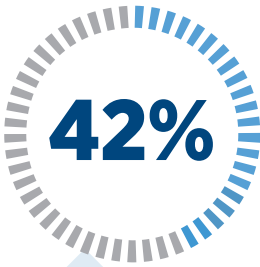


# Q3 CONNEXION REPORT

Information below reflects end of q3 2024

## TAKE RATES

### RESIDENTIAL

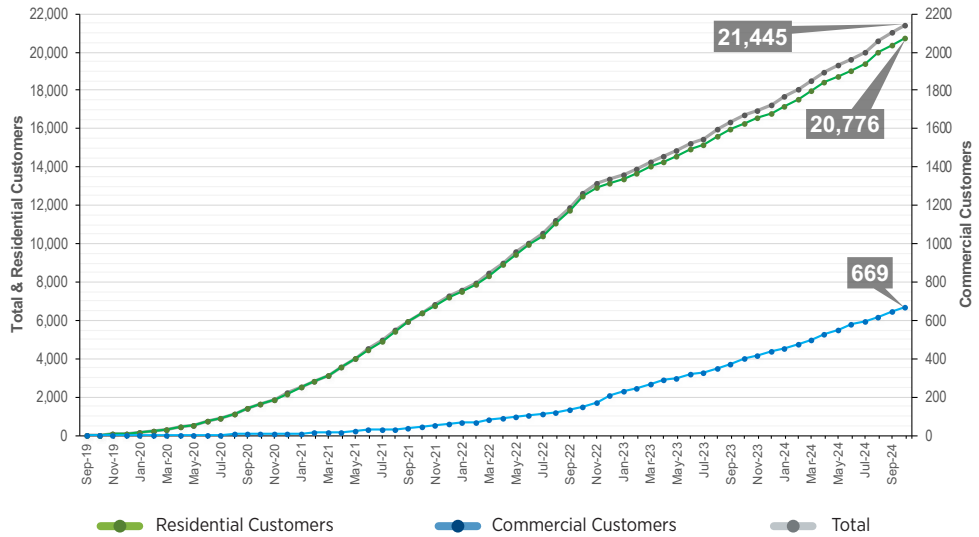


### COMMERCIAL

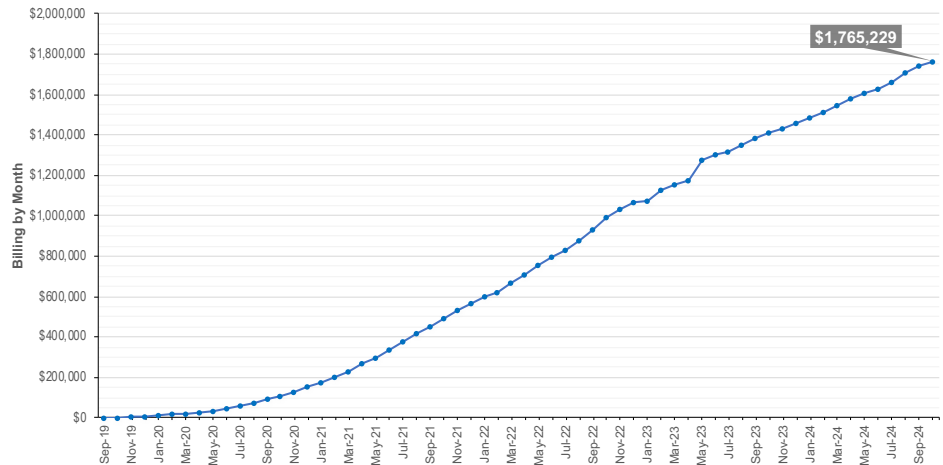


## CUSTOMER COUNT

Active Customers by Month



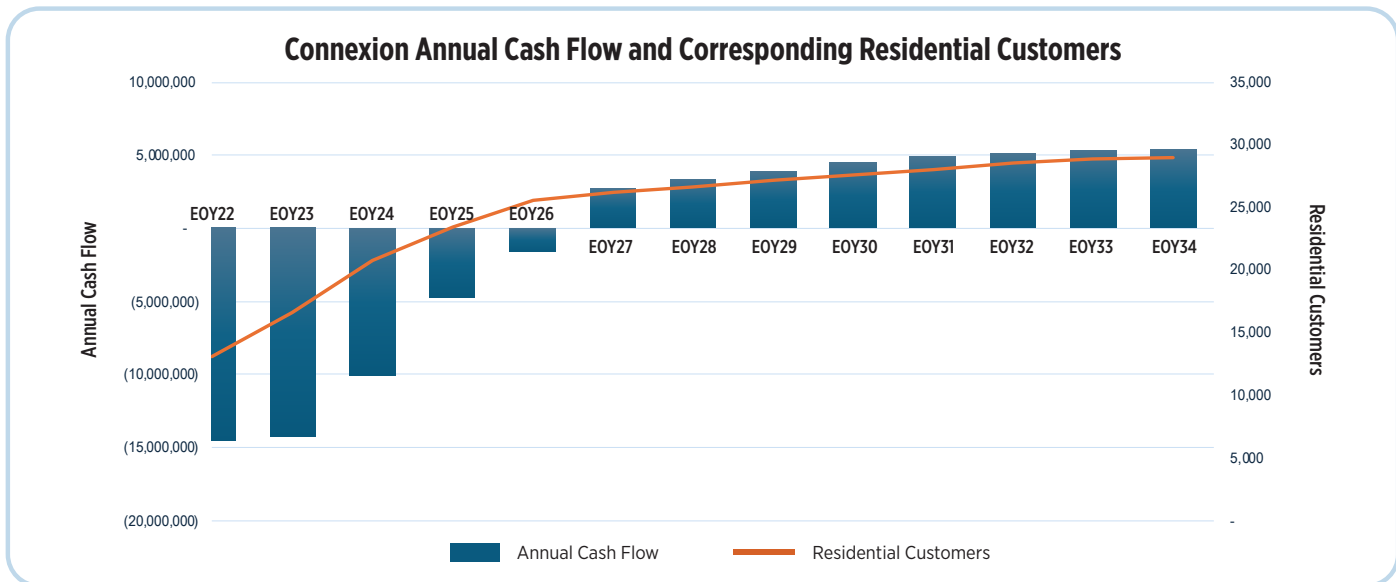
Billing by Month



## FINANCES

	2024-Q3	% Change	2023-Q3
Recurring Revenue	5,158,200	27%	4,053,032
Other Revenue	267,398	36%	197,057
Total Revenue	5,425,598	28%	4,250,088
Costs of Goods Sold	592,075	11%	533,951
Expenses	2,130,527	-33%	3,200,194
Income	<b>2,702,996</b>	<b>108%</b>	<b>515,943</b>
Capital	2,706,675	58%	1,709,553
Estimated Cash Flow	<b>(3,679)</b>		<b>(1,193,609)</b>

- Financials are preliminary and unaudited.
- Expenses for Q3 2023 include \$900K of contingency payouts
- Growth remained strong through September of 2024 with revenue in Q3 growing at 28% year-over-year (YoY). Costs of Goods Sold grew at 11% YoY reflecting the rapid growth of significantly lower cost Internet products. Expenses declined by 33% in the quarter driven primarily by \$900K of one-time contingency payouts in 2023. Capital spending was up 58% in the quarter, reflecting the shift towards building to greater numbers of capital-intensive multi-dwelling units.



Cash Flow Projections now reflect payback of internal lines of credit and accompanying interest in future years from otherwise positive cash flows

## GENERAL HIGHLIGHTS

- Commercial take rate is currently at 13%, and Connexion consistently adds one new business customer per day.
- Connexion’s Digital Inclusion Program ([fcconnexion.com/digital-inclusion-program](https://fcconnexion.com/digital-inclusion-program)) allows income qualified customers to get 1 Gigabit internet service for only \$20. Currently, Connexion has over 950 Digital Inclusion customers. \*6% of all Connexion Internet revenue is set aside to fund this program.
- Connexion received \$3.58M from Larimer County to provide Connexion infrastructure to county homes and businesses north of the Harmony/Taft Hill intersection. This build out was just completed and Connexion has signed up over 50 new customers already.
- Connexion has “lit up” it’s first mobile home park, Hickory Village, and Connexion’s residential sales reps will be signing up residents throughout the remainder of this year.
- Earlier this year, Larimer County was awarded \$14 million in Capital Project Funding to light up rural areas in Larimer County. Unfortunately, these projects are no longer financially feasible, prompting the State to accept grant declinations from the grantees, including the City of Fort Collins. The State Office supports jurisdictions in making responsible fiscal decisions for their stakeholders and the use of federal taxpayer dollars. In the case of the Larimer County CPF awards, significant increases in make-ready costs—expenses for preparing utility poles for new equipment—have left awardees like Fort Collins Connexion unable to complete projects solely with CPF funds.