

NexaCore Solutions Quarterly Financial Statement - Q1 FY2026

Period Ending: 2026-03-31
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1. Income Statement (Unaudited, USD)

| Item | Q1 FY2026 Actual | Q1 FY2026 Budget | Variance (%) |
|------------------------------------|------------------|------------------|--------------|
| Revenue (Subscription & Usage) | \$18,500,000 | \$18,000,000 | +2.8% |
| Cost of Revenue (CoR) | (\$2,600,000) | (\$2,598,750) | +0.1% |
| Gross Profit | \$15,900,000 | \$15,401,250 | +3.2% |
| Operating Expenses: | | | |
| Sales & Marketing (S&M) | (\$5,800,000) | (\$6,100,000) | -4.9% |
| Research & Development (R&D) | (\$7,200,000) | (\$6,800,000) | +5.9% |
| General & Administrative (G&A) | (\$2,400,000) | (\$2,300,000) | +4.3% |
| Total OPEX | (\$15,400,000) | (\$15,200,000) | +1.3% |
| Operating Income (EBIT) | \$500,000 | \$201,250 | +148.5% |
| Interest & Other Income/Expense | (\$50,000) | (\$50,000) | 0.0% |

| | | | |
|---------------------|-----------|-----------|---------|
| Net Income (Profit) | \$450,000 | \$151,250 | +197.5% |
|---------------------|-----------|-----------|---------|

2. Commentary on Performance

Q1 exceeded budget expectations, primarily driven by early adoption of the new AI Workflow Suite by three major GCC regional banks, boosting subscription revenue 2.8% above target. The significant positive variance in Operating Income is due to strict control over Sales & Marketing spend (-4.9%) and effective use of vendor credit terms. **R&D exceeded budget (+5.9%)** due to accelerated hiring for the new Data Science team, which is a necessary, planned investment for future product differentiation.

3. Key Operational Metrics

| Metric | Q1 FY2026 Value | Benchmark |
|---------------------------------|-----------------|--------------------------|
| Customer Acquisition Cost (CAC) | \$12,500 | \$15,000 (Target) |
| Churn Rate (Monthly Revenue) | 0.9% | 1.0% (Target) |
| Payback Period (Months) | 10 months | 12 months (Target) |
| Run-Rate for Cloud Compute | \$850,000/month | \$900,000/month (Target) |