Ocado Group Full Year Results

29 February 2024

Forward-looking statements

DISCLAIMER

This presentation contains oral and written statements that are or may be “forward-looking statements” with respect to certain of Ocado’s plans and its current goals and expectations relating to its future financial condition, performance and results. These forward-looking statements are usually identified by words such as ‘anticipate’, ‘target’, ‘expect’, ‘estimate’, ‘intend’, ‘plan’, ‘goal’, ‘believe’ or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they are based on current expectations and assumptions but relate to future events and circumstances which may be beyond Ocado’s control. There are important factors that could cause Ocado’s actual financial condition, performance and results to differ materially from those expressed or implied by these forward-looking statements, including, among other things, UK domestic and global political, social, economic and business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of regulatory authorities, the impact of competition, the possible effects of inflation or deflation, variations in commodity prices and other costs, the ability of Ocado to manage supply chain sources and its offering to customers, the effect of any acquisitions by Ocado, combinations within relevant industries and the impact of changes to tax and other legislation in the jurisdictions in which Ocado and its affiliates operate. Further details of certain risks and uncertainties are set out in our Annual Report for 2023 which can be found at www.ocadogroup.com. Ocado expressly disclaims any undertaking or obligation to update the forward-looking statements made in this presentation or any other forward-looking statements we may make except as required by law. Persons receiving this presentation should not place undue reliance on forward-looking statements which are current only as of the date on which such statements are made.

The Chairman's Overview

Rick Haythornthwaite, Chair

FY23 Results

Tim Steiner, CEO

Key messages for today

- We continue to make financial, operational and strategic progress
- Success for our partners is our key focus
- Innovations - past, current and pipeline - driving more opportunities and attractive returns
- Financial discipline across the business
- Attractive business models in multiple segments

Financial, operational and strategic progress

- **Financial progress –** strong revenue growth, positive adjusted EBITDA and improving cash flow across all businesses; Ocado Retail returning to profitability, FY23 in line with guidance

- **Operational progress –** growth in live modules, increasing productivity and cost efficiencies, early deployment of Re:Imagined technology (OGRP, AFL)

- **Strategic progress –** focus on partner success, first Ocado Intelligent Automation deal signed, AutoStore litigation settled, 13th OSP partner signed, three new sites opened, >1,000 stores now live with ISF

Financial progress

Good revenue growth, EBITDA positive in all businesses and improving Group cash flow

£m	FY22	FY23[1]	Change
Revenue	2,517	2,766	+10%
Adjusted EBITDA	(74)	52	+126
Loss before tax (pre adjusting items)	(471)	(418)	+53
Underlying cash flow[2]	(828)	(473)	+356

Strong trading performance, rigorous focus on costs

1. FY23 is a 53 week year, to aid comparison the FY23 financials are presented on an 52 week basis, with the exception of underlying cash flow
2. Underlying cash flow for FY22 restated from £(834)m to £(828)m due to excluding acquisition of subsidiaries (£5.5m). Change calculated on an unrounded basis

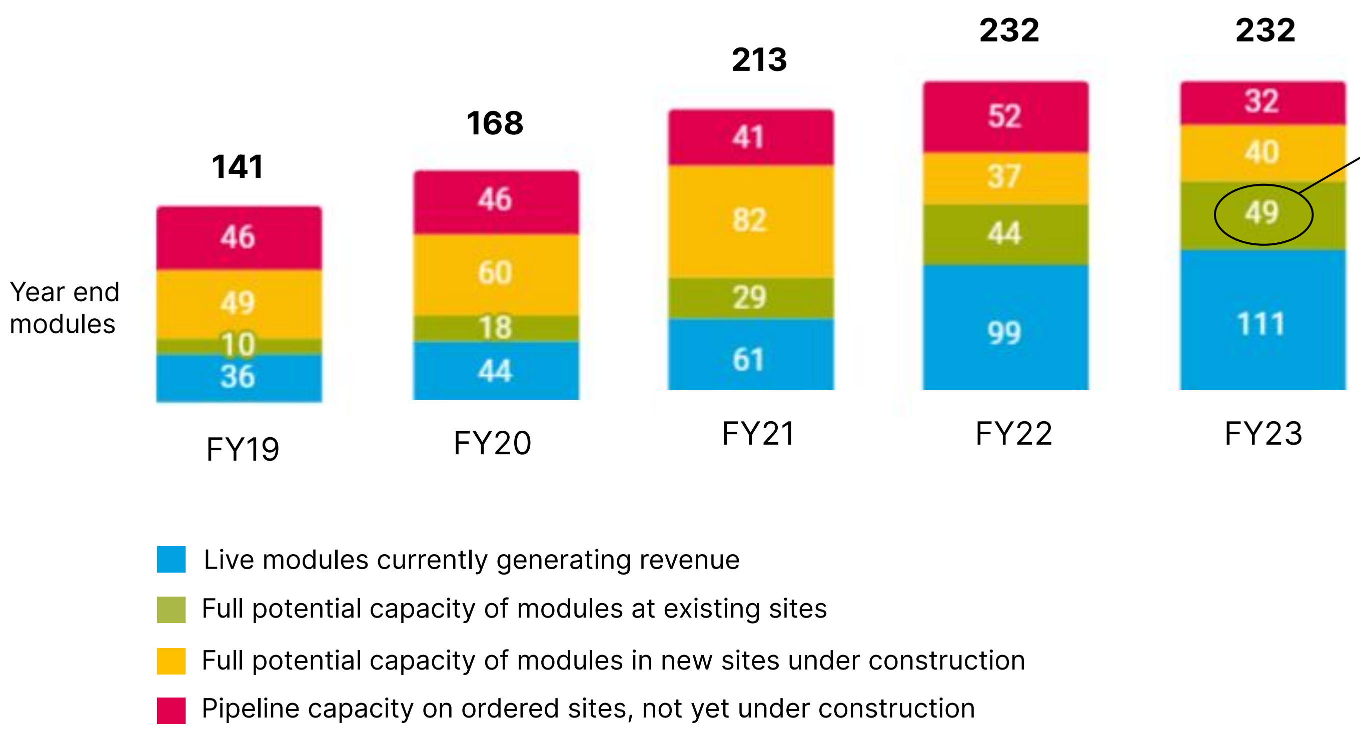
Our partners

Now 13 of the world's leading retailers >£250bn of annual sales

Technology Solutions

Growth in live modules driving revenue

Partner capacity utilisation a key priority



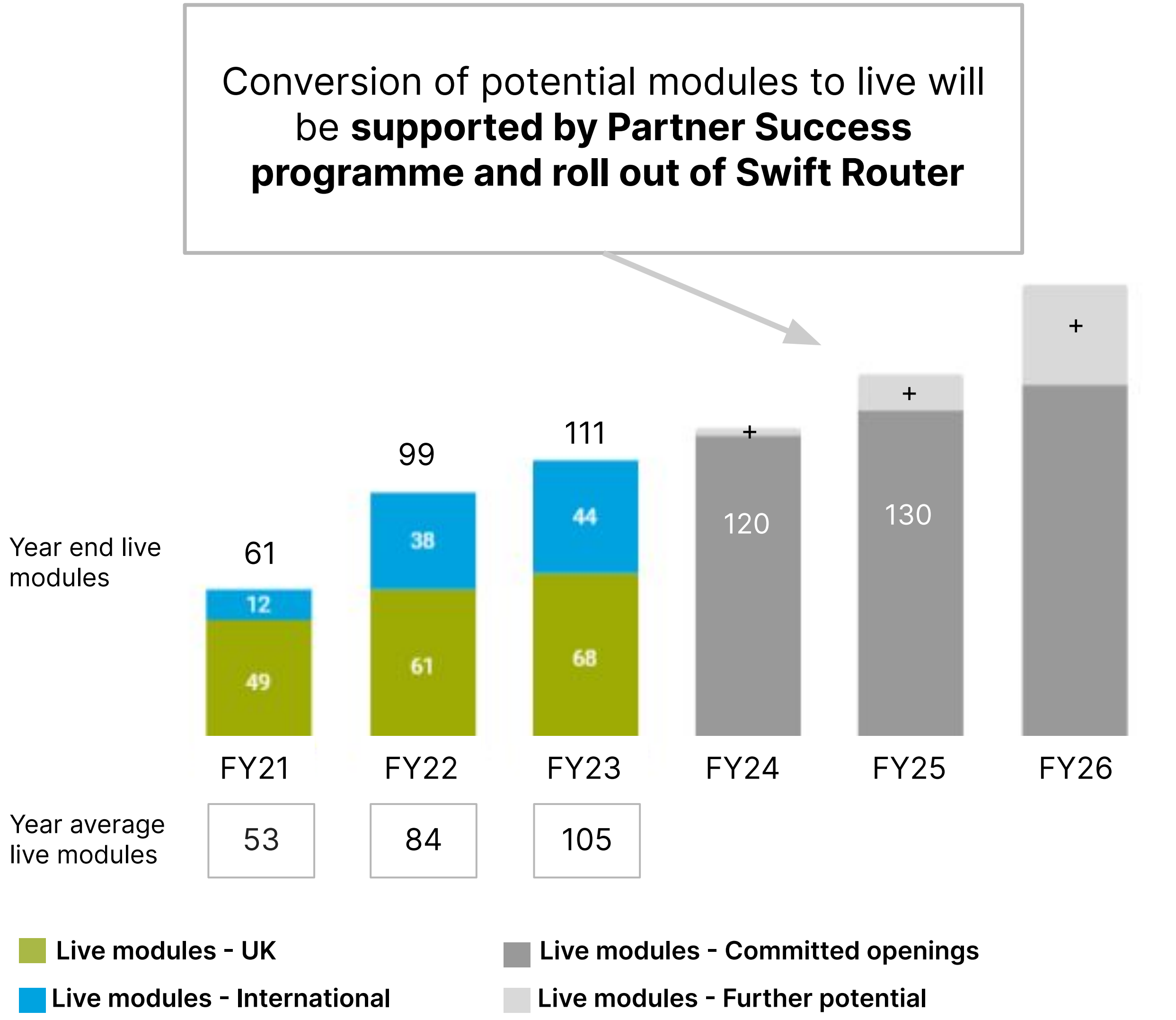
- Live modules pipeline has driven revenue growth so far
- Live CFCs have capacity to draw down 49 additional modules
- Key priority to help our Partners drive utilisation and convert this pipeline
- Growing the capacity pipeline and signing new partners also important
- Confident that module growth will accelerate as Partner Success delivers
- We expect Re:Imagined and AI-driven enhancements to drive >10% increase in modules at live sites

Note: module numbers are based on the year-end position; includes 14 live modules at Hatfield CFC and Leeds zoom

An accelerating module ramp profile expected over the coming years

Shape of FY24-26 module ramp will reflect the combination of:

- **new sites:** sites currently in underway
- **live sites:**
  - slower near-term ramp as Partner Success programme takes effect
  - conversion of this ramp into additional module growth as more live sites build into available drawdown capacity (49 modules at FY23) and then require more sites at lower capex



Note: live module number includes 14 modules relating to Hatfield CFC and Leeds Zoom

Swift Router expected to unlock potential for significant volume growth at partner sites

Sophisticated use of AI in product development and operations

- **Core to functionality:** enabling customers to shop **until the last minute, simultaneously with picking and loading** the van moments before dispatch
- **Supporting partner operations:** 'AI copilots' that **balance forecasts for customer demand and shift plans**, recommending what to do,when

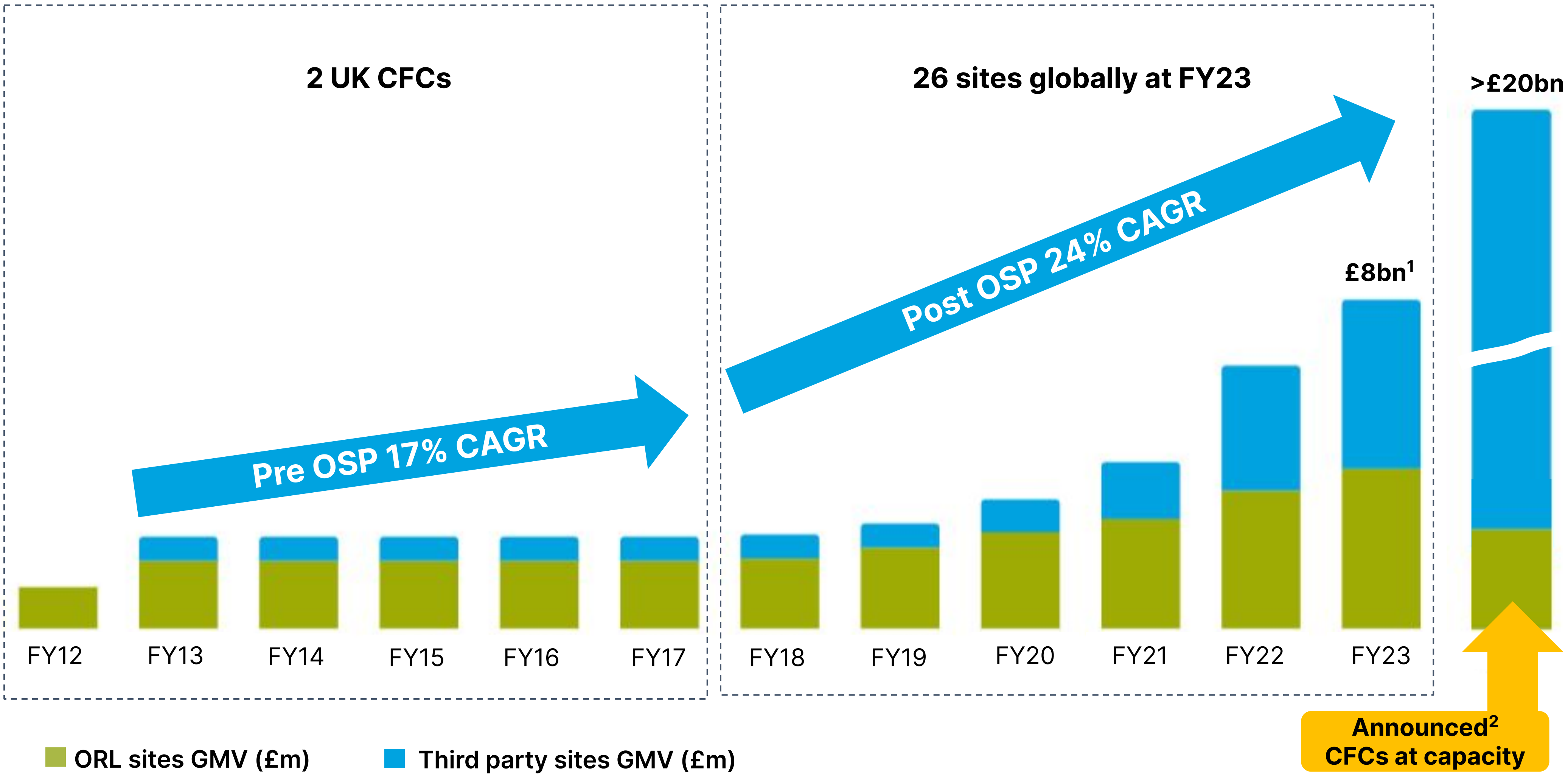
Creating a unique proposition for customers and retailers

- Increases potential short lead time volume to **>50% of CFC volume**
- enables faster lead times; **2hrs or less**
- **optimises** planning and operability
- drive equivalent order **economics**

Potential to more than double the addressable market in some countries

Our platform continues to scale

Partner announcements for >£20bn GMV annual sales on OSP



1. Gross merchandise value ("GMV") estimated based on expected site sales capacity for live modules based on £73m per module
2. Announced CFCs reflects site plans publicly announced by partners, with number of CFCs corresponding to either the announced number of CFCs or a number of sites determined by sales-based capacity announcements apportioned into £350m equivalent "standard" sized CFCs, based on average exchange rates since year of announcement. Exact sizes will vary. Does not include in-store fulfilment ("ISF") commitments. For UK, includes those sites live before the 2019 JV deal (Hatfield, Dordon, Erith, Andover).

John Martin

CEO of Ocado Solutions

Partner Success: Helping partners to grow their online businesses quickly and profitably

Americas
2 Partners

Regional President
+
Dedicated Resources for each partner

Europe
7 Partners

Regional President
+
Dedicated Resources for each partner

APAC & MEA
4 Partners

Regional President
+
Dedicated Resources for each partner

Central Resources
Centre of Excellence with three areas of focus: Operations, Growth, Analytics

Partner Success: Things that are working really well

- **We are delivering great technology**
  - CFCs are operating as designed
  - Re:Imagined technologies are being introduced to drive efficiency
  - ISF is a good solution being employed very effectively by many partners

- **We are bringing strong organisational alignment to Partner Success**
  - Deploying dedicated Partner Success resources to each partner
  - Highly experienced Centre of Excellence for use by all partners

- **Our partners are engaging well with us**

Partner Success: Principal focus areas

Revenue growth

Customer acquisition

Customer retention

Retail media income

Basket size

Ecommerce optimisation

Operational efficiency

CFC productivity

Last mile operations

Operational planning

Inbound supply chain

Purge

Product development

Enabling short lead times

Opening up B2B opportunities

Alternative bagging options

Multi-SKU totes

Toolkit

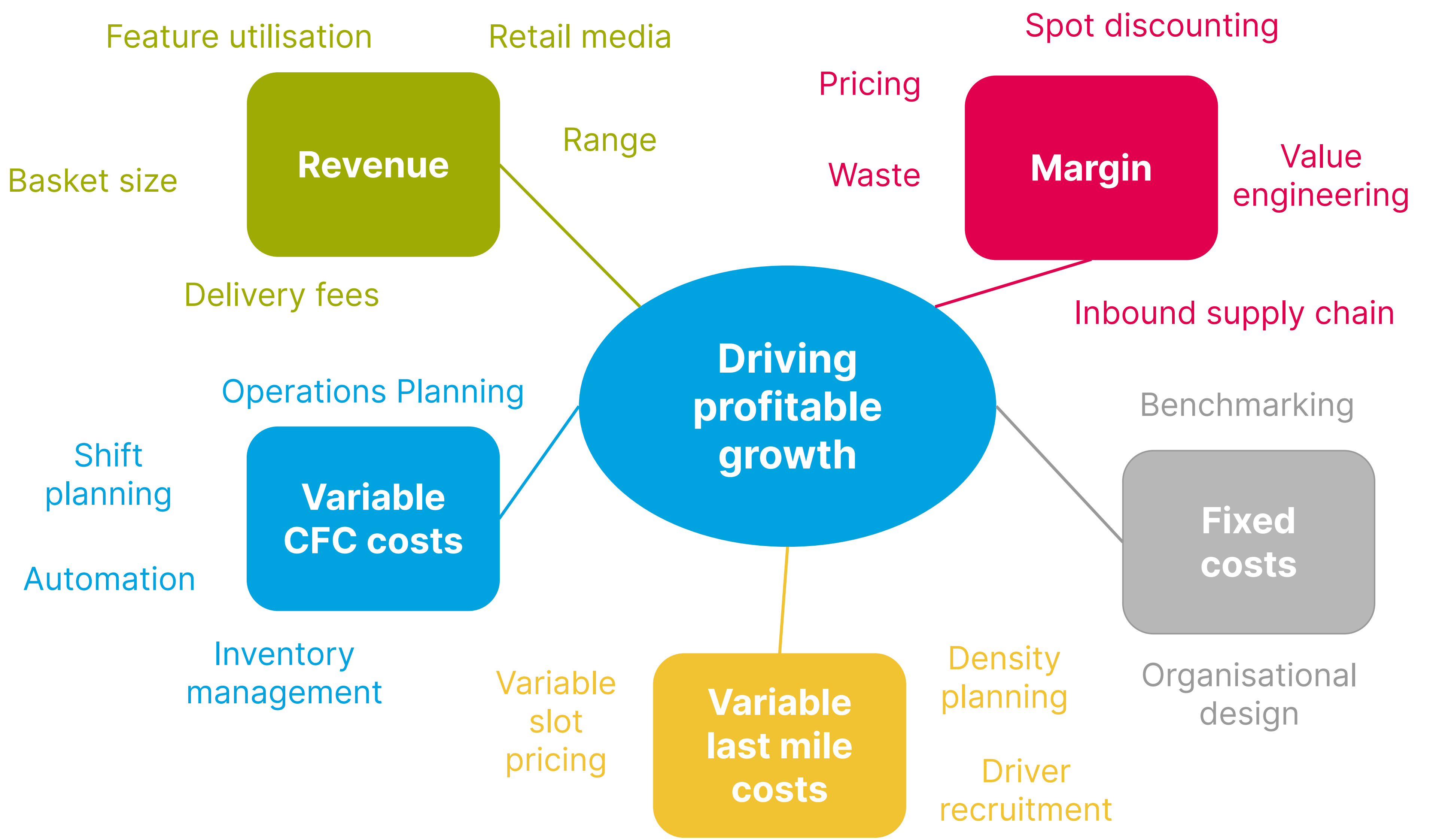
Operational Playbook

Detailed P&L analysis

Benchmarking

Analytics

Partner Success: initiatives to drive profitable growth



Ocado Intelligent Automation

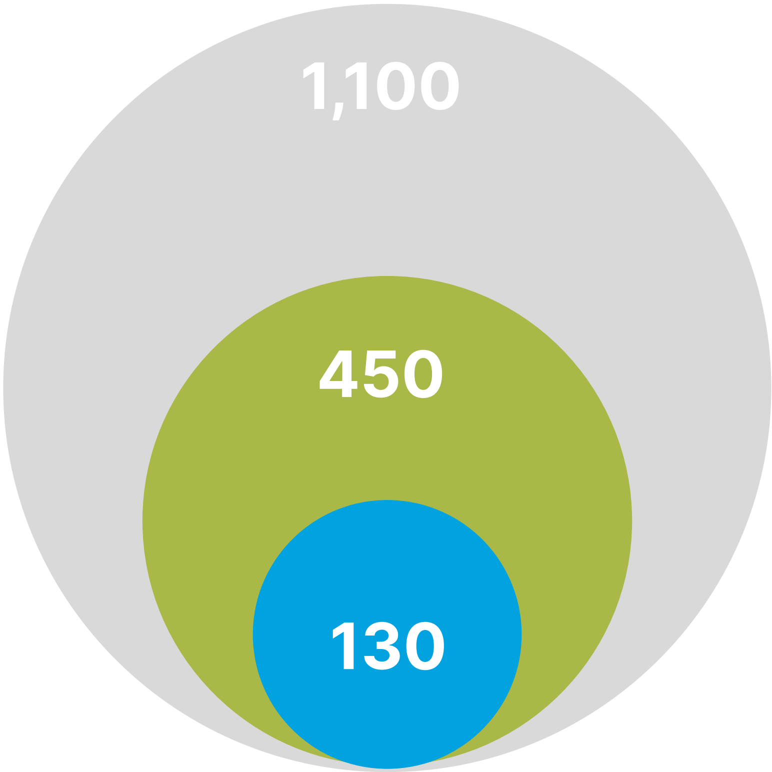
Our solution has clear competitive benefits in the wider ASRS space

- **Unique proposition as a large vendor and operator** with >20 years of experience running the MHE ourselves in the UK with a **focus on whole site efficiency**
- **Extensive R&D investment and robust roadmap** for automating processes across the fulfilment value chain
- **Proven expertise using sophisticated storage and orchestration algorithms** to drive efficiency and have full inventory traceability
- **More space efficient** than available shuttle systems (at least 20%) with tallest available grid in the market
- **Higher throughput and high productivity**; whole site efficiency of >300 units per labour hour (UPH)
- **Price competitive** with roll out of Re:Imagined products (e.g. 600s bots and grid)

First OIA deal signed with McKesson Canada (Nov 2023), largest pharmaceutical distributor; healthy pipeline building

Unique proposition underpins significant opportunity

A huge opportunity
(2023 aggregate revenues £bn)



Total market: estimated global revenue non-grocery warehouses (>50k sq ft)

Addressable market (TAM): estimated share of revenue in currently addressable markets

Serviceable addressable market (SAM): excluding case, pallet and parcel-handling warehouses

Source: Interact analysis

A sizeable opportunity, with clear paths to expanding this further as our technology develops

Ocado Retail

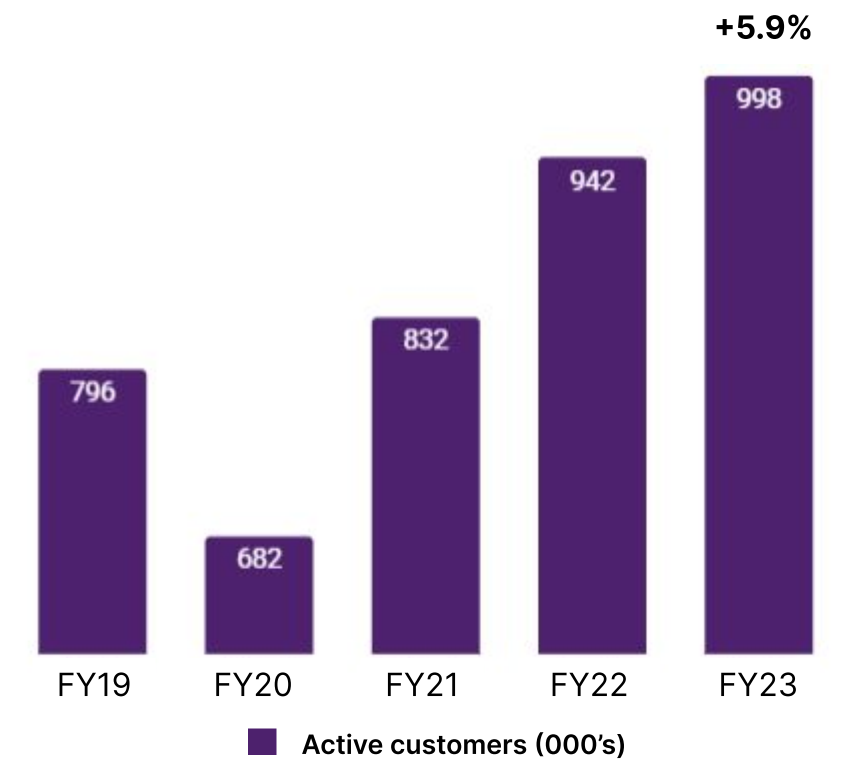
‘Perfect Execution’ programme has delivered results, including a strong customer proposition

Strategic priorities	FY23 progress
Unbeatable choice	• SKU range up to 50,000 • Around 90% of M&S range on Ocado.com • New international ranges
Unrivalled service	• 99% items delivered as promised • 95% on-time delivery • Great doorstep experience
Reassuringly good value	• ASP increase below market inflation • Ocado Price Promise launch • Thousands of product price drops

Our customer proposition is back to where it should be; NPS +7

Strong proposition is driving quality customer growth

Proposition driving strong customer growth



More valuable customers at lower cost

More valuable customers:

- +9% mature customer base growth
- Materially improved retention to 5th and first quarter value

Attracted at lower cost:

- 0.7ppts lower Ocado.com marketing spend (including vouchering) from 3.3% to 2.6% of sales

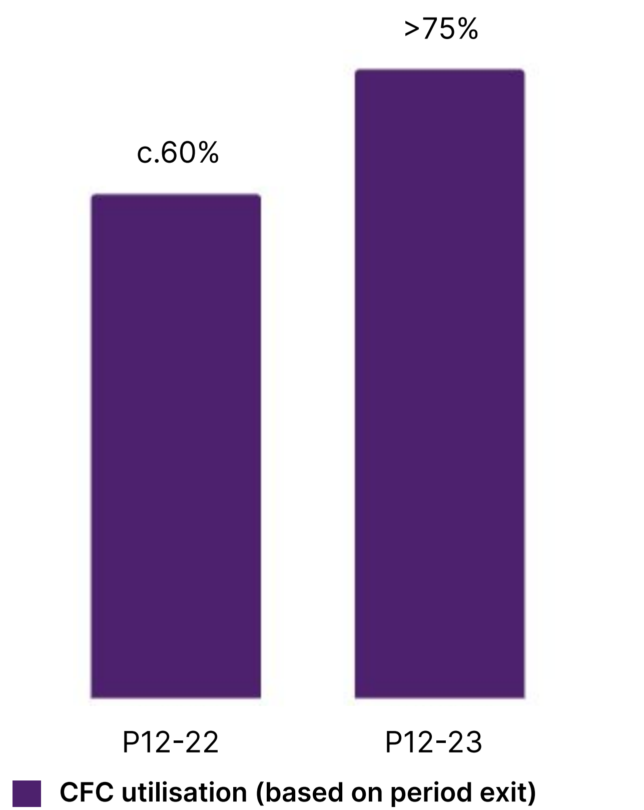
Online market share +0.7ppts to 13.5%[1]; confidence in ongoing momentum

1. online market share based on Neilsen data (Jan 24 vs Jan 23)

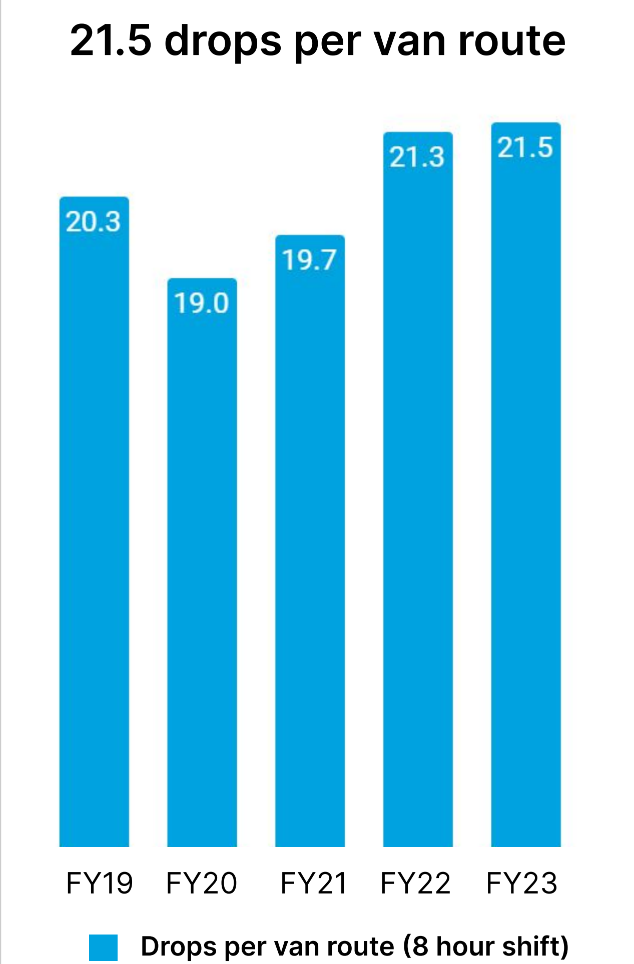
Levers now in place to deliver improving profitability

Higher capacity utilisation

- Optimising CFC footprint (closing Hatfield, opening Luton)
- Return to positive volume growth



Ocado Logistics driving strong operating efficiencies



Improving capacity utilisation and operating efficiency underpin path to a high-mid single digit EBITDA margin in the mid-term

Summary

- Our ‘Perfect Execution’ programme is delivering results
- Our differentiated proposition is driving growth
- We are making the most of our OSP model
- Improving capacity utilisation and operating efficiency underpin our path to a high-mid single digit EBITDA margin in the mid-term

Financial Review

Stephen Daintith, CFO

Note: the financial review numbers are on a rounded basis.

Our Technology Solutions financial model

Attractive market and model

- Huge market opportunity
- High barriers to entry
- Battle-tested IP portfolio
- Sticky recurring cash flows
- Strong pipeline visibility

Clear value drivers

- Large capacity commitments
- Index linked fees
- Falling direct operating costs
- Operating leverage
- Reducing capital intensity

Excellent cash generation

- Strong cash conversion
- Working capital improving
- Resilient cash generation

Compelling returns

- CFC ROCE 22% today, 40%+ Re:Imagined
- Quick payback of < 2 years[1]
- Self-funding for future growth

1. Per the November 2022 cash flow seminar - Payback in <2 years on module capex

FY23 - delivered on all guidance

	Revenue		Adjusted EBITDA	
	Guidance	Actual	Guidance	Actual
Technology Solutions	+40%	+44%	positive	£15m
Ocado Logistics	broadly stable	+1%	around £25m	£30m
Ocado Retail	mid-single digit growth	+7%	marginally positive	£10m

	Underlying Cash Flow		Capital Expenditure	
	Guidance	Actual	Guidance	Actual
Ocado Group	to improve by around £200m	+£356m	Total at most £550m	£520m

Group P&L - positive adjusted EBITDA in all segments

	£m	1H22*	2H22*	FY22*	1H23	2H23	FY23[1]	FY Change
Revenue	Technology Solutions	125	166	291	198	222	420	+129
	Ocado Logistics	330	333	663	335	333	668	+5
	Ocado Retail	1,122	1,081	2,203	1,179	1,179	2,358	+155
	Inter-segment eliminations	(315)	(325)	(640)	(341)	(339)	(680)	-40
	Group	**1,262**	**1,255**	**2,517**	**1,371**	**1,395**	**2,766**	**+249**
Adjusted	Technology Solutions	(59)	(43)	(102)	6	9	15	+117
EBITDA	Ocado Logistics	15	19	34	15	15	30	-4
	Ocado Retail	31	(35)	(4)	(3)	13	10	+14
	Inter-segment eliminations	(1)	(1)	(2)	(1)	(3)	(4)	-2
	Group	**(14)**	**(60)**	**(74)**	**17**	**35**	**52**	**+126**
Depreciation, amortisation & Impairment		(157)	(192)	(349)	(193)	(203)	(396)	-47
Finance expense		(41)	(24)	(65)	(31)	(31)	(62)	+3
FX (losses)/ gains		8	8	16	(5)	(7)	(12)	-28
Group loss before tax (pre adjusted items)		**(204)**	**(267)**	**(471)**	**(212)**	**(206)**	**(418)**	**+53**
Adjusting items		(7)	(23)	(30)	(77)	101	24	+54
Group loss before tax (post adjusted items)		**(211)**	**(290)**	**(501)**	**(289)**	**(105)**	**(394)**	**+107**

1. FY23 is a 53-week year, to aid comparison the FY23 financials are presented on an 52-week basis

*restated, see note on page 56

Adjusting items

£m	FY22	FY23
AutoStore settlement	-	187
Andover & Erith CFC insurance reimbursement income	70	-
Change in IFRS 13 fair value of contingent consideration[1]	(58)	(68)
ORL - UK Network Capacity review	-	(60)
Organisational restructure	(3)	(16)
Litigation costs net of cost recoveries	(27)	(5)
Other	(12)	(13)
Total	**(30)**	**24**

- **AutoStore settlement** of £187m relates to the £200m AutoStore settlement on the patent infringement litigation between the Group and Autostore which has been discounted back to the present value
- **Changes in IFRS 13 fair value of contingent consideration** primarily relates to the revaluation of the M&S contingent consideration[1]
- **ORL - UK network capacity review** is driven by the cessation of operations at Hatfield CFC, comprising asset impairments, redundancy costs, onerous contracts and other one-off costs; and a strategy and capacity review of Zoom sites.
- **Organisational restructure costs** relate to a partial reorganisation of head office and support functions
- **Other** largely relates to system transformations in FY23

1. M&S contingent consideration has been accounted for based on the IFRS 13 accounting standard

Technology Solutions

91% EBITDA flow-through from revenue growth

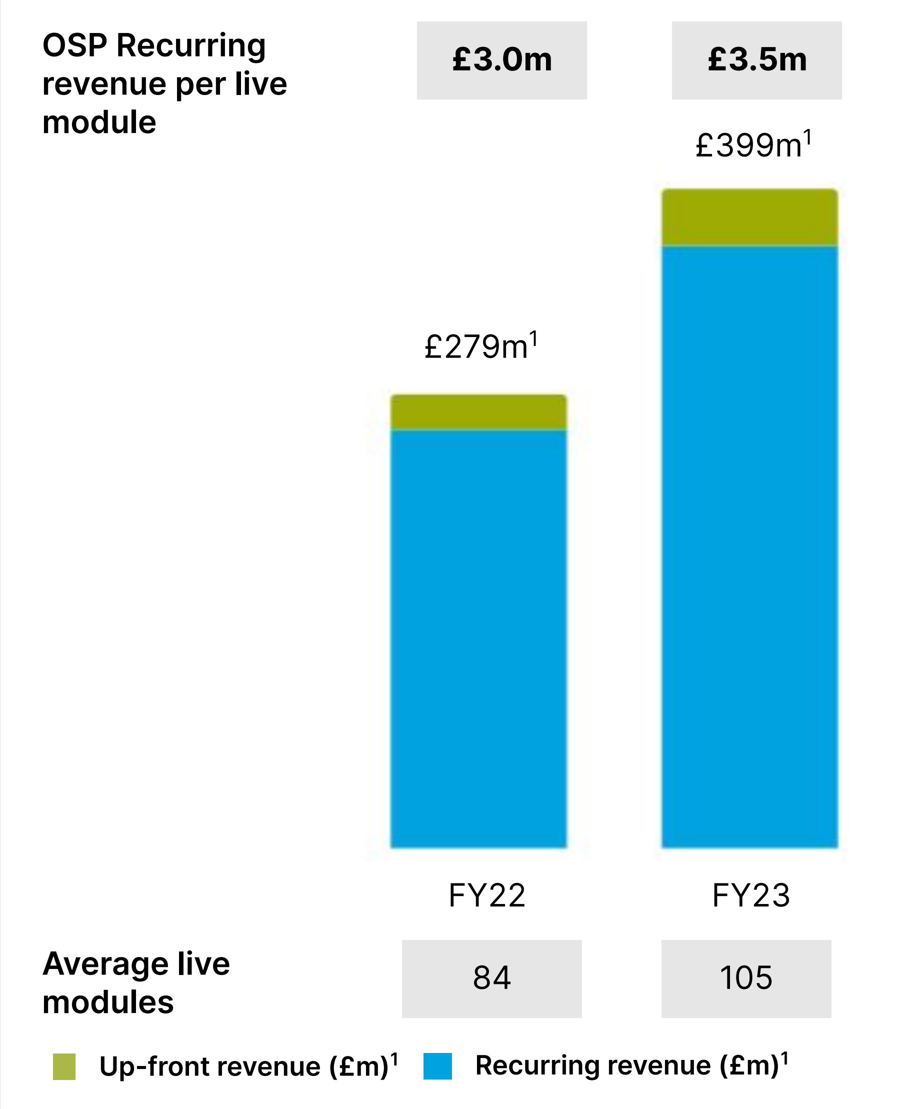
£m	*1H22**	*2H22**	FY22*	*1H23*	*2H23*	FY23[1]	FY Change
Revenue[2]	*125*	*166*	291	*198*	*222*	420	+44%
Recurring revenue	*108*	*145*	*253*	*175*	*188*	*363*	*+43%*
Non-recurring revenue	*17*	*21*	*38*	*23*	*34*	*57*	*+50%*
Live modules (weighted average)	*75*	*92*	*84*	*101*	*108*	*105*	*+25%*
Contribution	***81***	***107***	**188**	***140***	***156***	**296**	**+58%**
Contribution margin %	*65%*	*64%*	*64%*	*71%*	*70%*	*70%*	*+6%*
Technology costs	*(39)*	*(42)*	(81)	*(46)*	*(43)*	(89)	+10%
Support costs	*(101)*	*(107)*	(208)	*(88)*	*(103)*	(191)	-8%
Adjusted EBITDA	***(59)***	***(43)***	**(102)**	***6***	***9***	**15**	**+117**

- Revenue increase of +44%; strong growth in recurring capacity fees
- Average live modules +25%; including a higher proportion of OSP modules that generate a higher fee rate
- Improving contribution margin
- Support costs down 8%; ongoing drive to reduce costs
- Technology Solutions delivering positive EBITDA

1. FY23 is a 53 week year, to aid comparison the FY23 financials are presented on an 52-week basis
2. Revenue of £420m is made up of OSP recurring capacity fees of £363m (FY22: £253m), upfront fees amortised of £35m (FY22: £21m), Ocado Intelligent Automation £21m (FY22: £12m) and equipment sales to partners of £1m (FY22: £5m)

*restated, see note on page 56

Improving yield per module also driving recurring revenue growth

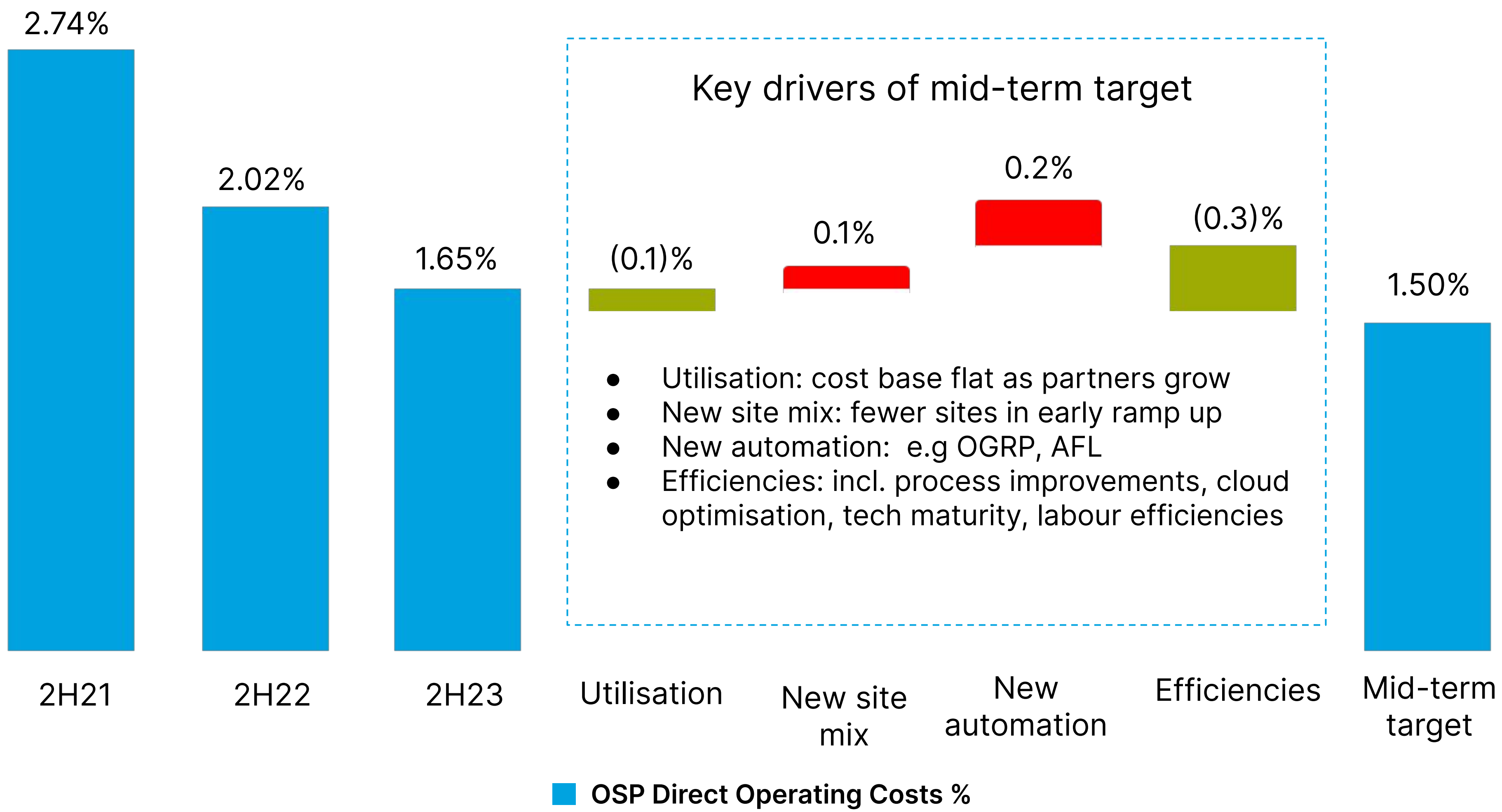


- Recurring fees reflect live module capacity; indexed annually by territory
- Recurring fees increased from £3.0m per live module to £3.5m per live module - indexation and mix of OSP modules
- Average recurring revenue as a % of live modules GMV sales capacity[2] up from 4.3% in FY22 to 4.8% in FY23
- Increasing mix of OSP sites; delivering higher recurring fees versus legacy sites
- Re:Imagined rollout, is expected to deliver OSP recurring fees of 5.5% of live sales capacity

1. Revenue numbers (recurring and up-front) exclude OIA revenue (FY23: £21m and FY22: £12m)
2. Live modules sales capacity: each live module of retailer sales capacity assumed at £70m in FY22 and £73m in FY23 - increase largely driven by inflation.

Driving down OSP direct operating costs[1] %

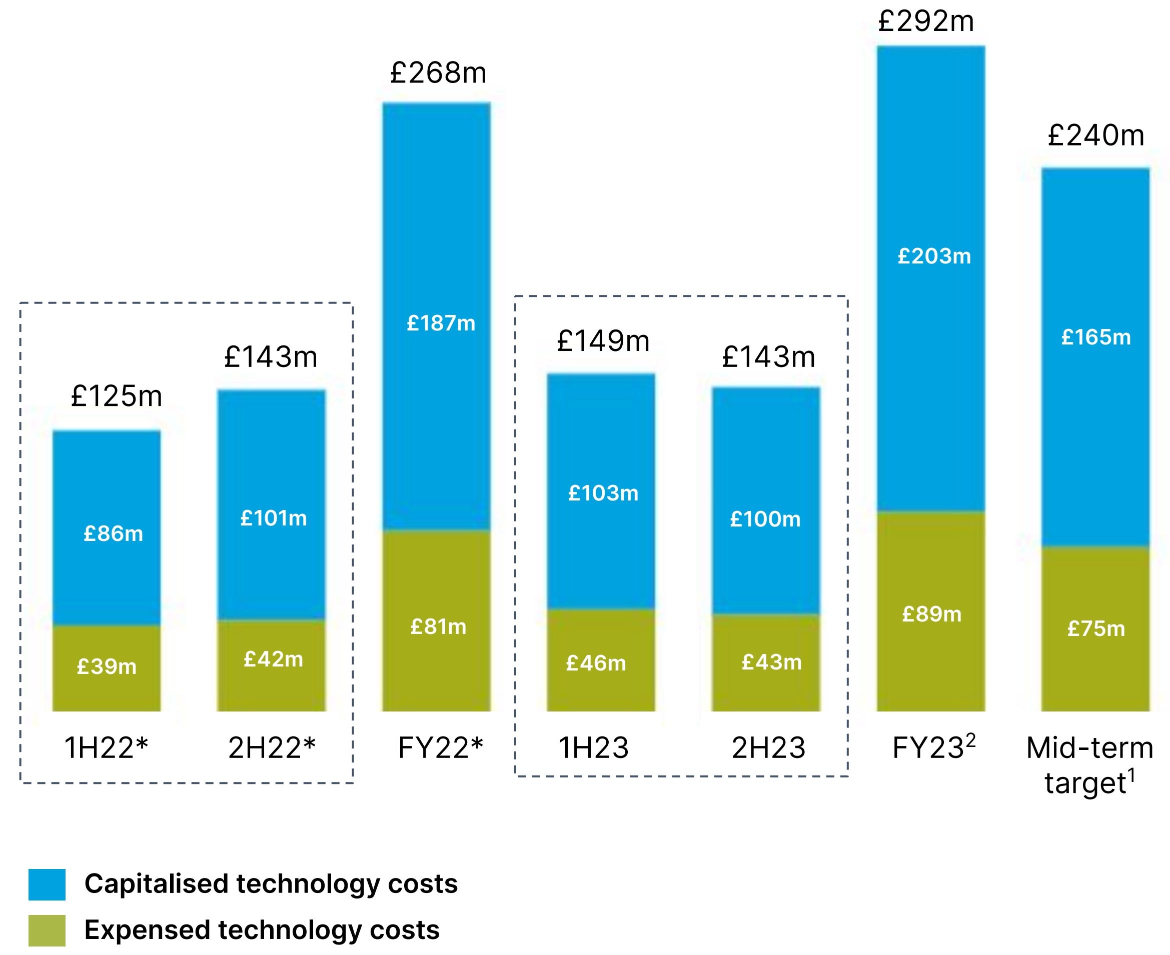
On track for mid-term target, FY23 benefiting from low utilisation levels of new live CFC capacity



Roadmap to direct operating cost of 1.25% [in the long-term]

1. Direct operating costs as a % of installed sales capacity (£73m per live module in FY23 and £70m in FY22) reflects the exit rate position for all OSP CFCs live at the period end. Direct operating costs include engineering, cloud and other technology direct costs.

Technology investment peaking



Investment in R&D delivers attractive returns

- CFC pre Re:Imagined (Purfleet) **22% ROCE**
- CFC post Re:Imagined expected **40% ROCE**
- Re:Imagined technologies in **early deployment** and will drive **attractive and improving returns as we scale**

Key drivers of future reduction:

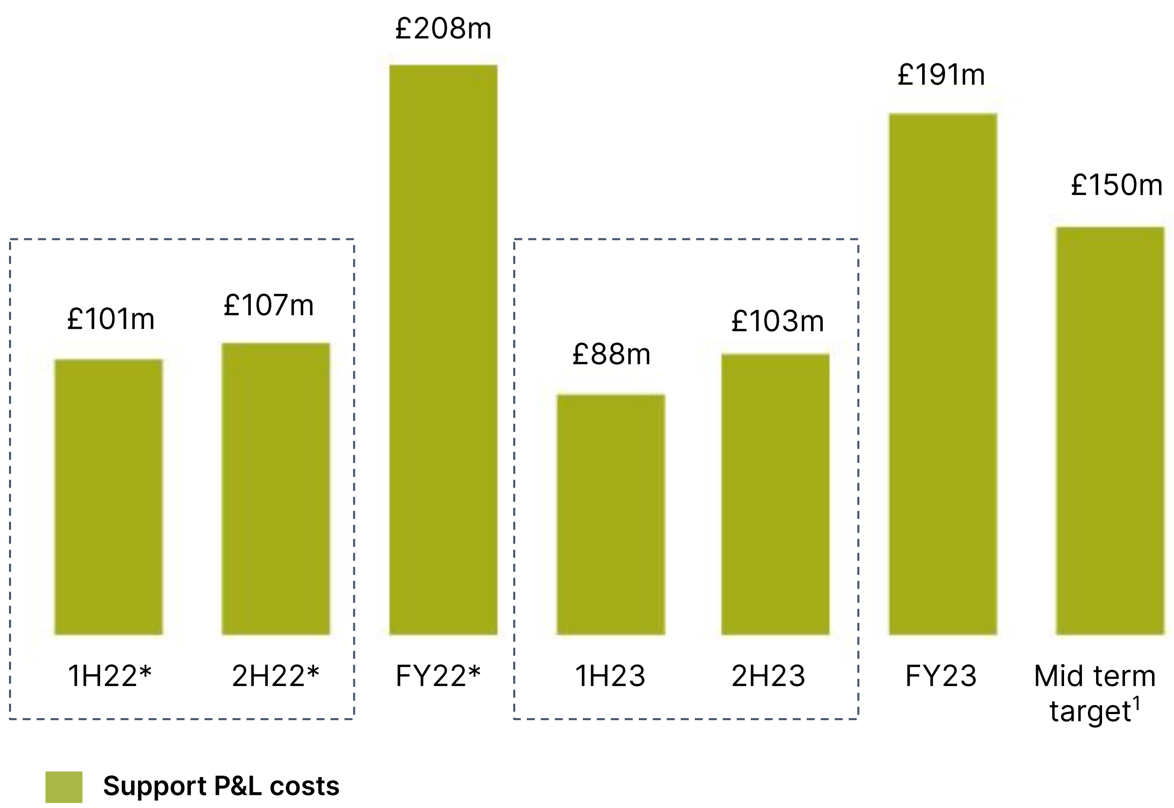
- Roll-out of Re:Imagined

1. Mid term technology cost target of £200m subject to inflation from FY21 - estimated to be c.£240m including inflation impact
2. FY23 capitalised technology costs based on the 53 week view

*restated, see note on page 56

Support costs down while investing in the customer

Support costs reduced by £17m



Key drivers of FY23 reduction:

- Efficiencies from investment in enterprise platforms
- Headcount reductions
- Tight management of discretionary spend
- Strict budgets, cost centre ownership

Key drivers of future reduction:

- Cost discipline in all areas

1. Mid term support cost target of £130m subject to inflation from FY21 - estimated to be c.£150m including inflation impact

*restated, see note on page 56

Ocado Logistics

Ocado Logistics a reliable generator of EBITDA

£m	1H22*	2H22*	FY22*	1H23	2H23	FY23	FY change
Revenue[1]	330	333	663	335	333	668	+1%
Costs	(315)	(314)	(629)	(320)	(317)	(637)	+1%
Adjusted EBITDA	**15**	**19**	**34**	**15**	**15**	**30**	-10%

Eaches (m)	612	584	1,196	596	586	1,182	-1%
Orders per week (000s)	491	497	494	512	509	510	+3%
OSP CFC UPH	181	188	184	206	210	208	+13%
Drops per van route (DP8)[2]	21.0	21.6	21.3	21.4	21.5	21.5	+1%
Deliveries per van per week[2]	177	175	176	182	191	187	+6%

- Adjusted EBITDA of £30m, in line with guidance
- Simple cost-pass-through business model
- Ocado Logistics plays a critical role for Ocado Retail to deliver strong EBITDA margins

1. Revenue for FY22 has been restated to include £3.0m rental income from our partners previously shown in other income
2. DP8 and deliveries per van per week based on Ocado Retail data only

*restated, see note on page 56

Ocado Retail

Revenue up; return to positive volume growth

KPIs relate to Ocado.com only	FY22	FY23[1]	FY Change	Q4-22	Q4-23[1]	Q4 Change
Revenue £m	**2,203**	**2,358**	**+7.0%**	**549**	**609**	**+10.9%**
avg. orders per week (000s)	**378**	**393**	**+4.0%**	**383**	**407**	**+6.3%**
active customers (000s)	942	998	+5.9%	942	998	+5.9%
avg. basket value (£)	**118**	**121**	**+2.7%**	**116**	**121**	**+3.8%**
avg. eaches per basket (individual items)	46	44	-4.5%	45	44	-1.6%
avg. selling price (£)	2.54	2.74	+7.9%	2.61	2.75	+5.4%

1. All KPIs based on 52 week year with the exception of active customers which is the week 53 year exit number
2. As FY23 is a 53 week year, Q4-23 therefore has 14 weeks in the period, however to provide a like-for-like comparative the Q4-23 is based on 13 weeks (with the exception of active customers which is based on the 53rd week year exit number)

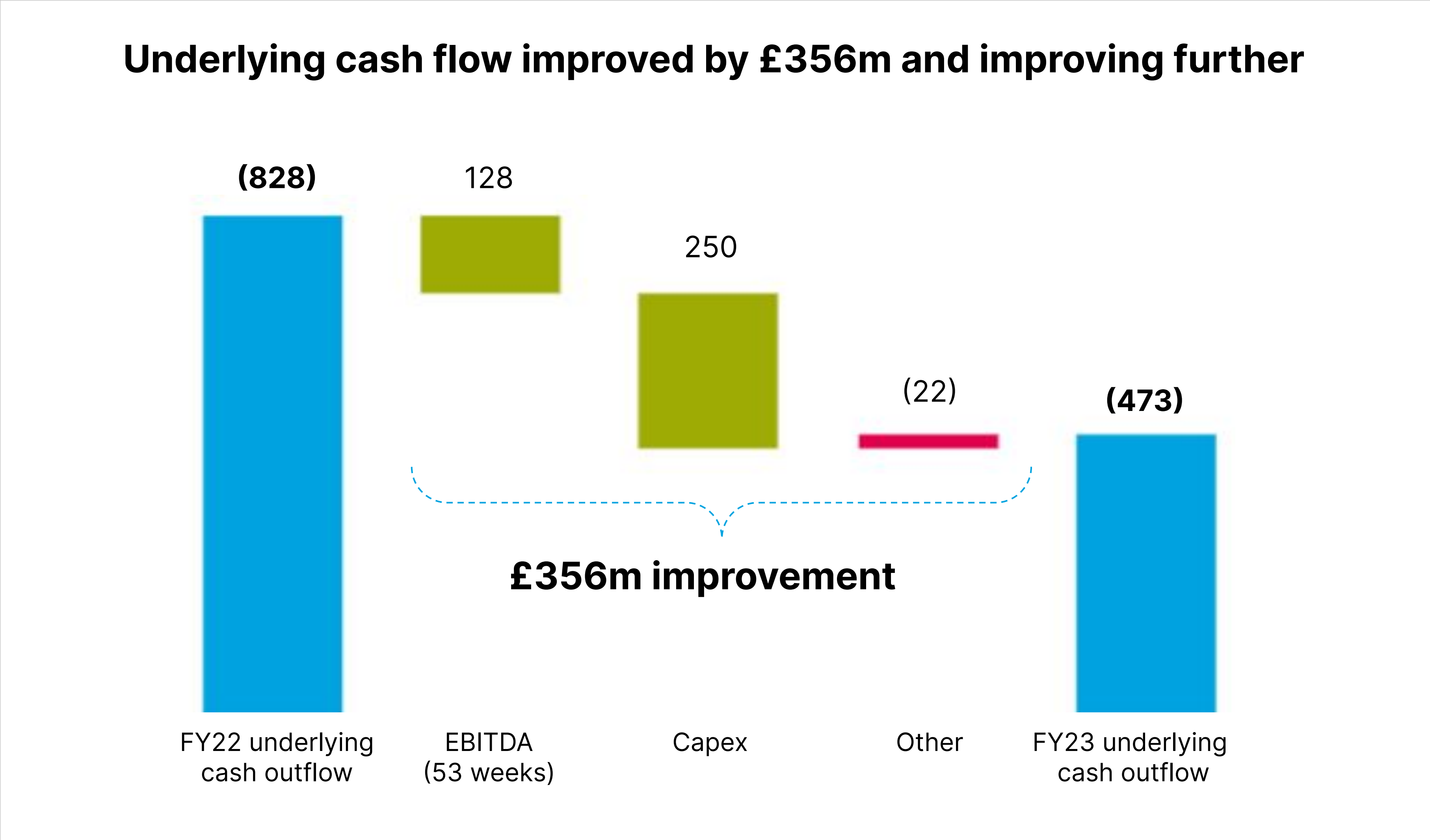
Order and customer growth; return to profitability

£m	1H22	2H22	FY22	1H23	2H23	FY23	FY Change
Revenue	***1,122***	***1,081***	**2,203**	***1,179***	***1,179***	**2,358**	**+7%**
Gross profit	*385*	*355*	740	*390*	*407*	797	+8%
Gross margin %	*34.3%*	*32.8%*	*33.6%*	*33.1%*	*34.5%*	*33.8%*	*0.2ppts*
Fulfilment & delivery costs	*(234)*	*(230)*	(464)	*(238)*	*(229)*	(467)	+1%
Fulfilment & delivery costs %	*(20.9)%*	*(21.3)%*	*(21.1)%*	*(20.2)%*	*(19.4)%*	*(19.8)%*	*1.3ppts*
Marketing costs	*(27)*	*(31)*	(58)	*(20)*	*(23)*	(43)	-26%
Support costs	*(31)*	*(52)*	(83)	*(49)*	*(53)*	(102)	+22%
Fees	*(62)*	*(77)*	(139)	*(86)*	*(89)*	(175)	+26%
Adjusted EBITDA	***31***	***(35)***	**(4)**	***(3)***	***13***	**10**	**+14**

- Revenue growth from customer growth, order growth and average basket value growth. Gross Margin also improving to 33.8% whist investing in price.
- Fulfilment & delivery costs broadly flat; inflationary headwinds offset by operating efficiencies
- Marketing costs lower driven by optimisation of marketing mix and increased vouchering
- Support costs higher largely due to absence of prior year one-off management incentive accrual release
- Fees increase driven by the opening of Luton CFC, annualisation of CFCs which went live in FY22 and indexation
- **Adjusted EBITDA up £14m with progressive improvement across the year**

Ocado Group Cash Flow

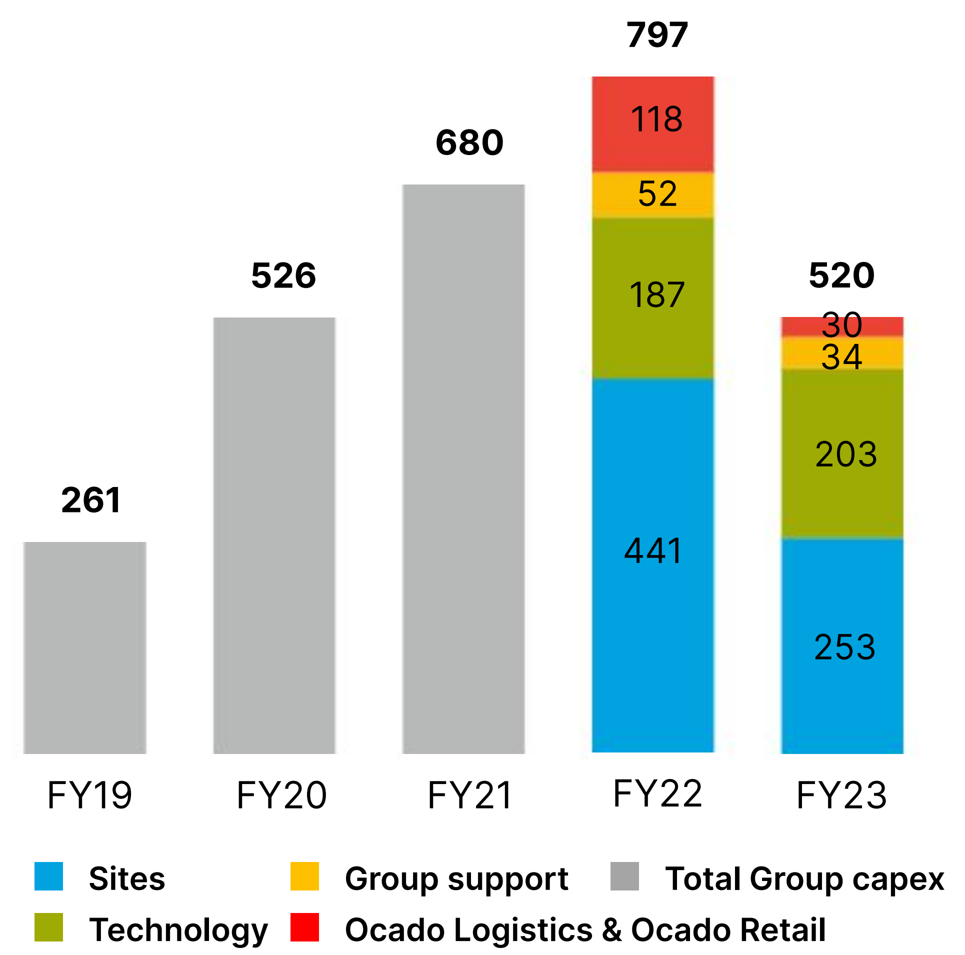
Improving cash flow in FY23



Cash flow based on 53 week period

Benefiting from £277m lower capital expenditure

Reduced capital expenditure (£m)



A result of fewer sites going live internationally and in the UK

Sites: £188m lower

- Fewer sites going live and under construction
- 3 CFCs went live, further 7 are under construction (of which 5 x Ocado on-site and 2 x partner on-site)

Ocado Logistics & Ocado Retail: £88m lower

- Lower site construction activity; Luton live

Group support: £18m lower

- Cost focus, prior year implementations

Technology: £16m higher

- Spending peaking with Re:Imagined rollout

Beat guidance of £550m

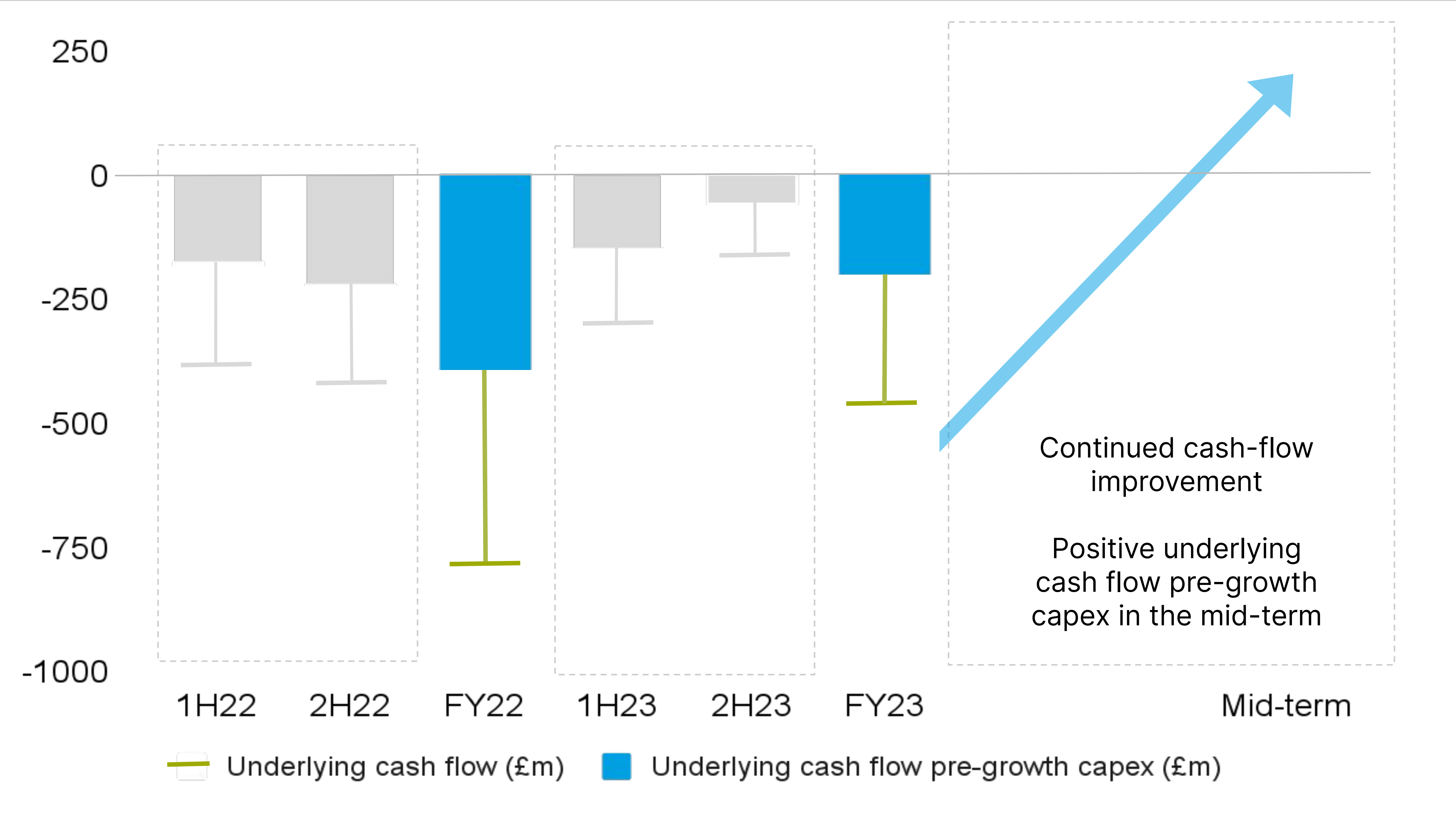
See appendix 6 for reconciliation for FY23 accounting to cash capital expenditure

On track to be cash flow positive in the mid-term

- **Growing recurring fees** from our clients as live modules increase
- **Lower direct operating costs %** as the business scales
- **Technology investment past its peak** and to decline from here
- **Group support costs efficiencies** continue to be found
- **Capex unit costs** continue to decline

Steadily improving cash flows

Underlying cash flow pre-growth capex (£m)	**(399)**	**(203)**	**>200**
Underlying cash flow (£m)	**(828)**	**(473)**	**positive**



Summary

FY23 - Strong momentum and delivery of our guidance

- **KPIs continued progress** across all segments
- **Positive adjusted EBITDA** across all segments; progressive improvement
- **Underlying cash outflows** reduced by £356m
- **Underlying cash flow pre-growth capex** up £196m
- **Well-positioned to deliver our mid-term targets**

FY24 - key priorities

- **Financial discipline** - cash focus, returns on capital, cost reductions
- **Operational execution** - for Ocado and for our partners
- **Strategic growth** - Partner Success, win new partners, non-grocery contract wins

FY24 - financial guidance

	Revenue	EBITDA
Technology Solutions	15% to 20% growth	greater than 10% EBITDA margin
Ocado Logistics	stable	stable at around £30m[1]
Ocado Retail	mid-high single digits growth	c.2.5% underlying EBITDA margin[2]

	Underlying cash flow	Capital expenditure
Ocado Group	around £100m improvement	around £475m

1. Ocado Logistics EBITDA: incremental EBITDA from additional orders offset by a reduction in costs recharged to customers due to efficiency improvements
2. Ocado retail underlying EBITDA: excludes Hatfield fees of £33m p/a

Q&A

Appendix

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1. **Glossary**
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    b. Average deliveries per van per week trend chart
5. **Ocado Retail - 1H / 2H split of key KPIs**
6. **Capital expenditure - accounting to cash bridge**
7. **Cash flows & liquidity**

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 picked per labour hour

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 (£) - Ocado.com product sales divided by total orders

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

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

Ocado Retail fees - include OSP fees, 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 labour hour

Zoom - the Group's immediacy delivery offering

Appendix 2: Segmental changes overview - reconciliation of proforma to actuals (1 of 3)

- **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 FY22 prior year comparatives have been restated on the new segment basis.

- We carried out detailed exercise to review costs and activities 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 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) - FY22 (2 of 3)

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

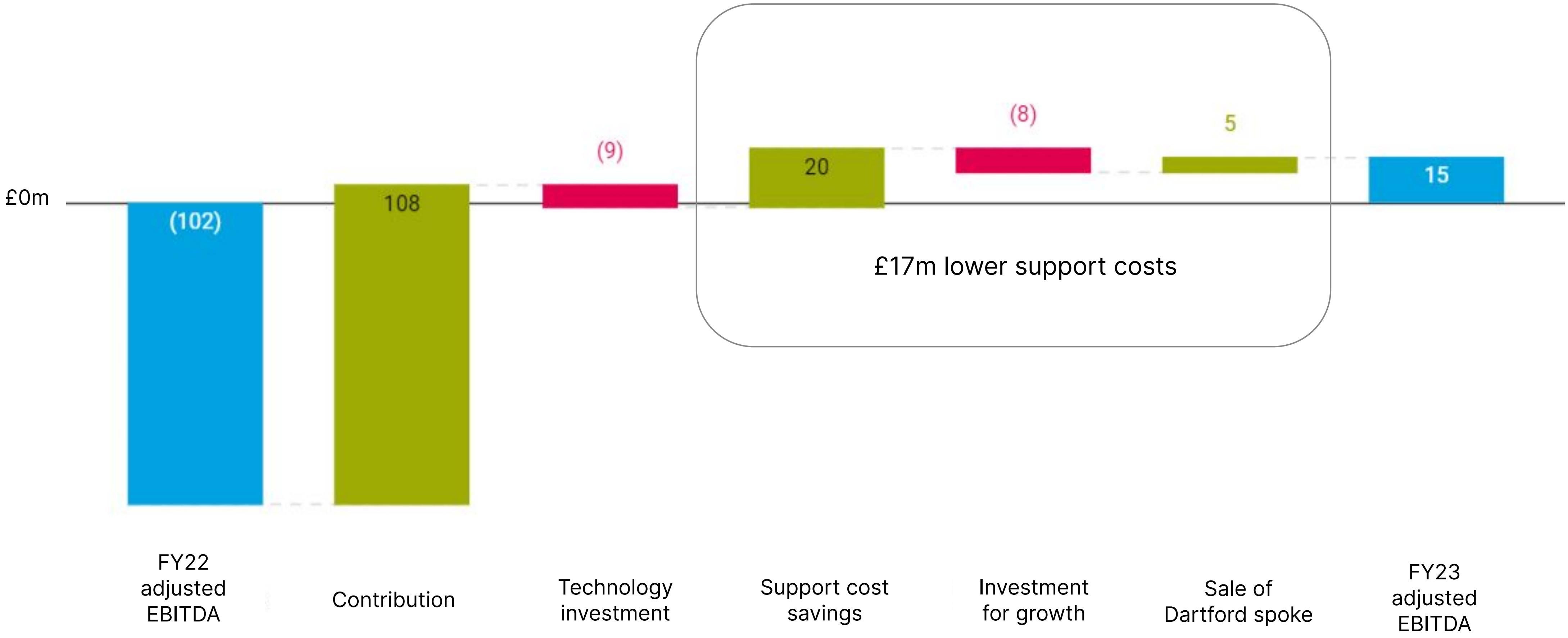
Capital expenditure £m	Proforma at February 2023 FY22	1 Technology	2 Retail design fees	Actuals Restated FY22
Technology Solutions	699	(19)		680
Ocado Logistics	-	19		19
Ocado Retail	134			134
Inter-segment eliminations	(36)			(36)
Group	**797**	**-**	**-**	**797**

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

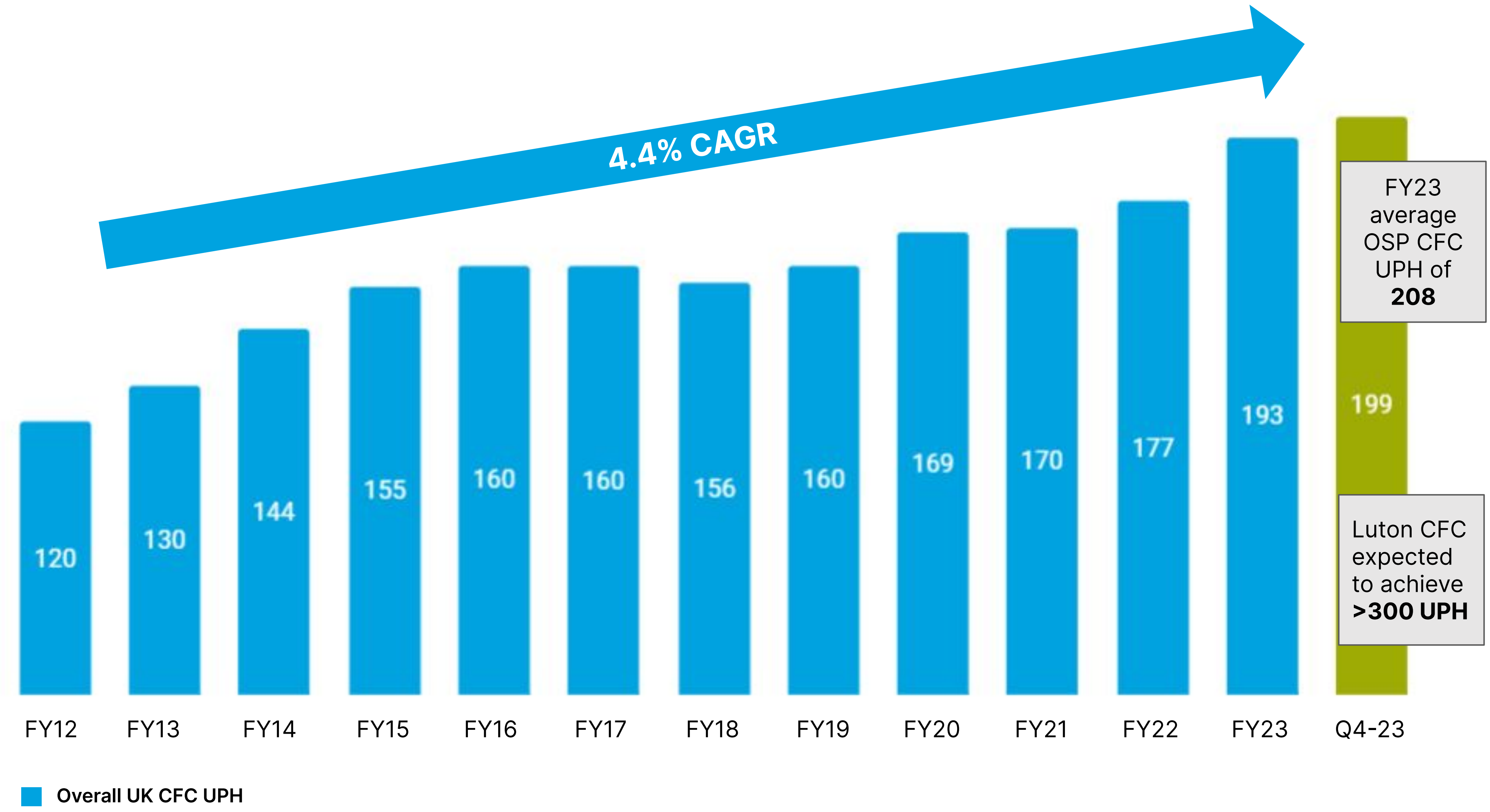
1. **Technology capital expenditure** primarily relates to the programme to transition to OSP is categorised within the Ocado Logistics segment (£19m in FY22)

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.

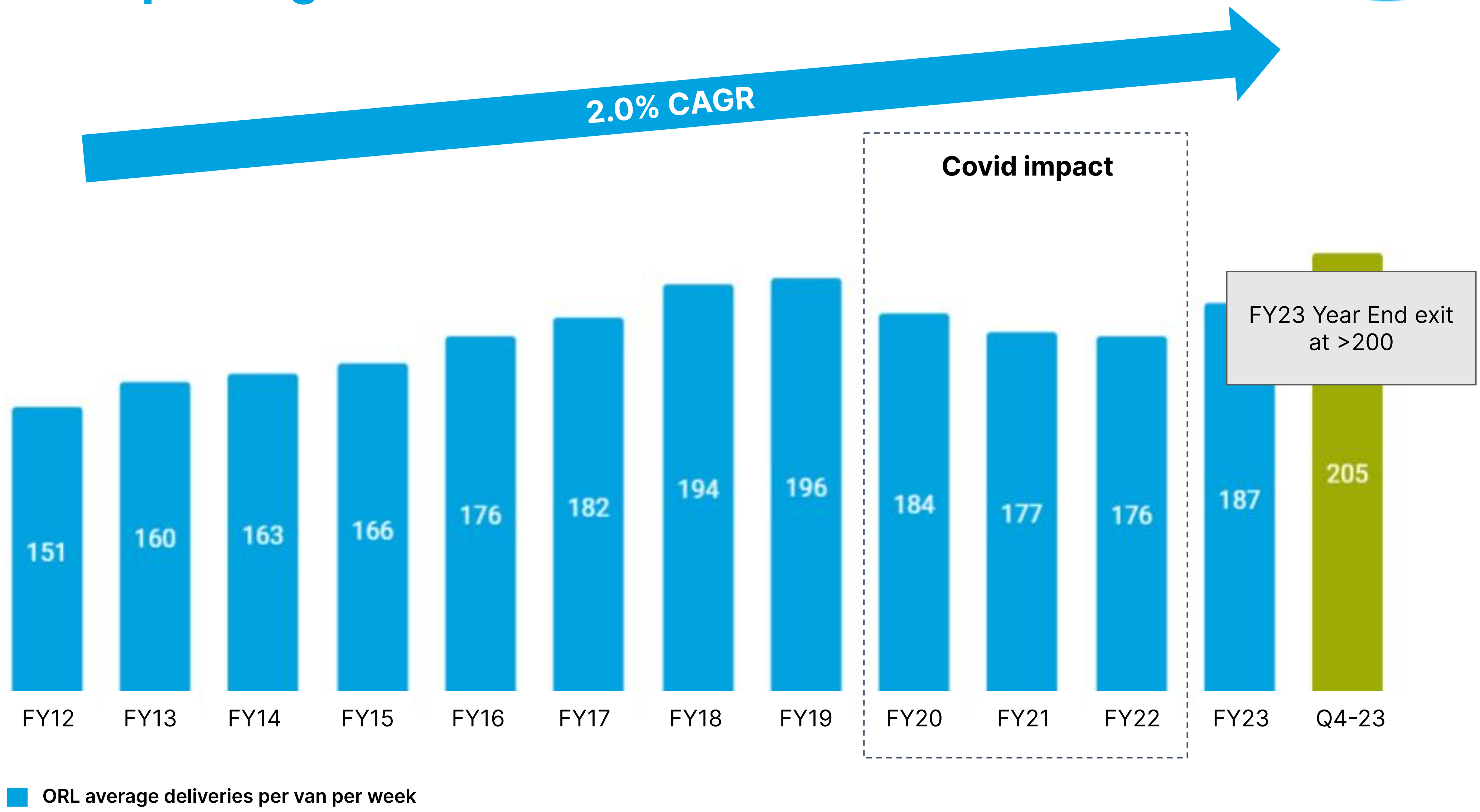
Appendix 3: Technology Solutions - Contribution growth and cost control



Appendix 4: Ocado Logistics productivity (UPH) continues to improve



Appendix 4: Ocado Logistics last mile productivity also improving



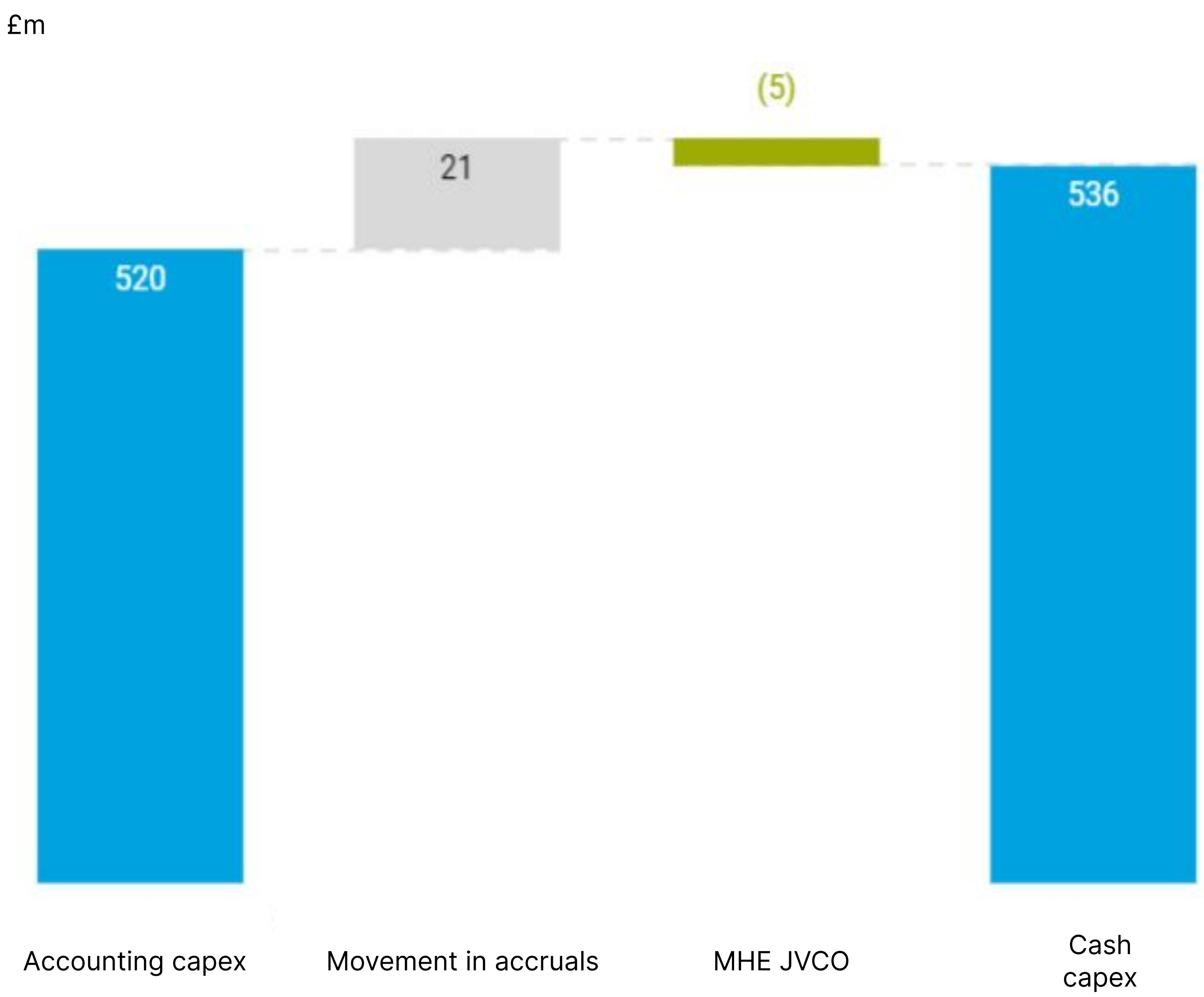
Appendix 5: ORL Revenue up; return to positive volume growth

	1H22	2H22	FY22	1H23	2H23	FY23	FY Change
Revenue £m	*1,122*	*1,081*	**2,203**	*1,179*	*1,179*	**2,358**	**+7.0%**
avg. orders per week *(000s)*	***377***	***378***	**378**	***392***	***394***	**393**	**+4.0%**
active customers[1] (000s)	*867*	*942*	942	*959*	*998*	998	+5.9%
avg. basket value (£)	***119***	***116***	**118**	***121***	***121***	**121**	**+2.7%**
avg. eaches per basket (individual items)	*48*	*45*	46	*45*	*44*	44	-4.5%
avg. selling price (£)	*2.51*	*2.58*	2.54	*2.72*	*2.76*	2.74	+7.9%

1. Active customers of 998k in FY23 represent the year end exit position (week 53)

KPIs relate to Ocado.com only

Appendix 6: Capital expenditure - accounting to cash bridge



Appendix 7: Improving cash flows, healthy liquidity

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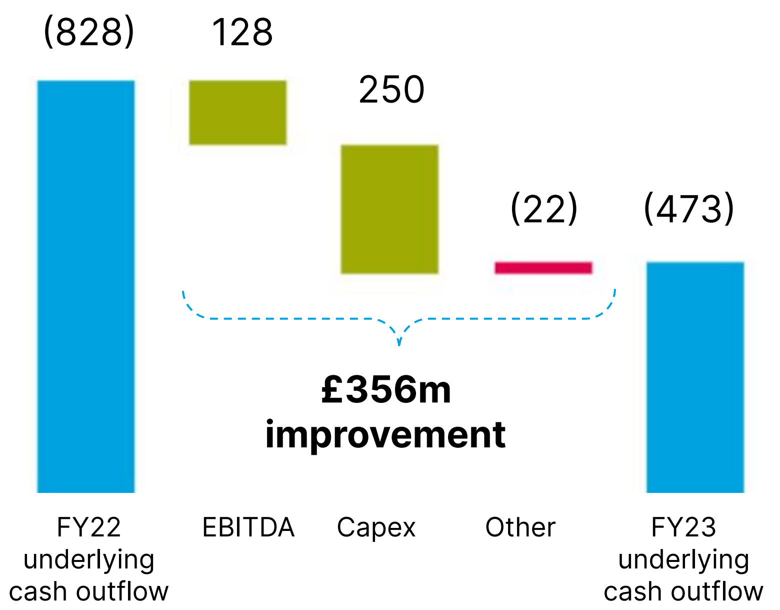
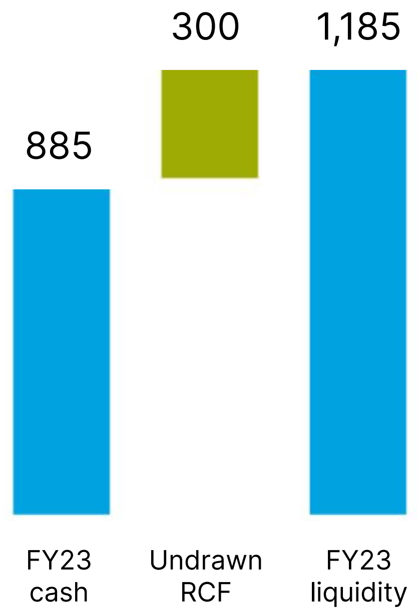
Underlying cash flow improved by £356m and improving further



Healthy liquidity position of £1.2bn



Summary of debt profile

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

FY24 guidance

Underlying Group cash outflow to improve by around £100m