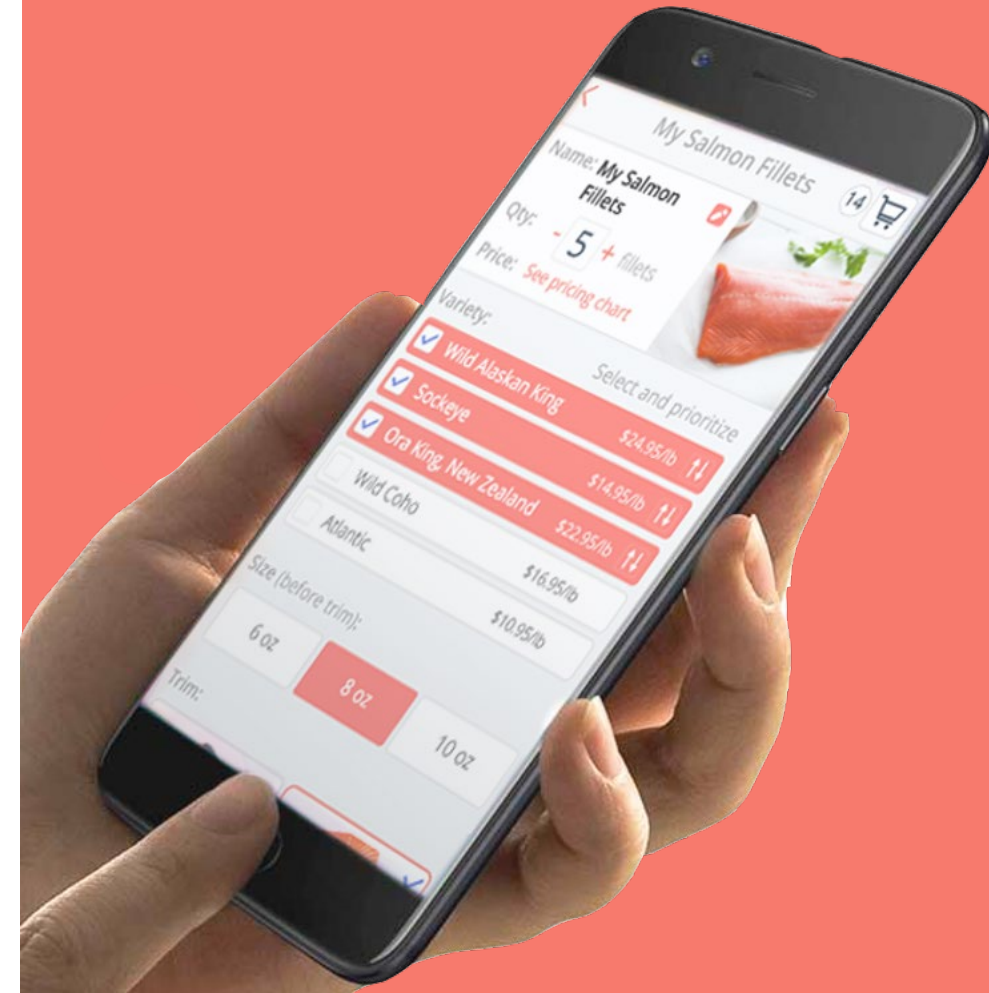
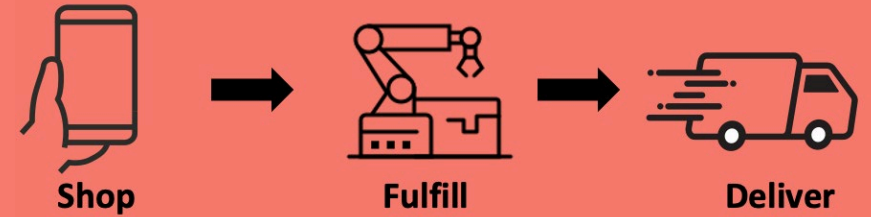




Transforming the ecommerce experience

Executive Overview | November 2021

Louis Borders, Founder and CEO
Chris Visnic, President RoboFS





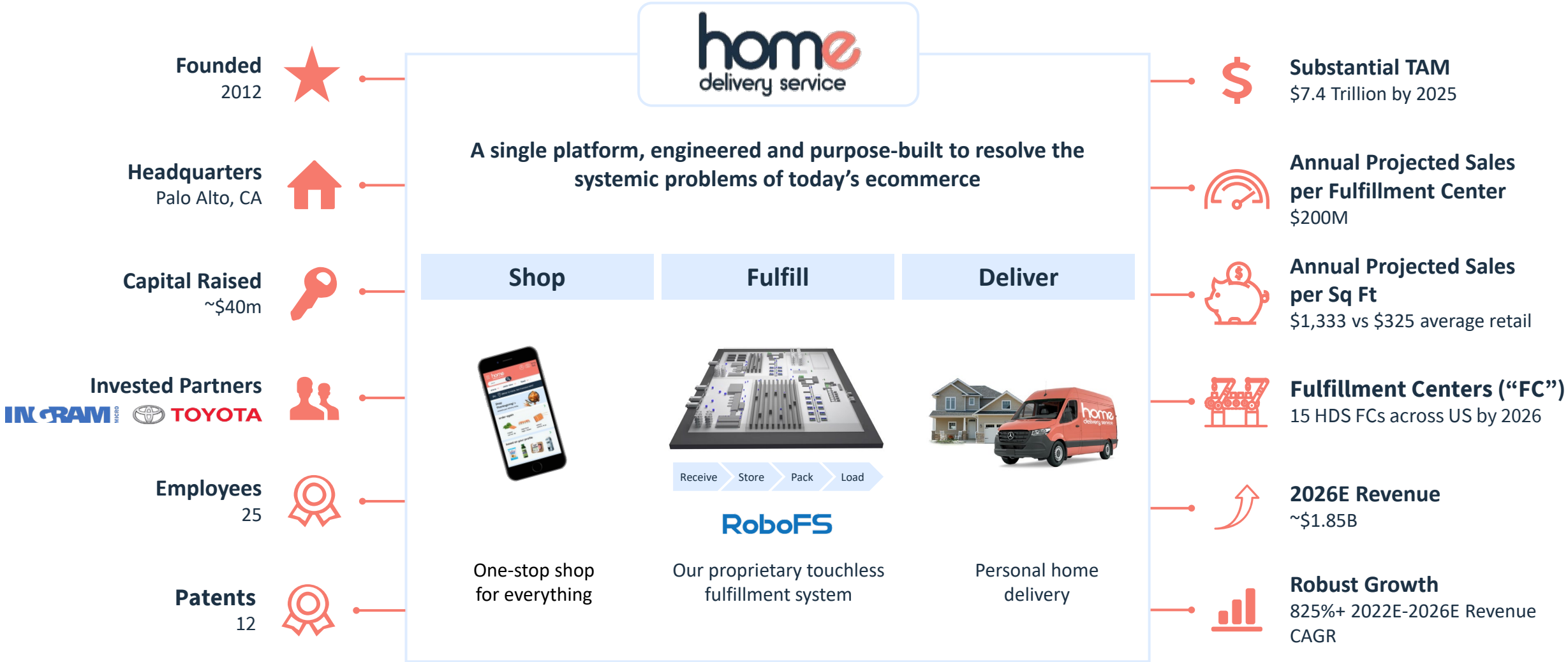
To our investors

A scalable, profitable and transformational ecommerce service. Shop, fulfill and deliver built as a single platform. Powered by the world's only touchless robotic fulfillment system.

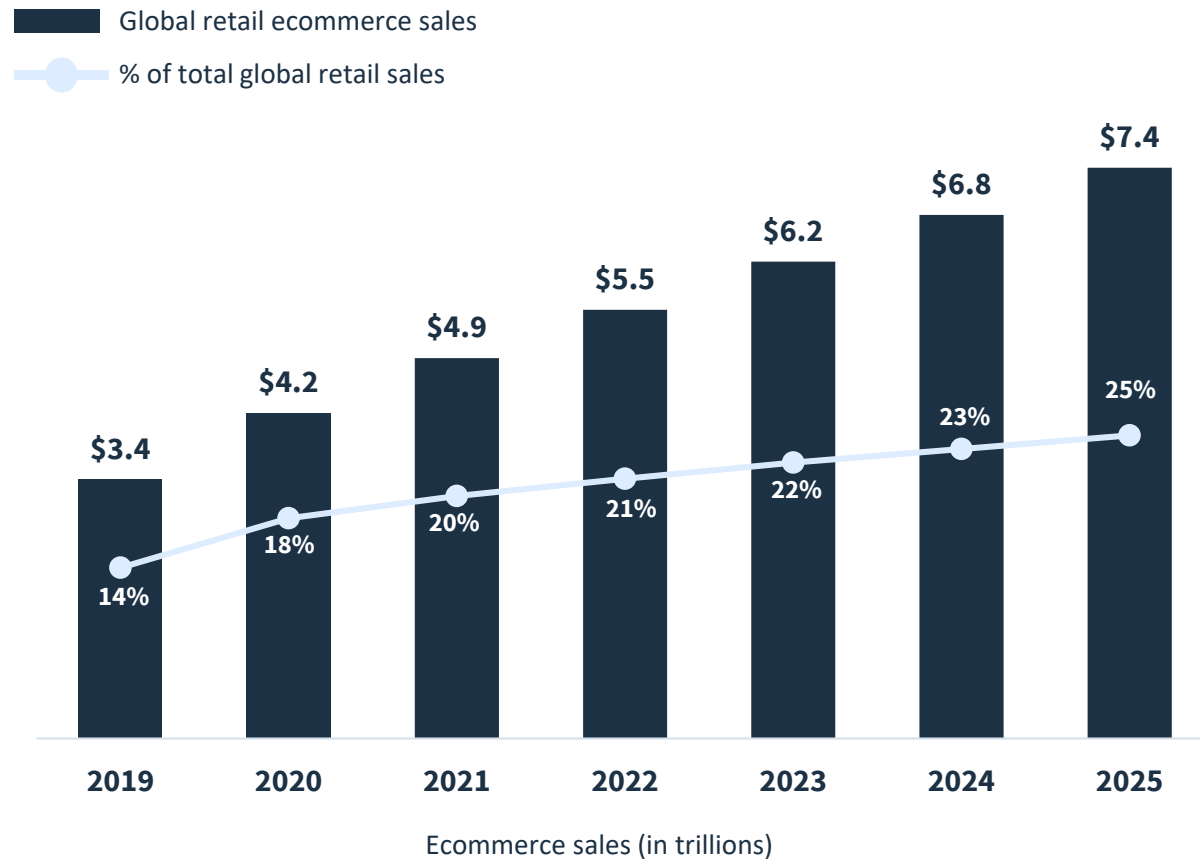
To our customers

Rapid service with personal home delivery.
Fresher-than-store groceries.
All of your general merchandise needs.
Lower prices with no fees or tips.

HDS at a glance



Global ecommerce accelerating at a rapid pace



Key Trends

- ✓ Overlaid with a historically strong growth rate, the global COVID-19 pandemic accelerated the increase in global ecommerce to reach \$7.4 trillion in 2025
- ✓ Consumers are expected to continue their increased use of online channels with recent surveys evidencing a 15-30% growth in consumers intending to purchase goods online following the COVID-19 pandemic

Consumers love ecommerce despite the poor experience

Shop



Incomplete basket - many orders, many vendors, many packages



Erratic product availability and substitutions

Fulfill



Markups from store prices plus subscriptions and onerous fees



Poor quality perishables

Deliver



Excessive cardboard waste, not ESG compliant



Returns hassle

Ecommerce providers love the demand despite a lack of profits

Shop



Lack of real-time inventory



Inflexible, not adaptive to changing consumer demands

Fulfill



Labor shortage magnified by highly manual processes



High labor costs, no profit even with high customer costs

Deliver

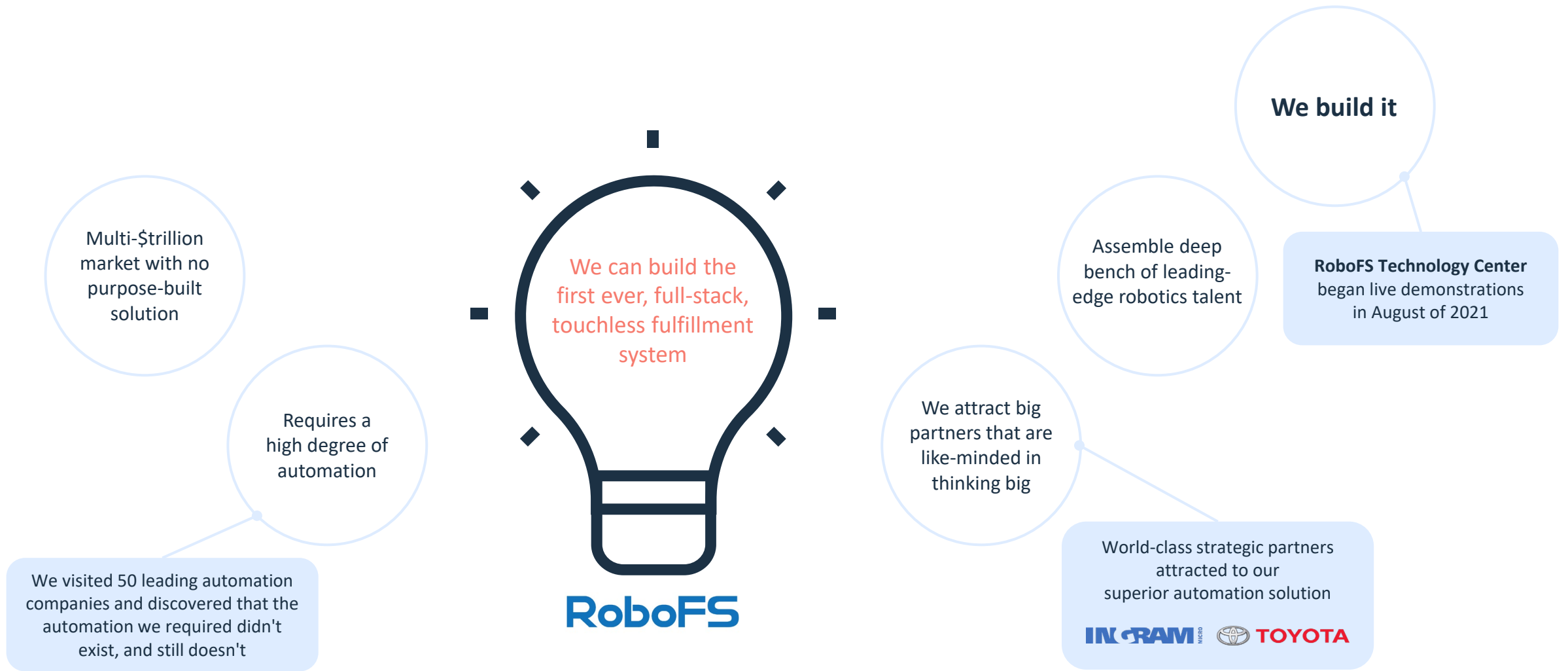


Unsafe temperature control



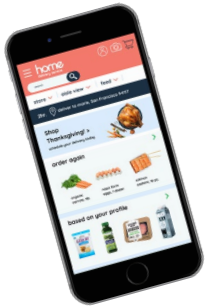
Many handoffs, poor quality

Our story, discovered the gap before the COVID inflection point



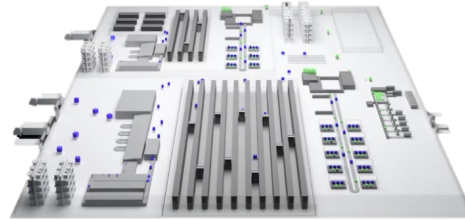
A single platform for shopping, fulfillment and delivery

Shop



- Customized produce, meats and meal kits
- Merge unstocked items into orders, creating an unlimited long-tail
- Recurring orders with one-hour window – no shopping lists, scheduling or checkout

Fulfill



- RoboFS is full-stack, hardware and software
- Built on AI and robotics
- Modular and configurable
- Touchless
- 50% cost reduction over today's systems

Deliver



- Automated van loading with dynamic, optimized routing
- Personal service by employees with hassle-free returns and each delivery a sales call
- Tri-temp control to the home

Key value propositions



One-stop-shop, personalized, more convenient



2/3 less labor, lower customer prices, high HDS profits



Safe food delivery



Reusable totes, no cardboard

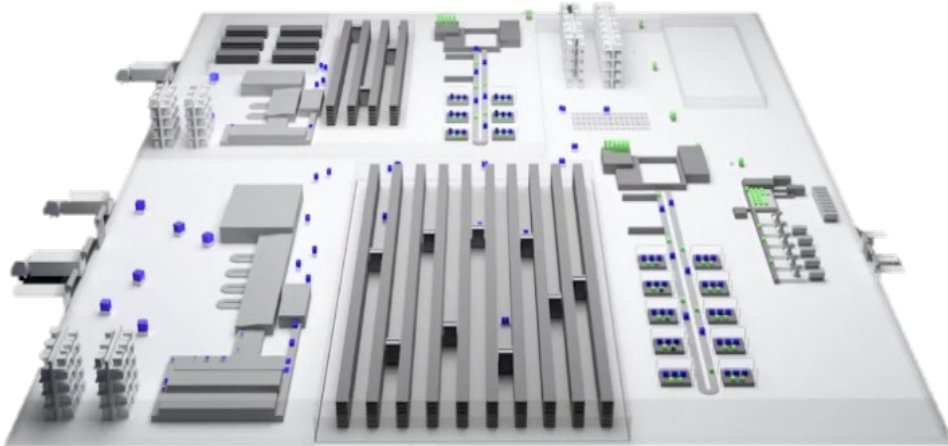


Rapid service with near immediate delivery option

RoboFS, a full-stack fulfillment system

A proprietary system that automates ecommerce fulfillment operations and unlocks scale and profitability

RoboFS



- ✓ **AI/robotic-based**
- ✓ **Integrated hardware and software**
- ✓ **100% modular**
- ✓ **Configurable to a wide range of sizes and shapes of facilities**
- ✓ **Plug-and-play installation**

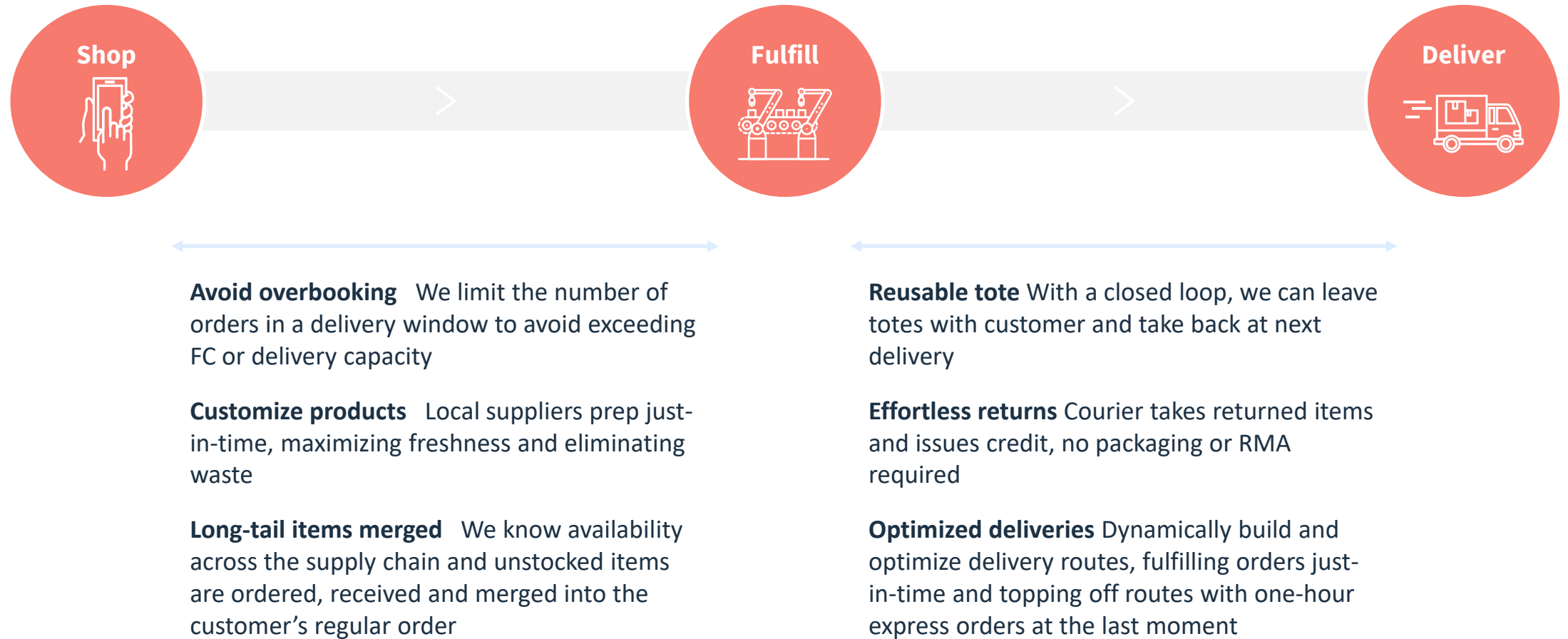
Key to touchless fulfillment

- ✓ Full-stack system eliminates disparate point solutions
- ✓ Automated vs. manual pick and pack
- ✓ Interlocking trays vs. rigid containers
- ✓ High throughput mobile transport vs. conveyors, sorters and mezzanines
- ✓ Autonomous tray storage robot vs. monolithic storage
- ✓ “All-in-one” pack module vs. three separate modules for fast, medium and slow movers

Key to density

- ✓ Four levels of storage configured to each installation’s requirements
- ✓ Top level (at the point of pick and pack) is fastest
- ✓ Bottom level (pallet storage) is least expensive and densest

Why a single ecommerce platform matters and key benefits



HDS – Raising the bar for ecommerce

Because we built shop, fulfill and deliver as a single platform, we can provide a far superior service and yet offer lower prices



Our customer promise

- Rapid service with personal home delivery.
- Fresher-than-store groceries.
- All of your general merchandise needs.
- Lower prices with no fees or tips.



Convenient

Five-hour service and one-hour premium express service



Personal

Trusted HDS employee delivers to your doorstep



Delightful

Higher quality, safer and fresher-than-store perishables



ESG Conscious

Sanitized reusable totes; no cardboard



Affordable

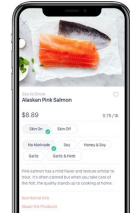
Lower prices, no subscription or delivery fees, no tips

A personalized shopping experience

HDS provides a highly personalized experience when shopping and at delivery which drives loyalty, retention and profitability

Personal

Custom perishable SKUs and AI-powered software creates a custom user experience based on dietary needs and preferences



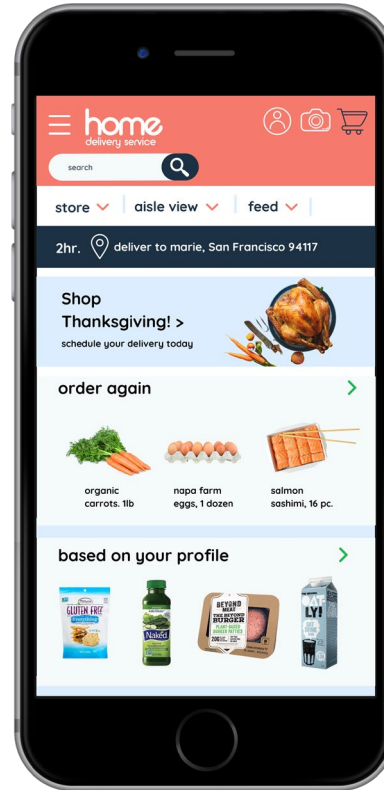
Shop by brand

Enable consumers to experience their favorite brands and discover new ones



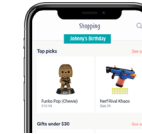
Easy and endless shopping

One-time set up of recurring deliveries and convenient one-hour delivery windows



Family affair

Make an account for each family member, and set allowances and parental controls



Shop by mode

Create or select a mode, enjoy shopping the entire site in that mode



Spread the word

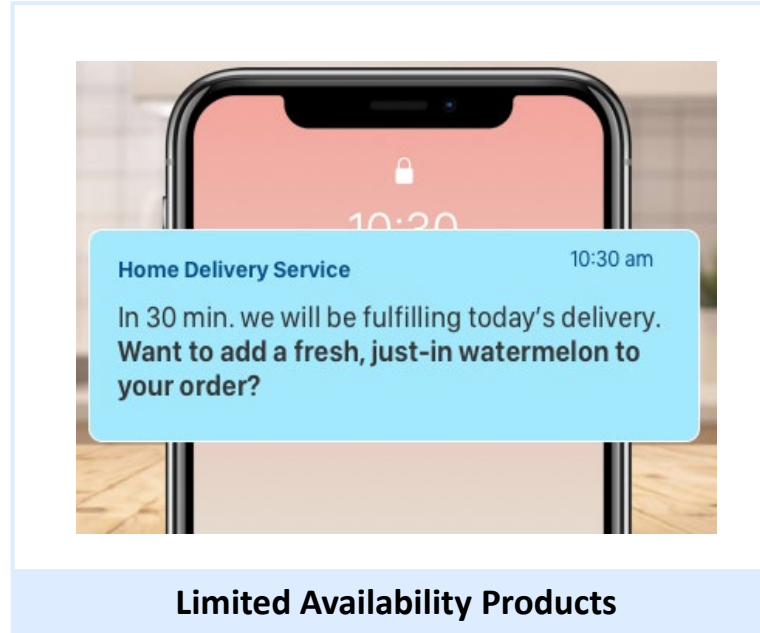
- Share your modes and custom SKUs
- Use recipes & designs from the web

A uniquely broad and deep product offering

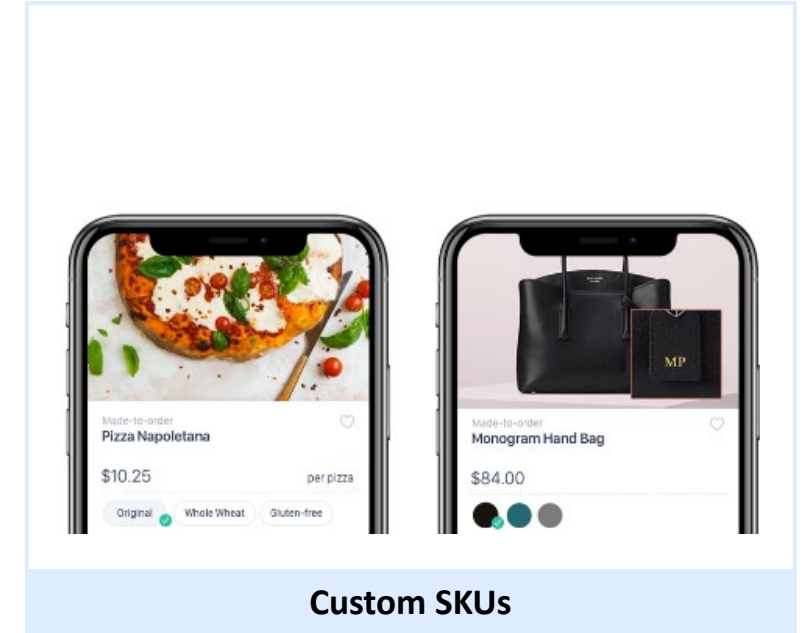
Millions of SKUs across all categories makes HDS a 'one-stop-shop' ecommerce platform



- Groceries with fresher-than-store perishables and custom selected and prepared produce, meats and ready-to-cook foods
- General merchandise with the full selection from many of your favorite brands



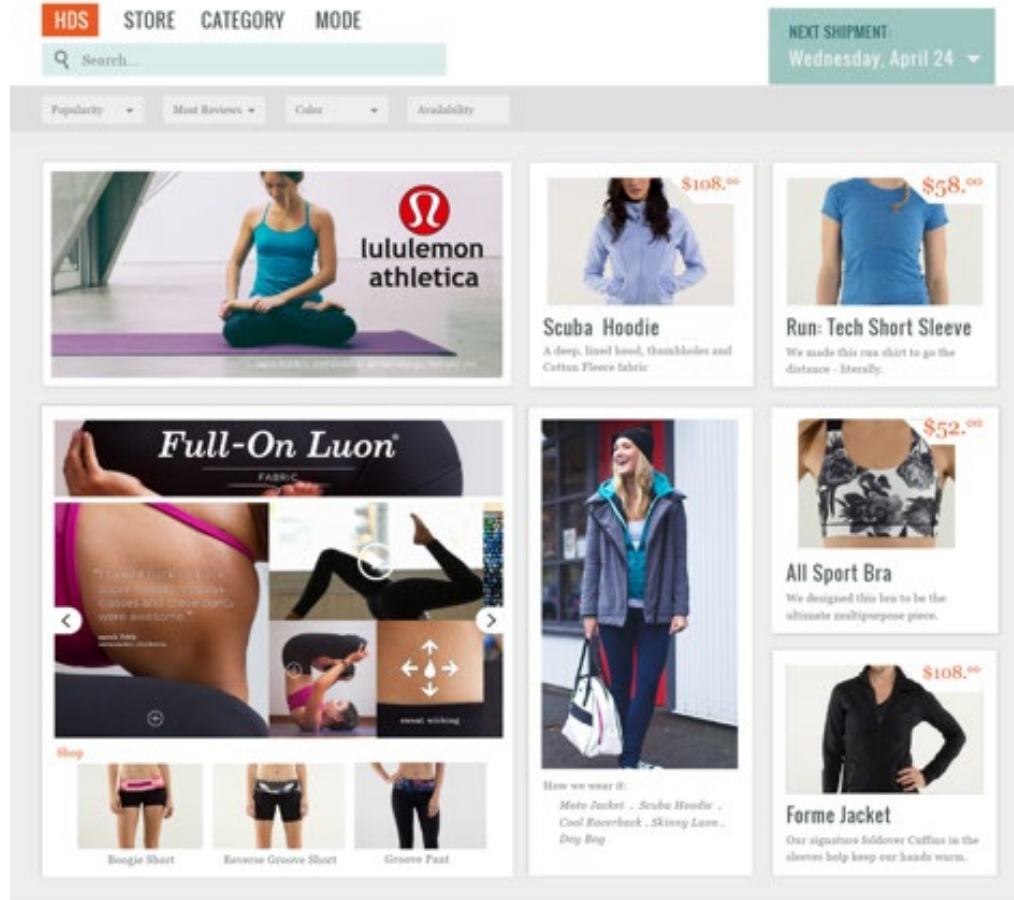
- When we send a cutoff notice, we provide a personalized selection of products, such as produce picked early morning from local farms



- Prepared just the way you want it – ripeness, size, cut, ingredients and style

The complete selection from many of your favorite brands

Well positioned to be the channel of choice for brand retailers of all sizes



Key value proposition for Consumers

- ✓ Experience each brand retailer store
- ✓ In-season, complete brand retailer selections
- ✓ Professional HDS sales person to deliver orders
- ✓ Effortless returns, hand to courier, instant credit

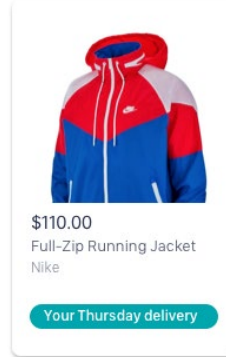
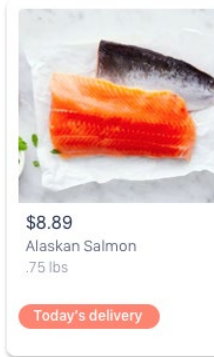
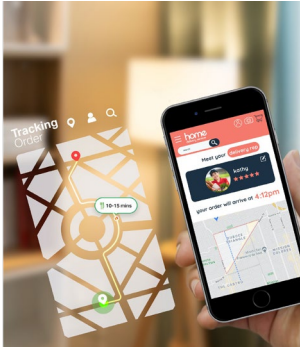
Key value proposition for Brand Retailers

- ✓ Control on branding, creative assets, pricing, promotions
- ✓ No competition from HDS. No - HDS private label, HDS exclusivity requirements, HDS-set discounting and pay for placement.
- ✓ Access to consumer behavior and purchase history
- ✓ Omnichannel sales uptick with effortless first purchase

Home delivery with excellent customer service

Personalized shopping experience is further enhanced by home delivery via HDS staff and best-in-class customer service

Convenience of Home Delivery



Fast Service with one hour window

- Free delivery - order up to five hours before
- Premium delivery - order up to one hour before
- Recurring deliveries, multiple weekly orders at set times

Availability Promise

- We show you exact availability when you view an item so that you can make your own substitutions

Excellent Customer Service



Safe

- Fresher-than-store perishables, tri-temperature control right to your doorstep, and no gray market or counterfeit products

Friendly

- Trusted HDS employees, easy at-home returns, no packaging required
- Reusable, sanitized totes; no cardboard

Efficient and safe delivery to the home

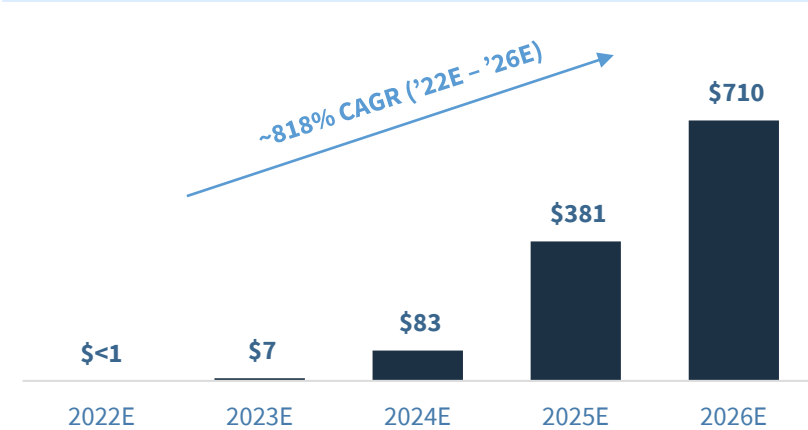
HDS delivery vans are highly specialized and fully integrated with fulfillment centers to provide a higher level of customer service than available today



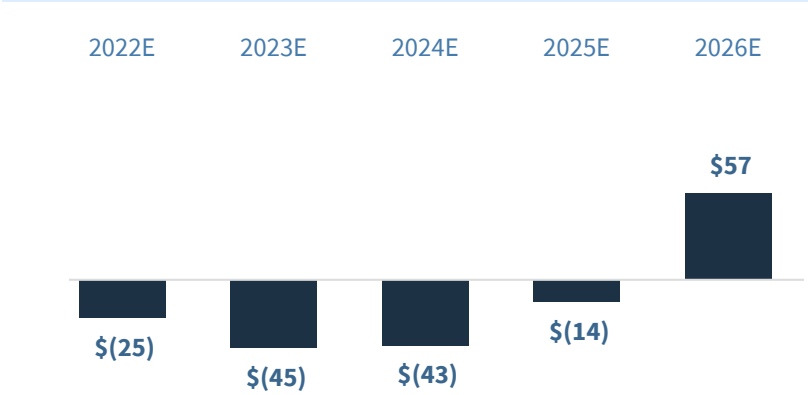
- ✓ Electric vans – environment friendly
- ✓ Patented van cartridge
- ✓ Tri-temp control
- ✓ Integrated with RoboFS fulfillment center systems for dynamic routing and exact tote ordering in the van cartridge
- ✓ Managed by HDS employees to provide a friendly and effective customer experience

Attractive financial profile

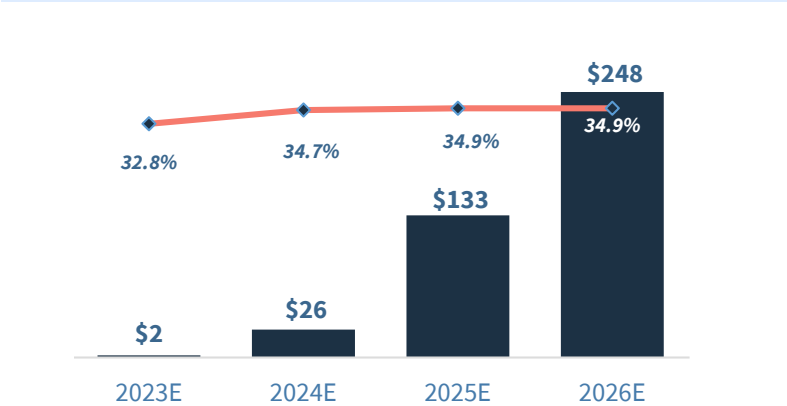
Annual Sales (in millions)



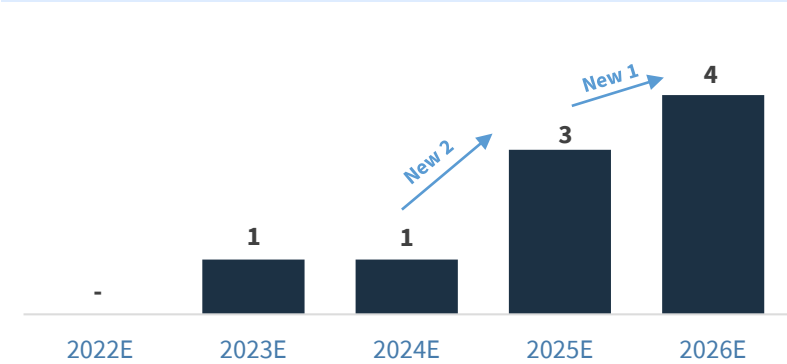
EBITDA (in millions)



Net Product Revenue (Product Margin)



Number of Fulfillment Centers

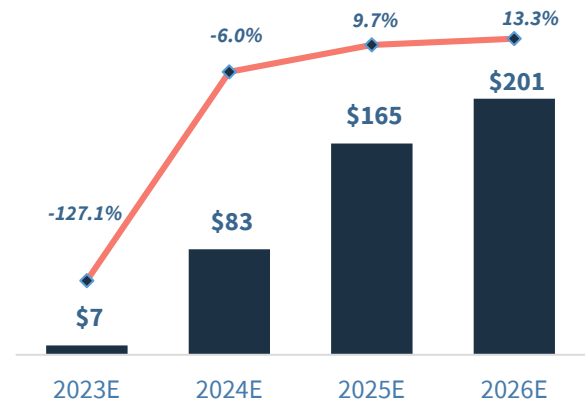


Commentary

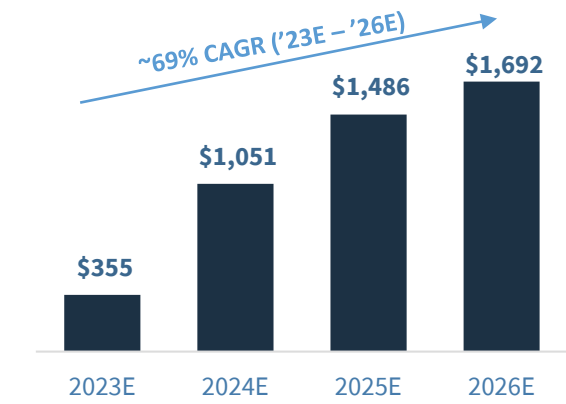
- Each fulfillment center can generate \$200M in annual revenue
- Modular and factory-built RoboFS enables the routine opening of additional fulfillment centers
- The equipment cost to launch the initial fulfillment center will be ~\$60M which is expected to decline to ~\$40M for later fulfillment centers
- Net Product margins are expected to improve as Company scales its fulfillment center footprint
- Growth model is based on proven retail unit replication strategy
- Company expects to be profitable beginning 2026E

Compelling operating metrics

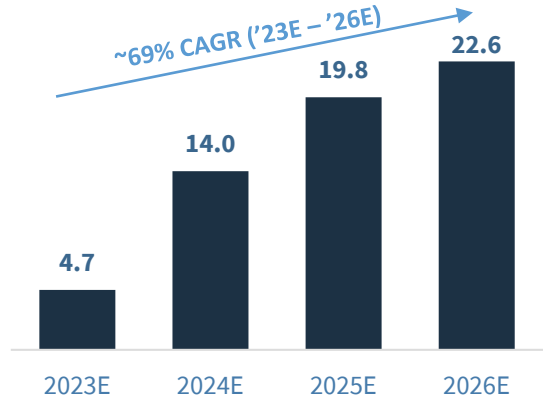
FC #1 Revenue (in millions) and *Operating Margin*



FC #1 – Expanding LTV⁽¹⁾ with the Ramp-Up



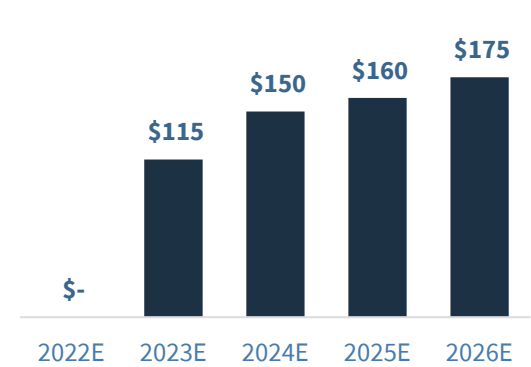
FC #1 – Expanding LTV/CAC⁽²⁾ with the Ramp-Up



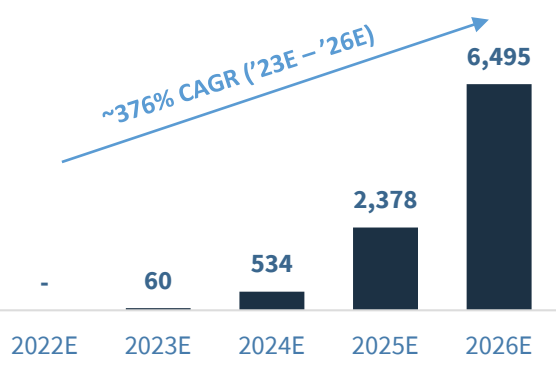
Commentary

- FC 1 is expected to reach its full capacity of \$200M in annual revenue in 2026. Subsequent FCs are expected to reach full capacity sooner driven by software replication strategy
- Customer loyalty and stickiness and a stable CAC will drive a higher LTV and LTV/CAC ratio
- Long-tail inventory expands exponentially to drive basket size increases
- Customer and order growth ramp quickly in later years and, at 20% lower cost per order than the current leading service with over **\$40B** in revenue, will be capacity-constrained for the foreseeable future

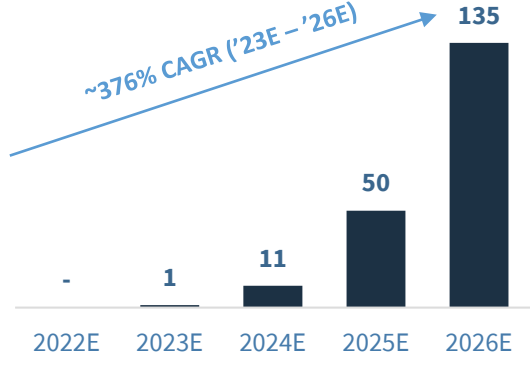
Revenue per Order



Orders (in thousands)



Customers (in thousands)



(1) LTV for FC1 is a discounted LTV over 10 years period discounted at a 20% hurdle rate
(2) LTV assumes a CAC of \$75 and an annual churn of 10%

Founder-led, highly accomplished team

Visionary management team supported by experienced board members

Management Team



Louis Borders
Founder & CEO



Chris Visnic
President, RoboFS



May Chinavanichkit
VP, Business Ops



Norm Cook
VP, People & Talent



Joe Mirabile
VP, Technology Ops



Abhishek Raman
VP, Engineering



Mitchell Weiss
Chief Robotics Officer

Board Members



Louis Borders
Founder & CEO



Craig Leavitt
Former CEO at Kate Spade



Dr. Sujeet Chand
CTO at Rockwell Automation



Morgan Fine
Executive VP at Ingram Micro

Experience

BORDERS



Key investment highlights



01

Market

Massive **\$7.4 trillion** market opportunity

03

Solution

A **single platform**, with seamless coupling of shopping, fulfillment and delivery, reaps many benefits

05

Revenue

Projected to generate **\$700M revenue by 2026**; FC annual revenue for FC1 reaching **\$200M**

02

Problems

Systemic challenges facing ecommerce customers and service providers

04

Competitive Advantage

RoboFS, the first full-stack, **touchless** robotic fulfillment system unlocks scale and profitability

06

Leadership Team

Proven team with **robotics and ecommerce expertise** has stayed on the more difficult full-solution path, the one with the greatest opportunity