Fiscal Year 2023 Fourth Quarter Earnings

Tuesday, September 12, 2023

Corporate Participants

Ryan Kubota, Director, Investor Relations
Patrick Blair, President and Chief Executive Officer
Ben Adams, Chief Financial Officer

Ryan Kubota, Director, Investor Relations

Thank you operator. Good afternoon and thank you all for joining the InnovAge fiscal 2023 fourth quarter earnings call. With me today is Patrick Blair, President and CEO, and Ben Adams, CFO. Doctor Rich Feifer, Chief Medical Officer, will also be joining the Q&A portion of the call.

Today, after the market close, we issued a press release containing detailed information on our quarterly and annual results. You may access the release on our company website, InnovAge.com.

For those listening to the rebroadcast of this call, we remind you that the remarks made herein are as of today, Tuesday, September 12th, 2023, and have not been updated subsequent to this call.

During our call we will refer to certain non-GAAP measures. A reconciliation of these measures to the most directly comparable GAAP measures, can be found in our fiscal fourth quarter 2023 press release, which is posted on the Investor Relations section of our website.

We will also be making forward-looking statements, including statements related to our guidance for fiscal year 2024, future growth prospects, Florida and Downey de novo centers, potential acquisitions, our payer capabilities and clinical value initiatives, the status of current and future regulatory actions, and other expectations.

Listeners are cautioned that all of our forward-looking statements involve certain assumptions and are inherently subject to risks and uncertainties that can cause our actual results to differ materially from our current expectations. We advise listeners to review the risk factors discussed in our Form 10-K annual report for fiscal year 2023 and our subsequent reports filed with the SEC.

After the completion of our prepared remarks, we will open the call for questions. I will now turn the call over to our President and CEO, Patrick Blair. Patrick?

Patrick Blair, President and Chief Executive Officer

Thank you, Ryan, and good afternoon, everyone. I want to begin by extending my deepest appreciation and gratitude to our InnovAge employees, participants, government partners, and investors who continue to support us.

Today, we will provide several updates:

- results for fiscal year 2023 and the fourth quarter,
- initial guidance for fiscal year 2024,
- a brief regulatory update,
- and progress in our key focus areas.

Let me start with fiscal year 2023. For the full year, we reported revenue of $688.1 million, a decline of approximately 1.5% compared to fiscal year 2022, and center level contribution of $101.3 million, which represents a 14.7% margin. Consolidated adjusted EBITDA was negative $1.3 million for the fiscal year. While not reflective of our go-forward potential, these results were in line with our expectations in a period that was negatively impacted by enrollment restrictions in Colorado and Sacramento.

Moving to fourth quarter, we reported revenue of $176.9 million, a sequential improvement of approximately 2.5% compared to the third quarter, and center level contribution of $28.5 million, which represents a 16.1% margin. Consolidated adjusted EBITDA was $700 thousand for the quarter.

Overall, the year demonstrated considerable progress in our core focus areas and positions us well to build on this momentum. Second half of fiscal year 2023 center level contribution was $57.3 million, an increase of approximately 30% relative to first half center level contribution of $44.0 million. Importantly, we still have approximately 50% center capacity across our portfolio, excluding the Florida De Novos we are opening. Utilizing the slack center capacity in each of our centers to serve additional seniors is a top priority. But more broadly, I want to acknowledge what we accomplished in fiscal year 2023:

- We resolved compliance audit deficiencies and had all enrollment restrictions lifted,
- We improved the core operational processes in every center,
- We strengthened our relationships with our federal and state regulatory partners,
- We implemented a PACE-specific instance of Epic's EMR in 14 of our 17 centers, which will make us more efficient and bolster our compliance capabilities,
- We built essential payer capabilities that we believe will better position us to manage medical costs, and
- We weathered the negative financial impacts of the sanctions and are now entering a phase of growth and margin recapture.

The last 18 months have been a difficult period in every sense, but we are pleased with our progress and now have a solid foundation for improving performance. I am proud of our team for rising to the challenges with grit and humility, all while keeping participant care our top priority.

Turning to fiscal year 2024 guidance, we project a census range of 6,800 to 7,400, member months of 79,000 to 83,000, total revenue of $725 to $775 million, and consolidated adjusted EBITDA of $12 to $18 million. It is important to note that this guidance includes some conservatism given where we are in our journey and does not reflect our long-term optimism of the business. fiscal year 2024 guidance is by no means a destination; it is a waypoint to stronger financial performance as we resume growth, reach targeted staffing ratios, and continue filling the excess capacity in our centers. As a result, we anticipate seeing improvement in our profitability as the year progresses and exiting the year at a higher run rate. Further, we expect the rate of change in profitability to continue to increase until we reach mature margins.

We appreciate that the initial adjusted EBITDA range is wider than most precedents. As we better understand how growth is going to impact our cost, and our performance improvement initiatives are going to mature, we will evaluate refining guidance for the year after the end of the second quarter. We also plan to use this mid-year inflection point to refresh the investor community on the critical drivers of our business. As such, we'll be hosting our first Investor Day after second quarter earnings to review the business in detail.

Regarding leadership, we continue to enhance the organization with additional high-impact talent. Ben Adams, our new Chief Financial Officer, is the latest addition to the leadership team. Ben brings decades of operational finance experience and strategic expertise within the healthcare sector. I also want to take a moment to thank Barb Gutierrez for her innumerable contributions to the organization over the last 6 years and wish her all the best in future endeavors.

We also welcomed Teresa Sparks to the board and to the Audit Committee. Teresa's public company healthcare and finance expertise will serve us well in years ahead.

We are enthusiastic to enter fiscal 2024 unencumbered to pursue our goals of responsible growth and to expand access to the many deserving seniors who would benefit from the PACE program. As we've methodically strengthened our business, I believe we begin this new year with the strongest foundation in the company's history which we believe will result in consistent, responsible, profitable growth. Simply put, this is a year of laser-focus on execution, margin recapture, and operational excellence.

On the regulatory front, let me begin by expressing my appreciation to our government partners for their confidence in us, and for the ongoing spirit of partnership. Notably, I am happy to report we were released early from post-sanction monitoring in Sacramento by CMS and the state

because of our strong and consistent audit results. We take the trust CMS and our state partners have placed in us with the utmost seriousness, and we will endeavor to continue to deliver highly compliant care in each of our centers.

Our near-term priorities remain unchanged: to sustain a highly compliant and operationally excellent business that delivers exceptional patient care while executing a responsible, profitable growth strategy.

Regarding existing-center growth, we continue to experience sequential improvements in prospect lead volumes and gross enrollments in almost every market. Specific to sales qualified leads, we've seen this metric increase by approximately 90% over the last 6 months. We are also making significant strides in the productivity of our enrollment teams, the effectiveness of our digital marketing campaigns, and the lead volumes coming from our digital channel and referral partners. We are also investing in a small internal sales team that will enable us to pre-qualify the increased lead volume in a cost-effective manner to increase our conversion metrics. In time, this will enable our field-based enrollment specialists to focus on moving prospects through the enrollment process more quickly.

The enrollment ramp in Colorado and Sacramento, our formerly sanctioned markets, is tracking to our expectations. We are currently at pre-sanction levels of gross monthly enrollments in Colorado and trending positively in Sacramento. At the same time, the rest of our portfolio continues to perform with growth at or above pre-sanction levels in almost every market, reflecting our improved execution in this area. It is important to remember that enrollment is a joint effort between InnovAge and our state partners who process the applications and activate a new enrollment. We have observed some recent delays in the processing of enrollment applications, and we attribute this to state resource constraints which may become further exacerbated by the ongoing Medicaid redetermination processes in some states. While this does not impact the eligibility of our prospective participants, it can delay enrollments and potentially cause eligible participants to seek other solutions. We continue to challenge ourselves to improve each stage of the enrollment funnel to be more productive, consistent, and efficient each month.

As we pivot to new-center growth, building a strong pipeline of new centers that will provide a sturdy base of embedded future earnings is paramount. In Florida, we continue to make progress on the administrative requirements to open centers in Tampa and Orlando. We recently completed the onsite State Readiness Review inspection in Tampa. In Orlando, we have received our Adult Daycare license and are working with the State to schedule the State Readiness Review. We continue to hold ourselves accountable to get these two centers operational as quickly as possible. Depending on the timeline of the remaining administrative steps, which can fluctuate, we anticipate that both centers will be open around the end of the calendar year. These two centers will expand our total center and census capacity by over 20%, and we are excited at the

opportunity to meaningfully increase our visibility into double digit topline growth over the coming years.

We are also pleased to announce that we have worked with the California Department of Health Care Services to resume our application in Downey, a large market southeast of Los Angeles. Recall, the state suspended our application when the Sacramento sanction was issued two years ago. While the timing of the application process remains entirely in the state's control, we believe this could enable us to open the center in mid-calendar year 2024. The addition of Downey would increase our census capacity by approximately five hundred participants in this highly strategic California market. We couldn't be more excited to support the state of California in their mission to deliver affordable, integrated, high-quality healthcare.

Lastly, we are also seeing increased state interest in the PACE model of care across the country. Increasingly, PACE is viewed as the gold-standard in community-based care for dual eligibles struggling to remain independent. We believe these models serving the highest cost dual eligibles are the most compelling, forward-looking, source of government programs growth over the foreseeable horizon.

In addition to the focus on our existing-center and new-center opportunities, we continue to observe a healthy pipeline for new partnership and tuck-in acquisitions as well. While the timing of transactions is difficult to predict, the level of activity we are seeing in the market gives us confidence that inorganic opportunities can remain a key facet of our multi-pronged growth strategy. Healthcare delivery remains hyper-local, and we believe that partnerships could also unlock significant value in some of our markets. We will be opportunistic and focus on collaborating with organizations that share our commitment to quality and participant-centric care.

Regarding rates, I'll let Ben walk you through what we're expecting, but our overarching goal is to be more proactive and data-driven in our rate negotiations with states. We believe that the PACE model drives meaningful savings for our government partners when compared to alternatives. It is incumbent on us to empirically demonstrate the value we are delivering and to be paid a financially suitable rate for the services we offer.

Turning to medical costs, our portfolio of Clinical Value Initiatives is building momentum, and we're getting better every day at executing on the fundamentals of medical cost management. You'll recall that we stood up this foundational capability in fiscal 2023 to manage core medical trend in a more professionalized and impactful manner. We have set up the analytics, team structure, and accountability models to continuously identify trend mitigation opportunities and to track our execution from ideation to P&L impact. To provide a few examples:

- We are improving the quality of our external provider networks, while reducing our costs. We anticipate our current initiatives will deliver more than $4 million of annualized run-rate improvement in the long-term.
- We have reduced our short stay skilled nursing utilization rate which ended the fiscal year at 2%. This is a 60-basis point improvement, or approximate 23% reduction, over fiscal year 2022. We estimate that every ten basis points of improvement saves approximately $1 million.
- We are expanding our case management capabilities to support the needs of our most complex participants to reduce the risk of avoidable emergency room admits and inpatient utilization.

While our core medical trends have remained at elevated levels relative to pre-sanction periods, we believe our portfolio of initiatives will begin to mitigate the elevated trends we have observed. As context, our external provider costs were approximately 54.4% of revenue in fiscal year 2023, well above pre-sanction levels results of 48.5% in fiscal year 2021. Clinical priority number one is to get these costs back in line with historical levels, while improving quality of care where possible. On an annualized basis, we estimate that a 1% improvement in external provider costs as a percentage of revenue represents almost $7 million of incremental profitability. You'll recall from my comments last quarter, these will be dials, not switches, and while we are pleased with our progress, significant work remains.

Lastly, we now have 14 of our 17 centers live on the new Epic EMR. As we have discussed previously, we view Epic, as a chief enabler of increased operational productivity, efficiency, compliance, and clinical staff satisfaction going forward. As I mentioned last quarter, it will take months to achieve full adoption and the expected benefits of the new system. That said, we're highly encouraged by the operational efficiencies that are emerging and the positive feedback from our administrative and clinical teams.

In closing, our team has moved mountains over the last 18 months to transform the business and position us to unlock our full potential. I am humbled by the privilege to lead this group as we enter the new year with an intentional balance of a caregivers' heart…and an owners' mindset. We look forward to continuing to demonstrate incremental improvement quarter over quarter in each of our focus areas while we seek additional catalysts to deliver breakthrough impact and value to the organization over time.

With that, I will turn the call over to Ben for additional insight on the financials. Ben?

Ben Adams, Chief Financial Officer

Thank you Patrick. I am excited to be here, and I look forward to speaking with all of you in the near future. Having been in the healthcare space for over 25 years what excites me the most about joining InnovAge is the opportunity we see in front of us and the population we have the privilege of serving each day.

Today, I will provide some highlights from our fourth quarter and fiscal year-end 2023 financial performance. As you probably saw in our press release this afternoon, we are pleased to re-establish our practice of providing annual guidance so I will also go through a few highlights on our fiscal 2024 outlook.

We ended the fourth quarter and fiscal year 2023 with 17 centers and approximately 6,400 participants as of June 30, 2023. Compared to the prior year, this represents an ending census decline of 3.9% and a 1.4% increase compared to last quarter.

We reported approximately 77,370 member months in fiscal year 2023, a 6.6% decrease compared to the prior year.

Total revenue decreased by 1.5% to $688.1 million for fiscal year 2023. The decrease was primarily due to lower member months as a result of the sanctions, partially offset by the annual increase in Medicare and Medicaid capitation rates, which are net of the full reinstatement of sequestration in July 2022, and the ramp of up new enrollments in Colorado and Sacramento.

Compared to the third quarter, revenue increased 2.5% primarily as a result of higher than anticipated Part C and Part D Medicare risk score true up payments coupled with a calendar year 2022 rate true up in California.

We incurred $374.5 million of external provider costs during fiscal year 2023, a 2.2% decrease compared to the prior year. The decrease was driven by lower members months partially offset by an increase in cost per participant. The cost per participant increase was primarily due to higher assisted living and nursing facility utilization and unit cost, partially offset by a reduction in inpatient cost per admit associated with fewer COVID admissions compared to fiscal year 2022.

Sequentially, external provider costs increased by 5.8% primarily as a result of increased assisted living and short stay nursing facility utilization. Additionally, and as we mentioned last quarter, we recorded a larger than anticipated pharmacy rebate in the third quarter which contributed to the higher external provider costs this quarter.

Cost of care, excluding depreciation and amortization, of $212.3 million was 17.8% higher compared to the prior year. Similar to our experience over the last several last quarters, the primary cost drivers include:

- One – Salaries, wages and benefits, which accounts for approximately two-thirds of the total variance, increased due to higher headcount as we filled key vacancies, higher wage rates, and increased labor costs associated with ongoing audit remediation and compliance efforts.
- Two - Third party audit and compliance support as we worked through the audits and proactively performed self-audits in our non-sanctioned markets.
- Three - Fleet and contract transportation driven by higher average daily attendance in our centers, an increase in external appointments, and higher fuel costs.
- Four – Increased building maintenance and security costs associated with growth in average daily attendance,
- Five – increased supplies, travel and mileage, and
- Six – de novo rent expense.

Cost of care decreased 1% compared to the third quarter of fiscal 2023 primarily due to decreased wage rates associated with lower benefits expense, and a reduction in third party audit remediation expense. The decrease was partially offset by an increase in fleet and contract transportation expense.

Center-level contribution margin, which we define as total revenue less external provider costs and cost of care, excluding depreciation and amortization, was $101.3 million for the year compared to $135.4 million in the prior year. As a percentage of revenue, center-level contribution margin for the year was 14.7%, compared to 19.4% in the prior year.

Sequentially, our fourth quarter center-level contribution margin of $28.5 million declined slightly compared to $28.8 million in the third quarter. On a percentage basis, center-level contribution margin decreased sequentially 60 basis points to 16.1% compared to 16.7%.

Sales and marketing expense was $19.6 million, a $4.6 million decrease compared to the prior year. The decrease was mainly due to a reduction in marketing spend and lower sales headcount as a result of the sanctions, and a reduction in sales commissions expense due to the deferral of those commissions.

Compared to the third quarter, sales and marketing expense increased by $800 thousand to $6.1 million, primarily due to increased marketing spend and sales headcount following the Colorado sanction lift.

Corporate, general and administrative expense was $115.6 million, a $14 million increase compared to the prior year. This was primarily due to:

- Increased headcount to support compliance and bolster organizational capabilities.
- Increased third party costs associated with the implementation of our core provider initiatives, assessment of our risk-bearing payor capabilities and strengthening our organizational capabilities.
- The implementation of EPIC,
- An increase in software license and maintenance expense, and
- Increased legal costs.

Sequentially, corporate, general and administrative expense increased $1.3 million, primarily due to cost associated with organizational realignment and normalized bad debt, partially offset by savings in insurance renewal.

Net loss for the fiscal year was $43.6 million compared to net loss of $8 million in the prior fiscal year.

We reported a net loss per share of thirty cents, on both a basic and diluted basis.

Our weighted average share count was approximately 135.6 million shares for the year, on both a basic and fully diluted basis.

Adjusted EBITDA, which we calculate by adding interest, taxes, depreciation and amortization, one-time adjustments for transaction and offering related costs, and other non-recurring or exceptional costs to net income, was negative $1.3 million for the fiscal year ended June 30, 2023, compared to positive $34.3 million in the prior year. adjusted EBITDA for the fourth fiscal quarter was $700 thousand compared to $3.8 million in the third quarter.

Our adjusted EBITDA margin was negative 0.2% for the fiscal year, compared to positive 4.9% in the prior year. For the quarter, adjusted EBTIDA margin was positive 0.4% compared to 2.2% in the third quarter.

We do not add back any losses incurred in connection with our de novo centers in the calculation of adjusted EBITDA. De novo center losses, which we define as net losses related to pre-opening and start-up ramp through the first 24 months of de novo operations, were approximately $1.5 million for the fourth quarter, primarily related to centers in Florida.

Turning to our balance sheet, we ended the quarter with $127.2 million in cash and cash equivalents plus $46.2 million in short-term investments. We had $87.6 million in total debt on the balance sheet (representing debt under our senior secured term loan plus finance lease obligations and other commitments). For the fourth quarter, we recorded cash flow from operations of $13.2 million, inclusive of $28.1 million of deferred revenue, and we had $4 million of capital expenditures.

Turning now to fiscal 2024 guidance as we highlighted in our earnings release, based on information as of today:

- We expect our ending census for fiscal 2024 to be between 6,800 and 7,400 and member months to be in the range of 79,000 to 83,000.
- We are projecting total revenue in the range of $725 to $775 million and adjusted EBITDA in the range of $12 to $18 million, and finally,
- We anticipate that de novo losses for fiscal 2024 will be in the $10 to $12 million dollar range.

Also, we would like to provide some additional color on the following topics: starting with revenue. As a reminder, our Medicare rates are based on county-specific rates that are determined each calendar year by CMS. These are coupled with prospective risk score adjustments that CMS makes in January and July. For Medicaid, our rates are contractually determined based on costs for PACE or comparable populations in each state. For fiscal year 2024, we are expecting a combined mid-single digit rate increase comprised of the following:

- A low-single digit Medicare Part C increase
- A mid-single digit Medicare Part D increase, and
- For Medicaid, a mid-single digit rate increase, inclusive of 13% in Colorado (which includes funding for assisted living and nursing facility unit cost increases effective July 1), 4% in Virginia, and an estimated low single digit rate increase in California effective January 1, 2024. We do not anticipate a rate increase in Pennsylvania at this time, and we are in active rate discussions with New Mexico.

Finally, some thoughts on cost of care, external provider costs and overall center-level margins. In the midterm, we continue to believe that we can obtain margins similar to what we experienced before the sanctions, although, the composition of our center-level costs are likely to look different. The investments that we have made, particularly in staff-related costs, have elevated our cost of care expense compared to historical levels, but as we have discussed, we are executing on initiatives designed to drive value, bend the curve and deliver margin over time.

Though it will take multiple quarters to return to more robust margins, our focus remains on the key drivers, specifically:

- Accelerating census growth, which also serves to rebalance the participant risk pool as well as to unlock staffing capacity,
- Ensuring our participant risk pool aligns with risk scores through improved participant data management as we fully implement EPIC,
- Optimizing revenue per participant through proactive actuarial discussions with our state Medicaid agencies, and
- Executing on clinical value initiatives to improve participant care and reduce unnecessary costs,

All of which we expect will drive a meaningful improvement in our margin profile.

In closing, I want to reiterate my excitement about the opportunity we see in front of us. In my short time here, I can see how hard the team has worked to accomplish all that has been done to date, and I look forward to expanding access to PACE to the many seniors who could benefit from the program.

Operator, that concludes our prepared remarks, please open the call for questions.

Forward-Looking Statements – Safe Harbor

This press release may contain "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "believe," "project," "estimate," "expect," "may," "should," "will" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events. Forward-looking statements may be identified by the fact that they do not relate strictly to historical or current facts. Examples of forward-looking statements include, among others, statements we may make regarding quarterly or annual guidance; financial outlook, including future revenues and future earnings; our expectations to increase the number of participants we serve, to grow enrollment and capacity within existing centers, to build and/or open de novo centers, or to find targets and execute tuck-in acquisitions; our ability to control costs, mitigate the effects of elevated expenses, expand our payer capabilities, implement clinical value initiatives and strengthen enterprise functions; the potential effects of the macro-economic environment and lingering COVID-19 impacts on our business; our expectations with respect to current audit post-sanction work, legal proceedings and government investigations and actions; relationships and discussions with regulatory agencies; our ability to effectively implement remediation measures, including creating operational excellence as a provider across all our centers; reimbursement and regulatory developments; market developments; new services; integration activities; industry and market opportunity; and the effects of any of the foregoing on our future results of operations or financial conditions.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on currently available information and our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. You should not place undue reliance on our forward-looking statements. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: (i) the viability of our growth strategy; (ii) our ability to identify and successfully complete acquisitions; (iii) our ability to attract new participants and retain existing participants and grow our revenue throughout our existing centers; (iv) the results of periodic inspections, reviews, audits, investigations under the federal and state government programs, including our ability to sufficiently cure deficiencies identified by the respective federal and state government programs; (v) the adverse impact of inspections, reviews, audits, investigations, legal proceedings, enforcement actions and litigation, including the current civil investigative demands initiated by federal and state agencies, as well as the litigation and other proceedings initiated by, or on behalf, of our stockholders; (vi) the risk that the cost of providing services will exceed our

compensation under PACE; (vii) our increased costs and expenditures and our inability to execute or realize the benefits of our clinical value initiatives; (viii) the impact on our business from ongoing macroeconomic and COVID-19-related challenges, including labor shortages and inflation; (ix) the dependence of our revenues upon a limited number of government payors, particularly Medicare and Medicaid; (x) changes in the rules governing the Medicare, Medicaid or PACE programs; (xi) the risk that our submissions to government payors may contain inaccurate or unsupportable information regarding risk adjustment scores of participants, which could cause us to overstate or understate our revenue and subjecting us to payment obligations and penalties; (xii) the impact on our business of non-renewal or termination of capitation agreements with government payors; (xiii) the difficulty to predict our future results, which could cause such results to fall below any guidance we provide; (xiv) the impact of state and federal efforts to reduce healthcare spending; (xv) the effects of a pandemic, epidemic or outbreak of an infectious disease, including the ongoing effects of COVID-19; (xvi) our dependence on our senior management team and other key employees; (xvii) the impact of failures by our suppliers, sustained material price increases on supplies or limitations on our ability to access new technology or medical products; (xviii) the concentration of our presence in Colorado; (xix) our ability to manage our operations effectively, execute our business plan, maintain effective levels of service and participant satisfaction and adequately address competitive challenges; (xx) our ability to compete in the healthcare industry; (xxi) our ability to establish a presence in new geographic markets; (xxii) the impact on our business of security breaches, loss of data or other disruptions causing the compromise of sensitive information or preventing us from accessing critical information; (xxiii) the effect of our relatively limited operating history as a for-profit company on investors' ability to evaluate our current business and future prospects; and (xxiv) our existing indebtedness and access to capital markets. For a detailed discussion of the risks and uncertainties that could affect our actual results, please refer to the risk factors identified in our SEC reports, including, but not limited to our most recent Annual Report on Form 10-K and any subsequent Quarterly Report on Form 10-Q, in each case, as filed with the SEC.

Any forward-looking statement made by the Company in this press release is based only on information currently available to us and speaks only as of the date on which it is made. Except as required by law, we undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.