

Risk Factors Comparison 2024-03-06 to 2023-03-07 Form: 10-K

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Certain factors may have a material adverse effect on our business, financial condition, and results of operations. You should carefully consider the following risks, together with all of the other information contained in this Annual Report on Form 10-K, including the sections titled “ Note Regarding Forward- looking Statements ” and “ Management’ s Discussion and Analysis of Financial Condition and Results of Operations ” and our financial statements and the related notes included elsewhere in this Annual Report on Form 10- K. Any of the following risks could have an adverse effect on our business, financial condition, operating results, or prospects and could cause the trading price of our common stock to decline, which would cause you to lose all or part of your investment. Our business, financial condition, operating results, or prospects could also be harmed by risks and uncertainties not currently known to us or that we currently do not believe are material. Risk Factor Summary Some of the principal risks related to our business include the following:

- Political and policy changes could materially limit our growth opportunities.
- ~~The ongoing COVID-19 pandemic and / or other pandemics or epidemics, could continue to materially and adversely affect our business, operating results, financial condition and prospects including the potential inflationary impact and supply chain disruption.~~
- We may be unable to maintain existing contracts or contract terms or enter into new contracts with our customers. This risk is heightened as it relates to customers on whom we rely for a substantial portion of our revenue.
- A substantial portion of our revenues come from customers with which we do not have long- term commitments, and cancellations by or disputes with customers could decrease the amount of revenue we generate, thereby reducing our ability to operate and expand our business.
- If we fail to maintain our reputation, including by adequately protecting our intellectual property, our sales and operating results may decline.
- **A global economic downturn could adversely affect our customers and suppliers or have new, additional adverse effects on them, which could have further adverse effects on our operating results and financial position.**
- **Future disease outbreak, including epidemics, pandemics or similar widespread public health emergencies could materially and adversely affect our business, operating results, financial condition and prospects.**

If our customers’ patient census or services decrease, the revenue generated by our business could decrease. • Our competitors may engage in significant competitive practices, which could cause us to lose market share, reduce prices or increase expenditures. • Consolidation in the healthcare industry may lead to a reduction in the prices we charge, thereby decreasing our revenue. • We have substantial indebtedness which may require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, research and development efforts and other general corporate purposes, and increase our vulnerability to general adverse economic, industry and competitive conditions. • If we are unable to fund our significant cash needs, including capital expenditures, we may be unable to expand our business as planned or to service our debt. • THL controls us, and its interests may conflict with yours or ours in the future. • We may fail to realize all of the anticipated benefits of our recent acquisitions, or those benefits may take longer to realize than expected. We may also encounter significant difficulties in integrating the businesses of our recent acquisitions. Risks Related to Our Business and Industry Our business may be impacted by political and policy changes. Geopolitical issues, the availability and cost of credit and government stimulus programs in the United States and other countries have contributed to increased volatility and uncertain expectations for the global economy. Additionally, political changes in the United States and elsewhere in the world have created a level of uncertainty in the markets. If the markets experience any economic slowdown, recession or prolonged stagnation, there may be a profound impact on the financial condition of our suppliers and our customers, resulting in a negative impact on our business, financial condition and results of operations. Healthcare costs have risen significantly over the past decade. There have been and continue to be proposals by legislators, regulators and third- party payors to keep these costs down. Certain proposals, if passed, would impose limitations on the prices the Company will be able to charge for the Company’ s products, or the amounts of reimbursement available for its products from governmental agencies or third- party payers. These limitations could have a material adverse effect on our financial position and results of operations. Changes in the healthcare industry in the U. S. and elsewhere could adversely affect the demand for our products as well as the way in which we conduct business. The 2010 Affordable Care Act provides that most individuals must have health insurance, establishes new regulations on health plans, and creates insurance pooling mechanisms and other expanded public health care measures. The Company anticipates that the healthcare reform legislation will further reduce Medicare spending on services provided by hospitals and other providers and further forms of sales or excise tax on the medical device sector. Various healthcare reform proposals have also emerged at the federal and state level. We cannot predict what healthcare initiatives, if any, will be implemented at the federal or state level, or the effect any future legislation or regulation will have on the Company. However, an expansion in government’ s role in the U. S. healthcare industry may lower reimbursements for the Company’ s products, reduce medical procedure volumes and may thereby materially adversely affect the Company’ s business, financial condition and results of operations.

The full effect of the COVID..... operations, financial condition and cash flows. Our revenue maintenance and growth depend, in part, on continuing contracts with customers, including through GPOs and IDNs, with which certain of our customers are affiliated. In the past, we have been able to maintain and renew the majority of such contracts and expand the solutions we offer under such contracts. If we are unable to maintain our contracts, or if the GPOs or IDNs seek additional discounts or other more beneficial terms on behalf of their members, we may lose a portion or all of existing business with, or revenue from, customers that are members of such GPOs and IDNs. In addition, certain of our customers account for large portions of our revenue. From time to time, a single customer, depending on the current status and volumes of a number of separate contracts, may account for 10 % or more of our

total revenue. As a result, the actions of even a single customer can expose our business and operating results to greater volatility. On December 14, 2022, the Company entered into a new agreement (the “ Agreement ”) with the U. S. Department of Health and Human Services (“ HHS ”) and the Assistant Secretary for Preparedness and Response (“ ASPR ”) for preventive maintenance services (“ PMS ”), management and storage for ventilator and powered air purifying respirator (“ PAPR ”) systems. The Agreement’ s performance period ~~commences~~ **commenced** on August 28, 2023, and is anticipated to have a period of performance of four years and six months, consisting of a base period of twelve months, three one- year option periods and an additional six- month option period. The Agreement is valued at up to \$ 491 million over its expected term. Additionally on December 14, 2022, the Company received a modification to the Company’ s current HHS / ASPR agreement that ~~expires~~ **expired** on February 27, 2023, incorporating Federal Acquisition Regulation (“ FAR ”) 52. 217- 8, which allows the government to extend the term of this current agreement by up to six months. For the year ended December 31, ~~2022-2023~~, approximately 10. ~~5-4~~ % of total revenue related to contracts with HHS and ASPR. To the extent the Agreement or other contracts with significant customers are not renewed or are terminated, or the timing of any such renewal is substantially delayed, our revenue and operating results would be significantly impacted. A substantial portion of our revenue come from customers with which we do not have long- term commitments, and cancellations by or disputes with customers could decrease the amount of revenue we generate, thereby reducing our ability to operate and expand our business. For the year ended December 31, ~~2022-2023~~, approximately ~~63-75~~ % of our total revenue was derived from customers that purchased equipment or services from us through a GPO that contracted with us on behalf of its members. The remaining ~~37-25~~ % of revenue was derived from customers that contract with us directly. Our customers are generally not obligated to outsource our equipment under long- term commitments. The short- term services we provide could be terminated by the customer without notice or payment of any termination fee. A large number of such terminations may adversely affect our ability to generate revenue growth and sufficient cash flows to support our growth plans. In addition, those customers with long- term commitments may have contracts that do not permit us to raise our prices, yet our cost to serve may increase. Any of these risks could have a material adverse impact on our ability to operate and expand our business. We believe our continued success depends on our ability to maintain and grow the value of our brand. Brand value is based in large part on perceptions of subjective qualities. Even isolated incidents can erode the trust and confidence of our customers and damage the strength of our brand, if such incidents result in adverse publicity or litigation. Challenges or reactions to action (or inaction) or perceived action (or inaction), by us on issues such as social policies, compliance related to social, product, labor and environmental standards or other sensitive topics, and any perceived lack of transparency about such matters, could harm our reputation. The increasing use of social media platforms and online forums may increase the chance that an adverse event could negatively affect the reputation of our brands. The online dissemination of negative information about our brand, including inaccurate information, could harm our reputation, business, competitive advantage and goodwill. Damage to our reputation could result in declines in customer loyalty and sales, relationships with our suppliers, business development opportunities, divert attention and resources from management, including by requiring responses to inquiries or additional regulatory scrutiny, and otherwise materially adversely affect our results. Any failure to offer and maintain high- quality customer support, or a market perception that we do not maintain high- quality customer support, could similarly adversely affect our reputation, our ability to sell our products and services, and in turn our business, financial condition and results of operations. In addition, we are currently implementing a new information technology business systems platform. The implementation process could result in system wide delays or failure. Because we depend on information technology systems to operate our business, failure or delay of any or all information technology systems could impact our ability to operate and meet customer demand, resulting in reputational harm. Further, our ability to protect our brand depends in part on our ability to protect our confidential information, including unpatented know- how, technology and other proprietary information, maintaining, defending and enforcing our intellectual property rights. We rely on our agreements with our customers, non- disclosure and confidentiality agreements with employees and third parties, and our trademarks and copyrights to protect our intellectual property rights. However, any of these parties may breach such agreements and disclose our proprietary information, and we may not be able to obtain adequate remedies for such breaches. In addition, third parties may allege that our products and services, or the conduct of our business, infringe, misappropriate or otherwise violate such third party’ s intellectual property rights. Moreover, although we try to ensure that our employees do not use the proprietary information or know- how of others in their work for us, we may be subject to claims that we or these employees have used or disclosed intellectual property of any third parties, including such individual’ s former employer. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management. Furthermore, any of our trademarks may be challenged, opposed, infringed, cancelled, circumvented or declared generic, or determined to be infringing on other marks. We may not be able to protect our rights to these trademarks, which we need in order to maintain name recognition by potential collaborators or clients in our markets of interest. ~~A global economic downturn could adversely affect our customers and suppliers or have new, additional adverse effects on them, which could have further adverse effects on our operating results and financial position.~~ We believe our customers could be adversely affected by further global economic downturn. The impact of further downturn on our customers may result in, among other things, a decreased number of patients our customers serve at any time (which we refer to as “ patient census ”), decreased number of non- essential patient services, increased uncompensated care and bad debt, increased difficulty obtaining financing on favorable terms and tighter capital and operating budgets. Many of our customers depend on investment income to supplement inadequate third- party payor reimbursement. Further disruption in the capital and credit markets could adversely affect the value of many investments, reducing our customers’ ability to access cash reserves to fund their operations. If economic conditions worsen, our customers may seek to further reduce their costs and may be unable to pay for our solutions, resulting in reduced orders, slower payment cycles, increased bad debt and customer bankruptcies. Our suppliers also may be

negatively impacted by further economic downturn and tighter capital and credit markets. If our key suppliers experience financial difficulty and are unable to deliver to us the equipment we require, we could be forced to seek alternative sources of medical equipment or to purchase equipment on less favorable terms, or we could be unable to fulfill our requirements. A delay in procuring equipment or an increase in the cost to purchase equipment could limit our ability to provide equipment to customers on a timely and cost-effective basis (e. g., supply chain issues arising). **Any of these occurrences, all of which are out of our control, could have a material adverse effect on our financial condition. In May 2023, both the U. S. and the World Health Organization declared an end to the COVID- 19 pandemic)as a public health emergency, and the health consequences have been mitigated by the availability of vaccines and therapeutics to treat COVID- 19 infections. Any However, epidemics, pandemics, or similar widespread public health emergencies have in the past and may in the future result in adverse economic impacts both domestically and internationally that impact our operations and financial condition. The COVID- 19 pandemic and its variants caused disruptions to our operations and those of our suppliers, customers or vendors and our business may be similarly adversely impacted by future disease outbreak. We source equipment from different parts of the world that may be affected by an epidemic, pandemic or similar widespread public health emergency, which could have an adverse impact on our supply chain operations and ability for manufacturers to obtain materials needed to assemble the products we offer. The extent to which disruptions to the global supply chain, inflationary pressures, including accompanying higher interest rates, and a tightening labor market may impact our operational and financial performance depends on the duration and severity of such factors and on our ability and the ability of various governments to combat and / or mitigate such pressures. In the past, some of these occurrences economic factors have increased and may continue to increase our costs , all of which are out of and we may not be able to offset such increases in the future. Government shutdown orders our- or control a change to our business classification as an “ essential business ” due to an epidemic , could- pandemic or similar widespread public health emergency may result in a closure of operations for an uncertain duration impacting our business results. Preventing the effects from and responding to this market disruption or any other public health threat, related or otherwise, may further increase our costs of doing business and may have a material adverse effect on our business, financial condition and results of we may not be able to offset such increases. There may also be further impacts on our operational operations and financial performance if such trends continue. Additionally, in response to the COVID- 19 pandemic, our customers including the federal government and certain state and local governments have purchased significant amounts of medical equipment of the type we offer in our rental fleet. These purchases by Future epidemics, pandemics or similar widespread public health emergencies could result in a similar reaction from our customers which including federal, state and local governments of medical equipment that previously would- could have been rented have and may continue to reduce the demand for our rental equipment. The severity- ultimate impact of pandemics , magnitude- epidemics and public health emergencies on our business, results of operations, financial condition and cash flows is dependent on future developments, including the duration of any such event the continuing COVID- 19 pandemic and the related length of its ancillary effects continue to impact on the U.S. and global economies and their healthcare systems, which are uncertain and cannot be uncertain, rapidly changing and hard to predict- predicted and depends on events beyond our knowledge or control. Future epidemics, These and other impacts of the COVID- 19 pandemic- pandemics or similar widespread public health emergencies could have the effect of heightening many of the other risks described in this “ Risk Factors ” section, such as those relating to our reputation, sales, results of operations or financial condition. We might not be able to predict or respond to all impacts on a timely basis to prevent near- or long- term adverse impacts to our results . Our operating results are dependent in part on the amount and types of equipment necessary to service our customers’ needs, which are heavily influenced by patient census and the services those patients receive. At times of lower patient census, our customers have a decreased need for our services on a supplemental or peak needs basis. During severe economic downturns, the number of hospital admissions and inpatient surgeries declines as consumers reduce their use of non- essential healthcare services. Our operating results can also vary depending on the timing and severity of the cold and flu season, local, regional or national epidemics and the impact of national catastrophes, as well as other factors affecting patient census and service demand. Our competitors may engage in competitive practices that could cause us to lose market share, reduce our prices, or increase our expenditures. For example, competitors may sell significant amounts of surplus equipment or sell capital equipment at a lower gross margin to obtain the future repeat sales of disposables for a higher gross margin, thereby decreasing the demand for our equipment solutions. Our competitors also may choose to offer their products and services to customers on a combined or bundled basis with reduced prices, and if we are unable to offer comparable products or prices, we may experience reduced demand for our solutions. Additionally, the overall market for our services is very competitive and our competitors often compete by lowering prices, thus impacting our ability to maintain our gross margins. Any actions we may be required to take as a result of increased competitive pressure, including decreasing our prices, renegotiating contracts with customers on more favorable terms or increasing our sales and marketing expenses, could have a material adverse effect on our business, financial condition and results of operations. Numerous initiatives and reforms initiated by legislators, regulators and third- party payers to curb rising healthcare costs, in addition to other economic factors, have resulted in a consolidation trend in the healthcare industry to create new companies with greater market power, including hospitals. As the healthcare industry consolidates, competition to provide products and services to industry participants has become, and will likely continue to become, more intense. In addition, competitive bidding also emphasizes the importance of relationships with both the payors and others in the space that impact reimbursement of our clients and customers. All of this in turn has resulted, and will likely continue to result in, greater pricing pressures and the exclusion of certain suppliers from various market segments as GPOs, IDNs, and large single accounts continue to use their market power to consolidate purchasing decisions for some of our existing and prospective customers. We expect the market demand, government regulation, and third- party reimbursement policies, among other potential factors, will continue to change**

the worldwide healthcare industry, resulting in further business consolidations and alliances among our customers and prospective customers, which may reduce competition among our existing and prospective customers, exert further downward pressure on the prices of our implants and may adversely impact our business, financial condition or results of operations. We have relationships with certain key medical equipment manufacturers and suppliers, and adverse developments concerning these manufacturers or suppliers could delay our ability to procure equipment or provide certain services or increase our cost of purchasing equipment. We purchased medical equipment from over 500 manufacturers and suppliers in 2022-2023, ten of which accounted for approximately 55-65% of our direct medical equipment purchases in 2022-2023. Additionally, we purchase repair parts, supplies and disposables from medical equipment manufacturers and suppliers that are necessary to our business. Adverse developments concerning key suppliers or our relationships with them could force us to seek alternative sources for our medical equipment or repair parts or to purchase such equipment or repair parts on less favorable terms. A delay in procuring equipment or repair parts or an increase in our cost to purchase equipment or repair parts could limit our ability to provide equipment and / or services to our customers on a timely and cost- effective basis. In addition, if we do not have access to certain parts, or if manufacturers and suppliers do not provide access to the appropriate equipment manuals or training, we may not be able to provide certain clinical engineering services. If we are unable to change the manner in which healthcare providers traditionally procure medical equipment, we may not be able to achieve significant revenue growth. We believe the direct purchase or capital lease of medical equipment, and self- management of that equipment, by hospitals and alternate site providers significantly competes with our solution offerings. Many hospitals and alternate site providers view equipment rental primarily as a means of meeting short- term or peak supplemental needs, rather than as a long- term, effective and cost- efficient alternative to purchasing or leasing equipment. Many healthcare providers may continue to purchase or lease a substantial portion of their medical equipment and to manage and maintain it on their own. If we are unable to influence healthcare providers to increase the proportion of medical equipment they rent rather than purchase, our ability to achieve significant revenue growth will be materially impaired. We depend on key personnel and our inability to attract and retain key personnel could harm our business. Our financial performance is dependent in significant part on our ability to hire, develop and retain key personnel, including our senior executives, sales professionals, sales specialists, hospital management employees and other qualified workers. We have experienced and will continue to experience intense competition for these resources. The loss of the services of one or more of our senior executives or other key personnel could significantly undermine our management expertise, key relationships with customers and suppliers, and our ability to provide efficient, quality healthcare solutions, which would have a material adverse effect on our business, financial condition and results of operations. We may be unable to make attractive acquisitions or successfully integrate acquired businesses, and any inability to do so may disrupt our business and hinder our ability to grow. From time to time, we may evaluate acquisition candidates or other strategic relationships within the healthcare industry that may strategically fit our business objectives, as opportunistic acquisitions are part of our growth strategy. However, there is no guarantee we will be able to identify attractive acquisition opportunities. In the event we are able to identify attractive acquisition opportunities, we may not be able to complete the acquisition or do so on commercially acceptable terms. We may not be successful in acquiring other businesses, and the businesses we do acquire in the future may not ultimately produce returns that justify our related investment. Acquisitions may involve numerous risks, including: • difficulties assimilating personnel and integrating distinct business cultures; • diversion of management' s time and resources from existing operations; • potential loss of key employees or customers of acquired companies; • exposure to unforeseen liabilities of acquired companies; and • liabilities that may exceed indemnification caps provided in acquisition agreements. We may fail to realize all of the anticipated benefits of our recent acquisitions or those benefits may take longer to realize than expected. We may also encounter significant difficulties in integrating the businesses of our recent acquisitions. The success of our recent acquisitions will depend, in part, on our ability to integrate the businesses of our recent acquisitions in an effective and efficient manner, which is a complex, costly and time- consuming process. The integration process may disrupt business and, if we are unable to successfully integrate acquired businesses, we could fail to realize the anticipated benefits of our recent acquisitions. The failure to meet the challenges involved in the integration process and realize the anticipated benefits of our recent acquisitions could cause an interruption of, or a loss of momentum in, our operations and could have a material adverse effect on our business, financial condition and results of operations. In addition, the integration of our recent acquisitions may result in material unanticipated challenges, expenses, liabilities, competitive responses and losses of customers and other business relationships. Additional integration challenges may include: • diversion of management' s attention to integration matters; • difficulties in achieving anticipated cost savings, synergies, business opportunities and growth prospects from our recent acquisition; • difficulties in the integration of operations and systems; • difficulties in conforming standards, controls, procedures and accounting and other policies, business cultures and compensation structures; • difficulties in the assimilation of employees; • difficulties in managing the expanded operations of a materially larger and more complex company; • challenges in attracting and retaining key personnel; and • the impact of potential liabilities we may be inheriting from our recent acquisitions. Many of these factors are outside of our control and could result in increased costs, decreases in the amount of anticipated revenue and diversion of management' s time and energy, each of which could adversely affect our business, financial condition and results of operations. In addition, even if the integration of acquired businesses is successful, we may not realize all of the anticipated benefits of our recent acquisitions, including the synergies, cost savings, or sales or growth opportunities. These benefits may not be achieved within the anticipated time frames, or at all. Further, additional unanticipated costs may be incurred in the integration process. All of these factors could cause reductions in earnings per share, decrease or delay the expected accretive effect of the transaction and negatively impact the price of shares of our common stock. As a result, it cannot be assured that our recent acquisitions will result in the realization of the anticipated benefits and potential synergies. Impairment charges for goodwill or other long- lived assets could adversely affect the Company' s financial condition and results of operations. We monitor the recoverability of our long- lived assets, such as amortizing intangibles and equipment, and

evaluate their carrying value amount for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. We annually review goodwill to determine if impairment has occurred. Additionally, interim reviews are performed whenever events or changes in circumstances indicate that impairment may have occurred. If the testing performed indicates that impairment has occurred, we are required to record a non-cash impairment charge for the difference between the carrying value amount and fair value of the long-lived assets or the carrying value amount and fair value of the reporting unit, in the period the determination is made. The testing of long-lived assets and goodwill for impairment requires us to make estimates that are subject to significant assumptions about our future revenue, profitability, cash flows, fair value of assets and liabilities, weighted average cost of capital, as well as other assumptions. Changes in these estimates, or changes in actual performance compared with these estimates, may affect the fair value of long-lived assets or reporting unit, which may result in an impairment charge. We cannot accurately predict the amount or timing of any impairment of assets. Should the value of long-lived assets or goodwill become impaired, our financial condition and results of operations may be adversely affected. We may incur increased expenses related to our pension plan, which could impact our financial position. We have a defined benefit pension plan covering certain current and former employees. Although benefits under the pension plan were frozen in 2002, funding obligations under the pension plan continue to be impacted by the performance of the financial markets. If the financial markets do not provide the long-term returns we have assumed, the likelihood of us being required to make additional contributions will increase. The equity and debt markets can be, and recently have been, volatile, and therefore our estimate of future contribution requirements can change dramatically in relatively short periods of time. Our cash flow fluctuates during the year. Our results of operations have been and can be expected to be subject to quarterly fluctuations. We may experience increased revenue in the first and fourth quarters of the year, depending upon the timing and severity of the cold and flu season and the related increased hospital census and medical equipment usage during that season. Because a significant portion of our expenses are relatively fixed over these periods, our operating income as a percentage of revenue tends to increase during the first and fourth quarter of each year. If the cold and flu season is delayed by as little as one month, or is less severe than in prior periods, our quarterly operating results for a current period can vary significantly from prior periods. Our quarterly results can also fluctuate as a result of such other factors as the timing of acquisitions, new on-site managed solution agreements or new service center openings. A portion of our revenue is derived from home care providers and nursing homes, and these healthcare providers may pose additional credit risks. Our nursing home and home care customers may pose additional credit risks since they are generally less financially sound than hospitals. In addition, such cost pressures have increased due to temporary and permanent closure of nursing homes and home care agencies following caused by the spread of COVID-19. These customers continue to face cost pressures. We may incur losses in the future due to the credit risks, including potential bankruptcy filings, associated with any of these customers. Our business entails the risk of claims related to the medical equipment that we outsource and service. We may not have adequate insurance to cover a claim, and it may be more expensive or difficult for us to obtain adequate insurance in the future. We may be liable for claims related to the manufacture or use of our medical equipment or to our maintenance or repair of a customer's medical equipment. Any such claims, if made and upheld, could make our business more expensive to operate and therefore less profitable. We may be subject to claims exceeding our insurance coverage or we may not be able to continue to obtain liability insurance at acceptable levels of cost and coverage. If we are found liable for any significant claims that are not covered by insurance, our liquidity and operating results could be materially adversely affected. In addition, litigation relating to a claim could adversely affect our existing and potential customer relationships, create adverse public relations and divert management's time and resources from the operation of the business. We may incur increased costs that we cannot pass through to our customers. Our customer contracts may include limitations on our ability to increase prices over the term of the contract. On the other hand, we rely on third parties, including subcontractors, to provide some of our services and supplies and we do not always have fixed pricing contracts with these subcontractors. Therefore, we are at risk of incurring increased costs that we are unable to pass through to our customers. Any failure of our management information systems, including as a result of a cybersecurity event or other system breach, could harm our business and operating results. We depend on our management information systems to actively manage our medical equipment fleet, control capital spending and provide fleet information, including equipment usage history, condition and availability of our medical equipment. These functions enhance our ability to optimize fleet utilization and redeployment. The inability of our management information systems to operate as we anticipate could damage our reputation with our customers, disrupt our business or result in, among other things, decreased revenue and increased overhead costs. Any such failure could harm our business and results of operations. Our results of operations could be adversely affected if these systems, or our customers' access to them, are interrupted, damaged by unforeseen events, cyber security incidents or other actions of third parties, or fail for any extended period of time. In addition, data security breaches could adversely impact our operations, results of operations or our ability to satisfy legal requirements, including those related to patient-identifiable health information. There are inherent limitations in all internal control systems over financial reporting, and misstatements due to error or fraud may occur and not be detected. While we have taken actions designed to address compliance with the internal control over financial reporting and disclosure controls and other requirements of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated by the SEC implementing these requirements, there are inherent limitations in our ability to control all circumstances. We do not expect that our internal control over financial reporting and disclosure controls will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. In addition, the design of a control system must reflect the fact that there are resource constraints and the benefit of controls must be relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, in our Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple errors or mistakes. Further, controls can be circumvented by individual

acts of some persons, by collusion of two or more persons, or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, a control may be inadequate because of changes in conditions, such as our growth or increased transaction volume, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected. Social unrest may materially and adversely impact our business. We have over 150 offices located in cities across the country, and such social unrest could materially affect the ability of certain of these offices to operate. Prolonged disruptions because of such social unrest in the markets in which we operate could disrupt our relationships with customers, employees and referral sources located in affected areas and, in the case of our corporate office, our ability to provide administrative support services, including billing and collection services. Future civil insurrection, social unrest, protests, looting, strikes or street demonstrations may adversely affect our reputation, business and consolidated financial condition, results of operations and cash flows. If we do not respond to technological changes, our products and services could become obsolete, and we could lose customers. To remain competitive, we must continue to enhance and improve the functionality and features of the technology that forms part of our service offering. The healthcare industry is rapidly changing, and if competitors introduce new products and services using new technologies or if new industry standards and practices emerge, our existing products and services and our systems and our proprietary software may become obsolete. Our failure to respond to technological change or to adequately maintain, upgrade and develop our products, services and systems used to process customers' orders and payments could harm our business, prospects, financial condition and results of operations. If we do not successfully coordinate the management of our equipment, we could lose sales. Our business requires that we coordinate the management of our equipment over a significant geographic range. If we do not successfully coordinate the timely and efficient management of our equipment (for example, if equipment is lost, missing or misplaced), our costs may increase, we may experience a build-up or shortage in inventory, we may not be able to deliver sufficient quantities to meet customer demand and we could lose sales, each of which could seriously harm our business. Challenges to our tax positions, the interpretation and application of recent U. S. tax legislation or other changes in taxation of our operations could harm our business, revenue and financial results. We operate in a number of tax jurisdictions, including at the U. S. federal, state and local levels, and we therefore are subject to review and potential audit by tax authorities in these various jurisdictions. Significant judgment is required in determining our provision for income taxes and other tax liabilities, and tax authorities may disagree with tax positions we take and challenge our tax positions. Successful unilateral or multi-jurisdictional actions by various tax authorities, including in the context of our current or future corporate operating structure and third-party and intercompany arrangements, may increase our effective tax rate, result in additional taxes or other costs or have other material consequences, which could harm our business, revenue and financial results. Our effective tax rate may also change from year to year or vary materially from our expectations based on changes or uncertainties in the mix of activities and income allocated or earned among various jurisdictions, changes in tax laws and the applicable tax rates in these jurisdictions (including future tax laws that may become material) and the valuation of deferred tax assets and liabilities. We may from time to time be subject to litigation, which may be extremely costly to defend, could result in substantial judgment or settlement costs or subject us to other remedies. We are currently not a party to any material legal proceedings. From time to time, however, we may be involved in various legal proceedings, including, but not limited to, actions relating to breach of contract, employment-related proceedings, anti-competition-related matters and intellectual property infringement, misappropriation or other violation. Claims may be expensive to defend, may divert management's time away from our operations, and may impact the availability and premiums of our liability insurance coverage, regardless of whether they are meritorious or ultimately lead to a judgment against us. We cannot assure you that we will be able to successfully defend or resolve any current or future litigation matters, in which case those litigation matters could have a material and adverse effect on our business, financial condition, operating results, cash flows, and prospects. Risks Related to Healthcare and Other Legal Regulation Affecting Us Uncertainty surrounding healthcare reform initiatives remains. Depending on the scope, form, and implementation of final healthcare reform legislation, our business may be adversely affected. The healthcare industry is undergoing significant change. In March 2010, the Congress adopted and President Obama signed into law the Affordable Care Act. The Affordable Care Act increased the number of Americans with health insurance and employer mandates and subsidies offered to lower income individuals. While the increase in coverage could translate into increased utilization of our products and services, healthcare reform and political uncertainty have historically resulted in changes in how our customers purchase our services and have adversely affected our revenue. In addition to healthcare reform, Medicare, Medicaid and managed care organizations, such as health maintenance organizations and preferred provider organizations, traditional indemnity insurers and third-party administrators are under increasing pressure to control costs and limit utilization, while improving quality and healthcare outcomes. Provider revenue per service may decline with reductions in Medicare and Medicaid reimbursement. Furthermore, the implementation of the Affordable Care Act may impose changes in healthcare delivery, reimbursement, operations or record keeping that are not compatible with our current offerings, which could force us to incur additional compliance costs. So far, starting in 2013, our business, along with that of some of our suppliers and customers that are manufacturers, came under direct regulation of the Open Payments Law, specifically the Physician Payments Sunshine Act. The Open Payments Law requires the annual reporting and publishing of all transfers of value to physicians and teaching hospitals to give greater transparency to financial relationships between manufacturers, physicians and teaching hospitals. Federal and state governments also continue to enact and consider various legislative and regulatory proposals that could materially impact certain aspects of the healthcare system. We cannot predict with certainty what additional healthcare initiatives, if any, will be implemented at the federal or state levels or what the ultimate effect of federal healthcare reform (including, but not limited to, the Affordable Care Act) or any future legislation or regulation will have on our operating results or financial condition. We cannot predict with any certainty the result

of proposed regulation in the healthcare space, such as the Department of Health and Human Services initiative to accelerate a transformation of the healthcare system, with a focus on removing “ unnecessary obstacles ” to coordinated care (the “ Sprint to Coordinated Care ”). Finally, we cannot quantify the repeal of the individual mandate, effective in 2019, under the Affordable Care Act, nor can we predict with any certainty the impact of the composition of the U. S. Supreme Court on our business model, prospects, financial condition or results of operations. We are subject to federal and state privacy and data security laws and regulations in connection with our collection and use of personal information, including recently enacted amendments to federal privacy laws which make us subject to more stringent penalties in the event we improperly use or disclose protected health information regarding our customers’ patients. HIPAA regulations apply national standards for some types of electronic health information transactions and the data elements used in those transactions to ensure the integrity, security and confidentiality of health information and standards to protect the privacy of individually identifiable health information businesses receive, maintain or transmit. The Health Information Technology for Economic and Clinical Health Act of 2009 (“ HITECH Act ”) expanded the scope of the privacy and security requirements under HIPAA and increased penalties for violations to “ Business Associates ” such as Agiliti Health, who are required to comply with certain of the HIPAA privacy standards and are required to implement administrative, physical and technical security standards. In addition, the HITECH Act enacted federal breach notification rules requiring notification to affected individuals and the Department of Health and Human Services (and in some cases, relevant media outlets) whenever a breach of protected health information occurs. In addition, the HIPAA rules now involve increased penalties, including mandatory penalties for “ willful neglect ” violations, starting at \$ 100 per violation subject to a cap of \$ 1. 5 million for violations of the same standard in a single calendar year. To meet these requirements, as well as the requirements of other federal laws and regulations governing the collection and use of personal information, we may need to expend additional capital, software development and other resources, including to modify our products and services. Furthermore, our failure to maintain confidentiality of sensitive protected health information or other personal information in accordance with the applicable regulatory requirements could damage our reputation and expose us to claims, fines and penalties. Our operations could also be negatively impacted by a violation of the HIPAA privacy or security rules or any other applicable privacy or data security law. Many states in which we operate also have state laws that protect the privacy and security of confidential, protected health information or other personal information that have similar or even more protection than the federal provisions. State attorneys general are also authorized to enforce federal HIPAA privacy and security rules. Furthermore, state data breach notification laws continue to expand the type of protected health information and other personal information they encompass, and in many cases are more burdensome than the HIPAA / HITECH breach reporting requirements. Some state laws impose fines and penalties upon violators in addition to allowing a private right of action to sue for damages for those who believe their protected health information or other personal information has been misused. Our relationships with healthcare facilities and marketing practices are subject to the federal Anti- Kickback Statute and similar state laws. Although we do not receive a significant amount of direct reimbursement from the U. S. federal government in the normal course of our business, we are subject to the federal Anti- Kickback Statute, which prohibits the knowing and willful offer, payment, solicitation or receipt of any form of “ remuneration ” in return for, or to induce, the referral of business or ordering of services paid for by Medicare or other federal programs. “ Remuneration ” has been broadly defined to include anything of value, including gifts, discounts, credit arrangements, and in- kind goods or services. Certain federal courts have held that the Anti- Kickback Law can be violated if “ one purpose ” of a payment is to induce referrals. The Anti- Kickback Statute is broad and prohibits many arrangements and practices that are lawful in businesses outside the healthcare industry. Violations can result in imprisonment, civil or criminal fines or exclusion from Medicare, Medicaid and other governmental programs. The ~~Office of Inspector General (“OIG”)~~ issued a series of safe harbors that if met will help assure healthcare providers and other parties will not be prosecuted under the Anti- Kickback Law. Contracts with healthcare facilities and other marketing practices or transactions may implicate the Anti- Kickback Statute. We have attempted to structure our contracts and marketing practices to comply with the Anti- Kickback Statute along with providing training to our employees. However, we cannot ensure that we will not have to defend against alleged violations from private entities or that **the** ~~OIG~~ or other authorities will not find that our practices violate the Anti- Kickback Statute. Our contracts with the federal government subject us to additional oversight. Since entering into our initial contract with HHS for the comprehensive maintenance and management services of medical ventilator equipment in 2020, the U. S. government has been our largest customer. In addition to our current long- term agreement with HHS, we have other agreements with the U. S. government. For the year ended December 31, **2022-2023**, we derived approximately 10 % of our revenue from multiple contracts with agencies of the federal government. As such, we must comply with and are affected by laws and regulations relating to the award, administration and performance of U. S. government contracts. Government contract laws and regulations affect how we do business with our customers and impose certain risks and costs on our business. A violation of specific laws and regulations, by us, our employees, others working on our behalf, a supplier or a venture partner, could harm our reputation and result in the imposition of fines and penalties, the termination of our contracts, suspension or debarment from bidding on or being awarded contracts, loss of our ability to export products or services and civil or criminal investigations or proceedings. In some instances, these laws and regulations impose terms or rights that are different from those typically found in commercial transactions. For example, the U. S. government may terminate any of our government contracts and subcontracts either at its convenience or for default based on our performance, which may result in a loss. In addition, as funds are typically appropriated on a fiscal year basis and as the costs of a termination for convenience may exceed the costs of continuing a program in a given fiscal year, occasionally programs do not have sufficient funds appropriated to cover the termination costs were the government to terminate them for convenience. Under such circumstances, the U. S. government could assert that it is not required to appropriate additional funding. A termination arising out of our default may expose us to liability and have a material adverse effect on our ability to compete for future contracts and orders. In addition, the U. S. government could terminate a prime contract under which we are a subcontractor, notwithstanding the quality of our

services as a subcontractor. In the case of termination for default, the U. S. government could make claims to reduce the contract value or recover its procurement costs and could assess other special penalties. Additionally, the U. S. government may not exercise an option period for various reasons, or, alternatively, the U. S. government may exercise option periods, even for contracts for which it is expected that our costs may exceed the contract price or ceiling. U. S. government agencies routinely audit and investigate government contractors. These agencies review a contractor's performance under its contracts, its cost structure, its business systems and compliance with applicable laws, regulations and standards. The U. S. government has the ability to decrease or withhold certain payments when it deems systems subject to its review to be inadequate. Additionally, any costs found to be misclassified may be subject to repayment. Changes in third- party payor reimbursement for healthcare items and services, as well as economic hardships faced by other parties from which our customers obtain funding, may affect our customers' ability to pay for our services, which could cause us to reduce our prices or adversely affect our ability to collect payments. Most of our customers are healthcare providers that pay us directly for the services we deliver, and these customers rely on third- party payor reimbursement for a substantial portion of their operating revenue. Third- party payors include government payors like Medicare and Medicaid and private payors like insurance companies and managed care organizations. Third- party payors continue to engage in widespread efforts to control healthcare costs. Their cost containment initiatives include efforts to control utilization of services and limit reimbursement amounts. Reimbursement limitations can take many forms, including discounts, non- payment for certain care (for example, care associated with certain hospital- acquired conditions) and fixed payment rates for particular treatment modalities or plans, regardless of the provider's actual costs in caring for a patient. Reimbursement policies have a direct effect on our customers' ability to pay us for our services and an indirect effect on the prices we charge. Ongoing concerns about rising healthcare costs may cause more restrictive reimbursement policies to be implemented in the future. Restrictions on the amounts or manner of reimbursements or funding to healthcare providers may affect the financial strength of our customers and the amount our customers are able to pay for our solutions. In addition, a portion of our customers derive funding from state and local government sources, some of which are facing financial hardships, including decreased funding. Any limitation or elimination of funding to our customers by these sources could also affect the financial strength of our customers and the amount they are able to pay for our services. Our customers operate in a highly regulated environment. Regulations affecting them could cause us to incur additional expenses associated with compliance and licensing. We could be assessed fines and face possible exclusion from participation in state and federal healthcare programs if we violate laws or regulations applicable to our business. The healthcare industry is required to comply with extensive and complex laws and regulations at the federal, state and local government levels. While the majority of these regulations do not directly apply to us, there are some that do, including the FDCA and certain state pharmaceutical licensing requirements. Although we believe we are in compliance with the FDCA, if the Food and Drug Administration ("FDA") expands the reporting requirements under the FDCA, we may be required to comply with the expanded requirements and may incur substantial additional expenses in doing so. With respect to state requirements, we are currently licensed in 26 states and may be required to obtain additional licenses, permits and registrations as state requirements change. Our failure to possess such licenses for our existing operations may subject us to certain additional expenses. Our success depends on the ability to service medical equipment safely and effectively. We are required to comply with the Food and Drug Administration Reauthorization Act ("FDARA"), which requires us to evaluate quality, safety and effectiveness of medical devices with respect to servicing. Our quality management system has not been fully extended to all of our programs and services, and the lack of controls may result in issues related to compliance and patient safety. In addition, our suppliers may not be able to fulfill service or product commitments, resulting in delays or failure to repair medical devices, and our manufacturers may be reluctant to provide the service manuals, training, equipment or parts needed to repair medical devices. The use of inadequate or substandard parts during the repair of medical devices may also result in the inoperability of medical equipment and malfunction that results in harm to patients and employees. In addition to the FDCA, FDARA and state licensing requirements, we are impacted by federal and state laws and regulations aimed at protecting the privacy of individually identifiable protected health information, among other things, and detecting and preventing fraud, abuse and waste with respect to federal and state healthcare programs. Some of these laws and regulations apply directly to us. Additionally, many of our customers require us to abide by their policies relating to patient privacy, state and federal anti- kickback acts, and state and federal false claim acts and whistleblower protections. Since the Affordable Care Act provides for further oversight over and detection of fraud and abuse activities, we expect many of our customers to continue to require us to abide by such policies. Given that our industry is heavily regulated, we may be subject to additional regulatory requirements. If our operations are found to be in violation of any governmental regulations to which we, or our customers, are subject, we may be subject to the applicable penalty associated with the violation. While we believe that our practices materially comply with applicable state and federal requirements, the requirements might be interpreted in a manner inconsistent with our interpretation. Also, if we are found to have violated certain federal or state laws or regulations regarding Medicare, Medicaid or other governmental funding sources, we could be subject to fines and possible exclusion from participation in federal and state healthcare programs. Penalties, damages, fines, or curtailment of our operations could significantly increase our cost of doing business, leading to difficulty generating sufficient income to support our business. In addition, although our business is not currently extensively regulated under healthcare laws, we are subject to certain regulatory requirements that continue to come under greater scrutiny and regulation. Our customers are subject to direct regulation under the Federal False Claims Act, the Stark Law, the Anti- Kickback Statute, rules and regulations of the Centers for Medicare and Medicaid Services ("CMS") and other federal and state healthcare laws and regulations. Promulgation of new laws and regulations, or changes in or re- interpretations of existing laws or regulations as they relate to our customers and our business, could affect our business, operating results or financial condition. Our operations may be negatively impacted if we have to comply with additional complex government regulations. We own a large fleet of medical equipment, which may be subject to equipment recalls or obsolescence. We incur significant expenditures to maintain a large and modern

equipment fleet. Our equipment may be subject to recalls that could be expensive to implement and could result in revenue loss while the associated equipment is removed from service. We may be required to incur additional costs to repair or replace the equipment at our own expense or we may choose to purchase incremental new equipment from a supplier not affected by the recall. Additionally, our relationship with our customers may be damaged if we cannot promptly replace the equipment that has been recalled. We depend on manufacturers and other third parties to properly obtain and maintain FDA clearance for their equipment and products and their failure to maintain FDA clearance could have a material adverse effect on our business. Our success depends, in part, on our ability to respond effectively to changes in technology. Because we maintain a large fleet of equipment, we are subject to the risk of equipment obsolescence. If advancements in technology render a substantial portion of our equipment fleet obsolete, or if a competing technology becomes available that our customers prefer, we may experience a decrease in demand for our products, which could adversely affect our operating results and cause us to invest in new technology to maintain our market share and operating margins.

Risks Related to Our Indebtedness We have substantial indebtedness. As of December 31, ~~2022~~ **2023**, we had approximately \$ 1. 1 billion in borrowings outstanding under our First Lien Term Loan Facility (as defined herein) (together with the Revolving Credit Facility (as defined herein), the “ Credit Facilities ”), respectively, and \$ 6. 8 million of letters of credit outstanding under our Revolving Credit Facility. This is a significant amount of indebtedness which could have important consequences. For example, it could:

- make it more difficult for us to satisfy our debt obligations;
- increase our vulnerability to general adverse economic, industry and competitive conditions;
- require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, research and development efforts and other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- place us at a competitive disadvantage compared to our competitors that have less indebtedness;
- limit our ability to borrow additional funds;
- limit our ability to make investments in technology and infrastructure improvements; and
- limit our ability to make significant acquisitions.

Our ability to satisfy our debt obligations will depend on our future operating performance. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. Our business may not continue to generate sufficient cash flow from operations and future borrowings may not be available to us in an amount sufficient to enable us to repay our indebtedness or to fund our other liquidity needs. If we are unable to make our interest payments or to repay our debt at maturity, we may have to obtain alternative financing, which may not be available to us. We are vulnerable to interest rate risk with respect to our debt. We are subject to interest rate risk in connection with the issuance of variable and fixed- rate debt. In order to maintain a desired mix of fixed- rate and variable- rate debt, we utilize interest rate swap agreements to fix a portion of our variable- rate debt. There is uncertainty in our ability to enter into additional swap agreements upon the expiration of our current arrangements in ~~June~~ **July 2023-2025**. In the current environment of high interest rates, we may not be able to manage our interest rate risk effectively, which could adversely affect our business, earnings and financial condition. We require substantial cash to operate our healthcare technology solutions and service our debt. Our healthcare technology solutions require us to invest a significant amount of cash in medical equipment purchases. To the extent that such expenditures cannot be funded from our operating cash flow, borrowings under our Credit Facilities or other financing sources, we may not be able to grow as currently planned. We currently expect that over the next 12 months, we will make net investments of approximately \$ ~~85-80~~ to \$ ~~95-90~~ million in new and pre- owned medical equipment, leasehold improvements and other capital expenditures. This estimate is subject to numerous assumptions, including revenue growth, the number of on- site managed solution signings, and any significant changes in customer contracts. In addition, a substantial portion of our cash flow from operations must be dedicated to servicing our debt and there are significant restrictions on our ability to incur additional indebtedness under the credit agreements governing our credit facilities. Primarily because of our debt service obligations and debt refinancing charges and elevated depreciation and amortization charges we have incurred, we have had a history of net losses. If we consistently incur net losses, it could result in our inability to finance our business in the future. We had **a net loss of \$ 19 million for the year ended December 31, 2023. We had** net income of \$ 30 million and \$ 24 million for the years ended December 31, 2022 and 2021, respectively. ~~We had a net loss of \$ 22 million for the year ended December 31, 2020.~~ Our ability to use our United States federal income tax net operating loss carryforwards to offset our future taxable income may be limited. If we are limited in our ability to use our net operating loss carryforwards in future years in which we have taxable income, we will pay more current taxes than if we were able to utilize our net operating loss carryforwards without limitation, which could harm our results of operations and liquidity. We may not be able to obtain funding on acceptable terms or at all as a result of the credit and capital markets. Thus, we may be unable to expand our business or to service our debt. Depending on the global financial markets and economic conditions, the cost of raising money in the debt and equity capital markets may increase while the availability of funds from those markets may diminish. Without adequate funding, we may be unable to execute our growth strategy, complete future acquisitions, or take advantage of other business opportunities or respond to competitive pressures, any of which could have a material adverse effect on our revenue and results of operations.

Risks Related to Ownership of our Securities THL controls us, and its interests may conflict with ours or yours in the future. For so long as the THL Stockholder continues to own a significant portion of our stock, THL will be able to significantly influence the composition of our board of directors (our “ Board ”), including the approval of actions requiring shareholder approval. Accordingly, for such period of time, THL will have significant influence with respect to our management, business plans and policies, including the appointment and removal of our officers, decisions on whether to raise future capital and amending our charter and bylaws, which govern the rights attached to our common stock. In particular, for so long as the THL Stockholder continues to own a significant percentage of our stock, THL will be able to cause or prevent a change of control of us or a change in the composition of our Board and could preclude any unsolicited acquisition of us. The concentration of ownership could deprive you of an opportunity to receive a premium for your shares of common stock as part of a sale of us and ultimately might affect the market price of our common stock. In

connection with our IPO, we entered into an amended and restated director nomination agreement (the “ director nomination agreement ”) with the THL Stockholder whereby, so long as the THL Stockholder beneficially owns at least 5 % of our common stock then outstanding, the THL Stockholder has the right to designate: (i) all of the nominees for election to our Board for so long as the THL Stockholder beneficially owns 40 % or more of the total number of shares of our common stock beneficially owned by the THL Stockholder upon completion of our IPO, as adjusted for any reorganization, recapitalization, stock dividend, stock split, reverse stock split or similar changes in our capitalization (the “ Original Amount ”); (ii) a number of directors (rounded up to the nearest whole number) equal to 40 % of the total directors for so long as the THL Stockholder beneficially owns at least 30 % and less than 40 % of the Original Amount; (iii) a number of directors (rounded up to the nearest whole number) equal to 30 % of the total directors for so long as the THL Stockholder beneficially owns at least 20 % and less than 30 % of the Original Amount; (iv) a number of directors (rounded up to the nearest whole number) equal to 20 % of the total directors for so long as beneficially owns at least 10 % and less than 20 % of the Original Amount; and (v) one director for so long as the THL Stockholder beneficially owns at least 5 % and less than 10 % of the Original Amount. In each case, the THL Stockholder’ s nominees must comply with applicable law and stock exchange rules. In addition, the THL Stockholder shall be entitled to designate the replacement for any of its board designees whose board service terminates prior to the end of the director’ s term regardless of the THL Stockholder’ s beneficial ownership at such time. The THL Stockholder shall also have the right to have its designees participate on committees of our Board proportionate to its stock ownership, subject to compliance with applicable law and stock exchange rules. The director nomination agreement will also prohibit us from increasing or decreasing the size of our Board without the prior written consent of the THL Stockholder. This agreement will terminate at such time as the THL Stockholder owns less than 5 % of the Original Amount. THL and its affiliates engage in a broad spectrum of activities, including investments in the information and business services industry generally. In the ordinary course of their business activities, THL and its affiliates may engage in activities where their interests conflict with our interests or those of our other shareholders, such as investing in or advising businesses that directly or indirectly compete with certain portions of our business or are suppliers or customers of ours. Our certificate of incorporation provides that none of THL, any of its affiliates or any director who is not employed by us (including any non- employee director who serves as one of our officers in both his director and officer capacities) or its affiliates will have any duty to refrain from engaging, directly or indirectly, in the same business activities or similar business activities or lines of business in which we operate. THL also may pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us. In addition, THL may have an interest in pursuing acquisitions, divestitures and other transactions that, in its judgment, could enhance its investment, even though such transactions might involve risks to you. We are a “ controlled company ” within the meaning of the rules of the NYSE and, as a result, we qualify for, and may in the future rely on, exemptions from certain corporate governance requirements. As such, you may not have the same protections as those afforded to shareholders of companies that are subject to such governance requirements. THL Stockholder controls a majority of the voting power of our outstanding common stock. As a result, we are “ controlled company ” within the meaning of the corporate governance standards of the NYSE. Under these rules, a company of which more than 50 % of the voting power for the election of directors is held by an individual, group or another company is a “ controlled company ” and may elect not to comply with certain corporate governance requirements, including: • the requirement that a majority of our Board consist of independent directors; • the requirement that we have a nominating and corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee’ s purpose and responsibilities; • the requirement that we have a compensation, nominating and governance committee that is composed entirely of independent directors with a written charter addressing the committee’ s purpose and responsibilities; and • the requirement for an annual performance evaluation of the compensation, nominating and governance committee. We do not currently rely on these exemptions but may choose to do so in the future. As a result, we may not have a majority of independent directors on our Board and our Compensation Committee and Nominating and Governance Committee may not consist entirely of independent directors and our Compensation Committee and Nominating and Governance Committee may not be subject to annual performance evaluations. Accordingly, you will not have the same protections afforded to shareholders of companies that are subject to all of the corporate governance requirements of the NYSE. An active, liquid trading market for our common stock may not develop, which may limit your ability to sell your shares. ~~Our~~ **Since our** IPO occurred in April 2021 ~~Therefore~~, there has been a public market for our common stock ~~for a short period of time~~. Although we have listed our common stock on the NYSE under the symbol “ AGTI, ” an active trading market for our common stock may not be sustained. A public trading market having the desirable characteristics of depth, liquidity and orderliness depends upon the existence of willing buyers and sellers at any given time, such existence being dependent upon the individual decisions of buyers and sellers over which neither we nor any market maker has control. The failure of an active and liquid trading market to develop and continue would likely have a material adverse effect on the value of our common stock. The market price of our common stock may decline ~~below the public offering price~~, and you may not be able to sell your shares of our common stock at or above the price you paid for our shares, or at all. An inactive market may also impair our ability to raise capital to continue to fund operations by issuing shares and may impair our ability to acquire other companies by using our shares as consideration. Operating as a public company requires us to incur substantial costs and requires substantial management attention. As a public company, we incur substantial legal, accounting and other expenses ~~that we did not incur as a private company~~. For example, we are subject to the reporting requirements of the Exchange Act, the applicable requirements of the Sarbanes- Oxley Act, the Dodd- Frank Wall Street Reform and Consumer Protection Act, the rules and regulations of the SEC and the listing standards of the NYSE. ~~For example, the Exchange Act requires, among other things, we file annual, quarterly and current reports with respect to our business, financial condition and results of operations.~~ We are also required to maintain effective disclosure controls and procedures and internal control over financial reporting. Compliance with these rules and regulations has increased and will continue to increase our legal and financial compliance costs, and increase demand on our

systems. In addition, as a public company, we may be subject to stockholder activism, which can lead to additional substantial costs, distract management and impact the manner in which we operate our business in ways we cannot currently anticipate. As a result of disclosure of information in filings required of a public company, our business and financial condition **is will become** more visible, which **may could** result in threatened or actual litigation, including by competitors. In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We **intend to** invest resources to comply with evolving laws, regulations and standards, and **this continued** investment may result in increased general and administrative expenses and a diversion of our management's time and attention from sales-generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us and could have a material adverse effect on our business, financial condition and results of operations. If we fail to maintain an effective system of disclosure controls and internal control over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired. The Sarbanes-Oxley Act requires, among other things, that management certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of internal control over financial reporting. In addition, our independent registered public accounting firm is required to attest to the effectiveness of our internal controls over financial reporting annually. We are continuing to develop and refine our disclosure controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we **will** file with the SEC is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and that information required to be disclosed in reports under the Exchange Act is accumulated and communicated to our principal executive and financial officers. We are also continuing to improve our internal control over financial reporting. We have expended, and anticipate that we will continue to expend, significant resources in order to improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting. As described in Item 9A. "Controls and Procedures," management has concluded that our internal control over financial reporting was ineffective as of December 31, **2022-2023** **because of due to the materials- material** weaknesses **caused by an insufficient number of trained resources with expertise in our internal the design and implementation of** controls over financial reporting due to **address identified risk related to IT systems and certain process- level controls including**: (i) **insufficient trained resources and expertise in implementation and operation of internal control over financial reporting and information technology systems and**, (ii) **as it relates to information technology general controls - ("ITGC") across all financial reporting systems related to ineffective provisioning user access, including segregation of duties, and ineffective** change management **controls over certain financial reporting**, and **segregation of duties, within its systems, supporting the Company's accounting and reporting (ii) ineffective risk assessment processes and ineffective identification and design of process- level control activities related to order- to- cash (including revenue and accounts receivable) and manual journal entries**. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer also concluded that our disclosure controls and procedures were not effective due to these material weaknesses in internal control over financial reporting. Our independent registered public accounting firm was required to formally attest to the effectiveness of our internal controls over financial reporting pursuant to Section 404 as of December 31, **2022-2023**. As described in Item 9A. "Controls and Procedures", our independent registered public accounting firm has expressed an adverse report on the operating effectiveness of our internal control over financial reporting as of December 31, **2022-2023**. In the future, our independent registered public accounting firm may issue a report that is adverse in the event that it continues to not be satisfied with the level at which our controls are documented, designed or operating. We have begun to implement a number of steps to remediate the material weaknesses as described in Item 9A. "Controls and Procedures." However, remediation of material weaknesses may be a lengthy process and any difficulties encountered in remediation efforts or our implementation of new controls could harm our results of operations or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Any continued failure to implement and maintain effective internal control over financial reporting could also adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting. Ineffective disclosure controls and procedures and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which would likely adversely affect the market price of our common stock. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on the NYSE. Any continued failure to maintain effective disclosure controls and internal control over financial reporting could have an adverse effect on our business, financial condition and results of operations and could cause a decline in the market price of our common stock. Provisions of our corporate governance documents could make an acquisition of us more difficult and may prevent attempts by our shareholders to replace or remove our current management, even if beneficial to our shareholders. In addition to the THL Stockholder's beneficial ownership of 73 % of our common stock, our certificate of incorporation and bylaws and the Delaware General Corporation Law (the "DGCL") contain provisions that could make it more difficult for a third party to acquire us, even if doing so might be beneficial to our shareholders. Among other things: • these provisions allow us to authorize the issuance of undesignated preferred stock, the terms of which may be established and the shares of which may be issued without shareholder approval, and which may include supermajority voting, special approval, dividend, or other rights or preferences superior to the rights of shareholders; • these provisions provide for a classified board of directors with staggered three- year terms; • these provisions provide that, at any time when the THL Stockholder beneficially

owns, in the aggregate, less than 40 % in voting power of our stock entitled to vote generally in the election of directors, directors may only be removed for cause, and only by the affirmative vote of holders of at least 662 / 3 % in voting power of all the then- outstanding shares of our stock entitled to vote thereon, voting together as a single class; • these provisions prohibit shareholder action by written consent from and after the date on which the THL Stockholder beneficially owns, in the aggregate, less than 35 % in voting power of our stock entitled to vote generally in the election of directors; • these provisions provide that for as long as the THL Stockholder beneficially owns, in the aggregate, at least 50 % in voting power of our stock entitled to vote generally in the election of directors, any amendment, alteration, rescission or repeal of our bylaws by our shareholders require the affirmative vote of a majority in voting power of the outstanding shares of our stock and at any time when the THL Stockholder beneficially owns, in the aggregate, less than 50 % in voting power of all outstanding shares of our stock entitled to vote generally in the election of directors, any amendment, alteration, rescission or repeal of our bylaws by our shareholders requires the affirmative vote of the holders of at least 662 / 3 % in voting power of all the then- outstanding shares of our stock entitled to vote thereon, voting together as a single class; and • these provisions establish advance notice requirements for nominations for elections to our Board or for proposing matters that can be acted upon by shareholders at shareholder meetings; provided, however, at any time when the THL Stockholder beneficially owns, in the aggregate, at least 10 % in voting power of our stock entitled to vote generally in the election of directors, such advance notice procedure do not apply to it. Our certificate of incorporation contains a provision that provides us with protections similar to Section 203 of the DGCL, and prevents us from engaging in a business combination with a person (excluding THL and any of its direct or indirect transferees and any group as to which such persons are a party) who acquires at least 15 % of our common stock for a period of three years from the date such person acquired such common stock, unless Board or shareholder approval is obtained prior to the acquisition. These provisions could discourage, delay or prevent a transaction involving a change in control of our company. These provisions could also discourage proxy contests and make it more difficult for you and other shareholders to elect directors of your choosing and cause us to take other corporate actions you desire, including actions that you may deem advantageous, or negatively affect the trading price of our common stock. In addition, because our Board is responsible for appointing the members of our management team, these provisions could in turn affect any attempt by our shareholders to replace current members of our management team. These and other provisions in our certificate of incorporation, bylaws and Delaware law could make it more difficult for shareholders or potential acquirers to obtain control of our Board or initiate actions that are opposed by our then- current Board, including delay or impede a merger, tender offer or proxy contest involving our company. The existence of these provisions could negatively affect the price of our common stock and limit opportunities for you to realize value in a corporate transaction. Our certificate of incorporation designates the Court of Chancery of the State of Delaware as the exclusive forum for certain litigation that may be initiated by our shareholders, which could limit our shareholders' ability to obtain a favorable judicial forum for disputes with us. Pursuant to our certificate of incorporation, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware is the sole and exclusive forum for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of fiduciary duty owed by, or other wrongdoing by, any of our directors, officers or other employees or agents to us or our shareholders, or a claim of aiding and abetting any such breach of fiduciary duty, (3) any action asserting a claim against us or any director, officer, employee or agent of the Company arising pursuant to any provision of the DGCL, our certificate of incorporation or our bylaws, (4) any action to interpret, apply, enforce or determine the validity of our certificate of incorporation or bylaws, (5) any action asserting a claim against us or any director, officer, employee or agent governed by the internal affairs doctrine or (6) any action asserting an " internal corporate claim " as that term is defined in Section 115 of the DGCL; provided that for the avoidance of doubt, the forum selection provision that identifies the Court of Chancery of the State of Delaware as the exclusive forum for certain litigation, including any " derivative action ", does not apply to suits to enforce a duty or liability created by Securities Act, the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Our certificate of incorporation also provides that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Our certificate of incorporation further provides that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock is deemed to have notice of and consented to the provisions of our certificate of incorporation described above. The forum selection clause in our certificate of incorporation may have the effect of discouraging lawsuits against us or our directors and officers and may limit our shareholders' ability to obtain a favorable judicial forum for disputes with us. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business, financial condition and results of operations. Our operating results and stock price may be volatile, and the market price of our common stock may drop below the price you paid for our common stock. Our quarterly operating results are likely to fluctuate in the future. In addition, securities markets worldwide have experienced, and are likely to continue to experience, significant price and volume fluctuations. This market volatility, as well as general economic, market or political conditions, could subject the market price of our shares to wide price fluctuations regardless of our operating performance. Our operating results and the trading price of our shares may fluctuate in response to various factors, including the factors mentioned throughout this section. A significant portion of our total outstanding shares may be sold into the market in the near future. This could cause the market price of our common stock to drop significantly, even if our business is doing well. Sales of a substantial number of shares of our common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our common stock. We currently have ~~133-135~~, 792 ~~652~~, ~~048-249~~ outstanding shares of common stock based on the number of shares outstanding as of February ~~28-29~~, ~~2023-2024~~. The market price of our stock could decline if the holders of shares sell them or are perceived by the market as intending to sell

them. Because we have no current plans to pay regular cash dividends on our common stock, you may not receive any return on investment unless you sell your common stock for a price greater than that which you paid for it. We do not currently pay any regular cash dividends on our common stock. Any decision to declare and pay dividends in the future will be made at the discretion of our Board and will depend on, among other things, our results of operations, financial condition, cash requirements, contractual restrictions and other factors that our Board may deem relevant. In addition, our ability to pay dividends is, and may be, limited by covenants of existing and any future outstanding indebtedness we or our subsidiaries incur, including under the credit agreements governing our credit facilities. Therefore, any return on investment in our common stock is solely dependent upon the appreciation of the price of our common stock on the open market, which may not occur. If securities or industry analysts do not publish research or reports about our business, if they adversely change their recommendations regarding our shares or if our results of operations do not meet their expectations, our stock price and trading volume could decline. The trading market for our shares is influenced by the research and reports that industry or securities analysts publish about us or our business. We do not have any control over these analysts. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. Analysts who cover our stock have issued adverse reports with respect to our stock in the past and if additional analysts who cover us downgrade our stock or if our results of operations do not meet their expectations, our stock price could decline. We may issue shares of preferred stock in the future, which could make it difficult for another company to acquire us or could otherwise adversely affect holders of our common stock, which could depress the price of our common stock. Our certificate of incorporation authorizes us to issue one or more series of preferred stock. Our Board has the authority to determine the preferences, limitations and relative rights of the shares of preferred stock and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our shareholders. Our preferred stock could be issued with voting, liquidation, dividend and other rights superior to the rights of our common stock. The potential issuance of preferred stock may delay or prevent a change in control of us, discouraging bids for our common stock at a premium to the market price, and materially adversely affect the market price and the voting and other rights of the holders of our common stock.