24 April 2025

ASOS Plc
Global Online Fashion Destination
Interim results for the 26 weeks to 2 March 2025

New commercial model driving profitability transformation

Summary financial results

£m[1]	26 weeks to 2 Mar 2025 (H1 FY25)	26 weeks to 3 Mar 2024 (H1 FY24)	Change	Adjusted LFL change[2]
Headline measures[3]				
Adjusted group revenue	1,291.6	1,497.5		(13%)
Adjusted gross margin	*45.2%*	*40.3%*	*490bps*	
Adjusted cost to serve[4]	*42.1%*	*41.5%*	*(60bps)*	
Adjusted EBITDA	42.5	(16.3)	*58.8*	
Adjusted EBIT	(39.6)	(98.1)	*58.5*	
Adjusted loss before tax	(69.5)	(120.0)	*50.5*	
Net debt	(275.8)	(348.8)	*73.0*	
Free cash outflow	(84.1)	(21.1)	*(63.0)*	
Statutory Measures				
Group revenue	1,299.4	1,505.8	(14%)	
Gross margin	*45.1%*	*40.0%*	*510bps*	
Operating loss	(210.1)	(246.8)	*36.7*	
Loss before tax	(241.5)	(270.0)	*28.5*	

Strategic update and results summary

- **Delivering profitability transformation, building on foundations laid over last two years.** Positive adjusted EBITDA up c.£60m year-on-year ('YoY') in H1, driven by new commercial model and sustained cost discipline. Variable contribution increased c.30% YoY, supported by higher gross margin and better order economics. Total fixed costs held broadly flat in absolute terms, demonstrating strong cost control, effectively offsetting inflation.
- **Customers responding well to increased newness and speed to market.** Gross margin up c.500bps YoY in H1, driven by lower markdown activity and higher full-price mix, demonstrating strength of new commercial model offering. In UK, our largest market, ASOS Design total sales +9% YoY in H1, growing market share[5], enabled by market-leading Test & React ('T&R') and investments into quality. Globally own brand full-price sales returned to YoY growth in H1.
- **Sales trajectory developing as expected.** In line with guidance, H1 revenues declined -13%, a continuation of FY24 trends, driven by annualising declines in old inventory (stock c.30% YoY), and optimised performance marketing.
- **Significant progress on key strategic initiatives**. Successfully scaled T&R to >15% of own-brand sales, on track for 20% FY target. Flexible Fulfilment ('FF') models now at c.7% of third-party GMV[6], with major new market and partner launches set for H2. Added exciting new brands including Bimba y Lola, Jimmy Fairly and Oh Polly, with more than 25 new brand partners in H1, and a further 40 set to launch in H2, as well as more exclusive collections.
- **Exciting pipeline of innovation ahead.** Embedded new organisational structure in H1, designed to accelerate decision-making and empower culture of continuous innovation. In H2, initiatives include launching Topshop.com, ASOS.WORLD loyalty program, live shopping features, enhanced search and personalisation, as well as further leveraging AI across the business, including through our AI stylist and addressing causes of unnecessary returns.
- **US proposition improvement.** US customers now accessing greater product range via UK fulfilment, following changes to our global distribution model. Early response has been strong, with double-digit run-rate sales improvement and significantly higher full-price mix. From H2, full hybrid US model in will be in operation, including a smaller, more flexible local site and Partner Fulfils roll-out. Largely non-cash c.£180m adjusting item recorded in H1 related to the Atlanta site closure. Continue to expect c.£10-20m annual EBITDA benefit from FY26. We continue to closely monitor the evolving US tariff outlook and see opportunity to respond as necessary through improved agility and flexibility of our sourcing and distribution model.
- **Free cash outflow driven by a return to normal seasonality** of intake, with an H1 net working capital ('NWC') outflow. Stock health continues to improve, with inventory cover down c.15%, and sell-through up YoY. Continue to expect a significant free cash inflow in H2, driven by higher profitability and NWC inflow, to deliver broadly neutral FCF in FY25. We are confident in delivering meaningful FCF generation in FY26.

- **Net debt reduction.** Balance sheet significantly strengthened through a comprehensive refinancing and proceeds from the formation of the Topshop and Topman joint venture ('TSTM JV')[7] in Q1 FY25.
- **Re-iterating FY25 profitability guidance.** Driven by a significant increase in our full-price sales mix, we continue to expect gross margin of at least 46% and adjusted EBITDA to increase by at least 60% to £130m to £150m. For FY25, we expect revenue growth towards the bottom end of consensus range[8]. FY25 GMV growth expected to be 1-2ppts better than revenue growth given scaling FF models.

José Antonio Ramos Calamonte, Chief Executive Officer said:

"H1 FY25 is the strongest sign yet that our new commercial model is working. We are driving a significant transformation in profitability, with positive adjusted EBITDA up by c.£60m YoY. Customers are responding positively to our focus on full-price sales, speed to market, and quality, resulting in a +9% YoY increase in ASOS Design sales in the UK, and positive momentum with our partner brands. Importantly, these successes have been achieved whilst maintaining strong cost control and improving our inventory health. We look forward to a fantastic pipeline of new products, brands and customer experiences, and remain confident in our ability to deliver sustainable, profitable growth."

CEO Review

Our ambition is to become the number one destination for fashion-loving 20-somethings. We know we have a unique platform to bring customers the best combination of exciting own-brand and partner brand products, delivered in an inspiring and convenient way, through engaging styling and curated outfits. We want to deliver this differentiated customer proposition through a profitable, flexible and resilient business model. These two elements work in tandem — greater efficiency enables better customer experiences, which generates superior returns.

Over the last two years, we had a clear focus on the groundwork required to deliver this – completely restructuring our inventory position and the way we buy fashion through embedding our new commercial model, comprehensively refinancing our balance sheet and reducing our net debt, and fundamentally transforming our profitability through a relentless focus on operational efficiency. With these solid foundations successfully in place, our focus is on continuing to refine and build upon both these areas – delighting our customers through building the most inspirational platform, supported by a solid, profitable and resilient business model.

As we have said before, we will grow our business in a sustainable, profitable way – not by re-engaging with excessive promotion and performance marketing, but through an innovative product and experience-led strategy that generates lasting relationships with our core customers, in our core markets. In H1 FY25, we can see the early signs of our new growth engine working. In the UK, our largest market, ASOS Design overall sales were up +9% YoY, growing share over that period in a competitive market. Globally, our own brands, where we can see the most immediate results of our new commercial model given faster lead times, returned to full-price sales growth. This is a prime example of our product-led strategy in action: combining our market-leading Test & React model to ensure we're first for fashion with the right trends at the right time, with our investments into product quality, delivering profitable sales growth through full-price sales, lower markdowns, and lower returns. Across our partner brands, we've seen strong results where we've deepened our collaboration, such as with adidas where we launched a number of exclusive collections, and Mango, where we recently added Mango Man. Customers have also been enjoying our enhanced premium assortment with elevated content and styling, alongside our curated product selection that now includes ARKET, Bimba Y Lola and Pattern.

Our focus is on bringing our customers more of these great experiences. Building on the strong momentum in our product strategy, we'll continue to scale Test & React to 20% of own-brand sales by the end of the year and towards our medium term target of 30%. Our newly formed Brand Acquisition and Development team is generating great momentum with our brand partners, including welcoming more than 25 exciting new brands onto our platform in H1, with a further 40 launching in the next six months. We're building deeper relationships with our partners, with more exclusive collaborations on the way, and further scaling our flexible fulfilment models. We've recently launched our new loyalty program, ASOS.WORLD, which will be further rolled out to give our most engaged customers more exclusive fashion-forward benefits. We're bringing the best of Topshop and Topman to customers through more channels, online and offline, including the launch of Topshop.com in H2. We'll continue to leverage AI to give customers more personalised experiences, through our AI Stylist tool, better size and fit advice and improved search and recommendations, as well as launching a new live shopping feature. Our goal is to build a business that delights customers so much that they give us more of their time, love and fashion spend.

We can see early signs of our re-invigorated offering resonating with customer, but we know we must go further, shout louder, and bring the best of ASOS to more future core customers. We are energised by the progress we have made so far and excited for the next phase of our journey.

I want to take this opportunity to thank our ASOSers for their extraordinary work and passion, and our valued customers for trusting us to be part of their fashion journey.

I'd like to describe in a bit more detail what we've achieved over the last 6 months, as well as what's next for ASOS.

Speed, flexibility and quality are driving improved full-price sales and faster sell-through

Great product is at the heart of our flywheel, and our new commercial model is focused on delivering customers the right product at the right time. We entered this year with our inventory in the strongest position it has been for many years, with stock levels now down c.60% since FY22, and c.80% of our fashion stockholding less than six months old. We know that delighting customers with the hottest and freshest products and brands, at the right price, delivered in a reliable and consistent way, leads to great customer experiences and inspires loyalty. We can drive better unit economics from selling full-price products, and generate a better return on marketing investment when directing people to the most relevant product. The more efficient we get, the better the experience we are able to deliver.

Own-brands returning to growth, driven by speed to market and improved quality
Our own-brands are a core engine of our customer proposition and where we can see the most immediate results of changes to our new commercial model, given the faster lead-times and speed-to-market. In the UK, our largest market, ASOS Design overall sales increased +9% YoY in H1, growing market share over that period. Globally, our own-brand full-price sales returned to YoY growth. Our market-leading Test & React model, now more than 15% of own-brand sales and growing, has been a key enabler within this, ensuring our own brands always offer the most exciting product and set the trends for our fashion-loving customers. Our customers have benefitted from investments we've made into improving the quality of our own-brand product. In categories where our efforts in scaling Test & React and quality improvements are most progressed, such as ASOS Design knitwear, we've seen double digit YoY growth rates, with lower markdown, and lower returns rates. Our design teams have begun using AI design tools to increase sampling accuracy and improve the speed of decision making, improving the agility of our own-brand operations. We see significant long-term potential for AI to enhance how our teams work, allowing them to focus on more strategic activities.

Strong partner brand momentum, with more exclusive collaborations on the way
We've also seen great momentum with our partner brands. While the results of this take relatively longer to appear in our financials, the leading indicators are clear. Our newly formed Brand Acquisition and Development team is focused on identifying the best top tier, emerging and local-hero brands, to connect with our customers through our unique platform, and unlock new opportunities for them. We've added more than 25 exciting new brands in the last six months, including East London cult classic House of Sunny, being the first European wholesale partner for trend-setting Australian favourite Princess Polly, as well as welcoming premium brands such as ARKET and Bimba Y Lola. We've got even more excitement to come, with a further 40 new partner brands launching in H2, including inclusive denim favourite Good American, Pharell William's Ice Cream label, and beauty icon Pat McGrath Labs. We've continued to scale our flexible fulfilment models Partner Fulfils ('PF') and ASOS Fulfilment Services ('AFS') to c.7% of third-party GMV across 120 brands, up c.30% since H2 FY24. These models allow us to be more agile in how we collaborate with our partner brands, while offering our customers increased breadth (i.e. expanding the product range available on the ASOS platform) and depth (i.e. giving customers access to bestsellers when our wholesale stock is depleted). In H2 FY25, we are excited to launch further new markets and brands, including launching PF in the US, and launching AFS with a major brand partner.

We can see the unique power of our platform when we combine our own-brands and partner brands in exciting and inspirational ways, through deeper relationships, creating incredible customer engagement. Our in-house design teams and studios can elevate brands through exclusive styling and creating outfits around products, which our marketing teams and ASOS Media Group ('AMG') can amplify to maximise brand impact. In H1 FY25, some of our biggest successes involved these exclusive collaborations. In partnership with adidas, we styled an exclusive drop of two of adidas' most iconic trainers in the print of the season – cow print – with an exclusive ASOS Design collection of ten bold, trend-driven pieces, created through our Test & React model. The launch generated a 70% uplift in traffic and our capsule collection achieved a 90% full-price sell-through in less than two weeks. The goal in H2 and beyond is to keep generating these exclusive, differentiated moments for customers to re-establish ASOS as the go-to fashion destination.

Backed up by more efficient capital allocation: healthier inventory, healthier operations

New commercial model delivering transformational profitability benefits
We can already see the transformational effect our new commercial model has had on our profitability. In H1, our adjusted gross margin increased by c.500bps YoY, driven by lower markdown activity and increased full-price mix, supporting stronger basket economics. At a group level, we continue to annualise changes to our commercial model which affect our YoY revenue growth rate in H1; most notably c.30% declines in inventory with fashion stock less than six months old now c.80% of our mix, and rebalancing our customer proposition and marketing strategy, particularly in international markets. In absolute terms, our adjusted gross profit was down just 3% YoY, despite the volume deleverage, and our variable contribution increased c.30% YoY, demonstrating the focus on higher quality sales.

Underpinning all this is our continued focus on efficient capital allocation. Our new commercial model is based on disciplined inventory management. With significantly improved speed to market (the lead time between buying and selling stock) across our buying process, we can make intake decisions with increased flexibility, driving higher full-price sales. Coupled with effective in-season clearance, this allows us to generate a better return on cash invested into inventory. Our flexible fulfilment models further enable us to maximise the availability of the most exciting product with minimal inventory risk. In the last two years, we've improved our inventory cover by more than 35% through faster sell-through despite lower markdowns. This results in higher sales and gross profit for a given level of inventory, thereby enhancing our cash flow. This has enabled us to further reduce our inventory levels to £412m at H1, and will enable us to increase our sales with a more efficient investment in inventory in the future.

Focus on efficiency throughout our operations
Our focus on efficiency extends across our entire operations. By removing waste, both in terms of time and costs, we can unlock opportunities to invest in our strengths, and into areas of our competitive advantage that our customers really value. In H1 FY25, we demonstrated this by growing our variable contribution by c.30% YoY, while holding our fixed cost base broadly flat YoY in absolute terms, offsetting inflationary pressures. This has been driven by a wide range of initiatives, particularly within our supply chain and our customer returns.

In H1, we reduced our distribution and warehousing costs by a further c.20% YoY. Through the consolidation of our warehouse network, and increased use of automation, we've reduced the pick and pack cost per unit by more than 10% YoY, and by c.20% over the last two years. We see further opportunity to minimise the causes of unnecessary returns, having successfully reduced our underlying returns rate by c.150bps in H1. We've made a series of changes that are designed to eliminate needless pain points for customers in the returns experience, through improving our size and fit, better on-site product display, and using AI to better understand and address the reasons for returns. In 2024, we introduced a minimum net order threshold for free returns for customers with exceptionally high returns rates in our core markets, which has had a positive impact on our returns rates. We plan to roll the minimum net order threshold out to further geographies this year, while continuing to offer free returns to all our customers in our core markets.

We announced further efficiencies to our global distribution network earlier this year, which significantly improve the availability of our best fashion product for our US customers, while continuing to offer competitive delivery speeds. Since moving distribution to the UK during H2, we have seen a positive response from customers. Driven by an enhanced product assortment, we've seen a double-digit improvement in our sales run-rate with significantly higher full-price sales mix. Going forward, our US customers will be served through a hybrid model, combining our automated UK fulfilment centre, a smaller, more flexible local US site, and direct from partners through Partner Fulfils. We continue to expect a c.£10-20m positive EBITDA benefit annually from FY26 (with a broadly neutral impact on FY25 adjusted EBITDA and FCF), driven by lower total fulfilment costs, including expected changes to US de minimis thresholds. As the US tariff outlook evolves we continue to monitor this closely and see opportunity to respond to this as necessary through the improved agility and flexibility of our sourcing and distribution model. In H1, we recorded a predominantly non-cash c.£180m adjusting item, relating to the mothballing of our Atlanta site, which will be formally marketed later this year once vacated. We see further potential benefits to our inventory management and working capital over time, as customers get better availability of more consolidated stock in our Barnsley and Berlin fulfilment sites. These are just some of the changes we've made to fuel our competitive advantages.

Innovating faster than ever to deliver great customer experiences

The ultimate proof of success for ASOS will be to return to sustainable profitable revenue growth, through growing our customer base. We've spoken about the headwinds and challenges we faced during our transformation, which impacted our customer experience over the last two years as we exited certain unprofitable activities to invest into areas that matter most to our core customers. With the foundations for our new growth engine now in place, our efforts are increasingly focused on strengthening our relationship with customers, bringing more engagement and excitement to ultimately grow our share of wallet and our penetration of our core demographic. The way we will do this is through innovating faster than ever before, across both our product and our customer experience.

Organising our business to deliver better customer outcomes
We made a number of changes in H1 to better align our organisation with our strategy and customer-focused approach to driving growth, through accelerated innovation and decision-making. At the beginning of the year, we transformed our Technology and Digital Product models, reorganising into smaller, autonomous units aligned to customer focus areas. We are adding 100 software engineers, increasing our capacity by 25% to empower faster innovation of our on-site customer experience while simplifying our structure. In February 2025, we welcomed Przemek Czarnecki who joined as EVP Technology and brings 30 years of experience in digital engineering and engineering management. We also announced the strengthening of our Commercial and Customer functions into a single team responsible for delivering an exciting customer journey on-site and off-site. This integrated function will further build on the great work of both teams by accelerating decision making and increasing effectiveness, including through a new geography-based structure designed to empower the customer and enable more tailored strategies that excite at a local level.

Much more product and experience-led innovation to come
We've made significant strategic improvements to our product offering already, but we see opportunity to drive this even further. We will continue to scale Test & React to 20% of own-brand sales in FY25, towards our medium-term target of 30%. We have another 40 exciting new partner brands joining us in H2, including inclusive denim favourite Good American and Pharell William's iconic Ice Cream label. We'll continue to grow our flexible fulfilment models, through launching Partner Fulfils with new brands and in new geographies, including the US, and launching ASOS Fulfilment Services with a major brand partner.

We can see early signs of our re-invigorated product offering resonating with customers, however, we know we must go further, shout louder, and bring the best of ASOS to more future core customers. We have continued to rebalance our marketing investment towards brand and influencer marketing, lowering our performance marketing by c.30% in H1. In order to build lasting, engaged relationships with our core customers we need to deliver consistent and engaging brand messaging both on-and-offsite. We can see the impact when we connect with our customers in an authentic and personalised way, which is a key focus throughout our customer journey.

We want our customers to feel rewarded and connected to ASOS by bringing them more reasons to discover, browse and shop with us. In March, we launched the first phase of our new loyalty program, ASOS.WORLD, which gives customers exclusive, fashion-first benefits, from early access to the hottest products, to invites to exclusive events, priority back-in-stock notifications, and more. The initial roll-out is targeted to a small group of customers in the UK, with plans to scale the program out further in H2. The program will be free to join, with a tiered approach, ensuring customers receive personalised rewards and experiences reflecting their loyalty and engagement with ASOS. Our newly enhanced AI Stylist tool has been a key highlight for our early ASOS.WORLD customers, driving a c.60% increase in saved items.

We are transforming our search and recommendation experience with AI-driven technologies to enhance relevance, personalisation and usability. As well as our AI Stylist fashion advisor, we have developed an AI-based outfit generator which understands clothing compatibility and can be used to create original outfits from individual products, leveraging looks manually curated by our stylists to create more personalised styling inspiration. In H2, we will be piloting this, as well as a live shopping feature and enhanced video content to generate further engagement with our customers.

Topshop and Topman ('TSTM') are two brands with incredible heritage and from listening to customers, we know that the right place for TSTM to shine is both online and offline. To do this, we have launched a dedicated cross-functional team, supported by ASOS' infrastructure, to ensure TSTM can thrive as standalone brands, on and off the ASOS.com platform. In H1, we've been rebuilding engagement with our customers, and ramping up our brand activity including events and experiences. Through a select range of wholesale partners and the launch of Topshop.com by the end of FY25, we're excited to bring the best of TSTM to customers through new avenues.

Outlook and guidance

In FY25, the benefits of our new commercial model will become increasingly apparent. As such, we continue to expect FY25 gross margin improvement of at least 300 bps to more than 46%, and adjusted EBITDA growth of at least 60% to £130m to £150m, post TSTM JV impact[9]. We expect FY25 free cash flow to be broadly neutral, with capex of c.£130m[10] and cash interest of c.£35m. We will continue to focus on creating a solid and profitable base upon which we will drive sustainably profitable revenue growth. For FY25, we expect revenue growth towards the bottom end of consensus range. FY25 GMV growth expected to be 1-2ppts better than revenue growth as a result of our FF models scaling.

We have made substantial progress on our operational cost structure and as such we feel confident that for FY26 we will generate meaningful free cash flow.

Our core focus remains sustainable, profitable growth. In the mid-term we continue to expect to generate adjusted EBITDA sustainably ahead of capex, interest, tax and leases, with revenue growth and an adjusted EBITDA margin of c.8%. Our new commercial model can drive materially higher gross margin towards c.50% through higher full-price sales mix and flexible stock models, which also benefit our inventory days. Our focus on efficient capital allocation will bring our capex down to 3% to 4% of sales, over time, we anticipate that our improving profitability and cash flow will also reduce our net debt and interest levels.

Notes

1. Numbers throughout this section are subject to rounding.
2. Like-for-like ('LFL') adjusted revenue are adjusted for the impact of foreign exchange translation (constant currency sales).
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. Adjusted cost to serve defined as operating costs (excluding depreciation, amortisation, impairments and adjusting items) as a percentage of adjusted revenue.
5. Kantar Fashion Clothing, Footwear & Accessories 24 weeks ended 2nd March 2025
6. Gross Merchandise Volume ('GMV'): Adjusted retail sales plus revenue attributable to flexible fulfilment partners, net of returns and excluding sales tax.
7. The arrangement with Heartland, whilst referred to as a joint venture throughout this report, will be accounted for as an associate, as detailed in note 12 of the Financial Statements
8. Company-compiled consensus range for FY25 revenue growth of -9% to -2%, as of 31 March 2025.
9. As guided in September 2024, the TSTM JV is expected to have a £10-20m negative impact on EBITDA in FY25, and to be increasingly EBITDA accretive over time.
10. To remain comparable with previous guidance, expenditure relating to the automation of Atlanta has been included in this figure, but will be reported as a non-underlying operating cost in FY25 results.

Financial review

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

					26 weeks to 2 March 2025		
£m	**UK**	**EU**	**US**	**Rest of World**	**Total reported**	**Adjusting items[3]**	**Total adjusted**
Retail sales[4]	598.5	414.4	120.1	94.8	1,227.8	(5.5)	1,222.3
Income from other services[5]	36.7	15.4	13.0	6.5	71.6	(2.3)	69.3
Total revenue	**635.2**	**429.8**	**133.1**	**101.3**	**1,299.4**	**(7.8)**	**1,291.6**
Cost of sales					(712.8)	5.4	(707.4)
Gross profit					**586.6**	**(2.4)**	**584.2**
Distribution expenses					(138.8)	-	(138.8)
Administrative expenses					(447.7)	42.3	(405.4)
Other income					16.3	(13.8)	2.5
EBITDA					**16.4**	**26.1**	**42.5**
Depreciation, amortisation and impairments					(226.5)	144.4	(82.1)
Operating loss					**(210.1)**	**170.5**	**(39.6)**
Finance income					3.1	-	3.1
Finance expense					(34.5)	1.5	(33.0)
Loss before tax					**(241.5)**	**172.0**	**(69.5)**

During the 26 weeks to 2 March 2025 (the period) the Group realised an adjusted loss before tax of £69.5m, and an Adjusted EBITDA of £42.5m, a £58.8m improvement on the results for the same period last year.

Building on the progress made in the previous financial period, as a result of the focus on improving stock health and clearing aged inventory last year, we've been able to leverage the benefits of our new stock operating model; increasing full price sales mix and improving profitability. Gross margin has improved significantly to 45.2%, a 490bps increase vs. H1 FY24 and has also supported improved variable cost to serve through better basket economics. Top-line sales have fallen YoY which leads to a deleveraging impact on fixed costs. These factors combine to drive an overall increase in cost to serve of 60bps and an Adjusted EBITDA margin of 3.3% (H1 FY24 AEBITDA margin loss of (1.1%)).

The reported loss before tax of £241.5m for the period includes adjusting items totalling £172.0m. Property-related initiatives account for £179.6m, including the mothballing of our US fulfilment centre, announced on 15 January 2025. The majority of the expenditure under this programme is the non-cash impairment of tangible, intangible and right-of-use assets.

Outside of the US programme, other adjusting items include a £13.8m gain relating to the sale of the TSTM brands, reported within other income. The remaining £6.2m relates to a range of strategic initiatives as we align our organisational structure to accelerate future tech development.

Revenue

	26 weeks to 2 March 2025	26 weeks to 3 March 2024	Change
Active customers (m)[6]	**18.0**	21.4	*(16%)*
Average basket value (£)[7]	**42.38**	41.16	*3%*
Average basket value CCY (£)[8]	**42.92**	41.16	*4%*
Average order frequency[9]	**3.41**	3.42	-
Total shipped orders (m)	**28.8**	34.8	*(17%)*
Total visits (m)	**984.1**	1,189.2	*(17%)*
Conversion[10]	**2.9%**	2.9%	-

Total LFL sales declined by 13%[2] continuing the trends seen in H2 FY24, as we annualise the reduction of old and aged inventory. However, this overall decline masks some positive indicators of the long-term benefits from the transformation programmes which have impacted on top-line, with full-priced sales of our own brands returning to growth in the period. This is a key leading indicator of our planned return to sustainable, profitable growth.

The number of active customers decreased by 16% YoY, also reflecting a continuation of trends observed in prior periods as we focus on improving the profitability of our customers. This strategic shift is partially demonstrated by the rise in Average Basket Value ('ABV'), which increased by 4% vs. H1 FY24.

Visits performance has tracked broadly in line with the overall decline in number of active customers, however we've seen conversion remain in line with H1 FY24, despite the significant reduction in promotional activity which has historically provided a benefit.

In H2 FY24, we introduced a net order threshold on free returns for some customers with excessive return rates in France, Germany, and the US, and this policy was expanded to include UK customers in H1 FY25. The initiative is designed to enhance profitability within a small subset of customers which has been delivered through improved return rates, and the introduction of returns fee income. However, this results in a modest contribution to the revenue decline, as the focus shifts to achieving fewer, more profitable, sales.

Performance by market

United Kingdom

	26 weeks to 2 March 2025
Total Sales	**-6% (-6% LFL)**
Visits	**-13%**
Orders	**-13%**
Conversion	**flat**
ABV	**+6% (+6% CCY)**
Active Customers	**6.6m (-11%)**

The UK performed ahead of other markets in H1 FY25, declining by 6% YoY[2]. This reflects the difficult consumer backdrop and cost-of-living challenges continuing to impact the fashion retail sector. However, the encouraging trajectory observed in H2 FY24, driven by enhanced stock health and increased demand for own brand product, has continued in H1 FY25, with full-priced sales showing YoY growth in the period, demonstrating the demand for our product and the ability to successfully grow with lower promotional activity and stock levels.

Active customers declined by 11% YoY, driven in part by softer market demand, which also resulted in a 13% YoY drop in visits and orders during the period. However, this was partially mitigated by a step-up in ABV +6% YoY, mainly driven by increased full price sales mix and reduction in the level of discounting.

Europe

	26 weeks to 2 March 2025
Total Sales	**-19% (-17% LFL)**
Visits	**-18%**
Orders	**-20%**
Conversion	**flat**
ABV	**+1% (+4% CCY)**
Active Customers	**8.2m (-14%)**

Sales in European markets declined 17% YoY[2], reflecting weaker consumer demand and continued high levels of competition in the region. Reduced traffic led to a reduction in orders of 20% which was partially offset by improved ABV, increasing by 4% YoY.

In addition to general market factors, we do see some impact on top-line performance from the initiatives implemented to improve our profitability in previous periods. This includes the reduced levels of clearance inventory, and the net order threshold for free returns introduced in H2 FY24 for customers with excessive returns. However, due to the low margin and high cost-to-serve on these sales whilst negatively impacting top line performance we see a resulting improvement in overall variable contribution.

United States

	26 weeks to 2 March 2025
Total Sales	**-30% (-28% LFL)**
Visits	**-29%**
Orders	**-33%**
Conversion	**-10bps**
ABV	**+7% (+10% CCY)**
Active Customers	**1.8m (-32%)**

Total US sales fell by 28% YoY[2], reflecting the annualisation of initiatives targeting improved profitability in the region which primarily came into effect in H2 FY24 alongside broader market conditions. Visits were down by 29% YoY and a small decline in conversion of 10bps led to a reduction in orders of 33%.

Countering the impact of lower volumes however, ABV performed particularly well in this market, increasing 10% vs. H1 FY24, partially mitigating the order decline and supporting significant improvements in profitability.

Rest of World

	26 weeks to 2 March 2025
Total Sales	**-10% (-9% LFL)**
Visits	**-15%**
Orders	**-14%**
Conversion	**flat**
ABV	**+3% (+3% CCY)**
Active Customers	**1.4m (-26%)**

Rest of World ('RoW') sales declined by 9% YoY[2]. Similarly to other markets, active customers were down YoY (26%) however order frequency increased, mitigating some of the impact on orders, which declined by 14%. ABV was ahead of last year, +3%, which further closed the gap in sales and these improvements in basket economics also supports improved profitability.

These results reflect an improvement to the sales trajectory as we annualise the actions taken in previous periods. On a rolling 12 month ('R12M') basis the annual decline has reduced in every month since Q4 FY24.

Gross margin

Adjusted gross margin[3] increased 490bps YoY to 45.2%, reflecting the continued success of our new commercial operating model.

Building on the actions taken in FY24 to enhance stock health and secure sustainable profitability improvements, H1 FY25 performance demonstrates the transformative benefits of the fresher, more relevant stock pool, supporting a significant reduction in the level of discounting and driving a 490bps improvement to our adjusted gross margin.

The increased use of promotional exclusions has allowed us to safeguard fast-selling full-price items, while clearance efforts have focused on seasonally relevant and appealing stock for customers, reinforcing the more efficient stock operating model.

Reported gross margin was 45.1%, a 510bps improvement YoY, with the additional YoY benefits being driven by non-underlying stock write-off programmes in H1 FY24.

Operating expenses

As a result of the deleveraging impact on fixed costs from the lower sales performance, alongside inflationary cost pressures and the inclusion of royalties relating to the TSTM brands, adjusted cost to serve increased by 60bps to 42.1%. The full impact of these headwinds was mitigated by benefits from the improved basket economics alongside continued focus throughout the organisation on operational efficiency and cost discipline.

£m	**26 weeks to 2 March 2025**	**% of sales[11]**	26 weeks to 3 March 2024	% of sales[11]	Change in £ Value
Distribution costs	**(138.8)**	**(10.7%)**	(172.6)	(11.5%)	*19.6%*
Warehousing	**(135.8)**	**(10.5%)**	(166.1)	(11.1%)	*18.2%*
Marketing	**(89.3)**	**(6.9%)**	(100.8)	(6.7%)	*11.4%*
Other operating costs	**(180.3)**	**(14.0%)**	(182.1)	(12.2%)	*1.0%*
Adj. Cost to serve (excl. D&A)	**(544.2)**	**(42.1%)**	**(621.6)**	**(41.5%)**	**12.5%**
Adj. depreciation and amortisation and impairments	(82.1)	(6.4%)	(81.8)	(5.5%)	(0.4%)
Adj. operating costs	**(626.3)**	**(48.5%)**	**(703.4)**	**(47.0%)**	**11.0%**
Adjusting items within operating costs	(186.7)	(14.4%)	(146.8)	(9.8%)	(27.2%)
Total operating costs	**(813.0)**	**(62.6%)**	**(850.2)**	**(56.5%)**	**4.4%**

Distribution costs decreased by 80bps YoY to 10.7% of sales. Improved returns rates and basket economics alongside continued carrier optimisation resulted in cost savings, despite the impact of inflationary pressures and reduced volume-based rebates as a result of the lower sales volume.

Warehouse costs decreased by 60bps YoY to 10.5% of sales despite the deleveraging impact on fixed costs and continued high levels of wage inflation in the markets we operate in. This was achieved through the improved basket economics alongside the annualisation of network optimisation works in FY24, including the closure of our Lichfield fulfilment centre and a returns processing centre, alongside an enhanced continuous improvement programme driving ongoing efficiency benefits.

Marketing costs at 6.9% of sales increased by 20bps YoY. Towards the end of FY24 we focused on optimising our performance marketing model which has enabled us to reduce spend in these channels while delivering an increased variable contribution, and importantly supported our ability to further invest in our full-funnel strategy. As part of this strategy, we have scaled our influencer programme, increasing by c.30% against the end of H2 FY24.

Other operating costs fell by c.£1.8m YoY, despite facing similar inflationary pressures to our wider cost base and the impact of royalties now payable in relation to the TSTM brands. This reduction reflects the ongoing benefits of optimising our fixed cost base during the previous financial period, coupled with a sustained focus on enhancing profitability through disciplined cost control. Headcount fell by a further 2.0% over the period.

Depreciation and amortisation costs (excluding adjusting items) increased by 90bps YoY. This was driven by the deleveraging impact of lower revenue, with the absolute depreciation and amortisation charge broadly in line with H1 FY24.

Interest

A finance expense (excluding adjusting items) of £33.0m was incurred in the period, compared to £27.3m in H1 FY24. This reflects the higher margin payable post the September 2024 refinancing on the convertible bond, partially offset by lower interest on the term loan primarily as a result of the principle repayment made earlier in the year.

Finance income of £3.1m includes interest earned on deposits at financial institutions, a decrease of £2.3m YoY. This decrease was primarily a result of lower cash held on deposit following the refinancing programme at the beginning of the period.

Taxation

The reported effective tax rate is 17.7% based on the reported loss before tax of £241.5m. This is higher than the H1 FY24 effective tax rate of 9.9% primarily due to the effect of lower unrecognised deferred tax assets on losses in the current period.

Earnings per share

Both basic and diluted loss per share were 166.8p (H1 FY24: basic and diluted loss per share of 204.3p). The lower loss per share is mainly due to lower loss after tax for the period of £198.8m (H1 FY24: £243.2m). The potentially convertible shares related to both the convertible bond and ASOS' employee share schemes have been excluded from the calculation of diluted loss per share as they are anti-dilutive for the period ended 2 March 2025.

Free cash flow

£m	**26 weeks to 2 March 2025**	26 weeks to 3 March 2024
AEBITDA	**42.5**	(16.3)
Share-based payments and other non-cash items included in AEBITDA	**(1.7)**	3.2
Cash impacting operating adjusting items	**(12.2)**	(7.7)
Income tax received	**-**	5.2
Decrease in inventory (excl. swo)[12]	**103.2**	175.5
Increase in other working capital[13]	**(148.8)**	(66.7)
Operating cash flow	**(17.0)**	**93.2**
Purchase of property, plant & equipment and intangible assets	**(47.4)**	(86.1)
Payment of lease liabilities (principal)	**(13.7)**	(12.5)
Interest received	**3.6**	5.4
Interest paid	**(9.6)**	(21.1)
Free cash flow	**(84.1)**	**(21.1)**
Proceeds from sale of investments	**135.0**	-
Repayment of borrowings	**(210.7)**	-
Cash impacting financing adjusting items[14]	**(10.5)**	-
Cash flow	**(170.3)**	**(21.1)**

In line with management expectations, there was a free cash outflow[15] (before items relating to financing) of £84.1m for the period, a deterioration of £63.0m YoY.

The YoY performance was driven by two key factors:

(1) H1 FY24 benefitted from a £175.5m reduction in inventory, whilst there is a normal seasonality to the inventory levels, this movement was exaggerated by the high levels of clearance activity in the previous year as we worked to improve stock health, whereas H1 FY25 is more in line with normal operating conditions.
(2) H1 FY25 has an increased outflow from other working capital, which primarily relates to movements in stock payables. Higher payables at the end of FY24 alongside a change to our intake profile ensuring we had the best stock available for key trading moments throughout the period led to a reduced cash benefit in H1 FY25. Underlying working capital is in a strong position with an improvement in the aggregate payment terms across our purchases.

This cash profile was in line with expectations and we remain confident in our full year free-cashflow guidance, being broadly neutral.

Cash was used to fund capital investments of £47.4m, a reduction of £38.7m (44.9%) YoY with spend lower across both intangible assets and property, plant and equipment. This figure includes £3.5m of spend in the period relating to the US fulfilment centre which has subsequently been impaired; excluding this, capital investment would total £43.9m for the period.

Net debt, refinancing and liquidity

£m	**26 weeks to 2 March 2025**	26 weeks to 3 March 2024
Convertible bond (fair value of debt component)	**336.7**	471.1
Term loan, including accrued interest	**153.3**	187.7
Nordstrom loan	**6.5**	20.3
Put option liability[16]	**-**	2.0
Borrowings	**496.5**	**681.1**
Cash & cash equivalents	**(220.7)**	(332.3)
Net debt (excluding lease liabilities)	**275.8**	**348.8**

Excluding lease liabilities, net debt at 2 March 2025 was £275.8m, a reduction of £73.0m YoY. Borrowings fell by £191.6m since the beginning of the period as a result of the refinancing activities, partially offset by lower cash both as a result of the reduction in our borrowing and the impact of the free cash outflow outlined above.

Cash and undrawn facilities totalled £220.7m at 2 March 2025 (H1 FY24: £361.2m). The strong progress on inventory, alongside the disposal of TSTM IP, led to a reduction in the available RCF under the Bantry Bay facility which is now at £nil. Whilst overall liquidity has reduced by £140.5m YoY, we are no longer subject to a minimum liquidity threshold (H1 FY24: £90m) and the only covenant applicable is that the group must remain in a positive liquidity position, as shared in our FY24 results.

Dave Murray
Chief Financial Officer

Notes

1. Numbers throughout this section are subject to rounding.
2. Constant currency ('CCY') and Like-for-like ('LFL') sales include retail sales and income from other services, 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 after the consolidated financial statements on pages 47 to 50.
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 of delivery receipt payments, marketing services, commission on sales through 'Flexible Fulfilment' models, revenue from wholesale sales, and jobber income.
6. Active customers defined as having shopped in the last 12 financial months.
7. Average basket value is defined as adjusted net retail sales divided by shipped orders.
8. Average basket value CCY is calculated as adjusted constant currency net retail sales divided by shipped orders.
9. Average order frequency is calculated as total shipped orders in the last 12 financial months divided by active customers.
10. Conversion is calculated as total shipped orders divided by total visits.
11. As a percentage of adjusted revenue for all lines other than 'Total operating costs' which is expressed as a percentage of reported revenue.
12. Stock-write-offs associated with our Driving Change agenda as announced in the ASOS Plc Annual Report and Accounts 2024, accounted for £5.4m of the decrease in inventory during H1 FY25.
13. Includes working capital movements associated with adjusting items; a breakdown is included in the APMs section after the consolidated financial statements on pages 47 to 50.
14. Financing adjusting items relate to refinancing costs as announced in October 2024.
15. Free cash flow is net cash generated from operating activities, less payments to acquire intangible and tangible assets, payment of the principal portion of lease liabilities and net finance expenses.
16. Reclassified to other payables during the end of FY24.

Investor and analyst meeting

The group will be hosting a presentation for analysts and investors at 09.30am on Thursday 24th April 2025. A live webcast will also be available, and a recording of the presentation will be uploaded to the ASOS Investor Relations website afterwards.

To access live please dial +44 (0) 330 551 0200 and quote 'ASOS – HY Results' when prompted by the operator.

A live stream of the event will be available here.

A recording of this webcast will be available on the ASOS Plc investor centre website after the event: https://www.asosplc.com/investor-relations/

For further information:

Investors: Emily MacLeod, ASOS Head of Strategy and Investor Relations Tel: 020 7756 1000

Media: Jonathan Sibun / Will Palfreyman, Teneo Tel: 020 7353 4200

Background note

Founded in 2000, ASOS has 18m active customers in over 200 markets. We bring fashion lovers around the world the best and most relevant fashion through our unique own brands including ASOS DESIGN, ASOS EDITION, 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.

CONSOLIDATED INCOME STATEMENT
for the 26 weeks to 2 March 2025

		26 weeks to 2 March 2025			26 weeks to 3 March 2024		
	Note	**Adjusted £m**	**Adjusting items (Note 3) £m**	**Total £m**	Adjusted £m	Adjusting items (Note 3) £m	Total £m
Revenue	4	**1,291.6**	**7.8**	**1,299.4**	1,497.5	8.3	1,505.8
Cost of sales		**(707.4)**	**(5.4)**	**(712.8)**	(893.3)	(10.2)	(903.5)
Gross profit		**584.2**	**2.4**	**586.6**	604.2	(1.9)	602.3
Distribution expenses		**(138.8)**	**-**	**(138.8)**	(172.6)	-	(172.6)
Administrative expenses		**(487.5)**	**(186.7)**	**(674.2)**	(530.8)	(146.8)	(677.6)
Other income		**2.5**	**13.8**	**16.3**	1.1	-	1.1
Operating loss		**(39.6)**	**(170.5)**	**(210.1)**	(98.1)	(148.7)	(246.8)
Finance income	6	**3.1**	**-**	**3.1**	5.4	-	5.4
Finance expenses	6	**(33.0)**	**(1.5)**	**(34.5)**	(27.3)	(1.3)	(28.6)
Loss before tax		**(69.5)**	**(172.0)**	**(241.5)**	(120.0)	(150.0)	(270.0)
Income tax credit/(charge)	7	**13.3**	**29.4**	**42.7**	(1.7)	28.5	26.8
Loss for the period		**(56.2)**	**(142.6)**	**(198.8)**	(121.7)	(121.5)	(243.2)
Loss per share				**pence per share**			pence per share
Basic per share	8			**(166.8)**			(204.3)
Diluted per share	8			**(166.8)**			(204.3)

All activities in the current and prior period are continuing.

The notes on pages 20 to 42 form an integral part of these condensed consolidated interim financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the 26 weeks to 2 March 2025

	26 weeks to 2 March 2025 £m	26 weeks to 3 March 2024 £m
Loss for the period	**(198.8)**	(243.2)
Items that will not be reclassified subsequently to profit or loss		
Net fair value gains/(losses) on cash flow hedges	**3.0**	(2.8)
Tax on items that will not be reclassified	**(1.3)**	1.2
	1.7	(1.6)
Items that may be reclassified subsequently to profit or loss		
Net translation movements	**0.2**	-
Net fair value gains on cash flow hedges	**8.2**	-
Fair value movements reclassified from cash flow hedge reserve to profit or loss	**(8.0)**	(6.8)
Tax on items that may be reclassified	**(0.1)**	1.7
	0.3	(5.1)
Other comprehensive income/(loss) for the period	**2.0**	(6.7)
Total comprehensive loss for the period attributable to owners of the parent company	**(196.8)**	(249.9)

The notes on pages 20 to 42 form an integral part of these condensed consolidated interim financial statements.

CONSOLIDATED BALANCE SHEET
as at 2 March 2025

	Note	**2 March 2025 £m**	1 September 2024 £m	3 March 2024 £m
Non-current assets				
Goodwill and other intangible assets	9	**492.4**	514.0	691.7
Property, plant and equipment	10	**168.2**	283.2	289.0
Right-of-use assets	11	**180.2**	254.0	265.8
Investment properties		**6.6**	7.1	9.4
Investments in associates	12	**46.3**	-	-
Trade and other receivables		**2.9**	3.7	-
Derivative financial assets		**0.5**	0.3	0.4
Deferred tax assets	7	**104.7**	62.5	50.9
		1,001.8	1,124.8	1,307.2
Current assets				
Inventories		**411.7**	520.3	592.5
Assets held for sale	3	**-**	165.5	-
Trade and other receivables		**63.7**	53.4	81.8
Derivative financial assets		**10.4**	9.5	12.9
Cash and cash equivalents		**220.7**	391.0	332.3
Current tax assets		**7.8**	6.7	3.5
		714.3	1,146.4	1,023.0
Current liabilities				
Trade and other payables	14	**(546.7)**	(671.7)	(633.0)
Borrowings	17	**(18.5)**	(1.6)	(2.3)
Lease liabilities	11	**(26.4)**	(27.2)	(34.8)
Derivative financial liabilities		**(4.3)**	(6.6)	(3.3)
Provisions	15	**(4.9)**	(2.7)	(3.0)
Current tax liabilities		**(4.5)**	(4.2)	-
		(605.3)	(714.0)	(676.4)
Net current assets		**109.0**	432.4	346.6
Non-current liabilities				
Borrowings	17	**(478.0)**	(686.5)	(678.8)
Lease liabilities	11	**(208.9)**	(262.4)	(268.3)
Derivative financial liabilities		**(0.2)**	(0.5)	(0.5)
Provisions	15	**(102.9)**	(86.5)	(86.6)
		(790.0)	(1,035.9)	(1,034.2)
Net assets		**320.8**	521.3	619.6
Equity attributable to owners of the parent				
Called up share capital		**4.2**	4.2	4.2
Share premium		**322.6**	322.6	322.6
Other reserves		**14.3**	61.9	65.3
(Accumulated losses)/retained earnings		**(20.3)**	132.6	227.5
Total equity		**320.8**	521.3	619.6

The notes on pages 20 to 42 form an integral part of these condensed consolidated interim financial statements.

These unaudited condensed consolidated interim financial statements for the 26 weeks to 2 March 2025 were approved by the Board on 24 April 2025.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the 26 weeks to 2 March 2025

	Called up share capital	Share premium	Other reserves[1]	Retained earnings/ (accumulated losses)[2]	Total equity
	£m	£m	£m	£m	£m
As at 2 September 2024	**4.2**	**322.6**	**61.9**	**132.6**	**521.3**
Loss for the period	**-**	**-**	**-**	**(198.8)**	**(198.8)**
Other comprehensive income for the period	**-**	**-**	**2.0**	**-**	**2.0**
Total comprehensive income/(loss) for the period	**-**	**-**	**2.0**	**(198.8)**	**(196.8)**
Cash flow hedges gains and losses transferred to non-financial assets	**-**	**-**	**0.6**	**-**	**0.6**
Share-based payments charge	**-**	**-**	**-**	**2.6**	**2.6**
Repurchase and refinance of convertible bond (Note 17)	**-**	**-**	**(50.2)**	**43.3**	**(6.9)**
Balance as at 2 March 2025	**4.2**	**322.6**	**14.3**	**(20.3)**	**320.8**
As at 4 September 2023	4.2	322.6	73.1	466.8	866.7
Loss for the period	-	-	-	(243.2)	(243.2)
Other comprehensive loss for the period	-	-	(6.7)	-	(6.7)
Total comprehensive loss for the period	-	-	(6.7)	(243.2)	(249.9)
Cash flow hedges gains and losses transferred to non-financial assets	-	-	(1.1)	-	(1.1)
Share-based payments charge	-	-	-	4.0	4.0
Tax relating to share option scheme	-	-	-	(0.1)	(0.1)
Balance as at 3 March 2024	4.2	322.6	65.3	227.5	619.6

[1] Other reserves includes the cash flow hedge reserve, currency translation reserve and convertible bond reserve.
[2] Retained earnings includes the share-based payments reserve, and employee benefit trust reserve.

The notes on pages 20 to 42 form an integral part of these condensed consolidated interim financial statements.

CONSOLIDATED CASH FLOW STATEMENT
for the 26 weeks to 2 March 2025

	26 weeks to 2 March 2025 £m	26 weeks to 3 March 2024 £m
Cash flows from operating activities		
Operating loss	**(210.1)**	(246.8)
Adjusted for:		
Depreciation of property, plant and equipment, right-of-use assets and investment properties	**26.2**	28.9
Amortisation of other intangible assets	**57.8**	58.3
Impairment charges on non-financial assets	**142.5**	115.8
Share-based payments charge (net of amounts capitalised)	**2.1**	3.2
Share of associate's net profit	**(1.3)**	-
Gain on disposal of brands	**(13.8)**	-
Gain on refinancing	**(2.6)**	-
Other non-cash items	**(2.5)**	-
Decrease in inventories	**108.6**	175.5
Increase in trade and other receivables	**(10.8)**	(0.4)
Decrease in trade and other payables	**(127.0)**	(52.8)
Increase in provisions	**13.9**	6.3
Cash (used in)/generated from operating activities	**(17.0)**	88.0
Net income tax received	**-**	5.2
Net cash (used in)/generated from operating activities	**(17.0)**	93.2
Cash flows from investing activities		
Purchase of other intangible assets	**(42.0)**	(53.4)
Proceeds from sale of brands	**135.0**	-
Purchase of property, plant and equipment	**(5.4)**	(32.7)
Interest received	**3.6**	5.4
Net cash generated from/(used in) investing activities	**91.2**	(80.7)
Cash flows from financing activities		
Repayment of borrowings	**(63.3)**	-
Repurchase of convertible bond	**(147.4)**	-
Refinancing fees paid	**(10.5)**	-
Repayment of principal portion of lease liabilities	**(13.7)**	(12.5)
Interest paid	**(9.6)**	(21.1)
Net cash used in financing activities	**(244.5)**	(33.6)
Net decrease in cash and cash equivalents	**(170.3)**	(21.1)
Opening cash and cash equivalents	**391.0**	353.3
Effect of exchange rates on cash and cash equivalents	**-**	0.1
Closing cash and cash equivalents	**220.7**	332.3

The notes on pages 20 to 42 form an integral part of these condensed consolidated interim financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the 26 weeks to 2 March 2025

1. General information

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 period represents the 26 weeks to 2 March 2025 (comparative financial period: 26 weeks to 3 March 2024, and prior financial period: 52 weeks to 1 September 2024). The financial information comprises the results of the Company and its subsidiaries.

2. Basis of preparation

The interim financial statements for the 26 weeks to 2 March 2025 have been prepared in accordance with UK-adopted IAS 34 *Interim Financial Reporting* and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority. The interim financial statements should be read in conjunction with the Group's Annual Report and Accounts for the 52 weeks to 1 September 2024, which was prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

The interim financial statements are unaudited, but have been reviewed by the auditors. The financial information presented herein does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The Annual Report and Accounts for the 52 weeks to 1 September 2024 have been filed with the Registrar of Companies. The auditors' report on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498(2) or (3) of the Companies Act 2006.

The financial information contained in the Interim Results is presented in sterling and rounded to the nearest million (£m), unless otherwise stated.

2.1. 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 August 2026.

In assessing the Group's going concern position, the Directors have considered the Group's detailed budgeting and forecasting process which reflects the Group's 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 2 March 2025, the Group was fully drawn on the £150m term loan with Bantry Bay, with a maturity of May 2027, along with £73.6m convertible bonds with a maturity of April 2026 and £253.0m of convertible bonds with a September 2028 maturity. The review included the continued availability of the term loan and 2028 bonds throughout the assessment, assuming repayment of the convertible bonds due in April 2026 from cash reserves. The Group has previously been subject to a minimum liquidity threshold of £90m, which has been removed as part of the new agreement and therefore the only covenant applicable, and primary test in the assessment, is that the Group must remain in a positive liquidity position. The Group is also subject to a springing maturity clause in the term loan facility in April 2026, conditional upon forward projection of base case cash flows, which was also considered as part of the assessment and is not expected to be triggered.

2. Basis of preparation continued
2.1 Going concern continued

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 in H1 FY25 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.

The assumptions considered include the continued refinement to the Group's new commercial model, and 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 less aggressive share loss in FY25 H2 than experienced in H1 owed to the successful adoption of the new commercial model and other internal actions, with assumed ASOS sales growth rates of 0% to (10%), returning to YoY market share parity during FY26. Improvements in adjusted gross margin of at least 300bps vs FY24 are assumed across the full financial year for FY25, moving towards our medium-term target margin rate in FY26.

Aligned to the Group's principal risks, the Directors have also considered various severe but plausible downside scenarios against the base case, comprising of the following assumptions:

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

The downside scenarios are considered across both FY25 and H1 FY26, 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	H2 FY25	H1 FY26	H2 FY26
Sales	(8%)	(13%)	(20%)
Margin	(330bps)	(320bps)	(320bps)
Working capital impact (average)	£(88m)	£(86m)	£(85m)

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 to match the sales reduction, 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 above the liquidity breach throughout 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 550bps across the entire assessment period. Both are considered remote based on results of previous significant economic events and recent trading performance.

The directors have considered climate-related risks as disclosed in the FY24 annual report. These risks have not materially changed and are not expected to impact the Group's ability to continue as a going concern.

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. Basis of preparation continued

2.2. Changes in accounting policies

The interim financial statements have been prepared in accordance with the accounting policies set out in the Group's Annual Report and Accounts for the 52 weeks to 1 September 2024 with the exception of the Group's basis of consolidation which now includes the Group's share of its interests in associates, accounted for using the equity method in accordance with IAS 28 – Investment in Associates and Joint Ventures. Refer to Note 12 for further details.

The Group has considered the following amendments to published standards that are effective for the Group for the financial period beginning 2 September 2024 and concluded that they are either not relevant to the Group or that they do not have a material impact on the Group's financial statements.

- Amendments to IFRS 16 Leases - Lease Liability in a Sale and Leaseback;
- Amendments to IAS 1 *Presentation of Financial Statements* – Classification of Liabilities as Current or Non-current and Non-current liabilities with Covenants; and
- Amendments to IAS 7 *Statement of Cash Flow* and IFRS 7 *Financial Instruments: Disclosures* – Supplier Finance Arrangements.

2.3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the interim 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.

The critical accounting judgements and key sources of estimation uncertainty remain consistent with those presented in Note 2 of the Group's Annual Report and Accounts for the 52 weeks to 1 September 2024.

2.4. 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 items excluded from adjusted profit with a more detailed analysis set out in Note 3. Other APMs that the Group has focused on in the period are defined and reconciled on pages 47 to 50. All of the APMs relate to the current period's results and comparative periods.

3. Adjusted profit before tax

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.

<u>Income statement</u>

26 weeks to 2 March 2025	**Revenue £m**	**Cost of sales £m**	**Administrative expenses £m**	**Other income £m**	**Finance expenses £m**	**Total before tax £m**	**Tax £m**	**Total £m**
Commercial operating model change	**7.8**	**(5.4)**	**(0.7)**	**-**	**-**	**1.7**	**(0.4)**	**1.3**
Property-related costs	**-**	**-**	**(178.1)**	**-**	**(1.5)**	**(179.6)**	**39.6**	**(140.0)**
Other strategic initiatives	**-**	**-**	**(5.8)**	**13.8**	**-**	**8.0**	**(2.0)**	**6.0**
Amortisation of acquisition intangibles	**-**	**-**	**(2.1)**	**-**	**-**	**(2.1)**	**0.5**	**(1.6)**
Unrecognised deferred tax assets	**-**	**-**	**-**	**-**	**-**	**-**	**(8.3)**	**(8.3)**
	7.8	**(5.4)**	**(186.7)**	**13.8**	**(1.5)**	**(172.0)**	**29.4**	**(142.6)**

26 weeks to 3 March 2024	Revenue £m	Cost of sales £m	Administrative expenses £m	Other income £m	Finance expenses £m	Total before tax £m	Tax £m	Total £m
Commercial operating model change	8.3	(10.2)	-	-	-	(1.9)	0.5	(1.4)
Property-related costs	-	-	(140.4)	-	(1.3)	(141.7)	35.5	(106.2)
Other strategic initiatives	-	-	(1.0)	-	-	(1.0)	0.2	(0.8)
Amortisation of acquisition intangibles	-	-	(5.4)	-	-	(5.4)	1.3	(4.1)
Unrecognised deferred tax assets	-	-	-	-	-	-	(9.0)	(9.0)
	8.3	(10.2)	(146.8)	-	(1.3)	(150.0)	28.5	(121.5)

3. Adjusted profit before tax continued

Cash flow statement

	26 weeks to 2 March 2025 £m	26 weeks to 3 March 2024 £m
Commercial operating model change	**6.2**	(0.9)
Property-related costs	**(8.7)**	-
Other strategic initiatives	**(9.7)**	(6.8)
Total adjusting items within operating cash flows	**(12.2)**	(7.7)

Of the net cash outflow in the current year, £7.8m relates to net expenditure incurred in the prior year.

Commercial operating model change
In FY23, the Group approved the introduction of a new commercial operating model, which involves a more disciplined approach to intake, increased speed to market and clearing product more quickly to reduce the Group's inventory requirement, increase full price sales and hence gross margin, and improve customer engagement. To unlock these benefits, the Group has had to clear old stock acquired under its previous ways of working via clearance routes, with additional costs recognised across FY23 and FY24 of £228.0m relating to inventory write-downs. The Group is now operating fully on the new model. The amounts recognised this year reflect the clearance of inventory, including the release of inventory provisions and stronger income per unit of inventory sold through clearance routes.

Property-related costs
In January 2025, the Group announced its intention to vacate the Atlanta distribution centre following the completion of the site's automation project during the current financial year. While the site is not yet being actively marketed, the Group has initiated steps to vacate and mothball the facility. As a result, costs of £177.3m have been incurred during the period (3 March 2024: £139.3m related to mothballing the Lichfield fulfilment centre). These costs are detailed below. Comparative amounts relate to similar costs recognised in the prior period for the closure of the Lichfield site.

	26 weeks to 2 March 2025 £m	26 weeks to 3 March 2024 £m
	Atlanta	**Lichfield**
Impairment of property, plant and equipment (a)	**(108.8)**	(97.7)
Impairment of intangible assets (a)	**(6.6)**	(1.8)
Impairment of right-of-use assets (a)	**(26.4)**	(15.2)
Non-capitalised spend (b)	**(17.1)**	(16.5)
Onerous occupancy costs (c)	**(15.3)**	(6.9)
Other costs to vacate	**(3.1)**	(1.2)
	(177.3)	**(139.3)**
Other property-related costs		
Other	**(2.3)**	(2.4)
Total property-related costs	**(179.6)**	**(141.7)**

a) Impairment of assets following the decision to vacate the site. The recoverable amount for Atlanta was determined to be £nil on the basis that the site would be mothballed (Lichfield: £nil).

b) Following the decision to vacate the site, management concluded that committed spend to complete the automation project was not eligible for capitalisation on the basis that it was no longer probable that the spend would result in future economic benefits. Therefore, the committed spend has been recognised in the income statement. Prior to the decision to vacate, the spend incurred was considered capital.

c) Onerous contract costs are those costs that the Group is contractually committed to due to being party to the lease. Upon initial recognition of such provisions, management uses its best estimates of the relevant costs to be incurred as well as expected closure dates. This excludes business rates on leased property which are recognised in the period they are incurred.

3. Adjusted profit before tax continued

Other strategic initiatives

	26 weeks to 2 March 2025 £m	26 weeks to 3 March 2024 £m
Technology restructuring (a)	**(7.7)**	-
Refinancing (b)	**2.6**	-
Disposal of brands (c)	**13.8**	-
Other	**(0.7)**	(1.0)
	8.0	(1.0)

a) Costs related to the Group's restructuring of its technology function during the period, creating a more agile and effective structure focused on better serving ASOS' customers and driving growth.

b) During the period, the Group launched a refinancing exercise of the Convertible Bonds due 2026 and secured an amendment and extension of its existing facilities with Bantry Bay Capital. The associated debt modification and transaction fees incurred resulted in a net impact of £2.6m to administrative expenses. Refer to Note 17 for more details.

c) Net gain on disposal of the Topshop/Topman brands to Heartland A/S during the year. The impact of the disposal on the Group's accounts is shown below:

	Income statement £m	Cash flow £m
Consideration		
Cash	**135.0**	**135.0**
Shares in associate entity (Note 12)	**45.0**	**-**
	180.0	**135.0**
Less: brands disposed (classified as assets held for sale)	**(165.5)**	**-**
Transaction costs[1]	**(0.7)**	**(2.1)**
Gain on disposal / cash flow on disposal	**13.8**	**132.9**

[1] £1.4m of transaction costs were accrued in the prior financial period.

Amortisation of acquired intangible assets

The amortisation of acquired intangible assets is adjusted for 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.

Unrecognised deferred tax assets

Deferred tax assets of £12.1m were not recognised in the period and were instead recognised in the income statement. Of the amounts not recognised, £8.3m was attributed to losses excluded from adjusted profit. Further information is included in Note 7.

4. Revenue

	26 weeks to 2 March 2025 £m	26 weeks to 3 March 2024 £m
Retail sales	**1,227.8**	1,433.5
Premier subscription revenue	**9.0**	11.1
Marketing and other services[1]	**24.1**	12.9
Delivery receipts	**28.9**	31.7
Wholesale revenue	**9.6**	16.6
	1,299.4	1,505.8

[1] Marketing and other services includes commission and jobber income.

5. 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 US, Europe and the Rest of the World. However, decisions on resource allocation are not made based on this information. Such decisions are made on ad hoc analysis, separately provided to the Management Committee, and does not constitute information that is either regularly provided to, nor reviewed by, the Management Committee. As a result, it has been concluded that the Group has only one operating segment (the Group level).

5. Segmental analysis continued

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

	26 weeks to 2 March 2025				
	UK	**EU**	**US**	**Rest of world**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**
Retail sales	**598.5**	**414.4**	**120.1**	**94.8**	**1,227.8**
Income from other services	**36.7**	**15.4**	**13.0**	**6.5**	**71.6**
Total revenue	**635.2**	**429.8**	**133.1**	**101.3**	**1,299.4**
Cost of sales					**(712.8)**
Gross profit					**586.6**
Distribution expenses					**(138.8)**
Administrative expenses					**(674.2)**
Other income					**16.3**
Operating loss					**(210.1)**
Finance income					**3.1**
Finance expense					**(34.5)**
Loss before tax					**(241.5)**
Non-current assets[1]	**687.2**	**166.4**	**7.8**	**-**	**861.4**

	26 weeks to 3 March 2024				
	UK	EU	US	Rest of world	Total
	£m	£m	£m	£m	£m
Retail sales	647.0	512.2	167.3	107.0	1,433.5
Income from other services	29.1	15.2	23.0	5.0	72.3
Total revenue	676.1	527.4	190.3	112.0	1,505.8
Cost of sales					(903.5)
Gross profit					602.3
Distribution expenses					(172.6)
Administrative expenses					(677.6)
Other Income					1.1
Operating loss					(246.8)
Finance income					5.4
Finance expense					(28.6)
Loss before tax					(270.0)
Non-current assets (as at 3 March 2024)[1]	858.8	182.4	179.5	-	1,220.7
Non-current assets (as at 1 September 2024)[1]	668.6	175.0	183.2	-	1,026.8

[1] Excluding goodwill, derivative financial assets and deferred tax assets.

6. Finance income and finance expense

	26 weeks to 2 March 2025 £m	26 weeks to 3 March 2024 £m
Finance income		
Interest on deposits	**3.1**	5.4
Finance expenses		
Interest on borrowings	**(32.7)**	(29.5)
IFRS 16 lease interest	**(3.0)**	(2.5)
Provisions – unwind of discount	**(1.8)**	(1.4)
Interest capitalised	**3.0**	4.8
Total finance expenses	**(34.5)**	(28.6)
Net finance expense	**(31.4)**	(23.2)

7. Taxation

	26 weeks to 2 March 2025 £m	26 weeks to 3 March 2024 £m
Current year overseas tax	**0.6**	0.1
Adjustment in respect of prior year corporation tax	**(0.2)**	2.6
Total current tax expense	**0.4**	2.7
Origination and reversal of temporary differences	**(54.7)**	(65.3)
Unrecognised deferred tax assets	**12.1**	34.8
Adjustment in respect of prior years	**(0.5)**	1.0
Total deferred tax credit	**(43.1)**	(29.5)
Total income tax credit in income statement	**(42.7)**	(26.8)
Analysed as:		
Tax on adjusted profit	**(13.3)**	1.7
Tax on items excluded from adjusted profit	**(29.4)**	(28.5)
Total income tax credit in income statement	**(42.7)**	(26.8)
Effective tax rate	**17.7%**	9.9%

Income tax is recognised using management's estimate of the weighted average effective annual income tax rates for corporate and deferred taxes expected for the full financial year, including stock provision adjustments but excluding all other adjusting items (refer to Note 3 for adjusting items), prior year adjustments, share based payments and derivatives, which are recognised on an actuals basis. The estimated average annual tax rate used for the 26 weeks to 2 March 2025 is 22.9% compared to 24.1% for the six months to 3 March 2024.

The reported effective tax rate is 17.7% based on the reported loss before tax of £241.5m.

7. Taxation continued

Pillar 2 disclosures

FY25 is the first year that ASOS falls within the Pillar Two income taxes legislation. Under this legislation, the parent company is required to pay, in the UK, top-up tax on profits of its subsidiaries and any UK profits that are taxed at an effective tax rate of less than 15%. This legislation is not anticipated to have a material impact on the financial position of the Group since the countries in which the Group has operations, including the UK, all pay taxes above 15% and forecasts support the expectation that, after considering relevant adjustments, this will continue to be the case. Based on current forecasts for the period ended 31 August 2025, the transitional safe harbours will apply such that no top-up taxes will arise. The Group continues to assess the impact of the Pillar Two income taxes legislation on its future financial performance. The Group has applied the exception under IAS 12 *Income Taxes* to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

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 determining the amount of deferred tax assets recognised, management makes estimates of future taxable profits and the period over which deferred tax assets will be recoverable. 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 difference.

As at 2 March 2025, the Group has recognised net deferred tax assets amounting to £104.7m. A further £64.5m of deferred tax assets in relation to losses have not been recognised, of which £12.1m arose in HY25. The Group believes that it is probable that future taxable profits 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 the forecast taxable profits would increase/decrease the amount of deferred tax asset recognised by £8.0m, which is considered a reasonably possible change.

The deferred tax assets unrecognised relate to losses on a mix of adjusted and non-adjusted items. Therefore the charge relating to the unrecognised deferred tax asset has been apportioned between adjusted and unadjusted profit in proportion to the total tax losses arising within each category, with £8.3m recognised outside adjusted profit, and £3.8m within adjusted profit.

8. 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 period. Own shares held by the Employee Benefit Trust and Link Trust are excluded from the weighted average number of ordinary shares.

Diluted earnings per share is calculated on the same basis as basic earnings per share, but with the weighted average share numbers adjusted for the weighted average effects of potentially dilutive shares. These represent share options granted by the Group, including performance-based options, where the scheme to date performance is deemed to have been earned. It also includes the number of shares that would be issued if all convertible bonds are assumed to be converted unless the convertible instrument is out-of-the-money.

	26 weeks to 2 March 2025	26 weeks to 3 March 2024
Weighted average share capital (no. of shares)		
Weighted average shares in issue for basic earnings per share	**119,218,710**	119,034,795
Weighted average effect of dilutive options[1]	**-**	-
Weighted average effect of convertible bond[2]	**-**	-
Weighted average shares in issue for diluted earnings per share	**119,218,710**	119,034,795
Losses (£m)		
Loss attributable to owners of the parent company for basic earnings per share	**(198.8)**	(243.2)
Interest expense on convertible bonds[1,2]	**-**	-
Diluted loss attributable to owners of the parent company for diluted loss per share (£m)	**(198.8)**	(243.2)
Basic loss per share (pence per share)	**(166.8)**	(204.3)
Diluted loss per share (pence per share)	**(166.8)**	(204.3)

[1] Dilutive shares and interest not included where their effect is anti-dilutive.
[2] The impact of convertible bonds has been excluded as it is assumed they will not be exercised.

9. Goodwill and other intangible assets

	26 weeks to 2 March 2025 £m	52 weeks to 1 September 2024 £m	26 weeks to 3 March 2024 £m
Net book value			
At the beginning of the period	**514.0**	700.5	700.5
Additions	**43.5**	98.5	51.3
Transfer to assets held for sale[1]	**-**	(165.5)	-
Amortisation charge	**(57.8)**	(117.3)	(58.3)
Impairment charge[2]	**(7.3)**	(2.2)	(1.8)
At the end of the period	**492.4**	514.0	691.7

The net book value comprises:

	2 March 2025 £m	1 September 2024 £m	3 March 2024 £m
Net book value			
Goodwill	**35.2**	35.2	35.2
Brands and domain names	**26.0**	26.6	195.9
Customer relationships	**12.1**	13.6	15.1
Software	**411.5**	426.3	428.6
Assets under construction	**7.6**	12.3	16.9
At the end of the period	**492.4**	514.0	691.7

[1] On 5 September 2024, the Group entered into a binding agreement to sell the intellectual property relating to the Topshop/Topman brands to a subsidiary of Heartland A/S (a related party of the Group). As at 1 September 2024, the brand assets were classified as held for sale and measured at £165.5m, being the lower of the carrying value and fair value less costs to sell. The transaction subsequently completed on 9 October 2024, resulting in the derecognition of the assets held for sale, the recognition of an investment in an associate of £45m, and a profit on disposal of £13.8m. Refer to Note 3 and Note 12 for further details.

[2] Impairment charges of £6.6m were incurred as a result of the decision to vacate the Atlanta distribution centre. In addition there were a further £0.7m of other asset impairments. Refer to Note 3 for further details.

Goodwill is monitored on an entity wide basis at the reporting segment level as a singular CGU, the ASOS Group CGU.

Goodwill is not amortised but is reviewed for impairment at least annually (or more frequently where there is an indication that the asset may be impaired) by assessing the recoverable amount of each cash-generating unit (CGU), or group of cash generating units, to which the goodwill relates. Refer to Note 13 for further information on impairment testing for the half-year.

10. Property, plant and equipment

	26 weeks to 2 March 2025	52 weeks to 1 September 2024	26 weeks to 3 March 2024
	£m	£m	£m
Net book value			
At the beginning of the period	**283.2**	362.6	362.6
Additions	**7.7**	47.2	40.0
Depreciation charge	**(13.9)**	(28.9)	(15.9)
Impairment charge[1]	**(108.8)**	(97.7)	(97.7)
At the end of the period	**168.2**	283.2	289.0

The net book value of property, plant and equipment comprises:

	2 March 2025	1 September 2024	3 March 2024
	£m	£m	£m
Net book value			
Property, plant and equipment	**160.5**	193.2	204.7
Computer equipment	**4.3**	7.4	6.6
Assets under construction	**3.4**	82.6	77.7
At the end of the period	**168.2**	283.2	289.0

1 Impairment charges of £108.8m were incurred as a result of the decision to vacate the Atlanta distribution centre. Refer to Note 3 for further details.

Capital expenditure committed at 2 March 2025 but not yet incurred amounted to £60.0m (1 September 2024: £70.8m; 3 March 2024: £83.7m).

11. Leases

Right-of-use assets

	26 weeks to 2 March 2025	52 weeks to 1 September 2024	26 weeks to 3 March 2024
	£m	£m	£m
At the beginning of the period	**254.0**	295.2	295.2
Remeasurements / modifications	**(41.9)**	(11.2)	(12.9)
Depreciation charge[1]	**(12.0)**	(25.1)	(12.5)
Impairment charge[2]	**(26.4)**	(15.8)	(15.2)
Change in dilapidations estimate	**3.0**	13.8	11.7
Foreign exchange differences	**3.5**	(2.9)	(0.5)
At the end of the period	**180.2**	254.0	265.8

1 Depreciation charge for right-of-use assets excludes depreciation for investment properties of £0.3m (1 September 2024: £1.0m; 3 March 2024: £0.5m).

2 Impairment charges of £26.4m were incurred as a result of the decision to vacate the Atlanta distribution centre. Refer to Note 3 for further details.

Right-of-use-assets comprise entirely of leases for land and buildings.

11. Leases continued

Lease Liabilities

	26 weeks to 2 March 2025 £m	52 weeks to 1 September 2024 £m	26 weeks to 3 March 2024 £m
At the beginning of the period	**289.6**	329.0	329.0
Remeasurements / modifications	**(41.9)**	(9.9)	(12.9)
Payments	**(16.7)**	(31.0)	(15.0)
Interest expense	**3.0**	5.5	2.5
Foreign exchange differences	**1.3**	(4.0)	(0.5)
At the end of the period	**235.3**	289.6	303.1
Current	**26.4**	27.2	34.8
Non-current	**208.9**	262.4	268.3
Total	**235.3**	289.6	303.1

Remeasurements/modifications to the lease liability balance are primarily driven by lease term reassessments during the period, as the Group reassessed its likelihood to exercise certain extension options, including those relating to the Atlanta distribution centre.

12. Investments in associates

During the period, the Group sold the intellectual property relating to the Topshop/Topman (TSTM) brands to 24.8.2024 Limited (IPCO), a UK-incorporated company and subsidiary of Heartland A/S – a related party of the Group. As part of the transaction, the Group received cash proceeds of £135.0m and a 25% equity interest in IPCO, valued at £45.0m. The remaining 75% interest in IPCO is held by a subsidiary of Heartland A/S. 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 at ASOS' discretion), 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 of £45.0m and subsequently accounted for using the equity method. The share of net profit from the associate is recognised within other income rather than separately on the grounds of materiality.

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

	26 weeks to 2 March 2025 £m
At the beginning of the period	**-**
Additional investment	**45.0**
Share of net profit/(loss) for the period, net of tax	**1.3**
Dividends received	**-**
At the end of the period	**46.3**

13. Impairment of non-financial assets

Non-financial assets are assessed for impairment by measuring the recoverable amount of the related cash-generating unit (CGU), calculated as the higher of fair value less cost to dispose and value-in-use. Where the carrying value of the CGU exceeds the recoverable amount, an impairment loss is recognised in the income statement. The impairment charge is allocated first against goodwill and then pro-rata over other assets within the CGU by reference to the carrying amount of each remaining asset in the unit. Impairment losses recognised for goodwill are not subsequently reversed.

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), 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:

	2 March 2025	1 September 2024	3 March 2024
	£m	£m	£m
Goodwill and other intangible assets	**492.4**	514.0	691.7
Property, plant and equipment	**168.2**	283.2	289.0
Right-of-use assets	**180.2**	254.0	265.8
	840.8	1,051.2	1,246.5

Assets relating to the Atlanta distribution centre were tested separately and excluded from the above due to the decision during the period to vacate the site. Refer to Note 3 for further details.

Identification of impairment indicator
While the Group reported a loss during the period and macroeconomic conditions remain volatile, management has assessed whether any impairment indicators exist. Following this assessment, management concluded that no impairment indicators have been identified that would require a full impairment review at the balance sheet date. In reaching this conclusion, management considered several factors, including:

- The separate assessment of the Atlanta assets, which has reduced the Group's asset base
- No deterioration in cash flow forecasts from those used in the previous impairment review, and a reduction in the Group's discount rate
- Other relevant internal and external factors, none of which indicated a material adverse change in the Group's financial outlook.

Based on this assessment, management has determined that a full impairment review was not necessary at the balance sheet date.

14. Trade and other payables

	2 March 2025	1 September 2024	3 March 2024
	£m	£m	£m
Trade payables	**94.9**	108.1	108.7
Other payables	**149.6**	165.9	113.0
Accruals	**170.7**	242.3	247.8
Returns provision	**64.1**	99.2	87.4
Deferred revenue	**47.1**	41.6	51.5
Taxation and social security	**20.3**	14.6	24.6
	546.7	671.7	633.0

15. Provisions

	Dilapidations £m	Onerous occupancy £m	Total £m
As at 2 September 2024	**68.7**	**20.5**	**89.2**
Recognised[1]	**2.7**	**15.3**	**18.0**
Utilised	**-**	**(1.6)**	**(1.6)**
Unwinding of discount	**1.3**	**0.5**	**1.8**
Foreign exchange differences	**0.3**	**0.1**	**0.4**
As at 2 March 2025	**73.0**	**34.8**	**107.8**
Current	**-**	**4.9**	**4.9**
Non-current	**73.0**	**29.9**	**102.9**
As at 2 March 2025	**73.0**	**34.8**	**107.8**
As at 4 September 2023	53.4	16.8	70.2
Recognised	13.7	5.3	19.0
Utilised	-	(2.4)	(2.4)
Unwinding of discount	2.3	0.8	3.1
Foreign exchange differences	(0.7)	-	(0.7)
As at 1 September 2024	68.7	20.5	89.2
Current	-	2.7	2.7
Non-current	68.7	17.8	86.5
As at 1 September 2024	68.7	20.5	89.2
As at 4 September 2023	53.4	16.8	70.2
Recognised	12.2	6.9	19.1
Utilised	-	(1.0)	(1.0)
Unwinding of discount	1.0	0.4	1.4
Foreign exchange differences	(0.1)	-	(0.1)
As at 3 March 2024	66.5	23.1	89.6
Current	-	3.0	3.0
Non-current	66.5	20.1	86.6
As at 3 March 2024	66.5	23.1	89.6

[1] An onerous occupancy provision of £15.3m was recognised as a result of the decision to vacate the Atlanta distribution centre. Refer to Note 3 for further details.

Dilapidations are recognised where there is a present obligation to repair and restore leased properties to their preoccupancy state at the end of the lease term.

Onerous occupancy provisions are recognised where the Group no longer operates from a leased property, for the least net cost of exiting from the contract.

16. Financial instruments

16.1 Financial instruments by category

The carrying amount of the Group's financial assets, financial liabilities and derivative financial instruments as at the balance sheet date are as follows:

	Amortised cost	Fair value through profit or loss	Total
	£m	£m	£m
As at 2 March 2025			
Derivative financial assets	**-**	**10.9**	**10.9**
Cash and cash equivalents	**220.7**	**-**	**220.7**
Trade and other receivables[1]	**41.6**	**-**	**41.6**
Derivative financial liabilities	**-**	**(4.5)**	**(4.5)**
Lease liabilities	**(235.3)**	**-**	**(235.3)**
Trade and other payables[2]	**(465.7)**	**-**	**(465.7)**
Borrowings	**(496.5)**	**-**	**(496.5)**
	(935.2)	**6.4**	**(928.8)**
As at 1 September 2024			
Derivative financial assets	-	9.8	9.8
Cash and cash equivalents	391.0	-	391.0
Trade and other receivables[1]	48.3	-	48.3
Derivative financial liabilities	-	(7.1)	(7.1)
Lease liabilities	(289.6)	-	(289.6)
Trade and other payables[2]	(601.3)	-	(601.3)
Borrowings	(688.1)	-	(688.1)
	(1,139.7)	2.7	(1,137.0)
As at 3 March 2024			
Derivative financial assets	-	13.3	13.3
Cash and cash equivalents	332.3	-	332.3
Trade and other receivables[1]	52.9	-	52.9
Derivative financial liabilities	-	(3.8)	(3.8)
Lease liabilities	(303.1)	-	(303.1)
Trade and other payables[2]	(543.2)	-	(543.2)
Borrowings	(679.1)	(2.0)	(681.1)
	(1,140.2)	7.5	(1,132.7)

[1] Trade and other receivables excludes prepayments and VAT receivables.

[2] Trade and other payables excludes deferred revenue and any amounts in relation to taxation.

Derivative financial instruments are currently held at fair value on the balance sheet – all are within level 2 of the fair value hierarchy.

16. Financial instruments continued

16.2 Carrying amount versus fair value

Set out below is a comparison of the carrying amount and the fair value of financial instruments that are carried in the financial statements at a value other than fair value. The fair value of financial assets and liabilities are based on prices available from the market on which the instruments are traded. Where market values are not available, the fair values of financial assets and liabilities have been calculated by discounting expected future cash flows at prevailing interest rates. The fair values of cash and cash equivalents, trade receivables, and trade payables are assumed to approximate to their book values.

	Fair value hierarchy	Carrying amount £m	Fair value £m
As at 2 March 2025			
Convertible bond	**1**	**(336.7)**	**(313.8)**
Nordstrom loan	**2**	**(6.5)**	**(2.8)**
Term loan	**2**	**(153.3)**	**(152.0)**
		(496.5)	**(468.6)**
As at 1 September 2024			
Convertible bond	1	(478.1)	(358.3)
Nordstrom loan	2	(19.8)	(9.6)
Term loan	2	(190.2)	(200.8)
		(688.1)	(568.7)
As at 3 March 2024			
Term loan	2	(187.7)	(245.3)
Convertible bond	1	(471.1)	(311.4)
Nordstrom loan	2	(20.3)	(23.8)
		(679.1)	(580.5)

Fair value hierarchy is defined as:

- Level 1 fair value measurements are derived from quoted market prices (unadjusted) in active markets for identical assets or liabilities at the balance sheet date. This level includes listed equity securities and debt instruments on public exchanges;
- Level 2 fair value measurements are derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments is determined by discounting expected cash flows at prevailing interest rates; and
- Level 3 fair value measurements are derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

17. Borrowings

	2 March 2025	1 September 2024	3 March 2024
	£m	£m	£m
Convertible bonds	**(336.7)**	(478.1)	(471.1)
Nordstrom loan	**(6.5)**	(19.8)	(20.3)
Term Loan	**(153.3)**	(190.2)	(187.7)
Put option liability[1]	**-**	-	(2.0)
	(496.5)	(688.1)	(681.1)
Current	**(18.5)**	(1.6)	(2.3)
Non-current	**(478.0)**	(686.5)	(678.8)
	(496.5)	(688.1)	(681.1)

[1] The put option liability was reclassed to other payables in the prior year.

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.

During the period, 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 accepted for repurchase at a discount to par of 15%; and
- As a result, £73.6m remains in the Convertible Bonds due 2026.

The new Convertible Bonds 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.

Term loan
In May 2023, the Group entered into a £200m senior term loan and a £75m super senior revolving facility (RCF) (together the Facilities) with specialist lender Bantry Bay Capital Limited through to April 2026, with the optionality to further extend to May 2028 subject to meeting lender requirements. Both the senior term loan and RCF (when drawn) bear interest at a margin above SONIA. The amount available in relation to the RCF is determined by reference to a calculated borrowing base (derived from inventory and intellectual property, both with certain adjustments applied) less the amount borrowed under the term loan. At the period end this was £nil. The RCF 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.

During the period, on 5 September 2024, the Group secured an amendment and extension of the existing facilities agreement with Bantry Bay to May 2027 with an option for a 12-month extension. As part of this, £50m of the term loan was repaid, with a corresponding increase in the available accordion facility.

17. Borrowings continued

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 the prior period. The loan attracts interest at a market rate of 6.5% per annum. An additional repayment of £13.3m was made during the period.

Impact of refinancing on the Group accounts

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

	Balance Sheet			Cash flow	Income Statement
	Borrowings	Convertible Bond Reserve	Retained earnings	Inflow/ (outflow)	Refinancing (gain)/ loss
	£m	£m	£m	£m	£m
As at 2 September 2024	**(688.1)**	**(58.9)**	**-**	**-**	**-**
Repurchase of convertible bond	**140.6**	**6.8**	**-**	**(147.4)**	**-**
Repayment of loan principal	**63.3**	**-**	**-**	**(63.3)**	**-**
Debt modification gain	**8.1**	**43.3**	**(43.3)**	**-**	**(8.1)**
Transaction costs	**4.9**	**0.1**	**-**	**(10.5)**	**5.5**
Total refinancing impact	**216.9**	**50.2**	**(43.3)**	**(221.2)**	**(2.6)**
Interest expense	**(31.9)**	**-**			
Interest paid	**6.6**	**-**			
As at 2 March 2025	**(496.5)**	**(8.7)**			

18. Analysis of net debt

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

	26 weeks to 2 March 2025 £m	52 weeks to 1 September 2024 £m	26 weeks to 3 March 2024 £m
Borrowings	**(496.5)**	(688.1)	(681.1)
Lease liabilities	**(235.3)**	(289.6)	(303.1)
Liabilities from financing activities	**(731.8)**	(977.7)	(984.2)
Cash and cash equivalents	**220.7**	391.0	332.3
Net debt	**(511.1)**	(586.7)	(651.9)
Net debt APM (ex-leases)	**(275.8)**	(297.1)	(348.8)

Cash and cash equivalents includes uncleared payment provider receipts of £39.4m, which are typically received within three business days (1 September 2024: £68.8m; 3 March 2024 £57.7m).

Included within cash and cash equivalents is £9.7m (1 September 2024: £8.1m; 3 March 2024: £7.9m) of cash collected on behalf of partners of the Direct-to-Consumer fulfilment proposition (Partner Fulfils). 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.

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

	Lease liabilities £m	Borrowings £m	Liabilities from financing activities £m
As at 2 September 2024	**(289.6)**	**(688.1)**	**(977.7)**
Cash flows from financing activities			
Repayments of principal	**13.7**	**63.3**	**77.0**
Interest paid	**3.0**	**6.6**	**9.6**
Repurchase of convertible bond	**-**	**140.6**	**140.6**
Financing fees paid	**-**	**4.9**	**4.9**
Non-cash movements			
Movement in lease liabilities	**41.9**	**-**	**41.9**
Foreign exchange impacts	**(1.3)**	**-**	**(1.3)**
Debt modification gain	**-**	**8.1**	**8.1**
Interest expense	**(3.0)**	**(31.9)**	**(34.9)**
As at 2 March 2025	**(235.3)**	**(496.5)**	**(731.8)**

18. Analysis of net debt continued

	Lease liabilities £m	Borrowings £m	Liabilities from financing activities £m
As at 4 September 2023	(329.0)	(672.8)	(1,001.8)
Cash flows from financing activities			
Repayments of principal	25.5	0.5	26.0
Interest paid	5.5	37.1	42.6
Non-cash movements			
Movement in lease liabilities	9.9	-	9.9
Foreign exchange impacts	4.0	-	4.0
Interest expense	(5.5)	(52.9)	(58.4)
As at 1 September 2024	(289.6)	(688.1)	(977.7)
As at 4 September 2023	(329.0)	(672.8)	(1,001.8)
Cash flows from financing activities			
Repayments of principal	12.5	-	12.5
Interest paid	2.5	18.6	21.1
Non-cash movements			
Movement in lease liabilities	12.9	-	12.9
Foreign exchange impacts	0.5	-	0.5
Interest expense	(2.5)	(26.9)	(29.4)
As at 3 March 2024	(303.1)	(681.1)	(984.2)

19. Related parties

Transactions with other related parties

During the period, the Group made purchases of inventory, net of VAT, totalling £27.1m (1 September 2024: £59.7m; 3 March 2024: £27.8m) from Aktieselskabet af 5.5.2010, a company which has significant shareholding in the Group. At 2 March 2025, the amount due to Aktieselskabet af 5.5.2010 was £8.3m (1 September 2024: £11.2m; 3 March 2024: £8.7m).

Additionally, the Group incurred fees, net of VAT, totalling £7.2m (1 September 2024: not applicable; 3 March 2024: not applicable) payable to 24.8.2024 Limited, a new associate of the Group in the period and a subsidiary of Heartland A/S. At 2 March 2025, the amount due to 24.8.2024 Limited was £4.1m (1 September 2024: not applicable; 3 March 2024: not applicable). Refer to Note 12 for more details.

During the period, the Group made purchases of inventory, net of VAT, totalling £0.4m (1 September 2024: £0.6m; 3 March 2024: not applicable) from entities under the control of Frasers Group plc. At 2 March 2025, the amount due to the Frasers Group was £0.1m (1 September 2024: £0.1m; 3 March 2024: not applicable).

20. 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.

As previously reported, ASOS is currently party to legal proceedings in overseas territories which the Group is robustly defending. The claim considers the laws applicable to the sale of goods in the relevant territory, under which the claimants are seeking a financial remedy for alleged breaches by ASOS of local laws. Completion of such a claim can be a lengthy process, with a final court decision of the first phase potentially taking up to two years after the initial hearing. The claim and its defence are relatively complex, there are multiple factual and legal defences to the claims and the Group intends to defend them vigorously. The Group therefore cannot make an assessment of the likely outcome of the litigation, or the potential quantum of any liability were it to arise or the potential impact on the Group at this stage. Furthermore, management are of the opinion that, given the early stages of the claim, disclosure of any potential quantification could be prejudicial to the Group at this time.

After the balance sheet date, the Group received notifications from an overseas tax authority in relation to import duty corrections for prior financial periods. The Group has appealed the assessments, on the basis that the prior calculations are compliant with World Trade Organisation-compliant customs valuation methods, however the appeal remains in its early stages. The Group is actively engaging with the tax authorities to conclude on the matter. Based on management's assessment of the full period under review, the maximum exposure is considered immaterial.

Principal risks and uncertainties

The Board have reviewed the Group's risk environment including in relation to ongoing geopolitical events, global macroeconomics and conflicts. In their current view the principal risks and uncertainties which could impact the Group over the remaining 26 weeks of the period ended 31 August 2025 remain materially unchanged from those set out in our Annual Report and Accounts for the period ended 1 September 2024.

Those Group principal risks are listed below and set out in more detail on pages 64 to 69 of the Group's FY24 Annual Report and Accounts, a copy of which is available on the Group's website, www.asosplc.com.

- Data breach
- Cyber security incidents
- Availability of technology services
- Macroeconomic changes
- Foreign exchange rate exposure
- Supply chain disruption
- Market dynamics and impact on our business
- Ethical trade issues
- Failure to comply with legislation or regulation
- Sustainability and climate change
- Engagement, capability & retention of talent
- Strategic programmes fail to deliver required outcome

Statement of Directors' responsibilities

The Directors confirm that this set of Condensed Consolidated Interim Financial Statements has been prepared in accordance with UK adopted IAS 34 *Interim Financial Reporting* and the Disclosure and Transparency Rules of the UK's Financial Conduct Authority, and that the Interim Management Report herein includes a true and fair review of the information required by DTR 4.2.7R and DTR 4.2.8R, namely:

- that the report contains a fair review of important events that have occurred during the first 26 weeks of the financial year, and their impact on the condensed set of financial statements, and of the principal risks and uncertainties for the remaining 26 weeks of the financial year; and
- material related-party transactions in the first 26 weeks and any material changes in the related-party transactions described in the last annual report.

The Directors of ASOS plc are listed on the Group's website: https://www.asosplc.com/this-is-asos/our-leadership/board-directors/

By order of the Board

José Antonio Ramos Calamonte
Chief Executive Officer

INDEPENDENT REVIEW REPORT TO ASOS PLC

REPORT ON THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Our conclusion

We have reviewed ASOS Plc's condensed consolidated interim financial statements (the "interim financial statements") in the interim results of ASOS Plc for the 26 week period ended 2 March 2025 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the consolidated balance sheet as at 2 March 2025;
- the consolidated income statement and consolidated statement of comprehensive income for the period then ended;
- the consolidated cash flow statement for the period then ended;
- the consolidated statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the interim results of ASOS Plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the interim results and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

RESPONSIBILITIES FOR THE INTERIM FINANCIAL STATEMENTS AND THE REVIEW

Our responsibilities and those of the directors

The interim results, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim results in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the interim results, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the interim results based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London
24 April 2025

Alternative Performance Measures (APMs)

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

Performance measure	Closest IFRS measure	Definition	How ASOS uses this measure
Like-for-like revenue growth	None	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.	This measure is presented as a means of eliminating the effects of exchange rate fluctuations on the period-on-period reported results.

	26 weeks to 2 March 2025 £m	26 weeks to 3 March 2024 £m	Growth %
Group revenue	**1,299.4**	1,505.8	(14%)
Adjusted items	**(7.8)**	(8.3)	
Impact of foreign exchange translation	**16.6**	-	
Like-for-like revenue growth	**1,308.2**	1,497.5	(13%)

	26 weeks to 3 March 2024 £m	Six months to 28 Feb 2023 £m	Growth %
Group revenue	**1,505.8**	1,840.6	(18%)
Adjusted items	**(8.3)**	(2.1)	
Impact of foreign exchange translation and LFL financial periods[1]	**4.3**	-	
Like-for-like revenue growth	**1,501.8**	1,838.5	(18%)

[1]Removing the impact of 1 extra trading day in HY24

Performance measure	Closest IFRS measure	Definition	How ASOS uses this measure
Retail sales	Revenue	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.	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 KPIs such as ABV. The measure is reconciled in Note 4.
Adjusted revenue	Revenue	Revenue excluding the impact of adjusting items.	A measure of Group's revenue and gross profitability, excluding the impact of any adjusting items. Reconciliation is shown below:
Adjusted gross margin	No direct equivalent	Gross profit divided by revenue and excluding the impact of adjusting items.	

	26 weeks to 2 March 2025 £m	26 weeks to 3 March 2024 £m
Revenue	**1,299.4**	1,505.8
Adjusting items	**(7.8)**	(8.3)
Adjusted revenue	**1,291.6**	1,497.5
Gross profit	**586.6**	602.3
Adjusting items	**(2.4)**	1.9
Adjusted gross profit	**584.2**	604.2
Gross margin	**45.1%**	40.0%
Adjusted gross margin %	**45.2%**	40.3%

Alternative Performance Measures (APMs) continued

Performance measure	Closest IFRS measure	Definition	How ASOS uses this measure
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 period, 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 periods. In determining which items to exclude, the Group considers items which are significant either by virtue of their size and/or nature, or that are non-recurring.	
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	No direct equivalent	Adjusted EBITDA divided by adjusted revenue	
Net cash / (debt)	No direct equivalent	Cash and cash equivalents less the carrying value of borrowings (including accrued interest) drawn down at period-end, but excluding outstanding lease liabilities	A measure of the Group's liquidity. Information is included in Note 18. A reconciliation is included below:

Reconciliation for Adjusted EBIT and Adjusted profit / (loss) before tax:

	26 weeks to 2 March 2025 £m	26 weeks to 3 March 2024 £m
Operating loss	**(210.1)**	(246.8)
Adjusting items excluding finance costs (Note 3)	**170.5**	148.7
Adjusted EBIT	**(39.6)**	(98.1)
Net finance costs (Note 6)	**(31.4)**	(23.2)
Add back adjusting finance costs (Note 3)	**1.5**	1.3
Adjusted loss before tax	**(69.5)**	(120.0)

Details of adjusting items are included within Note 3.

Reconciliation for Adjusted EBITDA and Adjusted EBITDA margin:

	26 weeks to 2 March 2025 £m	26 weeks to 3 March 2024 £m
Adjusted EBIT	**(39.6)**	(98.1)
Add back depreciation and amortisation (per cash flow)	**84.0**	87.2
Add back impairment (per cash flow)	**142.5**	115.8
Less depreciation and amortisation excluded from adjusted profit	**(2.1)**	(5.4)
Less impairment excluded from adjusted profit	**(142.3)**	(115.8)
Adjusted EBITDA	**42.5**	(16.3)
Group revenue	**1,299.4**	1,505.8
Adjusting items	**(7.8)**	(8.3)
Adjusted Group revenue	**1,291.6**	1,497.5
Adjusted EBITDA margin	**3.3%**	(1.1%)

Reconciliation for Net cash / (debt):

	2 March 2025 £m	3 March 2024 £m
Cash and cash equivalents	**220.7**	332.3
Borrowings	**(496.5)**	(681.1)
Lease liabilities	**(235.3)**	(303.1)
Net borrowings	**(511.1)**	(651.9)
Add back lease liabilities	**235.3**	303.1
Group net debt	**(275.8)**	(348.8)

Alternative Performance Measures (APMs) continued

Performance measure	Closest IFRS measure	Definition	How ASOS uses this measure
Free cashflow	No direct equivalent	Free cash flow is net cash generated from operating activities, adjusted for payments to acquire intangible and tangible assets, the payment of the principal portion of lease liabilities and net finance expenses.	A measure of the cash generated by the Group outside cash flows relating to financing, which allows management to better assess the cash being generated by the business. A reconciliation to the Group cash flow is shown below:

	26 weeks to 2 March 2025 £m	26 weeks to 3 March 2024 £m
Cash used (used in)/generated from operations (per cash flow)	**(17.0)**	93.2
Purchase of tangible and intangible assets	**(47.4)**	(86.1)
Repayment of principal portion of lease liabilities	**(13.7)**	(12.5)
Net interest paid	**(6.0)**	(15.7)
Free cash flow	**(84.1)**	(21.1)

Performance measure	Closest IFRS measure	Definition	How ASOS uses this measure
Other working capital movements (per Financial Review)	No direct equivalent	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.

	26 weeks to 2 March 2025 £m	26 weeks to 3 March 2024 £m
Increase in other working capital (per Financial Review)	**(148.8)**	(66.7)
Working capital relating to adjusting items (see below)	**24.9**	19.8
Working capital per cash flow (excluding inventory)	**(123.9)**	(46.9)
Working capital relating to adjusting items:		
Loss before tax relating to adjusting items (Note 3)	**172.0**	150.0
Less adjusted impairment (Note 3)	**(142.3)**	(115.8)
Less adjusted depreciation (Note 3)	**(2.1)**	(5.4)
Less commercial model change (Note 3)	**(5.4)**	-
Less gain on disposal of brands	**13.8**	-
Less refinancing gain	**2.6**	-
Less adjusted finance costs (Note 3)	**(1.5)**	(1.3)
Working capital relating to adjusting items before cash impacts	**37.1**	27.5
Cash impact of adjusting items	**(12.2)**	(7.7)
Working capital relating to adjusting items	**24.9**	19.8

Alternative Performance Measures (APMs) continued

Performance measure	Closest IFRS measure	Definition	How ASOS uses this measure
Adjusted cost to serve	No direct equivalent	Operating expenses (excluding depreciation, amortisation and impairments and excluding 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.

	26 weeks to 2 March 2025 £m	26 weeks to 3 March 2024 £m
Operating expenses	**813.0**	850.2
Less depreciation, amortisation and impairments	**(226.5)**	(203.0)
Less adjusted operating expenses	**(186.7)**	(146.8)
Add back adjusted depreciation, amortisation and impairments	**144.4**	121.2
	544.2	621.6
Adjusted revenue	**1,291.6**	1,497.5
Adjusted cost to serve	**42.1%**	41.5%