

Letter to Investors and Stakeholders

Dear Investors and Stakeholders,

2021 has been one of the most eventful years in Autostore's history. The year started with a slight decrease in result and revenue due to supply difficulties and Covid limiting the opportunities for physical installation of new warehouse logistics systems. But is closing in on doubling the revenue from last year, currently at **90% increase** in 3rd quarter from same quarter last year.

This year **Softbank** acquired a **40%** share in Autostore, helping to accelerate Autostore's growth, accelerating the move towards an IPO only half a year later raising **315 MUSD** in capital to expand growth even further.

While covid-19 in 2020 increased the need for Autostore's solutions, 2021 has been the year where Autostore has been able to take advantage of the increased demand, Autostore's order book stands at **2000 orders**, almost three times current total installations, while our current capacity only allows us to fulfill **10% of these during the next 12 months**. And development during 2020 has expanded not only the demand for Autostore's exciting solutions but increased the potential market by expanding the variations of warehouse logistics systems offered.

The new solutions focusing on any type of storage need, moving from strictly warehouse logistics and robotics, the new solutions focus on smaller retail locations, effectively increasing storage opportunities in stores, while also improving the goods handling efficiency, reducing the frequency need for restocking. The grocery market is in need of a faster solution than the in-store pickers, and a dedicated high efficiency order fulfillment system is absolutely critical for this industry. Autostore's solution for grocery stores even allow for direct pickup from customer to a delivery point from the system, allowing for truly contactless pickup.

Coming from a country with historical a shortage of blue-collar workers the last 50 years, Autostore has been able to develop and grow from a market where automation have had a positive public attitude, second highest number of people positive towards automation in the world at **66%**, along with a low availability of land for warehouse and storage. These two factors are two of the ground pillars that continues to guide development. And now markets with a more hostile view of automation in relation to jobs are experiencing high labor shortages in roles and industries that Autostore's solutions can help make more efficient, the US currently has a shortage of **490,000** workers for warehouses and fulfilment, **1,200,000** workers in retail, where Autostore's newest solutions focuses, as **14%** of workers in the retail industry deal with in-store goods logistics.

Autostore's net results so far in 2021 has been negative due to one-time costs of the IPO, and the high cost of Autostore's legal case against Ocado. The legal proceedings are starting to close in **December 2021**. Currently the market is pricing in a positive ruling for Autostore, and any potential negative ruling for Autostore will only result in covering legal costs for Ocado.

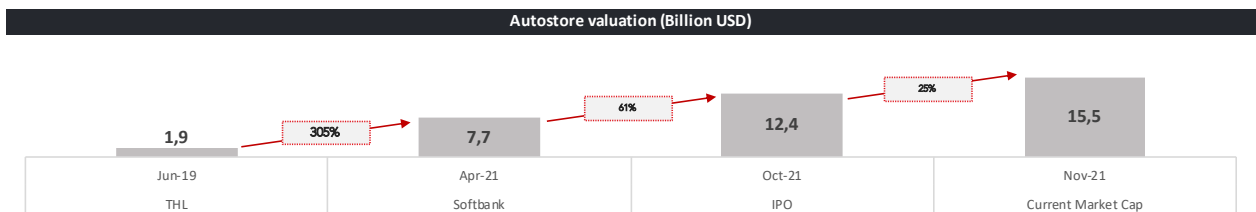
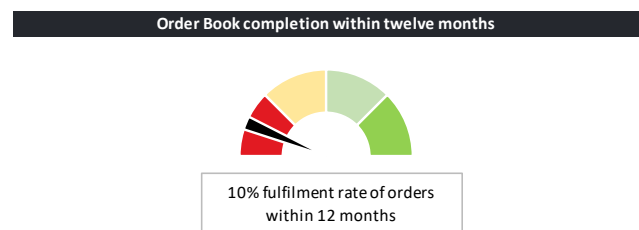
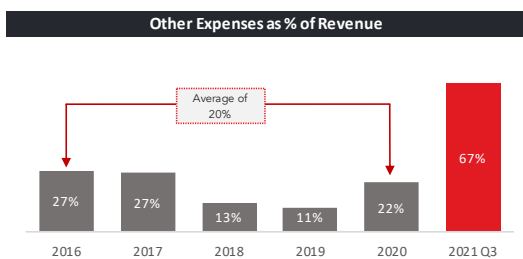
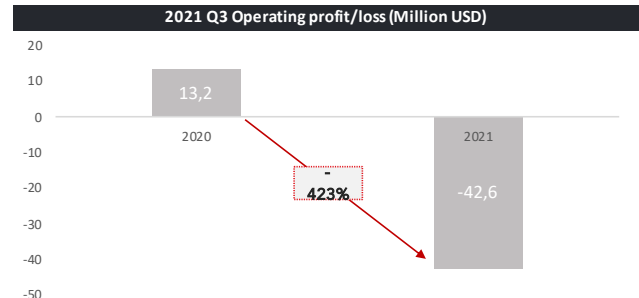
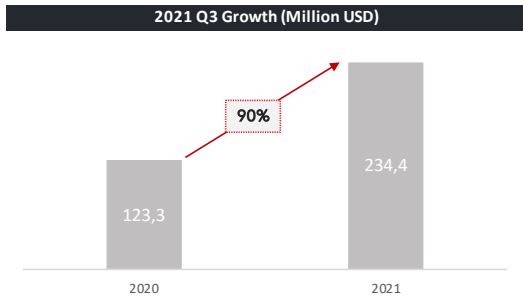
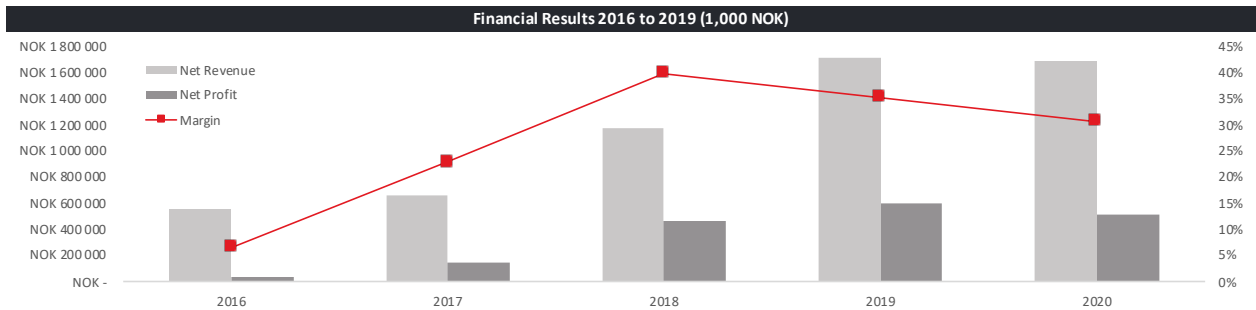
Cube storage automation the basis of Autostore's logistics solutions is continuing to gain popularity, and while Autostore is looking to branch into a larger part of the whole supply chain. New startups are gaining traction in 2021, Autostore's largest competitor in the US recently raised 200 MUSD for their version of cube storage micro fulfillment. Showing that there is high belief from investors in systems based on Autostore's original invention. While Autostore itself has seen its valuation increase more than sevenfold (**715%**) since 2019.

Moving into the new year

To fulfill the potential and promise of the IPO Autostore will focus on:

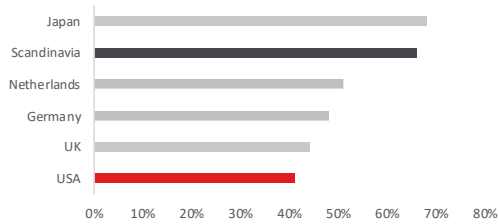
1. Continuing the focus and development of micro-fulfillment centers (MFCs).
2. Utilizing Softbank's network to increase presence in Asia.
3. Utilizing capital raised through the IPO to increase production and delivery capacity to be able to fulfill order book at a faster pace.

Yours sincerely,
Lars Marius Strømberg Jappée

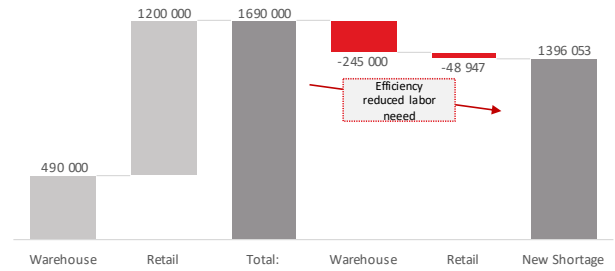


Graph basis
Financial Results 2016 to 2019:
Pre IPO financials based on public available data.
Other Expenses as % of Revenue:
Based on Employee benefit expenses and other operating expenses, which is reported to include legal fees and IPO cost.
Order Book completion within twelve months:
Self reported order book, and self reported expected completion.
Autostore valuation in Billion USD:
From last two sales of shares pre IPO, IPO and current market cap

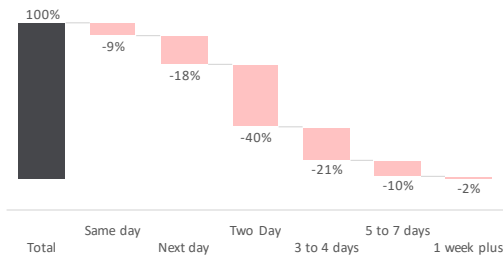
Positive Attitude Towards Automation (% of Population)



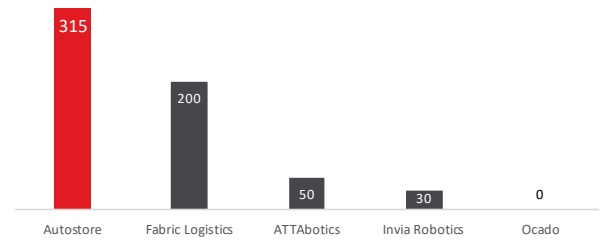
US worker shortage and Autostore reduction in need



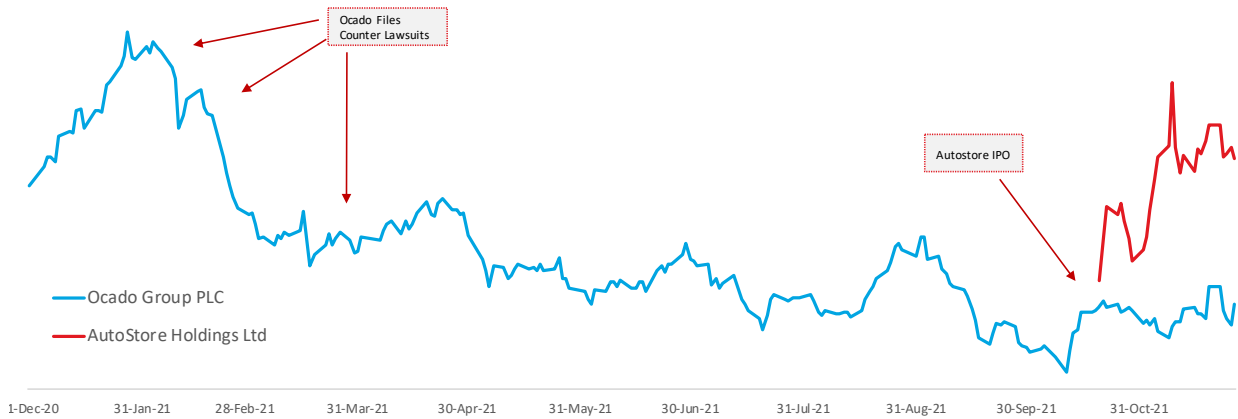
Loss of customers by reduction in e-commerce fulfilment time



Capital Raised in 2021 (Million USD)



YTD Stock Price Development



AutoStore