

CASH FLOW STATEMENT

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POLAR DYNAMICS ROBOTICS, INC.

Q4 2023 (October 1 - December 31, 2023)

Unaudited Financial Statement

In United States Dollars (USD)

OPERATING ACTIVITIES

Cash Received from Operations:

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Revenue from AMR Unit Sales: \$8,925,000

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Service & Maintenance Contracts: \$1,245,000

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Software Licensing Fees: \$875,000

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Total Operating Receipts: \$11,045,000

Cash Paid for Operations:

-

Manufacturing Costs: (\$4,125,000)

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Research & Development: (\$1,875,000)

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Employee Salaries & Benefits: (\$2,245,000)

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Marketing & Sales: (\$685,000)

-

General Administrative: (\$425,000)

-

Facility Expenses: (\$385,000)

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Total Operating Disbursements: (\$9,740,000)

Net Cash from Operations: \$1,305,000

INVESTING ACTIVITIES

Capital Expenditures:

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Manufacturing Equipment: (\$750,000)

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Testing Facilities: (\$425,000)

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Software Development Infrastructure: (\$285,000)

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Total Capital Expenditures: (\$1,460,000)

Other Investing Activities:

-

Patent Applications: (\$125,000)

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R&D Equipment: (\$215,000)

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Total Other Investing: (\$340,000)

Net Cash Used in Investing: (\$1,800,000)

FINANCING ACTIVITIES

Cash Inflows:

-

Series C Funding Tranche: \$5,000,000

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Equipment Financing: \$750,000

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Total Financing Inflows: \$5,750,000

Cash Outflows:

-

Debt Service Payments: (\$275,000)

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Lease Payments: (\$185,000)

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Total Financing Outflows: (\$460,000)

Net Cash from Financing: \$5,290,000

CASH POSITION SUMMARY

Beginning Cash Balance (Oct 1, 2023): \$4,850,000

Net Changes:

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From Operations: \$1,305,000

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From Investing: (\$1,800,000)

-

From Financing: \$5,290,000

-

Total Net Change: \$4,795,000

Ending Cash Balance (Dec 31, 2023): \$9,645,000

SUPPLEMENTAL DISCLOSURES

Non-Cash Transactions:

-

Stock-Based Compensation: \$425,000

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Equipment Acquired Through Capital Lease: \$385,000

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Capitalized Software Development: \$295,000

Key Performance Metrics:

-

Operating Cash Flow Margin: 11.8%

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Days Sales Outstanding: 45

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Inventory Turnover: 4.2x

NOTES AND DISCLAIMERS

This cash flow statement has been prepared in accordance with U.S.

Certain reclassifications have been made to prior period amounts to c

The statement includes the impact of BlueCore(TM) technology development

Operating receipts include both domestic and international sales, with

R&D expenses reflect ongoing development of cold-environment navigation

CERTIFICATION

The undersigned, in my capacity as Chief Financial Officer of Polar Dynamics Robotics, Inc., hereby certify that this cash flow statement fairly presents in all material respects, the cash flows of the Company for the period indicated

Date: January 15, 2024

/s/ Victoria Wells

Victoria Wells

Chief Financial Officer

Polar Dynamics Robotics, Inc.

This financial statement is confidential and proprietary to Polar Dynamics Robotics, Inc.

