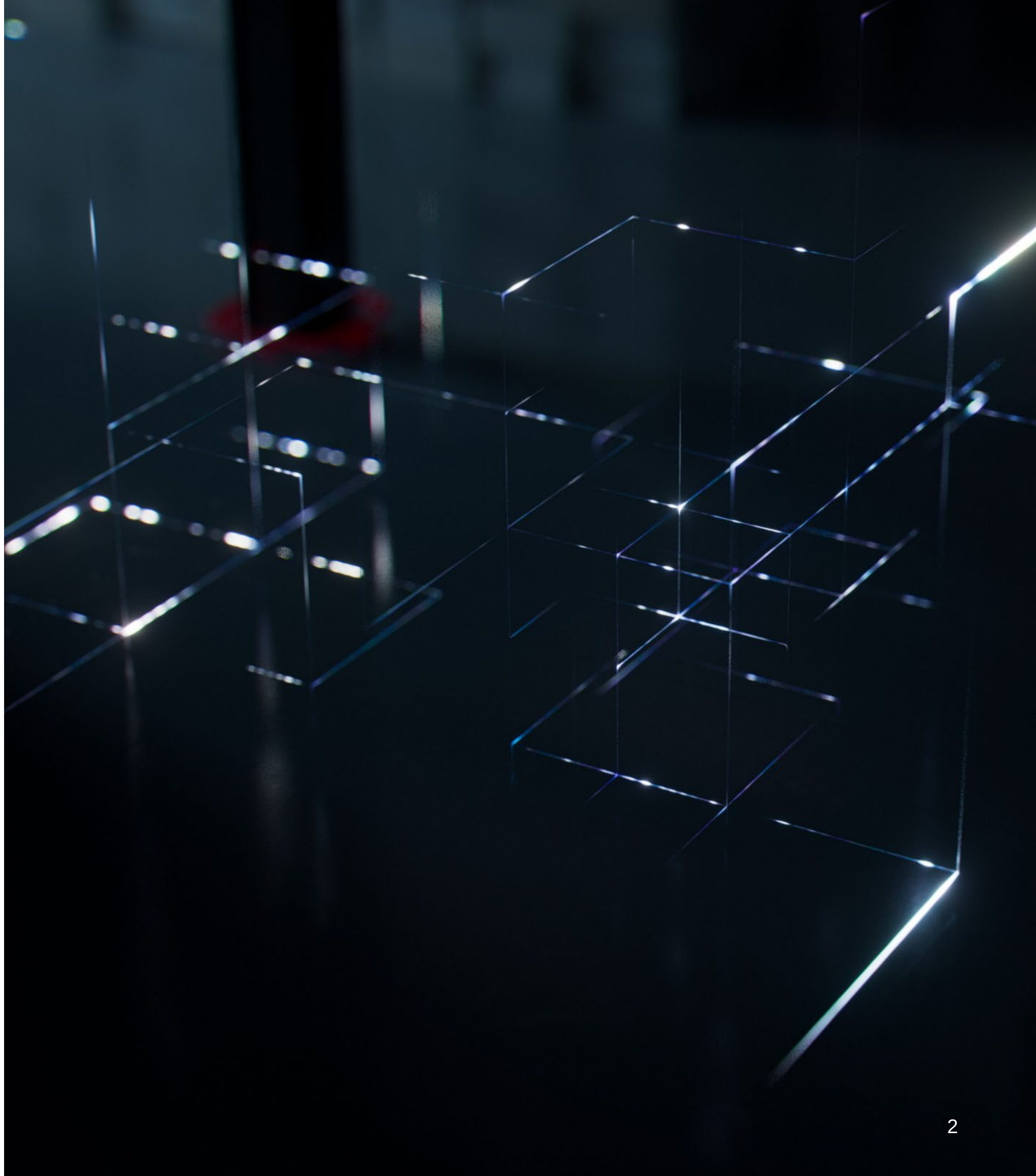
AutoStore

Second Quarter 2022

Financial Results | 18 August 2022

Agenda

- Highlights of the quarter and business update
- Financials
- Outlook & Q&A



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Q2 2022 highlights

Revenue growth, order intake and operational efficiencies support 2022 guidance and continued growth in 2023

Financial Highlights

- USD **165.6 million** in revenues, representing a growth of 93.6% from Q2 2021
- Adjusted EBITDA* of **USD 69.5 million (42.0%),** up from USD 42.7 million in Q2 2021 (50.0%)
- **Order intake** of **USD 161.3 million**, representing stable development compared to Q2 2021 – partly driven by reduced lead times
- **Backlog increased 66.1% to USD 477.6 million**, up from USD 287.6 million at the end Q2 2021

Operational Highlights

- **Significantly reduced lead times** for key components by **diversifying the supplier base** and **expanding capacity**

Corporate Developments

- Appealed the ITC decision to the U.S. Court of Appeals**. The UK trial was heard in March/April**, and judgment is 2022 expected in 2H
- Positioning the organization for further growth by welcoming **62 new colleagues in Q2 22** and opened a **new office in Singapore**.

Note: *Adjusted EBITDA and other alternative performance measures (APMs) throughout the presentation are defined and reconciled to the IFRS financial statements as part of the APM section of the second quarter 2022 report from page 27.

Automation is key to alleviate supply chain constraints, increase efficiency, meet change in consumer behavior and improve operational ESG footprint

eCommerce continues to grow and expected to represent a significant portion in the long-term

eCommerce expected to grow by 9.7% in 2022[1] – representing 18.8% of global retail spending in 2022 and expected to represent ~24% in 2026E.

Changing consumer demands & emergence of micro-fulfillment centers ("MFCs")

Same-day delivery requiring fulfilment centers in close proximity to urban areas

MFCs expected to represent ~16% of the global Warehouse AS/RS[2] market by 2031E[3]

Increased demand for automation efficiency

Industrial robots market expected to grow at a CAGR of 13% from 2020A to 2025E

Sustainable solutions

Strong focus on environmentally friendly and energy efficient solutions

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Sources:
Premium management consulting company, Forrester, eMarketer, Statista

Notes:
1. Estimates as of July 2022
2. Automated Storage & Retrieval System
3. 'Global' market represents US, Europe and Asia

Progressing as planned on strategic initiatives

Key strategic priorities include:		Progress we have made in 1H 2022 include:
01	Penetrating new markets – including MFCs	– **+208% and 320% revenue** growth YoY, respectively in **MFC and High Throughput** segments
02	Increasing WMS revenue	– Continuing to build **pipeline** of **larger tier one retailers** – In the process to **launch "pay-per-pick"** revenue model
03	Product innovation	– Released cost-efficient **R5+ Robot,** with expanding bin-handling capabilities – Preparing for launch of **frozen capabilities – for online grocery segment** – Router software growth on track
04	Expanding in APAC[1] and NAM[2]	– **Growing our own sales organization** to support and accelerate future growth, incl. onboarding BDMs and partner managers in **Australia, Japan and Singapore** – Increased YoY revenue by 83% and 98%, respectively in APAC and NAM – **Shortlisted** 2 locations for **assembly facility** in **APAC**
05	Increasing offerings through M&A	– Monitoring the market for technologies that can enhance our offering

Note:[1] APAC: Asia-Pacific. [2]NAM: North America

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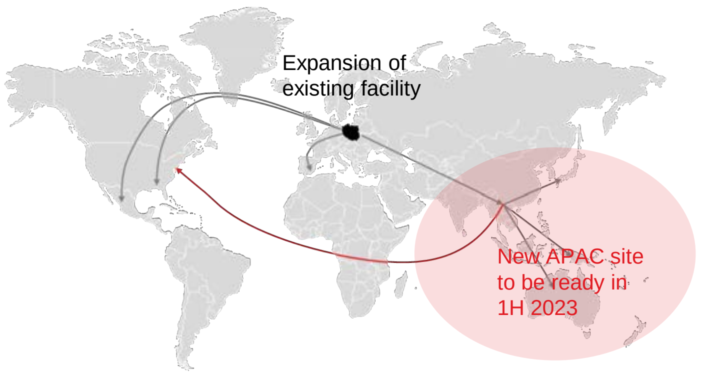
Improved sourcing strategy to mitigate manufacturing disruptions and to accommodate future growth

Expanding and regionalizing the **supplier base** for grid parts

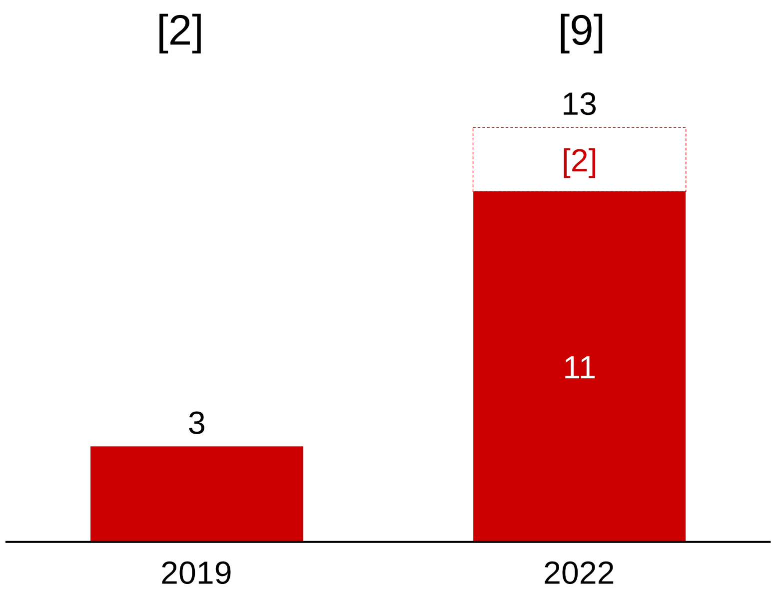
Robust forecast and monitoring of all existing suppliers to ensure investment in capacity goes as planned

Initiative to improve all overseas transports related to reliability and tracking



Adding new suppliers to de-risk supply chain

# of aluminium supplier plants for the grid elements
[ ] # of countries with aluminium supply plant

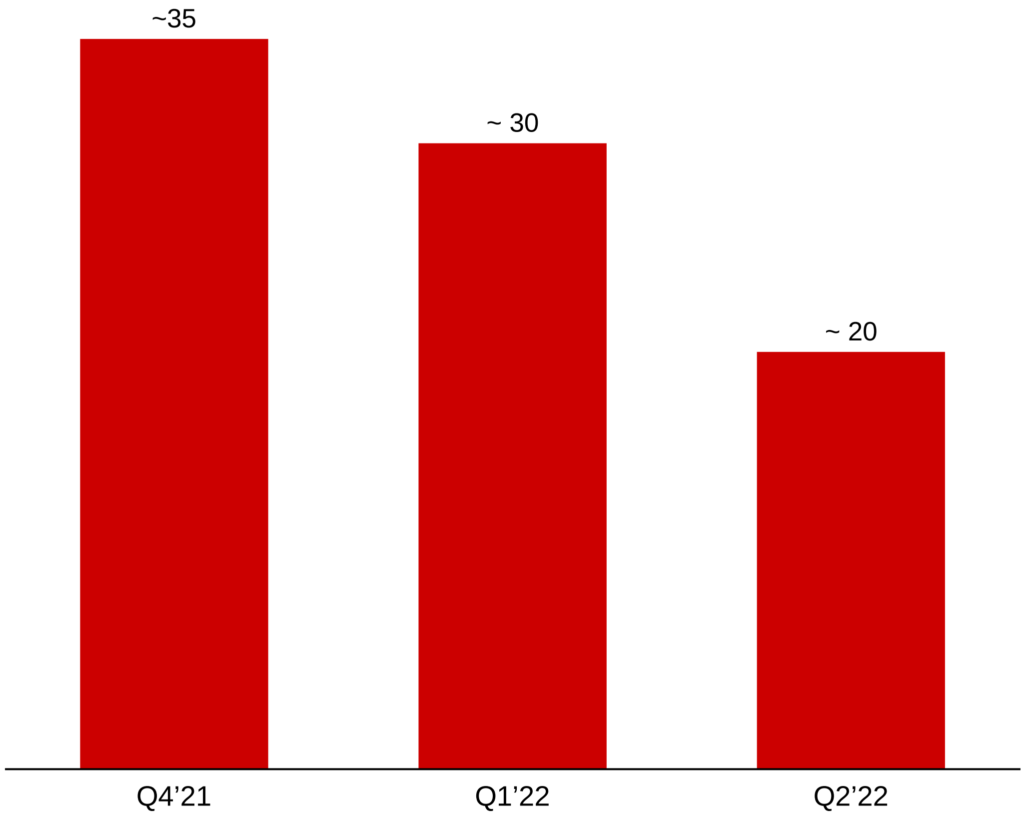


Redundancies making our supply chain more robust

Significant lead time improvements

Reduced lead times from increased capacity and supplier diversification

Lead times returning to historical levels…



… resulting in customers placing **orders closer to delivery,** which temporarily impact **growth in order intake**….

…however, with the **solid order intake and order backlog** we are very confident in our ability to reach our **revenue growth ambitions**

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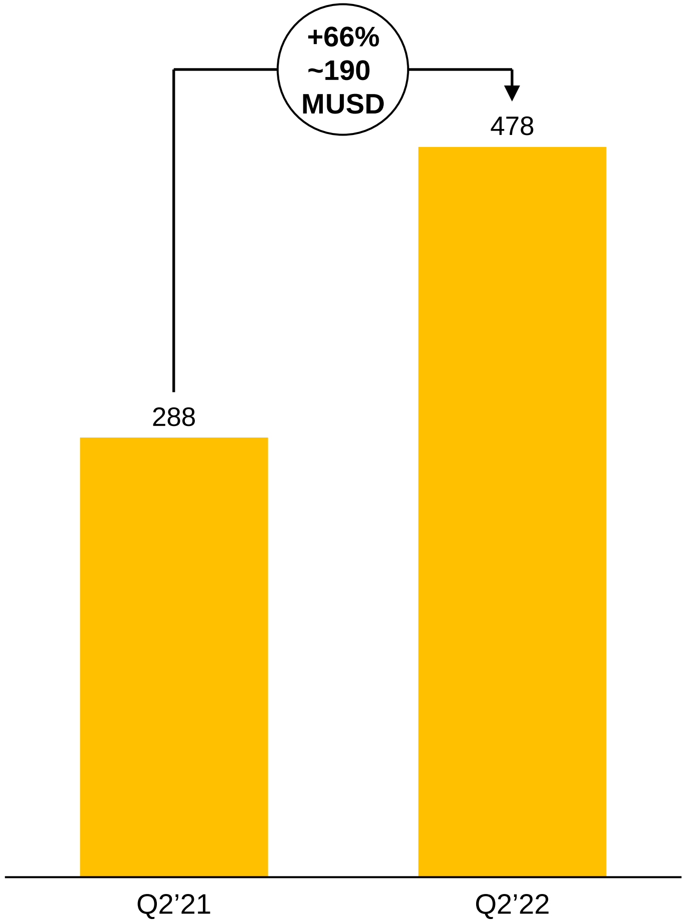
Order backlog of USD 478 million provides revenue visibility for balance of the year and continued growth in 2023

Order intake

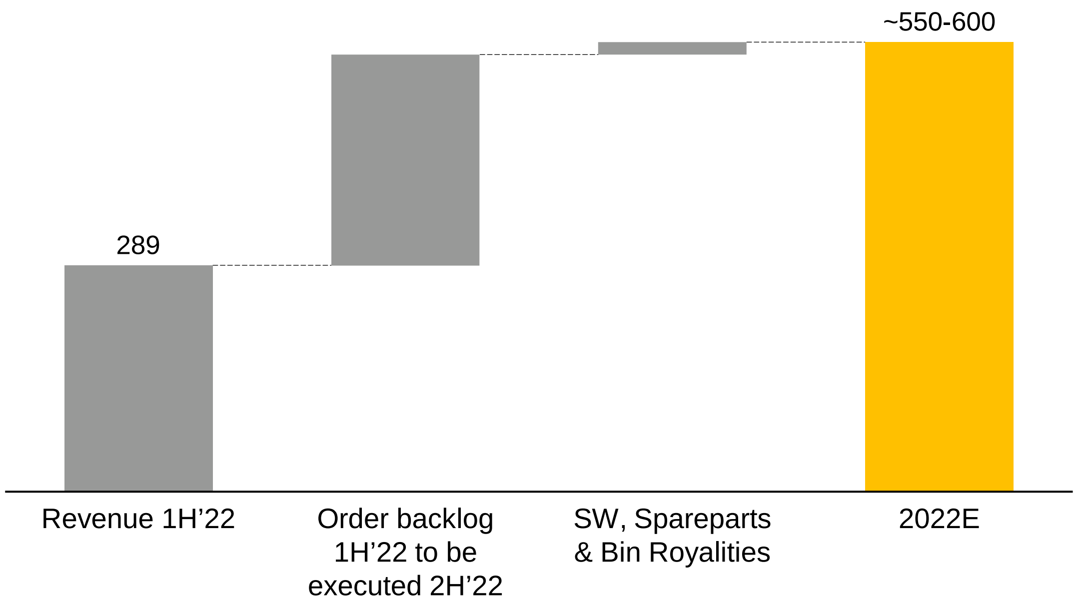
- Order intake was **USD 161.3 million** in **Q2 2022,** flat from USD 161.6 million in Q1 2022 and USD 161.0 million in Q2 2021
- Development partly reflects the impact of **shorter lead times** and partly **market conditions**
- **Order backlog of USD 477.6 million, up 66.1%** from Q2 2021, provides revenue visibility and strong support for revenue guidance

Order backlog

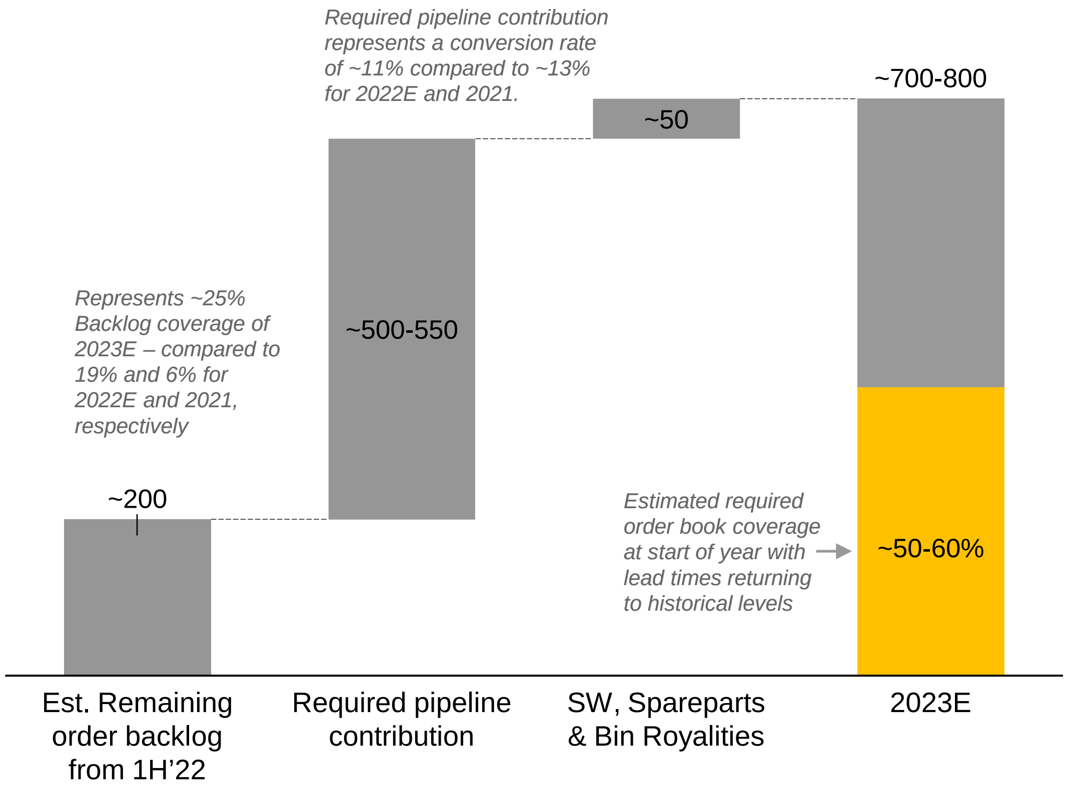


Current order backlog and pipeline support 2023 growth outlook

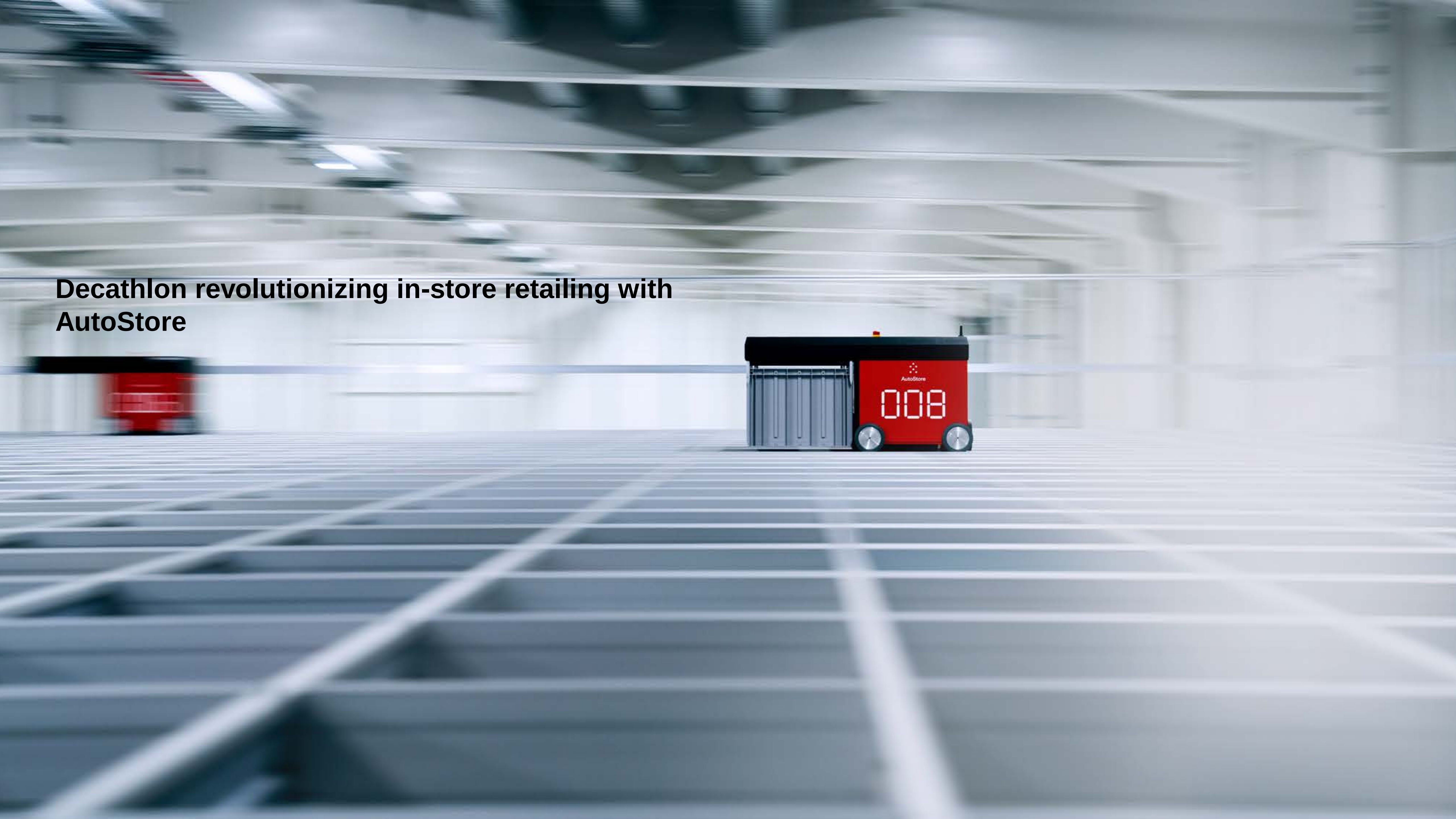
Strong visibility to 2022E revenue guidance



Order backlog and pipeline supports 2023E



Decathlon revolutionizing in-store retailing with AutoStore



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Q2 Financials

Key financial highlights

Continued strong growth and solid order intake

165.6 **MUSD**
Strong Q2 revenues – 93.6% YoY growth

42.0%
Adjusted EBITDA margin

85.5%
Q2'22
Cash conversion[1]

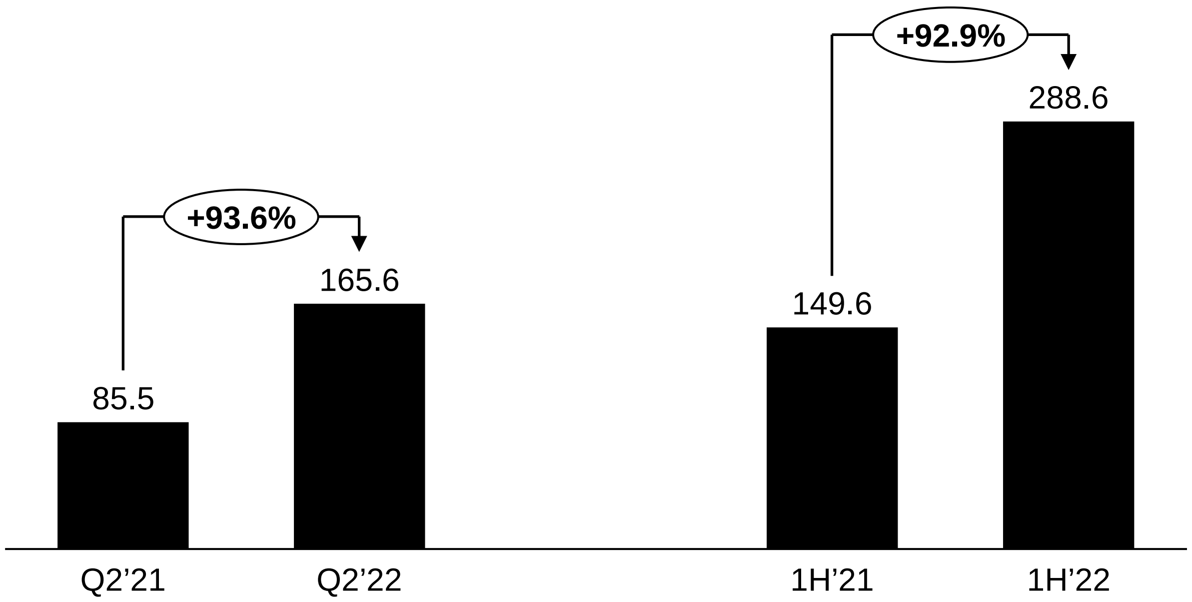
161.3 **MUSD**
Q2'22 Order intake
Flat YoY growth

477.6 **MUSD**
Strong order backlog – 66.1% YoY growth

Notes
1. Defined as Adj. EBITDA less Adj. Capex divided by Adj. EBITDA

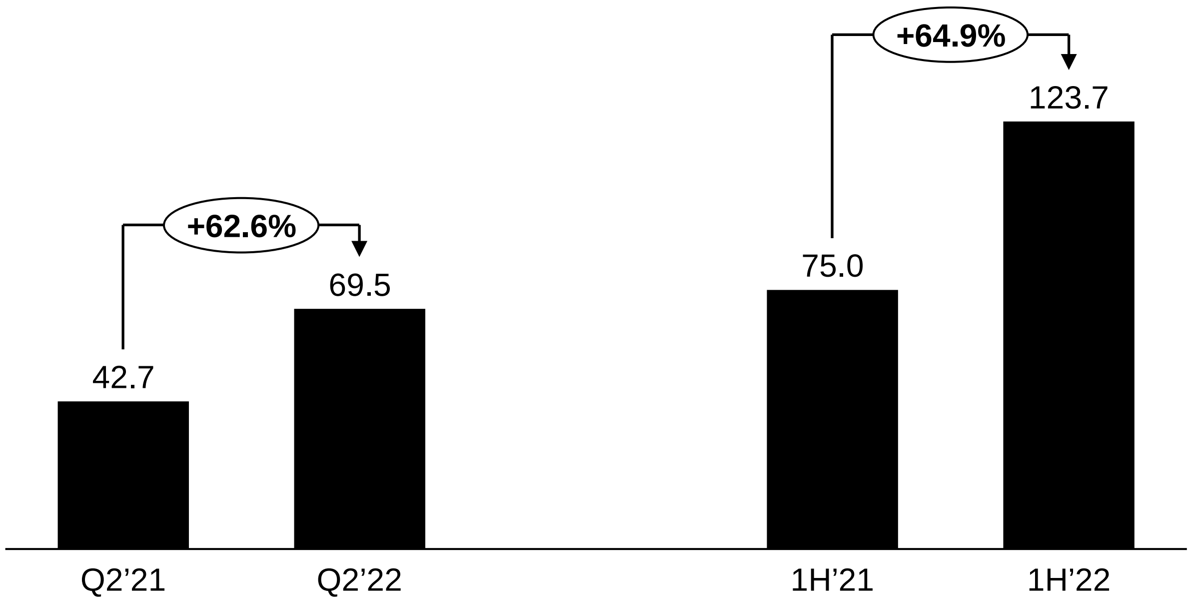
Strong growth and solid margins

Revenue



- AutoStore reported revenue in Q2 2022 of USD 165.6 million, representing YoY growth of 93.6%
- AutoStore reported revenue in 1H 2022 of USD 288.6 million, representing YoY growth of 92.9%
- This was driven by growth in MFC and high throughput segments together with and continued expansion in NAM and APAC

Adjusted EBITDA*



- Adjusted EBITDA* in Q2 2022 ended at USD 69.5 million (42.7), corresponding to an EBITDA margin* of 42.0% (50.0%). Adjusted EBITDA* in 1H 2022 ended at USD 123.7 million (75.0), corresponding to an EBITDA margin* of 42.8% (50.1%)
- The decrease in adjusted EBITDA margin was primarily linked to continued price pressure on key components, particularly grid parts. The price increase and aluminum surcharge introduced in the fourth quarter of 2021 and first quarter of 2022, respectively, are expected to have positive impact in 2023
- Pro-forma for aluminum surcharge, previously announced 7.5% price increase and grid cost level as of August 2022, Q2 2022 adjusted EBITDA margin would reach ~50%.

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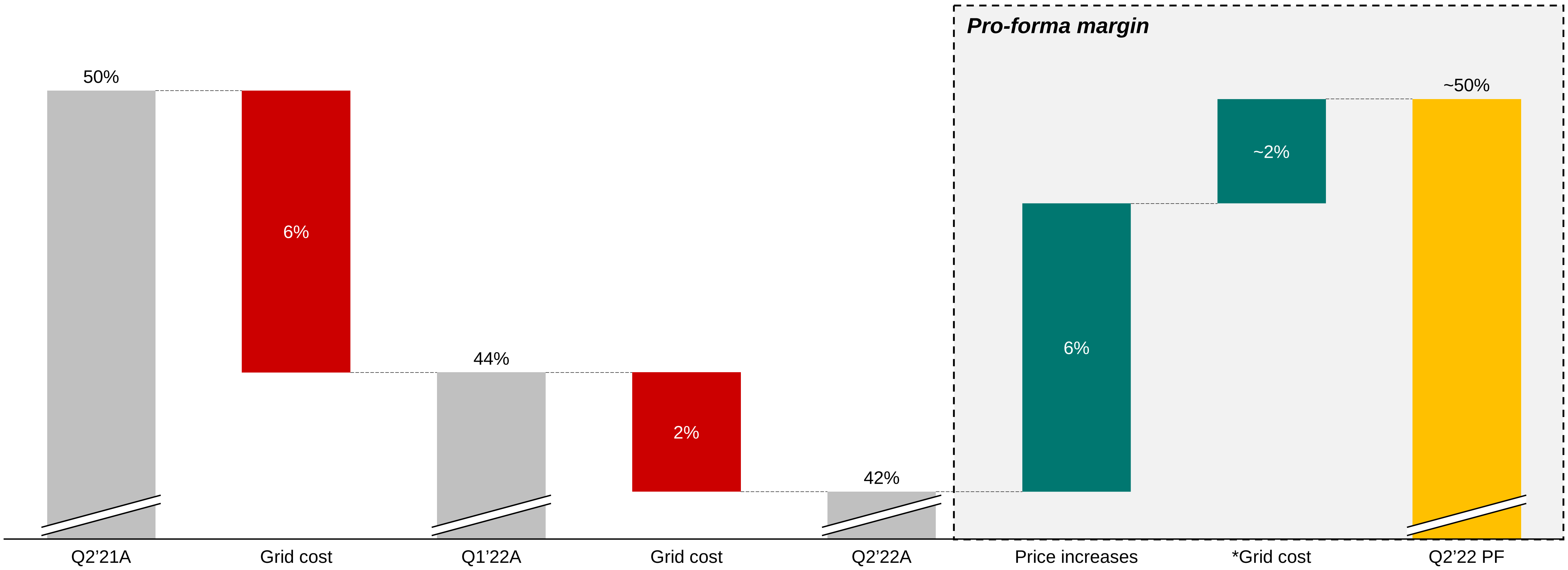
*Adjusted EBITDA and other alternative performance measures (APMs) throughout the presentation are defined and reconciled to the IFRS financial statements as part of the APM section of the first quarter 2022 report from page 27.

Q2'22 pro-forma adjusted EBITDA margin at 50%

Adjusted EBITDA margin development & pro-forma margin



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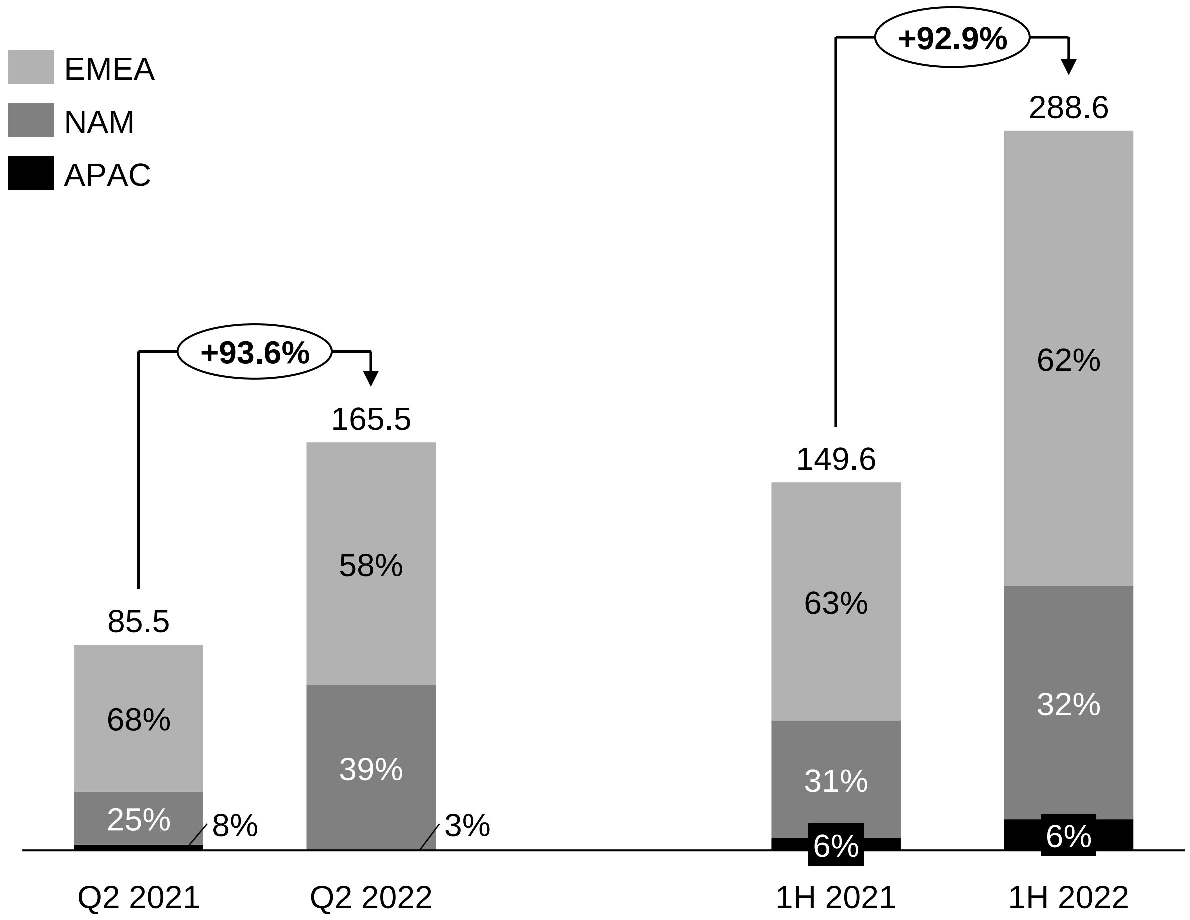
*Grid cost as per orders placed in August 2022

Revenue Development by Regions

Revenue by region



EMEA

- Revenue increased to USD 96.0 million in the second quarter of 2022, representing 65.9% YoY growth
- In the first half of 2022 revenue was USD 179.9 million, compared to USD 94.0 million in the first half of 2022, representing 91.5% YoY growth

NAM

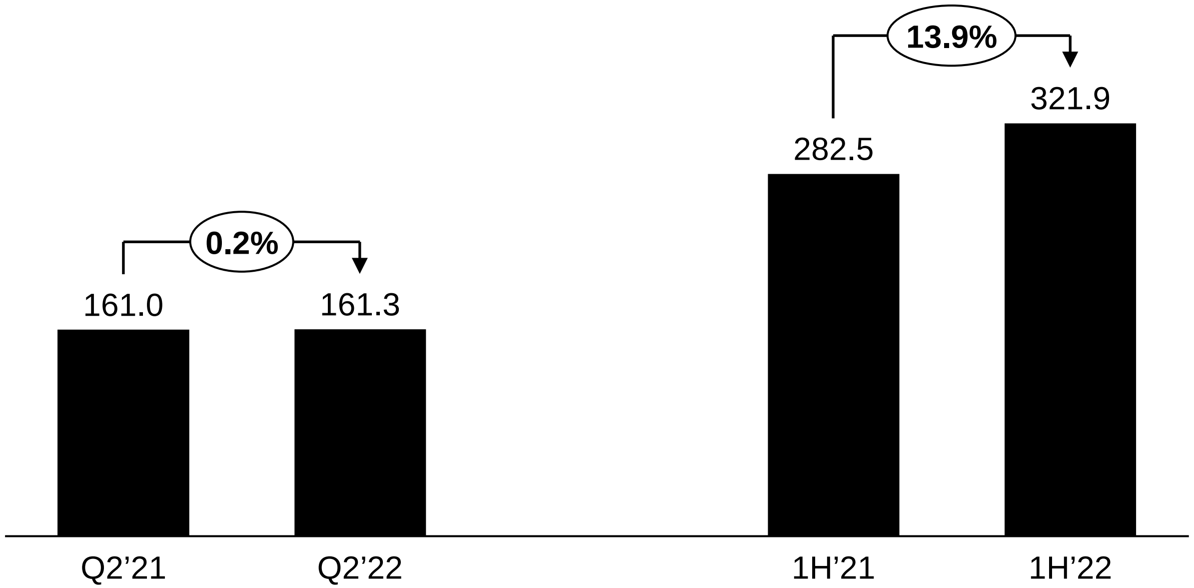
- The group continued its North American expansion efforts in the second quarter of 2022 and increased its revenue by 209.1% to USD 65.2 million
- The first half of 2022 revenue was USD 92.1 million, up 97.7% YoY

APAC

- Revenue was USD 4.3 million in the second quarter of 2022 compared to USD 6.6 million in the corresponding period in 2021. However, the order backlog supports strong full-year growth in 2022
- In the first half of 2022, revenue was USD 16.6 million, compared to USD 9.1 million in the corresponding period last year, representing an increase of 83.4%

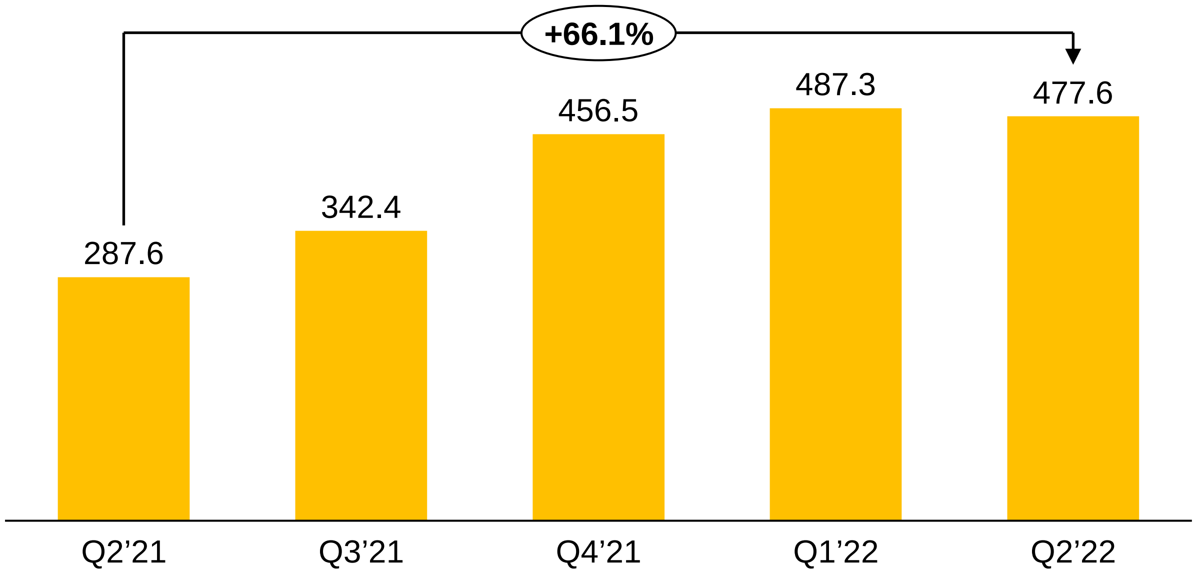
Other Metrics

Order intake



- The order intake ended at USD 161.3 million compared with USD 161.0 million in the corresponding quarter of 2021, representing stable development. This was partly driven by current market conditions and partly by the transitional effects of reduced lead times
- Order intake for the first half of 2022 ended at USD 321.9 million, representing a year-over-year growth of 13.9%
- Changes in customer demand, labor shortages, energy efficiency gains and demand for high-density warehousing are all expected to drive adoption of automation, and thus growth for AutoStore

Backlog



- Order backlog was USD 477.6 million at the end of the second quarter of 2022, compared to USD 287.6 million at the end of the corresponding period in 2021, representing a year-over-year growth of 66.1%
- Solid demand and the current backlog provide significant revenue visibility

Presentation of adjusted EBITDA* break down

	Second quarter		First half	
USD million	2022	2021	2022	2021
Profit/loss for the period	**37.4**	**-1.7**	**59.4**	**-17.3**
Income tax	10.6	-0.5	16.8	-4.5
Net financial items	24.3	11.4	24.1	5.5
EBIT	**72.3**	**9.3**	**100.3**	**-16.3**
Depreciation	1.8	1.1	3.3	2.2
Amortization of intangible assets	12.1	13.8	26.0	27.1
EBITDA	**86.2**	**24.2**	**129.6**	**13.1**
Ocado litigation costs	6.5	11.1	16.4	15.3
Transaction costs	0.0	6.4	1.2	11.5
Option costs	-23.3	0.7	-23.5	34.5
Management fees related to previous ownership structure	-	0.3	-	0.6
Total adjustments	**-16.7**	**18.5**	**-5.9**	**61.9**
Adjusted EBITDA*	**69.5**	**42.7**	**123.7**	**75.0**
Total revenue and other operating income	165.6	85.5	288.6	149.7
EBITDA margin	**52.1%**	**28.3%**	**44.9%**	**8.7%**
Adjusted EBITDA margin*	**42.0%**	**50.0%**	**42.8%**	**50.1%**

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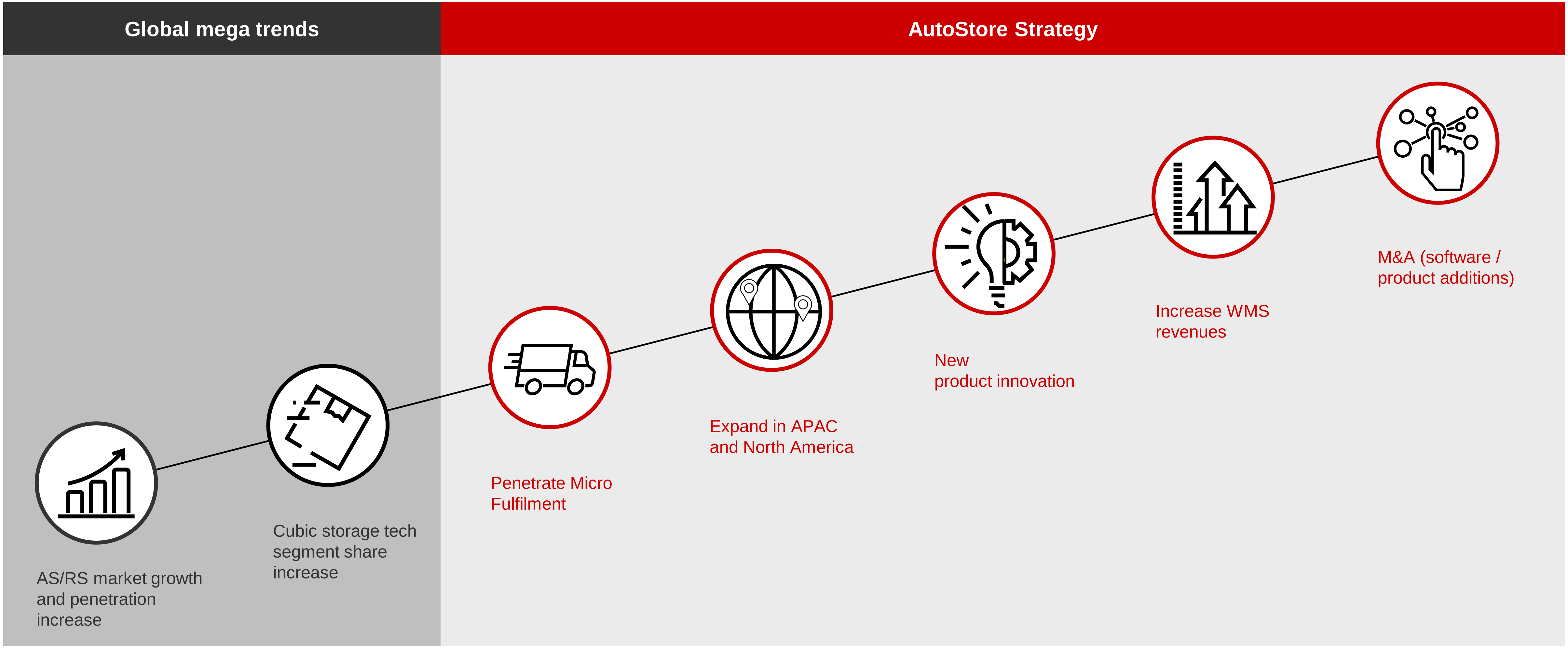
Outlook

Significant opportunities for continued growth



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Summary: Reiterating 2022 growth outlook and initiating 2023 revenue ambitions of $700-800 million

	Guidance	Medium-term
Revenue	**2022: $550-600m** **2023:$700-800m**	**~40% growth**

EBITDA %

- Consistent historical track-record of adjusted EBITDA margin of ~50% for 2018A-2021A
- Modularity / standardization yields consistent margins across geographies and system types
- Margin fluctuations due to pricing, revenue mix, COGS price movements and operating leverage effects
- The price increase and temporary aluminum surcharge introduced in Q4 2021 and Q1 2022, respectively, together with grid cost at August 2022 levels are expected to lift margins back to historical levels in 2023

Q&A

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