

Consolidated Income Statement

Nexus Intelligent Systems, Inc.

Fiscal Year Ending December 31, 2023

Prepared in Contemplation of Confidential Corporate Transaction Review

1. STATEMENT OF FINANCIAL PERFORMANCE

1.1 Comprehensive Income Overview

The following Consolidated Income Statement presents the comprehensive financial performance of Nexus Intelligent Systems, Inc. ("Company" or "Nexus") for the fiscal year concluded on December 31, 2023, prepared in accordance with Generally Accepted Accounting Principles (GAAP) and audited by Ernst & Young LLP.

1.2 Revenue Breakdown

Revenue Category	Amount (USD)	Percentage of Total
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Enterprise AI Services	\$7,350,000	58.8%
Predictive Maintenance Platforms	\$3,750,000	30.0%
Consulting & Implementation	\$1,400,000	11.2%
Total Revenue	\$12,500,000	100%

2. DETAILED INCOME STATEMENT

2.1 Revenue Recognition

Total Revenue:	\$12,500,000
- Recurring SaaS Contracts:	\$6,875,000
- Professional Services:	\$3,625,000
- Product Licensing:	\$2,000,000

2.2 Cost Structure

Expense Category	Amount (USD)	% of Revenue
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Cost of Goods Sold	\$4,375,000	35.0%
Research & Development	\$2,875,000	23.0%
Sales & Marketing	\$2,250,000	18.0%
General & Administrative	\$1,625,000	13.0%
Total Operating Expenses	\$11,125,000	89.0%

2.3 Profitability Metrics

- Gross Profit: \$8,125,000 (65.0% Margin)
- Operating Income: \$1,375,000 (11.0% Margin)
- Net Income: \$1,062,500 (8.5% Net Margin)

3. FINANCIAL COMMENTARY

3.1 Performance Analysis

The fiscal year 2023 demonstrated robust growth for Nexus Intelligent Systems, characterized by:

- 22.5% Year-over-Year Revenue Growth
- Sustained Profitability in Competitive AI Services Market
- Continued Investment in R&D and Technological Innovation

3.2 Key Performance Indicators

Customer Acquisition Cost (CAC): \$4,250

Lifetime Customer Value (LCV): \$87,500

Gross Customer Retention Rate: 92%

Net Revenue Retention: 118%

4. FORWARD-LOOKING STATEMENTS

This income statement includes forward-looking statements about anticipated financial performance.

Actual results may differ materially due to various risk factors, including technological market dynamics, competitive landscape shifts, and macroeconomic conditions.

5. ATTESTATION

This Consolidated Income Statement has been prepared with utmost diligence and represents a true and accurate reflection of Nexus Intelligent Systems' financial performance for the referenced fiscal

period.

6. CERTIFICATION

Certified By:

- Dr. Elena Rodriguez, Chief Executive Officer
- Michael Chen, Chief Financial Officer

Date of Certification: January 22, 2024

7. DISCLAIMER

This document is confidential and prepared solely for potential strategic transaction evaluation. Any unauthorized reproduction or distribution is strictly prohibited.

8. AUDIT VERIFICATION

Independently Audited By:

Ernst & Young LLP

Audit Reference: NIS-2023-Q4-001