

McJohnson Wallet - Financial Projections (24 Months)

Note: This is a conservative projection based on two funding scenarios. All numbers in USD. Month 0 = Launch Month.

Funding Scenarios

Scenario A: Minimum Funding (\$55,000)

\$55K

Total Funding

6-9

Months Runway

Solo

Team Size

Scenario B: Comfortable Funding (\$100,000)

\$100K

Total Funding

9-12

Months Runway

2-3

Team Size (by M6)

Scenario A: Minimum Funding (\$55,000) - Monthly Breakdown

Month	Revenue	Expenses	Net Cash Flow	Cash Balance	Notes
Month 0	\$0	\$21,000	-\$21,000	\$34,000	Launch: \$15K liquidity, \$3K marketing, \$2K infrastructure, \$1K legal
Month 1	\$0	\$4,500	-\$4,500	\$29,500	\$2K founder salary, \$1.5K infra, \$1K marketing
Month 2	\$0	\$4,500	-\$4,500	\$25,000	Ongoing operations
Month 3	\$0	\$7,500	-\$7,500	\$17,500	\$5K security audit, \$2.5K operations
Month 4	\$0	\$4,500	-\$4,500	\$13,000	Ongoing operations
Month 5	\$0	\$4,500	-\$4,500	\$8,500	Ongoing operations

Month 6	\$500	\$4,500	-\$4,000	\$4,500	First RPC revenue (small), need additional funding
Month 7	\$1,500	\$4,500	-\$3,000	\$1,500	RPC revenue growing, critical funding needed
Month 8	\$2,500	\$4,500	-\$2,000	-\$500	⚠ NEED ADDITIONAL FUNDING OR REVENUE
Month 9-12	\$5K-\$10K/mo	\$4.5K/mo	+\$500 - \$5.5K	Break-even →Positive	RPC revenue sustainable, first-party apps launching
Total (0-12)	~\$15,000	~\$70,000	-\$55,000 (initial) + \$15K revenue	~\$0 (need secondary funding M7-8)	Break-even by Month 10-12

Scenario B: Comfortable Funding (\$100,000) - Monthly Breakdown

Month	Revenue	Expenses	Net Cash Flow	Cash Balance	Notes
Month 0	\$0	\$38,000	-\$38,000	\$62,000	Launch: \$30K liquidity, \$5K marketing, \$2K infra, \$1K legal
Month 1	\$0	\$5,000	-\$5,000	\$57,000	\$2K founder, \$2K infra, \$1K marketing
Month 2	\$0	\$5,000	-\$5,000	\$52,000	Ongoing operations
Month 3	\$0	\$13,000	-\$13,000	\$39,000	\$10K security audit (professional), \$3K operations
Month 4	\$200	\$7,500	-\$7,300	\$31,700	Hire part-time dev (\$3K/mo), \$2K founder, \$2.5K operations

Project Alpha: Revenue & Profitability Analysis - Month-by-Month					
Month	Revenue (\$)	Expenses (\$)	Net Profit (\$)	Total Project Value (\$)	Notes
Month 5	\$500	\$7,500	-\$7,000	\$24,700	Team of 2, RPC starting
Month 6	\$1,500	\$7,500	-\$6,000	\$18,700	RPC revenue growing
Month 7	\$3,000	\$7,500	-\$4,500	\$14,200	Multiple RPC clients
Month 8	\$5,000	\$7,500	-\$2,500	\$11,700	Revenue accelerating
Month 9	\$7,000	\$7,500	-\$500	\$11,200	Near break-even
Month 10	\$8,500	\$7,500	+\$1,000	\$12,200	BREAK-EVEN ACHIEVED
Month 11	\$10,000	\$7,500	+\$2,500	\$14,700	Profitable
Month 12	\$12,000	\$7,500	+\$4,500	\$19,200	Strong growth, reinvesting

Total (0-12)	~\$47,700	~\$121,000	-\$100K (initial) + \$47.7K revenue	\$19,200	Break-even Month 10, profitable by end of Year 1
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Revenue Projections (Both Scenarios)

Revenue Stream	Month 6	Month 12	Month 18	Month 24
RPC Node Infrastructure	\$500	\$5,000	\$12,000	\$20,000
First-Party Mini-Apps	\$0	\$2,000	\$8,000	\$15,000
Developer Tools Premium	\$0	\$1,000	\$3,000	\$8,000
Enterprise Partnerships	\$0	\$0	\$5,000	\$12,000
Total Monthly Revenue	\$500	\$8,000	\$28,000	\$55,000

Annual Run Rate	\$6,000	\$96,000	\$336,000	\$660,000
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Expense Breakdown (Monthly Average)

Category	Months 0-3	Months 4-6	Months 7-12	Months 13-24
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Personnel

Founder Salary	\$2,000	\$2,000	\$2,500	\$3,500
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Developer(s)	\$0	\$3,000	\$5,000	\$8,000
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Contractors/Freelancers	\$500	\$1,000	\$1,500	\$2,500
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Infrastructure

RPC Node Hosting	\$500	\$800	\$1,200	\$2,000
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IPFS Pinning (Pinata/Infura)	\$300	\$400	\$600	\$1,000
Backend Servers/CDN	\$200	\$300	\$500	\$800
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Operations				
Marketing & Ads	\$1,000	\$800	\$1,000	\$2,000
Developer Grants/Bounties	\$1,000	\$500	\$500	\$1,000
Legal/Compliance	\$200	\$150	\$200	\$300
Miscellaneous/Buffer	\$300	\$300	\$500	\$800
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Total Monthly Expenses	~\$6,000	~\$9,250	~\$13,500	~\$21,900
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Key Assumptions

Revenue Assumptions:

- **RPC Nodes:** 10-20 clients by Month 12 @ \$250-500/mo average
- **First-Party Apps:** Launch Month 8-10, 500-1000 active users by M12
- **Developer Tools:** Premium tier @ \$50-100/mo, 10-30 customers by M12
- **Enterprise:** 1-2 partnerships by Month 18 @ \$2.5K-5K/mo each

Expense Assumptions:

- **Founder Salary:** Below-market (\$24K-42K/year) during bootstrap
- **Developer Hire:** Part-time initially (\$3K/mo), full-time Month 7+ (\$5K-8K/mo)
- **Infrastructure:** Scales with usage (more users = higher costs but also revenue)
- **Marketing:** Conservative, primarily organic + community-driven

User Growth Assumptions:

- **Month 3:** 1,000 users (launch marketing)
- **Month 6:** 5,000 users (organic growth + mini-apps)
- **Month 12:** 10,000-15,000 users (network effects)
- **Month 24:** 50,000+ users (established ecosystem)

Break-Even Analysis

Scenario	Initial Funding	Break-Even Month	Cumulative Loss at Break-Even	Cash Position at M12
Scenario A (Minimum)	\$55,000	Month 10-12	~\$55,000	~\$0 (⚠️ need secondary funding M7-8)
Scenario B (Comfortable)	\$100,000	Month 10	~\$80,000	\$19,200

Sensitivity Analysis

Variable	Best Case	Base Case	Worst Case
User Growth	20K users by M12	10K users by M12	5K users by M12
Revenue Month 12	\$15,000/mo	\$8,000/mo	\$3,000/mo

Break-Even	Month 8	Month 10	Month 15+
Cash at M12 (Scenario B)	\$35,000	\$19,200	\$5,000 (need funding)

Funding Recommendations

 **Recommended: Scenario B (\$100,000)**

Why:

-  Comfortable runway to break-even (10 months)
-  Allows hiring 1 additional developer (faster product development)
-  Buffer for unexpected expenses or slower revenue growth
-  Larger liquidity pool (\$30K vs \$15K) = better trading experience
-  Professional security audit (\$10K) = trust and safety
-  More aggressive marketing = faster user acquisition

Risk Level: Low (high confidence in break-even by M10)

 **Risky but Viable: Scenario A (\$55,000)**

Why:

-  Gets you to market (minimal viable launch)
-  Solo development = slower progress
-  Will need secondary funding by Month 7-8

- ⚠️ Lower liquidity (\$15K) = potential price volatility
- ⚠️ Basic security audit (\$5K) = might miss issues

Risk Level: Medium-High (must secure follow-on funding or revenue accelerates)

Conclusion

Key Takeaways:

- **Both scenarios are viable** - Scenario A gets you launched, Scenario B gets you to sustainability
- **Break-even is achievable** - RPC node infrastructure is a proven revenue model
- **Revenue growth is conservative** - If user adoption is faster, revenue accelerates proportionally
- **Most critical period: Months 7-10** - Revenue must grow or secondary funding needed (Scenario A)
- **Year 2 looks strong** - With \$55K/mo revenue by M24, project is self-sustaining and profitable

Recommendation to Funders:

Fund Scenario B (\$100K) to give the project the best chance of success without requiring follow-on funding. This is a young, talented founder with a working product who just needs runway to reach product-market fit and revenue sustainability.

Expected ROI (for ecosystem, not financial):

- 50+ new mini-apps on Polygon
- 10,000+ new Polygon users onboarded
- Open-source wallet and SDK for community

- RPC infrastructure benefiting broader ecosystem
- Proven model for Web3 app distribution via IPFS

McJohnson Wallet Financial Projections

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