

SERIES C FINANCIAL PROJECTIONS 2024-2026

POLAR DYNAMICS ROBOTICS, INC.

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1. DISCLAIMER AND CONFIDENTIALITY

These financial projections ("Projections") have been prepared by Polar Dynamics Robotics, Inc. ("Company") solely for informational purposes. The Projections contain forward-looking statements and estimates based on current assumptions and expectations. Actual results may differ materially from these Projections. This document is strictly confidential and subject to the terms of the Non-Disclosure Agreement dated [NDA DATE].

2. REVENUE PROJECTIONS

2.1 Core Product Revenue

(USD Millions)

- 2024: \$48.7M
 - IceNav AMR Units: \$32.5M
 - Service & Maintenance: \$9.2M
 - Software Licensing: \$7.0M
- 2025: \$72.3M
 - IceNav AMR Units: \$48.8M
 - Service & Maintenance: \$13.5M
 - Software Licensing: \$10.0M
- 2026: \$98.5M
 - IceNav AMR Units: \$67.2M
 - Service & Maintenance: \$18.3M
 - Software Licensing: \$13.0M

2.2 Geographic Distribution

- North America: 65%
- Europe: 25%

- Asia-Pacific: 10%

3. COST STRUCTURE

3.1 Direct Costs

(As % of Revenue)

- Manufacturing: 42%
- Component Procurement: 18%
- Assembly: 12%
- Quality Control: 8%
- Shipping & Logistics: 4%

3.2 Operating Expenses

(USD Millions)

2024:

- R&D: \$8.2M
- Sales & Marketing: \$7.5M
- G&A: \$5.3M
- Total OpEx: \$21.0M

2025:

- R&D: \$11.5M
- Sales & Marketing: \$10.8M
- G&A: \$7.2M
- Total OpEx: \$29.5M

2026:

- R&D: \$14.8M
- Sales & Marketing: \$13.7M
- G&A: \$9.1M
- Total OpEx: \$37.6M

4. PROFITABILITY METRICS

4.1 Gross Margin

- 2024: 54%
- 2025: 56%
- 2026: 58%

4.2 EBITDA

- 2024: \$5.8M (12% margin)
- 2025: \$11.2M (15.5% margin)
- 2026: \$18.7M (19% margin)

5. KEY ASSUMPTIONS

5.1 Market Conditions

- Cold chain logistics market CAGR: 15%
- Industrial automation adoption rate: +22% YoY
- Component costs reduction: 3% annually
- Labor cost inflation: 4% annually

5.2 Operational Metrics

- Production capacity utilization: 75% (2024) 85% (2026)
- Customer retention rate: 92%
- Service contract attachment rate: 85%
- Software license renewal rate: 95%

6. CAPITAL REQUIREMENTS

6.1 Working Capital

- Inventory Days: 65
- Receivables Days: 45
- Payables Days: 60

6.2 Capital Expenditure

- 2024: \$4.2M
- 2025: \$5.8M

- 2026: \$7.1M

7. RISK FACTORS

The achievement of these Projections is subject to various risks including but not limited to:

- Supply chain disruptions
- Technological obsolescence
- Competitive pressure on pricing
- Regulatory changes
- Economic downturn impacts
- Currency fluctuations
- Labor market constraints

8. CERTIFICATION

These Projections have been prepared by the Company's management team based on reasonable assumptions and currently available information. They represent our best estimate of future performance but should not be relied upon as guarantees of future results.

Prepared and certified by:

/s/ Katherine Wells

Katherine Wells

Chief Financial Officer

Polar Dynamics Robotics, Inc.

Date: January 11, 2024

9. APPENDIX

Additional supporting schedules and detailed assumptions available upon request subject to appropriate confidentiality agreements.

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