insignificant period of time.

*Costs to Obtain a Contract*

Certain sales commissions earned by the Company's sales force are considered incremental and recoverable costs of obtaining a contract with a customer. The majority of sales commissions are paid based on the achievement of quota-based targets. These costs are deferred and amortized on a straight-line basis over an average period of benefit determined to be three to five years. The Company determined the period of benefit considering the length of its customer contracts, its technology and other factors. The period of benefit approximates the average stated contract terms, excluding expected future renewals, because sales commissions are paid upon contract renewal in a manner commensurate with the initial commissions. Some commission payments are not capitalized because they are expensed during the fiscal year as the related revenue is recognized. Capitalized sales commissions costs are recorded in other assets and amortized in selling, general and administrative in the consolidated statements of operations and comprehensive loss.

*Costs to Fulfill a Contract*

Certain contract setup costs incurred upon initiation or renewal of an outsourcing contract that generate or enhance resources to be used in satisfying future performance obligations are capitalized when they are deemed recoverable. Judgment is applied to assess whether contract setup costs are capitalizable. Costs that generate or enhance resources often pertain to activities that enhance the capabilities of the services, improve customer experience and establish a more effective and efficient IT environment. The Company recognizes these transition and transformation contract costs as other assets, which are amortized over the respective contract life.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

Deferred Revenue

The Company records amounts invoiced to customers in excess of revenue recognized as deferred revenue until the revenue recognition criteria are satisfied. Deferred revenue represents amounts invoiced in advance of services provided. In some cases, for portions of the DDI work, invoices are billed, and cash is collected as development milestones are reached. However, payments are not recognized as revenue but recorded as deferred revenue liabilities on the balance sheet. For deferred revenue recorded on transition and transformation related activities, the Company begins to recognize revenue and expenses upon go-live of the system at the start of the M&O phase by amortizing the deferred revenue liability ratably over the remaining life of the contract.

**Income Taxes**

Deferred income tax assets and liabilities represent the income tax effects of temporary differences between the tax basis of assets and liabilities and their amounts for financial reporting purposes. Deferred income taxes arise from the recognition of these temporary differences. Deferred tax assets and liabilities are measured using enacted tax rates at the reporting date, expected to apply in the year in which those temporary differences are expected to be recovered or settled. Deferred tax assets are reduced by a valuation allowance for any portions determined not likely to be realized. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company recognizes tax liabilities when, despite the Company's belief that its tax return positions are supportable, the Company believes that certain positions may not be fully sustained upon review by tax authorities. Benefits from tax positions are measured at the largest amount of benefit that is greater than 50 percent likely of being realized upon settlement. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences impact income tax expense in the period in which such determination is made.

**Business Combinations**

Companies acquired during the reporting period are reflected in the results of the Company effective from their respective dates of acquisition through the end of the reporting period. The Company allocates the fair value of purchase consideration to the assets acquired and liabilities assumed based on their fair values at the acquisition date. The excess of the fair value of purchase consideration over the fair value of the assets acquired and liabilities assumed in the acquired entity is recorded as goodwill. If the Company obtains new information about facts and circumstances that existed as of the acquisition date during the measurement period, which may be up to one year from the acquisition date, the Company may record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the Company's statements of operations and comprehensive loss.

**Foreign Currency**

The local currency of the Company's foreign affiliates is generally their functional currency. Accordingly, the assets and liabilities of the foreign affiliates are translated from their respective functional currency to US dollars using fiscal year-end exchange rates, income and expense accounts are translated at the average rates in effect during the fiscal year and equity accounts are translated at historical rates. The resulting translation adjustment is recorded in the consolidated statements of operations and comprehensive loss and recorded as part of accumulated other comprehensive loss.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

**Note 3: Acquisition**

On December 21, 2020, Gainwell Acquisition Corp., Mustang MergerCo Inc., and Gainwell Intermediate Holding Corp (collectively the “Company”, or “Gainwell”), a portfolio company of Veritas Capital (“Veritas”), entered into an Agreement and Plan of Merger (the “Purchase Agreement”) to acquire HMS Holdings Corp (the “HMS Acquisition”). Gainwell acquired HMS’ capabilities focused on the Medicaid market, including coordination of benefits (“COB”) and payment integrity (“PI”) solutions delivered to states, and COB solutions delivered to Medicaid managed care organizations. This transaction expanded Gainwell’s capabilities with unique, data-driven technology and service solutions expected to drive greater impact in the healthcare market. Under the terms of the agreement, HMS shareholders received merger consideration in the amount of \$37.00 in cash for each share of HMS common stock they held. The transaction received approval from HMS shareholders on March 26, 2021 and the acquisition closed on April 1, 2021. The acquisition was funded through a combination of cash and additional debt financing.

In addition, on March 31, 2021, Gainwell entered into a purchase and sale agreement (the “Cotiviti Purchase Agreement”) with Cotiviti, Inc. (“Cotiviti”), a portfolio company of Veritas, to sell a portion of the HMS assets to Cotiviti concurrent with the close of the Gainwell/HMS transaction for a net consideration of \$1,025,824. We consider these to be separate transactions and are therefore accounted for as a purchase and subsequent sale. Since both Gainwell and Cotiviti are portfolio companies of Veritas, the sale has been considered as a related party transaction. Refer to note 14 – Related Party Transactions for more details on the operations of Cotiviti.

As required by the Cotiviti Purchase Agreement, Gainwell and Cotiviti entered into a restructuring agreement dated April 1, 2021, which identifies and governs the separation of HMS businesses/assets from Gainwell. Overall, the following are the primary businesses/assets sold to Cotiviti (collectively, “Cotiviti Assets”):

- Eliza business unit (part of PHM)
- Other PHM business units (Vitreo, Lorica, and an investment in MedAdvisor)
- Accent business unit (Commercial COB)
- Federal business unit
- Federal related PI (portion of the PI business unit)

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

The total cash consideration for the HMS acquisition was \$3,516,219. The majority of the purchase price allocated to goodwill is not expected to be deductible for income tax purposes. The intangible assets acquired include customer relationships, trade names and technology which have an estimated useful life of 19 years, 5 years and 7 years respectively. Customer relationships have been valued using a version of income based approach known as Excess Earnings method where an estimation of the after-tax operating profit expected from the intangible asset less deductions for the use of contributory assets such as net tangible assets (defined as the sum of the fixed tangible assets and net working capital) and other intangible assets is present valued at the discount rate used for the intangible assets. Trade names and technology were valued using a relief from royalty approach.

The Company's allocation of the purchase price for the HMS acquisition to the assets acquired and liabilities assumed as of the acquisition date is as follows:

	<b>Fair Value</b>
Cash and cash equivalents	\$ 114,271
Accounts receivable	256,565
Prepaid expenses and other	26,551
Other current assets	914
Total current assets	398,301
Property and equipment	31,747
Intangible assets	1,094,001
Right of Use assets	18,249
Other assets	19,340
Total assets acquired	<u>\$ 1,561,638</u>
Accounts payable, accrued payroll, accrued expenses and other current liabilities	\$ (120,664)
Deferred tax liability	(231,464)
Other long-term liabilities	(24,072)
Total liabilities assumed	<u>(376,200)</u>
Net identifiable assets acquired	1,185,438
Goodwill	2,330,781
Purchase consideration	<u>\$ 3,516,219</u>

The Company incurred transaction costs of \$42,099 during the year ended March 31, 2022, which are included in selling, general & administrative costs on the Consolidated Statements of Operations and Comprehensive Loss.

On the acquisition date, the Company had acquired certain onerous contracts which have been fair valued in accordance with ASC 805 – Business Combinations. Accordingly, an amount of \$22,000 of loss reserve was booked to Goodwill and Other long-term liabilities as of the acquisition date. This onerous contracts liability has been assigned an average life of 2.5 years and therefore amortized over this period on a straight-line basis.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

The assets and liabilities sold and the corresponding gain on sale of the Cotiviti Assets as of the sale date is as follows:

	<b>Fair Value</b>
Cash and Cash equivalents	\$ 22,890
Accounts Receivable	79,431
Prepaid Expense	1,789
Other Current Assets	609
Total Current assets	<u>104,719</u>
Property and equipment	3,841
Intangible assets	309,344
Goodwill	679,983
Right of Use Asset	10,153
Other LT Assets	12,686
Total assets acquired	<u>\$ 1,120,726</u>
A/P & Accrued Expenses	\$ (31,463)
expenses and other current liabilities	(12,954)
Deferred tax liability	(51,477)
Other long-term liabilities	(9,942)
Total liabilities assumed	<u>\$ (105,836)</u>
Net identifiable assets acquired	1,014,890
Sale price	1,025,824
Net (Gain)/Loss	<u>\$ (10,934)</u>

As the Cotiviti Assets were determined to be a business and the transfer is under common control, the entity that receives the assets should initially recognize the assets and liabilities transferred at their carrying amounts in the accounts of the transferring entity at the date of the transfer. Therefore, Gainwell transferred the assets at the carrying value as of April 1, 2021, subsequent to the HMS Merger at fair value. The difference between the purchase price and the carrying value of the net assets, including the allocated goodwill, is treated as an adjustment to equity as a capital contribution/distribution.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

On October 1, 2020, the Company was incorporated through the sale of DXC Technology's State & Local Health and Human Services business for a total cash consideration of \$5,026,506. The goodwill is tax deductible. The intangible assets acquired include customer relationships and developed technology which have an estimated useful life of 15 years and 7 years respectively. Customer relationships have been valued using an income based approach analyzing the historical and projected patterns of attrition as well as customer contract terms, options and the expected renewal rates. Developed technology was valued using a relief from royalty approach.

The Company's allocation of the purchase price to the assets acquired and liabilities assumed as of the acquisition date is as follows:

	<b>Fair Value</b>
Cash and Cash equivalents	\$ 7,683
Accounts Receivable	394,876
Prepaid Expense	<u>31,630</u>
Total Current assets	434,189
Property and equipment	43,608
Intangible assets	2,401,595
Right of Use Asset	80,113
Other Assets	<u>37,517</u>
Total assets acquired	<u>\$ 2,997,022</u>
Accounts payable, accrued payroll, accrued expenses and other current liabilities	\$ (314,892)
Other long-term liabilities	<u>(137,891)</u>
Total liabilities assumed	<u>(452,783)</u>
Net identifiable assets acquired	2,544,239
Goodwill	<u>2,482,267</u>
Purchase consideration	<u>\$ 5,026,506</u>

The Company incurred transaction costs of \$88,961 during the six-month period ended March 31, 2021.

On the acquisition date, the Company had acquired certain onerous contracts which have been fair valued in accordance with ASC 805 – Business Combinations. Accordingly, an amount of \$50,000 of loss reserve was provisionally recorded and included in Goodwill and Other long-term liabilities. Subsequently, during the remeasurement period, the Company recognized an additional loss reserve of \$26,171 while finalizing the fair values of these onerous contracts.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

**Note 4: Revenue**

The following table presents the Company's MES, COB and PI revenues disaggregated by service:

	<b>For the year ended March 31, 2022</b>	<b>For the six month period ended March 31, 2021</b>
MES	\$ 1,652,099	\$ 771,212
COB	514,908	-
PI/PHM	90,424	-
<b>Total revenues</b>	<b>\$ 2,257,431</b>	<b>\$ 771,212</b>

***Remaining Performance Obligations***

Remaining performance obligations represent the aggregate amount of the transaction price in contracts allocated to performance obligations not delivered, or partially undelivered, as of the end of the reporting period. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revaluations, adjustments for revenue that has not materialized and adjustments for currency translations. As of March 31, 2022, approximately \$219,200 of revenue is expected to be recognized from remaining performance obligations. The Company expects to recognize revenue entirely of these remaining performance obligations in fiscal 2023. As of March 31, 2021, approximately \$207,300 of revenue on remaining performance obligations was not recognized which was entirely recognized in the year ended March 31, 2022.

***Contract Balances***

The following table provides information about the balances of the Company's trade receivables and contract assets and contract liabilities:

	<b>As of March 31, 2022</b>	<b>As of March 31, 2021</b>
Trade receivables, net	\$ 405,548	\$ 244,818
Contract assets	209,440	162,936
Contract liabilities	74,124	48,338

Trade receivables and Contract assets are included in Receivables and contract assets, net of allowance for doubtful accounts on the Consolidated Balance Sheets.

Contract liabilities include deferred revenue, the current portion of which is included in Deferred revenue and advance contract payments and the non-current portion is included in non-current deferred revenue on the Consolidated Balance Sheets.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

*Changes in contract liabilities were as follows:*

	<b>For the year ended March 31, 2022</b>	<b>For the period ended March 31, 2021</b>
Balance, beginning of period	\$ 48,338	\$ 51,980
Deferred revenue on acquisition of HMS on April 1, 2021	3,699	-
Deferred revenue	53,080	26,376
Recognition of deferred revenue	30,993	30,018
Balance, end of period	<b>\$ 74,124</b>	<b>\$ 48,338</b>

**Note 5: Employee Benefits**

The Company has voluntary employee savings plans in which eligible employees can contribute a portion of their income on a pretax basis. The total cost of all the plans to the Company was \$21,012 for the year ended March 31, 2022 and \$5,853 for the period ended March 31, 2021 respectively.

**Note 6: Stock-Based Compensation**

*Incentive Plan*

Class B Membership Interests in Gainwell Topco Holdings, L.P., the ultimate parent entity of Gainwell Holding Corp. are issued to certain employees of the Company under the Amended and Restated Limited Partnership Agreement dated October 1, 2020. Awards of Membership Interests are subject to both time-based vesting and performance-based vesting. Time-based awards vest over a term of five years in five equal installments on the anniversaries of the grant effective date. Equity based compensation expense related to the time-based vesting is recognized ratably over the service period. Vesting of the performance-based awards is dependent on i) the Company's achievement of a certain multiple of invested capital returns upon a recapitalization or extraordinary dividend, or ii) upon a change-in-control. The term of the performance-based vesting is indefinite and compensation related to these awards will not be recognized until the Company has a qualifying event. The Company accounts for its equity-based compensation in accordance with applicable accounting guidance for share-based payments. This guidance requires share-based payments to be recognized in the Consolidated Statements of Operations and Comprehensive Loss based on their grant date fair values. Compensation costs for awards with graded vesting are recognized on a straight-line basis over the anticipated vesting period.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

The following is a summary of the assumptions used in the valuation in determining the fair values of allocations granted during the year ended March 31, 2022:

Assumptions:

Expected volatility	50%
Risk-free interest rate	0.66%
Discount for lack of marketability	30%
Time to liquidity event	4.03

Change in awards outstanding under the Class B Incentive Plan were as follows:

**Class B Stock**

	<b>Awards % Unvested</b>	<b>Awards % Vested</b>	<b>Total</b>
<b>Outstanding and unvested as of October 1, 2020</b>	-	-	-
Granted	4.22	-	4.22
Forfeited	-	-	-
Cancelled	-	-	-
Vested	-	-	-
<b>Outstanding and unvested as of March 31, 2021</b>	<b>4.22</b>	<b>-</b>	<b>4.22</b>
Granted	1.65	-	1.65
Forfeited	(0.73)	-	(0.73)
Cancelled	-	-	-
Vested	(0.42)	0.42	-
<b>Outstanding and unvested as of March 31, 2022</b>	<b>4.72</b>	<b>0.42</b>	<b>5.14</b>

During the year ended March 31, 2022, and the six-month period ended March 31, 2021, the Company recognized \$10,784 and \$5,392 of equity compensation expense related to Class B Membership interests, respectively.

As of March 31, 2022, unrecognized equity compensation related to the time-based awards was \$27,261 and performance-based awards was \$60,160 totaling to \$87,421. The expense related to the time-based awards is expected to be recognized over a weighted-average period of 4.03 years.

*Phantom Equity Plan*

The Company adopted the Phantom Equity Plan effective April 1, 2021. Each allocation of phantom equity awarded to eligible qualified employees and non-employee members of its Board under the Phantom Equity Plan represents a contractual right to receive an amount in cash. No shares of common stock will be issued pursuant to the Phantom Equity Plan, as the awards are settled in cash after the required vesting period has been satisfied.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

The Phantom Equity Plan is subject to both time-based vesting and performance-based vesting. Time-based awards vest based on the occurrence of the Change of Control event as well as the continuous service over the five years. The time-based compensation related to these awards will not be recognized until the Company has a qualifying event. Upon the occurrence of the Change of Control event, vesting of the performance-based awards is dependent on i) the aggregate amount of net proceeds received by Veritas, divided by (ii) the aggregate amount of the invested capital contributed by Veritas to the issuer. The performance-based compensation related to these awards will not be recognized until the Company has a qualifying event.

Awards of phantom equity are accounted for in accordance with ASC 718, *Compensation – Stock Compensation*. The Company has elected to not estimate forfeitures for the phantom units and will account for forfeitures in the period they occur. There were no cash payments for units of phantom stock for the year ended March 31, 2022. Also, there was no compensation cost recognized as the performance conditions were not met during the year. As of March 31, 2022, unrecognized compensation related to the time-based phantom awards was \$19,501 and performance-based awards was \$16,933 totaling to \$36,434.

The following is a summary of the assumptions used in the valuation in determining the fair values of allocations granted during the year ended March 31, 2022:

Assumptions:

Expected volatility	50%
Risk-free interest rate	0.66%
Discount for lack of marketability	30%
Time to liquidity event	4.03

Change in awards outstanding under the Phantom Equity Plan were as follows:

<b>Phantom Equity Plan</b>	
	<b>Awards %</b>
<b>Outstanding and unvested as of March 31, 2021</b>	-
Granted	1.20
Forfeited	-
Cancelled	-
Vested	-
<b>Outstanding and unvested as of March 31, 2022</b>	<b>1.20</b>

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

**Note 7: Income Taxes**

*(Provision) Benefit for Taxes*

The sources of income(loss) from operations, before income taxes, classified between domestic entities and foreign entities, are as follows:

	<b>For the year ended March 31, 2022</b>	<b>For the six month period ended March 31, 2021</b>
Domestic entities	\$ (775,675)	\$ (327,633)
Foreign entities	4,140	(66)
<b>Total</b>	<b>\$ (771,535)</b>	<b>\$ (327,699)</b>

The Company's income tax provision(benefit) consisted of the following components:

	<b>For the year ended March 31, 2022</b>	<b>For the six month period ended March 31, 2021</b>
U.S. federal taxes:		
Current	\$ (35,301)	\$ -
Deferred	(105,343)	-
State taxes:		
Current	(776)	278
Deferred	(18,421)	-
Non U.S. taxes:		
Current	2,479	58
Deferred	-	-
<b>Total</b>	<b>\$ (157,362)</b>	<b>\$ 336</b>

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

The major elements contributing to the difference between the U.S. federal statutory tax rate and the effective tax rate (“ETR”) are below:

(in thousands)	For the year ended March 31, 2022		For the six month period ended March 31, 2021	
	ETR	Tax Expense	ETR	Tax Expense
U.S. federal statutory income tax rate	21.00%	\$ (162,022)	21.0%	\$ (68,817)
Permanent Differences	-12.51%	96,520	-0.62%	2,048
State income taxes net of federal tax benefit	3.17%	(24,432)	0.00%	(74)
Other State Taxes	0.00%	-	-0.11%	351
Uncertain tax positions	0.26%	(2,017)	0%	-
Valuation allowance	8.55%	(65,966)	-20.4%	66,828
Other items, net	-0.07%	555	0.00%	-
<b>Total</b>	<b>20.40%</b>	<b>\$ (157,362)</b>	<b>-0.10%</b>	<b>\$ 336</b>

*Unrecognized Tax Benefits*

The Company accounts for income tax uncertainties in accordance with ASC 740 “Income Taxes”, which prescribes a recognition threshold and measurement criteria for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Benefits from tax positions should be recognized in the financial statements only when it is more likely than not that the tax position will be sustained upon examination by the appropriate taxing authority that would have full knowledge of all relevant information. A tax position that meets the more likely than not recognition threshold is measured at the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. Tax positions that previously failed to meet the more likely than not recognition threshold should be recognized in the first subsequent financial reporting period in which that threshold is met. Previously recognized tax positions that no longer meet the more likely than not recognition threshold should be derecognized in the first subsequent financial reporting period in which that threshold is no longer met. ASC 740 also provides guidance on the accounting for and disclosure of liabilities for uncertain tax positions, interest and penalties. The Company has \$2,770 of unrecognized tax positions. The tax years of March 31, 2022 and 2021 remain open to examination.

*Deferred Income Taxes*

Deferred income taxes result from temporary differences between the amount of assets and liabilities recognized for financial reporting and tax purposes. For purposes of the combined balance sheets, deferred tax balances and tax carryforwards and credits have been recorded under the separate return method.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

The significant components of deferred tax assets and deferred tax liabilities were as follows:

	<b>As of</b> <b>March 31, 2022</b>	<b>As of</b> <b>March 31, 2021</b>
<b>Deferred tax assets:</b>		
Net Operating Loss	\$ 26,701	\$ 25,611
Operating lease liabilities	15,012	-
Allowance for Doubtful Accounts	3,992	-
Estimated Liability for Appeals	2	-
Tax Credit Carryforwards	2,067	-
Section. 163(j) Interest Limitation	4,376	-
Transaction Costs	10,677	11,953
Goodwill and Intangible assets	69,114	36,944
Reserves	4,984	9,044
Accrued Expenses and Others	64,995	26,280
<b>Gross Deferred Tax Assets</b>	<b>\$ 201,920</b>	109,832
Valuation Allowance	(629)	(83,502)
<b>Net Deferred tax Assets</b>	<b>\$ 201,291</b>	<b>\$ 26,330</b>
<b>Deferred Tax Liabilities:</b>		
Property and Equipment	\$ (21,671)	(23,284)
Goodwill and Intangible assets	(221,027)	-
Right of Use Asset	(14,316)	(3,046)
Capitalized Software Cost	(500)	-
<b>Total Deferred Tax Liabilities</b>	<b>\$ (257,514)</b>	<b>\$ (26,330)</b>

Income tax related assets and liabilities are included in the accompanying consolidated balance sheets as follows:

	<b>As of</b> <b>March 31, 2022</b>	<b>As of</b> <b>March 31, 2021</b>
Deferred tax assets	\$ 201,291	\$ 26,330
Deferred tax liabilities	(257,514)	(26,330)
Deferred tax liability net of deferred tax asset	<b>\$ (56,223)</b>	\$ -

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

Significant management judgment is required in determining the Company's provision for income taxes, deferred tax assets and liabilities and any valuation allowance recorded against deferred tax assets. As of each reporting date, management weighs new evidence, both positive and negative, that could affect its view of the future realization of its net deferred tax assets. Objective verifiable evidence, which is historical in nature, carries more weight than subjective evidence, which is forward looking in nature. The Company has recorded gross Federal Net Operating Loss (“NOL”) of \$114,800 and Post-Appportionment gross state losses of \$4,300. The federal NOLs have an unlimited life carryforward and the state NOLs have varying expiration dates with the majority expiring in 2041 or later.

A valuation allowance of \$82,900 has been released during March 31, 2022 due to the carryover deferred tax liabilities in the HMS acquisition. Due to the losses in Canada and India, there is a valuation allowance of \$629. In assessing whether its deferred tax assets are realizable, the Company considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized and adjusts the valuation allowance accordingly. The Company considers all available positive and negative evidence including future reversals of existing taxable temporary differences, taxable income in prior carryback years, projected future taxable income, tax planning strategies and recent financial operations.

**Note 8: Term Loan**

As of March 31, 2022 and 2021, total long term debt and other indebtedness, including current portion of long term debt, were as follows:

	<b>As of March 31, 2022</b>	<b>As of March 31, 2021</b>
First Lien Term Loan	\$ 4,178,685	\$ 2,394,000
Second Lien Term Loan	1,459,000	800,000
Total Debt	5,637,685	3,194,000
Less current maturities of long term debt	42,316	24,000
Less debt issuance costs	195,794	114,166
Long term debt, net	<b>\$ 5,399,575</b>	<b>\$ 3,055,834</b>

Accrued interest as of March 31, 2022 and March 31, 2021 was \$32,596 and \$18,372 respectively.

The Company amortized deferred financing costs of \$35,513 and \$6,753 in the year ended March 31, 2022 and the six- month period ended March 31, 2021, respectively.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

Future maturities of long-term debt as of March 31, 2022 are as follows:

<b>Fiscal Year Ended</b>	<b>Amount</b>
2023	\$ 42,316
2024	42,316
2025	42,316
2026	42,316
2027	42,316
Thereafter	5,426,105

**First Lien Term Loan & Revolving Loans**

In October 2020, the Company entered into a credit agreement (the “Credit Agreement”) with certain lenders and JPMorgan Chase Bank, N.A. as administrative agent. The Credit Agreement provided for an initial \$2.4 billion first-lien term loan facility (the “First Lien Term Loan”) and a \$400 million revolving credit loan facility (the “Revolving Loans”).

In April 2021, the Company entered into an amendment to the first lien agreement for borrowing an additional \$1.827 billion senior secured first lien term loan facility.

The First Lien Term Loan along with the amendment to First Lien Term Loan under the Credit Agreement bears interest, at the Company’s option, at either i) the Base Rate (the “Base Rate”), as defined in the agreement, plus a margin of 3%, or ii) the reserve-adjusted Eurocurrency Rate (the “Eurocurrency Rate”) plus a margin of 4%. The interest rate was 4.75% for the year ended March 31, 2022 and the period ended March 31, 2021.

Borrowings of Revolving Loans bear interest at a rate which depends on the Company’s ratio of consolidated total net debt to earnings before interest, taxes, depreciation and amortization, both as defined in the Credit Agreement (“the Leverage Ratio”). Revolving Loans under the Credit Agreement bear interest, at the Company’s option, at either i) the Base Rate, as defined in the agreement, plus an applicable margin based on the Company’s Leverage Ratio or ii) the reserve-adjusted Eurocurrency Rate (the “Eurocurrency Rate”) plus an applicable margin based on the Company’s Leverage Ratio. At a Leverage Ratio greater than 4.25, borrowings will include a margin of 4% for Eurocurrency Rate loans and 3% for Base Rate loans. At a Leverage Ratio between 3.75 and 4.25, borrowings will include a margin of 3.75% for Eurocurrency Rate loans and 2.75% for Base Rate loans. At a Leverage Ratio less than 4.25, borrowings will include a margin of 3.5% for Eurocurrency Rate loans and 2.75% for Base Rate loans. The interest rate was 4% for the year ended March 31, 2022 and the period ended March 31, 2021.

The First Lien Term Loan along with the amendment on First Lien Term loan matures on October 1, 2027 and requires quarterly principal payments of \$10.5 million. The initial borrowings of Revolving Loans mature on October 1, 2025. There were no borrowings under the Revolving Loans during the year ended March 31, 2022 and 2021. On March 31, 2022 and 2021, the Company had \$27.16 million of letters of credit outstanding under the Credit Agreement and requires quarterly interest payments on the last day of each quarter. The letters of credit bear interest at a rate consistent with the Revolving Loans. The Company uses letters of credit primarily for purposes of satisfying requirements pertaining to the customer contracts.

The Credit Agreement requires quarterly principle and interest payments for the First Lien Term Loan. The Credit Agreement contains affirmative and negative covenants customary for financings of this type.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

**Second Lien Term Loan**

In October 2020, the Company entered into a second lien credit agreement (the “Second Lien Credit Agreement”) with certain lenders and JPMorgan Chase Bank, N.A. as administrative agent. The Second Lien Credit Agreement provided for an initial \$800 million second-lien term loan facility (the “Second Lien Term Loan”). In April 2021, the Company entered into an amendment to the second lien agreement for borrowing an additional \$659 million senior secured second lien term loan facility.

The Second Lien Term Loan and the amendment thereof under the Second Lien Credit Agreement bears interest, at the Company’s option, at either i) the Base Rate (the “Base Rate”), as defined in the agreement, plus a margin of 7%, or ii) the reserve-adjusted Eurocurrency Rate (the “Eurocurrency Rate”) plus a margin of 8%. The interest rate was 9% for the year ended March 31, 2022 the period ended March 31, 2021.

The Second Lien Term Loan, including the amendment to Second Lien Term Loan, matures on October 1, 2028. The Second Lien Credit Agreement requires quarterly interest payments for the Second Lien Term Loan. The Second Lien Credit Agreement contains affirmative and negative covenants customary for financings of this type.

**Note 9: Property and Equipment**

	<b>As of March 31, 2022</b>	<b>As of March 31, 2021</b>
Property & equipment	\$ 59,705	\$ 20,476
Computers and related equipment	11,940	24,285
Furniture and other equipment	884	217
Construction in progress	1,643	8,243
	<hr/> 74,172	<hr/> 53,221
Accumulated depreciation & amortization	(12,805)	(5,621)
Property and equipment, net	<hr/> <b>\$ 61,367</b>	<hr/> <b>\$ 47,600</b>

During the year ended March 31, 2022, the Company disposed property & equipment whose cost is \$12,570 which had an accumulated depreciation of \$11,007 and a carrying amount of \$1,563. The net loss thereon was considered as Goodwill.

Depreciation expense for Property and equipment was \$17,739 and \$ 5,621 for the year ended March 31, 2022 and six month ended March 31, 2021 respectively.

Depreciation expense is split between Cost of Services and Selling, General & Administrative expenses based on the departments that had sourced the corresponding assets.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

**Note 10: Goodwill and Intangible Assets**

***Goodwill***

The following table summarizes carrying amount of goodwill as of March 31, 2022 and 2021:

	<b>As of March 31, 2022</b>	<b>As of March 31, 2021</b>
Opening balance	\$ 2,358,345	\$ -
On Acquisition	1,688,136	2,482,267
Accumulated Amortization	(418,983)	(123,922)
Foreign exchange translation adjustment impact	(757)	-
Closing balance	<u>\$ 3,626,741</u>	<u>\$ 2,358,345</u>

***Intangible Assets***

Intangible assets consisted of the following:

	<b>As of March 31, 2022</b>			<b>As of March 31, 2021</b>		
	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net Carrying Value</b>	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Net Carrying Value</b>
Software	\$ 912,695	221,715	690,980	\$ 701,595	60,200	641,395
Customer related intangible assets	2,350,000	472,176	1,877,824	1,700,000	141,287	1,558,713
Trade name	1,000	200	800	-	-	-
Total intangible assets	<u>\$ 3,263,695</u>	<u>694,091</u>	<u>2,569,604</u>	<u>\$2,401,595</u>	<u>201,487</u>	<u>2,200,108</u>

The components of amortization expense were as follows:

	<b>For the year ended March 31, 2022</b>	<b>For the six month period ended March 31, 2021</b>
Goodwill amortization	418,983	\$ 123,922
Intangible asset amortization	480,350	201,487
Total	<u>\$ 899,333</u>	<u>\$ 325,409</u>

Depreciation and amortization expense is split between Cost of Services and Selling, General & Administrative expenses based on the departments that had sourced the corresponding assets.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

Estimated future amortization as of March 31, 2022 for the intangible assets including goodwill is as follows:

<b>Fiscal year</b>	<b>Amount</b>
2023	\$ 829,300
2024	774,535
2025	740,249
2026	710,879
2027	680,339
Thereafter	2,461,043

**Note 11: Leases**

The Company has operating leases primarily for its office space. Our leases have remaining lease terms of 1 to 5 years, some of which include options to extend the leases for up to 20 years, and some of which include options to terminate the leases within 1 to 3 years.

As of March 31, 2022, the Company has not entered into any leases that have not yet commenced which would entitle the Company to significant rights or create additional obligations.

The components of lease expense were as follows:

	<b>For the year ended March 31, 2022</b>	<b>For the six month period ended March 31, 2021</b>
Operating lease cost	\$ 28,268	\$ 14,004
Variable lease cost	3,923	522
Finance lease cost	1,065	-
Total costs	33,256	14,526
Sublease income	2,244	-
	<b>\$ 31,012</b>	<b>\$ 14,526</b>

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

Cash payments made from variable lease costs and short-term leases are not included in the measurement of operating lease liabilities, and as such, are excluded from the supplemental cash flow information stated below:

	<b>For the year ended March 31, 2022</b>	<b>For the six month period ended March 31, 2021</b>
Cash paid for amounts included in the measurement of:		
Operating cash flows from operating leases	\$ 8,819	\$ 13,936
Operating cash flows from finance leases	3,026	-

Supplemental balance sheet information related to leases were as follows:

	<b>As of March 31, 2022</b>	<b>As of March 31, 2021</b>
Operating right-of-use assets, net	\$ 61,400	\$ 65,916
Finance right-of-use assets, net	1,039	-
Current operating lease liabilities	24,935	26,750
Non-current operating lease liabilities	40,716	42,000
Current finance lease liabilities	825	-
Non-current finance lease liabilities	224	-

The following maturity analysis presents expected undiscounted cash payments for operating and finance leases on an annual basis as of March 31, 2022:

<b>Fiscal year</b>	<b>Operating</b>	<b>Finance</b>	<b>Total</b>
2023	\$ 26,401	\$ 831	\$ 27,232
2024	22,023	224	22,247
2025	12,630	1	12,631
2026	4,449	-	4,449
2027	1,495	-	1,495
Remaining years	2,915	-	2,915
Total lease payments	69,913	1,056	70,969
Less: imputed interest	4,262	7	4,269
<b>Total payments</b>	<b>\$ 65,651</b>	<b>\$ 1,049</b>	<b>\$ 66,700</b>

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

The following table provides information on the weighted average remaining lease term and weighted average discount rate for Operating and Finance leases:

Weighted-average remaining lease terms (in years)	As of March 31, 2022	As of March 31, 2021
Operating leases		
Finance leases	4.58	3
Weighted-average discount rate	1.26	n/a
Operating leases		
Finance leases	1.84%	0.18
	1.58%	n/a

**Note 12: Other Assets**

The table below summarizes Other assets as of March 31, 2022 and 2021:

	As of March 31, 2022	As of March 31, 2021
Sales commission (1)	8,186	7,585
Transition and Transformation costs (2)	23,880	\$ 20,788
Prepaid expense long - term	19,272	17,744
Hosting arrangements	26,306	17,244
Deposits and others	375	279
Total	<u>\$ 78,019</u>	<u>\$ 63,640</u>

(1) As of March 31, 2022, current portion of capitalized sales commission cost of \$2,566 is included in other current assets and \$8,186 is included in other assets in the accompanying balance sheet. As of March 31, 2021, the current portion of capitalized sales commission cost of \$2,792 is included in other current assets and \$7,585 is included in other assets in the accompanying balance sheet.

(2) Transition and transformation contract costs, reflect the Company's setup costs incurred upon initiation of an outsourcing contract. The current portion of such costs of \$1,041 and \$4,370 is included in Other Current Assets as of March 31, 2022 and March 31, 2021 respectively and \$23,880 and \$20,788 are recorded in other assets as of March 31, 2022 and March 31, 2021 respectively in the accompanying balance sheet. Amortization expense of \$4,787 and \$2,015 is included within depreciation and amortization in the accompanying statement of operations and comprehensive loss for the year ended March 31, 2022 and the period ended March 31, 2021 respectively.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

**Note 13: Accrued Expenses and Other Current Liabilities**

The table below summarizes accrued expenses and other current liabilities as of March 31, 2022 and 2021:

	<b>As of March 31, 2022</b>	<b>As of March 31, 2021</b>
Accrued operating expenses	\$ 274,904	\$ 212,673
Accrued expenses professional fees	58,569	23,577
Refunds due to clients	3,589	-
Current portion of Fair value of loss reserve on onerous contracts	22,037	4,259
Total	<u>\$ 359,099</u>	<u>\$ 240,509</u>

**Note 14: Related Party Transactions**

The following are the related parties and the nature of transactions with them –

<b>Name</b>	<b>Relation</b>	<b>Nature of Transactions</b>
Veritas Capital	Owner of the Company	a) Yearly management fees b) Issue of share capital
Cotiviti Inc	A portfolio company of Veritas	a) Sale of a portion of the HMS business B) Received TSA services from the Company
Perspecta Inc	A portfolio company of Veritas	Provider of data center and network services
Guidehouse Inc	A portfolio company of Veritas	Provider of time and materials services and/or deliverables to multiple Gainwell client accounts

**Veritas Capital:**

The Company incurred \$25,500 and \$3,750 towards management fees payable to Veritas Capital for the year ended March 31, 2022 and the six month period ended March 31, 2021 respectively. During the year, an amount of \$7,500 was paid to Veritas Capital and \$18,000 is payable as of March 31, 2022.

During the year, Veritas Capital had contributed \$4,100 towards additional paid in capital resulting in a total contribution of \$2,209,200 to the additional paid in capital of the Company as of March 31, 2022. As of March 31, 2021, \$2,205,100 was the contribution to the additional paid in capital of the Company.

As of March 31, 2021, an amount of \$5,100 was receivable from Veritas Capital towards additional capital contribution which was subsequently received on April 12, 2021.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

**Cotiviti Inc:**

On March 31, 2021, Gainwell entered into a purchase and sale agreement with Cotiviti, Inc. (“Cotiviti”), a portfolio company of Veritas, to sell a portion of the HMS assets to Cotiviti concurrent with the close of the Gainwell/HMS transaction for a net consideration of \$1,025,824. Refer to note 3 – Acquisition for more details on the transaction.

Additionally, the Company entered into a Transition Service Agreement (“TSA”) to provide accounting services to Cotiviti. The Company has also received some reverse TSA (“RTSA”) services from Cotiviti. The value of services provide (net of RTSA) during the year is \$86,385. As of March 31, 2022, an amount of \$2,084 (net of payable) is receivable from Cotiviti for such services.

**Perspecta Inc:**

During the year, the Company procured data center and network services from Perspecta Inc., for \$9,060 and an amount of \$1,918 is payable as at March 31, 2022.

**Note 15: Litigation and Contingencies**

The Company is from time to time involved in commercial and employment disputes that arise in the ordinary course of its business. The Company may also be subject to claims from third parties arising from the Company’s operations, and the Company is sometimes asked to provide information as a third party in investigations or proceedings conducted by state and local agencies. With respect to loss contingencies, the Company records a liability when it believes it is both probable that a liability has been incurred and the amount of loss can be reasonably estimated. Significant judgment is required to determine both the probability of having incurred a liability and the estimated amount of the liability. The Company reviews these matters at least quarterly and adjusts these liabilities to reflect the impact of negotiations, settlements, rulings, advice of legal counsel and other updated information and events pertaining to a particular matter. Cash flows or results of operations could be materially affected in any particular period by the resolution of one or more of these contingencies. The Company believes it has recorded adequate provisions for any such matters and therefore, as of March 31, 2022 and 2021, it was not reasonably possible that a material loss had been incurred in connection with such matters in excess of the amounts recognized in its financial statements.

*Litigation*

The Company, in the normal course of business, may be subject to various claims and contingencies arising from among other things, disputes with customers, vendors, employees, contract counterparties and other parties, as well as environmental matters, matters concerning the licensing and use of intellectual property, and inquiries and investigations by regulatory authorities and other government agencies. Some of these disputes involve or may involve litigation. During the year, the Company was not involved in any material litigations which have not been adequately provided for nor did the Company have any settlements arising from litigations from the pre-acquisition period that were not reflected in its consolidated financial statements. Further, the Company had no material litigations or settlements between April 1, 2022 and the date of these financial statements.

**Gainwell Holding Corp. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**As of and for the year ended March 31, 2022**  
(dollars in thousands, unless otherwise noted)

**Note 16: Guarantees and Indemnifications**

*Guarantees*

In the ordinary course of business, the Company may issue performance guarantees to certain of its clients, customers and other parties pursuant to which the Company has guaranteed the performance obligations of third parties. Some of those guarantees may be backed by standby letters of credit or surety bonds. In general, the Company would be obligated to perform over the term of the guarantee in the event a specified triggering event occurs as defined by the guarantee. The Company believes the likelihood of having to perform under a material guarantee is remote.

The following table summarizes Company's financial guarantees and stand-by letters of credit outstanding as of March 31, 2022 and 2021:

	<b>As of</b>	<b>As of</b>
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Surety bonds	\$ 75,000	\$ 179,306
Stand -by letters of credit	27,162	17,264
Total	<u>\$ 102,162</u>	<u>\$ 196,570</u>

*Indemnifications*

In the ordinary course of business, the Company enters contractual arrangements under which the Company may agree to indemnify a third party to such arrangement from any losses incurred relating to the services they perform on behalf of the Company or for losses arising from certain events as defined within the particular contract, which may include, for example, litigation or claims relating to past performance. The Company also provides indemnifications to certain vendors and customers against claims of intellectual property infringement made by third parties arising from the use by such vendors and customers of the Company's software products and services and certain other matters. Some indemnifications may not be subject to maximum loss clauses. Historically, payments made related to these indemnifications have been immaterial.

**Note 17: Subsequent Events**

The Company evaluated subsequent events for recognition or disclosure through July 27, 2022, the date the consolidated financial statements were available to be issued and has not identified any events which require disclosure or adjustments to consolidated financial statements.

LIVE REPORT

### GAINWELL TECHNOLOGIES LLC

Tradestyle(s)SUBSIDIARY OF VERITAS CAPITAL FUND MANAGEMENT, L.L.C.,  
NEW YORK, NY

ACTIVE

PARENT

D-U-N-S Number:

12-588-4336

Phone:

+1 214 453 3000

Address:

1000 LedgeLawn Dr, Conway, AR, 72034, United States Of America

Endorsement:

sue.obrist@gainwelltechnologies.com

Exclude from Portfolio Insight:

No

Summary

Currency: USD

KEY DATA ELEMENTS (Formerly: SCORE BAR)			
KDE Name		Current Status	Details
PAYDEX®	↓	59	<a href="#">23 Days Beyond Terms</a>
Delinquency Score	↓	59	<a href="#">Moderate Risk of severe payment delinquency.</a>
Failure Score	↑	18	<a href="#">Moderate to High Risk of severe financial stress.</a>
D&B Viability Rating		<div>33BZ</div>	<a href="#">View More Details</a>
Bankruptcy Found		N	
D&B Rating		--	<a href="#">Undetermined.</a>

COMPANY PROFILE ⓘ		
<div><div>D-U-N-S</div><div>12-588-4336</div></div> <div><div>Legal Form</div><div>Unknown</div></div> <div><div>History Record</div><div>Clear</div></div> <div><div>Date Incorporated</div><div>12/17/2009</div></div> <div><div>State of Incorporation</div><div>CALIFORNIA</div></div> <div><div>Ownership</div><div>Not publicly traded</div></div>	<div><div>Mailing Address</div><div>UNITED STATES</div></div> <div><div>Telephone</div><div>+1 214 453 3000</div></div> <div><div>Present Control Succeeded</div><div>2009</div></div>	<div><div>Employees</div><div>10,600</div></div> <div><div>Age (Year Started)</div><div>15 Years (2009)</div></div> <div><div>Named Principal</div><div>Paul Saleh , MNG MBR</div></div> <div><div>Line of Business</div><div>Information retrieval services</div></div> <div><div>SIC</div><div>7375</div></div> <div><div>NAICS</div><div>519290</div></div>



Street Address:

1000 LedgeLawn Dr,  
Conway, AR, 72034,  
United States Of America



OVERALL BUSINESS RISK ?

Dun & Bradstreet thinks...

HIGH

MODERATE-HIGH

MODERATE

LOW-MODERATE

LOW

Overall assessment of this organization over the next 12 months:

Stable Condition Due To Large Business Size

Based on the predicted risk of business discontinuation:

Exhibiting Some Financial Stress

Based on the predicted risk of severely delinquent payments:

Moderate Potential For Severely Delinquent Payments

D&B MAX CREDIT RECOMMENDATION ?

MAXIMUM CREDIT RECOMMENDATION

5,300,000 (USD)

The recommended limit is based on a moderately low probability of severe delinquency.

FAILURE SCORE ? (Formerly Financial Stress Score)

Company's Risk Level

MODERATE-HIGH

Probability of failure over the next 12 months

0.75 %

18

High Risk (1)

Low Risk (100)

Past 12 Months

Low Risk

High Risk

DELINQUENCY SCORE ? (Formerly Commercial Credit Score)

Company's Risk Level

MODERATE

Probability of delinquency over the next 12 months

4.87 %

59

High Risk (1)

Low Risk (100)

Past 12 Months

Low Risk

High Risk

VIABILITY RATING SUMMARY ?

Viability Score

3

High Risk (9)

Low Risk (1)

Data Depth Indicator

B

Descriptive (G)

Predictive (A)

Portfolio Comparison

3

High Risk (9)

Low Risk (1)

Financial Data	Unavailable	
Trade Payments		
Company Size		
Years in Business	-	

D&B PAYDEX® ⓘ

59

High Risk (1)

Low Risk (100)

23 days beyond terms

Past 24 Months

Low Risk

High Risk

D&B PAYDEX - 3 MONTHS ⓘ

59

High Risk (1)

Low Risk (100)

23 days beyond terms

PAYDEX® TREND CHART ⓘ

SBRI ORIGATION

i

No SBRI Origination Score data is currently available.

D&B SBFE SCORE

i

No D&B SBFE Score data is currently available.

D&B RATING ⓘ

Special Rating

-- : [Undetermined](#)

Current Rating as of 04/21/2021

LEGAL EVENTS

Events	Occurrences	Last Filed
Bankruptcies	0	-

Events	Occurrences	Last Filed
Judgements	0	-
Liens	0	-
Suits	0	-
UCC	2	12/27/2023

DETAILED TRADE RISK INSIGHT™

Days Beyond Terms  
20 Days

3 Months  
From Apr-24 to Jun-24



Days Beyond Terms Past 3 months : 20  
Low Risk:0 ; High Risk:120+

Dollar-weighted average of 28 payment experiences reported from 9 companies.

DETAILED TRADE RISK INSIGHT™ 13 MONTH TREND

Total Amount Current and Past Due -

FINANCIAL OVERVIEW - BALANCE SHEET



No Data Available

TRADE PAYMENTS

Highest Past Due:

2,000,000

Highest Now Ow  
ing  
2,000,000

Total Trade Ex  
periences  
56

Largest High C  
redit  
2,000,000

FINANCIAL OVERVIEW - PROFIT AND LOSS



No Data Available

OWNERSHIP

Subsidiaries

2

Total Members

82

This company is a Parent, Subsidiary.

	Global Ultimate	Immediate Parent	Domestic Ultimate
Name	Veritas Capital Fund Management, L.L.C.	Veritas Capital Fund Management, L.L.C.	Veritas Capital Fund Management, L.L.C.
Country	United States	United States	United States
D-U-N-S	07-862-8925	07-862-8925	07-862-8925
Others	-	-	-

FINANCIAL OVERVIEW - KEY BUSINESS RATIOS	
<div><div></div><div><div>i</div></div><div>No Data Available</div></div>	

ALERTS ?
<div><div></div><div><div>🔔</div></div><div>There are no alerts for this D-U-N-S Number.</div></div>

NEWS
<div>AWARDS, NEW ALLIANCE</div> <div>Gainwell Technologies Recognized as a Forbes Best Employer for New Graduates 2024   Morningstar   05/29/2024</div>

NOTES
<div><div>Add Note</div><div><div>i</div></div><div>No notes is available for this D-U-N-S Number.</div></div>

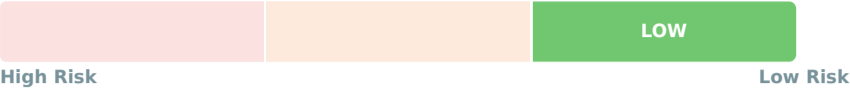
COUNTRY/REGIONAL INSIGHT



United States Of America

Expectations of a first Fed rate cut are pushed back to Q4 amid continued strong US economic data - including surging job growth in May - and sticky inflation.

Risk Category



Available Reports

Country Insight Report (CIR) ⓘ

Current Publication Date: 06/14/2024

Country Insight Snapshot (CIS) ⓘ

Current Publication Date: 06/14/2024

STOCK PERFORMANCE



No stock performance data is available for this D-U-N-S Number.

The scores and ratings included in this report are designed as a tool to assist the user in making their own credit related decisions, and should be used as part of a balanced and complete assessment relying on the knowledge and expertise of the reader, and where appropriate on other information sources. The score and rating models are developed using statistical analysis in order to generate a prediction of future events. Dun & Bradstreet monitors the performance of thousands of businesses in order to identify characteristics common to specific business events. These characteristics are weighted by significance to form rules within its models that identify other businesses with similar characteristics in order to provide a score or rating.

Dun & Bradstreet's scores and ratings are not a statement of what will happen, but an indication of what is more likely to happen based on previous experience. Though Dun & Bradstreet uses extensive procedures to maintain the quality of its information, Dun & Bradstreet cannot guarantee that it is accurate, complete or timely, and this may affect the included scores and ratings. Your use of this report is subject to applicable law, and to the terms of your agreement with Dun & Bradstreet.

Risk Assessment

Currency: All figures shown in USD unless otherwise stated

D&B RISK ASSESSMENT

OVERALL BUSINESS RISK



Dun & Bradstreet thinks...

- Overall assessment of this organization over the next 12 months: **STABLE CONDITION DUE TO LARGE BUSINESS SIZE**
- Based on the predicted risk of business discontinuation: **EXHIBITING SOME FINANCIAL STRESS**
- Based on the predicted risk of severely delinquent payments: **MODERATE POTENTIAL FOR SEVERELY DELINQUENT PAYMENTS**

MAXIMUM CREDIT RECOMMENDATION

5,300,000 (USD)

The recommended limit is based on a moderately low probability of severe delinquency.

D&B VIABILITY RATING SUMMARY

The D&B Viability Rating uses D&B's proprietary analytics to compare the most predictive business risk indicators and deliver a highly reliable assessment of the probability that a company will go out of business, become dormant/inactive, or file for bankruptcy/insolvency within the next 12 months. The D&B Viability Rating is made up of 4 components:

Viability Score

Compared to All US Businesses within the D&B Database:

- Level of Risk:**Low Risk**
- Businesses ranked **3** have a probability of becoming no longer viable: **3 %**
- Percentage of businesses ranked **3**: **15 %**
- Across all US businesses, the average probability of becoming no longer viable:**14 %**

Portfolio Comparison

Compared to All US Businesses within the same MODEL SEGMENT:

- Model Segment :**Established Trade Payments**
- Level of Risk:**Low Risk**
- Businesses ranked **3** within this model segment have a probability of becoming no longer viable: **3 %**
- Percentage of businesses ranked **3** with this model segment: **11 %**
- Within this model segment, the average probability of becoming no longer viable:**5 %**

Data Depth Indicator

Data Depth Indicator:

- ✓ Rich Firmographics
- ✓ Extensive Commercial Trading Activity
- ✓ Basic Financial Attributes

Greater data depth can increase the precision of the D&B Viability Rating assessment.

To help improve the current data depth of this company, you can ask D&B to make a personalized request to this company on your behalf to obtain its latest financial information. To make the request, click the link below. Note, the company must be saved to a folder before the request can be made.

Request Financial Statements

Reference the FINANCIALS tab for this company to monitor the status of your request.

Company Profile:

Company Profile Details:

- Financial Data: **False**
- Trade Payments:
- Company Size:
- Years in Business:

Z

Subsidiary

FAILURE SCORE FORMERLY FINANCIAL STRESS SCORE



- Low proportion of satisfactory payment experiences to total payment experiences
- UCC Filings reported
- High number of enquiries to D&B over last 12 months
- High proportion of slow payment experiences to total number of payment experiences
- High proportion of past due balances to total amount owing

Level of Risk Moderate-High	Raw Score 1413	Probability of Failure 0.75 %	Average Probability of Failure for Businesses in D&B Database 0.48	Class 4
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Business and Industry Trends

BUSINESS AND INDUSTRY COMPARISON

Selected Segments of Business Attributes

Norms	National %
This Business	18
Region:(WEST SOUTH CENTRAL)	33
Industry:BUSINESS, LEGAL AND ENGINEERING SERVICES	37
Employee range:(500-2300000)	53
Years in Business:(11-25)	43

DELINQUENCY SCORE FORMERLY COMMERCIAL CREDIT SCORE



- Proportion of past due balances to total amount owing
- Higher risk industry based on delinquency rates for this industry
- Proportion of slow payments in recent months

Level of Risk Moderate	Raw Score 511	Probability of Delinquency 4.87 %	Compared to Businesses in D&B Database 10.2 %	Class 3
---------------------------	------------------	--------------------------------------	--	------------

Business and Industry Trends

BUSINESS AND INDUSTRY COMPARISON

Selected Segments of Business Attributes

Norms	National %
This Business	59
Region:(WEST SOUTH CENTRAL)	35
Industry:BUSINESS, LEGAL AND ENGINEERING SERVICES	35
Employee range:(500-2768886)	75
Years in Business:(11-25)	46

D&B PAYDEX



When weighted by amount, Payments to suppliers average 23 Days Beyond Terms

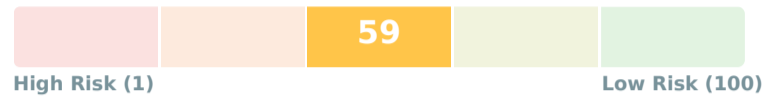
☐ High risk of late payment (Average 30 to 120 days beyond terms)

☐ Medium risk of late payment (Average 30 days or less beyond terms)

☐ Low risk of late payment (Average prompt to 30+ days sooner)

**Industry Median:** 77  
Equals 5 Days Beyond Terms

D&B 3 MONTH PAYDEX



Based on payments collected 3 months ago.  
When weighted by amount, Payments to suppliers average 23 days beyond terms

☐ High risk of late payment (Average 30 to 120 days beyond terms)

☐ Medium risk of late payment (Average 30 days or less beyond terms)

☐ Low risk of late payment (Average prompt to 30+ days sooner)

**Industry Median:** 77  
Equals 5 Days Beyond Terms

Business and Industry Trends

7375 - Information retrieval services

D&B RATING

Current Rating as of 04/21/2021

**Special Rating**  
-- : Undetermined

History since 11/02/2020

Date Applied	D&B Rating
02/26/2021	1R3
11/02/2020	--

Trade Payments

Currency: All figures shown in USD unless otherwise stated

TRADE PAYMENTS SUMMARY (Based on 24 months of data)

Overall Payment Behaviour <b>23</b> Days Beyond Terms	% of Trade Within Terms <b>44%</b>	Highest Past Due <b>2,000,000 (USD)</b>
<b>Highest Now Owing :</b> 2,000,000 (USD)	<b>Total Trade Experiences:</b> 56 Largest High Credit : 2,000,000 (USD) Average High Credit : 247,728 (USD)	<b>Total Unfavorable Comments :</b> 1 Largest High Credit: 250 (USD) <b>Total Placed in Collections:</b> 0 Largest High Credit: 0 (USD)

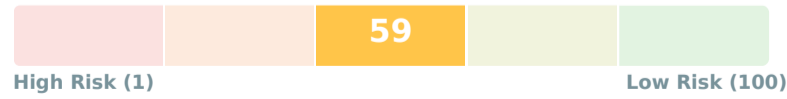
D&B PAYDEX



When weighted by amount, Payments to suppliers average 23 Days Beyond Terms

☐ High risk of late payment (Average 30 to 120 days beyond terms)

D&B 3 MONTH PAYDEX



Based on payments collected 3 months ago.  
When weighted by amount, Payments to suppliers average 23 days beyond terms

☐ High risk of late payment (Average 30 to 120 days beyond terms)

🟡 Medium risk of late payment (Average 30 days or less beyond terms)

🟢 Low risk of late payment (Average prompt to 30+ days sooner)

**Industry Median:** 77

Equals 5 Days Beyond Terms

🟡 Medium risk of late payment (Average 30 days or less beyond terms)

🟢 Low risk of late payment (Average prompt to 30+ days sooner)

**Industry Median:** 77

Equals 5 Days Beyond Terms

BUSINESS AND INDUSTRY TRENDS

Based on 24 months of data

7375 - Information retrieval services

	7/22	8/22	9/22	10/22	11/22	12/22	1/23	2/23	3/23	4/23	5/23	6/23	7/23	8/23	9/23	10/23	11/23	12/23	1/24	2/24	3/24	4/24	5/24	Current 2024
This Business	62	56	60	64	61	59	72	64	62	61	60	60	59	62	57	59	62	63	63	64	61	61	59	59
Industry Quartile																								
Upper	-	-	80	-	-	80	-	-	80	-	-	80	-	-	80	-	-	80	-	-	80	-	-	-
Median	-	-	76	-	-	76	-	-	76	-	-	76	-	-	77	-	-	77	-	-	77	-	-	-
Lower	-	-	67	-	-	67	-	-	66	-	-	67	-	-	67	-	-	68	-	-	68	-	-	-

TRADE PAYMENTS BY CREDIT EXTENDED (Based on 12 months of data)

Range of Credit Extended (US\$)	Number of Payment Experiences	Total Value	% Within Terms
100,000 & over	12	7,850,000 (USD)	43
50,000 - 99,999	2	145,000 (USD)	38
15,000 - 49,999	4	115,000 (USD)	60
5,000 - 14,999	6	55,000 (USD)	50
1,000 - 4,999	6	9,000 (USD)	33
Less than 1,000	3	1,050 (USD)	0

TRADE PAYMENTS BY INDUSTRY (BASED ON 24 MONTHS OF DATA)

[Collapse All](#) | [Expand All](#)

Industry Category-	Number of Payment Experiences	Largest High Credit (US\$)	% Within Terms (Expand to View)	1 - 30 Days Late (%)	31 - 60 Days Late (%)	61 - 90 Days Late (%)	91 + Days Late (%)
▼27 - Printing, Publishing and Allied Industries	2	100,000	0	25	25	0	50
2759 - Misc coml printing	2	100,000	0	25	25	0	50
▼35 - Industrial and Commercial Machinery and Computer Equipment	6	2,000,000	25	31	7	0	38
3579 - Mfg misc office eqpt	3	2,500	0	72	28	0	0
3572 - Mfg computer storage	1	2,000,000	50	50	0	0	0
3585 - Mfg refrig/heat equip	1	10,000	50	0	0	0	50
3571 - Mfg computers	1	2,500	0	0	0	0	100
▼38 - Measuring Analyzing and Controlling Instruments; Photographic Medical and Optical Goods; Watches and Clocks	7	400,000	42	38	9	0	13

3861 - Mfg photograph equip	5	400,000	8	75	17	0	0
3841 - Mfg medical instrmnt	2	200,000	75	0	0	0	25
▼47 - Transportation Services	4	30,000	0	50	32	18	0
4731 - Arrange cargo transpt	4	30,000	0	50	32	18	0
▼48 - Communications	5	55,000	99	0	1	0	0
4813 - Telephone communictns	5	55,000	99	0	1	0	0
▼50 - Wholesale Trade - Durable Goods	3	1,000,000	20	60	0	12	8
5045 - Whol computers/softwr	3	1,000,000	20	60	0	12	8
▼51 - Wholesale Trade - Nondurable Goods	1	10,000	50	50	0	0	0
5113 - Whol service paper	1	10,000	50	50	0	0	0
▼61 - Nondepository Credit Institutions	1	800,000	50	50	0	0	0
6159 - Misc business credit	1	800,000	50	50	0	0	0
▼73 - Business Services	2	400,000	100	0	0	0	0
7372 - Prepackaged software	1	400,000	100	0	0	0	0
7371 - Custom programming	1	1,000	100	0	0	0	0
▼83 - Social Services	1	1,000	100	0	0	0	0
8322 - Family social service	1	1,000	100	0	0	0	0
▼99 - Nonclassifiable Establishments	1	2,000,000	50	0	0	50	0
9999 - Nonclassified	1	2,000,000	50	0	0	50	0

TRADE LINES

Date of Experience ▾	Payment Status	Selling Terms	High Credit (US\$)	Now Owes (US\$)	Past Due (US\$)	Months Since Last Sale
06/24	Pays Prompt to Slow 30+	-	800,000	0	0	Between 4 and 5 Months
06/24	Pays Prompt to Slow 120+	-	250,000	20,000	5,000	1
05/24	Pays Promptly	-	400,000	0	0	Between 6 and 12 Months
05/24	Pays Promptly	-	200,000	0	0	Between 6 and 12 Months
05/24	Pays Promptly	-	55,000	0	0	1
05/24	Pays Promptly	-	35,000	25,000	0	Between 2 and 3 Months

Date of Experience ▾	Payment Status	Selling Terms	High Credit (US\$)	Now Owes (US\$)	Past Due (US\$)	Months Since Last Sale
05/24	Pays Promptly	-	35,000	5,000	0	1
05/24	Pays Promptly	-	10,000	0	0	1
05/24	Pays Promptly	-	7,500	2,500	0	1
05/24	Pays Promptly	-	1,000	750	0	1
05/24	Pays Prompt to Slow 30+	-	2,000,000	1,000,000	400,000	1
05/24	Pays Prompt to Slow 90+	-	2,000,000	2,000,000	2,000,000	1
05/24	Pays Prompt to Slow 90+	-	200,000	0	0	1
05/24	Pays Slow 30+	-	1,000,000	0	0	1
05/24	Pays Slow 30+	-	400,000	25,000	0	1
05/24	Pays Slow 30+	-	2,500	0	0	Between 6 and 12 Months
05/24	Pays Slow 30+	-	50	0	0	Between 6 and 12 Months
05/24	Pays Slow 60+	-	90,000	20,000	0	1
05/24	Pays Slow 60+	-	1,000	0	0	Between 6 and 12 Months
05/24	Pays Slow 60+	-	500	0	0	Between 6 and 12 Months
05/24	Pays Slow 30-60+	-	500	0	0	Between 6 and 12 Months
05/24	Pays Slow 60-90+	-	100,000	0	0	Between 2 and 3 Months
05/24	Pays Slow 30-90+	-	100,000	60,000	50,000	1
05/24	-	Cash account	50	0	0	1
05/24	-	Cash account	50	0	0	1
04/24	Pays Prompt to Slow 90+	-	400,000	200,000	15,000	1
04/24	-	-	5,000	0	0	Between 6 and 12 Months
03/24	-	Cash account	50	0	0	1
02/24	Pays Promptly	-	1,000	0	0	Between 6 and 12 Months
02/24	Pays Prompt to Slow 30+	-	10,000	750	0	1
02/24	-	Cash account	50	0	0	1
01/24	Pays Prompt to Slow 150+	-	10,000	5,000	0	1
01/24	-	Cash account	0	0	0	1
01/24	Bad debt	-	250	250	0	Between 6 and 12 Months
01/24	-	Cash account	50	0	0	1
11/23	-	Cash account	100	0	0	1
11/23	-	Cash account	50	0	0	1
09/23	-	-	50	0	0	1
09/23	-	Cash account	50	0	0	1
09/23	-	Cash account	50	0	0	Between 6 and 12 Months
08/23	Pays Slow 30-60+	N30	30,000	30,000	20,000	1
08/23	Pays Slow 30-60+	N30	10,000	5,000	0	1
08/23	Pays Slow 30-90+	N30	15,000	7,500	0	1
08/23	Pays Slow 30-90+	N30	7,500	2,500	0	1
08/23	-	Cash account	500	0	0	Between 6 and 12 Months
08/23	-	Cash account	100	0	0	Between 4 and 5 Months
08/23	-	Cash account	100	0	0	1
08/23	-	Cash account	50	0	0	Between 4 and 5 Months

Date of Experience ▾	Payment Status	Selling Terms	High Credit (US\$)	Now Owes (US\$)	Past Due (US\$)	Months Since Last Sale
08/23	-	-	50	0	0	1
07/23	-	Cash account	50	0	0	1
06/23	Pays Promptly	-	1,000	0	0	Between 6 and 12 Months
06/23	-	-	50	0	0	Between 2 and 3 Months
04/23	Pays Slow 90+	-	2,500	2,500	2,500	-
04/23	-	Cash account	50	0	0	Between 2 and 3 Months
12/22	-	Cash account	100	0	0	Between 6 and 12 Months
12/22	-	Cash account	100	0	0	1

OTHER PAYMENT CATEGORIES

Other Payment Categories	Experience	Total Amount
Cash experiences	18	1,550 (USD)
Payment record unknown	4	5,150 (USD)
Unfavorable comments	1	250 (USD)
Placed for collections	0	0 (USD)
Total in D&B's file	56	8,182,000 (USD)

Accounts are sometimes placed for collection even though the existence or amount of the debt is disputed. Payment experiences reflect how bills are met in relation to the terms granted. In some instances payment beyond terms can be the result of disputes over merchandise, skipped invoices etc. Each experience shown represents a separate account reported by a supplier. Updated trade experiences replace those previously reported.

Legal Events

Currency: All figures shown in USD unless otherwise stated

The following Public Filing data is for information purposes only and is not the official record. Certified copies can only be obtained from the official source.

Bankruptcies	Judgements	Liens	Suits	UCCs
No	0 Latest Filing: -	0 Latest Filing: -	0 Latest Filing: -	2 Latest Filing: 12/27/2023

EVENTS

UCC Filing - Original

Filing Date	12/27/2023
Filing Number	40000281960737
Received Date	01/02/2024
Collateral	Leased Equipment and proceeds
Secured Party	XEROX CORPORATION, LEWISVILLE, TX
Debtors	GAINWELL TECHNOLOGIES LLC
Filing Office	SECRETARY OF STATE/UCC DIVISION, LITTLE ROCK, AR

UCC Filing - Original		
Filing Date	05/31/2022	
Filing Number	220198102832	
Received Date	06/07/2022	
Collateral	Computer equipment and proceeds	
Secured Party	IBM CREDIT LLC, ARMONK, NY	
Debtors	GAINWELL TECHNOLOGIES LLC	
Filing Office	SECRETARY OF STATE/UCC DIVISION, SACRAMENTO, CA	

The public record items contained in this report may have been paid, terminated, vacated or released prior to the date this report was printed. This information may not be reproduced in whole or in part by any means of reproduction.

There may be additional UCC Filings in D&Bs file on this company available by contacting 1-800-234-3867.

Special Events

Currency: All figures shown in USD unless otherwise stated

SPECIAL EVENTS	
Date	Event Description
04/25/2024	Business address has changed from 355 Ledgelawn Dr, Conway, AR, 72034 to 1000 Ledgelawn Dr, Conway, AR, 72034.

Financials - D&B

Currency: All figures shown in USD unless otherwise stated

A detailed financial statement is not available from this company for publication.

Currency: All figures shown in USD unless otherwise stated

A detailed financial statement is not available from this company for publication.

Currency: All figures shown in USD unless otherwise stated

D&B currently has no financial information on file for this company

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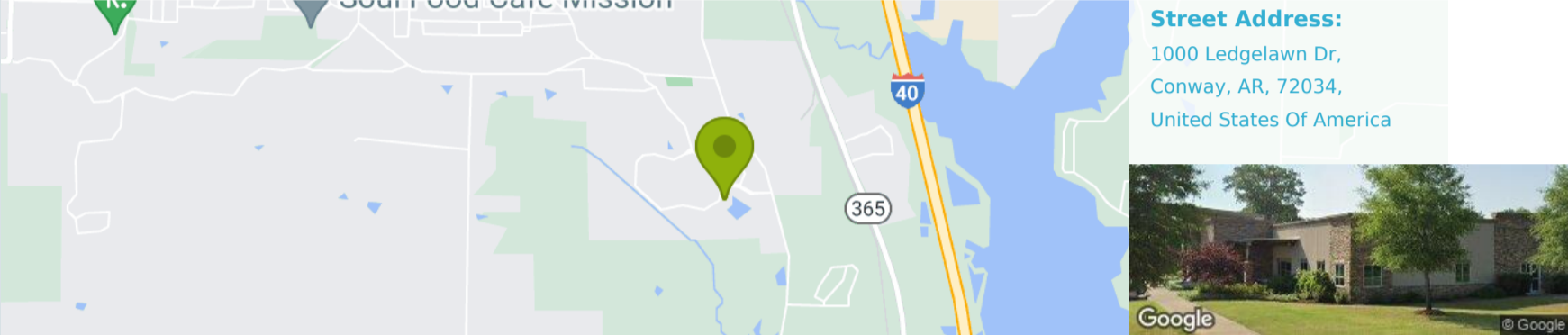
D&B currently has no financial information on file for this company

Company Profile

Currency: All figures shown in USD unless otherwise stated

COMPANY OVERVIEW		
D-U-N-S	Mailing Address	Employees
12-588-4336	UNITED STATES	10,600

<b>Legal Form</b> Unknown	<b>Telephone</b> +1 214 453 3000	<b>Age (Year Started)</b> 15 Years (2009)
<b>History Record</b> Clear	<b>Present Control Succeeded</b> 2009	<b>Named Principal</b> Paul Saleh, MNG MBR
<b>Date Incorporated</b> 12/17/2009	<b>SIC</b> 7375	<b>Line of Business</b> Information retrieval services
<b>Business Commenced On</b> 2009	<b>NAICS</b> 519290	
<b>State of Incorporation</b> CALIFORNIA		
<b>Ownership</b> Not publicly traded		



BUSINESS REGISTRATION

Corporate and business registrations reported by the secretary of state or other official source as of: 2024-06-01  
This data is for informational purposes only, certification can only be obtained through the Office of the Secretary of State.

<b>Registered Name</b>	GAINWELL TECHNOLOGIES LLC
<b>Corporation Type</b>	Unknown
<b>State of Incorporation</b>	CALIFORNIA
<b>Registration ID</b>	200935110099
<b>Registration Status</b>	ACTIVE
<b>Filing Date</b>	12/17/2009
<b>Where Filed</b>	BUSINESS PROGRAMS DIVISION
<b>Registered Agent</b>	
<b>Name</b>	C T CORPORATION SYSTEM
<b>Address</b>	28 LIBERTY STREET, NEW YORK, NY, 100050000
<b>Registered Principal</b>	
<b>Name</b>	GAINWELL ACQUISITION CORP
<b>Title</b>	Manager
<b>Address</b>	5615 HIGH POINT DR, IRVING, TX, 750380000

PRINCIPALS

<b>Officers</b>
PAUL SALEH, MNG MBR
<b>Directors</b>
DIRECTOR(S): THE OFFICER(S)

COMPANY EVENTS
<p><b>The following information was reported on: 04/25/2024</b></p> <p>The California Secretary of States business registrations file showed that Gainwell Technologies LLC was registered as a Limited Liability Company on December 17, 2009, under file registration number 200935110099.</p> <p>Business started 2009.</p> <p>RECENT EVENT:</p> <p>On April 21, 2021, sources stated that Gainwell Technologies LLC, Houston, TX, has acquired HMS Holdings Corp., Irving, TX, on April 1, 2021. With the acquisition, HMS Holdings Corp. will now operate as a subsidiary of Gainwell Technologies LLC. Employees and management were retained. Under the terms of the agreement, HMS shareholders will receive merger consideration in the amount of \$37.00 in cash for each share of HMS common stock they hold without interest and subject to any applicable withholding taxes or other amounts required to be withheld therefrom under applicable law. Further details are unavailable.</p> <p>On October 23, 2020, sources stated that Veritas Capital.</p> <p>Fund Management, L.L.C., New York, NY, through its newly formed entity, Gainwell Technologies, Washington, D.C., has acquired the U.S. State and Local Health and Human Services business of DXC Technology Company, Tysons, VA, on October 1, 2020. With the acquisition, DXC Technology Company has remained a separate legal entity and the acquired assets were integrated into Gainwell Technologies. The purchase price for this transaction was approximately \$5 billion. The new company has about 7,500 employees. Further details are unavailable.</p> <p>PAUL SALEH. Antecedents are undetermined.</p> <p>The following is related through management amd/or ownership:</p> <p>Veritas Captial Fund Management, L.L.C., New York, NY, D-U-N-S 07-862-8925.</p> <p>AFFILIATES: The following are related through common principals, management and/or ownership: MMIS TECHNOLOGY SERVICES PVT LTD, BANGALORE, INDIA DUNS #855539469. Operates as Affiliate.</p> <p>Business address has changed from 355 Ledge lawn Dr, Conway, AR, 72034 to 1000 Ledge lawn Dr, Conway, AR, 72034.</p>

BUSINESS ACTIVITIES AND EMPLOYEES		
The following information was reported on: 04/25/2024		
Business Information		
Trade Names	(SUBSIDIARY OF VERITAS CAPITAL FUND MANAGEMENT, L.L.C., NEW YORK, NY)	
Description	Subsidiary of Veritas Capital Fund Management, L.L.C., New York, NY.	
	As noted, this company is a subsidiary of Veritas Capital Fund Management, L.L.C., D-U-N-S Number 078628925, and reference is made to that report for background information on the parent and its management.	
	Provides information retrieval services, specializing in on-line data base information (100%).	
	Terms are undetermined. Sells to commercial concerns. Territory : United States.	
Employees	10,600 which includes officer(s). UNDETERMINED employed here.	
Financing Status	Unsecured	
Facilities	Occupies premises in building.	
Related Concerns		
SIC/NAICS Information		
Industry Code	Description	Percentage of Business
7375	Information retrieval services	-
73759902	On-line data base information retrieval	-
NAICS Codes	NAICS Description	
519290	Web Search Portals and All Other Information Services	

GOVERNMENT ACTIVITY	
Activity Summary	
Borrower(Dir/Guar)	No
Administrative Debt	No
Contractor	No
Grantee	No
Party excluded from federal program(s)	No

Associations 

Currency: All figures shown in USD unless otherwise stated

All Credit Files with Same D-U-N-S® Number as this D&B Live Report

ALL CREDIT FILES WITH SAME D-U-N-S® NUMBER AS THIS D&B LIVE REPORT			
Company Name	Type	Status	Date Created
GAINWELL TECHNOLOGIES LLC	Snapshot D-U-N-S Number 12-588-4336	Saved	11/20/2023
Gainwell Technologies LLC	Snapshot D-U-N-S Number 12-588-4336	Saved	03/01/2023

Your Information

Record additional information about this company to supplement the D&B information.

Note: Information entered in this section will not be added to D&B's central repository and will be kept private under your user ID. Only you will be able to view the information.

In Folders: [View](#)

Account Number	Endorsement/Billing Reference * sue.obrist@gainwelltechnologies.com	Sales Representatives
Credit Limit	Total Outstanding	Your Information Currency US Dollar (USD)