

wytec

# Executive Summary

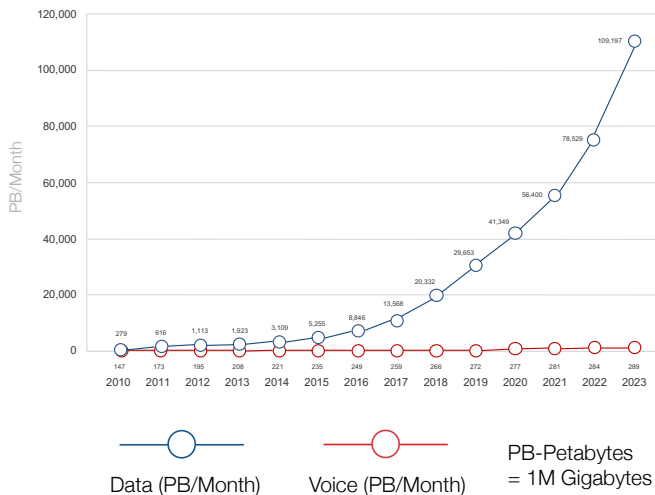


2022

## Industry Overview

In 2012, the Federal Communication Commission (“FCC”) predicted that U.S. mobile operators would experience a significant challenge in serving America’s smart devices due to an increase in mobile data usage. As a result, **5G** was introduced to support this increased data usage.

Global Data vs. Voice Usage (PB/month)



This accelerated growth in data traffic is being driven primarily by an increase in smart applications, Internet of Things “IOT” services, online commerce, and most recently 5G city initiatives designed to support remote education and public safety for cities and schools. As city crime rates increase, municipal government has been experiencing overwhelming public pressure to resolve it. Daily attacks connected to homeland security, first responders, public safety, health care, and our educational systems have increased at an unprecedented pace. Most recently America’s educational systems have been under attack resulting in multiple deaths of innocent children.



These attacks on America’s core infrastructures along with the increased data usage have challenged cellular carriers in delivering the promised 5G services. Experts have expressed that for the U.S. cellular industry to support 5G services, a radical change in network architecture needs to occur. According to an article by Price Waterhouse Coopers (“PWC”), “5G networks can’t succeed without **a small cell revolution. Small Cells** are identified by a small cylinder-shaped device attached to city utility poles with two primary objectives in mind: to increase data capacity and reduce dangerous transmission signals.

## Connectivity for All

Wytec is the developer of municipal citywide networks and owns patented **Small Cell** technology known as the “**LPN-16**”. Its unique neutral-host design is a key differentiation from other Small Cell technologies with its ability to support multiple carriers from “one” device. This multi-operator architecture is overwhelmingly the choice by municipalities due to a reduced need of utility poles and its reduction of dangerous high frequency radio waves.



Another key feature and differentiation of Wytec’s LPN-16 design is its capability to integrate with other advanced IOT technologies such as public safety (including schools), driverless cars, remote medicine, remote learning, energy conservation, and cyber-attack prevention. Wytec’s LPN-16 design supports open architecture allowing multiple IOT technologies to work simultaneously from one small cell thereby reducing time of install and lower cost.

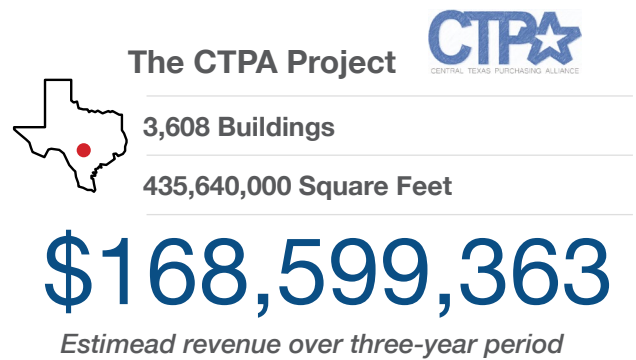


Wytec is currently negotiating its first IOT technology integration with a well-known engineering to include gunshot detection into Wytec’s LPN-16 small cell. When completed, it will utilize artificial intelligence (AI) to detect the difference between a gunshot and a firecracker with 95% accuracy. As a result of the increased school shootings across the U.S. resulting in unprecedented deaths of our elementary, middle school and high schools across the United States a heightened red alert has been issued by federal and state government with substantial funding directed toward public safety applications including gunshot detection.

Today, carriers dominate the mobile cellular industry, but due to 5G deployments requiring Small Cells (like Wytec’s LPN-16) to be installed on utility poles, city governments now have significant influence over Small Cell deployments due to “right of way” regulations requiring pole access. This legal authority has had a major impact on the slow growth of 5G deployments in America’s cities due to the municipalities concern of overcrowding its utility poles with multiple carriers requesting access. Wytec’s LPN-16 eliminates these concerns due to its multi-carrier features allowing for multiple operators to gain access to poles from one Small Cell. This is favored by the vast majority of municipalities.

## Wytec’s Predictable Revenue Opportunities

Wytec’s business model not only includes providing access or carriers on utility poles through its LPN-16 small cell architecture but promotes in-building cellular access to commercial buildings include independent school districts. In October 2019, Wytec participated and won a Request for Proposal (the “RFP”) from the **Laredo ISD in Laredo, Texas** involving an enhanced “in-building” cellular solution for the ISD. The **Laredo RFP** included a special “procurement” clause allowing any member of the Central Texas Purchasing Alliance (“CTPA”), 155 other ISD’s, to utilize **Laredo’s RFP** without the need for an additional RFP. The total number of buildings within the CTPA consists of 3,608 buildings, representing approximately 435,640,000 square feet at a winning bid of \$0.39 per square foot, producing a total CTPA



buildout estimated to be approximately \$168,599,363 over a three-year period. This estimate does not include Wytec’s other products such as private LTE and most recently its **gunshot detection technology**. Wytec estimates that, depending on participation from the CTPA, Wytec’s revenues could comfortably exceed \$500 million within the same 3 year time period. Wytec continues to build on its original CTPA contracts and is now developing a marketing model to include offering at least three (3) ISD’s within the CTPA, a no cost **“pilot project”** involving Wytec’s integrated solution to include **gunshot detection** for both in-building and campus deployments.

In a recent publication by Allied Market Research, studies suggest that the Small Cell 5G Market will reach \$6.87 billion by 2026.



## National Security Implications

It is no secret that the federal government has identified 5G technology as a high priority. More than \$180 billion has been allocated to various components of 5G with **cyber-security** and **public safety** being at the top. A great concern expressed by the top levels of our federal intelligence divisions has been an eventual attack on America's power grid, essentially bringing down our primary economic infrastructure, including a substantial interference with America's financial markets, educational, health, and transportation systems. Recent reports indicate that the total potential cost of this type of cybercrime could exceed \$500 billion dollars.



Wytec is now preparing to launch multiple 5G deployments involving both the CTPA independent school districts and its corresponding cities with at least three (3) pilot projects to combat the increase in the latest school district **gunshot attacks**. The proposed services will include the latest advancements in gun-shot detection technology for schools.



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## Capital Need Assumptions

Wytec has funded much of its initial operations through a limited number of private placements of its securities, during the research and development stage of its LPN-16 technology, while growing its revenues with in-building cellular and private LTE services. The next round of capital will be utilized to complete the CTPA pilot projects, commercialization of its patented LPN-16 to include gun-shot detection and prepare for Wytec's listing on NASDAQ.

Wytec has secured EFHutton ([www.efhuttongroup.com](http://www.efhuttongroup.com)) for both its current 9.5% Convertible Secured Note (secured by Wytec's patents) and its Initial Public Offering (IPO) under a firm underwriting. Wytec's IPO has already been approved by both the SEC (S-1 Registration) and by NASDAQ to list on the NASDAQ Capital Markets. Wytec's Secured Note is automatically converted into the IPO upon its NASDAQ listing. To learn more how to participate in Wytec's Convertible Note Program, please [click here](#).

Why Invest in Wytec?



This summary may contain forward-looking statements and projections relating to the potential future operating results or financial condition of the company. Please be advised that the company's actual financial condition, operating results and business performance may differ materially from those projected or from those which may be inferred by any forward-looking statements, forecasts or historical information. There is no assurance that the company will achieve the financial results indicated in the forward-looking statements or in historical information. There is no assurance that the company will be profitable, that it will earn revenues or that investors will receive a return of their capital or any cash distributions. Any projections are estimates only based on assumptions which may prove to be incorrect. See "risk factors" in the memorandum.