

### Loup City - Financial Analysis Explanation

This attached financial analysis includes an income statement, balance sheet, and statement of cash flows for 10 years, both with and without grant funds is presented. There is also an analysis of payback period with and without grant. Disallowed expenses included in the budget template are calculated in the IS as those are operating or service costs covered 100% by Nextlink.

The assumed take rate for eligible locations is 70%, given the low speeds available to the households in this area the expectation is that take rate will be high. Revenue is based on pricing of 5 plans from 100/100 to 2000/2000, ranging in prices from \$49.95 to \$99.95, with a distribution of subscribed plans of 35%, 25%, 20%, 15%, and 5% from lowest to highest speeds when calculating revenue in the Income Statements. The subscribers grow over time from completion of fiber network build at a rate per year of 30%, 20%, 15%, and 5%.

As indicated in the payback period analysis, this project would not make sufficient ROI without grant funds.



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%	0.0%
Cumulative complete by year	74%	100%	100%	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total subscribers	-	-	46	77	99	107	107	107	107	107	107
Grant revenue	136,564	196,714	-	-	-	-	-	-	-	-	-
Subscriber fee revenue	-	-	19,611	48,734	69,220	80,573	83,288	83,288	83,288	83,288	83,288
<b>Total revenue</b>	<b>136,564</b>	<b>196,714</b>	<b>19,611</b>	<b>48,734</b>	<b>69,220</b>	<b>80,573</b>	<b>83,288</b>	<b>83,288</b>	<b>83,288</b>	<b>83,288</b>	<b>83,288</b>
Cost of goods sold	12,403	16,919	17,457	17,275	17,187	17,012	16,925	16,925	16,925	16,925	16,925
<b>Gross profit</b>	<b>124,160</b>	<b>179,795</b>	<b>2,154</b>	<b>31,460</b>	<b>52,032</b>	<b>63,561</b>	<b>66,363</b>	<b>66,363</b>	<b>66,363</b>	<b>66,363</b>	<b>66,363</b>
Total operating expense	-	-	8,744	21,658	30,742	35,776	36,980	36,980	36,980	36,980	36,980
<b>Operating income</b>	<b>124,160</b>	<b>179,795</b>	<b>(6,590)</b>	<b>9,802</b>	<b>21,291</b>	<b>27,785</b>	<b>29,383</b>	<b>29,383</b>	<b>29,383</b>	<b>29,383</b>	<b>29,383</b>
Total other expense (income)	17,690	70,619	78,319	86,956	93,105	92,912	88,481	84,537	82,340	81,815	81,815
<b>Net income</b>	<b>106,470</b>	<b>109,176</b>	<b>(84,909)</b>	<b>(77,154)</b>	<b>(71,814)</b>	<b>(65,127)</b>	<b>(59,098)</b>	<b>(55,153)</b>	<b>(52,957)</b>	<b>(52,432)</b>	<b>(52,432)</b>

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Pro Forma Income Statement																							
Year:	1	2	3	4	5	6	7	8	9	10													
Month:	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Year_1	Year_2	Year_3	Year_4	Year_5	Year_6	Year_7	Year_8	Year_9	Year_10	
Revenue																							
Grant revenue	\$333,277.61	-	-	3,898	-	-	33,689	-	-	98,977	-	-	136,564	196,714	-	-	-	-	-	-	-	-	-
Subscriber fee revenue																							
100/100	\$ 49.95	-	-	-	-	-	-	-	-	-	-	-	-	-	5,541	13,381	18,895	21,951	22,681	22,681	22,681	22,681	22,681
300/300	\$ 59.95	-	-	-	-	-	-	-	-	-	-	-	-	-	4,442	11,163	15,890	18,510	19,136	19,136	19,136	19,136	19,136
500/500	\$ 69.95	-	-	-	-	-	-	-	-	-	-	-	-	-	4,147	10,420	14,832	17,278	17,862	17,862	17,862	17,862	17,862
1000/1000	\$ 89.95	-	-	-	-	-	-	-	-	-	-	-	-	-	3,999	10,049	14,305	16,663	17,227	17,227	17,227	17,227	17,227
2000/2000	\$ 99.95	-	-	-	-	-	-	-	-	-	-	-	-	-	1,481	3,722	5,298	6,172	6,381	6,381	6,381	6,381	6,381
Subscriber fee revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,611	48,734	69,220	80,573	83,288	83,288	83,288	83,288	83,288
<b>Total revenue</b>	-	-	-	3,898	-	-	33,689	-	-	98,977	-	-	136,564	196,714	19,611	48,734	69,220	80,573	83,288	83,288	83,288	83,288	83,288
Cost of goods sold																							
Bandwidth Expense																							
Utilities and rent	-	-	-	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	11,700	15,600	15,600	15,600	15,600	15,600	15,600	15,600	15,600	15,600	15,600
Data Center	-	-	-	7	14	21	28	39	48	58	61	63	340	834	840	840	840	840	840	840	840	840	840
Customer license fee	-	-	-	40	40	40	40	40	40	40	40	40	364	485	485	485	485	485	485	485	485	485	485
Fuel Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	532	350	263	88	-	-	-	-	-
Cost of goods sold	-	-	-	1,347	1,355	1,362	1,368	1,379	1,389	1,398	1,401	1,404	12,403	16,919	17,457	17,275	17,187	17,012	16,925	16,925	16,925	16,925	16,925
<b>Gross profit</b>	-	-	-	2,551	(1,355)	(1,362)	32,320	(1,379)	(1,389)	97,579	(1,401)	(1,404)	124,160	179,795	2,154	31,460	52,032	63,561	66,363	66,363	66,363	66,363	66,363
<b>Gross margin</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>65.4%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>95.9%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>98.6%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>90.9%</b>	<b>91.4%</b>	<b>11.0%</b>	<b>64.6%</b>	<b>75.2%</b>	<b>78.9%</b>	<b>79.7%</b>	<b>79.7%</b>	<b>79.7%</b>	<b>79.7%</b>	<b>79.7%</b>
Operating expenses																							
Sales and marketing																							
Technical operations expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,315	3,257	4,624	5,381	5,562	5,562	5,562	5,562	5,562
Customer support expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,728	9,233	13,105	15,252	15,765	15,765	15,765	15,765	15,765
G&A expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,869	4,628	6,570	7,646	7,903	7,903	7,903	7,903	7,903
Total operating expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,833	4,539	6,443	7,498	7,750	7,750	7,750	7,750	7,750
<b>Operating income</b>	-	-	-	2,551	(1,355)	(1,362)	32,320	(1,379)	(1,389)	97,579	(1,401)	(1,404)	124,160	179,795	16,590	9,802	21,291	27,785	29,383	29,383	29,383	29,383	29,383
<b>Operating margin</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>65.4%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>95.9%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>98.6%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>90.9%</b>	<b>91.4%</b>	<b>(33.6%)</b>	<b>20.1%</b>	<b>30.8%</b>	<b>34.5%</b>	<b>35.3%</b>	<b>35.3%</b>	<b>35.3%</b>	<b>35.3%</b>	<b>35.3%</b>
Other expense (income)																							
Depreciation & Amortization	12	24	36	135	243	346	442	867	1,257	1,647	1,968	2,261	9,238	36,093	40,634	46,269	50,232	48,613	43,504	39,541	37,345	36,819	36,819
Interest expense	-	14	29	43	254	412	547	331	1,276	1,725	1,694	2,125	8,452	34,526	37,685	40,687	42,873	44,298	44,977	44,995	44,995	44,995	44,995
Total other expense (income)	12	38	65	179	497	758	989	1,198	2,533	3,372	3,661	4,387	17,690	70,619	78,319	86,956	93,105	92,912	88,481	84,537	82,340	81,815	81,815
<b>Net income</b>	<b>(12)</b>	<b>(38)</b>	<b>(65)</b>	<b>2,372</b>	<b>(1,852)</b>	<b>(2,120)</b>	<b>31,331</b>	<b>(2,577)</b>	<b>(3,922)</b>	<b>94,207</b>	<b>(5,063)</b>	<b>(5,791)</b>	<b>106,470</b>	<b>109,176</b>	<b>(84,909)</b>	<b>(77,154)</b>	<b>(71,814)</b>	<b>(65,127)</b>	<b>(59,098)</b>	<b>(55,153)</b>	<b>(52,957)</b>	<b>(52,432)</b>	<b>(52,432)</b>
<b>Net margin</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>60.8%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>93.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>95.2%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>78.0%</b>	<b>55.5%</b>	<b>(433.0%)</b>	<b>(158.3%)</b>	<b>(103.7%)</b>	<b>(80.8%)</b>	<b>(71.0%)</b>	<b>(66.2%)</b>	<b>(63.6%)</b>	<b>(63.0%)</b>	<b>(63.0%)</b>



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)
Other current assets	34,732	-	4,988	4,050	3,701	2,401	1,691	1,691	1,691	1,691
PPE	262,131	322,864	303,128	270,611	230,693	185,517	142,013	102,472	65,127	28,308
Current liabilities	3,088	2,536	5,008	6,556	7,724	8,091	8,078	8,078	8,078	8,078
Debt	187,304	104,681	172,371	214,521	244,901	263,186	278,083	293,695	309,307	324,919
Retained earnings and equity	(12)	(50)	(115)	2,257	405	(1,715)	29,616	27,039	23,117	117,323

Pro Forma Balance Sheet													
Year:	1	1	1	1	1	1	1	1	1	1	1	1	1
Month:	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	
Assets	Year_1	Year_2	Year_3	Year_4	Year_5	Year_6	Year_7	Year_8	Year_9	Year_10			
<b>Current assets</b>													
Cash	-	-	-	-	-	-	-	-	-	-	-	-	(0)
Accounts receivable	7,31	-	-	-	-	-	-	-	-	-	-	-	-
Inventory	117.7	-	-	14,075	15,416	14,746	13,405	55,779	51,131	51,028	38,039	34,732	-
<b>Total current assets</b>	-	-	-	14,075	15,416	14,746	13,405	55,779	51,131	51,028	38,039	34,732	-
<b>Property, plant &amp; equipment</b>													
Network	1,436	2,871	4,307	16,259	29,119	41,525	53,023	104,025	150,871	197,648	236,133	271,369	-
Construction equipment and vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-
Installed equipment (CPE)	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation	(12)	(36)	(72)	(207)	(450)	(796)	(1,238)	(2,105)	(3,362)	(5,009)	(6,977)	(9,238)	-
<b>Total property, plant &amp; equipment</b>	1,424	2,835	4,235	16,051	28,669	40,729	51,785	101,921	147,509	192,639	229,156	262,131	-
<b>Total assets</b>	1,424	2,835	4,235	30,127	44,085	55,474	65,190	157,700	198,641	243,667	267,195	296,862	-
<b>Liabilities and equity</b>													
<b>Current Liabilities</b>													
Accounts Payable	53.95	-	-	2,423	2,436	2,449	2,461	2,480	2,497	2,515	2,520	2,524	-
Payroll related liabilities	-	-	-	-	-	-	-	563	563	563	563	563	-
<b>Total current liabilities</b>	-	-	-	2,423	2,436	2,449	2,461	3,043	3,061	3,078	3,083	3,088	-
<b>Long-Term Liabilities</b>													
Debt	1,436	2,885	4,350	25,447	41,243	54,740	33,114	127,618	172,463	123,265	151,851	187,304	-
<b>Total Long-Term Liabilities</b>	1,436	2,885	4,350	25,447	41,243	54,740	33,114	127,618	172,463	123,265	151,851	187,304	-
<b>Total liabilities</b>	1,436	2,885	4,350	27,870	43,679	57,190	35,574	130,661	175,524	126,343	154,934	190,392	-
<b>Equity</b>													
Required initial investment from Grantee	-	-	-	-	-	-	-	-	-	-	-	-	-
Additional investment outside of Grant proposal	-	-	-	-	-	-	-	-	-	-	-	-	-
Retained Earnings	(12)	(50)	(115)	2,257	405	(1,715)	29,616	27,039	23,117	117,323	112,261	106,470	-
<b>Net income</b>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Retained Earnings</b>	(12)	(50)	(115)	2,257	405	(1,715)	29,616	27,039	23,117	117,323	112,261	106,470	-
<b>Total equity</b>	(12)	(50)	(115)	2,257	405	(1,715)	29,616	27,039	23,117	117,323	112,261	106,470	-
<b>Total liabilities and equity</b>	1,424	2,835	4,235	30,127	44,085	55,474	65,190	157,700	198,641	243,667	267,195	296,862	-





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

**WITHOUT 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	74%	100%	100%	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total subscribers	-	-	46	77	99	107	107	107	107	107
Grant revenue	-	-	-	-	-	-	-	-	-	-
Subscriber fee revenue	-	-	14,130	34,963	49,617	57,738	59,680	59,680	59,680	59,680
<b>Total revenue</b>	-	-	<b>14,130</b>	<b>34,963</b>	<b>49,617</b>	<b>57,738</b>	<b>59,680</b>	<b>59,680</b>	<b>59,680</b>	<b>59,680</b>
Cost of goods sold	12,403	16,919	17,457	17,275	17,187	17,012	16,925	16,925	16,925	16,925
<b>Gross profit</b>	<b>(12,403)</b>	<b>(16,919)</b>	<b>(3,326)</b>	<b>17,688</b>	<b>32,429</b>	<b>40,726</b>	<b>42,755</b>	<b>42,755</b>	<b>42,755</b>	<b>42,755</b>
Total operating expense	-	-	8,744	21,658	30,742	35,776	36,980	36,980	36,980	36,980
<b>Operating income</b>	<b>(12,403)</b>	<b>(16,919)</b>	<b>(12,070)</b>	<b>(3,970)</b>	<b>1,688</b>	<b>4,949</b>	<b>5,775</b>	<b>5,775</b>	<b>5,775</b>	<b>5,775</b>
Total other expense (income)	25,424	90,692	102,081	118,451	133,047	142,165	148,351	156,945	168,906	184,334
<b>Net income</b>	<b>(37,827)</b>	<b>(107,611)</b>	<b>(114,151)</b>	<b>(122,420)</b>	<b>(131,360)</b>	<b>(137,215)</b>	<b>(142,576)</b>	<b>(151,170)</b>	<b>(163,131)</b>	<b>(178,559)</b>

Pro Forma Income Statement																						
Year:	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Month:	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Year_1	Year_2	Year_3	Year_4	Year_5	Year_6	Year_7	Year_8	Year_9	Year_10
<b>Revenue</b>																						
Grant revenue	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subscriber fee revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100/100 with router	\$ 58.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
200/100 with router	\$ 68.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
300/100 with router	\$ 78.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
500/100 with router	\$ 98.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100/100	\$ 49.95	-	-	-	-	-	-	-	-	-	-	-	-	-	5,541	13,381	18,895	21,951	22,681	22,681	22,681	22,681
300/200	\$ 59.95	-	-	-	-	-	-	-	-	-	-	-	-	-	4,442	11,163	15,890	18,510	19,136	19,136	19,136	19,136
500/500	\$ 69.95	-	-	-	-	-	-	-	-	-	-	-	-	-	4,147	10,420	14,832	17,278	17,862	17,862	17,862	17,862
Subscriber fee revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,130	34,963	49,617	57,738	59,680	59,680	59,680	59,680
<b>Total revenue</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>14,130</b>	<b>34,963</b>	<b>49,617</b>	<b>57,738</b>	<b>59,680</b>	<b>59,680</b>	<b>59,680</b>	<b>59,680</b>
<b>Cost of goods sold</b>																						
Bandwidth Expense	-	-	-	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	11,700	15,600	15,600	15,600	15,600	15,600	15,600	15,600	15,600	15,600
Utilities and rent	-	-	-	7	14	21	28	39	48	58	61	63	340	834	840	840	840	840	840	840	840	840
Data Center	-	-	-	40	40	40	40	40	40	40	40	40	364	485	485	485	485	485	485	485	485	485
Customer license fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	532	350	263	88	-	-	-	-
Cost of goods sold	-	-	-	1,347	1,355	1,362	1,368	1,379	1,389	1,398	1,401	1,404	12,403	16,919	17,457	17,275	17,187	17,012	16,925	16,925	16,925	16,925
<b>Gross profit</b>	-	-	-	<b>(1,347)</b>	<b>(1,355)</b>	<b>(1,362)</b>	<b>(1,368)</b>	<b>(1,379)</b>	<b>(1,389)</b>	<b>(1,398)</b>	<b>(1,401)</b>	<b>(1,404)</b>	<b>(12,403)</b>	<b>(16,919)</b>	<b>(3,326)</b>	<b>17,688</b>	<b>32,429</b>	<b>40,726</b>	<b>42,755</b>	<b>42,755</b>	<b>42,755</b>	<b>42,755</b>
<b>Operating expenses</b>																						
Sales and marketing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,315	3,257	4,624	5,381	5,562	5,562	5,562	5,562
Technical operations expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,728	9,233	13,105	15,252	15,765	15,765	15,765	15,765
Customer support expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,869	4,628	6,570	7,646	7,903	7,903	7,903	7,903
SG&A expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,833	4,539	6,443	7,498	7,750	7,750	7,750	7,750
Total operating expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,744	21,658	30,742	35,776	36,980	36,980	36,980	36,980
<b>Operating income</b>	-	-	-	<b>(1,347)</b>	<b>(1,355)</b>	<b>(1,362)</b>	<b>(1,368)</b>	<b>(1,379)</b>	<b>(1,389)</b>	<b>(1,398)</b>	<b>(1,401)</b>	<b>(1,404)</b>	<b>(12,403)</b>	<b>(16,919)</b>	<b>(12,070)</b>	<b>(3,970)</b>	<b>1,688</b>	<b>4,949</b>	<b>5,775</b>	<b>5,775</b>	<b>5,775</b>	<b>5,775</b>
<b>Other expense (income)</b>																						
Depreciation & Amortization	12	24	36	135	243	346	442	867	1,257	1,647	1,968	2,261	9,238	36,093	40,634	46,269	50,232	48,613	43,504	39,541	37,345	36,819
Interest expense	-	71	-	14	350	509	645	766	2,836	3,206	3,718	4,072	16,186	54,599	61,446	72,182	82,815	93,551	104,847	117,404	131,561	147,514
Total other expense (income)	12	95	36	150	592	855	1,086	1,633	4,093	4,853	5,686	6,333	25,424	90,692	102,081	118,451	133,047	142,165	148,351	156,945	168,906	184,334
<b>Net income</b>	<b>(12)</b>	<b>(95)</b>	<b>(36)</b>	<b>(1,497)</b>	<b>(1,947)</b>	<b>(2,455)</b>	<b>(3,012)</b>	<b>(5,482)</b>	<b>(6,251)</b>	<b>(7,087)</b>	<b>(7,737)</b>	<b>(7,737)</b>	<b>(37,827)</b>	<b>(107,611)</b>	<b>(114,151)</b>	<b>(122,420)</b>	<b>(131,360)</b>	<b>(137,215)</b>	<b>(142,576)</b>	<b>(151,170)</b>	<b>(163,131)</b>	<b>(178,559)</b>
<b>Net margin</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<i>n/m</i>	<b>(250.1%)</b>	<b>(264.7%)</b>	<b>(237.7%)</b>	<b>(238.9%)</b>	<b>(252.3%)</b>	<b>(273.3%)</b>	<b>(299.2%)</b>



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

**WITHOUT 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	138,244	-	4,783	3,707	3,255	1,922	1,212	1,212	1,212	1,212
PPE	262,131	322,864	301,128	270,611	230,693	185,517	142,013	102,472	65,127	28,308
Current liabilities	3,088	2,536	5,008	6,556	7,724	8,091	8,078	8,078	8,078	8,078
Debt	435,114	465,765	562,492	649,771	739,593	829,932	928,307	1,039,936	1,165,722	1,307,461
Retained earnings and equity	(12)	8,467	(142)	(1,640)	(3,587)	(5,803)	(8,258)	(11,270)	(16,752)	(23,003)

**Pro Forma Balance Sheet**

Year:	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1			
Month:	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Year_1	Year_2	Year_3	Year_4	Year_5	Year_6	Year_7	Year_8	Year_9	Year_10	
<b>Assets</b>																							
<b>Current assets</b>																							
Cash	-	-	(8,574)	-	-	-	-	-	-	-	-	-	-	(0)	(0)	0	(0)	0	(0)	0	0	(0)	
Accounts receivable	7.31	-	-	-	-	-	-	-	-	-	-	-	-	-	524	868	1,126	1,212	1,212	1,212	1,212	1,212	
Inventory	117.7	5,632	5,632	5,632	19,707	21,048	20,378	19,037	173,448	159,362	159,259	150,989	138,244	-	4,259	2,840	2,130	710	-	-	-	-	
Total current assets		5,632	5,632	(2,942)	19,707	21,048	20,378	19,037	173,448	159,362	159,259	150,989	138,244	138,244	(0)	4,783	3,707	3,255	1,922	1,212	1,212	1,212	
<b>Property, plant &amp; equipment</b>																							
Network	1,436	2,871	4,307	16,259	29,119	41,525	53,023	104,025	150,871	197,648	236,133	271,369	271,369	368,195	368,195	368,195	368,195	368,195	368,195	368,195	368,195	368,195	368,195
Construction equipment and vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Installed equipment (CPE)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,899	34,651	44,964	48,402	48,402	48,402	48,402	48,402	
Accumulated depreciation	(12)	(36)	(72)	(207)	(450)	(796)	(1,238)	(2,105)	(3,362)	(5,009)	(6,977)	(9,238)	(9,238)	(45,331)	(85,966)	(132,234)	(182,466)	(231,080)	(274,584)	(314,125)	(351,470)	(388,289)	
Total property, plant & equipment	1,424	2,835	4,235	16,051	28,669	40,729	51,785	101,921	147,509	192,639	239,156	262,131	262,131	322,864	303,128	270,611	230,693	185,517	142,013	102,472	65,127	28,308	
<b>Total assets</b>	<b>7,056</b>	<b>8,467</b>	<b>1,293</b>	<b>35,759</b>	<b>49,717</b>	<b>61,106</b>	<b>70,822</b>	<b>275,368</b>	<b>306,872</b>	<b>351,898</b>	<b>380,145</b>	<b>400,375</b>	<b>400,375</b>	<b>322,864</b>	<b>307,911</b>	<b>274,318</b>	<b>233,948</b>	<b>187,439</b>	<b>143,225</b>	<b>103,684</b>	<b>66,339</b>	<b>29,520</b>	
<b>Liabilities and equity</b>																							
<b>Current Liabilities</b>																							
Accounts Payable	53.95	-	-	2,423	2,436	2,449	2,461	2,480	2,497	2,515	2,520	2,524	2,524	2,536	5,008	6,556	7,724	8,091	8,078	8,078	8,078	8,078	
Payroll related liabilities	-	-	-	-	-	-	-	563	563	563	563	563	-	-	-	-	-	-	-	-	-	-	
Total current liabilities	-	-	-	2,423	2,436	2,449	2,461	3,043	3,061	3,078	3,083	3,088	3,088	2,536	5,008	6,556	7,724	8,091	8,078	8,078	8,078	8,078	
<b>Long-Term Liabilities</b>																							
Debt	7,067	-	1,436	34,976	50,867	64,460	76,619	283,595	320,563	371,823	407,152	435,114	435,114	465,765	562,492	649,771	739,593	829,932	928,307	1,039,936	1,165,722	1,307,461	
Total Long-Term Liabilities	7,067	-	1,436	34,976	50,867	64,460	76,619	283,595	320,563	371,823	407,152	435,114	435,114	465,765	562,492	649,771	739,593	829,932	928,307	1,039,936	1,165,722	1,307,461	
<b>Total liabilities</b>	<b>7,067</b>	<b>-</b>	<b>1,436</b>	<b>37,398</b>	<b>53,303</b>	<b>66,909</b>	<b>79,080</b>	<b>286,638</b>	<b>323,624</b>	<b>374,901</b>	<b>410,235</b>	<b>438,202</b>	<b>438,202</b>	<b>468,302</b>	<b>567,500</b>	<b>656,328</b>	<b>747,317</b>	<b>838,023</b>	<b>936,385</b>	<b>1,048,014</b>	<b>1,173,800</b>	<b>1,315,539</b>	
<b>Equity</b>																							
Required initial investment from Grantee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Additional investment outside of Grant proposal	-	8,574	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	(37,827)	(145,438)	(259,589)	(382,009)	(513,369)	(650,584)	(793,160)	(944,330)	(1,107,461)	
Net Income	(12)	(107)	(142)	(1,640)	(3,587)	(5,803)	(8,258)	(11,270)	(16,752)	(23,003)	(30,090)	(37,827)	(37,827)	(107,611)	(114,151)	(122,420)	(131,360)	(137,215)	(142,576)	(151,170)	(163,131)	(178,559)	
Total Retained Earnings	(12)	8,467	(142)	(1,640)	(3,587)	(5,803)	(8,258)	(11,270)	(16,752)	(23,003)	(30,090)	(37,827)	(37,827)	(145,438)	(259,589)	(382,009)	(513,369)	(650,584)	(793,160)	(944,330)	(1,107,461)	(1,286,020)	
<b>Total equity</b>	<b>(12)</b>	<b>8,467</b>	<b>(142)</b>	<b>(1,640)</b>	<b>(3,587)</b>	<b>(5,803)</b>	<b>(8,258)</b>	<b>(11,270)</b>	<b>(16,752)</b>	<b>(23,003)</b>	<b>(30,090)</b>	<b>(37,827)</b>	<b>(37,827)</b>	<b>(145,438)</b>	<b>(259,589)</b>	<b>(382,009)</b>	<b>(513,369)</b>	<b>(650,584)</b>	<b>(793,160)</b>	<b>(944,330)</b>	<b>(1,107,461)</b>	<b>(1,286,020)</b>	
<b>Total liabilities and equity</b>	<b>7,056</b>	<b>8,467</b>	<b>1,293</b>	<b>35,759</b>	<b>49,717</b>	<b>61,106</b>	<b>70,822</b>	<b>275,368</b>	<b>306,872</b>	<b>351,898</b>	<b>380,145</b>	<b>400,375</b>	<b>400,375</b>	<b>322,864</b>	<b>307,911</b>	<b>274,318</b>	<b>233,948</b>	<b>187,439</b>	<b>143,225</b>	<b>103,684</b>	<b>66,339</b>	<b>29,520</b>	



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

**WITHOUT GRANT**

Pro Forma Statement of Cash Flows Summary										
Year	1	2	3	4	5	6	7	8	9	10
Net cash from operating activities	\$ (163,745)	\$ 66,174	\$ (75,828)	\$ (73,528)	\$ (79,508)	\$ (86,901)	\$ (98,375)	\$ (111,629)	\$ (125,786)	\$ (141,739)
Net cash used in investing activities	\$ (271,369)	\$ (96,826)	\$ (20,899)	\$ (13,752)	\$ (10,314)	\$ (8,438)	\$ -	\$ -	\$ -	\$ -
Net cash used in financing activities	\$ 435,114	\$ 30,652	\$ 96,726	\$ 87,279	\$ 89,822	\$ 90,338	\$ 98,375	\$ 111,629	\$ 125,786	\$ 141,739
Cash and cash equivalents at end of period	\$ -	\$ (0)	\$ (0)	\$ 0	\$ (0)	\$ 0	\$ (0)	\$ 0	\$ 0	\$ (0)

Pro Forma Statement of Cash Flows																						
Year:	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Month:	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Year_1	Year_2	Year_3	Year_4	Year_5	Year_6	Year_7	Year_8	Year_9	Year_10
Cash flows from operating activities																						
Net Earnings	(12)	(95)	(36)	(1,497)	(1,947)	(2,217)	(2,455)	(3,012)	(5,482)	(6,251)	(7,087)	(7,737)	(37,827)	(107,611)	(114,151)	(122,420)	(131,360)	(137,215)	(142,576)	(151,170)	(163,131)	(178,559)
Adjustments to net earnings																						
Add depreciation	12	24	36	135	243	346	442	867	1,257	1,647	1,968	2,261	9,238	36,093	40,634	46,269	50,232	48,613	43,504	39,541	37,345	36,819
Decrease/(Increase) in trade and other receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(524)	(344)	(258)	(86)	-	-	-	-
Increase/(Decrease) in inventory	(5,632)	-	-	(14,075)	(1,341)	670	1,341	(154,411)	14,086	103	8,270	12,745	(138,244)	138,244	(4,259)	1,420	710	1,420	710	-	-	-
Increase/(Decrease) in trade payable	-	-	-	2,423	13	13	12	19	18	17	5	4	2,524	12	2,472	1,548	1,168	367	(13)	-	-	-
Increase/(Decrease) in other payables	-	-	-	-	-	-	-	563	-	-	-	-	563	(563)	-	-	-	-	-	-	-	-
Net cash from operating activities	(5,632)	(71)	-	(13,014)	(3,032)	(1,187)	(661)	(155,973)	9,878	(4,484)	3,155	7,274	(163,745)	66,174	(75,828)	(73,528)	(79,508)	(86,901)	(98,375)	(111,629)	(125,786)	(141,739)
Cash flows from investing activities																						
PPE capital expenditure	(1,436)	(1,436)	(1,436)	(11,952)	(12,860)	(12,406)	(11,498)	(51,002)	(46,846)	(46,776)	(38,485)	(35,236)	(271,369)	(96,826)	(20,899)	(13,752)	(10,314)	(3,438)	-	-	-	-
Net cash used in investing activities	(1,436)	(1,436)	(1,436)	(11,952)	(12,860)	(12,406)	(11,498)	(51,002)	(46,846)	(46,776)	(38,485)	(35,236)	(271,369)	(96,826)	(20,899)	(13,752)	(10,314)	(3,438)	-	-	-	-
Cash flows from financing activities																						
APIC - Required initial investment from Grantee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
APIC - Additional investment outside of Grant proposal	-	8,574	(8,574)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase/(Decrease) to Long-term Liabilities	7,067	(7,067)	1,436	33,540	15,891	13,593	12,159	206,976	36,968	51,260	35,329	27,862	435,114	30,652	96,726	87,279	89,822	90,338	98,375	111,629	125,786	141,739
Net cash used in financing activities	7,067	1,506	(7,138)	33,540	15,891	13,593	12,159	206,976	36,968	51,260	35,329	27,862	435,114	30,652	96,726	87,279	89,822	90,338	98,375	111,629	125,786	141,739
Net increase/Decrease in cash and cash equivalents	-	-	(8,574)	8,574	-	-	-	-	-	-	-	-	-	(0)	(0)	0	(0)	0	(0)	0	0	0
Cash and cash equivalents at beginning of period	-	-	-	(8,574)	-	-	-	-	-	-	-	-	-	0	0	0	0	0	0	0	0	0
Cash and cash equivalents at end of period	-	-	(8,574)	-	-	-	-	-	-	-	-	-	-	(0)	(0)	0	0	0	0	0	0	0



The payback period involves the time it takes to recover the initial capital investment based on future operating cash flows from the project.  
 1) without the grant; 2) with the grant. Not adjusted for present value of cash flows, i.e. inflation, and does not consider interest expense on additional funding sources such as debt financing.

- Considers only those after-tax operating cash flows involving revenue and operating expenses for the project.
- Do not consider any financing expenses (e.g., payment of interest/principal, dividends, etc.)

Payback Period Summary with Grant Support	
<b>Grant %</b>	<b>80%</b>
Operating cash flows	\$ 140,497.58
Grantee investment	\$ (83,319.40)
NWC funding	\$ 6,387.00
Net cash flows	\$ 63,565.28
Payback Period (months)	91.00
Payback Period (years)	7.58

Payback Period Calculation with Grant Support																								
Year:	1	1	1	1	1	1	1	1	1	1	1	1	1	1	2	3	4	5	6	7	8	9	10	
Month:	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25												
<b>Operating cash flows</b>														106,470	109,176	(84,909)	(77,154)	(71,814)	(65,127)	(59,098)	(55,153)	(52,957)	(52,432)	
After-tax operating income	(12)	(38)	(65)	2,372	(1,852)	(2,120)	31,331	(2,577)	(3,922)	94,207	(5,063)	(5,791)		(136,564)	(196,714)									
less: Grant	-	-	-	(3,898)	-	-	(33,689)	-	-	(98,977)	-	-	-	8,452	34,526	37,685	40,687	42,873	44,298	44,577	44,995	44,995	44,995	
plus: Interest expense	-	14	29	43	254	412	547	331	1,276	1,725	1,694	2,125		9,238	36,093	40,634	46,269	50,232	48,613	43,504	39,541	37,345	36,819	
plus: Depreciation	12	24	36	135	243	346	442	867	1,257	1,647	1,968	2,261		(12,403)	(16,919)	(6,590)	9,802	21,291	27,785	29,383	29,383	29,383		
<b>Operating cash flows</b>	-	-	-	(1,347)	(1,355)	(1,362)	(1,368)	(1,379)	(1,389)	(1,398)	(1,401)	(1,404)												
<b>Grantee cash flow for capital investment</b>																								
<b>Investment - Capital expenditures</b>																								
Investment - Capital expenditures	(1,436)	(1,436)	(1,436)	(11,952)	(12,860)	(12,406)	(11,498)	(51,002)	(46,846)	(46,776)	(38,485)	(35,236)		(271,369)	(96,826)	(20,899)	(13,752)	(10,314)	(3,438)	-	-	-	-	
Less grant discount	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%		80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	
Investment - Capital expenditures - discounted	(287)	(287)	(287)	(2,390)	(2,572)	(2,481)	(2,300)	(10,200)	(9,369)	(9,355)	(7,697)	(7,047)		(54,274)	(19,365)	(4,180)	(2,750)	(2,063)	(688)	-	-	-	-	
Change in NWC	-	-	-	(11,653)	(1,327)	683	1,352	(41,792)	4,666	121	12,994	3,312		(31,644)	34,180	(2,517)	2,487	1,517	1,667	697	-	-	-	
<b>Net cash flows from investments</b>	(287)	(287)	(287)	(14,043)	(3,899)	(1,798)	(947)	(51,992)	(4,703)	(9,235)	5,297	(3,735)		(85,918)	14,815	(6,696)	(263)	(546)	979	697	-	-	-	
<b>Net cash flows</b>	(287)	(287)	(287)	(15,390)	(5,254)	(3,160)	(2,316)	(53,371)	(6,092)	(10,633)	3,895	(5,139)		(98,321)	(2,104)	(13,286)	9,538	20,745	28,764	30,080	29,383	29,383	29,383	
<b>Cumulative net cash flows</b>	(287)	(574)	(861)	(16,252)	(21,505)	(24,665)	(26,981)	(80,352)	(86,444)	(97,078)	(93,182)	(98,321)		(98,321)	(100,425)	(113,711)	(104,173)	(83,428)	(54,664)	(24,584)	4,799	34,182	63,565	
Payback period (months)				1	1	1	1	1	1	1	1	1	1	9	12	12	12	12	12	12	10	-	-	
Payback period (years)				0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	1	1	1	-	-	



