

REALSTEEL S CORPORATION

■ Automating the Future of Framing

Investor Return Comparison — Base vs Preferred 1.5x Model

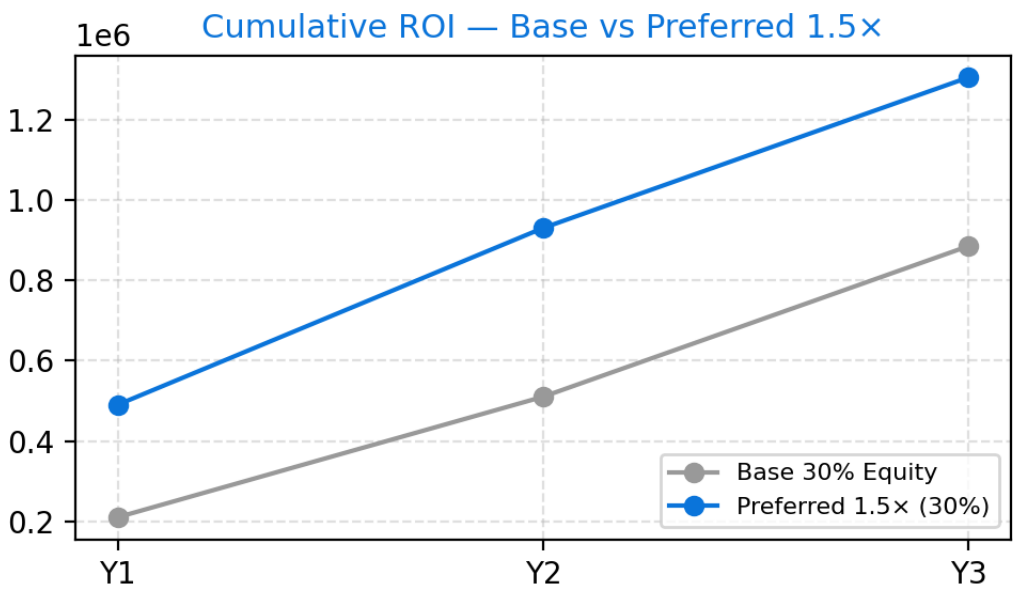
Deal Terms

Investment	\$400,000
Equity	30%
Preferred Return	1.5x (\$600,000 before split)
Founder Ownership	70%

Projected Investor Cash Flows

Year	Base 30% ROI	Preferred 1.5x ROI	Cumulative (Preferred)
1	\$210k	\$490k	\$490k (1.23x)
2	\$300k	\$440k	\$930k (2.33x)
3	\$375k	\$375k	\$1,305k (3.26x)

Preferred Return Explained: investors are repaid initial capital (\$400k) plus a 50% preferred return (\$600k total) before any profits are distributed to common shareholders. Once the preferred threshold is reached (\approx Month 18), profits split pro-rata by ownership. This structure accelerates payback and increases 3-year ROI, while preserving founder control.



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