

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF POLAR DYNAMICS ROBOTICS, INC.

Q4 2023 Annual Review Meeting

Date and Time: December 15, 2023, 9:00 AM Eastern Time

Location: Company Headquarters, 2500 Innovation Drive, Wilmington, Delaware 19801

Meeting Type: Regular Quarterly and Annual Review Meeting

1. ATTENDANCE AND QUORUM

1.1 Directors Present:

- Dr. Elena Frost, Ph.D. (Chair, CEO)
- Marcus Chen
- Sarah Nordstrom
- Dr. James Barrett
- Katherine Wells
- Robert Blackwood (Independent Director)
- Dr. Patricia Martinez (Independent Director)
- Michael O'Connor (Independent Director)

1.2 Also Present:

- Jonathan Pierce, Corporate Secretary
- Representatives from Ernst & Young LLP (External Auditors)
- David Thompson, General Counsel

A quorum being present, the meeting was called to order at 9:00 AM by the Chair.

2. APPROVAL OF PREVIOUS MINUTES

The minutes of the previous regular meeting held on September 28, 2023, were reviewed and approved unanimously upon motion duly made and seconded.

3. FINANCIAL REVIEW AND 2023 PERFORMANCE

3.1 Financial Performance

The CFO, Katherine Wells, presented the preliminary Q4 and full-year 2023 financial results:

- Annual Revenue: \$32.5M (up 42% YoY)
- Gross Margin: 58% (improvement from 54% in 2022)
- EBITDA: \$4.2M (positive for second consecutive year)
- Cash Position: \$18.7M as of December 15, 2023

3.2 External Auditor Report

Ernst & Young representatives presented their preliminary audit findings, noting no material weaknesses in internal controls.

4. STRATEGIC INITIATIVES REVIEW

4.1 IceNav Platform Development

CTO Marcus Chen reported on the successful completion of IceNav 3.0 development:

- Enhanced cold-environment navigation capabilities
- New thermal management system implementation
- Patent applications filed for 3 core technologies

4.2 Market Expansion

COO Sarah Nordstrom presented the market expansion results:

- European market entry achieved with 3 major customer wins
- Distribution partnership established with Cold Chain Solutions GmbH
- New sales office opened in Munich, Germany

5. 2024 STRATEGIC PLAN APPROVAL

The Board reviewed and unanimously approved the 2024 Strategic Plan, including:

5.1 Key Initiatives

- Development of next-generation actuator technology
- Geographic expansion into Asia-Pacific markets
- Launch of predictive maintenance service platform

5.2 Financial Targets

- Revenue target: \$45M
- Gross margin target: 60%

- R&D investment: \$8.5M

6. CORPORATE GOVERNANCE MATTERS

6.1 Committee Appointments

The Board approved the following committee appointments for 2024:

- Audit Committee: Michael O'Connor (Chair), Dr. Patricia Martinez, Robert Blackwood
- Compensation Committee: Dr. Patricia Martinez (Chair), Michael O'Connor, Dr. Elena Frost
- Nominating and Governance Committee: Robert Blackwood (Chair), Dr. Patricia Martinez, Marcus Chen

6.2 Equity Compensation

The Board approved the 2024 Equity Incentive Plan allocation of 500,000 shares.

7. RISK MANAGEMENT

7.1 Cybersecurity Review

The Board reviewed and approved updated cybersecurity protocols and incident response procedures.

7.2 IP Protection Strategy

General Counsel presented the enhanced IP protection strategy for core technologies.

8. OTHER BUSINESS

The Board discussed the potential Series D funding round targeted for Q2 2024.

9. ADJOURNMENT

There being no further business, the meeting was adjourned at 2:45 PM ET.

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 Polar Dynamics Robotics, Inc. held on December 15, 2023.

Date: December 15, 2023

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Jonathan Pierce

Corporate Secretary

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