

BOARD OF DIRECTORS FINANCIAL PACKAGE - Q4 2023

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Q4 2023 - NAVIFLOOR ROBOTICS, INC.

CONFIDENTIAL AND PROPRIETARY

Date Prepared: January 11, 2024

For Distribution to: Members of the Board of Directors

Reporting Period: October 1, 2023 - December 31, 2023

1. EXECUTIVE FINANCIAL SUMMARY

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1 Q4 2023 revenue reached \$9.8M, representing 42% year-over-year growth

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2 Gross margin improved to 68% in Q4 2023 (vs. 64% in Q4 2022) driven by

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Manufacturing automation improvements

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Volume pricing benefits from key suppliers

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Higher-margin software revenue mix (31% vs. 26% prior year)

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3 EBITDA for Q4 2023 was \$1.2M (12.2% margin), compared to \$0.6M (8.2%)

2. OPERATIONAL METRICS

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1 Key Performance Indicators:

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New customer acquisitions: 18 (Q4 target: 15)

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Fleet expansion orders from existing customers: 23

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Average contract value: \$542,000

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Customer retention rate: 94%

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Software platform subscription renewal rate: 98%

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2 Revenue Distribution:

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Hardware (AMR units): 69%

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Software licenses and subscriptions: 31%

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Professional services: 10%

3. BALANCE SHEET HIGHLIGHTS

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1 As of December 31, 2023:

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Cash and equivalents: \$28.4M

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Accounts receivable: \$7.2M

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Inventory: \$4.8M

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Total assets: \$52.6M

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Total liabilities: \$12.3M

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Stockholders' equity: \$40.3M

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2 Working Capital Position:

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Current ratio: 3.8x

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Days sales outstanding: 65 days

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Inventory turnover: 5.2x

4. CASH FLOW AND LIQUIDITY

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1 Q4 2023 Operating Cash Flow:

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Net cash from operations: \$2.1M

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Capital expenditures: (\$0.8M)

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Free cash flow: \$1.3M

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2 Available Credit Facilities:

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Revolving credit line: \$10M (unused)

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Equipment financing facility: \$5M (\$2.1M drawn)

5. R&D AND PRODUCT DEVELOPMENT

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1 R&D Investment:

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Q4 2023 R&D spend: \$2.4M (24.5% of revenue)

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Capitalized development costs: \$0.9M

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Active development projects: 6

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2 Key Development Milestones:

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Multi-surface Navigation System 2.0: Beta testing complete

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Fleet Orchestration Platform upgrade: 85% complete

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New sensor integration framework: Development commenced

6. SALES PIPELINE AND FORECAST

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1 Current Pipeline:

- - 8 -

Total qualified opportunities: \$45.2M

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Late-stage opportunities: \$18.7M

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Weighted pipeline value: \$12.4M

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2 Q1 2024 Forecast:

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Revenue target: \$10.2M-\$10.8M

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Gross margin target: 67-69%

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New customer target: 16-20

7. RISK FACTORS AND MITIGATION

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1 Supply Chain:

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Semiconductor lead times stabilizing

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Dual-sourcing implemented for critical components

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Strategic inventory buffer maintained

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2 Market Conditions:

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Increasing competitive pressure in mid-market segment

- - 10 -

Rising customer implementation costs being addressed

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Foreign exchange exposure hedging program in place

8. CERTIFICATION

The undersigned hereby certifies that the financial information contained in this package is accurate and complete to the best of their knowledge as of the date of this certification.

Prepared by:

James Wilson

Chief Financial Officer

NaviFloor Robotics, Inc.

Date: January 11, 2024

Reviewed by:

Dr. Sarah Chen

Chief Executive Officer

NaviFloor Robotics, Inc.

Date: January 11, 2024

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