

15 January 2025

**ASOS plc**  
**("ASOS" or the "Company")**

**ASOS announces further efficiencies to its global distribution network**

As part of its commitment to bringing customers the most exciting and relevant product while providing competitive convenience and sustainable, profitable growth, ASOS is announcing changes to its global distribution network. With success over FY23 and FY24 in reducing stock levels by c.50% and launching its new commercial model which requires lower stock holding, ASOS can offer better access to product for its global customer base while further reducing its distribution capacity and increasing the efficiency of its operations.

Having successfully transformed the US into a profitable market over FY24, ASOS sees further opportunity to re-invest in the areas that matter most to its customers by optimising its global distribution model. From H2 FY25, US customers will be served from ASOS' automated UK fulfilment centre in Bamsley, and through a smaller, more flexible local US site. This will offer ASOS' US customers an enhanced product offering, including a broader assortment and faster speed to market of the best and most exciting product, while offering competitive delivery speeds and lowering the total fulfilment cost per order. ASOS will also roll-out Partner Fulfils in the US in FY25, further broadening the breadth and depth of the best product from our partner brands.

As such, ASOS will mothball its Atlanta distribution centre in H2 FY25 and will formally market the site following the completion of the multi-year warehouse automation project. Seven ASOS employees directly affected by the change in operations will be offered alternative roles where feasible, and third-party logistics partners will make efforts to redeploy several hundred staff to nearby sites.

As a result of these operating changes, ASOS expects a £10-20m annualised EBITDA benefit from FY26 onwards, assuming a reduction in US de minimis thresholds, and a similar benefit to free cash flow from FY26 onwards, with potential for additional working capital benefits. In FY25, it expects the impact on adjusted EBITDA to be broadly neutral. ASOS expects c.£190m of adjusting items predominantly relating to non-cash fixed asset impairments, resulting in a corresponding negative impact on reported profit. The impact on FY25 free cash flow is expected to be broadly neutral. ASOS re-iterates all other FY25 and medium-term guidance.

ASOS remains excited about the opportunity in the US market and believes that its new operating model will better serve its US customer-base, while generating a better return on investment. ASOS opened a local US office in 2024 and will continue to grow and build its local presence which it sees as crucial in building great customer experiences. The US remains a core market for ASOS, which it believes can return to sustainable revenue growth and generate c.8% adj. EBITDA margins in the medium-term.

**For further information:**

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**About ASOS**

*Founded in 2000, ASOS has 20m active customers in over 200 markets. We bring fashion lovers around the world the*

*best and most relevant fashion through our unique own brands including ASOS DESIGN, ASOS EDITION, COLLUSION, Topshop, and Topman, styled with the most exciting products from local and global partner brands. With our expert in-house design team and agile and flexible commercial model, including ASOS Fulfilment Services, Partner Fulfils, and Test & React, we make the latest trends accessible to all and give customers the confidence to be whoever they want to be.*

**Forward looking statements:**

This announcement may include statements that are, or may be deemed to be, "forward-looking statements" (including words such as "believe", "expect", "estimate", "intend", "anticipate" and words of similar meaning). By their nature, forward-looking statements involve risk and uncertainty since they relate to future events and circumstances, and actual results may, and often do, differ materially from any forward-looking statements. Any forward-looking statements in this announcement reflect management's view with respect to future events as at the date of this announcement. Save as required by applicable law, the Company 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.

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