

**ASSURE HEALTH CORPORATION**  
*(Formerly Known As Azure Holdings, LLC)*

Financial Statements For The Year Ended December 31, 2020

TOGETHER WITH INDEPENDENT ACCOUNTANT REVIEW REPORT

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## INDEPENDENT ACCOUNTANT REVIEW REPORT

To the Board of Directors of ASSURE HEALTH CORPORATION

We have reviewed the accompanying consolidated financial statements of ASSURE HEALTH CORPORATION (the "Company"), which comprise the Balance Sheet as of December 31, 2020, and the related Profit & Loss Statement, Statement of Shareholders Equity, and Statement of Cashflows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Consolidated 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 (US GAAP); this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountant's Conclusion**

Based on our review, we are not aware of any material modification that should be made to the accompanying consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

*Omar Alnuaimi, CPA*

Omar Alnuaimi, CPA

*(CPA License issued by Illinois Department of Financial and Professional Regulation)*

Naperville, IL

January 18, 2021

**ASSURE HEALTH CORPORATION**  
**PROFIT & LOSS STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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**Revenue**

Revenue - Medicare	\$ 7,071
Revenue - Private Insurance	2,662
Total Revenue	<u>9,732</u>

**Gross Profit**

9,732

**Operating Expense**

Professional Fees - Marketing	26,150
Professional Fees - Legal	15,349
Outside Labor	8,577
Computer Software & Services	10,441
Professional Fees - Investment Bank	10,000
HR Related Expenses	6,032
Salaries & Wages	6,269
Professional Fees - Healthcare Consulting	4,400
Marketing & Promotional Expense	3,880
Clinical Labor	4,296
Video Production Expense	2,950
Utilities Expense	1,600
Employee Meals	1,193
Corporate Filing Fees	1,188
Misc. Expense	1,799
Shipping Expense	592
Accounting Fees	534
Total Operating Expenses	<u>105,249</u>

**Net Income From Operations**

(95,517)

**Other Income (Expense)**

Depreciation & Amortization	(291)
Interest Expense	(1,048)

**Net Income Before Provision for Income Tax**

(96,856)

**Provision for Income Taxes**

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**Net Income (Loss)**

\$ (96,856)

**ASSURE HEALTH CORPORATION**  
**BALANCE SHEET**  
**DECEMBER 31, 2020**

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**ASSETS**

**CURRENT ASSETS**

Cash and Cash Equivalents	\$ 76,028
Accounts Receivable	3,708
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TOTAL CURRENT ASSETS	79,736

**NON-CURRENT ASSETS**

Fixed Assets - Equipment	5,824
Less: Accumulated Depreciation	(291)
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	5,533

TOTAL NON-CURRENT ASSETS 5,533

TOTAL ASSETS 

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85,269

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**LIABILITIES AND OWNER'S EQUITY**

**CURRENT LIABILITIES**

Accounts Payable	7,215
Note Payable - Short Term	150,000
Accrued Interest	1,048
Short Term Loan	2,000
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TOTAL CURRENT LIABILITIES	160,263

**NON-CURRENT LIABILITIES**

TOTAL NON-CURRENT LIABILITIES -

TOTAL LIABILITIES 

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160,263

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**OWNER'S EQUITY**

Owner's Contribution	21,862
Retained Earnings (Deficit)	-
Net Income (Loss)	(96,856)
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TOTAL SHAREHOLDERS' EQUITY	(74,994)

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY 

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\$ 85,269

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**ASSURE HEALTH CORPORATION**  
**STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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**OPERATING ACTIVITIES**

Net Income	\$ (96,856)
Non-Cash Adjustments	
Increase in Accounts Payable	7,215
Increase in Accrued Interest	1,048
Increase in Accumulated Deprecation/Amortization	291
Increase in Accounts Receivable	(3,708)

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(92,010)
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**INVESTING ACTIVITIES**

Fixed Assets - Equipment	<u>(5,824)</u>
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NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(5,824)
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**FINANCING ACTIVITIES**

Owner's Capital	21,862
Note Payable - Short Term	150,000
Short Term Loan	<u>2,000</u>

NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	173,862
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NET INCREASE (DECREASE) IN CASH	76,028
CASH AT BEGINNING OF PERIOD	<u>-</u>
CASH AT END OF PERIOD	\$ 76,028

**ASSURE HEALTH CORPORATION**  
**STATEMENT OF SHAREHOLDERS EQUITY**  
**December 31, 2020**

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	Opening Equity Balance	Yearly Changes	Total
<b>Balance, December 31, 2019</b>	\$ -	\$ -	\$ -
Net Income for the period ending December 31, 2020	-	(96,856)	(96,856)
Equity Contributions (Distributions)	-	21,862	21,862
<b>Balance, December 31, 2020</b>	<b>\$ -</b>	<b>\$ (74,994)</b>	<b>\$ (74,994)</b>

ASSURE HEALTH CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020

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NOTE A- ORGANIZATION AND NATURE OF ACTIVITIES

Assure Health Corporation (the “Company”) is a provider of at-home, digital healthcare solutions for seniors, created by leading medical doctors.

Assure Health Corporation was formerly known as Azure Holdings, LLC. The Company was previously called Azure Holdings, LLC and was originally formed as a Limited Liability Company (LLC). During the tax year ending December 31, 2020, the Company was taxed as a partnership. Effective January 1, 2021, the Company converted its corporate form to a C-Corporation, changed its state of incorporation, and changed its name to Assure Health Corporation.

Assure Health Corporation holds a 100% ownership interest in two wholly-owned subsidiaries: Assure Health Medical Group, LLC and Assure Health Services, LLC.

NOTE B- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). As a result, the Company records revenue when earned and expenses when incurred.

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 the disclosures of contingent assets and liabilities and other items, as well as the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and any cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.



ASSURE HEALTH CORPORATION  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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NOTE B- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Fixed Assets and Depreciation

Property and Equipment is stated at cost. Accounting principles generally accepted in the United States of America require that property and equipment be depreciated using the straight-line method. Depreciation in these financial statements reflects accelerated depreciation methods used for the tax return. The effects of these departures from accounting principles generally accepted in the United States of America on financial position, results of operations, and cash flows have not been determined. Expenditures for normal repairs and maintenance are charged to operations as incurred.

The Company reviews long-lived assets for impairment whenever events or circumstances indicate that the carrying value of such assets may not be fully recoverable. Impairment is present when the sum of the undiscounted estimated future cash flows expected to result from use of the assets is less than carrying value. If impairment is present, the carrying value of the impaired asset is reduced to its fair value. As of December 31, 2020, no impairment loss has been recognized for long-lived assets.

Revenue Recognition

Revenues are primarily derived from providing professional medical services to patients and subsequently billing patients' insurance provider/s. Revenue is recognized when persuasive evidence of an arrangement exists, delivery has occurred, or services have been rendered, the seller's price to the buyer is fixed or determinable, and collectability is reasonable assured.

The determination of whether fees and fixed or determinable and collection is reasonable assured involves the use of assumptions. Arrangement terms and customer information are evaluated to ensure that these criteria are met prior to recognition of revenue.

Short Term Debt

The Company has one short-term debt instrument. This instrument is a short-term promissory note in the principal amount of \$150,000 at a 5.0% annual rate of interest, commenced on November 10, 2020, with a maturity date of May 10, 2021. The terms of the loan dictate that the entire principal amount and accrued interest is due upon maturity.

ASSURE HEALTH CORPORATION  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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Accounts Receivable

Accounts receivable are recorded at the estimated realizable value. The Company continuously assesses the collectability of outstanding customers' invoices, and in doing such, the Company maintains an allowance for estimated losses resulting from the non-collection of customer receivables. In estimating the allowances, the Company considers factors such as: historical collection experience, a customers' current credit-worthiness, customer concentrations, age of the receivables balance – both individual and in aggregate, and the general economic condition that may affect a customer's ability to pay. Actual customer collections could differ from the Company's estimates. At December 31, 2020, the Company did not provide for an allowance for doubtful accounts, as all amounts outstanding were deemed collectible.

Income Taxes

The Company is a Limited Liability Company ("LLC") for income tax purposes (effective through December 31, 2020). In lieu of corporate income taxes, the owners are taxed on their proportionate shares of the Company's taxable income. Accordingly, no liability for federal or state income taxes and no provision for federal or state income taxes have been included in the financial statements.

The Company accounts for the effect of any uncertain tax positions based on a "more likely than not" threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a "cumulative probability assessment" that aggregates the estimated tax liability for all uncertain tax positions. Interest and penalties assessed, if any, are accrued as income tax expense. The Company has identified its tax status as a limited liability company electing to be taxed as a pass-through entity as its only significant tax position; however, the Company has determined that such tax position does not result in an uncertainty requiring recognition.

NOTE C- CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company places its cash and any cash equivalents with a limited number of high-quality financial institutions and do not exceed the amount of insurance provided on such deposits.

NOTE D- SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 18, 2021, the date on which the financial statements were available to be issued. Management has determined that none of the events occurring after the date of the balance sheet through the date of Management's review substantially affect the amounts and disclosure of the accompanying financial statements.