

## BALANCE SHEET STATEMENT

### Polar Dynamics Robotics, Inc.

As of September 30, 2023 (Q3 2023)

(Amounts in USD, Unaudited)

#### ASSETS

##### Current Assets:

- Cash and cash equivalents: \$8,245,000
- Short-term investments: \$3,750,000
- Accounts receivable (net): \$4,832,000
- Inventory: \$5,987,000
- Raw materials: \$2,845,000
- Work in progress: \$1,892,000
- Finished goods: \$1,250,000
- Prepaid expenses: \$725,000
- Other current assets: \$438,000

**Total Current Assets: \$23,977,000**

##### Non-Current Assets:

- Property, plant & equipment: \$12,450,000
- Manufacturing equipment: \$8,275,000
- R&D facilities: \$2,875,000
- Office equipment: \$1,300,000
- Less: Accumulated depreciation: (\$2,845,000)
- Intangible assets: \$7,850,000
- Patents and technology: \$5,250,000
- Software licenses: \$2,600,000
- Goodwill: \$3,250,000
- Long-term investments: \$1,875,000
- Other non-current assets: \$925,000

**Total Non-Current Assets: \$23,505,000**

**TOTAL ASSETS: \$47,482,000**

**LIABILITIES AND STOCKHOLDERS' EQUITY**

Current Liabilities:

- Accounts payable: \$3,245,000
- Short-term debt: \$2,750,000
- Accrued expenses: \$1,875,000
- Current portion of long-term debt: \$1,250,000
- Customer deposits: \$875,000
- Other current liabilities: \$625,000

**Total Current Liabilities: \$10,620,000**

Non-Current Liabilities:

- Long-term debt: \$8,750,000
- Deferred tax liabilities: \$1,250,000
- Other long-term liabilities: \$875,000

**Total Non-Current Liabilities: \$10,875,000**

**Total Liabilities: \$21,495,000**

Stockholders' Equity:

- Common stock (\$0.001 par value, 50,000,000 shares authorized; 15,000,000 shares issued and outstanding): \$15,000
- Additional paid-in capital: \$22,500,000
- Retained earnings: \$3,722,000
- Accumulated other comprehensive income/(loss): (\$250,000)

**Total Stockholders' Equity: \$25,987,000**

**TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY: \$47,482,000**

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**Notes to Balance Sheet:**

**\*\*Basis of Presentation\*\***

This balance sheet has been prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP) and represents the unaudited financial position of Polar Dynamics Robotics, Inc. as of September 30, 2023.

**\*\*Significant Accounting Policies\*\***

- Cash equivalents include highly liquid investments with original maturities of three months or less
- Inventory is valued at the lower of cost or net realizable value using the first-in, first-out (FIFO) method
- Property, plant & equipment is stated at cost less accumulated depreciation
- Intangible assets are amortized on a straight-line basis over their estimated useful lives

**\*\*Commitments and Contingencies\*\***

The Company has operating lease commitments for facilities and equipment totaling \$4,250,000 over the next five years. There are no material legal proceedings or contingent liabilities as of the balance sheet date.

**\*\*Subsequent Events\*\***

Management has evaluated subsequent events through November 15, 2023, the date these financial statements were available to be issued. No significant subsequent events have been identified that would require adjustment to or disclosure in these financial statements.

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*Prepared by:*

Katherine Wells

Chief Financial Officer

Polar Dynamics Robotics, Inc.

*Date: November 15, 2023*

NOTICE: This financial statement is confidential and proprietary to Polar Dynamics Robotics, Inc. Unauthorized disclosure, copying, or distribution is strictly prohibited. This statement has not been audited by independent certified public accountants and should be read in conjunction with the accompanying notes and disclosures.