

## **Q4 2018 BOARD MEETING MINUTES & MATERIALS**

### **MINUTES OF THE MEETING OF THE BOARD**

**Date:** December 14, 2018

**Time:** 9:00 AM PST

**Location:** Company Headquarters, 2500 Harbor Bay Parkway, Alameda

**Meeting Type:** Regular Quarterly Meeting (Q4 2018)

#### **1. ATTENDANCE AND QUORUM**

##### **1.1 Directors Present:**

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Dr. Sarah Chen (CEO & Co-founder) - Chair

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Marcus Depth (CTO & Co-founder)

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Richard Torres (COO)

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Dr. Elena Kovacs (Chief Research Officer)

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James Wilson (CFO)

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Victoria Blackwell (Independent Director)

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Dr. Robert Kang (Independent Director)

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Michael O'Malley (Independent Director)

**1.2 Also Present:**

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Jennifer Martinez (Corporate Secretary)

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David Freeman (General Counsel)

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Representatives from Wilson Sonsini Goodrich & Rosati, P.C. (External Counsel)

A quorum being present, the meeting was called to order at 9:05 AM PST by the Chair.

**2. APPROVAL OF PRIOR MINUTES**

RESOLVED, that the minutes of the September 15, 2018 Board meeting were read and approved unanimously.

### **3. CEO'S REPORT**

Dr. Chen presented the Q4 2018 business update, highlighting:

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1 Revenue performance of \$8.2M for Q4, representing 42% YoY growth

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2 Successful deployment of NaviFleet 2.0 platform at three major customer sites

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3 Strategic partnership agreement with Mitsubishi Heavy Industries

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4 Patent approval for core terrain-mapping technology (US Patent #10,847,912)

## **4. FINANCIAL MATTERS**

### **4.1 Financial Review**

Mr. Wilson presented the Q4 2018 financial statements and FY2019 budget forecast:

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Q4 2018 gross margin: 62%

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Cash position: \$28.5M

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Burn rate: \$1.2M/month

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2019 revenue projection: \$45M

#### **4.2 Series C Follow-on**

RESOLVED, that the Board approves the terms of the \$15M Series C follow-on offering at \$12.50 per share, led by existing investor Andreessen Horowitz.

### **5. STRATEGIC INITIATIVES**

#### **5.1 Product Development**

Mr. Depth presented the 2019 product roadmap, including:

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NaviFleet 3.0 development timeline

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Multi-floor navigation capabilities

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Enhanced safety compliance features

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Integration with major WMS platforms

## **5.2 Market Expansion**

RESOLVED, that management is authorized to establish European operations headquartered in Munich, Germany, with an initial budget of \$3.5M.

## **6. COMPENSATION MATTERS**

### **6.1 Employee Stock Option Pool**

RESOLVED, that the employee stock option pool is increased by 500,000 shares to accommodate planned 2019 hiring.

### **6.2 Executive Compensation**

RESOLVED, that the Compensation Committee's recommendations for executive compensation are approved.

compensation adjustments are approved as presented in Exhibit A.

## **7. GOVERNANCE MATTERS**

### **7.1 Committee Appointments**

RESOLVED, that the following committee appointments are approved:

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Audit Committee: Michael O'Malley (Chair), Victoria Blackwell, Dr. Robert

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Compensation Committee: Victoria Blackwell (Chair), Michael O'Malley

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Nominating Committee: Dr. Robert Kang (Chair), Dr. Sarah Chen

### **7.2 Corporate Policies**



RESOLVED, that the updated Information Security Policy and Export Control Compliance Program are approved as presented.

## **8. OTHER BUSINESS**

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1 The Board reviewed the risk assessment report prepared by external counsel.

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2 The Board discussed the proposed timeline for potential IPO preparation in 2025.

## **9. ADJOURNMENT**

There being no further business, the meeting was adjourned at 2:15 PM PST.

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## **CERTIFICATION**

I hereby certify that the foregoing is a true and correct copy of the minutes of the meeting of the Board of Directors of NaviFloor Robotics, Inc. held on December 14, 2018.

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Jennifer Martinez

Corporate Secretary

Date: December 14, 2018

## **Exhibits Attached:**

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Exhibit A: Executive Compensation Recommendations

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Exhibit B: Q4 2018 Financial Statements

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Exhibit C: 2019 Operating Budget

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Exhibit D: Strategic Plan Presentation

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Exhibit E: Information Security Policy

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Exhibit F: Export Control Compliance Program

