

Hudson Regional Health
Hudson Hospital Opco, LLC
dba Heights University Hospital

FINANCIAL STATEMENTS
For the period ending: March 31, 2026
DRAFT

Hudson Hospital Opco, LLC
 dba Heights University Hospital
 Balance Sheets
 (in thousands)

	Current Year		Prior Year	
	Mar-26	Feb-26	Dec-25	
	(Unaudited)	(Unaudited)	(Unaudited)	
Assets				
Current Assets:				
Cash and cash equivalents	\$ 163	\$ 497	\$	69
Restricted cash and cash equivalents	\$ -	\$ -	\$	-
Net patient accounts receivable, current portion	\$ 10,150	\$ 11,231	\$	13,524
Investments	\$ -	\$ -	\$	-
Due from related parties	\$ -	\$ -	\$	-
Other receivables	\$ 93	\$ 924	\$	2,845
Prepaid expenses	\$ 315	\$ 605	\$	-
Loan Receivable	\$ -	\$ -	\$	-
Inventory	\$ -	\$ -	\$	-
Total Current Assets	\$ 10,721	\$ 13,257	\$	16,438
Non-Current Assets:				
Net patient accounts receivable, long term portion	\$ -	\$ -	\$	-
	\$ -	\$ -	\$	-
Intangible Assets	\$ -	\$ -	\$	-
Right of use assets	\$ 50,932	\$ 50,932	\$	50,920
Property and equipment, net	\$ 20,225	\$ 20,199	\$	19,952
Total Assets, Deferred Cost & Equipment	\$ 71,157	\$ 71,131	\$	70,872
Total Assets	\$ 81,878	\$ 84,388	\$	87,310
Liabilities and Member's Equity				
Current Liabilities:				
Lease liability, current portion	\$ 56	\$ 56	\$	56
Accounts payable (Post Petition)	\$ 10,511	\$ 9,902	\$	9,069
Accrued expenses payable	\$ 21,329	\$ 20,907	\$	20,311
Accrued compensation	\$ 12,522	\$ 11,330	\$	10,281
Due to related party	\$ 94,159	\$ 93,165	\$	90,696
Deferred revenue	\$ 1,100	\$ 347	\$	-
Accrued interest payable	\$ 2,676	\$ 2,320	\$	1,654
Loan payable	\$ 25,491	\$ 26,321	\$	25,490
Due to third party, current portion	\$ 11,325	\$ 11,352	\$	11,354
Total Current Liabilities	\$ 179,169	\$ 175,700	\$	168,911
Long Term Liabilities:				
Lease liability less current portion	\$ 71,664	\$ 71,253	\$	70,519
Accrued compensation (Pre-Petition)	\$ 7,359	\$ 7,359	\$	7,359
Accounts payable (Pre-Petition)	\$ 42,076	\$ 42,678	\$	42,678
Accrued Expenses (Pre-Petition)	\$ 1,838	\$ 1,838	\$	1,838
Accrued interest payable (Pre-Petition)	\$ 1,946	\$ 1,946	\$	1,946
Loan payable (Pre-Petition)	\$ 56,453	\$ 56,453	\$	56,453
Total Liabilities	\$ 360,505	\$ 357,227	\$	349,704
Member's Equity:				
Member's Equity (Net)	\$ (278,627)	\$ (272,839)	\$	(262,394)
Total Member's Equity	\$ (278,627)	\$ (272,839)	\$	(262,394)
Total Liabilities and Member's Equity	\$ 81,878	\$ 84,388	\$	87,310

HUDSON HOSPITAL OPCO, LLC.
 dba HEIGHTS UNIVERSITY HOSPITAL
 Statement of Operations
 DRAFT
 (unaudited) (in thousands)

	Month to Date				Year to Date			
	Mar-26	2026 BUDGET	CYMTD vs BUDG	Mar-25	Mar-26	2026 BUDGET	CYTD vs BUDG	Mar-25
Operating Revenues								
Net Patient Service Revenue	\$ 150	\$ -	\$ 150	\$ 5,520	\$ 912	\$ -	\$ 912	\$ 17,179
Other Operating Revenue	\$ 927	\$ -	\$ 927	\$ 2,053	\$ 1,810	\$ -	\$ 1,810	\$ 4,998
Charity Care Subsidy	\$ (1,606)	\$ -	\$ (1,606)	\$ 665	\$ (57)	\$ -	\$ (57)	\$ 1,993
Total Operating Revenues	\$ (529)	\$ -	\$ (529)	\$ 8,238	\$ 2,665	\$ -	\$ 2,665	\$ 24,170
Operating Expenses								
Salaries and Wages	\$ 1,989	\$ -	\$ 1,989	\$ 4,226	\$ 5,666	\$ -	\$ 5,666	\$ 12,587
Fringe Benefits	\$ 502	\$ -	\$ 502	\$ 1,079	\$ 1,178	\$ -	\$ 1,178	\$ 3,171
Supplies and other Expenses	\$ 2,426	\$ -	\$ 2,426	\$ 5,924	\$ 8,971	\$ -	\$ 8,971	\$ 19,718
Interest	\$ (42)	\$ -	\$ (42)	\$ 887	\$ 2,243	\$ -	\$ 2,243	\$ 2,546
Depreciation	\$ 384	\$ -	\$ 384	\$ 302	\$ 840	\$ -	\$ 840	\$ 904
Total Operating Expenses	\$ 5,259	\$ -	\$ 5,259	\$ 12,417	\$ 18,898	\$ -	\$ 18,898	\$ 38,927
Net Income/Loss from Operation	\$ (5,788)	\$ -	\$ (5,788)	\$ (4,179)	\$ (16,233)	\$ -	\$ (16,233)	\$ (14,757)
Income/Loss of Non-Recurring								
Income (Loss) of Non-Recurring Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Operating Income/Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Income/Loss	\$ (5,788)	\$ -	\$ (5,788)	\$ (4,179)	\$ (16,233)	\$ -	\$ (16,233)	\$ (14,757)

HUDSON HOSPITAL OPCO, LLC.
dba HEIGHTS UNIVERSITY HOSPITAL
Statement of Cash Flows
DRAFT
(unaudited) (in thousands)

	<u>MTD</u>	<u>YTD</u>
	<u>Mar-26</u>	<u>Mar-26</u>
From Operating Activities:		
Income/(loss) from operations	\$ (5,788)	\$ (16,233)
Adjustments to reconcile increase in net assets to cash provided by operating activities:		
Depreciation & Amortization	\$ 384	\$ 841
Change in operating assets and liabilities:		\$ -
(Increase)/decrease in patient accounts receivable	\$ 1,081	\$ 3,374
(Increase)/decrease in other receivables	\$ 831	\$ 2,752
(Increase)/decrease in prepaid expenses and deposits	\$ 290	\$ (315)
Increase/(decrease) in accounts payable, and other accrued expenses	\$ 1,031	\$ 2,461
Increase/(decrease) in due to related party	\$ 994	\$ 3,463
Increase/(decrease) in deferred revenue	\$ 753	\$ 1,100
Increase/(decrease) in accrued compensation	\$ 1,192	\$ 2,241
Increase/(decrease) in accrued interest payable	\$ 356	\$ 1,022
Increase/(decrease) in loan payable	\$ (830)	\$ -
Increase/(decrease) in other liabilities	\$ (218)	\$ 514
Net cash provided by/(used in) operating activities	<u>\$ 75</u>	<u>\$ 1,220</u>
From Investing Activities:		
Investments		\$ -
Gain on Sales		\$ -
Acquisitions of property, plant, and equipment	\$ (410)	\$ (1,126)
Net cash provided by/(used in) investing activities	<u>\$ (410)</u>	<u>\$ (1,126)</u>
Flows From Financing Activities:		
Capital Contributions		\$ -
Proceeds from line of credit, net of payments	\$ -	\$ -
Proceeds from long-term debt	\$ -	\$ -
Proceeds from/(repayment of) short-term debt	\$ -	\$ -
Principal payments of long-term debt	\$ -	\$ -
Payment of Dividends/Distributions	\$ -	\$ -
Reclass Tax Distrib Payable to Equity		\$ -
Repayment of capital lease obligation		\$ -
Net cash provided by/(used in) financing activities	<u>\$ -</u>	<u>\$ -</u>
Net increase/(decrease) in cash and cash equivalents	\$ (334)	\$ 94
Cash and cash equivalents at beginning of period	\$ 497	\$ 69
Cash and cash equivalents at end of period	<u>\$ 163</u>	<u>\$ 163</u>

Hudson Hospital Opco, LLC
dba Heights University Hospital
March 31, 2026 Expense Comparison (Unaudited)

March 2026 Actual vs. March 2026 Budget

	Mar-26 ACTUAL	Mar-26 BUDGET	Mar-26 VARIANCE	Mar-26 YTD ACTUAL	Mar-26 YTD BUDGET	Mar-26 YTD VARIANCE
Salaries and Wages	\$ 1,988,688	\$ -	\$ 1,988,688	\$ 5,665,656	\$ -	\$ 5,665,656
Contract Labor	-	-	-	(93)	-	(93)
Salaries, Wages and Contract Labor	\$ 1,988,688	\$ -	\$ 1,988,688	\$ 5,665,563	\$ -	\$ 5,665,563
Policy Fringe Benefits	\$ 435,935	\$ -	\$ 435,935	\$ 808,924	\$ -	\$ 808,924
Taxes	\$ 66,448	\$ -	\$ 66,448	\$ 369,088	\$ -	\$ 369,088
Total Fringe Benefits	\$ 502,383	\$ -	\$ 502,383	\$ 1,178,012	\$ -	\$ 1,178,012
	25%	0%		21%	0%	
Consulting Fees/Purch Services	\$ 796,575	\$ -	\$ 796,575	\$ 2,670,922	\$ -	\$ 2,670,922
Collection Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Physician - Quality	\$ 51,282	\$ -	\$ 51,282	\$ 1,027,303	\$ -	\$ 1,027,303
Physician Related	\$ 4,500	\$ -	\$ 4,500	\$ 4,500	\$ -	\$ 4,500
Property Taxes	\$ 250,771	\$ -	\$ 250,771	\$ 487,352	\$ -	\$ 487,352
Medical Surgical Supplies	\$ 125,581	\$ -	\$ 125,581	\$ 433,887	\$ -	\$ 433,887
Liability and W/C Insurance	\$ 323,171	\$ -	\$ 323,171	\$ 962,643	\$ -	\$ 962,643
Rent, Maintenance, Repairs	\$ 2,721	\$ -	\$ 2,721	\$ 458,892	\$ -	\$ 458,892
Utilities	\$ 31,994	\$ -	\$ 31,994	\$ 249,391	\$ -	\$ 249,391
Pharmaceuticals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Management Fee	\$ 665,854	\$ -	\$ 665,854	\$ 2,029,476	\$ -	\$ 2,029,476
All Other Supply	\$ 173,938	\$ -	\$ 173,938	\$ 646,366	\$ -	\$ 646,366
Total Supplies and Other	\$ 2,426,387	\$ -	\$ 2,426,387	\$ 8,970,732	\$ -	\$ 8,970,732
Interest	\$ (41,798)	\$ -	\$ (41,798)	\$ 2,243,214	\$ -	\$ 2,243,214
Depreciation	\$ 383,669	\$ -	\$ 383,669	\$ 840,279	\$ -	\$ 840,279
Lease, Interest, Depreciation	\$ 341,871	\$ -	\$ 341,871	\$ 3,083,493	\$ -	\$ 3,083,493
Grand Total	\$ 5,259,329	\$ -	\$ 5,259,329	\$ 18,897,800	\$ -	\$ 18,897,800

March 2026 Actual vs. March 2025 Actual

	Mar-26 ACTUAL	Mar-25 ACTUAL	2026 vs 2025 VARIANCE	Mar-26 YTD ACTUAL	Mar-25 YTD ACTUAL	2026 vs 2025 VARIANCE
Salaries and Wages	\$ 1,988,688	\$ 4,225,532	\$ (2,236,844)	\$ 5,665,656	\$ 12,583,329	\$ (6,917,673)
Contract Labor	\$ -	\$ -	\$ -	\$ (93)	\$ 4,097	\$ (4,190)
Salaries, Wages and Contract Labor	\$ 1,988,688	\$ 4,225,532	\$ (2,236,844)	\$ 5,665,563	\$ 12,587,426	\$ (6,921,863)
Policy Fringe Benefits	\$ 435,935	\$ 646,414	\$ (210,479)	\$ 808,924	\$ 1,931,324	\$ (1,122,400)
Taxes	\$ 66,448	\$ 432,810	\$ (366,362)	\$ 369,088	\$ 1,239,790	\$ (870,702)
Total Fringe Benefits	\$ 502,383	\$ 1,079,224	\$ (576,841)	\$ 1,178,012	\$ 3,171,114	\$ (1,993,102)
Consulting Fees/Purch Services	\$ 796,575	\$ 192,222	\$ 604,353	\$ 2,670,922	\$ 930,017	\$ 1,740,905
Collection Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Physician - Quality	\$ 51,282	\$ 1,302,247	\$ (1,250,965)	\$ 1,027,303	\$ 5,555,046	\$ (4,527,743)
Physician Related	\$ 4,500	\$ 92,824	\$ (88,324)	\$ 4,500	\$ 389,469	\$ (384,969)
Property Taxes	\$ 250,771	\$ 102,960	\$ 147,811	\$ 487,352	\$ 284,317	\$ 203,035
Medical Surgical Supplies	\$ 125,581	\$ 1,035,968	\$ (910,387)	\$ 433,887	\$ 2,758,637	\$ (2,324,750)
Liability and W/C Insurance	\$ 323,171	\$ 422,273	\$ (99,102)	\$ 962,643	\$ 948,886	\$ 13,757
Rent, Maintenance, Repairs	\$ 2,721	\$ 313,156	\$ (310,435)	\$ 458,892	\$ 1,033,316	\$ (574,424)
Utilities	\$ 31,994	\$ 233,029	\$ (201,035)	\$ 249,391	\$ 626,134	\$ (376,743)
Pharmaceuticals	\$ -	\$ 214,575	\$ (214,575)	\$ -	\$ 605,158	\$ (605,158)
Management Fee	\$ 665,854	\$ 1,475,348	\$ (809,494)	\$ 2,029,476	\$ 4,978,052	\$ (2,948,576)
All Other Supply	\$ 173,938	\$ 539,077	\$ (365,139)	\$ 646,366	\$ 1,608,694	\$ (962,328)
Total Supplies and Other	\$ 2,426,387	\$ 5,923,679	\$ (3,497,292)	\$ 8,970,732	\$ 19,717,726	\$ (10,746,994)
Interest	\$ (41,798)	\$ 886,688	\$ (928,486)	\$ 2,243,214	\$ 2,546,479	\$ (303,265)
Depreciation	\$ 383,669	\$ 301,835	\$ 81,834	\$ 840,279	\$ 904,075	\$ (63,796)
Lease, Interest, Depreciation	\$ 341,871	\$ 1,188,523	\$ (846,652)	\$ 3,083,493	\$ 3,450,554	\$ (367,061)
Grand Total	\$ 5,259,329	\$ 12,416,958	\$ (7,157,629)	\$ 18,897,800	\$ 38,926,820	\$ (20,029,020)