# Symbotic Reports Fiscal Year 2022 Third Quarter Results

August 1, 2022 at 4:20 PM EDT

*Debuted As Publicly Traded Company Via Business Combination with SVF Investment Corp. 3*

*Expanded Backlog by $6.3 Billion to $11.3 Billion*

*Achieved Record Quarterly Revenue of $175.6 Million*

WILMINGTON, Mass.--(BUSINESS WIRE)--Aug. 1, 2022-- Symbotic Inc. (Nasdaq: SYM), a leader in A.I.-enabled robotics technology for the supply chain, today announced financial results for the third quarter of fiscal 2022, ended June 25, 2022. Symbotic posted revenue of $175.6 million, a quarterly loss of $32.9 million and an adjusted EBITDA loss[1] of $21.8 million for the third quarter of fiscal 2022. In the same quarter of fiscal 2021, Symbotic had revenue of $131.5 million, a quarterly net loss of $37.8 million and an adjusted EBITDA loss of $28.1 million.

Symbotic and SVF Investment Corp. 3 completed their business combination on June 7, 2022. Symbotic's Class A common stock started to trade on The Nasdaq Stock Market under the ticker symbol "SYM" on June 8, 2022. "Our successful merger and public listing are just the start of our journey to change the way the world moves goods," said Symbotic Founder, Chairman, and Chief Product Officer, Rick Cohen. "As a publicly traded company, we are excited to make every current permanent Symbotic employee a shareholder. This enhances our ability to retain and attract top talent as we continue to innovate."

"I am very pleased with the progress our team made during the quarter. Our third quarter of 2022 revenue grew 82% over the prior quarter, demonstrating early results from our investments to support scaling. During the quarter we accelerated to 13 system deployments in progress, an increase from only four in the third quarter of 2021," said Symbotic Chief Executive Officer Michael Loparco.

"In our fiscal year ending 2022, we expect revenue of $490 million to $510 million, nearly doubling our 2021 annual revenue. We expect an adjusted EBITDA[2] loss of $94 million to $90 million as we continue to invest in our transformational technologies and scaling our business for its increasing potential," said Symbotic Chief Financial Officer Tom Ernst. "We are excited to end the third quarter of fiscal 2022 with $412 million in cash and cash equivalents, zero debt, and contracted orders valued at $11.3 billion. This provides clear visibility towards our future growth."

**Webcast Information**

Symbotic will host a webcast today at 5:00 pm EDT to discuss its third quarter fiscal 2022 results. The webcast link is: https://edge.media-server.com/mmc/go/Symbotic-Q3-2022

**USE OF NON-GAAP FINANCIAL INFORMATION**

Symbotic reports its financial results in accordance with Generally Accepted Accounting Principles in the United States ("U.S. GAAP"). This press release contains financial measures that are not recognized under U.S. GAAP ("non-GAAP"), including adjusted EBITDA, non-GAAP net income and non-GAAP net loss per share. These non-GAAP measures have limitations as an analytical tool as they do not have a standardized meaning prescribed by U.S. GAAP. The non-GAAP financial measures Symbotic uses may not be the same non-GAAP financial measures, and may not be calculated in the same manner, as that of other companies and, therefore, are unlikely to be comparable to similar measures presented by other companies. Rather, these non-GAAP measures are provided as a supplement to corresponding U.S. GAAP measures to provide additional information regarding the results of operations from management's perspective. Accordingly, non-GAAP measures should not be considered a substitute for, in isolation from, or superior to, the financial information prepared and presented in accordance with U.S. GAAP. All non-GAAP measures presented in this press release are reconciled to their closest reported U.S. GAAP measures. Symbotic recommends that investors review the reconciliation of these non-GAAP measures to the most directly comparable GAAP financial measures provided in the financial statement tables included below in this press release, and not rely on any single financial measure to evaluate its business.

Symbotic defines adjusted EBITDA, a non-GAAP financial measure, as GAAP net loss excluding the following items: interest income; income taxes; depreciation and amortization of tangible and intangible assets; unit-based compensation; business combination transaction expenses; and other non-recurring items that may arise from time to time. Symbotic defines non-GAAP net loss, a non-GAAP financial measure, as GAAP net loss excluding the following items: unit-based compensation, amortization of acquired intangible assets and business combination transaction expenses. Symbotic defines non-GAAP net loss per share, a non-GAAP financial measure, as non-GAAP net loss divided by weighted-average shares of Class A Common Stock outstanding. In addition to Symbotic's financial results determined in accordance with U.S. GAAP, Symbotic believes that adjusted EBITDA, non-GAAP net income and non-GAAP net income per share, non-GAAP financial measures, are useful in evaluating the performance of Symbotic's business because they highlight trends in its core business.

**ABOUT SYMBOTIC**

Symbotic is an automation technology leader reimagining the supply chain with its end-to-end, A.I.-powered robotic and software platform. Symbotic reinvents the warehouse as a strategic asset for the world's largest retail, wholesale, and food & beverage companies. Applying next-generation technology, high-density storage and machine learning to solve today's complex distribution challenges, Symbotic enables companies to move goods with unmatched speed, agility, accuracy and efficiency.

As the backbone of commerce Symbotic transforms the flow of goods and the economics of the supply chain for its customers. For more information, visit www.symbotic.com.

**FORWARD-LOOKING STATEMENTS**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including, but not limited to, Symbotic's expectations or predictions of future financial or business performance or conditions. Forward-looking statements are inherently subject to risks, uncertainties and assumptions. Generally, statements that are not historical facts, including statements concerning our possible or assumed future actions, business strategies, events or results of operations, are forward-looking statements. These statements may be preceded by, followed by or include the words "believes," "estimates," "expects," "projects," "forecasts," "may," "will," "should," "seeks," "plans," "scheduled," "anticipates" or "intends" or similar expressions.

Forward-looking statements include, but are not limited to, statements about the ability of or expectations regarding Symbotic to:

- meet the technical requirements of existing or future supply agreements with its customers, including with respect to existing backlog;
- expand its target customer base and maintain its existing customer base;
- anticipate industry trends;
- maintain and enhance its platform;
- maintain the listing of the Symbotic Class A Common Stock on Nasdaq;
- execute its growth strategy;
- develop, design and sell systems that are differentiated from those of competitors;
- execute its research and development strategy;
- acquire, maintain, protect and enforce intellectual property;
- attract, train and retain effective officers, key employees or directors;
- comply with laws and regulations applicable to its business;
- stay abreast of modified or new laws and regulations applying to its business;
- successfully defend litigation;
- issue equity securities in connection with the transactions;
- meet future liquidity requirements and, if applicable, comply with restrictive covenants related to long-term indebtedness;
- timely and effectively remediate any material weaknesses in our internal control over financial reporting;
- anticipate rapid technological changes; and
- effectively respond to general economic and business conditions.

Forward-looking statements also include, but are not limited to, statements with respect to:

- the future performance of our business and operations;
- expectations regarding revenues, expenses and anticipated cash needs;
- expectations regarding cash flow, liquidity and sources of funding;
- expectations regarding capital expenditures;
- the effects of pending and future legislation;
- business disruption;
- risks related to the impact of the COVID-19 pandemic on the financial condition and results of operations of Symbotic;
- disruption to the business due to the Symbotic's dependency on certain customers;
- increasing competition in the warehouse automation industry;
- any delays in the design, production or launch of our systems and products;
- the failure to meet customers' requirements under existing or future contracts or customer's expectations as to price or pricing structure;
- any defects in new products or enhancements to existing products; and
- the fluctuation of operating results from period to period due to a number of factors, including the pace of customer adoption of our new products and services and any changes in our product mix that shift too far into lower gross margin products.

Such forward-looking statements involve risks and uncertainties that may cause actual events, results or performance to differ materially from those indicated by such statements. Certain of these risks are identified and discussed in Symbotic's Registration Statement on Form S-1 filed with the U.S. Securities and Exchange Commission (the "SEC") on June 29, 2022 and amended on July 20, 2022. These risk factors will be important to consider in determining future results and should be reviewed in their entirety. These forward-looking statements are expressed in good faith, and Symbotic believes there is a reasonable basis for them. However, there can be no assurance that the events, results or trends identified in these forward-looking statements will occur or be achieved. Forward-looking statements are provided for the purposes of assisting the reader in understanding our financial performance, financial position and cash flows as of and for periods ended on certain dates and to present information about management's current expectations and plans relating to the future, and the reader is cautioned not to place undue reliance on these forward-looking statements because of their inherent uncertainty and to appreciate the limited purposes for which they are being used by management. While we believe that the assumptions and expectations reflected in the forward-looking statements are reasonable based on information currently available to management, there is no assurance that such assumptions and expectations will prove to have been correct. Forward-looking statements speak only as of the date they are made and are based on the beliefs, estimates, expectations and opinions of management on that date. Symbotic is not under any obligation, and expressly disclaims any obligation, to update, alter or otherwise revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law. Readers should carefully review the statements set forth in the reports that Symbotic has filed or will file from time to time with the SEC.

In addition to factors previously disclosed in Symbotic's Registration Statement on Form S-1 filed with the SEC on June 29, 2022, and amended on

July 20, 2022 and those identified elsewhere in this press release, the following factors, among others, could cause actual results to differ materially from forward-looking statements or historical performance: failure to realize the benefits expected from the business combination between SVF Investment Corp. 3 ("SVF") and Symbotic (the "Business Combination") pursuant to that certain Agreement and Plan of Merger, dated December 12, 2021 (the "Merger Agreement"), by and among SVF, Warehouse Technologies LLC, Symbotic Holdings LLC and Saturn Acquisition (DE) Corp. that closed on June 7, 2022; the effects of pending and future legislation; and risks related to the impact of the COVID-19 pandemic on the financial condition and results of operations of Symbotic.

Any financial projections in this press release or discussed during the webcast are forward-looking statements that are based on assumptions that are inherently subject to significant uncertainties and contingencies, many of which are beyond Symbotic's control. While all projections are necessarily speculative, Symbotic believes that the preparation of prospective financial information involves increasingly higher levels of uncertainty the further out the projection extends from the date of preparation. The assumptions and estimates underlying the projected results are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the projections. The inclusion of projections in this communication should not be regarded as an indication that Symbotic, or its representatives, considered or considers the projections to be a reliable prediction of future events.

Annualized, pro forma, projected and estimated numbers are used for illustrative purpose only, are not forecasts and may not reflect actual results.

This communication is not intended to be all-inclusive or to contain all the information that a person may desire in considering an investment in Symbotic and is not intended to form the basis of an investment decision in Symbotic. The forward-looking statements contained in this press release and other reports we file with, or furnish to, the SEC and other regulatory agencies and made by our directors, officers, other employees and other persons authorized to speak on our behalf are expressly qualified in their entirety by these cautionary statements.

[1] Adjusted EBITDA (earnings before interest, taxes, depreciation and amortization) is a non-GAAP measure as defined below under "Use of Non-GAAP Financial Information." See the tables below for reconciliations to net loss, the most comparable GAAP measure.

[2] Symbotic is not providing guidance for net loss, which is the most comparable GAAP financial measure to adjusted EBITDA, because information reconciling forward-looking adjusted EBITDA to net loss is unavailable to it without unreasonable effort. Symbotic is not able to provide reconciliations of adjusted EBITDA to GAAP financial measures because certain items required for such reconciliations are outside of Symbotic's control and/or cannot be reasonably predicted, such as the provision for stock-based compensation.

**SYMBOTIC INC AND SUBSIDIARIES**
**UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS**
(in thousands, except share and per share information)

| | For the Three Months Ended | | For the Nine Months Ended | |
|---|---|---|---|---|
| | June 25, 2022 | June 26, 2021 | June 25, 2022 | June 26, 2021 |
| *Revenue:* | | | | |
| Systems | $ 169,503 | $ 125,268 | $ 330,297 | $ 142,028 |
| Software maintenance and support | 862 | 1,232 | 2,802 | 2,776 |
| Operation services | 5,187 | 4,987 | 15,801 | 15,401 |
| Total revenue | 175,552 | 131,487 | 348,900 | 160,205 |
| *Cost of revenue:* | | | | |
| Systems | 136,015 | 125,643 | 264,475 | 138,740 |
| Software maintenance and support | 1,269 | 702 | 3,224 | 2,257 |
| Operation services | 6,724 | 5,478 | 18,283 | 16,613 |
| Total cost of revenue | 144,008 | 131,823 | 285,982 | 157,610 |
| Gross profit | 31,544 | (336) | 62,918 | 2,595 |
| *Operating expenses:* | | | | |
| Research and development expenses | 35,140 | 20,934 | 80,679 | 52,477 |
| Selling, general, and administrative expenses | 29,435 | 16,508 | 68,306 | 41,007 |

| | | | | |
|---|---|---|---|---|
| Total operating expenses | 64,575 | 37,442 | 148,985 | 93,484 |
| Operating loss | (33,031) | (37,778) | (86,067) | (90,889) |
| Other income, net | 156 | 7 | 236 | 59 |
| Loss before income tax | (32,875) | (37,771) | (85,831) | (90,830) |
| Income tax benefit (expense) | - | - | - | - |
| Net loss | (32,875) | (37,771) | (85,831) | (90,830) |
| Less: Net loss attributable to legacy Warehouse Technologies holders prior to Business Combination | (19,178) | (37,771) | (72,134) | (90,830) |
| Less: Net loss attributable to noncontrolling interests | (12,383) | - | (12,383) | - |
| Net loss attributable to common stockholders | $ (1,314) | $ - | $ (1,314) | $ - |
| Loss per share of Class A Common Stock: [1] | | | | |
| Basic and Diluted | $ (0.03) | $ - | $ (0.03) | $ - |
| Weighted-average shares of Class A Common Stock outstanding: | | | | |
| Basic and Diluted | 50,664,146 | - | 50,664,146 | - |

(1) Loss per share information has not been presented for periods prior to the Business Combination, as it resulted in values that would not be meaningful to the users of these unaudited consolidated financial statements.

**SYMBOTIC INC AND SUBSIDIARIES**
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**
(in thousands, except share and per share information)

The following table reconciles GAAP net loss to Adjusted EBITDA:

| | For the Three Months Ended | | For the Nine Months Ended | |
|---|---|---|---|---|
| | June 25, 2022 | June 26, 2021 | June 25, 2022 | June 26, 2021 |
| Net loss | $ (32,875) | $ (37,771) | $ (85,831) | $ (90,830) |
| Interest income | (178) | (12) | (204) | (26) |
| Income tax benefit (expense) | - | - | - | - |
| Depreciation and amortization | 1,426 | 1,383 | 4,200 | 3,208 |
| Unit-based compensation | 8,967 | 7,180 | 10,130 | 7,219 |
| Business combination transaction expenses | 869 | 1,094 | 2,400 | 1,097 |
| Adjusted EBITDA | $ (21,791) | $ (28,126) | $ (69,305) | $ (79,332) |

The following table reconciles GAAP net loss to non-GAAP net loss:

| | For the Three Months Ended | | For the Nine Months Ended | |
|---|---|---|---|---|
| | June 25, 2022 | June 26, 2021 | June 25, 2022 | June 26, 2021 |
| Net loss | $ (32,875) | $ (37,771) | $ (85,831) | $ (90,830) |

| | | | | |
|---|---|---|---|---|
| Unit-based compensation | 8,967 | 7,180 | 10,130 | 7,219 |
| Amortization of acquired intangible assets | 116 | 120 | 349 | 348 |
| Business combination transaction expenses | 869 | 1,094 | 2,400 | 1,097 |
| Non-GAAP net loss | $ (22,923) | $ (29,377) | $ (72,952) | $ (82,166) |

The following table reconciles GAAP net loss per share to non-GAAP net loss per share:

| | Three Months Ended June 25, 2022 | Nine Months Ended June 25, 2022 |
|---|---|---|
| Net loss per share | $ (0.03) | $ (0.03) |
| Effect of non-GAAP adjustments | 0.02 | 0.02 |
| Non-GAAP net loss per share | $ (0.01) | $ (0.01) |

(1) Loss per share information has not been presented for periods prior to the business combination, as it resulted in values that would not be meaningful to the users of these unaudited consolidated financial statements.

**SYMBOTIC INC AND SUBSIDIARIES**
**SUPPLEMENTAL COMMON SHARE INFORMATION**

Total Common Shares issued and outstanding:

| | As of June 25, 2022 |
|---|---|
| Class A Common Shares issued and outstanding | 50,664,146 |
| Class V-1 Common Shares issued and outstanding | 60,844,573 |
| Class V-1 Common Shares issued and outstanding | 416,933,025 |
| | 528,441,744 |

**SYMBOTIC INC AND SUBSIDIARIES**
**UNAUDITED CONSOLIDATED BALANCE SHEETS**
(in thousands)

| | June 25, 2022 | September 26, 2021 |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 411,662 | $ 156,634 |
| Accounts receivable | 2,549 | 63,370 |
| Inventories | 126,985 | 33,561 |
| Deferred expenses | 550 | 489 |
| Prepaid expenses and other current assets | 49,435 | 6,366 |

| | | |
|---|---|---|
| Total current assets | 591,181 | 260,420 |
| Property and equipment, at cost | 42,858 | 37,177 |
| Less: Accumulated depreciation | (22,348) | (18,560) |
| Property and equipment, net | 20,510 | 18,617 |
| Intangible assets, net | 800 | 1,164 |
| Other long-term assets | 340 | 334 |
| Total assets | $ 612,831 | $ 280,535 |
| **LIABILITIES, REDEEMABLE PREFERRED AND COMMON UNITS AND EQUITY (DEFICIT)** | | |
| Current liabilities: | | |
| Accounts payable | $ 96,995 | $ 28,018 |
| Accrued expenses | 51,081 | 31,131 |
| Sales tax payable | 6,625 | 18,405 |
| Deferred revenue, current | 290,406 | 259,418 |
| Total current liabilities | 445,107 | 336,972 |
| Deferred revenue, long-term | 88,613 | 216,538 |
| Other long-term liabilities | 5,983 | 3,993 |
| Total liabilities | 539,703 | 557,503 |
| Commitments and contingencies | - | - |
| Redeemable preferred and common units: | | |
| Preferred units, Class B-1, 0 units authorized, issued, and outstanding at June 25, 2022 and 2 units authorized; 1 unit issued and outstanding at September 25, 2021 | - | 232,278 |
| Preferred units, Class B, 0 units authorized, issued, and outstanding at June 25, 2022 and 1 unit authorized, issued, and outstanding at September 25, 2021 | - | 459,007 |
| Common units, Class C, 0 units authorized, issued, and outstanding at June 25, 2022 and 428,571 units authorized, issued, and outstanding at September 25, 2021 | - | 144,975 |
| Equity (deficit): | | |
| Common voting units, Class A, 0 units authorized, issued, and outstanding at June 25, 2022 and 7,071,424 units authorized; 5,997,632 units issued and outstanding at September 25, 2021 | - | 16,809 |
| Common shares, Class A, 3,000,000,000 shares authorized; 50,664,146 shares issued and outstanding at June 25, 2022 | 5 | - |
| Common voting shares, Class V-1, 1,000,000,000 shares authorized; 60,844,573 shares issued and outstanding at June 25, 2022 | 6 | - |
| Common voting shares, Class V-3, 450,000,000 shares authorized; 416,933,025 shares issued and outstanding at June 25, 2022 | 42 | - |
| Additional paid-in capital - warrants | 58,126 | 26,999 |

| | | |
|---|---|---|
| Additional paid-in capital | 1,231,992 | - |
| Accumulated deficit | (1,281,020) | (1,154,944) |
| Accumulated other comprehensive loss | (2,139) | (2,092) |
| Total Stockholders' Equity / Members' deficit | 7,012 | (1,113,228) |
| Noncontrolling interest | 66,116 | - |
| Total equity (deficit) | 73,128 | (1,113,228) |
| Total liabilities, redeemable preferred and common units, and equity (deficit) | $ 612,831 | $ 280,535 |

**SYMBOTIC INC AND SUBSIDIARIES**
**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES OF CASH FLOWS**
(in thousands)

| | For the Nine Months Ended | |
|---|---|---|
| | June 25, 2022 | June 26, 2021 |
| Cash flows from operating activities: | | |
| Net loss | $ (85,831) | $ (90,830) |
| Adjustments to reconcile net loss to net cash provided by (used in) operating activities: | | |
| Depreciation and amortization | 4,200 | 3,208 |
| Foreign currency losses | (22) | 47 |
| Loss on abandonment of assets | 4,098 | - |
| Unit-based compensation | 50 | 70 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | 344 | (14,533) |
| Inventories | (93,944) | (6,592) |
| Prepaid expenses and other current assets | (43,069) | 3,110 |
| Deferred expenses | (61) | 96,165 |
| Other long-term assets | 10 | 1,603 |
| Accounts payable | 69,091 | 7,429 |
| Accrued expenses | 12,741 | 6,273 |
| Deferred revenue | 33,674 | 89,152 |
| Other long-term liabilities | 1,990 | 922 |
| Net cash and cash equivalents provided by (used in) operating activities | (96,729) | 96,024 |
| Cash flows from investing activities: | | |

| | | |
|---|---|---|
| Purchases of property and equipment | (10,769) | (5,333) |
| Net cash and cash equivalents used in investing activities | (10,769) | (5,333) |
| Cash flows from financing activities: | | |
| Net proceeds from equity infusion from the Business Combination | 384,672 | - |
| Purchase of interest from non-controlling interest | (300,000) | - |
| Proceeds from exercise of warrants | 277,776 | - |
| Net cash and cash equivalents provided by financing activities | 362,448 | - |
| Effect of exchange rate changes on cash and cash equivalents | 78 | (50) |
| Net increase in cash and cash equivalents | 255,028 | 90,641 |
| Cash and cash equivalents — beginning of period | 156,634 | 58,264 |
| Cash and cash equivalents — end of period | $ 411,662 | $ 148,905 |

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