



Reporty Homeland Security Ltd - Detailed forecast road map (1YR – 1M\$)

141224

Summary:

As we all understand Reporty it's a real need product in our changing world. Our 1st year goals are: take over the Israeli market launch beta version, improve the system and start round A.

Working premise:

- 1) The 1M\$ covering 95% of Reporty total costs for the first 1st year.
- 2) Average city size in Israel = 150,000 potential users
- 3) Average Law enforcement size = 500,000 potential users
- 4) Average city size in the global market = 1,500,000 potential users
- 5) Average law enforcement size in the global market = 1,500,000 potential users
- 6) No B2B sales are calculated in the plan (Airports, Parks, critical infrastructure, train stations etc.).
- 7) No information sales (Indoor movements, user information, reports analysis etc.).
- 8) In the first year the ratio between R&D manpower and marketing manpower is 30%-70% for the R&D.
- 9) Pricing:

Prices	
Pilot (Security)	\$ 13,900.00
Pilot (Muni)	\$ 6,950.00
Pilot (Global Security)	\$ 50,000.00
Pilot (Global Muni)	\$ 25,000.00
paying costumer (Sec)	\$ 50,000.00
paying costumer (Muni)	\$ 25,000.00
paying costumer (Global M)	\$ 500,000.00
Paying Costumer (Global S)	\$ 1,000,000.00
Monthly service	\$ 5,000.00
Monthly service(Global)	\$ 15,000.00

Road Map (1M\$):

Dates	1/1/2015-1/1/2016
Milestones	<p>We are dividing that period for 4 quarters:</p> <p>Q1</p> <ol style="list-style-type: none"> 1) Finish investment round 2) Rent offices 3) Recruit more manpower 4) Start integration with MDA 5) Start 1-2 pilots with local municipalities



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Details:

Finish the investment round; continue work closely with our pilot customer to better understand their needs (1-2 municipalities and 1 first responder agency (Signed with MDA Israel). Hiring more 3 engineers to join our team (2 IOS developer & Backend developer). Find offices. Note, the contract with MDA is for all Israel, MDA isn't a paying customer – they are strategic partner for us. In Israel the market penetration strategy was to give the system for the first law enforcements for free in order to get full coverage in Israel – in that way we can promote the system all over the country from day one and to check the user acquisition. **Burn rate for that quarter \$255K**

Q2

- 1) Start another 2 pilots
- 2) Support our existing customers
- 3) Sale the first system
- 4) Start promotions in Israel

Details:

Start another 2 pilots in the local market, support the existing ones and support MDA. In that quarter we are expecting to sale our first full system to a local municipality. And to start promoting our company all over Israel with: local advertising companies, news channels, Facebook campaigns and more. The contract with MDA gives us the opportunity to lunch the app to a potential 6-8 million users in Israel. **Burn rate for that quarter \$228K**

Q3

- 1) Continue marketing
- 2) Sales
- 3) B2B Market penetration

Details:

Continue marketing in Israel in order to completely gain control in the Israeli market, in that quarter we will hire another sales man for the Israeli market. Make more sales (another 2) and start new pilots with B2B clients such us: Airport, Israel electric corporation and more (we will check that opportunity and the need, if we will find out that there is enough business in that segment we will go in to it). **Burn rate for that quarter \$245K**



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	<p>Q4</p> <ol style="list-style-type: none">1) Start global marketing in order to find 1 global market to start with.2) Corporate with large companies (find global partners)3) Start round A <p>Details: Global marketing, after almost 1 year in the local market and with a ready and stable product, we will start our global marketing, note that, we already start to speak with potential costumer (Moscow, Brazil, South Africa) and we are checking what the best market is. We already have some potential partnerships with Safe city companies that are looking to offer us as to be a complementary product for their existing solution. (For example: Mer-group – working in Argentina, Africa and more). This step is super important and we need to choose carefully our marketing channel and our strategic partnerships. Our final decision will be made together & according to the strategic investor that would join our force and with our current connection worldwide. Burn rate for that quarter \$267K</p> <p>Note: with 1M\$ in the first round we will raise round A in the beginning of Q4/15.</p>
Development (R&D)	<p>Q1</p> <ol style="list-style-type: none">1) Android and C&C alpha version testing, bug fixes and further development.2) API Server alpha version further development and QA.3) iPhone alpha version development and QA.4) Reporty Indoor Localization Data-Mining Platform further development and testing.5) MDA integration and testing. <p>Q2</p> <ol style="list-style-type: none">1) Municipality CRM systems integration<ul style="list-style-type: none">o CRMCo Falcon ERP <p>Q3</p> <ol style="list-style-type: none">1) iPhone alpha release and bug fixes.2) Android and iPhone beta development and QA including Reporty Social features.3) API server beta version development and QA



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	<p>4) Reporty Social Content Management System (SCMS) design, development and QA – alpha version.</p> <p>Q4</p> <ol style="list-style-type: none"> 1) Android and iPhone beta version release, bug fixes and further development. 2) API server beta version deployment and bug fixes. 3) SCMS alpha version deployment and bug fixes. 4) Integration and deployment with Police Technological Administrative unit. <p>Example of the social feed (our future design):</p>
Number of employees	10-14 (Please check the p&l for exact human resource)
Pilots	9 Israel
Paying costumers	5 Israel
Active users	225,000
Total costs	\$993,652
Total expected income	\$290K
Fund Needed	1M\$

For any questions:

