

SERIES C DILUTION IMPACT ASSESSMENT

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NaviFloor Robotics, Inc.

Date: January 11, 2024

CONFIDENTIAL

1. EXECUTIVE SUMMARY

This Series C Dilution Impact Assessment analyzes the anticipated ownership dilution resulting from NaviFloor Robotics, Inc.'s (the "Company") proposed Series C financing round targeting \$75,000,000 at a pre-money valuation of

\$425,000,000 (the "Series C Financing").

2. CURRENT CAPITALIZATION STRUCTURE

2.1 Outstanding Securities

As of January 1, 2024, the Company's fully-diluted capitalization consists of

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Common Stock: 15,000,000 shares

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Series A Preferred Stock: 3,500,000 shares

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Series B Preferred Stock: 4,750,000 shares

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Outstanding Options Pool: 2,250,000 shares

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Unallocated Option Pool: 750,000 shares

Total Fully-Diluted Shares: 26,250,000

2.2 Current Ownership Distribution

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Founders & Management: 32.4%

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Series A Investors: 18.6%

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Series B Investors: 25.8%

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Employee Option Pool: 11.4%

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Other Common Holders: 11.8%

3. PROPOSED SERIES C TERMS

3.1 Key Investment Terms

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Proposed Investment Amount: \$75,000,000

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Pre-Money Valuation: \$425,000,000

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Price Per Share: \$16.19

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New Shares Issued: 4,632,489

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Post-Money Valuation: \$500,000,000

3.2 Conversion Rights

Series C Preferred Stock will carry a 1:1 conversion ratio to Common Stock, subject to standard anti-dilution adjustments.

4. DILUTION ANALYSIS

4.1 Post-Series C Ownership Structure

Following the Series C Financing, the fully-diluted ownership will be:

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Founders & Management: 26.5%

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Series A Investors: 15.2%

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Series B Investors: 21.1%

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Series C Investors: 15.0%

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Employee Option Pool: 9.3%

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Other Common Holders: 12.9%

Total Fully-Diluted Shares Post-Series C: 30,882,489

4.2 Dilution Impact by Shareholder Class

Percentage ownership dilution by class:

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Founders & Management: -5.9%

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Series A Investors: -3.4%

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Series B Investors: -4.7%

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Employee Option Pool: -2.1%

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Other Common Holders: +1.1%

5. PROTECTIVE PROVISIONS

5.1 Anti-Dilution Protection

Series C Preferred Stock will carry broad-based weighted average anti-dilution protection, calculated using the following formula:

$$CP2 = CP1 \cdot (A + B) / (A + C)$$

Where: 7 -

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CP2 = Conversion Price in effect after new issuance

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CP1 = Conversion Price in effect before new issuance

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A = Number of shares outstanding before new issuance

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B = Aggregate consideration received divided by CP1

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C = Number of new shares issued

5.2 Pay-to-Play Provisions

Series C investors must participate pro-rata in future qualified financings to maintain anti-dilution protection.

6. LEGAL CONSIDERATIONS

6.1 Board Approval

The Series C Financing and associated dilution impact have been reviewed and approved by the Board of Directors on January 8, 2024.

6.2 Stockholder Rights

Existing stockholder rights, including those detailed in the Second Amended Restated Investors' Rights Agreement dated May 15, 2022, remain in effect subject to customary amendments for the Series C Financing.

7. DISCLAIMER

This assessment has been prepared for information purposes only and does not constitute an offer to sell or solicitation of an offer to buy securities. All

calculations are based on assumptions deemed reasonable by management but are subject to change. Recipients should conduct their own due diligence and seek independent legal and financial advice.

8. CERTIFICATION

The undersigned officers hereby certify that this dilution impact assessment accurately reflects the anticipated ownership changes resulting from the proposed Series C Financing.

NAVIFLOOR ROBOTICS, INC.

By: _

James Wilson

Chief Financial Officer

Date: January 11, 2024

By: _

Dr. Sarah Chen

Chief Executive Officer

Date: January 11, 2024

