

## Pro Forma Income Statement (VnV Toolkit)

### RNET Technologies, Inc. For years 2019 to 2023

Market	Phase II (2019)	Phase II (2020)	2021	2022	2023
<b>CAE and Simulation Market Size</b>	\$7,000,000,000	\$7,770,000,000	\$8,624,700,000	\$9,573,417,000	\$10,626,492,870
<b>Rate Market growth (average)</b>	11%	11%	11%	11%	11%
<b>Sales (Revenue)</b>	\$0	\$100,000	\$570,000	\$1,460,000	\$3,180,000
<b>% market share</b>	0.00%	0.00%	0.01%	0.02%	0.03%

Revenues					
<b>Integration Contracts @ \$100,000 each</b>	\$0.00	\$100,000.00	\$300,000.00	\$300,000.00	\$300,000.00
<b>Supports Contracts @ \$5000 each</b>	\$0.00	\$0.00	\$150,000.00	\$1,000,000.00	\$2,500,000.00
<b>Commercial Licences @ \$20,000 each</b>	\$0.00	\$0.00	\$20,000.00	\$60,000.00	\$180,000.00
<b>R&amp;D Contracts @ \$100,000 each</b>	\$0.00	\$0.00	\$100,000.00	\$100,000.00	\$200,000.00
<b>SBIR/STTR Contract R&amp;D</b>	\$500,000.00	\$500,000.00	\$0.00	\$0.00	\$0.00
<b>Total Revenue</b>	<b>\$500,000</b>	<b>\$600,000</b>	<b>\$570,000</b>	<b>\$1,460,000</b>	<b>\$3,180,000</b>

Expenses					
<b>Licensing &amp; Royalties</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Sales &amp; Marketing</b>	\$0.00	\$92,400.00	\$184,800.00	\$369,600.00	\$369,600.00
<b>Cost of services (technical support)</b>	\$0.00	\$61,600.00	\$123,200.00	\$246,400.00	\$246,400.00
<b>Administrative (G&amp;A) - 7%</b>	\$0.00	\$7,168.00	\$30,072.00	\$56,476.00	\$308,000.00
<b>SBIR R&amp;D</b>	\$465,000.00	\$465,000.00			
<b>Internal R&amp;D</b>	\$0.00	\$0.00	\$184,800.00	\$277,200.00	\$346,500.00
<b>Legal</b>	\$0.00	\$0.00	\$50,000.00	\$150,000.00	\$300,000.00
<b>Facilities</b>	\$0.00	\$10,000.00	\$10,000.00	\$10,000.00	\$20,000.00
<b>Total Expenses</b>	<b>\$465,000</b>	<b>\$636,168</b>	<b>\$582,872</b>	<b>\$1,109,676</b>	<b>\$1,590,500</b>

Operating Earnings (EBIT)					
<b>Operating Earnings (EBIT)</b>	\$35,000	-\$36,168	-\$12,872	\$350,324	\$1,589,500
<b>Operating Margin %</b>	7.0%	-6.0%	-2.3%	24.0%	50.0%

Income					
<b>Income Before Tax</b>	\$35,000	-\$36,168	-\$12,872	\$350,324	\$1,589,500
<b>Tax rate</b>	35%	35%	35%	35%	35%
<b>Taxes</b>	\$12,250	\$0	\$0	\$122,613	\$556,325
<b>Net Income</b>	<b>\$22,750</b>	<b>-\$36,168</b>	<b>-\$12,872</b>	<b>\$227,711</b>	<b>\$1,033,175</b>
<b>Net income as %/sales</b>	4.6%	-6.0%	-2.3%	15.6%	32.5%