ATTACHMENT G – Vyve Broadband Business Plan

Vyve Broadband Business Plan

Vyve proposes a roughly $671k project with a 50% matching rate, asking for approximately $335k to extend Vyve's existing network to pass 124 unserved households in Belgrade, NE, bringing fiber-to-the-premises service to homes and businesses via PON technology. Network completion is expected within 18 months, with positive cash flow anticipated by 60 months. The planned facilities have an expected useful life of 30+ years.

Vyve's management team is comprised of seasoned professionals with many having 20+ years of experience providing rural communities across the country with state-of-the art broadband services. Vyve serves approximately 240,000 customers across the company's entire footprint through May 2022. Vyve has proven financial results, growing cash flow significantly year after year. The Hordville, NE market will be folded into the Vyve portfolio and run with the same management teams and supported by feet on the street installers and technicians. Vyve can offer operational efficiencies not all other providers may be able to take advantage of like NOC services, IT, marketing, centralized dispatch, engineering, plant monitoring and others. The attached financial model (Attachment G.1) shows the solid economic feasibility of the project.

The business plan and all the construction stages of the project have been accounted for in the Bill of Materials (BOM) showing everything, including mapping/design, DOT/RR permitting, materials and labor for construction and splicing.

Vyve's networks are designed with the needs of rural communities in mind. Backbone and middle-mile transport leverages diverse paths, redundant sources and automatic failover tools to maintain network integrity. Vyve Broadband NOC operations monitors network performance 24/7 and is closely linked with the local field operations team to avoid or minimize network impairments. All local technical workforce members are trained by regional trainers and certified through the Society of Cable Telecommunications Engineers (SCTE).

In executing customer orders, home certifications are performed by certified technicians and quality assurance audits are used to assure the customer receives the highest quality service during the installation and service process.

New network construction leverages fiber to the premise technology providing end-to-end fiber benefits to all customers. Construction is performed by industry-leading experts working with community businesses and leaders to assure compliance with local regulations and NEC codes. All new construction has vigorous quality assurance compliance testing performed to satisfy standards of reliability, exceptional network performance and craftmanship are sustained. As the network will be located underground, there are no expected risks due to tornados, fires, or other natural disasters.

Financial Plan (Attachment G.1)

Cap Ex Forecast: the BOM has been supplied by the engineering team, Customer Premise Equipment (CPE) is based on the FTTH gear required at the individual household (higher than traditional converters and modems), and Installation is the cost installing the CPE and if required a drop bury.

Revenues: Assumes a 60% penetration level in this build. Typical "New Build" markets tend to have much higher-than-normal penetration, as these are generally low data speed markets and customers are ready for upgrades. Revenue is based on our $59.99 product, plus equipment costs of $15 per month. Year one assumes ½ year of revenue as we get all customers installed over the course of the year.

Expenses: Cost of goods sold is based on Company averages. SG&A is assumed to be 25% of revenue, also in line with Company averages.