



asos

FY21

RESULTS

PRESENTATION

AGENDA

Results Overview

Financial Results

Strategic Progress

Outlook

Medium term targets



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Overview

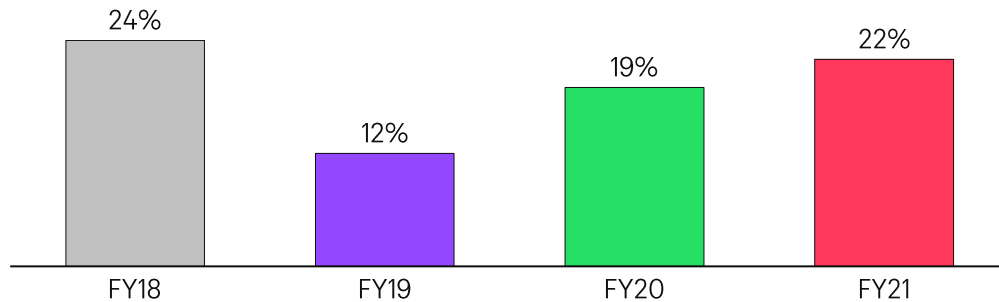
- We delivered **strong financial results** in FY21 with sales growth of 22% and adjusted PBT excluding estimated COVID benefit of £126.3m
- Confident in the scale of the opportunity ahead of us, and we are **investing to capture growth** despite short term headwinds
- ▲ Clear plan to **accelerate the pace and intensity of delivery** to guide the next phase of growth
- Executive team with global mindset, international experience and broader range of functional capabilities
- ▲ Focused on the **acceleration** of growth in our key international territories

Strong foundations for growth re-established

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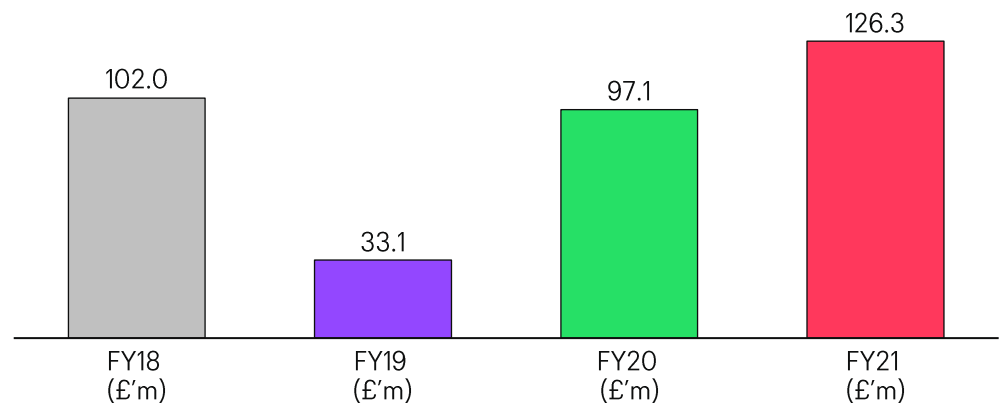
Revenue growth of 17% CAGR

Total Constant Currency Sales Growth Y-on-Y



Restoration of structural profitability

Profit before Tax Excluding Estimated COVID Benefits* in FY20 and FY21

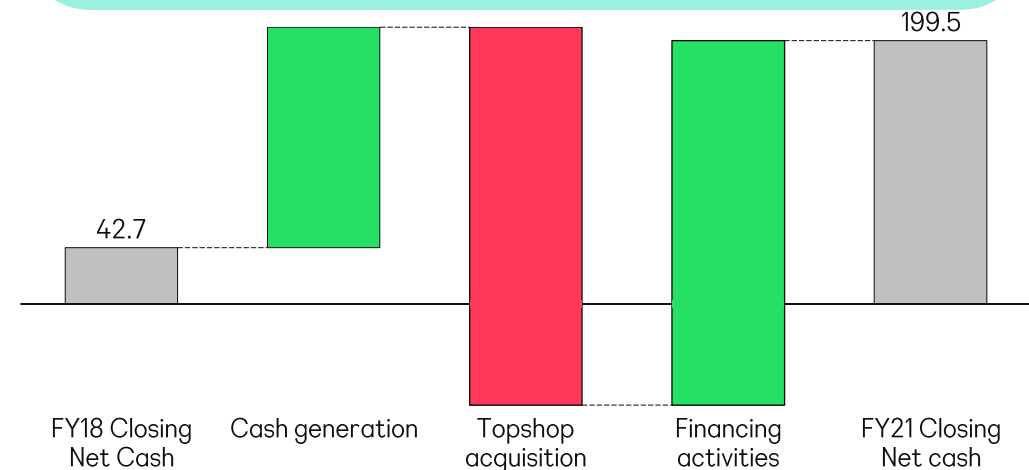


*Estimated COVID benefit excluded of £45.0m in FY20 and £67.3m in FY21

Driving a cycle of reinvestment through operational excellence

- £80m non-strategic costs removed from the P&L in FY20 & FY21
- £35m efficiencies in Eurohub due to automation
- 60bps increase in marketing spend in FY21 vs FY19

Strengthened balance sheet and strong FCF generation



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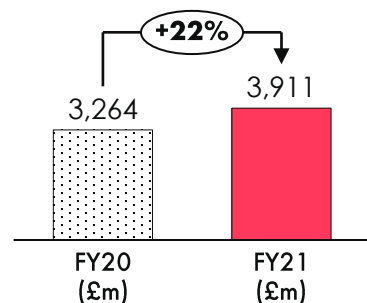
Medium term targets



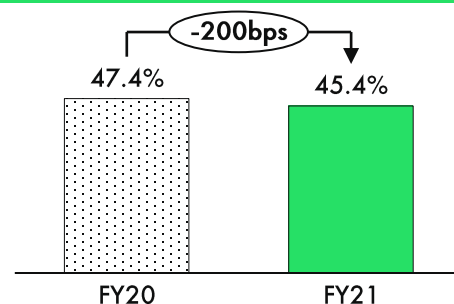
We have delivered a strong set of results for FY21

7

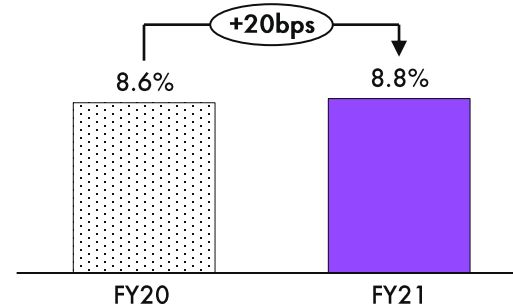
TOTAL SALES¹



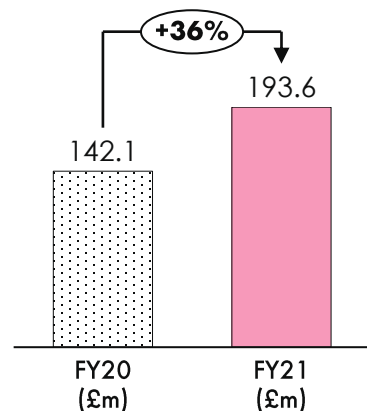
GROSS MARGIN



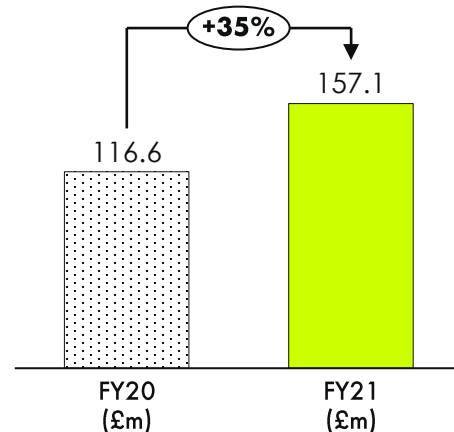
ADJUSTED² EBITDA MARGIN



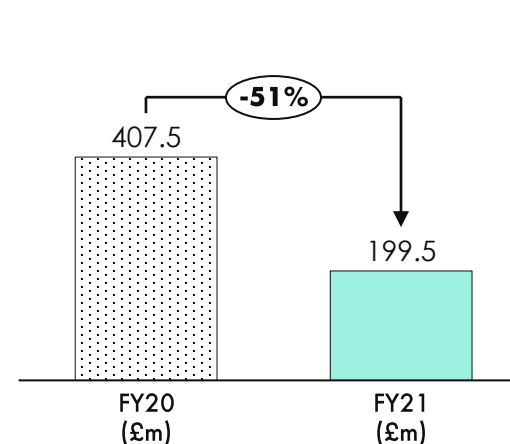
ADJUSTED³ PBT



CAPEX⁴



NET CASH⁵



¹Total sales growth based on constant currency sales growth

²Excluding Topshop brands acquisition and integration one-off costs of £10.5m and share based payments of £7.6m

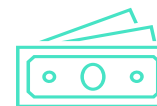
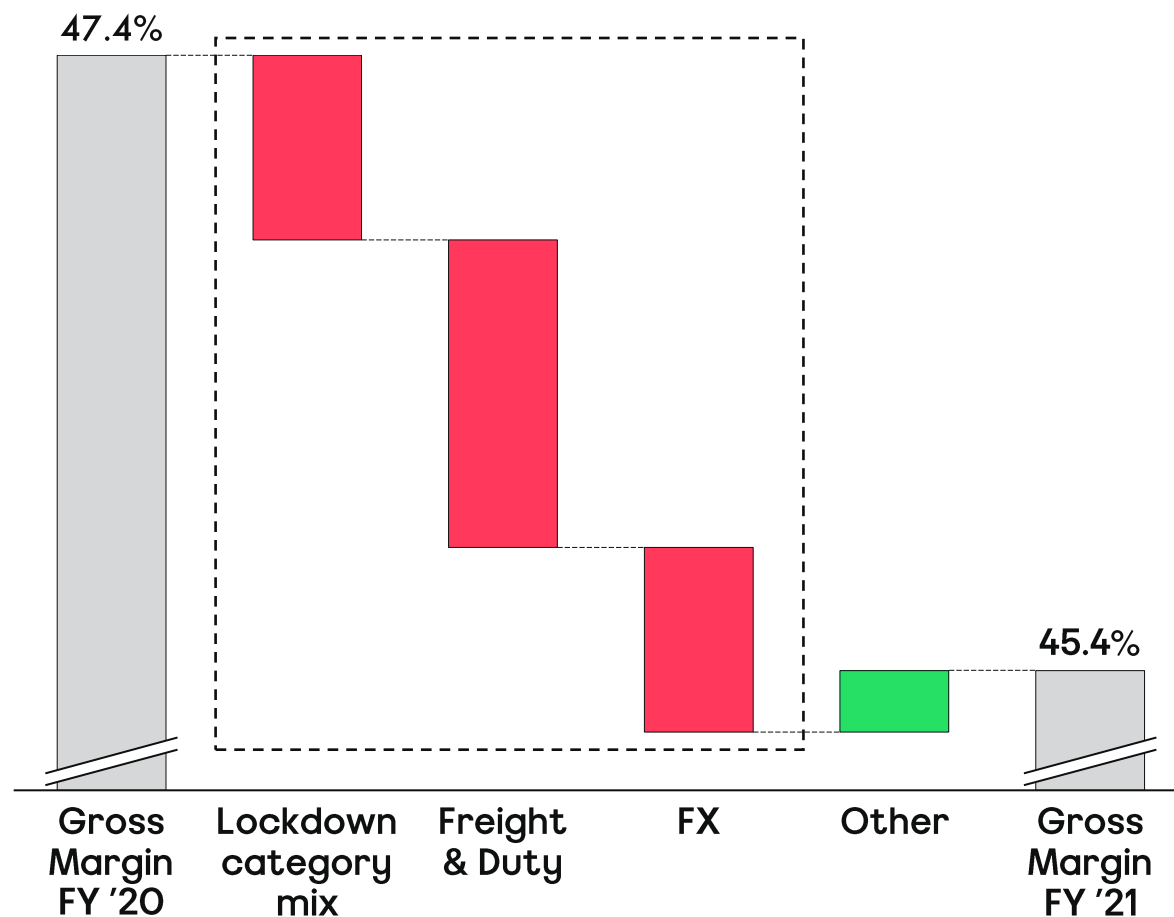
³Excluding Topshop brands acquisition and integration one-off costs of £10.5m and amortisation of acquired intangible assets of £6.0m

⁴Capex reflects cash capex and excludes any fixed asset additions in relation to the right use of assets as part of IFRS 16 and any Topshop brands acquired assets

⁵Net cash/(debt) is cash and cash equivalents less the carrying amount of any borrowings at year-end, but excluding outstanding lease liabilities

Our gross margin stepped back, driven primarily by COVID impacts....

Gross margin reflects incremental freight costs, lockdown product mix and FX movements



Category mix started to normalise in H2 and expect to normalise further in FY22



Freight costs driven by Brexit duty and global supply chain disruption



FX headwinds driven largely by 15% devaluation of the Russian Rouble



Other costs reflects increased promo activity and pricing investment offset by favourable intake margin

P&L Overview

	FY21 % of sales	FY20 % of sales	Change
Gross Margin	45.4%	47.4%	(200bps)
Distribution Costs	(13.0%)	(13.6%)	60bps
Warehouse	(9.1%)	(9.6%)	50bps
Marketing	(5.1%)	(3.7%)	(140bps)
Other Costs	(9.8%)	(12.3%)	250bps
Adjusted EBITDA Margin¹	8.8%	8.6%	20bps
Depreciation	(3.5%)	(3.6%)	10bps
Adjusted EBIT Margin²	5.3%	4.6%	70bps

¹Excluding Topshop brands acquisition and integration one-off costs of £10.5m and share based payments of £7.6m

²Excluding Topshop brands acquisition and integration one-off costs of £10.5m and amortisation of acquired intangible assets of £6.0m

Note: Above table subject to rounding



Key financials by segment

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Strong sales growth, growing market share in the UK, reduced churn and strong new customer growth



Strong US P4 growth rate of 32%, with Topshop acquisition contributing c. 9 ppt



Strong growth in France and Germany despite product delays impacting our stock profile in Europe



RoW continues to be disproportionately impacted by an extended delivery proposition

	UK	US	EU	ROW
TOTAL SALES CC¹	+36%	+21%	+15%	+6%
VISITS	+28%	+16%	+11%	+5%
SHIPPED ORDERS	+30%	+9%	+13%	-1%
CONVERSION	+10bps	-20bps	+10bps	-10bps
ABV²	5%	0%	1%	2%
ACTIVE CUSTOMERS³	8.5m (+20%)	3.5m (+9%)	10.4m (+13%)	4.0m (+3%)

¹ Segmental sales based on total sales instead of retail sales to account for wholesale business revenues and growth rates calculated on a constant currency basis

² ABV metric changed from total order value before returns and discounts, including VAT/ total orders to net retail sales/number of orders in the calendar year

³ Active customers defined as having shopped in the last 12 months as at 31 August

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Our vision is to be the number 1 destination for fashion-loving 20-somethings worldwide

01. Truly global retailer

02. The ASOS Brands

Design that can't be found anywhere else

03. The ASOS Platform

One platform with all the relevant product all of the time

04. The ASOS Experience

Inspiring, exciting, friction-free and personalised

05. Effective, efficient and sustainable model



TGR & Lichfield Update

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TGR

Key capabilities



Planning and trade
by region



Landed costs built into
intake margin



International granular
pricing



Product and order
creation process



Global stock ledger



New business metrics

Lichfield

Opened 28 August 2021

Successfully completed launch phase

Currently ramping up the facility, expected
to contribute incremental capacity to
November 2021 peak

Rapid integration of Topshop, Topman, Miss Selfridge and H&M

1

- Transitioned all stock to our warehouses
- ▲ Estimated 5,000 SKU's in FY21
- Ramping to a projected 19,000+ SKU's by FY24

2

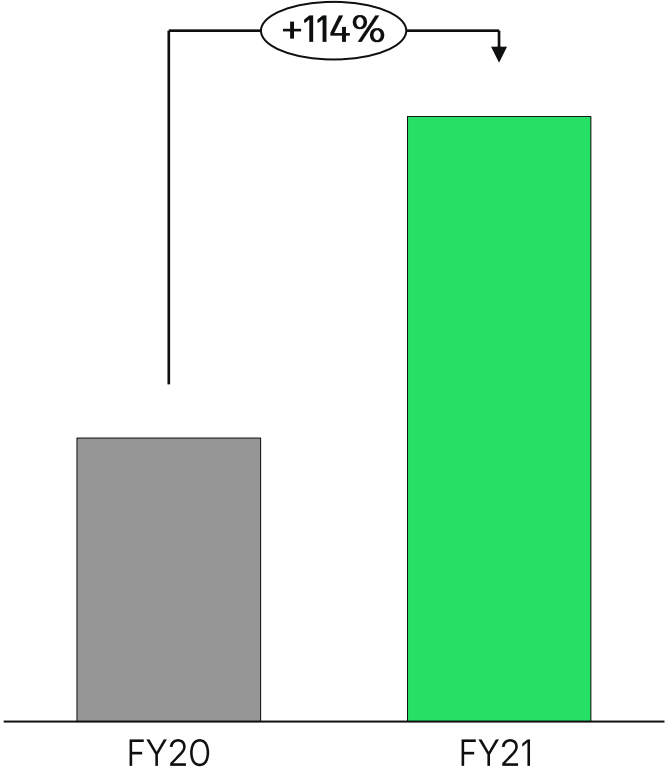
- ▲ Onboarded new suppliers
- Audited and rationalised the base
- ▲ 55 suppliers identified for exit in a responsible time frame
- 80 suppliers to remain in our base

3

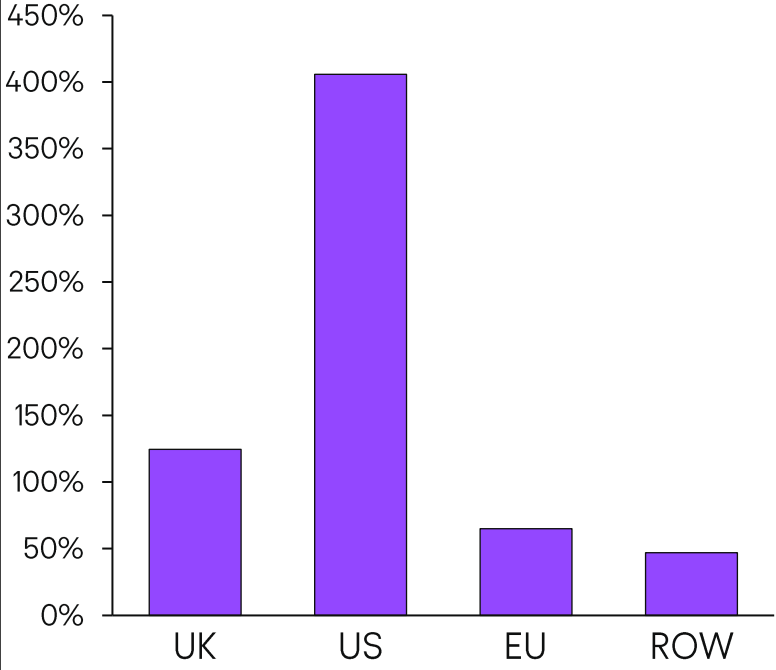
- Mapped all Tier 1 to 3 suppliers
- ▲ All Tier 1 and 2 suppliers have provided a 3rd Party Audit
- On track to publish a full listing of all Tier 1 to 3 suppliers by March 2022 as committed

And the Topshop brands have performed strongly since integration...

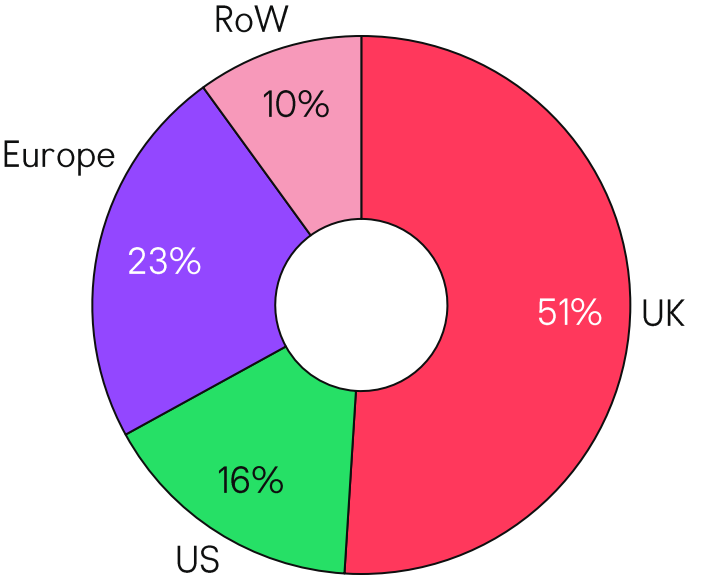
FY21 Topshop revenue



FY21 Topshop sales growth by segment



Topshop sales contribution by segment



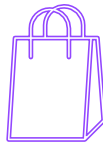
*All Topshop sales are inclusive of wholesale

Strategic partnership established with Nordstrom to drive awareness and growth in North America

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An edit of ASOS brands in select Nordstrom stores and on Nordstrom by 2021 year end



Full product launch in first half 2022



Click and collect services to be rolled out across the wider Nordstrom estate in 2022



Enhancing our flexible and multi-brand platform through ASOS Fulfil

ASOS Fulfil

Why?

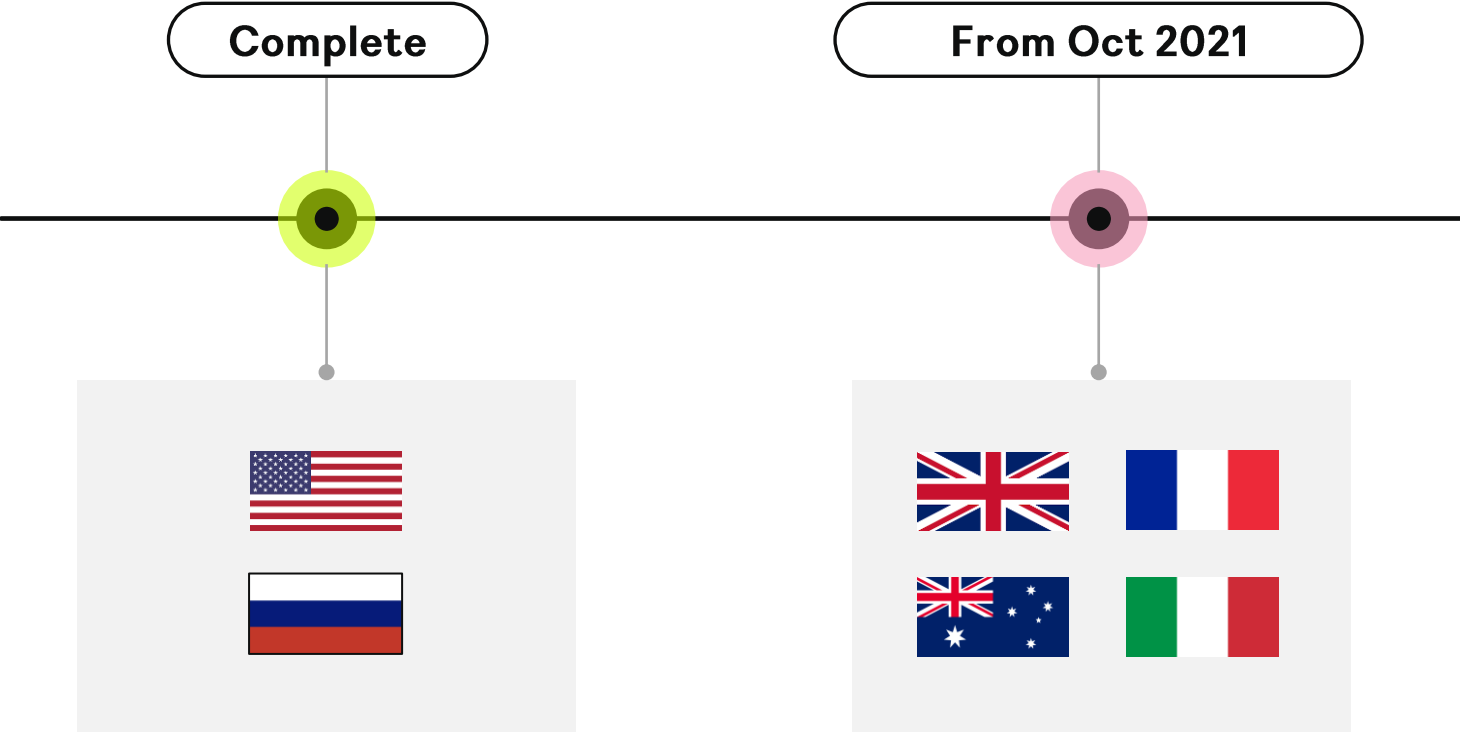

More Product


Better Availability


Enhance Customer Experience


Same stock investment

Immediate Rollout



Extending our flexible and multi-brand platform through Partner Fulfilment

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Partner Fulfils

Why?



All the benefits from ASOS Fulfils +



Key to International Growth



More Locally Relevant Product



More Brands

Immediate Rollout



Today

- Development of first phase complete
- Final stages of testing

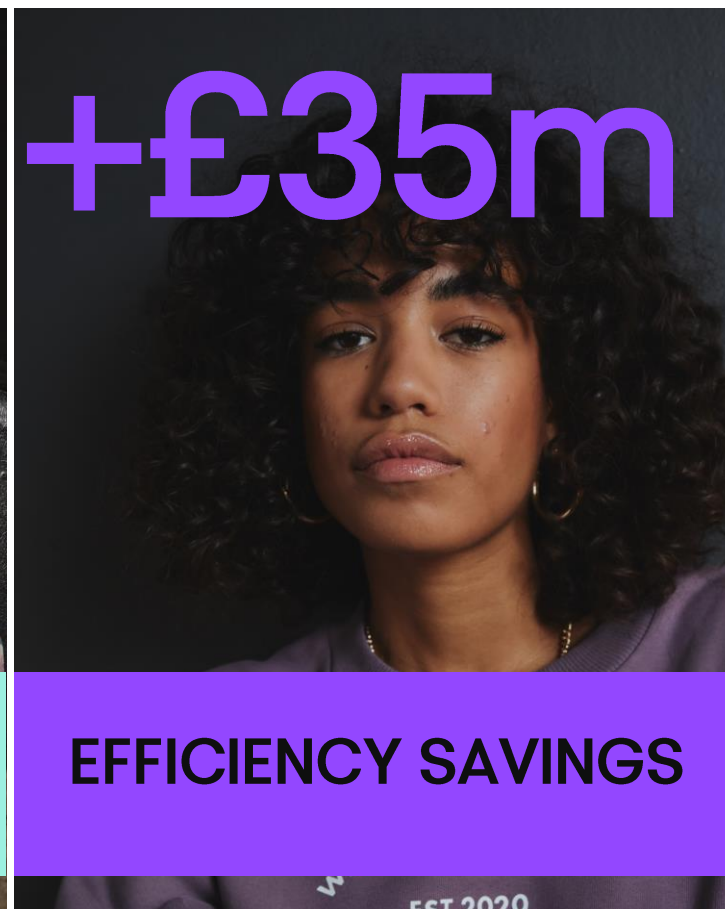


End of calendar year 2021

- 'Partner Fulfilment' to be rolled out in the UK at the end of the calendar year with major sportswear retailer

Continued progress on operational excellence since FY19

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Invest through short term headwinds to capture long term opportunity



H1 sales growth mid-single digits



FY22 sales growth between 10% and 15%



FY22 adjusted PBT expectations in the range of £110m and £140m



Investing with confidence and elevating our CAPEX investment to £210m and increasing marketing investment as a percentage of sales by c. 1%



Expect FCF generation to be broadly neutral despite increased investment



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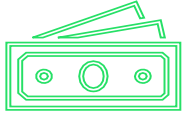
We have laid the foundations for the next phase of our journey

1



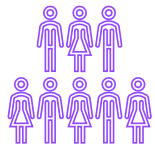
Winning customer offer

2



Strong UK business and momentum in our international territories with EU sales at £1.2bn and US sales £0.5bn

3



Strong operational progress and removal of non-strategic costs

4



Global infrastructure and technology platform

5



Strong executive team with global mindset



And there is significant opportunity ahead of us

Large and growing TAM:

£430bn

Total

Addressable

Market

2030

And in the next 3 to 4 years we will deliver:

£7bn in revenue

> 4% EBIT margin despite elevated investment into marketing

Capex spend between £200m & £250m each year

We will continue to improve our winning customer offer

Own brands

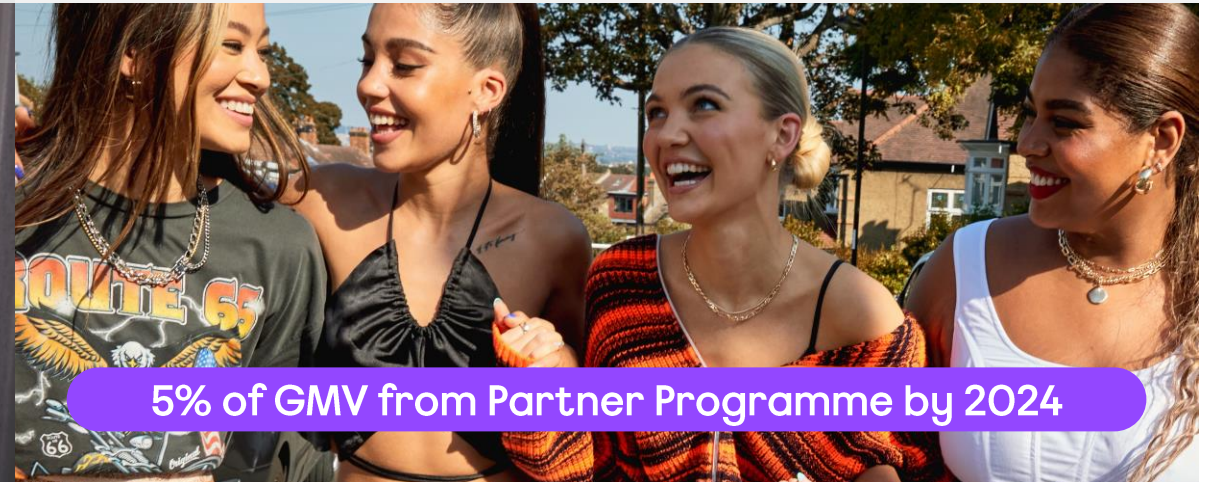
- Transform our loved ASOS brands into truly iconic global brands
- Improve speed to market and sourcing model
- Leveraging the strength of our design, buying and merchandising teams to incubate and create new brands



Add at least £1bn to our annual own brand sales

Platform and experience

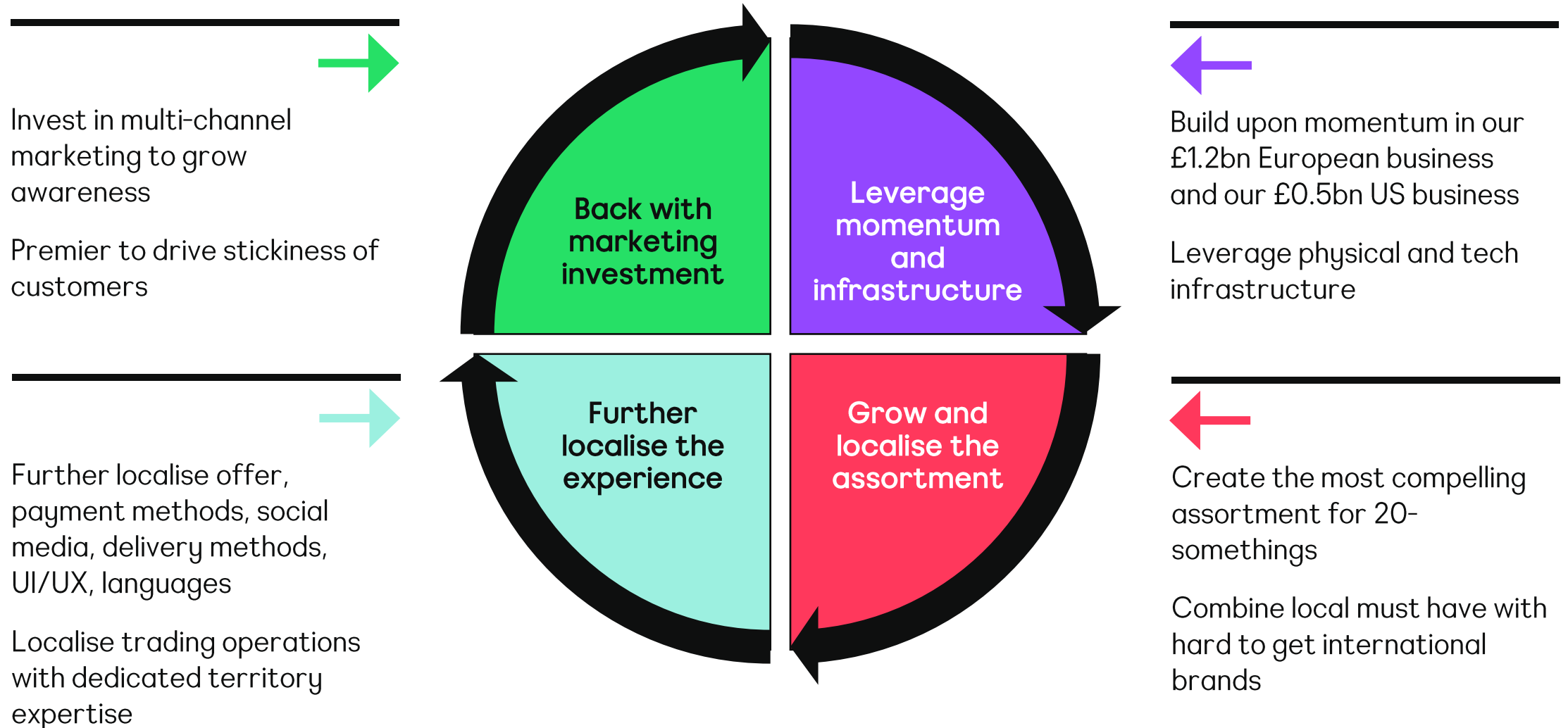
- Increase the number of third-party brands
- Expand and improve our offer in Face + Body and Sportswear
- Launch and grow our partner fulfilment platform
- Further personalise the experience
- Amplify our premier offer
- Evolve core online experiences



5% of GMV from Partner Programme by 2024

We will drive international growth acceleration through 4 key areas

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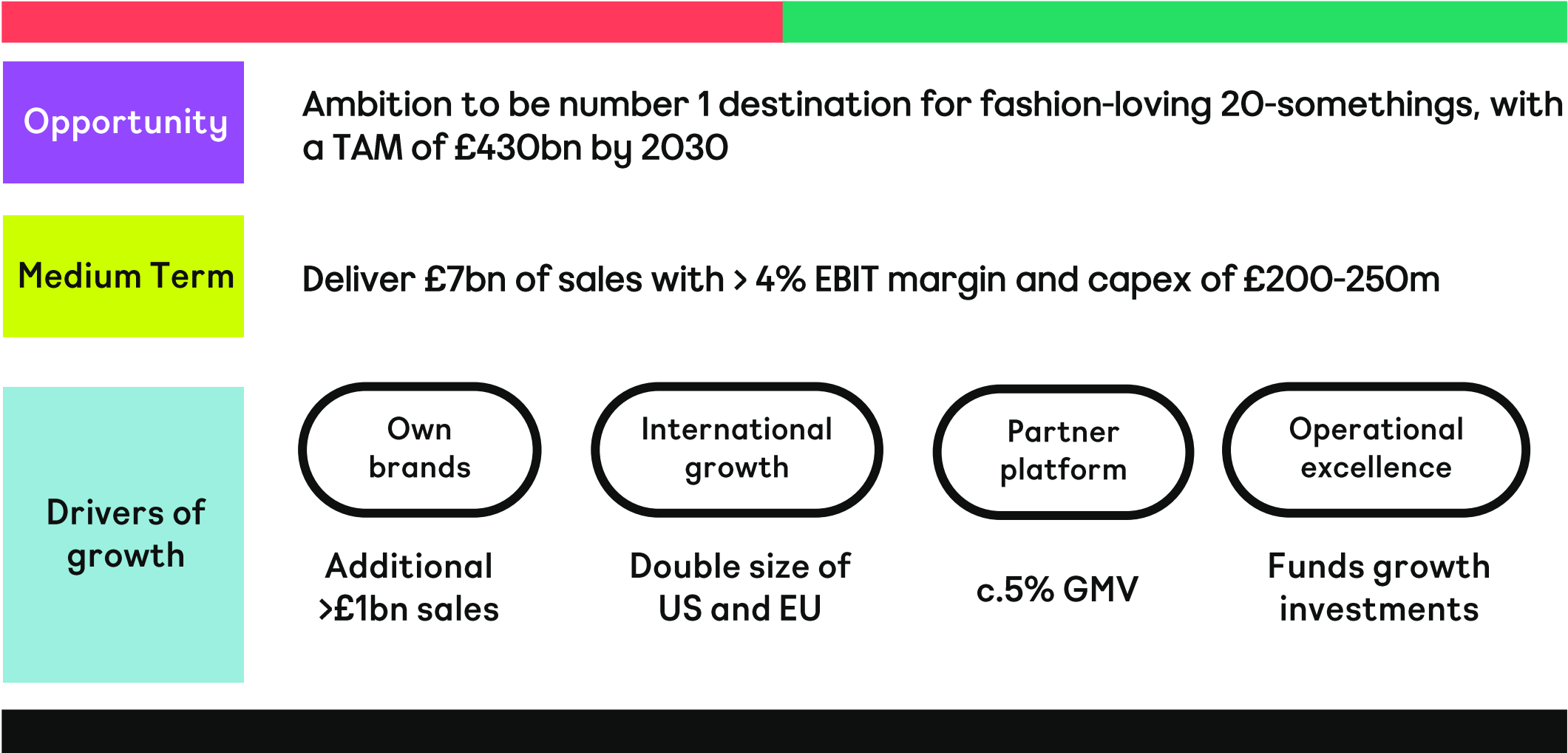


And fuel investment through operational excellence

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A significant opportunity, with a focused plan



In Summary...

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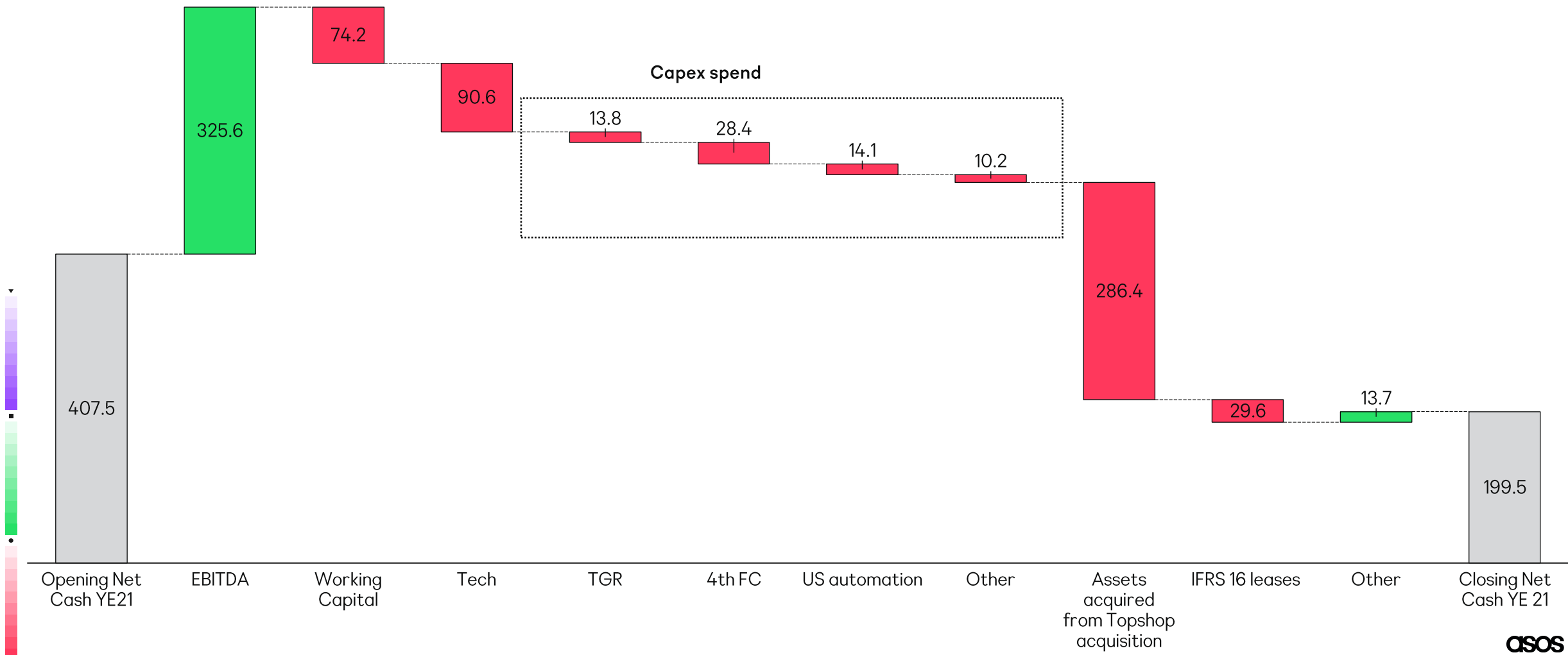
Q&A

asos



APPENDIX

Decrease in net cash due to cash outflow associated with the acquired assets of Topshop brands and working capital unwind from peak FY20



Convertible proceeds in the year were £491m, net of issue costs of £9m. The debt amount at year-end has been excluded from the net cash position at year in line with our definition of net cash/(debt)

ASOS Design saw growth in demand for going out wear in the second half of the year

33

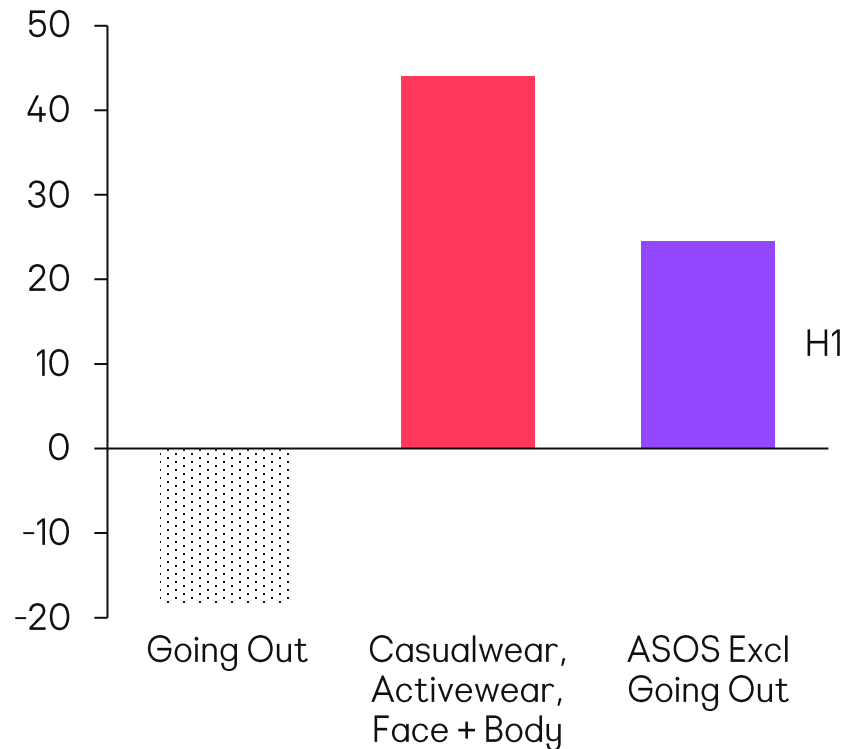
We re-shaped our offer to respond to the declining demand for occasion wear in H1...

ASOS

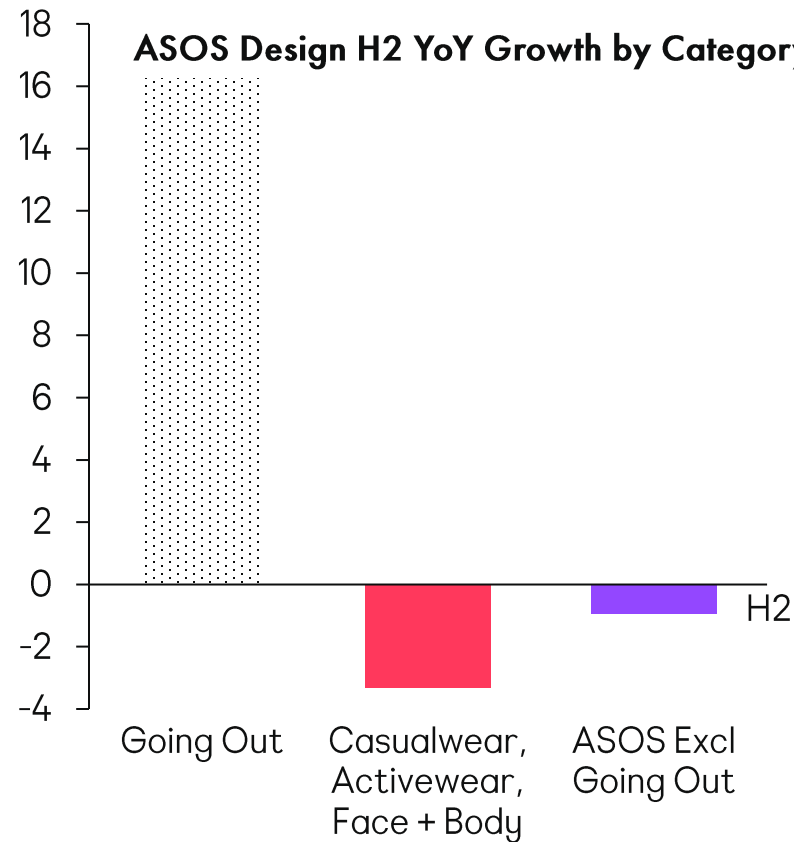
D E S I G N

...and saw a resurgence in demand for going-out wear in H2

ASOS Design H1 YoY Growth by Category



ASOS Design H2 YoY Growth by Category



ASOS

Our F+B, casualwear and activewear have shown strong growth in FY21, and will remain strategic priorities in the medium-term

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Face + Body

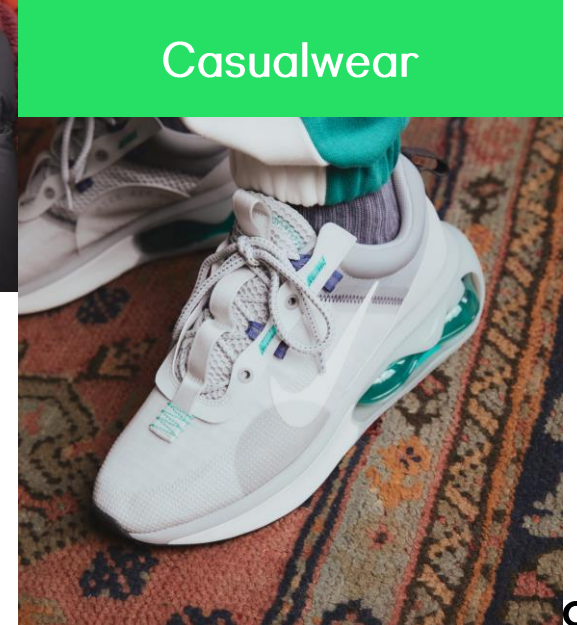
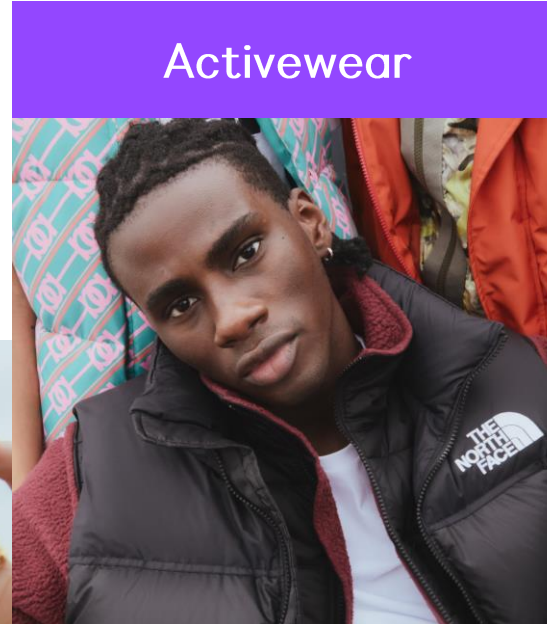
+ 49 %

Activewear

+ 36 %

Casualwear

+ 51 %



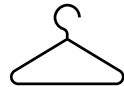
ASOS

Investment into personalisation has resulted in an improved customer experience

35



Advanced personalised, engaged and inspiring customer experience



For You" feature on Android and "New In" category results



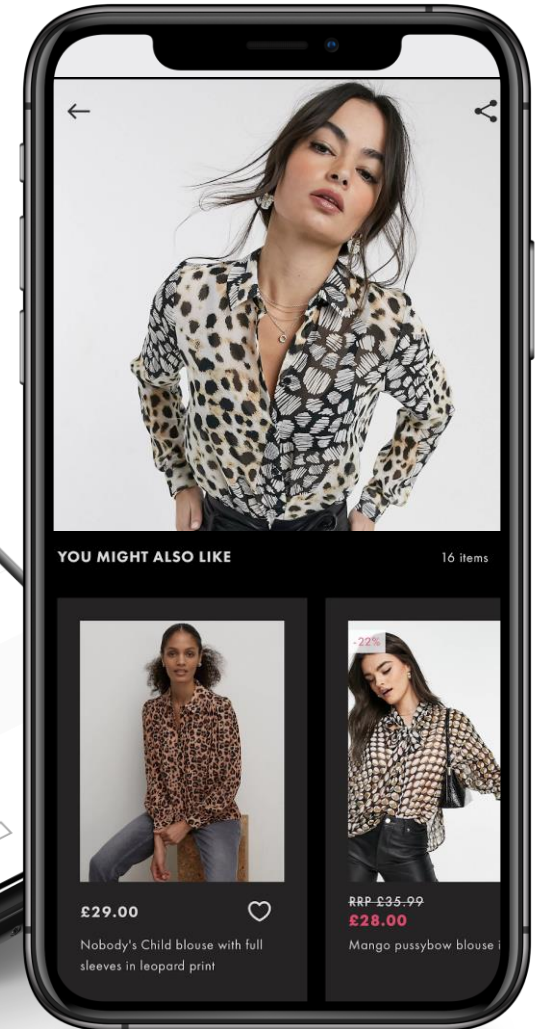
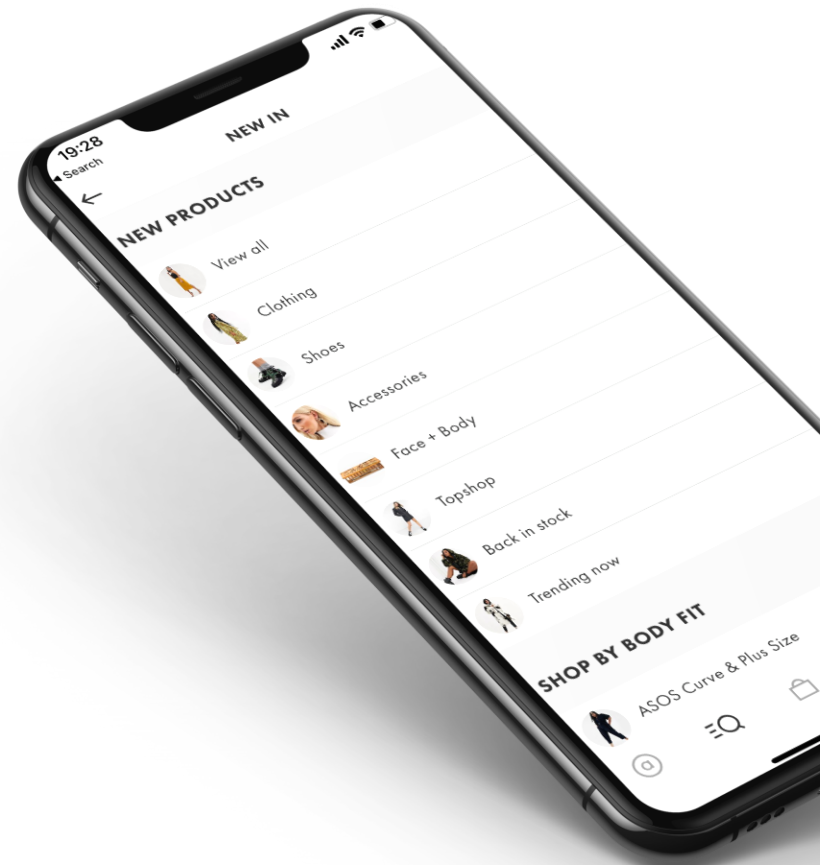
Increased experimentation velocity



Investments in data infrastructure and capabilities

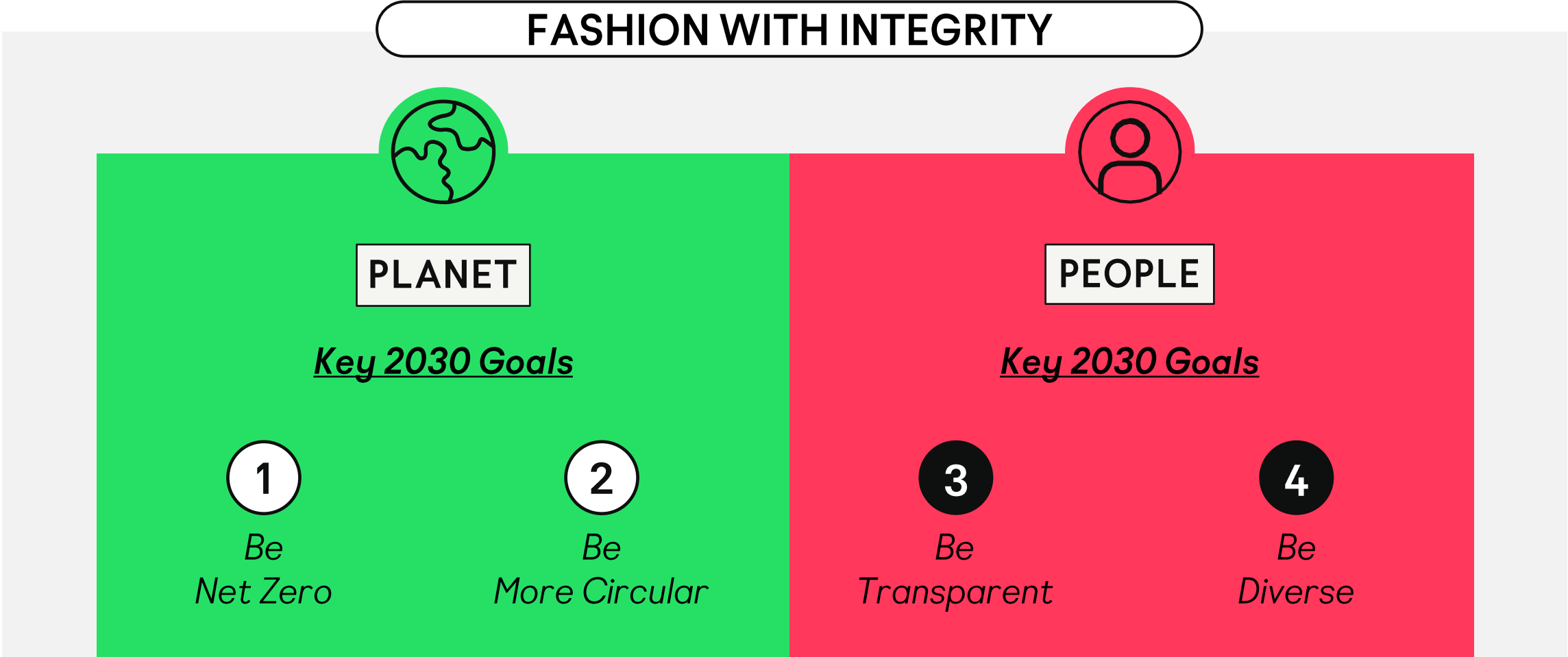


Expanded rating and reviews to >£2m



We launched our 2030 FWI Programme

We are simplifying the core pillars of Fashion with Integrity and doubling down on two pillars and four 2030 goals



Each ambitious goal is underpinned by clear KPI's with measurable targets and milestones

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Be Net Zero



ASOS will achieve **Net Zero carbon emissions** across its **value chain** by 2030, driven by emission reduction targets, and will be **carbon neutral** in its operations by 2025

BE MORE CIRCULAR



By 2030, ASOS will have shifted towards more circular systems, ensuring 100% of our ASOS own-brand **products and packaging** are made from more **sustainable or recycled materials**, prioritising **circular design**, and facilitating product recovery **programmes**

BE TRANSPARENT



By 2030, ASOS will have led improvements on **human rights and transparency** within our own supply chain and the wider fashion industry

Be Diverse



By 2030, we'll drive diversity, equity and inclusion across every aspect of our business, with a focus on leadership representation and ensuring every ASOSer can be their authentic self at work

FY22 Cost Outlook

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Costs % Revenue	Impact	Key Drivers
Gross Margin	—	Operational excellence initiatives to offset forecasted increases in freight & duty
Warehouse Costs	↑	Reversal of COVID-related returns benefit, Lichfield cost drag in FY22
Distribution Costs	—	Reversal of COVID-related returns benefit offset by supply chain initiatives
Marketing Costs	↑	c.1% increase in marketing investment
Other Operating Costs	↓	Reduction in line with non-strategic cost removal programme