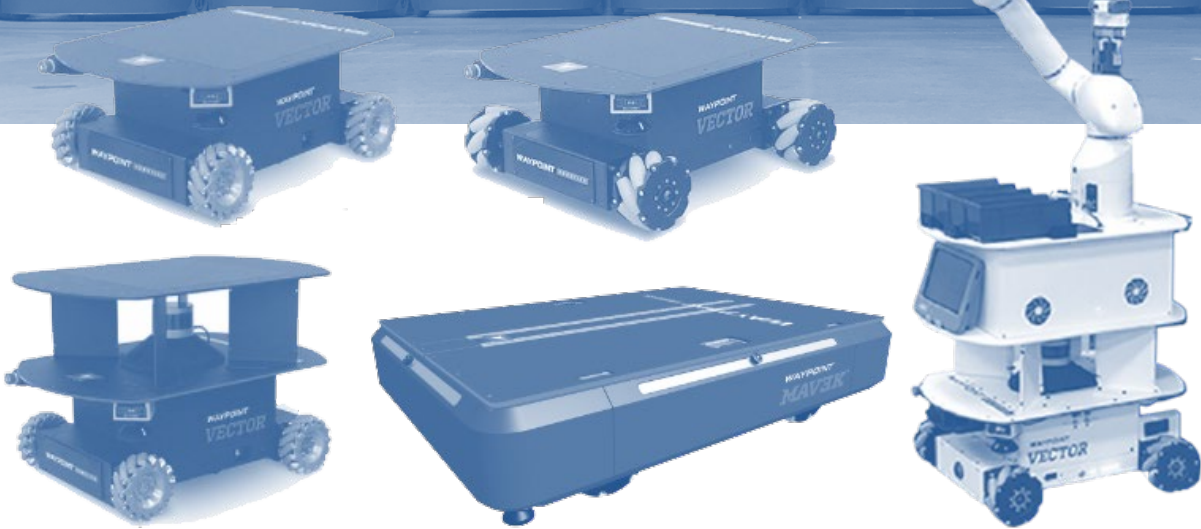


Media



FAQ: Acquisition of Waypoint Robotics by Locus Robotics



September 2021

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General Questions

Who is Locus Robotics?

Locus Robotics' revolutionary, multi-bot solution incorporates powerful and intelligent autonomous mobile robots that operate collaboratively with human workers, dramatically improving piece-handling productivity 2X-3X, using less labor than traditional picking systems. This award-winning solution can easily be deployed into both existing warehouse infrastructure and new, greenfield sites to help retailers, 3PLs, and specialty warehouses efficiently meet and exceed the increasingly complex and demanding requirements of fulfillment environments, now and into the future.

Locus is headquartered in Wilmington, MA with its EU headquarters located in Amsterdam. Incorporated in 2015, Locus has more than 200 employees, 60+ customers, and more than 150 customer sites under contract in North America and Europe (including the UK).

Who is Waypoint Robotics?

Founded in 2017, Waypoint Robotics is located in Nashua, NH with 15 employees. Waypoint develops and manufactures omnidirectional, autonomous mobile robots for automated material transport that are easy to use, industrial-strength, and designed to be set up and used by the workforce that is on the job today.

Vector™, MAV3K™, and supporting Waypoint products can be put to work immediately, adding to workers' capabilities, increasing their efficiency, and strengthening their companies. This level of autonomy gives the workforce the ability to delegate dull, dangerous, and dirty tasks to the robot so they can spend more time doing the unique, engaging, and valuable aspects of their job for which they are uniquely qualified.

Strategic Questions

Why did Locus and Waypoint decide to join forces?

While Locus has enjoyed tremendous growth in the fulfillment warehouse space – particularly in piece-picking – we’ve long believed that there are significant growth opportunities that require handling larger, heavier payloads.

The acquisition of Waypoint Robotics will extend the use cases and applications for AMRs across a wider range of industries. Waypoint’s innovative Vector and MAV3K are industrial-strength, flexible mobile robot platforms that feature omnidirectional mobility and can be fitted with any number of top modules and attachments, making them versatile and scalable for a variety of applications. They are also interoperable with LocusBots and can easily communicate with other machines and IoT devices throughout a facility.

The additional use cases and payload applications that will now be available to us will increase the size of our already-large total addressable market (TAM) by nearly 50%.

What are the synergies between the Locus and Waypoint product lines?

Locus has established itself as the leading provider of AMRs in the fulfillment warehouse space, with the market momentum and unique, proprietary multi-bot paradigm that takes warehouse automation to the next level of productivity and efficiency.

Waypoint’s advanced, rugged robotics technologies, in combination with the Locus robots, will form the most scalable and flexible solution to drive total warehouse optimization.

The two companies’ technologies are complementary, and together, we will have an expanded product line that is well-positioned to address a broader array of customer use cases and market segments.

How does this transaction impact our industry position?

Our new, expanded product line will allow us to be ideally positioned to serve multi-use-cases as well as address new opportunities within prospect and our existing customer organizations.

We are also able to meet the needs of our customers who often have a preference for a single vendor, and will now be able to acquire multiple, integrated solutions from one trusted partner.

What are the target markets of our combined company?

We will continue to target the 4 key segments that Locus has been servicing:

- 3PLs
- Retail
- Healthcare
- Industrial

Our newly expanded product line will also allow us to pursue entirely new market segments, such as:

- Factory
- Manufacturing

With our expanded, more complete product line and combined resources, we believe we're well positioned to bring a full service solution to each of these segments.

What does this mean for Locus and Waypoint customers?

Ultimately, all of our customers will benefit from this merger, as we will have a broader family of offerings, and more resources to deliver our services. The Locus solution will not be immediately impacted by the merger, but we are excited about the future prospect of integrating new AMRs to create an even more robust product offering.

Our customers will soon have an even broader array of products and services available to them. We will also be able to deliver new features and applications at an accelerated rate in the future.

Our ambition is to introduce our new product family to the market in late calendar Q1, 2022, with an eye to commercial delivery of the merged offering in the 2nd quarter of 2022.

What are the international opportunities? How does this enhance our geographical coverage?

We want to ensure we are able to offer our complete suite of products in all of our geographic markets. To that end, the product team will assess the scope of work required for the Waypoint robots to earn CE certification, and will undertake that work as soon as practicable.

Locus already has a strong presence in the EU, and we've been discussing expansion into the Asia-Pacific region next year. We will deploy our first Locus site in Australia later this year.

How does this transaction affect our relationships with partners?

We anticipate that our partners will be as excited as we are! Our expanded technology portfolio and broader product family will create more opportunity and use-cases across the board..

What's the sales model?

Locus has been very successful with our robots-as-a-service model (RaaS) and we will continue to use that approach to ensure that customers at all levels can have access to the world's most innovative and productive AMR technology applicable to the widest range of use cases and industries – now and into the future.

How will the combined company be managed?

The new organization will be managed as one company. As CEO, Rick Faulk will continue to be responsible for all of the operations of the company.

We will continue with our current executive leadership team, that will also include ex-Waypoint members who will have become Locus employees.

Will anything happen to the Waypoint brand?

The name of our new combined company will be Locus Robotics. For the immediate future, we don't plan to change product names.

Over the next several months, we will be working on solidifying our product and go-to-market strategies. Our goal will be to adopt a product and naming strategy that maximizes our growth potential in the marketplace and reflects evolving needs and use cases, to offer the greatest value to our customers.

How can I get in touch with management?

All members of the Locus and Waypoint management teams are available to answer your questions or just to chat.

Please contact Karen Levitt, CMO or Kary Zate, Sr. Director of Marketing Communications to request interviews or to answer questions.