# OCADO GROUP PLC

## Half year results for the 26 weeks ended 31st May 2026

**16 July 2026**

## Accelerating commercial momentum; On track to turn cash flow positive; FY26 expectations unchanged

### Financial progress

- **Revenue (incl. Kroger and Sobeys closure impacts[1]) +54%** to £1,037m
- **Revenue excl. Kroger and Sobeys closure impacts +1%** to £684m, Technology Solutions recurring fees -3% (+5% excl. recurring fees from Kroger/Sobeys closures[2]), Ocado Logistics +8%
- **Group adjusted EBITDA*[3] (incl. Kroger and Sobeys closure impacts) £432m** (HY25: £92m); Technology Solutions £410m (HY25: £73m) and Ocado Logistics £22m (HY25: £19m)
- **Group adjusted EBITDA*[3] excl. Kroger and Sobeys closure impacts £81m** (HY25: £92m), Technology Solutions £60m (HY25: £73m) and Ocado Logistics £22m (HY25: £19m)
- **Ocado Retail revenue +15% and EBITDA* £73m** (HY25: £33m); now adjusted EBT* positive at £12m (HY25: £(17)m loss); reported as an associate
- **Statutory EBT £17m** (HY25: £(173)m); after adjusting items of £(53)m (HY25: £(35)m)
- **Total net cash inflow £25m** (HY25: £13m); **Underlying cash flow[4] of £(147)m** (excl. Kroger and Sobeys closure impacts), (HY25: £(108)m)
- **Strong liquidity at £1.1bn;** cash and cash equivalents of £765m (HY25: £746m) and an undrawn £300m RCF; Group set to address its £350m maturities to FY27 from existing cash

### Operational and strategic progress

- **OSP network growth**: +27%[5] international CFC volumes growth; 23 CFCs worldwide with 115 average live modules[6] (HY25: 122)
- **New partner win**: partnership with Asda to develop online business in the UK, to go-live in FY27
- **Step-change in commercial engagement**: enabling a return to mature grocery markets with a significantly evolved solutions proposition; USA a large focus market with multiple live engagements
- **Re:Imagined rollout**: On-Grid Robotic Pick (OGRP) in 14 CFCs, Swift Router enabling short lead-time orders in 15 CFCs globally, 4 client partners signed to integrate across multiple online aggregators
- **£150m cost reduction on track:** vast majority of initiatives actioned in 2Q26 with benefits to flow through in 2H26 and FY27
- **Ocado Retail** continuing to deliver market-leading[7] growth with orders +13%; total CFC costs, incl. labour, at 5.7% sales with UPH efficiency +11%; 5.0% EBITDA margin* (excl. Hatfield fees)

### Guidance and outlook

- **FY26 Technology Solutions revenue c.£500m and EBITDA*[8] margin c.30%** excl. CFC closure impacts
- **6 CFCs going-live over the next 2-3 years**; Busan & Tokyo 2 (FY26); Barcelona, Tokyo 3 and Phoenix (FY27/FY28); Seoul (FY29)
- **Module growth**; c.10 new modules expected in FY26 and c.10 new modules in FY27, offsetting 12 closed in early 2026 and the modules associated with the phased reduction in Hatfield fees
- **Technology spend and Support costs to reduce in aggregate** by c.£150m with completion of significant technology development cycle, AI efficiencies and cost discipline across all Support functions
- **Ocado Logistics high mid-single digit % revenue growth and EBITDA*[8] of c.£30-35m in FY26**
- **Turning cash flow positive during second half FY26** with full year underlying cash outflow excluding closure fees to be around £(200)m FY26; **full year cash flow positive in FY27**

**Tim Steiner, CEO of Ocado Group, said**: *"The first half of the year has seen accelerating international volume growth, strong commercial momentum, improved organisational efficiency, and rigorous cost discipline. Since the start of the year, we've been re-engaging retailers across some of the world's largest grocery markets, with the USA a particular focus, supported by a significantly evolved portfolio of technology solutions.*

*"Alongside a more focused R&D investment strategy, we have made significant organisational changes to strengthen cost and capital discipline while improving the effectiveness of our commercial operations. As we continue to focus on delivering growth and efficiency, we will achieve positive cash flow in the second half of the year and be full-year cash flow positive in FY27.*

*"I remain fully focused on executing our strategy and creating value. I am pleased that, in recent weeks, we have established a clear process for long-term succession planning at Ocado. We have the best technology in the industry, exceptional talent, and a tremendous opportunity ahead of us. I am as excited and energised about Ocado's future as I have ever been."*

## Ocado Group Income Statement

| £m | 1H26 excl. closure impacts | Kroger/ Sobeys closure impacts | 1H26 | 1H25 pro-forma* | Change | Change excl. closure impacts[9] |
|---|---|---|---|---|---|---|
| **Revenue** | | | | | | |
| *Recurring fees* | *231* | - | *231* | *239* | *(3%)* | *(3%)* |
| *Non-recurring fees and other revenue* | *25* | *354* | *378* | *39* | *+875%* | *(36%)* |
| **Technology Solutions** | **256** | **354** | **609** | **277** | **+120%** | **(8%)** |
| Logistics | 428 | - | 428 | 397 | +8% | +8% |
| **Group** | **684** | **354** | **1,037** | **674** | **+54%** | **+1%** |
| **Adjusted EBITDA*** | | | | | | |
| Technology Solutions | 60 | 351 | 410 | 73 | +463% | (18%) |
| Logistics | 22 | - | 22 | 19 | +15% | +15% |
| **Group** | **81** | **351** | **432** | **92** | **+371%** | **(11%)** |
| Share of results of JV and assoc. | 6 | - | 6 | (8) | +14 | +14 |
| Depreciation, amort. and impairment | (184) | (125) | (309) | (174) | (135) | (9) |
| Finance income | 22 | - | 22 | 22 | (1) | (1) |
| Finance costs | (79) | - | (79) | (66) | (13) | (13) |
| Other finance gains and losses | (2) | - | (2) | (3) | +1 | +1 |
| **Adjusted EBT*** | **(155)** | **225** | **70** | **(137)** | **+207** | **(18)** |
| Adjusting items* | (53) | - | (53) | 744 | (797) | (797) |
| **EBT** | **(208)** | **225** | **17** | **607** | **(590)** | **(816)** |

*These measures are alternative performance measures. Please refer to Note 19 of the Condensed Consolidated Financial Statements.
From 7 April 2025, Ocado Group began accounting for Ocado Retail Limited as an associate using the equity method. The relevant results are reflected in the Group's income statement and cash flow statement. To ensure year-on-year comparability, income, expenses, and cash flows for the prior period have been re-presented to equity account for Ocado Retail from the start of the financial period in the tables above and below.
**Figures may not cast in the table due to rounding

## Ocado Retail Income Statement (Joint Venture and Associated Undertaking)

| £m | 1H26 | 1H25 | Change (£m) | Change (%) |
|---|---|---|---|---|
| Revenue | 1,756 | 1,526 | +230 | +15% |
| **Adjusted EBITDA*** | **73** | **33** | **+40** | **+119%** |
| Depreciation and amortisation | (39) | (32) | (7) | (22)% |
| Net finance costs | (23) | (19) | (4) | (21)% |
| **Adjusted EBT*** | **12** | **(17)** | **+29** | **+168%** |
| Reported as Ocado Group's share of JV results | 6 | (9) | +14 | +168% |

**Notes:**

1. Non-recurring income of £354m in HY26 comprised £327m from Kroger's network optimisation (a £260m termination fee and £67m accelerated recognition of advance receipts) and £27m from the closure of Sobeys' Calgary CFC (a £18m termination fee and £9m accelerated recognition of advance receipts). £125m of depreciation and impairment in the period related to Kroger's network optimisation and the closure of Sobeys' Calgary CFC
2. Recurring fees exclude the business-as-usual fees from the four Kroger and Sobeys CFCs closed in January 2026, removing £9m in HY26 and £27m in HY25 to compare £222m of LFL recurring fees in HY26 with £212m in HY25.
3. Adjusted EBITDA* is defined as earnings before net finance cost, taxation, depreciation, amortisation, impairment and adjusting items*.
4. Underlying cash flow is the movement in cash and cash equivalents, excluding the impact of adjusting items, financing costs, proceeds from the disposal of assets held for sale, cash received in respect of contingent consideration, acquisitions of subsidiaries, purchases of unlisted equity investments, material non-recurring termination fees (which are not treated as adjusting items) and foreign exchange movements. Underlying cash flow* also excludes the impacts from Kroger's network optimisation and the closure of Sobeys' Calgary CFC in January 2026.
5. Volume growth used reflects the exit rate of P6-26 vs. P6-25 of eaches, excludes the four closed CFCs Frederick, Groveland, Pleasant Prairie, Calgary and two spoke closures in 1H25.
6. A module is considered live when it has been fully installed and is available for use by our partner or where fees are being received for the module. This includes 11 modules for the Hatfield CFC, and Leeds and Canning Town Zooms, which were not in operation at the end of the period, but for which fees are being received in full.
7. NIQ Total Till and NIQ Homescan from Nielsen Consumer LLC.
8. Guidance given is based on Adjusted EBITDA*
9. Change excl. closure impacts reflect the percentage change between the "1H26 excl. closure impacts" column and the "1H25 pro-forma*" column. The comparative financial information for 1H25 has not been restated to remove the revenue and costs associated with CFC closures. Technology Solutions revenue includes the business-as-usual fees from the Kroger and Sobeys CFCs closed in January 2026 of £9m in HY26 and £27m in HY25.
10. Customers are classified as active if they have shopped at Ocado.com within the previous 12 weeks. Average active customers represents the average number of active customers over the 26-week period.

Further notes relating to depreciation, amortisation and impairment, finance income, other finance gains and losses and adjusting items* are detailed on page 11 and 22 of the release.

# HY26 Strategic and Operational Review

*The following commentary is predominantly on a pre-adjusting item* basis to aid understanding of the performance of the business.*

HY26 has been a period of renewed commercial momentum, greater organisational efficiency and strong cost discipline for Ocado Group. In our Technology Solutions division, we continued to deliver strong international volume growth through the Ocado Smart Platform ("OSP"). We have continued to roll out our latest hardware and software solutions to partners worldwide, introducing more efficiency and greater flexibility to their operations.

Following the end of exclusivity across the majority of markets at the start of the year, Ocado's commercial teams have ramped up activity across global regions, with a major new OSP partner win and multiple new grocery prospects engaged across N. America, Europe and Asia Pacific.

Ocado Retail continues to deliver strong growth, and remains the fastest growing grocer in the UK market over the past 12 consecutive months. Reflecting this progress, Ocado Retail was profitable at both an operating profit and pre-tax profit level.

## Technology Solutions

Following key changes to the structure and focus of our commercial teams and the end of exclusivity in multiple international markets, Ocado's Technology Solutions division is set to deliver renewed growth and momentum.

We are seeing strong demand for the wide range of Ocado's solutions from prospective partners, while Ocado's latest partnerships showcase the significant evolution of the Ocado Smart Platform, with partners taking advantage of features such as integration with aggregator platforms like Just Eat, Uber Eats and Deliveroo.

During the first half, Ocado also successfully agreed the sale of its technology in one of the recently closed Kroger CFCs to a large U.S-based logistics company, with ongoing support for the maintenance of that equipment.

Across our existing partners, international volume growth has remained strong, with a 27%[5] YoY increase in items processed through our platform. Our partners have continued to deploy our latest technologies, with OGRP now rolled out across 14 CFCs and eight partners, achieving more than 350m picks to date. Ocado's 600s bots are now live at scale in multiple sites worldwide, and our latest proprietary Autofreezer solution is in-build across our upcoming CFCs.

While we continue to see good progress across global operations, we note particular progress among recent partners who have gone live, in Spain, Poland, Japan and Australia, where our partners continue to see strong growth and high customer satisfaction, driven by the performance of Ocado's platform.

Reflecting these factors and the closure of the Kroger and Sobeys CFCs in Frederick (MD), Pleasant Prairie (WI), Groveland (FL) and Calgary (AB) in January 2026, our recurring fees in our Technology Solutions business reduced by 3% or £8m to £231m. Removing the revenue contribution from the four closed CFCs in the opening weeks of the half year period and the first half of the prior year, our recurring fees grew by 5% to £222m.

Excluding the £354m benefit from closure fees and the recognition of the associated upfront fees, non-recurring and other revenue declined by £14m to £25m in the period.

The lower Technology Solutions revenue led to a reduction of £18m in the contribution of the business to £189m, representing a contribution margin of 74% (1H25: 74%) and excluding the non-recurring benefits from the closure of the four CFCs, in addition to Kroger's decision not to proceed with a CFC in Charlotte (NC).

In the second half, we expect multiple existing partners to reach important milestones in the deployment of Ocado's technology, with Lotte due to begin deliveries from its first CFC in Busan, and AEON due to launch its second Tokyo CFC. These CFC launches will include the first go live of Ocado's proprietary Autofreezer solution, while Lotte's Busan CFC will also support key new features, including the ability to support widespread "dawn delivery", which is a widespread characteristic of the Korean market. Lotte will also deliver with a 100% EV fleet.

During the second half, we also expect Panda in Saudi Arabia to go live with Ocado's full ecommerce platform, following the roll-out of In-Store Fulfilment ("ISF") in 2025.

In our non-grocery business, we have signed multiple new contracts to deploy Ocado's "Chuck" "AMR" (Autonomous Mobile Robot) solution across a number of markets. Chuck is a solution designed to work alongside people in traditional warehouse environments, guiding them through picking tasks and showing clear instructions on a screen, optimising the overall time taken to fulfil these tasks. In the second half of the year we expect the full launch of the McKesson site in Quebec, and initial deployments of Ocado's new "Porter" solution with clients. Porter is Ocado's new proprietary AMR solution, designed to transport heavy stock and pallets around warehouses.

Finally, earlier in the year Ocado's commercial teams undertook a significant organisational change, with Ocado Solutions and Ocado Intelligent Automation coming together into a single commercial division. The restructure aligned with Ocado's renewed focus on commercial prospecting following the removal of exclusivity in multiple markets.

The restructure has delivered positive early results, with a major new OSP contract win and a growth in marketing capabilities across key regions. In the first half of the year, we opened our new Product Hub in Dallas TX, which will showcase Ocado's latest products to the North American market, including Store Based Automation ("SBA") and Porter products. That site has already hosted visits and events from multiple clients and new prospects.

Reflecting the reorganisation announced in 2Q26 and the phased realisation of the savings and spend reductions across the second half of 2026, Support costs and Technology costs in the first half of the year fell incrementally to £96m (1H25: £98m) and £34m (1H25: £36m), respectively. We expect significant progress in the second half of FY26, with the full benefit of the savings expected in FY27.

With a broadly flat cost profile in the first half, the reduction in revenue and contribution largely flowed through to profits. The adjusted EBITDA* for the business was £60m in the period (1H25: £73m), representing a 23% margin (1H25: 26%) and excluding the non-recurring benefits from the closure of the four CFCs and Kroger's decision not to proceed with a CFC in Charlotte (NC). The four closed CFCs generated a contribution of £8m in the opening weeks of 1H26 (1H25: £22m).

**Outlook for Technology Solutions**

- c.10 new modules expected in FY26 and c.10 in FY27, offsetting the 12 modules from the Kroger and Sobeys closures in early 2026 and the modules associated with the phased reduction in Hatfield fees
- Technology Solutions revenue c.£500m in FY26 excl. CFC closure fees
- Adjusted EBITDA* margin c.30% in FY26 excl. CFC closure fees
- Total Technology spend of c.£200m in FY26 with c.£60m Technology costs (P&L) and c.£140m Technology R&D capex
- FY27 Technology R&D capex is planned to be around 20% of recurring revenues as the Re:Imagined Tech R&D cycle completes

## Ocado Logistics

Ocado Logistics is our third-party logistics ("3PL") service, operating our automated fulfilment solution and last-mile delivery services for our UK partners, Ocado Retail and Morrisons. During the first half of FY26, the business continued to deliver strong operational performance across the network, combining further efficiency gains with consistently high service levels.

Revenue increased by 8%, principally driven by the recovery of costs through our partner contracts. Ocado Logistics continued to demonstrate the resilience of its operating model with adjusted EBITDA* of £22m (HY25: £19m), reflecting an increase of £3m year-on-year.

Our CFC operations delivered another year of productivity improvements. Labour productivity ("UPH") across our OSP-enabled customer fulfilment centres increased by 12% to 268, driven by higher utilisation levels and the ongoing deployment of Ocado Re:Imagined technologies, including On-Grid Robotic Pick ("OGRP") and Auto Frame Load ("AFL").

Performance in last-mile delivery also strengthened during the year. Average delivery productivity for Ocado Retail increased by 6% to 22.5 drops per standardised 8-hour shift ("DP8"). This reflected continued improvements in route planning, service execution and delivery density, alongside initiatives aimed at further enhancing operational efficiency across the fleet.

Last year's migration of both Ocado Retail and Morrisons onto OSP allowed both partners to further expand their use of OSP functionality, allowing operational improvements to be implemented more rapidly and consistently across fulfilment and last-mile operations. As a result, we have continued to enhance customer proposition flexibility while driving further efficiency gains throughout the network.

Following its initial deployment, the Ocado Swift Router solution is now available from all six OSP CFCs in the UK, supporting greater delivery slot availability and shorter lead times for customers. We have also continued to broaden the capabilities available to Morrisons through OSP, including the expansion of online aggregator fulfilment, helping Morrisons extend its reach across a growing number of catchments and further strengthening its ability to serve customers through third-party delivery channels.

**FY26 Outlook for Ocado Logistics**

- Continued improvement in productivity for our UK partners
- High mid-single-digit % revenue growth
- Adjusted EBITDA* of c.£30-35m

## Ocado Retail

Ocado Retail (ORL) is a 50:50 joint venture between Marks & Spencer Group plc (M&S) and Ocado Group. Since its deconsolidation on 7 April 2025, ORL has been reported as an associate using the equity method.

**Sustained customer growth with a differentiated proposition enabled by the Ocado Smart Platform**

Ocado Retail continued to outperform the wider UK grocery market during HY26, retaining its position as the UK's fastest-growing grocer[7] over the preceding 12 months. Its share of the online grocery market increased to 13.7%[7] in the four weeks 16 May 2026 (Nielsen restated methodology), up 0.7 percentage points year-on-year.

Revenue increased by 15.1% to £1.76bn (HY25: £1.53bn), substantially ahead of growth in the broader online grocery channel. This performance was driven by a combination of customer acquisition, increasing order frequency and continued growth in the mature active customer base. Average active customers[10] increased by 10.6%; within this, customers with five or more orders grew by 10.2%, reflecting continued strength in customer retention and the number of customers shopping more frequently.

Average basket value increased by 1.9% to £126.55 with items per basket unchanged at 44.3. Ocado Retail's customer proposition continues to resonate strongly, combining an extensive range of approximately 44,000 products with industry-leading service levels, visible product life and 99% of items delivered as promised.

**Technology and operational leverage driving efficiency and profitability**

Following the successful prior year migration of Ocado Retail customers onto the full OSP, the business has continued to benefit from new capabilities developed across Ocado Group's global partner network, supporting further enhancements to the customer proposition, operational efficiency and future scalability.

Ocado Swift Router is now live across all six UK OSP CFCs, marking a significant milestone. The functionality has enabled ORL to offer its leading range, availability and service in click-to-door fulfilment times as little as 100 minutes. These capabilities are expected to support greater delivery flexibility, improved customer convenience and further growth in order frequency.

Operational efficiency continued to improve across the fulfilment network. The rollout of our Re:Imagined technologies, including On-Grid Robotic Pick ("OGRP") and Auto Frame Load ("AFL"), contributed to an +11% increase in wall-to-wall labour productivity across our OSP CFCs, with average UPH rising to 267 from 240 year-on-year. Luton, where deployment is most advanced, achieved an average UPH of 315 during the period. Evidencing the strong economic profile of ORL's CFC network, CFC costs increased by 1.7% relative to 12.8% increase in orders and represented 5.7% of revenue, far lower than traditional grocers.

These productivity gains will allow Ocado Retail to drive significant additional capacity from its existing infrastructure, while maintaining high service standards. During the period, the average utilisation across the network reached 103% of the original design capacity of the sites. Together with the remaining capacity available at Erith, the ability to leverage its existing CFC network provides a clear pathway for future volume growth, with limited incremental capital investment.

The combination of strong revenue growth, increasing operational leverage and improving fulfilment efficiency supported a significant improvement in profitability. Ocado Retail delivered adjusted EBITDA* of £73m in HY26 (£89m excluding Hatfield capacity fees), compared with £33m in HY25. Adjusted EBITDA margin* increased to 4.2% (5.0% excluding Hatfield capacity fees), up from 2.2% in HY25. While profitability benefited from higher volumes and productivity improvements, these gains were also partially offset by industry-wide cost pressures, including higher employer National Insurance contributions and increases in the National Living Wage.

Reflecting its strong progress, Ocado Retail recorded a pre-tax profit before adjusting items of £12m in HY26 (HY25: £(17)m loss) with cash and cash equivalents of £184m (FY25: £128m).

## Ocado Group

**Group cash flow**

Underlying cash flow*, which excludes £263m of net proceeds received in January 2026 from the optimisation of Kroger's network and the closure of Sobeys' CFC in Calgary, was an outflow of £(147)m (HY25: £(108)m). The outflow reflected a lower level of contribution, higher interest costs and a working capital outflow, partially offset by lower capital expenditure and improved cost discipline.

Turning cash flow positive during the second half of FY26 remains our core priority. Consistent with our previous guidance, we expect to exit the year in a position of positive cash flow but with an expectation for an underlying cash outflow of around £200m for the full year FY26. This expectation excludes the recent cash receipts from Kroger and Sobeys relating to the closed CFCs.

The reported cash inflow of £25m in HY26 reflects the underlying cash outflow* of £(147)m in the period, £(31)m of adjusting items principally related to restructuring, £(55)m of debt repayments and £(5)m movements in FX, offset by £263m of net proceeds in relation to the Kroger and Sobeys closures.

**Liquidity and liability management**
The Group continues to maintain a strong liquidity profile with cash and cash equivalents £765m (HY25: £746m) at the end of the period, in addition to an undrawn RCF of £300m, to provide liquidity in excess of £1.0bn.

During the period, the Group redeemed the remaining £56m principal of the convertible bonds due December 2025 at maturity and with sufficient funds at hand to redeem or refinance the £350m convertible bonds due in January 2027.

**Group capital expenditure**
Capital expenditure primarily comprises technology development costs to enhance the OSP and new site construction costs and the deployment of our Re:Imagined innovations. Our capital expenditure in the cash flow fell by £56m to £(116)m, reflecting a reduction in the level of Technology capital expenditure as we have completed the R&D associated with the Re:Imagined product suite and the phasing of capital expenditure relating to our CFCs. We expect Group capital expenditure, including CFC and Technology, to be around £250m for FY26 with the CFCs in Hachioji (AEON) and Busan (Lotte) scheduled to go-live in FY26.

**Sustainability Update**
We continue to make progress on sustainability, delivering meaningful benefits across both our own operations and those of our partners. During the period, we made further progress towards the full launch of Lotte's Busan CFC in South Korea. Once operational, the site will incorporate our most energy-efficient robotics to date, solar panels which power 30% of its energy demand, and a 100% EV fleet. Other highlights so far this year include our new product sustainability framework, which will ensure that our future products are created with the latest sustainability design principles in mind, and our AI workshops and training, which have spurred innovation whilst reinforcing our commitments to responsible use.

## Summary Financial Guidance for FY26

**Revenue:**
- **Technology Solutions:** c.£500m revenue in FY26 excl. CFC closure
- **Ocado Logistics:** high mid single digit % revenue growth

**Adjusted EBITDA∗:**
- **Technology Solutions:** c.30% margin in FY26 excl. CFC closure impacts
- **Ocado Logistics**: adjusted EBITDA∗ of c.£30-35m in FY26

**Capital expenditure:** around £250m in FY26; includes Technology and CFC capex

**Underlying cash flow:** On track to turn cash flow positive during FY26; full year underlying cash outflow excluding closure fees of around £(200)m FY26; full year cash flow positive in FY27

**Results Presentation**
A results presentation will be available for investors and analysts at 9.30am on 16th July 2026. This can be accessed online here. Following the presentations, there will be Q&A, also accessible via the webcast.

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**Financial Calendar**
Ocado Group FY26 Results will be reported on 25th February 2027.

**Cautionary statement**
Certain statements made in this announcement are forward-looking statements. Such statements are based on current expectations and assumptions and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from any expected future events or results expressed or implied in these forward-looking statements. Persons receiving this announcement should not place undue reliance on forward-looking statements. Unless otherwise required by applicable law, regulation or accounting standard, Ocado does not undertake to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

# Financial Review

## Headlines

*The Group presents its 1H26 results for the 26 weeks ended 31 May 2026.*

- **The Group** delivered revenue of £1,037.0m, an increase of 53.9% year-on-year (1H25: £674.0m). Adjusted EBITDA* increased by £340.2m to £432.0m (1H25: £91.8m).

  The Group continues to maintain strong liquidity of £1.06bn (FY25: £1.04bn) at the end of the period, to support our future growth and to meet our commitments as they fall due. Group underlying cash outflow* during the period was £147.3m. The Group held cash and cash equivalents at the end of the period of £764.6m (FY25: £740.0m). Net debt* reduced by £78.9m to £(969.5)m (FY25: £(1,048.4)m) at the end of the period.

- **Technology Solutions** delivered revenue growth, up 119.7% to £609.2m (1H25: £277.3m). Adjusted EBITDA* for the period was £410.2m (1H25: £72.8m), an increase of £337.4m, reflecting an adjusted EBITDA margin* of 67.3% (1H25: 26.3%). Revenue and adjusted EBITDA* include non-recurring fees of £353.5m relating to the closure of four CFCs operated by Kroger and Sobeys and cancellation of Kroger's CFC in Charlotte, North Carolina. Excluding fees and costs associated with the closures and cancellations, revenue of £255.7m declined by 7.8% and adjusted EBITDA* of £59.6m declined by £13.2m year-on-year. Adjusted EBITDA margin excluding these impacts was 23.3%. The business had an average of 115 modules live during the period (1H25: 122), down 5.7% as the above site closures more than offset the opening of the CFC in Warsaw for Auchan Poland in 2H25 and the delivery of the CFC in Busan for Lotte during 1H26. At the end of the period, we had 27 live sites (1H25: 29 sites) and 113 live modules (1H25: 119 live modules).

- **Logistics** revenue increased by 7.8% to £427.8m (1H25: £396.7m) and primarily represents cost recharges to Ocado Retail and Morrisons of £409.8m (1H25: £379.7m). Orders per week increased by 9.0% to 669,000 (1H25: 614,000); eaches (individual items in the shopping basket) processed increased by 8.2% to 776.1m (1H25: 717.6m). Adjusted EBITDA* for the period was £21.8m, an increase of £2.8m (1H25: £19.0m) primarily reflecting higher management fees and vehicle lease income associated with delivering higher volumes for our partners.

- **Ocado Retail** revenue increased by 15.1% in the period to £1,755.5m (1H25: £1,525.5m) driven by 12.8% growth in orders. The order growth was driven by an increase in the average number of active customers, up 10.6% and a 2.3% increase in the frequency of orders from mature customers. Adjusted EBITDA* increased by £39.6m to £72.9m (1H25: £33.3m), with an adjusted EBITDA margin* of 4.2% (1H25: 2.2%), driven by strong trading performance. Excluding the £15.6m (1H25: £17.1m) capacity fees payable for the closed Hatfield CFC, Ocado Retail delivered an adjusted EBITDA* of £88.5m (1H25: £50.4m) at a margin of 5.0% (1H25: 3.3%). Ocado Retail delivered an adjusted EBT* of £11.6m (1H25: £(17.1)m), an improvement of £28.7m.

## Group summary

| £m | 1H26 | 1H25 pro-forma* | Change |
|---|---|---|---|
| **Revenue** | | | |
| Technology Solutions | 609.2 | 277.3 | 119.7% |
| Logistics | 427.8 | 396.7 | 7.8% |
| **Group** | **1,037.0** | **674.0** | **53.9%** |
| **Operating costs** | | | |
| Technology Solutions | (199.0) | (204.5) | 2.7% |
| Logistics | (406.0) | (377.7) | (7.5)% |
| **Group** | **(605.0)** | **(582.2)** | **(3.9)%** |
| **Adjusted EBITDA*** | | | |
| Technology Solutions | 410.2 | 72.8 | £337.4m |
| Logistics | 21.8 | 19.0 | £2.8m |
| **Group** | **432.0** | **91.8** | **£340.2m** |
| Share of results of joint venture and associate | 5.9 | (8.4) | 170.2% |
| Depreciation, amortisation and impairment[1] | (308.7) | (174.2) | (77.2)% |
| Finance income[2] | 21.8 | 22.4 | (2.7)% |
| Finance costs | (78.9) | (66.1) | (19.4)% |
| Other finance losses[3] | (2.1) | (2.6) | 19.2% |
| **Adjusted EBT*** | **70.0** | **(137.1)** | **£207.1m** |
| Adjusting items* | (52.9) | 744.4 | £(797.3)m |
| **EBT** | **17.1** | **607.3** | **£(590.2)m** |
| Tax | (49.8) | (2.4) | £(47.4)m |
| **(Loss)/profit after tax** | **(32.7)** | **604.9** | **£(637.6)m** |

* These measures are alternative performance measures. Please refer to Note 19 to the Condensed Consolidated Financial Statements.

1. Depreciation, amortisation and impairment of £308.7m (1H25: £174.2m) excludes £nil (1H25: £4.7m) recognised in adjusting items*.
2. Finance income of £21.8m (1H25: £22.4m) excludes £nil (1H25: £2.0m) recognised in adjusting items*.
3. Other finance losses of £2.1m (1H25: £2.6m loss) exclude £nil (1H25: £2.3m gain) recognised in adjusting items*.

## Technology Solutions

The table below shows revenue and adjusted EBITDA* of £609.2m and £410.2m, respectively, for the period. These amounts include non-recurring fees of £353.5m relating to the closure and cancellation of five CFCs by Kroger and Sobeys. These fees are accounted for as revenue as they reflect contractually entitled amounts that would have otherwise been earned over the period of the contracts. Excluding the £353.5m of income relating to the closures and cancellation, non-recurring fees and revenue would be £24.4m and £255.7m for the period, respectively. On the same basis, adjusted EBITDA* would be £59.6m after excluding the £353.5m of income relating to the closure and cancellation of five CFCs and the associated costs of £2.9m, representing a 23.3% adjusted EBITDA margin.*

| £m | **1H26** | 1H25 | Change |
|---|---|---|---|
| Recurring fees | 230.8 | 238.5 | (3.2)% |
| Non-recurring fees | 377.9 | 36.5 | 935.3% |
| Other | 0.5 | 2.3 | (78.3)% |
| **Revenue** | **609.2** | **277.3** | **119.7%** |
| Direct operating costs | (69.6) | (70.9) | 1.8% |
| **Contribution** | **539.6** | **206.4** | **161.4%** |
| *Contribution %* | *88.6%* | *74.4%* | *14.2ppts* |
| Technology costs[1] | (33.8) | (35.5) | 4.8% |
| Support costs[1] | (95.6) | (98.1) | 2.5% |
| **Adjusted EBITDA*** | **410.2** | **72.8** | **£337.4m** |
| *Adjusted EBITDA %** | *67.3%* | *26.3%* | *41.0ppts* |

1. 1H25 Technology and Support costs have been restated to reflect the restructuring of the business during the period as detailed below.

**Technology Solutions** is the global technology platform business offering Ocado Smart Platform ("OSP") as a managed service to 14 grocery retail partners and automation solutions to sectors outside grocery retail to drive efficiency in complex, high-volume warehouse environments.

Technology Solutions comprises 1. the revenue and direct operating costs associated with our commercial businesses, 2. the technology costs to sustain and grow these businesses and 3. the support costs for these businesses, including Technology Operations, Commercial Sales and Partner Success, Finance, Legal, HR and Information Technology.

During the period, the business restructured its Technology and Support functions, in order to focus on its key priorities and pursue the opportunities of greatest value in the most efficient way.

Following a period of rapid growth and capital investment, primarily related to the 'Re:Imagined' development cycle, the business commenced its transition to a less capital intensive R&D phase.

Following the conclusion of exclusivity arrangements in multiple markets, the business consolidated its commercial brands (Ocado Solutions and Ocado Intelligent Automation) into a single organisation, to ensure it is well structured to capitalise on growth opportunities across grocery and non-grocery.

As a result of these structural changes, the costs of certain functions responsible for business-wide projects have been reclassified from Technology to Support costs. To aid year-on-year comparability of financial performance, the prior period's income and expenses have been restated on a like-for-like basis.

Costs associated with the restructuring have been treated as adjusting items*. Further details can be found in Note 4 to the Condensed Consolidated Financial Statements.

## Key Performance Indicators

The table below sets out a summary of selected operating information in the period:

| | **1H26** | 1H25 | Change |
|---|---|---|---|
| Live modules at period end[1,2] | **113** | 119 | (5.0)% |
| Average live modules[1,2] | **115** | 122 | (5.7)% |
| Direct operating cost (% of live sales capacity)[3] | **1.29%** | 1.36% | 0.07ppts |

1. A module is considered live when it has been fully installed and is available for use by our partner, or where fees are being received for the module. This includes 11 modules for the Hatfield CFC, and the Leeds and Canning Town Zooms, which were not in operation at the end of the period, but for which fees are being received in full.
2. A module of capacity is assumed as 5,000 eaches picked per hour and c.£79m (1H25: c.£79m) per annum of sales capacity available to live OSP partners.
3. Direct operating costs as a percentage of live sales capacity reflects the average for all OSP sites in operation during the period. Direct operating costs include engineering, cloud and other technology direct costs. The prior period presented the exit rate as at the period end. Under the prior period's methodology, 1H26 would be 1.23% (1H25: 1.35%).

In November 2025, Kroger announced plans to optimise its CFC network, resulting in the closure of three CFCs which took place in January 2026, and not to proceed with the CFC in Charlotte, which was planned to go-live in 2026. Ocado and Kroger continue to work closely together across the five live CFCs in Monroe, Dallas, Atlanta, Denver and Detroit. The Group and Kroger agreed a one-off cash termination fee of $350m to compensate the Group following these closure decisions, which was received during the period. The Group recognised £260.1m as revenue in respect of the termination fee during the period. The closure also resulted in an acceleration in revenue of advance receipts, previously held as contract liabilities, of £67.2m. Both the termination fee and acceleration of advance receipts are recognised in non-recurring fees in the Income Statement.

In January 2026, Empire Company Limited announced its intention to close its Sobeys CFC in Calgary largely due to the Alberta grocery ecommerce market's size and the rate of expansion being slower than originally expected. Sobeys continues to serve its customers from its two existing CFCs in Toronto and Montreal. During the period, the Group received a one-off termination fee of £17.7m in compensation for the closure. The closure also resulted in an acceleration in revenue of advance receipts, previously held as contract liabilities, of £8.5m. Both the termination fee and acceleration of advance receipts are recognised in non-recurring fees in the Income Statement.

In March 2026, the Group delivered its first CFC in South Korea, with the Busan facility to be launched by Lotte in 2H26. This follows Lotte's online service, "Lotte Mart Zetta", enabled by OSP and Ocado's In-Store Fulfilment solution across Lotte stores that went live in April 2025.

In May 2026, the Group and Asda announced their partnership to develop Asda's online business across the UK with the OSP solution, including providing the webshop, In-Store Fulfilment solution and software to support last mile planning and route efficiency. The partnership is expected to go-live in FY27.

At the end of the period, the business had 27 live sites, comprising 23 CFCs and four Zooms, with a total of 113 live modules (1H25: 29 live sites, comprising 25 CFCs and four Zooms, with a total of 119 live modules). The 113 live modules include 11 modules of capacity for Ocado Retail where operations have ceased but fees are charged. At the end of the period, Technology Solutions had 24 live sites, with 102 modules, in operation (22 CFCs and two Zooms).

At the end of the period, the business had 144 modules ordered at sites in operation and 26 modules ordered at sites under construction but not yet live for AEON, Lotte and Kroger.

## Revenue

**Revenue** in the period increased by 119.7% to £609.2m (1H25: £277.3m).

**Recurring fee** revenue is typically index-linked and is primarily driven by the average number of modules live during the period. Recurring fee revenue decreased by 3.2% to £230.8m (1H25: £238.5m), reflecting a 5.7% decrease in the average number of live modules to 115 (1H25: 122), partially offset by indexation. The reduction in average live modules is primarily driven by the closure of the four sites operated by Kroger and Sobeys, as detailed above, and the exit of Morrisons from the Erith CFC in the prior period. These impacts were partially offset by the go-live of Auchan Poland's Warsaw CFC in 2H25, the delivery of Lotte's CFC in Busan, South Korea in 1H26, and incremental drawdowns at existing CFCs. Recurring fee revenue also includes £16.2m (1H25: £15.2m) of fees relating to the provision of hardware, software and services to our non-grocery partners, which was previously reported as OIA revenue.

**Non-recurring fee** revenue comprises 1. the upfront design and access fees amortised in the Income Statement, 2. revenue recognised in relation to the Kroger Letter of Credit ("LoC") drawn down in 2H25, 3. termination fees relating to closed and cancelled sites and 4. other non-recurring income generated by the business.

In accordance with IFRS 15, design and access fees are initially recorded on the Balance Sheet, within contract liabilities, until a working solution is delivered to the partner, i.e. the site goes 'live'. Fees are released to the Income Statement over the period in which the Group satisfies its obligations to the partner.

Income from the LoC of £113.4m received in June 2025 is apportioned across CFCs that are live or in construction, and initially recognised within contract liabilities on the Balance Sheet. The income is released to the Income Statement, within revenue, over the life of those sites. During the period, the business recognised £2.1m in relation to operational sites (1H25: £nil).

Total non-recurring fee revenue of £377.9m (1H25: £36.5m) increased by £341.4m largely reflecting termination fees of £277.8m and the associated £75.7m acceleration of income, previously held as contract liabilities, relating to the closure and cancellation of certain CFCs, as described above. The year-on-year increase is partially offset by £16.6m of non-recurring income from Morrisons recognised in the prior period following the cessation of their deliveries from the Erith CFC.

There are 28 (1H25: 30) legacy non-OSP modules within the 113 (1H25: 119) modules at the end of the period. These primarily relate to the Hatfield and Dordon CFCs, which generate a lower fee per module than an OSP module. While the Hatfield CFC ceased trading in FY23, the Technology Solutions business continues to charge and receive capacity fees for Hatfield, which in the period were £15.6m (1H25: £17.1m).

**Other** revenue primarily relates to equipment sales to retail partners of £0.5m (1H25: £2.3m) recognised as revenue under IFRS 15 (the cost of this equipment is recognised within direct operating costs).

## Direct costs

**Direct operating costs** largely relate to the day-to-day costs of operating our CFC, Zoom and non-grocery sites, primarily engineering support, maintenance and spares, and the costs of hosting the technology services for partners. Direct operating costs also include cost of sales primarily relating to equipment sales to partners.

Direct operating costs decreased by £1.3m, or 1.8%, to £69.6m (1H25: £70.9m). The decrease reflects lower cost of sales relating to equipment sales to commercial partners. The incremental costs associated with the volume growth in sites opened during the current and prior year are offset by efficiencies in remote support costs during the period.

Contribution margin increased by 14.2ppts to 88.6% (1H25: 74.4%). The increase was primarily driven by non-recurring income of £353.5m recognised on the closure and cancellation of the five CFCs by Kroger and Sobeys in the period. Excluding this and £2.9m of costs associated with decommissioning the sites, the contribution margin reduced by 0.5 percentage points to 73.9% (1H25: 74.4%), primarily reflecting the £16.6m non-recurring income relating to Morrisons' cessation of deliveries from the Erith CFC in the prior period.

## Technology and support costs

**Technology costs** that are expensed primarily reflect costs incurred during activities in the early stages of innovation, before projects meet the criteria for capitalisation. This includes research and discovery work undertaken to explore future opportunities and evaluate potential technology solutions. Other people-related costs include management time and live system support, while other non-people technology costs include hardware, software and cloud costs. Technology costs in 1H26 decreased by £1.7m to £33.8m (1H25: £35.5m), through reduced non-capitalisable cloud, software and consultancy spend.

**Support costs** are costs incurred in supporting the global operations of the business, including Technology Operations, Finance, Legal, HR, Information Technology and the Board.

Support costs decreased by £2.5m to £95.6m (1H25: £98.1m). The actions taken to restructure the business and significantly reduce costs, as announced in February 2026, commenced late in the period and therefore had a minimal impact in the first half.

Support costs also include the Commercial Sales and Partner Success teams. These costs remained stable year-on-year as the business continues to drive growth for new and existing partners.

## Adjusted EBITDA*

Adjusted EBITDA* for the period was £410.2m (1H25: £72.8m), an improvement of £337.4m. The increase was driven by non-recurring income of £353.5m relating to the closure and cancellation of the five Kroger and Sobeys sites. Excluding this non-recurring closure income and related closure costs, adjusted EBITDA* would be £59.6m (1H25: £72.8m), a decrease of £13.2m primarily driven by the lower contribution margin following the closure of the four sites detailed above. The restructuring of the business, targeting significant cost reductions across the Group did not materially benefit adjusted EBITDA* during the period as the actions taken commenced late in the period, and therefore with minimal impact in the first half.

## Ocado Logistics

| £m | 1H26 | 1H25 | Change |
|---|---|---|---|
| Cost recharges[1] | 409.8 | 379.7 | 7.9% |
| Fee revenue[1] | 18.0 | 17.0 | 5.9% |
| **Revenue** | **427.8** | **396.7** | 7.8% |
| Other income | 0.6 | 1.0 | (40.0)% |
| Fulfilment and delivery costs | (370.1) | (344.0) | (7.6)% |
| Technology and support costs | (36.5) | (34.7) | (5.2)% |
| **Adjusted EBITDA*** | **21.8** | **19.0** | **£2.8m** |
| Costs analysis: | | | |
| Recoverable | (397.3) | (368.6) | (7.8)% |
| Non-recoverable | (9.3) | (10.1) | 7.9% |

1. Cost recharges include £4.2m (1H25: £3.3m), primarily relating to the recharge of LGV leases to Ocado Retail. In the prior period, this income was included within fee revenue. The cost of these leases is recognised outside of adjusted EBITDA* in accordance with IFRS 16.

**Ocado Logistics** is our third-party logistics business providing services to partners in the UK (Ocado Retail and Morrisons). The Logistics business operates automated warehouses and provides the associated supply chain and delivery services based on a resilient cost-plus business model.

Ocado Logistics comprises 1. revenue from cost recharges, capital recharges and a c.4% of recoverable costs (excluding fuel) management fee for operating all UK sites, 2. the related CFC fulfilment and delivery costs, 3. technology costs directly related to sites and any non-OSP customer platform technology costs and 4. costs relating to central functions to support the provision of the Logistics services.

### Key Performance Indicators

The following table sets out a summary of selected operating information in the period:

| | 1H26 | 1H25 | Change |
|---|---|---|---|
| Total eaches (million) | **776.1** | 717.6 | 8.2% |
| Orders per week (000s) | **669** | 614 | 9.0% |
| OSP CFC UPH[1,2] | **268** | 239 | 12.1% |
| DP8[3] | **22.5** | 21.2 | 6.1% |

1. Measured as units picked from the CFC per variable hour worked by operational personnel.
2. OSP CFCs are all CFCs excluding Dordon.
3. DP8 represents the drops per standardised eight-hour shift for Ocado Retail only.

### Revenue

Volumes through the sites that the business operates are a key driver of our revenue and costs. During the period, average orders per week across our two partners increased by 9.0% to 669,000 (1H25: 614,000), while the volume of eaches processed increased by 8.2% to 776.1m (1H25: 717.6m).

**Cost recharges** increased by £30.1m to £409.8m (1H25: £379.7m), up 7.9%. These costs represent the recharge of variable and fixed operational costs to Ocado Retail and Morrisons for the provision of third-party logistics services, with the increase driven by higher fulfilment costs, as detailed below.

Cost recharges are greater than recoverable costs of £397.3m (1H25: £368.6m) as cost recharges also include lease income for the lease costs in shared sites (primarily the Erith and Dordon CFCs) and LGVs, where the business is providing a service, for which the cost is included outside adjusted EBITDA*.

**Fee revenue** increased by £1.0m to £18.0m (1H25: £17.0m). Fee revenue comprises 1. management fees of c.4% of recoverable costs and 2. capital recharges.

Management fee revenue increased by 8.7% to £15.0m (1H25: £13.8m), due to higher year-on-year recoverable costs, primarily from retailer volume growth. Management fees are charged to retailers as a c.4% fee on operational recoverable costs (excluding fuel).

Capital recharges of £3.0m decreased by £0.2m (1H25: £3.2m) year-on-year. Capital recharges relate to charges to Ocado Retail for the use of certain fixtures and fittings, and plant and machinery that were not transferred on the formation of Ocado Retail as a separate business. These assets are owned by the Group and utilised by Ocado Retail. For partner-shared sites (primarily Erith and Dordon), capital recharges are accounted for as revenue as it is considered to be the provision of a service (as per IFRS 16).

## Other income

**Other income** of £0.6m (1H25: £1.0m) relates to MHE JVCo asset rental income. The year-on-year decrease of £0.4m was mainly driven by the expiry of MHE asset rental agreements in the prior period. These agreements were made as part of the original fit-out of the Dordon CFC. Other income is presented within operating costs in the Condensed Consolidated Income Statement.

## Fulfilment and delivery costs

**Fulfilment and delivery costs** primarily comprise costs incurred in operating automated warehouses and the associated supply chain and delivery services, which are recharged to Ocado Retail and Morrisons. Costs increased by 7.6% to £370.1m (1H25: £344.0m). Costs increased by a lower rate than the growth in eaches, primarily due to improved productivity across our CFCs and delivery operations (as reflected by the 12.1% improvement in OSP CFC UPH and the 6.1% improvement in DP8). This was partially offset by inflationary pressure on 1. labour costs within our CFCs and service delivery operations with legislative increases to the National Minimum Wage, 2. annualisation of the legislative increases on Employers' National Insurance Contributions in the prior period and 3. the repairs and maintenance of our fleet.

CFC productivity improvements are demonstrated by the improvement in UPH. A higher UPH results in a lower labour requirement and therefore lower costs for the same volume. The average UPH in our UK OSP CFCs improved by 12.1% to 268 (1H25: 239), with all CFCs improving year-on-year. The Luton CFC delivered an average UPH of 315 (1H25: 277), driven by the increasing maturity of the Re:Imagined technologies including On-Grid Robotic Pick ("OGRP") and Auto Frame Load ("AFL").

The efficiency of delivery operations is measured by DP8. This increased by 6.1% to an average of 22.5 drops per standardised 8-hour shift for Ocado Retail (1H25: 21.2 drops). The improvement was mainly driven by 1. increased order volume driving order density, with improved operational performance through shorter distances between customer drops and 2. improvements in routing efficiency through focused projects including increased deployments of OSP technology improvements, enabling greater planning accuracy, and turnaround route and shift optimisation.

## Technology and support costs

**Technology and support costs** increased by £1.8m to £36.5m (1H25: £34.7m) and comprise 1. head office and related costs to operate the Logistics business, 2. technology costs related to the operation of our pre-OSP grocery fulfilment platform and 3. the non-capitalised element of the programme costs to transition our UK partners from the pre-OSP technology platform to OSP. Technology and support costs are largely recovered through recharges to our partners, in line with contractual agreements. The associated income is recognised as revenue from cost recharges, as detailed above. The year-on-year increase primarily reflects labour cost inflation across the Technology and Support functions.

During the period, non-recoverable costs remained stable and primarily relate to the cost of operating the pre-OSP platform, the transition to OSP and ongoing Logistics systems costs.

## Adjusted EBITDA*

**Adjusted EBITDA*** for the period was £21.8m, an increase of £2.8m (1H25: £19.0m) principally driven by 1. increased management fees of £1.2m from supporting the online growth of our UK retailers, 2. £0.9m higher revenue from the recharge of higher inflation driven lease costs, where the cost of these leases is recognised outside of adjusted EBITDA* and 3. £0.8m lower non-recoverable costs.

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## Ocado Retail

| £m | 1H26 | 1H25 | Change |
|---|---|---|---|
| **Revenue** | **1,755.5** | **1,525.5** | **15.1%** |
| **Gross profit** | **593.9** | **509.5** | **16.6%** |
| *Gross profit %* | *33.8%* | *33.4%* | *0.4ppts* |
| Fulfilment and delivery costs | (321.1) | (290.6) | (10.5)% |
| Marketing costs | (23.2) | (20.9) | (11.0)% |
| Support costs | (68.7) | (62.4) | (10.1)% |
| Fees | (108.0) | (102.3) | (5.6)% |
| **Adjusted EBITDA*** | **72.9** | **33.3** | **£39.6m** |
| Depreciation and amortisation | (38.6) | (31.6) | (22.2)% |
| Net finance costs | (22.7) | (18.8) | (20.7)% |
| **Adjusted EBT*** | **11.6** | **(17.1)** | **£28.7m** |
| Adjusting items | (14.2) | (7.8) | £(6.4)m |
| Tax | - | - | - |
| **Loss after tax** | **(2.6)** | **(24.9)** | **£22.3m** |
| 50% Ocado Group share of loss after tax | (1.3) | (12.4) | £11.1m |
| Reported in Group's share of results of joint venture | 5.8 | (8.5) | £14.3m |
| Reported in Group adjusting items* | (7.1) | (3.9) | £(3.2)m |

**Ocado Retail** is the UK online grocery retail business serving a broad range of shopper missions. Ocado Retail is a 50% owned joint venture with M&S.

The Group's share of Ocado Retail's pre-adjusting, post-tax results are shown as share of results of joint venture and associate in the Income Statement. The Group's share of Ocado Retail's adjusting items are shown as adjusting items* in the Income Statement.

### Key Performance Indicators

The following table sets out a summary of selected Ocado.com operating information in the period:

| Ocado.com[1] | 1H26 | 1H25 | Change |
|---|---|---|---|
| Average active customers (000s)[2] | 1,281 | 1,158 | 10.6% |
| Average orders per week (000s) | 554 | 491 | 12.8% |
| Average basket value (£)[3] | 126.55 | 124.19 | 1.9% |
| Average selling price (£)[4] | 2.86 | 2.80 | 2.1% |
| Average basket size (eaches) | 44.3 | 44.3 | - |

1. Ocado.com excludes Zoom by Ocado as Ocado.com represents the core business of Ocado Retail.
2. Customers are classified as active if they have shopped at Ocado.com within the previous 12 weeks. Average active customers represents the average number of active customers over the 26-week period.
3. Average basket value (£) is defined as product sales divided by total orders.
4. Average selling price ("ASP") (£) is defined as product sales divided by total eaches.

## Revenue

**Revenue** increased by 15.1% to £1,755.5m (1H25: £1,525.5m), reflecting 12.8% order growth to 554,000 orders per week (1H25: 491,000 orders per week) and a 1.9% growth in basket value to £126.55 (1H25: £124.19) for Ocado.com.

The average number of active customers increased by 10.6% during the period to 1,281,000 (1H25: 1,158,000), driven by strong customer acquisition and improved retention. The business had an active customer base at the end of the period of 1,313,000.

The online grocery market in the UK now represents 13.4% (1H25: 12.5%) of the total grocery market (Nielsen). Ocado.com grew its share of the online grocery market to 13.7% in the four weeks to 16 May 2026 (Nielsen), up 0.7ppts year-on-year (1H25: 13.0%* in the four weeks to 17 May 2025 per Nielsen's revised methodology).

*Under the previous methodology, market share was 14.4%.

The average basket value grew by 1.9%, driven by a 2.1% increase in average selling price to £2.86 (1H25: £2.80) which remained well below UK grocery inflation of 3.9% (Nielsen).

## Gross profit

**Gross profit** increased by 16.6% to £593.9m (1H25: £509.5m). Growth was higher than revenue growth due to an increase in gross profit margin from 33.4% in 1H25 to 33.8% in 1H26, driven by improved stock purge through advancements in OSP supply chain technology and lower post delivery adjustments.

Gross profit includes the net benefit of supplier-funded media income of £51.9m (1H25: £48.4m) and the impact of discount vouchers redeemed by customers of £16.5m (1H25: £13.5m).

## Fulfilment and delivery costs

| £m | **1H26** | 1H25 | Change |
|---|---|---|---|
| CFC | (99.9) | (98.2) | (1.7)% |
| Service delivery | (211.8) | (184.4) | (14.9)% |
| Utilities | (9.4) | (8.0) | (17.5)% |
| **Fulfilment and delivery costs** | **(321.1)** | **(290.6)** | **(10.5)%** |

**CFC costs** primarily comprise labour costs, property costs, consumables and related costs in CFCs, and increased by 1.7% to £99.9m (1H25: £98.2m). Costs increased at a considerably slower rate than the 12.8% growth in average orders per week, principally due to improved CFC productivity, driven by the increasing maturity of the Re:Imagined technologies including On-Grid Robotic Pick ("OGRP") and Auto Frame Load ("AFL") across sites. The average OSP CFC UPH for Ocado.com improved by 11.3% from 240 to 267.

**Service delivery costs** comprise labour, fleet, fuel and related costs to enable the delivery of orders to customers. Costs increased by 14.9% to £211.8m (1H25: £184.4m), primarily driven by the growth in the number of orders and labour inflation. The increase in costs was partially offset by an improvement in the efficiency of our last mile operations, mainly through shorter distances between customer drops and improvements in routing efficiency through the increased deployment of OSP technology.

**Utilities** costs across CFCs and service delivery increased by 17.5% to £9.4m (1H25: £8.0m). The increase is primarily driven by incremental costs for the sole-use of the Erith site.

## Marketing and support costs

**Marketing costs** comprise the cost of marketing activities to customers, such as digital performance marketing and brand advertising. This excludes vouchering costs, which are deducted in revenue. Marketing spend as a percentage of revenue decreased to 1.3% (1H25: 1.4%) reflecting the continued optimisation of the marketing channel mix.

**Support costs** of £68.7m (1H25: £62.4m) comprise head office, customer support and other overhead costs. The £6.3m increase year-on-year was driven by 1. cost inflation partially reflecting the annualisation of legislative increases in Employers' National Insurance Contributions, 2. increased headcount to support business growth and 3. increased IT support costs following platform migration activities and the ongoing cost of the standalone IT infrastructure. As a percentage of revenue, support costs decreased to 3.9% (1H25: 4.1%).

## Fees

**Fees** of £108.0m (1H25: £102.3m) comprise 1. OSP fees paid to Technology Solutions for the operation of OSP and Re:Imagined technologies of £95.3m (1H25: £88.8m), 2. logistics management fees of £12.4m (1H25: £11.1m) and 3. capital recharges paid to Ocado Logistics of £0.3m (1H25: £2.4m). The £5.7m increase year-on-year was primarily driven by indexation on OSP fees. Fees include the ongoing capacity fees for the closed Hatfield CFC.

## Adjusted EBITDA*

**Adjusted EBITDA*** was £72.9m (1H25: £33.3m). The year-on-year improvement of £39.6m primarily reflects improved trading performance from the growth in the active customer base, the increased frequency of orders, and increased productivity within the CFCs.

The Retail business delivered an adjusted EBITDA margin* of 4.2% (1H25: 2.2%), an improvement of 2.0ppts. Excluding the £15.6m (1H25: £17.1m) ongoing capacity fees payable for the Hatfield CFC, the adjusted EBITDA* for the Ocado Retail business would have been £88.5m (1H25: £50.4m) at a margin of 5.0% (1H25: 3.3%).

**Depreciation and amortisation** increased by £7.0m to £38.6m (1H25: £31.6m). The increase was primarily due to 1. the annualisation of capital assets and rent in relation to the Erith CFC site now recognised as a sole customer site, and therefore as a finance lease in accordance with IFRS 16. In the prior year, as a shared customer site, these charges were recognised within operating expenses in the Income Statement, and 2. increased depreciation on motor vehicles as a result of a larger delivery fleet.

**Net finance costs** comprise gross interest costs less gross interest income. Net finance costs of £22.7m increased by £3.9m (1H25: £18.8m) largely reflecting higher lease interest expense, relating to the Erith CFC site and new motor vehicle leases.

**Adjusted earnings before tax*** was £11.6m (1H25: £(17.1)m), an improvement of £28.7m.

**Adjusting items** of £14.2m expense (1H25: £7.8m expense) primarily comprise 1. impairment charges in relation to the closed Hatfield CFC, 2. decommissioning costs in relation to two closed Zoom sites, 3. transformation costs relating to the transition from legacy platforms onto OSP, and 4. the IT systems transformation costs to transition from the Group to a standalone platform. Of the adjusting items, £6.2m were non-cash.

## Loss after tax

There was no **taxation** in the period (1H25: £nil).

**Loss after tax** of £2.6m improved by £22.3m (1H25: £24.9m). The primary driver for the improvement was the improved adjusted EBITDA* performance, partly offset by increased depreciation, adjusting items and lease interest costs.

## Balance Sheet

Ocado Retail is equity accounted in the Group's results and recognised on the Group's balance sheet as an investment in associate.

**Ocado Retail net debt** of £(515.2)m (FY25: £(578.3)m) comprising 1. cash and cash equivalents of £183.7m, which increased by £55.8m during the period from £127.9m in FY25, 2. borrowings of £(219.2)m (FY25: £(211.8)m) and 3. lease liabilities of £(479.7)m (FY25: £(494.4)m).

Within Ocado Retail's net debt*, a total of £284.0m (FY25: £275.7m) is due to Ocado Group, comprising a £109.7m shareholder loan (FY25: £106.0m) and £174.3m within lease liabilities (FY25: £169.7m).

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## Group items below adjusted EBITDA*

**Share of results of joint venture and associate** was a £5.9m profit (1H25: £8.4m loss) across the Group's two equity-accounted investments, Ocado Retail and MHE JVCo. The improvement of £14.3m was primarily driven by improved trading performance in Ocado Retail as detailed in the Ocado Retail section above. The Group recognised a £5.8m gain (1H25: £8.5m loss) relating to its share of Ocado Retail's pre-adjusting, post-tax results for the period.

**Depreciation, amortisation and impairment** increased by £134.5m to a charge of £308.7m (1H25: £174.2m). This comprises 1. depreciation of property, plant and equipment of £190.4m (1H25: £100.8m), 2. depreciation of right-of-use assets of £14.3m (1H25: £14.4m), 3. amortisation expense of £70.6m (1H25: £58.6m) and 4. an impairment charge of £33.4m (1H25: £0.4m).

The increase mainly reflects an accelerated depreciation charge of £97.4m in relation to assets fully written down at the four sites that were closed by Kroger and Sobeys, and an impairment charge of £27.8m for assets at the cancelled Charlotte site.

**Finance income** of £21.8m (1H25: £22.4m) comprises 1. interest income on cash balances held during the period principally derived from investments in money market funds and term deposits of £13.4m (1H25: £12.9m), 2. interest income on assets leased to Ocado Retail in accordance with IFRS 16 of £4.7m (1H25: £4.9m) and 3. interest income on loans receivable, principally the shareholder loan to Ocado Retail of £3.7m (1H25: £4.6m). The decrease in interest income reflects a lower average interest rate on the shareholder loan to Ocado Retail.

**Finance costs** of £78.9m (1H25: £66.1m) mainly comprise the interest expense and charges on borrowings of £69.8m (1H25: £56.8m) and an interest expense of £8.7m (1H25: £8.8m) on lease liabilities. The increase of £12.8m was primarily due to the higher interest rate on the £400m senior unsecured notes issued during the prior period, partially offset by the senior unsecured convertible bonds fully redeemed during 2H25 and 1H26, and the senior unsecured notes fully redeemed during 2H25. Borrowings are detailed further in the Liquidity Management section below.

**Other finance losses** of £2.1m (1H25: £2.6m) relate to net foreign exchange losses, largely in respect of US and Canadian dollar balances held.

**Adjusting items*** totalling an expense of £52.9m (1H25: £744.4m income) comprise 1. organisational restructuring costs of £42.4m (1H25: £11.8m) incurred as part of the Group's restructuring of the Technology Solutions segment as detailed above, 2. the Group's share of Ocado Retail's adjusting items of £7.1m (1H25: £3.9m) and 3. HR systems transformation costs of £3.4m (1H25: £3.8m).

Further details of all adjusting items* can be found in Note 4 to the Condensed Consolidated Financial Statements.

The **tax charge** in the Income Statement was £49.8m (1H25: £2.4m charge), which comprises a corporation tax charge of £25.2m (1H25: £1.6m charge) and a deferred tax charge of £24.6m (1H25: £0.8m charge).

The corporation tax charge predominately relates to a charge of £22.6m attributable to non-recurring CFC closure and cancellation revenue from Kroger.

A deferred tax charge of £24.6m (1H25: £0.8m charge) was recognised in the period, which comprises 1. £44.0m deferred tax charge relating to the utilisation of losses in the US offsetting the non-recurring income from the closure and cancellation of sites by Kroger, and 2. a deferred tax credit of £19.4m primarily reflecting the reversal of temporary differences relating to fixed assets.

Deferred tax assets and liabilities held by the Group are detailed further in the Balance Sheet section below. At the end of the period, the Group had £1,523.6m (1H25: £1,860.2m) of unutilised carried-forward tax losses.

During the period, the Group did not declare a **dividend** (1H25: £nil).

**Earnings/loss per share**

| Pence | **1H26** | 1H25 pro-forma* | Change |
|---|---|---|---|
| Basic (loss)/earnings per share | **(3.9)** | 73.7 | (77.6) |
| Adjusted earnings/(loss) per share | **2.4** | (16.7) | 19.1 |

## Capital expenditure

Capital expenditure largely comprises 1. technology development costs to enhance OSP, 2. new site construction costs and 3. deployment of our Re:Imagined innovations. Group capital expenditure for the period was £115.2m (1H25: £168.3m), a decrease of £53.1m. We continue to remain focused on capital discipline, operating a thorough and robust approval process to allocate capital.

An analysis of capital expenditure by key categories is presented below:

| £m | **1H26** | 1H25 | Change |
|---|---|---|---|
| CFC sites | 42.1 | 76.9 | (45.3)% |
| Technology | 54.3 | 69.1 | (21.4)% |
| Group support and other | 8.6 | 15.7 | (45.2)% |
| OSRS | 4.8 | - | 100.0% |
| **Technology Solutions[1]** | **109.8** | **161.7** | **(32.1)%** |
| **Logistics** | **5.4** | **6.6** | **(18.2)%** |
| **Group capital expenditure** | **115.2** | **168.3** | **(31.6)%** |

1. Following the restructuring of the Technology Solutions business during the period, as detailed above, CFC sites, Technology and Group support and other capital expenditure has been reclassified accordingly. To aid year-on-year comparability, the prior period's capital expenditure has been restated on a like-for-like basis.

### Technology Solutions

**CFC sites** capital expenditure primarily relates to the construction of new sites and costs associated with upgrading our existing live sites, and totalled £42.1m in the period (1H25: £76.9m), a year-on-year decrease of £34.8m. The investment in the period primarily relates to 1. the construction of the Hachioji site for AEON, due to go live in 2H26, 2. the Busan site for Lotte and 3. the installation of Re:Imagined innovations on operational sites. The year-on-year reduction is primarily due to the utilisation of existing inventory for new sites under construction in the current period and investment in the deployment of metal totes and the upgrade of bots on operational sites in the prior period.

**Technology** development spend decreased by £14.8m to £54.3m (1H25: £69.1m) as the business continued to focus on targeted investment in OSP and our key Re:Imagined innovation projects. Our investments focused on partner adoption through capturing evolving customer missions, improving the value proposition and partner profitability, and reducing capital costs. In addition, the business continued to develop its Store Based Automation ("SBA") product, a solution that enables our partners to capture demand in rapidly growing segments of online grocery, namely pick-up and same-day.

| £m | **1H26** | 1H25 | Change |
|---|---|---|---|
| CFC technologies | 33.6 | 45.6 | (26.3)% |
| Ecommerce | 9.6 | 14.1 | (31.9)% |
| Logistics technologies | 8.4 | 8.1 | 3.7% |
| Other | 2.7 | 1.3 | 107.7% |
| **Technology** | **54.3** | **69.1** | **(21.4)%** |

We continue to enhance our customer proposition through OSP, delivering world-class end-to-end grocery and non-grocery ecommerce and fulfilment solutions. OSP includes ecommerce, order management, forecasting, routing and delivery, our grid, bots, dexterous robotics and other material handling elements.

- **CFC technologies** are at the core of our OSP proposition. This capital expenditure encompasses the ongoing development of our grid and bots, peripheral MHE and software. This investment is focused on reducing both the capital cost and the ongoing operational running costs of the CFC for the partner and Ocado Group.

  We invested £33.6m in CFC technologies during the period (1H25: £45.6m), reflecting our ongoing commitment to optimising the OSP technologies in our CFC operations. This investment focused on reducing partner cost to serve by improving the productivity of our CFCs, making our automated solutions cheaper to build and run and extracting more capacity from existing sites.

  These investments included the delivery of multi-temperature delivery totes, which reduce the number of totes required per order, bagless freezer functionality reducing the number of totes required in freezers, pick station throughput optimisation, and multi-SKU totes which have increased hive storage capacity and eaches per tote.

- We invested £9.6m (1H25: £14.1m) in further developing our **ecommerce** platform to improve the experience for customers and commercial opportunities for our partners.

  During the period, we continued to invest to drive partner growth, as we introduced mobile app prompts within web banners to accelerate app downloads and introduced segmented slot availability to drive shopper conversion, both reducing friction for new shoppers, and enhanced product discovery through the successful deployment of 'vector search', which uses machine learning to deliver more relevant search results.

- A key benefit of OSP is our expertise in **Logistics technologies**, which underpins our end-to-end solution. In the period, we invested £8.4m (1H25: £8.1m) in our capabilities, with the focus of our investment on the efficiency of the last mile delivery and serving greater numbers of same-day orders by improving our routing algorithm to decrease order delivery times.

- The balance of the spend was £2.7m (1H25: £1.3m), and predominantly relates to tooling, simulation and documentation necessary to deliver for the wider Technology function.

**Group support and other** capital expenditure decreased by £7.1m to £8.6m (1H25: £15.7m) and comprises projects relating to support costs, IT and infrastructure.

## Logistics

Capital expenditure of £5.4m (1H25: £6.6m) largely relates to technology system development of £4.2m (1H25: £5.9m) to transition our UK partners from our legacy platforms onto OSP. This largely relates to post go-live developments following the migration of the Ocado.com website, associated mobile applications, and last mile and supply chain system services onto OSP in FY25.

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## Cash flow

| £m | 1H26 | 1H25 pro-forma* |
|---|---|---|
| **Adjusted EBITDA*** | **432.0** | **91.8** |
| Cash received from contract liabilities (upfront fees) | 10.2 | 41.1 |
| Net proceeds from CFC closures and cancellations | 263.1 | - |
| Other working capital movements | (54.6) | (17.7) |
| Interest paid | (69.9) | (48.0) |
| Corporation tax paid | (0.8) | 0.2 |
| Adjusting items* | (31.0) | 34.4 |
| Other non-cash items | (358.9) | (13.7) |
| **Operating cash flow** | **190.1** | **88.1** |
| Capital expenditure | (115.5) | (171.3) |
| Net movements from interest-bearing loans and borrowings | (55.8) | 88.3 |
| Repayment of lease liabilities | (15.7) | (15.8) |
| Net proceeds from share issues | 0.7 | 0.8 |
| Other investing and financing activities | 25.9 | 28.3 |
| **Movement in cash and cash equivalents (excl. FX changes)** | **29.7** | **18.4** |
| Effect of changes in FX rates | (5.1) | (5.1) |
| **Movement in cash and cash equivalents (incl. FX changes)** | **24.6** | **13.3** |
| **Cash and cash equivalents at beginning of period** | **740.0** | **732.5** |
| Movement in cash and cash equivalents (incl. FX changes) | 24.6 | 13.3 |
| **Cash and cash equivalents at end of period** | **764.6** | **745.8** |

**Cash and cash equivalents** (including foreign exchange changes) increased by £24.6m (1H25: £13.3m) to £764.6m (FY25: £740.0m).

**Operating cash flow was an inflow of £190.1m** (1H25: £88.1m cash inflow). The key movements in operating cash flow during the period can be analysed as follows:

- **Adjusted EBITDA*** improved by £340.2m to £432.0m (1H25: £91.8m), as detailed above.
- **Cash received from contract liabilities: cash inflow of £10.2m** (1H25: £41.1m cash inflow). The decrease during the period is driven by fewer stage payments and customer advances received in the current period. These are paid by our grocery retail partners for upfront design and access fees, typically in instalments during the CFC construction process and as customer advances from our non-grocery partners.
- **Net proceeds from CFC closures and cancellations: cash inflow of £263.1m** (1H25: £nil) comprises 1. £261.2m received from Kroger in respect of the closure and cancellation of four CFCs, 2. £17.7m received from Sobeys following the closure of the Calgary CFC, 3. £10.6m corporation tax paid on account in relation to the Kroger receipt and 4. £5.2m costs associated with decommissioning the sites.

- **Interest paid: cash outflow of £69.9m** (1H25: cash outflow of £48.0m) comprises £61.2m interest and charges on borrowings (1H25: cash outflow of £39.1m) and £8.7m for the interest element of assets held under finance leases (1H25: £8.8m). The increase during the period mainly reflects the higher coupon payments on borrowings following the Group's refinancing activities.
- **Corporation tax paid: cash outflow of £0.8m** (1H25: cash inflow of £0.2m) reflects tax paid in the period in respect of overseas entities. This excludes £10.6m of corporation tax paid attributable to the termination fees received from Kroger, and included in the net proceeds from CFC closures and cancellations above.
- **Adjusting items*: cash outflow of £31.0m** (1H25: £34.4m cash inflow) comprises the following:
    - £27.6m (1H25: £11.8m) organisational restructuring costs incurred as part of the Group's restructuring of the Technology Solutions segment;
    - £3.4m (1H25: £3.8m) HR system transformation costs, primarily in relation to our Logistics business;
    - £nil (1H25: £50.0m) proceeds from the settlement of AutoStore patent litigation and cross-licence pre-2020 patents.
- **Other non-cash items of £(358.9)m** (1H25: £(13.7)m) primarily comprise:
    - £(377.9)m (1H25: £(30.7)m) revenue recognised from long-term contracts, which includes £(353.5)m of non-recurring fees recognised as revenue relating to the closure and cancellation of CFCs by Kroger and Sobeys, as detailed above; and
    - £19.1m (1H25: £15.6m) share-based payments charges.

The following explains the remaining movements that result in a net cash inflow of £24.6m (1H25: cash inflow of £13.3m):

- **Capital expenditure of £115.5m** (1H25: £171.3m) primarily relates to 1. new site construction costs, 2. deployment of our Re:Imagined innovations and 3. technology development costs to enhance OSP, as detailed above.
- **Net movement from interest-bearing loans and borrowings of £55.8m outflow** (1H25: £88.3m inflow) relating to the redemption of the outstanding principal of the £600m senior unsecured convertible bonds, at maturity.
- **Repayment of lease liabilities of £15.7m** (1H25: £15.8m) represents the repayment on the lease liability principal in the period. Net lease cash payments were £11.9m (1H25: £11.8m) comprising 1. the repayment of the principal of £15.7m (1H25: £15.8m), 2. interest payments on leases of £8.7m (1H25: £8.8m), and 3. income on assets leased to Ocado Retail of £12.5m (1H25: £12.8m), as below.
- **Other investing and financing activities of £25.9m** (1H25: £28.3m) comprise:
    - £12.5m (1H25: £12.8m) received from Ocado Retail in respect of assets leased in accordance with IFRS 16; and
    - £13.4m (1H25: £12.3m) of interest received on treasury deposits.

## Underlying cash flow*

| £m | 1H26 | 1H25 pro-forma* |
|---|---|---|
| **Movement in cash and cash equivalents** | **24.6** | **13.3** |
| Net proceeds from CFC closures and cancellations | (263.1) | - |
| Adjusting items* | 31.0 | (34.4) |
| Purchase of unlisted equity investments and loans to investee companies | - | (3.2) |
| Financing[1] | 55.1 | (89.1) |
| Effect of changes in FX rates | 5.1 | 5.1 |
| **Underlying cash flow** | **(147.3)** | **(108.3)** |

1. Financing of £55.1m outflow (1H25: £89.1m inflow) includes net movements from interest-bearing loans and borrowings of £55.8m outflow (1H25: £88.3m inflow) and net proceeds from share issues of £0.7m (1H25: £0.8m).

## Liquidity management

| £m | 31 May 2026 | 1 June 2025 | 30 November 2025 |
|---|---|---|---|
| **Cash and cash equivalents** | **764.6** | **745.8** | **740.0** |
| £600m senior unsecured convertible bonds (Dec-25) | - | (133.8) | (56.0) |
| £500m senior unsecured notes (Oct-26) | - | (54.7) | - |
| £350m senior unsecured convertible bonds (Jan-27) | (341.8) | (327.6) | (334.7) |
| £250m senior unsecured convertible bonds (Aug-29) | (225.7) | (218.5) | (222.0) |
| £450m senior unsecured notes (Aug-29) | (457.3) | (456.0) | (456.4) |
| £400m senior unsecured notes (Jun-30) | (413.2) | (294.0) | (417.1) |
| **Borrowings** | **(1,438.0)** | **(1,484.6)** | **(1,486.2)** |
| Lease liabilities | (296.1) | (310.2) | (302.2) |
| **Gross debt** | **(1,734.1)** | **(1,794.8)** | **(1,788.4)** |
| **Net debt*** | **(969.5)** | **(1,049.0)** | **(1,048.4)** |

During the period, the Group redeemed in full, and at the maturity date, the outstanding senior unsecured bonds, due in 2025, with an aggregate principal of £55.8m, at par value.

The Group held cash and cash equivalents at the end of the period of £764.6m (FY25: £740.0m) and gross liquidity of £1.06bn (FY25: £1.04bn), including the revolving credit facility (“RCF”).

The Group's net finance costs and net interest in the Income Statement and in the Cash Flow Statement are set out below:

| £m | 1H26 Income Statement | 1H26 Cash flow | 1H25 pro-forma* Income Statement | 1H25 pro-forma* Cash flow |
|---|---|---|---|---|
| **Finance income** | **21.8** | **18.1** | **22.4** | **17.2** |
| £600m senior unsecured convertible bonds (Dec-25) | (0.1) | (0.2) | (3.7) | (0.8) |
| £500m senior unsecured notes (Oct-26) | - | - | (4.2) | (4.3) |
| £350m senior unsecured convertible bonds (Jan-27) | (8.5) | (1.3) | (8.1) | (1.3) |
| £250m senior unsecured convertible bonds (Aug-29) | (11.5) | (7.8) | (11.2) | (7.8) |
| £450m senior unsecured notes (Aug-29) | (24.5) | (23.6) | (24.3) | (23.6) |
| £400m senior unsecured notes (Jun-30) | (22.6) | (26.5) | (2.3) | - |
| Other interest and charges on borrowings | (2.6) | (1.8) | (3.0) | (1.3) |
| **Total interest and charges on borrowings** | **(69.8)** | **(61.2)** | **(56.8)** | **(39.1)** |
| Interest on lease liabilities | (8.7) | (8.7) | (8.8) | (8.8) |
| Other finance costs | (0.4) | - | (0.5) | (0.1) |
| **Gross finance costs** | **(78.9)** | **(69.9)** | **(66.1)** | **(48.0)** |
| **Other finance losses** | **(2.1)** | - | **(2.6)** | - |
| **Net finance costs** | **(59.2)** | **(51.8)** | **(46.3)** | **(30.8)** |

## Balance Sheet

| £m | **31 May 2026** | 1 June 2025 | 30 November 2025 |
|---|---|---|---|
| **Assets** | | | |
| Goodwill | 145.4 | 145.2 | 147.8 |
| Other intangible assets | 511.6 | 525.4 | 517.8 |
| Property, plant and equipment | 1,251.9 | 1,417.9 | 1,427.5 |
| Right-of-use assets | 179.8 | 196.8 | 191.3 |
| Net investment in leases | 137.9 | 148.5 | 138.8 |
| Investment in joint venture and associate | 741.6 | 753.1 | 742.7 |
| Trade and other receivables | 165.6 | 177.2 | 142.3 |
| Cash and cash equivalents | 764.6 | 745.8 | 740.0 |
| Other financial assets | 198.8 | 212.5 | 172.3 |
| Inventories | 36.3 | 58.0 | 31.9 |
| Current tax assets | 6.8 | 7.2 | 6.5 |
| Other assets | 26.0 | 7.0 | 20.1 |
| **Total assets** | **4,166.3** | **4,394.6** | **4,279.0** |
| | | | |
| **Liabilities** | | | |
| Contract liabilities | (540.0) | (559.0) | (631.5) |
| Trade and other payables | (236.8) | (262.9) | (262.9) |
| Borrowings | (1,438.0) | (1,484.6) | (1,486.2) |
| Lease liabilities | (296.1) | (310.2) | (302.2) |
| Current tax liabilities | (12.5) | (2.2) | (0.4) |
| Other liabilities | (75.6) | (25.7) | (34.5) |
| **Total liabilities** | **(2,599.0)** | **(2,644.6)** | **(2,717.7)** |
| | | | |
| **Net assets** | **1,567.3** | **1,750.0** | **1,561.3** |
| | | | |
| **Total equity** | **1,567.3** | **1,750.0** | **1,561.3** |

## Assets

**Property, plant and equipment and other intangible assets** of £1,763.5m (FY25: £1,945.3m). The decrease of £181.8m is primarily driven by:

- depreciation of £190.4m (1H25: £100.8m), including accelerated depreciation for the four closed Kroger and Sobeys sites of £97.4m;
- amortisation of £70.6m (1H25: £58.6m);
- impairment of the cancelled Kroger CFC in Charlotte of £27.8m; and
- partially offset by £115.2m (1H25: £168.3m) of capital expenditure in the period.

**Right-of-use assets** of £179.8m decreased by £11.5m (FY25: £191.3m), mainly reflecting a depreciation charge of £14.3m (1H25: £14.4m).

**Net investment in leases** of £137.9m (FY25: £138.8m) comprises £108.1m (FY25: £107.3m) land and buildings and £29.8m (FY25: £31.5m) fixtures, fittings, plant and machinery relating to sites solely used by Ocado Retail.

**Trade and other receivables** of £165.6m increased by £23.3m (FY25: £142.3m) and comprises:

- trade receivables, net of expected credit loss allowance, of £73.4m (FY25: £53.6m). These largely comprise receivable balances due from Technology Solutions' grocery and non-grocery partners;
- prepayments of £57.5m (FY25: £48.0m). These mainly relate to software maintenance payments, site support and maintenance costs (including business rates and rent payments), prepaid payroll expenses and insurance premiums. The increase of £9.5m is largely driven by timing of annual business rates payments and insurance prepayments;
- accrued income of £26.9m (FY25: £26.4m). These primarily relate to amounts due to be invoiced to Technology Solutions' partners, primarily ORL; and
- other receivables of £7.8m (FY25: £14.3m). Other receivables largely comprise deposits paid and tax refunds due. The decrease of £6.5m is mainly driven by a reduction in VAT and overseas taxes receivable.

**Other financial assets** of £198.8m (FY25: £172.3m) increased by £26.5m and comprises:

- £109.7m (FY25: £106.0m) shareholder loan receivable from Ocado Retail held at amortised cost;
- £88.4m (FY25: £64.9m) unlisted equity investments held by the Group primarily in Wayve Technologies Limited ("Wayve") of £78.5m (FY25: £42.6m) and Oxa Autonomy Ltd ("Oxa") of £3.7m (FY25: £16.0m). The increase in the valuation of our investment in Wayve of £35.9m to £78.5m reflects the successful completion of a Series D fundraise during the period. The fundraise, in which the Group did not participate, reduced the Group's shareholding in Wayve to 2.1% (FY25: 2.9%). During the period, Oxa completed a first close Series D fundraise, in which the Group did not participate. The £12.3m decrease in the fair value of the Group's investment in Oxa reflects changes in the commercial outlook and the dilution of the Group's shareholding to 6.4% (FY25: 12.2%). See Note 11 to the Condensed Consolidated Financial Statements for further detail;
- £0.7m (FY25: £0.7m) contributions towards dilapidations receivable; and
- £nil (FY25: £0.7m) contingent consideration receivable.

**Inventories** of £36.3m increased by £4.4m (FY25: £31.9m). Inventories largely comprise Technology Solutions grid and bot spares, and Logistics consumables.

## Liabilities

**Contract liabilities** of £540.0m (FY25: £631.5m) primarily relate to the consideration received in advance from our partners. Revenue is recognised when the performance obligation is satisfied, typically when a site goes live, or products and services are provided. The decrease of £91.5m is mainly driven by:

- £75.7m (1H25: £nil) of prior receipts, relating to the closed and cancelled Kroger and Sobeys CFCs, recognised as revenue in the period;

- £24.4m (1H25: £29.6m) in respect of prior receipts recognised as revenue in the period relating to other sites; and
- £9.1m (1H25: £28.9m) invoiced to partners for their contracted contribution towards the initial MHE investment made in a site, build and design of MHE.

**Trade and other payables** of £236.8m decreased by £26.1m (FY25: £262.9m). Trade and other payables comprise:
- accrued expenses of £142.9m (FY25: £129.2m). Accrued expenses at the end of the period largely relate to 1. accrued payroll expenses, 2. site support and maintenance costs and 3. accrued insurance premiums. The increase is mainly driven by the timing of payroll.
- trade payables of £34.6m (FY25: £70.4m). The decrease in the period is largely due to the timing of payments to suppliers;
- tax and social security payables of £40.9m (FY25: £41.1m). Tax and social security payables at the end of the period predominantly relate to amounts due to HMRC in respect of UK PAYE and US Federal and sales tax; and
- deferred income of £18.4m (FY25: £22.2m). Deferred income primarily relates to advance receipts of R&D tax credits in Technology Solutions, OSRS Chuck fees and OSP recurring capacity fees.

**Borrowings** of £1,438.0m decreased by £48.2m (FY25: £1,486.2m) primarily driven by 1. the Group redeeming in full, and at the maturity date, the outstanding senior unsecured bonds, due in 2025, of £55.8m, 2. interest paid of £61.2m (1H25: £39.1m), offset by 3. £69.8m of accrued interest (1H25: £55.2m).

**Lease liabilities** of £296.1m (FY25: £302.2m) comprise land and buildings of £259.8m (FY25: £262.9m), motor vehicles of £24.6m (FY25: £26.3m) and fixtures, fittings, plant and machinery of £11.7m (FY25: £13.0m). The decrease of £6.1m was primarily driven by cash payments made of £24.4m (1H25: £24.7m), which was partially offset by accrued interest of £8.7m (1H25: £8.8m) and remeasurements of £8.5m (1H25: £1.9m) relating to rent reviews.

Lease liabilities include £10.2m (FY25: £11.0m) payable to MHE JVCo, a company in which the Group holds a 50% interest.

**Other liabilities** of £75.6m increased by £41.1m (FY25: £34.5m) and comprise:
- £43.3m (FY25: £33.5m) of provisions largely in respect of dilapidation of properties and vehicles, organisational restructuring and decommissioning costs for the closed Kroger and Sobeys sites. The £9.8m increase was due to increased provisions relating to organisational restructuring;
- £32.3m (FY25: £1.0m) of deferred tax liabilities. The £31.3m increase was mainly driven by the utilisation of previously recognised tax losses against the income from Kroger relating to the fees received from them following the closure and cancellation of sites during the period.

## Post-Balance Sheet events

In June 2026, the Group agreed an extension of its £300m RCF with maturity extended from August 2027 to March 2029.

# Condensed Consolidated Financial Statements

## Condensed Consolidated Income Statement

### for the 26 weeks ended 31 May 2026

| | Notes | **26 weeks ended 31 May 2026 (unaudited)** Results before adjusting items £m | Adjusting items (Note 4) £m | Total £m | 26 weeks ended 1 June 2025 (unaudited) Results before adjusting items £m | Adjusting items (Note 4) £m | Total £m |
|---|---|---|---|---|---|---|---|
| **Continuing operations** | | | | | | | |
| Revenue | 3 | **1,037.0** | **-** | **1,037.0** | 674.0 | - | 674.0 |
| Operating costs | | **(913.7)** | **(45.8)** | **(959.5)** | (756.4) | (38.6) | (795.0) |
| **Operating profit/(loss) before results of joint venture and associate** | | **123.3** | **(45.8)** | **77.5** | (82.4) | (38.6) | (121.0) |
| Share of results of joint venture and associate | | **5.9** | **(7.1)** | **(1.2)** | (2.9) | (1.0) | (3.9) |
| **Operating profit/(loss)** | | **129.2** | **(52.9)** | **76.3** | (85.3) | (39.6) | (124.9) |
| Finance income | 5 | **21.8** | **-** | **21.8** | 16.2 | 2.0 | 18.2 |
| Finance costs | 5 | **(78.9)** | **-** | **(78.9)** | (66.1) | - | (66.1) |
| Other finance (losses)/gains | 5 | **(2.1)** | **-** | **(2.1)** | (2.6) | 2.3 | (0.3) |
| **Profit/(loss) before tax from continuing operations** | | **70.0** | **(52.9)** | **17.1** | (137.8) | (35.3) | (173.1) |
| Income tax charge | 6 | **(49.8)** | **-** | **(49.8)** | (2.4) | - | (2.4) |
| **Profit/(loss) for the period from continuing operations** | | **20.2** | **(52.9)** | **(32.7)** | (140.2) | (35.3) | (175.5) |
| **Discontinued operations** | | | | | | | |
| Profit after tax from discontinued operations | 8 | **-** | **-** | **-** | 10.2 | 777.1 | 787.3 |
| **Profit/(loss) for the period** | | **20.2** | **(52.9)** | **(32.7)** | (130.0) | 741.8 | 611.8 |
| Attributable to: | | | | | | | |
| Owners of Ocado Group plc | | | | **(32.7)** | | | 621.8 |
| Non-controlling interests | | | | **-** | | | (10.0) |
| | | | | **(32.7)** | | | 611.8 |

| **(Loss)/earnings per share** | | **pence** | pence |
|---|---|---|---|
| From continuing operations: | | | |
| Basic and diluted loss per share | 7 | **(3.9)** | (21.0) |
| From continuing and discontinued operations: | | | |
| Basic (loss)/earnings per share | 7 | **(3.9)** | 75.5 |
| Diluted (loss)/earnings per share | | **(3.9)** | 71.4 |

# Condensed Consolidated Statement of Comprehensive Income

## for the 26 weeks ended 31 May 2026

| | **26 weeks ended 31 May 2026 (unaudited) £m** | 26 weeks ended 1 June 2025 (unaudited) £m |
|---|---|---|
| **(Loss)/profit for the period** | **(32.7)** | 611.8 |
| **Other comprehensive income** | | |
| *Items that may be reclassified to profit or loss in subsequent periods:* | | |
| Fair value movements in cash flow hedges | **8.0** | (1.1) |
| Items reclassified from cash flow hedge reserve | **(3.0)** | - |
| Foreign exchange loss on translation of foreign subsidiaries | **(4.1)** | (47.3) |
| **Net other comprehensive income/(expense) that may be reclassified to profit or loss in subsequent periods** | **0.9** | (48.4) |
| *Items that will not be reclassified to profit or loss in subsequent periods:* | | |
| Gain on equity investments designated as at fair value through other comprehensive income | **23.6** | - |
| Income tax relating to items that will not be reclassified subsequently to profit or loss | **(5.6)** | - |
| **Net other comprehensive income that will not be reclassified to profit and loss in subsequent periods** | **18.0** | - |
| **Other comprehensive income/(expense) for the period from continuing operations, net of income tax** | **18.9** | (48.4) |
| **Total comprehensive (expense)/income for the period** | **(13.8)** | 563.4 |
| Attributable to: | | |
| Owners of Ocado Group plc | **(13.8)** | 573.4 |
| Non-controlling interests | **-** | (10.0) |
| | **(13.8)** | 563.4 |

# Condensed Consolidated Balance Sheet

**as at 31 May 2026**

| | Notes | 31 May 2026 £m (unaudited) | 1 June 2025 £m (unaudited) | 30 November 2025 £m (audited) |
|---|---|---|---|---|
| **Non-current assets** | | | | |
| Goodwill | | **145.4** | 145.2 | 147.8 |
| Other intangible assets | | **511.6** | 525.4 | 517.8 |
| Property, plant and equipment | | **1,251.9** | 1,417.9 | 1,427.5 |
| Right-of-use assets | | **179.8** | 196.8 | 191.3 |
| Net investment in leases | | **123.4** | 132.7 | 125.1 |
| Investment in joint venture and associate | 10 | **741.6** | 753.1 | 742.7 |
| Other financial assets | 11 | **198.8** | 202.8 | 171.6 |
| Trade and other receivables | | **0.3** | - | - |
| Deferred tax assets | | **14.4** | 3.6 | 13.5 |
| Derivative financial assets | | **6.3** | 3.4 | 5.5 |
| | | **3,173.5** | 3,380.9 | 3,342.8 |
| **Current assets** | | | | |
| Net investment in leases | | **14.5** | 15.8 | 13.7 |
| Other financial assets | 11 | **-** | 9.7 | 0.7 |
| Inventories | | **36.3** | 58.0 | 31.9 |
| Trade and other receivables | | **165.3** | 177.2 | 142.3 |
| Current tax assets | | **6.8** | 7.2 | 6.5 |
| Cash and cash equivalents | 9 | **764.6** | 745.8 | 740.0 |
| Derivative financial assets | 12 | **5.3** | - | 1.1 |
| | | **992.8** | 1,013.7 | 936.2 |
| **Total assets** | | **4,166.3** | 4,394.6 | 4,279.0 |
| **Current liabilities** | | | | |
| Trade and other payables | | **(235.9)** | (261.9) | (261.9) |
| Contract liabilities | | **(52.4)** | (42.7) | (99.2) |
| Current tax liabilities | | **(12.5)** | (2.2) | (0.4) |
| Borrowings | 9 | **(341.8)** | (133.8) | (56.0) |
| Lease liabilities | 9 | **(34.7)** | (35.0) | (34.4) |
| Derivative financial liabilities | 12 | **-** | (1.7) | - |
| Provisions | 13 | **(25.9)** | (7.4) | (17.3) |
| | | **(703.2)** | (484.7) | (469.2) |
| **Net current assets** | | **289.6** | 529.0 | 467.0 |
| **Non-current liabilities** | | | | |
| Trade and other payables | | **(0.9)** | (1.0) | (1.0) |
| Contract liabilities | | **(487.6)** | (516.3) | (532.3) |
| Borrowings | 9 | **(1,096.2)** | (1,350.8) | (1,430.2) |
| Lease liabilities | 9 | **(261.4)** | (275.2) | (267.8) |
| Provisions | 13 | **(17.4)** | (16.1) | (16.2) |
| Deferred tax liabilities | | **(32.3)** | (0.5) | (1.0) |
| | | **(1,895.8)** | (2,159.9) | (2,248.5) |
| **Net assets** | | **1,567.3** | 1,750.0 | 1,561.3 |
| **Equity** | | | | |
| Share capital | | **16.9** | 16.7 | 16.8 |
| Share premium | | **1,950.6** | 1,948.3 | 1,950.0 |
| Treasury shares reserve | | **(112.9)** | (112.9) | (112.9) |
| Other reserves | | **(39.3)** | 33.8 | 28.9 |
| Retained earnings | | **(248.0)** | (135.9) | (321.5) |
| **Total equity attributable to owners of Ocado Group plc** | | **1,567.3** | 1,750.0 | 1,561.3 |

# Condensed Consolidated Statement of Changes in Equity

**for the 26 weeks ended 31 May 2026 (unaudited)**

| | Equity attributable to owners of Ocado Group plc | | | | | |
|---|---|---|---|---|---|---|
| | **Share capital** | **Share premium** | **Treasury shares reserve** | **Other reserves** | **Retained earnings** | **Total** |
| | **£m** | **£m** | **£m** | **£m** | **£m** | **£m** |
| **Balance at 30 November 2025 (audited)** | **16.8** | **1,950.0** | **(112.9)** | **28.9** | **(321.5)** | **1,561.3** |
| Loss for the period | **-** | **-** | **-** | **-** | **(32.7)** | **(32.7)** |
| Other comprehensive income | **-** | **-** | **-** | **18.9** | **-** | **18.9** |
| **Total comprehensive income/(expense) for the period ended 31 May 2026 (unaudited)** | **-** | **-** | **-** | **18.9** | **(32.7)** | **(13.8)** |
| Transactions with owners: | | | | | | |
| - Issue of ordinary shares | **0.1** | **0.6** | **-** | **-** | **-** | **0.7** |
| - Share-based payments charge | **-** | **-** | **-** | **-** | **19.1** | **19.1** |
| - Redemption of convertible bonds | | | | **(87.1)** | **87.1** | **-** |
| **Total transactions with owners** | **0.1** | **0.6** | **-** | **(87.1)** | **106.2** | **19.8** |
| **Balance at 31 May 2026 (unaudited)** | **16.9** | **1,950.6** | **(112.9)** | **(39.3)** | **(248.0)** | **1,567.3** |

for the 26 weeks ended 1 June 2025 (unaudited)

| | Equity attributable to owners of Ocado Group plc | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Share capital | Share premium | Treasury shares reserve | Other reserves | Retained earnings | Total | Non-controlling interests | Total equity |
| | £m | £m | £m | £m | £m | £m | £m | £m |
| Balance at 1 December 2024 (audited) | 16.7 | 1,947.5 | (112.9) | 83.2 | (748.8) | 1,185.7 | (14.5) | 1,171.2 |
| Profit/(loss) for the period | - | - | - | - | 621.8 | 621.8 | (10.0) | 611.8 |
| Other comprehensive expense | - | - | - | (48.4) | - | (48.4) | - | (48.4) |
| Total comprehensive income/(expense) for the period ended 1 June 2025 (unaudited) | - | - | - | (48.4) | 621.8 | 573.4 | (10.0) | 563.4 |
| Transactions with owners: | | | | | | | | |
| - Issue of ordinary shares | - | 0.8 | - | - | - | 0.8 | - | 0.8 |
| - Share-based payments charge | - | - | - | - | 15.6 | 15.6 | - | 15.6 |
| - Redemption of convertible bonds | - | - | - | (1.0) | - | (1.0) | - | (1.0) |
| - Derecognition of NCI on loss of control | - | - | - | - | (24.5) | (24.5) | 24.5 | - |
| Total transactions with owners | - | 0.8 | - | (1.0) | (8.9) | (9.1) | 24.5 | 15.4 |
| Balance at 1 June 2025 (unaudited) | 16.7 | 1,948.3 | (112.9) | 33.8 | (135.9) | 1,750.0 | - | 1,750.0 |

# Condensed Consolidated Statement of Cash Flows

**for the 26 weeks ended 31 May 2026**

| | Notes | **26 weeks ended 31 May 2026 £m** | 26 weeks ended 1 June 2025 £m |
|---|---|---|---|
| **Cash generated from operations** | 16 | **271.4** | 143.3 |
| Cash received from the AutoStore settlement | 4 | **-** | 50.0 |
| Corporation tax (paid)/received | | **(11.4)** | 0.2 |
| Interest paid | | **(69.9)** | (51.4) |
| **Net cash flow from operating activities** | | **190.1** | 142.1 |
| **Cash flows from investing activities** | | | |
| Purchase of intangible assets | | **(49.9)** | (89.5) |
| Purchase of property, plant and equipment | | **(65.6)** | (86.8) |
| Loans repaid by joint ventures, associates and investee companies | | **-** | 3.2 |
| Proceeds from net investment in leases | | **12.5** | 2.2 |
| Cash outflow on loss of control of subsidiaries | | **-** | (68.2) |
| Interest received | | **13.4** | 13.0 |
| **Net cash flow used in investing activities** | | **(89.6)** | (226.1) |
| **Cash flows from/(used in) financing activities** | | | |
| Proceeds from issue of ordinary share capital | | **0.7** | 0.8 |
| Proceeds from interest-bearing loans and borrowings | | **-** | 300.0 |
| Transaction costs on issue of borrowings | | **-** | (9.0) |
| Repayment of borrowings | | **(55.8)** | (202.7) |
| Repayment of principal element of lease liabilities | | **(15.7)** | (25.7) |
| **Net cash flow (used in)/from financing activities** | | **(70.8)** | 63.4 |
| **Net increase/(decrease) in cash and cash equivalents** | | **29.7** | (20.6) |
| Cash and cash equivalents at beginning of period | | **740.0** | 771.5 |
| Effect of changes in foreign exchange rates | | **(5.1)** | (5.1) |
| **Cash and cash equivalents at end of period** | | **764.6** | 745.8 |

For the comparative period, the cash flow statement includes cash flows from discontinued operations. Refer to Note 8 for further disclosures.

# Notes to the condensed consolidated interim financial information

## 1. General information

Ocado Group plc (hereafter the “Company”) is a listed company, limited by shares, incorporated in the United Kingdom and registered in England and Wales under the Companies Act 2006 (company number: 07098618). The Company is the parent and the ultimate parent of the Group. The address of its registered office is Buildings One & Two Trident Place, Mosquito Way, Hatfield, Hertfordshire, United Kingdom, AL10 9UL. The condensed consolidated interim financial information (hereafter “Financial Information”) comprises the results of the Company and its subsidiaries (hereafter the "Group").

The financial period represents the 26 weeks 31 May 2026. The prior financial periods represent the 26 weeks ended 1 June 2025 and the 52 weeks ended 30 November 2025.

## 2. Basis of preparation

The condensed consolidated interim financial report for the half-year reporting period ended 31 May 2026 has been prepared in accordance with the UK -adopted International Accounting Standard 34, ‘Interim Financial Reporting’ and the Disclosure Guidance and Transparency Rules sourcebook of the UK’s Financial Conduct Authority.

The financial information does not amount to full statutory accounts within the meaning of Section 434 of the Companies Act 2006 and does not include all the information and disclosures required for full annual financial statements. It should be read in conjunction with the Annual Report and Accounts of Ocado Group plc for the 52 weeks ended 30 November 2025 which were prepared in accordance with the Listing Rules and the Disclosure Guidance and Transparency Rules of the United Kingdom Financial Conduct Authority (where applicable), International Accounting Standards in conformity with the requirements of the Companies Act 2006 and UK-adopted International Financial Reporting Standards (‘IFRS’), including the interpretations issued by the IFRS Interpretations Committee (‘IFRIC’). The report is available either on request from the Company’s registered office or at www.ocadogroup.com. The Independent Auditor’s Report on these accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

The Financial Information is presented in pounds sterling, rounded to the nearest hundred thousand unless otherwise stated, and has been prepared under the historical cost convention, as modified by the revaluation of financial asset investments and certain other financial assets and liabilities, which are held at fair value.

**Going concern**
The Directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the Consolidated Financial Statements.

In assessing going concern, the Directors take into account the financial position of the Group, its cash flows, liquidity position and borrowing facilities. In addition, the Directors consider the Group’s business activities, together with factors that are likely to affect its future development and position and the Group’s principal risks and the likely effectiveness of any mitigating actions and controls available to the Directors.

At the reporting date, the Group had cash and cash equivalents of £764.6m (30 November 2025: £740.0m), external gross debt* of £1,723.9m (30 November 2025: £1,777.4m) (excluding lease liabilities payable to MHE JVCo Limited of £10.2m (30 November 2025: £11.0m)) and net current assets of £289.6m (30 November 2025: £467.0m) (including borrowings of £(341.8)m (30 November 2025: £(56.0)m)), which the Directors believe would be sufficient to maintain the Group’s liquidity over the going concern period. The Group has a mixture of financing arrangements, including £350.0m of senior unsecured convertible bonds due in January 2027, £250.0m of senior unsecured convertible bonds and £450.0m of senior unsecured notes due in August 2029 and £400.0m of senior unsecured notes due in June 2030. The Group forecasts its liquidity and working capital requirements, and ensures it maintains sufficient headroom so as not to breach any financial covenants in its borrowing facilities, as well as maintaining sufficient liquidity over the forecast period.

Following the period end the Group completed an extension of its revolving credit facility ("RCF"), moving the maturity out from August 2027 to March 2029.

Having had consideration for these areas, the Directors have concluded that it is appropriate to continue to adopt the going concern basis in preparing the Consolidated Financial Statements.

**Accounting policies**
The accounting policies applied by the Group in these interim financial statements are consistent with those applied by the Group in its consolidated financial statements for the 52 weeks ended 30 November 2025.

**Judgements and estimates**
The preparation of the interim financial information requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. In preparing these interim financial statements, the critical accounting judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Annual Report and Accounts for the 52 weeks ended 30 November 2025 other than as set out below.

***Critical accounting judgement: adjusting items*** - Management believes that separate presentation of adjusting items provides useful information to aid the understanding of the financial performance of the Group and its businesses. Management exercises judgement in determining whether certain transactions should be classified as adjusting items by considering the nature, timing, frequency and materiality of the amounts involved.

In 1H26, management carefully considered whether the termination fees received from Kroger and Sobeys should be presented as adjusting items. Management concluded that, although the amounts are material, they were received in line with contractually agreed terms and represent the accelerated recording of contractually entitled fees that would have otherwise been earned under the contract. As such, the termination fees received from Kroger and Sobeys of £277.8m have not been classified as adjusting items.

Further disclosure in respect of the termination fees can be found in the financial review and Note 3 to these Condensed Consolidated Financial Statements.

**New standards, amendments and interpretations adopted by the Group**
The Group has considered the following new standards, interpretations and amendments to published standards that are effective for the Group for the period beginning 1 December 2025 and concluded either that they are not relevant to the Group or would not have a significant effect on the Group's Condensed Consolidated Financial Statements other than on disclosures:

| | | **Effective date** |
|---|---|---|
| IAS 21 | Lack of Exchangeability - *The Effects of Changes in Foreign Exchange Rates* (amendments) | 1 January 2025 |

## 3. Segmental reporting

In accordance with *IFRS 8 "Operating Segments"*, an operating segment is defined as a business activity whose operating results are reviewed by the chief operating decision maker ("CODM"), for which discrete information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board. The Board assesses the performance of all operating segments on the basis of adjusted EBITDA*.

The Group reports its operating segments to align with its underlying business models, Technology Solutions and Logistics:

- The Technology Solutions segment provides end-to-end online retail and automated storage and retrieval solutions for general merchandise to corporate customers both in and outside of the United Kingdom.
- The Logistics segment provides the CFCs and logistics services for customers in the United Kingdom (Wm Morrison Supermarkets Limited and Ocado Retail Limited).

Any transactions between the segments are subject to normal commercial terms and market conditions. Segmental results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Group's continuing operations are reliant on two (1H25: 3) major customers which individually contribute more than 10% of revenue. This includes £482.5m (1H25: £160.9m) in the Technology Solutions segment and £357.3m (1H25: £396.7m) in the Logistics segment.

The following table presents revenue and adjusted EBITDA* for each of the operating segments.

| | **26 weeks ended 31 May 2026** | | | 26 weeks ended 1 June 2025 | | |
|---|---|---|---|---|---|---|
| | **Technology Solutions £m** | **Logistics £m** | **Total £m** | Technology Solutions £m | Logistics £m | Total £m |
| **Revenue** | **609.2** | **427.8** | **1,037.0** | 277.3 | 396.7 | 674.0 |
| **Adjusted EBITDA*** | **410.2** | **21.8** | **432.0** | 72.8 | 19.0 | 91.8 |
| Depreciation, amortisation and impairment | | | **(308.7)** | | | (174.2) |
| Adjusting items in operating profit | | | **(45.8)** | | | (38.6) |
| **Operating profit/(loss) before results of joint venture and associate** | | | **77.5** | | | (121.0) |

*See Note 19 - Alternative Performance Measures.

Revenue and adjusted EBITDA* for the Technology Solutions segment includes the impact of non-recurring fees of £353.5m (termination fees of £277.8m; acceleration of income held as contract liabilities of £75.7m) recognised following the closure/cancellation of four CFCs by Kroger and the closure of one CFC by Sobeys (1H25: £16.6m recognised following the cessation of Morrisons deliveries from our Erith CFC).

In addition, in the current period the Group has recognised a provision for decommissioning costs of £2.9m, accelerated depreciation of £97.4m, impairment of £27.8m and a tax charge of £66.6m as a result of the closure/cancellation of the Kroger and Sobeys CFCs.

Non-current assets, excluding financial instruments, deferred tax assets and goodwill, split by geographical area:

| Continuing operations | **31 May 2026 (unaudited) £m** | **1 June 2025 (unaudited) £m** |
|---|---|---|
| UK | **2,017.8** | 2,152.0 |
| Europe (excluding UK) | **109.5** | 110.5 |
| North America | **375.5** | 543.0 |
| Asia Pacific | **305.5** | 220.4 |
| | **2,808.3** | 3,025.9 |

No measure of total assets and total liabilities is reported for each reportable segment, as such amounts are not provided to the CODM.

# 4. Adjusting items*

Adjusting items*, as disclosed on the face of the Condensed Consolidated Income Statement, are items of income and expense that are considered to be significant due to their size/nature, not in the normal course of business or are consistent with items that were treated as adjusting in the prior periods or that may span multiple financial periods. They have been classified separately in order to draw them to the attention of the readers of the Financial Statements and facilitate comparison with prior periods to assess trends in the financial performance more readily. The Group applies judgement in identifying the items of income and expense that are recognised as adjusting.

| | Ref. | **26 weeks ended 31 May 2026 £m (unaudited)** | **26 weeks ended 1 June 2025 £m (unaudited)** |
|---|---|---|---|
| Organisational restructure | A | **(42.4)** | (11.8) |
| Ocado Group HR system transformation | B | **(3.4)** | (3.8) |
| Loss on deconsolidation of Jones Food Company | C | **-** | (23.0) |
| Ocado Retail - share of associate | D | **(7.1)** | (1.0) |
| Litigation settlement income and unwind of discount | E | **-** | 2.0 |
| Gain on partial redemption of bonds | F | **-** | 2.3 |
| **Net adjusting expense - continuing operations** | | **(52.9)** | (35.3) |
| Ocado Retail IT and Finance systems transformation | G | **-** | (5.5) |
| Gain on deconsolidation of Ocado Retail | H | **-** | 782.6 |
| **Net adjusting income - discontinued operations (Note 7)** | | **-** | 777.1 |
| **Net adjusting (expense)/income** | | **(52.9)** | 741.8 |

*Adjusting items are included in the calculation of alternative performance measures. See Note 19 - Alternative Performance Measures.

### A. Organisational restructure

During the period, the Group completed an organisational-wide restructure. Costs incurred in relation to the restructure include provision for redundancy and associated costs of £37.0m of which £22.1m has been utilised in the period. The provision is expected to be utilised by the end of 1H27 when all impacted employees will have exited the business.

As a result of the restructure, the Group has incurred additional costs in respect of handover/knowledge transfer of £2.7m, professional fees of £2.4m and other costs of £0.4m. These amounts are not recorded as a provision but have been recorded as adjusting items because they are a direct result of the strategic decision to restructure the organisation and are not expected to recur.

In the prior period, the Group completed an organisational restructure focusing on technology costs, incurring redundancy and associated costs of £11.8m.

These costs have been classified as adjusting items on the basis that the aggregate costs are considered to be significant and resulted from a strategic restructuring which is only incremental to the normal operating activities of the Group.

### B. Ocado Group HR system transformation

Following a review of the Group's Human Capital Management ("HCM") and payroll systems the Group commenced a plan to implement new HCM and payroll systems for its Logistics business and to optimise and enhance its existing payroll solutions for the Technology Solutions business.

This programme is expected to complete in FY26. The cumulative HR systems transformation costs expensed to date amount to £18.6m and includes £3.4m in the period (1H25: £3.8m), which largely relates to spend on external consultants and contractors. These amounts have been disclosed as adjusting items because the total costs associated with this programme are expected to be in the region of £21.6m and arise from a strategic project that is not considered by the Group to be part of the normal operating costs of the business.

### C. Loss on deconsolidation of Jones Food Company

In the prior period, the Group's subsidiary Jones Food Company Limited ("JFC") went into administration. The Group determined that the appointment of administrators resulted in the loss of control of JFC. As a result, the Group ceased to consolidate JFC from 7 April 2025, in accordance with IFRS 10. The impact on the Group's result was a loss on deconsolidation of £23.0m, including a goodwill impairment loss of £4.7m.

This has been classified as adjusting as the amount is material and unrelated to the operating activities of the Group.

**D. Ocado Retail share of associate**
The Group recorded a cost of £7.1m (1H25: £1.0m), representing its share of the following items recorded by Ocado Retail as adjusting.

*Ocado Retail IT transformation - £4.0m (1H25: £0.9m)*
During the period, Ocado Retail incurred costs of £7.9m (1H25: £1.7m in the period following deconsolidation) in relation to the IT Roadmap programme, which is expected to run until FY27, and includes the development of both on-premises and SaaS solutions. The cumulative costs expensed to date by Ocado Retail total £43.1m.

*Ocado Retail Finance systems transformation - £nil (1H25: £0.1m)*
During the prior period Ocado Retail incurred costs £0.2m, in the period following deconsolidation, in relation to its wide-scale Finance Transformation project which included the replacement of the Enterprise Resource Planning ("ERP") system with Oracle Fusion and other transformation projects. This project concluded in FY25, incurring cumulative costs of £4.3m.

*Network capacity and strategy review - £3.1m (1H25: £nil)*
During 2023, Ocado Retail undertook a strategy and capacity review for the UK CFC and the Zoom network.

During the current financial period, Ocado Retail recognised impairment charges of £4.0m in relation to right-of-use assets following a review of sub-leasing arrangements for the Hatfield CFC site and impairment and other costs in relation to Zoom sites of £2.2m.

Refer to paragraph G for further information.

**E. Litigation costs and litigation settlement**
On 22 July 2023, the Group reached an agreement with AutoStore to settle all patent litigation and cross-licence pre-2020 patents, for which AutoStore undertook to pay the Group a total of £200m in 24 monthly instalments, beginning July 2023. The settlement was recorded as a receivable measured initially at fair value and subsequently at amortised cost. The settlement receivable initially recognised was £180.4m. The unwinding of the discount over the life of the receivable is recorded as finance income, with £2.0m recorded in the prior period. During the prior period, payments totalling £50m were received. All amounts are classified as adjusting items, in line with the Group's adjusting items policy, as the amounts are material, and represent income unrelated to operating activities of the Group.

**F. Gain on partial redemption of bonds**
In the prior period, following the issue of £300.0m bonds Ocado completed a tender process which resulted in an early partial redemption of some of its debt with a gain of £2.3m. Refer to Note 9 for further details. The gain has been reported as an adjusting item in line with previous debt redemptions.

**G. Ocado Retail IT and Finance systems transformation**
*Ocado Retail IT transformation*
In FY21, Ocado Retail initiated its IT Roadmap programme, which focuses on delivering IT systems and services that will enable Ocado Retail to meet its obligation to transition away from Ocado Group IT services, tools and support towards M&S consolidation and future set up as well as ORL's transition to the Ocado Smart Platform ("OSP") to provide an end-to-end solution for operating online in the grocery market. The IT Roadmap programme, which is expected to run until FY27, includes the development of both on-premises and SaaS solutions. The costs incurred during the prior period (to the date of deconsolidation) amounted to £4.5m.

*Ocado Retail Finance systems transformation*
Ocado Retail underwent a wide-scale Finance Transformation project. In FY23, this included the replacement of the Enterprise Resource Planning ("ERP") system with Oracle Fusion and other transformation projects. This project was concluded in FY25. The costs incurred during the prior period (to the date of deconsolidation) amounted to £1.0m.

These transformation costs have been classified as adjusting because they are expected to be significant and result from a transformational activity which is considered only incremental to the core activities of the Group.

**H Gain on deconsolidation of Ocado Retail**
In the prior period, pursuant to the Shareholder Agreement, Ocado Group transferred its tie-breaking rights in Ocado Retail Ltd ("ORL") to M&S on 6 April 2025. While this transfer represented a change in control between the shareholders, it did not entail any modification to the underlying economic interests or involve any consideration paid by M&S.

In line with the requirements of IFRS 10 "Consolidated Financial Statements", ORL was deconsolidated from the Group from the date that control was lost and accounted for as an associate under IAS 28 "Investment in Associates and Joint Ventures" from that point forward. The impact on the Group's result was a gain on deconsolidation of £782.6m.

This has been classified as adjusting as the amount is material and unrelated to the operating activities of the Group.

**Tax impacts on adjusting items**
The adjusting items in respect of the Group's share of the results of ORL did not give rise to a tax impact. The remaining adjusting items are taxable or tax deductible and give rise to a net tax credit of £10.1m of which £1.3m (1H25: £nil) has been recognised. The net tax credit in respect of the UK Group (£8.8m) has not been recognised as it relates to tax losses which are not recognised for deferred tax purposes.

## 5. Finance income and costs

| Continuing operations | 26 weeks ended 31 May 2026 £m (unaudited) | 26 weeks ended 1 June 2025 £m (unaudited) |
|---|---|---|
| Interest income on cash balances | **13.4** | 12.9 |
| Interest income on loans receivable | **3.7** | 1.8 |
| Interest income on finance lease receivable | **4.7** | 1.5 |
| Unwind of discount on AutoStore receivable | **-** | 2.0 |
| **Finance income** | **21.8** | 18.2 |
| Interest expense on borrowings | **(67.2)** | (54.0) |
| Interest expense on lease liabilities | **(8.7)** | (8.8) |
| Interest expense on provisions | **(0.4)** | (0.4) |
| Other finance costs | **(2.6)** | (2.9) |
| **Finance costs** | **(78.9)** | (66.1) |
| Loss on foreign exchange | **(2.1)** | (2.6) |
| Gain on redemption of borrowings | **-** | 2.3 |
| **Other finance losses** | **(2.1)** | (0.3) |
| **Net finance cost** | **(59.2)** | (48.2) |

## 6. Tax

The total 1H26 tax charge is £49.8m, comprising a current tax charge of £25.2m and a deferred tax charge of £24.6m. The tax charge has been calculated using an estimated annual effective tax rate (AETR) adjusted to treat termination fees as discrete items.

Excluding termination fees, the Group's forecast AETR is 7.0%. Applying this to the 1H26 position excluding termination fees results in a tax credit of £16.8m.

## 7. Earnings/(Loss) per share

The basic loss per share is calculated by dividing the loss attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares held pursuant to the Group's Joint Share Ownership Scheme ("JSOS") and linked Jointly-Owned Equity ("JOE") awards under the Ocado Group Value Creation Plan ("Group VCP"), which are accounted for as treasury shares.

The diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion or vesting of all potentially dilutive shares. The Company has five classes of instruments that are potentially dilutive: share options; share interests held pursuant to the Group's JSOS; linked JOE awards under the Group VCP; shares under the Group's staff incentive plans; and convertible bonds.

The number of shares used for the earnings per share calculations are as follows:

| | **26 weeks ended 31 May 2026 million** | **26 weeks ended 1 June 2025 million** |
|---|---|---|
| Basic weighted average number of shares | **830.3** | 824.1 |
| Effect of dilution | **-** | 70.5 |
| **Diluted weighted average number of shares** | **830.3** | 894.6 |

The total number of shares in issue at the period end, as used in the calculation of the basic weighted average number of ordinary shares, was 843.4m, less 10.6m shares held by the Employee Benefit Trust ("EBT") (1H25: 835.6m, less 10.6m held by the EBT).

The earnings used for the earnings/(loss) per share calculations are as follows:

## Basic and adjusted earnings/(loss) per share

| | **26 weeks ended 31 May 2026 (unaudited) £m** | 26 weeks ended 1 June 2025 (unaudited) £m |
|---|---|---|
| **(Loss)/profit attributable to owners of the Company** | **(32.7)** | 621.8 |
| Less profit from discontinued operations (Note 8)[2,3] | **-** | 795.0 |
| Loss from continuing operations[1] | **(32.7)** | (173.2) |
| Exclude: Adjusting items attributable to owners of the Company - continuing operations | **52.9** | 35.3 |
| **Adjusted profit/(loss) after tax attributable to the owners of the Company** | **20.2** | (137.9) |

[1]Excludes losses attributable to non-controlling interests (Jones Food Company) of £nil (1H25: £2.2m).
[2]The results of discontinued operations represent 18 weeks ending 6 April 2025.
[3]Excludes losses attributable to non-controlling interests (Ocado Retail) of £nil (1H25: £7.8m).

| | **26 weeks ended 31 May 2026 (unaudited) pence** | 26 weeks ended 1 June 2025 (unaudited) pence |
|---|---|---|
| **Basic (loss)/earnings per share** | **(3.9)** | 75.5 |
| Less basic earnings per share from discontinued operations | **-** | 96.5 |
| **Basic loss per share from continuing operations** | **(3.9)** | (21.0) |
| Adjusting items attributable to owners of the Company - continuing operations | **6.3** | 4.3 |
| **Adjusted earnings/(loss) per share** | **2.4** | (16.7) |

## Diluted earnings/(loss) per share

| | **26 weeks ended 31 May 2026 (unaudited) £m** | 26 weeks ended 1 June 2025 (unaudited) £m |
|---|---|---|
| **(Loss)/profit attributable to owners of the Company** | **(32.7)** | 621.8 |
| Impact of conversion of convertible bonds (where conversion is dilutive) | **-** | 17.3 |
| **(Loss)/profit attributable to owners of the Company (for diluted EPS)** | **(32.7)** | 639.1 |

| | **26 weeks ended 31 May 2026 (unaudited) pence** | 26 weeks ended 1 June 2025 (unaudited) pence |
|---|---|---|
| **Diluted (Loss)/earnings per share** | **(3.9)** | 71.4 |

## 8. Discontinued operations

**Transfer of control of Ocado Retail**

Historically, the results of ORL were consolidated into the results of Ocado Group plc as Ocado Group plc was deemed to be the controlling shareholder via certain determinative tie-breaking rights, after agreed dispute-resolution procedures, in relation to the approval of ORL's business plan and budget and the appointment and removal of ORL's Chief Executive Officer who is responsible for directing the relevant activities of the business.

The Group gave up its tie-breaking rights to M&S on 6 April 2025. As a result management concluded that ORL met the requirements of being reported as a discontinued operation for the period ended 6 April 2025.

From 7 April 2025, the results of ORL were no longer consolidated into the Group results and were instead accounted for using the equity method, under IAS 28.

Results of the discontinued operation for the prior period are set out below.

### Income Statement

| | 18 weeks ended 6 April 2025 £m (unaudited) |
|---|---|
| Revenue | 767.9 |
| Operating costs | (757.7) |
| **Operating profit** | 10.2 |
| Net finance costs | (5.5) |
| **Profit before tax** | 4.7 |
| Income tax credit/(charge) | - |
| **Post-tax profit** | 4.7 |
| Gain on deconsolidation of discontinued operations | 782.6 |
| Attributable tax credit/(charge) | - |
| **Post-tax gain on deconsolidation of discontinued operations** | 782.6 |
| **Profit after tax for the period from discontinued operations** | 787.3 |

Included in the results above is an adjusting items credit of £777.1m which comprises a £782.6m gain on the deconsolidation of ORL partially offset by £5.5m of ORL IT and finance systems transformation costs. Refer to Note 4 for further details.

### Cash flows from discontinued operations

| | 18 weeks ended 6 April 2025 £m (unaudited) |
|---|---|
| **Cash flows from/(used in) discontinued operations** | |
| Net cash flows from operating activities | 50.6 |
| Net cash flows used in investing activities | (4.3) |
| Net cash flows used in financing activities | (17.1) |
| **Net cash flows for the period** | **29.2** |

# 9. Movements in net debt*

| | 30 November 2025 £m | Cash movements: Cash flows excluding interest £m | Cash movements: Interest received £m | Cash movements: Interest paid £m | Non-cash movements: Interest income/(charge) £m | Non-cash movements: Net new lease liabilities £m | Non-cash movements: Other £m | **31 May 2026 £m** |
|---|---|---|---|---|---|---|---|---|
| Cash and cash equivalents | 740.0 | **16.3** | **13.4** | **-** | **-** | **-** | **(5.1)** | **764.6** |
| **Liabilities from financing activities:** | | | | | | | | |
| Borrowings | (1,486.2) | **55.8** | **-** | **61.2** | **(69.8)** | **-** | **1.0** | **(1,438.0)** |
| Lease liabilities | (302.2) | **15.7** | **-** | **8.7** | **(8.7)** | **(9.8)** | **0.2** | **(296.1)** |
| Gross debt* | (1,788.4) | **71.5** | **-** | **69.9** | **(78.5)** | **(9.8)** | **1.2** | **(1,734.1)** |
| **Net debt*** | (1,048.4) | **87.8** | **13.4** | **69.9** | **(78.5)** | **(9.8)** | **(3.9)** | **(969.5)** |

| | 1 December 2024 £m | Cash movements: Cash flows excluding interest £m | Cash movements: Interest received £m | Cash movements: Interest paid £m | Non-cash movements: Interest income/(charge) £m | Non-cash movements: Net new lease liabilities £m | Non-cash movements: Other £m | 1 June 2025 £m |
|---|---|---|---|---|---|---|---|---|
| Cash and cash equivalents | 771.5 | (33.6) | 13.0 | - | - | - | (5.1) | 745.8 |
| **Liabilities from financing activities:** | | | | | | | | |
| Borrowings | (1,484.8) | (88.3) | - | 39.1 | (58.0) | - | 107.4 | (1,484.6) |
| Lease liabilities | (486.9) | 25.7 | - | 12.3 | (12.3) | (33.7) | 184.7 | (310.2) |
| Gross debt* | (1,971.7) | (62.6) | - | 51.4 | (70.3) | (33.7) | 292.1 | (1,794.8) |
| **Net debt*** | (1,200.2) | (96.2) | 13.0 | 51.4 | (70.3) | (33.7) | 287.0 | (1,049.0) |

*Gross debt and net debt are alternative performance measures. See Note 19 - Alternative Performance Measures.

Other non-cash movements in cash and cash equivalents represent foreign exchange movements. Other non-cash movements in borrowings include the gain on early redemption of bonds of £nil (1H25: £2.3m), amounts recognised in equity in relation to the early redemption of convertible bonds of £nil (1H25: £(1.0)m) and the derecognition of £nil (1H25: £105.6m) as a result of loss of control of subsidiaries in the period (1H25: £100.9m ORL and £4.7m Jones Food). Other non-cash movements in lease liabilities includes foreign exchange of £0.2m (1H25: £0.2m) and the derecognition of £nil (1H25: £184.5m) as a result of loss of control of subsidiaries in the period.

Net debt* is calculated as cash and cash equivalents less total debt (borrowings and lease liabilities). As at 1 December 2024, Net debt* included cash and cash equivalents, borrowings and lease liabilities relating to the disposal group.

# 10. Investment in joint ventures and associate

The Group's principal joint ventures and associates are:

| | **Nature of relationship** | **Business activity** | **% of interest held (1H26)** | % of interest held (FY25) | **Country of incorporation** | **Principal area of operation** |
|---|---|---|---|---|---|---|
| MHE JVCo Limited | Joint venture | Lessor of assets to the Group | 50.0% | 50.0% | United Kingdom | United Kingdom |
| Ocado Retail Limited | Associate | Online grocery retail | 50.0% | 50.0% | United Kingdom | United Kingdom |

The carrying amounts of the investments at the beginning and end of the period can be reconciled as follows:

| | MHE JVCo 26 weeks ended 31 May 2026 £m | Ocado Retail 26 weeks ended 31 May 2026 £m | Total £m |
|---|---|---|---|
| Investment at beginning of period | 6.4 | 736.3 | 742.7 |
| Share of total comprehensive income/(expense) attributable to Group | **0.1** | **(1.3)** | **(1.2)** |
| **Investment at end of period** | **6.5** | **735.0** | **741.5** |

In the current period there were no impairment indicators identified.

The tables below provide summarised financial information of the Group's joint ventures and associates. The information disclosed reconciles the amounts presented in the financial statements of the relevant joint ventures and associates with the Group's share of those amounts.

| | MHE JVCo 31 May 2026 £m | Ocado Retail 31 May 2026 £m | Total £m |
|---|---|---|---|
| Non-current assets | **9.0** | **625.5** | **634.5** |
| *Current assets* | | | |
| Cash and Cash equivalents | **0.6** | **183.7** | **184.3** |
| Other current assets | **3.3** | **209.6** | **212.9** |
| *Current liabilities* | | | |
| Current financial liabilities | **-** | **(48.9)** | **(48.9)** |
| Other current liabilities | **(0.3)** | **(410.7)** | **(411.0)** |
| *Non-current liabilities* | | | |
| Non-current financial liabilities | **-** | **(610.8)** | **(610.8)** |
| Other non-current liabilities | **-** | **(27.4)** | **(27.4)** |
| **Net assets/(liabilities)** | **12.6** | **(79.1)** | **(66.5)** |
| **Share of net assets/(liabilities) attributable to the Group** | **6.5** | **(39.5)** | **(33.3)** |
| **Implied goodwill (included in investing carrying amount)** | **-** | **774.5** | **774.5** |
| **Carrying value of investment** | **6.5** | **735.0** | **741.5** |

| | MHE JVCo 26 weeks ended 31 May 2026 £m | Ocado Retail 26 weeks ended 31 May 2026 £m | Total £m |
|---|---|---|---|
| Revenue | **-** | **1,755.5** | **1,755.5** |
| Operating costs | **-** | **(1,691.1)** | **(1,691.1)** |
| Depreciation, amortisation and impairment charges | **(0.1)** | **(44.3)** | **(44.4)** |
| Interest income/(expense) | **0.3** | **(22.7)** | **(22.4)** |
| Profit/(loss) and total comprehensive income/(expense) for the period | **0.2** | **(2.6)** | **(2.4)** |
| **Share of total comprehensive income/(expense) attributable to Group** | **0.1** | **(1.3)** | **(1.2)** |

The joint venture and associate have no significant contingent liabilities to which the Group is exposed. The Group does not have any commitments that have been made to the joint venture or associate and not recognised at the reporting date.

There are no significant restrictions on the ability of joint ventures and associates to transfer funds to the owners, other than those imposed by the Companies Act 2006 or equivalent local regulations.

## 11. Other financial assets

An analysis of the Group's other financial assets is as follows:

| | **31 May 2026 £m (unaudited)** | 1 June 2025 £m (unaudited) | 30 November 2025 £m (audited) |
|---|---|---|---|
| Contingent consideration receivable | **-** | - | 0.7 |
| Unlisted equity investments held at FVTOCI | **88.4** | 99.9 | 64.9 |
| Loans receivable held at amortised cost | **109.7** | 111.9 | 106.0 |
| Contribution towards dilapidation costs receivable | **0.7** | 0.7 | 0.7 |
| **Other financial assets** | **198.8** | 212.5 | 172.3 |
| **Disclosed as:** | | | |
| Current | **-** | 9.7 | 0.7 |
| Non-Current | **198.8** | 202.8 | 171.6 |
| | **198.8** | 212.5 | 172.3 |

**Unlisted equity investments held at FVTOCI**
The Group holds a number of unlisted equity investments which are held at fair value through other comprehensive income. During the period, the Group recorded a net increase in the fair value of these investments of £23.6m driven by:

- a £35.9m increase in the valuation of its investment in Wayve following the successful completion of a Series D fundraising. The fundraise, in which the Group did not participate, reduced the Group's shareholding in Wayve from 2.9% to 2.1%.
- a £12.3m decrease in the fair value of the Group's investment in Oxa, following a down round in its latest funding round. The fundraise, in which the Group did not participate, reduced the Group's shareholding in Oxa from 12.2% to 6.4%

Refer to Note 12 for further details on the valuation techniques and key inputs used in the fair value measurement of the financial instruments.

**Loans receivable held at amortised cost**
Loans receivable held at amortised cost include a loan to Ocado Retail Limited of £90.0m, maturing in August 2039 and bearing interest at SONIA plus 4% per annum, together with £19.7m of accrued interest (1H25: £90.0m loan and £12.2m accrued interest). During the period, accrued interest of £3.7m (1H25: £1.2m) has been recognised.

## 12. Financial instruments

**Fair value measurement of financial assets and liabilities**
Financial instruments carried at fair value on the Condensed Consolidated Balance Sheet comprise unlisted equity investments and derivative assets/(liabilities). The Group uses the following hierarchy for determining and disclosing the fair value of its financial instruments:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly (level 2).
- Inputs for the assets or liabilities that are not based on observable market data (level 3).

The Group's derivative financial assets and liabilities in relation to commodity swaps are classified as level 2. The Group' warrants, contingent consideration and unlisted equity investments are classified as level 3.

Financial assets and liabilities held at fair value have been valued as follows:

| | | 31 May 2026 £m (unaudited) | 1 June 2025 £m (unaudited) | 30 November 2025 £m (audited) |
|---|---|---|---|---|
| **Financial assets held at fair value** | | | | |
| - Contingent consideration receivable | Level 3 | **-** | - | 0.7 |
| - Unlisted equity investments | Level 3 | **88.4** | 99.9 | 64.9 |
| - Derivative financial assets: warrants | Level 3 | **6.3** | 3.4 | 6.3 |
| - Derivative financial assets: commodity swaps | Level 2 | **5.3** | - | 0.3 |
| **Total financial assets held at fair value** | | **100.0** | 103.3 | 72.2 |
| **Financial liabilities held at fair value** | | | | |
| - Derivative financial liabilities: commodity swaps | Level 2 | **-** | (1.7) | - |
| **Total financial liabilities held at fair value** | | **-** | (1.7) | - |

During the current and prior period, there were no transfers between level 1 and level 2 fair value measurements, nor were there transfers from or to level 3.

The following table provides information about how the significant fair values of financial instruments categorised in level 3 are determined:

| Description | Valuation technique | Key inputs | Significant unobservable inputs |
|---|---|---|---|
| Unlisted equity investments | Option pricing model method ("OPM") | Risk free interest rate, volatility, exit date and issue price per share in the funding round | Volatility 40%<br><br>Exit date |
| | Probability weighted expected return method ("PWERM") | Forecast revenue, revenue multiples, exit date, discount rate, and probabilities | Probabilities of expected revenue in a number of different scenarios.<br><br>Discount rate 30%<br><br>Exit date |

## 13. Provisions

During the period, the Group recorded provisions of £37.0m (1H25: £nil) in respect of restructuring of which £22.1m was utilised during the period. The remaining provision of £14.9m is expected to be utilised within the next 12 months.

During the period, the Group recognised an additional provision of £5.8m (1H25: £nil) in respect of decommissioning costs for the closed Kroger and Sobeys sites bringing the total decommissioning provision to £17.7m of which £5.2m was utilised in the period and £2.9m was released. The balance of £9.4m is expected to be utilised within the next 12 months.

## 14. Capital expenditure and commitments

During the period, the Group acquired property, plant and equipment of £43.1m (1H25: £71.2m) and intangible assets of £4.8m (1H25: £6.9m). Internal development costs of £67.3m (1H25: £90.2m) were capitalised. Capital expenditure relates to CFCs in the UK, investment in international CFCs and technology expenditure.

At 31 May 2026 capital commitments contracted, but not provided for by the Group, amounted to £64.8m (1H25: £150.4m, FY25: £102.3m).

## 15. Impairment review

The Group has determined that assets directly associated with individual Technology Solutions contracts (i.e. partner by partner) represent the lowest-level group of assets at which impairment can be assessed, i.e. the CGU.

The Group has undertaken a review for indicators of impairment for each Technology Solutions contract, and determined that no additional indicators of impairment exist at the half year from those identified at the year end.

## 16. Cash generated from operations

A reconciliation from profit/(loss) before tax to cash generated from operations is as follows:

| | Notes | **26 weeks ended 31 May 2026 £m** | 26 weeks ended 1 June 2025 £m |
|---|---|---|---|
| Cash flows from operating activities | | | |
| Profit before tax | | **17.1** | 614.2 |
| Adjustments for: | | | |
| – Revenue recognised from long-term contracts | | **(99.0)** | (29.6) |
| – Depreciation, amortisation and impairment losses | 19 | **308.7** | 180.0 |
| – Property, plant and equipment write-off | | **-** | (0.1) |
| – Loss on disposal of property, plant & equipment | | **-** | 0.1 |
| - Gain on deconsolidation of Ocado Retail | | **-** | (782.6) |
| - Loss on deconsolidation of Jones Food Company | | **-** | 23.0 |
| – Litigation settlement income and interest unwind | | **-** | (2.0) |
| – Share of results of joint ventures and associate | | **1.2** | 3.9 |
| – Movement of provisions | | **9.5** | 5.6 |
| – Net finance cost[1] | 5 | **59.2** | 55.8 |
| – Share-based payments charge | | **19.1** | 15.6 |
| Changes in working capital | | | |
| – Cash received from contract liabilities (upfront fees) | | **10.2** | 41.1 |
| – Increase in inventories | | **(4.6)** | (15.7) |
| – (Increase)/decrease in trade and other receivables | | **(27.2)** | 6.7 |
| – (Decrease)/increase in trade and other payables | | **(22.8)** | 27.3 |
| **Cash generated from operations** | | **271.4** | 143.3 |

[1] Excludes £nil (1H25: £2.0m) interest unwind on AutoStore litigation settlement, which is included within litigation settlement income and interest unwind.

## 17. Related party transactions

**Key management personnel**
Only members of the Board (the Executive and Non-Executive Directors) are recognised as being key management personnel. It is the Board that has responsibility for planning, directing and controlling the activities of the Group.

With the exception of remuneration, there were no related party transactions with key management personnel during the current or prior period. At the reporting date, no amounts were owed by key management personnel to the Group (1H25: no amounts owed). During the period, there were no other material transactions or balances between the Group and its key management personnel or members of their close family.

**Joint venture**
***MHE JVCo Limited***
The following transactions were carried out with MHE JVCo:

| | **26 weeks ended 31 May 2026 £m (unaudited)** | 26 weeks ended 1 June 2025 £m (unaudited) | 52 weeks ended 30 November 2025 £m (audited) |
|---|---|---|---|
| Dividend received from MHE JVCo | **-** | - | 0.8 |
| Reimbursement of supplier invoices paid on behalf of MHE JVCo | **0.1** | 1.5 | 1.5 |
| Lease liability additions of assets from MHE JVCo | **-** | - | 0.7 |
| Capital element of lease liability instalments paid to MHE JVCo | **0.2** | 0.1 | 2.1 |
| Capital element of lease liability instalments due to MHE JVCo | **0.7** | 1.1 | 0.2 |
| Interest element of lease liability instalments accrued or paid to MHE JVCo | **0.4** | 0.5 | 0.9 |

During the period, the Group incurred lease instalments (including interest) of £1.4m (1H25: £1.7m) to MHE JVCo. Of the lease instalments incurred, £0.5m (1H25: £0.9m) was recovered directly from Wm Morrison Supermarkets Limited in the form of other income.

Included within trade and other receivables is a balance of £0.1m (1H25: £1.5m; FY25: £0.1m) due from MHE JVCo, which primarily relates to capital recharges.

Included within trade and other payables is a balance of £1.6m (1H25: £1.9m; FY25: £0.3m) due to MHE JVCo.

Included within lease liabilities is a balance of £10.2m (1H25: £11.9m; FY25: £11.0m) due to MHE JVCo.

**Associate**
***Ocado Retail Limited***
From 7 April 2025, Ocado Retail Limited ("ORL") ceased to be a subsidiary of the Group and has since been accounted for as an associate. The Group retains significant influence over ORL and therefore classifies it as a related party in accordance with IAS 24. Prior to 7 April 2025, the results of ORL were consolidated within the Group for which relevant intercompany transactions had been eliminated. Accordingly, comparative related party amounts are presented for the period from which the Group ceased consolidating ORL.

The following transactions were carried out with ORL:

| | **26 weeks ended 31 May 2026 £m (unaudited)** | 8 weeks ended 1 June 2025 £m (unaudited) | 34 weeks ended 30 November 2025 £m (audited) |
|---|---|---|---|
| Sales of goods and services | **455.8** | 125.4 | 551.1 |
| Purchases of goods and services | **1.1** | 0.5 | 2.0 |
| Interest income charged on loans due from ORL | **3.7** | 1.2 | 5.1 |
| Interest income charged on net investment in leases | **4.7** | 1.5 | 9.5 |
| Amounts received in relation to net investment in leases | **12.5** | 2.2 | 10.2 |
| Revenue recognised on CFC upfront design fees (contract liabilities) | **1.7** | 0.5 | (2.2) |

Included within trade and other receivables is a balance of £50.5m (1H25: £33.9m; FY25: £39.0m) owed by ORL, of which £15.1m (1H25: £13.9m; FY25: £14.2m) is accrued income. Included within trade and other payables is a balance of £0.5m (1H25: £0.5m; FY25: £0.6m) owed to ORL.

Included within net investment in leases is a balance of £137.9m (1H25: £148.5m; FY25: £138.8m) owed by ORL.

Included within other financial assets is a balance of £109.7m (1H25: £102.2m; FY25: £106.0m) owed by ORL, comprising a £90.0m shareholder loan maturing in August 2039 with interest accruing at SONIA plus 4% per annum and £19.7m of accumulated interest (1H25: £90.0m shareholder loan and £12.2m accumulated interest; FY25: £90.0m shareholder loan and £16.0m accumulated interest).

No other transactions that require disclosure under IAS 24 "Related Party Disclosures" have occurred during the period.

## 18. Post-Balance Sheet events

**Extension of Revolving Credit Facility**
On 18 June, the Group agreed an extension of its £300m revolving credit facility ("RCF"). The extension of the RCF moves the maturity from August 2027 to March 2029.

# 19. Alternative performance measures

## Alternative Performance Measures

The Group assesses its performance using a variety of alternative performance measures ("APMs"), which are not defined under IFRS and are, therefore, termed "non-GAAP" measures. These measures provide additional useful information on the underlying trends, performance and position of the Group. The APMs used are:

- Adjusting items;
- Adjusted EBITDA;
- Adjusted EBITDA margin;
- Adjusted EBT;
- Adjusted EPS;
- Gross debt and external gross debt;
- Net debt;
- Pro-forma income statement and cash flow statement;
- Underlying cash flow.

Definitions of these APMs, together with reconciliations of these APMs with the nearest measures prepared in accordance with IFRS are presented below. The APMs used may not be directly comparable with similarly titled measures used by other companies.

**Adjusting items**
The Consolidated Income Statement separately identifies trading results before adjusting items. Adjusting items are items of income and expense that are considered to be significant due to their size/nature, not in the normal course of business or are consistent with items that were treated as adjusting in the prior periods or that may span multiple financial periods. They have been classified separately in order to draw them to the attention of the readers of the Financial Statements, and facilitate comparison with prior periods to assess trends in the financial performance more readily.

The Directors believe that presentation of the Group's results in this way is important for understanding the Group's financial performance. This presentation is consistent with the way that financial performance is measured by management and reported to the Board.

The Group applies judgement in identifying items of income and expense that are recognised as adjusting to help provide an indication of the Group's underlying business. In determining whether an event or transaction is adjusting in nature, management considers quantitative as well as qualitative factors such as the frequency or predictability of occurrence.

Examples of items that the Group considers adjusting include corporate reorganisations, material litigation, and any other material costs outside of the normal course of business as determined by management.

The Group has adopted a three-columned approach to the Condensed Consolidated Income Statement to aid clarity and allow users of the Financial Statements to understand more easily the performance of the underlying business and the effect of adjusting items.

Adjusting items are disclosed in Note 4 to the Consolidated Financial Statements.

**Adjusted EBITDA**
In addition to measuring its financial performance based on operating profit, the Group measures performance based on adjusted EBITDA. Adjusted EBITDA is defined as the Group's earnings before depreciation, amortisation, impairment, net finance cost, taxation, share of profit/loss of joint ventures and associates, adjusting items and excluding the results of discontinued operations. EBITDA is a common measure used by investors and analysts to evaluate the operating financial performance of companies.

The Group considers adjusted EBITDA to be a useful measure of its operating performance because it approximates the underlying operating cash flow by eliminating depreciation and amortisation. Adjusted EBITDA is not a direct measure of liquidity, which is shown by the Consolidated Statement of Cash Flows, and needs to be considered in the context of the Group's financial commitments.

## Adjusted EBITDA reconciliation

| | Notes | 26 weeks 31 May 2026 £m | 26 weeks 1 June 2025 £m |
|---|---|---|---|
| Operating profit/(loss) before results of joint ventures and associate | | **77.5** | (121.0) |
| **Adjustments for:** | | | |
| Adjusting items[1] | 4 | **45.8** | 38.6 |
| Amortisation of intangible assets | | **70.6** | 58.6 |
| Impairment of intangible assets | | **1.0** | - |
| Depreciation of property, plant and equipment | | **190.4** | 100.8 |
| Impairment of property, plant and equipment | | **32.4** | 0.4 |
| Depreciation of right-of-use assets | | **14.3** | 14.4 |
| **Adjusted EBITDA** | | **432.0** | 91.8 |

[1] Adjusting items include a £nil (1H25: £4.7m) impairment charge on goodwill as a result of the loss of control of JFC.

The financial performance of the Group's segments is measured based on adjusted EBITDA, as reported internally. A reconciliation of the adjusted EBITDA of the Group with the adjusted EBITDA by segment is disclosed in Note 3 of the Condensed Consolidated Financial Statements.

### Adjusted EBITDA margin

Adjusted EBITDA margin is calculated as adjusted EBITDA divided by revenues.

### Adjusted EBT

Adjusted EBT is calculated as earnings before tax and adjusting items.

### Adjusted EPS

Adjusted EPS is calculated as earnings after tax attributable to owners of the Group before adjusting items divided by the weighted average number of shares on issue for the relevant financial period. This measure is reported as it is one of the metrics contained within the Group's Performance Share Plan ("PSP").

### Gross debt and external gross debt

Gross debt is calculated as borrowings and lease liabilities as disclosed in Note 9 of the Condensed Consolidated Financial Statements. External gross debt is calculated as gross debt less lease liabilities payable to joint ventures of the Group. External gross debt is a measure of the Group's indebtedness to third parties which are not considered related parties of the Group.

A reconciliation of gross debt with external gross debt is set out below:

| | Note | 31 May 2026 £m | 1 June 2025 £m | 30 November 2025 £m |
|---|---|---|---|---|
| Gross debt | 9 | **1,734.1** | 1,794.8 | 1,788.4 |
| Lease liabilities payable to joint ventures | | **(10.2)** | (11.9) | (11.0) |
| **External gross debt** | | **1,723.9** | 1,782.9 | 1,777.4 |

### Net debt

Net debt is calculated as cash and cash equivalents of the Group, less gross debt.

Net debt is a measure of the Group's net indebtedness which provides an indicator of the overall strength of the Consolidated Balance Sheet. It is also a single measure that can be used to assess the combined effect of the Group's cash position and its indebtedness.

The most directly comparable IFRS measure is the aggregate of borrowings and lease liabilities (current and non-current) and cash and cash equivalents. A reconciliation of these measures with net debt can be found in Note 9 to the Condensed Consolidated Financial Statements.

### Pro-forma income statement and cash flow

Pro-forma financial information presents the results of the Group as if ORL had been equity accounted for the entirety of the relevant financial period and is presented to aid users in understanding the Group's underlying financial performance for continuing operations (Technology Solutions and Logistics) and to enable consistent comparison of current and historical results. The income statement and cash flow statement for 1H25 have been re-presented as if ORL had been equity accounted from the start of the previous financial period.

### *Pro-forma income statement*

| | 1H25 as reported £m | Pro-forma adjustments[1] £m | 1H25 pro-forma £m |
|---|---|---|---|
| Revenue | 674.0 | - | 674.0 |
| Operating costs[2] | (795.0) | - | (795.0) |
| **Operating loss before results of joint ventures and associate** | (121.0) | - | (121.0) |
| Share of results of joint venture and associate | (3.9) | (8.4) | (12.3) |
| **Operating loss** | (124.9) | (8.4) | (133.3) |
| Finance income | 18.2 | 6.2 | 24.4 |
| Finance costs | (66.1) | - | (66.1) |
| Other finance gains and losses | (0.3) | - | (0.3) |
| **Loss before tax** | (173.1) | (2.2) | (175.3) |

1. Pro-forma adjustments made to reflect the accounting treatment of ORL as an investment in associate include:
   - showing the Group's 50% share of the results of ORL (before adjusting items) in the Share of results of joint venture and associate for the full accounting period;
   - reflecting loan interest receivable on the shareholder loan between the Group and ORL in finance income rather than being eliminated on consolidation;
   - reflecting interest income from net investment in leases for assets leased from OG to ORL in finance income rather than being eliminated on consolidation; and
   - reflecting the Group's 50% share of ORL's adjusting items for the full accounting period (rather than as fully consolidated whilst under OG control).
2. Operating costs include depreciation and amortisation of £178.9m.

### *Pro-forma cash flow*

| | 1H25 as reported £m | Pro-forma adjustments £m | 1H25 pro-forma £m |
|---|---|---|---|
| Adjusted EBITDA[1] | 113.5 | (21.7) | 91.8 |
| Cash received from contract liabilities (upfront fees) | 41.1 | - | 41.1 |
| Other working capital movements[2] | 17.9 | (35.6) | (17.7) |
| Finance costs paid | (51.4) | 3.4 | (48.0) |
| Corporation tax paid | 0.2 | - | 0.2 |
| Adjusting items[3] | 28.9 | 5.5 | 34.4 |
| Other non-cash items[4] | (8.1) | (5.6) | (13.7) |
| **Operating cash flow** | 142.1 | (54.0) | 88.1 |
| Capital expenditure | (176.3) | 5.0 | (171.3) |
| Net proceeds from interest-bearing loans and borrowings[5] | 88.3 | - | 88.3 |
| Repayment of lease liabilities | (25.7) | 9.9 | (15.8) |
| Net proceeds from share issues | 0.8 | - | 0.8 |
| Other investing and financing activities[6] | 18.4 | 9.9 | 28.3 |
| Cash outflow from deconsolidation of subsidiary | (68.2) | 68.2 | - |
| **Movement in cash and cash equivalents (excl. FX changes)** | (20.6) | 39.0 | 18.4 |
| Effect of changes in FX rates | (5.1) | - | (5.1) |
| **Movement in cash and cash equivalents (incl. FX changes)** | (25.7) | 39.0 | 13.3 |
| Cash and cash equivalents at beginning of period | 771.5 | (39.0) | 732.5 |
| **Cash and cash equivalents at end of period** | 745.8 | - | 745.8 |

The pro-forma cash flow statement above is in a format consistent with the cash flow reported in the Financial Review. Unless otherwise noted below, the line items above come directly from the Condensed Consolidated Statement of Cash Flows or Note 16 of the Condensed Consolidated Financial Statements.

1. Adjusted EBITDA as reported includes discontinued operations adjusted EBITDA of £21.7m
2. Total of movements in inventories, trade and other payables and trade and other receivables in Note 16
3. Total of cash receipts from Autostore settlement and cash outflow for Finance, HR and Retail IT system transformation costs and organisational restructuring costs (Note 4)
4. Total of revenue recognised from long-term contracts, share based payments, movement in provisions and gain/(loss) on asset disposals and asset write offs in Note 16.
5. Total of proceeds from borrowings, transaction costs on issue of borrowings and repayment of borrowings in the Condensed Consolidated Cash Flow Statement
6. Total of interest received, purchase/disposal of unlisted equity investments, loans repaid by investee companies and proceeds from net investment in leases in the Condensed Consolidated Cash Flow Statement

**Underlying cash flow**

Underlying cash flow seeks to represent the sustainable cash flows of the business (before financing) and is defined as the movement in cash and cash equivalents excluding the cash flow impact of adjusting items, costs of financing, proceeds from the disposal of assets held for sale, cash received in respect of contingent consideration, acquisition of subsidiaries, purchase of unlisted equity investments, material non-recurring termination fees and foreign exchange movements. A reconciliation of the movement in cash and cash equivalents to underlying cash flow is detailed within the Financial Review. The definition of underlying cash flow has been amended to include the treatment of non-recurring termination fees received in the current period.

Non-recurring termination fees are excluded from the definition of underlying cash flow above but have not been treated as an adjusting item.

## Principal risks and uncertainties

The Board keeps under review the principal risks and uncertainties that could materially affect the Group's performance, financial position and prospects.

During the period, the Group reviewed its principal risk framework and simplified the structure from eleven principal risks to eight. The revised framework reduces overlap and better reflects the interconnected nature of the Group's strategic, operational and financial risks, while aligning more closely with the way risks are managed across the business.

The Group's underlying principal risk profile remains broadly unchanged; however, the principal risk framework has evolved during the period. Certain standalone principal risks have been integrated within broader principal risks to reflect the Group's current operating environment and governance arrangements. The underlying exposures associated with these risks continue to be actively monitored and managed through the Group's risk management framework and supporting controls.

The changes made during the period are summarised below:

| FY25 principal risk | FY26 alignment |
|---|---|
| Regulatory & compliance | Embedded within Cybersecurity & data, Supply chain, Liquidity & cash management, Fire, safety & operational resilience and Partner success. |
| Climate & environment | Embedded within Supply chain, Fire, safety & operational resilience, Product innovation, protection & performance and Market proposition. |
| Geopolitical & macroeconomic | Embedded within Partner success, Supply chain and Liquidity & cash management. |

The Group's principal risks are:

- Market proposition
- Partner success
- Product innovation, protection & performance
- Talent & capability
- Cybersecurity & data
- Supply chain
- Liquidity & cash management
- Fire, safety & operational resilience

These principal risks capture the Group's key exposures relating to partner performance and growth, product and technology delivery, people, systems and data security, supply chain disruption, liquidity and cash generation, and the protection of people, assets, food operations and licensed activities. Regulatory, climate-related and geopolitical exposures continue to be managed as embedded components of the revised principal risk profile.

The Board has reviewed the Group's principal risks and uncertainties (as revised) and considers that they remain relevant for the remaining six months of FY26. The Group continues to assess and respond to these evolving exposures through its established governance and assurance framework, supported by the ongoing development of its material controls framework.

This includes continued oversight of emerging risks, including developments in AI, data governance, cyber threat activity, regulatory change and geopolitical uncertainty. At this stage, these matters are considered to be captured within the revised principal risk profile, but they remain subject to ongoing review.

Further detail on the Group's principal risks, risk management framework and mitigating actions will be provided in the FY26 Annual Report and Accounts.

# Independent Review Report to Ocado Group plc

## Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the 26 weeks ended 31 May 2026 which comprises the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated balance sheet, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows and related notes 1 to 18.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the 26 weeks ended 31 May 2026 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

## Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

## Conclusion Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This Conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however future events or conditions may cause the entity to cease to continue as a going concern.

## Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.
In preparing the half-yearly financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our Conclusion, including our Conclusion Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

## Use of our report

This report is made solely to the company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

**Deloitte LLP**
Statutory Auditor
London, UK
16 July 2026

## Statement of Directors’ Responsibilities

The Directors confirm that, to the best of their knowledge:

- the condensed set of financial statements gives a true and fair view of the assets, liabilities, financial position, and profit or loss of the issuer, or undertakings included in the consolidation, as required by DTR 4.2.4R and prepared in accordance with UK adopted IAS 34 "Interim Financial Reporting";
- the interim management report includes a fair review of the information required by DTR 4.2.7R, namely:
    - an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements; and
    - a description of the principal risks and uncertainties for the remaining six months of the financial year;
- the interim management report includes a fair review of the information required by DTR 4.2.8 R, namely:
    - material related party transactions that have taken place in the first six months of the financial year and that have materially affected the financial position or performance of the enterprise during that period; and
    - any material changes in the related party transactions described in the last annual report and that could have a material effect on the financial position or performance of the enterprise in the first six months of the current financial year.

The Directors of Ocado Group plc as at the date of this announcement are as follows:

Executive Directors
Tim Steiner, Chief Executive Officer
Stephen Daintith, Chief Financial Officer

Non-Executive Directors
Adam Warby, Chair
Andrew Harrison, Senior Independent Director
Jörn Rausing
Julie Southern
Nadia Shouraboura
Julia M. Brown
Rachel Osborne
Gavin Patterson
Cathy Graham

Approved by the Board and signed on its behalf by:

Stephen Daintith
Chief Financial Officer
16 July 2026

# Glossary

**Active customer** – a customer who has shopped with Ocado Retail Limited at Ocado.com within the previous 12 weeks.

**Adjusting items –** items considered significant due to their size/nature, not in the normal course of business or are consistent with items treated as adjusting in the prior periods or that may span multiple financial periods. These have been classified separately to draw them to the attention of the reader of the financial statements.

**AEON** – AEON Co., Ltd., a company incorporated in Japan, whose registered office is at 1–5–1 Nakase, Mihama-ku, Chiba-shi, Chiba, 261–8515.

**AI** – Artificial Intelligence.

**Alcampo** – Alcampo S.A., a company incorporated in Spain under registered company number C.I.F. A-28581882 whose registered office is at Madrid, c/ Santiago Compostela Sur, s/n (Edificio de Oficinas la Vaguada) CP.28029 Madrid.

**AMR** – Autonomous Mobile Robot.

**ASRS** – automated storage retrieval systems.

**Auchan Polska or Auchan Poland** – Auchan Polska Sp. z.o.o., a company incorporated in Poland, whose registered office is at ul. Puławska 46, 05-500 Piaseczno.

**AutoStore** – AutoStore Technology AS, a company incorporated in Norway, whose registered office is at Stokkastrandvegen 85, 5578, Nedre Vats, Rogaland, Norway.

**Auto Frame Load or AFL** – the part of the MHE that transfers delivery totes which have been filled with products ordered by a customer from the picking operation into delivery frames.

**Average basket value** – the average amount shoppers spend in one transaction.

**Average live modules** – the weighted average number of modules that were fully installed and available for use by our partners during the period.

**Average orders per week** – the average number of orders per week processed within CFCs for Ocado Retail Limited.

**Average selling price or ASP** – product sales divided by total eaches.

**Board** – the Board of Directors of the Company or its subsidiaries from time to time as the context may require.

**Bon Preu** – Bon Preu SA, a company incorporated in Spain, whose registered office is at Carrer C, 17, 08040 Barcelona.

**Client** – a client of Ocado Group that has purchased warehouse automation products and services offered to non-grocery customers.

**Coles** – Coles Supermarkets Australia Pty Ltd, a company incorporated in Australia, whose registered office is at 800 Toorak Road, Hawthorn East, VIC 3123.

**Companies Act** – the Companies Act 2006.

**Company** – Ocado Group plc, a company incorporated in England and Wales with company number 07098618, whose registered office is at Buildings One & Two Trident Place, Mosquito Way, Hatfield, Hertfordshire, United Kingdom, AL10 9UL.

**Contribution** – Technology Solutions revenue less Technology Solutions direct operating costs.

**Contribution margin** – Technology Solutions contribution divided by Technology Solutions revenue.

**Customer Fulfilment Centre or CFC** – a dedicated, highly automated warehouse used for the operation of the business.

**Deloitte** – Deloitte LLP, the Group's statutory auditor and advisor in respect of non-audit services.

**Direct operating costs (% of live sales capacity)** – the direct costs of running our OSP CFC estate within Technology Solutions. Direct operating costs include engineering, cloud and other technology direct costs.

**Directors** – the Directors of the Company, whose names are set out on page 59, or the Directors of the Company's subsidiaries from time to time as the context may require.

**Disclosure Guidance and Transparency Rules or DTR** – the disclosure guidance and transparency rules made under Part VI of the Financial Services and Markets Act 2000 (as amended).

**DP8** – customer deliveries per standardised eight-hour shift.

**EBT** - employee benefit trust.

**EPS** – earnings per share.

**GAAP** – generally accepted accounting principles.

**Gross liquidity** – cash and cash equivalents plus unused availability of revolving credit facility.

**Group** – Ocado Group plc, its subsidiaries, significant undertakings and affiliated companies under its control or common control.

**HMRC** – His Majesty's Revenue and Customs.

**IAS** – International Accounting Standards.

**ICA** – ICA Gruppen AB, a company incorporated in Sweden, whose registered office is at Svetsarvägen 16, Solna.

**IFRIC** – International Financial Reporting Standards Interpretations Committee.

**IFRS** – International Financial Reporting Standards.

**ISF** – in-store fulfilment.

**Jones Food Company, Jones Food or JFC** – Jones Food Company Limited, a company incorporated in England and Wales with company number 10504047, whose registered office is at Old Forge Place, Lydney GL15 5SA.

**KPI** – key performance indicator.

**Kroger** – The Kroger Co., a company incorporated in the United States of America, whose registered office is at 1014 Vine Street, Cincinnati, Ohio.

**LGV** – large goods vehicle.

**Listing Rules** – the UK Listing Rules made by the Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000 (as amended).

**Lotte Shopping or Lotte** – Lotte Shopping Co., Ltd, a company incorporated and registered in the Republic of Korea with registered number 5298500774 whose registered office is at Lotte World Tower, 26th floor, 300, Olympic Street, Songpagu, Seoul, Republic of Korea.

**Marks & Spencer or M&S** – Marks & Spencer Group plc, a company incorporated in England and Wales with company number 04256886, whose registered office is at Waterside House, 35 North Wharf Road, London, W2 1NW, or one of its subsidiaries.

**McKesson or McKesson Canada** – McKesson Canada Corporation, a company incorporated in Canada and whose registered office is at 4705 Dobrin Street, Montreal, Quebec, H4R 2P7.

**MHE** – material handling equipment.

**MHE JVCo** – MHE JVCo Limited, a company incorporated in England and Wales with company number 08576462, jointly owned by Ocado Holdings and Morrisons, whose registered office is at Buildings One & Two Trident Place, Mosquito Way, Hatfield, Hertfordshire, United Kingdom, AL10 9UL.

**Morrisons** – Wm Morrison Supermarkets Limited, a company incorporated in England and Wales with company number 00353949, whose registered office is at Hilmore House, Gain Lane, Bradford, West Yorkshire, BD3 7DL.

**Net finance cost** – finance costs less finance income. Finance costs are composed primarily of interest on borrowings and lease liabilities. Finance income is composed principally of bank interest.

**Number of modules live** – modules that are fully installed and available for use by our partners.

**Modules ordered** – the maximum capacity of sites for which a contractual agreement has been signed with a partner and an invoice has been issued for the associated site fees.

**Ocado.com** – the Group's online retail business serviced from the Ocado.com website and excludes the Zoom by Ocado business.

**OGRP** – On-Grid Robotic Pick.

**Ocado Re:Imagined or Re:Imagined** – a series of innovations and changes to the technology powering our Ocado Smart Platform (OSP).

**Ocado Retail Limited, Ocado Retail or ORL** – Ocado Retail Limited, a joint venture between Ocado Holdings Limited and Marks and Spencer Holdings Limited, which is incorporated in England and Wales, and whose registered office is at Apollo Court, 2 Bishop Square, Hatfield Business Park, Hatfield, Hertfordshire, United Kingdom, AL10 9NE.

**Ocado Smart Platform or OSP** – the end-to-end solution for operating online in the grocery market, which has been developed by the Group.

**Operating costs –** all costs incurred in the continuing operations of the group.

**Ocado Storage and Retrieval Systems or OSRS** - our automated storage retrieval systems.

**Panda** – Panda Retail Company, a company incorporated in Saudi Arabia, whose registered office is at Ash Shati Dist, Taha Khusaifan Street, Jeddah.

**Partner** - a client of Ocado Group that has purchased the Ocado Smart Platform Solution or part of the OSP Solution to deliver their operations.

**RCF** – revolving credit facility.

**ROI** – return on investment.

**Senior unsecured notes or notes** – the Company's offerings of £450m senior secured notes due 2029, and of £400m senior secured notes due 2030.

**Senior unsecured convertible bonds or convertible bonds** – the Company's offerings of £350m senior unsecured convertible bonds due 2027 at a coupon of 0.750% and an issue price of 100.0%, and of £250m senior unsecured convertible bonds due 2029 at a coupon of 6.500% and an issue price of 100%.

**Shareholder** – a holder of ordinary shares of the Company.

**SKU** – stock-keeping unit; that is, a line of stock.

**SOC** – System and Organisation Controls, as defined under the Association of International Certified Professional Accountants Trust Services Principles and Criteria.

**Sobeys** – Sobeys Inc., a wholly-owned subsidiary of Empire Company Limited incorporated in Canada, whose registered office is at 115 King Street, Stellarton, Nova Scotia.

**Spoke** – the trans-shipment sites used for the intermediate handling of customers' orders.

**UPH** –average units picked per labour hour.

**Webshop** – the customer-facing internet-based virtual shop accessible via the website www.ocado.com.

**Zoom by Ocado or Zoom** – Zoom by Ocado, the Group's immediacy delivery offering.