

WAREHOUSE ROBOT LEASING PROGRAM P&L

WAREHOUSE ROBOT LEASING PROGRAM

NaviFloor Robotics, Inc.

For the Period Ending December 31, 2023

(Unaudited)

1. PROGRAM OVERVIEW

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1. This Profit & Loss Statement ("P&L Statement") represents the financial p

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2. The Program encompasses the Company's fleet of Model NF-2000 and NF

2. REVENUE STREAMS

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1. ****Base Lease Revenue****

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Monthly Recurring Revenue: \$2,875,000

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Annual Base Lease Revenue: \$34,500,000

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Number of Active Lease Contracts: 127

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Average Monthly Lease Rate per Unit: \$1,890

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2. ****Supplemental Revenue****

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Maintenance Service Contracts: \$4,250,000

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Software License Fees: \$2,750,000

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Implementation Services: \$1,875,000

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Training & Support: \$925,000

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Total Supplemental Revenue: \$9,800,000

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3. ****Total Program Revenue****: \$44,300,000

3. DIRECT COSTS

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1. **Hardware Costs**

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Robot Unit Depreciation: \$8,750,000

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Spare Parts & Components: \$2,250,000

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Maintenance Labor: \$3,125,000

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Total Hardware Costs: \$14,125,000

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2. **Software & Infrastructure**

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Cloud Infrastructure: \$1,250,000

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Software Licensing: \$875,000

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Network Connectivity: \$625,000

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Total Software Costs: \$2,750,000

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3. ****Implementation Costs****

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Installation Labor: \$1,875,000

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Site Surveys: \$625,000

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Customer Training: \$375,000

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Total Implementation Costs: \$2,875,000

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4. ****Total Direct Costs****: \$19,750,000

4. OPERATING EXPENSES

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1. ****Personnel Expenses****

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Program Management: \$2,250,000

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Technical Support: \$1,875,000

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Sales & Account Management: \$1,625,000

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Total Personnel Expenses: \$5,750,000

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2. **Administrative Expenses**

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Insurance: \$1,250,000

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Legal & Compliance: \$875,000

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Office & Facilities: \$625,000

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Travel & Entertainment: \$375,000

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Total Administrative Expenses: \$3,125,000

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3. **Marketing & Business Development**

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Marketing Programs: \$750,000

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Trade Shows: \$375,000

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Sales Materials: \$250,000

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Total Marketing Expenses: \$1,375,000

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4. ****Total Operating Expenses****: \$10,250,000

5. PROGRAM PROFITABILITY

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1. ****Gross Profit****

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Total Revenue: \$44,300,000

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Total Direct Costs: (\$19,750,000)

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Gross Profit: \$24,550,000

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Gross Margin: 55.4%

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2. ****Operating Profit****

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Gross Profit: \$24,550,000

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Operating Expenses: (\$10,250,000)

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Operating Profit: \$14,300,000

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Operating Margin: 32.3%

6. DISCLAIMERS AND NOTES

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1. This P&L Statement has been prepared for internal management purposes

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2. All figures are presented on an accrual basis in accordance with Generally

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3. Revenue recognition follows ASC 842 guidelines for operating leases and

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4. Depreciation is calculated using straight-line method over 5-year useful life

7. CERTIFICATION

The undersigned officers hereby certify that this P&L Statement fairly presents
in all material respects, the financial condition and results of operations of
the Program as of and for the period indicated above.

DATED: January 15, 2024

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James Wilson

Chief Financial Officer

NaviFloor Robotics, Inc.

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Richard Torres

Chief Operating Officer

NaviFloor Robotics, Inc.

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