AutoStore

Quarterly report
Q2 2024

Highlights (1/2)

Second quarter of 2024

● Revenues of USD 154.2 million (175.5), up 11.6% QoQ, driven by increased shipments of systems particularly to customers in EMEA and NAM[3]. Revenues were down 12.2% YoY, primarily driven by postponed scheduled delivery times for some projects

● Gross margin improved by 5.7 pp. to 73.3% (67.6%), mainly driven by favorable sourcing of raw materials and product mix

● Adjusted EBITDA margin[1] of 48.7% (49.6%), sequentially up from 45.7%, driven by improved gross margin and strong cost control

● Continued positive cash flow from operating activities of USD 16.3 million (76.4)

● Simplified cash flow[1] totaled USD 57.8 million, down from USD 73.8 million YoY, resulting in a cash flow conversion[1] of 77.0% (84.7%), partially driven by lower YoY adjusted EBITDA[1]

First half of 2024

● Revenues amounted to USD 292.3 million (324.7), representing a YoY decline of 10.0%

● Gross margin improved by 5.6 pp. to 73.0% (67.4%)

● Reported EBIT ended at USD 108.8 million (-138.4). 2023 was impacted by the settlement with Ocado Group (expense of USD 239.0 million). Reference is made to note 4.2 for more information

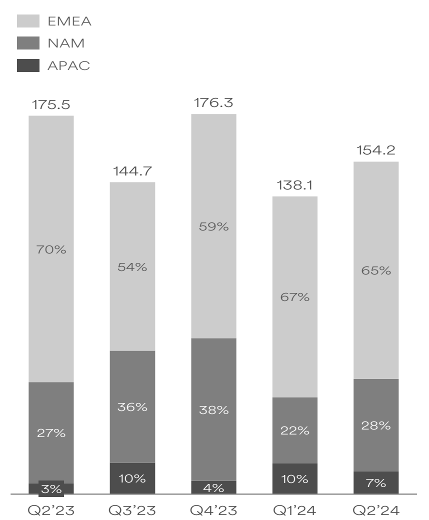
● Adjusted EBITDA[1] ended at USD 138.4 million (155.5), representing a stable adjusted EBITDA margin[1] of 47.3% (47.9%) YoY

● Simplified free cash flow[1] totaled USD 106.5 million (131.4), resulting in a solid cash flow conversion[1] of 77.0% (84.5%)

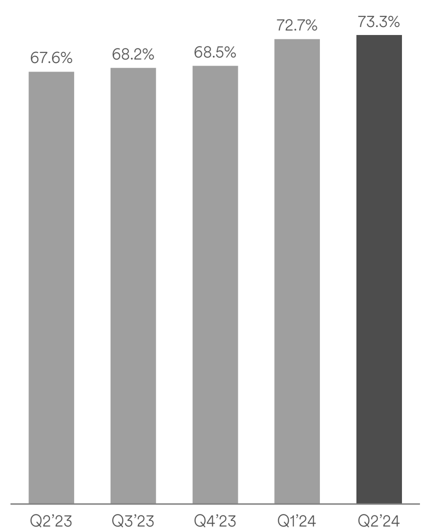
	Second quarter			First half		
USD million	**2024**	**2023**	**Δ in %**	**2024**	**2023**	**Δ in %**
Revenue	154.2	175.5	-12.2 %	292.3	324.7	-10.0 %
Gross profit	113.0	118.6	-4.7 %	213.5	218.7	-2.4 %
Gross margin	73.3%	67.6 %	5.7 pp.	73.0 %	67.4 %	5.6 pp.
EBIT	62.6	-183.4	134.1 %	108.8	-138.4	178.6 %
Adjusted EBITDA[1]	75.1	87.1	-13.7 %	138.4	155.5	-11.0 %
Adjusted EBITDA margin[1] (%)	48.7 %	49.6 %	-0.9 pp.	47.3 %	47.9 %	-0.6 pp.
Adjusted EBIT[1]	67.7	82.1	-17.5 %	124.1	146.1	-15.0 %
Adjusted EBIT margin[1] (%)	43.9 %	46.8 %	-2.9 pp.	42.5 %	45.0 %	-2.5 pp.
Simplified free cash flow[1]	57.8	73.8	-21.6 %	106.5	131.4	-19.0 %
Cash flow conversion[1] (%)	77.0 %	84.7 %	-7.8 pp.	77.0 %	84.5 %	-7.5 pp.
Order intake[2]	141.4	136.8	3.4 %	324.4	301.1	7.7 %

Revenue by region

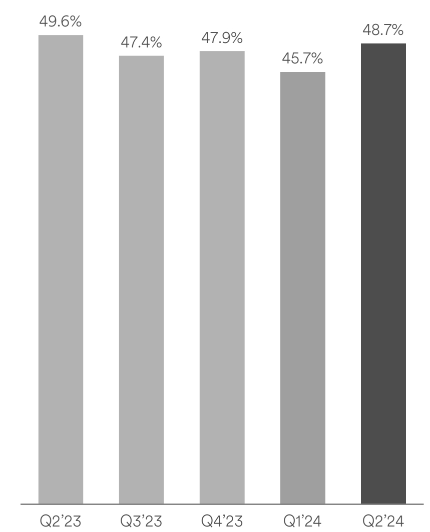
USD million



Gross margin



Adjusted EBITDA margin[1]



[1] Reference is made to the APM section for further explanations and details on APM measures.
[2] Order intake is defined as value of projects where a distribution partner has received a purchase order or verbal confirmation that a specific installation will be ordered.
[3] Reference is made to page 25 for definitions.

Highlights (2/2)

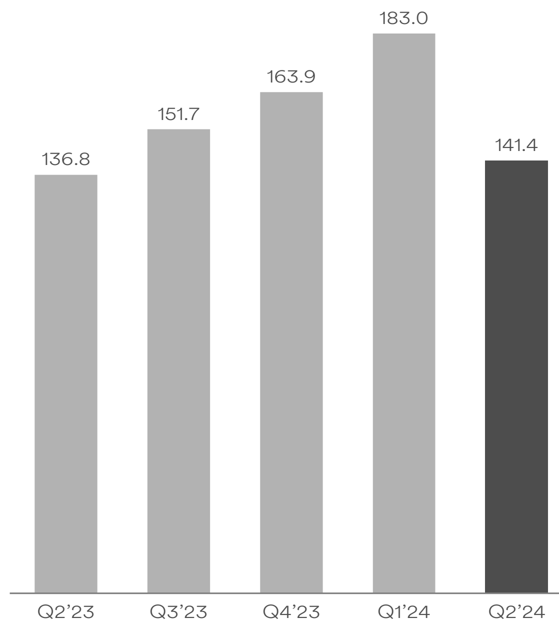
Sales KPIs

● Order intake of USD 141.4 million in the second quarter, up 3.4% YoY
● Positive sequential development in orders from NAM and APAC[1]
● Order backlog ended at USD 478.8 million, up 5.9% YoY, supported by an increased share of larger sized projects

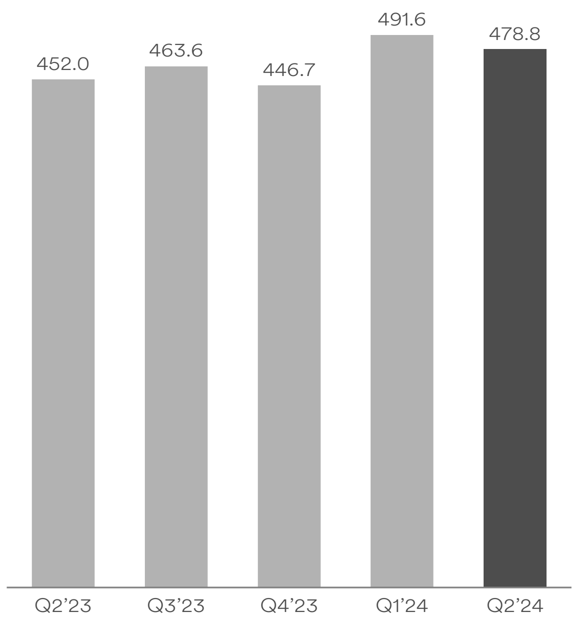
Corporate developments

● Strengthening management team with the appointment of Parth Joshi as new Chief Product Officer and Carlos Fernandez new Chief Solutions Officer following four years as AutoStore's Chief Product Officer

Order intake[2]
USD million



Order backlog[3] development
USD million



[1] Reference is made to page 25 for definitions.
[2] Order intake is defined as value of projects where a distribution partner has received a purchase order or verbal confirmation that a specific installation will be ordered.

[3] Order backlog is defined as the total value of order intake not yet shipped and for which revenue has not yet been recognized.

Letter from the CEO

In the second quarter, AutoStore reported revenues of USD 154.2 million, up by 12% compared to the first quarter this year. This was driven by increased shipments of systems particularly to customers in EMEA and NAM, as planned and communicated.

Compared to the second quarter of 2023, revenues declined by 12%. Compared to one year ago, we saw an increased portion of high throughput projects in our backlog, which by nature are both larger and more complex and as such exhibit longer conversion times.

We closed the quarter with a solid order backlog of USD 479 million. Order intake came in at USD 141.4 million, up 3.4% compared to the same period last year and down 22.7% compared to the strong first quarter. This reflects longer decision-making cycles among end customers in the industry as a whole, and normal variations from one quarter to another. This has been the situation for a while now. In our conversations with customers, it is clear that they remain committed to warehouse automation. This is the same across all end markets and regions. However, it is evident that these same customers are cautious on the timing of their commitment due to the challenging economic backdrop with sustained high interest rates.

AutoStore’s solutions address a wide variety of use cases and end markets with a number of the world’s largest businesses having deployed or undertaking evaluations of our product. We will continue to take actions to further strengthen our position. At the same time, current market conditions are challenging, and reflected in these results. The actions we are taking and note below are therefore designed not only with our long-term strategy in mind but also to drive stronger performance in the current market:

- We continue to improve our product offering versus competitors with our rich roadmap of technology improvements across both software and hardware
- A growing number of business development managers and global account managers continue to work alongside our partners to identify opportunities and gain market access, as evidenced by our growing pipeline. Furthermore, we work closely with all our partners to further improve revenue conversion
- We are strengthening our already established position in the high throughput segment through product and market investments. This segment represents a hugely attractive market with large installations and many multi-year roll-out opportunities globally. High throughput alone represents almost half of the overall AS/RS market and a great growth potential where we are still making our way in
- We strengthen our organization. Notably, we recently announced the appointment of our new Chief Product Officer, Parth Joshi, who has extensive global experience from high-tech and high-growth companies. Carlos Fernandez transitions to a new role as Chief Solutions Officer enabling us to better serve our partners and customers with a dedicated team for full end-to-end support

This approach and these actions will ensure that we continue to offer a superior value proposition in what is an attractive market. Additionally, we are building the pipeline, customer relationships and market access that puts us in a great position to continue to gain market share also in the medium to long term.

At the same time, it is essential for AutoStore to continue to focus on profitability and cash flow. In the second quarter, we delivered a strong gross margin of 73.3% (67.6%), supported by a standardized product range, price optimization and meticulous improvements in our procurement processes and supply chain. Correspondingly, the adjusted EBITDA margin remained high at 48.7% (49.6%). AutoStore's high sustained margins illustrate the unique strength of our product together with our partner-based go-to-market model.

The medium- to long-term potential for warehouse automation remains substantial, with only 15-20 percent of the potential market currently penetrated. Within this space, we are well positioned, thanks to our product value proposition, partner network, and trust from more than 1,000 customers with over 1,550 sites.

All in all, warehouse automation represents a huge growth opportunity for the coming years, and with our vision of being the engine of every fulfillment journey, we are in pole position to grasp it.

Mats Hovland Vikse

Mats Hovland Vikse,
CEO

Financial developments[2,3]

Results for the period

Second quarter of 2024

AutoStore reported total revenue of USD 154.2 million (175.5), a year-over-year decrease of 12.2%. This decline was primarily due to postponed scheduled delivery times for some projects. Revenue in the period was 11.6% higher quarter-over-quarter, up from USD 138.1 million, driven by positive sequential development in EMEA and NAM.

Cost of materials amounted to USD 41.2 million (56.9). The gross profit was USD 113.0 million (118.6), with the gross margin increasing by 5.7 pp. year-over-year to 73.3%. The improved gross margin was primarily a result of favorable sourcing of raw materials and product mix.

Employee benefit expenses decreased to USD 15.5 million compared to last year's USD 20.3 million. The reduction resulted from a USD 4.6 million positive cost effect due to change in the provision of social security tax on management options. The reduction in the provision was due to the development in the company's share price. In the second quarter of 2023, the adjustment item cost was USD 2.8 million. Excluding this adjustment, employee benefit expenses increased by USD 2.6 million year-over-year, mainly due to increased headcounts.

Operating expenses totaled USD 17.7 million (266.7). The second quarter of 2023 was impacted by an expense of USD 239.0 million related to the settlement with Ocado Group and associated legal fees. AutoStore treats litigation and legal costs connected to the Ocado settlement as an adjustment item, and excluding the effect from 2023, other operating expenses were USD 13.9 million last year. There were no similar adjustments made in this quarter. The year-over-year increase in adjusted operating expenses (USD 3.8 million) was driven by expansion of factories in Thailand and facilities in the U.S.

Reported EBITDA totaled USD 79.8 million (-168.5), which corresponded to an EBITDA margin of 51.8% (-96.0%). Adjusted EBITDA[1] and the adjusted EBITDA margin[1] were USD 75.1 million (87.1) and 48.7% (49.6%), respectively.

AutoStore reported USD 3.7 million (2.6) in depreciation of tangible assets and leases and USD 13.5 million (12.3) in amortization of intangible assets. Amortization of intangible assets relates primarily to the purchase price allocation made when Thomas H. Lee Partners (THL) acquired the group in 2019.

EBIT was USD 62.6 million (-183.4), while adjusted EBIT[1] totaled USD 67.7 million (82.1).

Finance income in the period was USD 2.8 million (3.4), while finance cost was USD 13.7 million (10.4). Finance costs consisted of interest expenses on the group's long-term debt and a financial cost element related to the settlement with Ocado Group (discounting effect). For more information on the discounting effect, reference is made to note 4.2. Net foreign exchange gains were USD 5.6 million (-2.6).

Profit before tax was USD 57.3 million (-193.0), which resulted in a tax expense of USD 12.6 million (-44.9). The profit after tax was USD 44.7 million (-148.1), with basic earnings per share at 0.013 (-0.044).

First half of 2024

Total revenue amounted to USD 292.3 million (324.7), representing a year-over-year reduction of 10.0%, primarily driven by project postponements from some customers.

Cost of materials ended at USD 78.8 million (106.0). The reduction was primarily a result of a more favorable product mix in addition to lower grid cost.

AutoStore reported employee benefit expenses of USD 35.6 million (40.9). Due to the development of the company's share price in 2024, the provision of social security tax on management options decreased by USD 4.9 million. In the same period last year, the cost was USD 6.0 million. Excluding this item, employee benefit expenses in the first half of 2024 were USD 40.5 million, an increase from USD 34.9 million last year. The development is mainly connected to an increase in headcounts following the company's operational and strategic initiatives.

Other operating expenses amounted to USD 35.0 million (286.5). The first half of 2023 was impacted by the expenses related to the settlement with Ocado Group and associated legal fees recorded in the second quarter. Excluding this adjustment item, other operating expenses amounted to USD 28.3 million in the first half of 2023, compared to USD 34.6 million in the current period. The year-over-year increase was primarily driven by continued operational expansion, including new facilities.

Reported EBITDA ended at USD 142.9 million (-108.8) with an EBITDA margin of 48.9% (-33.5%), while adjusted EBITDA[1] and the adjusted EBITDA[1] margin were USD 138.4 (155.5) and 47.3% (47.9%), respectively. The adjusted EBITDA margin[1] remained stable as a result of the positive development in gross margin in this period.

Depreciation amounted to USD 7.0 million (4.8), while amortization of intangible assets totaled USD 27.1 million (24.8).

Finance income was USD 4.8 million (7.1), while finance cost totaled USD 26.7 million (20.9). The YoY increase in finance cost included interest expenses on the group's long-term debt of USD 16.0 million (18.9) and a financial cost element related to the settlement with Ocado Group (discounting effect). Net foreign exchange losses were USD 3.3 million in the first half of 2024, compared to a loss of USD 15.3 million in the same period last year.

The profit before tax was USD 83.6 million (-167.5), which resulted in a tax charge of USD 18.3 (39.2). The profit after tax was USD 65.3 million (-128.3) and basic earnings per share ended at USD 0.019 (-0.038).

[1] Reference is made to the APM section for further explanations and details on APM measures.

[2] The interim condensed consolidated financial statements have not been subject to audit or review.

[3] All subsequent numbers in parentheses refer to comparative figures for the same period last year, except for balance sheet items ("Financial position").

Profit/loss for the period	Second quarter		First half	
USD million	2024	2023	2024	2023
Revenue and other operating income	154.2	175.5	292.3	324.7
Cost of materials	-41.2	-56.9	-78.8	-106.0
Employee benefit expenses	-15.5	-20.3	-35.6	-40.9
Other operating expenses	-17.7	-266.7	-35.0	-286.5
EBITDA	**79.8**	**-168.5**	**142.9**	**-108.8**
Adjusted EBITDA[1]	**75.1**	**87.1**	**138.4**	**155.5**
Depreciation	-3.7	-2.6	-7.0	-4.8
Amortization of intangible assets	-13.5	-12.3	-27.1	-24.8
EBIT	**62.6**	**-183.4**	**108.8**	**-138.4**
Adjusted EBIT[1]	**67.7**	**82.1**	**124.1**	**146.1**
Finance income	2.8	3.4	4.8	7.1
Finance costs	-13.7	-10.4	-26.7	-20.9
Foreign exchange gains/(losses)	5.6	-2.6	-3.3	-15.3
Profit/loss before tax	**57.3**	**-193.0**	**83.6**	**-167.5**
Income tax expense	-12.6	44.9	-18.3	39.2
Profit/loss for the period	**44.7**	**-148.1**	**65.3**	**-128.3**

Cash flow

Second quarter of 2024

AutoStore generated a positive cash flow of USD 16.3 million (76.4) from operating activities. The development year-over-year resulted from reduction in working capital items, where the second quarter of 2023 was especially impacted by the provision of USD 244.0 million related to the settlement with Ocado Group (no cash outflow), with cash impact in the current quarter. In addition, receivables increased this quarter due to the higher revenue level, impacting changes in working capital negatively compared to the second quarter of 2023.

Cash outflow from investing activities amounted to USD 14.7 million (10.0). The cash outflows comprised of USD 6.9 million (5.7) from purchase of property, plant and equipment and USD 2.4 million (1.6) from purchase of intangible assets, whereas USD 8.0 million (6.1) related to development expenditures. These effects were partly offset by positive cash flows from interest on bank deposits of USD 2.6 million (3.4).

Cash outflow from financing activities was USD 11.1 million (10.9). Cash outflows primarily consisted of interest amounting to USD 8.3 million (9.2), related to the group's long-term debt.

The cash flow statement was also affected by the translation of cash held in other currencies to USD. The group held USD 269.3 million in cash as of 30 June 2024, up from USD 261.0 million as of 30 June 2023.

First half of 2024

Cash flow from operating activities was USD 69.8 million (119.9). The reduction year-over-year was primarily connected to the payments made in relation to the settlement with Ocado Group.

Cash outflow from investing activities was USD 27.2 million compared to USD 16.9 million in the corresponding period of 2023. The development was linked to higher investment activity in both property, plant and equipment as well as intangible assets and development expenditures as a result of the group's expansion and R&D efforts.

Cash outflow from financing activities was USD 21.9 million (21.1). This mainly related to interest paid on the group's long-term debt.

For a more detailed cash flow statement, reference is made to page 13.

Cash flow	Second quarter		First half	
USD million	2024	2023	2024	2023
Cash flow from operating activities	16.3	76.4	69.8	119.9
Cash flow from investing activities	-14.7	-10.0	-27.2	-16.9
Cash flow from financing activities	-11.1	-10.9	-21.9	-21.1
Net change in cash and cash equivalents	**-9.4**	**55.6**	**20.6**	**81.9**
Cash and cash equivalents, beginning of period	279.9	204.5	253.3	174.8
Effect of change in exchange rate	-1.1	0.9	-4.5	4.2
Cash and cash equivalents, end of period	**269.3**	**261.0**	**269.3**	**261.0**

[1] Reference is made to the APM section for further explanations and details on APM measures.

Financial position

The group's total assets as of 30 June 2024 were USD 2,100.1 million, down from USD 2,131.8 million as of 31 December 2023. Intangible assets and goodwill amounted to USD 464.8 million (492.0) and USD 1,015.9 million (1,061.9), respectively. The reduction in goodwill was attributable to currency translation effects. For more information on the development of intangible assets, reference is made to note 3.

Current assets increased from USD 489.3 million as of 31 December 2023 to USD 514.6 million as of 30 June 2024. The increase was mainly attributable to an increase in the cash reserves of USD 16.0 million. Inventory increased to USD 90.0 million (82.9). Trade receivables and other receivables ended at USD 116.1 million (110.7) and USD 39.2 million (42.4), respectively.

Equity increased to USD 1,287.8 million as of 30 June 2024 (1,274.9). Movement in equity included the positive profit allocation for the period, offset by negative exchange rate differences linked to the translation of results and the financial position of subsidiaries and the parent company from other currencies into USD.

Total non-current liabilities ended at USD 584.9 million as of 30 June 2024 (637.1). The decrease followed the reduction in non-current liabilities of USD 57.0 million related to the settlement with Ocado Group. The remaining liability will be fully settled by 30 June 2025 and is therefore current in nature. In addition, non-current lease liabilities increased to USD 53.8 million (47.8) as a result of additional lease facilities added during the year.

Current liabilities increased to USD 227.4 million as of 30 June 2024, from USD 219.7 million as of year-end 2023.

Financial position

USD million	30 June 2024	31 December 2023
Goodwill	1,015.9	1,061.9
Intangible assets	464.8	492.0
Other	104.8	88.6
Total non-current assets	**1,585.5**	**1,642.5**
Total current assets	**514.6**	**489.3**
Total assets	**2,100.1**	**2,131.8**
Total equity	**1,287.8**	**1,274.9**
Non-current interest-bearing liabilities	425.3	432.8
Other non-current liabilities[1]	159.6	204.3
Current liabilities	227.4	219.7
Total liabilities	**812.3**	**856.8**
Total equity and liabilities	**2,100.1**	**2,131.8**

[1] Includes all non-current liabilities, except for non-current interest-bearing liabilities.

Corporate developments

AutoStore has expanded its leadership team by appointing Parth Joshi as new Chief Product Officer. Parth brings extensive global experience from high-tech and high-growth companies, including Cisco and Eaton where he has served in similar roles. Joshi will lead the product roadmap ensuring alignment with business objectives while strengthening presence in the U.S. market.

Carlos Fernandez is appointed new Chief Solutions Officer, following four years as AutoStore's Chief Product Officer. In his new position, Fernandez will be responsible for building out a dedicated solutions team of full end-to-end support to AutoStore's partners and customers.

Outlook

AutoStore continues to see strong underlying market activity measured by number of proposals and active dialogues with customers, as well as a healthy pipeline. Further, the company also sees an increased share of large, multi-year projects in its backlog. At the same time, in this uncertain economic environment, it is challenging to predict accurately the time it takes to move opportunities through the pipeline to order intake and, ultimately, to revenue.

The quality of the backlog remains high, providing a strong foundation for future growth.

AutoStore remains highly confident in the significant potential of the warehouse automation market driven by long-term secular trends of e-commerce and rising labor costs making automated solutions increasingly important across multiple industries. Market penetration remains low, and AutoStore's platform for growing and capturing market share remains firm, based on the company's strong competitive position, leading product portfolio, efficient operating model, and broad market reach.

Responsibility statement

We confirm, to the best of our knowledge, that the condensed set of interim consolidated financial statements for the second quarter of 2024, which have been prepared in accordance with IAS 34 Interim Reporting, give a true and fair view of the company's assets, liabilities, financial position and results of operation, and that the report provides a fair overview of the information as specified in Section 5-6, first paragraph, of the Norwegian Securities Trading Act.

Oslo, 14 August 2024

The Board of Directors of AutoStore Holdings Ltd.

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Vikas J. Parekh
Co-chair

Viveka Ekberg
Board member

Andreas Hansson
Board member

Sumer Juneja
Board member

Michael K. Kaczmarek
Board member

Hege Skryseth
Board member

Kjersti Wiklund
Board member

Mats Hovland Vikse
Chief Executive Officer

Interim condensed consolidated financial information

Interim condensed consolidated statement of comprehensive income

		Second quarter		First half	
USD million	Notes	**2024**	**2023**	**2024**	**2023**
Revenue and other operating income	2.1	154.2	175.5	292.3	324.7
Total revenue and other operating income		**154.2**	**175.5**	**292.3**	**324.7**
Cost of materials		-41.2	-56.9	-78.8	-106.0
Employee benefit expenses		-15.5	-20.3	-35.6	-40.9
Other operating expenses		-17.7	-266.7	-35.0	-286.5
Depreciation		-3.7	-2.6	-7.0	-4.8
Amortization of intangible assets	3.1	-13.5	-12.3	-27.1	-24.8
Operating profit/loss		**62.6**	**-183.4**	**108.8**	**-138.4**
Finance income[1]		2.8	3.4	4.8	7.1
Finance costs[1]		-13.7	-10.4	-26.7	-20.9
Foreign exchange gains/(losses)		5.6	-2.6	-3.3	-15.3
Profit/loss before tax		**57.3**	**-193.0**	**83.6**	**-167.5**
Income tax expense		-12.6	44.9	-18.3	39.2
Profit/loss for the period		**44.7**	**-148.1**	**65.3**	**-128.3**
Other comprehensive income/loss					
Items that subsequently will not be reclassified to profit or loss:					
Exchange differences on translation of parent company		2.5	-7.3	-13.7	-23.5
Total items that will not be reclassified to profit or loss		**2.5**	**-7.3**	**-13.7**	**-23.5**
Items that subsequently may be reclassified to profit or loss:					
Exchange differences on translation of foreign operations		13.8	-24.2	-39.7	-87.7
Total items that may be reclassified to profit or loss		13.8	-24.2	-39.7	-87.7
Other comprehensive income/loss for the period		**16.3**	**-31.5**	**-53.4**	**-111.2**
Total comprehensive income/loss for the period		**61.0**	**-179.6**	**11.9**	**-239.4**
Profit/loss attributable to:					
Equity holders of the parent		44.7	-148.1	65.3	-128.3
Total comprehensive income/loss attributable to:					
Equity holders of the parent		61.0	-179.6	11.9	-239.4
Earnings per share[2]					
Basic earnings per share (USD)		0.013	-0.044	0.019	-0.038
Diluted earnings per share (USD)		0.013	-0.044	0.019	-0.038

[1]Foreign exchange gains/(losses) were presented net as part of finance costs in the second quarter of 2023.
[2]If profit/loss for the period is negative, diluted earnings per share is equal to basic earnings per share.

The accompanying notes are an integral part of these interim condensed consolidated financial statements.
The interim condensed consolidated financial statements have not been subject to audit or review.

Interim condensed consolidated statement of financial position

USD million	Notes	30 June 2024	31 December 2023
ASSETS			
Non-current assets			
Property, plant and equipment		37.2	30.2
Right-of-use assets		61.2	50.8
Goodwill	3.1	1,015.9	1,061.9
Intangible assets	3.1	464.8	492.0
Deferred tax assets		1.7	5.7
Other non-current assets		4.7	1.9
Total non-current assets		**1,585.5**	**1,642.5**
Current assets			
Inventories		90.0	82.9
Trade receivables		116.1	110.7
Other receivables		39.2	42.4
Cash and cash equivalents		269.3	253.3
Total current assets		**514.6**	**489.3**
TOTAL ASSETS		**2,100.1**	**2,131.8**
EQUITY AND LIABILITIES			
Equity			
Share capital	4.1	34.3	34.3
Share premium		1,154.6	1,154.6
Treasury shares	5.1	-0.7	-0.7
Other equity		99.7	86.8
Total equity		**1,287.8**	**1,274.9**
Non-current liabilities			
Non-current interest-bearing liabilities	4.2	425.3	432.8
Other non-current liabilities	4.2	-	57.0
Non-current lease liabilities		53.8	47.8
Deferred tax liabilities		102.4	96.7
Non-current provisions		3.4	2.9
Total non-current liabilities		**584.9**	**637.1**
Current liabilities			
Trade and other payables		44.8	46.5
Other current liabilities	4.2	141.9	138.9
Lease liabilities		11.3	10.0
Income tax payable		10.2	7.4
Provisions		19.2	16.9
Total current liabilities		**227.4**	**219.7**
Total liabilities		**812.3**	**856.8**
TOTAL EQUITY AND LIABILITIES		**2,100.1**	**2,131.8**

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The interim condensed consolidated financial statements have not been subject to audit or review.

Interim condensed consolidated statement of changes in equity

USD million	Share capital	Share premium	Treasury shares	Other equity: Other capital reserves	Other equity: Cumulative translation differences	Retained earnings	Total equity
Balance at 1 January 2024	**34.3**	**1,154.6**	**-0.7**	**10.4**	**-227.8**	**304.3**	**1,274.9**
Profit for the period	-	-	-	-	-	65.3	**65.3**
Other comprehensive loss for the period	-	-	-	-	-53.4	-	**-53.4**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-53.4**	**65.3**	**11.9**
Share-based payments (note 5.1)	-	-	-	0.9	-	-	**0.9**
Purchase/sale of treasury shares (note 4.1)	-	-	-	-	-	-	**-**
Balance at 30 June 2024	**34.3**	**1,154.6**	**-0.7**	**11.3**	**-281.2**	**369.6**	**1,287.8**

USD million	Share capital	Share premium	Treasury shares	Other equity: Other capital reserves	Other equity: Cumulative translation differences	Retained earnings	Total equity
Balance at 1 January 2023	**34.3**	**1,154.6**	**-0.9**	**7.9**	**-183.2**	**335.3**	**1,347.8**
Loss for the period	-	-	-	-	-	-128.3	**-128.3**
Other comprehensive loss for the period	-	-	-	-	-111.2	-	**-111.2**
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**-111.2**	**-128.3**	**-239.4**
Share-based payments (note 5.1)	-	-	-	1.5	-	-	**1.5**
Purchase/sale of treasury shares (note 4.1)	-	-	0.1	-	-	0.0	**0.1**
Balance at 30 June 2023	**34.3**	**1,154.6**	**-0.8**	**9.5**	**-294.4**	**207.0**	**1,110.0**

The cumulative translation differences relate to the translation of results and financial position of subsidiaries as well as the parent company with functional currencies different than USD to the presentation currency. As the group has large net investments in subsidiaries with NOK as functional currency, the depreciation of NOK compared to USD has resulted in negative translation differences being recognized YTD 2024 of USD -53.4 million (USD -111.2 million).

Translation differences related to the translation of the parent company are presented as not reclassifiable to profit or loss, while translation differences related to the translation of foreign operations are presented as reclassifiable to profit or loss in the statement of other comprehensive income.

The accompanying notes are an integral part of these interim condensed consolidated financial statements.
The interim condensed consolidated financial statements have not been subject to audit or review.

Interim condensed consolidated statement of cash flow

		Second quarter		First half	
USD million	Notes	2024	2023	2024	2023
Cash flow from operating activities					
Profit/loss before tax		57.3	-193.0	83.6	-167.5
Adjustments to reconcile profit/loss before tax to net cash flow:					
Depreciation and amortization		17.2	14.9	34.1	29.6
Share-based payment expense	5.1	0.5	0.3	0.9	0.6
Finance income		-2.8	-3.4	-4.8	-7.1
Finance costs		13.7	10.4	26.7	20.9
Foreign exchange gains/(losses)		-5.6	2.6	3.3	15.3
Working capital adjustments:					
Changes in inventories		2.9	0.7	-7.1	3.9
Changes in trade and other receivables		-24.0	-5.6	-5.0	-26.5
Changes in trade and other payables		-0.9	27.8	-1.7	16.9
Changes in provisions and other current liabilities	4.2	-40.9	224.0	-57.4	242.9
Other items					
Tax paid		-1.1	-2.3	-2.8	-9.0
Net cash flow from operating activities		**16.3**	**76.4**	**69.8**	**119.9**
Cash flow from investing activities					
Purchase of property, plant and equipment		-6.9	-5.7	-11.0	-8.7
Purchase of intangible assets[1]	3.1	-2.4	-1.6	-4.9	-2.5
Development expenditures	3.1	-8.0	-6.1	-16.0	-12.9
Interest received		2.6	3.4	4.6	7.1
Net cash flow from investing activities		**-14.7**	**-10.0**	**-27.2**	**-16.9**
Cash flow from financing activities					
Repayment of short-term debt		-	0.1	-	0.1
Proceeds from sale of treasury shares		-	-	-	0.1
Payments of principal for the lease liability		-1.8	-1.0	-3.7	-1.7
Payments of interest for the lease liability		-0.9	-0.7	-1.8	-1.2
Interest paid		-8.3	-9.2	-16.5	-18.4
Net cash flow from financing activities		**-11.1**	**-10.9**	**-21.9**	**-21.1**
Net change in cash and cash equivalents		-9.4	55.6	20.6	81.9
Effect of change in exchange rate		-1.1	0.9	-4.5	4.2
Cash and cash equivalents, beginning of period		279.9	204.5	253.3	174.8
Cash and cash equivalents, end of period		**269.3**	**261.0**	**269.3**	**261.0**

[1] Was earlier presented as development expenditures.

The accompanying notes are an integral part of these interim condensed consolidated financial statements.
The interim condensed consolidated financial statements have not been subject to audit or review.

Notes to the interim condensed consolidated financial statements

Note 1 Background

1.1 Corporate information

The unaudited interim condensed consolidated financial statements of AutoStore Holdings Ltd. ("AutoStore group", "the company" or "the group") for the six months ended 30 June 2024 were authorized for issue by the Board of Directors on 14 August 2024. AutoStore Holdings Ltd. has shares traded on Oslo Børs with the ticker symbol AUTO. The company's registered office is located at Park Place, 55 Par La Ville Road, Third Floor, Hamilton HM11, Bermuda. The group's corporate headquarter is located at Stokkastrandvegen 85, 5578 Nedre Vats, Norway.

Reference is made to note 6.1 in the group's consolidated financial statements for the year ended 31 December 2023 for a list of subsidiaries, where the largest entity is AutoStore AS, registered in Norway.

1.2 Basis of preparation

The unaudited interim condensed consolidated financial statements for the six months ended 30 June 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by The European Union ("EU") and additional requirements in the Norwegian Securities Trading Act.

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the group’s consolidated financial statements for the year ended 31 December 2023 (AutoStore Holdings Ltd.'s consolidated financial statements).

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the group’s consolidated financial statements for the year ended 31 December 2023.

All figures are presented in millions (000,000), except when otherwise indicated. Information presented in the interim condensed consolidated financial statements and notes may thus not add due to rounding. The statement of comprehensive income/gains is presented as positive amounts while expenses/costs are presented as negative amounts.

Change in the presentation of net foreign currency effects
In 2024, the group has chosen to present net foreign currency effects as a separate line in the statement of comprehensive income. In the previous quarters, net currency effects were included as part of finance income or finance costs.

Climate change
In preparing the interim condensed consolidated financial statements for the period ended 30 June 2024, the group has considered the potential impact of climate risk. Management has specifically considered how the current valuation of assets and liabilities may be impacted by risks related to climate change, resource use, carbon footprint, and circular economy, as well as the group’s plans to mitigate those risk factors. The climate-related risks that have been assessed related to the group’s operations and value chain were among others, physical, transition, regulatory, technological, and reputational risks. Especially, the group’s risk assessments have considered the following:

– Transition and reputational risks, such as the absence of measurable commitments like a decarbonization plan related to resource use and operational circularity, may not have a significant short-term impact. However, the longer a plan is not implemented, the risk increases.

– Regulatory and reputational risks are associated with the production and use of materials, particularly the failure to use recycled plastic. Although the financial impact and likelihood of occurrence are considered low in the short term, the risks could become higher without proactive measures. This could lead to increased future production costs due to potential regulatory changes, new taxes, and rising carbon prices.

As of 30 June 2024, climate risk is not expected to have any significant impact on the group's assets or liabilities. However, management will continue to monitor and assess the actual and potential effects of climate risk going forward, including plans to mitigate these.

1.3 New and amended standards and interpretations

The group has not early adopted any accounting standard, interpretation or amendment that has been issued but is not yet effective.

No amendments and interpretations that apply for the first time in 2024, are considered to have any material impact on the unaudited interim condensed consolidated financial statements of the group.

1.4 Significant judgments, estimates and assumptions

The accounting policies applied by management which include a significant degree of judgment, estimates and assumptions that may have the most significant effect on the amounts recognized in the unaudited interim condensed consolidated financial statements are summarized:

Estimates and assumptions:
- Useful lives of intangible assets (note 3.1)
- Valuation of share-based payments (note 5.1)

Accounting judgments:
- Capitalization of development costs (note 3.1)
- Determination of functional currency
- Determination of performance obligations (note 2.1)

Reference is made to the group's consolidated financial statements for the year ended 31 December 2023 for further information.

Note 2 Operating performance

2.1 Revenue from contracts with customers

The group’s revenue from contracts with customers has been disaggregated and is presented in the tables below:

	Second quarter		First half	
USD million	**2024**	**2023**	**2024**	**2023**
Major products and services				
AutoStore system	154.3	175.1	292.2	324.0
Rendering of services	-0.2	0.2	0.1	1.0
Total revenue[1]	**154.2**	**175.3**	**292.3**	**325.0**
Geographic information				
Norway	6.7	2.1	10.8	9.9
Germany	37.0	42.6	69.6	62.4
Europe, excl. Norway and Germany	56.5	76.6	110.9	139.2
U.S.	38.3	40.2	67.6	70.0
Asia	9.9	2.5	18.8	20.4
Other	5.7	11.3	14.7	23.1
Total revenue[1]	**154.2**	**175.3**	**292.3**	**325.0**
Timing of revenue recognition				
Goods transferred at a point in time	148.4	172.3	281.0	319.9
Goods and services transferred over time	5.8	3.0	11.4	5.1
Total revenue[1]	**154.2**	**175.3**	**292.3**	**325.0**

[1] Excluding other operating income.

2.2 Segment information

The chief operating decision maker (CODM) of the AutoStore group, which is defined as the Board of Directors, monitors the operating results of the group as one business unit for the purpose of making decisions about resource allocation and performance assessment, hence only one segment is reported. Segment performance is evaluated with main focus based on total revenue, gross profit and EBITDA. Total revenue is measured consistently with total revenue and other operating income in the unaudited interim condensed consolidated statement of comprehensive income, while gross profit and EBITDA are defined below.

	Second quarter		First half	
USD million	**2024**	**2023**	**2024**	**2023**
Revenue and other operating income	154.2	175.5	292.3	324.7
Cost of materials	-41.2	-56.9	-78.8	-106.0
Gross profit	**113.0**	**118.6**	**213.5**	**218.7**
Employee benefit expenses	-15.5	-20.3	-35.6	-40.9
Other operating expenses	-17.7	-266.7	-35.0	-286.5
EBITDA	**79.8**	**-168.5**	**142.9**	**-108.8**

Gross profit is the group's revenue and other operating income less cost of materials.

	Second quarter		First half	
USD million	**2024**	**2023**	**2024**	**2023**
Profit/loss for the period	**44.7**	**-148.1**	**65.3**	**-128.3**
Income tax expense	12.6	-44.9	18.3	-39.2
Finance income	-2.8	-3.4	-4.8	-7.1
Finance costs	13.7	10.4	26.7	20.9
Foreign exchange gains/(losses)	-5.6	2.6	3.3	15.3
Depreciation	3.7	2.6	7.0	4.8
Amortization	13.5	12.3	27.1	24.8
EBITDA	**79.8**	**-168.5**	**142.9**	**-108.8**

EBITDA is the group’s profit/loss for the period after adding back the income tax expense, finance costs, and depreciation and amortization, and deducting the finance income. Foreign exchange gains/(losses) are deducted or added back based on gain/loss for the period.

Note 3 Asset base

3.1 Intangible assets

Recognized goodwill of the group is derived from business combinations in previous years. Reference is made to the group's consolidated financial statements for the year ended 31 December 2023 for additional information. No additional goodwill was recognized during the six months ended 30 June 2024.

The group recognized additions to other intangible assets of USD 20.8 million during the six months ended 30 June 2024. Of this amount, USD 16.0 million is related to internal development and the remaining USD 4.9 million is related to new patents. USD 18.0 million of internal development is ready for its intended use and have been reclassified to software and technology.

USD million	Goodwill	Trade-marks	Software and technology	Patent rights	Customer relation-ships	Internal develop-ment	Total
Cost 31 December 2023	**1,061.9**	**6.0**	**450.0**	**98.5**	**115.4**	**45.8**	**1,777.6**
Additions	-	-	-	4.9	-	16.0	**20.8**
Reclassification	-	-	18.0	-	-	-18.0	-
Currency translation effects	-45.9	-0.5	-14.8	-3.3	-0.7	-1.6	**-66.9**
Cost 30 June 2024	**1,015.9**	**5.5**	**453.1**	**100.1**	**114.7**	**42.2**	**1,731.5**
Accumulated amortization 31 December 2023	**-**	**-**	**96.8**	**24.2**	**102.7**	**-**	**223.9**
Amortization for the period	-	-	14.9	2.0	10.2	-	**27.1**
Currency translation effects	-	-	-	-	-	-	-
Accumulated amortization 30 June 2024	**-**	**-**	**111.7**	**26.3**	**112.9**	**-**	**250.9**
Carrying amount 31 December 2023	**1,061.9**	**6.0**	**353.1**	**74.3**	**12.7**	**45.8**	**1,553.8**
Carrying amount 30 June 2024	**1,015.9**	**5.5**	**341.4**	**73.8**	**1.8**	**42.2**	**1,480.7**
Economic life (years)	Indefinite		5-25	13-18	5	N/A	
Amortization plan	N/A			Straight-line		N/A	

The group performed its annual impairment test for goodwill and intangible assets with indefinite lives as of 31 December 2023 and no impairments were made. The group's impairment test for goodwill and intangible assets with indefinite lives is based on value-in-use calculations. The key assumptions used to determine the recoverable amount were disclosed in the group's consolidated financial statements for the year ended 31 December 2023.

The group considers the relationship between the estimated market capitalization of the group and its book value when reviewing intangible assets with finite useful lives for indicators of impairment. In addition, the group considers factors such as industry growth, impact of general economic conditions, changes in the technological and legal environment, the group's market share, and performance compared to previous forecasts in this assessment, among other factors. No impairments have been recognized to the group's intangible assets for the six months ended 30 June 2024. The group's shares traded at a Price-to-Book (P/B) level of 3.1 as at 30 June 2024.

Note 4 Financial instruments and equity

4.1 Share capital and shareholder information

Issued capital and reserves:

Share capital in AutoStore Holdings Ltd.	Number of shares issued and fully paid	Par value per share (USD)	Financial position (USD)
At 1 January 2023	**3,428,540,429**	**0.01**	**34.29**
At 31 December 2023	**3,428,540,429**	**0.01**	**34.29**
At 30 June 2024	**3,428,540,429**	**0.01**	**34.29**

The above-presented shares are issued and fully paid, and include a total of 69,792,394 treasury shares as of 30 June 2024. The authorized share capital of AutoStore Holdings Ltd. is USD 42,500,000, consisting of 4,250,000,000 shares.

Reconciliation of the group's equity is presented in the statement of changes in equity.

The group's largest shareholders:

Shareholders of the group (AutoStore Holdings Ltd.)	Country	Account type	Total shares	Ownership	Voting rights
The Bank of New York Mellon	U.S.	Nominee	1,316,676,409	38.4 %	38.4 %
Citibank, N.A.	Ireland	Nominee	956,254,232	27.9 %	27.9 %
Folketrygdfondet	Norway	Ordinary	138,404,347	4.0 %	4.0 %
State Street Bank and Trust Comp	U.S.	Nominee	104,326,702	3.0 %	3.0 %
Alecta Tjanstepension Omsesidigt	Luxembourg	Ordinary	103,556,470	3.0 %	3.0 %
The Bank of New York Mellon	U.S.	Nominee	85,404,717	2.5 %	2.5 %
AutoStore Holdings LTD.	Norway	Ordinary	69,792,394	2.0 %	2.0 %
Brown Brothers Harriman & Co.	U.S.	Nominee	43,421,952	1.3 %	1.3 %
Sumitomo Mitsui Trust Bank (U.S.A)	U.S.	Nominee	42,690,319	1.2 %	1.2 %
JPMorgan Chase Bank, N.A., London	UK	Nominee	27,429,467	0.8 %	0.8 %
JPMorgan Chase Bank, N.A., London	UK	Nominee	23,257,387	0.7 %	0.7 %
Lyngneset Invest AS	Norway	Ordinary	23,183,898	0.7 %	0.7 %
Verdipapirfond Odin Norge	Norway	Ordinary	21,645,005	0.6 %	0.6 %
State Street Bank and Trust Comp	U.S.	Nominee	21,483,869	0.6 %	0.6 %
The Northern Trust Comp	UK	Nominee	17,809,211	0.5 %	0.5 %
Credit Suisse (Luxembourg) S.A.	Ireland	Nominee	16,736,875	0.5 %	0.5 %
Brown Brothers Harriman (Lux.) SCA	Luxembourg	Nominee	16,534,875	0.5 %	0.5 %
State Street Bank and Trust Comp	U.S.	Nominee	13,452,714	0.4 %	0.4 %
State Street Bank and Trust Comp	U.S.	Nominee	12,208,663	0.4 %	0.4 %
Polysys AS	Norway	Ordinary	10,800,000	0.3 %	0.3 %
Other shareholders			363,470,923	10.6 %	10.6 %
At 30 June 2024			**3,428,540,429**	**100 %**	**100 %**

The shareholder information is from the VPS share register.

In February 2024, funds associated with Thomas H. Lee Partners ("Citibank N.A.") sold a total of 177,119,135 ordinary shares in AutoStore.

Employee share-purchase plan for 2024

On 17 June, the group introduced a new share purchase plan for all permanent employees. Through this program, a total of 686,579 shares in AutoStore will be delivered to permanent employees for a purchase price of NOK 11.48. Shares purchased will be subject to a two-year lock-up period.

For treasury shares settled trough exercise of options, reference is made to note 5.1.

Distribution to shareholders

The group did not pay dividends to shareholders during 2023 or the six months-period ended 30 June 2024. There are no proposed dividends as at the date of authorization of this interim report.

Share price information as at 30 June 2024	
Share price at 30 June 2024 (NOK)	12.56
Number of shares	3,428,540,429
Market capitalization at 30 June 2024 (NOK)	**43,062,467,788**
USD/NOK exchange rate at 30 June 2024	10.65
Market capitalization at 30 June 2024 (USD)	**4,044,943,433**

	Second quarter		First half	
Weighted average number of shares[1]	**2024**	**2023**	**2024**	**2023**
Weighted average number of ordinary shares for basic EPS	3,358,655,984	3,349,292,259	3,357,974,772	3,344,236,042
Weighted average number of ordinary shares adjusted for the effect of dilution	3,429,602,314	3,349,292,259	3,429,555,840	3,344,236,042

[1]If profit/loss for the period is negative, diluted earnings per share is equal to ordinary EPS.

4.2 Interest-bearing liabilities and other liabilities

USD million	Interest rate	30 June 2024	31 December 2023
Senior Facilities: Facility B (EUR)	EURIBOR+2.50%	261.1	269.6
Senior Facilities: Facility B (USD)	SOFR+3.25%	167.0	167.0
Capitalized fees - Facility B		-2.8	-3.7
Total non-current interest-bearing loans and borrowings		**425.3**	**432.8**

In November 2021, the group established a revolving credit facility (RCF) which may be drawn at any time up to USD 150 million. The group has not drawn any amounts on the RCF as of 30 June 2024.

Management has assessed that the fair value of interest-bearing loans and borrowings are not significantly different from their carrying amounts.

The Senior Facilities have a maturity until 30 July 2026.

Liability related to the settlement of the Ocado Group litigation

USD million	Interest rate	30 June 2024	31 December 2023
Non-current	SOFR+3.25%	-	57.0
Current	SOFR+3.25%	121.2	120.8
Total		**121.2**	**177.8**

AutoStore recorded a liability related to the settlement with Ocado Group in 2023. The liability matures in June 2025.

	Second quarter		First half	
USD million	**2024**	**2023**	**2024**	**2023**
Payment to Ocado Group for the period	-31.5	-	-63.2	-
Finance cost (discounting effect)	2.9	-	7.8	-
Currency effects	-0.5	-	-1.2	-
Change in liability related to Ocado Group settlement	**-29.1**	**-**	**-56.6**	**-**

Note 5 Other disclosures

5.1 Share-based payments

	Second quarter		First half	
USD million	2024	2023	2024	2023
Expenses arising from equity-settled share-based payment transactions	-0.4	-0.3	-0.9	-0.6
Total expense arising from share-based payment transactions	**-0.4**	**-0.3**	**-0.9**	**-0.3**

Movements during the period

The following table illustrates the number of, and movements in, share options during the period:

	Year	
Number of and movements in share options	2024	2023
Outstanding at 1 January	**73,591,851**	**90,661,375**
Granted during the period	569,351	-
Exercised during the period	-2,806,016	-16,366,969
Adjusted during the period	-242,889	-
Terminated during the period	-	-196,421
Outstanding at 30 June	**71,112,297**	**74,097,985**
Exercisable at 30 June	64,772,764	62,651,456

New grants

On 13 March 2024, the Remuneration Committee approved new grants under the long-term incentive plan ("LTIP") for the first half of 2024 for certain members of the company's management and other leading employees.

The total number of options awarded under the LTIP for the first half of 2024 was 395,516, where each option will give the holder the right to acquire one AutoStore share from the company.

The total number of performance stock units (PSUs) awarded under the LTIP for the first half of 2024 was 173,835. Vesting of the PSUs is based on the achievement of financial or other performance goals and may only be vested by the holder upon approval of the Board in their sole discretion. Once vested, each PSU will award the holder with one AutoStore share.

Exercised

On 14 February 2024, 1,756,869 options under the company's equity incentive plan from 2019-2020 were exercised. The option had a strike price of NOK 3.75408 per share. The exercised options were settled by delivery of 1,426,209 treasury shares held by AutoStore at an average price of NOK 19.9459 per share.

Appendices

Alternative Performance Measures (APMs)

To enhance investors' understanding of the company's performance, AutoStore presents certain alternative performance measures (APMs) as defined by the European Securities and Markets Authority ("ESMA") in the ESMA Guidelines on Alternative Performance Measures 2015/1057.

An APM is defined as a financial measure of historical or future financial performance, financial position or cash flows, other than a financial measure defined or specific in the applicable financial reporting framework (IFRS). The company uses APMs to measure operating performance and is of the view that the APMs provide investors with relevant and specific operating figures which may enhance their understanding of AutoStore's performance. The company uses the following APMs: adjusted EBIT, adjusted EBITDA, adjusted EBIT margin, adjusted EBITDA margin, EBIT, EBITDA, EBIT margin, EBITDA margin, simplified free cash flow and simplified free cash flow conversion, as further defined below.

The APMs presented below are not measurements of performance under IFRS or other generally accepted accounting principles, and investors should not consider any such measures to be an alternative to: (a) operating revenues or operating profit (as determined in accordance with IFRS or other generally accepted accounting principles) as a measure of AutoStore's operating performance; or (b) any other measures of performance under generally accepted accounting principles.

The APMs presented here may not be indicative of the company's historical operating results, nor are such measures meant to be predictive of AutoStore's future results. The company believes that the presented APMs are commonly reported by companies in the markets in which AutoStore competes and are widely used by investors to compare performance on a consistent basis without regard to factors such as depreciation, amortization and impairment, which can vary significantly depending on accounting measures (in particular when acquisitions have occurred), business practice or non-operating factors. Accordingly, AutoStore discloses the APMs presented here to permit a more complete and comprehensive analysis of its operating performance relative to other companies across periods, and of the company's ability to service its debt. Because companies calculate the presented APMs differently, AutoStore's presentation of these APMs may not be comparable to similarly titled measures used by other companies.

The company presents these APMs because it considers them to be important supplemental measures for prospective investors to understand the overall picture of profit generation through AutoStore's operating activities. Adjustments are non-IFRS financial measures that the group considers to be an APM, and these measures should not be viewed as a substitute for any IFRS financial measures.

The APMs used by AutoStore are set out below (presented in alphabetical order):

- Adjusted EBIT is defined as the profit/(loss) for the year/period before net financial income (expenses) and income tax expense (EBIT) adjusted for certain items affecting comparability and include adjustments for share-based compensation expenses and related payroll taxes, costs incurred in connection with sale and purchase of the group's shares, litigation costs incurred in connection with the Ocado Group litigation proceedings which includes costs related to the company's use of external legal counsel and costs related to settlement of all claims between the parties, cost to external advisors associated with refinancing of the group's debt facilities, and amortization of assets recognized as part of the purchase price allocation (PPA) made when THL acquired the group from EQT.
- Adjusted EBITDA is defined as the profit/(loss) for the year/period before net financial income (expenses), income tax expense, depreciation and amortization (EBITDA), adjusted for certain items affecting comparability and include adjustments for share-based compensation expenses and related payroll taxes, costs incurred in connection with sale and purchase of the group's shares, litigation costs incurred in connection with the Ocado Group litigation proceedings which includes costs related to the company's use of external legal counsel and costs related to settlement of all claims between the parties, and cost to external advisors associated with refinancing of the group's debt facilities.
- Adjusted EBIT margin is defined as adjusted EBIT as a percentage of revenues.
- Adjusted EBITDA margin is defined as adjusted EBITDA as a percentage of revenues.
- EBIT is defined as the profit/(loss) for the year/period before net financial income (expenses) and income tax expense.
- EBITDA is defined as the profit/(loss) for the year/period before depreciation, amortization, net financial income (expenses) and income tax expense.
- EBIT margin is defined as EBIT as a percentage of revenues.
- EBITDA margin is defined as EBITDA as a percentage of revenues.
- Simplified free cash flow is defined as adjusted EBITDA less cash CAPEX. Cash CAPEX used herein is cash flow used in purchase of property, plant and equipment, other intangible assets and development expenditures.
- Simplified free cash flow conversion is defined as simplified free cash flow divided by adjusted EBITDA.

Alternative Performance Measures (APMs)

Adjusted EBITDA[1]

	Second quarter		First half	
USD million	**2024**	**2023**	**2024**	**2023**
Profit/loss for the period	**44.7**	**-148.1**	**65.3**	**-128.3**
Income tax	12.6	-44.9	18.3	-39.2
Net financial items	10.9	9.7	21.9	29.1
EBIT	**62.6**	**-183.4**	**108.8**	**-138.4**
Depreciation	3.7	2.6	7.0	4.8
Amortization of intangible assets	13.5	12.3	27.1	24.8
EBITDA	**79.8**	**-168.5**	**142.9**	**-108.8**
Ocado Group litigation costs	0.0	252.8	0.4	258.3
Option costs	-4.6	2.8	-4.9	6.0
Total adjustments	**-4.6**	**255.6**	**-4.5**	**264.3**
Adjusted EBITDA[1]	**75.1**	**87.1**	**138.4**	**155.5**
Total revenue and other operating income	154.2	175.5	292.3	324.7
EBITDA margin	**51.8 %**	**-96.0 %**	**48.9 %**	**-33.5 %**
Adjusted EBITDA margin[1]	**48.7 %**	**49.6 %**	**47.3 %**	**47.9 %**

Adjusted EBIT[1]

	Second quarter		First half	
USD million	**2024**	**2023**	**2024**	**2023**
EBIT	**62.6**	**-183.4**	**108.8**	**-138.4**
Ocado Group litigation costs	0.0	252.8	0.4	258.3
Option costs	-4.6	2.8	-4.9	6.0
PPA amortizations	9.7	9.9	19.8	20.2
Total adjustments	**5.1**	**265.5**	**15.3**	**284.5**
Adjusted EBIT[1]	**67.7**	**82.1**	**124.1**	**146.1**
Total revenue and other operating income	154.2	175.5	292.3	324.7
EBIT margin	**40.6 %**	**-104.5 %**	**37.2 %**	**-42.6 %**
Adjusted EBIT margin[1]	**43.9 %**	**46.8 %**	**42.5 %**	**45.0 %**

[1] References are made to page 22 for explanations on the APM definitions and page 24 for explanations and details on the adjustments.

Adjustments

Ocado Group litigation	These comprise costs incurred in connection with the Ocado Group litigation, ie. costs linked to the company's use of external legal counsel and costs related to settlement of all claims between the parties. Adjustments only cover the litigation with Ocado Group, including costs connected to the settlement and associated legal fees. The company has assessed the adjustment item to be outside the normal course of the company's business, based on historical events.
Option costs	These comprise costs incurred in connection with the group's stock option schemes. The expenses are due to vesting and change in social security tax as a consequence of the development in the value of the underlying shares. The company has deemed these costs to constitute an adjustment item in terms of their nature and size.
PPA amortizations	These represent amortization of assets recognized as part of the purchase price allocation made when Thomas H. Lee Partners acquired the group from EQT. The company has deemed the transaction to constitute a special item, as it resulted from a change of ownership structure and hence no acquisitions were made by the company itself. No adjustments are made for PPA amortizations resulting from acquisitions through the company.

Definitions

3PL	Third-Party Logistic
APAC	Asia-Pacific
AS/RS	Automated Storage and Retrieval Systems
BDM	Business Development Managers
CGUs	Cash Generating Units
Company	AutoStore Holdings Ltd.
EMEA	Europe, the Middle East and Africa
HTP	High Throughput Warehouses
LTIP	Long-term Incentive Plan
MFC	Micro-Fulfillment Center
NAM	North America
Order backlog	Order backlog is defined as the total value of order intake not yet shipped and for which revenue has not yet been recognized
Order intake	Order intake is defined as value of projects where a distribution partner has received a purchase order or verbal confirmation that a specific installation will be ordered
PPA	Purchase Price Allocations, being the fair value adjustments resulting from business acquisitions where fair values are higher than carrying values of the acquired company
PSU	Performance Stock Unit
R&D	Research and Development
RSU	Restricted Stock Unit
Standard	Standard warehouses

AutoStore Holdings Ltd.

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