5 November 2026

ASOS Plc
Final results for the 52 weeks to 30 August 2026

Return to growth: Strong operational and profit delivery

Summary financial results

£m[1]	52 weeks to 30 August 2026 (FY26)	52 weeks to 31 August 2025 (FY25)	Change	Adjusted LFL change[2]
Headline adjusted numbers[3]				
Gross Merchandise Value (GMV)[4]	2,349.0	2,456.3		(5)%
Adjusted group revenue	2,240.3	2,464.8		(9)%
Adjusted gross margin	50.5%	*47.1%*	*340bps*	
Adjusted cost to serve[5]	43.2%	*42.0%*	*(120)bps*	
Adjusted EBITDA	170.3	131.6	38.7	
Adjusted EBIT	18.8	(32.2)	51.0	
Adjusted loss before tax	(46.4)	(98.2)	51.8	
Net debt	(109.3)	(184.7)	75.4	
Free cash flow	(16.4)	14.1	(30.5)	
Statutory Measures				
Group revenue	2,245.6	2,477.8	(9)%	
Gross margin	50.6%	47.1%	350bps	
Operating profit/(loss)	93.5	(212.3)	305.8	
Profit/(loss) before tax	24.4	(281.6)	306.0	

FY26 highlights

- **Delivered YoY growth in Q4:** GMV returned to YoY growth in Q4 for the first time since FY22, marking an important milestone in the transformation and providing momentum entering FY27.
- **GMV –5% YoY, with growth rate improving every quarter:** YoY GMV trends improved sequentially throughout FY26, accelerating to -1% in H2, supported by stronger product relevance, an enhanced customer experience, greater product availability through flexible fulfilment and increased marketing investment.
- **Customer database delivers QoQ growth:** Customer database returned to quarter-on-quarter growth (Q4 FY26) for the first time since Q2 FY22, reflecting strength across new, reactivated and existing customers, marking a clear inflection point.
- **Gross margin exceeds medium term target:** Adjusted gross margin increased by 340bps to 50.5%, surpassing our medium-term target and delivering a second successive year of more than 300bps expansion. This has been driven by better buying and sourcing, expansion of Flexible Fulfilment models and a focus on full-price sales through disciplined inventory management.
- **Strong AEBITDA improvement with step-up in investment for growth:** Adjusted EBITDA increased by +29% YoY to the upper end of our guidance range, reflecting the combined benefits of strong gross margin progression, supply chain efficiencies and disciplined cost control. The result demonstrates our ability to drive profitable growth while investing in marketing, the customer experience and future growth opportunities.
- **Further strengthening financial flexibility:** Net debt reduced by more than 40% to £109.3m due to strong operational execution, a successful refinancing in November 2025 and the disposal of two non-core assets for £115.5m, leaving ASOS in a significantly stronger financial position.
- **Sharper, more relevant product:** Improved FY26 12-week full-price sell-through by 70bps YoY through more efficient inventory management, and increased flexible fulfilment penetration across Partner Brands to 21% of GMV, up more than 10ppts YoY
- **Inspiring and personalised fashion discovery**: Delivered more than 100 app enhancements and accelerated AI-powered personalisation, driving higher conversion, engagement and revenue per customer for users exposed to the updated app features growing c.10ppts faster than the wider iOS customer base.
- **Resilient and efficient supply chain:** Supply chain cost-to-serve reduced by 130bps YoY, reflecting productivity and efficiency improvements across our fulfilment network, despite the disruption arising from the transition of US fulfilment operations and geopolitical challenges in the Middle East.

Cyber Incident

Following the cyber incident on 6 October, we took immediate steps to contain the incident and protect our customers. We also launched a full investigation, supported by external cyber experts, which has now concluded. As we previously disclosed, the investigation found that the unauthorised party accessed some basic customer data. It confirmed no payment information or account passwords were impacted. Our website and app remained operational and safe to use throughout. The Group has since implemented further measures to strengthen security across the business.

As a precaution, the Group temporarily paused certain marketing and CRM activity immediately following the incident, returning to planned activity within two days. This has resulted in some short-term disruption to trading, most notably in the UK, with the latest impact since 6 October estimated at c.2–4% of Group GMV[6]. The Group has remained resilient with broadly flat GMV growth and our customer base continuing to grow, giving us confidence that this impact will be temporary.

Outlook & current trading

- Trading in the opening weeks of FY27 has been encouraging, with Group GMV growth broadly flat YoY despite the temporary impact of the cyber incident.
- Customer trends also remain encouraging, with the active database growing month-on-month in September and October.
- Following the reduction in net debt to £109.3m at year-end, we continue to assess opportunities to optimise our capital structure.
- Reflecting the progress made during FY26 and the momentum with which we entered the new financial year, the Board remains confident in the Group's outlook and provides the following guidance for FY27:
    - Low-single digit GMV growth
    - Adjusted EBITDA of £180-200m
    - Capex of c.4% of revenue
    - Positive free cash flow generation
- FY26 has delivered against the majority of our medium-term targets, and as we enter the sustained growth phase of our transformation, we see further opportunity to enhance both our gross margin and cost to serve in the mid-term.
- We intend to host a Capital Markets Event during FY27, providing investors with a deeper insight into the next chapter of ASOS's growth strategy, including the evolution of our role as *'The Stylist'*, our key growth drivers and an updated medium-term financial framework.

CEO Review

As I reflect on FY26, I am proud of what our teams have achieved. This was another year of consistent delivery and, above all, the year ASOS returned to growth. Building strong foundations and getting back to growth are important milestones, but they were never our end destination, we have a more ambitious goal.

A consistent track record of delivery

Over the past four years, ASOS has been transformed in three deliberate waves. We have consistently delivered against the priorities we set at each stage of the journey. First, we dealt with the most critical issues facing the business: stock and debt. We took decisive action to reduce intake, clear excess inventory and strengthen the balance sheet, reducing inventory from £1.1bn to less than £400m and net debt to AEBITDA from 2.6x at the end of FY23 to c.0.6x at the end of FY26. Having delivered against those initial priorities, we were able to turn our focus to rebuilding the underlying economics of the business.

Second, we fundamentally reinvented our business model around gross margin, stock turn and speed to market. Over successive years, we have embedded better buying and sourcing, tighter stock management and greater operational flexibility, while building new capabilities such as Test & React, simplifying our operations and launching new partner models through ASOS Fulfilment Services and Partner Fulfils. The benefits have built consistently over time: gross margin has improved by 630bps to over 50% and AEBITDA margin by 410bps to 7.6%. Together, these changes have created a more profitable, flexible and efficient ASOS, and with those foundations in place, we entered the third wave: returning ASOS to sustainable, profitable growth.

As those foundations strengthened, we progressively increased our focus and investment behind growth, while continuing to deliver against the financial and operational disciplines established through the first two waves. FY26 was the clearest demonstration of that progression to date, with investment stepped up in product, marketing and the customer experience alongside continued margin expansion, disciplined inventory management and further supply chain efficiencies. At the same time, trading momentum improved through the year, giving us increasing evidence that the actions taken across the transformation are translating into improved customer and commercial performance.

This consistent execution has taken ASOS from stabilising the business through rebuilding its economics, to the third wave of the transformation: returning ASOS to sustainable, profitable growth. We have delivered against a number of the medium-term targets set in FY23 and are fast approaching achievement of the remainder, while continuing to invest behind the areas that can support the next phase of our development.

We are back to growth, and it is spreading

The most important message of this year is a simple one: ASOS is growing again, and that growth is broadening across the Group. The growth started with our customers. New customer acquisition improved through the year, from -5% in H1 to +4% in H2 and +6% in Q4, clear evidence that our renewed proposition is resonating with a new generation of fashion lovers. Importantly, the quality of our new customer cohorts is also improving, purchasing a higher mix of full-price YoY. In H2, we also saw customers shopping across more categories, alongside a higher proportion of new customers returning to site and saving an item within 90 days, encouraging signs of engagement and future retention.

At the same time, we are keeping more of the customers we have, with churn down 270bps and reactivated customers up 3%. The result is a turning point in our customer base, which returned to quarter-on-quarter growth in Q4 for the first time since Q2 FY22. The UK has grown its active customer base for 4 consecutive months, fuelled not only by new customers but by a significant improvement in retention. Similarly, Germany has also returned to active customer growth versus H1.

These leading indicators converted to sales. At our interim results, we highlighted the outperformance of the UK versus the Group and Womenswear being in growth[6] for March. Both were the result of deliberate actions to focus on our core, and we said at the time that we would apply those learnings more broadly across the Group. That is exactly what has happened. In H2, GMV growth gained ground in the UK +2% and in Womenswear[6] +8%, while growth broadened to Germany, +8% YoY. The US followed in Q4 and the Group delivered GMV growth for the first time since 2022.

Not everything is working yet, and there remain areas where we have more work to do. Menswear is still in recovery phase back to GMV growth[6]. Performance strengthened in H2, giving us good momentum, but there is significant scope for improvement. We are applying the playbook that has transformed Womenswear and have strengthened the team, hiring a new Menswear Product Director for ASOS Design in August. There remains substantial headroom across Womenswear, Face + Body and Sportswear, and in our core markets of the UK, Germany and US. Menswear, along with France, represents further upside to our plans rather than a prerequisite for growth, and we have conviction in what can be achieved.

Operational excellence is driving our growth

Our return to growth is the cumulative result of continuously improving the fundamentals of our business: fresher stock, faster time to market, more flexible business models, better merchandise management, more reliable execution, more effective marketing and a stickier customer experience. We can see the results across the business: GMV growth[6] in some of our key Own Brands and Partner Brands; in our performance marketing and in The Heart, where product and marketing now work as one; and in our app and our loyalty programme. Today, ASOS is operating with greater pace, discipline and consistency than at any point in the last four years.

Financial review

GMV was down -5% for the year, improving to -1% in H2 and returning to low-single-digit growth in Q4. Adjusted gross margin improved 340bps and adjusted EBITDA margin rose 230bps, as operational efficiencies more than offset a planned increase in marketing investment, driving a 28% increase in profit per order. Inventory was down 9% against GMV down 5%, with further improvements in stock turn. Capex was 3.4% of revenue, within our 3-4% guidance range, and free cash flow was negative £16m, primarily reflecting working capital and financing payment timing. More detail can be found in the CFO Review.

The next phase

We enter FY27 encouraged by our progress. Our priority is to consolidate our return to growth and make sustained, profitable growth the new normal for ASOS. Our expectation is that FY27 will mark our first full year of growth since completing the transformation of our business model.

We see this growth powered by two different and distinct engines. The first, and most immediate, is operational excellence: through FY27, we will go deeper on the initiatives already working across our three strategic pillars and further embed AI to make every process faster, smarter and more efficient.

The second is about our longer-term ambition, which goes far beyond just returning to growth. We believe that online fashion shopping experience is about to be transformed, from a more transactional into a more inspirational shopping experience, and ASOS can champion this process.

Our research tells us that, in a world of almost limitless choice, customers are no longer looking for access to more fashion, but for help navigating it. Our response is '*The Stylist*'. It is our ambition to use AI to transform how people buy fashion online: from transactional to inspirational, from generic to deeply personal, from individual to social, from flat to immersive, and from single items to complete outfits. Imagine a store that is different for every customer, every time they visit, built around their own wardrobe and style, and shared with the friends, stylists and creators they love. We want shopping at ASOS to be a moment of pleasure, something you would never want anyone else to do for you, rather than the mechanical experience customers too often endure today. We believe this will bring a new wave of growth to online fashion, and we are determined to lead it, making ASOS the most exciting online fashion destination for young fashion lovers and disrupting this industry once again. We will set out this next chapter, together with a new medium-term financial framework, at a Capital Markets Event during FY27.

I would like to thank all our ASOSers for their commitment, resilience and ambition throughout the year, and our customers, brand partners, shareholders and other stakeholders for their continued support. There is much to celebrate, and much still to do. We enter this next phase with confidence in the platform we have built, energy from the progress we have made and real excitement about the opportunity ahead.

Strategic Review: A return to growth through disciplined execution

FY26 marked a strategic pivot towards growth, building on the progress made through our transformation to date. The structural improvements of the last three years are now embedded in how we operate, and while we will keep refining our processes, our primary focus has shifted to growth.

That growth has come from the cumulative impact of continuously improving the fundamentals of our business, from product creation and sourcing through to marketing, fulfilment and customer experience. Put simply, our formula is better product, a more engaging shopping experience and a more efficient operating model. Some examples of how far we have come over the last four years (FY23-FY26) include:

Product

We have built a faster, fresher and more flexible product model. New and current stock mix has increased +6ppts, lead times have reduced by c.30%, Test & React has scaled to more than 20% of Own Brand sales and flexible fulfilment now represents more than 20% of Partner Brand GMV. Together, greater speed and stronger inventory discipline have helped drive 12-week sell-through +240bps to record levels since the launch of the New Commercial Model.

Customer Experience

We have transformed how customers experience ASOS, making shopping more reliable, engaging and increasingly personalised. Missed Customer Delivery Promise has reduced by c.5ppts and the proportion of iOS visits resulting in Add to Bag has increased by 240bps. Beyond the transaction, we have built a loyalty proposition from the ground up, now offering exclusive benefits including more than 20 early-access product launches and Sale moments in FY26. We have also stepped up the ASOS experience through pop-ups and events across London, New York and Aspen (more than 10 delivered in FY26).

Efficiency

At the same time, we have materially lowered the cost and complexity of running ASOS. Total fixed costs have reduced by c.£90m, the underlying returns rate has improved by 420bps and supply chain cost to serve has reduced by 410bps, creating a leaner operating model from which to grow.

FY26 showed the impact of these changes coming together at greater scale across the business, with progress across each of our three strategic pillars increasingly translating into better customer and financial outcomes. The remainder of this Strategic Review outlines how we brought these improvements together more effectively across our three strategic pillars and the foundations they are creating for the next phase of ASOS's growth journey as we develop *'The Stylist'*.

RELEVANT FASHION PRODUCT: the product model driving growth

Product sits at the heart of the ASOS proposition and is the most important lever in our return to growth. Over the last two years, we have worked hard to improve relevance, buying precision, speed, flexibility, quality and curation across both our Own Brands and Partner Brands. At the start of FY26, many of these foundations were in place. This year, the focus was on scaling them, so that more customers experienced a better ASOS.

Faster, and more in control

Speed remains a critical advantage, and we continued to build a structurally faster and more responsive product model. More than 20% of Own Brand sales are now generated through Test & React, allowing us to respond quickly to emerging trends and customer demand while reducing inventory risk. We are now using AI-supported forecasting to grow it further and make capability improvements. Combined with our other fast routes, including Speed to Market, c.40% of our Own Brand mix now runs on lead times of less than six weeks, while lead times on our longer-lead routes are down by around 30%, giving customers faster access to newness and letting our teams react closer to real-time demand.

We are not only faster, but more in control. By combining real-time data, automated workflows and closer collaboration across buying, merchandising, supply chain and logistics, we have created a more connected critical path that enables earlier intervention and faster decisions. Missed Product Delivery Promise improved by c.40% YoY, with AI tools increasingly supporting the team. The right product is arriving at the right time, ready for our customers.

Scaling capital-light flexibility

One of the most important structural developments of FY26 was the scaling of our flexible models. Partner Fulfils and ASOS Fulfilment Services increased by 13ppts to 21% of Partner Brand GMV, with 16 net new brands added, giving customers broader choice and better availability while significantly reducing inventory risk.

We continued to expand Partner Fulfils, launching emerging brand Noughts & Kisses through the model and Levi's across the UK and Europe, while our partnership with Abercrombie & Fitch marked the brand's first marketplace integration of its kind in the UK and Europe. Following the move of Inditex onto AFS at the end of FY25, every one of its brands delivered growth[6], benefiting from better availability and greater responsiveness to demand.

Raising the bar on quality

Quality is fundamental to customer confidence, and we raised the bar on fit, fabric and consistency. We increased upstream intervention across product development, strengthened supplier accountability and more than doubled our quality control coverage, alongside investment in sizing, grading and supplier capability. In Menswear, we introduced more consistent, proven fits across the range, with a c.20ppts increase in standardised blocks (i.e. a master template for clothing) to more than 90%, alongside targeted investment in better fabrics and garment construction. In Tailoring, for example, improvements including better linings, internal construction, pockets and trims contributed to a 280bps reduction in returns. Similarly, in Womenswear, we almost tripled the proportion of our range using blocks. ASOS DESIGN and Topshop were two of the key beneficiaries from this, reducing returns by 140bps and 200bps respectively with improvements across the majority of categories. This is early evidence that prevention upstream is improving the customer outcome, and it is building the foundations for long-term loyalty and repeat purchase.

Sharper buying, smarter stock management

Lower intake, fewer options and tighter stock management delivered the best 12-week full-price sell-through since our transformation journey began with the New Commercial Model: +70bps YoY with an acceleration through H2, +300bps YoY. Driving part of this improvement was offering our customers a fresher assortment, with the mix of new and current stock (<3 months old) up c.100bps. We have rebuilt the tools and ways of working behind this, including the migration of our product ERP, upgrades to core product systems and the integration of AI across the product lifecycle, removing c.500 hours of manual work every week. Around 20% of our buy is now AI-led and buyer-refined, helping us spot trends earlier, while AI-driven image recognition has cut product onboarding times by up to 99%. AI is augmenting our product expertise, freeing our teams to focus on the creativity, judgement and fashion instinct that make ASOS different.

Our best assortment yet

Womenswear is the most profound demonstration of our product transformation. We deliberately prioritised it given its importance in fashion, and Womenswear delivered GMV growth[6] of 3% for the year and 8% in H2. Product relevance was the primary driver, with growth[6] across multiple customer segments and aesthetics, and in key categories including Outerwear, Evening Dresses, Casual Bottoms and Tops.

Across Partner Brands, we launched 80 new brands, while exiting 50 weaker-performing brands, and more than halved onboarding times, bringing relevant brands to customers faster. New launches including NA-KD, Calzedonia and Ruched & Ready performed strongly, while our core partners, including Bestseller, Mango, Inditex, Gina Tricot, House of CB and Princess Polly, grew GMV[6] supported by our more flexible models and more reliable operations.

Exclusives and collaborations are an increasingly important source of differentiation, with 32 exclusive brands, 8 exclusive collections and 20 collaboration-led initiatives, built on deeper relationships with our partners. ASOS x adidas goes from strength to strength. Drop 3 delivered a sell-through of c.80% within the first week of launch, generated a 40% halo effect for the Adidas brand and took the collaboration into the US as well as physical retail for the first time. The collection resonated strongly in the US, accounting for c.20% of sales with 50% from new and reactivated customers. Drop 4 added Menswear for the first time and achieved c.90% sell-through in its opening weekend, with the US representing c.30% of sales and more than 10% conversion in the first few hours. We also launched our first Barbour Re-loved collaboration, selling out within minutes and driving strong customer engagement and a positive halo across the wider Barbour assortment, ahead of a broader partnership in FY27.

Our newer and refreshed Own Brands are gaining momentum, with Topshop, 4505 and ARRANGE all delivering strong growth[6] and demonstrating what is possible when relevance, speed and quality come together.

INSPIRATIONAL SHOPPING EXPERIENCE: engaging customers more effectively

In FY26, we changed how customers discover, engage and shop with ASOS, moving beyond transactional browsing towards an experience built around outfits, curation, community and individual style.

The first steps towards a superior shopping experience

We delivered the most significant upgrade to our app in recent years, with more than 100 customer-facing enhancements, including Follow Brands, Ways to Style and user-generated content (UGC), improving customer stickiness (daily average users to monthly active users rate) across all platforms, including iOS +c.80bps YoY. We significantly expanded our outfit-led proposition, moving beyond a single-item experience to provide customers with more styling inspiration and multiple ways to wear, with 90% of eligible products now featuring at least one outfit (FY25: 57%). These products now show a combination of studio curated and AI-powered outfit recommendations to showcase style versatility, enabling us to grow from showing hundreds of thousands of outfits throughout the year to over a million. We also strengthened our UGC capability through a new partnership, bringing authentic customer content into more touchpoints across the shopping journey. Early engagement is encouraging, with customers viewing UGC showing higher rates of Add to Bag, save for later and conversion. We extended personalisation across the journey, bringing our recommendation technology into search: personalised search alone lifted conversion by 140bps, equivalent to c.£31m of annualised revenue.

Behind all of this is a much stronger engine for innovation. With the support of AI, we more than doubled the number of experiments we run, the proportion delivering a positive outcome improved almost fivefold, and the rate of conclusive experiments rose by more than 15ppts, so we learn what customers love, and scale it, faster.

AI is also helping customers shop with more confidence. Testing of Virtual Try-On showed higher conversion and revenue per customer and a directional reduction in returns, with the strongest gains among newer customers, the cohort where fit uncertainty is highest. In October we extended testing to all UK Womenswear, approximately a third of our catalogue. We were also one of the first fashion retailers to launch on ChatGPT, where customers can discover products and receive personalised styling advice through conversation. Since launching in May, traffic is up 10% with an 4ppt improvement in bounce rate, and we have set up a dedicated agentic commerce team to make the most of this new way to shop.

Smarter, more effective marketing

We increased marketing investment by 120bps as a percentage of sales, and spent it with greater confidence, supported by better attribution, Marketing Mix Modelling and incrementality testing. Marketing Mix Modelling moved from an in-house pilot to a core decision-making tool, guiding more than 60% of performance marketing spend, and we will extend it across our four largest markets with a specialist partner in FY27. In H2, improvements to our bidding approach enabled us to increase spending capability by 11% while maintaining a broadly stable ROAS, helping to drive higher GMV. Broader targeting and new campaign structures also contributed to the sequential improvement in GMV through the year. CRM moved from broad-based messages to personalised, lifecycle-triggered journeys, with CRM-attributable visits up 30%, new customers through the channel up 12% and reactivated customer engagement up 28%.

We also sharpened our brand positioning. We appointed Baron & Baron to refresh the ASOS brand platform, we simplified our calendar from many campaigns to four clear moments and we moved from a high-volume influencer model to a curated network of genuinely relevant creators, with authentic content for every community and style. It worked: demand accelerated rapidly following organic influencer exposure, with weekly retail sales doubling post our collaboration with Farron Clark on one of our Test & React jackets with the total style surpassing £1m of sales. We also moved our in-real-life activity from purely experiential to commerce-led, with a series of shoppable pop-ups. Spontaneous awareness and first-choice consideration improved in key markets for the first time since FY23, particularly in the UK with some green shoots also appearing in Germany.

The Heart: where product meets marketing

The Heart brings together the most fashion-authoritative product from across ASOS and has grown from a monthly edit into a meaningful part of our offer. Backed with 50% more units per option, its contribution to sales of new and current stock doubled to 12%, with featured products selling 19% faster than comparable 'New In' ranges. In H2, we aligned our go-to-market plan with The Heart drops, connecting product, customer attention and demand more closely than ever. This drove a c.36% increase in reach and, in Q4, rate of sale for the Heart versus 'New In' accelerated to 40%.

Deepening loyalty and convenience

ASOS.WORLD expanded across the UK, US, Germany and Austria to reach 5.6m members, including 4.8m in the UK, or 74% of our UK active customers. Members receive exclusive access to launches, sales events, brand experiences and product co-creation, with testing demonstrating the programme's ability to drive incremental customer value. After 12 months, Tier 3 members delivered 17% higher Net ACV and 16% higher average order frequency versus comparable controls, with Tier 4 members delivering increases of 6% and 7% respectively. This provides encouraging evidence that ASOS.WORLD can deepen engagement and increase the value of our most loyal customers.

We also enhanced our service proposition for customers. We extended our UK next day delivery cut-off to 11pm for all customers, introduced same day delivery in parts of London and reshaped our carrier mix, consistently delivering QoQ improvement in our Missed Customer Delivery Promise. Exchanges, launched in March, has already retained c.£5m of GMV across c.200k units, with exchanged orders returned at around half the rate of refunded orders and materially higher customer satisfaction. We have since extended it across the UK and key European markets.

EFFICIENT OPERATING MODEL: AI-enabled efficiency and cost discipline

Throughout the transformation programme, we have demonstrated tangible improvements in our operating model. In FY26, this continued as we further optimised our supply chain, logistics infrastructure and reduced fixed costs.

A more efficient network

FY26 was an important year for our fulfilment network. We reshaped our US operations, exiting the larger Atlanta site while opening a more flexible returns capability in Dallas. This enabled us to reduce the cost and complexity of our US network, while retaining in-market capability. Completing the sale of both our Atlanta and Lichfield fulfilment centres realising proceeds of £115.5m and c.£12m of prospective annual cash cost savings.

Improved picking, superior handling of returns and the introduction of twilight shifts, contributed to a reduction in supply chain cost to serve by 130bps, delivered another improvement in profit per order of +28% YoY and halved operational stock unavailable for sale. Notably, picking automation in Berlin improved the proportion of volume moving through goods-to-person processes by 11ppts as well as contributing to the overall increase in automation by 13ppts YoY, helping to reduce variable cost per unit. We achieved all of these supply chain benefits despite the transition of our US operations to fulfil from our UK facility and disruption in the Middle East.

Doing more with AI

We continued to expand the use of AI across ASOS in H2, both scaling capabilities highlighted at half year and applying the technology in new areas. This is improving the customer experience while changing how we create content, build technology and operate the business.

During FY26, Customer Care committed to an agentic care model, with the ASOS AI Assistant providing faster, more accurate resolutions directly to customers. It handled 4m customer conversations during the year and achieved a 24ppt uplift in the containment rate, meaning nearly two in three customers can now complete their journey without additional support from a human advisor. From refunds to replacement return labels, more queries can now be resolved seamlessly, improving the customer experience while reducing cost to serve.

AI Studios has also moved rapidly from concept to scaled deployment. First introduced as a proof of concept at the half year, the end-to-end AI content workflow moved into production in H2, scaling image production from tens to thousands and increasing throughput nine-fold. Since year-end, we have continued to expand the capability and it is now live across 25% of product volumes. As AI Studios becomes embedded within individual categories, first-time success rates are improving by c.30ppts compared with the initial trial and scaling phase, demonstrating the benefits as the technology and workflows mature.

We have also opened up new applications for AI across the business. Embedding AI agents into software development has transformed how we build. Across four major programmes, we delivered the same scope with almost half the originally planned engineers for this project, reducing estimated development effort by c.87% and delivering three times faster than anticipated.

Our in-house AI translation platform, supporting our ten language markets, is expected to reduce localisation costs by more than 90% once fully scaled, while giving us greater control over how we communicate with customers in each market. Alongside tight control of central costs, which is generating a c.17% annualised saving, these capabilities are helping ASOS absorb greater scale and complexity without a corresponding increase in cost.

Reducing returns

Returns remain one of our biggest opportunities, for customers and for our economics. During FY26, the underlying returns rate improved by 140bps, supported by better intrinsic product quality, product listing content, fit information and a 13ppt increase in customer review coverage. We are now building an AI-powered returns insight capability that combines reviews, return reasons and product feedback to spot fit and quality issues faster and act on them across buying and product development.

CONSOLIDATING OUR RETURN TO GROWTH

As we stated before, our ambition goes beyond just becoming a great fashion company, we want to turn ASOS into the most exciting destination for young fashion lovers, delivering sustainable growth over the course of the years. We see this growth being fuelled by two different engines.

In the more immediate future, we see significant opportunity simply by continuing to raise the bar on operational excellence. The progress we made in FY26 demonstrates what this can deliver, and there is much more opportunity throughout FY27. In parallel, we are embarking on new avenues of growth from reshaping the online fashion shopping experience. We expect this second growth engine to build over time and play an increasingly critical role in realising ASOS's medium- and long-term potential.

FY27, OPERATIONAL EXCELLENCE WILL DRIVE OUR GROWTH

This FY27, we will go deeper on the initiatives already working across our three strategic pillars and further embedding AI to make every process faster, smarter and more efficient.

Relevant Fashion Product

Our ambition is the best assortment in online fashion, built on unbeatable speed, the most flexible partner models and a unique portfolio of brands, from household names to new discoveries. Fashion Frontier is our headline initiative. It is our programme to embed AI agents across the end-to-end product journey, from spotting trends and designing through to buying, merchandising and onboarding, so that we design, buy and sell product faster, more precisely and with increasing automation. FY27 will see the programme move from design into action, with the first agents deployed into our product processes and tested in live environments to demonstrate where they can have the greatest impact.

We are also bringing the Womenswear playbook to Menswear under its new leadership. We are extending our speed models, Test & React and Speed to Market, across more of the range, and bringing more partners onto our flexible models, including River Island onto AFS and Nike onto Partner Fulfils. As Nike's latest new marketplace partner in the UK and Europe, this will enable us to offer customers a broader Nike range, improve availability and respond faster to demand and emerging trends.

Collaborations continue to set ASOS apart, and we are building a strong pipeline, including a broader partnership with Barbour. They are already delivering. Our latest ASOS x adidas drop, launched at the start of FY27, was one of our strongest yet. It delivered the highest opening-period sales of all five drops, with the US being our largest market. Sales were up 9% on the previous launch and product views almost doubled.

Efficient Operating Model

Our ambition is to become the most efficient and effective fashion company, and that takes a relentless willingness to question how we do things.

Continuing to reinvent how we are organised will be an important part of that, building on the changes already under way across our Engineering and Product teams. Having proven the benefits of AI across a wide range of use cases in FY26, the next step is to scale it: extending agentic workflows into Supply Chain, Finance and Commercial; deploying agents across our product critical path;

extending AI-powered development across the technology lifecycle; and expanding our in-house translation platform into customer, marketing and commercial content.

Automation will play a greater role across our supply chain in FY27, with two significant programmes to automate inbound stock flows across our fulfilment network. The first is expected to go live in Barnsley in FY27, followed by our second programme at Berlin which will begin in FY27 ahead of implementation in FY28. As well as automating inbound activity, the Berlin investment will enable us to increase automation across outbound fulfilment, including a greater proportion of volume moving through automated picking.

Our next phase of supply chain improvement will increasingly harness AI, including agentic inbound volume forecasting to better predict when stock will arrive. This will help us identify potential issues earlier and materially reduce forecast variation. We will also use AI to optimise where inventory is held across our fulfilment network, reducing handling and fulfilment costs.

Finally, we will continue to invest in site reliability and explore opportunities to make our delivery promises more responsive in real time, further improving the efficiency and resilience of our supply chain.

Inspirational Shopping Experience

Our vision is to become the most inspirational destination for young fashion lovers. In FY27 we will continue working on two fronts, improving our core marketing skills, while we continue to build the foundations of an improved shopping experience through the continuous improvement of our customer proposition and the app.

An increased marketing investment will support this ambition, with greater emphasis on content, storytelling and style-led inspiration in the mid and upper funnel. At the same time, we will build on the progress made in product-centric marketing through The Heart, continue to improve performance marketing and CRM, and develop more targeted and personalised lifecycle activity to attract, retain and reactivate customers.

The underlying customer proposition will continue to strengthen too. This includes later next-day delivery cut-offs and same-day options; a more compelling ASOS.WORLD, with enhanced rewards and experiences; and a clearer role for Premier for our highest-value customers. Exchanges will continue to expand through more options and AI-powered recommendations, while faster testing across the app and wider shopping experience will help us keep innovating around what customers value most.

Revamping the app was a huge undertaking in FY26. Next steps include scaling and operationalising what we have built, connecting capabilities across the app to create a more joined-up, personalised and immersive shopping experience. There are three key elements to progress in FY27:

- Outfit-based: Building outfits will evolve to become more responsive to customer intent, helping customers move from an occasion, aesthetic, vibe or shopping mission to complete, shoppable looks. We will expand outfit discovery beyond individual product pages and make looks easier to understand, personalise and adapt, including helping customers find new ways to style products they already own.
- Community: Having expanded UGC across the customer journey in FY26, the next step is to move from largely reacting to content customers create and tag us in, to proactively encouraging participation and bringing authentic customer content into more of the shopping journey. This will connect more closely with creator profiles, styling and personalised discovery, helping customers find inspiration from people they relate to.
- Brands: Elaborating on our 'Follow Brands' capability, FY27 will evolve Brand Pages into richer shop-in-shop destinations, bringing together products with editorial content, UGC, ASOS Lives, outfits, campaigns, collections and launches.

THE STYLIST: BUILDING OUR LONGER-TERM GROWTH ENGINE

Beyond FY27, *'The Stylist'* is how we intend to lead the next reshaping of online fashion, as set out in the CEO Review. It is a long-term ambition, not a single product, and we believe it can unlock a new wave of growth for ASOS. We believe ASOS has the ingredients to lead this change:

- Our own product engine, which brings the most relevant product to customers at the right price and at the right time;
- Our ability to offer the best brands in fashion through deep partner relationships;
- Our position as a digital-native business that has embraced AI as the great enabler.

Few others bring all three together.

Once we succeed, customers will come to ASOS not only when they know what they want to buy, but when they want to be inspired. They will come more often, stay longer and buy complete looks rather than single items. That is the growth opportunity we see from FY28 onwards.

While operational excellence leads our growth in FY27, customers will see *'The Stylist'* emerge more clearly through the year. Existing initiatives, such as Virtual Try-On and AI Studios will begin to scale across more of our range, while AI Stylist will move from a standalone destination into the heart of the shopping journey. New initiatives, like Wardrobe, will introduce a new layer of personalisation, building suggestions around what customers already own and providing inspiration on what to shop next. Outfit building will bring discovery, styling and personalisation together, while customer and creator content will make shopping a more social experience.

Technology is only half of the story. We must also own the position of *'The Stylist'* in the hearts and minds of our customers. That journey has begun with our new campaign, the appointment of Law Roach as Stylist-in-Residence and the relaunch of ASOS Magazine. It will continue through our creators, our Own Brands and our role as the home of discovery for new brands.
We will share more on *'The Stylist'*, and the financial framework that supports our growth ambitions, at our Capital Markets Event.

Current trading and guidance

We have been pleased with our trading in the first eight weeks of FY27 which has been broadly flat YoY, notwithstanding a temporary impact from the cyber incident reported on 6 October. Customer trends also remain encouraging, building on the return to quarter-on-quarter growth in the active customer base in Q4 FY26. At the end of October, the Group had 16.5m active customers, a c.1% increase versus FY26 year-end and growth versus H1 FY26.

For FY27, ASOS expects:

- Low-single-digit GMV growth YoY
- Adjusted EBITDA of £180m-£200m
- Capex of c.4% of revenue
- Positive free cash flow

Over the medium term, we see clear opportunities to take ASOS further on its journey to become the most exciting destination for young fashion lovers. We see a clear path to growth in our home market, with significant opportunities in the US and Germany as the improvements we have made to our proposition over the past four years continue to resonate with customers. Growth will be driven in the near term by our continued focus on operational excellence and, over the longer term, by our ambition to transform online shopping through *'The Stylist'*.

We expect to enhance gross margin over the medium term through continued improvements in intake margin, the development of flexible fulfilment models and higher full-price sales. We see opportunities from further efficiencies as well as the increased adoption of AI to support further improvements in our cost to serve. Combined, this will drive improvements in AEBITDA margin.

We have made substantial progress over the past three years, and we believe there remains significant opportunity to go further through the execution of our strategic plan. We will provide further detail at a Capital Markets Event later in the year.

While the consumer environment remains uncertain, the Board is confident that ASOS is well positioned to deliver further profitable growth and cash generation in the years ahead as the Group continues to execute its strategic plan.

Notes:

1. Numbers throughout this section are subject to rounding.
2. Like-for-like (LFL) GMV and adjusted revenue are adjusted for the impact of foreign exchange translation (constant currency sales) and adjusting items.
3. The alternative performance measures used by ASOS are explained, defined and reconciled to statutory measures in the Alternative Performance Measures note at the end of the financial statements.
4. Gross Merchandise Value (GMV) defined as adjusted retail sales plus revenue attributable to Flexible Fulfilment partners, net of returns and excluding sales tax – used throughout this section unless otherwise indicated.
5. Adjusted cost to serve defined as operating costs (excluding depreciation, amortisation, impairments and adjusting items) as a percentage of adjusted revenue.
6. GMV excluding tax on a billed basis.

Investor and analyst meeting

The Group will be hosting an in-person presentation for analysts at 9.30am at ASOS HQ, Greater London House, NW1 7FB. A live webcast of the presentation including Q&A will be available via our website or via the registration link. This will be available for playback after the event.

For further information

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Background note

Founded in 2000, ASOS has more than 16m active customers in over 100 markets. We bring fashion lovers around the world the best and most relevant fashion through our unique own brands including ASOS DESIGN, ARRANGE, COLLUSION, Topshop, and Topman, styled with the most exciting products from local and global partner brands. With our expert in-house design team and agile and flexible commercial model, including ASOS Fulfilment Services, Partner Fulfils, and Test & React, we make the latest trends accessible to all and give customers the confidence to be whoever they want to be.

Forward looking statements

This announcement may include statements that are, or may be deemed to be, "forward-looking statements" (including words such as "believe", "expect", "estimate", "intend", "anticipate" and words of similar meaning). By their nature, forward-looking statements involve risk and uncertainty since they relate to future events and circumstances, and actual results may, and often do, differ materially from any forward-looking statements. Any forward-looking statements in this announcement reflect management's view with respect to future events as at the date of this announcement. Save as required by applicable law, ASOS plc undertakes no obligation to publicly revise any forward-looking statements in this announcement, whether following any change in its expectations or to reflect events or circumstances after the date of this announcement.

Financial review

ASOS's financial performance in FY26 represents a year of meaningful progress, with the benefits of the transformation programme becoming increasingly evident across profitability, customer metrics and trading performance. The Group strengthened its financial position through debt refinancing, enhanced liquidity with the disposal of the Atlanta and Lichfield warehouses, whilst continuing to improve the economics of the business through gross margin expansion, disciplined cost control and supply chain efficiencies. This created the flexibility to reinvest in growth initiatives, supporting improved customer engagement, four consecutive quarters of strengthening GMV performance and a return to growth in Q4. Collectively, these actions delivered a substantial improvement in profitability and established a stronger platform for sustainable profitable growth in FY27.

Summary Financials

Revenue or GMV growth figures are expressed on a like-for-like (LFL) basis unless otherwise indicated.[1,2]

	Year to 30 August 2026						
£m	**UK**	**EU**	**US**	**Rest of World**	**Total reported**	**Adjusting items[3]**	**Total adjusted**
Retail sales[4]	995.9	681.8	208.8	152.6	2,039.1	(0.1)	2,039.0
Income from other services[5]	122.9	64.4	13.2	6.0	206.5	(5.2)	201.3
Total revenue	**1,118.8**	**746.2**	**222.0**	**158.6**	**2,245.6**	**(5.3)**	**2,240.3**
Cost of sales					(1,108.3)	0.2	(1,108.1)
Gross profit					**1,137.3**	**(5.1)**	**1,132.2**
Distribution expenses					(229.3)	-	(229.3)
Administrative expenses					(755.8)	17.0	(738.8)
Other income					167.3	(161.1)	6.2
EBITDA					**319.5**	**(149.2)**	**170.3**
Depreciation, amortisation and impairments					(226.0)	74.5	(151.5)
Operating profit					**93.5**	**(74.7)**	**18.8**
Finance income					3.3	(0.6)	2.7
Finance expense					(72.4)	4.5	(67.9)
Profit/(loss) before tax					**24.4**	**(70.8)**	**(46.4)**

During the 52 weeks to 30 August 2026 (the year), the Group marked a year of significant progress against its transformation objectives, returning to GMV growth in Q4, helping to deliver a £38.7m improvement in adjusted EBITDA to £170.3m. This was supported through a combination of gross margin expansion and disciplined cost management, as the focus remains on sustainable profitable growth. Reported EBITDA was £319.5m, a £226.7m improvement YoY, with the difference between reported and adjusted EBITDA primarily reflecting the gain recognised on the disposal of the Atlanta and Lichfield warehouses. As a result, the Group reported a profit before tax of £24.4m.

GMV was £2,349.0m, down 5% YoY, representing a significant improvement from the trend reported at the interim results. Performance strengthened consistently throughout FY26, with four consecutive quarters of improving growth rates, cumulating in Q4 returning to growth, driven by strong momentum across the Group's core strategic markets of the UK, EU and US regions. While the Rest of World markets remained more challenging, trading trends improved through H2, supporting the Group's overall acceleration towards growth.

The 9% YoY decline in adjusted revenue, compared with a 5% decline in GMV, reflected the continued scaling of flexible fulfilment models. Due to the commission-based nature of the model, the increasing contribution of these sales creates a structural shift in reported revenue while expanding product choice and availability for customers. The model also supports improved inventory efficiency and a structurally higher gross margin profile.

Adjusted gross margin increased by 340bps to 50.5%, reflecting the continued strengthening of the Group's commercial model. The improvement was driven by the full-year benefit of ASOS Fulfilment Services (AFS), the ongoing expansion of flexible fulfilment models, and significant improvements in inventory health. These factors more than offset the impact of incremental US tariff rates introduced during FY26.

Adjusted cost to serve (excluding D&A) increased by 120bps to 43.2%, driven primarily by revenue deleveraging and the continued scaling of flexible fulfilment models. These pressures were partially offset by underlying operational efficiencies, including supply chain savings and carrier rate negotiations, while increased marketing investment supported customer acquisition and database growth. Despite the increase in cost to serve, adjusted EBITDA margin reached 7.6% which was a 230bps improvement YoY.

Adjusting items totalled £70.8m for FY26, resulting in a reported profit before tax of £24.4m compared with an adjusted loss before tax of £46.4m. These items primarily comprised £164.5m relating to gains on the disposal of the Atlanta and Lichfield fulfilment centres, partially offset by a £67.3m technology impairment charge following a change in platform of the Group's ERP estate. The remaining £(26.4)m of adjusting items principally related to restructuring activities and refinancing costs.

GMV

All the KPIs below, apart from adjusted revenue, include the Flexible Fulfilment models, given their increasing scale. LFL are adjusted for the impact of foreign exchange translation and adjusting items. For more detail, please refer to the Alternative Performance Measures (APMs) note at the end of the financial statements.

	Year to 30 August 2026	Year to 31 August 2025	Change
GMV (£m)[6]	**2,349.0**	2,456.3	*(5)%*
Adjusted revenue (£m)	**2,240.3**	2,464.8	*(9)%*
Active customers (m)[7]	**16.4**	17.0	*(4)%*
Average basket value (£)[8]	**43.59**	43.05	*1%*
Average basket value LFL (£)[9]	**43.37**	43.05	*1%*
Average order frequency[10]	**3.29**	3.36	*(2)%*
Total shipped orders (m)[11]	**53.9**	57.1	*(6)%*
Total visits (m)[12]	**1,947.8**	1,932.4	*1%*
Conversion[13]	**2.8%**	3.0%	*(20)bps*

GMV declined by 5% YoY, reflecting a year of transition in which the Group remained focused on rebuilding the foundations for sustainable growth. Despite the YoY decline, trading performance improved consistently through FY26, with four consecutive quarters of stronger GMV trends culminating in growth of 4% in Q4. This trajectory improvement reflects the increasing effectiveness of the Group's transformation initiatives, including targeted investments in product quality and relevance, impactful brand collaborations, enhanced customer experiences, greater product availability through flexible fulfilment models and increased marketing investment to drive customer acquisition and engagement. Together with a strong focus on key go-to-market moments and favourable market conditions during the summer period, these actions supported growth across three of the Group's four core markets in Q4 and demonstrate the strengthening appeal of the ASOS proposition.

The active customer database remained flat through H2, ending FY26 down 4% YoY which was an improvement compared with a 9% decline reported at the interim results. This, together with improvements across all key customer metrics in H2 compared with H1, provides encouraging evidence of the progress being made towards sustainable future growth. Reactivated customers returned to YoY growth, increasing by 3% YoY during H2, while churn rates reduced, demonstrating stronger retention across the customer base. These outcomes were supported by targeted marketing investment aimed at strengthening customer acquisition and retention, alongside a number of enhancements to the customer proposition. These included improvements in product relevance, expanded fulfilment and delivery options, and continued enhancements to product size and fit capabilities, all of which contributed to the improving customer and sales trends seen during FY26.

Womenswear, one of the Group's core strategic categories, returned to growth in FY26 and delivered particularly strong momentum through the second half of the year. Menswear remained a more challenging category during FY26, with performance behind the progress seen in Womenswear. Some positive indicators emerged during H2, with an improvement in trading performance as actions to strengthen the category began to take effect; however, further progress is required to return Menswear to growth.

Underlying return rates improved by 140bps YoY during FY26, reflecting the continued evolution of the customer proposition and a focus on improving purchase confidence. Throughout the year, ASOS implemented a range of initiatives to support lower return rates, including greater transparency around customer return behaviour and the introduction of exchanges for sizing-related returns. These actions helped improve purchase confidence and encouraged customers to retain purchases, providing a benefit to revenue during the year.

The contribution of flexible fulfilment models continued to grow throughout FY26, representing 21% of third-party GMV, up more than 10ppts versus the prior year. Their increasing scale reflects the successful expansion of the model across territories and brands, extending product choice for customers and improving availability across key categories. In addition to strengthening the customer proposition, these models continue to support inventory efficiency and gross margin progression, reinforcing their importance within the Group's long-term growth strategy.

Performance by market

United Kingdom

	Year to 30 August 2026
GMV	**-2%**
Adjusted revenue	**-7% (-7% LFL)**
Visits	**+1%**
Orders	**-4%**
Conversion	**-30bps**
ABV	**+3% (+3% LFL)**
Active customers	**6.5m (flat)**

The UK performance improved progressively through FY26, with a step-up from the first half and the full-year GMV decline moderating to 2% YoY. H2 returned to 2% growth, supported by investments in product, marketing and proposition enhancements.

A strong programme of go-to-market activity, including brand partnerships, customer events and targeted paid marketing campaigns, helped drive engagement throughout the year, whilst a continued focus on product relevance supported stronger customer demand. Alongside this, the Group continued to enhance the UK customer proposition through initiatives including the expansion of flexible fulfilment models, the introduction of exchanges, the rollout of the ChatGPT Stylist tool, an extension to the Next Day Delivery cut-off time to 11pm, and the continued development of its loyalty proposition. These initiatives helped strengthen customer acquisition and retention throughout the year.

The strength of the UK performance was further reflected in the customer database, which ended the year flat versus the prior year, marking a significant improvement in trend. New customer acquisition increased by 12% YoY, providing clear evidence that the Group's strategic investments are attracting customers whilst supporting the retention of existing ones.

Europe

	Year to 30 August 2026
GMV	**-6%**
Adjusted revenue	**-9% (-11% LFL)**
Visits	**+2%**
Orders	**-4%**
Conversion	**-10bps**
ABV	**flat (-2% LFL)**
Active customers	**7.4m (-3%)**

The EU market saw a clear improvement in its trading trajectory through FY26, led by Germany, which returned to growth in H2 and finished the full year broadly flat. The stronger H2 performance was supported by continued enhancements to the local customer proposition, including faster and more convenient delivery options and the reintroduction of payment options, such as Buy Now Pay Later (BNPL) in Germany. Product relevance also improved across both Own Brand and Partner Brands, including stronger performance from Topshop, alongside the continued expansion of flexible fulfilment, which increased product choice and availability. Brand collaborations and exclusives, including the ASOS x adidas drops across the region, also supported the improvement in trading.

Customer trends improved notably through the second half, supported by more effective marketing investment, with the YoY decline in the EU active customer base narrowing from 12% at the interim results to 3% for the full year. Germany was a particular highlight, with its active customer base growing by 2% YoY. Encouragingly, traffic also returned to growth in both Germany and France.

United States

	Year to 30 August 2026
GMV	**-9%**
Adjusted revenue	**-13% (-11% LFL)**
Visits	**+7%**
Orders	**-18%**
Conversion	**-40bps**
ABV	**+7% (+10% LFL)**
Active customers	**1.5m (-10%)**

US exited FY26 with encouraging momentum, with the GMV decline narrowing to 6% in H2, compared with a 12% decline in H1, and Q4 returning to growth at 2% YoY. This improvement reflects the deliberate reset of the Group's trading and marketing strategy, with a greater focus on local relevance, product proposition and more targeted marketing activity tailored to the US customer. Investment was focused behind key US shopping occasions and categories where ASOS has a differentiated proposition, including Spring Break, vacation and occasionwear, supported by locally relevant creative and campaigns targeting younger customers in key cities. Alongside this, increased investment in influencer partnerships and more targeted CRM activity helped drive customer demand and engagement throughout the year.

Alongside the sales recovery, the business successfully transitioned towards a healthier full-price trading model. Promotional activity and markdown investment were significantly reduced, supporting stronger average basket values and a substantial improvement in PPO. These actions, alongside adjustments to pricing and the broader proposition in response to the changing tariff pressures, enabled the market to continue the recovery journey, despite a more challenging external environment. The performance delivered during FY26 demonstrates the benefits of a more disciplined and locally relevant operating model in one of the Group's key strategic markets.

Rest of World

	Year to 30 August 2026
GMV	**-14%**
Adjusted revenue	**-16% (-15% LFL)**
Visits	**-8%**
Orders	**-16%**
Conversion	**-10bps**
ABV	**+2% (+3% LFL)**
Active customers	**1.0m (-17%)**

Rest of World GMV declined by 14% for FY26. While the Group's primary investment focus remained on the UK, EU and US markets, the active customer database remained broadly flat in absolute terms, from the position reported at the H1 results. Although performance remained softer than the Group's core markets, the YoY GMV decline moderated during H2, with Q4 declining by just 2% YoY, reflecting a marked improvement in trading performance as the year progressed.

Gross margin

Adjusted gross margin increased across the year by 340bps YoY to 50.5%. The continued expansion of AFS and flexible fulfilment models, combined with improved inventory discipline, supported a healthier stock position and materially reduced markdown dependency as we progressed through the year. The Group ended FY26 with its highest sell-through rate on SS26 stock since the relaunch of the commercial model, reflecting the improved quality of the stock position and contributing to the significant expansion in gross margin.

While FY26 saw the introduction of incremental US tariff costs, the impact on YoY gross margin performance was mitigated through the actions outlined above. In addition, the recovery of H1 US tariff charges, following the legal rulings which determined that specific tariffs imposed under the International Emergency Economic Powers Act (IEEPA) were unlawful, helped to partially offset the incremental duty costs incurred during the year.

Operating expenses

Adjusted cost to serve (excluding D&A) increased by 120bps to 43.2% in FY26. Revenue deleveraging accounted for 140bps of the movement, reflecting the costs being incurred over a smaller revenue base. In addition, the continued scaling of flexible fulfilment models contributed a further 50bps headwind, as the AFS model retains associated supply chain costs while operating on a lower reported revenue structure.

These structural headwinds were partially offset by 190bps of underlying efficiencies driven by supply chain improvements, carrier contract renegotiations and other operational cost savings. The Group reinvested some of these efficiency gains into marketing to support customer acquisition, retention and database growth, contributing an increase of 120bps. This reflects the Group's continued focus on generating investment fuel through cost efficiency to selectively reinvest in future growth.

£m	**Year to 30 August 2026**	**% of revenue[14]**	Year to 31 August 2025	% of revenue[14]	Change in £ Value	Change in % of revenue
Distribution costs	**(229.3)**	**(10.2)%**	(262.3)	(10.6)%	13%	+40bps
Warehousing	**(213.4)**	**(9.5)%**	(255.1)	(10.4)%	16%	+90bps
Marketing	**(179.4)**	**(8.0)%**	(167.8)	(6.8)%	(7)%	(120)bps
Other operating costs	**(346.0)**	**(15.5)%**	(350.9)	(14.2)%	1%	(130)bps
Adj. cost to serve (excl. D&A)	**(968.1)**	**(43.2)%**	**(1,036.1)**	**(42.0)%**	**7%**	**(120)bps**
Adj. depreciation and amortisation and impairments	(151.5)	(6.8)%	(163.8)	(6.6)%	8%	(20)bps
Adj. operating costs	**(1,119.6)**	**(50.0)%**	**(1,199.9)**	**(48.6)%**	**7%**	**(140)bps**
Adjusting items within operating costs	(91.5)	(4.1)%	(195.6)	(7.9)%	53%	+380bps
Total operating costs	**(1,211.1)**	**(53.9)%**	**(1,395.5)**	**(56.3)%**	**13%**	**+240bps**

Distribution costs improved by 40bps YoY, driven primarily by the benefits of carrier contract renegotiations and network retenders completed across the supply chain. These actions more than offset the additional distribution costs associated with fulfilling US orders from Barnsley following the closure of the Atlanta fulfilment centre, higher costs associated with the scaling of flexible fulfilment models across a lower reported revenue base, and temporary surcharges incurred as a result of disruption arising from the Middle East conflict during FY26, supporting a continued improvement in underlying distribution efficiency.

Warehouse cost efficiency remained a key contributor to the YoY improvement in cost to serve, delivering a 90bps benefit during FY26. The closure of the Atlanta fulfilment centre generated significant savings across both the fixed and variable cost base, with orders now being fulfilled through the UK network at a lower cost per unit. Further efficiencies were delivered through increased automation within the Berlin warehouse. While labour rates increased during the year, these headwinds were more than offset by the operational efficiencies delivered across the fulfilment network, resulting in a structurally lower cost base and improved productivity.

Marketing costs increased by 120bps as a percentage of revenue, reflecting additional profitable investment in performance marketing, facilitated by improved order economics from operational efficiencies, as well as increased investment in brand activity. This investment supported the improved customer trends seen during H2, including growth in reactivated customers and lower churn, while increasing brand visibility.

Other operating costs decreased by £4.9m YoY, reflecting continued discipline in the management of central overheads and the benefits of actions taken to structurally reduce the cost base. Savings were delivered across a number of support functions through lower headcount, tighter control of indirect spend and ongoing efficiency initiatives. These actions not only reduced the underlying cost base but also helped offset inflationary pressures experienced during the year. As a result, the Group exited FY26 with a leaner and more efficient operating model, supporting the improvement in profitability.

Depreciation and amortisation costs (excluding adjusting items) reduced YoY, reflecting lower levels of capital expenditure and a corresponding reduction in depreciation and amortisation charges.

Interest

Finance expense (excluding adjusting items) was £67.9m, a decrease of £2.9m from FY25, mainly reflecting the better financial terms following the refinancing in December 2025. On a cash basis, interest paid increased by £15.5m to £54.3m versus £38.8m in FY25 primarily due to the timing of coupon payments on the 2028 convertible bond, with FY26 including two coupon payments compared with only the first coupon payment being made in H2 FY25. The remainder of the increase reflects the timings of interest payments under the previous term loan, which was refinanced in December 2025.

Taxation

The reported effective tax rate is (104.1)% based on the reported profit before tax of £24.4m. This is lower than the FY25 effective tax rate of (6.0)% primarily due to non-taxable gains of £16.7m on the disposal of Lichfield and recognition of previously unrecognised deferred tax assets of £14.6m.

Earnings per share

Basic and diluted earnings per share were 41.6p and 41.3p respectively (FY25: basic and diluted loss per share of 250.1p). The YoY improvement primarily reflects the Group's return to profitability, with profit after tax of £49.8m compared with a loss after tax of £298.4m in FY25.

Free cash flow

£m	**Year to 30 August 2026**	Year to 31 August 2025
AEBITDA	**170.3**	131.6
Share-based payments and other non-cash items included in AEBITDA	**(2.5)**	(1.0)
Cash impacting operating adjusting items	**(24.9)**	(19.2)
Income tax (paid)/received	**(0.8)**	5.1
Decrease in inventory (excl. swo)[15]	**34.0**	109.7
Increase in other working capital[16]	**(39.4)**	(67.1)
Operating cash flow	**136.7**	159.1
Purchase of property, plant & equipment and intangible assets	**(76.6)**	(85.9)
Payment of lease liabilities (principal)	**(27.6)**	(25.7)
Interest received	**2.2**	5.4
Interest paid	**(54.3)**	(38.8)
Dividends received from associates	**3.2**	-
Free cash flow[17]	**(16.4)**	14.1
Proceeds from sale of brands	**-**	135.0
Net repayment of borrowings	**(80.1)**	(210.7)
Cash impacting financing adjusting items[18]	**(9.9)**	(10.5)
Net proceeds from disposal of fulfilment centres	**115.7**	-
Cash flow	**9.3**	(72.1)

In the 52 weeks of FY26, free cash outflow was £16.4m. The YoY decline in free cash flow was mainly due to lower operating cash flow. FY25 benefited from a significant stock unwind, and the smaller inventory reduction in FY26 was only partly offset by higher adjusted EBITDA.

Free cash flow was also impacted by temporary working capital timing items, which more than offset the benefit from improved supplier payment terms and additional credit facilities. This included c.£7m (c.$9m) of US IEEPA tariff refunds recognised in FY26 but not received in cash until September 2026, after the year end. As a result, these timing items reduced FY26 cash generation but are not expected to represent an ongoing working capital headwind.

Outside operating cash flow, FY26 was impacted by higher convertible bond interest payments compared with the prior year, alongside a £5.6m payment under the previous financing facility relating to FY25. This timing-related payment will not recur and contributed to FY26 cash interest being above the expected ongoing level following the refinancing. These impacts were partially offset by lower capital expenditure, reflecting improved efficiency in the Group's technology development spend.

After financing activities, net cash inflow was £9.3m, with the additional £25.7m inflow against free cash flow primarily reflecting proceeds from the disposal of the Atlanta and Lichfield warehouses, partially offset by the repayment of the 2026 convertible bond principal. The Group ended the year with £328.3m of cash, in addition to the available undrawn £87.5m DDTL facility, providing a solid liquidity position as it enters FY27.

Free cash flow included c.£25m of cash outflows relating to adjusting items, predominantly one-off restructuring costs and costs associated with mothballed warehouses that have subsequently been disposed. These costs are largely non-recurring and are not expected to repeat. Combined with the material improvement in profitability and the structural changes made to the business, this supports a stronger cash generation profile going forward.

Net debt, refinancing and liquidity

£m	**Year to 30 August 2026**	Year to 31 August 2025
Convertible bond (amortised cost)	**283.3**	343.3
Term loan, including accrued interest	**149.3**	153.8
Nordstrom loan	**-**	6.5
Other short-term borrowings	**5.0**	-
Borrowings	**437.6**	503.6
Cash and cash equivalents	**(328.3)**	(318.9)
Net debt (excluding lease liabilities)	**109.3**	184.7

Excluding lease liabilities, net debt reduced to £109.3m, a reduction of £75.4m YoY. This primarily reflects proceeds received from the disposal of the Atlanta and Lichfield fulfilment centres, partially offset by the non-cash interest accretion on the convertible bond, financing cash adjusting items and the free cash outflow of £16.4m.

As announced in November 2025, the Group refinanced its term loan facilities with a syndicate of private lenders. On completion in December 2025, the existing £150.0m term loan was repaid and the associated Bantry Bay revolving credit and accordion facilities were terminated and replaced with a £150.0m senior term loan and an £87.5m Delayed Draw Term Loan (DDTL), both maturing in November 2030. The DDTL was undrawn at the end of FY26. The refinancing strengthened the Group's liquidity position and financial flexibility through the extended maturity profile and is expected to reduce pro forma annual cash interest costs by c.£5m compared with the previous facilities. In H2 FY26, the Group also repaid in full the convertible bonds due 2026 for cash consideration of £73.6m.

Aaron Izzard
Chief Financial Officer
05 November 2026

Notes

1. Numbers throughout this section are subject to rounding.
2. Like-for-like ('LFL') revenue or GMV are adjusted for the impact of foreign exchange translation and adjusting items.
3. The adjusting items are explained in note 3 of the financial statements. Reconciliations between statutory measures and their associated Alternative Performance Measures (APMs) can be found at the end of the financial statements.
4. Retail sales are internet sales recorded net of an appropriate deduction for actual and expected returns, relevant vouchers, discounts and sales taxes.
5. Income from other services comprises delivery receipt payments, marketing services, commission on sales through Flexible Fulfilment models, revenue from wholesale sales, and jobber income.
6. GMV is adjusted retail sales plus revenue attributable to Flexible Fulfilment partners, net of returns and excluding sales tax. The growth rate is on a LFL basis. YoY growth rate prior to LFL adjustment is (4)%.
7. Active customers defined as having shopped in the last 12 financial months. These include the Flexible Fulfilment unique active customers.
8. Average basket value is defined as GMV divided by total shipped orders. Restated average basket value for FY25, previously reported number £42.89.
9. Average basket value LFL is calculated as LFL GMV divided by total shipped orders.
10. Average order frequency is calculated as total shipped orders in the last 12 financial months divided by active customers. Restated average order frequency for FY25, previously reported number 3.37.
11. Total shipped orders are the combined total of Asos and Flexible Fulfilment orders. Restated shipped orders for FY25, previously reported number 57.3m.
12. Restated visits for FY25, previously reported number 1,912.9m.
13. Conversion is calculated as total shipped orders divided by total visits.
14. As a percentage of adjusted revenue for all lines other than Total operating costs which is expressed as a percentage of reported revenue.
15. FY26 decrease in inventory is excluding £0.2m (FY25: £8.3m) of stock-write-offs associated with our Driving Change agenda as announced in the ASOS Plc Annual Report and Accounts 2024.
16. Includes working capital movements associated with adjusting items; a breakdown is included in the APMs section at the end of the financial statements.
17. Free cash flow is net cash generated from operating activities, after cash capital expenditure, lease and interest payments, and cash flows from associates.
18. Financing adjusting items relate to refinancing costs as announced in November 2025.

Consolidated Income Statement

	Note	52 weeks to 30 August 2026			52 weeks to 31 August 2025		
		Adjusted £m	**Adjusting items (Note 3) £m**	**Total £m**	Adjusted £m	Adjusting items (Note 3) £m	Total £m
Revenue		**2,240.3**	**5.3**	**2,245.6**	2,464.8	13.0	2,477.8
Cost of sales		**(1,108.1)**	**(0.2)**	**(1,108.3)**	(1,302.8)	(8.3)	(1,311.1)
Gross profit		**1,132.2**	**5.1**	**1,137.3**	1,162.0	4.7	1,166.7
Distribution expenses		**(229.3)**	**-**	**(229.3)**	(262.3)	-	(262.3)
Administrative expenses		**(890.3)**	**(91.5)**	**(981.8)**	(937.6)	(195.6)	(1,133.2)
Other income		**6.2**	**161.1**	**167.3**	5.7	10.8	16.5
Operating profit/(loss)		**18.8**	**74.7**	**93.5**	(32.2)	(180.1)	(212.3)
Finance income	5	**2.7**	**0.6**	**3.3**	4.8	-	4.8
Finance expenses	5	**(67.9)**	**(4.5)**	**(72.4)**	(70.8)	(3.3)	(74.1)
Profit/(loss) before tax		**(46.4)**	**70.8**	**24.4**	(98.2)	(183.4)	(281.6)
Income tax credit/(charge)	6	**16.8**	**8.6**	**25.4**	2.3	(19.1)	(16.8)
Profit/(loss) for the year		**(29.6)**	**79.4**	**49.8**	(95.9)	(202.5)	(298.4)

Earnings/(loss) per share		**pence per share**	pence per share
Basic per share	7	**41.6**	(250.1)
Diluted per share	7	**41.3**	(250.1)

All activities in the current and prior year are continuing.

The notes on pages 24 to 49 form an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

	52 weeks to 30 August 2026 £m	52 weeks to 31 August 2025 £m
Profit/(loss) for the year	**49.8**	(298.4)
Items that will not be reclassified subsequently to profit or loss		
Net fair value gains/(losses) on cash flow hedges	**0.5**	(3.8)
Tax on items that will not be reclassified	**-**	(0.1)
	0.5	(3.9)
Items that may be reclassified subsequently to profit or loss		
Net translation movements	**(1.7)**	1.6
Net fair value gains on cash flow hedges	**6.3**	0.4
Fair value movements reclassified from cash flow hedge reserve to profit or loss	**1.5**	(11.3)
Tax on items that may be reclassified	**(2.6)**	3.4
	3.5	(5.9)
Other comprehensive income/(loss) for the year	**4.0**	(9.8)
Total comprehensive income/(loss) for the year	**53.8**	(308.2)

The notes on pages 24 to 49 form an integral part of these financial statements.

Consolidated Balance Sheet

	Note	**30 August 2026 £m**	31 August 2025 £m
Non-current assets			
Goodwill and other intangible assets	8	**370.2**	473.6
Property, plant and equipment	9	**135.8**	153.4
Right-of-use assets	10	**143.1**	172.1
Investment properties		**5.4**	6.2
Investments in associates	11	**41.9**	44.9
Trade and other receivables		**-**	1.8
Derivative financial assets		**0.2**	0.1
Deferred tax assets		**69.3**	44.7
		765.9	896.8
Current assets			
Inventories	13	**368.1**	402.3
Trade and other receivables		**56.4**	49.2
Derivative financial assets		**6.9**	1.2
Cash and cash equivalents	14	**328.3**	318.9
Current tax assets		**2.9**	3.7
		762.6	775.3
Current liabilities			
Trade and other payables	15	**(594.1)**	(619.3)
Borrowings	16	**(20.9)**	(96.4)
Lease liabilities	10	**(26.3)**	(27.5)
Derivative financial liabilities		**(4.6)**	(9.8)
Provisions	17	**(0.9)**	(4.4)
		(646.8)	(757.4)
Net current assets		**115.8**	17.9
Non-current liabilities			
Borrowings	16	**(416.7)**	(407.2)
Lease liabilities	10	**(159.5)**	(197.0)
Derivative financial liabilities		**(0.4)**	(0.3)
Provisions	17	**(32.4)**	(97.8)
		(609.0)	(702.3)
Net assets		**272.7**	212.4
Equity attributable to owners of the parent			
Called up share capital		**4.2**	4.2
Share premium		**322.6**	322.6
Other reserves		**1.0**	3.6
Accumulated losses		**(55.1)**	(118.0)
Total equity		**272.7**	212.4

The notes on pages 24 to 49 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

	Called up share capital £m	Share premium £m	Other reserves £m	Accumulated losses £m	Total equity £m
As at 1 September 2025	**4.2**	**322.6**	**3.6**	**(118.0)**	**212.4**
Profit for the year	**-**	**-**	**-**	**49.8**	**49.8**
Other comprehensive income for the year	**-**	**-**	**4.0**	**-**	**4.0**
Total comprehensive income for the year	**-**	**-**	**4.0**	**49.8**	**53.8**
Cash flow hedges gains and losses transferred to non-financial assets	**-**	**-**	**2.1**	**-**	**2.1**
Share-based payments charge	**-**	**-**	**-**	**4.5**	**4.5**
Tax relating to share incentive schemes	**-**	**-**	**-**	**(0.1)**	**(0.1)**
Redemption of convertible bond	**-**	**-**	**(8.7)**	**8.7**	**-**
Balance as at 30 August 2026	**4.2**	**322.6**	**1.0**	**(55.1)**	**272.7**

As at 2 September 2024	4.2	322.6	61.9	132.6	521.3
Loss for the year	-	-	-	(298.4)	(298.4)
Other comprehensive loss for the year	-	-	(9.8)	-	(9.8)
Total comprehensive loss for the year	-	-	(9.8)	(298.4)	(308.2)
Cash flow hedges gains and losses transferred to non-financial assets	-	-	1.7	-	1.7
Share-based payments charge	-	-	-	4.4	4.4
Tax relating to share incentive schemes	-	-	-	0.1	0.1
Repurchase and refinance of convertible bond	-	-	(50.2)	43.3	(6.9)
Balance as at 31 August 2025	4.2	322.6	3.6	(118.0)	212.4

Accumulated losses includes the share-based payments reserve and the employee benefit trust reserve.

Consolidated Cash Flow Statement

	52 weeks to 30 August 2026 £m	52 weeks to 31 August 2025 £m
Cash flows from operating activities		
Operating profit/(loss)	**93.5**	(212.3)
Adjusted for:		
Depreciation of property, plant and equipment, right-of-use assets and investment properties	**44.6**	51.4
Amortisation of other intangible assets	**107.8**	115.5
Impairment charges on non-financial assets	**73.6**	138.2
Share-based payments charge (net of amounts capitalised)	**3.7**	3.7
Share of associate's net (profit)/loss	**(0.2)**	0.1
Gain on disposal of fulfilment centres	**(164.5)**	-
Gain on disposal of brands	**-**	(13.8)
Loss/(gain) on refinancing	**7.7**	(2.6)
Other non-cash items	**(2.6)**	(1.8)
Decrease in inventories	**34.2**	118.0
(Increase)/decrease in trade and other receivables	**(5.3)**	4.3
Decrease in trade and other payables	**(27.1)**	(54.5)
(Decrease)/increase in provisions	**(27.9)**	7.8
Cash generated from operating activities	**137.5**	154.0
Net income tax (paid)/received	**(0.8)**	5.1
Net cash generated from operating activities	**136.7**	159.1
Cash flows from investing activities		
Purchase of other intangible assets	**(71.8)**	(78.0)
Purchase of property, plant and equipment	**(4.8)**	(7.9)
Proceeds from sale of brands	**-**	135.0
Net proceeds from disposal of fulfilment centres	**115.7**	-
Distributions received from associates	**3.2**	-
Interest received	**2.2**	5.4
Net cash generated from investing activities	**44.5**	54.5
Cash flows from financing activities		
Drawdown of borrowings	**150.0**	-
Repayment of borrowings	**(156.5)**	(63.3)
Redemption of convertible bond	**(73.6)**	-
Repurchase of convertible bond	**-**	(147.4)
Refinancing transaction costs paid	**(9.9)**	(10.5)
Repayment of principal portion of lease liabilities	**(27.6)**	(25.7)
Interest paid	**(54.3)**	(38.8)
Net cash used in financing activities	**(171.9)**	(285.7)
Net increase/(decrease) in cash and cash equivalents	**9.3**	(72.1)
Opening cash and cash equivalents	**318.9**	391.0
Effect of exchange rates on cash and cash equivalents	**0.1**	-
Closing cash and cash equivalents	**328.3**	318.9

Notes to the Consolidated Financial Statements

1 General information

The financial information contained within this preliminary announcement for the periods from 1 September 2025 to 30 August 2026 and 2 September 2024 to 31 August 2025 do not comprise statutory financial statements within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the period to 31 August 2025 have been filed with the Registrar of Companies and those for the period to 30 August 2026 will be filed following the Company's annual general meeting. The auditors have reported on the 2026 accounts: their report was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

ASOS Plc (the Company) and its subsidiaries (together, the Group) is a global fashion retailer. The Company is a public limited company whose shares are publicly traded on the London Stock Exchange. The Company is incorporated and domiciled in the UK and the address of its registered office is Greater London House, Hampstead Road, London NW1 7FB.

The financial year represents the 52 weeks to 30 August 2026 (prior financial year: 52 weeks to 31 August 2025). The financial information comprises the results of the Company and its subsidiaries.

Within these consolidated financial statements, 2026 refers to the 52 weeks to 30 August 2026, or as at 30 August 2026; and 2025 refers to the 52 weeks to 31 August 2025, or as at 31 August 2025.

2 Material accounting policies, judgements and estimates

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with UK-adopted International Financial Reporting Standards (IFRS) and with the requirements of the Companies Act 2006 and the Listing Rules as applicable to companies reporting under those standards.

The financial statements have been prepared under the historical cost basis of accounting, excluding derivative financial instruments which are held at fair value. The financial statements are presented in Sterling and all values are rounded to the nearest hundred thousand pounds (£0.1m) except where otherwise indicated.

2.2 Going concern

The Directors are satisfied that the Group has sufficient resources to continue in operation for a period of at least 12 months from the date of approval of the financial statements, and therefore continue to adopt the going concern basis in preparing the financial statements. To support this assessment, detailed cash flow forecasts were prepared for the 18-month period to February 2028.

In assessing the going concern position, the Directors have considered the Group's detailed budgeting and forecasting process, which reflects the financial performance, position, and cash flows over the going concern period (the base case). These cash flow forecasts represent the Directors' best estimate of trading performance and cost implications in the market based on current agreements, market experience and consumer demand expectations. In conjunction with this, the Directors considered the Group's business activities and Principal risks, reviewing the Group's cash flows, liquidity positions and borrowing facilities for the going concern period.

At 30 August 2026, the Group had £253.0m of convertible bonds maturing in September 2028, a £150.0m fully drawn term loan and an associated £87.5m undrawn and available Delayed Draw Term Loan (DDTL) with a syndicate of private lenders, which matures in November 2030. The Group is subject to a minimum cash and cash equivalents threshold of at least £20m. Other covenants have been considered throughout the assessment, but do not impact on the availability of the facility throughout the assessment period.

Key assumptions – forecasting business cash flows

The assessment of the Group's going concern position required significant management judgement, including in determining the key assumptions that have the greatest impact on forecasts of future business performance and the range of reasonably possible outcomes of those assumptions. The economic environment has remained challenging with cost of living pressures continuing to impact customer spending and sentiment. The future impact that the economic environment will have on ASOS' performance, however, is uncertain, so for the purposes of the Group's going concern assessment, the Directors have therefore made assumptions on the likely future cash flows in the uncertain macro environment.

The assumptions considered include the continuation of our improved order economics, as well as a sustained marginal recovery in the macro trading environment, with the online fashion market assumed to experience low-single-digit % growth on an aggregated basis across the Group's key territories. The base case assumes a continued return to growth following the trend reversal seen in FY26 as the Group sees the benefits from the adoption of the new commercial model and continued improvements to the Group's customer proposition, with YoY sales growth gradually improving vs the FY26 exit rate throughout the assessment period towards mid-single-digit growth by the end of the assessment. Adjusted gross margin is sustained broadly in line with FY26 levels.

2 Material accounting policies, judgements and estimates cont.

2.2 Going concern cont.

The Directors have also considered various severe but plausible downside scenarios against the base case that are aligned with the Group's Principal risks and comprise the following assumptions:

- Sales growth reduction;
- Gross margin reduction; and
- Potential working capital cash impacts.

The downside scenarios are considered across both FY27 and H1 FY28, with the greater degree of assumption-based improvements and subsequent volatility in the outer periods commanding more severe downside sensitivities. Sensitivities mapped against the base case within the downside case are highlighted below:

Downside vs base case	**FY27**	**H1 FY28**
Sales	**(9)%**	**(16)%**
Gross Margin	**(150)bps**	**(200)bps**
Working Capital impact (average)	**£(69)m**	**£(64)m**

Should the Group see such significant events unfold, it has several mitigating actions it can implement to manage its liquidity risk, such as deferring capital investment spend, deferring or reducing stock intake, and implementing further cost management to maintain a sufficient level of liquidity headroom during the going concern period. The combined impact of the above downside scenarios and mitigations offers suitable headroom during the going concern period.

Reverse stress tests have also been performed on both the Group's revenue and gross margin. The tests under consideration hold all metrics in line with the downside case highlighted above, analysing how far the stress metric would need to decline against the base case to cause a liquidity event. Such results would have to see over a 25% decline in sales over the base case or an aggregate decline in gross margin rate from the base case of over 1,500bps across the entire assessment period. Both are considered highly remote based on results of previous significant economic events and recent trading performance, particularly given the significant progress made during FY26 across our strategic priorities.

Based on the above, the Directors have concluded that, on the basis of there being liquidity headroom under both the base case and downside scenarios, and the consideration that the reverse stress test scenario is remote, it is appropriate to adopt the going concern basis of accounting in the preparation of the Group's annual financial statements with no material uncertainty to disclose.

2.3 Basis of consolidation

a) Subsidiaries

Subsidiary undertakings are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The results of subsidiaries are included in the income statement from the date of acquisition or, in the case of disposals, up to the effective date of disposal. Intercompany transactions and balances between Group companies are eliminated upon consolidation.

The Employee Benefit Trust and MUFG Corporate Markets Trustees (Nominees) Limited (the Trusts) are separately administered discretionary trusts, the assets of which mainly comprise shares in the Company. The assets, liabilities, income and costs of the Trusts are consolidated by the Group.

b) Foreign currencies

Foreign currency transactions

The consolidated financial statements are presented in pound Sterling, which is the ultimate Parent Company's functional currency. Transactions in foreign currencies are translated into pound Sterling at the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

Foreign operations

On consolidation, the assets and liabilities of the Group's foreign operations are translated into pound Sterling at exchange rates prevailing at the year-end date. Profits and losses are translated at average exchange rates for the relevant accounting periods. Exchange differences arising are recognised in the Group statement of comprehensive income and are included in the Group's translation reserve.

2 Material accounting policies, judgements and estimates cont.

2.4 New accounting standards

Standards and amendments adopted during the year

The following amendment, issued by the IASB and adopted for use in the UK, became effective for the Group in the current financial year. Its adoption has not had a material impact on the Group's results, financial position or disclosures:

- Amendments to IAS 21 – Lack of Exchangeability.

Standards and amendments in issue but not yet effective

The following relevant standards and amendments have been issued but were not yet effective at the balance sheet date and have not been early adopted:

- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments;
- Annual Improvements to IFRS Accounting Standard – Volume 11;
- IFRS 18 Presentation and Disclosure in Financial Statements; and
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.

With the exception of IFRS 18, none of the above is expected to have a material impact on the Group's consolidated financial statements. IFRS 18 *Presentation and Disclosure in Financial Statements* was issued in April 2024 and is effective for financial periods beginning on or after 1 January 2027. It will replace IAS 1 *Presentation of Financial Statements* and will first be mandatory for the Group in 2028, at which point the 2027 comparatives will be restated. The Group does not intend to adopt the standard early.

The standard does not change how items are recognised or measured, and so it will not affect the Group's reported profit or net assets. It does, however, change the way financial performance is presented and disclosed. Income and expenses will be classified into three new categories, being operating, investing and financing, and two new mandatory subtotals will be presented, being operating profit or loss and profit or loss before financing and income taxes. The standard also introduces the disclosure in a single note of management-defined performance measures, which are a subset of the Group's alternative performance measures, and the requirements for the aggregation and disaggregation of information are enhanced. The Group has begun its assessment, including the effect on the presentation of the income statement and on its alternative performance measures, and it is not yet practicable to quantify the effect.

2.5 Alternative Performance Measures (APMs)

In the reporting of financial information, the Directors use various APMs. These APMs should be considered in addition to, and are not intended to be a substitute for, IFRS measurements. As they are not defined by International Financial Reporting Standards, they may not be directly comparable with other companies' APMs.

The Directors believe that these APMs provide additional useful information for understanding the financial performance and health of the Group. They are also used to enhance the comparability of information between reporting periods (such as adjusted profit) by adjusting for non-recurring or uncontrollable factors which affect IFRS measures, to aid users in understanding the Group's performance. Consequently, APMs are used by the Directors and management for performance analysis, planning, reporting and incentive setting purposes.

The income statement shows the adjusting items with a more detailed analysis set out in Note 3. Other APMs that the Group has focused on in the year are defined and reconciled in the APMs section. All of the APMs relate to the current year's results and comparative years.

2.6 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Group's financial statements requires the use of judgements, estimates and assumptions in applying the Group's accounting policies to determine the reported amounts of assets, liabilities, income and expenses.

Estimates and judgements are continually reviewed and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances. Actual results may differ from these estimates. Any revisions to accounting estimates are applied prospectively.

Critical accounting judgements, apart from those involving estimations, that are applied in the preparation of the consolidated Group financial statements are discussed below:

- Going concern – refer to Note 2.2
- Identification of adjusting items – refer to Note 3

The key sources of estimation uncertainty at the reporting date, that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are as below:

- Recognition of deferred tax assets – refer to Note 6
- Assumptions in relation to impairment assessment – refer to Note 12
- Inventory provisions – refer to Note 13

3 Adjusting items

Income statement

2026	Revenue £m	Cost of sales £m	Administrative expenses £m	Other income £m	Net finance expenses £m	Total before tax £m	Tax £m	Total £m
Commercial operating model change	**5.3**	**(0.2)**	**(1.7)**	**-**	**-**	**3.4**	**(0.8)**	**2.6**
Property-related items	**-**	**-**	**10.4**	**164.5**	**(4.5)**	**170.4**	**(25.0)**	**145.4**
Other strategic initiatives	**-**	**-**	**(95.7)**	**-**	**0.6**	**(95.1)**	**23.5**	**(71.6)**
Amortisation of acquisition intangibles	**-**	**-**	**(4.5)**	**(3.4)**	**-**	**(7.9)**	**1.1**	**(6.8)**
Unrecognised deferred tax assets	**-**	**-**	**-**	**-**	**-**	**-**	**9.8**	**9.8**
	5.3	**(0.2)**	**(91.5)**	**161.1**	**(3.9)**	**70.8**	**8.6**	**79.4**

2025	Revenue £m	Cost of sales £m	Administrative expenses £m	Other income £m	Net finance expenses £m	Total before tax £m	Tax £m	Total £m
Commercial operating model change	13.0	(8.3)	(2.0)	-	-	2.7	(0.7)	2.0
Property-related items	-	-	(172.5)	-	(3.3)	(175.8)	37.8	(138.0)
Other strategic initiatives	-	-	(16.6)	13.8	-	(2.8)	(2.4)	(5.2)
Amortisation of acquisition intangibles	-	-	(4.5)	(3.0)	-	(7.5)	1.1	(6.4)
Unrecognised deferred tax assets	-	-	-	-	-	-	(54.9)	(54.9)
	13.0	(8.3)	(195.6)	10.8	(3.3)	(183.4)	(19.1)	(202.5)

Cash flow statement – Cash flows from operating activities

	2026 £m	2025 £m
Commercial operating model change	**3.7**	9.0
Property-related items	**(12.0)**	(10.6)
Other strategic initiatives	**(16.6)**	(17.6)
Total adjusting items within cash flows from operating activities	**(24.9)**	(19.2)

Cash flows from operating activities in Other strategic initiatives relate primarily to restructuring costs incurred in the current year. Of the net cash outflow in the current year, £5.4m relates to net expenditure incurred in the prior year.

Commercial operating model

In 2023, the Group implemented a new commercial operating model, with the transition resulting in cumulative inventory write-downs of £228.0m across 2023 and 2024 as legacy stock was cleared. The Group is now fully operating under the new model, with current-year movements reflecting the final clearance of this legacy inventory.

3 Adjusting items cont.

Property-related items

In the prior year, the Group announced its intention to vacate the Atlanta fulfilment centre following the completion of the site's automation project. During the year, the Group completed the process to vacate and mothball the facility, incurring additional costs of £3.7m. The Group subsequently completed the disposal of the Atlanta fulfilment centre, and separately the disposal of the Lichfield fulfilment centre.

	2026	2025
	£m	£m
Impairment of property, plant and equipment	**-**	(108.8)
Impairment of intangible assets	**-**	(6.6)
Impairment of right-of-use assets	**-**	(26.4)
Non-capitalised asset spend	**-**	(16.5)
Onerous occupancy costs	**(0.7)**	(14.0)
Other costs to vacate (a)	**(3.0)**	(7.0)
Disposal of fulfilment centres (b)	**164.5**	-
	160.8	(179.3)
Other property-related items		
(Impairment) / reversal of impairment of right-of-use assets (c)	**(2.5)**	5.7
Change in dilapidation cost estimates (d)	**16.3**	-
Other (e)	**(4.2)**	(2.2)
Total property-related items	**170.4**	(175.8)

a) Includes costs associated with vacating sites during the year, such as severance, supplier termination and stock transfers.

b) Represents the gain recognised on the disposal of the Lichfield and Atlanta fulfilment centres during the year. Further details are set out in the section below.

c) An impairment charge was recognised on right-of-use assets related to office spaces vacated during the year.

d) Change in dilapidation cost estimates for vacant leased sites, resulting in a reduction of £20.2m to the dilapidations provision. This decrease reflects a comprehensive review of expected remediation costs for mothballed sites in Lichfield and Atlanta, incorporating current market rates and more detailed assessments of required works. As the related right-of-use assets for these sites were fully impaired in prior periods, the reduction in the provision is recognised in profit or loss within administrative expenses, of which £16.3m is presented as an adjusting item and £3.9m within adjusted results, in line with the historical classification of the related costs.

e) Ongoing expenditure incurred on vacant leased sites, including lease interest, onerous occupancy provision unwind and business rates.

3 Adjusting items cont.

Disposal of fulfilment centres

During the year, the Group completed the disposal of two vacant fulfilment centres. On 27 May 2026, the Lichfield fulfilment centre was disposed of by way of an assignment of the property lease together with a sale of the on-site automation assets. On 30 June 2026, the Atlanta fulfilment centre was disposed of by way of an assignment of the property lease and a separate sale of the associated automation assets.

	Lichfield	**Atlanta**	**Total**
	£m	**£m**	**£m**
Cash consideration	**67.5**	**48.5**	**116.0**
Transaction costs[1]	**(0.3)**	**(0.2)**	**(0.5)**
Net cash consideration	**67.2**	**48.3**	**115.5**
Carrying amount of assets disposed (a)	**-**	**-**	**-**
Derecognition of lease liability on assignment (b)	**8.4**	**14.8**	**23.2**
Release of dilapidations provision (c)	**3.9**	**5.3**	**9.2**
Release of onerous occupancy provision (d)	**5.8**	**10.8**	**16.6**
Gain on disposal	**85.3**	**79.2**	**164.5**

1 Transaction costs of £0.2m were accrued and unpaid as at the balance sheet date.

a) Both sites had ceased operations and all associated property, plant and equipment, intangible assets, and right-of-use assets had been impaired to £nil in prior periods and remained at £nil on disposal. The net consideration is therefore reflected in full within the gain on disposal.

b) The lease liabilities were derecognised on assignment of the respective leases to the buyers, the Group having been released from its future obligations under those lease agreements.

c) The dilapidations provisions were released as the obligations in respect of the condition and repair of each property transferred to the assignee.

d) The onerous occupancy provisions, recognised in respect of unavoidable non-lease occupancy costs while each site remained vacant, were released on completion as those costs will no longer be incurred by the Group.

Other strategic initiatives

	2026	2025
	£m	£m
Restructuring (a)	**(12.8)**	(15.7)
Refinancing (b)	**(7.7)**	2.6
Impairment of legacy technology assets (c)	**(67.3)**	-
Disposal of brands	**-**	13.8
Other (d)	**(7.3)**	(3.5)
	(95.1)	(2.8)

a) Restructuring costs of £12.8m were recognised during the year, reflecting the Group's programme to simplify the organisation and improve operational efficiency. These costs relate to the realignment of key functions to support the delivery of the Group's strategy.

b) During the year, the Group launched a refinancing exercise of its debt facilities with Bantry Bay Capital. The associated debt extinguishment and transaction fees incurred resulted in a net loss of £7.7m recognised in administrative expenses. Refer to Note 16 for further information.

c) An impairment charge was recognised in relation to legacy technology assets following the Group's decision to transition its ERP platform to Microsoft Dynamics 365. This reflects the write-down of capitalised software development that will no longer be utilised under the future technology roadmap. The impairment is non-cash and relates solely to historical investment in systems that are being replaced as part of the Group's broader modernisation of its technology platforms.

d) Other comprises costs in respect of legal and regulatory matters which are not considered to be part of the Group's ordinary trading activities.

3 Adjusting items cont.

Amortisation of acquired intangible assets

The amortisation of acquired intangible assets is an adjusting item as the acquisition that the amortisation relates to was outside business-as-usual operations for ASOS. These assets would not normally be recognised outside of a business combination, therefore, the associated amortisation is adjusted.

Additionally included is £3.4m representing the Group's share of its associate's post-tax results attributable to the amortisation of acquired intangible assets.

Unrecognised deferred tax assets

During the year, £14.6m of previously unrecognised deferred tax assets were recognised in the income statement. Of the amounts recognised, £9.8m was attributed to adjusting items. Further information is included in Note 6.

CRITICAL ACCOUNTING JUDGEMENTS

Identification of adjusting items

In order to provide shareholders with additional insight into the year-on-year performance of the business, an adjusted measure of profit is provided to supplement the reported IFRS numbers, and reflects how the business measures performance internally. Adjusting items are those which are significant in amount, either individually or in aggregate, and arise from events or transactions that are not in the ordinary course of business, and are therefore excluded from adjusted profit measures to provide clearer comparability between periods.

The assessment of whether to adjust certain items requires judgement, and covers the nature of the item, the cause of its occurrence and the scale of impact of that item on reported performance and individual financial statement line items, as well as consistency with prior periods. The same assessment is applied consistently to any reversals of prior adjusting items. Adjusted profit before tax is not an IFRS measure and therefore not directly comparable to other companies.

4 Segmental Analysis

IFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reporting on components of the Group that are regularly reviewed by the Chief Operating Decision-Maker to allocate resources to the segments and to assess their performance.

The Chief Operating Decision-Maker has been determined to be the Management Committee. It is the Management Committee that reviews the Group's internal reporting in order to assess performance and allocate resources across the business. In doing so, the Management Committee reviews performance across the Group via a number of sources, comprising regular monthly management accounts, and ad hoc analysis that provides deep dives into different areas, including territory, brands and revenue streams.

In determining the Group's operating segments, management has considered the level of information which is regularly reviewed by the Management Committee. Information regularly reviewed by the Management Committee is at a consolidated Group level only, with some disaggregated revenue information and associated metrics provided for the geographical territories of the UK, the EU, the US and the Rest of World. However, decisions on resource allocation are not made based on this information. Such decisions are made on the basis of ad hoc analysis that is separately provided to the Management Committee and is not information that is regularly provided to or reviewed by the Management Committee. As a result, it has been concluded that the Group has only one operating segment (the Group level).

The following sets out the Group's revenue in the key geographic markets in which customers are located:

	2026				
	UK	**EU**	**US**	**Rest of World**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**
Retail sales	**995.9**	**681.8**	**208.8**	**152.6**	**2,039.1**
Revenue from other services	**122.9**	**64.4**	**13.2**	**6.0**	**206.5**
Total revenue	**1,118.8**	**746.2**	**222.0**	**158.6**	**2,245.6**
Cost of sales					**(1,108.3)**
Gross profit					**1,137.3**
Distribution expenses					**(229.3)**
Administrative expenses					**(981.8)**
Other income					**167.3**
Operating profit					**93.5**
Finance income					**3.3**
Finance expenses					**(72.4)**
Profit before tax					**24.4**
Non-current assets[1]	**561.1**	**135.0**	**0.3**	**-**	**696.4**

	2025				
	UK	EU	US	Rest of World	Total
	£m	£m	£m	£m	£m
Retail sales	1,137.0	788.1	236.0	178.4	2,339.5
Revenue from other services	74.8	31.2	21.7	10.6	138.3
Total revenue	1,211.8	819.3	257.7	189.0	2,477.8
Cost of sales					(1,311.1)
Gross profit					1,166.7
Distribution expenses					(262.3)
Administrative expenses					(1,133.2)
Other income					16.5
Operating loss					(212.3)
Finance income					4.8
Finance expenses					(74.1)
Loss before tax					(281.6)
Non-current assets[1]	693.0	154.9	4.1	-	852.0

1 Excludes derivative financial assets and deferred tax assets.

Due to the nature of its activities, the Group is not reliant on any individual major customers.

5 Finance income and expenses

	2026	2025
	£m	£m
Finance income		
Interest on deposits	**3.3**	4.8
Finance expenses		
Interest on borrowings	**(63.5)**	(66.9)
Interest on leases	**(5.8)**	(6.4)
Provisions - unwind of discount	**(3.1)**	(3.8)
Interest capitalised	**-**	3.0
Total finance expenses	**(72.4)**	(74.1)
Net finance expenses	**(69.1)**	(69.3)

6 Taxation

	2026	2025
	£m	£m
Current year UK tax	**-**	-
Current year overseas tax	**1.9**	0.6
Adjustment in respect of prior year corporation tax	**0.1**	(5.5)
Total current tax charge/(credit)	**2.0**	(4.9)
Origination and reversal of temporary differences	**(25.8)**	15.3
Adjustment in respect of prior years	**(1.6)**	6.4
Total deferred tax (credit)/charge	**(27.4)**	21.7
Total income tax (credit)/charge in income statement	**(25.4)**	16.8
Analysed as:		
Tax credit on adjusted profit/(loss)	**(16.8)**	(2.3)
Tax (credit)/charge on adjusting items	**(8.6)**	19.1
Total income tax (credit)/charge in income statement	**(25.4)**	16.8
Effective tax rate	**(104.1%)**	(6.0%)

6 Taxation cont.

KEY SOURCES OF ESTIMATION UNCERTAINTY

Recognition of deferred tax assets

In accordance with IAS 12 Income Taxes, the Company recognises deferred tax assets to the extent that it is probable that future taxable profit will be available, against which the deductible temporary differences and the carry-forward of unused tax losses can be utilised. In line with the judgements and estimates disclosed in relation to going concern (refer to Note 2.2) and impairment (refer to Note 12), the recognition of deferred tax assets requires the Group to make significant estimates about the future profitability of its operations.

In determining the amount of deferred tax assets recognised, management makes estimates of future taxable profits and the likelihood of their being recovered within a reasonably foreseeable timeframe, aligned to the Group's strategic planning process. In making these estimates, management considers the current and projected financial performance of the Group, including profit margins, revenue growth, and cost management strategies, which are derived from management forecasts and consistent with those used as part of the Group's going concern and impairment assessments. Risk adjustments are then applied, with a greater adjustment applied to periods where there is less evidence of profits, in particular, those further in the future. The Group also considers the timing and amount of deductible temporary differences. As at 30 August 2026, the Group has net deferred tax assets of £181.7m, of which £69.3m have been recognised. Deferred tax assets relating to temporary differences and unused tax losses of £449.5m (£112.4m tax effected) have not been recognised.

The deferred tax assets have no expiry date and the Group believes that it is probable that future taxable profits, together with the reversal of existing temporary differences, will be sufficient to utilise the recognised deferred tax assets, however, actual outcomes could differ from these estimates due to changes in the factors mentioned above. A movement of +/-10% in forecast taxable profits would increase/(decrease) the amount of deferred tax assets recognised by £4.0m/£(4.0)m, and is considered a reasonably possible change.

The deferred tax assets not recognised relate to losses, accelerated capital allowances and corporate interest restriction on a mix of adjusted and non-adjusted items. Therefore, the £14.6m credit relating to the movement in unrecognised deferred tax assets has been apportioned between adjusted and reported profit in proportion to the total tax results arising within each category, with £9.8m recognised outside adjusted profit, and £4.8m within adjusted profit.

7 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Parent Company ASOS Plc by the weighted average number of ordinary shares in issue during the year. Own shares held by the Employee Benefit Trust and MUFG Corporate Markets Trust are excluded from the weighted average number of ordinary shares.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue for the effects of all potentially dilutive ordinary shares.

	2026	2025
Weighted average share capital (no. of shares)		
Weighted average shares in issue - basic	**119,573,674**	119,294,826
Weighted average effect of dilutive share awards[1]	**1,066,375**	-
Weighted average shares in issue - diluted	**120,640,049**	119,294,826
Profit/(loss) for the year (£m)	**49.8**	(298.4)
Basic earnings/(loss) per share (pence per share)	**41.6**	(250.1)
Diluted earnings/(loss) per share (pence per share)	**41.3**	(250.1)

1 Potential ordinary shares, including those arising from share awards and convertible bonds, have been excluded where their inclusion would have been anti-dilutive.

8 Goodwill and other intangible assets

	Goodwill £m	Brands and domain names £m	Customer relationships £m	Software £m	Assets under construction £m	Total £m
Cost						
As at 1 September 2025	**35.5**	**31.7**	**24.4**	**1,050.6**	**13.4**	**1,155.6**
Additions	**-**	**-**	**-**	**61.8**	**13.5**	**75.3**
Disposals	**-**	**-**	**-**	**(41.5)**	**-**	**(41.5)**
Transfers	**-**	**-**	**-**	**8.6**	**(8.6)**	**-**
As at 30 August 2026	**35.5**	**31.7**	**24.4**	**1,079.5**	**18.3**	**1,189.4**
Accumulated amortisation and impairment						
As at 1 September 2025	**0.3**	**6.5**	**13.8**	**654.1**	**7.3**	**682.0**
Amortisation expense	**-**	**1.5**	**3.1**	**103.2**	**-**	**107.8**
Impairment charge	**-**	**-**	**-**	**70.9**	**-**	**70.9**
Disposals	**-**	**-**	**-**	**(41.5)**	**-**	**(41.5)**
As at 30 August 2026	**0.3**	**8.0**	**16.9**	**786.7**	**7.3**	**819.2**
Net book value at 30 August 2026	**35.2**	**23.7**	**7.5**	**292.8**	**11.0**	**370.2**
Cost						
As at 2 September 2024	35.5	31.7	24.4	966.2	14.8	1,072.6
Additions	-	-	-	75.7	7.3	83.0
Transfers	-	-	-	8.7	(8.7)	-
As at 31 August 2025	35.5	31.7	24.4	1,050.6	13.4	1,155.6
Accumulated amortisation and impairment						
As at 2 September 2024	0.3	5.1	10.8	539.9	2.5	558.6
Amortisation expense	-	1.4	3.0	111.1	-	115.5
Impairment charge	-	-	-	3.1	4.8	7.9
As at 31 August 2025	0.3	6.5	13.8	654.1	7.3	682.0
Net book value at 31 August 2025	35.2	25.2	10.6	396.5	6.1	473.6

Intangible assets under construction relates to spend on software-based projects, including the enhancement of the Group's mobile apps/website, and other software. No individual projects are material in value.

Refer to Note 3 for details of adjusting impairment charges and disposals.

9 Property, plant and equipment

	Fixtures, fittings, plant and machinery £m	Computer hardware £m	Assets under construction £m	Total £m
Cost				
As at 1 September 2025	**414.8**	**45.9**	**154.0**	**614.7**
Additions	**2.0**	**1.3**	**2.5**	**5.8**
Disposals	**(82.1)**	**(4.4)**	**(43.9)**	**(130.4)**
Transfers	**(5.2)**	**5.3**	**(0.1)**	**-**
As at 30 August 2026	**329.5**	**48.1**	**112.5**	**490.1**
Accumulated depreciation and impairment				
As at 1 September 2025	**263.4**	**44.4**	**153.5**	**461.3**
Depreciation expense	**21.0**	**2.2**	**-**	**23.2**
Impairment charge	**0.2**	**-**	**-**	**0.2**
Disposals	**(82.1)**	**(4.4)**	**(43.9)**	**(130.4)**
As at 30 August 2026	**202.5**	**42.2**	**109.6**	**354.3**
Net book value at 30 August 2026	**127.0**	**5.9**	**2.9**	**135.8**
Cost				
As at 2 September 2024	412.1	45.3	150.9	608.3
Additions	2.4	0.6	3.5	6.5
Disposals	-	-	(0.1)	(0.1)
Transfers	0.3	-	(0.3)	-
As at 31 August 2025	414.8	45.9	154.0	614.7
Accumulated depreciation and impairment				
As at 2 September 2024	218.9	37.9	68.3	325.1
Depreciation expense	21.9	4.8	-	26.7
Impairment charge	22.6	1.7	85.2	109.5
As at 31 August 2025	263.4	44.4	153.5	461.3
Net book value at 31 August 2025	151.4	1.5	0.5	153.4

Refer to Note 3 for details of disposals.

Interest capitalised

	2026 £m	2025 £m
Included within additions	**-**	3.0
Accumulated capitalised interest (net of disposals) included within cost	**-**	17.7
Accumulated capitalised interest (net of disposals) held within net book value	**-**	-
Capitalisation rate	**n/a**	7.8%

The accumulated capitalised interest held within net book value is £nil (2025: £nil) at year end, following the disposal of the Lichfield and Atlanta fulfilment centres, which were the Group's only qualifying assets containing capitalised interest.

10 Leases

The Group currently holds leases for its fulfilment centres and office space. Leases typically run for terms of between 10 and 20 years and may include break clauses or options to renew beyond the non-cancellable period. The majority of the Group's leases are subject to market review, usually every 5 years.

Right-of-use assets

	2026	2025
	£m	£m
At the beginning of the year	**172.1**	254.0
Remeasurements / modifications	**13.8**	(42.2)
Disposals	**(1.2)**	-
Depreciation expense	**(20.8)**	(24.0)
Impairment charge	**(2.5)**	(20.7)
Change in dilapidations estimate	**(18.3)**	1.5
Foreign exchange differences	**-**	3.5
At the end of the year	**143.1**	172.1

Right-of-use assets comprise leases for land and buildings. Refer to Note 3 for details of impairment charges.

Lease liabilities

	2026	2025
	£m	£m
At the beginning of the year	**224.5**	289.6
Remeasurements / modifications	**13.8**	(42.2)
Disposals	**(24.5)**	-
Payments	**(33.4)**	(32.1)
Interest expense	**5.8**	6.4
Foreign exchange differences	**(0.4)**	2.8
At the end of the year	**185.8**	224.5
Current	**26.3**	27.5
Non-current	**159.5**	197.0
Total lease liabilities	**185.8**	224.5

Refer to Note 3 for details of disposals.

11 Investments in associates

The Group holds a 25% equity interest in 24.8.2024 Limited (IPCO), a UK-incorporated company and subsidiary of Heartland A/S - a related party of the Group. The Group also holds one representative director position on the IPCO board.

IPCO holds the TSTM brand assets and has granted a licence to ASOS.com for 10 years (extendable up to 25 years), pursuant to which ASOS.com has the exclusive right to continue to design TSTM products (subject to de minimis rights to design local products) for global distribution and to sell TSTM products through the ASOS.com website in consideration for a royalty fee. ASOS also has the right to operate Topshop.com and Topman.com globally, and has been granted exclusive wholesale distribution rights in the UK and North America, while the purchasing entity retains the rights to open branded stores globally and distribute through wholesale partners outside of the UK and North America.

The Group is considered to have the ability to significantly influence, but not control or jointly control, the financial and operating decisions of IPCO through its equity interest and board representation. The investment in IPCO has therefore been classified as an associate, initially recognised at cost and subsequently accounted for using the equity method. The share of net profit/(loss) from the associate is recognised within other income.

The following sets out the summarised financial information in respect of IPCO:

	2026 £m	2025 £m
Current assets	**20.5**	**16.3**
Non-current assets	**147.8**	**164.5**
Current liabilities	**(0.6)**	**(1.1)**
Non-current liabilities	**-**	**-**
Net assets	**167.7**	**179.7**

	2026 £m	2025 £m
Revenue	**18.2**	**15.9**
Profit/(loss) for the year	**0.8**	**(0.2)**
Total comprehensive income/(loss)	**0.8**	**(0.2)**

The following sets out the movement in the carrying amount of investments in associates:

	2026 £m	2025 £m
At the beginning of the year	**44.9**	**-**
Additional investment	**-**	**45.0**
Share of net profit/(loss) for the year, net of tax[1]	**0.2**	**(0.1)**
Distributions received	**(3.2)**	**-**
At the end of the year	**41.9**	**44.9**

1 Included in Share of net profit/(loss) for the year, net of tax is £(3.4)m in adjusting items relating to amortisation of acquired intangible assets. Refer to Note 3 for further details.

12 Impairment of non-financial assets

12.1 Inputs and assumptions

Cash-generating units

Cash-generating units (CGUs) are deemed the smallest group of assets that independently generate cash inflows and are independent of the cash flows generated by other assets. It was determined that the Group only has one CGU (the Group level) on the basis that the majority of assets within the Group are shared (i.e. software assets that support the entire Group) and therefore unable to be allocated on a reasonable or consistent basis in any other way.

Composition of CGU

For impairment testing purposes, the CGU comprises the following:

	2026	2025
	£m	£m
Goodwill and other intangible assets	**370.2**	473.6
Property, plant and equipment	**135.8**	153.4
Right-of-use assets	**143.1**	172.1
	649.1	799.1

Identification of impairment indicator

Although the Group reported a profit before tax for the year, this included net adjusting income and the Group continued to report an adjusted loss before tax. The adjusted loss, together with continued volatility in the macroeconomic environment, was considered to represent an indicator of impairment. Accordingly, an impairment assessment of the Group's CGU was performed.

Approach and assumptions

The recoverable amount for the CGU has been determined using a value-in-use calculation which is based upon the cash flows expected to be generated, derived from the latest budget and forecast data which are reviewed by the Board, and consistent with those used for the Group's going concern and viability assessments. Budget and forecast data reflect both past experience and future expectations of market conditions. The key assumptions in measuring the value-in-use are as follows:

Assumption	**Details**
Cash flow years / assumptions	• Derived from medium-term forecasts reviewed and approved by the Board which cover a period of five years. Growth rates are then reduced to 2.0% (the long-term growth rate) into perpetuity (2025: 2.0%). • Whilst the value-in-use excludes lease rentals (a financing cash flow under IFRS 16 *Leases*), an estimated cash outflow for future lease renewals is assumed from the current lease end dates.
Discount rate	• A post-tax discount rate representing the Group's weighted average cost of capital (WACC), subsequently grossed up to a pre-tax rate using an iterative calculation that yields the same value in use when tax cash flows are excluded. • The post-tax WACC has been calculated using the capital asset pricing model, the inputs of which include a UK risk-free rate based on government bond rates, a UK equity risk premium and levered debt premium benchmarked to externally available data, and an average beta derived from a comparator group. • The resulting discount rates are:

2026		**2025**	
Post-tax rate	**Pre-tax rate**	**Post-tax rate**	**Pre-tax rate**
14.0%	17.8%	12.5%	15.9%

12.2 Outputs

Outside of specific impairments recognised during the year, such as those in relation to legacy technology assets as disclosed in Note 3, no further impairments were identified as a result of the impairment review described above, with headroom noted of c.£379m (2025: c.£103m).

12 Impairment of non-financial assets cont.

KEY SOURCES OF ESTIMATION UNCERTAINTY

Assumptions in relation to impairment assessment

Of the assumptions used in the assessment, the value-in-use calculations are most sensitive to changes in the discount rate, the long-term growth rate and forecast cash flows (comprising revenue, gross margin and fixed overheads). Cash flows are derived from forecasts reviewed by the Board, and in line with those used for the going concern and viability assessments which assume a continued return to growth following the trend reversal seen in FY26, with sales growth rates gradually improving vs the FY26 exit rate, and single-digit growth expected in each year of the plan. Adjusted gross margin is sustained broadly in line with FY26 levels.

Sensitivity analysis

A sensitivity analysis for reasonably possible changes in assumptions was conducted on the impairment tests, where management assessed a scenario in which the revenue growth rates within the five-year forecast cash flows (being the most sensitive assumption) were reduced by half. To reflect this adjustment, a corresponding reduction in variable costs and cost of sales was modelled to maintain gross margin percentage in line with original forecasts. Under this sensitivity scenario, headroom reduced by c.£230m and no impairment was noted.

In addition, management has assessed the impact of a 10% reduction in forecast net cash flows across all years of the assessment period, with all other assumptions held constant. Under this sensitivity scenario, headroom reduced by c.£103m and no impairment was noted.

The following table shows the amount by which each assumption, applied individually, would have to change to make the recoverable amount equal to the carrying value. It is not considered that a reasonably possible change in the discount rate, fixed overheads or the long-term growth rate would cause an impairment, therefore, these assumptions are not included below.

Break-even change required	2026	2025
A reduction in forecast annual growth rates of:[1]	(3.0)%	(0.7)%
A reduction in forecast revenue vs base case of:[2]	(11.2)%	(2.7)%
A reduction in forecast gross margin in each year of:	(2.3)%	(0.6)%

[1] Applied to the Group five-year plan period.
[2] Applied to all years within the assessment period.

13 Inventories

	2026	2025
	£m	£m
Gross finished goods	**446.5**	523.5
Inventory provision	**(78.4)**	(121.2)
Total inventories	**368.1**	402.3

The carrying value of inventories includes a £30.8m (2025: £37.2m) right to recover asset in relation to the inventory expected to be received back from customers as returns. The amount of inventories recognised as an expense and charged to cost of sales for the year was £1,108.3m (2025: £1,311.1m).

KEY SOURCES OF ESTIMATION UNCERTAINTY

Inventory provisions

The Group maintains net realisable value provisions for inventory sold via the Group's website based on forecast loss rates and for inventory expected to be sold offsite via clearance routes at the end of its life cycle. The provisions write inventory down to its net realisable value, being expected income less any related selling costs, and reflect both historical trends and current and forecast economic conditions.

The provisions are calculated using estimates of loss rates and website sell-through rates, both of which are calculated based on historical data from the prior 12 months' sales when categorising the stock by age banding. Provisions recognised are net of any expected proceeds to be received. The provisions are therefore most sensitive to the following assumptions:

- Forecast loss rates
- Forecast sell-through rates
- Offsite sales price assumptions

The movement in the Group's provisions based on reasonably possible changes to the above assumptions is as follows:

	2026		2025	
	Decrease in provision	**Increase in provision**	Decrease in provision	Increase in provision
	£m	**£m**	£m	£m
Using loss rates from 2025 / 2024	**-**	**2.0**	(5.0)	-
A change in the anticipated sell-through rates of +/-0.5%	**(3.1)**	**3.1**	(4.2)	4.2
A change in the anticipated sales price of +/-10%	**(1.3)**	**1.3**	(1.0)	1.0

Inventory provisions are adjusted at each reporting period end rather than throughout the year to ensure inventory is not carried at an amount greater than net realisable value. Write-downs and write-backs of inventory balances are therefore represented by net movements in the inventory provision.

14 Cash and cash equivalents

	2026	2025
	£m	£m
Cash in hand and bank balances	**72.6**	108.2
Money market fund investments	**241.7**	123.0
Short-term deposits	**14.0**	87.7
Total cash and cash equivalents	**328.3**	318.9

Cash and cash equivalents includes uncleared payment provider receipts of £33.7m (2025: £48.8m), which are typically received within three business days.

Included within cash and cash equivalents is £10.3m (2025: £11.6m) of cash collected on behalf of partners of the Direct-to-Consumer fulfilment proposition (Partner Fulfils) and ASOS Fulfilment Services (AFS). ASOS Payments UK Limited and the Group are entitled to interest amounts earned on the deposits and amounts are held in a segregated bank account that is settled on a monthly basis.

15 Trade and other payables

	2026	2025
	£m	£m
Trade payables	**133.5**	122.7
Other payables	**128.4**	175.0
Accruals	**197.1**	177.6
Refund liabilities	**68.2**	77.9
Deferred revenue	**32.5**	31.6
Taxation and social security	**34.4**	34.5
Total trade and other payables	**594.1**	619.3

Trade payables comprise amounts owed in relation to inventory purchases. Other payables comprise amounts owed in relation to all other purchases.

16 Borrowings

	2026	2025
	£m	£m
Convertible bond	**283.3**	343.3
Nordstrom loan	**-**	6.5
Term loan	**149.3**	153.8
Other short-term borrowings	**5.0**	-
Total borrowings	**437.6**	503.6
Current	**20.9**	96.4
Non-current	**416.7**	407.2
Total borrowings	**437.6**	503.6

Convertible bonds

On 16 April 2021 the Group issued £500m of convertible bonds. The unsecured instruments paid a coupon of 0.75% until April 2026, or the conversion date, if earlier. The initial conversion price was set at £79.65 per share.

On 19 September 2024 the Group launched a refinancing exercise of the Convertible Bonds due 2026 as follows:

- £253.0m was exchanged into new Convertible Bonds due 2028;
- £173.4m of the Convertible Bonds due 2026 was repurchased at a discount to par of 15%; and
- As a result, £73.6m remained in the Convertible Bonds due 2026.

The Convertible Bonds due 2028 were issued at par and carry a fixed annual coupon of 11%, payable semi-annually in arrears. The initial conversion price has been set at £79.65, in line with the Convertible Bond due 2026. The Bonds will be redeemed on 19 September 2028, unless previously converted, exchanged, redeemed or purchased and cancelled in accordance with the terms and conditions of the Bonds, at a redemption price of 120% of the principal amount.

On 16 April 2026, the Group redeemed the Convertible Bonds due 2026 in full, settling the obligation with a cash payment of £73.6m.

Nordstrom loan

On 12 July 2021 the Group announced a strategic partnership with Nordstrom, a US-based multi-channel retailer, to drive growth in North America. As part of this venture, Nordstrom purchased a minority interest in ASOS Holdings Limited which held the Topshop, Topman, Miss Selfridge and HIIT brands in exchange for £10 as well as providing a £21.9m loan, partially repaid in prior years.

The remaining loan balance of £6.5m was repaid during the year.

16 Borrowings cont.

Term loan

In November 2025, the Group entered into agreements to refinance its term loan facilities. On the effective date in December 2025, the Group's existing £150.0m term loan was repaid and the associated revolving credit and accordion facilities with Bantry Bay were terminated, replaced by a £150.0m senior term loan and an £87.5m Delayed Draw Term Loan (DDTL) facility, both maturing in November 2030. Both the senior term loan and DDTL facility (when drawn) bear interest at a margin above SONIA. The DDTL incurs commitment fees at a market rate and is currently undrawn.

The Facilities carry a fixed and floating charge over all assets of the following chargors in the Group – ASOS Plc, ASOS.com Limited, ASOS Intermediate Holdings Limited, Mornington & Co (No. 1) Limited and Mornington & Co (No. 2) Limited.

Impact of refinancing the term loan on the Group accounts

The impact of the refinancing activities during the year on the Group's financial statements is shown below:

	Balance sheet		Cash flow	Income statement
	Borrowings (Term loan)	Other capitalised transaction costs	Inflow / (outflow)	Refinancing loss
	£m	£m	£m	£m
As at 1 September 2025	**(153.8)**	**2.1**	**-**	**-**
Drawdown of principal	**(150.0)**	**-**	**150.0**	**-**
Repayment of loan principal	**150.0**	**-**	**(150.0)**	**-**
Loss on debt extinguishment	**(1.8)**	**(1.8)**	**-**	**3.6**
Refinancing transaction costs	**4.5**	**1.3**	**(9.9)**	**4.1**
Total refinancing impact	**2.7**	**(0.5)**	**(9.9)**	**7.7**
Interest expense	**(18.2)**	**(0.5)**		
Interest paid	**20.0**	**-**		
As at 30 August 2026	**(149.3)**	**1.1**		

Other short-term borrowings

During the year, the Group entered into a supplier finance arrangement under which the finance provider settles supplier invoices directly and the Group subsequently repays the finance provider in accordance with the arrangement terms.

17 Provisions

	Dilapidations £m	Onerous occupancy £m	Total £m
As at 1 September 2025	**72.7**	**29.5**	**102.2**
Recognised/(released)[1]	**(38.5)**	**(3.6)**	**(42.1)**
Derecognised due to disposals	**(9.2)**	**(16.6)**	**(25.8)**
Utilised	**-**	**(4.3)**	**(4.3)**
Unwinding of discount	**2.1**	**1.0**	**3.1**
Foreign exchange differences	**(0.1)**	**0.3**	**0.2**
As at 30 August 2026	**27.0**	**6.3**	**33.3**
Current	**-**	**0.9**	**0.9**
Non-current	**27.0**	**5.4**	**32.4**
As at 30 August 2026	**27.0**	**6.3**	**33.3**

1 Included are provision reductions arising from updated estimates of dilapidation obligations across the Group's property portfolio. This decrease reflects a comprehensive review of expected remediation costs for several warehouses including vacant sites, incorporating current market rate and more detailed assessments of required works.

As at 2 September 2024	68.7	20.5	89.2
Recognised	1.4	13.0	14.4
Utilised	-	(3.9)	(3.9)
Unwinding of discount	2.6	1.2	3.8
Foreign exchange differences	-	(1.3)	(1.3)
As at 31 August 2025	72.7	29.5	102.2
Current	-	4.4	4.4
Non-current	72.7	25.1	97.8
As at 31 August 2025	72.7	29.5	102.2

Refer to Note 3 for details of disposals.

18 Analysis of net debt

Group net debt comprises cash and cash equivalents less any borrowings drawn down at year end (including accrued interest), but excluding outstanding lease liabilities.

	2026	2025
	£m	£m
Borrowings	**(437.6)**	(503.6)
Lease liabilities	**(185.8)**	(224.5)
Liabilities from financing activities	**(623.4)**	(728.1)
Cash and cash equivalents	**328.3**	318.9
Net borrowings	**(295.1)**	(409.2)
Net debt (excl. leases)	**(109.3)**	(184.7)

The table below sets out the movements in liabilities arising from financing activities:

	Lease liabilities	**Borrowings**	**Liabilities from financing activities**
	£m	**£m**	**£m**
As at 1 September 2025	**(224.5)**	**(503.6)**	**(728.1)**
Cash flows from financing activities			
Drawdown of principal	**-**	**(150.0)**	**(150.0)**
Repayments of principal	**27.6**	**156.5**	**184.1**
Interest paid	**5.8**	**48.5**	**54.3**
Redemption of convertible bond	**-**	**73.6**	**73.6**
Refinancing transaction costs	**-**	**4.5**	**4.5**
Non-cash movements			
Movement in lease liabilities	**10.7**	**-**	**10.7**
Supplier financing	**-**	**(5.0)**	**(5.0)**
Loss on debt extinguishment	**-**	**(1.8)**	**(1.8)**
Foreign exchange impacts	**0.4**	**-**	**0.4**
Accrued interest	**(5.8)**	**(60.3)**	**(66.1)**
As at 30 August 2026	**(185.8)**	**(437.6)**	**(623.4)**
As at 2 September 2024	(289.6)	(688.1)	(977.7)
Cash flows from financing activities			
Repayments of principal	25.7	63.3	89.0
Interest paid	6.4	32.4	38.8
Repurchase of convertible bond	-	140.6	140.6
Financing fees paid	-	4.9	4.9
Non-cash movements			
Movement in lease liabilities	42.2	-	42.2
Foreign exchange impacts	(2.8)	-	(2.8)
Debt modification gain	-	8.1	8.1
Accrued interest	(6.4)	(64.8)	(71.2)
As at 31 August 2025	(224.5)	(503.6)	(728.1)

19 Contingent liabilities

From time to time, the Group is subject to various legal proceedings and claims that arise in the ordinary course of business, which due to the fast-growing nature of the Group and its e-commerce base, may concern the Group's brand and trading name or its product designs. All such cases brought against the Group are robustly defended and a liability is recorded only when it is probable that the case will result in a future economic outflow which can be reliably measured.

The Group is subject to assessments from an overseas customs authority in relation to import duty for prior financial periods. The Group has appealed these assessments on the basis that the prior calculations comply with World Trade Organisation-compliant customs valuation methods. At the balance sheet date, the appeal process remains ongoing. Based on legal advice and management's assessment, the maximum exposure is considered immaterial, and any payments on account in excess of this are expected to be fully recoverable.

20 Post balance sheet events

Following the year end, the Group identified an information security incident involving unauthorised access to certain customer information held on third party platforms. The Group took immediate steps to contain the incident and commenced an investigation supported by external specialists. The website and app remained operational throughout.

The incident is considered a non-adjusting event after the reporting period, and no adjustment has been made to the financial statements. The forensic investigation has concluded, with management continuing to assess its findings; however the incident is not expected to have a significant impact on the business.

Alternative Performance Measures (APMs)

The Group uses the below non-IFRS performance measures to allow shareholders to better understand the underlying financial performance and position of the Group. These should not be seen as substitutes for IFRS measures of performance and may not allow a direct comparison to other companies.

<table>
<tr><th>Performance measure</th><th>Closest IFRS measure</th><th>Definition</th><th>How ASOS uses this measure</th></tr>
<tr><td>Like-for-like revenue growth</td><td>Revenue</td><td>Like-for-like revenue growth reflects constant currency revenue, which includes retail sales and income from other services, less adjusting items and the impact of foreign exchange translation.</td><td>This measure is presented as a means of eliminating the effects of exchange rate fluctuations on the year-on-year reported results.
<table><tr><th></th><th>2026 £m</th><th>2025 £m</th><th>Growth %</th></tr><tr><td>Revenue</td><td>2,245.6</td><td>2,477.8</td><td>(9%)</td></tr><tr><td>Adjusting items (Note 3)</td><td>(5.3)</td><td>(13.0)</td><td></td></tr><tr><td>Impact of foreign exchange translation</td><td>(9.5)</td><td>-</td><td></td></tr><tr><td>Like-for-like revenue growth</td><td>2,230.8</td><td>2,464.8</td><td>(9%)</td></tr></table><table><tr><th></th><th>2025 £m</th><th>2024 £m</th><th>Growth %</th></tr><tr><td>Revenue</td><td>2,477.8</td><td>2,905.8</td><td>(15%)</td></tr><tr><td>Adjusting items (Note 3)</td><td>(13.0)</td><td>(9.8)</td><td></td></tr><tr><td>Impact of foreign exchange translation</td><td>28.1</td><td>-</td><td></td></tr><tr><td>Like-for-like revenue growth</td><td>2,492.9</td><td>2,896.0</td><td>(14%)</td></tr></table></td></tr>
<tr><td>Retail sales</td><td>Revenue</td><td>Internet sales recorded net of an appropriate deduction for actual and expected returns, relevant vouchers, discounts and sales taxes.

Retail sales exclude income from delivery receipt payments, marketing services, commission on partner-fulfilled sales, revenue from wholesale sales and jobber income.</td><td>A measure of the Group’s trading performance focusing on the sale of products to end customers. Used by management to monitor overall performance across markets, and the basis of key internal metrics such as GMV and ABV.

A reconciliation of this measure is included in Note 4.</td></tr>
<tr><td>Gross merchandise value (GMV)</td><td>Revenue</td><td>Retail sales excluding adjusting items plus revenue attributable to Flexible Fulfilment partners, net of returns and excluding sales tax.</td><td>This measure reflects the increasing shift to Flexible Fulfilment models and is used as an indicator of top-line performance.<table><tr><th></th><th>2026 £m</th><th>2025 £m</th></tr><tr><td>GMV</td><td>2,349.0</td><td>2,456.3</td></tr><tr><td>Less revenue attributable to partners</td><td>(310.0)</td><td>(123.2)</td></tr><tr><td>Adjusted retail sales</td><td>2,039.0</td><td>2,333.1</td></tr><tr><td>Adjusting items</td><td>0.1</td><td>6.4</td></tr><tr><td>Reported retail sales</td><td>2,039.1</td><td>2,339.5</td></tr></table></td></tr>
<tr><td>Like-for-like GMV growth</td><td>Revenue</td><td>Like-for-like GMV growth eliminates the effect of exchange rate fluctuations on the year-on-year GMV metric.</td><td><table><tr><th></th><th>2026 £m</th><th>2025 £m</th><th>Growth %</th></tr><tr><td>GMV</td><td>2,349.0</td><td>2,456.3</td><td>(4%)</td></tr><tr><td>Impact of foreign exchange translation</td><td>(11.9)</td><td>-</td><td></td></tr><tr><td>Like-for-like GMV growth</td><td>2,337.1</td><td>2,456.3</td><td>(5%)</td></tr></table><table><tr><th></th><th>2025 £m</th><th>2024 £m</th><th>Growth %</th></tr><tr><td>GMV</td><td>2,456.3</td><td>2,817.8</td><td>(13%)</td></tr><tr><td>Impact of foreign exchange translation</td><td>27.0</td><td>-</td><td></td></tr><tr><td>Like-for-like GMV growth</td><td>2,483.3</td><td>2,817.8</td><td>(12%)</td></tr></table></td></tr>
</table>

Adjusted revenue

Revenue

Revenue excluding the impact of adjusting items.

A measure of the Group's revenue and gross profitability, excluding the impact of any adjusting items.

Adjusted gross margin

None

Gross profit divided by revenue and excluding the impact of adjusting items.

Reconciliation is shown below:

	2026 £m	2025 £m
Revenue	**2,245.6**	2,477.8
Adjusting items (Note 3)	**(5.3)**	(13.0)
Adjusted revenue	**2,240.3**	2,464.8
Gross profit	**1,137.3**	1,166.7
Adjusting items (Note 3)	**(5.1)**	(4.7)
Adjusted gross profit	**1,132.2**	1,162.0
Gross margin	**50.6%**	47.1%
Adjusted gross margin %	**50.5%**	47.1%

Adjusted cost to serve

None

Operating expenses (excluding depreciation and amortisation, impairment and adjusting items) as a percentage of adjusted revenue.

Adjusted cost to serve reflects the underlying profitability of the business and demonstrates discipline on cost structure.

	2026 £m	2025 £m
Operating expenses	**1,211.1**	1,395.5
Less depreciation and amortisation (per cash flow)	**(152.4)**	(166.9)
Less impairment (per cash flow)	**(73.6)**	(138.2)
Less adjusting operating expenses (Note 3)	**(91.5)**	(195.6)
Add back adjusting depreciation and amortisation (Note 3)	**4.5**	4.5
Add back adjusting impairment (Note 3)	**70.0**	136.8
	968.1	1,036.1
Adjusted revenue	**2,240.3**	2,464.8
Adjusted cost to serve	**43.2%**	42.0%

Adjusted EBIT

Operating profit / (loss)

Profit/(loss) before tax, interest, and any adjusting items excluded from adjusted profit/(loss) before tax (see below).

A measure of the Group's underlying profitability for the year, excluding the impact of any transactions outside of the ordinary course of business and not considered to be part of ASOS' usual cost / income base. Used by management to monitor the performance of the business each month.

Adjusted profit / (loss) before tax

Profit / (loss) before tax

Adjusted profit/(loss) before tax excludes items recognised in reported profit/(loss) before tax which, if included, could distort comparability between years.

In determining which items to exclude, the Group considers items that are either significant by virtue of their size and/or nature, or non-recurring.

	2026 £m	2025 £m
Operating profit/(loss)	**93.5**	(212.3)
Adjusting items excluding finance costs (Note 3)	**(74.7)**	180.1
Adjusted EBIT	**18.8**	(32.2)
Net finance costs (Note 5)	**(69.1)**	(69.3)
Add back adjusting finance costs (Note 3)	**3.9**	3.3
Adjusted loss before tax	**(46.4)**	(98.2)
Add back adjusting items (Note 3)	**70.8**	(183.4)
Profit/(loss) before tax	**24.4**	(281.6)

Adjusted EBITDA	Operating profit / (loss)	Adjusted EBIT above, adjusted for depreciation, amortisation and impairments.	Adjusted EBITDA is used to review the Group's profit generation and the sustainability of ongoing capital reinvestment and finance costs.
Adjusted EBITDA margin	None	Adjusted EBITDA divided by adjusted revenue.	

	2026	2025
	£m	£m
Adjusted EBIT (above)	**18.8**	(32.2)
Add back depreciation and amortisation (per cash flow)	**152.4**	166.9
Add back impairment (per cash flow)	**73.6**	138.2
Less adjusting depreciation and amortisation (Note 3)	**(4.5)**	(4.5)
Less adjusting impairment (Note 3)	**(70.0)**	(136.8)
Adjusted EBITDA	**170.3**	131.6
Revenue	**2,245.6**	2,477.8
Adjusting items (Note 3)	**(5.3)**	(13.0)
Adjusted revenue	**2,240.3**	2,464.8
Adjusted EBITDA margin %	**7.6%**	5.3%

Net cash / (debt)	None	Cash and cash equivalents less the carrying value of borrowings (including accrued interest) drawn down at year-end, but excluding outstanding lease liabilities.	A measure of the Group's liquidity. Further details are included in Note 18. A reconciliation is included below:

	2026	2025
	£m	£m
Cash and cash equivalents	**328.3**	318.9
Borrowings	**(437.6)**	(503.6)
Lease liabilities	**(185.8)**	(224.5)
Net borrowings	**(295.1)**	(409.2)
Add back lease liabilities	**185.8**	224.5
Net debt	**(109.3)**	(184.7)

Free cash flow	Operating cash flow	Free cash flow is net cash generated from operating activities, after cash capital expenditure, lease and interest payments, and cash flows from associates.	A measure of the cash generated by the Group outside cash flows relating to M&A and financing transactions, which allows management to better assess the cash being generated by the business. A reconciliation to the cash flow statement is shown below:

	2026	2025
	£m	£m
Net cash generated from operations (per cash flow)	**136.7**	159.1
Purchase of tangible and intangible assets	**(76.6)**	(85.9)
Repayment of principal portion of lease liabilities	**(27.6)**	(25.7)
Net interest paid	**(52.1)**	(33.4)
Distributions received from associates	**3.2**	-
Free cash flow	**(16.4)**	14.1

Other working capital movements (per Financial Review)	None	Removes working capital and cash movements relating to adjusting items.	To provide a reconciliation of the working capital movement in the Financial Statements to the other working capital movement in the Financial Review.

	2026	2025
	£m	£m
Increase in other working capital (per Financial Review)	**(39.4)**	(67.1)
Comprises:		
Working capital per cash flow (excluding inventory)	**(60.3)**	(42.4)
Working capital relating to adjusting items (see below)	**20.9**	(24.7)
	(39.4)	(67.1)
Working capital relating to adjusting items:		
Adjusting items (Note 3)	**70.8**	(183.4)
Add back adjusting impairment (Note 3)	**70.0**	136.8
Add back adjusting amortisation (Note 3)	**4.5**	4.5
Add back commercial operating model change (Cost of sales) (Note 3)	**0.2**	8.3
Add back share of the associate's adjusting result (Note 3)	**3.4**	3.0
Add back refinancing loss/(gain)	**7.7**	(2.6)
Less gain on disposal of fulfilment centres	**(164.5)**	-
Less gain on disposal of brands	**-**	(13.8)
Add back adjusting finance costs (Note 3)	**3.9**	3.3
Adjusting working capital before cash impacts	**(4.0)**	(43.9)
Cash impact of adjusting items (Note 3)	**24.9**	19.2
Working capital relating to adjusting items	**20.9**	(24.7)