OCADO GROUP PLC
Half year results for the 26 weeks ended 1st June 2025

17 July 2025

Strong EBITDA growth led by continued progress in Technology Solutions; FY25 expectations unchanged; core priority to turn cash flow positive during FY26

Financial progress

- **Group Revenue £674.0m, +13.2%;** Technology Solutions +14.9%, Ocado Logistics +12.1%
- **Group Adjusted EBITDA*[1] £91.8m (1H24: £52.0m);** Technology Solutions £72.8m, (1H24: £34.8m), (margin growth from 14.4% to 26.3%) and Ocado Logistics £19.0m, (1H24: £17.2m)
- **Ocado Retail ("ORL") revenue +16.3%**; EBITDA £33.3m (1H24: £20.7m); now reported as an associated undertaking following its deconsolidation in April 2025; Ocado's economic interest remains unchanged
- **Statutory profit £611.8m (1H24: £(153.3)m);** after adjusting items of £741.8m (1H24: £7.3m) including a reported gain of £782.6m on the statutory valuation of 50% ORL's equity upon deconsolidation
- **Underlying cash outflow*[2] of £(108)m, +£93m improvement vs 1H24 £(201)m;** higher revenues, increasing EBITDA, lower capex and targeted cost control to more than offset increased finance costs
- **Strong liquidity at £1,046m (1H24: £969m)**; cash and cash equivalents of £745.8m (1H24: £669.1m)
- **Refinanced £300m debt** in HY25; further £100m issuance in Jun-25 (post HY) and £112m letter of credit; in aggregate allowing the Group to address its residual FY25-27 maturities from existing liquidity

Operational and strategic progress

- **Growth in average modules**; +8.9% to 122 average live modules[3] (1H24: 112); 119 live modules (1H24: 112) at period end following the cessation of Morrison deliveries from our Erith CFC
- **Partner support and Re:Imagined rollout**; continuing to support with specialist resources; first international CFCs approaching design capacity; 265 OGRP arms installed worldwide
- **CFC network improvements**; growth in weekly volumes of +23% YoY; orders placed for incremental capacity and Re:Imagined rollout well underway across the network. Detroit now expected to achieve 50% more than initial design capacity
- **Cost discipline and efficiency**; £40m annualised savings achieved with £12m of restructuring costs
- **Ocado Logistics**; OSP overall CFC productivity +8.1%; c.40% Luton volumes picked robotically
- **Ocado Retail**; market-leading[10] and volume-driven sales growth +16.3% and orders +14.7%; 3.3% adjusted EBITDA margin* (excluding Hatfield fees). Full customer transition to OSP complete

FY25 guidance and mid term outlook

- **Technology Solutions c.10% revenue growth and EBITDA* margin 20-25% in FY25**
- **c.8 CFCs going-live over the next 3 years;** Warsaw (FY25), Charlotte & Phoenix (FY26), Hachioji & Busan (FY26), Kuki & Gyeonggi (FY27), and Barcelona expected late 2027
- **Module growth**; c.5 additional modules expected in FY25 (including from ORL, Kroger and Auchan) offsetting the Morrison Erith exit, c.150 live modules expected by end FY27 with c.8 CFC openings
- **Ocado Logistics high mid-single digit % revenue growth and EBITDA* of c.£30m in FY25**
- **Improved cash trajectory**; underlying outflow* of c.£200m in FY25, after total capex of c.£300m
- **Rigorous cost & capital discipline**; Technology and Support costs to reduce through to FY27, following a significant R&D cycle; Technology R&D to be around 20% recurring revenues from FY27
- **Core priority to turn cash flow positive during FY26**; company-wide focus to progressively improve direct operating costs[8], cost profile and capital efficiency; **full year cash flow positive in FY27**
- **Strong liquidity throughout**; period-end £1.05bn, significantly greater balance sheet flexibility following an extensive refinancing of our debt instruments; end-June 2025 cash and cash equivalents of £866.2m

Tim Steiner, CEO of Ocado Group, said:

"Ocado Group has delivered a strong first half and we have reached important milestones both in our UK business, as well as across our international partnerships. Our Technology Solutions division has more than doubled EBITDA and our underlying cash flow has improved significantly, ending the period with liquidity in excess of £1 billion. Our focus remains on turning cash flow positive during FY26, supported by continued growth with our partners and cost discipline across the business.

In recent months we have gone live in one of the most highly developed online markets, with Lotte in Korea, as well as a market in an early stage of online development with Panda in KSA. We have also expanded our long-standing partnership with Bon Preu in Catalonia. Meanwhile, Ocado Retail has maintained its position as the fastest-growing grocer in the UK, reflecting strong customer growth and continued market share gains. We continue to work hard with our partners to make sure they are all able to take full advantage of Ocado's technology.

Our current exclusivity terms are expected to roll off in multiple markets towards the end of this year, and we will start ramping up commercial conversations across global regions. Many of these markets have developed substantially in recent years and the online channel is fully established as the major growth driver in grocery globally. This is an exciting moment to bring the proven, enhanced and even more flexible Ocado offering back to these markets."

Ocado Group 1H25 Summary Income Statement (Pro-forma)

Ocado Group Income Statement

£m	1H25 pro-forma	1H24 pro-forma	Change (£m)	Change (%)
Revenue				
Technology Solutions	277.3	241.4	+35.9	+14.9%
Logistics	396.7	354.0	+42.7	+12.1%
Group	**674.0**	**595.4**	**+78.6**	**+13.2%**
Adjusted EBITDA*				
Technology Solutions	72.8	34.8	+38.0	+109.2%
Logistics	19.0	17.2	+1.8	+10.5%
Group	**91.8**	**52.0**	**+39.8**	**+76.5%**
Share of results of JV/Assocs	(8.4)	(12.7)	+4.3	+33.9%
Depreciation and amortisation	(174.2)	(186.1)	(11.9)	(6.4)%
Finance income	22.4	25.6	(3.2)	(12.5)%
Finance costs	(66.1)	(42.3)	(23.8)	(56.3)%
Other finance gains and losses	(2.6)	10.9	(13.5)	
Adjusted EBT	**(137.1)**	**(152.6)**	**+15.5**	**(10.2)%**
Adjusting items*	744.4	8.4	+736.0	
EBT	**607.3**	**(144.2)**	**+751.5**	**(521.2)%**

*These measures are alternative performance measures. Please refer to Note 17 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 both current and prior periods have been re-presented to equity account for Ocado Retail from the start of the financial period in the table below. For a fuller explanation see page 10.

Ocado Retail Income Statement (Joint Venture and Associated Undertaking)

£m	1H25 pro-forma	1H24 pro-forma	Change (£m)	Change (%)
Revenue	1,525.5	1,312.0	+213.5	+16.3%
Adjusted EBITDA*[1]	**33.3**	**20.7**	**+12.6**	**+60.9%**
Operating loss before adjusting items	**(17.1)**	**(25.7)**	**+8.6**	**(33.5)%**
Adjusting items	(7.8)	(2.1)	(5.7)	
Loss after tax	**(24.9)**	**(27.8)**	**+2.9**	**+10.4%**
Reported as Ocado Group's share of JV results	(8.5)	(12.9)	+4.4	+34.1%

Notes:

1. Adjusted EBITDA* is defined as earnings before net finance cost, taxation, depreciation, amortisation, impairment and adjusting items[7].
2. Underlying cash flow* is the movement in cash and cash equivalents excluding adjusting items*, proceeds from the disposal of assets held for sale, loans to investee companies, cash received in respect of contingent consideration, costs of financing, purchase of/investment in unlisted equity investments and FX movements.
3. Average live modules measures the weighted average number of modules of capacity installed and ready for use by OSP clients during the year, which drives Technology Solutions recurring revenue.
4. Revenue is a. Technology Solutions - the fees charged to Solutions partners and OIA clients and b. Logistics - the recharge of costs and associated fees from Ocado Logistics to our UK clients.
5. Depreciation, amortisation and impairment of £174.2m (1H24: £186.1m) excludes £4.7m (1H24: £1.6m) recognised in adjusting items*.
6. Other finance losses of £2.6m (1H24: £10.9m gain) relating to net foreign exchange losses
7. Adjusting items* of £744.4m income (1H24: £8.4m income) comprise largely 1. the gain on the statutory valuation of the Group's investment in Ocado Retail of £782.6m, 2. loss on deconsolidation of Jones Food Company of £23.0m ,3. organisational restructuring costs of £11.8m and 4. the unwinding of the discount recognised from the agreement reached with AutoStore to settle IP patent legal cases of £2.0m. The adjusting items* differ by £2.6m between the statutory accounts (£741.8m) and the pro-forma presentation (£744.4m).
8. Direct operating costs include engineering, cloud and other technology direct costs.
9. DP8 represents the customer deliveries per standardised eight-hour shift for Ocado Retail only.
10. NIQ Total Till and NIQ Homescan from Nielsen Consumer LLC
11. Active 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.

1H25 Operational and Strategic Review

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

Technology Solutions

Continued progress with international partners

Technology Solutions has continued to make good strategic progress with multiple partners through the first half of this year. As we set out at FY24, our global CFC portfolio is split across the categories of 'Growing well', 'Growing with improvements needed', and 'Requiring a different strategic approach'. The large majority of our CFC portfolio continues to fall into the first two categories, with the largest number of sites 'Growing well'. A small number of CFCs fall into the category of 'Requiring a different strategic approach'. We continue to make progress in driving improvements in sites that require more support, and in addressing sites that require a different approach. Overall, total weekly volumes across Ocado's CFC network have grown by 23% YoY.

Our partner success teams are well embedded with our partners and we continue to make progress in supporting growth and greater operational efficiency across our partners' CFC networks. Furthermore, the rollout of Re:Imagined technologies, including On Grid Robotic Pick ("OGRP") and Automated Frame Load ("AFL"), are enabling us to generate additional capacity for our partners. In Detroit, we have enabled an increase of 50% beyond the CFC's original design capacity and as a result Kroger has ordered a further module in that site, which we expect to go live in early 2026.

In the UK, we have successfully completed the full migration of Ocado Retail and Morrisons customers from our legacy software to the Ocado Smart Platform. The transition onto OSP will enable them to take advantage of the full capabilities being rolled out worldwide to international partners. Some of the near term benefits of the transition to OSP include the ability to offer variable delivery slot lengths to shoppers, as well as full access to Ocado Swift-Router, which enables partners to offer a high proportion of same day deliveries from CFCs. In the UK, the online channel has evolved predominantly with planned and next-day deliveries, and we expect the expansion of same day and short lead time orders with Ocado.com to offer a meaningful new growth opportunity in the market.

Ocado Retail continued its progress as the fastest growing grocer in the UK market (now for 12 consecutive months to June 2025)[10], and we expect it to shortly reach full capacity in its current network. We expect Ocado Retail to draw down new capacity driven by greater productivity in existing CFCs, as well as drawing on the modules available in the Erith CFC. We expect both options to require limited capex from Ocado Retail.

Elsewhere in Europe, we have extended our partnership with Bon Preu, Ocado's longest standing international partner. Following a period of rapid sales growth supported by Ocado's end-to-end solutions and manual fulfilment software, Bon Preu has now decided to upgrade its fulfilment network to include an automated CFC outside Barcelona. This CFC will benefit from the full suite of Ocado Re:Imagined technologies.

Meanwhile, Coles have reported continued good progress with Ocado's Australian CFCs, with volumes continuing to ramp up and Coles reflecting significant progress in customer satisfaction and associated network benefits in their store operations.

During the half, we took Ocado's technology live for the first time in two new markets, South Korea and Saudi Arabia. In both markets we are rolling out Ocado's AI-powered in-store fulfilment software, with Lotte also due to go live with their first CFC near Busan in early 2026.

Ocado Intelligent Automation ("OIA") expects shortly to complete installation for its first client go-live, with full handover to McKesson Canada due later in the summer.

OIA continues to fine tune its commercial positioning in a busy fulfilment market for non-grocery ecommerce and logistics. It has signed a further deal for a small installation of Ocado's "OSRS" fulfilment solution at an apparel fulfilment site for a large international retailer. The expansion to apparel fulfillment highlights another substantial opportunity for Ocado's technology beyond grocery retail.

Rollout of key growth enablers continues well

Our rollout of key growth and efficiency enablers has continued at pace, with OSP partners continuing to sign up to our Ocado Re:Imagined technologies and wider platform enhancements over the course of the first half.

Bon Preu's CFC in Barcelona will be among the first new sites to benefit from some of the site design enhancements announced at FY24. We expect the 3 module CFC to benefit from a significantly reduced design footprint compared to a site designed for the same level of capacity before 2024.

We continue to accelerate the roll-out of our latest Re:Imagined technologies, with 265 OGRP now installed worldwide (vs 92 OGRP at FY24) generating significant new productivity improvements to partner CFCs. Where installations are most mature, such as our Luton CFC in the UK, OGRP is now picking almost 40% of site volumes and enabling an overall site productivity approaching 300 UPH (vs 269 UPH at FY24). In addition, McKesson Canada's site will be the first to go live with Ocado's new Mk 3 grid, supporting a dedicated fleet of 600s robots, when it launches in 2H25.

In the past few months we have also integrated Ocado's technology with a 3rd party online marketplace platform for the first time. This integration, now available to multiple Ocado partners, enables orders made for our partners' products via a third party online platform to be fulfilled and delivered with Ocado's technology. The integration has the potential to generate significant supply chain efficiencies and growth opportunities for our partners, consolidating efficient inventory management, picking, and delivery of customer baskets, regardless of where they are ordered. We also expect Ocado CFCs to become an increasingly compelling option for marketplace providers more widely, as fulfilment (storage, picking, packing, shipping, returns) continues to represent a significant cost line to the majority of platforms.

Growing commercial opportunity

Online remains the fastest growing channel in grocery globally, with a huge opportunity for major retailers to win and grow market share.

In the second half of this year, we expect our existing exclusivity terms to roll off in the majority of markets where Ocado's technology is already live. Our partners in those markets continue to see growth and outstanding customer service scores, and we continue to work closely with our existing partners to support their continued growth and success.

We are gearing up to significantly expand our new commercial activity across multiple markets. We also expect future exclusivity terms for use of Ocado's technology not to exceed more than 12 months from the go-live of the Ocado Smart Platform with new partners.

Rigorous cost and capital discipline supporting path to cash flow positive

We made aggregate annualised Technology and Support cost savings of around £40m during the first half, reflecting the end of a large development cycle and a shift in focus to a smaller number of targeted enhancements to our platform. We remain on track to reduce our Technology spend to no more than £250m in FY25 (FY24: £289m). Consistent with our previous expectations, around £165m of this spend will be in Technology R&D to be capitalised on the Balance Sheet.

From FY27, we expect our Technology R&D capex to be no more than 20% of recurring revenues (FY24 Technology Solutions recurring revenues were £416m), as we continue to invest to deliver world-leading technology while taking advantage of new AI tools to drive greater productivity.

Combined with a higher number of modules, greater operating efficiency and a lower level of Support costs (no more than £150m in FY27 (FY24 Support costs were £174m), we expect the levers available for cost and capital discipline to underpin our core priority to turn cash flow positive during FY26.

Outlook for Technology Solutions

- c.10% Technology Solutions revenue growth for FY25
- FY25 adjusted EBITDA margin* 20-25%
- c.5 new modules expected in FY25 (incl. from ORL, Kroger and Auchan) offsetting the Morrison Erith exit
- Total technology spend of £250m in FY25; being c.£85m Technology costs (P&L) and c.£165m Technology R&D capex
- c.150 live modules by end FY27 underpinned by c.8 CFC openings
- FY27 Technology costs (P&L) are planned to be no more than c.£60m (FY24: £93m)
- FY27 Technology R&D capex is planned to be no more than 20% of recurring revenues (FY24 Technology Solutions recurring revenues were £416m)
- FY27 Support costs (P&L) are planned to be less than £150m (FY24: £174m)

Ocado Logistics

Ocado Logistics remains a highly efficient third-party logistics ("3PL") business, operating the CFCs and delivery services for our UK partners, Ocado Retail and Wm Morrison Supermarkets Limited ("Morrisons").

The operational efficiency of our CFCs continues to improve. Overall CFC labour productivity ("UPH") within our OSP warehouses increased by 8.1% to 239 from 221; driven by higher volume utilisation and the roll out of our Re:Imagined innovations, particularly On-Grid Robotic Pick ("OGRP") and Automated Frame Load ("AFL").

Delivery efficiency also improved, with DP8[9] increasing by 1.0% to an average of 21.2 drops per standardised 8-hour shift for Ocado Retail (HY24: 21.0 drops). During the first half we commenced a range of initiatives aimed at further optimising our delivery operations. We achieved incremental gains in on time deliveries and routing optimisation, alongside higher drop densities.

Logistics revenue grew by 12.1%, ahead of the 10.1% growth in eaches, largely reflecting labour cost inflation passed onto our partners. Ocado Logistics again reaffirmed its credentials as a consistent generator of adjusted EBITDA∗, delivering HY25 adjusted EBITDA∗ of £19m (HY24: £17m).

FY25 Outlook for Ocado Logistics

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

Ocado Retail

From 7 April 2025 and consistent with the 2019 shareholder agreement with Marks & Spencer Group plc, Ocado Group began accounting for Ocado Retail Limited as an associate using the equity method. There was no change in Ocado's 50% shareholding and economic interest. As a consequence of the accounting change, Ocado recognised a valuation of £750.0m for its 50% share of Ocado Retail's equity and an accounting gain of £782.6m. No consideration was received on deconsolidation.

Continued strong growth as active base and frequency increase

Ocado Retail maintained its strong growth position in the UK market, ending the period as the UK's fastest growing grocer over the past 12 consecutive months. Ocado Retail's share of the online market increased to 14.4% in the four weeks to 17 May 2025 (Nielsen), up 2.1 ppts year-on-year. The online market now represents 11.9% of the total UK grocery market (Nielsen).

Revenue increased by 16.3% to £1,525.5m (1H24: £1,312.0m), with growth well ahead of the wider UK online grocery channel. The strong performance was driven by order growth of 14.7% to 491,000 orders per week (1H24: 428,000 orders per week), underpinned by an increase in average active customers[11] of 13.4% to 1,158,000 (1H24: 1,021,000) and an improved frequency of purchase. Mature customers (those with 5 or more orders) grew by 12.4%

The average basket value grew by 0.7% to £124.19. A small decline in the average number of items in a basket was offset by a modest increase of 1.4% in average selling price; remaining well below UK grocery inflation of 3.1%.

Technology driving improvements in CFC productivity, better network utilisation, and profitability

We have successfully completed the migration of Ocado Retail customers from Ocado's legacy ('Ocean') platform, to the full Ocado Smart Platform. This was a key initiative in ensuring ORL's platform remains reliable and robust in the future, and that ORL is able to benefit from the wide range of enhancements being developed for Ocado Group's worldwide partners.

Fulfilment costs have continued to benefit from the rollout of Re:Imagined technologies, with particular productivity improvements in current generation CFCs at Erith, Andover, Purfleet, Bristol, Bicester and Luton. These sites improved year-on-year to an average UPH of 239 in the period (1H24: 221). The Luton CFC is at the most advanced stage of Re:Imagined technology rollout and delivered a peak UPH of 287 during the period.
The productivity gains helped to significantly mitigate the impact of the UK's Autumn 2024 Budget, including changes to employers' NICs and the National Living Wage.

We expect these improvements to continue driving extra volume for Ocado Retail CFCs beyond their initial designed capacity. Ocado Retail's total network utilisation reached 92% in the first half with continued robust growth expected through the Full Year. Alongside the modules available in Erith CFC, the further capacity enabled by Ocado Group's latest technologies provide Ocado Retail with good headroom for growth, with minimal extra capex.

Profitability improved year-on-year with Ocado Retail reporting a positive adjusted EBITDA∗ of £33.3m (£50.4m excluding the capacity fees payable for the closed Hatfield site) in HY25, compared to £20.7m in 1H24. This represents an EBITDA∗ margin of 2.2% (3.3% excluding Hatfield capacity fees), versus 1.6% in 1H24.

Ocado Group

Group cash flow
Underlying cash outflow* improved by £93m to an outflow of £(108)m (HY24: £(201)m outflow) principally driven by the improvement in EBITDA and by lower capital expenditure; both in the phasing of new site construction and in Technology R&D. Turning cash flow positive during FY26 remains our core priority, with an expectation, as previously guided, for an underlying cash outflow* of around £200m for FY25.

The reported cash inflow of £13m in 1H25 principally reflects the underlying cash outflow of £108m and £12m of organisational restructuring costs, offset by a £50m receipt from the AutoStore litigation settlement and £89m of net financing proceeds. The final £8m instalment from the AutoStore settlement is expected in the second half of FY25.

Liquidity and liability management

The Group maintains a strong liquidity profile with cash and cash equivalents £746m (1H24: £669m) at the end of the period, in addition to an undrawn RCF of £300m to provide liquidity of £1,046m (1H24: £969m). During the period the Group continued to actively manage the maturity profile of its debt profile, issuing £300m of Senior Unsecured Bonds due June 2030 and simultaneously completing a tender for £206m of the outstanding principal amounts of the Convertible Bonds due December 2025 and the Senior Unsecured Bonds due October 2026, in aggregate.

After the period-end, the Group issued a further £100m of the Senior Unsecured Bonds due June 2030 and repurchased £80m of the Convertible Bonds due December 2025. The refinancing exercises leave principal amounts outstanding of £56m and £55m for the Convertible Bonds due December 2025 and the Senior Unsecured Bonds due October 2026 respectively. Subsequent to the period-end, the Group also received an inflow of £112m from a partner letter of credit.

As a consequence, the Group expects to be able to meet all of its near-term debt maturities across FY25 to FY27 from cash and cash equivalents and to maintain a minimum liquidity position of no less than £500m.

Group capital expenditure

Capital expenditure primarily comprises new site construction costs and technology development costs to enhance the OSP. Capital expenditure was £168m in the period (1H24: £209m), a reduction of £41m. This was driven by a decrease in the capital expenditure of CFC sites to £74m (1H24: £95m) reflecting a moderating level of CFC openings in FY25. Technology R&D capex also reduced in the period to £81m (1H24: £98m), consistent with our guidance on reduced R&D spend, as we complete the R&D associated with the Re:Imagined product suite.

We expect Group capital expenditure across CFC and Technology to be around £300m for FY25 with CFCs in Warsaw, Tokyo and Busan under construction and the CFCs in Phoenix and Charlotte substantially complete.

Sustainability Update

In February 2025, we refreshed our sustainability framework, reaffirming our commitment to addressing global challenges and delivering long-term value for our stakeholders. To drive meaningful impact, we also set 2030 sustainability targets within each of our four pillars - Climate, Circularity, Conduct, and Community – ensuring clear, measurable progress toward our goals. We continue to operationalise these targets. We are pleased that leading rating agencies have recently recognised these advances; in June 2025 MSCI awarded us a AAA rating for ESG performance and we became a constituent of the FTSE4Good index.

Summary Financial Guidance for FY25 - Unchanged

Revenue:

- **Technology Solutions:** c.10% revenue growth for FY25
- **Ocado Logistics:** high mid single digit % revenue growth

Adjusted EBITDA∗:

- **Technology Solutions:** adjusted EBITDA margin* 20-25%
- **Ocado Logistics**: adjusted EBITDA∗ of c.£30m

Capital expenditure: around £300m

Underlying cash out flow*: around £200m

Results Presentation

A results presentation will be available for investors and analysts at 9.30am on 17th July 2025. 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 FY25 Results will be reported on 26 February 2026.

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 1H25 results for the 26 weeks ended 1 June 2025.

In August 2019, the Group sold 50% of the shares it held in Ocado Retail Limited ("Ocado Retail" or "ORL") to Marks and Spencer plc ("M&S"). Under the terms of the shareholder agreement, the Group remained the controlling shareholder via certain tie-breaking rights. On 6 April 2025, the Group relinquished these tie-breaking rights, as envisaged in August 2019, and ceased to fully consolidate Ocado Retail's results. There was no change in the economic interest of both shareholders in Ocado Retail or any consideration paid by M&S.

From 7 April 2025, the Group has accounted for its investment in Ocado Retail as an "investment in associate" using the equity method and this accounting treatment has been applied within the 1H25 statutory results. The Group's share of Ocado Retail's pre-adjusting, post-tax results are shown as "share of results from joint ventures and associates" in the Income Statement. The Group's share of Ocado Retail's adjusting items are shown within adjusting items in the Income Statement.

In accordance with relevant accounting standards, Ocado Retail and relevant inter-segment eliminations are reported as a discontinued operation up to the date that tie-breaking rights were relinquished and equity accounted thereafter. To aid year-on-year comparability of financial performance, the current and prior period's income and expenses below have been re-presented to equity account for Ocado Retail from the start of the financial period. The current and prior period's cash flow statements are also re-presented to reflect the equity accounting of Ocado Retail from the start of the financial period. The balance sheets as at the end of the current and prior periods are shown on a reported basis.

- **The Group** delivered revenue of £674.0m, an increase of 13.2% year-on-year (1H24: £595.4m). Adjusted EBITDA∗ increased by £39.8m to £91.8m (1H24: £52.0m).

  The Group continues to maintain strong liquidity to support our growth plans. Group underlying cash flow* improved by £92.5m to a £108.3m outflow (1H24: £200.8m outflow) largely reflecting a year-on-year reduction in capital expenditure and improved cash generated from operations. The Group held cash and cash equivalents at the end of the period of £745.8m (FY24: £732.5m) and liquidity of £1.05bn (FY24: £1.03bn).

  During the period, the Group issued £300.0m of senior unsecured notes and simultaneously used £202.7m to partially redeem £206.0m of senior unsecured debt, at a £3.3m (c.2%) discount to par value.

- **Technology Solutions** delivered good revenue growth, up 14.9% to £277.3m (1H24: £241.4m) with 122 average live modules during the period (1H24: 112), up 8.9%. At the end of the period, we had 29 live sites (1H24: 26 sites) and 119 live modules (1H24: 112 live modules). Adjusted EBITDA∗ for the period was £72.8m (1H24: £34.8m), an improvement of £38.0m. The improvement was driven by the strong profit flow-through from the £35.9m growth in revenue and continued optimisation of our cost base.

- **Logistics** revenue grew by 12.1% to £396.7m (1H24: £354.0m) and primarily represents cost recharges to Ocado Retail and Morrisons of £376.4m (1H24: £336.2m). Orders per week increased by 11.2% to 614,000 (1H24: 552,000); eaches (individual items in the shopping basket) increased by 10.1% to 717.6m (1H24: 651.8m). Adjusted EBITDA∗ for the period was £19.0m, an increase of £1.8m (1H24: £17.2m) reflecting higher management fees associated with increased volumes and lower technology costs, partially offset by the expiry of asset rental agreements during 2H24.

- **Retail** revenue increased by 16.3% in the period to £1,525.5m (1H24: £1,312.0m) driven by 14.7% growth in orders per week to 491,000 (1H24: 428,000). Growth in orders per week reflects an increase in the average number of active customers, up 13.4% to 1,158,000 (1H24: 1,021,000) and an increase in the frequency of orders, enabled by improved slot availability and next day delivery offerings. Average basket value increased by 0.7% to £124.19 (1H24: £123.36), reflecting a 1.4% increase in average item prices to £2.80 (1H24: £2.76), well below UK grocery inflation of 3.1% (Nielsen). Adjusted EBITDA* increased by £12.6m to £33.3m (1H24: £20.7m) with adjusted EBITDA margin* of 2.2% (1H24: 1.6%) driven by strong trading performance, partially offset by increased last mile and support costs. Excluding the £17.1m (1H24: £16.5m) capacity fees payable for the closed Hatfield CFC, the Retail business achieved an adjusted EBITDA* of £50.4m (1H24: £37.2m) at a margin* of 3.3% (1H24: 2.8%)

Group summary

£m	1H25 pro-forma	1H24 pro-forma	Change
Revenue			
Technology Solutions	277.3	241.4	14.9%
Logistics	396.7	354.0	12.1%
Group	**674.0**	**595.4**	**13.2%**
Operating costs			
Technology Solutions	(204.5)	(206.6)	1.0%
Logistics	(377.7)	(336.8)	(12.1)%
Group	**(582.2)**	**(543.4)**	**(7.1)%**
Adjusted EBITDA*			
Technology Solutions	72.8	34.8	£38.0m
Logistics	19.0	17.2	£1.8m
Group	**91.8**	**52.0**	**£39.8m**
Share of results of JV/Assocs	(8.4)	(12.7)	33.9%
Depreciation and amortisation	(174.2)	(186.1)	6.4%
Finance income	22.4	25.6	(12.5)%
Finance costs	(66.1)	(42.3)	(56.3)%
Other finance gains and losses	(2.6)	10.9	(123.9)%
Adjusted EBT	**(137.1)**	**(152.6)**	**£15.5m**
Adjusting items*	744.4	8.4	£736.0m
EBT	**607.3**	**(144.2)**	**£751.5m**
Tax	(2.4)	0.6	(500.0)%
Profit/(loss) after tax*	**604.9**	**(143.6)**	**£748.5m**

* These measures are alternative performance measures. Please refer to Note 17 of the Condensed Consolidated Financial Statements.

1. Depreciation, amortisation and impairment of £174.2m (1H24: £186.1m) excludes £4.7m (1H24: £1.6m) recognised in adjusting items*.
2. Finance income of £22.4m (1H24: £25.6m) excludes £2.0m (1H24: £6.9m) recognised in adjusting items*.
3. Other finance gains and losses of £(2.6)m loss (1H24: £10.9m gain) excludes a £2.3m gain (1H24: £nil) recognised in adjusting items*.

This commentary is on a pre-adjusting item* basis to aid understanding of the performance of the business on a comparable basis. Adjusting items* are detailed in Note 4 to the Condensed Consolidated Financial Statements. Adjusted loss before tax similarly excludes the impact of adjusting items*.

Revenue for the period increased by 13.2%, an increase of £78.6m to £674.0m (1H24: £595.4m).

Technology Solutions revenue increased by 14.9% to £277.3m (1H24: £241.4m), an increase of £35.9m, mainly driven by 1. the annualisation of the three sites opened during the second half of FY24 (two CFCs for Coles in Australia and one for Alcampo in Spain), and 2. non-recurring fees of £16.6m recognised following the cessation of Morrisons deliveries from our Erith CFC, as announced in November 2024. The average number of live modules is the key revenue driver for Technology Solutions and average live modules increased by 8.9% to 122 (1H24: 112).

Logistics revenue increased by 12.1% to £396.7m (1H24: £354.0m) and mainly comprises cost recharges and management fees to its two UK partners, Ocado Retail and Morrisons. While the volume of eaches increased by 10.1% to 717.6m (1H24: 651.8m), revenue growth was proportionately higher, at 12.1%, reflecting higher cost inflation on labour and maintenance of our fleet.

Net cumulative invoiced fees to our partners that are reported on our Balance Sheet and not yet recognised as revenue increased by £52.4m to £559.0m (FY24: £506.6m). Net cumulative invoiced fees are recognised as contract liabilities on the Balance Sheet and are an indicator of future revenues as the balances will be released to the Income Statement as the performance obligations are satisfied. The net movement of £52.4m during the period is mainly driven by 1. the recognition of £54.0m received from ORL, that was eliminated on consolidation in the prior period, 2. amounts invoiced of £28.9m, and 3. revenue recognised in the Income Statement of £29.6m. The amounts invoiced of £28.9m reflect incremental staged payments from our OSP and OIA partners. The release to the Income Statement of £29.6m reflects revenue recognised on operational sites in line with IFRS 15 and amounts received from Morrisons in respect of the Erith site, following the cessation of deliveries during the period.

Operating costs increased by 7.1% to £582.2m (1H24: £543.4m). Technology Solutions operating costs decreased by 1.0% to £204.5m (1H24: £206.6m). This comprises 1. direct operating costs of £70.9m (1H24: £69.6m), up 1.9% as labour cost increases from the growth in average live modules were partly offset by efficiencies in cloud and remote support costs during the period, 2. Technology costs of £44.3m (1H24: £46.8m), down 5.3% largely driven by a lower headcount year-on-year as the Group focuses on targeted investment opportunities and the successful deployment of its Re:Imagined technology, and 3. Support costs of £89.3m (1H24: £90.2m), down 1.0%. Support costs in 1H24 benefited from £5.1m of litigation income following the settlement reached with MasterCard and Visa in relation to bank interchange fees. Logistics operating costs increased by 12.1% to £377.7m (1H24: £336.8m) reflecting 1. an 11.2% growth in orders, 2. higher labour costs from legislative changes to the National Living Wage and Employer National Insurance Contributions, and 3. inflationary pressure on the repairs and maintenance cost of our fleet. Cost increases were partially offset by improved productivity across our OSP sites.

Adjusted EBITDA* was £91.8m (1H24: £52.0m) with both segments delivering a positive adjusted EBITDA*. The £39.8m year-on-year increase was driven by a £38.0m improvement in Technology Solutions to £72.8m (1H24: £34.8m), and by a £1.8m increase in Logistics to £19.0m (1H24: £17.2m). The improvement in Technology Solutions adjusted EBITDA* was mainly driven by the strong flow-through of incremental revenue to adjusted EBITDA*. Logistics delivered positive adjusted EBITDA* from its resilient cost-plus model.

Share of results from joint ventures and associates was an £8.4m loss (1H24: £12.7m loss).

The Group has two equity-accounted investments (Ocado Retail and MHE JVCo).

- **Ocado Retail** operates as an online grocery retailer in the UK. It leverages the Group's proprietary end-to-end technology platform and third-party logistics services, to provide consumers a wide range of M&S and branded grocery products. The Group's share of Ocado Retail's pre-adjusting, post-tax results for the period amounted to £(8.5)m (1H24: £(12.9)m). This includes Retail adjusted EBITDA* of £33.3m (1H24: £20.7m); and
- **MHE JVCo** holds the Dordon CFC MHE assets which Ocado Retail and Morrisons use to service their online businesses. The Group's share of the MHE JVCo profit after tax in the period amounted to £0.1m (1H24: £0.2m).

Depreciation, amortisation and impairment decreased by 6.4% to a charge of £174.2m (1H24: £186.1m). This comprises 1. depreciation of PP&E of £100.8m (1H24: £95.7m), 2. depreciation of right-of-use assets of £14.4m (1H24: £14.8m), 3. amortisation expense of £58.6m (1H24: £73.4m) and 4. impairment charge of £0.4m (1H24: £2.2m).

The decrease mainly reflects large-scale technology projects that were fully amortised in the prior year. This is partly offset by additional depreciation and amortisation, due to the go-live of three sites and technology projects within the previous 12 months.

Net finance costs increased by £40.5m to £46.3m (1H24: £5.8m). This comprises 1. finance costs relating to interest expense on borrowings and lease liabilities of £66.1m (1H24: £42.3m), 2. finance income of £22.4m (1H24: £25.6m) and 3. other finance losses of £2.6m (1H24: £10.9m gain).

Finance costs of £66.1m (1H24: £42.3m) mainly comprise the interest expense of £56.8m (1H24: £33.3m) on borrowings and interest expense of £8.8m (1H24: £8.4m) on lease liabilities. The increase of £23.8m was primarily due to the higher interest rate on the unsecured convertible bonds and loan notes issued in 2H24 and the senior unsecured loan notes issued in 1H25 relative to the unsecured loan notes and convertible bonds partially redeemed.

Total borrowings, excluding lease liabilities, at the end of the period were £1,484.6m (FY24: £1,386.7m). The increase of £97.9m was mainly due to 1. the recognition of £291.7m in senior unsecured loan notes in the period, 2. £205.0m of senior unsecured loan notes and convertible bonds derecognised in the period, 3. accrued interest on loans and borrowings of £55.2m, 4. interest payments of £39.1m, and 5. the derecognition of borrowings held by Jones Food of £4.7m on deconsolidation from the Group.

Lease liabilities at the end of the period were £310.2m (FY24: £311.7m).

Finance income of £22.4m (1H24: £25.6m) comprises 1. interest income on cash balances principally derived from investments in money market funds and term deposits of £12.9m (1H24: £15.7m), 2. interest income on assets sub-leased to Ocado Retail in accordance with IFRS 16 of £4.9m (1H24: £5.3m), and 3. interest income on loans receivable, principally, the shareholder loan to Ocado Retail of £4.6m (1H24: £4.6m). The decrease in interest income on cash balances was largely driven by a lower average cash balance and lower interest rates during the period.

Other finance losses of £2.6m (1H24: £10.9m gain) comprise net foreign exchange losses of £2.6m (1H24: £1.2m gain), largely in respect of US dollar balances held.

Adjusted loss before tax of £137.1m (1H24: £152.6m) reflects an adjusted EBITDA* profit of £91.8m (1H24: £52.0m), share of loss from joint ventures and associates of £8.4m (1H24: £12.7m loss), depreciation, amortisation and impairment of £174.2m (1H24: £186.1m) and net finance costs of £46.3m (1H24: £5.8m).

Adjusting items* of £744.4m income (1H24: £8.4m income) comprises largely 1. the gain on the statutory valuation of the Group's investment in Ocado Retail of £782.6m, 2. loss on deconsolidation of Jones Food Company ("JFC") of £23.0m, 3. organisational restructuring costs of £11.8m and 4. the unwinding of the discount recognised from the agreement reached with AutoStore to settle IP patent legal cases of £2.0m.

In April 2025, the Group transferred its tie-breaking rights in Ocado Retail to M&S and ceased to fully consolidate the business. There was no change in the shareholding or economic interest of the shareholders and no transfer of consideration. The Group has subsequently accounted for its investment in Ocado Retail as an "investment in associate" using the equity method, and in accordance with relevant accounting standards, has recognised its 50% share of Ocado Retail's equity at a fair value of £750.0m. The Group therefore recognised a gain on the deconsolidation of Ocado Retail of £782.6m. Further details can be found in Note 4 and Note 9 to the Condensed Consolidated Financial Statements.

On 7 April 2025, JFC, a vertical farming business in which the Group holds an equity interest of 54.6% (1H24: 54.6%) appointed administrators. As a result, JFC was deconsolidated from the Group's financial statements from that date. This resulted in a loss on deconsolidation of £23.0m, which includes a £4.7m impairment of goodwill.

During the period, the Group raised gross proceeds of £300.0m through the issue of senior unsecured notes. Part of the proceeds were used to fund the early partial redemption of some of its debt. The early partial redemption of the notes resulted in a gain of £2.3m. See Note 8 to the Condensed Consolidated Financial Statements for details.

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

Profit before tax was £607.3m (1H24: £144.2m loss).

The **total tax charge** in the Income Statement was £2.4m (1H24: £0.6m credit), which comprises a corporation tax charge of £1.6m (1H24: £1.7m) and deferred tax charge of £0.8m (1H24: £2.3m credit) recognised in the period.

Deferred tax assets decreased due to the utilisation of brought forward losses.

At the end of the period, the Group had £1,860.2m (1H24: £1,608.4m) of unutilised carried-forward tax losses.

During the period, the Group did not declare a **dividend** (1H24: £nil).

Earnings/loss per share

Pence	**1H25**	**1H24**
Basic earnings/(loss) per share	**73.7**	(17.2)
Adjusted earnings/(loss) per share	**(16.7)**	(18.2)

The Group continues to maintain strong liquidity to support its growth plans, with cash and cash equivalents of £745.8m at the end of the period (FY24: £732.5m) and gross liquidity of £1.05bn (FY24: £1.03bn) (including the Group undrawn revolving credit facility ("RCF") of £300.0m).

Net debt* was £(1,049.0)m (FY24: £(965.9)m) at the end of the period.

Technology Solutions

£m	1H25	1H24	Change
Recurring capacity fees	223.3	203.3	9.8%
Non-recurring fees	36.5	17.7	106.2%
OIA	15.2	17.7	(14.1)%
Other	2.3	2.7	(14.8)%
Revenue	**277.3**	**241.4**	**14.9%**
Direct operating costs	(70.9)	(69.6)	(1.9)%
Contribution	**206.4**	**171.8**	**20.1%**
Contribution %	*74.4%*	*71.2%*	*3.2ppts*
Technology costs	(44.3)	(46.8)	5.3%
Support costs[1]	(89.3)	(90.2)	1.0%
Adjusted EBITDA*	**72.8**	**34.8**	**£38.0m**
*Adjusted EBITDA %**	*26.3%*	*14.4%*	*11.9ppts*

1. The current and prior year excludes the Group's share of the MHE JVCo profit after tax of £0.1m (1H24: £0.2m). This is now recognised in the share of results of JV/Assocs in the Income Statement.

Key performance indicators

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

	1H25	1H24	Change
No. of live modules[1,3]	**119**	112	6.3%
Average live modules	**122**	112	8.9%
Cumulative no. of modules ordered[2,3]	**234**	232	0.9%
Direct operating cost (% of live sales capacity)[4]	**1.35%**	1.56%	0.21ppts

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 15 modules for the Hatfield CFC, and Leeds and Canning Town Zooms, which were not actively trading at the end of the period, but for which fees are being received in full.
2. Ordered modules represent 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.
3. A module of capacity is assumed as 5,000 eaches picked per hour and c.£79m (1H24: c.£75m) per annum of partner live sales capacity.
4. Direct operating costs as a percentage of live sales capacity reflects the P6 exit rate position for all OSP CFCs live at the period end. Direct operating costs include engineering, cloud and other technology direct costs.

Technology Solutions is the global technology platform business providing OSP as a managed service to 13 grocery retail partners. This business segment also includes the following:

- The revenue and costs associated with the Group's non-grocery business, Ocado Intelligent Automation ("OIA"), including Ocado Mobile Robot System ("OMRS"), previously referred to as 6RS and our robotic Sort business, previously referred to as Kindred; and
- The revenue and costs of our vertical farming business, Jones Food.

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

During the period, we continued to focus on supporting our partners to increase volume growth to improve capacity utilisation in their CFCs. Our Partner Success teams have been working closely with our partners to support sales growth, drive operational efficiency and improve profitability.

In April 2025, our fully consolidated vertical farming business, Jones Food, appointed administrators. While the administration of Jones Food reflects the broader challenges facing the vertical farming sector, it does not materially impact Technology Solutions' core operations or strategic priorities.

As announced in November 2024, Morrisons ceased deliveries from our Erith CFC during the period in order to continue building further volumes through our Dordon CFC, as well as expansion of deliveries from their store network where online orders are fulfilled using the Group's AI-powered In-Store Fulfilment solution. While the exit results in a short-term reduction of five live modules at the site, it provides greater operational flexibility and supports the Group's broader strategy to drive efficiency and growth across its UK CFC network.

At the end of the period, we had 29 live sites, comprising 25 CFCs and four Zooms, with a total of 119 live modules (1H24: 26 live sites, comprising 22 CFCs and four Zooms, with a total of 112 live modules).

The 119 modules include 15 modules of capacity on sites where Ocado Retail has decided to cease operations. The Technology Solutions business continues to charge Ocado Retail capacity fees in full for these modules. At the end of the period, Technology Solutions had 26 sites, with 104 modules, in which partners were actively trading (24 CFCs and two Zooms).

Our OIA business comprises Ocado Storage and Retrieval Systems ("OSRS"), our cubic automated storage and retrieval system, OMRS, which combines fulfilment execution software with autonomous mobile robots, and our robotic Sort business. During the period, our marketing initiatives contributed to expanding the sales funnel for both our OSRS and OMRS businesses, and we expect to deliver our OSRS solution to McKesson during 2H25.

Revenue

Revenue in the period increased by 14.9% to £277.3m (1H24: £241.4m).

Recurring capacity fee revenue is typically index-linked and is driven by the average number of modules live during the period. Recurring capacity fee revenue increased by 9.8% to £223.3m (1H24: £203.3m) and was broadly in line with the 8.9% increase in the average number of live modules to 122 (1H24: 112).

Non-recurring fee revenue comprises 1. the upfront design and access fees amortised in the income statement, and 2. other non-recurring income generated by the Technology Solutions business. Under revenue recognition rules, 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'. During the period, £19.9m (1H24: £17.7m) of upfront design and access fees were recognised in the Income Statement primarily from Kroger, Coles, Aeon and Sobeys. £16.6m of non-recurring income was recognised from Morrisons following the cessation of deliveries from the Erith CFC. At the end of the period, cumulative fees not yet recognised as revenue, but instead recorded on the Balance Sheet within contract liabilities, were £559.0m (FY24: £506.6m).

There are 30 legacy non-OSP modules within the 119 modules at the end of the period. Non-OSP modules are those that operate independently of the Ocado Smart Platform. 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 is entitled to continued capacity fees at Hatfield, which in 1H25 was £17.1m (1H24: £16.5m), and continues to charge them in full to Ocado Retail.

OIA delivered revenue of £15.2m (1H24: £17.7m) during the period, £11.0m (1H24: £13.3m) from OMRS and £4.2m (1H24: £4.4m) from Sort. The year-on-year decline of £2.5m was largely driven by a non-recurring adjustment made in the prior year relating to the treatment of sales within the OMRS business.

Technology Solutions revenue also includes equipment sales to retail partners of £1.8m (1H24: £2.3m) recognised as revenue under IFRS 15 (the cost of this equipment is recognised within direct operating costs) and 3. £0.5m (1H24: £0.4m) of revenue in Jones Food.

Direct costs

Direct operating costs largely relate to the day-to-day costs of operating our CFC and Zoom sites, primarily engineering support, maintenance and spares, and the costs of hosting the technology services for partners. Costs increased by £1.3m (1.9%) to £70.9m (1H24: £69.6m) with labour cost increases from the growth in average live modules partly offset by efficiencies in cloud and remote support costs during the period.

Contribution margin increased by 3.2 percentage points to 74.4% (1H24: 71.2%). The increase was partly driven by an increase in non-recurring income of £16.6m from Morrisons, following the cessation of deliveries from the Erith CFC. Excluding this non-recurring income, contribution margin increased by 1.6 percentage points to 72.8% (1H24: 71.2%). The underlying contribution margin benefited from initiatives to reduce cloud spend and repairs and maintenance costs in our CFCs and from optimising labour spend across our sites and remote support locations.

Technology and support costs

Technology costs mainly comprise the non-capitalised management time spent on early-stage research projects and maintaining OSP through ongoing client support. Other technology costs within this spend category include direct legal and professional fees and non-capitalised software costs. Technology costs in 1H25 reduced by £2.5m to £44.3m (1H24: £46.8m), largely driven by a lower average headcount year-on-year as the Group focuses on targeted investment opportunities and the successful deployment of its Re:Imagined technology.

Support costs are costs incurred in supporting the global operations of the business. They include Solutions Sales and Partner Success, OIA Sales, Technology Operations, Finance, HR, IT and Legal. Costs decreased by £0.9m to £89.3m during the period (1H24: £90.2m). Support costs in the prior year included the one-off benefit of a settlement reached with MasterCard and Visa in relation to interchange fees, which generated a net income of £5.1m. Excluding this benefit, support costs reduced by £6.0m, a reduction of 6.3%, largely driven by lower share-based payment charges, as noted below and lower overheads in Jones Food following the business appointing administrators during the period.

Board costs of £7.5m (1H24: £10.2m) are included within Technology Solutions support costs. The year-on-year decrease of £2.7m was mainly driven by a lower share-based payment charge of £2.3m (1H24: £5.0m) following the cessation of the Value Creation Plan during the prior period.

We continued to invest in developing the OIA, Solutions Sales and Partner Success teams, supported by an experienced leadership team, which is dedicated to driving growth for new and existing partners. OIA central costs increased during the period as we continued to scale the business.

Adjusted EBITDA*

Adjusted EBITDA* for the period was £72.8m (1H24: £34.8m), an improvement of £38.0m. The strong profit flow-through from the £34.6m growth in contribution was driven by 1. the benefits of scale from more modules going live in our CFC sites, 2. non-recurring revenue fees following the cessation of Morrisons deliveries from the Erith CFC, and 3. the ongoing optimisation of direct CFC operating costs (including maintenance and data costs) which have reduced as a percentage of live sales capacity.

Ocado Logistics

£m	1H25	1H24	Change
Cost recharges	376.4	336.2	12.0%
Fee revenue	20.3	17.8	14.0%
Revenue	**396.7**	**354.0**	**12.1%**
Other income	1.0	2.3	(56.5)%
Fulfilment and delivery costs	(344.0)	(305.4)	(12.6)%
Technology and support costs	(34.7)	(33.7)	(3.0)%
Adjusted EBITDA*	**19.0**	**17.2**	**£1.8m**

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 to our UK partners, and recharges these costs in full, together with an additional management fee of c.4%. The business also generates revenue from capital recharges charged to Ocado Retail relating to certain historical Material Handling Equipment ("MHE") assets used to provide logistics services that were not transferred to Ocado Retail on its formation. The segment includes 1. revenue from cost recharges (primarily CFC and delivery costs incurred), capital recharges and the 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 business.

Key performance indicators

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

	1H25	1H24	Change
Total eaches (million)	**717.6**	651.8	10.1%
Orders per week (000s)	**614**	552	11.2%
OSP CFC UPH[1,2]	**239**	221	8.1%
DP8[3]	**21.2**	21.0	1.0%

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.

Ocado Logistics operates under a cost-plus business model. Client volumes in the sites we operate are a key driver of our revenue and costs. During the period, average orders per week across our two partners increased by 11.2% to 614,000 (1H24: 552,000) while the volume of eaches processed increased by 10.1% to 717.6m (1H24: 651.8m).

Revenue

This comprises 1. cost recharges, which are the recharge of variable and fixed costs incurred to provide fulfilment and delivery services, which are recharged to Ocado Retail and Morrisons, 2. a c.4% management fee charged on those rechargeable costs and 3. capital recharges to Ocado Retail for the use of certain fixtures and fittings, and plant and machinery that were not transferred to Ocado Retail on its formation as a separate business.

Cost recharges increased by £40.2m to £376.4m (1H24: £336.2m). These costs represent the operational costs that are recharged to Ocado Retail and Morrisons for the provision of third-party logistics services. The key driver of the cost recharges is the volume of orders and eaches processed through the CFC sites. While total eaches increased by 10.1%, cost recharges increased at a faster rate increasing by 12.0% driven by inflationary pressures on 1. labour costs within our CFCs and service delivery operations following legislative increases to the National Minimum Wage and Employers' National Insurance Contributions during the period and 2. maintenance and repair costs across our fleet. This was partially offset by fulfillment efficiencies driven by the continued roll-out of our Re:Imagined technology and higher volumes. Improved efficiency from the higher average number of Units Picked per labour Hour ("UPH") in our OSP CFCs is demonstrated as UPH increased by 8.1% to 239 (1H24: 221). Cost recharges are greater than rechargeable costs of £368.9m (1H24: £328.4m) as cost recharges include lease income for lease costs in shared sites, where we are providing a service, for which the cost is included below adjusted EBITDA*.

Fee revenue of £20.3m (1H24: £17.8m) increased by 14.0% mainly due to an increase in management fees of 12.2% to £13.8m (1H24: £12.3m). Management fees are circa 4% of rechargeable costs.

Fee revenue also includes £6.5m of capital recharges (1H24: £5.5m). Capital recharges relate to charges to Ocado Retail for the use of certain assets that are owned by the Group and utilised by Ocado Retail. For partner-shared sites (primarily Dordon and Erith), capital recharges are accounted for as revenue as we are considered to be providing a service (per IFRS 16). For sites that are used exclusively by Ocado Retail (primarily Purfleet, Bristol and Andover), this income is accounted for (per IFRS 16) as finance income (below adjusted EBITDA*) as we are considered to be providing a finance lease. Capital recharges increased by £1.0m year-on-year due to higher vehicle lease costs.

Other income

Other income of £1.0m (1H24: £2.3m) relates to MHE JVCo asset rental income. The year-on-year decrease of £1.3m was mainly driven by the expiry of large 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

These costs comprise the costs of fulfilment and delivery operations which are recharged to Ocado Retail and Morrisons.

Total fulfilment and delivery costs increased by 12.6% to £344.0m (1H24: £305.4m) with eaches increasing by 10.1% to 717.6m (1H24: 651.8m). Costs increased by more than the growth in eaches due to inflationary pressure on 1. labour costs within our CFCs and service delivery operations following legislative increases to the National Minimum Wage and Employers' National Insurance Contributions during the period and 2. repairs and maintenance of our fleet.

CFC productivity improvements are demonstrated by the improvement in UPH in OSP CFCs (Erith, Andover, Purfleet, Bristol, Bicester and Luton), which improved year-on-year to an average UPH of 239 in the period (1H24: 221). With the introduction of the Re:Imagined technologies including On-Grid Robotic Pick ("OGRP") and Automated Frame Load ("AFL"), we are targeting an average UPH of over 250, which has been demonstrated with our Luton CFC having delivered an average UPH of 277 (1H24: 223), and peak UPH of 287 during the period.

A higher UPH results in lower labour intensity and therefore lower costs for the same volume. The improvement in UPH and resulting productivity improvements, partially offset the legislative increases to the National Minimum Wage and Employers' National Insurance Contributions during the period.

The efficiency of our delivery operations is measured by DP8. This increased by 1.0% to an average of 21.2 drops per standardised 8-hour shift for Ocado Retail (1H24: 21.0 drops). The improvement was mainly driven by 1. increased order volume driving order density, 2. improvements in on-time management to ensure deliveries are made within their allocated time slot, and 3. improvements to routing accuracy. This supported an expansion of a programme focused on routing efficiency. Improvements in the efficiency of our delivery operations reduced the labour hour requirements, however this was more than offset by the inflationary pressures on labour costs as noted above.

Technology and support costs

Technology and support costs increased by £1.0m to £34.7m (1H24: £33.7m) and comprise 1. head office and related costs to operate the Logistics business, 2. technology costs related to the operating 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 increased primarily due to higher Head Office costs from management incentive schemes and acceleration of share-based payment charges. Head Office costs and a portion of technology costs are recharged to our partners as part of our contractual agreements. The cost of operating the pre-OSP platform, the transition to OSP, and ongoing Logistics systems costs, totalling £8.4m (1H24: £9.8m) are not recharged to partners.

Adjusted EBITDA*

Adjusted EBITDA* for the period was £19.0m, an increase of £1.8m (1H24: £17.2m); increased cost recoveries and management fees were partially offset by lower MHE JVCo asset rental income and higher technology and support costs, each of which is described above.

Ocado Retail

£m	1H25	1H24	Change
Revenue	**1,525.5**	**1,312.0**	**16.3%**
Gross profit	**509.5**	**442.1**	**15.2%**
Gross profit %	*33.4%*	*33.7%*	*(0.3)ppts*
Fulfilment and delivery costs	(290.6)	(246.8)	(17.7)%
Marketing costs	(20.9)	(20.4)	(2.5)%
Support costs	(62.4)	(53.4)	(16.9)%
Fees	(102.3)	(100.8)	(1.5)%
Adjusted EBITDA*	**33.3**	**20.7**	**£12.6m**
Depreciation and amortisation	(31.6)	(29.9)	(5.7)%
Net finance costs	(18.8)	(16.5)	(13.9)%
Operating loss before adjusting items	**(17.1)**	**(25.7)**	**33.5%**
Adjusting items	(7.8)	(2.1)	(271.4)%
Tax	-	-	-
Loss after tax	**(24.9)**	**(27.8)**	**10.4%**
50% Ocado Group share of loss after tax	(12.4)	(13.9)	10.8%
Reported as Ocado Group's share of JV results	(8.5)	(12.9)	34.1%
Reported in Group adjusting items*	(3.9)	(1.0)	(290.0)%

Ocado Retail is the UK online grocery retail business serving a broad range of shopper missions, from large weekly shops to "dinner-for-tonight" top-up shops. Ocado Retail is a 50% owned joint venture with Marks & Spencer Group plc ("M&S").

In August 2019, the Group sold 50% of the shares it held in Ocado Retail Limited ("Ocado Retail" or "ORL") to Marks and Spencer plc ("M&S"). Under the terms of the shareholder agreement, the Group remained the controlling shareholder via certain tie-breaking rights. On 6 April 2025, the Group relinquished these tie-breaking rights, in line with the agreement signed with M&S in August 2019, and accordingly ceased to fully consolidate Ocado Retail's results. There was no change in the economic interest of both shareholders in Ocado Retail nor was there any consideration paid by M&S to Ocado Group in respect of the transfer of tie-breaking rights. From 7 April 2025, the Group has accounted for its investment in Ocado Retail as an "investment in associate" using the equity method.

The Group's share of Ocado Retail's pre-adjusting, post-tax results are now shown as "share of results from joint ventures and associates" in the Income Statement. The Group's share of Ocado Retail's adjusting items are now shown within adjusting items* in the income statement.

The Group and ORL no longer have coterminous accounting periods. ORL now aligns its accounting periods to M&S's financial calendar, with its financial periods ending one week earlier than Ocado Group's. To aid year-on-year comparability of financial performance, the current and prior period's income and expenses below have been re-presented to equity account for Ocado Retail from the start of the financial period, with an adjusted treatment of the week commencing 31 March 2025 to derive 26 weeks of performance.

Key performance indicators

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

Ocado.com[1,2]	1H25	1H24	Change
Average active customers (000s)[3]	1,158	1,021	13.4%
Average orders per week (000s)	491	428	14.7%
Average basket value (£)[4]	124.19	123.36	0.7%
Average selling price (£)[5]	2.80	2.76	1.4%
Average basket size (eaches)	44.3	44.7	(0.9)%

1. Ocado.com excludes Zoom by Ocado as Ocado.com represents the core business of Ocado Retail.
2. The Group and ORL no longer have coterminous accounting periods. ORL now aligns its accounting periods to M&S's financial calendar, with its financial periods ending one week earlier than Ocado Group's. To aid year-on-year comparability, key performance indicators have been presented with an adjusted treatment of the week commencing 31 March 2025 to derive 26 weeks of performance.
3. Active 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.
4. Average basket value (£) is defined as product sales divided by total orders.
5. Average selling price ("ASP") (£) is defined as product sales divided by total eaches.

Revenue

Revenue increased by 16.3% to £1,525.5m (1H24: £1,312.0m) driven by growth in Ocado.com, with a 14.7% order growth to 491,000 orders per week (1H24: 428,000 orders per week) and a 0.7% growth in basket value to £124.19 (1H24: £123.36).

The average number of active customers increased by 13.4% to 1,158,000 (1H24: 1,021,000) as good customer acquisition results were achieved through improvements in marketing activity, driven by channel efficiency activities. The active customer base at the end of the period was 1,165,000 (1H24: 1,037,000), up 12.3%. Ocado.com grew its share of the online grocery market to 14.4% in the 4 weeks to 17 May 2025 (Nielsen), up 2.1 percentage points year-on-year (1H24: 12.3% in the 4 weeks to 18 May 2024).

The increase in average orders per week of 14.7% was higher than the growth in average active customers of 13.4% due to the higher frequency of orders.

The average basket value grew by 0.7% to £124.19 (1H24: £123.36) driven by a modest increase in average selling price to £2.80 (1H24: £2.76), partially offset by a decline in average basket size from 44.7 to 44.3.

The business did not pass through the full impact of food price inflation to customers; the average selling price on Ocado.com has increased by 1.4%, well below UK grocery inflation of 3.1% (Nielsen).

Gross profit

Gross profit increased by 15.2% to £509.5m (1H24: £442.1m). Growth was lower than the 16.3% revenue growth due to a decrease to gross profit margin from 33.7% in 1H24 to 33.4% in 1H25. This was mainly driven by not passing through the full impact of food price inflation to customers, and additional extended producer responsibility for packaging.

Gross profit includes the net benefit of supplier-funded media income of £48.4m (1H24: £45.0m) and the cost of vouchers of £13.5m (1H24: £13.9m).

Fulfilment and delivery costs

£m	1H25	1H24	Change
CFC	(98.2)	(90.7)	(8.3)%
Service delivery	(184.4)	(148.1)	(24.5)%
Utilities	(8.0)	(8.0)	-
Fulfilment and delivery costs	**(290.6)**	**(246.8)**	**(17.7)%**

CFC costs primarily comprise labour costs in CFCs and these increased by 8.3% to £98.2m (1H24: £90.7m). Costs increased at a slower rate than the 14.7% growth in average orders per week due to improved CFC productivity. The OSP CFCs (Erith, Andover, Purfleet, Bristol, Bicester and Luton) showed robust improvements in productivity reaching an average of 239 UPH (1H24: 221 UPH), an improvement of 8.1% partially driven by the introduction of OGRP during the prior period. The newest CFC for Ocado Retail in Luton delivered an average UPH of 277 (1H24: 223), and a peak UPH of 287 during the period. The average UPH for Ocado.com improved by 6.0% from 216 to 229.

Service delivery costs comprise labour, fleet, fuel and related costs to enable the delivery of orders to customers. Costs increased by 24.5% to £184.4m (1H24: £148.1m), driven by 1. the growth in the number of orders (+14.7%), 2. inflationary pressure on labour costs following the legislative changes to the National Living Wage and Employer National Insurance Contributions, and 3. higher repairs, maintenance and insurance costs of the fleet.

Utilities costs across CFCs and service delivery remained flat at £8.0m (1H24: £8.0m).

Marketing and support costs

Marketing costs comprise the cost of marketing activities to customers and exclude vouchering costs, which are deducted in revenue. Activities focused on driving customer acquisitions through enhanced customer targeting, improving the retention of new customers and expanding the mix of activities, such as direct mail, alongside enhancing paid search activity and greater collaboration with M&S. Marketing spend as a percentage of revenue decreased to 1.4% (1H24: 1.6%) reflecting the continued optimisation of the marketing channel mix.

Support costs of £62.4m (1H24: £53.4m) comprise head office, customer support and other overhead costs for Ocado Retail. The £9.0m, 16.9%, increase year-on-year was driven by 1. cost inflation, 2. performance-linked incentive schemes, and 3. increased headcount including the annualisation of senior, strategic vacancies in the prior period.

Fees

Fees comprise 1. OSP fees paid to Technology Solutions for the operation of OSP of £88.8m (1H24: £85.7m), 2. logistics management fees of £11.1m (1H24: £9.6m) and 3. capital recharges paid to Ocado Logistics of £2.4m (1H24: £5.5m). Fees of £102.3m (1H24: £100.8m) increased by £1.5m, driven by the index-linked OSP fees due to Technology Solutions. Fees include the ongoing fees for the closed Hatfield CFC.

Adjusted EBITDA*

Adjusted EBITDA* for the Retail business was £33.3m (1H24: £20.7m). The primary drivers for the £12.6m year-on-year increase were growth in active customers and orders driving trading performance, partly offset by higher service delivery and CFC costs to fulfill these orders.

The Retail business delivered an adjusted EBITDA margin* of 2.2% (1H24: 1.6%), an improvement of 0.6 percentage points. Excluding the £17.1m (1H24: £16.5m) capacity fees payable for the Hatfield CFC, the adjusted EBITDA* for the Retail business would have been £50.4m (1H24: £37.2m) at a margin* of 3.3% (1H24: 2.8%).

Depreciation and amortisation increased by £1.7m to £31.6m (1H24: £29.9m). The increase was largely due to capital assets and rent in relation to the Erith CFC site now being accounted for as a lease in accordance with IFRS 16. In the prior year, these charges were recognised within operating expenses in the income statement.

Net finance costs of £18.8m increased by £2.3m (1H24: £16.5m) largely reflecting a higher interest expense on new motor vehicle leases and lower interest income on cash balances.

Adjusting items totalling £7.8m expense (1H24: £2.1m expense) primarily comprise transformation costs relating to the transition from legacy platforms onto OSP, and the deconsolidation from the Group and consolidation into M&S.

There was no **taxation** in the period (1H24: £nil).

Loss after tax of £24.9m decreased by £2.9m (1H24: £27.8m). The primary drivers for this were the improved adjusted EBITDA* performance, partly offset by higher adjusting expenses.

Capital expenditure

Capital expenditure largely comprises 1. new site construction costs, 2. deployment of our Re:Imagined innovations, and 3. technology development costs to enhance OSP. Group capital expenditure for the period was £168.3m (1H24: £208.8m), a reduction of £40.5m, driven by a reduced level of activity of CFC sites under construction and reduced capital expenditure for Technology (see below for further details). We continue to remain focused on capital discipline and continue to evaluate opportunities through a rigorous investment framework aligned with long-term value creation.

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

£m	1H25	1H24	Change
CFC sites	74.1	94.7	(21.8)%
Technology	80.6	97.9	(17.7)%
Group support and other	7.0	11.0	(36.4)%
Technology Solutions	**161.7**	**203.6**	**(20.6)%**
Logistics	**6.6**	**5.2**	**26.9%**
Group capital expenditure	**168.3**	**208.8**	**(19.4)%**

Technology Solutions

CFC sites capital expenditure relates to the construction of new sites and costs associated with upgrading our live sites, and totalled £74.1m in the period (1H24: £94.7m), a year-on-year decrease of £20.6m. The investment during the period of £74.1m primarily relates to 1. the installation of Re:Imagined innovations, 2. upgrade of bots at our existing live sites, and 3. construction of the Warsaw site for Auchan Poland, due to go-live in 2H25. The year-on-year reduction is primarily due to the lower level of activity in 1H25 compared with that in 1H24, which incurred capital expenditure for the three sites (Sydney, Melbourne and Madrid) that went live in FY24, and construction costs for the Phoenix and Charlotte sites for Kroger, due to go live in FY26. This is partially offset by an increase in existing inventory held on hand for the continued deployment of our Re:Imagined innovations at live sites.

Technology development spend decreased to £80.6m (1H24: £97.9m). During the period, we continued to invest in OSP and our key Re:Imagined innovation projects in addition to our two new products: a pallet-moving Autonomous Mobile Robot ("AMR"), which drives efficiencies into case-picking processes, and a de-palletiser that will benefit our OIA business segment.

£m	1H25	1H24	Change
CFC technologies	42.0	48.4	(13.2)%
Ecommerce	11.5	18.1	(36.5)%
Logistics and supply chain	9.6	13.2	(27.3)%
Other	17.5	18.2	(3.8)%
Technology	**80.6**	**97.9**	**(17.7)%**

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, OSRS, 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 (our OSRS and the robots on the grid), peripheral MHE and software, and the enhancement of these propositions. This element of our capital expenditure is focused on reducing both the capital cost and the ongoing running costs of the CFC for the partner and Ocado Group.

  We invested £42.0m in CFC technologies during the period (1H24: £48.4m), reflecting our ongoing commitment to optimising each component of our CFC operations. Our investment focused on optimising site design, improvements in picking, and enhancing our outbound operations.

- **Ecommerce:** We invested £11.5m (1H24: £18.1m) in developing our ecommerce platform to enhance every aspect of the shopper journey, including improvements to the search and browse experience. During the period, we continued to invest in driving customer conversion, customisable homepages, marketing reporting and frictionless payments. We successfully launched the webshop for Lotte, and also invested in the development of the webshop for Panda, including Arabic search support, which is expected to launch later this year.

- A key benefit of OSP is our expertise in **Logistics and supply chain**, which underpins our end-to-end solution. In 1H25, we invested £9.6m (1H24: £13.2m) in our capabilities, with the focus of our investment on the optimisation of the grocery supply chain and efficiency of the last mile delivery. During the period, we reduced last mile costs by improving routing accuracy, trialling "pre-seeding" to build optimal routes with ghost orders, and enabling better planning control. We also delivered key functionality for Short Lead Time Orders and enablers for multiple delivery options in more densely populated areas.

- Within supply chain, we continued to focus on driving strong product availability whilst maintaining low waste and stockholding days in our CFCs. We evolved our replenishment tooling to be smarter and deliver greater operational efficiencies for partners, including greater visibility of the constraints used when creating a Recommended Purchase Order ("RPO"). We also deployed our AI-driven incoming stock-life predictions to balance product life and supply chain KPIs. Furthermore, we delivered enhancements that make life in our CFCs easier, including "tote-fill rounding" to optimise decanting and storage efficiency, while RPO splitting supports smoother inbound operations.

- The balance of the spend predominantly relates to our teams creating tooling and development systems necessary to deliver for the wider Technology function, where we invested £17.5m (1H24: £18.2m).

Group support and other capital expenditure comprise projects relating to support costs systems and infrastructure. Other capital expenditure of £7.0m is £4.0m lower year-on-year (1H24: £11.0m)

Logistics

Capital expenditure of £6.6m (1H24: £5.2m) largely relates to technology system development of £5.9m (1H24: £4.8m) to transition our UK partners from our legacy platforms onto OSP.

Cash flow

£m	1H25 pro-forma	1H24 pro-forma
Adjusted EBITDA*	**91.8**	**52.0**
Cash received from contract liabilities (upfront fees)	41.1	23.4
Other working capital movements	(17.7)	(39.8)
Finance costs paid	(48.0)	(23.6)
Taxation received/(paid)	0.2	(2.9)
Adjusting items*	34.4	41.5
Other non-cash items	(13.7)	(10.3)
Operating cash flow	**88.1**	**40.3**
Capital expenditure	(171.3)	(211.2)
Net proceeds from interest-bearing loans and borrowings	88.3	0.2
Repayment of lease liabilities	(15.8)	(15.5)
Net proceeds from share issues	0.8	1.1
Other investing and financing activities	28.3	46.7
Movement in cash and cash equivalents (excl. FX changes)	**18.4**	**(138.4)**
Effect of changes in FX rates	(5.1)	(1.3)
Movement in cash and cash equivalents (incl. FX changes)	**13.3**	**(139.7)**
Cash and cash equivalents at beginning of period	**732.5**	**808.8**
Movement in cash and cash equivalents (incl. FX changes)	13.3	(139.7)
Cash and cash equivalents at end of period	**745.8**	**669.1**

Cash and cash equivalents (including FX changes) increased by £13.3m (1H24: reduction of £139.7m) to £745.8m (FY24: £732.5m). There was a decrease in cash outflow of £153.0m year-on-year.

Operating cash flow improved by £47.8m to an inflow of £88.1m (1H24: £40.3m inflow). Key movements in cash flow during the period can be analysed as follows:

- **Adjusted EBITDA*** improved by £39.8m to £91.8m (1H24: £52.0m) as detailed above;
- **Cash received from contract liabilities: cash inflow of £41.1m** (1H24: £23.4m inflow). The increase during the period is driven by upfront design and access fees paid by our grocery retail partners typically in instalments during the CFC construction process of £22.0m (1H24: £10.2m) and advances received by our OIA business of £19.1m (1H24: £13.2m).
- **Finance costs paid**: cash outflow of £48.0m (1H24: cash outflow of £23.6m) mainly comprises £39.1m interest and charges on borrowings (1H24: cash outflow of £15.2m) and £8.8m for the interest element of assets held under finance leases (1H24: £8.4m).
- **Taxation: cash inflow of £0.2m** (1H24: £2.9m outflow) reflects net tax refunds received by foreign subsidiaries. No UK tax was paid or received in the period.
- **Adjusting items*: cash inflow of £34.4m** (1H24: £41.5m inflow) relates to cash-settled adjusting items* and comprises the following:
    - £50.0m (1H24: £49.8m) proceeds from the settlement of AutoStore patent litigation and cross-licence pre-2020 patents;
    - £11.8m (1H24: £1.2m) organisational restructuring costs; and

- £3.8m (1H24: £6.1m) Finance and HR system transformation costs.

The movements above result in an operating cash inflow of £88.1m (1H24: cash inflow of £40.3m). The following movements explain the overall movement in cash and cash equivalents inflow of £13.3m (1H24: cash outflow of £139.7m):

- **Capital expenditure of £171.3m** (1H24: £211.2m outflow) primarily relates to 1. new site construction costs, 2. deployment of our Re:Imagined innovations, and 3. technology development costs to enhance OSP. Cash capital expenditure of £171.3m is higher than accounting capital expenditure of £168.3m mainly due to the timing of cash spend on capital items. This difference is reflected in accruals and prepayments on the Balance Sheet.
- **Net proceeds from interest-bearing loans and borrowings of £88.3m** (1H24: £0.2m) comprises the following:
    - Gross proceeds from the issue of senior unsecured loan notes of £300.0m. £202.7m of the gross proceeds was used to fund the early partial redemption of existing senior unsecured convertible bonds and senior unsecured notes, at a c.2% discount to par. This reflected a net cash inflow of £97.3m; and
    - Transaction costs of £9.0m.
- **Other investing and financing activities of £28.3m** (1H24: £46.7m) comprise:
    - £12.8m (1H24: £12.0m) received from Ocado Retail in respect of assets leased in accordance with IFRS 16;
    - £12.3m (1H24: £13.4m) of interest received on treasury deposits; and
    - £3.2m (1H24: £nil) repayment of loans held by Infinite Acres Holding B.V.

£m	1H25 pro-forma	1H24 pro-forma
Movement in cash and cash equivalents	**13.3**	**(139.7)**
Adjusting items*	(34.4)	(41.5)
Proceeds from disposal of assets held for sale	-	(18.6)
Loans to investee companies	(3.2)	-
Cash received in respect of contingent consideration	-	(1.0)
Financing[1]	(89.1)	(1.3)
Effect of changes in FX rates	5.1	1.3
Underlying cash outflow*	**(108.3)**	**(200.8)**

1. Financing of £89.1m (1H24: £1.3m) includes net proceeds from interest-bearing loans and borrowings of £88.3m (1H24: £0.2m) and net proceeds from share issues of £0.8m (1H24: £1.1m).

Underlying cash outflow* for the Group is £108.3m (1H24: £200.8m) and improved by £92.5m year-on-year. The improvement was primarily driven by 1. £39.8m improvement in adjusted EBITDA∗, 2. £39.9m reduction in capital expenditure, primarily in relation to the construction of new sites and upgrading our live sites, 3. £22.1m lower working capital outflows, and 4. £17.7m increase in cash received from partners for the build and design of MHE, and advances received by our OIA business. These are partially offset by a £24.4m increase in finance costs paid, reflecting the refinancing of the Group's borrowings at a higher rate in FY24.

Underlying cash flow* is the movement in cash and cash equivalents excluding the impact of adjusting items*, proceeds from the disposal of assets held for sale, investment in unlisted equity investments and loans to investee companies, cash received in respect of contingent consideration, costs of new financing activity, acquisition of subsidiaries and FX movements. We focus on underlying cash flow because it measures the cash inflows and outflows that relate to the recurring operations of the Group and excludes key one-offs detailed above.

Liquidity management

£m	1 June 2025	1 December 2024	Change
Cash and cash equivalents	**745.8**	**732.5**	**13.3**
£600m senior unsecured convertible bonds (Dec-25)	(133.8)	(167.2)	33.4
£500m senior unsecured notes (Oct-26)	(54.7)	(223.6)	168.9
£350m senior unsecured convertible bonds (Jan-27)	(327.6)	(320.8)	(6.8)
£250m senior unsecured convertible bonds (Aug-29)	(218.5)	(215.1)	(3.4)
£450m senior unsecured notes (Aug-29)	(456.0)	(455.2)	(0.8)
£300m senior unsecured notes (Jun-30)	(294.0)	-	(294.0)
Other borrowings	-	(4.8)	4.8
Borrowings	**(1,484.6)**	**(1,386.7)**	**(97.9)**
Lease liabilities	(310.2)	(311.7)	1.5
Gross debt	**(1,794.8)**	**(1,698.4)**	**(96.4)**
Net debt*	**(1,049.0)**	**(965.9)**	**(83.1)**

During the period, the Group raised gross proceeds of £300.0m through the issuance of senior unsecured notes maturing in 2030. Part of the proceeds was used to fund the early partial redemption of existing debt at a c.2% discount to par.

The £300.0m senior unsecured notes ("2030 SUNs") raised £291.7m, net of transaction costs of £8.3m.

The Group redeemed portions of its £600.0m convertible bonds due in 2025 and £500.0m notes due in 2026 for tender consideration of £36.0m and £166.7m, respectively and incurred £0.3m of transaction costs.

The Group held cash and cash equivalents at the end of the period of £745.8m (FY24: £732.5m) and gross liquidity of £1.05bn (FY24: £1.03bn), including the RCF.

The Group's gross finance costs recognised in the income statement and in the cash flow statement are set out below:

£m	1H25 Income Statement	1H25 Cash flow	1H24 Income Statement	1H24 Cash flow
Finance income	**22.4**	**17.2**	**25.6**	**20.4**
£600m senior unsecured convertible bonds (Dec-25)	(3.7)	(0.8)	(12.7)	(2.6)
£500m senior unsecured notes (Oct-26)	(4.2)	(4.3)	(10.4)	(9.7)
£350m senior unsecured convertible bonds (Jan-27)	(8.1)	(1.3)	(7.7)	(1.3)
£250m senior unsecured convertible bonds (Aug-29)	(11.2)	(7.8)	-	-
£450m senior unsecured notes (Aug-29)	(24.3)	(23.6)	-	-
£300m senior unsecured notes (Jun-30)	(2.3)	-	-	-
Other interest and charges on borrowings	(3.0)	(1.3)	(2.5)	(1.6)
Total interest and charges on borrowings	**(56.8)**	**(39.1)**	**(33.3)**	**(15.2)**
Interest on lease liabilities	(8.8)	(8.8)	(8.4)	(8.4)
Other finance costs	(0.5)	(0.1)	(0.6)	-
Gross finance costs	**(66.1)**	**(48.0)**	**(42.3)**	**(23.6)**
Other finance gains and losses	(2.6)	-	10.9	-
Net finance costs	**(46.3)**	**(30.8)**	**(5.8)**	**(3.2)**

Balance Sheet

£m	1 June 2025	2 June 2024	1 December 2024
Assets			
Goodwill	145.2	157.9	158.2
Other intangible assets	525.4	480.8	496.5
Property, plant and equipment	1,417.9	1,790.7	1,555.4
Right-of-use assets	196.8	414.5	264.8
Net investment in leases	148.5	-	-
Investment in joint venture and associate	753.1	9.7	7.0
Trade and other receivables	184.4	405.3	193.9
Cash and cash equivalents	745.8	746.6	732.5
Other financial assets	212.5	138.6	113.7
Inventories	58.0	123.5	39.8
Other assets	7.0	16.2	8.2
Assets held for sale	-	-	586.5
Total assets	**4,394.6**	**4,283.8**	**4,156.5**
Liabilities			
Contract liabilities	(559.0)	(449.9)	(506.6)
Trade and other payables	(265.1)	(449.8)	(249.1)
Borrowings	(1,484.6)	(1,482.2)	(1,386.7)
Lease liabilities	(310.2)	(486.5)	(311.7)
Other liabilities	(25.7)	(43.2)	(24.8)
Liabilities held for sale	-	-	(506.4)
Total liabilities	**(2,644.6)**	**(2,911.6)**	**(2,985.3)**
Net assets	**1,750.0**	**1,372.2**	**1,171.2**
Total equity	**(1,750.0)**	**(1,372.2)**	**(1,171.2)**

The balance sheets as at 2 June 2024 and 1 December 2024 have not been re-presented to deconsolidate Ocado Retail. These are shown as reported in the prior year.

Assets

Other intangible assets net book value of £525.4m increased by £28.9m (FY24: £496.5m). The movement was driven by:

- £81.1m (1H24: £88.4m) internal development costs capitalised during the period that related to the development of our technology capabilities for our partners, across our CFC, Zoom and ISF solutions;
- £6.9m (1H24: £8.8m) of intangible assets acquired primarily relating to software and patents;
- Statutory amortisation charge for the period of £58.6m (1H24: £74.2m); and
- other smaller movements of £(0.5)m.

Other intangible assets are typically depreciated over five years.

Property, plant and equipment net book value decreased by £137.5m to £1,417.9m (FY24: £1,555.4m). The movement was driven by:

- capital additions in the period of £71.2m (1H24: £101.6m) primarily relating to client sites under construction;
- internal development costs capitalised during the period of £9.1m (1H24: £11.7m) relating to OSP technology development and deployment;
- statutory depreciation in the period of £104.0m (1H24: £103.7m);
- the derecognition of assets with a net book value of £51.8m that are sub-leased to Ocado Retail, following the change in control. Amounts receivable in respect of these assets are recognised as net investment in leases in accordance with IFRS 16;
- £(37.9)m (1H24: £(11.5)m) foreign exchange movements, predominantly due to the strengthening of sterling against the US and Australian dollar;
- the derecognition of Jones Food assets with a net book value of £23.2m following the appointment of administrators during the period; and
- other smaller movements of £(0.9)m.

Tangible assets are typically depreciated over eight to ten years.

Right-of-use assets net book value decreased by £68.0m to £196.8m (FY24: £264.8m). This comprises land and buildings of £159.5m (FY24: £234.6m), motor vehicles of £23.5m (FY24: £15.5m) and fixtures, fittings, plant and machinery of £13.8m (FY24: £14.7m). The movement was driven by:

- the derecognition of buildings with a net book value of £66.5m that are sub-leased to Ocado Retail, following the change in control. Amounts receivable in respect of these assets are recognised as net investment in leases in accordance with IFRS 16;
- new leases for assets of £12.7m comprising largely motor vehicles;
- statutory depreciation charge of £14.5m (1H24: £30.2m); and
- other smaller movements of £0.3m.

Net investment in leases of £148.5m (FY24: £nil) comprises £112.7m (FY24: £nil) land and buildings and £35.8m (FY24: £nil) fixtures, fittings, plant and machinery, that are leased to Ocado Retail. These are recognised on the Group balance sheet following the deconsolidation of Ocado Retail during the period and reflect the present value of amounts due from Ocado Retail.

Investment in joint venture and associate of £753.1m (FY24: £7.0m) reflects the Group's investment in Ocado Retail and MHE JVCo. The increase of £746.1m during the period is primarily driven by the initial recognition of the Group's 50% equity interest in Ocado Retail at a fair value of £750.0m, following the transfer of its tie-breaking rights to M&S in April 2025. At the end of the period, the Group's investment in Ocado Retail was £746.0m. See Note 9 to the Condensed Consolidated Financial Statements for further detail.

Trade and other receivables decreased by £9.5m to £184.4m (FY24: £193.9m), and comprises the following:

- Trade receivables, net of expected credit loss allowance, of £68.2m (FY24: £58.9m) primarily comprise receivable balances due from Technology Solutions' retail partners.
- Other receivables of £25.5m (FY24: £73.1m). Other receivables largely comprise amounts receivable from AutoStore following the settlement of patent litigation, tax refunds due, and deposits paid. The decrease of £47.6m is mainly driven by cash receipts from AutoStore.
- Prepayments of £67.9m (FY24: £53.3m) mainly comprise software maintenance payments, CFC components, site support and maintenance costs (including business rates and utilities payments), and insurance premiums. The increase of £14.6m is largely driven by advance payments on rates, utilities and insurance premiums.

- Accrued income of £22.8m (FY24: £8.6m). The increase of £14.2m largely relates to amounts due to be invoiced to Technology Solutions' partners.

Other financial assets of £212.5m (FY24: £113.7m) comprise:
- £99.9m (FY24: £100.1m) unlisted equity investments held by the Group primarily in Wayve, Oxa Autonomy and 80 Acres.
- £111.9m (FY24: £12.9m) loans receivable held at amortised cost. The increase of £99.0m is mainly due to the recognition of shareholder loan provided to Ocado Retail, which was eliminated on consolidation in the prior year; and
- £0.7m (FY24: £0.7m) contributions towards dilapidations receivable.

Inventories of £58.0m (FY24: £39.8m) largely comprise Technology Solutions grid and bot spares, OIA construction costs in progress for third-party sale and OMRS Chuck robots. Inventories increased by £18.2m during the period mainly due to continued construction of our OIA solutions.

Liabilities

Contract liabilities of £559.0m (FY24: £506.6m) primarily relate to the consideration received in advance from Solutions and OIA customers. Revenue is recognised when the performance obligation is satisfied, typically when a site goes live or OIA products and services are provided. The £52.4m increase in the period is driven by:
- £28.9m (1H24: £30.2m) invoiced to partners for their contracted contribution towards the initial MHE investment made in a site, or build and design of MHE;
- £29.6m (1H24: £27.0m) in respect of prior receipts recognised as revenue in the period;
- £54.0m received from Ocado Retail and recognised following deconsolidation during the period; and
- £(0.9)m FX revaluation.

The current liabilities portion of the contract liabilities balance of £42.7m (FY24: £38.1m) represents amounts due to be recognised as revenue within 12 months of the period end. Long-term liabilities of £516.3m (FY24: £468.5m) make up the balance.

Trade and other payables of £265.1m (FY24: £249.1m) increased by £16.0m. Trade and other payables comprise:
- Trade payables of £52.8m (FY24: £58.4m).
- Tax and social security payables of £64.7m (FY24: £54.1m). Tax and social security payables at the end of the period predominantly relate to amounts due to HM Revenue and Customs in respect of VAT and Pay As You Earn, and overseas taxes arising on lease arrangements and property.
- Accrued expenses £133.1m (FY24: £119.1m). Accrued expenses at the end of the period largely relate to 1. accrued payroll expenses, 2. CFC site support and maintenance costs, and 3. accrued insurance and professional fees.
- Deferred income of £14.5m (FY24: £17.5m). Deferred income primarily relates to advance receipts of R&D tax credits in Technology Solutions, OSRS Chuck fees, and ongoing capacity fees.

Borrowings of £1,484.6m (FY24: £1,386.7m) primarily comprises the liability element of the three unsecured convertible bonds and the three senior unsecured bonds. Movements in the period include:
- £291.7m recognised on issue of the senior unsecured loan notes due in 2030;
- £205.0m derecognised on partial redemption of the senior unsecured convertible bonds and senior unsecured notes due in December 2025 and October 2026 respectively;
- £55.2m accrued interest on loans and borrowings held at amortised cost;
- £39.1m interest repayments; and
- £4.7m derecognition of borrowings held by Jones Food on deconsolidation.

Lease liabilities of £310.2m (FY24: £311.7m) comprise land and buildings of £272.5m (FY24: £281.1m), motor vehicles of £23.6m (FY24: £15.7m) and fixtures, fittings, plant and machinery of £14.1m (FY24: £14.9m). The decrease of £1.5m was driven by:

- payments made of £24.7m (1H24: £40.2m);
- new leases for assets of £12.7m (1H24: £11.7m) comprising mainly motor vehicles;
- accrued interest of £8.8m (1H24: £12.5m); and
- remeasurements of £1.9m; and
- other smaller movements of £(0.2)m.

Lease liabilities of £310.2m (FY24: £311.7m) include £11.9m (FY24: £12.4m) payable to MHE JVCo, a company in which the Group holds a 50% interest.

Other liabilities of £25.7m (FY24: £24.8m) comprise:

- £23.5m (FY24: £23.5m) of provisions largely in respect of 1. dilapidation of properties and vehicles, 2. employers NIC on taxable equity-settled schemes and cash-settled employee long-term incentive schemes, and 3. onerous contracts in relation to unavoidable costs expected to be incurred in exiting manufacturing contracts as a result of changes to design and production;
- £1.7m (FY24: £0.7m) derivative financial liabilities primarily related to diesel hedges; and
- £0.5m (FY24: £0.6m) of deferred tax liabilities.

Post balance sheet events

On 4 June 2025, the Group issued, via private placement, £100.0m in senior unsecured loan notes due 2030, at par. These are on the same terms and form a single class with the £300.0m senior unsecured loans notes issued by the Group in May 2025. The Group used part of the proceeds from the issuance to repurchase £80.0m of its senior unsecured convertible bonds due 2025 at a c.2.6% discount to par. After transaction costs of £0.7m the Group raised net proceeds of £21.4m. Following the transaction, there remains a principal amount of £55.8m of the Convertible Bond due to mature in December 2025. The transactions are intended to extend the maturity profile of the Group's debt, with the proceeds of the transaction retained to reduce the Group's leverage over time.

On 13 June 2025, the Group drew down USD $151.7 million under a Letter of Credit issued by the Bank of Nova Scotia. This arrangement was established as part of the strategic partnership between Ocado and The Kroger Co. ("Kroger"), announced in 2018. The Letter of Credit was intended to provide a capital contribution to Ocado in support of its investment in Kroger's online business. In line with the terms of the agreement, which specified a seven-year maturity period, the drawdown was executed upon the maturity date being reached.

On 18 June 2025, the Group and Bon Preu Group ("Bon Preu") announced an expansion of their partnership with the development of a new CFC in Parets del Vallès to serve the Catalonia region. This follows strong growth in Bon Preu's online business, enabled by Ocado's In-Store Fulfilment solution.

Condensed Consolidated Financial Statements

Condensed Consolidated Income Statement

for the 26 weeks ended 1 June 2025

		26 weeks ended 1 June 2025 (unaudited)			26 weeks ended 2 June 2024 (unaudited) (restated[2])		
	Notes	**Results before adjusting items £m**	**Adjusting items (Note 4) £m**	**Total £m**	Results before adjusting items £m	Adjusting items (Note 4) £m	Total £m
Continuing operations							
Revenue	3	**674.0**	**-**	**674.0**	595.4	-	595.4
Operating costs		**(756.4)**	**(38.6)**	**(795.0)**	(729.5)	2.5	(727.0)
Operating (loss)/profit before results of joint ventures and associate		**(82.4)**	**(38.6)**	**(121.0)**	(134.1)	2.5	(131.6)
Share of results of joint venture and associate		**(2.9)**	**(1.0)**	**(3.9)**	0.2	-	0.2
Operating (loss)/profit		**(85.3)**	**(39.6)**	**(124.9)**	(133.9)	2.5	(131.4)
Finance income	5	**16.2**	**2.0**	**18.2**	16.2	6.9	23.1
Finance costs	5	**(66.1)**	**-**	**(66.1)**	(42.3)	-	(42.3)
Other finance gains and losses	5	**(2.6)**	**2.3**	**(0.3)**	10.9	-	10.9
(Loss)/profit before tax from continuing operations		**(137.8)**	**(35.3)**	**(173.1)**	(149.1)	9.4	(139.7)
Income tax (expense)/credit		**(2.4)**	**-**	**(2.4)**	0.6	-	0.6
(Loss)/profit for the period from continuing operations		**(140.2)**	**(35.3)**	**(175.5)**	(148.5)	9.4	(139.1)
Discontinued operations[1]							
Profit/(loss) after tax from discontinued operations	7	**10.2**	**777.1**	**787.3**	(12.1)	(2.1)	(14.2)
(Loss)/profit for the period		**(130.0)**	**741.8**	**611.8**	(160.6)	7.3	(153.3)
Attributable to:							
Owners of Ocado Group plc				**621.8**			(136.3)
Non-controlling interests				**(10.0)**			(17.0)
				611.8			(153.3)

[1]On 6 April 2025, the Group transferred control of Ocado Retail Limited ("ORL") to Marks & Spencer plc ("M&S") under the terms of the Shareholder Agreement. As a result, ORL is no longer consolidated from 7 April 2025, in line with IFRS 10. From this date, the Group's interest in ORL has been accounted for as an associate using the equity method under IAS 28. Accordingly, ORL's results (including relevant inter-segment eliminations) have been reported as discontinued operations for the 18 weeks ended 6 April 2025. The Group's share of ORL's profit or loss has been recognised for the subsequent 8-week period to 1 June 2025. Other than the transfer of control between the two shareholders, there has been no other change to the economic interest held in ORL or the shareholder agreement.

[2]Comparatives have been restated to reflect the presentation of the Retail segment and inter-segment eliminations as discontinued operations.

Earnings/(loss) per share		**pence**	pence
From continuing operations:			
Basic and diluted loss per share	6	**(21.0)**	(16.6)
From continuing and discontinued operations:			
Basic profit/(loss) per share	6	**75.5**	(16.6)
Diluted profit/(loss) per share		**71.4**	(16.6)

Condensed Consolidated Statement of Comprehensive Income

for the 26 weeks ended 1 June 2025

	26 weeks ended 1 June 2025 (unaudited) £m	26 weeks ended 2 June 2024 (unaudited) £m
Profit/(loss) for the period	**611.8**	(153.3)
Other comprehensive income		
Items that may be reclassified to profit or loss in subsequent years:		
Fair value movements in cash flow hedges	**(1.1)**	(0.5)
Foreign exchange loss on translation of foreign subsidiaries	**(47.3)**	(14.7)
Net other comprehensive expense that may be reclassified to profit or loss in subsequent periods	**(48.4)**	(15.2)
Items that may be reclassified to profit or loss in subsequent years:		
Gain on equity investments designated as at fair value through other comprehensive income	**-**	8.7
Net other comprehensive income that will not be reclassified to profit and loss in subsequent periods	**-**	8.7
Other comprehensive expense for the period from continuing operations, net of income tax	**(48.4)**	(6.5)
Total comprehensive income/(expense) for the period	**563.4**	(159.8)
Attributable to:		
Owners of Ocado Group plc	**573.4**	(142.8)
Non-controlling interests	**(10.0)**	(17.0)
	563.4	(159.8)

Condensed Consolidated Balance Sheet

as at 1 June 2025

	Notes	1 June 2025 £m (unaudited)	2 June 2024 £m (unaudited)	1 December 2024 £m (audited)
Non-current assets				
Goodwill		**145.2**	157.9	158.2
Other intangible assets		**525.4**	480.8	496.5
Property, plant and equipment		**1,417.9**	1,790.7	1,555.4
Right-of-use assets		**196.8**	414.5	264.8
Net investment in leases		**132.7**	-	-
Investment in joint venture and associate	9	**753.1**	9.7	7.0
Other financial assets	10	**202.8**	95.5	100.8
Trade and other receivables		**-**	7.8	-
Deferred tax assets		**3.6**	3.2	4.7
Derivative financial assets	11	**3.4**	13.0	3.4
		3,380.9	2,973.1	2,590.8
Current assets				
Net investment in leases		**15.8**	-	-
Other financial assets	10	**9.7**	43.1	12.9
Inventories		**58.0**	123.5	39.8
Trade and other receivables		**177.2**	394.7	186.4
Current tax assets		**7.2**	2.8	7.5
Cash and cash equivalents	8	**745.8**	746.6	732.5
Derivative financial assets	11	**-**	-	0.1
		1,013.7	1,310.7	979.2
Assets classified as held for sale	7	**-**	-	586.5
		1,013.7	1,310.7	1,565.7
Total assets		**4,394.6**	4,283.8	4,156.5
Current liabilities				
Contract liabilities		**(42.7)**	(37.5)	(38.1)
Trade and other payables		**(261.9)**	(447.6)	(246.6)
Current tax liabilities		**(2.2)**	(1.1)	(1.4)
Borrowings	8	**(133.8)**	(4.9)	(0.2)
Provisions		**(7.4)**	(11.1)	(7.6)
Lease liabilities	8	**(35.0)**	(55.1)	(30.3)
Derivative financial liabilities	11	**(1.7)**	(0.5)	(0.7)
		(484.7)	(557.8)	(324.9)
Net current assets		**529.0**	752.9	1,240.8
Non-current liabilities				
Contract liabilities		**(516.3)**	(412.4)	(468.5)
Provisions		**(16.1)**	(28.7)	(15.9)
Borrowings	8	**(1,350.8)**	(1,477.3)	(1,386.5)
Lease liabilities	8	**(275.2)**	(431.4)	(281.4)
Trade and other payables		**(1.0)**	(1.1)	(1.1)
Deferred tax liabilities		**(0.5)**	(2.9)	(0.6)
		(2,159.9)	(2,353.8)	(2,154.0)
Liabilities directly associated with assets classified as held for sale	7	**-**	-	(506.4)
		(2,159.9)	(2,353.8)	(2,660.4)
Net assets		**1,750.0**	1,372.2	1,171.2
Equity				
Share capital		**16.7**	16.6	16.7
Share premium		**1,948.3**	1,944.0	1,947.5
Treasury shares reserve		**(112.9)**	(112.9)	(112.9)
Other reserves		**33.8**	84.1	83.2
Retained earnings		**(135.9)**	(566.2)	(748.8)
Equity attributable to owners of Ocado Group plc		**1,750.0**	1,365.6	1,185.7
Non-controlling interests		**-**	6.6	(14.5)
Total equity		**1,750.0**	1,372.2	1,171.2

Condensed Consolidated Statement of Changes in Equity

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**

for the 26 weeks ended 2 June 2024 (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 3 December 2023 (audited)	16.6	1,942.9	(112.9)	90.6	(449.8)	1,487.4	23.6	1,511.0
Loss for the period	-	-	-	-	(136.3)	(136.3)	(17.0)	(153.3)
Other comprehensive expense	-	-	-	(6.5)	-	(6.5)	-	(6.5)
Total comprehensive expense for the period ended 2 June 2024 (unaudited)	-	-	-	(6.5)	(136.3)	(142.8)	(17.0)	(159.8)
Transactions with owners:								
- Issue of ordinary shares	-	0.9	-	-	-	0.9	-	0.9
- Allotted in respect of share option schemes	-	0.2	-	-	-	0.2	-	0.2
- Share-based payments charge	-	-	-	-	19.9	19.9	-	19.9
Total transactions with owners	-	1.1	-	-	19.9	21.0	-	21.0
Balance at 2 June 2024 (unaudited)	16.6	1,944.0	(112.9)	84.1	(566.2)	1,365.6	6.6	1,372.2

Condensed Consolidated Statement of Cash Flows

for the 26 weeks ended 1 June 2025

	Note	**26 weeks ended 1 June 2025 £m (unaudited)**	26 weeks ended 2 June 2024 £m (unaudited)
Cash generated from operations	14	**143.3**	50.0
Cash received from the AutoStore settlement	4	**50.0**	49.8
Corporation tax received/(paid)		**0.2**	(2.9)
Interest paid		**(51.4)**	(27.8)
Net cash flows from operating activities		**142.1**	69.1
Cash flows from/(used in) investing activities			
Purchase of property, plant and equipment		**(86.8)**	(120.5)
Purchase of intangible assets		**(89.5)**	(93.7)
Proceeds from disposal of asset held for sale		**-**	18.6
Cash received in respect of contingent considerations receivable		**-**	1.0
Loans repaid by joint ventures, associates and investee companies		**3.2**	-
Proceeds from net investment in leases		**2.2**	-
Cash outflow on loss of control of subsidiaries		**(68.2)**	-
Interest received		**13.0**	15.0
Net cash flows used in investing activities		**(226.1)**	(179.6)
Cash flows from/(used in) financing activities			
Proceeds from issue of ordinary share capital		**0.8**	0.9
Proceeds from allotment of share options		**-**	0.2
Proceeds from interest-bearing loans and borrowings		**300.0**	0.2
Transaction costs on issue of borrowings		**(9.0)**	-
Repayment of borrowings		**(202.7)**	-
Repayment of principal element of lease liabilities		**(25.7)**	(27.7)
Net cash flows from/(used) in financing activities		**63.4**	(26.4)
Net decrease in cash and cash equivalents		**(20.6)**	(136.9)
Cash and cash equivalents at the beginning of the period		**771.5**	884.8
Effects of changes in foreign exchange rates		**(5.1)**	(1.3)
Cash and cash equivalents at the end of the period		**745.8**	746.6

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 ended 1 June 2025. The prior financial periods represent the 26 weeks ended 2 June 2024 and the 52 weeks ended 1 December 2024.

2. Basis of preparation

This condensed consolidated interim financial report for the half-year reporting period ended 1 June 2025 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 of 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 1 December 2024 which was 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 IFRS Interpretation Committee ('IFRIC'). This 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. It has been prepared under the historical cost convention, as modified by the revaluation of financial asset investments and certain 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 condensed consolidated financial statements.

In assessing going concern, the Directors take into account the Group's cash flows, solvency and liquidity positions and borrowing facilities. At the end of the period, the Group had Cash and cash equivalents of £745.8m (1 December 2024: £732.5m) and net current assets of £529.0m (1 December 2024: £1,240.8m), which the Directors believe would be sufficient to maintain the Group's liquidity over the going concern period, including continued investment to meet existing financial commitments and to deliver future growth.

The Directors considered a range of scenarios as part of their assessment, each of which showed positive cash headroom throughout the 18 month period from the balance sheet date. In addition, the Directors considered mitigating actions available in the event of either a deterioration in trading performance or the crystallisation of one or more of the Group's principal risks, notably the ability to significantly reduce the c.£160m of technology R&D expenditure (which by its nature is largely discretionary) in the short term or to make cost efficiencies where appropriate.

The Directors also considered the maturity profile of the Group's debt facilities, with particular focus on the Convertible Bonds which mature in January 2027. Whilst the maturity of the convertible bonds is outside of the going concern assessment period, the Directors have considered the risk that the Group has insufficient ability to access the capital markets to refinance debt as it approaches maturity. The Directors are comfortable, based on the Group's previous record in raising finance and its transition to cash flow generation, that such refinance will be successfully achieved and will therefore not impact the ability of the Group to continue to meet existing financial commitments as they fall due.

Taking these factors together, the Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the condensed 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 1 December 2024.

Judgements and estimates
The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. 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 1 December 2024 other than as set out below.

Consolidation of Ocado Retail Limited ("Ocado Retail") - Management have applied judgement in considering whether the Group continues to have control over Ocado Retail at the balance sheet date in accordance with IFRS 10. Management has concluded that the Group ceased to control Ocado Retail as a result of the transfer of the determinative rights under the terms of the Shareholder Agreement from the Group to M&S in early April. As a result, the Group has deconsolidated Ocado Retail from the date control was transferred and recognised its remaining interest in Ocado Retail as an Investment in Associate.

New standards, amendments and interpretations
The following new standards, interpretations and amendments to published standards and interpretations are relevant to the Group and have been deemed to have an immaterial effect on these interim financial statements:

		Effective date
IAS 1	Non-current Liabilities with Covenants (amendments)	1 January 2024
IAS 1	Classification of Liabilities as Current or Non Current (amendments)	1 January 2024
IAS 7 and IFRS 7	Supplier Finance Arrangements (amendments)	1 January 2024
IAS 28	Investments in Associates and Joint Ventures (amendments)	Deferred
IFRS 10	Consolidated Financial Statements (amendments)	Deferred
IFRS 16	Leases—Lease Liability in a Sale and Leaseback (amendments)	1 January 2024

Discontinued operations
On 6 April 2025, the Group transferred control of Ocado Retail Limited ("ORL") to Marks & Spencer plc ("M&S") under the terms of the Shareholder Agreement. As a result, ORL ceased to be consolidated from 7 April 2025, in line with IFRS 10. Accordingly, ORL's results (including relevant inter-segment eliminations) have been reported as discontinued operations for the 18 weeks ended 6 April 2025 in the Condensed Consolidated Income Statement, for which comparatives have been restated. From 7 April 2025, the Group's interest in ORL has been accounted for as an associate using the equity method under IAS 28 with the Group's share of ORL's profit or loss being recognised for the 8-week period to 1 June 2025. For further details, refer to note 7.

Jones Food Company Limited loss of control
On 7 April 2025, 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 the date control was lost and derecognised assets and liabilities of JFC in accordance with IFRS 10.

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).

The Group transferred control of ORL to M&S on 6 April 2025 under the terms of the Shareholder Agreement and, consistent with the FY24 Annual Report, ORL's results (including relevant inter-segment eliminations) have been reported as discontinued operations for the 18 weeks ended 6 April 2025 in the Condensed Consolidated Income Statement and ceased to be consolidated from 7 April 2025. As a result Retail no longer meets the definition of a reportable segment and is no longer reported as such.

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 three major customers which individually contribute more than 10% of revenue. This includes £160.9m (1H24: £156.8m) in the Technology Solutions segment and £396.7m (1H24: £354.0m) in the Logistics segment.

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

	Technology Solutions £m	Logistics £m	**Group £m**
26 weeks ended 1 June 2025 (unaudited)			
Revenue	**277.3**	**396.7**	**674.0**
Adjusted EBITDA*	**72.8**	**19.0**	**91.8**
26 weeks ended 2 June 2024 (unaudited)			
Revenue	241.4	354.0	595.4
Adjusted EBITDA*	34.8	17.2	52.0

See Note 17 - Alternative Performance Measures. The definition of Adjusted EBITDA has been amended to exclude share of results from joint ventures and associate and comparative information has been restated accordingly.

Revenue and Adjusted EBITDA* for the Technology Solutions segment includes the impact of non-recurring fees of £16.6m recognised following the cessation of Morrisons deliveries from our Erith CFC, as announced in November 2024.

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

Continuing operations	**1 June 2025 (unaudited) £m**	2 June 2024 (unaudited) £m
UK	**2,152.0**	1,215.1
Europe (excluding UK)	**110.5**	122.5
North America	**543.0**	626.1
Asia Pacific	**220.4**	223.6
	3,025.9	2,187.3

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 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 1 June 2025 £m (unaudited)**	26 weeks ended 2 June 2024 £m (unaudited)
Litigation settlement including interest unwind	A	**2.0**	6.9
Ocado Group Finance transformation	B	**-**	(2.6)
Ocado Retail IT systems transformation	C	**(6.5)**	(2.1)
Change in fair value of contingent consideration and related costs	D	**-**	(1.0)
Organisational restructure	E	**(11.8)**	(1.2)
Ocado Group HR systems transformation	F	**(3.8)**	(3.5)
Zoom by Ocado network capacity and strategy review	G	**-**	(1.6)
Gain on disposal of assets held for sale	H	**-**	12.4
Gain on partial redemption of bonds	I	**2.3**	-
Gain on deconsolidation of Ocado Retail	J	**782.6**	-
Loss on deconsolidation of Jones Food Company	K	**(23.0)**	-
Total adjusting items		**741.8**	7.3
Exclude net adjusting income/(expense) relating to discontinued operations (Note 7)		**777.1**	(2.1)
Net adjusting (expense)/income from continuing operations		**(35.3)**	9.4

*Adjusting items are alternative performance measures. See Note 17 - Alternative Performance Measures.

A. 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 current period (1H24: £6.9m). During the period, payments totalling £50.0m (1H24: £49.8m) have been 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.

B. Ocado Group Finance transformation

Subsequent to the Group's implementation of various Software as a Service ("SaaS") solutions in FY21, the Group undertook a multi-year programme which focused on optimising and enhancing the existing SaaS solutions and related finance processes to improve efficiency across the business. This programme completed in 1H24. The cumulative finance transformation costs expensed amounts to £12.2m, including £2.6m in 1H24, 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 significant 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. Ocado Retail IT and Finance systems 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 FY26, includes the development of both on-premises and SaaS solutions. The costs incurred during the current period amount to £6.1m (1H24: £1.5m). The cumulative costs expensed to date by Ocado Retail total £26.3m.

Ocado Retail is undergoing 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. The costs incurred during the current period amount to £1.2m (1H24: £0.6m). The cumulative costs expensed to date by Ocado Retail total £4.0m.

Ocado Group has recognised £6.5m in relation to these costs - £5.5m recognised in discontinued operations and £1.0m in share of results of associate following the deconsolidation of Ocado Retail.

These 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.

D. Change in fair value of contingent consideration receivable and related costs
In 2019, the Group sold 50% of ORL to Marks and Spencer Holdings Limited ("M&S"). Part of the consideration for this transaction was contingent on future events and held at fair value through profit or loss ("FVTPL"), and revalued at each reporting date.

In 1H24, the Group incurred consultancy costs of £1.0m in relation to the above, as these costs were incurred in the process of securing an adjusting income and classified to adjusting items.

E. Organisational restructure
During the period, the Group undertook an organisational restructure focusing on technology costs, incurring redundancy and associated costs of £11.8m. In the prior period the Group undertook a final partial reorganisation of its head office and support functions incurring costs of £1.2m.

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.

F. 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 early FY26. The cumulative HR systems transformation costs expensed to date amount to £14.3m and includes £3.8m in the period (1H24: £3.5m), 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 £17.5m and arise from a strategic project that is not considered by the Group to be part of the normal operating costs of the business.

G. Zoom by Ocado network capacity and strategy review
During 2023, Ocado Retail undertook a strategy and capacity review for the Zoom network, which resulted in the Group recording impairment charges totalling £27.2m, of which £12.5m related to property, plant and equipment, £14.5m to right-of-use assets and £0.2m to other intangible assets, and other costs of £0.2m.

In 1H24, the Group recognised an additional impairment of £1.6m relating to property, plant and equipment.

These costs have been classified as adjusting items on the basis that they are material and part of a significant strategic review.

H. Gain on disposal of assets held for sale
In 1H24, the Group disposed of two spoke sites for net proceeds of £18.6m which resulted in a gain on disposal of £12.4m. The gain on disposal was treated as an adjusting item because it is material and arose on a transaction that was considered to be outside the normal operations of the business.

I. Gain on partial redemption of bonds
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 8 for further details.

J. Gain on deconsolidation of Ocado Retail
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. Refer to Note 7 for further details.

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

K. Loss on deconsolidation of Jones Food Company
On 7 April 2025, Jones Food Company Ltd ("JFC") appointed administrators. This appointment removed the Group's control of JFC, as defined under IFRS 10 Consolidated Financial Statements. As a result, JFC was deconsolidated from the Group's financial statements from that date. This resulted in a loss of £23.0m, which includes a £4.7m impairment of goodwill.

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 loss of control of subsidiaries is not subject to tax. The remaining adjusting items are taxable or tax deductible. The adjusting items give rise to a net tax credit of £5.4m. The tax credit 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 1 June 2025 £m (unaudited)**	26 weeks ended 2 June 2024 £m (restated[1]) (unaudited)
Interest income on cash balances	**12.9**	15.7
Interest income on loans receivable	**1.8**	0.4
Interest income on net investment in leases	**1.5**	-
Unwind of discount on AutoStore receivable	**2.0**	6.9
Other finance income	**-**	0.1
Finance income	**18.2**	23.1
Interest expense on borrowings	**(54.0)**	(31.3)
Interest expense on lease liabilities	**(8.8)**	(8.4)
Interest expense on provisions	**(0.4)**	(0.4)
Other finance costs	**(2.9)**	(2.2)
Finance costs	**(66.1)**	(42.3)
Gain on revaluation of financial instruments designated at FVTPL	**-**	9.7
(Loss)/gain on foreign exchange	**(2.6)**	1.2
Gain on redemption of borrowings	**2.3**	-
Other finance gains and losses	**(0.3)**	10.9
Net finance cost	**(48.2)**	(8.3)

[1]Comparatives have been restated to reflect the presentation of the Retail segment and inter-segment eliminations as discontinued operations.

6. 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.

There was no difference in the weighted average number of shares used for the calculation of the basic and diluted loss per share in 1H24 since the effect of all potentially dilutive shares outstanding was anti-dilutive.

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

	26 weeks ended 1 June 2025 million	26 weeks ended 1 June 2024 million
Basic weighted average number of shares	**824.1**	818.9
Effect of dilution	**70.5**	-
Diluted weighted average number of shares	**894.6**	818.9

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 835.6m, less 10.6m shares held by the Employee Benefit Trust ("EBT") (1H24: 833.3m, less 10.5m held by the EBT).

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

Continuing operations	**26 weeks ended 1 June 2025 (unaudited) £m**	26 weeks ended 1 June 2024 (unaudited) £m
Profit/(loss) attributable to owners of the Company	**621.8**	(136.3)
Less profit from discontinued operations (Note 7)[2,3]	**(795.0)**	0.2
Loss from continuing operations[1]	**(173.2)**	(136.1)
Exclude: Adjusting items attributable to owners of the Company	**35.3**	(9.4)
Adjusted loss after tax attributable to the owners of the Company	**(137.9)**	(145.5)

[1]Excludes losses attributable to non-controlling interests (Jones Food Company) of £2.2m (1H24: £3.0m).
[2]The results of discontinued operations represent 18 weeks ending 6 April 2025 (1H24: 26-weeks ended 1 June 2024).
[3]Excludes losses attributable to non-controlling interests (Ocado Retail) of £7.8m (1H24: £13.9m).

Continuing operations	**26 weeks ended 1 June 2025 (unaudited) pence**	26 weeks ended 1 June 2024 (unaudited) pence
Basic Earnings/(loss) per share	**(21.0)**	(16.6)
Adjusting items attributable to owners of the Company	**4.3**	(1.2)
Adjusted loss per share	**(16.7)**	(17.8)

Continuing and discontinued operations	**26 weeks ended 1 June 2025 (unaudited) £m**	26 weeks ended 1 June 2024 (unaudited) £m
Profit/(loss) attributable to owners of the Company	**621.8**	(135.9)
Impact of conversion of convertible bonds	**17.3**	-
Profit/(loss) attributable to owners of the Company (for diluted EPS)	**639.1**	(135.9)

Continuing and discontinued operations	**26 weeks ended 1 June 2025 (unaudited) pence**	26 weeks ended 1 June 2024 (unaudited) pence
Basic Earnings/(loss) per share	**75.5**	(16.6)
Diluted earnings per share	**71.4**	(16.6)

7. Discontinued operations

Accounting policies
The Group classifies non-current assets and assets and liabilities within disposal groups as held for sale if the assets are available immediately for sale in their present condition, management is committed to a plan to sell the assets under usual terms, it is highly probable that their carrying amounts will be recovered principally through a sale transaction rather than through continuing use and the sale is expected to be completed within one year from the date of the initial classification.

Assets and liabilities classified as held for sale are presented separately as current items in the Condensed Consolidated Statement of Financial Position and are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Where operations constitute a separately reportable segment and are classified as held for sale, the Group classifies such operations as discontinued.

Transactions between the Group's continuing and discontinued operations are eliminated in full in the Condensed Consolidated Income Statement. To the extent that the Group considers that the commercial relationships with discontinued operations will continue post-disposal, transactions are reflected within continuing operations with an opposite charge or credit reflected within the results of discontinued operations resulting in a net nil impact on the Group’s Profit for the financial year for the years presented.

Transfer of control of Ocado Retail
Historically, the results of ORL have been 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 Ocado Retail’s business plan and budget and the appointment and removal of Ocado Retail’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 and consistent with the FY24 Annual Report, management has concluded that ORL meets the requirements of being reported as a discontinued operation for the period ending 6 April 2025.

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

There has been no change in economic interest of both shareholders in ORL, or any consideration paid by M&S, as a result of this change in control.

Results of the discontinued operations for the period:

Income statement	**18 weeks ended 6 April 2025 £m (unaudited)**	26 weeks ended 2 June 2024 £m (unaudited)
Revenue	**767.9**	947.6
Operating costs	**(757.6)**	(954.9)
Operating profit/(loss)	**10.3**	(7.3)
Net finance costs	**(5.6)**	(6.9)
Profit/(loss) before tax	**4.7**	(14.2)
Income tax credit/(charge)	**-**	-
Post-tax profit/(loss)	**4.7**	(14.2)
Gain on deconsolidation of discontinued operations	**782.6**	-
Attributable tax credit/(charge)	**-**	-
Post-tax gain on deconsolidation of discontinued operations	**782.6**	-
Profit/(loss) after tax for the period from discontinued operations	**787.3**	(14.2)

The adjusting items credit of £777.1m in the current year comprises a £782.6m gain on the deconsolidation of ORL, partially offset by £5.5m of ORL IT and finance systems transformation costs (1H24: £2.1m). Refer to Note 4 for further details.

	18 weeks ended 6 April 2025 £m (unaudited)	26 weeks ended 2 June 2024 £m (unaudited)
Cash flows from/(used in) discontinued operations		
Net cash flows from operating activities	50.6	21.8
Net cash flows used in investing activities	(4.3)	(1.4)
Net cash flows used in financing activities	(17.1)	(18.9)
Net cash flows for the period	**29.2**	**1.5**

Effect of loss of control on the financial position of the Group

Impact on net liabilities and gain on deconsolidation of ORL	**1 June 2025 £m (unaudited)**
Other intangible assets	(13.9)
Property, plant and equipment	(211.4)
Right-of-use assets	(235.1)
Net investment in leases	149.2
Other financial assets	100.9
Inventories	(85.7)
Trade and other receivables	(78.1)
Cash and cash equivalents	(68.2)
Trade and other payables	217.1
Contract liabilities	(54.0)
Borrowings	100.9
Provisions	26.4
Lease liabilities	184.5
Cumulative impact on the assets and liabilities on deconsolidation	**32.6**
Fair value of retained interest in ORL	750.0
Gain on deconsolidation of ORL	**782.6**

As a result of the deconsolidation of ORL, the Group has recognised items on the balance sheet that were previously eliminated on consolidation and that are reflected in the table above. These include:

- Net investment in leases for property, plant and equipment and right of use assets that are leased to ORL. These have been recognised at a fair value of £149.2m which represents a gain on the carrying value of Property, Plant and Equipment and Right of Use assets of £32.4m;
- Shareholder loan and accrued interest of £100.9m due to the Group from ORL; and
- Contract liabilities of £54.0m relating to upfront fees received from ORL.

8. Movements in net debt*

		Cash movements			**Non-cash movements**			
	1 December 2024 £m	Cash flows excluding interest £m	Interest received £m	Interest paid £m	Interest income/ (charge) £m	Net new lease liabilities £m	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)**

	3 December 2023 £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	2 June 2024 £m
Cash and cash equivalents	884.8	(151.9)	15.0	-	-	-	(1.3)	746.6
Liabilities from financing activities:								
Borrowings	(1,462.1)	(0.2)	-	15.3	(35.2)	-	-	(1,482.2)
Lease liabilities	(497.8)	27.7	-	12.5	(12.5)	(16.4)	-	(486.5)
Gross debt*	(1,959.9)	27.5	-	27.8	(47.7)	(16.4)	-	(1,968.7)
Net debt*	(1,075.1)	(124.4)	15.0	27.8	(47.7)	(16.4)	(1.3)	(1,222.1)

*Gross debt and net debt are alternative performance measures. See Note 17 - 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 £2.3m, amounts recognised in equity in relation to the early redemption of convertible bonds of £1.0m and the derecognition of £105.6m as a result of loss of control of subsidiaries in the period (£100.9m Ocado Retail and £4.7m Jones Food). Other non-cash movements in lease liabilities includes foreign exchange of £0.2m (1H24: £nil) and the derecognition of £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 3 December 2023, 2 June 2024 and 1 December 2024, Net debt* includes cash and cash equivalents, borrowings and lease liabilities relating to the disposal group. Balances and movements in respect of the disposal group are presented to allow reconciliation to the Consolidated cash flow statement.

Refinancing

In May 2025, the Group raised gross proceeds of £300.0m (£291.7m net of transaction costs of £8.3m) through the issuance of senior unsecured notes which mature in 2030. Part of the proceeds were used to fund the early redemption of existing debt facilities.

Early partial redemption of convertible bonds and senior unsecured notes

Following the issue of the new £300.0m bonds, the Group completed a tender process which resulted in an early partial redemption of some of its debt at a c.2% discount to par (i.e. at 98% of par), as set out in the table below:

Face value of debt and tender consideration	**Prior to tender £m**	**Tender principal amounts £m**	**Remaining principal £m**	**Tender consideration £m**
Convertible bonds (maturing 2025)	172.8	37.0	135.8	36.0
Senior unsecured notes (maturing 2026)	223.7	169.0	54.6	166.7
Total	**396.5**	**206.0**	**190.4**	**202.7**

The redemption of the notes meets the requirements of derecognition of the related financial liabilities. A gain on redemption of £2.3m has been recorded within the Consolidated Income Statement and a reduction of £0.9m has been recorded within the convertible bond reserve in the Consolidated Statement of Changes in Equity. Transaction costs incurred on the redemption amounted to £0.3m.

In accordance with its financial strategy, Ocado plans to take steps to address its debt maturities prior to an instrument becoming current and continues to evaluate opportunities related to addressing the maturity profiles of its listed debt instruments (which may include liability management transactions).

9. Investment in joint venture and associate

The Group's principal joint ventures and associates are:

	Nature of relationship	Half Year	Business activity	% of interest held (1H25)	% of interest held (FY24)	Country of incorporation	Principal area of operation
MHE JVCo Limited	Joint venture	1 Jun	Lessor of assets to the Group	50.0%	50.0%	United Kingdom	United Kingdom
Ocado Retail Limited	Joint venture	1 Jun	Online grocery retail	50.0%	n/a	United Kingdom	United Kingdom

The Group holds a 25% interest investment in Paneltex Limited that has not been treated as an associate since the Group does not have significant influence over the company.

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

	MHE JVCo	Ocado Retail	
	26 weeks ended 1 June 2025 £m	26 weeks ended 1 June 2025 £m	Total £m
Investment at beginning of period	7.0	-	7.0
Initial recognition of investment	-	750.0	750.0
Share of total comprehensive income/(expense) attributable to Group	0.1	(4.0)	(3.9)
Investment at end of period	**7.1**	**746.0**	**753.1**

Under the requirements of IFRSs, following the deconsolidation of ORL (refer to Note 7) the Group recognised its remaining interest in ORL at an accounting fair value. The determination of a fair value is inherently subjective and has been estimated using a discounted cash flow methodology supported by a number of inputs.

The key inputs and assumptions within the methodology used to support the fair value are:

- Forecast cash flows - based on assumptions in the latest ORL Board-approved 5-year plan, with extrapolations extending for a further 9 years, reflecting the anticipated growth of the online grocery sector.
- Discount rate - based on a weighted average cost of capital ("WACC") of a market participant being a post-tax discount rate of 9.0%

The fair value measurement is classified as Level 3 in the Fair Value Hierarchy (refer to Note 11) due to the nature of inputs used.

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	Ocado Retail	
	1 June 2025 £m	1 June 2025 £m	Total £m
Non-current assets	11.0	645.7	656.7
Current assets			
Cash and Cash equivalents	0.5	55.2	55.7
Other current assets	3.6	225.0	228.6
Current liabilities			
Current financial liabilities	-	(48.0)	(48.0)
Other current liabilities	(1.0)	(300.6)	(301.6)
Non-current liabilities			
Non-current financial liabilities	-	(610.9)	(610.9)
Other non-current liabilities	-	(23.5)	(23.5)
Net assets/(liabilities)	14.1	(57.1)	(43.0)

	MHE JVCo 26 weeks ended 1 June 2025 £m	Ocado Retail 8 weeks ended 1 June 2025 £m	Total £m
Revenue	-	415.3	415.3
Operating costs	-	(407.6)	(407.6)
Depreciation, amortisation and impairment charges	(0.1)	(9.5)	(9.6)
Interest income/(expense)	0.3	(6.2)	(5.9)
Profit/(loss) and total comprehensive income/(expense) for the period	0.2	(8.0)	(7.8)
Share of total comprehensive income/(expense) attributable to Group	**0.1**	**(4.0)**	**(3.9)**

The joint ventures and associates 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 ventures or associates that remain unrecognised as 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.

10. Other financial assets

Other financial assets comprise contingent consideration receivable, unlisted equity investments, loans receivable and contributions towards dilapidations costs receivable.

	1 June 2025 £m (unaudited)	2 June 2024 £m (unaudited)	1 December 2024 £m (audited)
Contingent consideration receivable	**-**	28.4	-
Unlisted equity investments held at FVTOCI	**99.9**	94.8	100.1
Loans receivable held at amortised cost	**111.9**	14.7	12.9
Contribution towards dilapidation costs receivable	**0.7**	0.7	0.7
Other financial assets	**212.5**	138.6	113.7
Disclosed as:			
Current	**9.7**	43.1	12.9
Non-Current	**202.8**	95.5	100.8
	212.5	138.6	113.7

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. There were no significant changes in unlisted equity investments held at FVTOCI during the period.

Refer to Note 11 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

The loans receivable held at amortised cost include a £90.0m loan to Ocado Retail which has a maturity date of August 2039 and incurs interest at SONIA + 4% per annum, and a US$15.0m loan to Infinite Acres Holding B.V. which is being repaid under a repayment plan at US$1.0m per month with interest being charged on outstanding principal amounts at 12.5% per annum.

11. Financial instruments

Financial assets and liabilities at fair value

Financial instruments carried at fair value on the Condensed Consolidated Balance Sheet comprise contingent consideration, unlisted equity investments and the derivative assets and liabilities. The Group uses the following hierarchy for determining and disclosing the fair value of these 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); and
- 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:

		1 June 2025	2 June 2024	1 December 2024
		£m	£m	£m
		(unaudited)	(unaudited)	(audited)
Financial assets held at fair value				
- Contingent consideration receivable	Level 3	**-**	28.4	-
- Unlisted equity investments	Level 3	**99.9**	94.8	100.1
- Derivative assets: warrants	Level 3	**3.4**	13.0	3.5
Total financial assets held at fair value		**103.3**	**136.2**	**103.6**
Financial liabilities held at fair value				
- Derivative financial liabilities: commodity swaps	Level 2	**(1.7)**	(0.5)	(0.7)
Total financial liabilities held at fair value		**(1.7)**	**(0.5)**	**(0.7)**

There were no transfers between the levels of the fair value hierarchy during the period. There were also no changes made to any of the valuation techniques during the period.

The following table provides information about how the fair values of financial instruments classified as level 3 are determined:

Description	Valuation techniques and key inputs	Significant unobservable inputs
Unlisted equity investments	Probability weighted expected return method ("PWERM") Forecast revenue, revenue multiples, exit date, discount rate and probabilities Option pricing model method ("OPM")	Probabilities of expected revenue in a number of different scenarios. Discount rate Exit date Time to exit Volatility

12. Capital expenditure and commitments

During the period, the Group acquired property, plant and equipment of £71.2m (1H24: £101.6m) and intangible assets of £6.9m (1H24: £8.8m). Internal development costs of £90.2m (1H24: £100.1m) were capitalised. Capital expenditure relates to CFCs in the UK, investment in international CFCs and technology expenditure.

At 1 June 2025 capital commitments contracted, but not provided for by the Group, amounted to £150.4m (1H24: £74.0m, FY24: £179.3m).

13. 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.

14. Cash generated from operations

	Note	**26 weeks ended 1 June 2025 £m (unaudited)**	26 weeks ended 2 June 2024 £m (unaudited)
Cash flows from operating activities			
Profit/(loss) before tax		**614.2**	(153.9)
Adjustments for:			
- Revenue recognised from long-term contracts		**(29.6)**	(27.1)
- Depreciation, amortisation and impairment losses		**180.0**	211.8
- Gain on disposal of property, plant and equipment		**0.1**	-
- Property, plant and equipment write-off		**(0.1)**	0.2
- Gain on disposal of asset held for sale		**-**	(12.4)
- 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)**	(6.9)
- Share of results from joint ventures and associate		**3.9**	(0.2)
- Movement in provisions		**5.6**	(1.8)
- Share-based payments charge		**15.6**	19.9
- Net finance cost	5	**55.8**	22.1
Changes in working capital:			
- Movement in inventories		**(15.7)**	(14.6)
- Movement in trade and other receivables		**6.7**	(9.8)
- Movement in trade and other payables		**27.3**	0.6
- Cash received from contract liabilities (upfront fees)		**41.1**	22.1
Cash generated from operations		**143.3**	50.0

15. 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 which 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 (1H24: £nil). At the end of the period, there was £nil (1H24: £nil) owed by key management personnel to the Group.

Joint ventures
MHE JVCo Limited
The following transactions were carried out with MHE JVCo Limited ("MHE JVCo"), a company incorporated in the United Kingdom in which the Group holds a 50% interest:

	26 weeks ended 1 June 2025 £m (unaudited)	26 weeks ended 2 June 2024 £m (unaudited)	53 weeks ended 1 December 2024 £m (audited)
Dividend received from MHE JVCo	**-**	-	2.8
Reimbursement of supplier invoices paid on behalf of MHE JVCo	**1.5**	1.3	1.4
Lease liability additions of assets from MHE JVCo	**-**	0.5	1.2
Capital element of lease liability instalments paid to MHE JVCo	**0.1**	3.5	5.6
Capital element of lease liability instalments due to MHE JVCo	**1.1**	-	0.2
Interest element of lease liability instalments accrued or paid to MHE JVCo	**0.5**	0.6	1.0

During the period, the Group incurred lease instalments (including interest) of £1.7m (1H24: £4.1m) to MHE JVCo. Of the lease instalments incurred, £0.9m was recovered directly from Wm Morrison Supermarkets Limited in the form of other income (1H24: £1.9m).

Included within trade and other receivables is a balance of £1.5m (1H24: £4.9m; FY24: £0.8m) owed by MHE JVCo. Included within trade and other payables is a balance of £1.9m (1H24: £1.3m; FY24: £0.3m) owed to MHE JVCo. Included within lease liabilities is a balance of £11.9m (1H24: £14.0m; FY24: £12.4m) owed to MHE JVCo.

Ocado Retail Limited
From 7 April 2025, Ocado Retail Limited 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 Ocado Retail Limited were consolidated within the Group for which relevant intercompany transactions had been eliminated. Accordingly, no comparative related party amounts are presented for the prior period.

The following transactions were carried out with Ocado Retail Limited, a company incorporated in the United Kingdom in which the Group holds a 50% interest:

	8 weeks ended 1 June 2025 £m (unaudited)
Sales of goods and services	**125.4**
Purchases of goods and services	**0.5**
Interest income charged on loans due from ORL	**1.2**
Interest income charged on net investment in leases	**1.5**
Amounts received in relation to net investment in leases	**2.2**
Revenue recognised on CFC upfront design fees (contract liabilities)	**0.5**

Included within trade and other receivables is a balance of £33.9m owed by Ocado Retail Limited, of which £13.9m is accrued income. Included within trade and other payables is a balance of £0.5m owed to Ocado Retail Limited.

Included within net investment in leases is a balance of £148.5m owed by Ocado Retail Limited.

Included within other financial assets is a £102.2m balance owed by Ocado Retail Limited, comprising a £90m shareholder loan maturing in August 2039 with interest accruing at SONIA plus 4% per annum, £12.2 million of accumulated interest.

Parent guarantee

Ocado Retail Limited, an associate of the Group, entered into a £30.0m revolving credit facility on 9 May 2024, of which £nil was drawn as at 1 June 2025. The Group, along with Marks and Spencer Plc, jointly guarantee the facility.

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

16. Post-Balance Sheet events

Unsecured convertible bonds issued 4 June 2025
On 4 June 2025, the Group issued £100.0 million in aggregate principal amount of newly issued 11% per annum senior unsecured notes due 2030 (the "Notes") at par. The Notes will constitute a further issuance of, and will be consolidated and form a single class with, the £300.0m 11% senior unsecured notes due 2030 issued by Ocado on 8 May 2025 (the "Original Issuance") and will have the same terms as the Original Issuance. The Group used the proceeds to redeem £80.0m in aggregate principal amount of its 0.875% senior unsecured convertible bonds due 2025 a 2.625% discount to par (i.e. at 97.375% of par).

Letter of credit from Kroger
The creation of the partnership between Ocado and The Kroger Co. ("Kroger") in 2018 included an arrangement for a Letter of Credit that would provide a capital contribution to Ocado in respect of its investment in the Kroger online business. The Letter of Credit included a maturity date of seven years from the signing of the agreement. With the maturity date now reached, Ocado drew down on the Letter of Credit issued by the Bank of Nova Scotia for US$151.7m in June 2025.

New CFC Bon Preu
On 18 June 2025, Ocado and Bon Preu Group announced an expansion of their partnership with plans to construct a new CFC in Parets Del Vallès, to serve customers in the Catalonia region.

17. 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 EPS;
- Gross debt and external gross debt;
- Net debt;
- Technology Solutions fees invoiced;
- 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 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 Condensed Consolidated Financial Statements.

Adjusted EBITDA
In addition to measuring its financial performance based on operating profit, the Group measures performance based on Adjusted EBITDA. The Group has reviewed its definition of adjusted EBITDA in light of the deconsolidation of Ocado Retail and has amended the definition to be 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 1 June 2025 £m	26 weeks 2 June 2024 £m
Operating (loss)/profit before results of joint ventures and associate		**(121.0)**	(131.6)
Adjustments for:			
Adjusting items[1]	4	**38.6**	(2.5)
Amortisation of intangible assets		**58.6**	73.4
Depreciation of property, plant and equipment		**100.8**	95.7
Impairment of property, plant and equipment		**0.4**	2.2
Depreciation of right-of-use assets		**14.4**	14.8
Adjusted EBITDA		**91.8**	52.0

[1] Adjusting items include a £4.7m (1H24: £nil) 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 4 of the Condensed Consolidated Financial Statements.

Adjusted EBITDA margin
Adjusted EBITDA margin is calculated as the 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 8 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	**1 June 2025 £m**	2 June 2024 £m	1 December 2024 £m
Gross debt	8	**1,794.8**	1,968.7	1,971.7
Lease liabilities payable to joint ventures		**(11.9)**	(14.0)	(12.4)
External gross debt		**1,782.9**	1,954.7	1,959.3

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 that 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 8 to the condensed consolidated financial statements.

Technology Solutions fees invoiced
Technology Solutions fees invoiced is used as a key measure of performance of the Technology Solutions business as an alternative to revenue and represents design and capacity fees invoiced during the period for existing and future CFC and In-Store Fulfilment commitments.

Pro-forma income statement and cash flow
Pro-forma financial information presents the results of the Group as if Ocado Retail 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 and 1H24 have been re-presented as if Ocado Retail had been equity accounted from the start of the financial period.

Pro-forma income statement

	1H25 as reported £m	**Pro-forma adjustments[1] £m**	**1H25 pro-forma £m**	1H24 as reported £m	Pro-forma adjustments[1] £m	1H24 pro-forma £m
Revenue	**674.0**	**-**	**674.0**	595.4	-	595.4
Operating costs[2]	**(795.0)**	**-**	**(795.0)**	(727.0)	-	(727.0)
Operating loss before results of joint ventures and associate	**(121.0)**	**-**	**(121.0)**	(131.6)	-	(131.6)
Share of results of joint venture and associate	**(3.9)**	**(8.4)**	**(12.3)**	0.2	(13.9)	(13.7)
Operating loss	**(124.9)**	**(8.4)**	**(133.3)**	(131.4)	(13.9)	(145.3)
Finance income	**18.2**	**6.2**	**24.4**	23.1	9.4	32.5
Finance costs	**(66.1)**	**-**	**(66.1)**	(42.3)	-	(42.3)
Other finance gains and losses	**(0.3)**	**-**	**(0.3)**	10.9	-	10.9
(Loss)/profit before tax	**(173.1)**	**(2.2)**	**(175.3)**	(139.7)	(4.5)	(144.2)

[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 Ventures 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 (1H24: £187.7m).

Pro-forma cash flow

£m	1H25 as reported	Pro-forma adjustments	1H25 pro-forma	1H24 as reported	Pro-forma adjustments	1H24 pro-forma
Adjusted EBITDA	**113.5**	**(21.7)**	**91.8**	71.2	(19.2)	52.0
Movement in contract liabilities	**41.1**	**-**	**41.1**	22.1	1.3	23.4
Other working capital movements	**17.9**	**(35.6)**	**(17.7)**	(23.8)	(16.0)	(39.8)
Finance costs paid	**(51.4)**	**3.4**	**(48.0)**	(27.8)	4.2	(23.6)
Taxation received	**0.2**	**-**	**0.2**	(2.9)	-	(2.9)
Adjusting items	**28.9**	**5.5**	**34.4**	39.3	2.2	41.5
Other non-cash items	**(8.1)**	**(5.6)**	**(13.7)**	(9.0)	(1.3)	(10.3)
Operating cash flow	**142.1**	**(54.0)**	**88.1**	69.1	(28.8)	40.3
Capital expenditure	**(176.3)**	**5.0**	**(171.3)**	(214.2)	3.0	(211.2)
Net proceeds from interest-bearing loans and borrowings	**88.3**	**-**	**88.3**	0.2	-	0.2
Repayment of lease liabilities	**(25.7)**	**9.9**	**(15.8)**	(27.7)	12.2	(15.5)
Net proceeds from share issues	**0.8**	**-**	**0.8**	1.1	-	1.1
Other investing and financing activities	**18.4**	**9.9**	**28.3**	34.6	12.1	46.7
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**	(136.9)	(1.5)	(138.4)
Effect of changes in FX rates	**(5.1)**	**-**	**(5.1)**	(1.3)	-	(1.3)
Movement in cash and cash equivalents (incl. FX changes)	**(25.7)**	**39.0**	**13.3**	(138.2)	(1.5)	(139.7)
Cash and cash equivalents at beginning of period	**771.5**	**(39.0)**	**732.5**	884.8	(76.0)	808.8
Cash and cash equivalents at end of period	**745.8**	**-**	**745.8**	746.6	(77.5)	669.1

Underlying cash flow

Underlying cash flow is the movement in cash and cash equivalents excluding the 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 and foreign exchange movements. A reconciliation of the movement in cash and cash equivalents to underlying cash outflow is detailed within the Financial Review.

Principal risks and uncertainties

The Group faces a number of risks and uncertainties that may have an adverse impact on the Group's operation, performance or future prospects.

The Board regularly assesses and monitors the principal risks of the business. Set out in the Group's Annual Report and Accounts for the 52 weeks ended 1 December 2024 were details of the principal risks and uncertainties for the Group and the key mitigating activities used to address them, applicable at that time.

Since year-end, our principal risks remain substantively unchanged. During the period, the Group successfully completed a refinancing programme, extending debt maturities and strengthening liquidity.

As part of the ongoing risk management process, emerging risks are identified and assessed. These risks are deemed to be significant but are not listed as one of the Group's principal risks, and are areas for additional focus by the business. As noted in the Annual Report and Accounts, a dedicated Tariff Working Group has been closely tracking global tariff developments to evaluate their implications and devise appropriate mitigation strategies for the Group. The Group continues to manage its supply chain to limit the increased costs of the supply of certain material handling equipment, particularly products flowing to the USA.

The Board considers that the principal risks and uncertainties listed below, have not changed, and remain relevant for the remaining six months of FY25.

- **Market proposition (OSP & OIA):** Our OSP and OIA product offer, features, implementation schedule, pricing or terms may not be sufficiently attractive to potential partners or may not be commercially attractive to them at a level that delivers adequate and sustainable returns for us.

- **Partner success (OSP):** We invest in robots and MHE alongside our partners in the CFCs that we develop for them and we rely on the growth of our partners' online businesses to generate appropriate economic returns from this investment. If our partners do not achieve sustainable returns from their investment then they may not expand their utilisation of the capacity that we have jointly invested in, in which case we may fail to generate our planned returns. It is also possible that if our partners are unable to generate acceptable returns themselves, they may close existing CFC facilities.

- **Product innovation, protection and performance:** Our innovation and development processes, and use of AI may not meet partner needs, or we may fail to provide protected, reliable and commercially viable products. This could undermine our ability to attract and retain partners.

- **Supply chain:** Disruption in our extended and complex supply chain may adversely affect product availability and responsible sourcing. This could result in increased costs and fines, delays to contractual commitments and loss of revenue.

- **Talent & capability**: Failure to retain, develop, and engage critical talent during periods of significant change, which could jeopardise operational stability and growth ambitions is a risk for the Group. Ensuring employees understand and align with the Company's changing strategic priorities is vital to successful organisational transformation. Additionally, fostering diversity - particularly diversity of thought and cultural diversity - is important for driving innovation and achieving the next phase of strategic execution for the Group. Without a strong emphasis on executing plans effectively and cultivating a high-performance culture, the organisation risks falling short of its objectives.

- **Cybersecurity & data:** Disruption or loss of critical assets and sensitive information as a result of a cyber attack, insider threat, a data breach or the misuse of AI (both malicious and accidental) within our Group network or our supply chain could result in business disruption, reputational damage and regulatory impacts for both Ocado and our partners.

- **Fire & safety:** Fire, or injury to a worker or customer, caused by product design or operating failures could result in business disruption, loss of assets and reputational loss.

- **Regulatory & compliance**: Failure to comply with local and international regulations could lead to loss of trust, penalties, reputational damage and undermine our ability to operate.

- **Climate & environment:** Transition and physical risks from changes in the climate and environment could disrupt our operations, supply chains and the demand for our products, increase costs and threaten our reputation.

- **Liquidity & cash management**: Insufficient liquidity (cash balances plus undrawn facilities) to deliver our business goals and/or settle our liabilities.

- **Geopolitical & macroeconomics**: With a global footprint encompassing operations, clients and supply chains, we are exposed to macroeconomic and geopolitical events (such as tariffs, trade restrictions and sanctions) that could adversely affect our business. These factors could jeopardise the safety and security of our people, premises and assets, impact our operational costs or continuity, delay partner growth and hinder the delivery of new capacity. Macroeconomic factors may impact consumer behaviour or the growth of our partners or could affect the Group's ability to secure financing.

This principal risks section should be read in conjunction with the rest of this statement as the impact of the current market conditions and trading patterns on the business are explained there and help provide an understanding of the risks and opportunities facing Ocado.

More information on these principal risks and uncertainties together with an explanation of the Group's approach to risk management is set out in Ocado Group plc's Annual Report and Accounts for the 52 weeks ended 1 December 2024, a copy of which is available on the Group's corporate website, www.ocadogroup.com.

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 six months ended 1 June 2025 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 16.

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 six months ended 1 June 2025 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
17 July 2025

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
Emma Lloyd
Julie Southern
Nadia Shouraboura
Julia M. Brown
Rachel Osborne
Gavin Patterson

Approved by the Board and signed on its behalf by:

Stephen Daintith
Chief Financial Officer
17 July 2025

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 – 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.

Automated 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 client 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 63, 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.

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 £500m senior secured notes due 2026, 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 £600m senior unsecured convertible bonds due 2025 at a coupon of 0.875% and an issue price of 100.0%, 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.

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.