

# QUARTERLY REVENUE ANALYSIS Q1-Q4 2023

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**Polar Dynamics Robotics, Inc.**

*A Delaware Corporation*

*Confidential & Proprietary*

### 1. EXECUTIVE SUMMARY

This Quarterly Revenue Analysis ("Analysis") has been prepared by the Chief Financial Officer of Polar Dynamics Robotics, Inc. ("Company") for the fiscal year ending December 31, 2023. All financial figures are presented in U.S. dollars.

United States Dollars (USD) and have been reviewed by Ernst & Young  
Company's independent auditors.

## 2. REVENUE BREAKDOWN BY QUARTER

### 2.1 Q1 2023 (January 1 - March 31)

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Total Revenue: \$7,125,000

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Unit Sales: 47 BlueCore(TM)-enabled AMR units

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Service Revenue: \$875,000

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Maintenance Contracts: \$425,000

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Growth Rate (YoY): 28.4%

## **2.2 Q2 2023 (April 1 - June 30)**

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Total Revenue: \$8,375,000

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Unit Sales: 55 BlueCore(TM)-enabled AMR units

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Service Revenue: \$925,000

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Maintenance Contracts: \$512,000

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Growth Rate (YoY): 32.7%

## **2.3 Q3 2023 (July 1 - September 30)**

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Total Revenue: \$7,875,000

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Unit Sales: 51 BlueCore(TM)-enabled AMR units

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Service Revenue: \$912,000

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Maintenance Contracts: \$488,000

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Growth Rate (YoY): 30.1%

## **2.4 Q4 2023 (October 1 - December 31)**

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Total Revenue: \$8,125,000

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Unit Sales: 53 BlueCore(TM)-enabled AMR units

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Service Revenue: \$975,000

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Maintenance Contracts: \$525,000

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Growth Rate (YoY): 31.5%

### **3. REVENUE ANALYSIS BY SEGMENT**

#### **3.1 Product Line Performance**

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BlueCore(TM) Standard Edition: 65% of unit sales

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BlueCore(TM) Enterprise Edition: 28% of unit sales

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BlueCore(TM) Ultra-Low Temp Edition: 7% of unit sales

### **3.2 Customer Segment Distribution**

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Cold Chain Logistics: 42%

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Pharmaceutical Storage: 28%

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Food & Beverage Manufacturing: 21%

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Other Industrial Applications: 9%

## **4. KEY PERFORMANCE INDICATORS**

#### 4.1 Gross Margin Analysis

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Q1: 62.4%

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Q2: 63.1%

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Q3: 62.8%

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Q4: 63.5%

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Annual Average: 62.95%

#### 4.2 Customer Metrics

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New Customer Acquisitions: 47

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Customer Retention Rate: 94.3%

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Average Contract Value: \$168,500

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Service Attachment Rate: 87%

## **5. MATERIAL EVENTS AND ADJUSTMENTS**

### **5.1 Notable Developments**

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Launch of BlueCore(TM) 2.0 platform (Q2 2023)

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Implementation of new revenue recognition methodology for service c

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Strategic partnership with Northern Logistics Solutions (Q3 2023)

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Expansion into Canadian market (Q4 2023)

## **5.2 Non-Recurring Items**

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One-time licensing fee: \$450,000 (Q2 2023)

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Patent settlement income: \$275,000 (Q3 2023)

## **6. FORWARD-LOOKING STATEMENTS**

This Analysis contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Actual results may differ materially from those projected in such

statements due to various factors, including but not limited to: market conditions, technological advances, competitive dynamics, and regulatory requirements.

## **7. CERTIFICATION**

The undersigned hereby certifies that this Analysis presents fairly, in all material respects, the revenue position of Polar Dynamics Robotics, Inc. for the periods indicated.

Dated: January 15, 2024

/s/ Victoria Wells

Victoria Wells

Chief Financial Officer

Polar Dynamics Robotics, Inc.

## **8. DISCCLAIMER**

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