

21 November 2025

ASOS Plc
Global Online Fashion Destination
Final results for the 52 weeks to 31 August 2025

Structurally improved profitability unlocks new era of customer re-engagement

Summary financial results

£m ¹	52 weeks to 31 Aug 2025 (FY25)	52 weeks to 1 Sep 2024 (FY24)	Change	Adjusted LFL change ²
Headline measures³				
GMV ⁴	2,456.3	2,817.8		(12%)
Adjusted group revenue	2,464.8	2,896.0		(14%)
Adjusted gross margin	47.1%	43.4%	370bps	
Adjusted cost to serve ⁵	42.0%	40.7%	(130bps)	
Adjusted EBITDA	131.6	80.1	51.5	
Adjusted EBIT	(32.2)	(81.5)	49.3	
Adjusted loss before tax	(98.2)	(126.0)	27.8	
Net debt	(184.7)	(297.1)	112.4	
Free cash inflow	14.1	37.7	(23.6)	
Statutory Measures				
Group revenue	2,477.8	2,905.8	(15%)	
Gross margin	47.1%	40.0%	710bps	
Operating loss	(212.3)	(331.9)	119.6	
Loss before tax	(281.6)	(379.3)	97.7	

Strategic update and results summary

- **New commercial model enabling gross margin expansion:** Adjusted gross margin up 370bps YoY to more than 47%, on track for 50% mid-term target, driven by higher full-price sales mix and lower markdown activity.
- **Strategic models scaling, delivering trends faster:** Test & React (T&R) successfully scaled to more than 20% of own brand sales, with broader speed to market initiatives reducing own brand production times by up to c.30% YoY.
- **Partner brand product portfolio transformed:** c.100 new partner brands launched during FY25 and exclusive collaborations such as adidas x ASOS. Flexible Fulfilment (FF) models scaled to more than 10% of third-party GMV by year-end, including the transition of Inditex to an AFS model, bringing working capital benefits and customers greater product availability.
- **Operational efficiencies driving cost savings and creating investment capacity:** Supply chain costs down c.20% YoY, through a series of wide-ranging initiatives including reducing the causes of unnecessary returns, renegotiation of key distribution contracts and optimising warehouse footprint. In H2, further meaningful cost actions were delivered which position ASOS to realise significant annualised savings in FY26, creating headroom to reinvest in growth.
- **Adjusted EBITDA up more than 60%, amidst lower sales:** Adjusted EBITDA of £132m delivered within guidance range, resulting in a 250bps YoY margin improvement to 5.3%. Profitability improvement delivered despite lower than expected GMV, as ASOS continues to focus on higher quality sales against a soft consumer backdrop.
- **Improving customer engagement and profitability:** Despite overall lower customer volumes in FY25, retention rates improved, especially among profitable customers, with increased average spend and profitability. Year-to-date in FY26, seeing an encouraging improvement in customer engagement, including new customers up c.10% YoY in the UK.
- **Balance sheet significantly strengthened:** Net debt down more than £110m YoY, through convertible bond refinancing and proceeds from the formation of the TSTM joint venture⁶ in Q1 FY25. Financial flexibility further improved through term loan refinancing in Q1 FY26, bringing improved financial terms including £87.5m additional liquidity headroom and extended maturity.
- **Free cash inflow:** Delivered £14m FCF in FY25, driven by growth in adjusted EBITDA and focus on capital efficiency.
- **Exciting pipeline of inspirational experiences:** First wave included successful launch of ASOS.WORLD loyalty programme, new AI outfits 'Styled for you' feature, and ASOS Live immersive shopping. Into FY26, focus shifts to re-engaging customers through a series of meaningful improvements that fundamentally enhance what shopping on ASOS feels like.
- **Successful relaunch of iconic Topshop brands:** Bringing customers more ways to shop the best of Topshop and Topman (TSTM) through the relaunch of Topshop.com in August, and new wholesale partnerships including Liberty and John Lewis.
- **Strategic leadership transition:** Including the appointment of Aaron Izzard as CFO in June 2025, Ben Blake as EVP of newly combined Customer & Commercial in September 2025, and Natasja Laheij as Board Chair effective today.
- **FY26 outlook:** GMV to show an improving trajectory through the year, with FY26 GMV 3-4ppts ahead of revenue performance as FF scales. Further gross margin expansion of at least 100bps to 48-50%, driven by continued growth in full-price sale mix

and FF models. Further adjusted EBITDA growth to £150m to £180m, supported by continued variable and fixed cost discipline, with meaningful YoY margin expansion in H1 and H2. FCF expected to be broadly neutral.

CEO Review

ASOS has always stood for innovation, energy and fashion that excites. When I became CEO at the end of FY22, it was clear we needed to reset the business so we could deliver that promise for our customers again. Three years later, the turnaround is well progressed: we've rebuilt our foundations, sharpened our focus, and we're ready to reclaim our place as the most exciting destination for fashion-loving customers.

The journey we've been on – which we discuss in more detail below – has taken patience, hard work and tough decisions to get to where we are today. It had to follow a clear and deliberate sequence. We first had to rebuild the economics and stabilise the business so we could create the capacity to invest in what matters most to customers.

We have tested, refined and built the 'new ASOS' to bring customers better products and a more seamless experience. We reshaped our product offering and inventory management, improved our gross margin profile and cost base, and sharpened our customer proposition. In FY25, these changes delivered a step change in profitability, with gross margins up 370bps YoY and adjusted EBITDA up more than 60% YoY, despite continued volume deleverage. These improvements give us confidence that we now have the right foundations to deliver the best of ASOS in a way that is sustainably profitable.

Our priority for FY26 is to deepen our relationships with customers and make ASOS not just a place to shop, but a destination for inspiration and style. Our strategy is to lean into what makes ASOS distinctive: our unique assortment of the best own brand and partner brand products, fuelled by speed and flexibility, styling that helps customers create outfits they love, and increasingly personalised experiences that feel relevant and exciting. This focus on differentiation, rather than commoditised promotions or transactional experiences, will create lasting value for customers and stakeholders and sustainably profitable growth.

With the most difficult work behind us, I'm more confident than ever that we have the right strategy and capabilities to achieve our ambition to become the most exciting destination for fashion-lovers. I look forward to sharing more detail on our journey and our next chapter in the Strategic Review and thank you for your continued support.

Strategic Review

We've taken a deliberate approach to putting the foundations in place for sustainable, profitable growth. As we've spoken about before, there have been three stages to our turnaround each involving a deliberate series of actions – not always a linear or neat process, but all geared towards the same goal of building a platform that can deliver sustainable, profitable growth.

Stage 1: Dealing with the legacy of the old model

Our first focus was on addressing the significant legacy issues constraining ASOS. These combined actions represent an enormous effort across our business to successfully reset the essential foundations of our business.

Successfully resetting our inventory position...

At the beginning of our transformation, our stock levels had doubled to £1.1bn at the end of FY22, due to pandemic-related disruption and poor commercial practices which led to the build-up of old and aged stock. Resolving this required tough but necessary action, with 'peak pain' in FY23 and FY24 including reducing our intake and discounting to clear old stock. By the end of FY25, we successfully reduced our stock levels to c.£400m, down c.60% since FY22, clearing aged inventory so customers see fresh styles and the latest trends every time they shop.

...allowed us to complete our warehouse rationalisation

A second challenge at the start of our transformation was our substantial warehouse network. Since FY21, we've reduced our footprint by over 50%, supported by the reduction in excess inventory and more efficient stock levels under our new commercial model. This has improved our operational efficiency on existing sites and delivered significant fixed cost savings, enabling us to serve our customers more competitively. Having mothballed our second UK fulfilment centre (FC) in Lichfield in FY24, we announced the mothballing of our Atlanta site in FY25 — optimising our US operating model, with significantly improved product availability for customers from our remaining UK FC in Barnsley, and a smaller, more flexible new site in Dallas, while generating an expected £10–20m in annualised cost savings.

We've significantly strengthened our balance sheet, improving our financial flexibility for the future

The third key legacy issue was our balance sheet and capital allocation. In FY25 and early FY26, we took a series of actions that significantly strengthened our balance sheet and improved our financial flexibility.

In September 2024, we announced the formation of the Topshop and Topman joint venture (TSTM JV), with Heartland A/S taking a 75% stake for a £135m cash consideration. Through a concurrent convertible bond refinancing, we successfully extended our debt maturity profile while reducing our net debt, funded in part by the TSTM proceeds. In November 2025, we announced a further strengthening of our balance sheet through the successful refinancing of our asset backed loan facility into a secured term loan and Delayed Draw Term Loan ("DDTL") with a new syndicate of private lenders. This refinancing brings materially improved financial terms, including £87.5m additional liquidity headroom, increased financial flexibility over a five-year term to 2030, and a c.£5m reduction in annual cash interest costs versus the previous Bantry Bay facility.

While our work to optimise the business model and capital allocation will continue, we are confident that we have now addressed the most critical foundational issues. This gives ASOS the flexibility and resilience needed to support our next phase of sustainable, profitable growth.

Stage 2: Building the new commercial model based on speed, agility and profitability

The second stage of our turnaround required us to build a new commercial model that could deliver sustainable profitability. This required a comprehensive transition to more disciplined, agile ways of working focused around three simple principles: better product for customers, backed up by rigorous inventory management, and more efficient operations. Consistently delighting customers with fresh, relevant products at the right price builds loyalty, and drives full-price sales. Stronger unit economics, in turn, create the capacity to reinvest in customer experience, creating a positive flywheel.

Together, these principles establish a structurally higher gross margin profile and stronger, more profitable underlying economic model that we can grow sustainably going forward. We can already see proof of this working in FY25. We grew our gross margin by 370bps YoY, driven by higher full-price mix and lower markdowns, while reducing inventory by a further c.20% YoY, benefitting our working capital intensity through quicker, more efficient stock turnover. Our wide-ranging approach to improving the efficiency of our cost base and operations – from a more targeted approach to our customer proposition by market, through to renegotiating and resetting our variable and fixed cost base to support the new commercial model – all helped us deliver adjusted EBITDA growth of more than 60% YoY to £132m in FY25. This has been achieved despite continued volume deleverage from lower than expected GMV, and against a backdrop of continued macro uncertainty, demonstrating the resilience and agility of our new operating model.

We have deliberately spent longer on Stage 2 than initially planned, and for good reason. Towards the end of FY25, we explored the opportunity to reduce fixed costs and drive further variable cost optimisation and we remained focused on securing even stronger profitability foundations that will deliver further material improvements to our cost base in FY26 and beyond, effectively creating more headroom to reinvest in growth.

With the core building blocks of our new commercial model now in place, we are able to move from roll-out to amplification. In FY26, we enter the final stage of our transformation with a business model, stock profile and underlying cost base that position us to return to sustainably profitable GMV growth.

How have we achieved this?

(i) Better product for customers

Great product sits at the heart of our customer proposition. What makes the ASOS experience distinctive is the way we bring the best and freshest own brand and partner brand product to life — through curating outfits, exclusive drops and inspirational styling that showcase fashion in a way that excites.

New speed models allow us to set the trends with our own brand product

Being first to market for fashion and trends is one of ASOS' defining strengths and something we're proud to bring to our customers. Our market-leading Test & React (T&R) model – which brings product from design to site in as little as three weeks – enables our own brands to deliver the most exciting product and set the trends for our fashion-loving customers. T&R now accounts for more than 20% of our own brand sales, having launched from pilot two years ago, demonstrating the strong customer demand for this product and our new commercial model in action. Into FY26, we plan to scale this even further to more than 25% of our own brand sales, on track for our medium term target of 30%.

We have extended the same fundamental principles to our long-shore own brand supply chain through our speed to market initiatives, such as moving to fabric-first design, with the ability to cut our average production times by up to 30% over the last year. Our growing speed to market models help us bring customers trends first while also improving the efficiency and agility of our supply chain.

These capabilities are extremely hard to replicate. They require deep co-ordination across design, sourcing and logistics, as well as the ability to test and gather data on small runs of product through our online platform and centralised inventory. Managed effectively, these production methods can narrow the gap between supply decisions and demand signals – supporting better gross margins (even with higher investment into input costs), reducing discounting and removing waste and excess production in the system.

The integration of new AI tools is also making our people and our processes more efficient. During H2, we successfully piloted a new AI design tool which delivers an average time saving of 75-80% on core design workflow tasks, as well as removing sampling costs and physical waste.

Deepening our partner brand relationships to bring customers more of the best product, in one place

Combined with our Flexible Fulfilment (FF) models – Partner Fulfilment (PF) and ASOS Fulfilment Services (AFS) – we're able to scale the availability of the best product to our customers faster and more efficiently than ever. 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 best sellers when our wholesale stock is depleted). We ended FY25 with these platforms scaled to more than 10% of third-party GMV by the end of the year, across c.150 brands and more than 10 markets, including successfully transitioning to AFS with Inditex during H2 and launching PF in the US. In FY26, we will continue to scale these models to more than 15% of third-party GMV to best serve our customer demand and expand our relationships with new and existing brand partners.

Our partner brands can see the power of our reinvigorated platform, with c.100 new partner brands joining in FY25, spanning premium names, cutting-edge fashion, and commercial favourites, giving customers more of what they love all in one place. Our cross-functional teams combine the best of the ASOS platform for our brand partners: from elevated shoots through our in-house studios' capabilities, access to new audiences through ASOS Media Group (AMG) via our owned social and website content, to high-impact events. These efforts have driven successful launches of brands including Arket, House of CB and Good American and deeper collaboration with existing partners such as Charlotte Tilbury, Inditex, Mango and Nike. We've also seen a strong customer response to our growing premium proposition, which we're excited to continue building out in FY26.

Creating exclusive outfits and styles that only ASOS can offer to inspire and excite customers

In FY25, some of our biggest customer moments came from exclusive collaborations. In July, we announced an exclusive multi-year collaboration with adidas launching an ASOS-designed womenswear collection – a bold step in a long-standing relationship. The first drop featured c.30 uniquely designed pieces, generating 58 million social impressions in launch week and 2 orders per second at launch, creating a halo effect and uplift in sales and visibility of broader adidas product. This is just the start of an exciting multi-year project, with the second collection launched in Q1 FY26, combining adidas' brand and heritage with ASOS' speed and trends, showcasing the unique value we can bring to customers through innovative partnerships.

As well as the latest trends, we know our customers want brilliant everyday essentials – staple products that offer style, function and quality at great value. In H2, we introduced breatheMAX™, our new ASOS Design menswear range built for maximum comfort and effortless style. Featuring a variety of styles of standard and oversized t-shirts at £16 to £22, each piece is crafted with a high-performance wicking finish that pulls moisture away from the skin and dries quickly, perfect for wearing on repeat. The demand from our customers has been clear, with our initial menswear launch surpassing full-price sell-through expectations and driving us to expand the range into womenswear in FY26.

We see significant opportunity to build our next-level essentials collection further, combining purpose-led design with premium, more sustainable fabrics that deliver function, durability and inclusive style for our style-conscious customers. Across our own brand portfolio, we achieved 50% more sustainable materials usage (up from 34% last year, and surpassing our target of 45%), making more of our customers' fashion choices inherently aligned with responsible practices.

(ii) Rigorous inventory management

Consistently delivering customers the best, freshest fashion product requires rigorous inventory management. With faster speed to market across our buying process (i.e. a shorter lead time between buying and selling stock), powered by T&R and our broader speed to market initiatives, we can make intake decisions with increased flexibility, driving our full-price sales

mix higher. Alongside a more effective approach to in-season clearance, we've improved our 12 week sell-through rate YoY with lower markdown investment required. Our Flexible Fulfilment models further enable us to maximise the availability of the most exciting products while minimising inventory risk.

Our new, more disciplined inventory management process has enabled us to reduce our stock cover by c.25% over the last two years and improve the return on cash invested into inventory. This results in higher sales and gross profit for a given level of inventory, thereby enhancing our cash flow and sustainably reducing the capital intensity of our operations, while allowing us to increase our sales with a more efficient investment in inventory in the future.

(iii) More efficient operations

Our focus on efficiency spans our operations and our cost base. By removing waste, both in terms of time and costs, we can unlock opportunities to invest into areas that our customers really value.

Increasing efficiency and removing waste across our operations...

In FY25, we delivered meaningful operational and cost efficiencies, particularly across our supply chain, that will lead to significant multi-year savings and fundamentally improve our cost to serve. We've reduced our supply chain costs by c.20% YoY, while continuing to invest into competitive delivery speeds and bringing customers convenient options e.g. through our next-day locker partnership with InPost in the UK. Distribution and warehousing costs as a percentage of sales are down c.3ppts over the last two years, through a series of wide-ranging initiatives including optimising our warehouse footprint, contract renegotiations, and improving customer fulfilment metrics e.g. reducing the percentage of orders that were missing our customer delivery promise by c.30% YoY.

...focused on improving our customer experience by reducing key pain points like returns

Returns have been a major focus area, both because of the cost they create and the friction they cause for customers. We know finding the right fit matters most. That's why, in FY25, we improved size guides and added more reviews so customers can shop with confidence and avoid unnecessary returns. We also refined our fair use policy in core markets to protect free returns for the vast majority of customers, while addressing unprofitable behaviours. These actions helped reduce our underlying returns rate by c.150bps YoY, and we see further opportunities ahead in FY26 to tackle the root causes of unnecessary returns and make shopping with ASOS even more seamless.

Significant profitability improvements in FY25, building on foundations laid over last two years...

Combined, these gross margin and cost improvements have enabled us to grow our adjusted EBITDA by more than 60% YoY, despite the continued volume deleverage from lower than expected GMV as we continue to focus on higher quality sales against a soft consumer backdrop. We have achieved this despite continued inflationary pressures and macroeconomic and tariff uncertainty, reflecting the increased agility and resilience that we've established during our turnaround. This result also includes the impact of the TSTM royalty payment in FY25, previously guided to being a £10-20m adjusted EBITDA drag during the year, but which we expect to be increasingly positive over time. Our profit per order is up 30% YoY, underscoring the fundamental reset in unit economics we've achieved through focusing on creating sustainably profitable relationships with our customers.

...with further cost improvements locked in for FY26 and beyond

In H2 FY25, we explored additional opportunities to reduce fixed costs and drive further variable cost optimisation across our business, including through a disciplined review and subsequent renegotiation of key supplier contracts. These meaningful cost actions, while not delivering a material benefit during the period, have lowered our cost base for the medium to long term, positioning us to realise significant annualised cost savings in FY26 and beyond.

Stage 3: Re-engaging customers with the most relevant product and inspirational shopping experiences

Re-engaging customers at scale to drive sustainably profitable GMV growth

With these stronger foundations secured, the final phase of our turnaround is regaining the hearts and minds of customers at scale. We're focused on leaning into what makes ASOS distinctive: great product, inspiring experiences and innovation that resonates with our core customer. This means combining our unique mix of own brand and partner brand product with styling, personalisation and immersive experiences that makes us a true destination for fashion. Our successful execution of the first two stages of our journey is what gives us confidence in our ability to successfully deliver this final stage of our journey.

Into FY26, we are focused on three key growth levers: continuing to enhance product relevance through our speed models, exclusive collaborations and FF platform expansion; investing in ROI-driven, product-led brand marketing; and accelerating progress on our digital customer experience – our biggest opportunity for step-change improvement.

Positive signs of deeper engagement with our existing customer base...

Although our total customer base is down 14% YoY – reflecting lower new customer acquisition, as well as our continued actions to optimise our customer proposition against a soft macro backdrop – the quality and engagement of our active customers are improving. The number of reactivated customers (those who had previously shopped, but not in the preceding 12 months) is broadly flat across the Group and up YoY in the UK, showing the ability of our improved product and experience to re-engage customers who already have consideration and awareness of the ASOS brand.

Our retention rate is improving, another clear signal that our enhanced proposition is resonating. When we strip out the impact of measures taken to address unprofitable customer behaviour, our retention rate among profitable customers is improving at three times the Group rate. At the same time, average net spend and customer profitability are also increasing, driven by higher basket values and lower discounting. The progress we've made with our customer proposition and economics in the first two stages are already delivering improved return on advertising spend (ROAS).

Taken together – higher spend, higher profitability and stronger retention – these trends demonstrate that ASOS is successfully winning back the hearts, minds and wallets of customers who know our brand and shop with us, giving us confidence that we have got a strategy that can bring value to customers.

...demonstrate the opportunity to bring more new customers to ASOS by raising brand awareness

In FY26, we see a significant opportunity to win more of these future core customers by spreading the message to new customers and telling them about everything that ASOS can offer. We will relaunch the ASOS brand with a clear, product-led message around quality and inspiration, supported by disciplined, ROI-driven brand marketing to drive higher awareness and consideration in our core markets. This will be backed up by an exciting pipeline of new and innovative digital experiences to drive momentum and brand heat.

Making ASOS feel like it's made for you through better, more personalised experiences

In FY26, our customers will find more ways to use ASOS for fashion discovery and inspiration. We're launching a pipeline of exciting new features that will make every customer feel like ASOS is made for them, regardless of their shopping mission; whether its finding full outfits and looks with confidence; discovering new brands, trends, and styles; or getting tailored advice from your own personal stylist. Customers will be able to enjoy continuous improvements over the coming months, including a new personalised "For You" tab filled with the most relevant recommendations based on their preferences, a refreshed homepage with shoppable fashion entertainment where they can explore and discover new brands, trends and products, as well as new ways to discover and engage with outfits, including making them easier to visualise, buy and share their favourite looks.

In August, we launched ASOS Live, our immersive video shopping experience that bridges the gap between inspiration, discovery and shopping through live and on-demand videos that customers can interact with and shop through, within a social media-style experience on our platform. We know customers value our curation and guidance to help discover products, and that informative video content helps provide confidence in size, fit and product suitability before ordering. Since launching ASOS Live, we've seen a positive customer impact on relevant metrics that ASOS Live supports, including higher engagement on-app and improving customer conversion from viewers.

Our customers come to ASOS for more than just individual products – they're looking for style inspiration. We know styling content is a proven driver of conversion, demonstrating the value it brings to customers, and we're innovating our on-site experience to bring that value to more customers and product pages than ever before. In Q4, we began piloting our new "Styled for You" feature, a major milestone in scaling outfit-based inspiration with the power of AI. Trained on our database of 100,000+ expertly curated Studio outfits, our AI model can serve customers with curated outfit suggestions based around individual products.

Rewarding our most loyal customers with ASOS.WORLD

After a successful pilot launched in March, we rolled out our new loyalty programme, ASOS.WORLD, across the UK in Q4. Designed to strengthen our connection with customers, ASOS.WORLD rewards loyal customers with early access, priority alerts and exclusive experiences designed around what they value most. The programme features four tiers from the free-to-join Stylist tier through to our A-Lister tier for customers spending £750+ annually. We've reached more than 1m members in the UK within six months of launch, demonstrating strong customer demand for the programme.

Benefits are rooted in ASOS' core proposition of great product and inspiring experiences: early access to new collections, priority back-in-stock alerts, invitations to exclusive online and in-person events, and more. For example, ASOS.WORLD members gained early access to shop the second drop of our sold-out adidas cow-print collaboration, purchasing a third of

the stock despite only making up c.10% of the customer base at the time of launch and driving a significant spike in sign-ups to the programme. Members have higher order frequency and customer value versus non-members, demonstrating the commercial benefit of deeper engagement. In FY26, we see opportunity to roll out ASOS.WORLD further and drive even stronger customer connections.

Giving customers more ways to shop our iconic brands with the relaunch of TSTM

In August, we staged the major relaunch of Topshop.com, taking over Trafalgar Square in London, and delivering one of the most talked-about comebacks in British fashion. This was just the beginning of reigniting the brands' cultural relevance, with the return to physical retail through a curated selection of wholesale partners announced, including Liberty and John Lewis. Strategically, the relaunch is a major step in rebuilding Topshop and Topman, giving customers more ways to shop and engage with them. The model, led by Managing Director Michelle Wilson, gives TSTM the focused leadership and support it needs to thrive as iconic standalone brands, while still leveraging ASOS' core infrastructure and expertise to unlock its huge potential. We're excited about the opportunities this creates in FY26 and beyond – not only for TSTM's growth, but as a model for future brand development within ASOS.

Together, these initiatives will allow us to accelerate the impact of our turnaround – turning the work of the past three years into deeper customer engagement, greater operational efficiency and a clear route towards sustainable, profitable growth. Our biggest opportunity is to make shopping on ASOS feel personal and inspiring, with experiences that help customers discover, style and shop effortlessly. We are only at the beginning of this chapter, with the first wave of digital improvements delivered in Q4 showing what is possible. As we move into FY26, our focus and velocity will step up significantly, with a growing pipeline of initiatives bringing this to life for our customers. Each enhancement – from smarter personalisation to seamless discovery and checkout – is designed to deepen engagement, strengthen loyalty, and unlock profitable growth.

Outlook

In FY26, enabled by the strategic and financial progress made throughout our turnaround, we expect:

- GMV to show an improving trajectory throughout the financial year;
- GMV performance 3-4ppts ahead of revenue performance, driven by continued growth of Flexible Fulfilment models. Reflecting this mix shift, we have moved to GMV as the primary indicator of top-line performance;
- Further gross margin improvement of at least 100bps to 48% to 50%, driven by continued growth in full-price sales mix and Flexible Fulfilment models;
- Further adjusted EBITDA growth to £150m to £180m, supported by continued gross margin expansion, variable contribution and fixed cost discipline, with a meaningful year-on-year margin improvement in both H1 and H2 FY26; and
- Broadly neutral 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 50% through higher full-price sales mix and flexible stock models, which also benefits our inventory days. Our focus on efficient capital allocation will bring our capex down to 3% to 4% of sales and, 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) GMV and adjusted revenue are adjusted for the impact of foreign exchange translation (constant currency sales) and adjusting items.
3. The alternative performance measures used by ASOS are explained, defined and reconciled to statutory measures in the Alternative Performance Measures note at the end of the financial statements.
4. Gross Merchandise Value (GMV) defined as adjusted retail sales plus revenue attributable to Flexible Fulfilment partners, net of returns and excluding sales tax.
5. Adjusted cost to serve defined as operating costs (excluding depreciation, amortisation, impairments and adjusting items) as a percentage of adjusted revenue.
6. 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 11 of the financial statements.

Investor and analyst meeting:

The group will be hosting an in-person presentation for analysts at 9.30am at ASOS HQ, Greater London House, NW1 7FB. A live webcast will also be available, and a recording of the presentation will be uploaded to the ASOS investor relations website afterwards.

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:**

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Background note

Founded in 2000, ASOS has 17m active customers in over 150 markets. We bring fashion lovers around the world the best and most relevant fashion through our unique own brands including ASOS DESIGN, ARRANGE, COLLUSION, Topshop, and Topman, styled with the most exciting products from local and global partner brands. With our expert in-house design team and agile and flexible commercial model, including ASOS Fulfilment Services, Partner Fulfils, and Test & React, we make the latest trends accessible to all and give customers the confidence to be whoever they want to be.

Forward looking statements:

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

Financial review

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

£m	Year to 31 August 2025						Total adjusted
	UK	EU	US	Rest of World	Total reported	Adjusting items ³	
Retail sales ⁴	1,137.0	788.1	236.0	178.4	2,339.5	(6.4)	2,333.1
Income from other services ⁵	74.8	31.2	21.7	10.6	138.3	(6.6)	131.7
Total revenue	1,211.8	819.3	257.7	189.0	2,477.8	(13.0)	2,464.8
Cost of sales					(1,311.1)	8.3	(1,302.8)
Gross profit					1,166.7	(4.7)	1,162.0
Distribution expenses					(262.3)	-	(262.3)
Administrative expenses					(828.1)	54.3	(773.8)
Other income					16.5	(10.8)	5.7
EBITDA					92.8	38.8	131.6
Depreciation, amortisation and impairments					(305.1)	141.3	(163.8)
Operating loss					(212.3)	180.1	(32.2)
Finance income					4.8	-	4.8
Finance expense					(74.1)	3.3	(70.8)
Loss before tax					(281.6)	183.4	(98.2)

During the 52 weeks to 31 August 2025 (the year) the Group realised an adjusted loss before tax of £98.2m, and an adjusted EBITDA of £131.6m, a £51.5m improvement on the results for the same period last year.

As in the first half, across FY25 our new stock operating model has continued to deliver measurable benefits to stock health. This has driven a sustained reduction in markdowns and improvement in our full price sales mix, supporting a gross margin of 47.1%, up 370bps YoY. In parallel, further cost base optimisation was achieved through a range of actions including mothballing the US fulfilment centre and renegotiating key distribution contracts, delivering additional efficiencies and lowering variable cost to serve. The FY25 exit cost base has also been structurally reduced across multiple areas of the business, providing a stronger foundation for future periods. Together, these actions have helped offset the impact of a YoY sales decline, resulting in an adjusted EBITDA margin of 5.3%, an increase of 250bps versus FY24.

The reported loss before tax of £281.6m for the year includes adjusting items totalling £183.4m. Property-related initiatives account for £175.8m, the significant majority being the result of the mothballing of our US fulfilment centre, as noted in the interim results. Much of the expenditure under this programme is the non-cash impairment of tangible, intangible and right-of-use assets.

Other adjusting items include a £13.8m gain relating to the sale of a majority stake in the TSTM brands, reported within other income, and a £5.0m provision in relation to ongoing legal proceedings in an overseas territory. The remaining £16.4m primarily relates to strategic initiatives aligning organisational structure to support operational efficiencies.

GMV

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

	Year to 31 August 2025	Year to 1 September 2024	Change
GMV (£m) ⁶	2,456.3	2,817.8	(12%)
Active customers (m) ⁷	17.0	19.7	(14%)
Average basket value (£) ⁸	42.89	41.47	3%
Average basket value LFL (£) ⁹	43.36	41.47	5%
Average order frequency ¹⁰	3.37	3.45	(2%)
Total shipped orders (m) ¹¹	57.3	67.9	(16%)
Total visits (m)	1,912.9	2,252.4	(15%)
Conversion ¹²	3.0%	3.0%	-

GMV declined by 12%² YoY, reflecting strategic actions taken to improve order profitability against a soft consumer backdrop. While top-line performance was lower than expected, amid continued macroeconomic uncertainty, this was also driven by a sustained deliberate focus on strengthening profitability foundations to create headroom for future growth investment. As a result of these actions, quality of sales improved: the full-price mix increased, markdown reliance reduced, and own brand gained share within the sales mix, all contributing to a more profitable revenue base.

Flexible Fulfilment models (PF and AFS) gained significant traction, representing more than 10% of third-party GMV by the end of the year, up from 5% at the end of FY24. This shift broadened our product range without adding inventory risk and ensured GMV growth outpaced revenue, as anticipated. With adoption accelerating in H2, these models are positioned to play an even greater role in FY26, reinforcing our strategy to scale efficiently and enhance customer experience. Reflecting this mix shift, we have moved to GMV as the primary indicator of top-line performance.

Customer metrics mirrored these dynamics, with active customers decreasing by 14% YoY, and visits tracking this trend, falling by 15%. However, customer retention rates are improving, signalling that the changes we are implementing are resonating with customers and laying the foundations for future growth. Conversion remained broadly stable despite a leaner promotional stance.

We continued to optimise returns within our new commercial model. Building on FY24 actions, we introduced targeted, data-led measures in H1 and H2 focused on persistently high return behaviours, while continuing to offer free returns to all our customers in our core markets. Together with ongoing improvements to product quality and fit, these steps reduced returns and strengthened basket level profitability. The modest impact on sales through the year reflects an intentional mix shift towards healthier orders, consistent with our strategy to drive sustainable, profitable growth.

Overall, top-line performance reflects challenging market conditions and inflationary pressures, alongside the deliberate steps taken to strengthen profitability, creating the foundations that will underpin the next phase of growth.

Performance by market

United Kingdom

	Year to 31 August 2025
GMV	-7%
Total revenue	-9% (-9% LFL)
Visits	-12%
Orders	-12%
Conversion	flat
ABV	+6% (+6% LFL)
Active customers	6.5m (-8%)

UK performance was more resilient than other regions through FY25. GMV declined 7%, primarily reflecting lower site traffic and fewer orders against a cautious consumer backdrop in the UK retail sector. A sharper focus on newness and speed to market in our new model, with Test & React embedded at scale and own brand gaining share, meant that the assortment was fresher and more relevant: supporting healthier sell-through, higher ABV and improved margins. The improvement stems from product resonance and execution - getting the right product to customers faster - demonstrating the model's effectiveness.

Customer activity reflected these shifts. Active customers declined 8% to 6.5m, but customer retention is improving, driven by a more relevant, trend-led assortment. This was supported by the wider roll-out of Flexible Fulfilment models, giving the ability to scale availability of high-demand products at pace, and enhanced customer engagement through collaborations and new brand launches. Conversion held broadly stable, even as we moved away from heavy promotional stimulus, underscoring the appeal of newness and improved product execution.

Europe

	Year to 31 August 2025
GMV	-16%
Total revenue	-19% (-17% LFL)
Visits	-17%
Orders	-20%
Conversion	-10bps
ABV	+3% (+5% LFL)
Active customers	7.6m (-16%)

GMV across European markets declined by 16% YoY², in part driven by actions taken to limit unprofitable orders. The region saw a 17% drop in visits, contributing to a 20% reduction in orders, though this was partially mitigated by a 5% uplift in ABV, reflecting a more favourable full-price sales mix and reduced markdown as the new operating model delivers profitability benefits.

Macroeconomic pressures remain a factor in the region's performance, and initiatives such as the introduction of a free returns threshold in H2 FY24 - targeting high-returning customer segments - have contributed to a more profitable sales mix. Building on this foundation, FY25 saw the roll-out of further returns management enhancements. These steps improved variable contribution, even as they tempered top-line growth in the near term. With these measures now embedded, we expect the top-line impact to subside as we lap the changes during FY26, creating a sustainably profitable base as we pivot to the third stage of our transformation – re-engaging with consumers through targeted product and experience enhancements.

United States

	Year to 31 August 2025
GMV	-18%
Total revenue	-25% (-22% LFL)
Visits	-17%
Orders	-24%
Conversion	-20bps
ABV	+4% (+8% LFL)
Active customers	1.7m (-21%)

US GMV declined 18% YoY² as a result of lower traffic combined with a small drop in conversion (20bps). Strong ABV which increased 8%, partly offset the order decline (24%).

The US market's structural profitability opportunities were acted on ahead of any other market, initiated in H2 FY24. Encouragingly, following the annualisation of the significant profit actions we undertook and the shift of fulfilment from the US to the UK broadening access to a wider and fresher stock pool, H2 YoY GMV decline of 7% narrowed significantly compared to the 26% decline in H1 FY25. The actions taken to improve profitability included a pivot to more efficient performance marketing investment, tighter returns policies for persistently high returning cohorts, and reduced markdowns with greater promotional discipline.

Together, these steps improved full-price mix and variable contribution and delivered a significant improvement in the trajectory of active customers in H2. The rate of decline narrowed from 31% in H1 to 21% in H2, supported by new customer acquisition being broadly flat in H2, a notable improvement on the 38% decline in H1. Alongside this, a consistent improvement in the trajectory of retention rates has been seen across H2, resulting in a YoY improvement in Q4. This underscores the success of the strategic approach to addressing structural profitability ahead of upweighting our re-engagement activity with consumers, reinforcing confidence as this approach is executed across other key markets.

Rest of World

	Year to 31 August 2025
GMV	-15%
Total revenue	-16% (-14% LFL)
Visits	-14%
Orders	-17%
Conversion	-10bps
ABV	+1% (+3% LFL)
Active customers	1.2m (-18%)

Total RoW GMV declined 15% YoY² as softer demand and a marginal 10bps deterioration in conversion resulted in a 17% drop in orders.

ABV rose 3%, partially cushioning the impact of lower volumes. These gains in basket economics, together with disciplined trading, continue to support improved order profitability. As actions taken in prior years annualise, the rate of GMV² decline has improved YoY from a decline of 34% to 15%, demonstrating the positive impact of the new operating model on customer offering.

Gross margin

Adjusted gross margin³ increased 370bps YoY to 47.1%, underpinned by sustained benefits from our commercial operating model.

Our new model - anchored on newness and more relevant product offering to customers - has delivered higher full-price mix sell-through and structurally lower reliance on markdown. Where clearance is required, it is targeted and seasonally timed, improving the customer offer and reinforcing the efficiency of the stock model.

In addition, the scaling of Flexible Fulfilment models, PF and AFS, has begun to contribute meaningfully: these models enhance assortment and reduce inventory risk - supporting margin expansion - while the associated fee income and capital-light fulfilment economics helps to support our profitability ambitions.

Reported gross margin was 47.1%, up 710bps YoY; the additional YoY uplift reflects the impact of non-underlying stock write-off programmes recognised in FY24.

Operating expenses

Adjusted cost to serve (excluding D&A) increased 130bps to 42.0%. This reflects a c.200bps impact from the deleveraging effect of lower sales and inflationary pressures, resulting in an underlying improvement in cost to serve of c.100bps. Absorbed within this were the royalty payments to the TSTM joint venture, and despite their inclusion, the variable cost to serve still improved by 70bps. This improvement in variable cost to serve reflects efficiency gains from a range of actions including renegotiated distribution rates across key markets and a more efficient approach to marketing spend. Fixed costs in absolute terms decreased significantly YoY, highlighting the continued heightened discipline in capital allocation. Cost actions in H2 mean the FY25 exit cost base is significantly lower, driven by a waste removal and efficiency-led approach, which will drive future annualised savings.

£m	Year to 31 August 2025	% of revenue ¹³	Year to 1 September 2024	% of revenue ¹³	Change in £ Value
Distribution costs	(262.3)	(10.6%)	(326.1)	(11.3%)	20%
Warehousing	(255.1)	(10.4%)	(311.1)	(10.7%)	18%
Marketing	(167.8)	(6.8%)	(190.5)	(6.6%)	12%
Other operating costs	(350.9)	(14.2%)	(351.5)	(12.1%)	0%
Adj. cost to serve (excl. D&A)	(1,036.1)	(42.0%)	(1,179.2)	(40.7%)	12%
Adj. depreciation and amortisation and impairments	(163.8)	(6.6%)	(161.6)	(5.6%)	(1%)
Adj. operating costs	(1,199.9)	(48.6%)	(1,340.8)	(46.2%)	11%
Adjusting items within operating costs	(195.6)	(7.9%)	(155.6)	(5.3%)	(26%)
Total operating costs	(1,395.5)	(56.3%)	(1,496.4)	(51.5%)	7%

Distribution costs decreased by 70bps YoY to 10.6% of revenue. Savings were driven by improved returns rates and rate improvements secured through renegotiation of carrier contracts in key markets through H2, with further benefits to therefore be realised in FY26. These benefits helped to offset inflationary pressures and lower volume based rebates from reduced volumes, as well as the increased costs associated with the fulfilment of more US orders from the UK following the US site closure.

Warehouse costs were 10.4% of revenue, down 30bps YoY. Efficiency gains from the annualisation of FY24 network changes and our continuous improvement programme more than offset the deleveraging impact of lower volumes and wage inflation in key markets. At an adjusted level, early savings from the US fulfilment site closure also contributed to the reduction, reinforcing the structural benefits of our network strategy.

Marketing costs at 6.8% of revenue increased by 20bps YoY. Marketing investment was disciplined and reweighted; as savings from our optimised performance media model raised variable contribution and were redeployed into full funnel brand and creator activity, keeping marketing costs as a percentage of revenue broadly stable while supporting longer term demand generation.

Other operating costs fell marginally by £0.6m YoY despite increases associated with the impact of royalties payable under the TSTM brand agreements. This improvement reflects the disciplined approach to indirect spend and structural cost control, alongside annualisation of fixed cost optimisation measures implemented in the prior year. Headcount was further streamlined during the year, ending the year 4.9% lower than FY24, reinforcing our focus on efficiency and sustainable profitability.

Depreciation and amortisation costs (excluding adjusting items) increased by £2.2m YoY reflecting continued capital investment and associated depreciation and amortisation charges.

Interest

Finance expense (excluding adjusting items) was £70.8m, an increase of £14.3m from FY24, however the YoY impact on cash is broadly neutral in FY25. The increased charges reflect the higher coupon on the new 2028 convertible bond issued in September 2024. This refinancing partially replaced the previous instrument and reset pricing in line with prevailing market conditions, providing a stable capital structure to support the execution of our strategy. The increase was partly mitigated by switching £50m of term loan into a flexible facility to effectively reduce our blended interest rate as we improve our financial flexibility.

Finance income was £4.8m, compared with £12.0m in FY24, as average cash balances reduced following the refinancing programme, consistent with our plan to reduce gross debt and improve the balance sheet.

Taxation

The reported effective tax rate is (6.0%) based on the reported loss before tax of £281.6m. This is lower than the FY24 effective tax rate of 10.7% primarily due to the effect of higher unrecognised deferred tax assets in the year.

Earnings per share

Both basic and diluted loss per share were 250.1p (FY24: basic and diluted loss per share of 284.4p). The lower loss per share is mainly due to lower loss after tax for the year of £298.4m (FY24: £338.7m). The calculation of diluted loss per share excludes the impact of potential ordinary shares as it is anti-dilutive given the Group incurred a loss during the year.

Free cash flow

£m	Year to 31 August 2025	Year to 1 September 2024
AEBITDA	131.6	80.1
Share-based payments and other non-cash items included in AEBITDA	(1.0)	2.6
Cash impacting operating adjusting items	(19.2)	(20.2)
Income tax received/(paid)	5.1	10.3
Decrease in inventory (excl. swo) ¹⁴	109.7	143.1
(Increase)/decrease in other working capital ¹⁵	(67.1)	12.1
Operating cash flow	159.1	228.0
Purchase of property, plant & equipment and intangible assets	(85.9)	(133.5)
Payment of lease liabilities (principal)	(25.7)	(25.5)
Interest received	5.4	11.3
Interest paid	(38.8)	(42.6)
Free cash flow	14.1	37.7
Proceeds from sale of investments	135.0	-
Repayment of borrowings	(210.7)	(0.5)
Cash impacting financing adjusting items ¹⁶	(10.5)	-
Cash flow	(72.1)	37.2

Across FY25, there was a free cash inflow¹⁷ of £14.1m. Operating cash flow of £159.1m reflects a strong improvement in profitability partly offset by a higher working capital outflow YoY - most notably, a smaller inventory benefit as last year's stock health actions annualised and intake patterns normalised.

Investment discipline continued as capital additions were £85.9m, down on FY24 by £47.6m, however expenditure for the year was £100.8m prior to the subsequent impairment of investment into the Atlanta warehouse. The net interest paid reduced to £38.8m, while interest received was lower. Taken together, these movements delivered modestly positive free cash flow for the year, consistent with the planned cash profile.

After financing activities, there was a net cash outflow of £72.1m, driven by £210.7m of debt repayment and £10.5m of financing adjusting items, partly offset by £135.0m of proceeds from the sale of a majority stake in the TSTM brands.

Net debt, refinancing and liquidity

£m	Year to 31 August 2025	Year to 1 September 2024
Convertible bond (fair value of debt component)	343.3	478.1
Term loan, including accrued interest	153.8	190.2
Nordstrom loan	6.5	19.8
Borrowings	503.6	688.1
Cash and cash equivalents	(318.9)	(391.0)
Net debt (excluding lease liabilities)	184.7	297.1

Excluding lease liabilities, net debt reduced to £184.7m, an improvement of £112.4m YoY. The reduction reflects deleveraging and refinancing actions through the year, with lower balances across the convertible bond, term loan and Nordstrom facility. Cash and undrawn facilities was £318.9m at the end of the year, a £72.1m reduction YoY, as repayment of debt was prioritised, partially offset by the sale of a majority stake in the TSTM brands, consistent with our focus on strengthening the balance sheet.

Post balance sheet event

In November 2025, the Group entered into agreements to refinance its term loan facilities. The refinancing will become effective in December 2025, at which point the Group's existing £150.0m term loan will be repaid and the associated revolving credit and accordion facilities with Bantry Bay will be terminated.

The new financing arrangements, provided by a syndicate of private lenders, are comprised of a £150.0m senior term loan and an £87.5m Delayed Draw Term Loan facility. These new facilities will mature in November 2030.

Aaron Izzard

Chief Financial Officer

21 November 2025

Notes

- Numbers throughout this section are subject to rounding.
- Like-for-like ('LFL') revenue or GMV are adjusted for the impact of foreign exchange translation and adjusting items.
- The adjusting items are explained in note 3 of the financial statements. Reconciliations between statutory measures and their associated Alternative Performance Measures (APMs) can be found at the end of the financial statements.
- Retail sales are internet sales recorded net of an appropriate deduction for actual and expected returns, relevant vouchers, discounts and sales taxes.
- 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.
- GMV is adjusted retail sales plus revenue attributable to Flexible Fulfilment partners, net of returns and excluding sales tax. The growth rate is on a LFL basis. YoY growth rate prior to LFL adjustment is (13%).
- Active customers defined as having shopped in the last 12 financial months. These include the Flexible Fulfilment unique active customers.
- Average basket value is defined as GMV divided by total shipped orders.
- Average basket value LFL is calculated as LFL GMV divided by total shipped orders.
- Average order frequency is calculated as total shipped orders in the last 12 financial months divided by active customers.
- Total shipped orders are the combined total of Asos and Flexible Fulfilment orders.
- Conversion is calculated as total shipped orders divided by total visits.
- As a percentage of adjusted revenue for all lines other than Total operating costs which is expressed as a percentage of reported revenue.
- Sale of inventory, which was written off previously written down to its net realisable value as part of the commercial operating model change, accounted for £8.3m of the decrease in inventory in FY25.
- Includes working capital movements associated with adjusting items; a breakdown is included in the APMs section at the end of the financial statements.
- Financing adjusting items relate to refinancing costs as announced in September 2024.
- 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.

Consolidated Income Statement

52 weeks to 31 August 2025				52 weeks to 1 September 2024		
Note	Adjusted £m	Adjusting items (Note 3) £m	Total £m	Adjusted £m	Adjusting items (Note 3) £m	Total £m
Revenue	2,464.8	13.0	2,477.8	2,896.0	9.8	2,905.8
Cost of sales	(1,302.8)	(8.3)	(1,311.1)	(1,638.7)	(104.6)	(1,743.3)
Gross profit	1,162.0	4.7	1,166.7	1,257.3	(94.8)	1,162.5
Distribution expenses	(262.3)	-	(262.3)	(326.1)	-	(326.1)
Administrative expenses	(937.6)	(195.6)	(1,133.2)	(1,014.7)	(155.6)	(1,170.3)
Other income	5.7	10.8	16.5	2.0	-	2.0
Operating loss	(32.2)	(180.1)	(212.3)	(81.5)	(250.4)	(331.9)
Finance income	4.8	-	4.8	12.0	-	12.0
Finance expenses	(70.8)	(3.3)	(74.1)	(56.5)	(2.9)	(59.4)
Loss before tax	(98.2)	(183.4)	(281.6)	(126.0)	(253.3)	(379.3)
Income tax (charge)/credit	2.3	(19.1)	(16.8)	2.6	38.0	40.6
Loss for the year	(95.9)	(202.5)	(298.4)	(123.4)	(215.3)	(338.7)
Loss per share	pence per share			pence per share		
Basic and diluted	7		(250.1)			(284.4)

Consolidated Statement of Comprehensive Income

	52 weeks to 31 August 2025 £m	52 weeks to 1 September 2024 £m
Loss for the year	(298.4)	(338.7)
Items that will not be reclassified subsequently to profit or loss		
Net fair value losses on cash flow hedges	(3.8)	(5.2)
Tax on items that will not be reclassified	(0.1)	0.3
	(3.9)	(4.9)
Items that may be reclassified subsequently to profit or loss		
Net translation movements	1.6	-
Net fair value gains on cash flow hedges	0.4	6.7
Fair value movements reclassified from cash flow hedge reserve to profit or loss	(11.3)	(13.9)
Tax on items that may be reclassified	3.4	3.7
	(5.9)	(3.5)
Other comprehensive loss for the year	(9.8)	(8.4)
Total comprehensive loss for the year	(308.2)	(347.1)

Consolidated Balance Sheet

	Note	31 August 2025 £m	1 September 2024 £m
Non-current assets			
Goodwill and other intangible assets	8	473.6	514.0
Property, plant and equipment	9	153.4	283.2
Right-of-use assets	10	172.1	254.0
Investment properties		6.2	7.1
Investments in associates	11	44.9	-
Trade and other receivables		1.8	3.7
Derivative financial assets		0.1	0.3
Deferred tax assets		44.7	62.5
		896.8	1,124.8
Current assets			
Inventories	13	402.3	520.3
Assets held for sale	3	-	165.5
Trade and other receivables		49.2	53.4
Derivative financial assets		1.2	9.5
Cash and cash equivalents	14	318.9	391.0
Current tax assets		3.7	6.7
		775.3	1,146.4
Current liabilities			
Trade and other payables	15	(619.3)	(671.7)
Borrowings	16	(96.4)	(1.6)
Lease liabilities	10	(27.5)	(27.2)
Derivative financial liabilities		(9.8)	(6.6)
Provisions	17	(4.4)	(2.7)
Current tax liabilities		-	(4.2)
		(757.4)	(714.0)
Net current assets		17.9	432.4
Non-current liabilities			
Borrowings	16	(407.2)	(686.5)
Lease liabilities	10	(197.0)	(262.4)
Derivative financial liabilities		(0.3)	(0.5)
Provisions	17	(97.8)	(86.5)
		(702.3)	(1,035.9)
Net assets		212.4	521.3
Equity attributable to owners of the parent			
Called up share capital		4.2	4.2
Share premium		322.6	322.6
Other reserves		3.6	61.9
(Accumulated losses)/retained earnings		(118.0)	132.6
Total equity		212.4	521.3

Consolidated Statement of Changes in Equity

	Called up share capital £m	Share premium £m	Other reserves £m	(Accumulated losses)/retained earnings £m	Total equity £m
As at 2 September 2024	4.2	322.6	61.9	132.6	521.3
Loss for the year	-	-	-	(298.4)	(298.4)
Other comprehensive loss for the year	-	-	(9.8)	-	(9.8)
Total comprehensive loss for the year	-	-	(9.8)	(298.4)	(308.2)
Cash flow hedges gains and losses transferred to non-financial assets	-	-	1.7	-	1.7
Share-based payments charge	-	-	-	4.4	4.4
Tax relating to share incentive schemes	-	-	-	0.1	0.1
Repurchase and refinance of convertible bond	-	-	(50.2)	43.3	(6.9)
Balance as at 31 August 2025	4.2	322.6	3.6	(118.0)	212.4
As at 4 September 2023	4.2	322.6	73.1	466.8	866.7
Loss for the year	-	-	-	(338.7)	(338.7)
Other comprehensive loss for the year	-	-	(8.4)	-	(8.4)
Total comprehensive loss for the year	-	-	(8.4)	(338.7)	(347.1)
Cash flow hedges gains and losses transferred to non-financial assets	-	-	(2.8)	-	(2.8)
Share-based payments charge	-	-	-	4.6	4.6
Tax relating to share incentive schemes	-	-	-	(0.1)	(0.1)
Balance as at 1 September 2024	4.2	322.6	61.9	132.6	521.3

Consolidated Cash Flow Statement

	52 weeks to 31 August 2025 £m	52 weeks to 1 September 2024 £m
Cash flows from operating activities		
Operating loss	(212.3)	(331.9)
Adjusted for:		
Depreciation of property, plant and equipment, right-of-use assets and investment properties	51.4	55.0
Amortisation of other intangible assets	115.5	117.3
Impairment charges on non-financial assets	138.2	119.9
Share-based payments charge (net of amounts capitalised)	3.7	3.4
Share of associate's net loss	0.1	-
Gain on disposal of brands	(13.8)	-
Gain on refinancing	(2.6)	-
Other non-cash items	(1.8)	(0.8)
Decrease in inventories	118.0	247.7
Decrease in trade and other receivables	4.3	22.9
Decrease in trade and other payables	(54.5)	(18.2)
Increase in provisions	7.8	2.4
Cash generated from operating activities	154.0	217.7
Net income tax received	5.1	10.3
Net cash generated from operating activities	159.1	228.0
Cash flows from investing activities		
Purchase of other intangible assets	(78.0)	(97.1)
Proceeds from sale of brands	135.0	-
Purchase of property, plant and equipment	(7.9)	(36.4)
Interest received	5.4	11.3
Net cash generated from/(used in) investing activities	54.5	(122.2)
Cash flows from financing activities		
Repayment of borrowings	(63.3)	(0.5)
Repurchase of convertible bond	(147.4)	-
Refinancing fees paid	(10.5)	-
Repayment of principal portion of lease liabilities	(25.7)	(25.5)
Interest paid	(38.8)	(42.6)
Net cash used in financing activities	(285.7)	(68.6)
Net (decrease)/increase in cash and cash equivalents	(72.1)	37.2
Opening cash and cash equivalents	391.0	353.3
Effect of exchange rates on cash and cash equivalents	-	0.5
Closing cash and cash equivalents	318.9	391.0

1 General information

The financial information contained within this preliminary announcement for the periods from 2 September 2024 to 31 August 2025 and 4 September 2023 to 1 September 2024 do not comprise statutory financial statements within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the period to 1 September 2024 have been filed with the Registrar of Companies and those for the period to 31 August 2025 will be filed following the Company's annual general meeting. The auditors have reported on the 2025 accounts: their report was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

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

The financial year represents the 52 weeks to 31 August 2025 (prior financial year: 52 weeks to 1 September 2024). The financial information comprises the results of the Company and its subsidiaries.

Within these consolidated financial statements, 2025 refers to the 52 weeks to 31 August 2025, or as at 31 August 2025; and 2024 refers to the 52 weeks to 1 September 2024, or as at 1 September 2024.

2 Material accounting policies, judgements and estimates

2.1 Basis of preparation

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

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

2.2 Going concern

The Directors are satisfied that the Group has sufficient resources to continue in operation for a period of at least 12 months from the date of approval of the financial statements, and therefore continue to adopt the going concern basis in preparing the financial statements. To support this assessment, detailed cash flow forecasts were prepared for the 18 month period to February 2027.

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 31 August 2025, the Group had £73.6m of convertible bonds maturing in April 2026, £253.0m of convertible bonds maturing in September 2028, and was fully drawn on the £150.0m term loan with Bantry Bay. In November 2025, the Group entered into agreements to refinance its term loan facilities. The refinancing will become effective in December 2025, at which point the term loan will be repaid and the associated revolving credit and accordion facilities with Bantry Bay will be terminated.

The new financing arrangements, provided by a syndicate of private lenders, are comprised of a £150.0m senior term loan and an £87.5m Delayed Draw Term Loan facility. These new facilities will mature in November 2030.

As a result of the new financing package, the group is subject to a minimum cash & cash equivalents threshold of at least £20m. Other covenants have been considered throughout the assessment, but do not impact on the availability of the facility throughout the assessment period.

2 Material accounting policies, judgements and estimates cont.

2.2 Going concern cont.

Key assumptions – forecasting business cash flows

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

The assumptions considered include the continuation of our improved order economics, as well as a sustained marginal recovery in the macro trading environment, with the online fashion market assumed to experience low-single-digit % growth on an aggregated basis across the Group's key territories. The base case assumes a less aggressive share loss in FY26 than experienced in FY25 as the Group sees the benefits from the adoption of the new commercial model and continued improvements to the Group's customer proposition with YoY sales growth gradually improving vs the FY25 exit rate throughout the assessment period towards mid-single-digit growth by the end of the assessment. Improvements in adjusted gross margin are included of at least 100bps vs FY25 to 48% to 50%.

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; and
- Potential working capital cash impacts.

The downside scenarios are considered across both FY26 and H1 FY27, 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	FY26	H1 FY27
Sales	(7%)	(16%)
Gross Margin	(190bps)	(200bps)
Working Capital impact (average)	£(121m)	£(105m)

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 during the going concern period.

Reverse stress tests have also been performed on both the Group's revenue and gross margin. The tests under consideration hold all metrics in line with the downside case highlighted above, analysing how far the stress metric would need to decline against the base case to cause a liquidity event. Such results would have to see over a 20% 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, particularly given the significant progress made during FY25 across our strategic priorities.

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

2 Material accounting policies, judgements and estimates cont.

2.3 New accounting standards

The Group adopted the following accounting standards and amendments during the year with no material impact:

- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback;
- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current, and Non-current liabilities with Covenants; and
- Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangements.

New standards and interpretations that are in issue but not yet effective are listed below:

- Amendments to IAS 21 – Lack of Exchangeability;
- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments;
- IFRS 18 *Presentation and Disclosure in Financial Statements*;
- IFRS 19 *Subsidiaries without Public Accountability: Disclosures*; and
- Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

The Group has considered the impact of the new standards and revisions that are in issue but not yet effective and have concluded that they will not have a material impact on the Group's financial statements, with the exception of IFRS 18 which is under review.

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 year are defined and reconciled in the APMs section. All of the APMs relate to the current year's results and comparative years.

2.5 Critical accounting judgements and key sources of estimation uncertainty

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

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

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

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

The identification of lease terms is no longer considered a critical accounting judgement following a reassessment of the Group's lease portfolio and reduced complexity in extension and break clause assumptions arising from the decision to vacate the Atlanta fulfilment centre in 2025 and the Lichfield fulfilment centre in 2024.

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

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

3 Adjusting items

Income statement

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

	Revenue	Cost of sales	Administrative expenses	Other income	Finance expenses	Total before tax	Tax	Total
	£m	£m	£m	£m	£m	£m	£m	£m
2024								
Commercial operating model change	9.8	(104.6)	-	-	-	(94.8)	23.6	(71.2)
Property-related costs	-	-	(141.5)	-	(2.9)	(144.4)	36.1	(108.3)
Other strategic initiatives	-	-	(3.4)	-	-	(3.4)	0.9	(2.5)
Amortisation of acquisition intangibles	-	-	(10.7)	-	-	(10.7)	2.7	(8.0)
Unrecognised deferred tax assets	-	-	-	-	-	-	(25.3)	(25.3)
	9.8	(104.6)	(155.6)	-	(2.9)	(253.3)	38.0	(215.3)

Cash flow statement

	2025	2024
	£m	£m
Commercial operating model change	9.0	0.2
Property-related costs	(10.6)	-
Other strategic initiatives	(17.6)	(20.4)
Total adjusting items within operating cash flows	(19.2)	(20.2)

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

Commercial operating model

In 2023, 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 2023 and 2024 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.

3 Adjusting items cont.

Property-related costs

In January 2025, the Group announced its intention to vacate the Atlanta fulfilment centre following the completion of the site's automation project during the current 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 £179.3m have been incurred during the year (2024: £147.5m related to mothballing the Lichfield fulfilment centre). These costs are detailed below. Comparative amounts relate to similar costs recognised in the prior year for the closure of the Lichfield site.

	2025 £m	2024 £m
Impairment of property, plant and equipment (a)	Atlanta (108.8)	Lichfield (97.7)
Impairment of intangible assets (a)	(6.6)	(2.2)
Impairment of right-of-use assets (a)	(26.4)	(15.8)
Impairment of investment properties	-	(4.2)
Non-capitalised asset spend (b)	(16.5)	(16.5)
Onerous occupancy costs (c)	(14.0)	(5.3)
Other costs to vacate (d)	(7.0)	(5.8)
	(179.3)	(147.5)
Other property-related costs		
Recognition of net investment in lease receivable	-	4.4
Reversal of impairment of right-of-use assets (e)	5.7	-
Other	(2.2)	(1.3)
Total property-related costs	(175.8)	(144.4)

- 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 has been 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 a lease on a site agreed to be exited. 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 year they are incurred.
- d) Includes costs associated with vacating sites, such as severance, supplier termination and stock transfers.
- e) Reversal of impairment losses previously recognised in 2023, as a result of the reoccupation of a previously vacated office space.

3 Adjusting items cont.

Other strategic initiatives

	2025 £m	2024 £m
Restructuring (a)	(15.7)	-
Refinancing (b)	2.6	-
Disposal of brand (c)	13.8	(3.4)
Other (d)	(3.5)	-
	(2.8)	(3.4)

- a) Restructuring costs of £15.7m were recognised during the year as part of the Group's strategic focus on driving operational efficiency. These costs reflect a range of reorganisation activities across the business, including changes to leadership structures and functional realignments.
- b) During the year, 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 16 for further information.
- 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 flows £m
Consideration		
Cash	135.0	135.0
Shares in associate entity (Note 11)	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 Transaction costs of £1.4m were accrued in the prior financial year

- d) Included within Other is a charge relating to ongoing legal proceedings in an overseas territory. The Group has previously reported a contingent liability in relation to this matter. Following constructive engagement with the claimants, management has estimated the potential cost of settlement.

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.

Additionally included is £3.0m representing the Group's share of the associate's post-tax results attributable to the amortisation of acquired intangible assets.

Unrecognised deferred tax assets

Deferred tax assets of £74.6m were not recognised in the year and were instead recognised in the income statement. Of the amounts not recognised, £54.9m was attributed to adjusting items. Further information is included in Note 6.

Critical accounting judgements – Identification of adjusting items

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

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

4 Segmental analysis

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

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

In determining the Group's operating segments, management has considered the level of information which is regularly reviewed by the Management Committee. Information regularly reviewed by the Management Committee is at a consolidated Group level only, with some disaggregated revenue information and associated metrics provided for the geographical territories of the UK, the 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).

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

	2025				
	UK £m	EU £m	US £m	Rest of World £m	Total £m
Retail sales	1,137.0	788.1	236.0	178.4	2,339.5
Revenue from other services	74.8	31.2	21.7	10.6	138.3
Total revenue	1,211.8	819.3	257.7	189.0	2,477.8
Cost of sales					(1,311.1)
Gross profit					1,166.7
Distribution expenses					(262.3)
Administrative expenses					(1,133.2)
Other income					16.5
Operating loss					(212.3)
Finance income					4.8
Finance expenses					(74.1)
Loss before tax					(281.6)
Non-current assets ¹	693.0	154.9	4.1	-	852.0
	2024				
	UK £m	EU £m	US £m	Rest of World £m	Total £m
Retail sales	1,262.3	974.3	298.2	214.1	2,748.9
Revenue from other services	71.3	34.1	40.6	10.9	156.9
Total revenue	1,333.6	1,008.4	338.8	225.0	2,905.8
Cost of sales					(1,743.3)
Gross profit					1,162.5
Distribution expenses					(326.1)
Administrative expenses					(1,170.3)
Other income					2.0
Operating loss					(331.9)
Finance income					12.0
Finance expenses					(59.4)
Loss before tax					(379.3)
Non-current assets ¹	703.8	175.0	183.2	-	1,062.0

¹ Excludes derivative financial assets and deferred tax assets.

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

5 Finance income and expenses

	2025 £m	2024 £m
Finance income		
Interest on deposits	4.8	12.0
Finance expenses		
Interest on borrowings	(66.9)	(58.5)
IFRS 16 lease interest	(6.4)	(5.5)
Provisions – unwind of discount	(3.8)	(3.1)
Interest capitalised	3.0	7.7
Total finance expenses	(74.1)	(59.4)
Net finance expenses	(69.3)	(47.4)

6 Taxation

	2025 £m	2024 £m
Current year UK tax	-	-
Current year overseas tax	0.6	3.6
Adjustment in respect of prior year corporation tax	(5.5)	(4.4)
Total current tax credit	(4.9)	(0.8)
Origination and reversal of temporary differences	15.3	(42.4)
Adjustment in respect of prior years	6.4	2.6
Total deferred tax charge/(credit)	21.7	(39.8)
Total income tax charge/(credit) in income statement	16.8	(40.6)
Analysed as:		
Tax on adjusted loss	(2.3)	(2.6)
Tax on adjusting items	19.1	(38.0)
Total income tax charge/(credit) in income statement	16.8	(40.6)
Effective tax rate	(6.0%)	10.7%

Key sources of estimation uncertainty – Recognition of deferred tax assets

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

In determining the amount of deferred tax assets recognised, management makes estimates of future taxable profits and the likelihood of their being recovered within a reasonably foreseeable timeframe, being a minimum of five years, aligned to the Group's strategic planning process. In making these estimates, management considers the current and projected financial performance of the Group, including profit margins, revenue growth, and cost management strategies, which are derived from management forecasts and consistent with those used as part of the Group's going concern and impairment assessments. Risk adjustments are then applied, with a greater adjustment applied to periods where there is less evidence of profits, in particular, those further in the future. The Group also considers the timing and amount of deductible temporary differences. As at 31 August 2025, the Group has net deferred tax assets of £171.6m, of which £44.7m have been recognised. Deferred tax assets relating to temporary differences and unused tax losses of £507.9m (£126.9m tax effected) have not been recognised.

The deferred tax assets have no expiry date and the Group believes that it is probable that future taxable profits, together with the reversal of existing temporary differences, will be sufficient to utilise the recognised deferred tax assets, however actual outcomes could differ from these estimates due to changes in the factors mentioned above. A movement of +/-10% in forecast taxable profits would increase/(decrease) the amount of deferred tax assets recognised by £6.7m/£(6.4m), and is considered a reasonable possible change.

The deferred tax assets unrecognised relate to losses on a mix of adjusted and non-adjusted items. Therefore the £74.6m charge relating to unrecognised deferred tax assets has been apportioned between adjusted and reported profit in proportion to the total tax losses arising within each category, with £54.9m recognised outside adjusted profit, and £19.7m within adjusted profit.

7 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of the parent company ASOS Plc by the weighted average number of ordinary shares in issue during the year. Own shares held by the Employee Benefit Trust and Link Market Trust are excluded from the weighted average number of ordinary shares.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue for the effects of all potentially dilutive ordinary shares. However, as the Group incurred a loss during the year, the impact of potential ordinary shares is anti-dilutive and therefore has not been included in the calculation of diluted loss per share. As a result, basic and diluted loss per share are the same for the current year.

	2025	2024
Weighted average number of shares in issue - basic and diluted	119,294,826	119,085,260
Loss for the year (£m)	(298.4)	(338.7)
Basic and diluted loss per share (pence per share)	(250.1)	(284.4)

8 Goodwill and other intangible assets

	Goodwill £m	Brands and domain names £m	Customer relationships £m	Software £m	Assets under construction £m	Total £m
Cost						
As at 2 September 2024	35.5	31.7	24.4	966.2	14.8	1,072.6
Additions	-	-	-	75.7	7.3	83.0
Transfers	-	-	-	8.7	(8.7)	-
As at 31 August 2025	35.5	31.7	24.4	1,050.6	13.4	1,155.6
Accumulated amortisation and impairment						
As at 2 September 2024	0.3	5.1	10.8	539.9	2.5	558.6
Amortisation expense	-	1.4	3.0	111.1	-	115.5
Impairment charge	-	-	-	3.1	4.8	7.9
As at 31 August 2025	0.3	6.5	13.8	654.1	7.3	682.0
Net book value at 31 August 2025	35.2	25.2	10.6	396.5	6.1	473.6
Cost						
As at 4 September 2023	35.5	219.6	24.4	863.5	19.0	1,162.0
Additions	-	-	-	90.6	7.9	98.5
Transfer to assets held for sale	-	(187.9)	-	-	-	(187.9)
Transfers	-	-	-	12.1	(12.1)	-
As at 1 September 2024	35.5	31.7	24.4	966.2	14.8	1,072.6
Accumulated amortisation and impairment						
As at 4 September 2023	0.3	19.8	7.8	431.5	2.1	461.5
Amortisation expense	-	7.7	3.0	106.6	-	117.3
Transfer to assets held for sale	-	(22.4)	-	-	-	(22.4)
Impairment charge	-	-	-	1.8	0.4	2.2
As at 1 September 2024	0.3	5.1	10.8	539.9	2.5	558.6
Net book value at 1 September 2024	35.2	26.6	13.6	426.3	12.3	514.0

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

9 Property, plant and equipment

	Fixtures, fittings, plant and machinery £m	Computer hardware £m	Assets under construction £m	Total £m
Cost				
As at 2 September 2024	412.1	45.3	150.9	608.3
Additions	2.4	0.6	3.5	6.5
Disposals	-	-	(0.1)	(0.1)
Transfers	0.3	-	(0.3)	-
As at 31 August 2025	414.8	45.9	154.0	614.7
Accumulated depreciation and impairment				
As at 2 September 2024	218.9	37.9	68.3	325.1
Depreciation expense	21.9	4.8	-	26.7
Impairment charge	22.6	1.7	85.2	109.5
As at 31 August 2025	263.4	44.4	153.5	461.3
Net book value at 31 August 2025	151.4	1.5	0.5	153.4
Cost				
As at 4 September 2023	410.7	43.0	109.2	562.9
Additions	1.2	4.0	42.0	47.2
Disposals	-	(1.8)	-	(1.8)
Transfers	0.2	0.1	(0.3)	-
As at 1 September 2024	412.1	45.3	150.9	608.3
Accumulated depreciation and impairment				
As at 4 September 2023	165.4	32.1	2.8	200.3
Depreciation expense	22.5	6.4	-	28.9
Disposals	-	(1.8)	-	(1.8)
Impairment charge	31.0	1.2	65.5	97.7
As at 1 September 2024	218.9	37.9	68.3	325.1
Net book value at 1 September 2024	193.2	7.4	82.6	283.2

Refer to Note 3 for details of impairments.

10 Leases

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

10.1 Right-of-use assets

	2025 £m	2024 £m
At the beginning of the year	254.0	295.2
Remeasurements / modifications	(42.2)	(11.2)
Depreciation expense	(24.0)	(25.1)
Impairment charge	(20.7)	(15.8)
Change in dilapidations estimate	1.5	13.8
Foreign exchange differences	3.5	(2.9)
At the end of the year	172.1	254.0

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

10.2 Lease liabilities

	2025 £m	2024 £m
At the beginning of the year	289.6	329.0
Remeasurements / modifications	(42.2)	(9.9)
Payments	(32.1)	(31.0)
Interest expense	6.4	5.5
Foreign exchange differences	2.8	(4.0)
At the end of the year	224.5	289.6
Current	27.5	27.2
Non-current	197.0	262.4
Total lease liabilities	224.5	289.6

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

11 Investments in associates

During the year, 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/(loss) from the associate is recognised within other income.

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

	2025 £m
Current assets	16.3
Non-current assets	164.5
Current liabilities	(1.1)
Non-current liabilities	-
Net assets	179.7

	2025 £m
Revenue	15.9
Loss for the year ¹	(0.2)
Total comprehensive loss	(0.2)

¹ Included in loss for the year is £(3.0m) in adjusting items relating to amortisation of acquired intangible assets. Refer to Note 3 for further information.

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

	2025 £m
At the beginning of the year	-
Additional investment	45.0
Share of net loss for the year, net of tax	(0.1)
Distributions received	-
At the end of the year	44.9

12 Impairment of non-financial assets

12.1 Inputs and assumptions

Cash generating units

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

Composition of CGU

For impairment testing purposes, the CGU comprises the following:

	2025	2024
	£m	£m
Goodwill and other intangible assets	473.6	514.0
Property, plant and equipment	153.4	283.2
Right-of-use assets	172.1	254.0
	799.1	1,051.2

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

Identification of impairment indicator

Given the reported loss recognised during the year, combined with the volatility within the macro-economic environment, an indicator of impairment was deemed to exist.

Approach and assumptions

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

Assumption	Details
Cash flow years / assumptions	- Derived from medium term forecasts reviewed and approved by the Board which cover a period of five years. Growth rates are then reduced to 2.0% (the long-term growth rate) into perpetuity (2024: 2.0%). - Whilst the value in use excludes lease rentals (a financing cash flow under IFRS 16 Leases), an estimated cash outflow for future lease renewals is assumed from the current lease end dates.
Discount rate	- A post tax discount rate representing the Group's weighted average cost of capital (WACC), subsequently grossed up to a pre-tax rate using an iterative calculation that yields the same value in use when tax cash flows are excluded. - The post-tax WACC has been calculated using the capital asset pricing model, the inputs of which include a UK risk-free rate based on government bond rates, a UK equity risk premium and levered debt premium benchmarked to externally available data, and an average beta derived from a comparator group. - The resulting discount rates are:

2025		2024	
Post-tax rate	Pre-tax rate	Post-tax rate	Pre-tax rate
12.5%	15.9%	12.7%	15.5%

12 Impairment of non-financial assets cont.

12.2 Outputs

Outside of specific impairments recognised during the year in relation to sites identified for exit as disclosed in Note 3, no further impairments were identified as a result of the impairment review described above, with headroom noted of c.£103m (2024: c.£600m).

Key sources of estimation uncertainty - Assumptions in relation to impairment assessment

Of the assumptions used in the assessment, the value-in-use calculations are most sensitive to changes in the discount rate, the long-term growth rate and forecast cash flows (comprising revenue, gross margin and fixed overheads). Cash flows are derived from forecasts reviewed by the Board, and in line with those used for the going concern and viability assessments which assume sales growth rates gradually improve vs. the FY25 exit rate, trending towards mid-single digit growth after 18 months which is then sustained for the remainder of the plan. Improvements in adjusted gross margin of at least 100bps vs FY25 to 48% to 50% are assumed during FY26 with FY27 & FY28 continuing at around 50% level.

A sensitivity analysis for reasonable possible changes in assumptions was conducted on the impairment tests, where management assessed a scenario in which the revenue growth rates within the five-year forecast cash flows (being the most sensitive assumption) were reduced by half. To reflect this adjustment, a corresponding reduction in variable costs and cost of sales was modelled to maintain gross margin percentage in line with original forecasts. Under this sensitivity scenario, an impairment of approximately £207m would be recognised.

The following table shows the amount by which the assumptions would have to change to make the recoverable amount equal to the carrying value to show the headroom sensitivity. It is not considered that a reasonable possible change in the discount rate, fixed overheads nor the long-term growth rate would cause an impairment, therefore they are not included below.

Sensitivity	2025	2024
A reduction in forecast annual growth rates of: ¹	(0.7%)	(2.7%)
A reduction in forecast revenue vs base case of: ²	(2.7%)	(11.4%)
A reduction in forecast gross margin in each year of:	(0.6%)	(2.4%)

1 Applied to the Group five-year plan period

2 Applied to all years within the assessment period

13 Inventories

	2025 £m	2024 £m
Gross finished goods	523.5	683.6
Inventory provision	(121.2)	(163.3)
Total inventories	402.3	520.3

The carrying value of inventories includes a £37.2m (2024: £49.2m) right to recover asset in relation to the inventory expected to be received back from customers as returns. The amount of inventories recognised as an expense and charged to cost of sales for the year was £1,311.1m (2024: £1,743.3m).

Key sources of estimation uncertainty - Assumptions in relation to impairment assessment

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

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

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

13 Inventories cont.

The movements in the Group's provisions based on reasonable possible changes to the above assumptions are as follows:

	2025		2024	
	Decrease in provision £m	Increase in provision £m	Decrease in provision £m	Increase in provision £m
Using loss rates from 2024 / 2023	(5.0)	-	-	4.0
A change in the anticipated sell through rates of +/-0.5%	(4.2)	4.2	(7.1)	7.1
A change in the anticipated sales price of +/-10%	(1.0)	1.0	(2.2)	2.2

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

14 Cash and cash equivalents

	2025 £m	2024 £m
Cash in hand and bank balances	108.2	83.1
Money market fund investments	123.0	270.2
Short-term deposits	87.7	37.7
Total cash and cash equivalents	318.9	391.0

Cash and cash equivalents includes uncleared payment provider receipts of £48.8m, which are typically received within three business days (2024: £68.8m).

Included within cash and cash equivalents is £11.6m (2024: £8.1m) of cash collected on behalf of partners of the Direct-to-Consumer fulfilment proposition (Partner Fulfil) and ASOS Fulfilment Services (AFS). ASOS Payments UK Limited and the Group are entitled to interest amounts earned on the deposits and amounts are held in a segregated bank account that is settled on a monthly basis.

15 Trade and other payables

	2025 £m	2024 £m
Trade payables	122.7	108.1
Other payables	175.0	165.9
Accruals	177.6	242.3
Refund liabilities	77.9	99.2
Deferred revenue	31.6	41.6
Taxation and social security	34.5	14.6
Total trade and other payables	619.3	671.7

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

16 Borrowings

	2025 £m	2024 £m
Convertible bond	343.3	478.1
Nordstrom Loan	6.5	19.8
Term Loan	153.8	190.2
Total borrowings	503.6	688.1
Current	96.4	1.6
Non-current	407.2	686.5
Total borrowings	503.6	688.1

Convertible bonds due 2026

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 year, 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 (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 year 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 year, 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.

In November 2025, the Group entered into agreements to refinance its term loan facilities. Refer to Note 20 for further information.

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

The remaining loan balance of £6.5m was repaid after the balance sheet date.

16 Borrowings cont.

Impact of refinancing on the Group accounts

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

	Balance sheet			Cash flow	Income statement
	Borrowings £m	Convertible Bond Reserve £m	Retained earnings	Inflow / (outflow) £m	Refinancing (gain) / loss £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 impact¹	216.9	50.2	(43.3)	(221.2)	(2.6)
Interest expense	(64.8)	-			
Interest paid	32.4	-			
As at 31 August 2025	(503.6)	(8.7)			

1 The total refinancing impact to the income statement is made up of an £11.6m gain on refinancing of the convertible bonds and £9.0m loss on refinancing of the term loan.

17 Provisions

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

18 Analysis of net debt

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

	2025 £m	2024 £m
Borrowings	(503.6)	(688.1)
Leases	(224.5)	(289.6)
Liabilities from financing activities	(728.1)	(977.7)
Cash and cash equivalents	318.9	391.0
Net debt	(409.2)	(586.7)
Net debt APM (ex-leases)	(184.7)	(297.1)

18 Analysis of net debt cont.

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	25.7	63.3	89.0
Interest paid	6.4	32.4	38.8
Repurchase of convertible bond	-	140.6	140.6
Financing fees paid	-	4.9	4.9
Non-cash movements			
Movement in lease liabilities	42.2	-	42.2
Foreign exchange impacts	(2.8)	-	(2.8)
Debt modification gain	-	8.1	8.1
Accrued interest	(6.4)	(64.8)	(71.2)
As at 31 August 2025	(224.5)	(503.6)	(728.1)
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
Accrued interest	(5.5)	(52.9)	(58.4)
As at 1 September 2024	(289.6)	(688.1)	(977.7)

19 Contingent liabilities

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

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

20 Post balance sheet events

In November 2025, the Group entered into agreements to refinance its term loan facilities. The refinancing will become effective in December 2025, at which point the Group's existing £150.0m term loan will be repaid and the associated revolving credit and accordion facilities with Bantry Bay will be terminated.

The new financing arrangements, provided by a syndicate of private lenders, are comprised of a £150.0m senior term loan and an £87.5m Delayed Draw Term Loan facility. These new facilities will mature in November 2030.

Alternative Performance Measures (APMs)

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

Performance measure	Closest IFRS measure	Definition	How ASOS uses this measure																																								
Like-for-like revenue growth	Revenue	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 year-on-year reported results. <table><tr><td></td><td>2025 £m</td><td>2024 £m</td><td>Growth %</td></tr><tr><td>Revenue</td><td>2,477.8</td><td>2,905.8</td><td>(15%)</td></tr><tr><td>Adjusting items (Note 3)</td><td>(13.0)</td><td>(9.8)</td><td></td></tr><tr><td>Impact of foreign exchange translation</td><td>28.1</td><td>-</td><td></td></tr><tr><td>Like-for-like revenue growth</td><td>2,492.9</td><td>2,896.0</td><td>(14%)</td></tr></table> <table><tr><td></td><td>2024 £m</td><td>2023 £m</td><td>Growth %</td></tr><tr><td>Revenue</td><td>2,905.8</td><td>3,549.5</td><td>(18%)</td></tr><tr><td>Adjusting items (Note 3)</td><td>(9.8)</td><td>(11.5)</td><td></td></tr><tr><td>Impact of foreign exchange translation and LFL financial years¹</td><td>60.7</td><td>-</td><td></td></tr><tr><td>Like-for-like revenue growth</td><td>2,956.7</td><td>3,538.0</td><td>(16%)</td></tr></table> ¹ Removing the impact of four less trading days in FY24		2025 £m	2024 £m	Growth %	Revenue	2,477.8	2,905.8	(15%)	Adjusting items (Note 3)	(13.0)	(9.8)		Impact of foreign exchange translation	28.1	-		Like-for-like revenue growth	2,492.9	2,896.0	(14%)		2024 £m	2023 £m	Growth %	Revenue	2,905.8	3,549.5	(18%)	Adjusting items (Note 3)	(9.8)	(11.5)		Impact of foreign exchange translation and LFL financial years ¹	60.7	-		Like-for-like revenue growth	2,956.7	3,538.0	(16%)
	2025 £m	2024 £m	Growth %																																								
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Like-for-like revenue growth	2,956.7	3,538.0	(16%)																																								
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 metrics such as GMV and ABV. A reconciliation of this measure is included in Note 4.																																								
Gross merchandise value (GMV)	Revenue	Retail sales excluding adjusting items plus revenue attributable to Flexible Fulfilment partners, net of returns and excluding sales tax.	This measure reflects the increasing shift to Flexible Fulfilment models and is used as an indicator of top-line performance. <table><tr><td></td><td>2025 £m</td><td>2024 £m</td></tr><tr><td>GMV</td><td>2,456.3</td><td>2,817.8</td></tr><tr><td>Less revenue attributable to partners</td><td>(123.2)</td><td>(68.9)</td></tr><tr><td>Adjusted retail sales</td><td>2,333.1</td><td>2,748.9</td></tr><tr><td>Adjusting items</td><td>6.4</td><td>-</td></tr><tr><td>Reported retail sales</td><td>2,339.5</td><td>2,748.9</td></tr></table>		2025 £m	2024 £m	GMV	2,456.3	2,817.8	Less revenue attributable to partners	(123.2)	(68.9)	Adjusted retail sales	2,333.1	2,748.9	Adjusting items	6.4	-	Reported retail sales	2,339.5	2,748.9																						
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Reported retail sales	2,339.5	2,748.9																																									
Like-for-like GMV growth	Revenue	Like-for-like GMV growth eliminates the effect of exchange rate fluctuations on the year-on-year GMV metric.	<table><tr><td></td><td>2025 £m</td><td>2024 £m</td><td>Growth %</td></tr><tr><td>GMV</td><td>2,456.3</td><td>2,817.8</td><td>(13%)</td></tr><tr><td>Impact of foreign exchange translation</td><td>27.0</td><td>-</td><td></td></tr><tr><td>Like-for-like GMV growth</td><td>2,483.3</td><td>2,817.8</td><td>(12%)</td></tr></table> <table><tr><td></td><td>2024 £m</td><td>2023 £m</td><td>Growth %</td></tr><tr><td>GMV</td><td>2,817.8</td><td>3,405.1</td><td>(17%)</td></tr><tr><td>Impact of foreign exchange translation and LFL financial years¹</td><td>58.9</td><td>-</td><td></td></tr><tr><td>Like-for-like GMV growth</td><td>2,876.7</td><td>3,405.1</td><td>(16%)</td></tr></table> ¹ Removing the impact of four less trading days in FY24		2025 £m	2024 £m	Growth %	GMV	2,456.3	2,817.8	(13%)	Impact of foreign exchange translation	27.0	-		Like-for-like GMV growth	2,483.3	2,817.8	(12%)		2024 £m	2023 £m	Growth %	GMV	2,817.8	3,405.1	(17%)	Impact of foreign exchange translation and LFL financial years ¹	58.9	-		Like-for-like GMV growth	2,876.7	3,405.1	(16%)								
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Alternative Performance Measures (APMs) cont.

Performance measure	Closest IFRS measure	Definition	How ASOS uses this measure																														
Adjusted revenue	Revenue	Revenue excluding the impact of adjusting items.	A measure of the Group’s revenue and gross profitability, excluding the impact of any adjusting items.																														
Adjusted gross margin	None	Gross profit divided by revenue and excluding the impact of adjusting items.	Reconciliation is shown below: <table><tr><td></td><td>2025 £m</td><td>2024 £m</td></tr><tr><td>Revenue</td><td>2,477.8</td><td>2,905.8</td></tr><tr><td>Adjusting items (Note 3)</td><td>(13.0)</td><td>(9.8)</td></tr><tr><td>Adjusted revenue</td><td>2,464.8</td><td>2,896.0</td></tr><tr><td>Gross profit</td><td>1,166.7</td><td>1,162.5</td></tr><tr><td>Adjusting items (Note 3)</td><td>(4.7)</td><td>94.8</td></tr><tr><td>Adjusted gross profit</td><td>1,162.0</td><td>1,257.3</td></tr><tr><td>Gross margin</td><td>47.1%</td><td>40.0%</td></tr><tr><td>Adjusted gross margin %</td><td>47.1%</td><td>43.4%</td></tr></table>		2025 £m	2024 £m	Revenue	2,477.8	2,905.8	Adjusting items (Note 3)	(13.0)	(9.8)	Adjusted revenue	2,464.8	2,896.0	Gross profit	1,166.7	1,162.5	Adjusting items (Note 3)	(4.7)	94.8	Adjusted gross profit	1,162.0	1,257.3	Gross margin	47.1%	40.0%	Adjusted gross margin %	47.1%	43.4%			
	2025 £m	2024 £m																															
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Gross margin	47.1%	40.0%																															
Adjusted gross margin %	47.1%	43.4%																															
Adjusted cost to serve	None	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. <table><tr><td></td><td>2025 £m</td><td>2024 £m</td></tr><tr><td>Operating expenses</td><td>1,395.5</td><td>1,496.4</td></tr><tr><td>Less depreciation and amortisation (per cash flow)</td><td>(166.9)</td><td>(172.3)</td></tr><tr><td>Less impairment (per cash flow)</td><td>(138.2)</td><td>(119.9)</td></tr><tr><td>Less adjusting operating expenses (Note 3)</td><td>(195.6)</td><td>(155.6)</td></tr><tr><td>Add back adjusting depreciation and amortisation (Note 3)</td><td>4.5</td><td>10.7</td></tr><tr><td>Add back adjusting impairment (Note 3)</td><td>136.8</td><td>119.9</td></tr><tr><td></td><td>1,036.1</td><td>1,179.2</td></tr><tr><td>Adjusted revenue</td><td>2,464.8</td><td>2,896.0</td></tr><tr><td>Adjusted cost to serve</td><td>42.0%</td><td>40.7%</td></tr></table>		2025 £m	2024 £m	Operating expenses	1,395.5	1,496.4	Less depreciation and amortisation (per cash flow)	(166.9)	(172.3)	Less impairment (per cash flow)	(138.2)	(119.9)	Less adjusting operating expenses (Note 3)	(195.6)	(155.6)	Add back adjusting depreciation and amortisation (Note 3)	4.5	10.7	Add back adjusting impairment (Note 3)	136.8	119.9		1,036.1	1,179.2	Adjusted revenue	2,464.8	2,896.0	Adjusted cost to serve	42.0%	40.7%
	2025 £m	2024 £m																															
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Adjusted revenue	2,464.8	2,896.0																															
Adjusted cost to serve	42.0%	40.7%																															
Adjusted EBIT	Operating profit / (loss)	Profit/(loss) before tax, interest, and any adjusting items excluded from adjusted profit/(loss) before tax (see below).	A measure of the Group's underlying profitability for the year, excluding the impact of any transactions outside of the ordinary course of business and not considered to be part of ASOS' usual cost / income base. Used by management to monitor the performance of the business each month.																														
Adjusted profit / (loss) before tax	Profit / (loss) before tax	Adjusted profit/(loss) before tax excludes items recognised in reported profit/(loss) before tax which, if included, could distort comparability between years. In determining which items to exclude, the Group considers items which are significant either by virtue of their size and/or nature, or that are non-recurring.	<table><tr><td></td><td>2025 £m</td><td>2024 £m</td></tr><tr><td>Operating loss</td><td>(212.3)</td><td>(331.9)</td></tr><tr><td>Adjusting items excluding finance costs (Note 3)</td><td>180.1</td><td>250.4</td></tr><tr><td>Adjusted EBIT</td><td>(32.2)</td><td>(81.5)</td></tr><tr><td>Net finance costs (Note 5)</td><td>(69.3)</td><td>(47.4)</td></tr><tr><td>Add back adjusting finance costs (Note 3)</td><td>3.3</td><td>2.9</td></tr><tr><td>Adjusted loss before tax</td><td>(98.2)</td><td>(126.0)</td></tr><tr><td>Add back adjusting items (Note 3)</td><td>(183.4)</td><td>(253.3)</td></tr><tr><td>Loss before tax</td><td>(281.6)</td><td>(379.3)</td></tr></table>		2025 £m	2024 £m	Operating loss	(212.3)	(331.9)	Adjusting items excluding finance costs (Note 3)	180.1	250.4	Adjusted EBIT	(32.2)	(81.5)	Net finance costs (Note 5)	(69.3)	(47.4)	Add back adjusting finance costs (Note 3)	3.3	2.9	Adjusted loss before tax	(98.2)	(126.0)	Add back adjusting items (Note 3)	(183.4)	(253.3)	Loss before tax	(281.6)	(379.3)			
	2025 £m	2024 £m																															
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Adjusting items excluding finance costs (Note 3)	180.1	250.4																															
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Loss before tax	(281.6)	(379.3)																															

Details of adjusting items are included within Note 3.

Alternative Performance Measures (APMs) cont.

Performance measure	Closest IFRS measure	Definition	How ASOS uses this measure			
Adjusted EBITDA	Operating profit / (loss)	Adjusted EBIT above, adjusted for depreciation, amortisation and impairments.	Adjusted EBITDA is used to review the Group's profit generation and the sustainability of ongoing capital reinvestment and finance costs.			
Adjusted EBITDA margin	None	Adjusted EBITDA divided by adjusted revenue.				
			2025		2024	
			£m		£m	
			Adjusted EBIT (above)		(32.2)	(81.5)
			Add back depreciation and amortisation (per cash flow)		166.9	172.3
			Add back impairment (per cash flow)		138.2	119.9
			Less adjusting depreciation and amortisation (Note 3)		(4.5)	(10.7)
			Less adjusting impairment (Note 3)		(136.8)	(119.9)
			Adjusted EBITDA		131.6	80.1
			Revenue		2,477.8	2,905.8
			Adjusting items (Note 3)		(13.0)	(9.8)
			Adjusted revenue		2,464.8	2,896.0
Adjusted EBITDA margin %		5.3%	2.8%			
Net cash/(debt)	None	Cash and cash equivalents less the carrying value of borrowings (including accrued interest) drawn down at year-end, but excluding outstanding lease liabilities.	A measure of the Group's liquidity. Further information is included in Note 18.			
			A reconciliation is included below:			
			2025		2024	
			£m		£m	
			Cash and cash equivalents	318.9	391.0	
			Borrowings	(503.6)	(688.1)	
			Lease liabilities	(224.5)	(289.6)	
			Net borrowings	(409.2)	(586.7)	
			Add back lease liabilities	224.5	289.6	
			Group net debt	(184.7)	(297.1)	
Free cash flow	Operating cash flow	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 M&A and financing transactions, which allows management to better assess the cash being generated by the business.			
			A reconciliation to the cash flow statement is shown below:			
			2025		2024	
			£m		£m	
			Cash generated from operations (per cash flow)	159.1	228.0	
			Purchase of tangible and intangible assets	(85.9)	(133.5)	
			Repayment of principal portion of lease liabilities	(25.7)	(25.5)	
			Net interest paid	(33.4)	(31.3)	
			Free cash flow	14.1	37.7	

Alternative Performance Measures (APMs) cont.

Performance measure	Closest IFRS measure	Definition	How ASOS uses this measure	
Other working capital movements (Per Financial Review)	None	Removes working capital and cash movements relating to adjusting items.	To provide a reconciliation of the working capital movement in the Financial Statements to the other working capital movement in the Financial Review.	
			2025	2024
			£m	£m
		(Increase)/decrease in other working capital (per Financial Review)	(67.1)	12.1
		Comprises:		
		Working capital per cash flow (excluding inventory)	(42.4)	7.1
		Working capital relating to adjusting items (see below)	(24.7)	5.0
			(67.1)	12.1
		Working capital relating to adjusting items:		
		Adjusting items (Note 3)	(183.4)	(253.3)
		Add back adjusting impairment (Note 3)	136.8	119.9
		Add back adjusting amortisation (Note 3)	4.5	10.7
		Add back commercial operating model change (Cost of sales) (Note 3)	8.3	104.6
		Add back share of associate's adjusting results (Note 3)	3.0	-
		Less gain on disposal of brands	(13.8)	-
		Less refinancing gain	(2.6)	-
		Add back adjusting finance costs (Note 3)	3.3	2.9
		Adjusting working capital before cash impacts	(43.9)	(15.2)
		Cash impact of adjusting items (Note 3)	19.2	20.2
		Working capital relating to adjusting items	(24.7)	5.0

The Group has added Gross Merchandise Value (GMV) and Like-for-like GMV growth as APMs this year to reflect the increasing shift to Flexible Fulfilment models.