

Click IT Franchise Projected Financials - Years 1 to 5

Year	1	2	3	4	5
Forecasted Operations	2019	2020	2021	2022	2023
Number of Franchisees	13	37	61	85	109
Consolidated <u>Net</u> Revenue	\$495,043	\$1,329,589	\$2,672,179	\$3,812,479	\$4,849,279
<i>Franchise Fee Revenue</i>	<i>\$428,987</i>	<i>\$791,976</i>	<i>\$791,976</i>	<i>\$791,976</i>	<i>\$791,976</i>
<i>Franchise Royalties</i>	<i>\$21,150</i>	<i>\$454,710</i>	<i>\$1,797,300</i>	<i>\$2,937,600</i>	<i>\$3,974,400</i>
<i>Franchise Shop Revenue</i>	<i>\$44,906</i>	<i>\$82,903</i>	<i>\$82,903</i>	<i>\$82,903</i>	<i>\$82,903</i>
<i>Franchise Continuing Ed Revenue</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<i>Franchise System Support Revenue</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
Gross Profit	\$445,539	\$1,196,630	\$2,404,961	\$3,431,231	\$4,364,351
<i>Gross Margin</i>			90%	90%	90%
Consolidated Operational Expenses	\$426,545	\$664,585	\$704,658	\$752,149	\$783,754
Salaries	\$384,145	\$600,985	\$631,818	\$671,749	\$700,054
Sales & Marketing	\$105,539	\$165,112	\$173,583	\$184,554	\$192,330
General & Administrative	\$194,183	\$303,794	\$319,380	\$339,565	\$353,873
Research & Development	\$84,423	\$132,078	\$138,854	\$147,630	\$153,850
Depreciation/Amortization	\$0	\$0	\$0	\$0	\$0
Other	\$42,400	\$63,600	\$72,840	\$80,400	\$83,700
Operating Profit/Loss	\$18,993	\$532,045	\$1,700,303	\$2,679,083	\$3,580,597

	2	2	3	4	5
	Jul-05	Jul-05	Jul-05	Jul-05	Jul-05
Beginning Cash	\$3,600	\$22,593	\$554,639	\$2,254,942	\$4,934,025
Net Increase/Decrease	\$18,993	\$532,045	\$1,700,303	\$2,679,083	\$3,580,597
Ending Cash	\$22,593	\$554,639	\$2,254,942	\$4,934,025	\$8,514,622

***Notes:**

- 1) It will takes a franchise on average three months to open its store.
- 2) Build-out sales of items sold to franchise owners are included in Shop Revenue.
For build-out items, see:
<https://shop.clickitgroup.com/shop/>
- 3) Full operations to begin once the established minimum amount of capital is raised.
- 4) "Other Operating Expenses" include Rent and Franchise Trade Fairs.
- 5) During Month 1, a Sales EVP, Finance EVP, Bookkeeper and two other administrative personnel will be hired.