

CLIENT CONTRACT REVENUE SCHEDULE

Summit Digital Solutions, Inc.

As of December 31, 2023

For Due Diligence Purposes Only

1. DOCUMENT PURPOSE AND SCOPE

1 This Client Contract Revenue Schedule (the "Schedule") has been prepared by Summit Digital Solutions, Inc., a Delaware corporation ("Company"), to document material client contracts and associated revenue streams for due diligence purposes.

2 All financial figures stated herein are in United States Dollars (USD) unless otherwise specified.

2. ACTIVE ENTERPRISE CLIENT CONTRACTS

1 ****Tier 1 Strategic Accounts**** (\$2M+ Annual Contract Value)

Client ID	Industry	Contract Term	Annual Value	Services
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T1-2023-001	Manufacturing	3/1/2023 - 2/28/2026	\$4,250,000	Digital Twin Implementation, IoT Integration
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T1-2022-015	Logistics	7/1/2022 - 6/30/2025	\$3,750,000	Process Automation, Analytics Platform
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T1-2023-008	Professional Services	9/1/2023 - 8/31/2026	\$2,850,000	AI/ML Solutions, Peak Performance Platform
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2 ****Tier 2 Growth Accounts**** (\$1M-\$2M Annual Contract Value)

Client ID	Industry	Contract Term	Annual Value	Services
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T2-2023-012	Manufacturing	4/1/2023 - 3/31/2025	\$1,850,000	IoT Systems Integration
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T2-2022-031	Logistics	11/1/2022 - 10/31/2024	\$1,650,000	Process Optimization
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T2-2023-022	Professional Services	6/1/2023 - 5/31/2025	\$1,450,000	Digital Transformation Services
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3. REVENUE RECOGNITION METHODOLOGY

1 ****Service Revenue Recognition****

- Implementation Services: Recognized based on percentage of completion
- Platform Licensing: Recognized ratably over subscription term
- Maintenance Services: Recognized monthly as services are delivered
- Professional Services: Recognized as services are performed

2 ****Contract Revenue Components****

- Fixed Fee Components: 65% of total contract value
- Variable Fee Components: 35% of total contract value
- Performance Incentives: Additional 10-15% potential upside

4. RECURRING REVENUE ANALYSIS

1 ****Annual Recurring Revenue (ARR) Breakdown****

- Platform Subscriptions: \$42.5M
- Maintenance Services: \$15.8M
- Support Services: \$12.2M
- Total ARR: \$70.5M

2 ****Revenue Retention Metrics****

- Gross Revenue Retention: 94%
- Net Revenue Retention: 118%
- Average Contract Term: 36 months
- Client Renewal Rate: 92%

5. CONTRACT BACKLOG AND PIPELINE

1 ****Contracted Backlog**** (as of 12/31/2023)

- 2024: \$92.5M
- 2025: \$78.3M
- 2026: \$45.2M
- Total Backlog: \$216.0M

2 ****Pipeline Classification****

- Committed (90%+ probability): \$35.2M
- High Confidence (70-89% probability): \$48.5M
- Pipeline (40-69% probability): \$82.3M

6. MATERIAL CONTRACT TERMS

1 **Standard Payment Terms**

- Implementation Fees: 40% upon contract execution, 60% milestone-based
- Platform Fees: Quarterly in advance
- Service Fees: Monthly in arrears
- Performance Incentives: Quarterly assessment and payment

2 **Service Level Agreements**

- Platform Availability: 99.9%
- Response Time: 15 minutes (Priority 1 issues)
- Resolution Time: 4 hours (Priority 1 issues)
- Performance Metrics: Defined per client specifications

7. RISK FACTORS AND CONTINGENCIES

1 **Contract Risk Assessment**

- Client Concentration: No single client exceeds 8% of total revenue
- Industry Concentration: Maximum 35% exposure to any single industry
- Geographic Concentration: 85% domestic, 15% international

2 **Revenue Impact Contingencies**

- Force Majeure Provisions: Standard industry protections
- Early Termination Rights: Subject to minimum notice periods
- Change of Control Provisions: Standard market terms

8. CERTIFICATION AND DISCLAIMER

1 This Schedule has been prepared by the Company's management based on available information and reasonable assumptions as of the date hereof.

2 All forward-looking information is subject to various risks and uncertainties that could cause actual

results to differ materially from projected results.

3 This Schedule is confidential and proprietary to Summit Digital Solutions, Inc. and is protected under applicable confidentiality agreements.

9. EXECUTION

SUMMIT DIGITAL SOLUTIONS, INC.

By: _

Name: Sarah Blackwell

Title: Chief Operating Officer

Date: January 9, 2024

REVIEWED AND APPROVED:

By: _

Name: Michael Chang

Title: Chief Technology Officer

Date: January 9, 2024

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