



CAPEX SUMMARY

IL category	Description	Unit	Unit cost	Units	Ext. Cost	Match
Design Engineering	Permitting and Drafting	Labor per foot	\$ 0.60	14,545.32	\$ 8,727.19	\$ 7,854.47
Construction						
Construction crews	Contracted teams	Labor per foot	\$ 15.99	14,545.32	\$ 232,579.62	\$ 209,321.66
Construction	Construction Foreman				\$ 232,579.62	\$ 209,321.66
EML						
Underground			\$ 1.09	14,545.32	\$ 15,854.40	
EML	Conduit	Material per foot	\$ 1.09	14,545.32	\$ 15,854.40	\$ 14,268.96
Fiber/Copper						
EML - Underground	HEAVY DUTY OSP TONABLE 48 COUNT	Material per foot	\$ 0.50	2,800.12	\$ 1,388.86	\$ 1,249.97
EML - Underground	HEAVY DUTY OSP TONABLE 96 COUNT	Material per foot	\$ 0.69	7,088.06	\$ 4,883.67	\$ 4,395.31
EML	Fiber/Copper		\$ 0.63	9,888.18	\$ 6,272.53	\$ 5,645.28
EML	Optical Equipment + Cabinet	Per cabinet	\$ 25,790.26	1.00	\$ 25,790.26	\$ 23,211.23
EML	Slackloops	Average cost per foot	\$ 0.54	400.00	\$ 217.70	\$ 195.93
EML	Connectorized drop hubs	Average cost per foot	\$ 0.28	5,500.00	\$ 1,514.41	\$ 1,362.97
EML	Vaults	Average cost per	\$ 248.33	12.00	\$ 2,980.00	\$ 2,682.00
EML	Splitters - Medium	Cost per unit	\$ 332.59	3.00	\$ 997.77	\$ 897.99
Total EML					\$ 53,627.06	\$ 48,264.36
Other construction material					\$ -	\$ -
Total capex excluding install					\$ 294,933.87	\$ 265,440.49
Customer Premise Equipment	See customer prem	Per take rate install	\$ 352.95	19	\$ 6,782.56	\$ 6,104.30
Install vehicles					\$ -	\$ -
Totals					\$ 301,716.44	\$ 271,544.79 90.0%
Locations at 100%				26	26	
Locations at take rate				19	19	
Take rate				70%	70%	
Project cost per location (excluding CPE & install)				\$	11,343.61	
Project cost per foot (excluding CPE and install)				\$	20.28	
Fiber feet				15,788.18		
Fiber miles				2.99		



Pro Forma Financial Statements: Includes Income Statement, Balance Sheet, and Statement of Cash Flows for next 10 years.

WITH GRANT

Pro Forma Income Statement Summary										
Year	1	2	3	4	5	6	7	8	9	10
Monthly incremental % complete	100%	0%	0%	0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cumulative complete by year	100%	100%	100%	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total subscribers	6	14	19	19	19	19	19	19	19	19
Grant revenue	206,448	65,096	-	-	-	-	-	-	-	-
RDOF grant revenue	-	-	-	-	-	-	-	-	-	-
Subscriber fee revenue	1,741	9,810	16,700	18,710	18,710	18,710	18,710	18,710	18,710	18,710
Total revenue	208,190	74,906	16,700	18,710	18,710	18,710	18,710	18,710	18,710	18,710
Cost of goods sold	235	412	385	322	322	322	322	322	322	322
Gross profit	207,955	74,494	16,315	18,388	18,388	18,388	18,388	18,388	18,388	18,388
Total operating expense	662	3,534	5,939	6,641	6,641	6,641	6,641	6,641	6,641	6,641
Operating income	207,293	70,960	10,375	11,746	11,746	11,746	11,746	11,746	11,746	11,746
Total other expense (income)	13,375	30,696	31,515	31,529	30,551	29,732	29,493	29,493	29,493	29,493
Net income	193,918	40,263	(21,140)	(19,782)	(18,805)	(17,986)	(17,747)	(17,747)	(17,747)	(17,747)

1

Pro Forma Income Statement													1	2	3	4	5	6	7	8	9	10
Year:	1	1	1	1	1	1	1	1	1	1	1	1										
Month:	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24										
Revenue																						
Grant revenue	\$ 271,544.79	-	-	-	-	-	83,695	-	-	122,753	-	-	206,448	65,096	-	-	-	-	-	-		
Subscriber fee revenue																						
50/50	\$ 49.99	-	-	-	-	-	51	62	72	83	94	105	467	1,893	2,937	3,242	3,242	3,242	3,242	3,242		
100/100	\$ 79.99	-	-	-	-	-	17	35	52	69	87	104	364	2,262	3,932	4,419	4,419	4,419	4,419	4,419		
500/500	\$ 89.99	-	-	-	-	-	19	39	58	78	97	117	409	2,544	4,424	4,972	4,972	4,972	4,972	4,972		
1000/1000	\$ 109.99	-	-	-	-	-	24	48	71	95	119	143	500	3,110	5,407	6,077	6,077	6,077	6,077	6,077		
Subscriber fee revenue							111	183	254	326	397	469	1,741	9,810	16,700	18,710	18,710	18,710	18,710	18,710		
Total revenue							83,807	183	254	123,079	397	469	208,190	74,906	16,700	18,710	18,710	18,710	18,710	18,710		
Cost of goods sold																						
Bandwidth Expense	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Utilities	\$ 20.00	-	-	-	3	6	9	12	15	18	20	20	104	240	240	240	240	240	240	240		
Data Center	\$ 6.87	-	-	7	7	7	7	7	7	7	7	7	62	82	82	82	82	82	82	82		
Fuel Expenses	\$ 11.51	-	-	-	-	-	19	10	10	10	10	10	69	90	62	-	-	-	-	-		
Cost of goods sold				7	10	13	35	29	32	35	37	37	235	412	385	322	322	322	322	322		
Gross profit				(7)	(10)	(13)	83,772	154	222	123,044	361	432	207,955	74,494	16,315	18,388	18,388	18,388	18,388	18,388		
Gross margin	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	84.2%	87.4%	100.0%	90.7%	92.1%	99.9%	99.4%	97.7%	98.3%	98.3%	98.3%	98.3%	98.3%		
Operating expenses																						
Sales and marketing	\$ 4.33	-	-	-	-	-	7	11	15	18	22	26	100	531	893	999	999	999	999	999		
Technical operations expense	\$ 12.28	-	-	-	-	-	20	31	42	52	63	74	282	1,507	2,532	2,831	2,831	2,831	2,831	2,831		
Customer support expense	\$ 6.15	-	-	-	-	-	10	16	21	26	32	37	142	755	1,269	1,419	1,419	1,419	1,419	1,419		
G&A expense	\$ 6.04	-	-	-	-	-	10	15	21	26	31	36	139	741	1,245	1,392	1,392	1,392	1,392	1,392		
Total operating expense							48	73	98	123	148	173	662	3,534	5,939	6,641	6,641	6,641	6,641	6,641		
Operating income				(7)	(10)	(13)	83,724	81	124	122,921	213	259	207,293	70,960	10,375	11,746	11,746	11,746	11,746	11,746		
Operating margin	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.9%	44.3%	48.9%	99.9%	53.5%	55.3%	99.6%	94.7%	62.1%	62.8%	62.8%	62.8%	62.8%	62.8%		
Other expense (income)																						
Depreciation & Amortization	18	36	55	73	432	808	1,167	1,535	1,919	2,287	2,508	2,517	13,355	30,696	31,515	31,529	30,551	29,732	29,493	29,493		
Interest expense	-	6	13	-	-	-	-	-	-	-	-	-	19	-	-	-	-	-	-	-		
Total other expense (income)							1,167	1,535	1,919	2,287	2,508	2,517	13,375	30,696	31,515	31,529	30,551	29,732	29,493	29,493		
Net income	(18)	(43)	(67)	(80)	(442)	(821)	82,556	(1,454)	(1,795)	120,634	(2,295)	(2,257)	193,918	40,263	(21,140)	(19,782)	(18,805)	(17,986)	(17,747)	(17,747)		
Net margin	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	98.5%	n/m	n/m	98.0%	n/m	(481.4%)	93.1%	53.8%	(126.6%)	(105.7%)	(100.3%)	(96.1%)	(94.9%)	(94.9%)		

Note: Revenue includes grant revenue



Pro Forma Financial Statements: Includes Income Statement, Balance Sheet, and Statement of Cash Flows for next 10 years.

WITH GRANT

Pro Forma Balance Sheet Summary										
Year	1	2	3	4	5	6	7	8	9	10
Cash		0	0	0	0	0	(0)	(0)	(0)	0
Other current assets	764	758	380	380	380	380	380	380	380	380
PPE	283,696	255,753	226,149	194,621	164,069	134,337	104,844	75,350	45,857	16,363
Current liabilities	377	777	1,044	1,044	1,044	1,044	1,044	1,044	1,044	1,044
Debt	-	-	-	-	-	-	-	-	-	-
Retained earnings and equity	(18)	4,309	2,066	4,163	78,556	124,271	167,497	210,220	255,102	294,774

1

Pro Forma Balance Sheet													1	2	3	4	5	6	7	8	9	10
Year:	1	1	1	1	1	1	1	1	1	1	1	1	1	2	3	4	5	6	7	8	9	10
Month:	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24										
Assets																						
Current assets																						
Cash	-	4,370	(4,370)	(4,370)	(4,370)	(4,370)	-	-	-	-	-	-	-	0	0	0	0	0	(0)	(0)	(0)	0
Accounts receivable	7.31	-	-	-	-	-	27	45	62	79	97	114	114	271	380	380	380	380	380	380	380	380
Inventory	117.7	-	-	-	31,704	33,145	31,512	32,353	33,794	32,353	19,384	650	650	487	-	-	-	-	-	-	-	-
Total current assets	-	4,370	(4,370)	(4,370)	27,334	28,775	31,539	32,398	33,856	32,433	19,481	764	764	758	380	380	380	380	380	380	380	380
Property, plant & equipment																						
Fiber network	2,182	4,364	6,545	8,727	51,854	96,942	138,108	181,235	226,323	269,450	294,934	294,934	294,934	294,934	294,934	294,934	294,934	294,934	294,934	294,934	294,934	294,934
Construction equipment and vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Installed equipment (CPE)	-	-	-	-	-	-	588	894	1,200	1,506	1,812	2,118	2,118	4,871	6,783	6,783	6,783	6,783	6,783	6,783	6,783	6,783
Accumulated depreciation	(18)	(55)	(109)	(182)	(614)	(1,422)	(2,589)	(4,124)	(6,044)	(8,331)	(10,839)	(13,355)	(13,355)	(44,052)	(75,567)	(107,096)	(137,647)	(167,379)	(196,873)	(226,366)	(255,860)	(285,353)
Total property, plant & equipment	2,164	4,309	6,436	8,545	51,240	95,520	136,108	178,005	221,479	262,625	285,907	283,696	283,696	255,753	226,149	194,621	164,069	134,337	104,844	75,350	45,857	16,363
Total assets	2,164	8,679	2,066	4,175	78,574	124,295	167,647	210,403	255,336	295,058	305,387	284,460	284,460	256,511	226,529	195,001	164,449	134,717	105,223	75,730	46,237	16,743
Liabilities and equity																						
Current Liabilities																						
Accounts Payable	53.95	-	-	12	18	23	149	183	234	284	332	377	377	777	1,044	1,044	1,044	1,044	1,044	1,044	1,044	1,044
Payroll related liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total current liabilities	-	-	-	12	18	23	149	183	234	284	332	377	377	777	1,044	1,044	1,044	1,044	1,044	1,044	1,044	1,044
Long-Term Liabilities																						
Debt	2,182	4,370	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Long-Term Liabilities	2,182	4,370	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	2,182	4,370	-	12	18	23	149	183	234	284	332	377	377	777	1,044	1,044	1,044	1,044	1,044	1,044	1,044	1,044
Equity																						
Required initial investment from Grantee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additional investment outside of Grant proposal	-	4,370	2,195	4,371	79,206	125,742	86,411	130,588	177,265	96,303	108,880	90,165	90,165	21,553	12,444	698	(11,049)	(22,795)	(34,541)	(46,288)	(58,034)	(69,780)
Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	193,918	234,182	213,042	193,259	174,454	156,468	138,721	120,974	103,227
Net Income	(18)	(61)	(128)	(208)	(650)	(1,471)	81,086	79,632	77,837	198,471	196,175	193,918	193,918	40,263	(21,140)	(19,782)	(38,805)	(17,986)	(17,747)	(17,747)	(17,747)	(17,747)
Total Retained Earnings	(18)	4,309	2,066	4,163	78,556	124,271	167,497	210,220	255,102	294,774	305,055	284,083	284,083	255,735	225,486	193,957	163,406	133,673	104,180	74,686	45,193	15,700
Total equity	(18)	4,309	2,066	4,163	78,556	124,271	167,497	210,220	255,102	294,774	305,055	284,083	284,083	255,735	225,486	193,957	163,406	133,673	104,180	74,686	45,193	15,700
Total liabilities and equity	2,164	8,679	2,066	4,175	78,574	124,295	167,647	210,403	255,336	295,058	305,387	284,460	284,460	256,511	226,529	195,001	164,449	134,717	105,223	75,730	46,237	16,743

Note: Revenue includes grant revenue



Pro Forma Financial Statements: Includes Income Statement, Balance Sheet, and Statement of Cash Flows for next 10 years.

WITH GRANT

Pro Forma Statement of Cash Flows Summary											
Year	1	2	3	4	5	6	7	8	9	10	
Net cash from operating activities	\$ 206,887	\$ 71,365	\$ 11,021	\$ 11,746	\$ 11,746	\$ 11,746	\$ 11,746	\$ 11,746	\$ 11,746	\$ 11,746	
Net cash used in investing activities	\$ (297,052)	\$ (2,753)	\$ (1,912)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Net cash used in financing activities	\$ 90,165	\$ (68,612)	\$ (9,109)	\$ (11,746)	\$ (11,746)	\$ (11,746)	\$ (11,746)	\$ (11,746)	\$ (11,746)	\$ (11,746)	
Cash and cash equivalents at end of period	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (0)	\$ (0)	\$ (0)	\$ 0	

Pro Forma Statement of Cash Flows												1	2	3	4	5	6	7	8	9	10
Year:	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Month:	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24									
Cash flows from operating activities														193,918	40,263	(21,140)	(19,782)	(18,805)	(17,986)	(17,747)	(17,747)
Net Earnings	(18)	(43)	(67)	(80)	(442)	(821)	82,556	(1,454)	(1,795)	120,634	(2,295)	(2,257)									
Adjustments to net earnings																					
Add depreciation	18	36	55	73	432	808	1,167	1,535	1,919	2,287	2,508	2,517	13,355	30,696	31,515	31,529	30,551	29,732	29,493	29,493	29,493
Decrease/(Increase) in trade and other receivables	-	-	-	-	-	-	(27)	(17)	(17)	(17)	(17)	(17)	(114)	(157)	(109)	-	-	-	-	-	-
Decrease/(Increase) in inventory	-	-	-	-	(31,704)	(1,441)	1,633	(841)	(1,441)	1,441	12,970	18,734	(650)	162	487	-	-	-	-	-	-
Increase/(Decrease) in trade payable	-	-	-	12	5	6	126	34	51	50	48	45	377	399	267	-	-	-	-	-	-
Increase/(Decrease) in other payables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net cash from operating activities	-	(6)	(13)	5	(31,708)	(1,448)	85,455	(744)	(1,283)	124,395	13,213	19,021	206,887	71,365	11,021	11,746	11,746	11,746	11,746	11,746	11,746
Cash flows from investing activities														(297,052)	(2,753)	(1,912)	-	-	-	-	-
PPE capital expenditure	(2,182)	(2,182)	(2,182)	(2,182)	(43,127)	(45,087)	(41,755)	(43,433)	(45,393)	(43,433)	(25,790)	(306)									
Net cash used in investing activities	(2,182)	(2,182)	(2,182)	(2,182)	(43,127)	(45,087)	(41,755)	(43,433)	(45,393)	(43,433)	(25,790)	(306)	(297,052)	(2,753)	(1,912)	-	-	-	-	-	-
Cash flows from financing activities																					
APIC - Required initial investment from Grantee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
APIC - Additional investment outside of Grant proposal	-	4,370	(2,175)	2,176	74,835	46,536	(39,330)	44,177	46,677	(80,962)	12,577	(18,715)	90,165	(68,612)	(9,109)	(11,746)	(11,746)	(11,746)	(11,746)	(11,746)	(11,746)
Increase/(Decrease) to Long-term Liabilities	2,182	2,188	(4,370)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net cash used in financing activities	2,182	6,558	(6,545)	2,176	74,835	46,536	(39,330)	44,177	46,677	(80,962)	12,577	(18,715)	90,165	(68,612)	(9,109)	(11,746)	(11,746)	(11,746)	(11,746)	(11,746)	(11,746)
Net Increase/Decrease in cash and cash equivalents	-	4,370	(8,740)	-	-	-	4,370	-	-	-	-	-	-	0	(0)	-	-	-	(0)	-	0
Cash and cash equivalents at beginning of period	-	-	4,370	(4,370)	(4,370)	(4,370)	(4,370)	-	-	-	-	-	-	(0)	0	0	0	0	(0)	(0)	(0)
Cash and cash equivalents at end of period	-	4,370	(4,370)	(4,370)	(4,370)	(4,370)	-	-	-	-	-	-	-	0	0	0	0	0	(0)	(0)	(0)

Note: Revenue includes grant revenue