

Fourth Quarter 2022

Financial Results | 16 February 2023



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Agenda

01

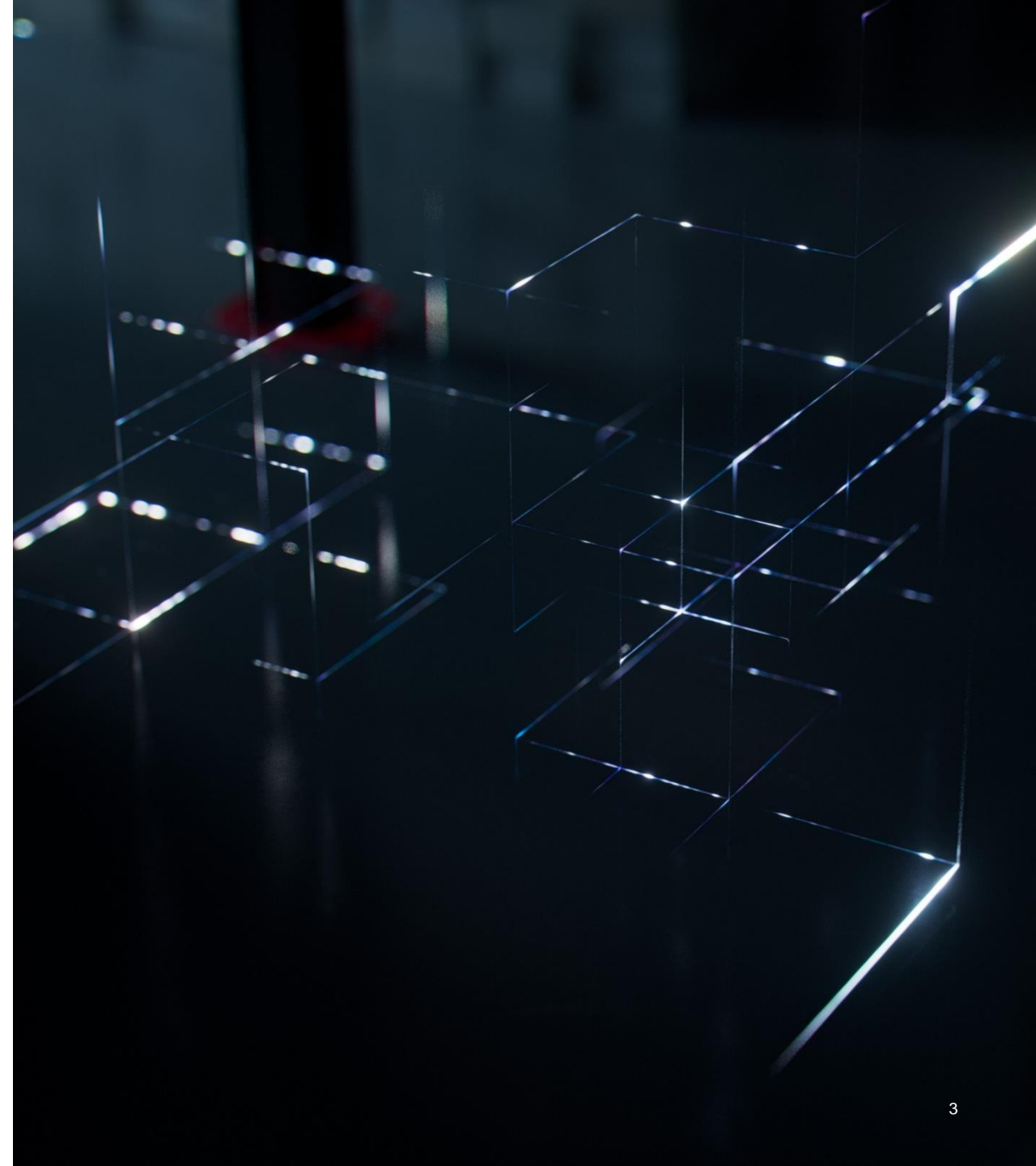
Highlights
of the
quarter &
business
update

02

Financials

03

Outlook
& Q&A



CEO Mats Hovland Vikse is an experienced AutoStore leader and has played a key role in the company's exceptional growth story

Appointed Chief Executive Officer effective January 2023

- Member of AutoStore senior management, 2017 to 2022
- Chief Revenue Officer; Chief Strategy Officer
- Focused on driving revenue from USD 78 million in 2017 to USD 584 million in 2022 (CAGR: +50%)



Q4 2022 highlights

Delivering on guidance and margin recovery, despite challenging macro backdrop



Financial Highlights

Q4 2022

- **USD 148 million in revenues**, representing **growth of 58%** from Q4 2021
- **Gross margin** improved to **61%**, **~650 bps** of sequential **improvement** from Q3
- **Adjusted EBITDA¹ of USD 59 million (40%)**, up from **USD 41 million** in Q4 2021 (44%)
- **Order intake of USD 153 million**, building backlog to **USD 476 million** at year end

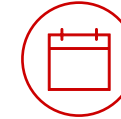
2022 Full year

- **Revenues of USD 584 million**, representing **growth of 78% YoY**
- **Gross margin of 58%**, reflecting supply chain pressure in 2022
- **OPEX equal to 17.7% of revenues vs. 18.7%** in 2021, reflecting continued operational leverage
- **Adjusted EBITDA¹ of USD 238 million (41%)**, up from **USD 158 million (48%)** in 2021, representing **growth of 50% YoY**
- **Pipeline of USD 5.7 billion, 35% growth YoY**



Operational Highlights

- Standard lead times **reduced from ~35 weeks** in Q4 2021 to **~20 weeks** in Q4 2022
- Signed new partner **THG Ingenuity** on our recently announced **pay-per-pick partnership model**
- Reached **> 100 systems** sold in **APAC**



Corporate Developments

- Announced the appointment of Chief Revenue Officer (CRO) **Mats Hovland Vikse as CEO**, effective from **1 January 2023**

Notes:

The cubic storage pioneers: scaling our business in the global e-commerce and robotics megatrends



Scaled and Global Platform

Countries ~49

Robots ~52,000

Systems¹ ~1,150

R&D FTE²
(~70% Software) ~230



Customers and Partners

23 Partners³ ~2,000 Certified sales representatives

Unique customers ~800

Customer payback period 1-3 years

Broad exposure to all end markets



Superior Financial Profile

2022 revenue \$584m

78% Revenue growth 2022 ~50% Sale to existing customers⁴

Adj. EBITDA Margin 2022 41%

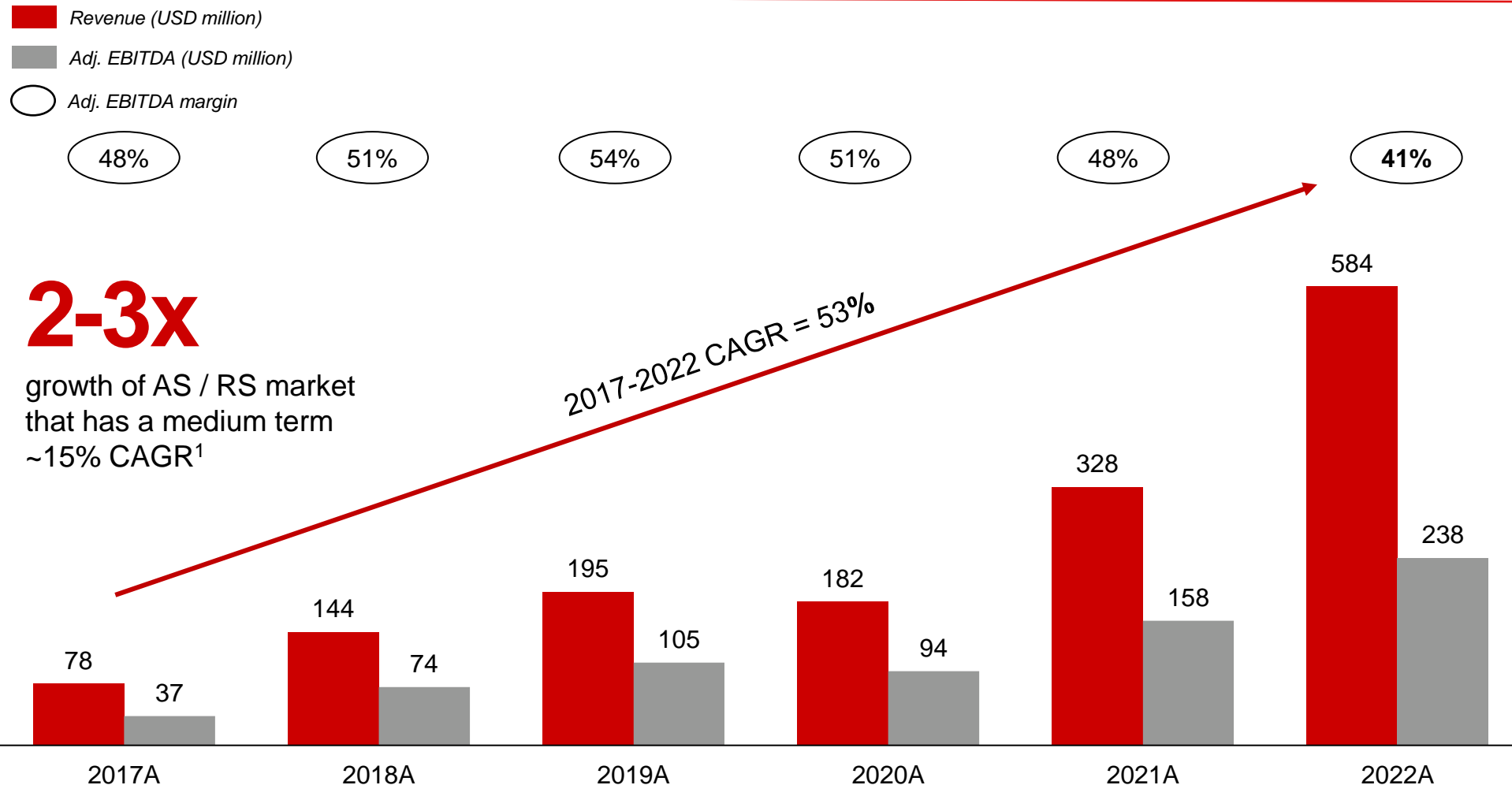
Average 2019-2022 FCF conversion⁵ 82%

Notes:

1. As per end of Q4 2022, includes contracted not yet shipped systems
2. As per end of 2022
3. Includes people trained/active licenses to partner portal

4. Historical average (2020-2022)
5. Defined as (Adjusted EBITDA less Adjusted Capex) divided by Adjusted EBITDA

Long-term track record of outsized organic revenue growth and industry-leading profitability...



2-3x




















































growth of AS / RS market
that has a medium term
~15% CAGR¹

Profitability expected to recover to historical levels as strategic actions drive price/ cost stabilization

- ~280 bps EBITDA margin improvement from Q3 to Q4
- Price increases gradually coming into effect from Q4 2022 as orders secured on new prices move from backlog to revenues
- Current grid costs trending more favorably vs. inflated 2022 levels

...creating substantial value for customers in a wide set of end-markets

~800 Unique Customers Integrating AutoStore Into Their Mission-critical Supply Chain

End-market	# of systems ¹	2022 share of revenue ²	Selected blue chip customers					
 Apparel & Sports Accessories	~200	34%						
 Industrials ³	~370	17%	     					
 3PL	~140	13%						
 Other Retail ⁴	~120	12%	  					
 Grocery	~90	10%						
 Automotive	~70	6%						
 Healthcare	~90	3%						
 Consumer electronics	~40	3%						
 Luxury & Personal Care	~30	2%						

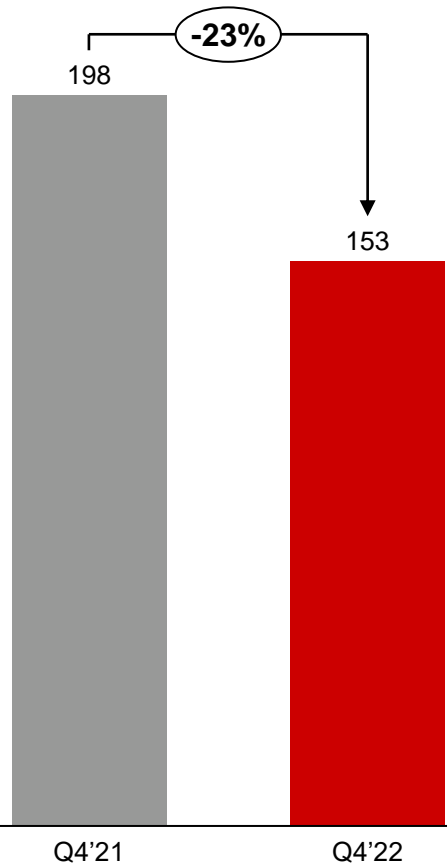
Notes:

1. Number of cumulative systems, including contracted not yet shipped systems as of Q4-2022
2. Share of 2022 revenue
3. End markets include aviation, aerospace and defense, building and construction, machinery and other industrials
4. End markets include toys & games, office supplies, home supplies, generalist retailer, books & media

Growth in order pipeline with strong backlog aided by shorter lead times, provides revenue visibility for continued growth in 2023, despite challenging macro backdrop

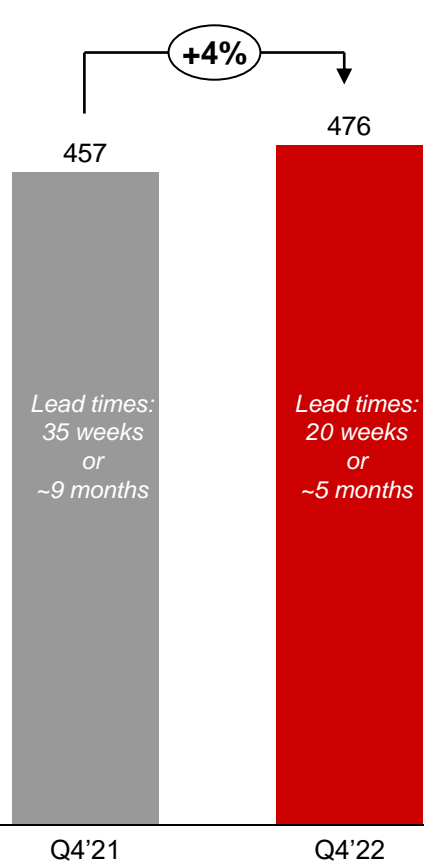
Order intake

(USD million)



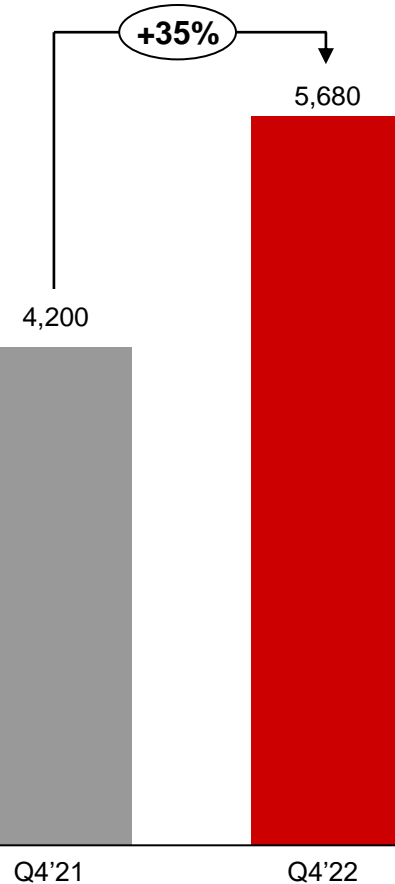
Backlog

(USD million)



Pipeline¹

(USD million)



- **Solid order intake of USD 153 million**, down from USD 198 million in Q4 2021, partly reflecting current uncertain macro backdrop and shorter lead times
- **Good traction for larger customer projects** within the high throughput segment, however **elongating decision-making cycles** among some customers
- **Incremental order intake well within expectations** when assessing pipeline and historical conversion rates, supporting strong backlog entering 2023
- **Growing order pipeline of over USD 5.7 billion**, up 35% YoY

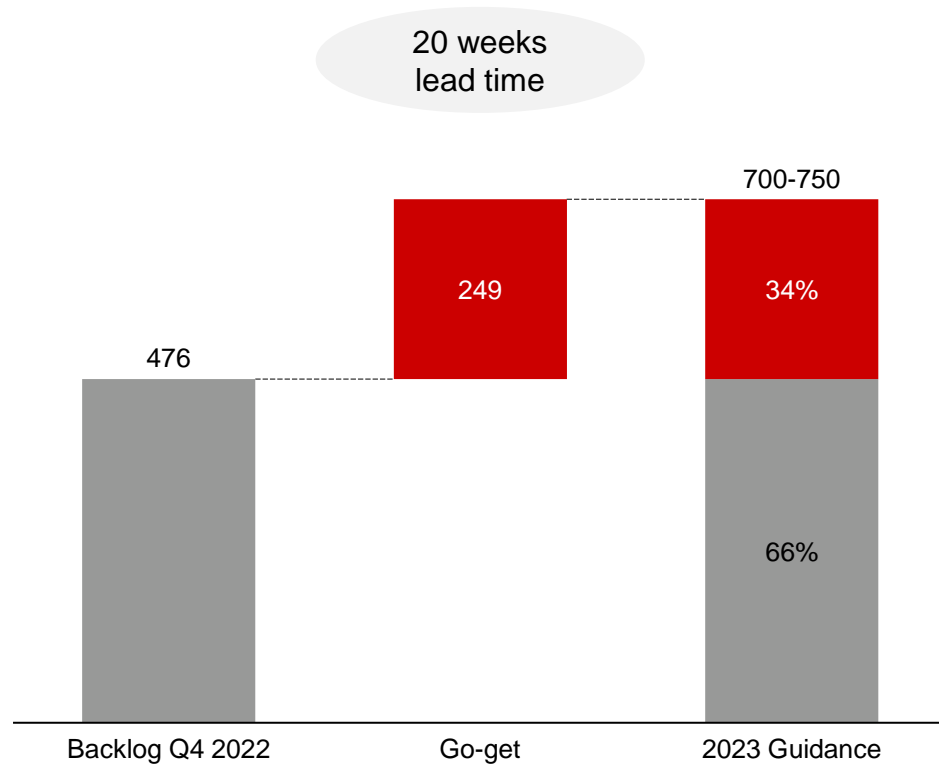
Notes:

1. Pipeline is defined as tangible project opportunities registered by partners based on end-customer requests with estimated delivery in the next 2-3 years

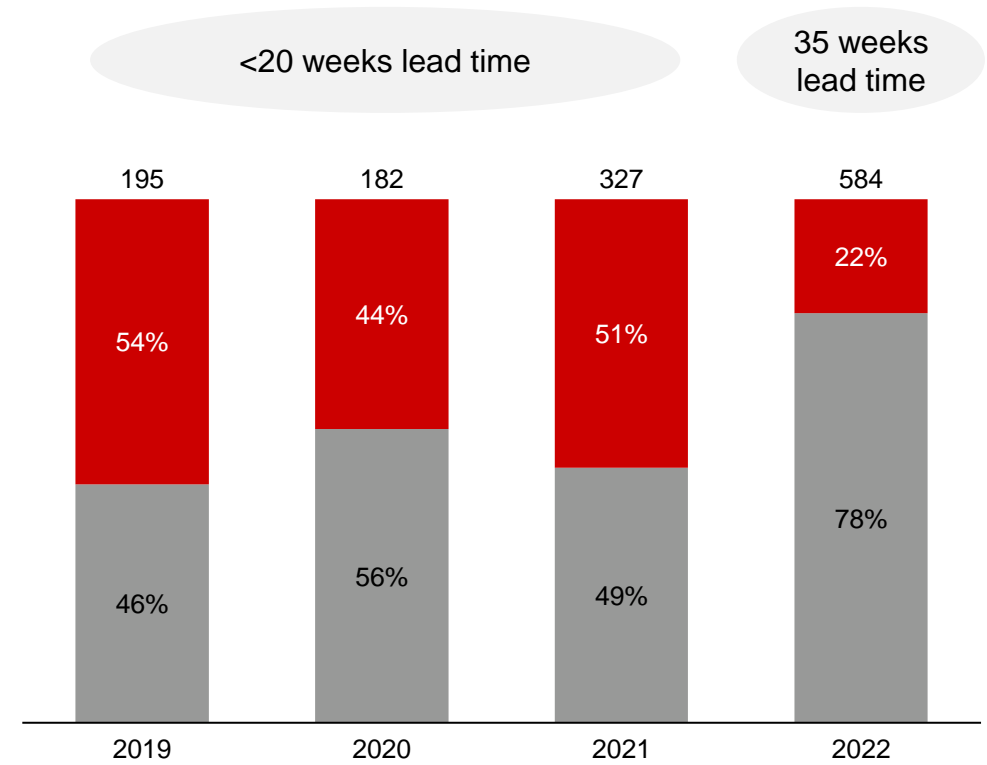
Strong backlog provides good visibility for 2023

Backlog coverage of +60% of 2023 guidance

Go-get Backlog coverage



..compared to ~50% historically at standard lead times



Driving growth with a focus on five strategic priorities

01	Penetrating new markets	<ul style="list-style-type: none">• 138% YoY revenue growth in MFC¹• 226% YoY revenue growth HTP²
02	New commercial offerings and recurring revenue models	<ul style="list-style-type: none">• Launched pay-per-pick recurring revenue model• Onboarded pay-per-pick partner, THG Ingenuity
03	Product innovation	<ul style="list-style-type: none">• New set of products and features suited for very large systems• Frozen storage capabilities: first delivery on schedule for Q1• PickupPort, in-store pickup directly from AutoStore system• Unify Analytics, software which collects and analyzes real-time AutoStore log data
04	Expanding in APAC ³ and NAM ⁴	<ul style="list-style-type: none">• Scaled sales organization in APAC by 83%• 146% YoY revenue growth in APAC. Reached over 100 systems sold• 91% YoY revenue growth NAM• Thailand facility fully operational in 2H 2023
05	Broadening offerings through M&A	<ul style="list-style-type: none">• Disciplined approach to evaluating potential targets meeting our strategic acquisition criteria, i.e., new technologies or expansion into new regions, channels or products

Notes:

1. Multi-Fulfillment Centre = ("MFC")
2. High-Throughput = ("HTP")
3. Asia-Pacific = ("APAC")
4. North America = ("NAM")

Q4 Financials

Key financial highlights

Revenue growth and margin recovery



148 MUSD

Strong Q4 revenues –
58% YoY growth

40%

Q4'22 Adjusted
EBITDA margin – *up*
280 bps from Q3'22

77%

Q4'22
Cash conversion¹

153 MUSD

Q4'22 order intake vs.
USD 198 million in
Q4'21

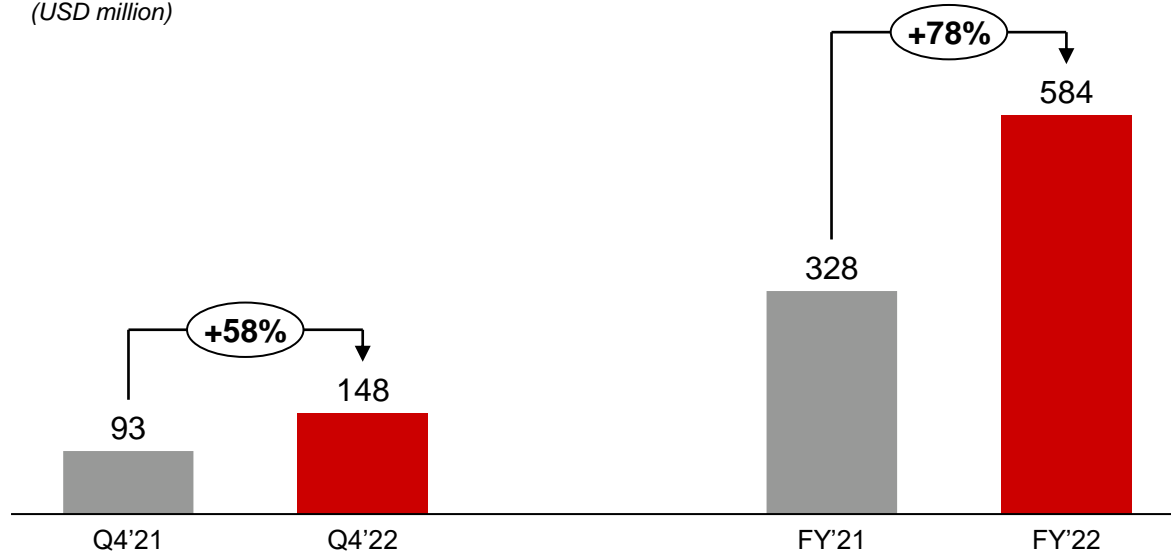
476 MUSD

Solid order backlog

Strong revenue growth

Revenue

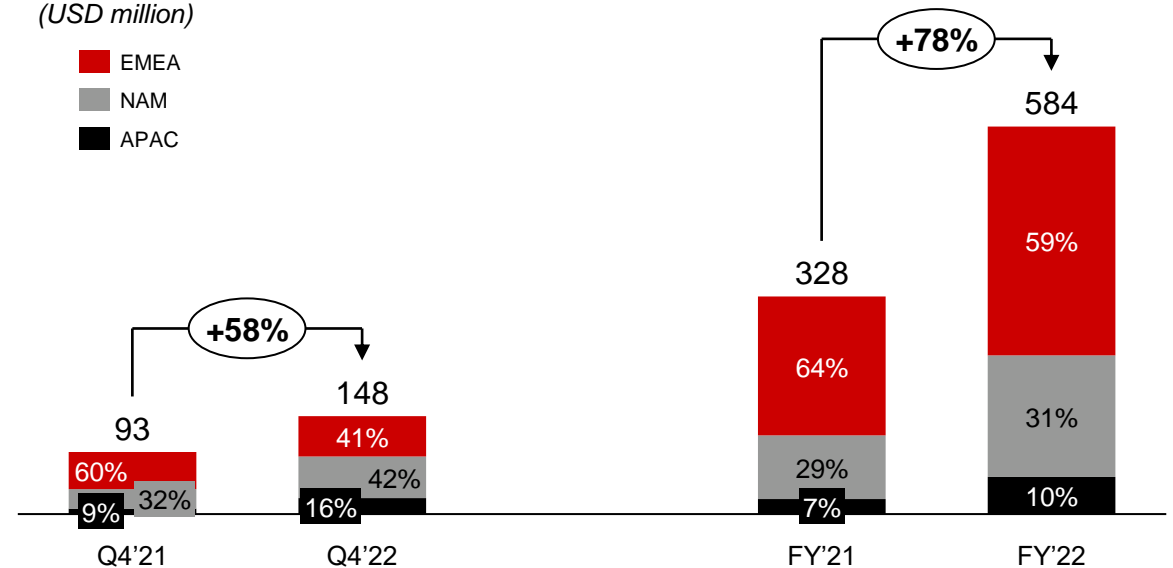
(USD million)



- Q4 2022 revenue was USD 148 million, representing 58% YoY growth
- 2022 revenue increased by 78% supported by strong growth in all regions and a healthy demand from end markets including omnichannel, 3PL and industrials. Solid mix of high-throughput, MFC and standard systems

Revenue by region

(USD million)

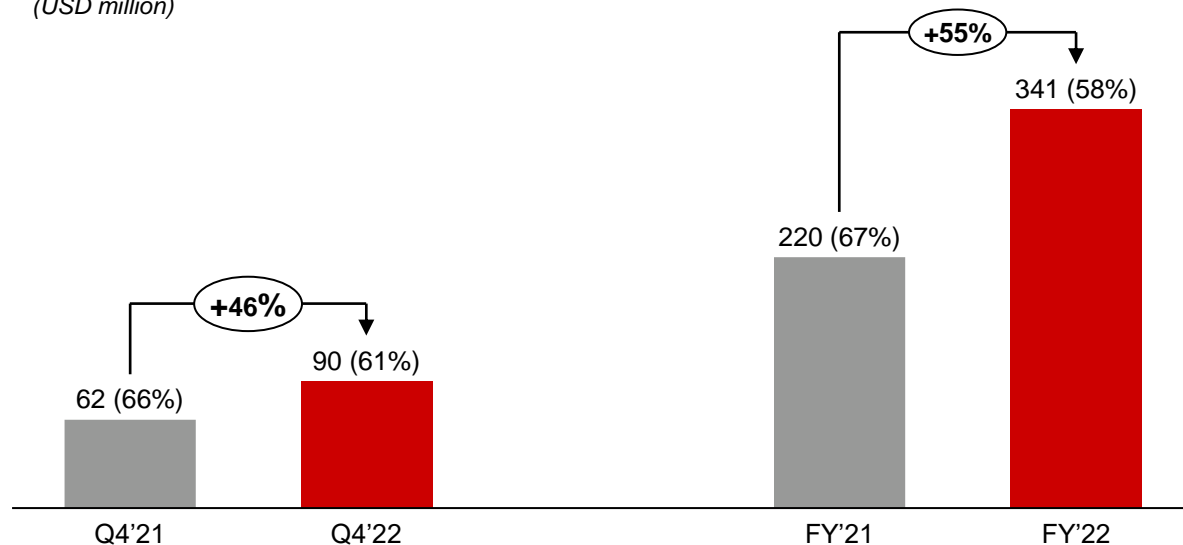


- **EMEA:** Q4 2022 revenue grew 9% YoY to USD 61 million from USD 56 million in Q4 2021. 2022 revenue was USD 345 million, representing 65% YoY growth
- **NAM:** The group continued its North American expansion efforts in Q4 2022 and increased its revenue by 113% to USD 63 million. 2022 revenue was USD 183 million, up 91% YoY
- **APAC:** Q4 2022 revenue grew to USD 24 million from USD 8 million. 2022 revenue was USD 56 million, representing 146% YoY growth

Gross profit and adjusted EBITDA* development

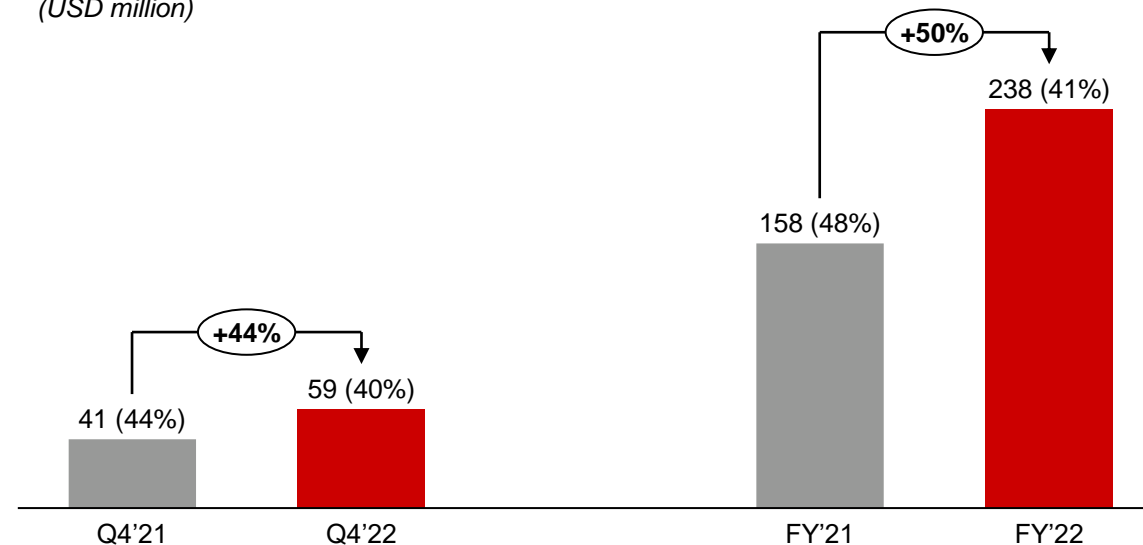
Gross profit

(USD million)



Adjusted EBITDA¹

(USD million)



- Gross profit Q4 2022 ended at USD 90 million (62), corresponding to a gross margin of 61% (66%). Gross profit FY 2022 ended at USD 341 million (220), corresponding to a gross margin of 58% (67%)
- Gross margin continue to be challenged as we are still executing on backlog with high historical prices on key components – mainly grid parts
- Gross margin improved substantially by 650 bps in Q4 2022 vs. Q3 2022, primarily driven by the strategic pricing actions

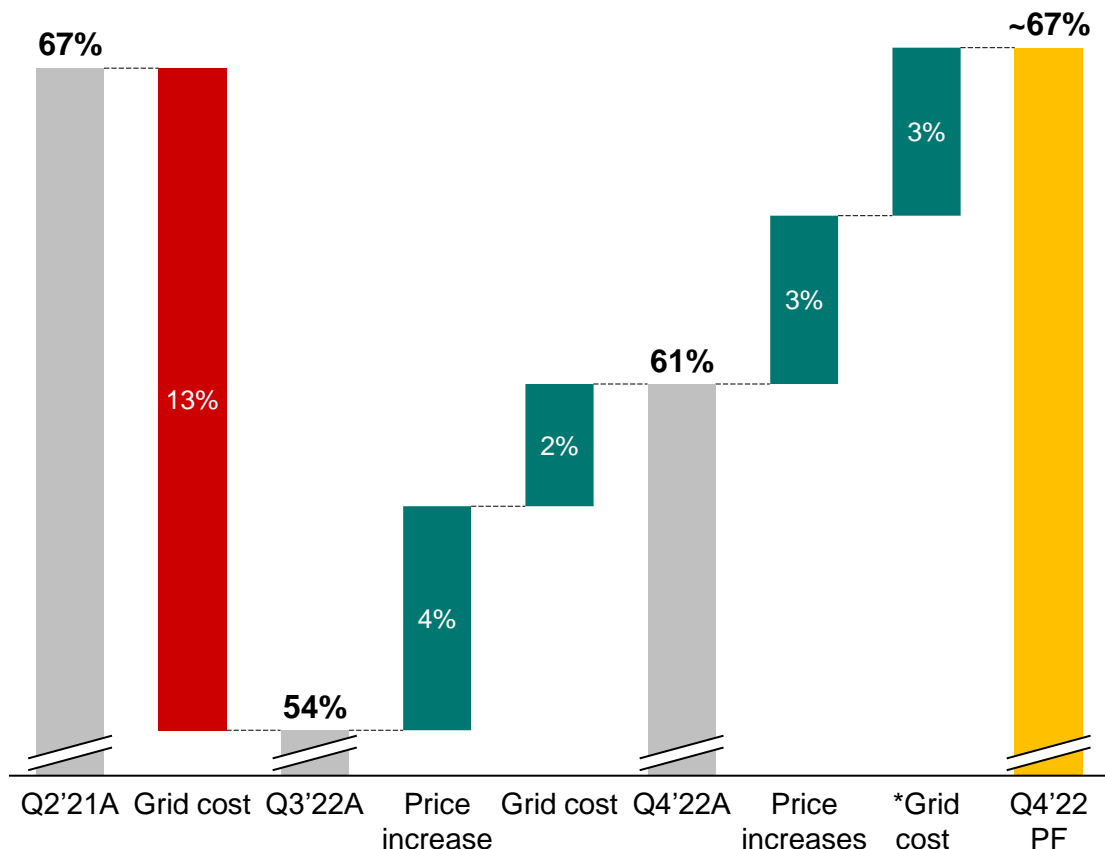
- Adjusted EBITDA¹ in Q4 2022 ended at USD 59 million (41), corresponding to an EBITDA margin¹ of 40% (44%). Adjusted EBITDA¹ for 2022 ended at USD 238 million (158), corresponding to an EBITDA margin¹ of 41% (48%)
- Adjusted EBITDA margin¹ improved by 280 bps in Q4 2022 vs. Q3 2022, primarily linked to the development of gross margins

Notes:

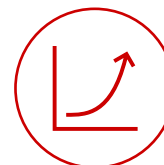
1. Adjusted EBITDA and other alternative performance measures (APMs) throughout the presentation are defined and reconciled to the IFRS financial statements as part of the APM section of the fourth quarter 2022 report from page 28.

Q4 2022 gross margins of 61% (650 bps improvement sequentially) with 67% pro-forma gross margins – further expansion expected through 2023

Gross margin development & pro-forma margin



Key enablers driving gross margin recovery



Price increases gradually coming into effect from Q4'22 and Q1'23 as orders secured on new prices move from backlog to revenues



Grid cost down from peak level realized in Q3'22, but still significantly higher than pre-supply chain disruption mainly driven by inflation pressures

Pricing actions and decreased grid costs are expected to continue the gross and adjusted EBITDA margin recovery to historical levels through 2023

Presentation of adjusted EBITDA¹ breakdown

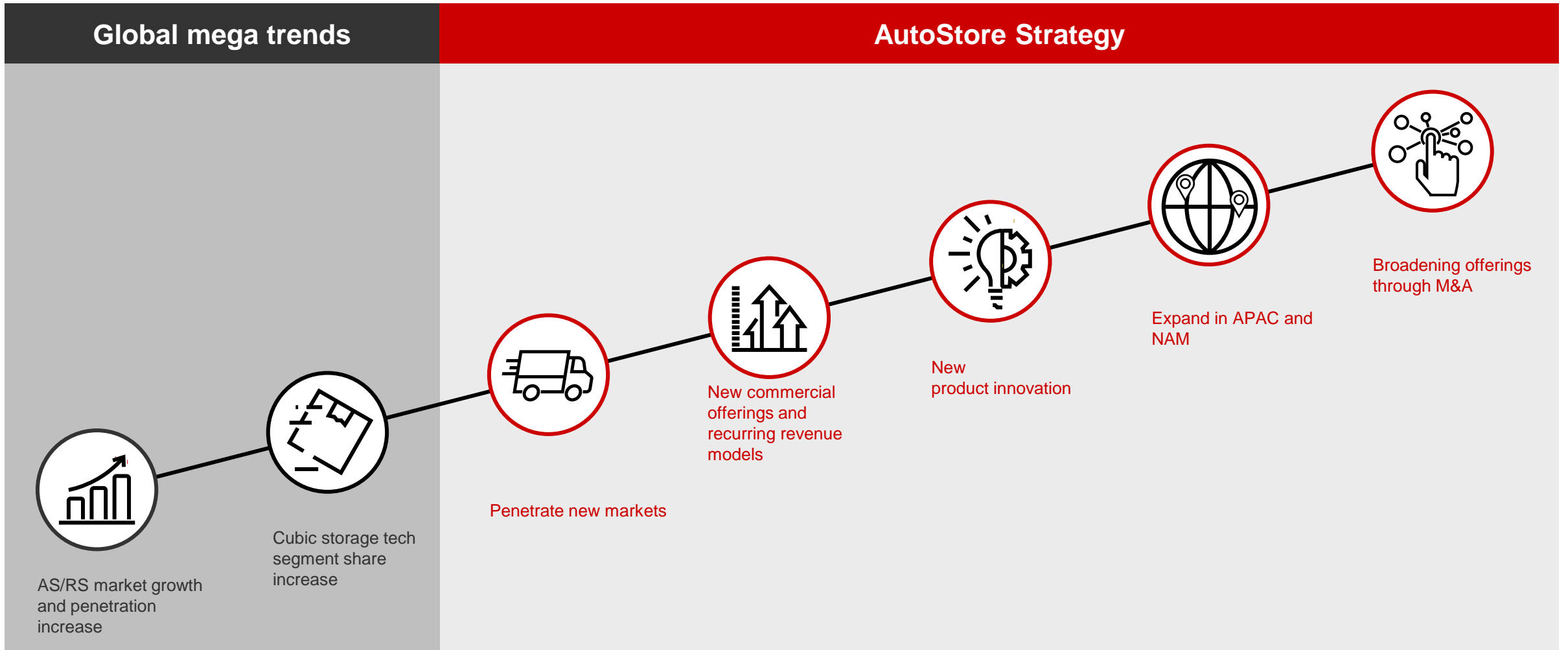
<i>USD million</i>	Fourth quarter		Year	
	2022	2021	2022	2021
Profit/loss for the period	26.2	3.4	99.1	-50.1
Income tax	7.4	2.9	28.1	-9.4
Net financial items	-2.3	-1.2	39.8	22.0
EBIT	31.2	5.0	167.0	-37.5
Depreciation	1.6	1.2	6.6	4.5
Amortization of intangible assets	12.7	13.0	51.1	53.7
EBITDA	45.5	19.3	224.7	20.6
Ocado litigation costs	5.3	7.7	28.8	34.0
Transaction costs	-	7.2	1.4	28.4
Option costs	8.1	6.8	-17.3	62.3
Management fees related to previous ownership structure	-	0.2	-	13.2
Total adjustments	13.5	21.8	12.8	137.8
Adjusted EBITDA¹	59.0	41.1	237.5	158.4
Total revenue and other operating income	147.5	93.2	583.5	327.6
EBITDA margin	30.9 %	20.7 %	38.5 %	6.3 %
Adjusted EBITDA margin¹	40.0 %	44.1 %	40.7 %	48.4 %

Notes:

1. 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 fourth quarter 2022 report from page 28. AutoStore has presented these APMs because the company considers these measures to be an important supplemental measure for prospective investors to understand the overall picture of profit generation in the AutoStore's operating activities.

Outlook

Significant opportunities for continued growth



Summary: 2023 growth outlook

Revenue

Guidance



2023: USD 700-750 million

Medium-term Growth Rate



40%

→ 2–3x growth rate of warehouse automation market, estimated to be ~15%

EBITDA %

- Consistent historical track record of adjusted EBITDA margin of ~50% for 2018A-2022A
- Modularity / standardization yields consistent margins across geographies and system types
- Margin fluctuations due to pricing, revenue mix, COGS price movements and operating leverage effects
- Pricing actions together with current grid cost levels are expected to lift margins back to historical levels in 2023

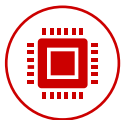
Key takeaways – Investing with AutoStore



01 Global leader in cubic storage with massive underpenetrated and growing warehouse automation market



02 High growth strategy accelerated by proven and scalable go-to-market model

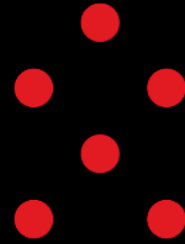


03 Differentiated technology with innovative robotics powered by world class intelligent software providing high customer ROI



04 Long-term track record of delivering a high growth, high margin business model

Q&A



AutoStore