

Inmate Calling Solutions, LLC
Balance Sheet
(Unaudited)

ASSETS

	December 31, 2014
Current assets:	
Cash and cash equivalents	\$ -
Accounts receivable, net	
Prepaid expenses	
Inventory	
Total current assets	
Property, plant and equipment	
Accumulated depreciation	
Property, plant and equipment, net	
Goodwill	
Intangible assets, net of accumulated amortization	
License royalty, net	
Other assets	
Total other assets	
Total Assets	

LIABILITIES AND MEMBERS' CAPITAL

	December 31, 2014
Current liabilities:	
Accounts payable-trade	
Deposits and other payables due to customers	
Accrued liabilities	
Other current liabilities	
Total current liabilities	
Non-current liabilities:	
Related party payables to parent	
Total liabilities	
Members' capital:	
Members' capital	
Retained Earnings	
Total members' capital	
Total Liabilities and Members' Capital	

Inmate Calling Solutions, LLC
Statement of Operations
(Unaudited)

	Year Ended December 31, 2014	
Operating revenues	██████████	██████████
Cost of services	██████████	██████████
Gross profit		██████████
Gross margin		██████████
Operating expenses	██████████	██████████
Operating income		██████████
Other (expense) income:		
Depreciation		██████████
Amortization-Intangibles		██████████
Interest expense		██████████
Other (expense) income, net	██████████	██████████
Total other (expense) income, net	██████████	██████████
Income from operations before provision for income taxes		██████████
Income tax expense	██████████	██████████
Net Income	██████████	██████████

Inmate Calling Solutions, LLC
Statement of Cash Flows
(Unaudited)

	Year Ended December 31, 2014
Operating Activities	
Net income	[REDACTED]
Adjustments to reconcile net income to net cash provided by (used in) operating activities:	
Depreciation	[REDACTED]
Amortization of intangibles	[REDACTED]
Amortization of license royalty costs	[REDACTED]
Provision for losses on accounts receivable	[REDACTED]
Property & equipment-other	[REDACTED]
Changes in operating assets and liabilities:	
Increase in accounts receivable	[REDACTED]
Increase in prepaid expenses and other current asset	[REDACTED]
Increase in inventory	[REDACTED]
Decrease in other assets	[REDACTED]
Decrease in accounts payable	[REDACTED]
Increase in deposits and other payables due to customers	[REDACTED]
Decrease in accrued liabilities	[REDACTED]
Decrease in related party activity, net	[REDACTED]
Increase in other current liabilities	[REDACTED]
Decrease in other liabilities	[REDACTED]
Net cash provided by operating activities	[REDACTED]
Investing Activities	
Purchase of property and equipment	[REDACTED]
Net cash used in investing activities	[REDACTED]
Financing Activities	
Net cash used in financing activities	-
Net change in cash and cash equivalents	-
Cash and cash equivalents, beginning of period	-
Cash and cash equivalents, end of period	\$ -

Inmate Calling Solutions, LLC
Balance Sheet
(Unaudited)

ASSETS

	<u>December 31, 2015</u>
Current assets:	
Cash and cash equivalents	\$ -
Accounts receivable, net	[REDACTED]
Prepaid expenses	[REDACTED]
Inventory	[REDACTED]
Total current assets	[REDACTED]
Property, plant and equipment	[REDACTED]
Accumulated depreciation	[REDACTED]
Property, plant and equipment, net	[REDACTED]
Goodwill	[REDACTED]
Intangible assets, net of accumulated amortization	[REDACTED]
Other assets	[REDACTED]
Total other assets	[REDACTED]
Total Assets	[REDACTED]

LIABILITIES AND MEMBERS' CAPITAL

	<u>December 31, 2015</u>
Current liabilities:	
Accounts payable-trade	[REDACTED]
Deposits and other payables due to customers	[REDACTED]
Accrued liabilities	[REDACTED]
Other current liabilities	[REDACTED]
Total current liabilities	[REDACTED]
Non-current liabilities:	
Related party payables to parent	[REDACTED]
Total liabilities	[REDACTED]
Members' capital:	
Members' capital	[REDACTED]
Retained Earnings	[REDACTED]
Total members' capital	[REDACTED]
Total Liabilities and Members' Capital	[REDACTED]

Inmate Calling Solutions, LLC
Statement of Operations
(Unaudited)

	Year Ended December 31, 2015
Operating revenues	
Cost of services	
Gross profit	
Gross margin	
Operating expenses	
Operating income	
Other (expense) income:	
Depreciation	
Amortization-Intangibles	
Interest expense	
Other (expense) income, net	
Total other (expense) income, net	
Income from operations before provision for income taxes	
Income tax expense	
Net Income	

Inmate Calling Solutions, LLC
Statements of Cash Flows
(Unaudited)

	Year Ended December 31, 2015
Operating Activities	
Net income	[REDACTED]
Adjustments to reconcile net income to net cash provided by (used in) operating activities:	
Depreciation	[REDACTED]
Amortization of intangibles	[REDACTED]
Amortization of license royalty costs	[REDACTED]
Provision for losses on accounts receivable	[REDACTED]
Property & equipment-other	[REDACTED]
Changes in operating assets and liabilities:	
Accounts receivable	[REDACTED]
Prepaid expenses and other current asset	[REDACTED]
Inventory	[REDACTED]
Other assets	[REDACTED]
Accounts payable	[REDACTED]
Deposits and other payables due to customers	[REDACTED]
Accrued liabilities	[REDACTED]
Related party activity, net	[REDACTED]
Other current liabilities	[REDACTED]
Net cash provided by operating activities	[REDACTED]
Investing Activities	
Purchase of property and equipment	[REDACTED]
Net cash used in investing activities	[REDACTED]
Financing Activities	
Net cash used in financing activities	-
Net decrease in cash and cash equivalents	-
Cash and cash equivalents, beginning of period	-
Cash and cash equivalents, end of period	\$ -

Inmate Calling Solutions, LLC

Financial Report

Year Ended December 29, 2016

(Unaudited)

**Inmate Calling Solutions, LLC
Financial Report
Year Ended December 29, 2016
(Unaudited)**

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Inmate Calling Solutions, LLC
Balance Sheet
(Unaudited)

ASSETS

	<u>December 29, 2016</u>
Current assets:	
Cash and cash equivalents	\$ -
Accounts receivable, net	██████████
Prepaid expenses	██████████
Inventory	██████████
Total current assets	██████████
Property, plant and equipment	██████████
Accumulated depreciation	██████████
Property, plant and equipment, net	██████████
Goodwill	██████████
Intangible assets, net of accumulated amortization	██████████
Other assets	██████████
Total other assets	██████████
Total assets	████████████████████

LIABILITIES AND MEMBERS' EQUITY

	<u>December 29, 2016</u>
Current liabilities:	
Accounts payable-trade	████████████████████
Deposits and other payables due to customers	██████████
Accrued liabilities	██████████
Other current liabilities	██████████
Total current liabilities	██████████
Non-current liabilities:	
Related party payables to parent	██████████
Total liabilities	██████████
Members' equity:	
Members' equity	██████████
Retained earnings	██████████
Total members' equity	██████████
Total liabilities and members' equity	████████████████████

Inmate Calling Solutions, LLC
Statement of Operations
(Unaudited)

	Year Ended December 29, 2016
Operating revenues	
Cost of services	
Gross profit	
Gross margin	
Operating expenses	
Operating income	
Other (expense) income:	
Depreciation	
Amortization-Intangibles	
Interest expense	
Other (expense) income, net	
Total other expense	
Income from operations before provision for income taxes	
Income tax expense	
Net Income	

Inmate Calling Solutions, LLC
Statement of Cash Flows
(Unaudited)

	Year Ended December 29, 2016
Operating Activities	
Net income	[REDACTED]
Adjustments to reconcile net income to net cash provided by (used in) operating activities:	
Depreciation	[REDACTED]
Amortization of intangibles	[REDACTED]
Provision for losses on accounts receivable	[REDACTED]
Changes in operating assets and liabilities:	
Accounts receivable	[REDACTED]
Prepaid expenses and other current asset	[REDACTED]
Inventory	[REDACTED]
Other assets	[REDACTED]
Accounts payable	[REDACTED]
Deposits and other payables due to customers	[REDACTED]
Accrued liabilities	[REDACTED]
Related party activity, net	[REDACTED]
Net cash provided by operating activities	[REDACTED]
Investing Activities	
Purchase of property and equipment	[REDACTED]
Net cash used in investing activities	[REDACTED]
Financing Activities	
Net cash used in financing activities	-
Net decrease in cash and cash equivalents	-
Cash and cash equivalents, beginning of period	-
Cash and cash equivalents, end of period	\$ -

Inmate Calling Solutions, LLC
Statement of Changes in Members' Equity
(Unaudited)

	Members equity	Retained earnings	Total
Balance, December 31, 2015	[REDACTED]	[REDACTED]	[REDACTED]
Net income	-	[REDACTED]	[REDACTED]
Balance, December 29, 2016	[REDACTED]	[REDACTED]	[REDACTED]

Inmate Calling Solutions, LLC
Balance Sheet
(Unaudited)

ASSETS

	December 28, 2017
Current assets:	
Cash and cash equivalents	\$ -
Accounts receivable, net	
Prepaid expenses	
Inventory	
Total current assets	
Property, plant and equipment	
Accumulated depreciation	
Property, plant and equipment, net	
Goodwill	
Intangible assets, net of accumulated amortization	
Related party receivables from parent	
Other assets	
Total other assets	
Total assets	

LIABILITIES AND OWNERS' EQUITY

	December 28, 2017
Current liabilities:	
Accounts payable-trade	
Deposits and other payables due to customers	
Accrued liabilities	
Other current liabilities	
Total current liabilities	
Non-current liabilities:	
Related party payables to parent	
Total liabilities	
Owners' equity:	
Investment from parent	
Retained earnings	
Total owners' equity	
Total liabilities and owners' equity	

Inmate Calling Solutions, LLC
Statement of Operations
(Unaudited)

	Year Ended December 28, 2017
Operating revenues	<div></div>
Cost of services	<div></div>
Gross profit	<div></div>
Gross margin	<div></div>
Operating expenses	<div></div>
Operating income	<div></div>
Other (expense) income:	
Depreciation	<div></div>
Amortization-Intangibles	<div></div>
Interest expense	<div></div>
Other (expense) income, net	<div></div>
Total other expense	<div></div>
Loss from operations before provision for income taxes	<div></div>
Income tax benefit	<div></div>
Net loss	<div></div>

Inmate Calling Solutions, LLC
Statement of Cash Flows
(Unaudited)

	Year Ended December 28, 2017
Operating Activities	
Net loss	
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:	
Depreciation	
Amortization of intangibles	
Provision for losses on accounts receivable	
Loss on disposal of fixed assets	
Property/Equipment-Other	
Intangibles-Other	
Changes in operating assets and liabilities:	
Accounts receivable	
Prepaid expenses and other current asset	
Inventory	
Other assets	
Accounts payable	
Deposits and other payables due to customers	
Accrued liabilities	
Related party activity, net	
Net cash provided by operating activities	
Investing Activities	
Purchase of property and equipment	
Net cash used in investing activities	
Financing Activities	
Net cash used in financing activities	-
Net decrease in cash and cash equivalents	-
Cash and cash equivalents, beginning of period	-
Cash and cash equivalents, end of period	<u>\$ -</u>

Inmate Calling Solutions, LLC

Financial Report

Year Ended December 27, 2018

(Unaudited)

**Inmate Calling Solutions, LLC
Financial Report
Year Ended December 27, 2018
(Unaudited)**

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**Inmate Calling Solutions, LLC
Balance Sheets
(Unaudited)**

ASSETS

	December 27, 2018
Current assets:	
Cash and cash equivalents	
Accounts receivable, net	
Prepaid expenses	
Inventory	
Total current assets	
Property, plant and equipment	
Accumulated depreciation	
Property, plant and equipment, net	
Goodwill	
Intangible assets, net of accumulated amortization	
Related party receivables from parent	
Other assets	
Total other assets	
Total assets	

LIABILITIES AND OWNERS' EQUITY

	December 27, 2018
Current liabilities:	
Accounts payable-trade	
Deposits and other payables due to customers	
Accrued liabilities	
Other current liabilities	
Total current liabilities	
Non-current liabilities:	
Related party payables to parent	
Total liabilities	
Owners' equity:	
Owners' equity	
Retained earnings	
Total owners' equity	
Total liabilities and owners' equity	

1 - Cash is swept to TKC Holdings, parent of ICS

Inmate Calling Solutions, LLC
Statements of Income
(Unaudited)

	Year Ended December 27, 2018
Net revenue	
Product costs	
Cost of services	
Gross profit	
Expenses:	
Selling general & administrative	
Total expenses	
Operating income	
Other expense:	
Depreciation & amortization expense	
Other allocated management expense	
Loss before taxes	
Income tax (expense)	
Net loss	

Inmate Calling Solutions, LLC
Statement of Cash Flows
(Unaudited)

	Year Ended December 27, 2018
Operating Activities	
Net loss	[REDACTED]
Adjustments to reconcile net income to net cash provided by (used in) operating activities:	
Depreciation	[REDACTED]
Amortization of intangibles	[REDACTED]
Loss on disposal of fixed assets	[REDACTED]
Other	[REDACTED]
Changes in operating assets and liabilities:	
Accounts receivable	[REDACTED]
Prepaid expenses and other current asset	[REDACTED]
Inventory	[REDACTED]
Other assets	[REDACTED]
Accounts payable	[REDACTED]
Deposits and other payables due to customers	[REDACTED]
Accrued liabilities	[REDACTED]
Related party activity, net	[REDACTED]
Net cash provided by operating activities	[REDACTED]
Investing Activities	
Purchase of property and equipment	[REDACTED]
Net cash used in investing activities	[REDACTED]
Financing Activities	
Net cash used in financing activities	-
Net decrease in cash and cash equivalents	-
Cash and cash equivalents, beginning of period	-
Cash and cash equivalents, end of period	[REDACTED]