

**TidalHealth, Inc.**

**CONSOLIDATED FINANCIAL REPORT**

**December 2022**

**TidalHealth Inc.**

100 East Carroll Street, Salisbury, Maryland 21801-5493

Telephone (410) 546-6400

**TidalHealth, Inc.**  
**CONSOLIDATED BALANCE SHEET**  
**DECEMBER 2022**

**ASSETS**

	<b>CURRENT MONTH</b> <b>December 31, 2022</b>	<b>FISCAL YEAR ENDED</b> <b>June 30, 2022</b>	<b>PERCENT</b> <b>CHANGE</b>
<b>CURRENT ASSETS:</b>			
Cash & Investments	\$61,831,418	\$54,024,995	14.4%
Patient accounts receivable			
Less allowance/doubtful accounts	91,361,073	77,422,857	18.0%
Accounts receivable - other	15,370,796	24,492,170	-37.2%
Inventory	17,762,036	16,999,956	4.5%
Prepaid expense	11,513,558	10,785,081	6.8%
Current portion self-insurance fund	890,455	985,181	-9.6%
Total current assets	<u>198,729,336</u>	<u>184,710,240</u>	<u>7.6%</u>
Long-term investments	382,658,913	437,187,867	-12.5%
<b>PROPERTY, PLANT &amp; EQUIPMENT:</b>			
Property, Plant & Equipment	772,943,119	766,762,456	0.8%
Less Allowance for Depreciation	<u>502,761,804</u>	<u>481,600,485</u>	<u>4.4%</u>
	270,181,315	285,161,971	-5.3%
Construction in Progress	<u>22,993,030</u>	<u>14,725,754</u>	<u>56.1%</u>
Total property, plant & equipment	<u>293,174,345</u>	<u>299,887,725</u>	<u>-2.2%</u>
<b>ASSETS LIMITED AS TO USE:</b>			
Construction Fund	36,919,391	43,918,018	-15.9%
Debt Service Reserve Fund	-	0	
Donor Restricted Fund	56,811,883	58,994,737	-3.7%
Private Escrow Fund	504,972	504,096	0.2%
Self-Insurance Fund	<u>37,453,187</u>	<u>37,106,249</u>	<u>0.9%</u>
Total assets limited as to use	<u>131,689,433</u>	<u>140,523,100</u>	<u>-6.3%</u>
Other assets	30,160,946	31,802,936	-5.2%
<b>TOTAL ASSETS</b>	<u><u>\$1,036,412,973</u></u>	<u><u>\$1,094,111,868</u></u>	<u><u>-5.3%</u></u>

**TidalHealth, Inc.**  
**CONSOLIDATED BALANCE SHEET**  
**DECEMBER 2022**

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	<b>CURRENT MONTH</b> <b><u>December 31, 2022</u></b>	<b>FISCAL YEAR ENDED</b> <b><u>June 30, 2022</u></b>	<b>PERCENT</b> <b><u>CHANGE</u></b>
<b>CURRENT LIABILITIES:</b>			
Accounts payable	\$40,207,297	\$31,024,486	29.6%
Accrued salaries	23,499,688	24,738,214	-5.0%
Accrued vacations	17,525,661	20,216,183	-13.3%
Other employee compensation related accruals	1,281,408	4,492,923	-71.5%
Advances third-party payors	10,332,059	41,830,920	-75.3%
Accrued interest payable	17,622	16,290	8.2%
Current portion long term debt	5,842,487	5,843,338	0.0%
Current portion self-insurance liabilities	1,168,836	1,951,612	-40.1%
Total current liabilities	<u>99,875,058</u>	<u>130,113,966</u>	<u>-23.2%</u>
<b>LONG-TERM LIABILITIES - NET OF</b>			
<b>CURRENT PORTION:</b>			
Self-insurance liabilities	34,853,167	37,280,268	-6.5%
Long-term pension benefit obligation	910,838	1,097,611	-17.0%
Other liabilities	6,865,100	7,088,886	-3.2%
Long-term debt	227,275,672	228,683,462	-0.6%
Total long term liabilities	<u>269,904,777</u>	<u>274,150,227</u>	<u>-1.5%</u>
<b>NET ASSETS:</b>			
Net assets without donor restrictions:			
TidalHealth, Inc.	606,198,828	627,230,509	-3.4%
Non-controlling interests	0	0	
Total net assets without donor restrictions	<u>606,198,828</u>	<u>627,230,509</u>	<u>-3.4%</u>
Net assets with donor restrictions	51,888,138	54,073,002	-4.0%
Total net assets	<u>8,546,173</u>	<u>8,544,164</u>	<u>0.0%</u>
Total net assets	<u>666,633,139</u>	<u>689,847,675</u>	<u>-3.4%</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$1,036,412,973</u></u>	<u><u>\$1,094,111,868</u></u>	<u><u>-5.3%</u></u>

**TidalHealth, Inc.**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**ACTUAL TO PRIOR YEAR COMPARISON**  
**MONTH OF DECEMBER 2022**

	<u>Current Period</u>				<u>Year-toDate</u>			
	2022	2021 (a)	VARIANCE	%	2022	2021 (a)	VARIANCE	%
Unrestricted revenue and other support:								
Patient service revenue	\$63,072,139	\$56,368,147	\$6,703,992	11.9%	\$381,728,498	\$356,744,561	\$24,983,937	7.0%
Other operating revenue	1,428,523	5,987,275	(4,558,751)	-76.1%	12,305,715	23,362,529	(11,056,814)	-47.3%
Total revenue and other support	64,500,662	62,355,422	2,145,240	3.4%	394,034,213	380,107,090	13,927,123	3.7%
Operating expenses:								
Salaries	30,285,660	30,887,680	602,020	1.9%	183,569,588	166,677,602	(16,891,986)	-10.1%
Temporary labor	2,804,200	3,360,680	556,480	16.6%	17,173,081	16,034,655	(1,138,426)	-7.1%
Employee benefits	5,926,145	4,709,555	(1,216,590)	-25.8%	36,754,358	35,389,177	(1,365,181)	-3.9%
Supplies and other expenses	26,135,179	26,630,265	495,086	1.9%	162,712,674	155,023,646	(7,689,028)	-5.0%
Depreciation	3,571,307	3,599,955	28,648	0.8%	21,161,323	24,079,301	2,917,978	12.1%
Interest expense	570,724	618,438	47,714	7.7%	3,446,568	3,733,397	286,829	7.7%
Amortization expense	9,047	141,739	132,692	93.6%	54,282	631,683	577,401	91.4%
Total operating expenses	69,302,262	69,948,312	646,050	0.9%	424,871,874	401,569,461	(23,302,413)	-5.8%
Operating surplus (deficit)	(4,801,600)	(7,592,890)	2,791,290	36.8%	(30,837,661)	(21,462,371)	(9,375,290)	43.7%
Non-operating income(expense):								
Non-operating income	(10,369,422)	9,762,284	(20,131,706)	-206.2%	5,001,736	17,653,237	(12,651,501)	-71.7%
Non-operating expense	-	-	-		-	-	-	0.0%
Non-controlling interest in earnings of controlled subsidiaries	-	-	-		-	-	-	0.0%
	(10,369,422)	9,762,284	(20,131,706)	-206.2%	5,001,736	17,653,237	(12,651,501)	-71.7%
<b>SURPLUS(DEFICIT)</b>	<b>(\$15,171,022)</b>	<b>\$2,169,394</b>	<b>(\$17,340,416)</b>	<b>-799.3%</b>	<b>(\$25,835,925)</b>	<b>(\$3,809,134)</b>	<b>(\$22,026,791)</b>	<b>578.3%</b>

**TidalHealth, Inc.**  
**CONSOLIDATING BALANCE SHEET**  
**December 31, 2022**

**ASSETS**

	<b>TidalHealth Peninsula Regional</b>	<b>TidalHealth Foundation</b>	<b>Peninsula Health Ventures</b>	<b>Peninsula Regional Clinically Integrated Network</b>	<b>TidalHealth Surgery Center</b>	<b>TidalHealth Nanticoke</b>	<b>McCready Foundation</b>
<b>CURRENT ASSETS:</b>							
Cash & Investments	\$ 32,426,366	\$ 6,343,154	\$ 6,323,453	\$ 618,417	\$ 247,556	\$ 1,811,091	\$ 869,899
Patient accounts receivable							
Less allowance/doubtful accounts	57,403,424	-	200,911	-	697,641	19,013,577	859,387
Accounts receivable - other	1,841,938	-	-	-	-	-	-
Intercompany receivables	5,061,723	-	-	-	-	-	-
Inventory	12,499,864	-	-	-	276,764	4,946,251	39,157
Prepaid expense	9,360,497	-	53,464	-	20,988	695,138	93,215
Current portion self-insurance fund	-	-	-	-	-	-	-
Total current assets	118,593,812	6,343,154	6,577,828	618,417	1,242,949	26,466,057	1,861,658
<b>LONG-TERM INVESTMENTS</b>							
Long-term investments	341,482,993	-	-	-	-	41,175,920	-
Investment in subsidiaries	-	-	-	-	-	-	-
Total long-term investments	341,482,993	-	-	-	-	41,175,920	-
<b>PROPERTY, PLANT &amp; EQUIPMENT:</b>							
Property, Plant & Equipment	619,198,334	-	5,400,114	-	2,615,737	106,732,819	12,862,393
Less Allowance for Depreciation	459,134,473	-	1,098,356	-	2,355,165	26,060,580	2,365,941
	160,063,861	-	4,301,758	-	260,572	80,672,239	10,496,452
Construction in Progress	21,177,146	-	-	-	-	1,815,884	-
Total property, plant & equipment	181,241,007	-	4,301,758	-	260,572	82,488,123	10,496,452
<b>ASSETS LIMITED AS TO USE:</b>							
Construction Fund	-	-	-	-	-	-	-
Debt Service Reserve Fund	-	-	-	-	-	-	-
Donor Restricted Fund	48,416,454	8,395,429	-	-	-	-	-
Private Escrow Fund	2,008	-	-	-	-	-	-
Self-Insurance Fund	-	-	-	-	-	-	-
Total assets limited as to use	48,418,462	8,395,429	-	-	-	-	-
Other assets	3,548,500	-	20,448,895	-	-	175,860	-
<b>TOTAL ASSETS</b>	<b>\$ 693,284,774</b>	<b>\$ 14,738,583</b>	<b>\$ 31,328,481</b>	<b>\$ 618,417</b>	<b>\$ 1,503,521</b>	<b>\$ 150,305,960</b>	<b>\$ 12,358,110</b>

(a) To eliminate investment in subsidiaries

(b) To eliminate intercompany receivables and transfer of net assets

**TidalHealth, Inc.**  
**CONSOLIDATING BALANCE SHEET**  
**December 31, 2022**

**ASSETS**

	<b>Delmarva Peninsula Insurance Company</b>	<b>TidalHealth Medical Partners</b>	<b>TidalHealth</b>	<b>Eliminations</b>	<b>Consolidated</b>	<b>Fiscal Year Ended June 30, 2022</b>	<b>Percent Change</b>
<b>CURRENT ASSETS:</b>							
Cash & Investments	\$ 9,694,949	\$ 1,706,940	\$ 1,789,593	\$ -	\$ 61,831,418	\$ 54,024,995	14.4%
Patient accounts receivable							
Less allowance/doubtful accounts	-	13,186,133	-	-	91,361,073	77,422,857	18.0%
Accounts receivable - other	13,523,575	5,283	-	-	15,370,796	24,492,170	-37.2%
Intercompany receivables	-	-	7,494,757	(12,556,480) (b)	-	-	
Inventory	-	-	-	-	17,762,036	16,999,956	4.5%
Prepaid expense	-	890,256	400,000	-	11,513,558	10,785,081	6.8%
Current portion self-insurance fund	-	-	890,455	-	890,455	985,181	-9.6%
Total current assets	23,218,524	15,788,612	10,574,805	(12,556,480)	198,729,336	184,710,240	7.6%
<b>LONG-TERM INVESTMENTS</b>							
Long-term investments	-	-	-	-	382,658,913	437,187,867	-12.5%
Investment in subsidiaries	-	-	728,266,479	(728,266,479) (a)	-	-	
Total long-term investments	-	-	728,266,479	(728,266,479)	382,658,913	437,187,867	-12.5%
<b>PROPERTY, PLANT &amp; EQUIPMENT:</b>							
Property, Plant & Equipment	-	26,133,722	-	-	772,943,119	766,762,456	0.8%
Less Allowance for Depreciation	-	11,747,289	-	-	502,761,804	481,600,485	4.4%
	-	14,386,433	-	-	270,181,315	285,161,971	-5.3%
Construction in Progress	-	-	-	-	22,993,030	14,725,754	56.1%
Total property, plant & equipment	-	14,386,433	-	-	293,174,345	299,887,725	-2.2%
<b>ASSETS LIMITED AS TO USE:</b>							
Construction Fund	-	-	36,919,391	-	36,919,391	43,918,018	-15.9%
Debt Service Reserve Fund	-	-	-	-	-	-	
Donor Restricted Fund	-	-	-	-	56,811,883	58,994,737	-3.7%
Private Escrow Fund	-	-	502,964	-	504,972	504,096	0.2%
Self-Insurance Fund	31,630,244	-	5,822,943	-	37,453,187	37,106,249	0.9%
Total assets limited as to use	31,630,244	-	43,245,298	-	131,689,433	140,523,100	-6.3%
Other assets	-	958,229	5,029,462	-	30,160,946	31,802,936	-5.2%
<b>TOTAL ASSETS</b>	<b>\$ 54,848,768</b>	<b>\$ 31,133,274</b>	<b>\$ 787,116,044</b>	<b>\$ (740,822,959)</b>	<b>\$ 1,036,412,973</b>	<b>\$ 1,094,111,868</b>	<b>-5.3%</b>

(a) To eliminate investment in subsidiaries

(b) To eliminate intercompany receivables and transfer of net assets

**LIABILITIES AND NET ASSETS**

	<b>TidalHealth Peninsula Regional</b>	<b>TidalHealth Foundation</b>	<b>Peninsula Health Ventures</b>	<b>Peninsula Regional Clinically Integrated Network</b>	<b>TidalHealth Surgery Center</b>	<b>TidalHealth Nanticoke</b>	<b>McCready Foundation</b>
<b>CURRENT LIABILITIES:</b>							
Accounts payable	\$ 9,722,422	\$ -	\$ 1,196,461	\$ -	\$ 340,552	\$ 2,447,919	\$ 663,730
Accrued salaries	-	-	-	-	-	-	-
Accrued vacations	10,420,391	-	41,140	42,005	141,474	2,743,788	300,666
Other employee compensation related accruals	1,471	-	-	-	-	250,040	-
Intercompany payables	-	4,757,200	428,140	-	314,429	7,056,710	-
Advances third-party payors	9,772,824	-	-	-	-	379,737	58,215
Accrued interest payable	-	-	-	-	-	-	17,622
Current portion long term debt	3,685,000	-	388,019	-	-	419,468	245,000
Current portion self-insurance liabilities	-	-	-	-	-	-	-
Total current liabilities	<u>33,602,108</u>	<u>4,757,200</u>	<u>2,053,760</u>	<u>42,005</u>	<u>796,455</u>	<u>13,297,662</u>	<u>1,285,233</u>
<b>LONG-TERM LIABILITIES - NET OF CURRENT PORTION:</b>							
Self-insurance liabilities	-	-	-	-	-	-	-
Long-term pension benefit obligation	-	-	-	-	-	910,838	-
Other liabilities	3,131,824	34,508	1,098,164	-	-	73,574	-
Long-term debt	122,782,019	-	496,638	-	-	(34,956)	7,738,277
Total long term liabilities	<u>125,913,843</u>	<u>34,508</u>	<u>1,594,802</u>	<u>-</u>	<u>-</u>	<u>949,456</u>	<u>7,738,277</u>
<b>NET ASSETS:</b>							
Net assets without donor restrictions	481,729,941	1,551,446	27,679,919	576,412	707,066	136,058,842	3,334,600
TidalHealth, Inc.	-	-	-	-	-	-	-
Non-controlling interests	<u>481,729,941</u>	<u>1,551,446</u>	<u>27,679,919</u>	<u>576,412</u>	<u>707,066</u>	<u>136,058,842</u>	<u>3,334,600</u>
Total net assets without donor restrictions	43,492,709	8,395,429	-	-	-	-	-
Net assets with donor restrictions	<u>8,546,173</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net assets	<u>533,768,823</u>	<u>9,946,875</u>	<u>27,679,919</u>	<u>576,412</u>	<u>707,066</u>	<u>136,058,842</u>	<u>3,334,600</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$693,284,774</u></u>	<u><u>\$14,738,583</u></u>	<u><u>\$31,328,481</u></u>	<u><u>\$618,417</u></u>	<u><u>\$1,503,521</u></u>	<u><u>\$150,305,960</u></u>	<u><u>\$12,358,110</u></u>

(a) To eliminate investment in subsidiaries

(b) To eliminate intercompany receivables and transfer of net assets

**TidalHealth, Inc.**  
**CONSOLIDATING BALANCE SHEET**  
**December 31, 2022**

**LIABILITIES AND NET ASSETS**

	<b>Delmarva Peninsula Insurance Company</b>	<b>TidalHealth Medical Partners</b>	<b>TidalHealth</b>	<b>Eliminations</b>	<b>Consolidated</b>	<b>Fiscal Year Ended June 30, 2022</b>	<b>Percent Change</b>
<b>CURRENT LIABILITIES:</b>							
Accounts payable	\$ 5,473,568	\$ 1,486,970	\$ 17,138,284	\$ -	\$ 40,207,297	\$ 31,024,486	29.6%
Accrued salaries	-	9,065,515	6,755,651	-	23,499,688	24,738,214	-5.0%
Accrued vacations	-	3,836,197	-	-	17,525,661	20,216,183	-13.3%
Other employee compensation related accruals	-	-	840,214	-	1,281,408	4,492,923	-71.5%
Intercompany payables	-	-	4,207,712	(123,734,982) (b)	(1)	-	-
Advances third-party payors	-	121,283	-	-	10,332,059	41,830,920	-75.3%
Accrued interest payable	-	-	1,066,438	-	17,622	16,290	8.2%
Current portion long term debt	-	-	1,105,000	-	5,842,487	5,843,338	0.0%
Current portion self-insurance liabilities	50,128	-	1,118,708	-	1,168,836	1,951,612	-40.1%
Total current liabilities	5,523,696	14,509,965	32,232,007	(123,734,982)	99,875,057	130,113,966	-23.2%
<b>LONG-TERM LIABILITIES - NET OF CURRENT PORTION:</b>							
Self-insurance liabilities	30,802,333	-	4,050,834	-	34,853,167	37,280,268	-6.5%
Long-term pension benefit obligation	-	-	-	-	910,838	1,097,611	-17.0%
Other liabilities	18,422,739	529,369	1,997,661	(18,422,739)	6,865,100	7,088,886	-3.2%
Long-term debt	-	-	96,293,694	-	227,275,672	228,683,462	-0.6%
Total long term liabilities	49,225,072	529,369	102,342,189	(18,422,739)	269,904,777	274,150,227	-1.5%
<b>NET ASSETS:</b>							
Net assets without donor restrictions	100,000	16,093,940	587,776,091	(649,409,429) (a)	606,198,828	627,230,509	-3.4%
TidalHealth, Inc.	-	-	-	-	-	-	-
Non-controlling interests	100,000	16,093,940	587,776,091	(649,409,429)	606,198,828	627,230,509	-3.4%
Total net assets without donor restrictions	-	-	51,888,138	(51,888,138) (a)(b)	51,888,138	54,073,002	-4.0%
Net assets with donor restrictions	-	-	8,546,173	(8,546,173) (a)	8,546,173	8,544,164	0.0%
Total net assets	100,000	16,093,940	648,210,402	(709,843,740)	666,633,139	689,847,675	-3.4%
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$54,848,768</b>	<b>\$31,133,274</b>	<b>\$787,116,044</b>	<b>(\$740,822,959)</b>	<b>\$1,036,412,973</b>	<b>\$1,094,111,868</b>	<b>-5.3%</b>

(a) To eliminate investment in subsidiaries

(b) To eliminate intercompany receivables and transfer of net assets



**TidalHealth, Inc.**  
**CONSOLIDATING STATEMENT OF OPERATIONS**  
**ACTUAL TO PRIOR YEAR COMPARISON**  
**MONTH OF DECEMBER 2022**

	<b>TidalHealth Peninsula Regional</b>	<b>TidalHealth Foundation</b>	<b>Peninsula Health Ventures</b>	<b>Peninsula Regional Clinically Integrated Network</b>	<b>TidalHealth Surgery Center</b>	<b>TidalHealth Nanticoke</b>	<b>McCready Foundation</b>	<b>Delmarva Peninsula Insurance Company</b>
Unrestricted revenue and other support:								
Patient service revenue	\$ 40,548,459	\$ -	\$ 123,441	\$ -	\$ 331,116	\$ 12,331,715	\$ 665,597	\$ -
Other operating revenue	312,211	-	154,757	-	-	152,934	45,930	558,545
Assets released from restriction	-	4,357,179	-	-	-	-	-	-
Total revenue and other support	40,860,670	4,357,179	278,198	-	331,116	12,484,649	711,527	558,545
Operating expenses:								
Salaries	15,323,331	-	74,004	114,408	177,902	4,912,691	541,951	-
Temporary labor	1,211,175	-	-	-	-	253,603	88,580	-
Employee benefits	4,361,330	-	9,220	17,704	57,712	1,047,076	143,041	-
Supplies and other expenses	14,788,070	1,557	391,891	20,745	358,415	6,006,802	282,560	23,975
Depreciation	2,637,874	-	29,451	-	39,821	659,995	50,863	-
Interest expense	365,950	-	3,581	-	-	183,571	17,622	-
Amortization expense	6,223	-	-	-	-	2,725	99	-
Contributions to Hospital	-	4,357,179	-	-	-	-	-	-
Total operating expenses	38,693,953	4,358,736	508,147	152,857	633,850	13,066,463	1,124,716	23,975
Operating surplus (deficit)	2,166,717	(1,557)	(229,949)	(152,857)	(302,734)	(581,814)	(413,189)	534,570
Non-operating income(expense):								
Non-operating income	(8,844,570)	4,830	7,713	-	-	(899,070)	27,255	(534,570)
Non-operating expense	-	-	-	-	-	-	-	-
Non-controlling interest in earnings of controlled subsidiaries	-	-	-	-	-	-	-	-
	(8,844,570)	4,830	7,713	-	-	(899,070)	27,255	(534,570)
<b>SURPLUS(DEFICIT)</b>	<b>\$ (6,677,853)</b>	<b>\$ 3,273</b>	<b>\$ (222,236)</b>	<b>\$ (152,857)</b>	<b>\$ (302,734)</b>	<b>\$ (1,480,884)</b>	<b>\$ (385,934)</b>	<b>\$ -</b>

(b) To eliminate intercompany transfer of net assets

**TidalHealth, Inc.**  
**CONSOLIDATING STATEMENT OF OPERATIONS**  
**ACTUAL TO PRIOR YEAR COMPARISON**  
**MONTH OF DECEMBER 2022**

	TidalHealth		Eliminations	Consolidated	Prior Year	Variance	%
	Medical	TidalHealth					
	Partners						
Unrestricted revenue and other support:							
Patient service revenue	\$ 9,071,811	\$ -	\$ -	\$ 63,072,139	\$ 56,368,147	\$ 6,703,992	11.9%
Other operating revenue	203,719	427	-	1,428,523	5,987,275	(4,558,752)	-76.1%
Assets released from restriction	-	-	(4,357,179)	-	-	-	
Total revenue and other support	9,275,530	427	(4,357,179)	64,500,662	62,355,422	2,145,240	3.4%
Operating expenses:							
Salaries	9,141,373	-	-	30,285,660	30,887,680	602,020	1.9%
Temporary labor	1,250,842	-	-	2,804,200	3,360,680	556,480	16.6%
Employee benefits	242,869	47,193	-	5,926,145	4,709,555	(1,216,590)	-25.8%
Supplies and other expenses	4,261,164	-	-	26,135,179	26,630,265	495,086	1.9%
Depreciation	153,303	-	-	3,571,307	3,599,955	28,648	0.8%
Interest expense	-	-	-	570,724	618,438	47,714	7.7%
Amortization expense	-	-	-	9,047	141,739	132,692	93.6%
Contributions to Hospital	-	-	(4,357,179)	-	-	-	
Total operating expenses	15,049,551	47,193	(4,357,179)	69,302,262	69,948,312	646,050	0.9%
Operating surplus (deficit)	(5,774,021)	(46,766)	-	(4,801,600)	(7,592,890)	2,791,290	36.8%
Non-operating income(expense):							
Non-operating income	27,632	(158,642)	-	(10,369,422)	9,762,284	(20,131,706)	-206.2%
Non-operating expense	-	-	-	-	-	-	
Non-controlling interest in earnings of controlled subsidiaries	-	-	-	-	-	-	
	27,632	(158,642)	-	(10,369,422)	9,762,284	(20,131,706)	-206.2%
<b>SURPLUS(DEFICIT)</b>	<b>\$ (5,746,389)</b>	<b>\$ (205,408)</b>	<b>\$ -</b>	<b>\$ (15,171,022)</b>	<b>\$ 2,169,394</b>	<b>\$ (17,340,416)</b>	<b>-799.3%</b>

(b) To eliminate intercompany transfer of net assets

**TidalHealth, Inc.**  
**CONSOLIDATING STATEMENT OF OPERATIONS**  
**ACTUAL TO PRIOR YEAR COMPARISON**  
**YEAR TO DATE DECEMBER 2022**

	<b>TidalHealth Peninsula Regional</b>	<b>TidalHealth Foundation</b>	<b>Peninsula Health Ventures</b>	<b>Peninsula Regional Clinically Integrated Network</b>	<b>TidalHealth Surgery Center</b>	<b>TidalHealth Nanticoke</b>	<b>McCready Foundation</b>	<b>Delmarva Peninsula Insurance Company</b>
Unrestricted revenue and other support:								
Patient service revenue	\$ 246,436,161	\$ -	\$ 957,046	\$ -	\$ 2,182,357	\$ 70,217,532	\$ 3,881,280	\$ -
Other operating revenue	4,118,000	-	1,434,586	2,668,831	-	1,070,092	347,130	68,857
Assets released from restriction	-	4,431,652	-	-	-	-	-	-
Total revenue and other support	250,554,161	4,431,652	2,391,632	2,668,831	2,182,357	71,287,624	4,228,410	68,857
Operating expenses:								
Salaries	89,013,510	-	435,864	663,021	1,094,919	28,539,431	3,385,362	-
Temporary labor	7,768,893	-	-	-	-	1,690,424	417,652	-
Employee benefits	21,817,137	-	64,846	108,330	284,690	6,525,190	884,445	-
Supplies and other expenses	95,492,096	3,269	1,115,835	1,157,945	1,814,292	33,792,764	1,619,803	150,337
Depreciation	15,526,580	-	176,706	-	240,713	3,945,789	318,629	-
Interest expense	2,222,434	-	23,016	-	-	1,101,426	99,692	-
Amortization expense	37,338	-	-	-	-	16,350	594	-
Contributions to Hospital	-	4,431,652	-	-	-	-	-	-
Total operating expenses	231,877,988	4,434,921	1,816,267	1,929,296	3,434,614	75,611,374	6,726,177	150,337
Operating surplus (deficit)	18,676,173	(3,269)	575,365	739,535	(1,252,257)	(4,323,750)	(2,497,767)	(81,480)
Non-operating income(expense):								
Non-operating income	4,386,238	17,433	39,656	-	-	347,138	15,178	81,480
Non-operating expense	-	-	-	-	-	-	-	-
Non-controlling interest in earnings of controlled subsidiaries	-	-	-	-	-	-	-	-
	4,386,238	17,433	39,656	-	-	347,138	15,178	81,480
<b>SURPLUS(DEFICIT)</b>	<b>\$ 23,062,411</b>	<b>\$ 14,164</b>	<b>\$ 615,021</b>	<b>\$ 739,535</b>	<b>\$ (1,252,257)</b>	<b>\$ (3,976,612)</b>	<b>\$ (2,482,589)</b>	<b>\$ -</b>

(b) To eliminate intercompany transfer of net assets

**TidalHealth, Inc.**  
**CONSOLIDATING STATEMENT OF OPERATION**  
**ACTUAL TO PRIOR YEAR COMPARISON**  
**YEAR TO DATE DECEMBER 2022**

	TidalHealth Medical		Eliminations	Consolidated	(c)	Prior Year	Variance	%
	Partners	TidalHealth						
Unrestricted revenue and other support:								
Patient service revenue	\$ 58,054,122	\$ -	\$ -	\$ 381,728,498		\$ 356,744,561	\$ 24,983,937	7.0%
Other operating revenue	2,596,546	1,673	-	12,305,715		23,362,529	(11,056,814)	-47.3%
Assets released from restriction	-	-	(4,431,652)	-		-	-	
Total revenue and other support	60,650,668	1,673	(4,431,652)	394,034,213		380,107,090	13,927,123	3.7%
Operating expenses:								
Salaries	60,437,481	-	-	183,569,588		166,677,602	(16,891,986)	-10.1%
Temporary labor	7,296,112	-	-	17,173,081		16,034,655	(1,138,426)	-7.1%
Employee benefits	6,318,237	751,483	-	36,754,358		35,389,177	(1,365,181)	-3.9%
Supplies and other expenses	27,564,469	1,864	-	162,712,674		155,023,646	(7,689,028)	-5.0%
Depreciation	952,906	-	-	21,161,323		24,079,301	2,917,978	12.1%
Interest expense	-	-	-	3,446,568		3,733,397	286,829	7.7%
Amortization expense	-	-	-	54,282		631,683	577,401	91.4%
Contributions to Hospital	-	-	(4,431,652)	-		-	-	
Total operating expenses	102,569,205	753,347	(4,431,652)	424,871,874		401,569,461	(23,302,413)	-5.8%
Operating surplus (deficit)	(41,918,537)	(751,674)	-	(30,837,661)		(21,462,371)	(9,375,290)	43.7%
Non-operating income(expense):								
Non-operating income	165,792	(51,179)	-	5,001,736		17,653,237	(12,651,501)	-71.7%
Non-operating expense	-	-	-	-		-	-	
Non-controlling interest in earnings of controlled subsidiaries	-	-	-	-		-	-	
	165,792	(51,179)	-	5,001,736		17,653,237	(12,651,501)	-71.7%
<b>SURPLUS(DEFICIT)</b>	<b>\$ (41,752,745)</b>	<b>\$ (802,853)</b>	<b>\$ -</b>	<b>\$ (25,835,925)</b>		<b>\$ (3,809,134)</b>	<b>\$ (22,026,791)</b>	<b>578.3%</b>

(b) To eliminate intercompany transfer of net assets

## **TidalHealth Inc.**

### **Note to Financial Statements (Unaudited)**

#### **Month and Six Months Ended December 31, 2022**

##### **Note 1 – Basis of Presentation**

The accompanying unaudited consolidated financial statements of TidalHealth, Inc. have been prepared in accordance with generally accepted accounting principles for interim financial information. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments considered necessary for the fair presentation have been included.

The consolidated balance sheet at June 30, 2022 has been derived from the audited consolidated financial statements at that date, but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

For further information, refer to the audited consolidated financial statements and footnotes thereto for the year ended June 30, 2022.