LONG Recommendation

Current Share Price: 2.4 USD

Target Share Price: 4.1 USD

Base TSR: 71%

IRR to 2027: 40%

Date: 05-06-2026

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Table of Contents

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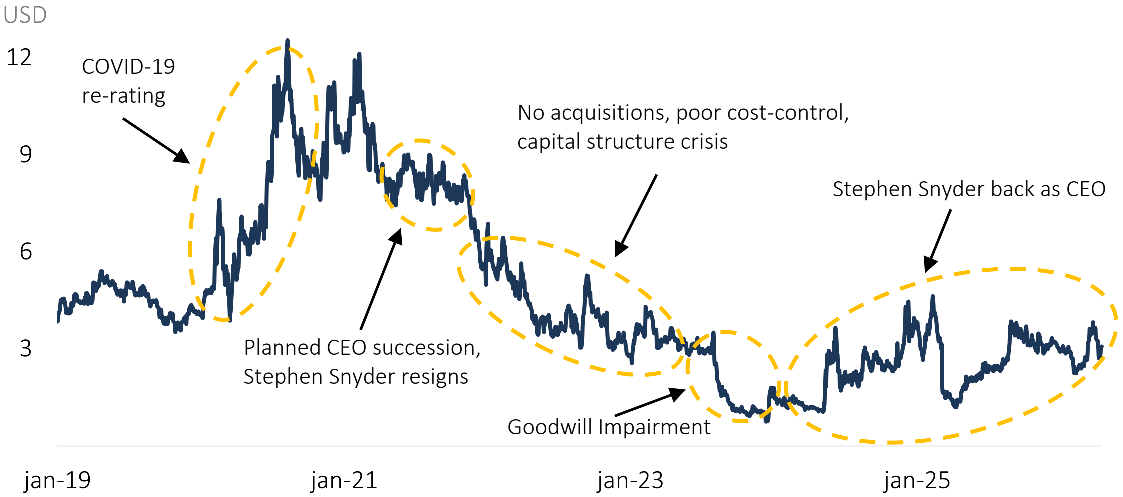
Executive Summary

Share Price Performance



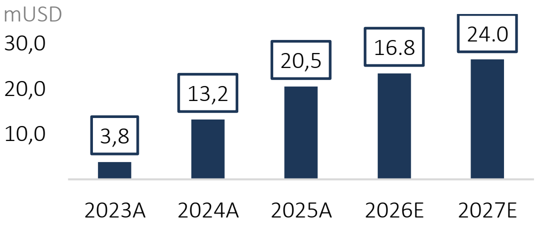
Business Overview

- CareCloud, Inc. (Nasdaq: CCLD) is a US-based provider of cloud-based healthcare IT solutions focused on revenue cycle management, electronic health records, and practice management. The company serves over 40,000 US healthcare providers and expanded into a full care-continuum platform through the August 2025 Medsphere acquisition. A workforce of approximately 4,000 employees, primarily based in Pakistan and Sri Lanka, provides a structural cost advantage at approximately 17% of equivalent US labour costs. Under returning Co-CEO Stephen Snyder, the company delivered its first full year of positive GAAP earnings since the 2014 IPO in fiscal year 2025.

Financials

Share Price:	$2.4
MCAP:	$85m
Net Debt, pro forma	$16m
EV:	$101m
FY27 EV/FCF	3.5x
FY27 EV/EBITDA:	2.9x
FY27 EBITDA-margin	22.5%

Free Cash Flow Excluding M&A



Investment Thesis

Reinvigorated M&A Strategy

CareCloud is expected to execute another RCM acquisition between H2 2026 and H1 2027, contributing roughly USD 35m in revenue, in line with management's playbook and the Medsphere precedent. Following a nine-month integration path to a 30% EBITDA margin, the deal drives meaningful EBITDA upside in 2027.

Increased Cash Flow to Common

Series B redemption on 15 May 2026 eliminates USD 3.5m in annual preferred dividends, adding USD 0.08 to EPS, an 80% increase versus 2025 reported EPS of USD 0.10. Accumulated tax losses (NOLs) shield future profits from federal tax, keeping the effective rate at 2% until 2031 and supporting further M&A capacity.

Buyout Optionality

CareCloud is a healthcare IT buyout target, validated by 2024's 7.8x take-private offer. Strategic buyers (athenahealth, R1 RCM) and PE sponsors provide exit optionality, while EBITDA grows from USD 26m to USD 41m at 24% margin. Precedent transactions support 11x exit, yielding 22% IRR and 2.7x MOIC.

Why does the Opportunity Exist?

★ **Turnaround Already Underway:** After a period of restructuring, acquisitions resumed in 2025 with the transformative Medsphere deal, non-dilutive financing secured, and Stephen Snyder returned as Co-CEO. The strategic and financial foundations for sustained recovery are firmly in place.

★ **Forced Seller Overhang:** The March 2025 Series A conversion pushed income-focused preferred holders into common equity, a share class that does not suit their mandates, creating selling pressure entirely unrelated to business performance and an attractive entry point for fundamental investors.

★ **Crisis Stigma Still Fresh:** The 2023 goodwill impairment and preferred dividend suspension still dominate the narrative, despite full operational recovery, low net debt of USD 16m, and all preferred stock eliminated in May 2026. The current discount reflects a story significantly out of date.

★ **Institutional Blind Spot:** At USD 85m market cap with minimal sell-side coverage, CareCloud sits below most institutional radars, yet now meets standard quality screens on profitability and balance sheet strength, making re-rating a credible near-term catalyst.

Sources: The Company, Bloomberg

Business Overview

Company Overview

- CareCloud is a serial acquirer that implements revenue cycle management (RCM) and EHR systems to small and mid-sized US healthcare facilities.
- Operates a cost-efficient offshore workforce in Pakistan and Sri Lanka at 17% of U.S. labour costs.
- Acquires unprofitable RCM peers and turns them profitable with the labour cost arbitrage.
- Revenue stems from collecting a percentage fee on collected insurance reimbursements.

Customer Segments

Medical Practices | Physician Groups | Healthcare Providers | Industry Partners

Notable Acquisitions

Medsphere 2025	MedTech 2015	PRACTICARE 2014
ONC-certified EHR platform serving community hospitals and clinics. Transformed CareCloud from an RCM-only business into a full healthcare IT suite, opening an entirely new customer segment.	Specialised healthcare hardware and software tools. Adds a physical infrastructure layer to CareCloud's offering, increasing revenue per client and making the platform significantly harder to replace.	Workflow optimisation tools for small healthcare practices. Strengthens CareCloud's practice management segment, deepens daily operational dependency, and increases cross-sell potential across the RCM and EHR suite.

Most significant acquisition that gave CareCloud a complete clinical platform and eliminated the need to partner with third-party EHR providers.

Segment Overview

Main Segments	Key Features
Revenue Cycle Management	Automates the full billing lifecycle, improving collections and reducing staffing costs.
Electronic Health Records	Cloud-based clinical records fully integrated with billing, creating high switching costs.
AI Solutions	AI-powered workflows that cut operational costs and recover lost revenue across the platform.
Practice Management	Fully outsourced admin and operations, reducing overhead for small healthcare practices.

Revenue Cycle Management

Patient visits practice	Insurance verification	Medical coding & claim	CareCloud collects fee
Patient arrives. Demographics and reason for visit recorded in EHR.	Patient’s coverage confirmed with insurer before treatment begins.	Diagnosis coded and invoice submitted to insurer for reimbursement.	Insurer pays out. CareCloud takes 3-7% of insurance collected.
Day 1	Day 1-2	Day 2-5	Day 28-45

Sources: The Company, AlphaSense

Industry Overview

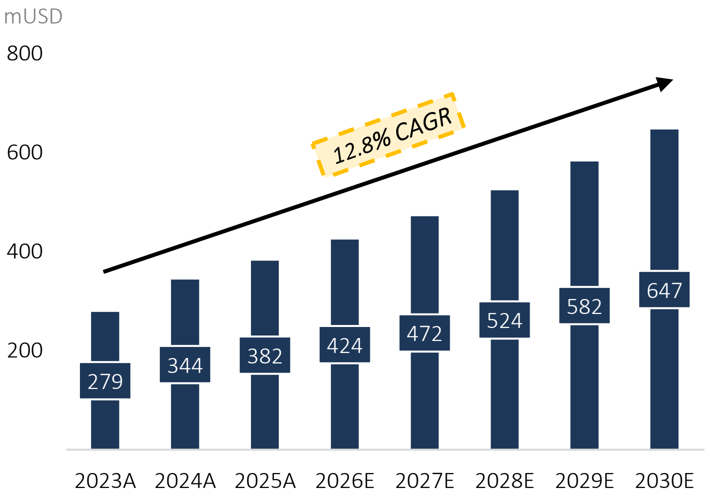
Industry Overview

- **Consolidation:** PE and Strategic buyers currently pay 12-16x EBITDA for RCM assets. NextGen, R1 RCM and TruBridge acquired at premium multiples between 2023-2025. Healthcare deal volume 15% YoY into 2026.
- **Outsourcing acceleration:** 65% of providers outsource RCM, growing at 14-16% CAGR, faster than total RCM. 42% outsource end-to-end.
- **AI transformation:** 80% of health systems adopting AI in RCM. Up from 58% in 2023 - a 38 point jump in two years. AI converts services revenue into software revenue, favouring platform owners like CCLD.
- **Fragmented market:** 1,500+ RCM vendors in the US, none above 5% market share. Top 5 vendors hold only approximately 18% combined, leaving a vast tail of unprofitable targets ripe for acquisition.

Key Takeaways

- All four dynamics converge to create a uniquely favourable environment for a platform owner like CCLD.
- The forces driving are structural and self-reinforcing, underpinning sustained above-market growth.
- CCLD benefits on two fronts: as a direct outsourcing beneficiary and as an acquirer of sub-scale vendors.

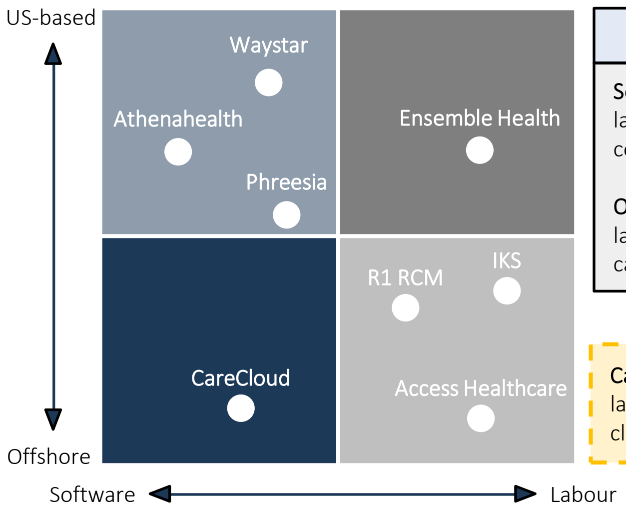
RCM and Healthcare IT Market - A Market with Strong Growth



Structural Tailwinds

- **Rising Administrative Complexity:** As more diseases and medicine reach the market, the more codes need to be handled.
- **Physician shortage forces outsourcing:** US shortage of 86,000 physicians by 2036 forces practices to outsource non-clinical work.

Competitive Landscape



Positioning

Software Peers (AthenaHealth, Waystar): Built for large hospitals. US cost base requires high-value contracts that small clinics cannot afford.

Offshore Peers (R1, IKS, Access Healthcare): Sell labor, not software. Selling AI solutions would cannibalize the services revenue.

CareCloud: Pairs software margins with offshore labor costs to deliver AI-powered billing to small clinics larger players cannot profitably reach.

Fragmented Market With a Flora of Acquisition Targets

Top 5 vendors
Estimated 18% market share

Next 10 vendors
Estimated 10% market share

Next 50 mid-tier vendors
Around USD 50m revenue

1500+ small RCM companies
Many are unprofitable or breakeven - CCLD's acquisition pipeline

Market Characteristics

- **Extreme fragmentation:** 1,500+ RCM vendors in the US, none above 5% market share.
- **Big buyers cannot reach small targets:** Too small for PE, too distributed for Optum or Epic to source.
- **CCLD acquires what others cannot:** Purchases small unprofitable RCM companies at 0.5-1.0x EV/S.

Sources: The Company, Bloomberg, Factset

Thesis 1 – Reinvigorated M&A Strategy

1.1 Acquisition Flywheel

Source & Acquire
- RCM/IT companies within Healthcare
- Revenue: USD 1-35m
- Purchase for 0.6-1.0x EV/S

Margin Turnaround
- Switch U.S. back office to Carecloud’s offshore workforce.
- Acquired margin rises from 0-5% to 25-30% within 3-9 months.

Churn Defense
- 700 US staff cover integration
- 5% churn on bolt-ons
- 10% churn on larger acquisitions

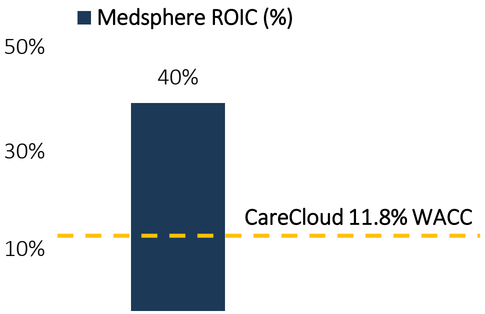
FCF Arbitrage
- Assets bought at 1-2x P/FCF reprices at CareCloud's 4-5x P/FCF multiple
- FCF from one deal funds the next one

Shareholder Value with Every Cycle

1.2 Medsphere Acquisition: A Case Study

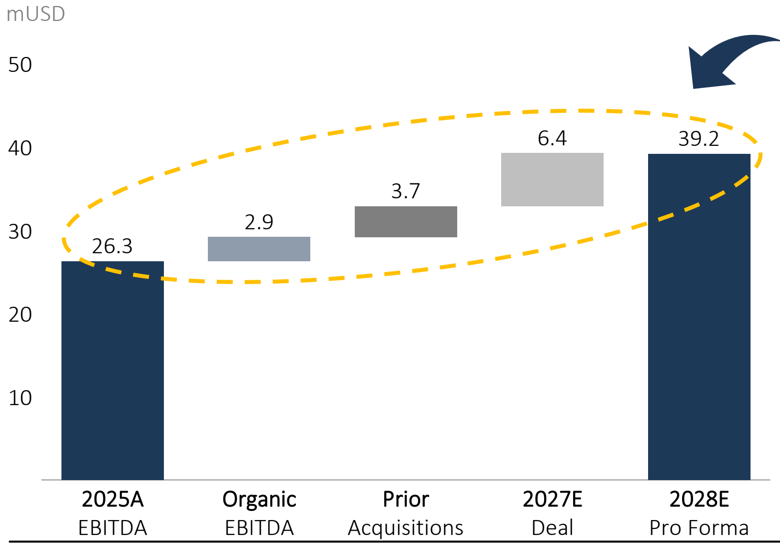
Textbook Acquisition: Medsphere, a hospital-focused RCM and healthcare IT provider, acquired in August 2025 at 0.5x EV/Sales while operating at a loss, full integration completed in May 2026, roughly after 9 months.

Medsphere ROIC and Hurdle Rate



Run-rate revenue (m)	$32.6
10% churn	$29.3
EBITDA-margin	27.5%
Run-rate EBITDA (m)	$8.1
D&A (m)	($1.3)
Tax (2%, NOL Sheild)	($0.1)
NOPAT (m)	$6.6
Invested Capital (m)	$16.5
ROIC	40%
Payback time (years)	2.5

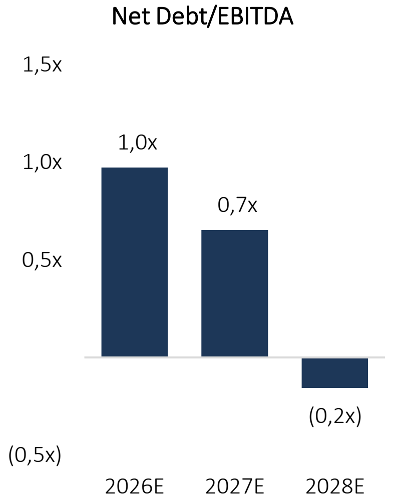
1.3 One Acquisition in 2027



11.2% EBTDA CAGR 26-28

- **Organic growth** in line with historical numbers.
- **Prior Acquisitions** reflect 2025 acquisitions on a full-year run-rate basis.
- **The 2027E deal** is sized at 20% below Medsphere equating a price consideration of USD 25m, despite CareCloud’s improved financial position since Medsphere.

1.4 M&A Financing



Acquisition Funding Has Evolved

- CareCloud historically relied on preferred stock and limited common equity issuances to fund acquisitions, both of which diluted shareholders and consumed cash through dividend obligations. The 2025 Medsphere deal marked a clear transition to cash and credit facility funding, with the 2027 acquisition projected at 90% cash funded.

Inflection Point in Acquisition Capacity

- Series B preferred redemption in 2026 and the new USD 50m Citizens Bank facility have fundamentally restructured CareCloud's capital structure. The company can comfortably deploy up to USD 40m on acquisitions from internal cash flow, or USD 70m including credit facility utilization while maintaining a net debt/EBITDA below 2x.

Sources: The Company, Bloomberg, AlphaSense

Thesis 2 – Increased Cash Flow to Common Shares

2.1 Capital Structure Clean Up Results in Lower WACC

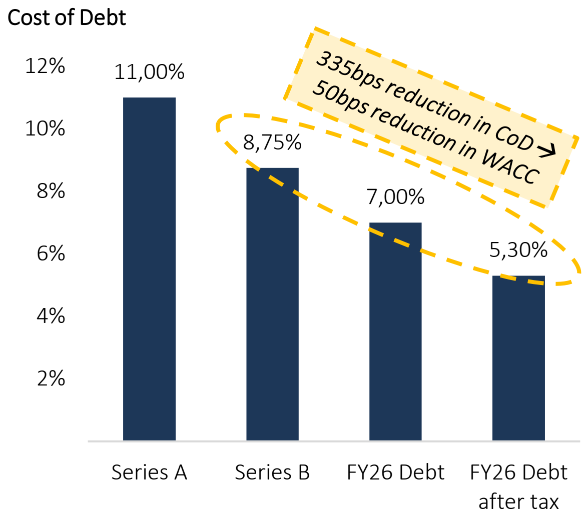
Series A: Preferred Stock Conversion

- Series A acted as expensive **11% non tax deductible debt**. **Conversion** to common stock in **March 2025** eliminated USD 7m in annual dividends.

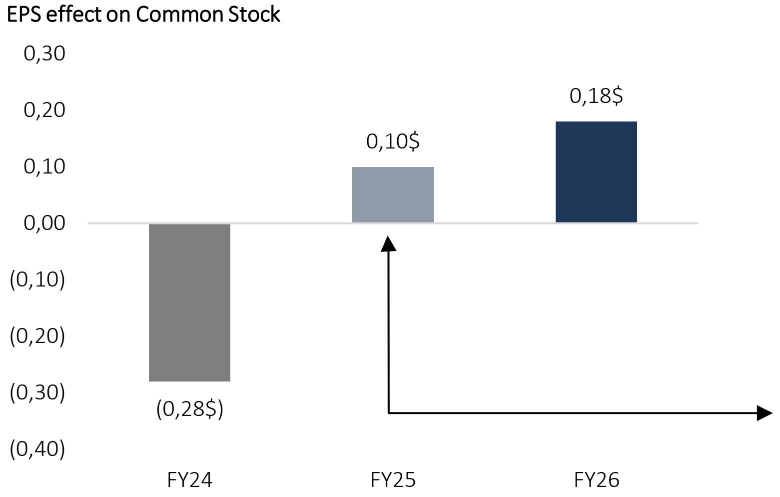
Series B: Redemption

- Series B acted as **8.8% non-deductible debt**. **The 15 May 2026** redemption was **paid in cash from Citizens debt**, eliminating the dividend **without diluting** common shareholders.

Preferred Stock: Used historically to finance CareCloud M&A between FY17-FY21 when common shares were too low for equity raises. Strong cash flow now funds M&A without dilution.



2.2 Capital Structure Clean Up Effect on EPS

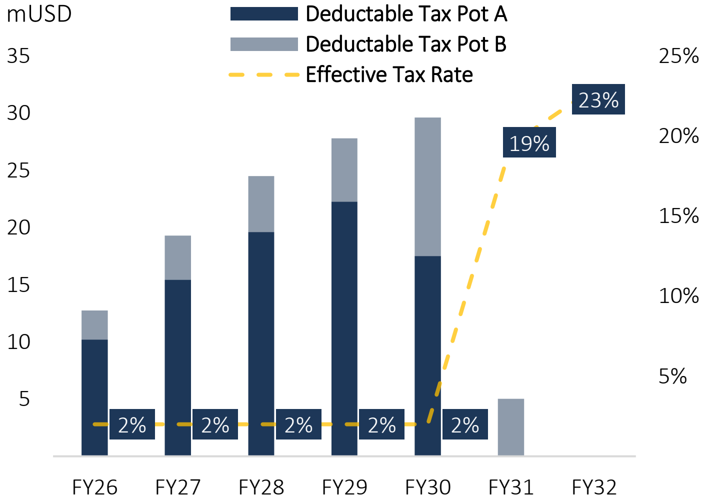


Preferred Dividend on EPS

- Eliminating USD 3.5m in Series B dividends across 42.7m shares adds USD 0.08 in EPS now flowing to common shareholders.

80% EPS Boost from Capital Structure Cleanup Alone

2.3 NOL Tax Shields

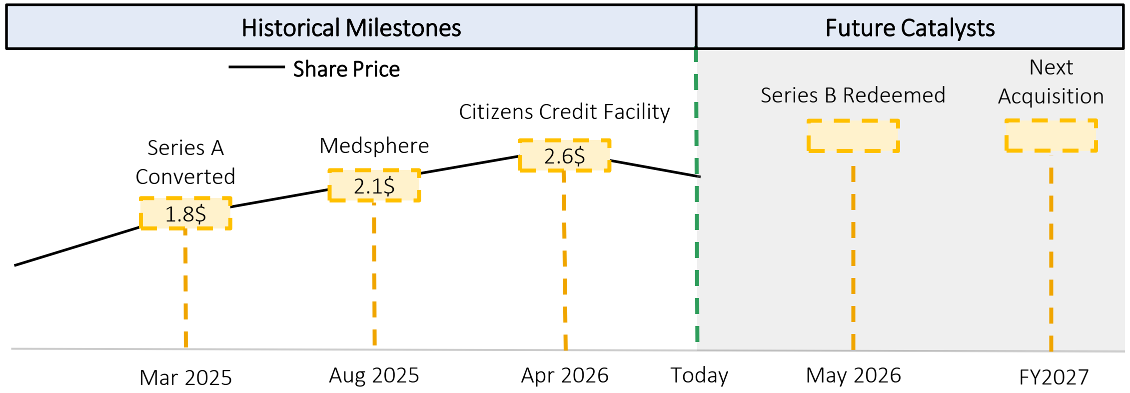


Pot A and Pot B are CareCloud's USD 119m in accumulated Net Operating Losses (NOLs), built up through years of unprofitability prior to FY25. The Pots absorb 100% of federal taxable income from FY26 to FY30, leaving only the 2% New Jersey state tax. The federal savings flow straight to net income available to common shareholders.

The Tax deductions add a total of 0.59$ in EPS between FY26-FY31

2.4 Re-rating Already Taking Place

Each management decision has unlocked shareholder value and triggered a re-rating, with catalysts on the way



Sources: The Company, Bloomberg, AlphaSense

Thesis 3 – Buyout Optionality

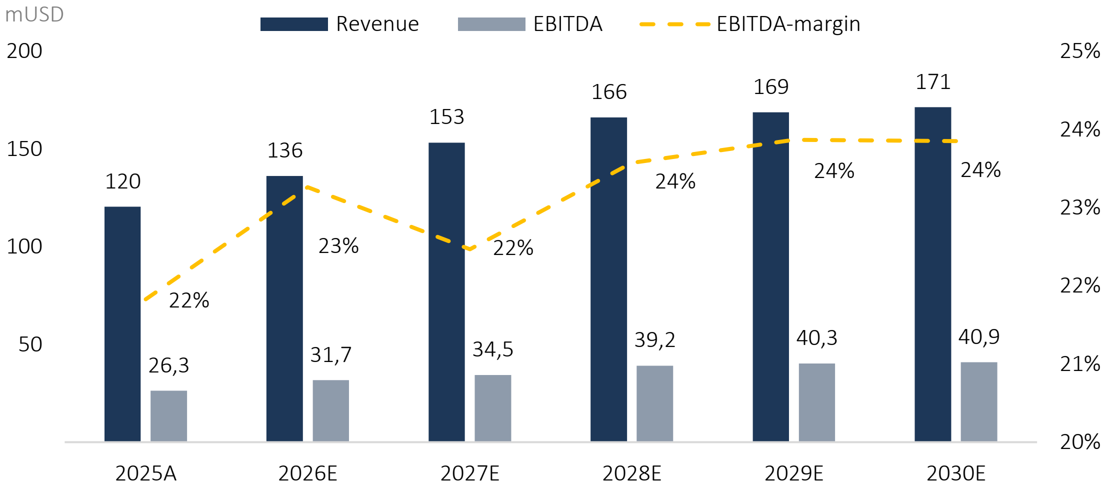
3.1 Potentially Interested Parties

*The healthcare IT market is consolidating rapidly, and CareCloud is a strong acquisition target from a strategic perspective as well as from a PE firms view. This is validated by a take private **offer in 2024 at 7.8x trailing EV/EBITDA**, a time when the company was weaker.*

Strategic Buyers	Financial Sponsors
▪ **AtheenaHealth**: Acquiring CareCloud to broaden the customer base to smaller clinics and improve AI capabilities.	▪ **New Mountain Capital**: RCM consolidator with prior bid on R1 RCM and a history of smaller RCM bolt-ons such as Machify and Access Healthcarh.
▪ **R1 RCM**: Offshore footprint diversification beyond the Philippines and India into Pakistan and Sri Lanka.	▪ **Linden Capital Partners**: Healthcare-exclusive PE with $3B+ fund and $100-500M deal sweet spot, active in tech-enabled healthcare services buy-and-build.
▪ **NextGen Healthcare**: Acquire to enter the hospital market via Medsphere and replace third-party AI partnerships.	▪ **Welsh Carson Anderson and Stowe**: Healthcare-tech middle-market specialist with deals around 200-800m close to CareCloud's profile.

3.2 Operative Trajectory

CareCloud Operative Metrics



3.3 Precedent Transactions & LBO

Precedent Transactions, mUSD

Acquiror	Target	EV	EV/EBITDA	EBITDA
IKS Health	Trubridge	557	11.1x	50
Thoma Bravo	NextGen Healthcare	1,800	16.1x	112
Towerbrook + CD&R	R1 RCM	6,079	5.0x	1,218
Average		2,812	10.7x	459.3
Median		1,800	11.1x	112

***TruBridge**, CareCloud's closest peer, acquired at **11.1x EBITDA**, our benchmark.*

Possible LBO, mUSD	2026E	2027E	2028E	2029E	2030E
EBITDA	31.7	34.5	39.2	40.3	40.9
Unlevered FCF	20.5	8.9	27.6	30.3	29.2
Interest + amortization	(12.1)	(12.0)	(11.9)	(11.9)	(11.8)
FCF after debt cost	8.5	(3.1)	15.6	18.4	17.4
Cumulative cash	8.5	5.4	21.0	39.5	56.8

*Self-financing LBO generates **USD 56.8m cumulative cash** after full debt service.*

3.4 Return Scenarios and IRR-Sensitivity

- **The Base Case:** Estimated USD 40.9m EBITDA on FY30 at a 11x exit multiple, supported by a 5x leverage (3x term loan + 2x subordinated debt) and one 2027 acquisition, yielding 22% IRR and 2.7x MOIC.
- **The Bear Case:** Reflects artificial intelligence commercialization disappointing combined with high cost pressure from competitors.
- **The Bull Case:** Continued bolt-on acquisitions beyond our modelled 2027 Medsphere-type acquisition.

EBITDA (m)

EV/EBITDA	Bear		Base	Bull	
	30.9	35.9	40.9	45.9	50.9
9x	8.1%	12.4%	16.1%	19.3%	22.3%
10x	11.1%	15.3%	19.0%	22.3%	25.3%
11x	13.8%	18.0%	21.8%	25.1%	28.0%
12x	16.3%	20.5%	24.2%	27.6%	30.6%
13x	18.5%	22.8%	26.5%	29.9%	32.9%

IRR: 21.8%
MOIC: 2.7x

Sources: The Company, Bloomberg, AlphaSense

Valuation

CareCloud

Peer Valuation Implies 68% Upside

	Market Data		Revenue Growth		EBITDA Margin		EV/EBITDA		EV/FCF	
Peers	MCAP	EV	2025A	2027E	2025A	2027E	2025A	2027E	2025A	2027E
Trubridge	384	396	1.4%	4.0%	21.0%	22.2%	8.0x	6.5x	21.9x	13.1x
HealthStream	635	578	4.3%	5.2%	23.6%	23.7%	9.1x	7.4x	21.1x	15.4x
OptimizeRX	126	128	18.7%	8.4%	22.2%	22.6%	5.3x	4.7x	6.9x	7.0x
Median	**384**	**396**	**4.3%**	**5.2%**	**22.2%**	**22.6%**	**8.0x**	**6.5x**	**21.1x**	**13.1x**
DCF Implied Multiple							8.2x	6.3x	10.6x	8.2x
CareCloud	85	101	8.7%	12.5%	21.8%	22.5%	3.8x	2.9x	4.1x	3.5x

Despite stronger growth, similar margins and FCF conversion versus the peer group, CareCloud trades at a meaningful peer discount, **implying 68%** upside to a target **FY27 EV/EBITDA of 5.9x**, derived from peer median 6.5x together with a 10% discount to account for TruBridge's pre-acquisition announcement multiples.

DCF Implies 80% Upside & Sensitivity Analysis

The model uses a 2% organic CAGR between FY26-FY30 and 0% thereafter, with one sub-Medsphere acquisition in 2027. A WACC of 12% reflects a 1.8 beta. A TGR of 2% reflects mature healthcare-IT growth in line with inflation.

DCF Overview

WACC	12%
TGR	2%
Sum PV Forecast	132
PV TV	79
Implied Equity Value	181
NOSH	42.7
Intrinsic Value	4.2
Current Share Price	2.4
Implied Upside	**80%**

TGR \ WACC	10.0%	11.0%	12.0%	13.0%	14.0%
1.0%	5.1	4.5	4.1	3.7	3.3
1.5%	5.3	4.7	4.1	3.7	3.4
2.0%	5.5	4.8	4.2	3.8	3.4
2.5%	5.7	4.9	4.4	3.9	3.5
3.0%	5.9	5.1	4.5	4.0	3.6

EBITDA-margin \ WACC	10%	11%	12%	13%	14%
5%	2.4	2.2	2.1	2.0	1.9
20%	4.8	4.3	3.8	3.4	3.1
24%	5.4	4.8	4.2	3.8	3.4
28%	6.1	5.3	4.7	4.2	3.8
32%	6.8	5.9	5.1	4.6	4.1

DCF Scenario Analysis

Bear Scenario

Terminal EBITDA-margin	5%
WACC	12%
Upside	(24%)

Only the FY27 acquisition modeled, but Snyder's first failed deal compresses margins. No organic growth from stratusAI and CareCloud loses the AI race as competitors automate RCM workflows, eroding offshore arbitrage

Base Case

Terminal EBITDA-margin	24%
WACC	12%
Upside	80%

Single FY27 acquisition modeled, closing with full integration after 9 months synergies fully captured. Organic growth of 2% FY26-FY30 and 0% between FY31-FY35. CareCloud's AI efforts offsets industry pricing pressure.

Bull Case

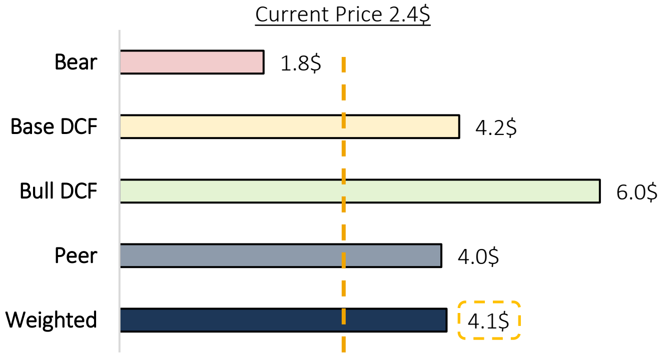
Terminal EBITDA-margin	32%
WACC	12%
Upside	154%

Single 2027 acquisition modeled. Organic Growth acceleration to 5% CAGR FY26-FY30 and 2% FY31-FY35 driven by StratusAI cross-sell and EBITDA-margin expansion of 800bp from internal AI automatization.

Summary of Implied Share Prices

Scenario Weight

Bear Case DCF	Base Case DCF	Peer Valuation	Bull Case DCF
10%	40%	40%	10%



We arrive at an **equity value** of **$4.1 per share**, derived from a blended target that assigns equal 40% weightings to the Peer & DCF valuation complemented by symmetric 10% weightings on the Bull and Bear Case scenarios in order to account for the execution risk and rapidly changing market circumstances.

Target Price: 4.1$
Current Price: 2.4$
Implied Upside: 71%
IRR to FY27: 40%

Sources: Analyst estimates, Bloomberg, Factset, AlphaSense

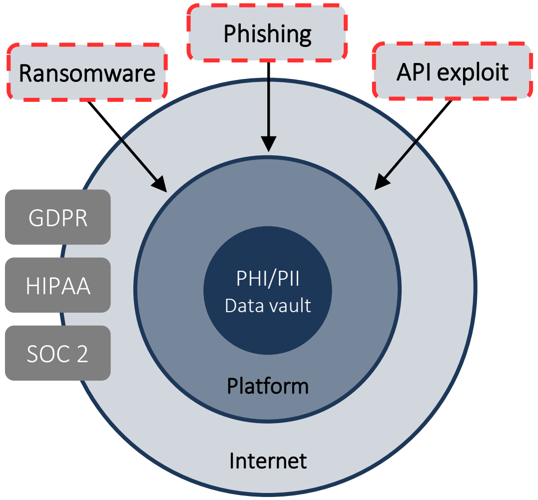
Key Risks & Mitigations

1. Offshore Operations Dependency

- Entire workforce in Pakistan & Sri Lanka. Any disruption halts operations, with geopolitical instability or currency devaluation able to spike costs overnight.
- Cross-border payroll and data flows expose the company to civil and criminal liability across multiple jurisdictions, with limited capacity to onshore rapidly.

Local currency devaluations **inflate the USD cost base** with no hedging in place.

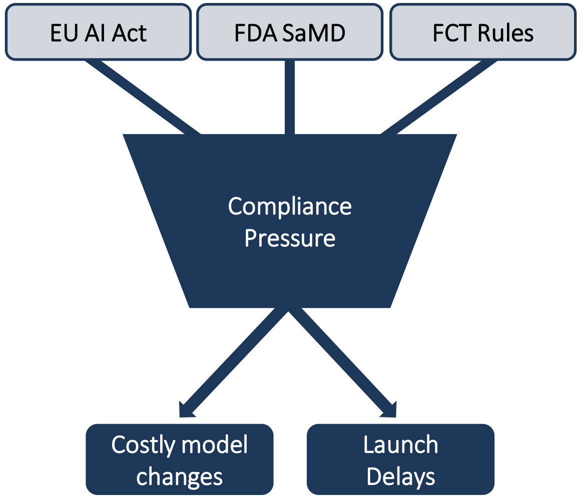
2. Cybersecurity & Data Privacy



Healthcare is the most breached industry, **3x more attacks** than the global average.

- CareCloud's platform handles sensitive PHI (Protected Health Information) and PII (Personally Identifiable Information) across broad attack surface. A breach would trigger regulatory fines, client attrition, and lasting reputational harm.
- Meeting GDPR, HIPAA and SOC 2 obligations requires continuous investment, and offshore data access adds cross-border sovereignty exposure difficult to fully mitigate.

3. AI Regulation & Competitive Risk



- Rapidly evolving AI regulation (EU AI Act, FDA SaMD, FCT rules) could force expensive model rebuilds, delay launches, and expose CareCloud to client liability
- Large incumbents with dominant market share and fast-growing AI-native entrants are compressing margins and threatening to commoditise core RCM services.

Regulatory uncertainty creates re-engineering risk for the **cirrusAI suite**.

Summary: Risks & Mitigations

Risks	Mitigations
Offshore workforce concentration creates a single point of operational failure	Backup delivery sites and a clear plan to onshore if needed
A data breach exposes patient records and triggers heavy fines	Encrypted data, SOC 2 audit and dedicated compliance team
AI regulation and large incumbents with pricing power erode CareCloud's margins	Careful AI rollout and long-term client contracts reduce churn risk

Sources: The Company, AlphaSense

Appendix

Valuation

Peer Overview

TruBridge

- **TruBridge** provides RCM, EHR, and patient engagement software primarily to community and critical access hospitals across the US.
- TruBridge is the **closest comparable** to CareCloud, combining recurring RCM with proprietary EHR software and targeting the same underserved acute care segment CareCloud now addresses through Medsphere.
- TruBridge jumped 12% on the IKS Health take-private announcement, with the acquirer paying a meaningful premium to the pre-acquisition multiples shown, validating the strategic value of CareCloud near-identical business model.

HealthStream

- **HealthStream** provides SaaS-based workforce development and credentialing solutions to healthcare organisations across the U.S.
- Pure-software valuation benchmark for healthcare IT, with high recurring revenue, clean balance sheet and stable mid-twenties margins, illustrating what the market pays for de-risked recurring healthcare SaaS.
- Healthstream trades at 7.4x FY27 EV/EBITDA versus CareCloud EV/EBITDA of 2.9x despite growing revenue half as fast, with the gap driven by mainly by size and a slightly higher recurring revenue of 90% compared to CareCloud at 80%.

OptimizeRx

- **OptimizeRX** enables pharma manufacturers to engage physicians via EHR-integrated digital messaging and AI-driven commercial platforms.
- Relevant as a small-cap AI healthcare tech comp with a similar scale to CareCloud, operating in the same EHR healthcare ecosystem, building AI products on top of a recurring software base and undergoing a comparable AI-driven transformation.
- OptimizeRX trades at 4.7x FY27 EV/EBITDA at similar USD 130m EV scale, with higher near-term growth that decelerates into FY27. As CareCloud accelerates through continued M&A a re-rating is motivated.

USDm	Market Data		Financial Data				Valuation			
Company Name	MCAP	EV	FY25 Revenue Growth	FY27 Revenue Growth	FY25 EBITDA Margin	FY27 EBITDA Margin	FY25 EV/EBITDA	FY27 EV/EBITDA	FY25 EV/FCF	FY27 EV/FCF
Trubridge	384	396	1.4%	4.0%	21.0%	22.2%	8.0x	6.5x	21.9x	13.1x
HealthStream	635	578	4.3%	5.2%	23.6%	23.7%	9.1x	7.4x	21.1x	15.4x
OptimizeRX	126	128	18.7%	8.4%	22.2%	22.6%	5.3x	4.7x	6.9x	7.0x
Median	**384**	**396**	**4.3%**	**5.2%**	**22.2%**	**22.6%**	**8.0x**	**6.5x**	**21.1x**	**13.1x**
CareCloud	85	101	8.7%	12.5%	21.8%	22.5%	3.8x	2.9x	4.1x	3.5x

Key Takeaway

Reflecting CareCloud's faster growth, comparable margins and superior fundamentals versus the peer group, we arrive at a target EV/EBITDA of 5.9x for FY27 derived from the peer median multiple of 6.5x together with a 10% discount applied to account for the pre-acquisition trading multiples shown.

Note 1: Trubridge recently received an acquisition offer, multiples are pre announcement

Sources: Bloomberg, Factset, Capital IQ

Management

Key Management

15.6% cumulative insider ownership

Stephen Snyder, CEO

- 20 successful acquisitions between 2018-2021.
- Experience 20+ years

Mahmud Haq, Founder & Executive Chairman

- Removed Series A & B preferred dividend overhang.
- Experience 40+ years

Norman Roth, CFO

- 5x FCF growth: USD 3.8m in 2023 to 20.5m in 2025.
- 45+ years of Experience

Hadi Chaudry, CSO

- Built the Cloud platform, now leads stratusAI.
- 20+ years of Experience

Crystal Williams, President

- GE Healthcare alum.
- 20+ years of RCM Experience

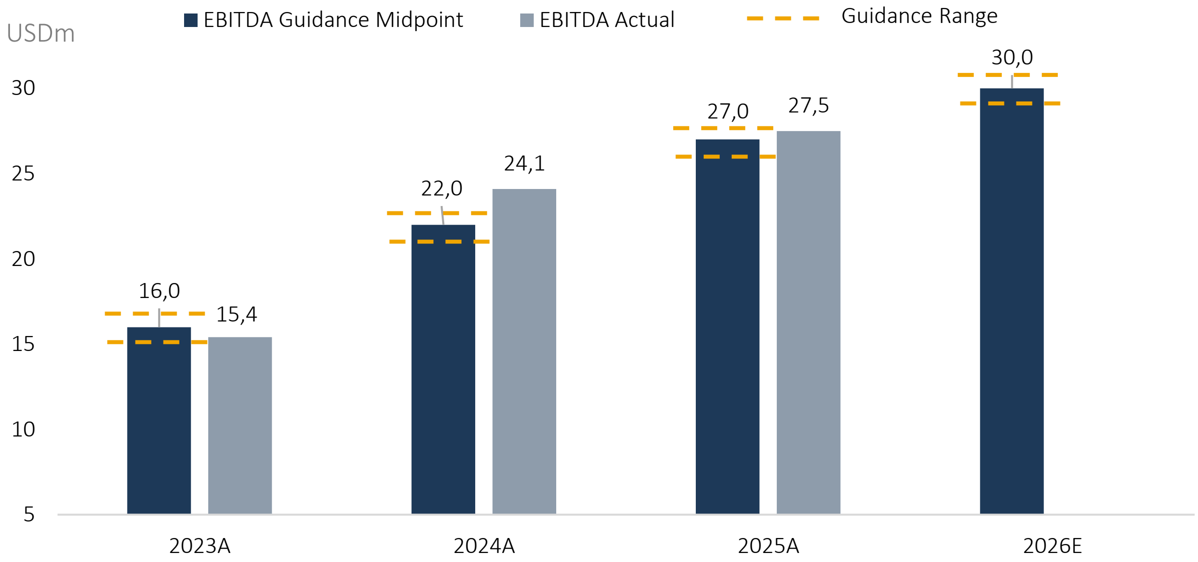
Adeel Sarwar, CTO

- Architect of stratusAI product suite.
- 20+ years of Experience

Skin in the Game & Strong Track Record

"Our 2026 EPS guidance of 20-23 cents represents more than 100% growth, and we feel very confident in that target."
- Stephen Snyder, CEO, Q4 2025 Earnings Call, March 12, 2026

Consistent Delivery and High Insider Conviction



Founder Conviction and Personal Capital

- Haq owns 12% of common stock worth USD 12m, built over 25 years as founder.
- Haq pledged personal securities as collateral on the USD 50m Citizens Bank facility in 2026.

USD 5.00 Fair Value Floor

- Board rejected a 5 USD per share buyout in 2024, believing it was insufficient.
- Both the rejected buyout and Haq's warrant strike anchor at USD 5.00.

Sources: The Company

Appendix

Income Statement

USDm	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Total Revenue	**110.8**	**120.5**	**136.3**	**153.4**	**166.3**	**168.8**	**171.4**
COGS	60.8	64.5	65.1	66.4	67.8	69.1	70.5
Gross Profit	**50.0**	**56.0**	**71.2**	**86.9**	**98.5**	**99.7**	**100.9**
SG&A	22.4	23.2	23.4	23.8	24.3	24.8	25.3
R&D	3.8	6.4	6.1	6.3	6.4	6.5	6.7
EBITDA	**23.3**	**26.3**	**31.7**	**34.5**	**39.2**	**40.3**	**40.9**
D&A	14.1	15.0	17.0	11.9	12.5	11.5	10.8
EBIT	**9.1**	**11.3**	**14.7**	**22.5**	**26.7**	**28.8**	**30.0**
Interest expense	(0.8)	(0.1)	(1.7)	(3.0)	(1.9)	(0.8)	(0.2)
Other income, net	(0.3)	(0.3)	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)
EBT	**8.0**	**11.0**	**12.7**	**19.3**	**24.5**	**27.8**	**29.6**
Income tax expense	(0.2)	(0.2)	(0.3)	(0.4)	(0.5)	(0.6)	(0.6)
Net income	**7.9**	**10.8**	**12.5**	**18.9**	**24.0**	**27.3**	**29.0**

Key Metrics	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Revenue Growth	(5.3%)	8.7%	13.1%	12.5%	8.4%	1.5%	1.5%
EBITDA Growth	-	13.1%	20.5%	8.7%	13.8%	2.8%	1.5%
EPS	(0.3)	0.1	0.2	0.4	0.5	0.6	0.6

Appendix

Balance Sheet, Assets

USDm	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Cash and cash equivalents	5.1	3.1	24.7	16.3	26.6	39.6	69.6
Accounts receivables	12.8	15.1	17.0	18.4	20.0	19.4	19.7
Inventories	0.6	0.5	0.5	0.6	0.7	0.7	0.7
Restricted cash	0.0	0.5	0.5	0.5	0.5	0.5	0.5
Other current assets	6.3	6.5	6.7	7.2	7.6	7.6	7.7
Total current assets	**24.8**	**25.7**	**49.5**	**43.1**	**55.4**	**67.8**	**98.3**
PP&E, net	5.3	7.8	11.0	13.8	16.0	17.4	18.2
Goodwill	19.2	31.4	31.4	37.4	37.4	37.4	37.4
Intangibles, net	18.7	19.0	12.1	17.3	13.3	10.9	9.5
Operating lease right of use assets	3.1	3.1	3.5	3.5	3.5	3.5	3.5
Other non-current assets	0.5	0.6	0.5	0.5	0.5	0.5	0.5
Total non-current assets	**46.8**	**61.9**	**58.7**	**72.6**	**70.8**	**69.8**	**69.2**
TOTAL ASSETS	**71.6**	**87.6**	**108.1**	**115.7**	**126.1**	**137.6**	**167.5**

Appendix

Balance Sheet, Liabilities & Equity

USDm	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Accounts payable	11.3	17.0	18.7	20.9	22.6	22.8	23.1
Operating lease liabilities	1.3	0.9	1.0	1.1	1.2	1.2	1.2
Deferred revenue	1.2	4.1	2.7	3.1	3.3	3.4	3.4
Other current liabilities	5.7	2.3	1.6	1.6	1.6	1.6	1.6
Total current liabilities	**19.6**	**24.4**	**24.0**	**26.6**	**28.7**	**29.0**	**29.4**
Notes payable	0.0	0.4	0.4	0.4	0.4	0.4	0.4
Borrowings under line of credit	0.0	0.0	50.0	34.8	18.2	1.5	1.5
Contingent consideration	0.0	0.2	0.2	0.2	0.2	0.2	0.2
Operating lease liabilities	1.8	2.2	2.7	3.1	3.3	3.4	3.4
Deferred revenue	0.4	0.8	0.8	0.9	1.0	1.0	1.0
Total non-current liabilities	**2.3**	**3.7**	**54.2**	**39.5**	**23.2**	**6.6**	**6.6**
Total liabilities	**21.8**	**28.1**	**78.2**	**66.1**	**51.9**	**35.6**	**36.0**
Shareholder's equity	121.0	119.9	81.3	84.1	86.8	89.3	91.7
Accumulated deficit	(71.3)	(60.5)	(51.5)	(34.6)	(12.6)	12.7	39.7
Total stockholder's equity	**49.8**	**59.5**	**29.9**	**49.6**	**74.2**	**102.0**	**131.5**
TOTAL LIABILITIES & EQUITY	**71.6**	**87.6**	**108.1**	**115.7**	**126.1**	**137.6**	**167.5**

Appendix

Cash Flow Statement

USDm	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Net income	7.9	10.8	12.5	18.9	24.0	27.3	29.0
D&A	14.5	15.2	13.6	11.9	12.5	11.5	10.8
SBC	0.1	0.5	3.1	2.9	2.8	2.7	2.6
Lease amortization	2.0	1.8	0.0	0.0	0.0	0.0	0.0
Deferred revenue	(0.0)	(0.8)	(1.4)	0.4	0.3	0.1	0.1
Provision for doubtful accounts	0.3	0.3	0.0	0.0	0.0	0.0	0.0
Foreign exchange gain	(0.1)	0.1	0.0	0.0	0.0	0.0	0.0
Interest accretion	0.6	0.3	0.0	0.0	0.0	0.0	0.0
Total non-cash adjustments	**17.3**	**17.3**	**15.3**	**15.3**	**15.6**	**14.2**	**13.5**
Accounts receivable	(1.2)	(0.4)	(2.0)	(1.4)	(1.6)	0.5	(0.3)
Contract asset	0.8	0.8	0.3	(0.4)	(0.3)	(0.1)	(0.1)
Inventory	(0.1)	0.1	(0.0)	(0.1)	(0.1)	(0.0)	(0.0)
Other assets	0.7	(1.2)	(0.4)	(0.1)	(0.1)	0.1	(0.1)
Accounts payable and other liabilities	(4.7)	1.3	1.1	2.6	2.1	0.2	0.4
Total changes in working capital	(4.5)	0.5	(1.0)	0.7	0.1	0.8	(0.0)
Net cash provided by operating activities	**20.6**	**28.6**	**26.7**	**34.9**	**39.7**	**42.3**	**42.5**
Purchases of property and equipment	(1.7)	(4.8)	(5.2)	(5.5)	(5.7)	(5.4)	(5.1)
Capitalized software	(5.7)	(3.2)	(4.8)	(5.4)	(5.0)	(5.1)	(5.1)
Payments for acquisitions	0.0	(16.5)	0.0	(15.0)	0.0	0.0	0.0
Net cash used in investing activities	**(7.4)**	**(24.5)**	**(10.0)**	**(25.9)**	**(10.6)**	**(10.5)**	**(10.3)**
Preferred stock dividends paid	0.0	(6.3)	(3.5)	(2.0)	(2.0)	(2.0)	(2.0)
Contingent obligations	0.0	(0.1)	0.0	0.0	0.0	0.0	0.0
Tax withholding obligations	(0.6)	(0.0)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)
Other financing activities	(0.7)	0.8	0.0	0.0	0.0	0.0	0.0
Redemption of Series B Preferred	0.0	0.0	(41.6)	0.0	0.0	0.0	0.0
Net credit facility	(10.0)	0.0	50.0	(15.2)	(16.7)	(16.7)	0.0
Net cash from financing activities	**(11.9)**	**(4.8)**	**4.8**	**(17.3)**	**(18.8)**	**(18.8)**	**(2.2)**
Beginning cash	3.3	5.1	3.6	25.2	16.8	27.1	40.1
Net change in cash	1.3	(0.8)	21.6	(8.4)	10.3	13.0	30.0
Ending cash	**4.5**	**4.4**	**25.2**	**16.8**	**27.1**	**40.1**	**70.1**
Free cash flow	**13.2**	**20.5**	**16.8**	**24.0**	**29.1**	**31.8**	**32.2**