

# DEPRECIATION SCHEDULE - ROBOT FLEET

## DEPRECIATION SCHEDULE - ROBOT FLEET

NaviFloor Robotics, Inc.

Effective Date: January 1, 2024

Document Reference: DS-RF-2024-001

### 1. OVERVIEW AND PURPOSE

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1 This Depreciation Schedule ("Schedule") documents the depreciation meth

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2 This Schedule has been prepared in accordance with Generally Accepted A

## **2. ASSET CLASSIFICATION**

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1 The AMR Fleet consists of the following categories:

- a) Series X-1000 Autonomous Mobile Robots (Qty: 85)
- b) Series X-2000 Heavy-Duty AMRs (Qty: 45)
- c) Series X-500 Compact AMRs (Qty: 30)
- d) Charging Stations and Infrastructure (Qty: 28)
- e) Fleet Management Control Systems (Qty: 12)

## **3. DEPRECIATION METHODOLOGY**

- - 2 -

1 **\*\*Depreciation Method\*\***: Modified Accelerated Cost Recovery System (MACRS)

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2 **\*\*Asset Class\*\***: 7-year property class for industrial robotics equipment

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3 **\*\*Salvage Value\*\***: 10% of original purchase price

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4 **\*\*Depreciation Schedule by Asset Category\*\***:

### **Series X-1000 Autonomous Mobile Robots**

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Original Cost per Unit: \$125,000

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Total Cost Basis: \$10,625,000

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Annual Depreciation Rate: 14.29%

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First Year Depreciation: \$1,518,312.50

### **Series X-2000 Heavy-Duty AMRs**

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Original Cost per Unit: \$185,000

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Total Cost Basis: \$8,325,000

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Annual Depreciation Rate: 14.29%

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First Year Depreciation: \$1,189,642.50

### **Series-X-500 Compact AMRs**

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Original Cost per Unit: \$75,000

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Total Cost Basis: \$2,250,000

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Annual Depreciation Rate: 14.29%

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First Year Depreciation: \$321,525.00

### **Charging Stations and Infrastructure**

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Original Cost per Unit: \$45,000

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Total Cost Basis: \$1,260,000

- - 5 -

Annual Depreciation Rate: 14.29%

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First Year Depreciation: \$180,054.00

### **Fleet Management Control Systems**

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Original Cost per Unit: \$95,000

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Total Cost Basis: \$1,140,000

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Annual Depreciation Rate: 14.29%

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First Year Depreciation: \$162,906.00

4. DEPRECIATION SCHEDULE DETAILS

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1 \*\*Annual Depreciation Rates (MACRS 7-Year)\*\*:

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Year 1: 14.29%

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Year 2: 24.49%

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Year 3: 17.49%

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Year 4: 12.49%

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Year 5: 8.93%

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Year 6: 8.92%

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Year 7: 8.93%

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Year 8: 4.46%

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2 \*\*Total Fleet Depreciation Summary\*\*:

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Total Cost Basis: \$23,600,000

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Total First Year Depreciation: \$3,372,440

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Estimated Total Accumulated Depreciation (Year 7): \$21,240,000



- - 8 -

Estimated Salvage Value: \$2,360,000

## **5. SPECIAL CONSIDERATIONS**

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1 **\*\*Software Components\*\***: Embedded software and firmware are depreciated

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2 **\*\*Component Replacements\*\***: Major component replacements exceeding

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3 **\*\*Technological Obsolescence\*\***: Annual review required to assess potential

## **6. ACCOUNTING TREATMENT**

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1 Depreciation expense shall be recorded monthly in the Company's general

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Account 1540: Robotics Equipment - Cost

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Account 1541: Robotics Equipment - Accumulated Depreciation

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Account 6125: Depreciation Expense - Robotics Equipment

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2 Quarterly reconciliation of depreciation calculations required by the account

## **7. MODIFICATIONS AND UPDATES**

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1 This Schedule shall be reviewed annually and updated as necessary to reflect

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New asset acquisitions

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Asset disposals

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Changes in estimated useful life

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Technological obsolescence considerations

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Changes in accounting policies or regulations

## **8. CERTIFICATION**

The undersigned hereby certifies that this Depreciation Schedule has been

reviewed and approved by the Company's management and independent auditors.

APPROVED AND ADOPTED this 1st day of January, 2024.

NaviFloor Robotics, Inc.

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James Wilson

Chief Financial Officer

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Sarah Chen, Ph.D.

Chief Executive Officer

[COMPANY SEAL]

