



Half Year Results

18th July 2023



The Chairman's Overview

Rick Haythornthwaite





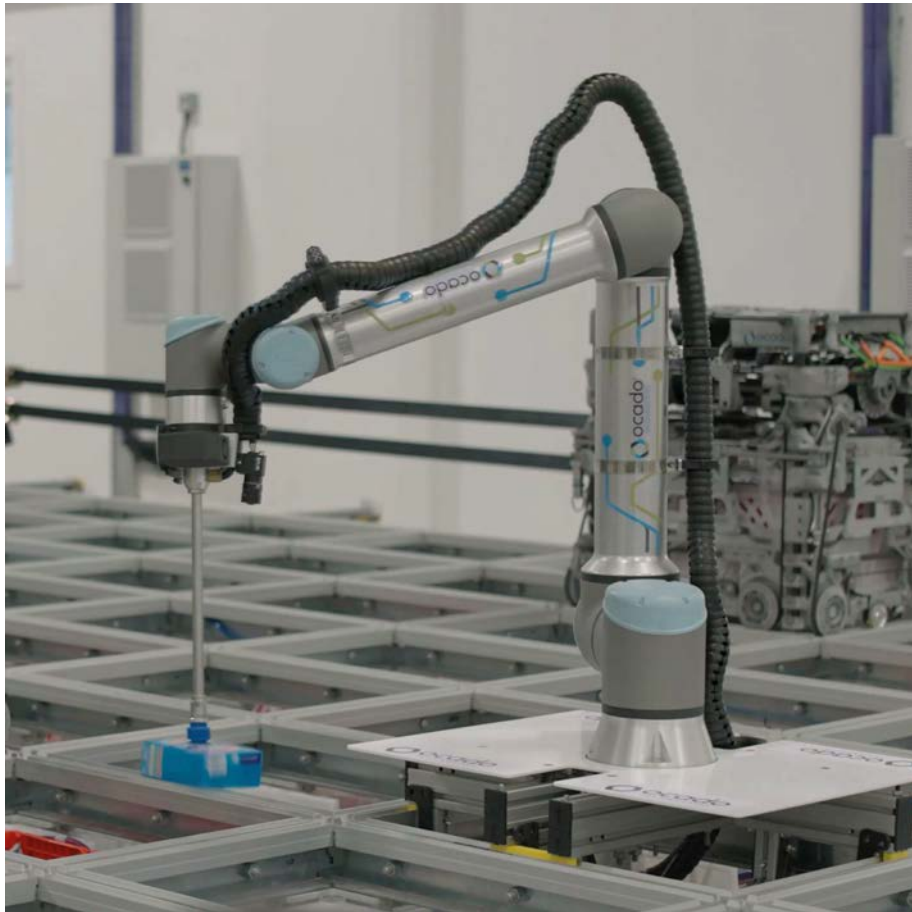
1H23 Highlights

Tim Steiner, CEO



Our Technology

Solving complex problems for the world's largest grocery retailers and beyond



- Industry-leading end to end solution for grocery online
- Technology applicable to all sectors outside grocery
- Driven by advanced technology R&D in AI, machine learning, and robotics
- Technology team of >2,700 supporting our ability to innovate at pace
- Unique and proprietary technology protected by over 900 granted patents and almost 1,500 filed patent applications

First Half Highlights

- **Financial progress** – growing revenue, positive EBITDA and improving cash flow
- **Operational progress** – driving partner success, strong growth in live modules, improved productivity and cost efficiencies
- **Strategic progress** – Ocado Intelligent Automation proposition and business model well advanced in an attractive market
- **H1 performance gives us confidence for FY23** – financial guidance unchanged

Financial Summary

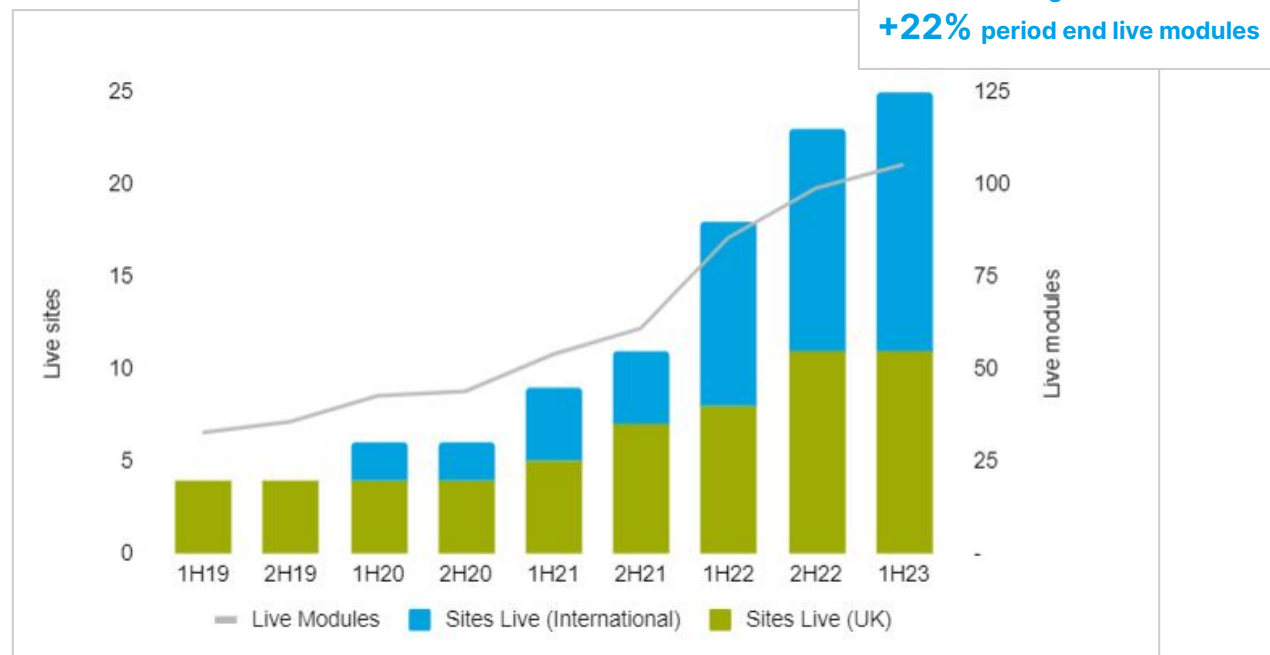
£m	1H23	1H22	Change	FY22
Revenue	1,371	1,262	+9%	2,514
EBITDA	17	(14)	+31	(74)
Loss before tax (pre exceptionals)	(212)	(204)	-8	(471)
Underlying cash flow	(288)	(396)	+108	(834)

- **Revenue up 9%;** Technology Solutions +59%, Ocado Logistics +2%, Ocado Retail +5%
- **EBITDA:** Technology Solutions contribution margin increase and EBITDA positive, Ocado Retail delivering improved profitability through the period and Ocado Logistics delivering stable returns
- **Financial discipline:** strong focus on costs and efficiencies delivering tangible results
- **Improvement in cash outflows:** +£108m reflecting revenue growth, cost reductions and lower capex
- **Liquidity:** remains strong; cash of £1.0bn, liquidity of £1.3bn

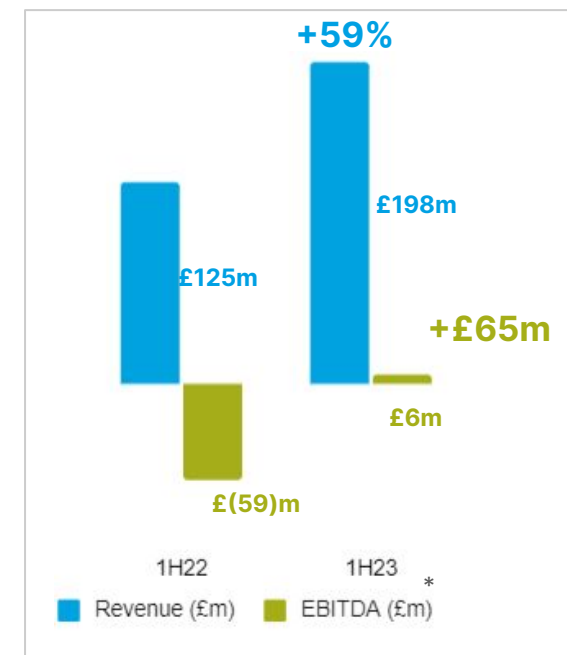
Operational Progress - Technology Solutions

Increase in live modules driving recurring revenue fee growth

Continued capacity growth for our partners: 25 sites and 105 modules are now live around the world



Strong revenue growth & positive EBITDA



*FY22 prior year comparatives restated on new segment basis (see slide 16)

- Average of 101 live modules in 1H23 (75 1H22) +35%
- 2 new CFCs opened in 1H23: 1st CFC for AEON in Japan and a 3rd CFC for Sobeys in Canada
- **EBITDA growth driven by benefits of high operating leverage as top line grows, a reduction in % OSP operating costs and lower support costs**

Improving economics as live modules increase; reinforcing our business model

Supporting our partners to optimise operational performance Ocado Partner Success teams in place and making a difference

Working closely with partners:

Embedding our **20+ years of experience** and know-how into partner operations for all aspects of OSP to get the very best out of the platform

On site and central support; 60-strong team established in the last 6 months

Targeted areas of support:

- **Fulfilment:** labour planning & warehouse processes
- **Last mile:** zoning & routing
- **E-commerce:** monetisation and marketing





Improving economics for our partners supporting long-term growth

“Project Endeavour”

working closely with Kroger to drive operational performance

- Initial focus on the first two Kroger CFCs (Ohio and Florida)
- Phase 1 successfully completed; 12 week programme
- Phase 2 underway; cementing initial progress and addressing additional opportunities
- Kroger already applying these learnings across other sites

% improvement since December 22

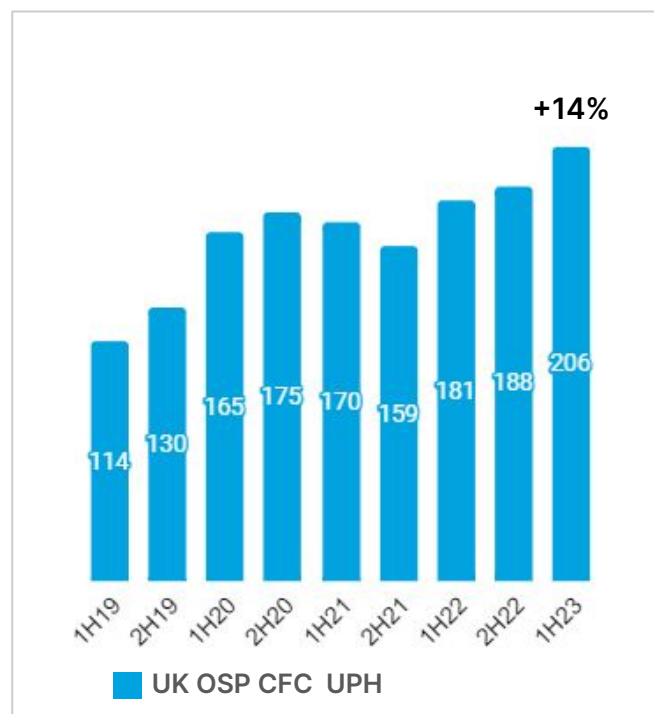
Units per hour		>25% higher
Drops per van		>10% higher
Waste		30% reduction
Operational cost per order		>15% reduction

Working with our partners to optimise CFC economics

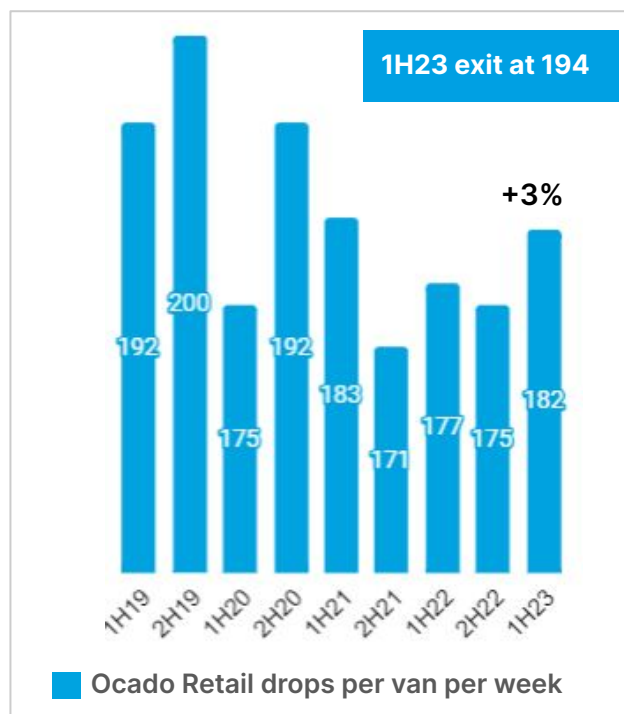
Operational Progress - Ocado Logistics

Improving productivity in warehouse and deliveries

OSP UPH¹ continues to increase - up 14% YOY to 206



Deliveries per van per week² returning to pre covid levels



- Increasing productivity and efficiencies in warehouse and delivery operations
- Tight cost control
- Delivering improved operational performance and lower cost for our partners

1. Units dispatched from the CFC per variable hour worked by Erith, Andover, Purfleet, Bristol and Bicester CFC operational personnel

2. Deliveries per van per week represents Ocado Retail only - total deliveries divided by the average number of vans in the fleet

Operational Progress - Ocado Retail

Strong progress on strategy; delivering profitability in Q2

Q2: 3 consecutive months of positive EBITDA

Key drivers from “Perfect Execution” programme:

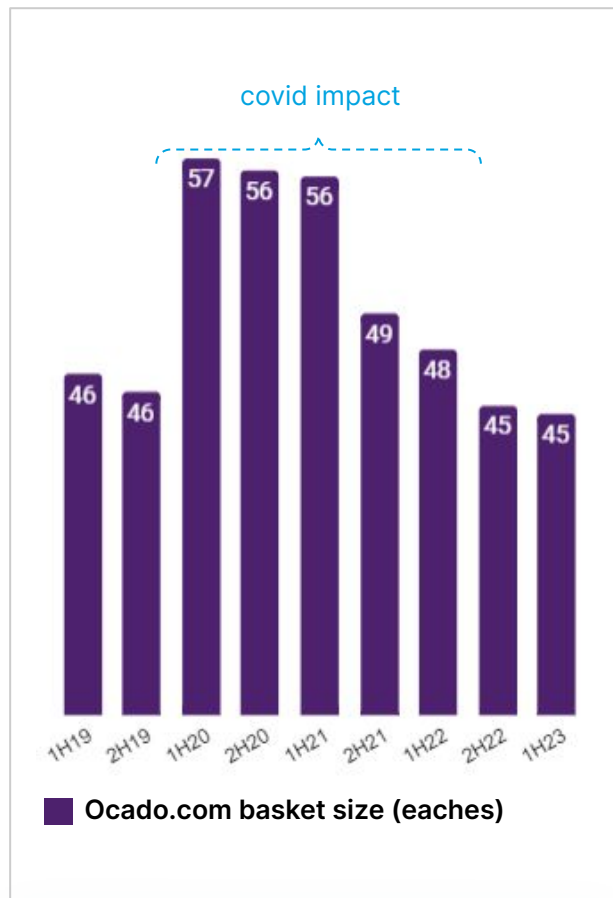
- **customer proposition** improved across value, service and range
- **volumes** increased quarter on quarter; eaches per week up 2.7% to 17.7m
- **new customer retention** strong; back to pre covid levels
- **operational leverage** as volumes grow
- **productivity** improvements; increased CFC UPH up 6% in Q2 to 212
- **cost reductions** across almost all areas

Clear pathway to full year positive EBITDA

Operational Progress - Ocado Retail

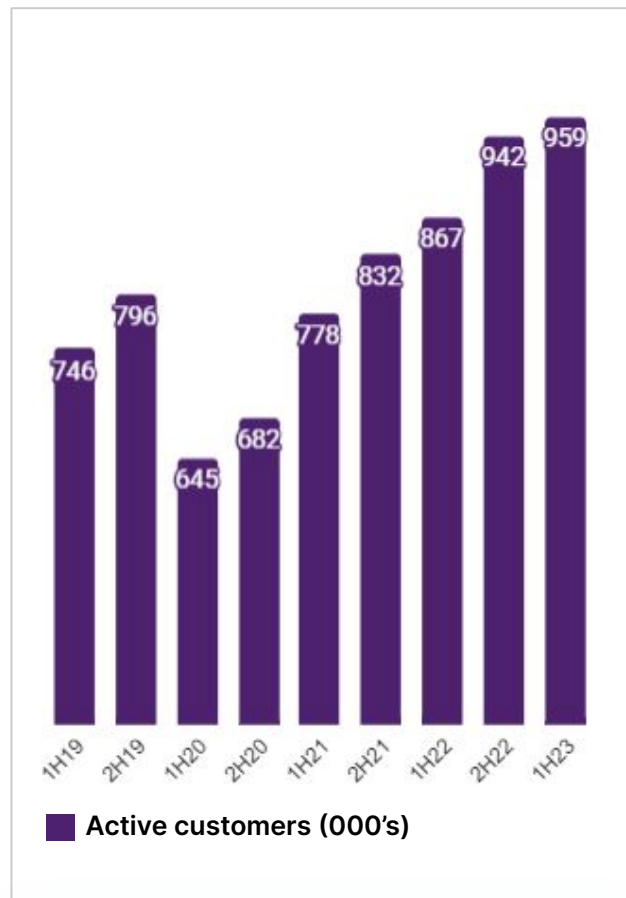
Growing profitability and KPIs improving

Basket size stabilising in Q2



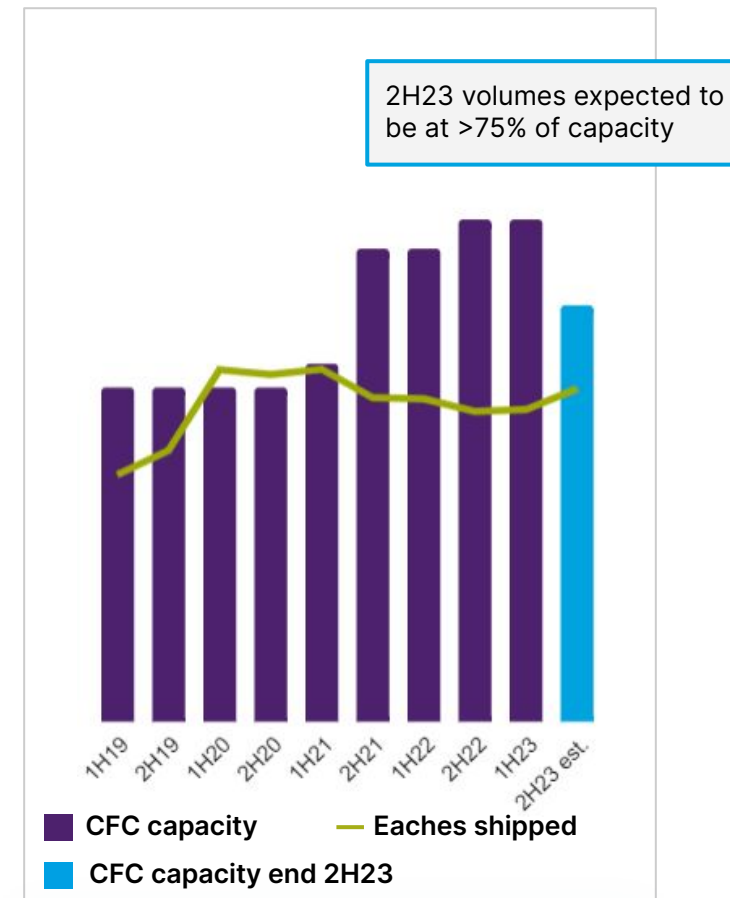
Excluding Christmas, basket size over last 8 months stable at 44 items

Strong customer acquisition +10.6% YOY



Mature customer base continues to grow

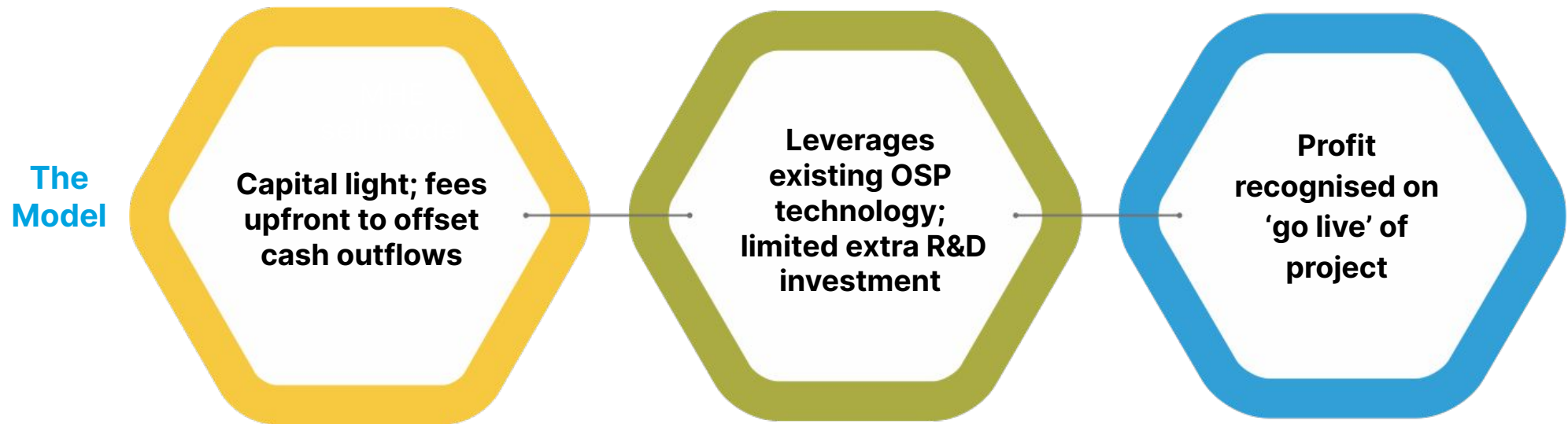
Actions taken to improve capacity utilisation



Benefits of UK Network capacity review, closure of Hatfield and Luton opening in 1H23

Strategic Progress

Ocado Intelligent Automation well placed in attractive market



- **Discussions with several potential clients** across a range of industries
- **Attractive market potential** in non-grocery; demand for warehouse automation driven by increases in labour rates and labour availability challenges
- **Ocado solution an attractive proposition;** high productivity and reduced warehouse footprint

Summary

First half - clear progress; delivering results

- **KPIs continued progress across all segments**
- **Improving profitability**
- **Cash outflows reducing**
- **H1 performance reinforces outlook for FY23**

Second half - key priorities

- **Operational execution** - for Ocado and our partners
- **Financial discipline** - cost reduction and focus on cash flow
- **Strategic growth** - capitalising on non-grocery opportunities

Operational & financial discipline to support sustainable long term growth



Financial Review

Stephen Daintith, CFO



Group P&L - increasing scale of Technology Solutions drives higher revenue and positive EBITDA

	£m	1H23	1H22*	Change	FY22*
Revenue					
Technology Solutions		198	125	+59%	291
Ocado Logistics		335	330	+2%	660
Ocado Retail		1,179	1,122	+5%	2,203
Inter-segment eliminations		(341)	(315)	+8%	(640)
Group		1,371	1,262	+9%	2,514
EBITDA					
Technology Solutions		6	(59)	+65	(102)
Ocado Logistics		15	15	-	34
Ocado Retail		(3)	31	-34	(4)
Inter-segment eliminations		(1)	(1)	-	(2)
Group		17	(14)	+31	(74)
Depreciation & amortisation		(193)	(157)	-36	(349)
Finance expense		(31)	(41)	+10	(64)
FX gains/(losses)		(5)	8	-13	16
Group loss before tax (pre exceptionals)		(212)	(204)	-8	(471)
Exceptional items		(77)	(7)	-70	(30)
Group loss before tax (post exceptionals)		(289)	(211)	-78	(501)

Group revenue +9% to £1.4bn:

- Technology Solutions +59%
- Ocado Logistics +2%
- Ocado Retail +5%

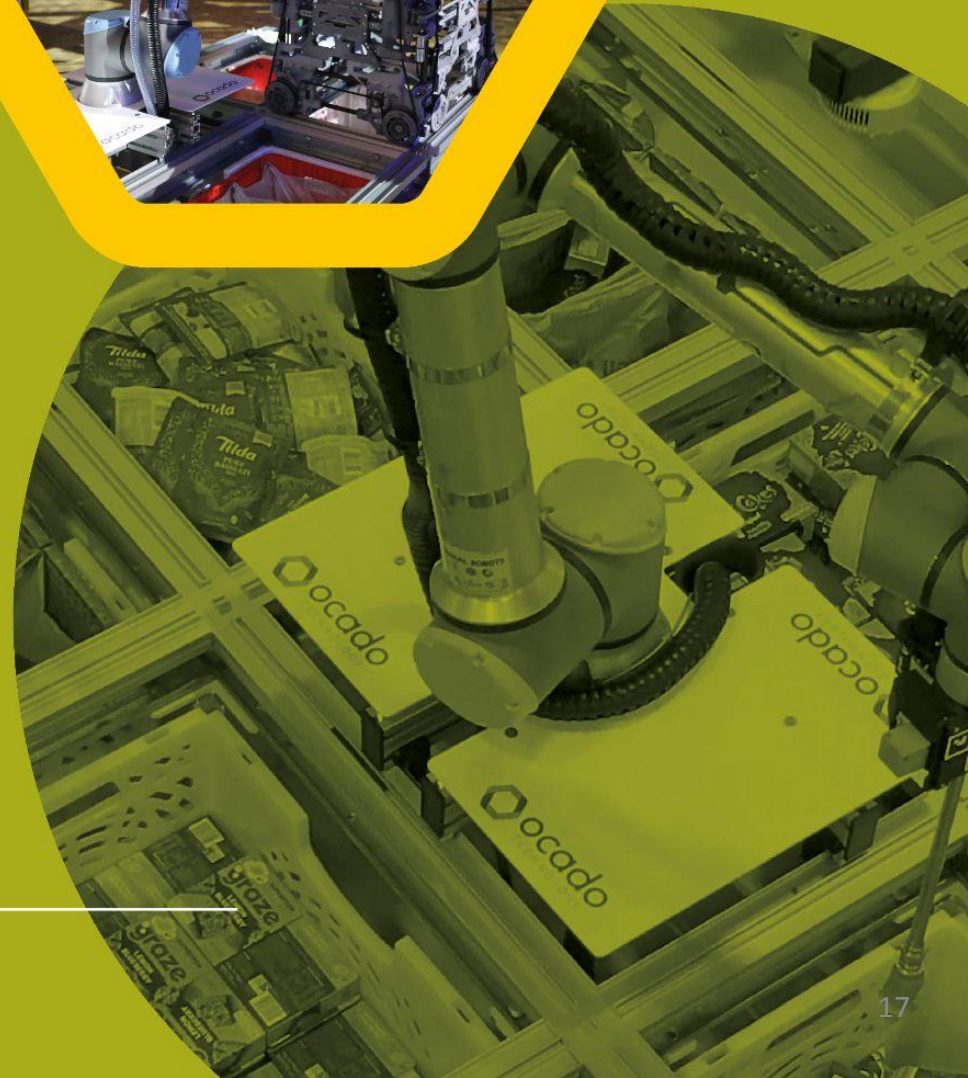
Group EBITDA of £17m (+£31m):

- Positive EBITDA in Technology Solutions; growth in live modules and cost discipline
- Ocado Logistics flat YOY
- Ocado Retail profitable in Q2

Group loss before tax of £(289)m:

- Increase in depreciation and amortisation driven by increase in live CFCs and investment in OSP
- Increase in exceptional items; UK network capacity review

*FY22 prior year comparatives have been restated on the new segment basis. A detailed exercise has been carried out to ensure all costs are owned and managed within the appropriate segment. This has resulted in a different cost allocation to that used in the preparation of the pro forma numbers as presented in the 1H22 and FY22 results. See appendix 2 for details.



Technology Solutions



Technology Solutions - strong revenue growth, increased contribution margin and positive EBITDA

£m	1H23	1H22*	Change	FY22*
Revenue¹	198	125	+59%	291
<i>Live modules (average)</i>	<i>101</i>	<i>75</i>	<i>+35%</i>	<i>84</i>
Contribution	140	81	+73%	187
<i>Contribution margin %</i>	<i>71%</i>	<i>65%</i>	<i>+6%</i>	<i>64%</i>
Technology costs	(46)	(39)	+16%	(81)
Support costs	(88)	(101)	-12%	(208)
EBITDA	6	(59)	+65	(102)

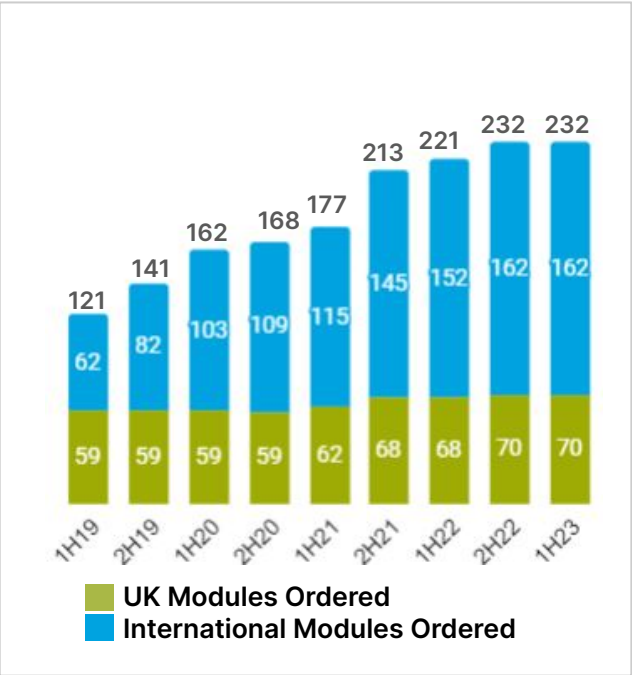
- **Revenue increase of +59%**; strong growth in recurring capacity fees (1H23: £175m, +61%)
- **Average live modules +35%**; including a higher proportion of OSP modules that generate a higher fee rate
- **Improving contribution margin**; operational efficiencies in engineering teams and hosting costs
- **Technology costs** higher primarily reflecting headcount growth in 2H22 and labour rate increases
- **Support costs down 12%**; ongoing drive to reduce costs
- **Technology Solutions delivering positive EBITDA**

1. Revenue of £198m is made up of recurring capacity fees of £175m (1H22: £108m), upfront fees amortised of £16m (1H22: £10m), Kindred £6m (1H22 £5m) and equipment sales to partners of £1m (1H22: £2m)



Technology Solutions KPIs improving

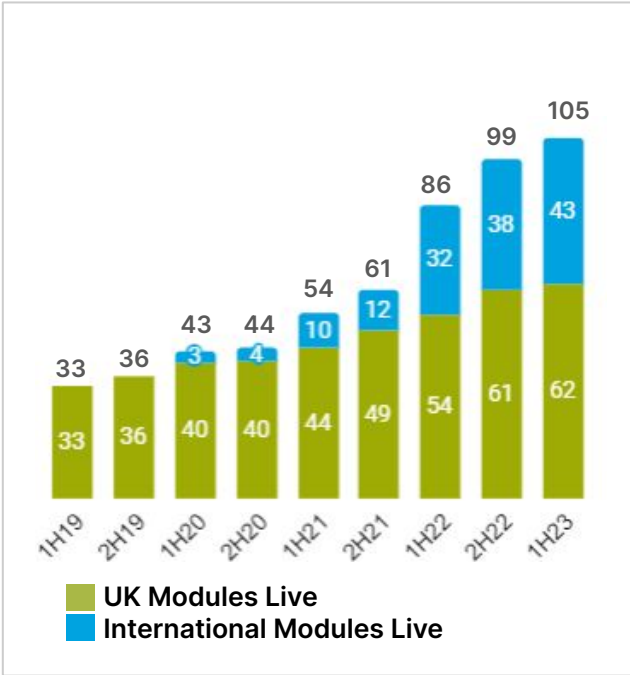
Ordered site modules capacity up 5% since 1H22



Ordered sites at capacity
232 modules

c.£17bn in proforma
sales capacity

Live modules up 22% since 1H22



Now live with 25 sites
+7 since 1H22

7 partners with live sites;
6 countries

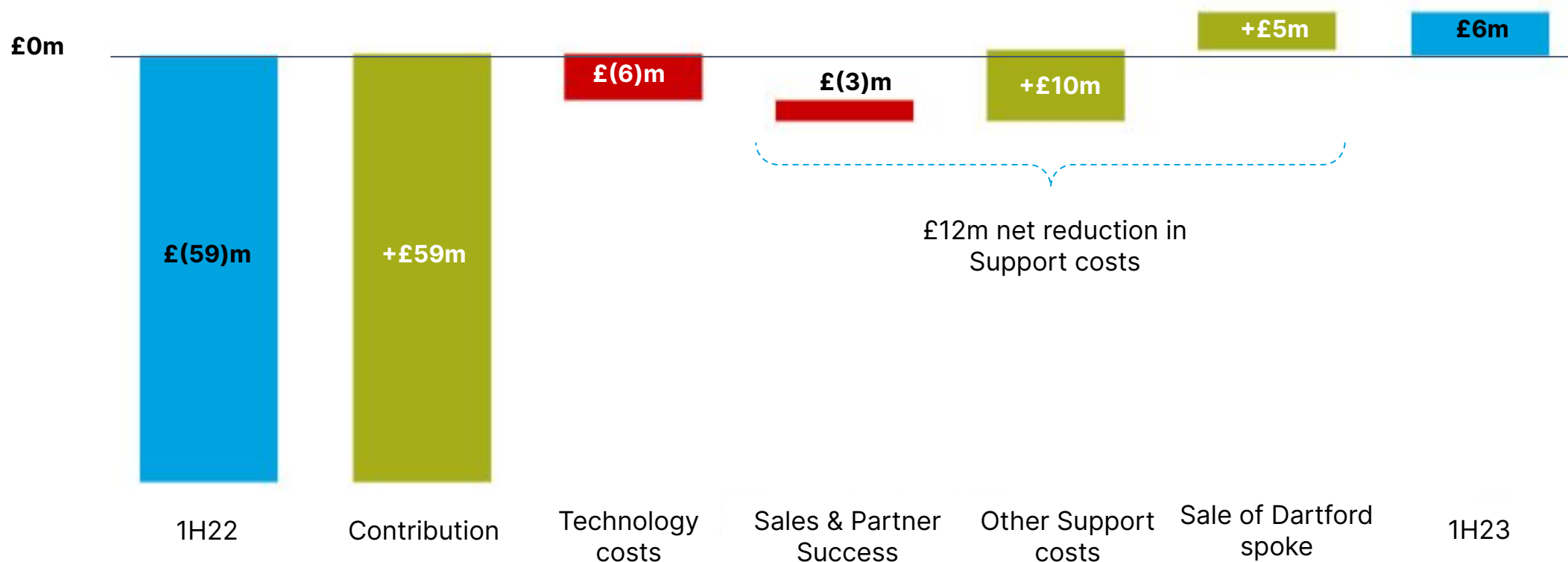
OSP direct operating costs % improving with maturity of sites



Direct operating costs
reduced to 1.8%

strong progress and expected
to improve further

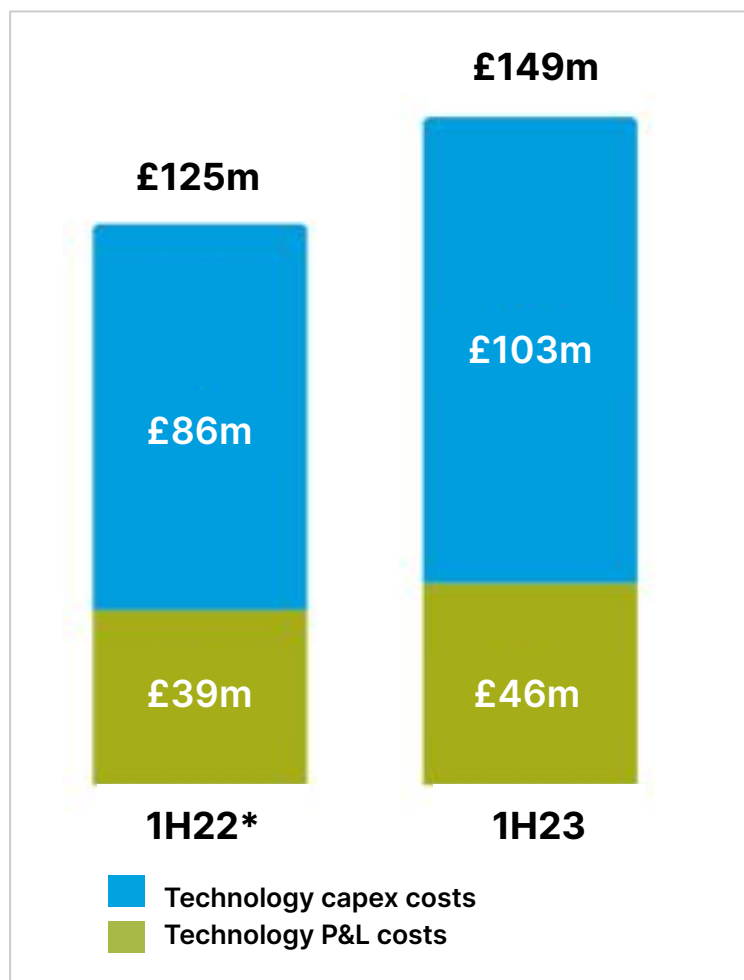
Technology Solutions positive swing in EBITDA driven by revenue growth, high contribution margin and cost control



- Contribution increase driven by higher revenue and improved margin from direct operating cost efficiencies
- Continued investment for future growth with higher Technology costs and Sales and Partner Success costs
- Cost management across the organisation driving lower Support costs
- One-off benefit from the sale of the Dartford spoke

Technology investment at peak levels in FY23

Technology spend peaking in FY23



Technology costs are focussed on Re:Imagined product development and roll out

Re:Imagined products on track for near-term delivery driving stabilisation/reduction of spend

- **Automated Frameload:** live in two sites
- **On-Grid Robotic Pick:** development well progressed; range >50% ambient and chill; on track for target of 300+ UPH
- **600s bot:** prototypes ready for live testing and full production by end of year
- **600s grid:** on track for installation in FY24
- **Hosting cost optimisation:** contributor to improved client contribution margin; hosting costs per module reduced >30% since end FY22

Support costs down; investment in the customer

Support costs reducing



Support costs include:

- Sales & account management
- Partner success
- Supply chain & operations
- Finance
- Legal
- HR
- Group IT
- Real estate
- Board

Key drivers:

- Investment in partner success and account management
- Costs now directly owned by appropriate owners
- Continuous improvement of our operating model
- Efficiencies from investments
- Headcount reductions
- Tight management of discretionary spend
- One-off benefit from the sale of the Dartford spoke



Ocado Logistics



Ocado Logistics EBITDA in line with 1H22

£m	1H23	1H22*	Change	FY22*
Revenue	335	330	+2%	660
Costs	(320)	(315)	+2%	(626)
EBITDA	15	15	-	34
Eaches (m)	596	612	-2.6%	1,196
Orders per week (000s)	512	491	+4.3%	494
OSP CFC UPH	206	181	+13.8%	184
Deliveries per van per week	182	177	+2.8%	176

- **Revenue of £335m, up 2%;** driven by 2% increase in costs
- **Costs of £320m, up 2%;** orders up 4.3%, eaches down 2.6% - impact of wage inflation offset by productivity improvements and reduction in unit utility costs
- **Productivity improvements;** UPH in OSP CFCs now 206 UPH (Bristol CFC currently achieving >215 UPH at c.20k OPW) and on track for 300+ UPH as Re:Imagined products are rolled out
- **EBITDA** of £15m in line with 1H22



Ocado Retail



Ocado Retail improving profitability during H1

£m	1H23	1H22	change	FY22
Revenue	1,179	1,122	+5%	2,203
Gross profit	390	385	+1%	740
<i>Gross margin %</i>	<i>33.1%</i>	<i>34.3%</i>	<i>(1.2)ppts</i>	<i>33.6%</i>
Fulfilment & delivery costs	(238)	(234)	+2%	(412)
Marketing costs	(20)	(27)	-24%	(58)
Support costs	(49)	(31)	+56%	(135)
Fees	(86)	(62)	+38%	(139)
EBITDA	(3)	31	-34	(4)

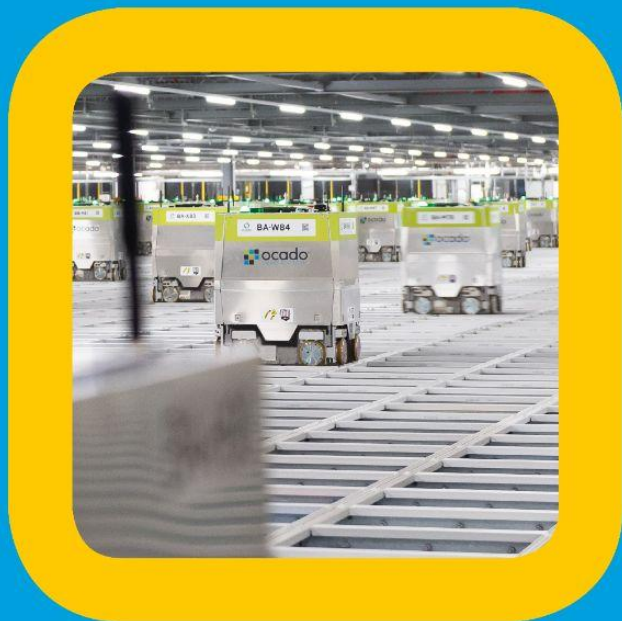
- **Revenue up by +5%:** strong active customer growth (+10.6%), average orders per week of 392k (+4%) and average basket value up 1.5% (from £119 to £121)
- **Gross margin %** reduction driven by continued investment in price to deliver value for customers
- **Fulfilment & delivery costs** broadly flat and lower as a % of revenue; growth in order volumes and inflationary headwinds offset by operating efficiencies including record UPH at all OSP CFCs
- **Marketing costs:** reduced by £7m driven by optimisation of marketing channel mix, increased vouchering
- **Support costs:** up £18m but impacted by absence of one-off 1H22 benefit of £16m management incentive accrual releases; headcount reductions offset impact of wage inflation
- **EBITDA in line with guidance:** improving EBITDA in the half; positive EBITDA throughout Q2

Revenue up, with strong active customer growth

	1H23	1H22	Change	
Revenue £m	1,179	1,122	+5.0%	<ul style="list-style-type: none"> Strong customer, orders and basket value growth
avg. orders per week (000s)	392	377	+4.0%	<ul style="list-style-type: none"> Q2 orders per week at 401k
active customers (000s)	959	867	+10.6%	<ul style="list-style-type: none"> Strong growth in active customers, improved customer retention driven by improved choice, service and value proposition and more targeted marketing
avg. basket value (£)	121	119	+1.5%	<ul style="list-style-type: none"> Higher average selling price partly offset by reduction in items purchased per shop
avg. eaches per basket (individual items)	45	48	-6.3%	<ul style="list-style-type: none"> Shoppers managing overall value of their baskets - stabilising at c.44 items per order in Q2
avg. selling price (£)	2.72	2.51	+8.4%	<ul style="list-style-type: none"> Price increase below market as we invested in price to deliver value to our customers

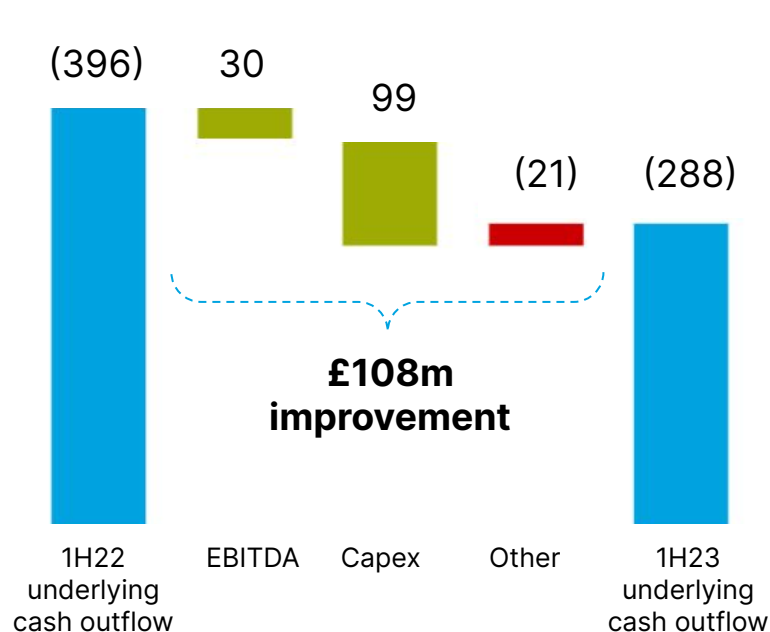


Ocado Group

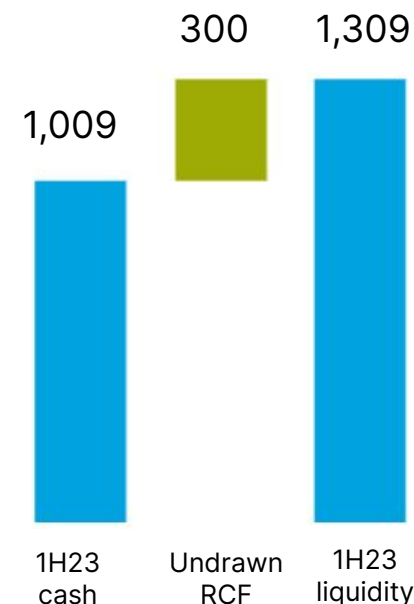


Significant reduction in cash outflow; strong liquidity

First half underlying cash flow improved by £108m and improving further



Healthy liquidity position of £1.3bn



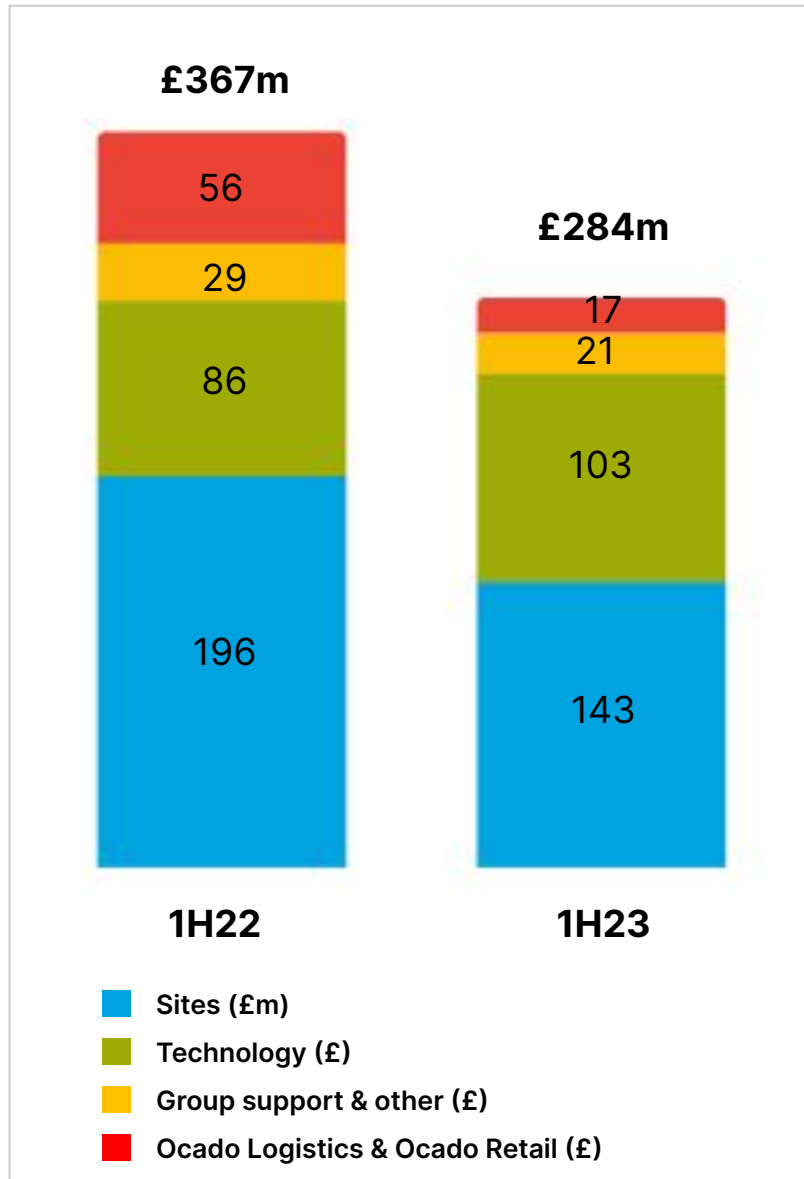
Summary of debt profile

Instrument	Principal	Maturity
Convertible Bond	£600m	Dec 25
Senior Unsecured Note	£500m	Oct 26
Convertible Bond	£350m	Jan 27

FY23 guidance unchanged

Underlying Group cash outflow to improve by around £200m

Capital expenditure on track for FY23 guidance



Sites:

- Fewer sites under construction; 2 CFCs went live in the half and a further 5 are under construction (1H22: 12 sites under construction at the end of the period)

Technology:

- Technology R&D spend at peak levels as the Re:Imagined innovations approach readiness for rollout

Group support & other:

- Reducing spend on property and key systems implementations
- £12m relates to Jones Food's second vertical farm

Ocado Logistics & Ocado Retail:

- Lower Ocado Retail construction activity; Luton CFC going live in 2H23

First half summary

- **KPIs improving** across all operating divisions
- **Technology Solutions** EBITDA positive
- **Ocado Logistics** continuing to improve productivity
- **Ocado Retail** improving profitability during period
- **Cost control** and **financial discipline**
- **Cash flow** improving; **liquidity** remains strong



Outlook & FY Guidance



Outlook for the second half

Technology Solutions

- 1 further CFC (Luton) opening in 2H23
- 2 Coles CFCs previously scheduled for 2H23; working closely with Coles on revised timing
- Further operating efficiencies and cost reductions; positive EBITDA for the full year

Ocado Logistics





- Further operating efficiencies; EBITDA outturn around £25m

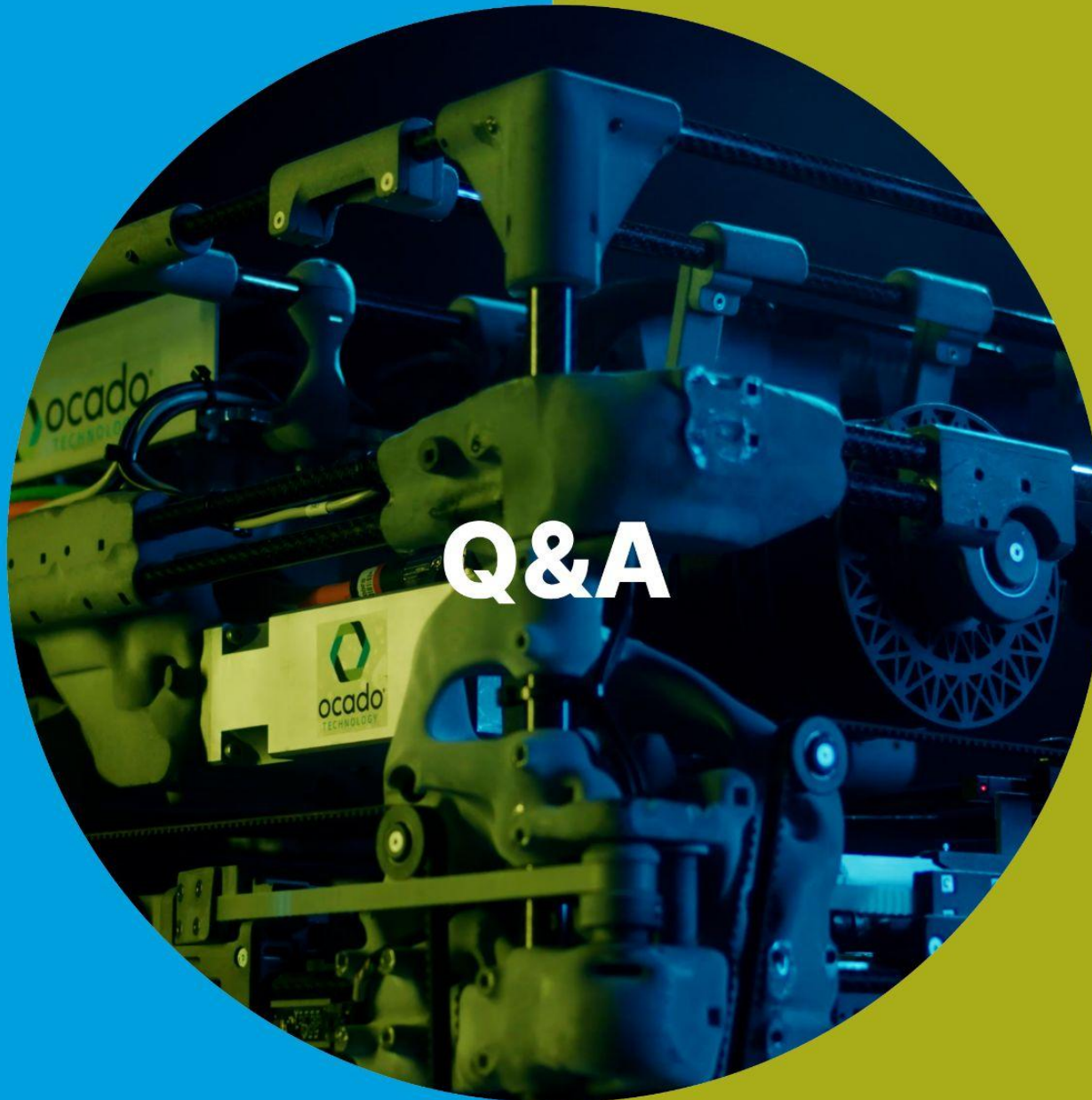
Ocado Retail

- Revenue growth plus efficiencies already delivered to deliver positive EBITDA
- Customer growth slower year-over-year in Q3 (due to marketing drive in Q3 22)
- Volume-driven growth expected to accelerate in Q4
- Positive EBITDA for the full year

FY23 guidance unchanged

FY23 guidance unchanged

		Revenue	EBITDA	Capital Expenditure
Technology Solutions		+40%	positive	
Ocado Logistics		broadly stable	around £25m	
Ocado Retail		mid-single digit growth	marginally positive	
Total Group Capex		-	-	£550m





Appendix



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GROUP



Appendix - contents

- 1. Glossary**
- 2. Reconciliation of Proforma to Actuals - 1H22 & FY22**
- 3. Exceptional items**
- 4. Underlying cash flow**
- 5. Ocado Retail revenue KPIs by quarter**

Appendix 1: Glossary (1 of 3)

Active customers - a customer who has shopped at Ocado.com within the previous 12 weeks

Average live modules - based on average weekly live modules in the reporting period

Basket size - number of eaches (number of individual pick of SKUs) for Ocado.com

CFC - customer fulfilment centre

CFC UPH - average units processed per labour hour at OSP CFCs (all CFCs excluding Hatfield and Dordon)

Deliveries per van per week - total average weekly deliveries for the period divided by the average weekly number of vans in the fleet. Relates to Ocado Retail only

Direct operating costs as a % of CFC sales capacity - the direct operating costs of running the CFC estate; includes engineering support, maintenance and spares, and the costs of hosting and technology services for partners. Reflects the exit rate position for all OSP CFCs live at the period end. This is calculated with reference to maximum CFC capacity, based on standard sales of £73m per module (FY22: £70m per module). The prior year has been updated in line with this definition

Each - an individual pick of a stock keep unit (SKUs)

Live module - means modules that are fully installed and available for use by our partners

Mature customer - defined as a customer who has shopped on Ocado.com 5 or more times

Module of capacity - is assumed as approximately 5,000 eaches picked per hour (dependent on the specific metrics of a partner) and £73m pa of sales capacity (FY22: £70m of sales capacity)

Appendix 1: Glossary (2 of 3)

Ocado.com - relates to sales on the Ocado.com platform (excludes Ocado Zoom)

Ocado Logistics costs - includes other income

Ocado Logistics eaches (m) - total CFC units of volume fulfilled for UK clients in millions

Ocado Logistics orders per week - total CFC orders shipped for UK clients divided by the number of weeks in the reporting period

Ocado Retail average basket value (£) - product sales divided by total orders

Ocado Retail average orders per week (000s) - Ocado.com only

Ocado Retail average selling price (£) - product sales divided by total eaches

Ocado Retail fees - include OSP, capital recharges and management fees

Ocado Retail gross profit and other income - includes supplier funded media income

Ocado Retail marketing costs - comprise the cost of marketing activities to customers and exclude vouchering costs which are within revenue

Ocado Retail revenue - includes online sales (net of returns) including charges for delivery but excluding relevant vouchers/offers and value added tax

Appendix 1: Glossary (3 of 3)

Ordered modules - represent the maximum module capacity of sites for which a contractual agreement has been signed with a partner and an invoice has been sent for the associated fees.

OSP - Ocado Smart Platform; the end-to-end solution for operating online in the grocery market which has been developed by the Group

Sites - includes CFCs and Zooms

Underlying cash flow - is the movement in cash and cash equivalents excluding the impact of exceptional items, costs of financing, purchase of unlisted equity investments and FX movements

UPH - Units per hour

Zoom - the Group's immediacy delivery offering

Appendix 2: Segmental changes overview - reconciliation of proforma to actuals (1 of 4)

- **The Group has changed its segmental reporting for FY23** to reflect the Group's three distinct business models of Technology Solutions, Ocado Retail and Ocado Logistics. The 1H22 and FY22 prior year comparatives have been restated on the new segment basis.
- A detailed exercise to review costs and activities was carried out to ensure all costs are owned and managed within the appropriate segment.
- This has **eliminated the need for the 'Group & Other' segment**, as all costs are captured across the business segments.
- This review of cost allocations has resulted in changes to the FY22 and 1H22 Proforma EBITDA numbers presented previously. Proforma revenue is unchanged, and Group and Retail EBITDA is unchanged. The key changes are as follows:
 - **Group & Other:** This segment has been eliminated. The costs (relating mainly to Board and share based payments) have been included in Technology Solutions; MHE JV income is included in Logistics
 - **Technology costs (P&L; capital expenditure):** Costs relating to operating the legacy non-OSP platform and the programme to transition to the OSP platform have been moved to Logistics (previously in Technology Solutions)
 - **Support costs:** Some support costs have moved to Technology Solutions (previously in Logistics) to reflect the outcome of the detailed cost and activity review
 - **Transfers within Technology Solutions:** Group IT and Infosec costs are included in Support costs (previously in Technology).
- Details of the impact of these changes are included on the following pages

Appendix 2: Reconciliation of proforma to actuals (restated) - 1H22 (2 of 4)

	Proforma at July 2022	1	2	3	4	Actuals Restated	
£m	1H22	Group & other segment	Technology costs	Support costs	Intra-segment transfers	Rounding & other	1H22
EBITDA							
Technology Solutions	(36)	(20)	10	(13)			(59)
<i>Support Costs</i>	(47)	(20)		(13)	(18)	(3)	(101)
<i>Technology Costs</i>	(67)		10		18		(39)
Ocado Logistics	7	5	(10)	13			15
Ocado Retail	31						31
Group & other	(16)	16					-
Inter-segment eliminations		(1)					(1)
Group EBITDA	(14)	-	-	-	-	-	(14)

The 1H22 Actuals comparatives above reflect the finalised allocation of all Group operating costs. There are 4 key items:

- 1 Group & other:** MHE JV income (£5m) is now included in Logistics; all other costs (largely Board costs) (£21m) are now included in Technology Solutions
- 2 Technology costs:** costs relating to operating the non-OSP platform and the costs of the programme to transition to OSP are now included in Logistics (£10m)
- 3 Support costs:** the separation of the Ocado Logistics business segment has allowed a clearer understanding of the Support costs owned by this business (£13m)
- 4 Intra-segment transfers:** costs related to Group IT and Infosec reallocated from Technology to Support costs (£18m)

Appendix 2: Reconciliation of proforma to actuals (restated) - FY22 (3 of 4)

	Proforma at February 2023	1	2	3	4	Actuals Restated	
£m	FY22	Group & other segment	Technology costs	Support costs	Intra-segment transfers	Rounding & other	FY22
EBITDA							
Technology Solutions	(94)	(10)	22	(20)			(102)
<i>Support Costs</i>	(122)	(32)		(20)	(35)	1	(208)
<i>Technology Costs</i>	(138)		22		35		(81)
Ocado Logistics	26	10	(22)	20			34
Ocado Retail	(4)						(4)
Group & other	-	-					-
Inter-segment eliminations	(2)						(2)
Group EBITDA	(74)	-	-	-	-	-	(74)

The FY22 Actuals comparatives above reflect the finalised allocation of all Group operating costs. There are 4 key items:

- 1 Group & other:** MHE JV income (£10m) is now included in Logistics; all other costs (largely Board costs) (£32m) are now included in Technology Solutions
- 2 Technology costs:** costs relating to operating the non-OSP platform and the costs of the programme to transition to OSP are now included in Logistics (£22m)
- 3 Support costs:** the separation of the Ocado Logistics business segment has allowed a clearer understanding of the Support costs owned by this business (£20m)
- 4 Intra-segment transfers:** costs related to Group IT and Infosec reallocated from Technology to Support cost (£35m)

Appendix 2: Reconciliation of proforma to actuals (4 of 4)

	Proforma at February 2023	1	2	Actuals Restated
Capital expenditure £m	FY22	Technology	Retail design fees	FY22
Technology Solutions	699	(19)		680
Ocado Logistics	-	19		19
Ocado Retail	134			134
Inter-segment eliminations	(36)			(36)
Group	797	-	-	797

	Proforma at July 2022	Technology	Retail design fees	Actuals Restated
Capital expenditure £m	1H22	Technology	Retail design fees	1H22
Technology Solutions	314	(3)		311
Logistics and Retail	53	3	16	72
Inter-segment eliminations	-		(16)	(16)
Group	367	-	-	367

The 1H22 and FY22 actuals above represent the finalised categorisation of Group capital expenditure

- 1 **Technology capital expenditure** primarily relates to the programme to transition to OSP is categorised within the Ocado Logistics segment (£19m in FY22 and £3m in 1H22)
- 2 **Retail design fees** relate to site design fees charged by Technology Solution which are included within capital expenditure by Ocado Retail and eliminated on consolidation. The elimination has now been shown separately.

Appendix 3: Exceptional items

£m	1H23	1H22	FY22
UK network capacity review	(39)	-	-
Litigation costs	(9)	(11)	(27)
Organisational restructure	(8)	-	(3)
Changes in fair value of contingent consideration	(17)	5	(58)
Other	(4)	(1)	58
Total	(77)	(7)	(30)

- **UK network capacity review** is driven by the proposed closing of Hatfield CFC, comprising asset impairments, redundancy costs, onerous contracts and other one-off costs
- **Litigation costs** during the year were exclusively those costs incurred on the patent infringement litigation between the Group and Autostore
- **Organisational restructure costs** relate to a partial reorganisation of head office and support functions
- **Changes in fair value of contingent consideration** relates to the revaluation of the M&S contingent consideration

Appendix 4: £108m improvement in underlying cash flows

£m	1H23	1H22	£m change	FY22
EBITDA	17	(14)	+31	(74)
Cash received from contracts	24	43	-19	79
Other working capital movements	(10)	23	-33	32
Repayment of lease obligations	(45)	(37)	-8	(86)
Capital expenditure	(289)	(388)	+99	(786)
Interest paid	(15)	(14)	-1	(28)
Interest received	18	1	+17	10
Other	12	(10)	+22	19
Underlying cash flow	(288)	(396)	+108	(834)
Exceptional items	(21)	(18)	-3	67
Financing (primarily Jones Food)	6	2	+4	605
Investment in unlisted equity investments (Oxa Autonomy)	(10)	-	-10	(1)
Effect of changes in FX rates	(6)	12	-18	22
Movement in cash and cash equivalents	(320)	(386)	+66	(141)

Appendix 5: Ocado Retail revenue KPIs by quarter

	Q1 23	Q2 23	1H23	Q1 22	Q2 22	1H22
Revenue £m	584	595	1,179	565	557	1,122
<i>avg. orders per week</i> <i>(000s)</i>	382	401	392	369	386	377
<i>active customers</i> <i>(000s)</i>	957	959	959	835	867	867
<i>avg. basket value (£)</i>	123	120	121	123	117	119
<i>avg. eaches per basket</i> <i>(individual items)</i>	45	44	45	49	47	48
<i>avg. selling price (£)</i>	2.73	2.71	2.72	2.52	2.49	2.51

Forward-looking statements

DISCLAIMER

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