

**Ocado Group plc**  
**20 June 2024**

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**Update on Sobeys Partnership**

Ocado Group plc ("Ocado" or the "Company") notes that Empire Company Limited has today announced a pause to the planned go-live of Sobeys' CFC4 in Vancouver, Canada, which was originally planned for 2025. The go-live timeline for the Vancouver CFC will be under regular review, and the site will be able to commission and scale quickly when required.

Ocado's partners in North America, Kroger and Sobeys, have both announced strong growth in digital sales in their latest quarterly results. With Ocado Retail the fastest growing grocer in the UK today, there is clear evidence that online is returning overall to being the fastest growing channel in grocery.

As the online channel accelerates Ocado is supporting its partners to grow volumes and expand profitably, drawing on the experience of more than 20 years operating and growing an online grocery retailer in the UK, one of the world's most competitive grocery markets. As part of this programme, Ocado and Sobeys have decided for now to focus their joint resources into driving order and sales volumes across the current network. This currently comprises 3 live CFCs in major Canadian markets, across Toronto, Montreal, and Calgary, and manual fulfilment solutions in nearly 100 stores.

Alongside this pause to the planned go-live in Vancouver, Ocado and Sobeys have agreed to end terms related to mutual exclusivity.

The Group's financial guidance for FY24 remains unchanged, together with our target to be cash flow positive in the mid-term. Ocado Group expects the capital expenditure related to the MHE deployment for Sobeys CFC4, originally expected to be incurred across FY24 and FY25, to be deferred. The commencement of capacity fees earned from the initial modules expected from the Vancouver site are also deferred.

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*Notes to Editors*

About Ocado Group

Ocado Group is a UK based technology company trading on the London Stock Exchange (Ticker OCDO). It provides end-to-end online grocery fulfilment solutions to thirteen of the world's largest grocery retailers and holds a 50% share of Ocado Retail Ltd in the UK in a Joint Venture with Marks & Spencer. Ocado has spent two decades innovating for grocery online and logistics, investing in a wide technology estate that includes robotics, AI & machine learning, simulation, forecasting, and edge intelligence.

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