

SERIES C INVESTMENT MEMORANDUM

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NaviFloor Robotics, Inc.

Date: January 11, 2024

CONFIDENTIAL

1. EXECUTIVE SUMMARY

This Investment Memorandum (the "Memorandum") outlines the terms and conditions of the Series C financing round (the "Financing") for NaviFloor Robotics, Inc., a Delaware corporation (the "Company"). The Company seeks to raise up to

\$75,000,000 through the issuance of Series C Preferred Stock (the "Series C Shares") at a pre-money valuation of \$450,000,000.

2. OFFERING TERMS

- 1. ****Securities Offered****: Up to 12,500,000 shares of Series C Preferred Stock
- 2. ****Price Per Share****: \$6.00
- 3. ****Pre-Money Valuation****: \$450,000,000
- 4. ****Post-Money Valuation****: \$525,000,000 (fully diluted)

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5. ****Minimum Investment****: \$1,000,000

3. USE OF PROCEEDS

The Company intends to allocate the proceeds from the Series C Financing as follows:

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1. Research & Development (35%):

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Enhancement of proprietary LiDAR algorithms

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Development of next-generation terrain mapping capabilities

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Integration of advanced machine learning models

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2. Market Expansion (30%):

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Geographic expansion into European markets

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Development of sales and support infrastructure

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Channel partner development

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3. Working Capital (20%):

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Inventory management

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Operating expenses

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Working capital reserves

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4. Strategic Initiatives (15%):

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Potential strategic acquisitions

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Patent portfolio expansion

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Technology licensing opportunities

4. CAPITALIZATION

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1. ****Pre-Financing Capitalization****:

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Common Stock: 25,000,000 shares

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Series A Preferred: 8,000,000 shares

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Series B Preferred: 10,000,000 shares

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Employee Stock Option Pool: 7,000,000 shares (15% fully diluted)

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2. ****Post-Financing Capitalization**** (Fully Diluted):

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Common Stock: 25,000,000 shares (41.67%)

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Series A Preferred: 8,000,000 shares (13.33%)

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Series B Preferred: 10,000,000 shares (16.67%)

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Series C Preferred: 12,500,000 shares (20.83%)

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Option Pool: 7,000,000 shares (7.50%)

5. RIGHTS AND PREFERENCES

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1. ****Dividend Rights****: 8% non-cumulative dividend preference

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2. **Liquidation Preference**: 1x liquidation preference, pari passu with Series A

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3. **Conversion Rights**: Initially convertible 1:1 into Common Stock

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4. **Anti-dilution Protection**: Broad-based weighted average

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5. **Protective Provisions**: Standard Series C protective provisions

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6. **Board Composition**: Right to elect one director

6. FINANCIAL HIGHLIGHTS

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1. ****Historical Performance****:

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FY2023 Revenue: \$32.5M

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YoY Growth: 142%

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Gross Margin: 68%

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Current ARR: \$28.4M

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2. ****Projections**** (FY2024):

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Projected Revenue: \$65M

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Projected Gross Margin: 70%

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Projected ARR: \$52M

7. RISK FACTORS

Investors should carefully consider the following risks:

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1. **Technology Risks**:

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Rapid technological change in robotics industry

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Patent litigation risks

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Technical implementation challenges

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2. **Market Risks**:

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Competitive landscape evolution

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Market adoption rates

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Economic conditions

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3. **Operational Risks**:

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Supply chain dependencies

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Key personnel retention

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Scaling challenges

8. LEGAL DISCLAIMERS

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The projections contained herein are based on various assumptions which may not prove to be correct. No representation or warranty, express or implied, is made as to the accuracy or completeness of the information contained here

9. CONTACT INFORMATION

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[CONTACT INFORMATION REDACTED]

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