



GREEN ROBOTICS FOR A BLUE ECONOMY

Third Quarter 2024 Financial Results



Disclaimer

Cautionary Language Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Act”), and are intended to enjoy the protection of the safe harbor for forward-looking statements provided by the Act as well as protections afforded by other federal securities laws. Such forward-looking statements include but are not limited to: the expected timing of product commercialization or new product releases; customer interest in Nauticus’ products; estimated operating results and use of cash; and Nauticus’ use of and needs for capital. Generally, statements that are not historical facts, including statements concerning possible or assumed future actions, business strategies, events, or results of operations, are forward-looking statements. These statements may be preceded by, followed by, or include the words “believes,” “estimates,” “expects,” “projects,” “forecasts,” “may,” “will,” “should,” “seeks,” “plans,” “scheduled,” “anticipates,” “intends,” or “continue” or similar expressions. Forward-looking statements inherently involve risks and uncertainties that may cause actual events, results, or performance to differ materially from those indicated by such statements. These forward-looking statements are based on Nauticus’ management’s current expectations and beliefs, as well as a number of assumptions concerning future events. There can be no assurance that the events, results, or trends identified in these forward-looking statements will occur or be achieved. Forward-looking statements speak only as of the date they are made, and Nauticus is not under any obligation and expressly disclaims any obligation, to update, alter, or otherwise revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law. Readers should carefully review the statements set forth in the reports which Nauticus has filed or will file from time to time with the Securities and Exchange Commission (the “SEC”) for a more complete discussion of the risks and uncertainties facing the Company and that could cause actual outcomes to be materially different from those indicated in the forward-looking statements made by the Company, in particular the sections entitled “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” in documents filed from time to time with the SEC, including Nauticus’ Annual Report on Form 10-K filed with the SEC on April 10, 2024. Should one or more of these risks, uncertainties, or other factors materialize, or should assumptions underlying the forward-looking information or statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated, or expected. The documents filed by Nauticus with the SEC may be obtained free of charge at the SEC’s website at www.sec.gov.

Pioneering the Future of Autonomous Underwater Robotics

Nauticus Robotics specializes in underwater robotic equipment and software for the global offshore energy, telecoms, defense and port management sectors. The Company has experienced rapid growth and strong momentum in its short history, consistently demonstrating the Company's ability to design and deliver innovative solutions and hardware.

nauticus
robotics



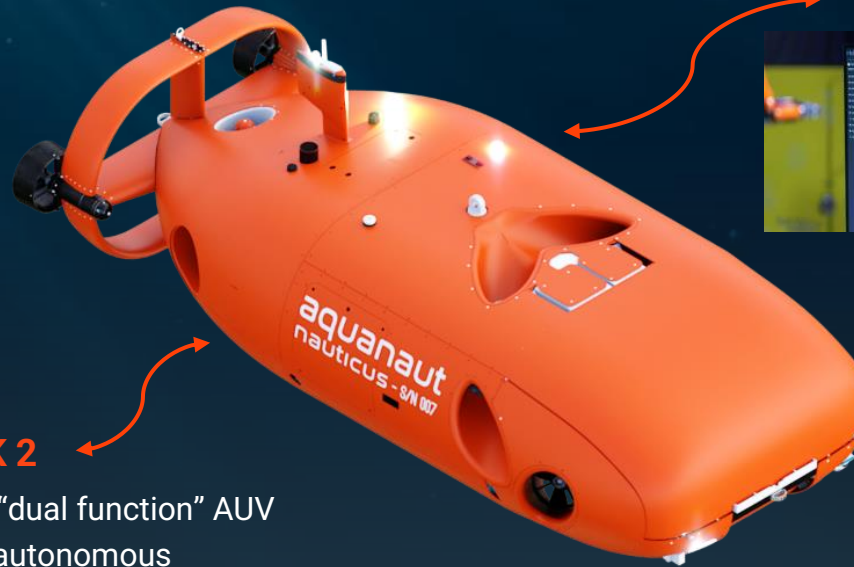
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ESTABLISHED

2014

AQUANAUT MARK 2

All-electric Aquanaut "dual function" AUV or ROV – untethered autonomous vehicle platform with ability to transform for survey or intervention work.



TOOLKITT





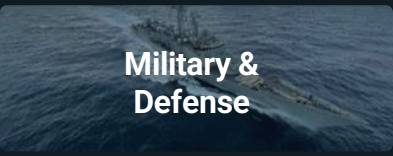

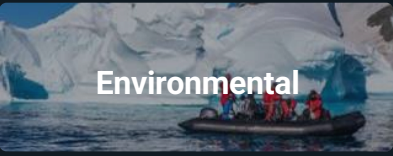
Powered by AI and machine learning – the ToolKITT software empowers supervised autonomy in surface and subsea platforms.

OLYMPIC ARM



The next generation of purpose-built electric arms – providing versatility and maneuverability with a high degree of precision.

Exploring Diverse Market Opportunities

Sector	 Offshore O&G	 Offshore Wind & Power	 Military & Defense	 Port Management	 Environmental
Uses	AUVs are used in site survey work and to support drilling campaigns via hazard or rig move surveys. They can also be used to determine optimal routes for pipelines as well as pipeline & subsea infrastructure inspections. ROVs can support drilling & perform IMR work. Increasingly, hybrid AUV/ROV systems are being developed & can be hosted on the seabed.	AUVs can be used to identify significant wind, wave, current and tidal factors (metocean) & can assist in survey & positioning (velocity of sound & conductivity, temperature & depth). Environmental Impact Assessments & cable route surveys can be also be conducted. ROVs can be used to perform IRM critical undersea infrastructure (e.g., cabling).	AUVs are used in mine countermeasure operations, anti-submarine warfare and search & rescue operations. Other applications include military hydrography / rapid environmental assessments; special operations (transferring dive teams); intelligence, surveillance & reconnaissance. ROVs can be used in UXO, minesweeping & in salvage operations by navies.	AUVs can be used to assess whether a port has sufficient under-keel clearance for a humanitarian aid vessel following a disaster. When used in tandem with buoys and sensor systems they can manage threats to port infrastructure and prevent piracy and smuggling. When used for security, AUVs can inspect vessel hulls, piers and harbors.	Environmental applications vary widely by focus, budget and funding body. Many AUVs have been built as research/engineering projects, or as a development test bed for new sensors, as well as to gather field data to support research efforts. This includes observation of marine animals or as part of ocean observation systems.
Sector Snapshot	The offshore oil & gas sector is mature, with large capital (greenfield) projects becoming less common than short-cycle projects which tieback to existing infrastructure (brownfield).	The offshore wind sector, whilst contending with inflationary pressures has broad policy support; it is poised to grow robustly, especially in deeper waters, further from shore.	Heightened geopolitical tensions have seen hit global spending hit \$2.2 trillion in 2022, an increase of 15% since 2017. Transnational partnerships & alliances underpin some of this spend.	Small uncrewed surface vessels may be able to act as waterborne improvised explosive devices; Illegal Unreported & Unregulated fishing & smuggling are ongoing sector issues.	The constantly changing nature of the ocean is of ongoing & high importance to scientists & policymakers. Research covers new diseases, coastal erosion & fishery decline & more.
Potential Market Size in 2023 & in 2030 ⁽¹⁾	<div>20232030</div> <div>AUV / ROV</div> <div>\$1.72b\$2.13b</div>	<div>20232030</div> <div>AUV / ROV</div> <div>\$0.58b\$1.52b</div>	<div>20232030</div> <div>AUV / ROV</div> <div>\$2.12b\$2.83b</div>	<div>20232030</div> <div>AUV / ROV</div> <div>\$1.12b\$1.32b</div>	Emerging Opportunity

1) Source: Management provided information & WGE Analysis

Operational Highlights – Third Quarter 2024

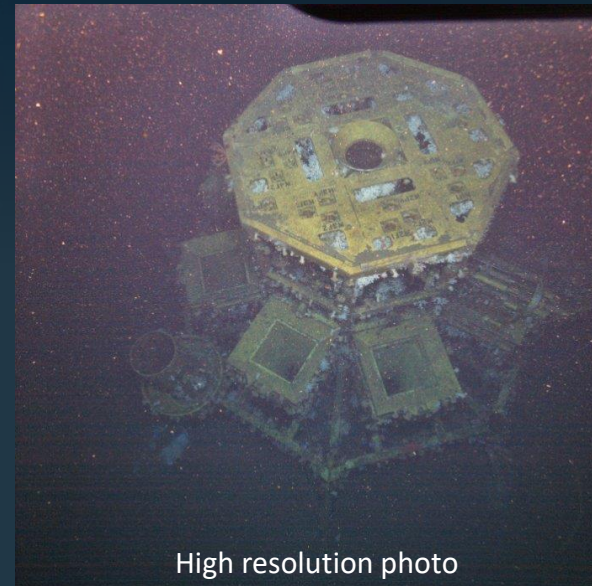
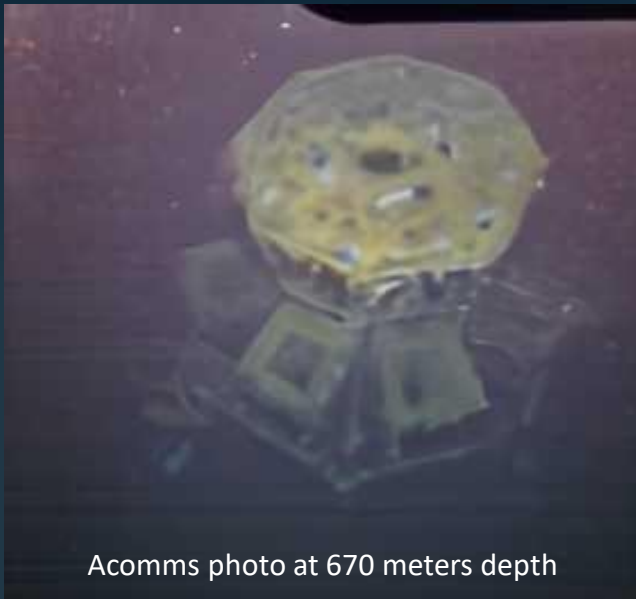
Achieved industry first untethered deepwater survey and inspections by successfully conducting Aquanaut's first commercial project

- Significant milestone for us and the industry as evidence that the Aquanaut is ready for the market
- The project exceeded our and our client's expectations
- Consequently securing 2025 pipeline with existing customers
- Second Aquanaut vehicle is expected to generate revenue in 2025 after certification
- We expect the vehicle to complete factory acceptance testing in Q4 2024
- Third Aquanaut vehicle is expected to be assembled in 2025

Operational Highlights – Third Quarter 2024

Aquanaut system demonstrated the survey capability providing high resolution data of entire fields

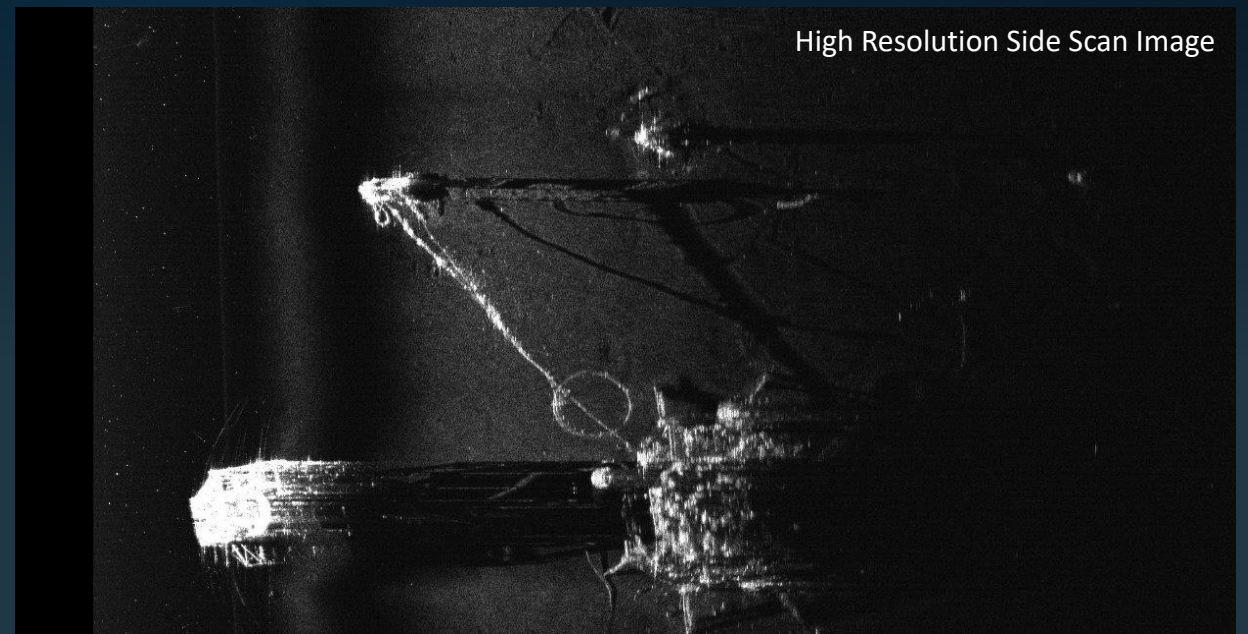
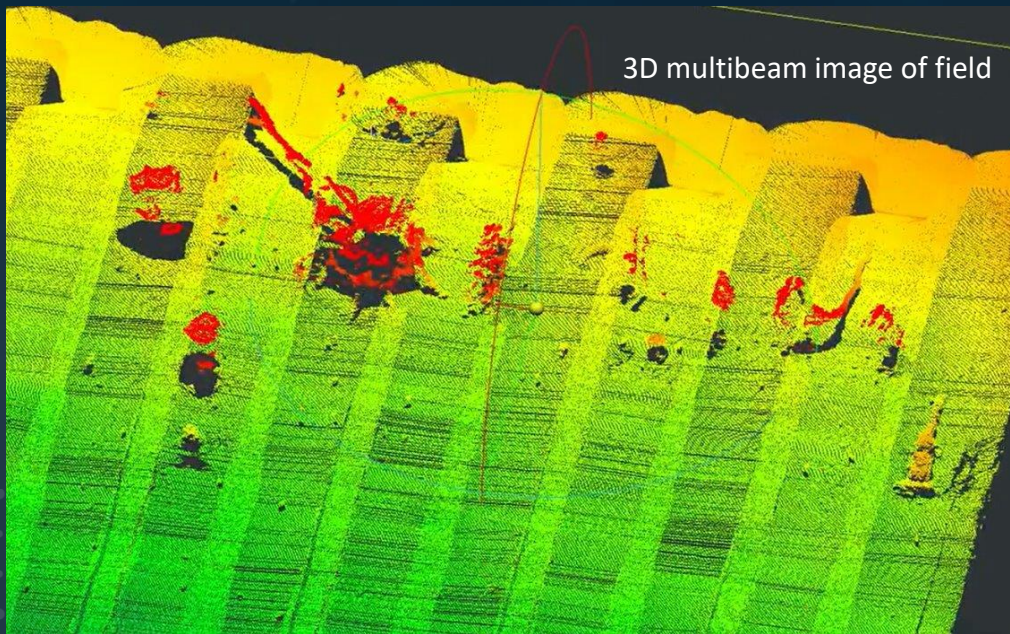
- Successfully used positioning confirmation via acoustic communications (acomms):
 - Left photo is low resolution photo sent to operator via acomms while vehicle remained subsea
 - Right photo is high resolution processed photo retrieved from vehicle once back at the surface
- Hovering capability proven



Operational Highlights – Third Quarter 2024

Aquanaut system demonstrated the survey capability providing high resolution data of entire fields

- Efficiency of the operations were well noted by clients
- Data generated helped identify multiple anomalies in the fields
- Commercial application proven to multiple clients, resulting in negotiations about future commercial work



The background of the slide is a dark blue underwater scene. In the lower-left, a red and black Remotely Operated Vehicle (ROV) is visible, with the word "nautilus" printed on its side. The ROV has several lights on and is positioned near some dark, indistinct structures on the seabed. In the top-right and bottom-left corners, there is a faint, light-blue network diagram consisting of interconnected nodes and lines, resembling a molecular or data network structure.

Quarterly Financials

NAUTICUS ROBOTICS PROPRIETARY AND CONFIDENTIAL INFORMATION

Unaudited Condensed Consolidated Statement of Operations

	Three Months Ended			Nine Months Ended	
	9/30/2024	6/30/2024	9/30/2023	9/30/2024	9/30/2023
Revenue:					
Service	\$ 370,187	\$ 501,708	\$ 1,593,854	\$ 1,336,249	\$ 5,542,249
Service - related party	-	-	-	-	500
Total revenue	370,187	501,708	1,593,854	1,336,249	5,542,749
Costs and expenses:					
Cost of revenue (exclusive of items shown separately below)	2,648,019	2,875,394	2,651,380	7,617,368	7,484,249
Depreciation	446,087	411,586	160,744	1,283,858	487,052
Research and development	-	-	275,154	64,103	984,882
General and administrative	2,845,956	3,227,288	6,704,890	9,502,685	17,478,099
Total costs and expenses	5,940,062	6,514,268	9,792,168	18,468,014	26,434,282
Operating loss	(5,569,875)	(6,012,560)	(8,198,314)	(17,131,765)	(20,891,533)
Other (income) expense:					
Other (income) expense, net	2,278,909	118,274	(133,311)	2,300,710	1,015,908
Gain on lease termination	-	(8,532)	-	(23,897)	-
Foreign currency transaction loss	11,833	4,296	83,654	21,276	56,061
Loss on exchange of warrants	-	-	-	-	590,266
Change in fair value of warrant liabilities	(615,505)	(4,422,701)	8,656,392	(13,347,829)	(18,775,158)
Interest expense, net	4,111,844	3,669,423	873,738	10,234,639	7,365,402
Total other income, net	5,787,081	(639,240)	9,480,473	(815,101)	(9,747,521)
Net loss	<u>\$ (11,356,956)</u>	<u>\$ (5,373,320)</u>	<u>\$ (17,678,787)</u>	<u>\$ (16,316,664)</u>	<u>\$ (11,144,012)</u>
Basic loss per share (As adjusted)	<u>\$ (4.24)</u>	<u>\$ (2.75)</u>	<u>\$ (15.46)</u>	<u>\$ (8.54)</u>	<u>\$ (9.92)</u>
Diluted loss per share (As adjusted)	<u>\$ (4.24)</u>	<u>\$ (2.75)</u>	<u>\$ (15.46)</u>	<u>\$ (8.54)</u>	<u>\$ (9.92)</u>
Basic weighted average shares outstanding (As adjusted)	2,676,003	1,950,563	1,143,198	1,910,761	1,123,695
Diluted weighted average shares outstanding (As adjusted)	2,676,003	1,950,563	1,143,198	1,910,761	1,123,695

Unaudited Condensed Consolidated Balance Sheets

	September 30, 2024 (Unaudited)	December 31, 2023
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 2,915,757	\$ 753,398
Restricted certificate of deposit	51,763	201,822
Accounts receivable, net	397,726	212,428
Inventories	2,229,509	2,198,797
Prepaid expenses	1,105,645	1,889,218
Other current assets	338,542	1,025,214
Assets held for sale	277,180	2,940,254
Total Current Assets	7,316,122	9,221,131
Property and equipment, net	16,158,525	15,904,845
Operating lease right-of-use assets	1,283,982	834,972
Other assets	229,296	187,527
Total Assets	\$ 24,987,925	\$ 26,148,475
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable	\$ 4,734,093	\$ 7,035,450
Accrued liabilities	7,269,833	7,339,099
Contract liability	697,818	2,767,913
Operating lease liabilities - current	433,820	244,774
Total Current Liabilities	13,135,564	17,387,236
Warrant liabilities	393,094	18,376,180
Operating lease liabilities - long-term	921,698	574,260
Notes payable - long-term, net of discount (related party)	46,148,307	31,597,649
Other liabilities	895,118	-
Total Liabilities	\$ 61,493,781	\$ 67,935,325
Stockholders' Deficit:		
Common stock, \$0.0001 par value; 625,000,000 shares authorized, 5,634,942 and 1,389,884 shares issued, respectively, and 5,634,942 and 1,389,884 shares outstanding, respectively (As adjusted)	\$ 563	\$ 139
Additional paid-in capital (As adjusted)	98,628,931	77,004,714
Accumulated other comprehensive income	(26,983)	-
Accumulated deficit	(135,108,367)	(118,791,703)
Total Stockholders' Deficit	(36,505,856)	(41,786,850)
Total Liabilities and Stockholders' Deficit	\$ 24,987,925	\$ 26,148,475

Unaudited Condensed Consolidated Statements of Cash Flows

	Years ended September 30,	
	2024	2023
Cash flows from operating activities:		
Net loss	\$ (16,316,664)	\$ (11,144,012)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	1,283,858	487,052
Amortization of debt discount	5,694,378	2,924,820
Amortization of debt issuance cost	486,758	-
Capitalized paid-in-kind (PIK) interest	927,485	-
Accretion of RCB Equities #1, LLC exit fee	73,058	3,183
Stock-based compensation	1,872,504	3,995,020
Loss on exchange of warrants	-	590,266
Change in fair value of warrant liabilities	(13,347,829)	(18,775,158)
Non-cash impact of lease accounting	314,859	332,787
Gain on disposal of assets	(1,695)	-
Write off of property and equipment	32,636	-
Gain on lease termination	(23,897)	-
Gain on short-term investments	-	(40,737)
Interest expense assumed into Convertible Senior Secured Term Loan	-	378,116
Changes in current assets and liabilities:		
Accounts receivable	(185,298)	625,034
Inventories	(30,714)	(7,293,478)
Contract assets	-	547,183
Other assets	1,542,915	(206,702)
Accounts payable and accrued liabilities	(1,072,317)	11,155,980
Contract liabilities	(2,070,095)	152,000
Operating lease liabilities	(203,486)	(357,985)
Other liabilities	895,117	-
Net cash used in operating activities	(20,128,427)	(16,626,631)
Cash flows from investing activities:		
Capital expenditures	(466,712)	(10,745,111)
Proceeds from sale of assets held for sale	420,220	-
Proceeds from sale of property and equipment	18,098	-
Proceeds from sale of short-term investments	-	5,000,000
Net cash used in investing activities	(28,394)	(5,745,111)
Cash flows from financing activities:		
Proceeds from notes payable	14,305,000	10,596,884
Payment of debt issuance costs on notes payable	(1,316,791)	-
Proceeds from ATM offering	9,857,857	-
Payment of ATM commissions and fees	(499,903)	-
Proceeds from exercise of stock options	-	421,175
Proceeds from exercise of warrants	-	338,055
Net cash from financing activities	22,346,163	11,356,114
Effects of changes in exchange rates on cash and cash equivalents	(26,983)	-
Net change in cash and cash equivalents	2,162,359	(11,015,628)
Cash and cash equivalents, beginning of year	753,398	17,787,159
Cash and cash equivalents, end of year	\$ 2,915,757	\$ 6,771,531

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