

Financial Forecasting Report - 2-Year Horizon (FY 2027-2028)

Document ID: FN-FFR-2027-28
Date: 2026-06-01
Prepared By: Financial Planning & Analysis (FP&A)

1. Executive Summary

This forecast models three potential scenarios for NexaCore based on the success of the AI Workflow Suite v3.0 launch (Project Phoenix). The **Base Case** assumes moderate market penetration and sustained efficiency gains from internal automation, projecting annual revenue growth stabilizing around **28-30%** and reaching near **\$120 Million ARR by the end of FY2028**. Our core strategy remains CapEx investment in R&D to ensure technological leadership.

2. Forecast Assumptions (Base Case)

Category	FY2027 Assumption	FY2028 Assumption
Customer Acquisition Cost (CAC)	Increases 10% (Market saturation).	Increases 5% (Targeted marketing).
Annual Churn Rate	Stabilizes at 1.5% (Enterprise focus).	Stabilizes at 1.5%.
Average Deal Size (ACV)	Increases 15% (Success of v3.0 upselling).	Increases 10% (Expansion into larger global contracts).
OPEX Growth (Excl. CoR)	25% Growth (Conservative hiring plan).	20% Growth (Operational maturity).
Cloud Compute (CoR)	10% YoY increase (Volume growth).	8% YoY increase (Further efficiency gains).

3. Comparative Scenario Projections (USD Million)

Metric	FY2026 E	FY2027 Base Case	FY2027 High	FY2028 Base Case	FY2028 High

			Growth		Growth
Total Revenue (ARR)	\$74.25M	\$95.0M	\$105.0M	\$123.5M	\$145.0M
Gross Margin %	85.0%	85.5%	86.0%	86.0%	86.5%
Operating Income (EBIT)	\$10.0M	\$14.5M	\$19.0M	\$21.5M	\$30.0M
EBIT Margin %	13.5%	15.3%	18.1%	17.4%	20.7%
CapEx Investment	\$7.5M	\$8.0M	\$10.0M	\$7.0M	\$8.5M

4. Sensitivity Analysis

A key risk is the delay in regional expansion (KSA/Egypt). A six-month delay in market entry reduces FY2027 Base Case Revenue by **\$8 Million** and decreases EBIT by **\$1.5 Million**, primarily due to unutilized Sales & Marketing resources.

Conclusion: The Base Case demonstrates sustainable, profitable growth while prioritizing strategic R&D investment.