AutoStore

Quarterly Report
Q3 2021

Highlights for the Third Quarter

Financial Highlights

• AutoStore Holdings Ltd. (AutoStore) reported revenue in the third quarter of 2021 of USD 84.7 million (43.4), representing a growth of 95.2%.

• Reported EBIT was USD -26.3 million (6.5), significantly influenced by IPO transaction costs, social security tax on management options due to the increased market value of the company's shares, Ocado litigation costs, fees related to advisory services agreement terminated at IPO, and PPA amortizations.

• Adjusted EBITDA* was USD 42.3 million (22.6), corresponding to an adjusted EBITDA margin* of 50.0% (52.0%).

• Adjusted EBIT* was USD 39.8 million (21.3), corresponding to an adjusted EBIT margin* of 47.0% (49.1%).

• Simplified free cash flow* was USD 35.3 million (18.8), resulting in a cash flow conversion of 83.5% (83.5%).

• Order intake[1] in the third quarter of 2021 was USD 140.0 million (50.5), representing a growth of 177.1%. Order backlog[2] was USD 342.4 million (128.8) per third quarter of 2021.

Operational Highlights

• AutoStore announced StrongPoint ASA and Fives Group (headquartered in Norway and France, respectively) as new distribution partners, providing AutoStore market access and capacity in Nordic grocery and Southern European markets.

• AutoStore announced the redesign of the Carousel Port with new features and benefits for improved order fulfillment in evolving warehouses.

• AutoStore officially opened the Innovation Hub in August, with the purpose of strengthening the technology development and the position AutoStore holds within MFCs[3].

Subsequent Events

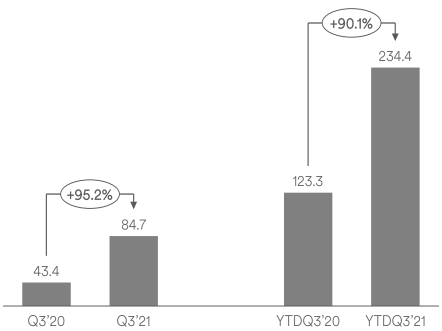
• On 20 October, AutoStore successfully listed on Oslo Børs under the ticker "AUTO".

• The International Trade Commission (ITC) in Washington, D.C. has set the deadline at 13 December 2021 to issue its initial determination in connection with the infringement action against Ocado Group Plc.

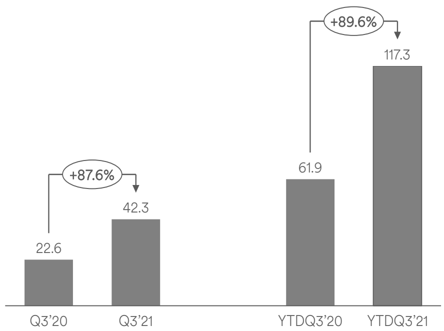
• As part of the IPO, AutoStore raised USD c. 315 million in new capital with main focus of reducing the leverage ratio with a post IPO estimate of around 2.5x/adjusted EBITDA*. AutoStore repaid in full the Second Lien facility of USD 183.5 million and partially repaid the First Lien Facility B EUR loan of EUR 290 million, where a total of EUR 46.0 million of the loan was repaid.

	Third quarter			YTD**			Year
USD million	2021	2020	Δ in %	2021	2020	Δ in %	2020
Revenue	84.7	43.4	95.2 %	234.4	123.3	90.1 %	182.1
EBIT	-26.3	6.5	-504.2 %	-42.6	13.2	-421.5 %	24.6
Adjusted EBITDA*	42.3	22.6	87.6 %	117.3	61.9	89.6 %	93.5
Adjusted EBITDA margin* (%)	50.0 %	52.0 %	-2.0 pp.	50.0 %	50.2 %	-0.2 pp.	51.3 %
Adjusted EBIT*	39.8	21.3	86.8 %	110.4	58.6	88.2 %	88.7
Adjusted EBIT margin* (%)	47.0 %	49.1 %	-2.1 pp.	47.1 %	47.6 %	-0.5 pp.	48.7 %
Simplified free cash flow*	35.3	18.8	87.6 %	97.3	50.2	93.8 %	73.9
Cash flow conversion (%)*	83.5 %	83.5 %	0.0 pp.	83.0 %	81.2 %	1.8 pp.	79.0 %
Order intake	140.0	50.5	177.1 %	422.5	152.3	177.5 %	240.1

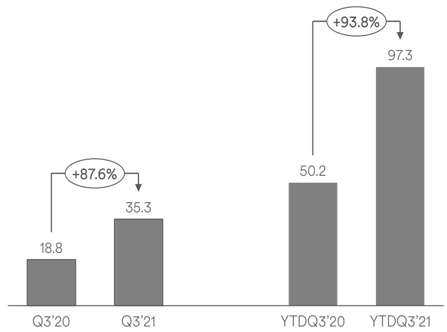
Revenue



Adjusted EBITDA*



Simplified FCF*



*Please refer to APM section for further details and definitions on APM measures.

**Throughout this report, YTD relates to the period from Q1 to Q3.

[1]Order intake is defined as projects where a Distribution Partner has received a purchase order or verbal confirmation that a specific installation will be ordered.

[2]Order backlog is defined as projects where a Distribution Partner or AutoStore has received a purchase order or verbal confirmation but the ordered goods have not yet been shipped.

[3]Micro Fulfillment Centers. MFCs are localized bespoke facilities in near proximity to the end-customer, often located in urban areas, with average facilities size of less than 20 thousand square feet. MFCs are particularly well-suited for grocery customers.

Letter from the CEO

"*AutoStore delivered another strong quarter with a revenue growth of 95.2%, an adjusted EBITDA margin of 50.0%, and an impressive order intake of USD 140.0 million, bringing our order backlog to exceed USD 340 million.*

AutoStore continues to benefit from a huge, underpenetrated market with high expected growth rates for fast cubic storage, driven by a strong macro backdrop of pressure on warehouse costs and productivity, acceleration in e-commerce growth, and labor shortages. We made significant progress in the quarter to further penetrate and grow this USD 230 billion addressable market for automated storage and retrieval systems, as we increased our market access in important regions, continued to gain market shares in the attractive markets within Micro Fulfillment Centres and High Throughput, and further developed our technological leadership.

On the partner side, we had the pleasure of announcing StrongPoint and Fives to our partner network. StrongPoint will increase our market access and relevance in grocery MFC in the Nordics, and Fives has a strong presence and market position in Southern Europe.

Our commitment to grow the MFC contribution of revenue is also underlined by the opening of our Innovation Hub, located in Karmøy, Norway, which is fitted with a combination of robotic technology and infrastructure for supply chain and retail facilities that cannot be found anywhere else in the world. The Innovation Hub will be able to test the solutions developed for global retailers and their storage and warehouse facilities, where we can simulate different situations and needs. This agile approach offers our customers a competitive market advantage, and places them at the heart of new innovations within the sector that can propel them forwards. One of the key features we showcase at the Innovation Hub, is the AutoStore capabilities within frozen products for MFC, bringing growth opportunities and relevance to the global grocery industry.

The order intake of USD 140.0 million in the quarter, representing a growth of close to 180% year-over-year, brings the order book to over USD 340 million. The growth and performance in the third quarter of 2021 highlights the momentum for AutoStore. We are confident in our ability to deliver solutions to sustain the revenue growth guided on, despite the current tight situation for certain parts and materials which we are facing. This situation will have some short-term impact on margins.

After closing of the quarter, the AutoStore team also had the pleasure of celebrating the successful listing on Oslo Børs which is the first step in what we expect to be a long and exciting journey as a public company. During the listing process, we met some of the most well-respected investors in the world and we are proud to welcome them as AutoStore shareholders. The feedback from the institutional investment community has been strong, as AutoStore is perceived as ideally suited to further capitalize on rapidly increasing global investments in e-commerce and automation. And the journey has just begun.

With this strong momentum, we see significant opportunities for growth acceleration going forward, and reiterate 2021 revenues of approximately USD 300 million and expect the 2022 revenues to exceed USD 500 million."

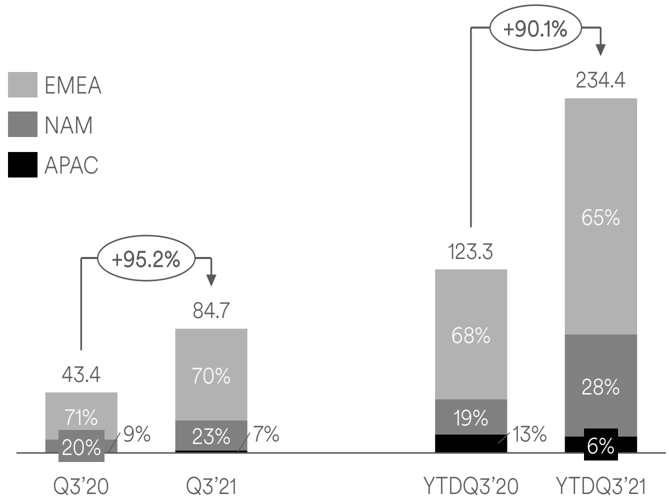
Karl Johan Lier

Karl Johan Lier,
CEO AutoStore

Other Metrics

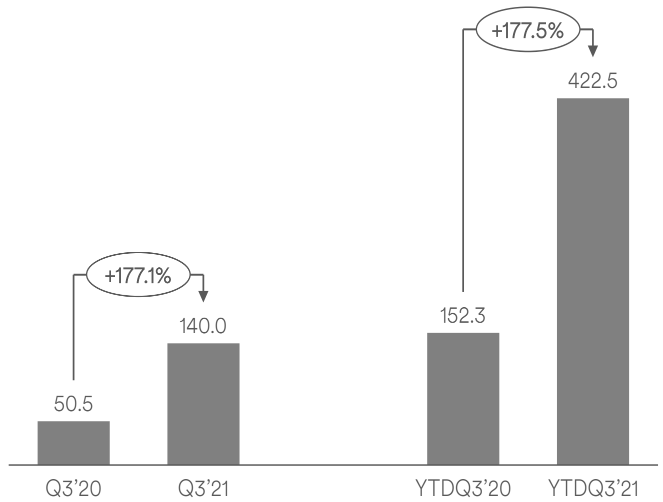
USD million

Revenue Breakdown* per Region



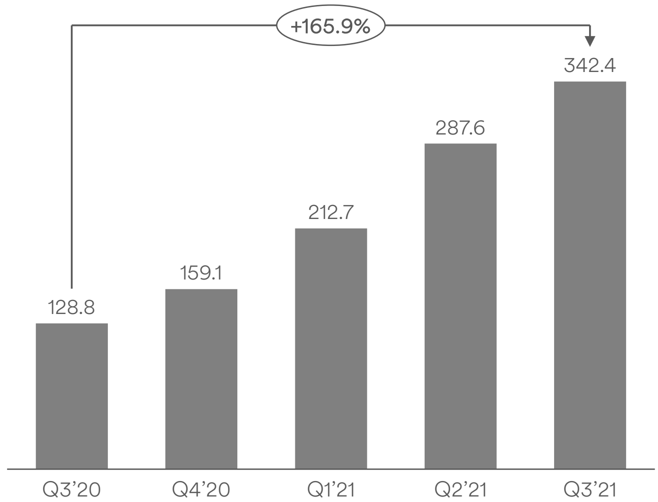
Revenue in EMEA[1] increased from USD 30.6 million in the third quarter of 2020 to USD 59.6 million in the same period in 2021, representing a growth of 94.4%. EMEA represented a share of 70.3% (70.5%) of total revenues in the third quarter of 2021. The group continued its North American expansion efforts in 2021, and increased its revenue in the third quarter of 2021 from USD 8.7 million to USD 19.5 million, corresponding to a growth of 123.4%. NAM[2] represented a share of 23.0% of total revenue per the third quarter of 2021, an increase from 20.1% in the corresponding period of 2020 (28.3% share of total revenues per YTD in 2021 versus 18.5% per YTD in 2020). AutoStore further ramped up the APAC expansion in 2021 by adding Asetec, SoftBank Robotics and Samsung to the partner network, providing a strong platform for growth and expansion. Revenue in APAC[3] increased by 39.1% to USD 5.7 million in the third quarter of 2021 from USD 4.1 million in the corresponding period in 2020, and represented 6.7% (9.4%) of total revenue in the same period.

Order Intake



The company has benefitted from growth in e-commerce during 2021, and the order intake[4] increased by 177.1% from USD 50.5 million in the third quarter of 2020 to USD 140.0 million in the third quarter of 2021. Order intake per YTD of 2021 was USD 422.5 million, compared to USD 152.3 million in the same period in 2020, corresponding to a growth of 177.5%. The significant growth in order intake is to a large extent driven by a shift and acceleration in the e-commerce penetration, which has increased the demand for efficient and automated logistic solutions, only expected to further develop with a USD 230 billion addressable market for automated storage and retrieval systems.

Backlog Development



Order backlog[5] increased to USD 342.4 million at the end of the third quarter of 2021, compared to USD 128.8 million at the end of the corresponding period in 2020, representing a year-over-year growth of 165.9%.

*Includes total revenue, incl. operating income.
[1]EMEA: Europe, the Middle East and Africa. Also includes a minor share of LatAm.
[2]NAM: North America.
[3]APAC: Asia-Pacific.

[4]Order intake is defined as projects where a Distribution Partner has received a purchase order or verbal confirmation that a specific installation will be ordered.
[5]Order backlog is defined as projects where a Distribution Partner or AutoStore has received a purchase order or verbal confirmation but the ordered goods have not yet been shipped.

Third Quarter 2021 Financial Development

AutoStore reported total revenue (including operating income) in the third quarter of 2021 of USD 84.7 million (43.4), representing a growth of 95.2%, following acceleration in the e-commerce market driving demand for efficient logistics and automation. The absolute majority of total revenue resulted from sale of the AutoStore system. Total revenue per YTD 2021 increased by USD 111.1 million to USD 234.4 million from the corresponding period of 2020, representing a growth of 90.1%. Please refer to section page 4 for further details on revenue breakdown per region.

Revenue and operating income	Third quarter		YTD		Year
USD million	2021	2020	2021	2020	2020
EMEA	59.6	30.6	153.4	84.3	110.6
NAM	19.5	8.7	66.3	22.9	45.7
APAC	5.7	4.1	14.7	16.1	25.8
Total revenue and operating income	**84.7**	**43.4**	**234.4**	**123.3**	**182.1**

Cost of materials increased to USD 29.1 million (12.5) in the third quarter of 2021, following the increased sales volume as well as price increases on aluminium.

Employee benefit expenses increased to USD 29.2 million (5.8) in the third quarter of 2021, primarily due to increased provision of social security tax on management options of USD 21.0 million due to increased market value of the company's shares. The expense was booked in the third quarter of 2021, and is considered by the company to be an adjustment item (please refer to APM section from page 27 for further details). In addition, employee expenses increased in the same period as a result of the group's growth strategy and capacity expansion, including an increase in the number of employees from 320 per the third quarter of 2020 to 528 per the third quarter of 2021.

Other operating expenses increased to USD 38.1 million (5.8) in the third quarter of 2021. The increase was mainly due to litigation costs of USD 11.0 million related to the Ocado IP infringement case, as well as IPO transaction costs and fees related to an advisory services agreement terminated at IPO, totaling USD 22.1 million. These costs were booked in the third quarter of 2021, and is considered by the company to be adjustment items (please refer to APM section from page 27 for further details).

EBITDA* for the third quarter of 2021 was USD -11.7 million (19.3), while the adjusted EBITDA*/adjusted EBITDA margin*, taking the adjustment items outlined above into account, was USD 42.3 million (22.6)/50.0% (52.0%). The main reason for the lower adjusted EBITDA margin* was higher aluminium prices. The adjustment items are in all material respects due to provision of social security tax on management options, litigation costs related to the Ocado IP infringement case, IPO transaction costs, and fees related to an advisory services agreement terminated at IPO. The expenses adjusted for are of a nature that is expected to reduce significantly in the near term future. Please refer to APM section from page 27 for further details on the adjusted EBITDA* and for complete APM definitions.

AutoStore reported USD 14.6 million (12.7) in depreciation and amortization in the third quarter of 2021, resulting in an EBIT of USD -26.3 million (6.5) and an adjusted EBIT* of USD 39.8 million (21.3). Development in adjusted EBIT* follows adjustments for adjusted EBITDA*, together with adjustments for amortization of certain PPA values.

EBIT*	Third quarter		YTD		Year
USD million	2021	2020	2021	2020	2020
Revenue	84.7	43.4	234.4	123.3	182.1
Cost of materials	-29.1	-12.5	-76.2	-35.8	-52.1
Employee benefit expenses	-29.2	-5.8	-80.3	-18.7	-26.2
Other operating expenses	-38.1	-5.8	-76.4	-19.2	-29.2
EBITDA*	**-11.7**	**19.3**	**1.3**	**49.6**	**74.7**
Adjusted EBITDA*	**42.3**	**22.6**	**117.3**	**61.9**	**93.5**
Depreciation	-1.1	-0.8	-3.3	-2.3	-3.3
Amortization of intangible assets	-13.5	-11.9	-40.6	-34.1	-46.8
EBIT	**-26.3**	**6.5**	**-42.6**	**13.2**	**24.6**
Adjusted EBIT*	**39.8**	**21.3**	**110.4**	**58.6**	**88.7**

*Please refer to APM section for further details and definitions on APM measures.

Net financial items for the third quarter of 2021 was USD -17.7 (-7.3) in the third quarter of 2020. Changes mainly relate to foreign exchange exposure on the group's long-term loans in currencies other than functional currency.

The loss before tax was USD 44.0 million (-0.8), while the loss for the period was USD 36.3 million (-0.6).

Net profit/loss	Third quarter		YTD		Year
USD million	2021	2020	2021	2020	2020
EBIT	**-26.3**	**6.5**	**-42.6**	**13.2**	**24.6**
Adjusted EBIT*	**39.8**	**21.3**	**110.4**	**58.6**	**88.7**
Finance income	0.0	1.4	3.0	0.1	0.1
Finance costs	-17.7	-8.8	-26.2	-85.3	-51.2
Loss before tax	**-44.0**	**-0.8**	**-65.8**	**-72.1**	**-26.6**
Income tax expense	7.7	0.2	12.2	14.9	5.5
Loss for the period	**-36.3**	**-0.6**	**-53.5**	**-57.1**	**-21.1**

AutoStore had a cash flow from operating activities of USD 21.4 million in the third quarter of 2021, a reduction from USD 28.5 million in the corresponding quarter of 2020. Cash flow from operating activities was reduced as a result of lower EBITDA contribution, partially off set by timing of incoming cash from accounts receivables and other payables related to social security tax on management options. Cash flow from investing activities was USD -7.0 million in the third quarter of 2021, compared to USD -3.7 million in the corresponding period in 2020, driven by R&D investments focused on further development and optimization of current and new product and software portofolio. The majority of the group's investments relate to R&D, which is classified as development expenditures in the cash flow statement. Cash flow from financing activities of USD -7.9 million in the third quarter mainly related to interest paid. The reduction of USD 71.6 million from the corresponding period in 2020 was driven by the repayment of the revolving credit facility of USD 71.0 million in the third quarter of 2020. The group held USD 56.4 million in cash at the end of the third quarter of 2021, increasing from USD 56.1 million at the end of the same quarter of 2020.

Cash flow	Third quarter		YTD		Year
USD million	2021	2020	2021	2020	2020
Cash flow from operating activities	21.4	28.5	47.4	78.1	83.5
Cash flow from investing activities	-7.0	-3.7	-25.0	-11.6	-19.3
Cash flow from financing activities	-7.9	-79.5	-15.3	-32.1	-40.1
Net change in cash and cash equivalents	**6.5**	**-54.7**	**7.1**	**34.4**	**24.1**
Cash and cash equivalents, beginning of period	50.7	110.3	50.1	23.0	22.5
Effect of change in exchange rate	-0.8	0.4	-0.9	-1.3	-0.7
Translation effect from change in currency from EUR to USD	-	-	-	-	4.1
Cash and cash equivalents, end of period	**56.4**	**56.1**	**56.4**	**56.1**	**50.1**

The group's total assets per 30 September 2021 was USD 2,002.5 million, reduced from USD 2,054.2 million per 31 December 2020, of which intangible assets and goodwill represented USD 608.1 million (644.1) and USD 1,230.0 million (1,256.0), respectively. Inventory grew to USD 34.6 million (29.1), while trade receivables and other receivables ended at USD 40.3 million (43.8) and USD 8.3 million (6.0), respectively. Cash and cash equivalents were USD 56.4 million at the end of the third quarter 2021, up from 50.1 at the end of 2020.

Equity decreased from USD 1,157.1 million at the end of 2020 to USD 1,081.7 million per 30 September 2021. Current liabilities increased to USD 107.2 million (46.7), highly impacted by the provision of social security tax on management options in the third quarter of 2021, as well as provision for the Ocado litigation costs. Non-current liabilities decreased from USD 850.4 million per 31 December 2020 to USD 813.6 million per 30 September 2021.

USD million	30 September 2021	31 December 2020
Goodwill	1 230.0	1 256.0
Intangible assets	608.1	644.1
Other non-current assets	24.9	25.0
Total non-current assets	**1 863.0**	**1 925.1**
Total current assets	**139.5**	**129.0**
Total assets	**2 002.5**	**2 054.2**
Total equity	**1 081.7**	**1 157.1**
Non-current interest-bearing liabilities	674.4	692.2
Other non-current liabilities	139.2	158.2
Current interest-bearing liabilities	2.6	2.8
Other current liabilities	104.6	43.8
Total liabilities	**920.8**	**897.0**
Total equity and liabilities	**2 002.5**	**2 054.2**

Operational Highlights for the Third Quarter of 2021

Partner network expanded with StrongPoint

AutoStore announced Norwegian-based StrongPoint ASA as a new partner with distribution rights in the Nordic and Baltic regions. StrongPoint will focus on the grocery retail sector, where micro fulfillment is becoming a key ingredient in retailers' long-term e-commerce strategy. The StrongPoint partnership provides AutoStore with market access, domain competence and capacity in the grocery retail market.

Partner network expanded with Fives

AutoStore announced the French company, Fives Group, as a new partner with distribution rights for Southern Europe in France, Italy, Spain, and Portugal. Fives designs and supplies machines, process equipment, and production lines for the world's largest industrial players in various sectors such as steel, aerospace, special machining, aluminium, automotive, cement, energy, logistics, and glass. The Fives partnership provides AutoStore with market access and capacity in the Southern European market. AutoStore is complementary to Fives' technology portfolio and will broaden their offering to support their customers in e-commerce, retail and other end markets solving omnichannel automation challenges.

Launch of CarouselPort 4.0

AutoStore announced the redesign of the CarouselPort with new features and benefits for improved order fulfillment in evolving warehouses. CarouselPort is designed to advance workstation productivity and operates in harmony with AutoStore robots to ensure coordination between robot and staff. The new CarouselPort 4.0 enables a lower operating cost by reducing maintenance, service requirements, and has increased labor efficiency through an improved user experience. The latest CarouselPort is suitable for those looking to have flexibility within an evolving warehouse space, with adaptable features such as the port controller.

Subsequent Events

Listing on Oslo Børs

AutoStore successfully listed on Oslo Børs under the ticker "AUTO" 20 October 2021. The offering was multiple times oversubscribed and raised NOK 2.7 billion at a valuation of NOK 103.5 billion.

The Ocado litigation

In October 2020, AutoStore filed patent infringement lawsuits in the United States and United Kingdom against Ocado Group Plc. and certain affiliates. AutoStore is seeking court orders barring Ocado and its partner, Tharsus Group, from manufacturing, importing, using or selling technology that infringes AutoStore's patents, as well as monetary damages. In 2021, Ocado filed counterclaims against AutoStore in the United States, the United Kingdom and Germany. The company expects a positive outcome of the cases particularly following a Norwegian court's determination that AutoStore owns patents covering the robots' central cavity technology, which belong to a patent family Ocado wrongly claimed entitlement of. AutoStore also believes that Ocado's counterclaims are not well-founded, and that the counterclaims are unlikely to result in significant economic loss to AutoStore. The International Trade Commission (ITC) in Washington, D.C. has set a deadline at 13 December 2021 to issue its initial determination in connection with the infringement action AutoStore brought against Ocado Group Plc. AutoStore will provide an update once the initial determination is received.

Refinancing of debt

As part of the IPO, AutoStore raised USD c. 315 million in new capital with main focus of reducing the leverage ratio with a post IPO estimate of around 2.5x/adjusted EBITDA*. On 8 November 2021, AutoStore repaid in full the Second Lien facility of USD 183.5 million and partially repaid the First Lien Facility B EUR loan of EUR 290 million by use of proceeds from the IPO. A total of EUR 46.0 million of the loan was repaid.

Outlook

AutoStore is an innovative robotic and software technology company, and a pioneer of cubic storage automation. The group operates in the rapidly growing warehouse automation industry, and in the even faster growing cube storage segment. AutoStore develops warehouse solutions for the future and helps its customers to enable space saving and increase performance, while reducing labor and energy costs. For more information about the company strategy and sustainability at AutoStore, please see page 24-26.

AutoStore has a strong position to leverage on the global megatrends within e-commerce and automation, where the rapidly growing e-commerce industry, a changing consumer demand, and the emergence of MFCs and the increased demand for automation, in addition to sustainable and efficient solutions, provides a strong platform for growth acceleration. The growth and performance highlights the momentum for AutoStore. The company is confident in the ability to deliver solutions to sustain the revenue growth guided on, despite the current tight situation for certain parts and materials which AutoStore is facing. This situation will have some short-term impact on margins.

The record-high order intake and order book provides the company with a significant revenue visibility and AutoStore expects revenues of approximately USD 300 million in 2021, growing to exceed USD 500 million in 2022, with a medium-term growth rate of ~40 percent.

Oslo, 23 November 2021

The Board of Directors of AutoStore Holdings Ltd.

James C. Carlisle
Chair

Kristin Skogen Lund
Board member

Hege Skryseth
Board member

Viveka Ekberg
Board member

Andreas Hansson
Board member

Michael K. Kaczmarek
Board member

Nils Magnus Tornling
Board member

Samuel Merksamer
Board member

Ram Trichur
Board member

Karl Johan Lier
CEO

Interim Condensed Consolidated Financial Information

Interim Condensed Consolidated Statement of Comprehensive Income

		Third quarter		YTD**		Year
USD million	Notes	2021	2020*	2021	2020*	2020*
Revenue	2.1	83.8	43.0	232.2	122.2	180.6
Other operating income		0.9	0.4	2.2	1.1	1.6
Total revenue and other operating income		**84.7**	**43.4**	**234.4**	**123.3**	**182.1**
Cost of materials		-29.1	-12.5	-76.2	-35.8	-52.1
Employee benefit expenses	5.2	-29.2	-5.8	-80.3	-18.7	-26.2
Other operating expenses	5.4	-38.1	-5.8	-76.4	-19.2	-29.2
Depreciation		-1.1	-0.8	-3.3	-2.3	-3.3
Amortization of intangible assets	3.1	-13.5	-11.9	-40.6	-34.1	-46.8
Operating profit/loss		**-26.3**	**6.5**	**-42.6**	**13.2**	**24.6**
Finance income	4.2	0.0	1.4	3.0	0.1	0.1
Finance costs	4.2	-17.7	-8.8	-26.2	-85.3	-51.2
Loss before tax		**-44.0**	**-0.8**	**-65.8**	**-72.1**	**-26.6**
Income tax expense		7.7	0.2	12.2	14.9	5.5
Loss for the period		**-36.3**	**-0.6**	**-53.5**	**-57.1**	**-21.1**
Other comprehensive income/loss						
Items that subsequently may be reclassified to profit or loss:						
Exchange differences on translation of foreign operations	4.2	-32.2	25.5	-36.0	-86.9	30.9
Total items that may be reclassified to profit or loss		-32.2	25.5	-36.0	-86.9	30.9
Other comprehensive income/loss for the period		**-32.2**	**25.5**	**-36.0**	**-86.9**	**30.9**
Total comprehensive income/loss for the period		**-68.5**	**24.9**	**-89.5**	**-144.1**	**9.8**
Loss attributable to:						
Equity holders of the parent		-36.3	-0.6	-53.5	-57.1	-21.1
Total comprehensive income/loss attributable to:						
Equity holders of the parent		-68.5	24.9	-89.5	-144.1	9.8
Earnings per share						
Basic earnings per share (USD)		-0.011	-0.000	-0.017	-0.018	-0.007
Diluted earnings per share (USD)		-0.011	-0.000	-0.017	-0.018	-0.007

*Restated to reflect the change in presentation currency from EUR to USD (note 1.2).

**YTD relates to the period from Q1 to Q3.

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements.

The Interim Condensed Consolidated Statements have not been subject for audit or review.

Interim Condensed Consolidated Statement of Financial Position

USD million	Notes	30 September 2021	31 December 2020*
ASSETS			
Non-current assets			
Property, plant and equipment		10.6	10.4
Right-of-use assets		10.9	13.2
Goodwill	3.1	1 230.0	1 256.0
Intangible assets	3.1	608.1	644.1
Deferred tax assets		2.1	1.2
Other non-current assets		1.4	0.2
Total non-current assets		**1 863.0**	**1 925.1**
Current assets			
Inventories		34.6	29.1
Trade receivables		40.3	43.8
Other receivables		8.3	6.0
Cash and cash equivalents		56.4	50.1
Total current assets		**139.5**	**129.0**
TOTAL ASSETS		2 002.5	2 054.2
EQUITY AND LIABILITIES			
Equity			
Share capital	4.1	36.0	35.2
Share premium		1 149.9	1 139.1
Other equity		-104.1	-17.2
Total equity		**1 081.7**	**1 157.1**
Non-current liabilities			
Non-current interest-bearing liabilities	4.2	674.4	692.2
Non-current lease liabilities		12.3	14.7
Deferred tax liabilities		117.3	134.2
Non-current provisions	5.2	9.6	9.3
Total non-current liabilities		**813.6**	**850.4**
Current liabilities			
Trade and other payables		28.3	28.5
Interest-bearing liabilities	4.2	2.6	2.8
Lease liabilities		3.6	3.7
Income tax payable		0.5	0.1
Provisions	5.2	72.3	11.5
Total current liabilities		**107.2**	**46.7**
Total liabilities		**920.8**	**897.0**
TOTAL EQUITY AND LIABILITIES		2 002.5	2 054.2

*Restated to reflect the change in presentation currency from EUR to USD (note 1.2).

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements.

The Interim Condensed Consolidated Statements have not been subject for audit or review.

Interim Condensed Consolidated Statement of Changes in Equity

USD million	Share capital	Share premium	Other equity: Other capital reserves	Other equity: Cumulative translation differences	Retained earnings	Total equity
Balance at 1 January 2021*	**35.2**	**1 139.1**	**4.3**	**20.9**	**-42.4**	**1 157.1**
Loss for the period	-	-	-	-	-53.5	-53.5
Other comprehensive loss	-	-	-	-36.0	-	-36.0
Total comprehensive loss	**-**	**-**	**-**	**-36.0**	**-53.5**	**-89.5**
Issue of share capital (note 4.1)	0.2	10.7	-	-	-	11.0
Exercise of share options (note 4.1)	0.5	-	-	-	-	0.5
Share-based payments	-	-	2.6	-	-	2.6
Balance at 30 September 2021	**36.0**	**1 149.9**	**6.9**	**-15.0**	**-96.0**	**1 081.7**

USD million	Share capital	Share premium	Other equity: Other capital reserves	Other equity: Cumulative translation differences	Retained earnings	Total equity
Balance at 1 January 2020*	**35.2**	**1 139.1**	**-**	**-10.0**	**-21.4**	**1 143.0**
Loss for the period	-	-	-	-	-57.1	-57.1
Other comprehensive loss	-	-	-	-86.9	-	-86.9
Total comprehensive loss	**-**	**-**	**-**	**-86.9**	**-57.1**	**-144.1**
Issue of share capital (note 4.1)	-	0.1	-	-	-	0.1
Share-based payments	-	-	3.4	-	-	3.4
Balance at 30 September 2020*	**35.2**	**1 139.1**	**3.4**	**-96.9**	**-78.5**	**1 002.3**

USD million	Share capital	Share premium	Other equity: Other capital reserves	Other equity: Cumulative translation differences	Retained earnings	Total equity
Balance at 1 January 2020*	**35.2**	**1 139.1**	**-**	**-10.0**	**-21.4**	**1 143.0**
Loss for the period	-	-	-	-	-21.1	-21.1
Other comprehensive income	-	-	-	30.9	-	30.9
Total comprehensive loss	**-**	**-**	**-**	**30.9**	**-21.1**	**9.8**
Issue of share capital (note 4.1)	-	0.1	-	-	-	0.1
Share-based payments	-	-	4.3	-	-	4.3
Balance at 31 December 2020*	**35.2**	**1 139.1**	**4.3**	**20.9**	**-42.4**	**1 157.1**

*Restated to reflect the change in presentation currency from EUR to USD (note 1.2).

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements.
The Interim Condensed Consolidated Statements have not been subject for audit or review.

Interim Condensed Consolidated Statement of Cash Flow

		Third quarter		YTD**		Year
USD million	Notes	2021	2020*	2021	2020*	2020*
Cash flow from operating activities						
Loss before tax		-44.0	-0.8	-65.8	-72.1	-26.6
Adjustments to reconcile loss before tax to net cash flow:						
Depreciation and amortization		14.6	12.8	43.9	36.4	50.1
Share-based payment expense	5.2	0.2	0.7	2.6	3.4	4.0
Finance income	4.2	-	-1.4	-3.0	-0.1	-0.1
Finance costs	4.2	17.7	8.8	26.2	85.3	51.2
Working capital adjustments:						
Changes in inventories		-3.3	-2.6	-5.5	-6.1	-4.6
Changes in trade and other receivables		10.8	9.4	-3.3	41.2	20.8
Changes in trade and other payables		-4.3	2.8	-0.2	-4.7	5.8
Changes in provisions and other liabilities		30.9	-0.8	56.9	-0.3	-1.5
Other items						
Tax paid		-1.3	-0.3	-4.4	-5.0	-15.6
Net cash flow from operating activities		**21.4**	**28.5**	**47.4**	**78.1**	**83.5**
Cash flow from investing activities						
Purchase of property, plant and equipment		-0.6	-1.4	-1.9	-4.2	-6.0
Proceed from sale of property, plant and equipment		-	-	-	-	0.2
Purchase of shares in subsidiaries, net of cash	5.1	-	-	-5.0	-	-
Development expenditures	3.1	-6.4	-2.3	-18.0	-7.4	-13.6
Interest received		-	-	-	0.1	0.1
Net cash flow from investing activities		**-7.0**	**-3.7**	**-25.0**	**-11.6**	**-19.3**
Cash flow from financing activities						
Proceeds from issuance of equity		-	-	11.0	0.1	0.1
Proceeds from issuance of debt	4.2	-	-	-	67.2	-
Repayment of revolving credit facility		-	-71.0	-	-71.0	-
Repayment of short-term debt	4.2	-	-	-	-	-3.7
Payments of principal for the lease liability		-0.7	-0.4	-2.1	-0.9	-2.1
Payments of interest for the lease liability		-0.2	-0.2	-0.7	-0.4	-0.8
Interest paid		-7.0	-7.9	-23.6	-27.1	-33.7
Net cash flow from financing activities		**-7.9**	**-79.5**	**-15.3**	**-32.1**	**-40.1**
Net change in cash and cash equivalents		6.5	-54.7	7.1	34.4	24.1
Effect of change in exchange rate		-0.8	0.4	-0.9	-1.3	-0.7
Cash and cash equivalents, beginning of period		50.7	110.3	50.1	23.0	22.5
Translation effect from change in currency from EUR to USD		-	-	-	-	4.1
Cash and cash equivalents, end of period		**56.4**	**56.1**	**56.4**	**56.1**	**50.1**

*Restated to reflect the change in presentation currency from EUR to USD (note 1.2).
**YTD relates to the period from Q1 to Q3.

The accompanying notes are an integral part of these Interim Condensed Consolidated Financial Statements.
The Interim Condensed Consolidated Statements have not been subject for audit or review.

Notes to the Interim Condensed Consolidated Financial Statements

Note 1 Background

1.1 Corporate information

The AutoStore Group ("the group") is an innovative robotic and software technology provider, and a pioneer of cubic storage automation. The group operates in the rapidly growing warehouse automation industry, and in the even faster growing cube storage segment. AutoStore develops warehouse solutions for the future and helps its customers to enable space saving and increase performance, while reducing labor and energy costs.

The parent company of the group is AutoStore Holdings Ltd., a public limited company listed on Oslo Børs in October 2021 (note 5.5). AutoStore Holdings Ltd. was incorporated in Bermuda on 31 August 2021, and has become the new parent company of the group, as a consequence of an internal reorganization prior to the listing of the group (note 5.5). 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.

The internal reorganization of the group was carried out in October 2021, i.e. after the period covered by this interim report. The financial information related to the group for the financial year ended 31 December 2020 and for the nine months period ended 30 September 2021, has therefore been derived from the financial statements of the company's wholly owned subsidiary, Automate Holding S.à r.l., which was the group's parent company at 30 September 2021. AutoStore Holdings Ltd. is considered a continuity of Automate Holding S.à r.l. for the purpose of financial reporting, which means that AutoStore Holdings Ltd.'s consolidated accounts incorporates the assets and liabilities of the existing group at their precombination carrying amounts. Thus, the financial information for the periods presented within this interim report will not be different from what is presented as historical figures for AutoStore Holdings Ltd. going forward.

Automate Holdings S.à r.l. is a private limited company incorporated and domiciled in Luxembourg. The address of its registered office is 6, rue Eugène Ruppert, L - 2453 Luxembourg. Automate Holdings S.à r.l. was incorporated on 28 May 2019.

Reference is made to note 6.1 in the group's consolidated financial statements for the year ended 31 December 2020 for a list of subsidiaries, where the largest entity is AutoStore AS which is registered in Norway. In Q1 2021, the group incorporated a subsidiary in Spain and acquired Locai Solutions in the US. Further, in Q2 2021, the group incorporated a new subsidiary in Italy.
The unaudited interim condensed consolidated financial statements of Automate Holdings S.à r.l. for the three and nine months ended 30 September 2021 were authorized for issue in accordance with a resolution of the Board of Directors on 23 November 2021.

1.2 Basis of preparation

The unaudited interim condensed consolidated financial statements for the three and nine months ended 30 September 2021 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 of Automate Holdings S.à r.l., and should be read in conjunction with the group's consolidated financial statements for the year ended 31 December 2020.

In 2021, the Group has changed its presentation currency from EUR to USD to provide the primary users of the financial statements with more convenient information. The change has been accounted for fully retrospectively as a change in accounting policies. Income and expenses as well as other comprehensive income were translated to USD at the respective average exchange rates (EUR/USD) prevailing for the relevant period. Assets, liabilities and total equity were translated at closing exchange rates (EUR/USD) prevailing on the balance sheet date. Share capital and share premium were translated with historical rates.

The functional currency of Automate Holdings S.à r.l. is EUR, while the new parent company AutoStore Holdings Ltd. has USD as its functional currency. With the exception of the change in presentation currency, 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 2020. The group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The following amendments and interpretations apply for the first time in 2021, but do not have a material impact on the unaudited interim condensed consolidated financial statements of the group:

• Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform - Phase 2
• Amendments to IFRS 4: Deferral of IFRS 9

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 (with reference to the relevant notes in the group's consolidated financial statements for the year ended 31 December 2020):

Estimates and assumptions:
• Impairment testing of goodwill and trademarks (note 3.5)
• Useful lives of intangible assets (note 3.4 and note 6.2)
• Share-based payments (note 5.2)

Accounting judgments:
• Determination of CGUs (note 3.5 and note 6.2)
• Capitalization of development costs (note 3.4)
• Accounting for group internal reorganization pre-IPO (note 1.1)

Further, the Group has not experienced any significant impact on its business due to COVID-19. Despite the pandemic situation, sales have been stable and the group continues to have a strong liquidity situation.

Note 2 Operating performance

2.1 Revenue from contracts with customers

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

	Third quarter		YTD		Year
USD million	2021	2020	2021	2020	2020
Major products and services					
AutoStore system	83.7	42.2	231.9	119.6	180.6
Rendering of services	0.1	0.8	0.3	2.6	0.0
Total revenue	**83.8**	**43.0**	**232.2**	**122.2**	**180.6**
Geographic information					
Nordics	17.5	10.8	48.7	26.9	30.8
Germany	19.0	10.8	49.8	24.1	35.4
Europe, excl. Nordics and Germany	22.2	8.7	53.5	32.6	43.5
USA	19.3	8.1	64.2	22.2	43.6
Asia	5.6	4.2	14.6	16.0	25.6
Other	0.2	0.4	1.5	0.5	1.8
Total revenue	**83.8**	**43.0**	**232.2**	**122.2**	**180.6**
Timing of revenue recognition					
Goods transferred at a point in time*	82.4	41.3	226.8	116.8	176.9
Goods and services transferred over time*	1.4	1.8	5.4	5.4	3.8
Total revenue	**83.8**	**43.0**	**232.2**	**122.2**	**180.6**

*Starting on 1 January 2021, recurring license fees are presented as part of "goods and services transferred over time" while presented as "goods transferred at a point in time" before that. USD 0.93 million in Q3 2020 and USD 2.78 million in YTD 2020 have been correspondingly adjusted. This is only a presentational change, and total revenue recognized for all periods presented, remains unchanged.

2.2 Segment information

The chief operating decision maker (CODM) of AutoStore group, which is defined as the Board, 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 margin and EBITDA. Total revenue is measured consistently with the total of revenue and other operating income in the unaudited interim condensed consolidated statement of comprehensive income, while gross margin and EBITDA are defined below.

	Third quarter		YTD		Year
USD million	2021	2020	2021	2020	2020
Revenue	83.8	43.0	232.2	122.2	180.6
Other operating income	0.9	0.4	2.2	1.1	1.6
Total revenue	**84.7**	**43.4**	**234.4**	**123.3**	**182.1**
Cost of materials	-29.1	-12.5	-76.2	-35.8	-52.1
Gross margin	**55.6**	**30.9**	**158.1**	**87.5**	**130.0**
Employee benefit expenses	-29.2	-5.8	-80.3	-18.7	-26.2
Other operating expenses	-38.1	-5.8	-76.4	-19.2	-29.2
EBITDA	**-11.7**	**19.3**	**1.3**	**49.6**	**74.7**

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

Other operating expenses significantly increased in Q3 and YTD 2021 compared to Q3 and YTD 2020 mainly due to costs related to the Ocado IP infringement case (note 5.3), as well as IPO transaction costs and fees related to advisory services agreement terminated at IPO (note 5.4). Employee benefit expenses significantly increased in Q3 and YTD 2021 compared to Q3 and YTD 2020 due to increased social security provisions on options (share-based payments) recognized as a result of the increased underlying share price of the group (see note 5.2).

	Third quarter		YTD		Year
USD million	2021	2020	2021	2020	2020
Loss for the period	**-36.3**	**-0.6**	**-53.5**	**-57.1**	**-21.1**
Income tax expense	-7.7	-0.2	-12.2	-14.9	-5.5
Finance income	-0.0	-1.4	-3.0	-0.1	-0.1
Finance costs	17.7	8.8	26.2	85.3	51.2
Depreciation	1.1	0.8	3.3	2.3	3.3
Amortization of intangible assets	13.5	11.9	40.6	34.1	46.8
EBITDA	-11.7	19.3	1.3	49.6	74.7

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.

Note 3 Asset base

3.1 Intangible assets

Recognized goodwill of the group is derived from the business combination of AutoStore in 2019 (please refer to the group's consolidated financial statements for the year ended 31 December 2020 for more information). Additionally, USD 9.2 million of new goodwill was recognized in Q1 2021 from the acquisition of Locai (see note 5.1 for more information). There was no further goodwill recognized during the nine months ended 30 September 2021.

At the acquisition of AutoStore in 2019, the group recognized intangible assets for: R&D, technology, trademarks, patents and customer relations. Subsequently, the group has recognized intangible assets comprising of internal development projects related to the AutoStore system. New additions recognized during the nine months ended 30 September 2021 related to USD 18.0 million of internal development costs (of these, USD 6.2 million from Q3) and USD 3.6 million of software and technology related to the Locai acquisition in Q1 2021 (see note 5.1).

USD million	Goodwill	Trade marks	Software and technology	Patents rights	Customer relation-ships	Internal devel-opment	Total
Acquisition cost 31 December 2020	**1 256.0**	**6.9**	**470.4**	**90.2**	**125.6**	**19.4**	**1 968.5**
Additions through acquisitions	9.2	-	3.6	-	-	-	12.7
Additions	-	-	-	-	-	18.0	18.0
Currency translation effects	-35.2	-0.2	-12.1	-2.2	-1.8	-0.4	-51.9
Acquisition cost 30 September 2021	**1 230.0**	**6.7**	**461.9**	**87.9**	**123.8**	**36.9**	**1 947.4**
Accumulated amortization 31 December 2020	**-**	**-**	**25.5**	**6.8**	**34.3**	**1.7**	**68.4**
Amortization for the period	-	-	14.1	3.8	19.1	3.6	40.6
Currency translation effects	-	-	0.1	0.0	0.3	-	0.3
Accumulated amortization 30 September 2021	**-**	**-**	**39.7**	**10.6**	**53.7**	**5.3**	**109.3**
Carrying amount 31 December 2020	**1 256.0**	**6.9**	**444.9**	**83.4**	**91.3**	**17.7**	**1 900.2**
Carrying amount 30 September 2021	**1 230.0**	**6.7**	**422.2**	**77.4**	**70.2**	**31.6**	**1 838.1**
Economic life (years)	Indefinite		25	18	5	5	
Amortization plan	N/A			Straight-line			

The group performed its annual impairment test for goodwill and intangible assets with indefinite lives in December 2020 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 for the different cash-generating units were disclosed in the group's consolidated financial statements for the year ended 31 December 2020.

The group considers the relationship between the estimated market capitalization of the group and its book value when reviewing for indicators of impairment. In addition, the group considers the industry growth, impact of general economic conditions, the group's market share and performance compared to previous forecasts in this assessment, among other factors. No indication of impairment for the group's intangible assets was identified during the nine months ended 30 September 2021 and hence no impairment testing has been performed. This is evidenced by the group's listing on Oslo Børs in October 2021 (reference is made to note 5.5), where the group's shares traded at a price much higher than book value.

Note 4 Financial instruments and equity

4.1 Share capital and shareholder information

Issued capital and reserves:

Share capital in Automate Holdings S.à r.l.	Number of shares authorized and fully paid	Par value per share (EUR)	Financial Position (USD)
At 1 January 2020	**3 162 987 200**	**0.01**	**35 241 911**
Share issue at 3 January 2020	330 000	0.01	1 672
At 30 September 2020	**3 163 317 200**	**0.01**	**35 243 583**
At 1 January 2021	**3 163 317 200**	**0.01**	**35 243 583**
Share issue at 4 January 2021	9 279 444	0.01	114 100
Share issue at 22 January 2021	9 810 000	0.01	119 270
Share issue at 13 April 2021 (exercise of share options)	41 113 780	0.01	489 090
At 30 September 2021	**3 223 520 424**	**0.01**	**35 966 043**

The table above shows the shares in Automate Holdings S.à r.l. as of 30 September 2021 (the parent of the group prior to the internal reorganization and the group's listing, with reference to note 5.5).

Reconciliation of the group's equity is presented in the Statement of Changes in Equity.

The group's shareholders:

Shareholders of the group (Automate Holdings S.à r.l.)	Total shares	Ownership	Voting rights
THL Fund VIII	2 742 630 900	87%	87%
Other investors	420 686 300	13%	13%
At 1 January 2021	**3 163 317 200**	**100%**	**100%**
THL Fund VIII	1 638 390 532	51%	51%
Alpha LP	1 314 076 591	41%	41%
Other investors	271 053 301	8%	8%
At 30 September 2021	**3 223 520 424**	**100%**	**100%**

The ultimate parent of the group

The group is at 30 September 2021 ultimately controlled by THL fund VIII, which is managed by THL Partners. The other majority shareholder of the group is Alpha LP, ultimately controlled by SoftBank Group Corp. References are made to note 5.5 for new shareholder information as a result of the group's listing in October 2021.

Distribution to shareholders

The group did not pay dividends to shareholders during the nine months period ended 30 September 2021 or the nine months period ended 30 September 2020. There are no proposed dividends as at the date of authorization of this interim report.

	Third quarter		YTD		Year
Weighted average number of shares	**2021**	**2020**	**2021**	**2020**	**2020**
Weighted average number of ordinary shares for basic EPS	3 223 520 424	3 163 317 200	3 208 889 319	3 163 313 587	3 163 314 495
Weighted average number of ordinary shares adjusted for the effect of dilution*	3 223 520 424	3 163 317 200	3 208 889 319	3 163 313 587	3 163 314 495

*Same as for basic EPS due to negative results.

4.2 Interest-bearing liabilities

USD million	Interest rate	30 September 2021	31 December 2020
Senior Facilities: Facility B (EUR)*	EURIBOR+3.25%	335.8	355.9
Senior Facilities: Facility B (USD)*	LIBOR+4.00%	167.0	167.0
Facilities: Second Lien (SL) Facility*	LIBOR+7.75%	183.6	183.6
Capitalized fees - Facility B + SL Facility		-12.0	-14.2
Total non-current interest-bearing loans and borrowings		**674.4**	**692.2**

*The Facilities have an interest rate floor of 0%, as such the base rate may not be negative.

The Senior Facilities: Facility B is due at 30 July 2026 and Facilities: Second Lien is due at 30 July 2027.

Please refer to note 5.5 for details on refinancing at 8 November 2021.

USD million	Interest rate	30 September 2021	31 December 2020
Senior Facilities: Facility B (EUR)*	EURIBOR+3.25%	0.9	0.9
Senior Facilities: Facility B (USD)*	LIBOR+4.00%	0.5	0.6
Facilities: Second Lien Facility*	LIBOR+7.75%	1.2	1.3
Total current interest-bearing loans and borrowings		**2.6**	**2.8**

*The Facilities have an interest rate floor of 0%, as such the base rate may not be negative.

The Senior Facilities: Facility B (EUR) + Facility B (USD) + Revolving Facility and Second Lien Facility, together the Credit Agreement, were negotiated during 2019 in connection with the acquisition of Terminator Bidco AS by the group. The Credit Agreement was signed on 22 July 2019 and the group received the funds on 31 July 2019. The group has a revolving credit facility in place which may be drawn at any time up to 70 EUR million. The revolving facility bears interest at a rate of EURIBOR +3.00%.

The group drew EUR 60 million from the revolver in Q1 2020 and subsequently repaid the loan in Q3 2020.

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

Please refer to note 5.5 for details on refinancing at 8 November 2021.

Finance income and costs

	Third quarter		YTD		Year
USD million	2021	2020	2021	2020	2020
Finance income	0.0	1.4	3.0	0.1	0.1
Finance costs	-17.7	-8.8	-26.2	-85.3	-51.2
Net finance income/cost	**-17.7**	**-7.3**	**-23.2**	**-85.3**	**-51.1**
Foreign currency gain/loss included above	-9.9	1.4	3.0	-55.9	-11.9

Net finance income/cost for Q3 2021 was USD -17.7 million (YTD USD -23.2 million) compared to USD -7.3 million in Q3 2020 (YTD USD -85.3 million). The large changes are mainly related to foreign exchange exposure on the group's long-term loans in currencies other than functional currency. In Q3 2021, the group has recognized a FX loss of USD 9.9 million compared to a gain of USD 1.4 million in Q3 2020. YTD 2021, on the other hand, the currency development has been more beneficial than YTD 2020. YTD 2020, the group recognized major foreign exchange losses, mainly due to NOK depreciating significantly against USD and EUR upon the arrival of the COVID-19 pandemic in Europe. In 2021, the development in the NOK exchange rate has been stronger, especially compared to EUR, and the group has regained much of the loss recognized YTD 2020. For information on the group's foreign currency risk management, see note 4.7 in the group's consolidated financial statements for the year ended 31 December 2020.

Exchange differences on translation of foreign operations (other comprehensive income)

The exchange differences relate to the translation of results and financial position of subsidiaries with functional currency different to USD presentation currency. As the group has large net investments in subsidiaries with NOK functional currency, the depreciation of NOK compared to USD has resulted in negative translation differences being recognized both in Q3 2021 (USD -32.2 million) and YTD 2021 (USD -36.0 million). However, the fluctuations were larger YTD 2020 where the group recognized negative translation differences of USD - 86.9 million.

Note 5 Other disclosures

5.1 Business combinations

Name	Acquisition date	% of voting equity instruments acquired	Fair value of consideration (USD million)
Locai Solutions, Inc	25 January 2021	100%	12.0

On 25 January 2021, the group signed an agreement to acquire all shares in Locai Solutions Inc. through its subsidiary AutoStore Systems Inc. Locai is a software company located in Delaware, US, providing Digital Commerce platforms to the grocery market based on AI and machine learning technology. The acquisition of Locai broadens AutoStore's offerings to include order fulfillment and warehouse management software for stand-alone AutoStore solutions. The acquisition was accounted for as a business combination under IFRS 3.

The consideration comprised of shares issued by the company of USD 7.0 million and 5.0 million in cash. Based on the preliminary Purchase Price Allocation (PPA), the group has recognized USD 3.6 million in software and technology, USD 9.2 million in goodwill and USD 0.8 million in deferred taxes. Goodwill includes the value of expected synergies arising from the acquisition and assembled workforce, which are not separately recognized. None of the goodwill recognized is expected to be deductible for income tax purposes.

From the date of acquisition, Locai Solutions Inc. contributed USD 0.36 million of revenue and USD 0.08 million to profit before tax of the group. If the combination had taken place at the beginning of the year, revenue and profit before tax of the group would have been the same. Transaction costs of USD 0.6 million were expensed and are included in other operating expenses.

5.2 Share-based payments

	Third quarter		YTD	
USD million	2021	2020	2021	2020
Expense arising from equity-settled share-based payment transactions	0.2	0.7	2.6	3.4
Total expense arising from share-based payment transactions	**0.2**	**0.7**	**2.6**	**3.4**

Due to the increase in the group's estimated underlying share price (valued at EUR 3.05/NOK 31 per share which corresponds to the company's final offer price of the IPO with reference to note 5.5), the group's social security tax provision (SST) increased by USD 21.2 million from Q2 to Q3 in 2021, recognized as employee benefit expenses. In total YTD 2021, the group has recognized SST provisions of USD 53.8 million related to the option program, of which USD 12.2 millon were paid in May 2021 related to options exercised.

Movements during the period

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

Number of, and movements in, share options	YTD 2021 Number	YTD 2020 Number
Outstanding at 1 January	**163 071 600**	**146 431 641**
Granted during the period	266 529	16 639 959
Forfeited during the period	-	1 663 996
Exercised during the period*	49 887 080	-
Expired during the period	-	-
Outstanding at 30 September	**113 451 049**	**161 407 604**
Exercisable at 30 September	80 275 288	29 702 267

*The exercised options all had a strike price of EUR 0.33 and the share price on the date of exercise was EUR 1.8. These were exercised on 13 April 2021. As part of the listing on 20 October 2021, an additional number of 24,750,308 options were exercised, at a share price of EUR 3.05/NOK 31, making remaining outstanding options 88,700,741, of which 63% are fully vested.

For more information on the share option program, reference is made to the group's consolidated financial statements for the year ended 31 December 2020.

5.3 Commitments and contingencies

In October 2020, AutoStore filed patent infringement lawsuits in the United States and the United Kingdom against Ocado Group Plc. and certain affiliates. AutoStore is seeking court orders barring Ocado and its partner, Tharsus Group, from manufacturing, importing, using or selling technology that infringes AutoStore's patents, as well as monetary damages. In 2021, Ocado filed counterclaims against AutoStore in the United States, the United Kingdom and Germany.

The group expects a positive outcome of the cases particularly following a Norwegian Court's determinaton that AutoStore owns patents covering the robots' central cavity technology, which belong to a patent family Ocado wrongly claimed entitlement of. The group also believes that Ocado's counterclaims are not well-founded, and that the counterclaims are unlikely to result in significant economic loss to AutoStore. Estimating the financial effect is not practicable. As at 30 September 2021, the group has made provisions only for expected litigation costs.

On 4 November 2021, the International Trade Commission (ITC) informed the group that it had set a new deadline of 13 December 2021 to issue its initial determination of the group's infringement claims against Ocado Group Plc. and Tharsus Group.

5.4 Related parties transactions

The table below provides the total amount of transactions that have been entered into with related parties (outside the group) for the relevant periods. The transactions relate to management fee paid to majority owners for advisory services to the group. The agreement was terminated in connection with the IPO (see note 5.5), and the group has recognized a termination fee in accordance with the contract.

	Third quarter		YTD		Year
USD million	2021	2020	2021	2020	2020
Total management fee	-12.4	-0.9	-13.0	-1.8	-2.3

5.5 Subsequent events

Listing on Oslo Børs

On 20 October 2021, AutoStore Holdings Ltd. announced the successful completion of its initial public offering (IPO) on Oslo Børs.

The shares of AutoStore Holdings Ltd. were priced at NOK 31 per share in the offering. The price implied a market capitalization of approximately NOK 103.5 billion, making AutoStore the biggest Norwegian IPO for the past 20 years. AutoStore sold 87,096,774 treasury shares in connection with the offering, raising an amount of NOK 2.7 billion. Thomas H. Lee Partners (THL) sold a total of 429,711,244 shares in the offering, thus retaining an ownership of approximately 36.21% in AutoStore. EQT sold a total of 47,003,638 shares in the offering, thus retaining an ownership of approximately 3.96% in AutoStore. Automate Investment AS and Automate Investment II AS (being the current holding companies of employee shareholders) sold a total of 2,869,972 shares in the offering, thus retaining an ownership of approximately 2.01% in AutoStore.

In connection with the IPO, management exercised 24,750,308 options (see note 5.2 for more information).

Ocado litigation

On 4 November 2021, the International Trade Commission (ITC) informed the group that it had set a new deadline of 13 December 2021 to issue its initial determination of the group's infringement claims against Ocado Group Plc. and Tharsus Group. For further information, please refer to note 5.3.

Internal reorganization

In October 2021, the group conducted an internal reorganization to facilitate the listing of AutoStore Holdings Ltd. The internal reorganization resulted in AutoStore Holdings Ltd. being the new parent company of the group. The former shareholders of Automate Holdings S.à r.l contributed their shares and ultimately ended up with the same number of shares in AutoStore Holdings Ltd. as they previously held in Automate Holdings S.à r.l . The capital reorganization will be recognized as a continuity (see note 1.1. for more information).

Share capital of AutoStore Holdings Ltd.

Subsequent to the internal reorganization and IPO, the authorized share capital of AutoStore Holdings Ltd. is USD 42,500,000, consisting of 4,250,000,000 shares, each with a par value of USD 0.01, of which 3,428,540,429 shares have been validly and legally issued and fully paid. Following the company's sale of treasury shares in the IPO and delivery of shares to the option holders exercising their vested share options, the number of shares validly and legally issued is 3,333,712,365 shares (excluding the treasury shares) and the number of treasury shares is 94,828,064 shares.

Refinancing of debt

As part of the IPO, AutoStore raised USD c. 315 million of new capital with main focus of reducing leverage ratio, with a post IPO estimate of around 2.5x/EBITDA.

- As at 8 November 2021, AutoStore repaid in full the Second Lien facility of USD 183.5 million with use of the IPO proceeds
- As at 8 November 2021, AutoStore partially repaid the First Lien / Facility B EUR loan of EUR 290 million by use of proceeds from the IPO. A total of EUR 46 million of the loan was repaid.

Compensation to the Board of Directors

External members of the Board of Directors of AutoStore Holdings Ltd. are partly compensated through option instruments, RSU (restricted stock options), granted upon the parent company's IPO 20 October 2021. The instruments were valued at NOK 0.45 million at the time of the IPO, yielding 14,516 shares. Vesting period is two years from grant date.

Appendices

AutoStore in Brief

Founded in 1996, AutoStore is an innovative robotic and software technology company, and the pioneer of cubic storage automation, the densest warehouse order-fulfillment solution available today. The group operates in the rapidly growing warehouse automation industry, and in the even faster growing cube storage segment. AutoStore benefits from a large addressable market of which only 15% of the addressable market is currently being served by automated storage and retrieval solutions.

The company believes its products and services have transformed the automated warehouse sector and defined the automated cube storage segment. In particular, through the products and services AutoStore provides, the company seeks to directly address the challenges facing the rapidly growing e-commerce, retail and logistics industries where the need to automate picking and to streamline processes is critical, of which 90% of such work is currently done manually. Over the course of 25 years of dedicated research and development of standardized modular products, AutoStore has developed proprietary technology incorporating advanced concepts in artificial intelligence, mobility, navigation and storage to build what it believes to be industry-leading cube storage solutions. AutoStore's current suite of products for both its Red Line and Black Line systems comprise a complete goods-to-person system and forms the core of AutoStore's product offering. In addition to revenue generated by installations of AutoStore's systems to new customers, the company generates repeat revenue from the sale of additional systems to existing customers, extension of systems to existing sites, licensing of AutoStore's proprietary technology, sale of spare parts and the provision of consulting services to customers seeking to maximize the benefits of their AutoStore systems.

The company believes the AutoStore system provides a significant ROI for customers by reducing personnel needs and enabling space saving. Typically, an AutoStore solution provides a payback period of one to three years, calculated based on initial capital expenditure, yearly maintenance fees, expected throughput and yearly labor savings. Certain customers have effectively a zero payback period as a result of the significant space saving the system can provide. This payback period is faster than a typical shuttle system that has a payback period of approximately four to five years. The faster payback primarily results from the fact that AutoStore systems require lower initial capital expenditure and yearly maintenance capital expenditure compared to typical shuttle systems. The ROI calculations do not include the benefits of easy scalability or flexibility of AutoStore systems which results in greater ROI compared to typical shuttle systems in warehouses with complex layouts or those planning to expand.

Strategy

AutoStore's strategy builds on its competitive strengths and provides the framework for it to achieve strong growth over the coming years. The company intends to rapidly invent, design, market and support innovative technologies and software that will expand the usage of the AutoStore system in existing and newly addressable markets. AutoStore expects that these strategies will bring further growth capacity, shorter delivery times and increased supplier diversification. Key elements of the company's strategy to achieve these objectives include:

Penetrate new markets – including MFCs

The company is focused on strengthening its micro fulfillment offering, which represents a central area of growth in the industry the company serves. AutoStore believes its technology is well-suited for these fulfillment centers given that its systems significantly increase the storage area and reduce retrieval times involved with each delivery, offering a full end-to-end solution. The company believes that its WMS software provides the best solution particularly for customers in the grocery MFC segment, including multi warehouse management and integration of MFCs with centralized fulfillment operations.

For example, under AutoStore's systems, associates can consolidate e-commerce orders in less than ten minutes and decide to put them back in the system for customers to collect them at any time. AutoStore's offering also provides fully customizable solutions based on standard blocks, helps maximize inventory at hand while saving floor space, increases display of fresh products and reduces the need for aisles even though it allows for an increased assortment of products.

As a result, AutoStore believes it is well positioned to capitalize on the growth of the micro fulfillment offering, and is taking active steps to strengthen its MFCs contribution of revenue. AutoStore is focused on further development of its automated solutions, including with respect to efficient storage of pre-picked orders and customer facing ports for self-collection of online orders. In addition, the company has invested R&D resources in WMS feature development. Further to its innovation and development efforts, the company has increased its numbers of BDMs in order to address specific commercial capacity needs and expertise required to solve problems unique to the MFC segment. Finally, in further efforts to strengthen its MFC offering, the company has created a separate MFC business unit to allow for end-to-end customer journey as well as established dedicated client managers who will continue to maintain customer relationships post-sale as an integral part of the MFC offering. AutoStore expects that as its MFC customer base increases, revenue from existing customers will also grow.

AutoStore believes its ability to expand in the MFC market, is supported by its established track-record, as well as its current strategy, of innovation.

Expand in APAC and North America

AutoStore is rapidly growing throughout Asia-Pacific and North America regions, and plans to pursue a continued expansion of its operations and customer base within these regions.

In each region, AutoStore is focused on right sizing of the local go-to-market strategy as well as adding local supply capacity. The growth experienced by the company has been driven by the increasing number of partners and BDMs. In addition to increasing the number of distribution partners, the company continues to strengthen its BDM program.

AutoStore also benefits from its relationship with SoftBank, one of its largest shareholders. SoftBank has over 200 portfolio companies and has a strong presence in the APAC region. The company's relationship with SoftBank provides a significant opportunity to increase access to Asia-Pacific customers. In addition, SoftBank Robotics is a leading service robotics company and the company's global partnership with this company presents an opportunity for significant synergies on robotic products and AI/ML solutions. To allow for further growth in North America and APAC, the company intends to leverage a diversified base of suppliers and its asset-light assembly model, which requires limited investment to increase capacity, to expand its local assembly footprints, increase purchase capacity of aluminum and bins, and grow its local supplier base in targeted regions.

AutoStore believes its expansion in these regions is firmly underpinned by the same structural trends that drive the need for automation and AutoStore's solutions in other markets where the company has an established presence.

New product innovation

In addition to geographic expansion, the company plans to continue expanding its R&D operations in order to further develop and optimize new product innovation, and desires to provide world-class solutions. The company believes that continuous product development and innovation has been central to AutoStore's historical growth and will continue to be essential in the future. For example, the company's focus on R&D has driven the Red Line to now be in its 5th generation, and has led to various software breakthroughs, such as the AutoStore Router, the Cloud Simulator, and the expansion of WMS capabilities.

In addition to the company's recent R&D spending and hiring of R&D employees, AutoStore intends to further increase the amount of money spent for R&D and the number of R&D employees hired. The company intends to continue to improve and invest in R&D to make its products more compelling.

Increase WMS revenue

The company believes that its WMS provides users with market-leading capabilities. AutoStore's WMS provides users with a cloud native, multi-tenant platform, modern and scalable application programming interface-driven architecture and order consolidation, inventory and labor management tools. AutoStore's WMS, in combination with AutoStore's cubic storage solution, provides the best end-to-end user experience and functionality.

The company also believes that the AutoStore WMS can result in several benefits, including opening up access to additional data to allow for further innovation, further increasing customer stickiness and layering in additional recurring revenues. The company intends to start by focusing on WMS for grocery MFC first, given it is the fastest growing section, as well as the most nuanced markets in order to make AutoStore WMS the industry standard across all end-markets.

Increase offerings through M&A (software/ product additions)

For proprietary products that the company cannot, or has yet to, produce on its own, the company believes that strategic acquisitions serve as a method of improving its product offering and expanding its TAM. The company assesses M&A opportunities based on a set of M&A criteria, which includes whether (i) such opportunity expands TAM and use-cases or strengthens its existing proposition, (ii) it integrates with its existing offering and (iii) the in-house development of such product would be more costly and time-consuming. The company continually assesses the market for innovative players and services, and will seek to enhance innovation through the purchase of desirable software and technologies, or businesses that own the rights to those technologies. The company anticipates any horizontal expansion to be for both software and hardware technology for AutoStore AS/RS systems or AutoStore WMS. Additionally, the company believes that a vertical expansion would mainly be for software, or potentially hardware products that are not currently part of its systems and can provide differentiation.

Sustainability at AutoStore

AutoStore is dedicated to improving sustainability and working conditions for customers across any industry as ESG is engrained in AutoStore's DNA. AutoStore is continuously working towards improving sustainability and is focused on providing environmentally friendly and energy efficient solutions.

The company's ESG initiatives are also focused on employee wellbeing, health and safety, and ensuring AutoStore's corporate governance encapsulates its core values of integrity and responsibility.

The company is continuously working to reduce the overall environmental footprint of both itself and its customers. AutoStore's systems are highly energy efficient, and the bins and materials from the AutoStore systems are all recyclable at the end of life. Additionally, the density of AutoStore's products allows up to a 75% reduction in storage space, reducing emissions from electricity, heating and construction.

AutoStore's systems consume 85-90% less energy than competing solutions and manual handling. Further, each of the AutoStore products are made of durable materials ensuring a long lifespan, as evidenced by the fact that none of the AutoStore systems has been removed from production to date.

The company is continuously looking for ways to improve its environmental impact. AutoStore intends to further develop the energy efficiency of its products and solutions and reduce the environmental footprint of its office locations. The company also hopes to make itself accountable for energy consumption that occurs outside of the organization, and thus enable itself to report on energy consuming activities occurring up- and downstream. Finally, AutoStore plans to initiate climate accounting on direct and indirect emissions, and source sustainable materials for AutoStore production to further minimize waste and material use.

The company is also focused on providing a welcoming and productive working environment for its employees, as AutoStore employees are key to delivering excellent results. AutoStore utilizes a Working Environment Committee (WEC), which is responsible for ensuring satisfactory health, safety and environment working conditions and employee welfare. The company also issues an annual workforce environment survey in order to continuously monitor and improve working conditions. A 2021 AutoStore Employee Engagement Survey found AutoStore employees to be highly satisfied and driven. This survey was set on a scale of 1-6, and produced scores ranging from 4.95 to 5.42, for work environment aspects such as job satisfaction, growth and belonging, control of work environment, and management. The results of this survey also produced an overall "Excellent" (Net Promoter Score) score of 79 (on a scale of 1-100), indicating AutoStore is highly promoted by engaged and motivated employees.

The company also dedicates itself to knowing and understanding the health and safety status of its employees and customers by setting and diligently following up on yearly targets. Finally, AutoStore is actively working towards emphasizing diversity and non-discrimination in its work environment.

AutoStore works to incorporate its core values of responsibility and integrity into its corporate governance. The company has a clear and dedicated focus on mitigating indirect and direct ethical risks throughout its global operations. AutoStore is enabled by a strong corporate culture, combined with awareness training and good governance mechanisms. To ensure its governing structure is as updated and effective as possible, the company regularly monitors good corporate governance, anti-corruption policies, and human and labor rights. The company aims to create a clear allocation of responsibility across its organization. AutoStore's corporate executive management is responsible for AutoStore's strategy, development and day-to-day work, as well as compliance with legislation and regulations and AutoStore's Code of Conduct (the "Code of Conduct"). Managing directors are responsible for implementing and enforcing the Code of Conduct in their respective companies. Department managers are responsible for implementing and enforcing the Code of Conduct in their respective departments.

The company has set key business ethics and anti-corruption targets. AutoStore plans to set up regular e-learning with respect to its Code of Conduct for both new and existing employees. The company intends to communicate its anti-bribery policy to distribution partners and suppliers more proactively, and ensure such information is included in contracts with new suppliers. In addition, AutoStore intends to establish an anonymous and external whistle-blowing channel to further its goal of promoting a safe working environment. The company is also dedicated to ensuring its ESG reporting is in accordance with the Global Reporting Initiative (GRI) standard.

Risks and Uncertainty Factors

AutoStore is exposed to risk and uncertainty factors, which may affect some or all the group's activities. AutoStore is exposed to financial, market and operational risk. In addition, there is risk related to technology, implementation and execution of current and future products, and the COVID-19 situation. There are no significant changes in the risks and uncertainty factors, nor how these risks are managed. This is described in the prospectus distributed in October in connection with the IPO.

Alternative Performance Measures (APMs)

In order 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 APMs: Adjusted EBIT, adjusted EBITDA, adjusted EBIT margin, adjusted EBITDA margin, EBIT, EBITDA, EBITDA margin, simplified free cash flow, and simplified free cash flow conversion, as further defined below.

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

The company has presented these APMs because it considers them to be important supplemental measures for prospective investors to understand the overall picture of profit generation in 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 litigation proceedings which mainly are due to the company's use of external legal counsel, fees from terminated agreement related to previous ownership structure for consultation and advisory services regarding strategic and growth initiatives launched following completion of acquisition, 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 litigation proceedings which mainly are due to the company's use of external legal counsel, fees from terminated agreement related to previous ownership structure for consultation and advisory services regarding strategic and growth initiatives launched following completion of acquisition, 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 before net financial income (expenses) and income tax expense.
- EBITDA is defined as the profit/(loss) for the year before net financial income (expenses), income tax expense, depreciation and amortization.
- 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 and development expenditures.
- Simplified free cash flow conversion is defined as simplified free cash flow divided by adjusted EBITDA.

Alternative Performance Measures (APMs)

Adjusted EBIT*

USD million	Third quarter 2021	Third quarter 2020	YTD 2021	YTD 2020	Year 2020
EBIT	**-26.3**	**6.5**	**-42.6**	**13.2**	**24.6**
Ocado litigation costs	11.0	0.9	26.3	3.4	8.2
Transaction costs	9.7	-	21.2	0.1	0.2
Option costs	21.0	1.5	55.5	6.2	7.5
Management fees related to previous ownership structure	12.4	0.9	13.0	1.8	2.3
Refinancing costs	-	0.1	-	0.6	0.6
PPA amortizations	12.0	11.5	37.0	33.2	45.3
Total adjustments	**66.1**	**14.8**	**152.9**	**45.4**	**64.1**
Adjusted EBIT*	**39.8**	**21.3**	**110.4**	**58.6**	**88.7**
Total revenue	84.7	43.4	234.4	123.3	182.1
EBIT margin*	**-31.0%**	**15.0%**	**-18.2%**	**10.7%**	**13.5%**
Adjusted EBIT margin*	**47.0 %**	**49.1 %**	**47.1 %**	**47.6 %**	**48.7 %**

Adjusted EBITDA*

USD million	Third quarter 2021	Third quarter 2020	YTD 2021	YTD 2020	Year 2020
Loss/profit for the period	**-36.3**	**-0.6**	**-53.5**	**-57.1**	**-21.1**
Income tax	-7.7	-0.2	-12.2	-14.9	-5.5
Net financial items	17.7	7.3	23.2	85.3	51.1
EBIT	**-26.3**	**6.5**	**-42.6**	**13.2**	**24.6**
Depreciation	1.1	0.8	3.3	2.3	3.3
Amortization of intangible assets	13.5	11.9	40.6	34.1	46.8
EBITDA*	**-11.7**	**19.3**	**1.3**	**49.6**	**74.7**
Ocado litigation costs	11.0	0.9	26.3	3.4	8.2
Transaction costs	9.7	-	21.2	0.1	0.2
Option costs	21.0	1.5	55.5	6.2	7.5
Management fees related to previous ownership structure	12.4	0.9	13.0	1.8	2.3
Refinancing costs	-	0.1	-	0.6	0.6
Total adjustments	**54.0**	**3.3**	**115.9**	**12.2**	**18.8**
Adjusted EBITDA*	**42.3**	**22.6**	**117.3**	**61.9**	**93.5**
Total revenue	84.7	43.4	234.4	123.3	182.1
EBITDA margin*	**-13.8 %**	**44.4 %**	**0.6 %**	**40.3 %**	**41.0 %**
Adjusted EBITDA margin*	**50.0 %**	**52.0 %**	**50.0 %**	**50.2 %**	**51.3 %**

*Please refer to page 27 for APM definitions and page 29 for further details on the adjustments.

Adjustments

Ocado litigation costs	Comprise costs incurred in connection with the Ocado litigation proceedings, costs which are due to the company's use of external legal counsel. Adjustments only include the litigation with Ocado, hence no other legal costs are included in adjusted numbers. The nature of the adjustment item has been assessed by the company to reduce the comparability between historic and future periods, and outside the normal course of the company's business, based on historical events.
Transaction costs	Comprise of external costs incurred in connection with sale and purchase of the group's shares, including the IPO. The nature of these costs have been assessed by the company as special items, as the costs are outside the company's normal course of business.
Option costs	Comprise costs incurred in connection with the group's stock option scheme. The expenses in the third quarter are due to accelerated vesting and social security tax as a consequence of increase in value of the underlying shares related to the IPO. The nature and the size of the costs has been assessed by the company as a special item.
Management fees related to previous ownership structure	Comprise fees of an advisory services agreement regarding strategic and growth initiatives related to previous ownership structure. The agreement was terminated at the IPO, 20 October 2021, and there will be no further costs related to this item.
Refinancing costs	Comprise external legal costs incurred in connection with the refinancing of the group's debt facilities. The nature of this cost has been assessed by the company as a special item.
PPA amortizations	Represents amortization of assets recognized as part of the purchase price allocation made when THL acquired the group from EQT. The nature of the transaction has been assessed by the company as a special item, as it resulted from a change of ownership structure and hence no acquisitions were made by the company itself. PPA amortizations resulting from acquisitions through the company are not adjusted for.

Definitions

3PL	Third-Party Logistic
APAC	Asia-Pacific
AS/RS	Automated Storage and Retrieval Systems
BDM	Business Development Management
CAGR	Compound Annual Growth Rate
CGUs	Cash Generating Units
Company	AutoStore Holdings Ltd
EMEA	Europe, the Middle East and Africa. Also includes a minor share of LatAm
HTP	High Throughput Warehouses
IPO	Initial Public Offering
MFC	Micro-Fulfillment Center
NAM	North America
Order backlog	Projects where a Distribution Partner or AutoStore has received a purchase order or verbal confirmation but the ordered goods have not yet been shipped
Order intake	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
R&D	Research and Development
ROI	Return on Investment
Standard	Standard warehouses
TAM	Total Adressable Market
WMS	Warehouse Management System

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