



19 May 2026

Dr. Martens plc

Preliminary results for the 52 weeks ended 29 March 2026

ADJUSTED PBT UP 61% AS BUSINESS RETURNS TO PROFIT GROWTH AND SHIFTS FROM CHANNEL-LED TO CONSUMER-FIRST

“In FY26 we returned the business to profit growth, delivering a 61% increase in adjusted PBT, with revenue in line with guidance, and made good progress pivoting the business to a consumer-first operating model. Shoes were the standout performer, up 19%. Our focus on execution is paying off: we are improving the quality of revenues whilst strengthening margins, cash generation, the Balance Sheet and overall model resilience.

There is still work to do in pivoting the business, however in FY27 we will also enter the scale phase of our strategy. Desire for the Dr. Martens Brand continues to grow, with more collaborators approaching us, increased wholesale partner support, strong consumer response to new product families, and an excited reaction from the market to our first beacon store on Brewer Street, London.

In FY27, we will lean in with increased investment in the brand and targeted retail store upgrades, as well as continuing to build strong wholesale partner relationships to support demand at scale. With the operating model reset, key capabilities in place, combined with good visibility of our wholesale order books, our business is now well setup to deliver both our FY27 objectives and medium-term targets.”

Ije Nwokorie, Chief Executive Officer

FY26 RESULTS

£m	FY26 Reported	FY26 CC ²	FY25 Reported	% change Reported	% change CC ²
Revenue	764.9	776.3	787.6	(2.9%)	(1.4%)
Adjusted EBIT ¹	79.3	78.7	60.7	30.6%	29.7%
Adjusted PBT ¹	55.0	54.2	34.1	61.3%	58.9%
PBT	32.7	29.8	8.8	271.6%	238.6%
Adjusted basic EPS ¹	4.2		2.4	75.0%	
EPS (p)	2.5		0.5	400.0%	
Net Debt ¹ (including leases)	213.5		249.5		
Dividend per share (p)	2.55		2.55		

Strategic summary

Our Levers for Growth strategy has three phases: stabilise, pivot and scale. During FY25 we successfully stabilised the business. **FY26 was centred on pivoting the business to being truly consumer-first.** This involved hard calls and a significant amount of heavy lifting to ensure that we shifted from being channel-led to consumer-first, pulling back on clearance activity across the business in both DTC and wholesale to improve the quality of our revenue, putting in place a world-class leadership team and reorganising our business to simplify how we operate and drive accountability.

The FY26 strategic objectives we set were all achieved or exceeded:

- **Consumer:** Our objective was to reduce the reliance on discounted pairs in USA Wholesale. We achieved this, with off-price pairs declining 31%
- **Product:** We achieved the objective of growing our product families of Lowell, Buzz and Zebzag, and they now account for 9% of pairs, triple the FY25 contribution. We also grew shoe revenues by 19%, across a range of silhouettes including Lowell and Buzz, together with iconic silhouettes of the 1461 Shoe, the Adrian Tassel Loafer and the Mary Jane.
- **Markets:** The interest from partners in the brand meant we exceeded the objective to open in at least one new market and have delivered new and expanded distribution partnerships for Latin America, the UAE and the Philippines.
- **Organisation:** Our objective was to simplify the operating model, and in Q4 we reorganised the business, removing the regional structure and moving to a market model for the start of FY27, driving consumer-centricity and speed of execution. The business is now led by a streamlined Executive Team, with enterprise level accountability.

There is more work to do in pivoting the business, however in FY27 we will also enter the scale phase of the strategy. This does not mean volume at any cost. It means scaling higher-quality revenues and operational leverage, underpinned by a more resilient model. The desire for our brand is strengthening and we will leverage this momentum, increasing brand investment and delivering our improved retail strategy. The retail strategy is centred on moving from a transactional one-size-fits-all model to a tiered retail estate which repositions retail as a growth engine, with investment in high potential stores. These investments, in both our brand and our physical estate, will further support growth.

FY26 financial summary

In this year of pivot, our focus was to prioritise quality of revenue and profitability growth. This mindset guided the decisions we made through the year.

- Group revenue of £764.9m (£776.3m CC), was down 2.9% reported or 1.4%CC, in line with our guidance. As planned and guided, our focus was on improving the quality of revenue by reducing clearance in DTC and off-price wholesale activity.
 - Americas was the best performing region. Full Price³ DTC revenues were up 14%, with Full Price mix up 9pts. Wholesale was up 1.2% CC which included the headwind from a large off-price wholesale deal in FY25. The planned reduction in clearance to focus on Full Price resulted in revenue up 1.1% CC.
 - Our EMEA markets saw good wholesale growth, up 7.6% CC, reflecting strong partner relationships and healthy order books. As previously noted, our DTC performance was impacted by increased consumer participation in clearance, resulting in a 4pts decline in Full Price DTC mix, with Full Price DTC revenue down 13%. With Full Price mix in USA and APAC markets addressed, growing Full Price mix in our largest EMEA markets is a priority for FY27. Our new market structure, with dedicated General Managers for our largest markets, is a key enabler. EMEA revenue overall declined by 1.7% or 3.7% CC.
 - APAC revenue was broadly flat (down 0.3% CC) due to planned reductions in clearance activity, through both ecommerce and with select wholesale partners. As a result, the quality of revenue in APAC markets was improved, with Full Price DTC revenue up 15%, with mix up 8pts. South Korea's Full Price retail performance was particularly strong, reinforcing the market's strategic importance.
- Gross margin increased by 120bps to 66.2% driven by continued tight cost control and improved Full Price mix
- Continued strong control of operating costs, with non-marketing costs down 6.0%
- Adjusted PBT of £55.0m was significantly up year-on-year, with 61.3% growth, and is in line with our expectations
- Following the US Supreme Court judgment in February, the Group has recognised the full amount of previously incurred IEEPA-related US⁴ tariff costs as an operating expense within adjusting items. This treatment removes the impact of these tariffs from underlying cost of sales and inventory balances and ensures comparability of underlying year-on-year performance.
- Net bank debt (excluding leases) of £69.7m, down from £94.1m last year, as expected. Net debt including leases is in line with guidance at £213.5m.
- Dividend maintained at 2.55p, reflecting our commitment to shareholder returns while aligning with our long-term payout strategy

Outlook

We achieved significant PBT growth in FY26 and plan to deliver further strong PBT growth in FY27, driven by operational leverage. Over the last two years we have put in the hard work to set the business up for growth, and as we look forward there are significant benefits as a result, including the quality of our revenue base through reduced discounting, the strength of our wholesale order books, the benefit from pricing, continued tight management of costs and the improvement in speed of execution from our new market model. We have good visibility of our supply chain costs for the majority of FY27. We are currently navigating an unpredictable trading environment, with geopolitical uncertainty impacting consumer confidence, and against this backdrop are focused on executing our strategy. There is still ongoing work to complete in some areas of the business, including the execution of our retail strategy, which will represent a short-term revenue headwind. However, our business is materially more resilient than it was previously and this underpins our confidence in our medium-term targets.

Footnotes

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

2. Constant currency applies the prior period exchange rates to current period results to remove the impact of FX.

3. "Full Price" refers to product sold through our own DTC channels at full price and this also includes the use of targeted welcome codes such as % off for new consumers or student discount. "Markdown" or "Clearance" refers to discounts on seasonal products.

4. In February and April 2025, the US Government imposed a number of import tariffs pursuant to emergency powers under the International Emergency Economic Powers Act (IEEPA) (the 'IEEPA-related US tariffs').

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Presentation of full year results

Ije Nwokorie, CEO and Giles Wilson, CFO will be presenting the Full Year results live from our Brewer Street, London, store at 09:30 (UK time) on 19 May 2026 followed by a Q&A session for analysts and investors. The live presentation can be viewed on the Dr. Martens plc website <https://www.drmartensplc.com>, with a playback and transcripts available soon afterwards.

About Dr. Martens

Dr. Martens is an iconic British footwear brand founded in Northamptonshire, England. Its first silhouette, the 1460 boot - named after the date it was produced - rolled off the production line on 1st April 1960. Originally chosen by workers for their air-cushioned comfort and durability, “Docs” or “DM’s” were later adopted by musicians and subcultural pioneers who took them from the street to the global stage.

Over six decades later, Dr. Martens operates in more than 60 countries and employs around 3,600 people. The company continues to honour the brand’s heritage through its ‘Made in England’ footwear, manufactured at its original Northamptonshire factory, while meeting global demand from multiple high-quality production sites across Asia. All our products are made with an unwavering commitment to craft, combined with innovative techniques.

A brand built to put a bounce in the step of those who stand out from the crowd, Dr. Martens is available through Direct-to-Consumer (Retail and Ecommerce) and Wholesale channels. The brand’s collections range from its Original silhouettes - The Icons such as the 1460 boot, 1461 shoe, 2976 Chelsea boot, and Adrian loafer - to modern franchises like the Zebzag, Buzz, and Lowell. The lineup also includes an extensive range of sandals, a dedicated Kids collection, and a curated selection of bags, small leather goods, and accessories.

Every Dr. Martens product reflects craftsmanship, heritage, timeless style, comfort, and versatility. Having transcended generations, the brand stays as relevant today as it was at its inception. Its signature yellow welt stitching, grooved sole edges, and scripted “With Bouncing Soles” heel loops remain iconic symbols recognised around the world.

Dr. Martens plc (DOCS.L) is listed on the main market of the London Stock Exchange and is a constituent of the FTSE 250 index.

For more information, visit www.drmartens.com or www.drmartensplc.com

Cautionary statement relating to forward-looking statements

Announcements, presentations to investors, or other documents or reports filed with or furnished to the London Stock Exchange (LSE) and any other written information released, or oral statements made, to the public in the future by or on behalf of Dr. Martens plc and its group companies (“the Group”), may contain forward-looking statements.

Forward-looking statements give the Group’s current expectations or forecasts of future events. An investor can identify these statements by the fact that they do not relate strictly to historical or current facts. They use words such as ‘aim’, ‘ambition’, ‘anticipate’, ‘estimate’, ‘expect’, ‘intend’, ‘will’, ‘project’, ‘plan’, ‘believe’, ‘target’ and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. In particular, these include statements relating to future actions, future performance or results of current and anticipated products, expenses, the outcome of contingencies such as legal proceedings, dividend payments and financial results. Other than in accordance with its legal or regulatory obligations (including under the Market Abuse Regulation, the UK Listing Rules and the Disclosure and Transparency Rules of the Financial Conduct Authority), the Group undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. The reader should, however, consult any additional disclosures that the Group may make in any documents which it publishes and/or files with the LSE. All readers, wherever located, should take note of these disclosures. Accordingly, no assurance can be given that any particular expectation will be met and investors are cautioned not to place undue reliance on the forward-looking statements.

Forward-looking statements are subject to assumptions, inherent risks and uncertainties, many of which relate to factors that are beyond the Group’s control or precise estimate. The Group cautions investors that a number of important factors, including those referred to in this document, could cause actual results to differ materially from those expressed or implied in any forward-looking statement. Any forward-looking statements made by or on behalf of the Group speak only as of the date they are made and are based upon the knowledge and information available to the Directors on the date of this report.

BUSINESS REVIEW

Our overarching ambition is to establish Dr. Martens as the world's most-desired premium footwear brand.

Our medium-term guidance is unchanged: we expect to deliver sustainable, profitable revenue growth above the rate of the relevant footwear market, with operating leverage driving a mid to high-teens EBIT margin, underpinned by strong cash generation. We remain confident in our ability to achieve these targets, grounded in the significant progress already made.

Our four Levers For Growth are:

1. Consumer

Engage more consumers

- Lead marketing with product, grounded in comfort, craft and confidence
- Deliver a seamless omni-channel experience tailored to each consumer
- Build post-purchase engagement to increase purchase frequency and consumer spend

2. Product

Drive more purchase occasions

- Reinforce premium positioning of our icons through elevated collections
- Manage hero product families to optimise newness across diverse wearing occasions
- Extend our offer in sandals, bags and other adjacent categories
- Innovate to enhance comfort, lightness and sustainability

3. Markets

Curate market right distribution

- Expand B2B through long-term product and marketing partnerships with top-tier accounts
- Build a differentiated DTC footprint to elevate the brand, aligning operating models to each market
- Enter new growth markets with capital-light distribution models

4. Organisation

Simplify the operating model

- Simplify how we work to drive efficiency, scale and speed
- Optimise the cost base to support strategic priorities
- Build a culture of excellence, care and accountability, strengthening organisational clarity, talent development and disciplined execution

FY26 performance summary

Consumer: Engage more consumers

FY26 objective: *Reduce the reliance on discounted pairs in Americas wholesale.*

We achieved this objective, with off-price USA wholesale pairs declining 31%. The quality of our wholesale order books also continues to improve, with better diversification across product categories and silhouettes, and more tailored product assortments by wholesale customer based on their consumer mix.

Beyond wholesale, we focused on improving Full Price DTC sales mix across our major markets by reducing the length of clearance periods and the depth of discount offered. We differentiate between the use of targeted welcome codes such as percentage discounts for new consumers and students, which are highly effective acquisition tools and are included in Full Price revenues, versus discounts on seasonal products, which we call "markdown" or "clearance".

In FY26 we delivered Full Price DTC revenue up 1%, with Full Price DTC mix improving 3pts. However, this performance masks the strength of our largest market, the USA, together with key APAC markets. USA Full Price DTC revenue was up 14% and mix up 9pts, and in our APAC markets, led by Japan and South Korea, with Full Price DTC revenue up 15% and mix up 8pts. EMEA was impacted by increased consumer participation in clearance, resulting in a 4pts decline in Full Price DTC mix, with Full Price DTC revenue down 13%. With Full Price mix addressed in USA and APAC markets, growing Full Price mix in our largest EMEA markets is a priority for FY27. Our new market structure, with dedicated General Managers for our largest markets, is a key enabler of this.

Our Customer Data Platform (CDP) is now a performance engine to engage more consumers. CDP allows us to segment consumers based on promotional participation and purchase drivers, such as style or craft. Utilisation of CDP-driven personalisation in our email campaigns is delivering returns: increased return on spend, higher re-activation rates and reduced discount dependency. The creation of a Customer Experience function within our brand organisation as part of the operating model changes is a key milestone that will further unlock the potential of CDP-led consumer engagement.

Craft Curators are premium consumers with a strong attachment to product quality and heritage, and our consumer strategy is centred on growing our share of this consumer group. We have started to see our actions translate into growing our share of Craft Curators, with our share now the highest it has been since FY21 when we started measuring it, and the in-year improvement more than reversing the declines seen in FY24 and FY25. The growth in Craft Curators can also be evidenced in the performance of our Lowell product family, where pairs more than quadrupled year-on-year, and we expect further significant growth in Lowell in FY27.

Product: Drive more purchase occasions

FY26 objective: *Drive pairs growth in product families such as Buzz, Zebzag and Lowell.*

The objective of driving pairs growth in the product families of Buzz, Zebzag and Lowell was exceeded, with these families now accounting for 9% of pairs, triple the contribution in FY25 (3% of pairs). Building multi-season product families that serve specific consumer needs and broaden our appeal alongside our iconic and continuity lines is central to driving more purchase occasions.

Shoes and the new product families are the current growth engine. Shoes continue to perform strongly, with revenue up 19% in FY26 across a wide range of silhouettes. This includes new product families of Buzz and Lowell, together with iconic styles including the 1461 Shoe, the Adrian Tassel Loafer and the Mary Jane. Shoes now account for 31% of revenue, up from 26% in FY25.

Boots are showing signs of stabilisation, with encouraging Full Price performance in USA. Boots revenue declined by 8%, however within this Full Price boots performed better, particularly in USA, where Full Price DTC boots were in growth in all but the first quarter of FY26. Encouragingly, the 1460 Boot was in growth in Full Price DTC in Q4 in USA. Within our boots range we continued to see success with taller boots, led by the Kasey, and had strong-performing boot collaborations such as Rick Owens and Metallica. Boots accounted for 52% of Group revenue in FY26, down from 57% in FY25.

Sandals are a known gap with a fix in progress. Sandals revenue declined 11%, as anticipated given the lack of new products in the SS25 range. We did, however, see continued good performance from our Zebzag range across both sandals and mules. SS26 marked an improvement in our sandals range, again led by the USA, however we don't expect to see a significant change in our sandals performance until SS27, when the redeveloped range launches. Sandals accounted for 11% of Group revenue in FY26, down from 12% in FY25.

Bags and Accessories are a long-term growth opportunity, with good early results. Bags revenue grew by 15% with particular success in the Top Handle Kiev across multiple colourways. Small Leather Goods, a relatively new area for us, continue to perform well, particularly in retail stores. Bags and other accounted for 6% of Group revenue in FY26, up from 5% in FY25.

Across our ranges we have seen consumers continue to buy into higher price point lines across all categories. Products priced over £220 are the fastest-growing price category in DTC; whilst still small as a proportion of the overall business, the price band of £220 and above doubled in FY26. Higher price point products which performed strongly in FY26 include the Kasey knee-high boot (£210 / €240 / \$250), the Made In England (MIE) Penton Classic Calf Loafers (£220 / €260 / \$260), the Weekender Ambassador Leather bag (£310 / €330 / \$330) and the success of our collaborations such as Rick Owens 1B60 Pentalace (£390 / €420 / \$480) and Dr. Martens x Marc Jacobs Kiki boots (£290 / €320 / \$290). This movement up the price architecture is supportive to gross margin and aligned with our strategy.

Working in collaboration with influential designers and craft makers is an important part of building brand desire and across FY26 we worked with exceptional collaboration partners. **Our collaboration strategy has three strands: speaking to craft, incubating new franchises and elevating our icons.** Examples include:

- In craft, we celebrated the return of our successful collaboration with Rick Owens, who is known for his blend of grunge and high fashion. This collaboration reconsidered our 1460 silhouette with exaggerated proportions, further cementing our long-term relationship.
- Our launch with New York's MadeMe focused on strengthening the Buzz franchise.
- Our partnership with Marc Jacobs, which blended their iconic Kiki upper language with our Corran outsole, was a standout success.
- To further fuel the success of our Lowell family, we partnered with globally-renowned curators of craftsmanship Beams, to bring a unique spin to the Lowell with a mixed material application.
- To elevate our icons, we collaborated with a number of partners, and our Metallica collaboration, extending to the 1460 Boot, 1461 Shoe and a backpack, was one of the largest. This partnership brought together fans of Metallica and the Dr. Martens brand to create a collection inspired by iconic Metallica artwork and was accompanied by a dedicated activation and programme of community events in our Brewer Street London beacon store, which was amplified across our social channels.

Markets: Curate market right distribution

FY26 objective: *Open in new markets through a capital-light structure.*

We overdelivered against this objective, with the momentum and interest from world-class partners meaning we signed new and expanded distribution partnerships for Latin America, UAE and the Philippines.

- **Latin America:** At the end of FY25 we signed a distribution agreement with Crosby. In August, Crosby opened a mono-branded store in Buenos Aires, followed by Santiago, Chile, in October. The partnership initially covered Mexico, Argentina, Paraguay and Chile, but was extended in Q3 to include Colombia, Costa Rica, Peru and Uruguay. In April, Crosby also launched an ecommerce site in Chile, with encouraging early performance.
- **UAE:** We signed a distribution agreement with Beside Group, representing our first entry into the UAE. Beside is a leading partner for international brands in the Middle East, with significant experience in retail and wholesale spanning several decades. The partnership will launch and then grow our presence in the UAE, initially through wholesale, with mono-branded store openings expected in the future.
- **Philippines:** Our existing distribution partner is accelerating expansion plans. Three stores were opened in FY26, taking the total estate to five, with more stores in the pipeline.

We have begun refining the distribution model for several existing markets. In **China**, where we have seven directly operated stores mainly in Shanghai, we have begun working with partners to open mono-branded stores in other cities. Two stores opened in FY26, in Chongqing and Hangzhou, with more in the pipeline. Similarly, in **Italy**, where we have 14 directly operated stores, we opened our first franchise store in Pompei near Naples. We envisage that future retail growth in this important market

will be delivered through a combination of directly operated stores in key cities and franchise stores operated by local partners in other cities.

Deepening Wholesale partnerships. Across all our major markets we have been working more closely with wholesale accounts to launch new products and to put the consumer at the heart of our collective decision making and activity. Examples include: working with our largest EMEA wholesale partners on our Buzz, Lowell and Zebzag product launches; working with our largest USA wholesale partners across both our new product families and iconic products such as the Adrian tassel loafer; and working with our key partners in South Korea on our 1461 shoe. We have also worked with pinnacle wholesale partners as they showcase our products, such as the Rejena boot and Delapre Penny Loafer, to their consumers. An important part of deepening wholesale relationships is working with our partners to curate their product assortments in line with their consumer base, resulting in differentiated order books across our wholesale customer base; again we are making significant strides in this area

Organisation: Simplify the operating model

FY26 objective: *Simplify the operating model to operate closer to individual markets*

We achieved this objective with the reorganisation of the business. We are also making significant strides using technology to drive productivity.

Move to streamlined Executive Team and a Market-led operating model. The aim of simplifying our operating model is to enable us to act closer to the consumer in our largest markets and to improve speed of execution across the business. We have simplified the leadership structure with the creation of an eight-person Executive Team, which sets business direction and has an enterprise-level view. This compares to the previous 12-person Global Leadership Team, which had a combination of functional and regional responsibilities. Under the Executive Team is now a clearly defined Leadership Team, consisting of market and functional-level leaders. In Q4 we restructured the business, removing the regional structure and introducing General Managers (GMs) for all our largest markets. Alongside this, we have invested in our central brand and product organisation, strengthening particularly the marketing, merchandising and the customer experience functions, bringing greater focus to the end-to-end consumer experience and journey. We are confident that the new leadership structures of the business will speed up decision-making, drive execution and strengthen accountability.

Technology is fuelling productivity, with AI being thoughtfully deployed across the business. The establishment of a Global Technology Centre (GTC) in India, first created in FY25 and expanded and embedded in FY26, is delivering material benefits. The GTC brought core engineering in-house to better enable us to leverage the opportunities of data and AI and to significantly speed up technology delivery. Key systems are now fully live and delivering benefits to the business, with more to come in the years ahead.

Our CDP has to date focused on improving the consumer journey, generating repeat purchases and enhancing discount efficiency. The Supply and Demand Planning System went live at the start of FY26 and is enabling greater visibility and accuracy over our inventory forecasting, improving availability of product whilst optimising working capital.

A key advantage of a modern systems architecture is that the vast majority of our systems are AI-enabled. AI is being thoughtfully deployed across the business with a clear productivity lens, improving the pace and effectiveness of our strategy execution while maintaining cost discipline.

Examples of AI being utilised today include:

- All our desk-based staff have personal AI tools including CoPilot and Claude, with high adoption rates
- AI coding and testing is embedded in our engineering function to drive pace of implementation and solution quality
- We have created a machine learning platform to power a predictive approach to customer acquisition forecasting, demand management, and supply optimisation.

Sustainability matters to our people and consumers. Over the past year, we have refreshed our sustainability strategy to take a more consumer-first approach, with a clear focus on developing a strategy to scale circularity across key markets. Our repair and resale programmes, whilst still small in scale, continued to perform strongly, demonstrating demand for services that extend product life and reduce environmental impact.

Retail Strategy review

Our store estate today has many strengths but also has significant opportunity for improvement. Between FY21 and FY24, in line with the DTC-first strategy, the store estate expanded significantly, doubling from 122 to 239 stores. In contrast, FY24 retail revenue was only up by c.50% compared to pre-Covid FY20 levels. The financial performance was compounded by an undifferentiated retail format that meant even stores in good locations did not present a retail experience fit for that market.

During FY26 we carried out a comprehensive review of our retail estate and strategy. This included detailed financial analysis, location assessment and an evaluation of the strategic value of each store, specifically around building brand desire, growing consumer engagement and driving purchase occasions.

Four Tier model and disciplined capital allocation

The output of the review is that we are categorising our existing and future store estate across four tiers, with each having clear financial hurdle rates and criteria including product assortment, location characteristics and brand objectives. The four tiers are:

- **Beacon store.** An immersive brand destination where consumers experience the full expression of heritage, culture and creativity.
- **Brand centre.** A destination to explore the full brand, offering depth, expertise and elevated experience.
- **Brand store.** Offering a clear, convenient and engaging store that makes it easy to shop the best of the brand.
- **Outlet.** An accessible entry to the brand, offering value without compromising identity.

The majority of our store estate today are Brand stores. Over the next 12-24 months, we will:

- Invest in around 30 high potential stores, focused predominantly on elevating them into brand centres. These will take the learnings from the success of Brewer Street and Dosan Park. The investment is included within our capex guidance.
- Experiment and launch further retail concepts in key cities globally.

We anticipate that the overall store estate will be largely unchanged in size over the coming few years.

Brewer Street Beacon Store and Dosan Park Brand Centre: Proof of Concept

In November we opened our first beacon store, in Brewer Street, London. This store was centred on premium and Craft Curators and has been designed with community events and activations in mind. Performance since we opened the store has been encouraging, with ASP over 15% higher than other London stores and the contribution from both MIE and products over £220 much higher than the average. These proof points give us confidence and important learnings to build upon in the years ahead.

In March we opened Dosan Park, Seoul, a brand centre store. This space showcases our MIE icons, exclusive product and a dedicated Craft Zone where visitors can experience Dr. Martens craftsmanship firsthand. The store was developed utilising successful elements from Brewer Street, such as MIE and Bags & Accessories areas, and early response has been encouraging.

Looking forward, FY27 Strategic Objectives

Our key strategic objectives for FY27, which are important parts of the move into the scale phase, are as follows:

- **Consumer:** Drive Full Price mix in UK and DACH
- **Product:** Successfully introduce an innovative new sandals range
- **Markets:** Launch new retail concepts in key cities globally
- **Organisation:** Unlock operating model and technology benefits

FINANCE REVIEW

Total revenue was £764.9m reported, or £776.3m Constant Currency (CC), in line with guidance and representing a decline of 2.9% or 1.4% CC. The focus on Full Price sales and reducing clearance activity was a headwind to DTC revenues, as expected, resulting in a decline of 5.8% (4.2% CC). Wholesale revenues grew by 2.5% (3.7% CC), with growth seen across most major markets.

Adjusted profit before tax¹ was £55.0m (FY25: £34.1m) and £54.2m CC, up 61.3% or 58.9% CC. The improvement was driven by stronger margins year-on-year, with COGS and Opex¹ tightly managed and benefitting from the cost saving activities in FY25. Within Opex our continued tight focus on costs drove a year-on-year reduction in non-demand-generating spend of 6.0%, whilst spend on demand generation was broadly flat (down 0.2% reported or up 1.8% CC). Adjusted basic earnings per share¹ was 4.2p (4.1p CC), representing significant growth compared to 2.4p in FY25.

In order to assist shareholders' understanding of the performance of the Group, the narrative below is focused on the adjusted performance for the period, using several non-GAAP and Alternative Performance Measures (APMs); in particular adjusted EBIT¹, adjusted profit before tax¹ and adjusted basic earnings per share¹. The Directors consider these adjusted measures to be relevant as they provide a clearer view of the Group's ongoing operational performance. They also reflect how the business is managed and measured on a day-to-day basis, aid comparability between periods and, by excluding the effect of significant non-cash accounting adjustments, more closely correlate with the cash and working capital position of the Group.

The adjusted measures are before certain exceptional costs¹, investment in transformation as well as impairment of non-financial assets and currency gains/(losses), as these are significant non-cash accounting adjustments. A glossary and a reconciliation of these APMs to statutory figures can be found at the end of this report on pages 74 to 76.

Results – at a glance

£m		FY26 Reported	FY26 CC^{1,2}	FY25 Reported	% change Reported	% change CC^{1,2}
Revenue	Ecommerce	244.4	248.7	268.3	-8.9%	-7.3%
	Retail	236.8	240.5	242.4	-2.3%	-0.8%
	DTC	481.2	489.2	510.7	-5.8%	-4.2%
	Wholesale ³	283.7	287.1	276.9	2.5%	3.7%
	Group	764.9	776.3	787.6	-2.9%	-1.4%
Gross margin		506.0	512.8	511.7	-1.1%	0.2%
Opex ¹		(359.0)	(365.5)	(378.4)	-5.1%	-3.4%
Adjusted EBIT ¹		79.3	78.7	60.7		
Currency gains/(losses)		0.9	(0.9)	(3.1)		
Impairment of non-financial assets		(4.2)	(4.1)	(4.3)		
Exceptional costs ¹		(12.1)	(12.5)	(16.3)		
Investment in transformation ¹		(6.9)	(6.9)	-		
EBIT ¹		57.0	54.3	37.0		
Adjusted profit before tax ¹		55.0	54.2	34.1		
Profit before tax		32.7	29.8	8.8		
Profit after tax		23.8		4.5		
Adjusted basic earnings per share (p) ¹		4.2	4.1	2.4		
Basic earnings per share (p)		2.5	2.2	0.5		
Dividend per share (p)		2.55		2.55		
Key metrics	<i>Pairs sold (m)</i>	10.2		10.5	-2.5%	
	<i>No. of stores⁴</i>	240		239		
	<i>DTC mix %</i>	62.9%	63.0%	64.8%	-1.9pts	-1.8pts
	<i>Gross margin %</i>	66.2%	66.1%	65.0%	1.2pts	1.1pts
	<i>Adjusted EBIT margin %¹</i>	10.4%	10.1%	7.7%	2.7pts	2.4pts

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

2. Constant currency applies the prior period exchange rates to current period results to remove the impact of FX.

3. Wholesale revenue including distributor customers.

4. Directly-operated stores on streets and malls operated under arm's length leasehold arrangements.

PERFORMANCE BY REGION

£m		FY26	FY25	% change Reported	% change CC¹
Revenue:	EMEA	377.5	384.2	-1.7%	-3.7%
	Americas	278.4	288.5	-3.5%	1.1%
	APAC	109.0	114.9	-5.1%	-0.3%
		764.9	787.6	-2.9%	-1.4%
EBIT¹:	EMEA	78.7	74.4	5.8%	
	Americas	25.0	9.4	166.0%	
	APAC	17.2	15.0	14.7%	
	Support costs ²	(63.9)	(61.8)	3.4%	
		57.0	37.0	54.1%	
Adjusted EBIT¹:	EMEA	82.5	77.3	6.7%	
	Americas	27.0	13.6	98.5%	
	APAC	18.5	16.0	15.6%	
	Support costs ²	(48.7)	(46.2)	5.4%	
		79.3	60.7	30.6%	
EBIT¹ margin by region:	EMEA	20.8%	19.4%	1.4 pts	
	Americas	9.0%	3.3%	5.7pts	
	APAC	15.8%	13.1%	2.7pts	
	Total ³	7.5%	4.7%	2.8pts	
Adjusted EBIT¹ margin by region:	EMEA	21.9%	20.1%	1.8pts	
	Americas	9.7%	4.7%	5.0pts	
	APAC	17.0%	13.9%	3.1pts	
	Total ³	10.4%	7.7%	2.7pts	

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

2. Support costs represent Group-related support costs not directly attributable to each region's operations and including Group Finance, Legal, Group HR, Global Brand and Design, Directors, Global Supply Chain and other Group-only related costs and expenses.

3. Total EBIT margins are inclusive of support costs.

EMEA Revenue declined 1.7% to £377.5m, or 3.7% CC. Wholesale revenue grew by 9.8% (7.6% CC), supported by delivery of a stronger Autumn/Winter orderbook. Our EMEA DTC performance was impacted by consumers participating in clearance against a challenging consumer backdrop; this was particularly seen in UK and DACH. As a result, EMEA DTC declined by 8.0% (9.9% CC), with retail and ecommerce down 6.3% and 9.8% respectively (8.3% and 11.5% CC). Full Price DTC mix declined 4pts; growing Full Price mix in our largest EMEA markets is a priority for FY27.

EMEA adjusted EBIT¹ was £82.5m (FY25: £77.3m) due to tight management of costs.

Americas Revenue declined 3.5% to £278.4m, however grew 1.1% in CC. DTC revenue declined by 3.7% (+1.1% CC), with ecommerce revenues declining 7.9% (3.4% CC) with a strong performance in Full Price being offset by the headwind of planned reduced clearance activity. Americas retail grew 2.9% (8.2% CC), with growth in CC in all quarters driven by higher footfall. Americas wholesale revenue declined 3.1%, however grew 1.2% CC, benefitting from good growth in both AW25 and SS26 orderbooks. The wholesale performance was also impacted by the headwind of a one-off large off-price wholesale deal in FY25 which made minimal profit contribution but served to right-size inventory. Excluding this the underlying wholesale performance was stronger.

Americas adjusted EBIT¹ was £27.0m (FY25: £13.6m) driven by improved gross margin, favourable FX movements and tight management of costs.

APAC Revenue declined by 5.1% to £109.0m, down 0.3% CC. DTC revenues declined 3.4% but grew 1.3% CC. South Korea Retail grew 25.4% (34.2% CC), driving total APAC retail growth of 0.9% (6.2% CC). Japan, our largest market in APAC, grew ecommerce 12.6% (18.1% CC), while China and South Korea were again impacted by a significant planned reduction in clearance activity, contributing to a total ecommerce decline in APAC of 8.9% (5.0% CC). Wholesale was down 9.5% (4.3% CC) with an expected reduction in revenues to our Australian distributor together with our exit from several third-party ecommerce websites.

APAC adjusted EBIT¹ increased to £18.5m (FY25: £16.0m), driven by improved gross margin and tight management of costs.

PERFORMANCE BY CHANNEL

Revenue decreased by 2.9% or 1.4% CC, driven by a decline in DTC revenue of 5.8% or 4.2% CC. The focus on Full Price revenue resulted in DTC Full Price revenue growing 0.6% and Full Price mix increasing by 3pts, with a strong Full Price performance in USA and APAC and a decline in EMEA Full Price, where we have more work to do. Wholesale revenues increased by 2.5% or 3.7% CC.

Volume, represented by pairs sold, decreased 2.5% to 10.2m pairs with wholesale down 0.7% and DTC down 4.6% to 4.4m pairs. The volume decline (of 2.5%) was greater than the CC revenue performance (of 1.4%) due to the increase in ASP as a result of the Full Price focus. This dynamic was most pronounced in Americas. Full Price DTC pairs were up 2.4%, with Americas again the standout performance, with Full Price DTC pairs up 16.5%. The Americas pairs performance was despite a one-off large off-price wholesale deal in USA completed in Q4 last year.

Ecommerce revenue was down 8.9% or 7.3% CC. This performance was impacted by the planned reduction in clearance activity, particularly in America, China and South Korea, with all regions seeing a significant managed decline in discounted ecommerce revenue. This was partially offset by an increase in Full Price ecommerce revenue in Americas and APAC, however in EMEA the headwind from consumers participating in clearance against a challenging consumer backdrop resulted in Full Price revenue decline.

Retail revenue declined 2.3% or 0.8% CC. In EMEA retail declined by 8.3% CC, with weak footfall across all markets. We saw good growth in America and APAC, up 2.9% and 0.9% respectively (8.2% and 6.2% CC), with South Korea the standout market delivering double-digit growth in all quarters and 34.2% CC for FY26. During the period we opened 19 new stores and closed 18 stores to end the period with 240 directly-operated stores. The 18 stores closed during the period were in multiple markets and reflect the disciplined approach to store reviews in line with the new retail strategy.

Wholesale revenue was up 2.5% or 3.7% CC with both EMEA and Americas delivering positive growth as AW25 order books were fulfilled to wholesale customers, and strong SS26 orderbook growth in America. APAC declined 4.3% CC in line with expectations.

RETAIL STORE ESTATE

During the period, we opened 19 (FY25: 17) new directly-operated stores (via arm's length leasehold arrangements) and closed 18 stores (FY25: 17), of which two were relocations.

Directly-operated stores		30 March 2025	Opened	Closed	29 March 2026
EMEA:	UK	34	2	(3)	33
	Germany	17	2	(1)	18
	France	18	1	-	19
	Italy	14	-	-	14
	Spain	6	-	(2)	4
	Other	14	-	-	14
		103	5	(6)	102
Americas:	59	5	(7)	57	
APAC:	Japan	46	4	(2)	48
	China	7	3	(3)	7
	South Korea	17	1	-	18
	Hong Kong	7	1	-	8
		77	9	(5)	81
Total directly-operated stores		239	19	(18)	240

The Group also trades from 15 (FY25: 20) concession counters in department stores in South Korea and a further 96 (FY25: 88) mono-branded franchise stores around the world as follows below, with the first stores opening in Italy, Argentina, Chile and China during the period.

Franchise and partner stores		30 March			29 March 2026
		2025	Opened	Closed	
EMEA:	Italy	-	1	-	1
		-	1	-	1
Americas:	Argentina	-	1	-	1
	Chile	-	1	-	1
	Canada	4	-	-	4
		4	2	-	6
APAC:	Japan	24	1	-	25
	China	-	2	-	2
	Australia	22	-	(1)	21
	New Zealand	5	-	-	5
	Taiwan	14	-	(2)	12
	Indonesia	10	2	(1)	11
	Thailand	5	-	-	5
	Malaysia	2	1	-	3
	Philippines	2	3	-	5
		84	9	(4)	89
Total mono-branded franchise and partner stores		88	12	(4)	96

ANALYSIS OF PERFORMANCE BY HALF

H1 revenue declined by 0.8% but increased by 0.8% CC, supported by DTC growth in the Americas and APAC. In H2, trading conditions became more competitive, increasing the consumer participation of clearance, particularly in UK and DACH. This, combined with stronger prior period comparatives in H2 than H1 resulted in revenue declining by 4.3% (3.0% CC) to £442.9m (FY25 H2: £463.0m). The reduction was driven by lower ecommerce revenue across all regions in H2 and the headwind of a large off-price Americas wholesale deal in FY25. These headwinds were partly offset by retail growth in the Americas and APAC, both up 2.9% CC in H2. Wholesale performance was stronger in H2 than H1, led by EMEA, which increased by 19.3% (16.0% CC).

		H1 FY26		H2 FY26	
		Reported	CC	Reported	CC
Total Revenue		-0.8%	0.8%	-4.3%	-3.0%
Region:	EMEA	-2.3%	-3.2%	-1.3%	-4.1%
	Americas	1.8%	6.3%	-7.0%	-2.2%
	APAC	-1.9%	1.5%	-7.4%	-1.5%
Channel:	Ecommerce	-7.3%	-5.1%	-9.7%	-8.4%
	Retail	3.0%	4.8%	-5.8%	-4.4%
	DTC	-1.9%	0.1%	-7.9%	-6.6%
	Wholesale ¹	0.6%	1.8%	4.4%	5.6%

1. Wholesale revenue including distributor customers.

ANALYSIS OF PERFORMANCE BY QUARTER

Revenue performance by quarter was uneven, reflecting a combination of deliberate trading decisions and the shape of comparatives. Q2 showed an improvement from Q1 across EMEA and APAC driven primarily by a strong retail performance which grew 8.7% CC in Q2, compared to 0.7% CC growth in Q1. Q3 was weaker against a more challenging comparative, with a weaker EMEA ecommerce performance, while US ecommerce remained resilient, delivering a third consecutive quarter of growth. Retail continued to show a strong performance with both Americas and APAC retail markets growing in Q3 and Q4. Wholesale grew in all quarters on a CC basis, with strong growth in EMEA and Americas wholesale performance, more than offsetting the impact of a large off-price US wholesale deal in Q4 last year.

	Q1		Q2		Q3		Q4	
	Reported	CC	Reported	CC	Reported	CC	Reported	CC
Total Revenue	-2.3%	0.7%	0.0%	0.9%	-3.1%	-2.7%	-5.9%	-3.5%
Region:								
EMEA	-7.9%	-7.2%	0.4%	-1.3%	-3.0%	-6.0%	1.1%	-1.3%
Americas	5.7%	11.9%	-0.1%	3.4%	-1.6%	2.2%	-13.0%	-7.2%
APAC	-2.8%	0.0%	-1.2%	2.7%	-7.4%	-2.7%	-7.4%	0.0%
Channel:								
Ecommerce	-4.9%	-1.8%	-9.1%	-7.7%	-6.8%	-6.1%	-14.1%	-11.9%
Retail	-2.0%	0.7%	7.7%	8.7%	-7.3%	-7.0%	-3.5%	-0.7%
DTC	-3.3%	-0.5%	-0.7%	0.5%	-7.0%	-6.5%	-9.3%	-6.8%
Wholesale ¹	0.7%	4.2%	0.6%	1.2%	9.3%	9.5%	0.1%	2.3%

1. Wholesale revenue including distributor customers.

PROFITABILITY ANALYSIS

Gross margin improved by 1.2pts to 66.2% or by 1.1pts CC driven by the benefit of the increase in Full Price mix across US and APAC partially offset by the promotional EMEA market, combined with continued good control of COGS across the Group, particularly through freight savings.

Opex¹ declined by 5.1%, or £19.4m, to £359.0m. Opex¹ not linked to demand generation was tightly controlled across the business and benefited from the cost actions taken in FY25; as a result non-demand generating opex declined 6% year-on-year. Demand generating opex remaining broadly flat, down 0.2%.

All IEEPA- related US tariffs included within Opex have been considered an exceptional cost due to their magnitude and unusual nature, with any future refunds to be considered exceptional income.

EBITDA¹ increased by 9.4% to £128.0m (FY25: £117.0m), with reduced revenues offset by tight cost control.

EBIT¹ improved by 54.1% to £57.0m (FY25: £37.0m) as a result of the increase in EBITDA and currency gains of £0.9m (FY25: currency losses of £3.1m), and lower depreciation and amortisation of £68.4m (FY25: £72.5m).

Profit after tax is analysed in the following table from EBITDA:

£m	FY26	FY25
EBITDA ¹	128.0	117.0
Depreciation and amortisation	(68.4)	(72.5)
Impairment	(4.2)	(4.3)
Other gains/(losses)	0.7	(0.1)
Currency gains/(losses)	0.9	(3.1)
EBIT ¹	57.0	37.0
Add back: exceptional costs and adjusting items ¹	22.3	23.7
Adjusted EBIT ¹	79.3	60.7
Net bank interest costs	(17.7)	(21.1)
Interest on lease liabilities and unwind of provisions	(6.6)	(7.1)
Profit before tax	32.7	8.8
Add back: exceptional costs and adjusting items ¹	22.3	25.3
Adjusted profit before tax ¹	55.0	34.1
Tax	(8.9)	(4.3)
Profit after tax	23.8	4.5

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

Depreciation and amortisation charged in the period was £68.4m (FY25 £72.5m) and is analysed as follows:

£m	FY26	FY25
Amortisation of intangibles ¹	6.3	6.1
Depreciation of property, plant and equipment ²	13.3	15.0
	19.6	21.1
Depreciation of right-of-use assets ³	48.8	51.4
Total	68.4	72.5

1. Mainly represented by IT-related spend with the average useful term of 5 to 15 years.

2. Mainly represented by office and store fit-out costs with a useful term of 3 to 15 years.

3. Mainly represented by depreciation of IFRS 16 capitalised leases with the average useful term remaining of 2.9 years and 271 properties (FY25: 3.2 years and 267 properties).

Foreign currency

Dr. Martens is a global brand selling to consumers across the world in many different currencies with the Financial Statements reported in GBP. Foreign currency amounts in the Profit or Loss account are prepared on an average actual currency rate basis for the period. These exchange rates are calculated monthly and applied to revenue and costs generated in that month, such that the actual performance translated across the period is dependent on monthly trading profiles as well as movement in currency exchange rates. To aid comparability of underlying performance, we have also calculated constant currency¹ movements across the Profit and Loss account, which is calculated by applying the prior period exchange rates to current period results to remove the impact of FX.

Exchange rates mainly impacting the Group are GBP/USD, GBP/EUR and GBP/JPY. The following table summarises average exchange rates used in the period:

	GBP/USD			GBP/EUR			GBP/JPY		
	FY26	FY25	%	FY26	FY25	%	FY26	FY25	%
H1	1.34	1.28	4.7%	1.17	1.18	-0.8%	196	195	0.5%
H2	1.34	1.27	5.5%	1.15	1.20	-4.2%	208	194	7.2%
FY	1.34	1.28	4.7%	1.16	1.19	-2.5%	202	194	4.1%

The Group takes a holistic approach to exchange rate risk, monitoring exposures on a Group-wide, net cashflow basis, seeking to maximise natural offsets wherever possible. While COGS purchases for the Group are predominantly denominated in USD, currency risk is partially offset from USD revenues earned in the Americas and from distributor revenues, which are also largely USD denominated. Where a net foreign currency exposure is considered material, the Group seeks to reduce volatility from exchange movements by using derivative financial instruments. During the period, a £1.4m loss (FY25: £3.8m gain) was recorded in revenues related to derivatives partially hedging the net EUR inflows.

Retranslation of foreign currency denominated monetary assets and liabilities in the period resulted in a currency gain of £0.9m (FY25: loss of £3.1m). This was predominantly due to the revaluation of external purchase balances following the depreciation of USD against GBP.

Interest

The Group's exposure to movements in interest rates arises primarily from cash investments, borrowings and IFRS 16 lease liabilities. Total Group net interest costs for the period were £24.3m, £3.9m lower than the prior year (FY25: £28.2m). This reduction was mainly driven by lower interest on lease liabilities, together with reduced Term Loan interest and Revolving Credit Facility (RCF) non-utilisation fees, reflecting lower average principal amounts following the refinancing completed in November 2024. In addition, £1.6m of unamortised costs related to fees on the prior debt were accelerated and recognised in FY25.

Adjusting items¹

In January 2026, the Group internally announced a reorganisation programme with operating model changes effective from 1 April 2026, moving from a regions-based to a market-centric operational model. The move to a market-centric model will enable a consumer-first focus and ensure the business is organised to enable delivery of the new strategy. Investment in transformation costs have been included within adjusting items¹ as a new category.

In FY25, the Group announced it would be undertaking a cost action plan, through operational efficiency and design, better procurement and operational streamlining. We saw some benefit in FY25, with the full benefit of annualised savings realised in FY26. In February 2025, the Group commenced a project to change and improve the Global Technology organisation and capability through the establishment of a new technology centre in India. The costs of these projects have been classed as exceptional.

In the period, the Group incurred exceptional costs of £12.1m (FY25: £16.3m), £9.9m of which related to IEEPA-related US tariffs following the US Supreme Court judgment, £0.8m director joining costs relating to the CEO and CFO, £0.4m in relation to establishment of the Global Technology Centre in India, and £1.0m pension buy-in accounting charges and associated expenses.

Impairment of non-financial assets, in relation to 15 underperforming stores globally, currency gains/(losses) along with investment in transformation are presented as other adjusting items¹ to provide a clearer view of the Group's underlying operational performance.

£m	FY26	FY25
Included in selling and administrative expenses		
Exceptional costs ¹		
Director joining costs	0.8	4.6
Cost savings-related costs	0.4	11.7
Pension buy-in accounting charges and associated expenses	1.0	-
IEEPA-related US tariffs following the US Supreme Court judgment	9.9	-
	12.1	16.3
Other adjusting items		
Investment in transformation	6.9	-
Impairment of non-financial assets	4.2	4.3
Currency (gains)/losses	(0.9)	3.1
Adjustments to EBIT¹	22.3	23.7
Exceptional costs ¹		
Accelerated amortisation of fees on debt refinancing	-	1.6
Adjustments to profit before tax	22.3	25.3

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

Tax charge was £8.9m (FY25: £4.3m charge) with an effective tax rate of 27.2% (FY25: 48.9%), which is higher than the UK corporate tax rate of 25.0%. This is driven by non-deductible expenses and prior year tax adjustments on finalisation of FY25 tax returns.

Basic earnings per share was 2.5p (FY25: basic and diluted earnings per share of 0.5p) or 4.2p earnings on an adjusted basis (FY25: 2.4p). EPS and diluted EPS are similar numbers due to the minimal dilutive impact of share options on the total diluted share number. The following table summarises these EPS figures:

		FY26 pence Reported	FY26 pence CC ¹	FY25 pence
Earnings per share	Adjusted basic ¹	4.2	4.1	2.4
	Basic	2.5	2.2	0.5
	Diluted	2.4	2.1	0.5

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

CASH FLOWS

£m	FY26	FY25
EBITDA	128.0	117.0
Decrease in inventories	23.5	62.7
(Increase)/decrease in debtors	(8.8)	6.3
Increase in creditors	5.1	15.3
Total change in net working capital	19.8	84.3
Share-based payments	5.2	7.2
Capex	(11.9)	(18.7)
Operating cash flow¹	141.1	189.8
Operating cash flow conversion^{1,2}	110.2%	162.2%
Net interest paid	(17.2)	(28.1)
Payment of lease liabilities	(55.6)	(56.2)
Taxation	(10.9)	(12.2)
Repurchase of shares	(6.7)	-
Derivatives settlement	-	(4.0)
Defined benefit pension past service cost	0.6	-
Proceeds from borrowings	-	250.0
Repayment of borrowings	-	(283.0)
Dividends paid	(24.6)	(9.5)
Net cash inflow	26.7	46.8
Opening cash	155.9	111.1
Net cash exchange translation	(2.3)	(2.0)
Closing cash	180.3	155.9

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

2. Adjusted operating cash flow conversion¹ is 109.7% (FY25: 149.8%).

Operating cash flow¹ generated an inflow of £141.1m (FY25: inflow of £189.8m), impacted by positive working capital cash inflows of £19.8m (FY25: inflow of £84.3m). Cash inflows on inventory were inflated in FY25 as we cleared down obsolete and fragmented stock in order to right-size inventory.

Debtors have increased by £8.8m (FY25: £6.3m decrease), predominantly driven by wholesale customer orders in Q4.

Trade debtor days increased to 61 days (FY25: 58 days), falling marginally outside the standard 60-day payment terms, driven by customer mix with a higher proportion of EMEA debtors (with debtor days at 64) than Americas (with debtor days at 53).

Creditors have increased by £5.1m (FY25: £15.3m) due to the timing of payments around the reporting date.

Capex was £11.9m (FY25: £18.7m) and represented 1.6% of revenue (FY25: 2.4%). The breakdown in Capex by category is as follows:

£m	FY26	FY25
Retail stores	7.2	6.5
Supply Chain	0.1	1.4
IT/Technology	4.6	10.8
	11.9	18.7

Net interest paid was £17.2m (FY25: £28.1m), representing a £10.9m improvement year-on-year. The reduction was primarily driven by lower debt interest following a change in interest term periods (from six to three months) and a reduction in the Term Loan principal amount after the refinancing in November 2024. Further benefits arose from lower non-utilisation fees reflecting the reduced principal of the RCF. Cash investment interest increased modestly due to higher average cash balances, partially offset by lower interest rates.

Payment of lease liabilities was £55.6m (FY25: £56.2m), lower than FY25 by £0.6m.

Repurchase of shares

During the period, the Dr. Martens plc Employee Benefit Trust (EBT) was established, for the purpose of purchasing and holding shares in Dr. Martens plc for subsequent transfer to employees under the terms of the Group's share plans. During the period, the Trust purchased 10,000,000 shares (FY25: nil) for a total cash consideration of £6.7m.

Funding and Leverage

The Group is funded by internally generated operating cash flows, bank debt and equity. In November 2024, the Group agreed with existing and new lenders to refinance its debt facilities, previously comprising a €337.5m Term Loan and RCF of £200.0m. The facility consists of a £250.0m Term Loan and RCF of £126.5m for an initial term of three years, with two one-year extension options, subject to lender approval.

In April 2026, the lending syndicate approved the Group's request to exercise the one-year extension option on both the Term Loan and the RCF, extending the maturity of these facilities to 14 November 2028, effective from 1 May 2026. On 30 March 2026, the Group also cancelled £26.5 million of commitments under the RCF, thereby reducing the total facility size to £100.0 million. All other terms remain unchanged. Further details on the capital structure and debt are given in notes 18 and 22 of the Consolidated Financial Statements.

The facilities are subject to a financial covenant, based on a Net Debt/LTM EBITDA leverage ratio of <3x which is tested every six months. The total net leverage test is calculated with a full 12 months of EBITDA (covenant calculation basis) and net debt being inclusive of IFRS 16 lease liabilities at the Balance Sheet date. As at 29 March 2026, the Group had total net leverage of 1.4 times (FY25: 1.8 times).

BALANCE SHEET

£m	29 March 2026	30 March 2025
Freehold property	6.5	6.7
Right-of-use assets	131.3	143.2
Other fixed assets	66.7	76.2
Inventory	160.8	187.4
Debtors	71.2	63.4
Creditors ¹	(114.6)	(111.4)
Working capital	117.4	139.4
Other ²	7.0	6.0
Operating net assets	328.9	371.5
Pension surplus	3.0	-
Goodwill	240.7	240.7
Cash	180.3	155.9
Bank debt	(250.0)	(250.0)
Unamortised bank fees	2.4	3.7
Lease liabilities	(143.8)	(155.4)
Net assets/equity	361.5	366.4

1. Includes bank interest of £2.1m (FY25: £2.4m).

2. Other includes investments, deferred tax assets, income tax assets, income tax payables, deferred tax liabilities, and provisions.

Inventory

Inventory declined from £187.4m in FY25 to £160.8m in FY26. Inventory levels were broadly flat year-on-year in EMEA and APAC with the reduction being driven by Americas.

£m	29 March 2026	30 March 2025
Inventory (£m)	160.8	187.4
Turn (x) ¹	1.5x	1.5x
Weeks cover ²	32	35

1. Calculated as historical LTM COGS divided by average LTM inventory.
2. Calculated as 52 weeks divided by inventory turn.

Pension Surplus

In December 2025, the Trustees purchased a bulk insurance annuity policy, constituting a buy-in transaction. Prior to the buy-in transaction, the Plan surplus was not recognised on the grounds that Airwair International Limited was unlikely to derive any future economic benefits from the surplus. However, following the transaction, the asset ceiling has been removed with the surplus recognised in full, on the basis that any surplus now represents a true economic surplus. The net surplus of £3.0m (FY25: £nil) has been recognised on the Balance Sheet. Further details on the pension buy-in are given in notes 4 and 30 of the Consolidated Financial Statements.

Net Debt

Reduced year-on-year by £36.0m to £213.5m as summarised below;

£m	29 March 2026	30 March 2025
Bank loans (excluding unamortised bank fees)	(250.0)	(250.0)
Cash	180.3	155.9
Net bank loans	(69.7)	(94.1)
Lease liabilities	(143.8)	(155.4)
Net Debt¹	(213.5)	(249.5)

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

Lease liabilities

New lease commitments and remeasurements during the period were £38.0m, largely relating to £22.3m of remeasurements. This was offset by £55.6m of lease repayments. Average lease length is low, at 2.4 years to break (FY25: 2.6 years), with the average lease length we expect to utilise being 2.9 years (FY25: 3.2 years) reflected on the Balance Sheet.

£m	29 March 2026	30 March 2025	Average lease length to break (years)
Stores	106.0	111.4	2.6
Offices, warehouses and other	37.8	44.0	1.3
Lease liabilities	143.8	155.4	2.4

RETURNS TO SHAREHOLDERS

Our capital allocation framework guides our view of returns to shareholders and usage of excess cash. We have a target leverage of less than 1.5x Net Debt/EBITDA through the year. There are four uses of capital for our business. The first is investment into the business, for instance into the brand or through capex into stores, systems and other investment projects. Secondly, we maintain a progressive dividend policy of 25% to 35% earnings payout. The Board will also consider strategic investments and additional capital returns to shareholders in a situation when excess cash is available and we are below our target leverage.

Dividends

The Board declares a final dividend of 1.70p, taking the total dividend for FY26, including the interim dividend of 0.85p, to 2.55p, in line with the FY25 dividend payment. This will be paid to shareholders on the register as at 28 August with payment on 7 October.

£m	FY26	FY25
Dividends paid during the period:		
Prior period final dividend paid	16.4	9.5
Prior period interim dividend paid	8.2	-
Total dividends paid during the period	24.6	9.5
Profit for the period	23.8	4.5
Dividend in respect of the period:		
Interim dividend: 0.85p (FY25: 0.85p)	8.2	8.2
Final dividend: 1.70p (FY25: 1.70p)	16.3	16.4
Total dividend in respect of the period	24.5	24.6
Payout ratio %	103%	547%

GUIDANCE

Our guidance for FY27 is:

- Depreciation and Amortisation of around £70m
- Net finance costs of around £24m
- Blended tax rate of c.27%
- Capex of around £30m, which includes the investment in the store estate and a London head office move
- Net debt of around £200m, including lease liabilities, with net bank debt of around £50m

In line with our retail strategy, we expect our store estate to be broadly flat over the next two years.

FX revenue sensitivities are as follows: for every 1%pt movement in US dollar c.£3.0m; Japanese Yen c.£0.5m and Euro c.£2.5m.

DISCLOSURE CHANGES

In FY27 we intend to move to market-based reporting, and no longer report regional revenues, in line with the new operating model for the business. We will publish historical financial data on the new reporting structure ahead of the first half results in November.

Consolidated Statement of Profit or Loss For the 52 weeks ended 29 March 2026

	Note	FY26 £m	FY25 £m
Revenue	3	764.9	787.6
Cost of sales		(258.9)	(275.9)
Gross margin		506.0	511.7
Selling and administrative expenses	5	(449.0)	(474.7)
Finance income		3.7	3.8
Finance expense	8	(28.0)	(32.0)
Profit before tax		32.7	8.8
EBIT¹	3	57.0	37.0
Net finance expense		(24.3)	(28.2)
Profit before tax		32.7	8.8
Tax expense	9	(8.9)	(4.3)
Profit for the period		23.8	4.5

Reconciliation of adjusted EBIT¹:	Note(s)	FY26 £m	FY25 £m
EBIT ¹	3	57.0	37.0
Exceptional costs ¹	3, 4, 31	12.1	16.3
Investment in transformation	3, 4	6.9	-
Impairment of non-financial assets	3, 4	4.2	4.3
Currency (gains)/losses	3, 4	(0.9)	3.1
Adjusted EBIT¹ – non-GAAP measure		79.3	60.7

Reconciliation of adjusted profit before tax¹:	Note(s)	FY26 £m	FY25 £m
Profit before tax	3	32.7	8.8
Exceptional costs ¹	3, 4, 31	12.1	17.9
Investment in transformation	3, 4	6.9	-
Impairment of non-financial assets	3, 4	4.2	4.3
Currency (gains)/losses	3, 4	(0.9)	3.1
Adjusted profit before tax¹ – non-GAAP measure		55.0	34.1

Earnings per share	Note	FY26	FY25
Basic	10	2.5p	0.5p
Diluted	10	2.4p	0.5p
Adjusted earnings per share¹ – non-GAAP measure	Note	FY26	FY25
Adjusted basic ¹	10	4.2p	2.4p
Adjusted diluted ¹	10	4.1p	2.4p

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

The results for the periods presented above are derived from continuing operations and are entirely attributable to the owners of the Parent Company.

The notes on pages 23 to 62 form part of these Consolidated Financial Statements.

Consolidated Statement of Comprehensive Income For the 52 weeks ended 29 March 2026

	Note	FY26 £m	FY25 £m
Profit for the period		23.8	4.5
Other comprehensive income/(expense)			
Items that may not subsequently be reclassified to profit or loss			
Remeasurements of defined benefit pension scheme	30	3.6	-
Tax in relation to remeasurements of defined benefit pension scheme	9	(0.9)	-
Items that may subsequently be reclassified to profit or loss			
Foreign currency translation differences		(5.2)	(3.1)
Cash flow hedges: Fair value movements in equity		(1.9)	(0.3)
Cash flow hedges: Reclassified and reported in profit or loss	20	1.3	(0.2)
Tax in relation to share schemes	9	0.3	(0.7)
Tax in relation to cash flow hedges	9	0.1	0.3
		(2.7)	(4.0)
Total comprehensive income for the period		21.1	0.5

The notes on pages 23 to 62 form part of these Consolidated Financial Statements.

Consolidated Balance Sheet

As at 29 March 2026

	Note(s)	FY26 £m	FY25 £m
ASSETS			
Non-current assets			
Intangible assets	12	270.4	274.0
Property, plant and equipment	13	43.5	49.6
Right-of-use assets	13	131.3	143.2
Investments	21	1.0	1.0
Derivative financial assets	20	-	-
Deferred tax assets	23	11.0	11.1
Net pension asset	30	3.0	-
		460.2	478.9
Current assets			
Inventories	14	160.8	187.4
Trade and other receivables	15	70.7	62.4
Income tax assets		4.8	4.2
Derivative financial assets	20	0.5	1.0
Cash and cash equivalents	16	180.3	155.9
		417.1	410.9
Total assets		877.3	889.8
LIABILITIES			
Current liabilities			
Trade and other payables	17	(112.3)	(108.9)
Borrowings	18	(2.1)	(2.4)
Lease liabilities	18, 29	(44.1)	(45.9)
Income tax liabilities		(1.2)	(1.3)
Derivative financial liabilities	20	(0.2)	(0.1)
		(159.9)	(158.6)
Non-current liabilities			
Borrowings	18	(247.6)	(246.3)
Lease liabilities	18, 29	(99.7)	(109.5)
Provisions	19	(7.3)	(6.5)
Deferred tax liabilities	23	(1.3)	(2.5)
		(355.9)	(364.8)
Total liabilities		(515.8)	(523.4)
Net assets		361.5	366.4
EQUITY			
Equity attributable to the owners of the Parent			
Ordinary share capital	24, 26	9.7	9.6
Treasury shares	25, 26	(6.7)	-
Hedging reserve	26	0.2	0.7
Capital redemption reserve	26	0.4	0.4
Merger reserve	26	(1,400.0)	(1,400.0)
Foreign currency translation reserve	26	1.4	6.6
Retained earnings	26	1,756.5	1,749.1
Total equity		361.5	366.4

The notes on pages 23 to 62 form part of these Consolidated Financial Statements.

The Consolidated Financial Statements on pages 18 to 62 were approved and authorised by the Board of Directors on 19 May 2026 and signed on its behalf by:

Ije Nworie
Chief Executive Officer

Giles Wilson
Chief Financial Officer

Consolidated Statement of Changes in Equity For the 52 weeks ended 29 March 2026

	Note	Ordinary share capital £m	Treasury shares £m	Hedging reserve £m	Capital redemption reserve £m	Merger reserve £m	Foreign translation reserve £m	Retained earnings £m	Total equity £m
At 1 April 2024		9.6	-	0.9	0.4	(1,400.0)	9.7	1,747.6	368.2
Profit for the period		-	-	-	-	-	-	4.5	4.5
Other comprehensive expense		-	-	(0.2)	-	-	(3.1)	(0.7)	(4.0)
Total comprehensive (expense)/ income for the period		-	-	(0.2)	-	-	(3.1)	3.8	0.5
Dividends paid	11	-	-	-	-	-	-	(9.5)	(9.5)
Shares issued	24	-	-	-	-	-	-	-	-
Share-based payments	27	-	-	-	-	-	-	7.2	7.2
At 30 March 2025		9.6	-	0.7	0.4	(1,400.0)	6.6	1,749.1	366.4
Profit for the period		-	-	-	-	-	-	23.8	23.8
Other comprehensive (expense)/income		-	-	(0.5)	-	-	(5.2)	3.0	(2.7)
Total comprehensive (expense)/ income for the period		-	-	(0.5)	-	-	(5.2)	26.8	21.1
Dividends paid	11	-	-	-	-	-	-	(24.6)	(24.6)
Shares issued	24	0.1	-	-	-	-	-	-	0.1
Share-based payments	27	-	-	-	-	-	-	5.2	5.2
Purchase of own shares held by employee trust	25	-	(6.7)	-	-	-	-	-	(6.7)
At 29 March 2026		9.7	(6.7)	0.2	0.4	(1,400.0)	1.4	1,756.5	361.5

The notes on pages 23 to 62 form part of these Consolidated Financial Statements.

Consolidated Statement of Cash Flows For the 52 weeks ended 29 March 2026

	Note(s)	FY26 £m	FY25 £m
Profit after taxation		23.8	4.5
Add back:			
income tax expense	9	8.9	4.3
finance income		(3.7)	(3.8)
finance expense	8	28.0	32.0
depreciation, amortisation and impairment	12, 13	72.6	76.8
other (gains)/losses		(0.7)	0.1
currency (gains)/losses		(0.9)	3.1
loss/(gain) realised on matured derivatives		1.3	(3.8)
share-based payments charge	27	5.2	7.2
defined benefit pension past service cost	30	0.6	-
Decrease in inventories		23.5	62.7
(Increase)/decrease in trade and other receivables		(8.8)	6.3
Increase in trade and other payables		5.1	15.3
Change in net working capital		19.8	84.3
Cash flows from operating activities			
Cash generated from operations		154.9	204.7
Taxation paid		(10.9)	(12.2)
Settlement of matured derivatives		(1.3)	3.8
Net cash inflow from operating activities		142.7	196.3
Cash flows from investing activities			
Additions to intangible assets	12	(2.7)	(10.3)
Additions to property, plant and equipment	13	(9.2)	(8.4)
Finance income received		3.7	3.4
Net cash outflow from investing activities		(8.2)	(15.3)
Cash flows from financing activities			
Finance expense paid		(20.9)	(31.5)
Payment of lease interest	29	(6.3)	(6.9)
Payment of lease liabilities	29	(49.3)	(49.3)
Purchase of own shares held by employee trust	25	(6.7)	-
Proceeds from borrowings	18	-	250.0
Repayment of borrowings	18	-	(283.0)
Settlement of matured derivatives		-	(4.0)
Dividends paid	11	(24.6)	(9.5)
Net cash outflow from financing activities		(107.8)	(134.2)
Net increase in cash and cash equivalents		26.7	46.8
Cash and cash equivalents at beginning of period		155.9	111.1
Effect of foreign exchange on cash held		(2.3)	(2.0)
Cash and cash equivalents at end of period	16	180.3	155.9

The notes on pages 23 to 62 form part of these Consolidated Financial Statements.

Notes to the Consolidated Financial Statements

For the 52 weeks ended 29 March 2026

1. General information

Dr. Martens plc (the 'Company') is a public company limited by shares incorporated in the United Kingdom, and registered and domiciled in England and Wales, whose shares are traded on the London Stock Exchange. The Company's registered office is: 28 Jamestown Road, Camden, London NW1 7BY. The principal activity of the Company and its subsidiaries (together referred to as the 'Group') is the design, development, procurement, marketing, selling and distribution of footwear under the Dr. Martens brand.

2. Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to the periods presented, unless otherwise stated. Amounts are presented in GBP and to the nearest million pounds (to one decimal place) unless otherwise noted. The reporting period is defined as the 52 weeks ended 29 March 2026 and 52 weeks ended 30 March 2025 for the comparative period.

2.1 Basis of preparation

The Consolidated Financial Statements of the Group have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The Group's Consolidated Financial Statements have been prepared on a going concern basis under the historical cost convention, except for equity investments, derivative financial instruments, money market funds, share-based payments and pension scheme assets that have been measured at fair value.

Certain amounts in the Statement of Profit or Loss and the Balance Sheet have been grouped together for clarity, with their breakdown being shown in the notes to the financial statements. The distinction presented in the Balance Sheet between current and non-current entries has been made on the basis of whether the assets and liabilities fall due within more than one year.

Consideration of climate risk matters

The Group continues to assess the impact of climate risk matters on many aspects of the business, including climate-related scenario analysis as required by the Task Force on Climate-related Financial Disclosures. Building on this scenario analysis, consideration has been given to the impact of climate-related risk on management judgements and estimates, and compliance with existing accounting requirements. The incurred costs and investments associated with our sustainability strategy are reflected in the Group's Financial Statements. The impact of climate-related risk matters is not expected to be material to the 29 March 2026 Consolidated Financial Statements, the Group going concern assessments to 30 May 2027, or the viability of the Group over the next three years.

Financial calendar

The FY26 period began on 31 March 2025, and the Consolidated Financial Statements report the 52 weeks ended 29 March 2026. The retail calendar will report a 52-week year, split into monthly 5-4-4 Monday to Sunday week formats¹. A 53-week year will be reported approximately every six years to avoid the retail calendar deviating by more than seven days from the calendar year and the accounting reference date of 31 March.

Going concern

The financial statements have been prepared on the going concern basis. The going concern assessment covers at least the 12-month period from the date of the signing of the financial statements, and the going concern basis is dependent on the Group maintaining adequate levels of resources to operate during the period. To support this assessment, detailed trading and cash flow forecasts, including forecast liquidity and covenant compliance, were prepared for the 14-month period to 30 May 2027. The Directors' assessment used the same assumptions and methods as the viability assessment on pages 56 and 57 of the Annual Report.

The key stages of the assessment process are summarised as follows:

- The Group planning process forms the basis of the going concern review, this consists of a review of strategy and producing outputs for long, medium and short-term financial plans, based on key assumptions which are agreed with the GLT and Board. Going forward, this will be agreed with the newly formed Executive Team.
- The trading outlook over the long, medium and short-term is evaluated, contextualising our assessments within the broader macroeconomic environment.
- Micro and macro central planning assumptions are identified and incorporated into the assessments.
- The Directors of the Group have considered the future position based on current trading and a number of potential downside scenarios which may occur, including the impact of appropriate principal risks crystallising.
- Further details on the potential downside scenarios relevant to the going concern assessment period have been included below.

The Directors also considered the Group funding arrangements as at 29 March 2026. The Term Loan and Revolving Credit Facility (RCF) were successfully refinanced in November 2024. As at 29 March 2026 the Group reports cash of £180.3m, a Term Loan of £250.0m, and an undrawn RCF of £122.7m. The initial term of both facilities ends on 14 November 2027. There are two one-year extension options subject to lender approval, of which one has now been executed.

Consistent with the Viability Statement on pages 56 and 57 of the Annual Report, management have modelled, and the Directors have reviewed 'top-down' sensitivity and stress testing, including a review of the cash flow projections and covenant compliance under a severe but plausible scenario in relation to certain main risks and specific events assessed which are detailed below:

- The impact of a factory closure in one key production geographic area due to climate change (e.g. flooding).
- The impact of a reduction in factory capacity due to climate change (e.g. heatwave).
- Global cyber-attack resulting in two-month loss of ecommerce sales during peak trading period. Weaker consumer sentiment and lower demand.

'Top-down' sensitivity and stress testing included a review of the cash flow projections and covenant compliance under a severe but plausible scenario in relation to the downside scenarios described above. In the unlikely event of all the above scenarios occurring together, the Group can withstand material revenue decline and without applying available mitigations, headroom above covenant requirements remains, in line with expectation and the Group continues to have satisfactory liquidity and covenant headroom throughout the period under review. Experience over four years of FY23 to FY26 has indicated minimal wholesale bad debt risk and minimal margin risk with the principal risk to meeting covenant compliance being lower revenue.

1. Although FY26 represents a financial period, there are instances throughout the statements where it is referred to as a year.

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

2. Accounting policies (continued)

2.1 Basis of preparation (continued)

Going concern (continued)

In modelling our severe but plausible downside we have incorporated the impact of a double-digit decrease in revenue from the base plan in the short-term, whilst holding stock purchases in line with the base plan. Under this scenario, mitigations have not been included, but have been set out for reference, including some cost and cash savings that materialise immediately if the Group's performance is below budget and other planned and standard cost reductions.

A more extreme downside scenario is not considered plausible.

Reverse stress tests have been modelled to determine what could break covenant compliance estimates and liquidity before mitigating actions. A covenant breach test was performed as at March 2027, it was concluded that the business could weather extreme growth reductions without mitigation vs the base plan. The business would have to experience -18%pts decline in growth relative to the base plan before covenants are breached in March 2027. A further scenario, modelling the revenue decline required to reach -£50m cash at the end of the going concern period was also performed. Modelling of -£50m cash, rather than the full utilisation of the RCF, is performed as this would trigger special cash monitoring measures. The business would have to experience -42%pts decline in revenue growth vs the market growth plan during the period. The Directors have assessed the likelihood of both scenarios to be remote.

We have also assessed the qualitative and quantitative impact of climate-related risks, as noted in our TCFD scenario analysis and above, on asset recoverable amounts and concluded that there would not be a material impact on the business and cash flows in the viability period.

We will continue to monitor the impact of the macroeconomic backdrop and geopolitical events on the Group in the countries where we operate, and we plan to maintain flexibility to react as appropriate.

2.2 Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries as at 29 March 2026 and 30 March 2025. Control is achieved when the Group has rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor's returns. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement(s) with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.3 Adoption of new and revised standards

The following amendment became applicable for the current reporting period. This amendment does not have an impact on the Group in the current reporting period, and is not expected to have a material impact in future reporting periods:

- Amendments to IAS 21 – Lack of exchangeability

The following new or amended IFRS accounting standards, amendments and interpretations are not yet adopted, and it is expected that where applicable, these standards and amendments will be adopted on each respective effective date:

- IFRS 18 – Presentation and disclosure in financial statements
- IFRS 19 – Subsidiaries without public accountability: disclosures
- Amendments to IFRS 19 – Subsidiaries with public accountability: disclosures
- Annual Improvements to IFRS – Volume 11
- Amendments to IFRS 9 and IFRS 7 – Classification and measurement of financial instruments
- Amendments to IFRS 9 and IFRS 7 – Contracts referencing nature-dependent electricity
- Amendments to IAS 21 – Translation to a Hyperinflationary Presentation Currency

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

2. Accounting policies (continued)

2.3 Adoption of new and revised standards (continued)

IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive. In particular, those related to the Statement of Profit or Loss and providing management-defined performance measures within the financial statements. Management is currently assessing the detailed implications of applying the new standard to the Group's Consolidated Financial Statements.

The Group will apply the new standard from its mandatory effective date of 1 January 2027, subject to UK endorsement. Retrospective application is required, and so the comparative information for the financial period ending 28 March 2027 will be restated in accordance with IFRS 18.

Other accounting standards, amendments and interpretations not yet adopted are not expected to have a material impact.

2.4 Alternative Performance Measures (APMs)

Management exercises judgement in determining the adjustments to apply to IFRS measurements in order to derive suitable APMs. As set out in the Glossary on pages 227 to 229, APMs are used as management believes these measures provide additional useful information on the underlying trends, performance and position of the Group. These measures are used for performance analysis. The APMs are not defined by IFRS and therefore may not be directly comparable with other companies' APMs. These measures are not intended to be a substitute for, or superior to, IFRS measurements.

Adjusting items

For the periods ended 29 March 2026 and 30 March 2025, the Group has utilised the term 'adjusting items' which are used within adjusted performance measures as defined in the Glossary on pages 74 to 76. Adjusted results are presented to provide a clearer view of the Group's ongoing operational performance, reflecting how the business is managed and measured on a day-to-day basis, and to aid comparability between periods.

Adjusting items include exceptional costs, investment in transformation, impairment of non-financial assets and currency gains/losses. Investment in transformation is a new category of adjusting items. Investment in transformation comprises costs associated with transformation programmes that are delivering significant changes to how the business operates.

Exceptional costs are items of income/expense that are significant in nature and/or quantum, and/or are considered unusual or non-recurring, such that they are not considered part of the core operations of the business. The following items were included as exceptional costs for the period ended 29 March 2026; refer to note 4 for further detail:

- Director joining costs relating to sign-on packages that are not considered to be part of the normal operating costs of the business.
- Cost savings related costs arising from operational changes that are not considered to be part of the normal and ongoing operating costs of the business.
- Pension buy-in accounting charges and associated expenses.
- IEEPA-related US tariffs following the US Supreme Court judgment.

2.5 Foreign currency translation

The Consolidated Financial Statements are presented in GBP, which is the Group's presentational currency. The Group includes foreign entities whose functional currencies are not GBP. On consolidation, the assets and liabilities of the Group entities that have a functional currency different from the presentation currency are translated into GBP at the closing rate at the date of that Balance Sheet. Income and expenses for each Statement of Profit or Loss are translated at average foreign exchange rates for the period. Foreign exchange differences are recognised in other comprehensive income. The functional currency of each company in the Group is that of the primary economic environment in which the entity operates.

2.6 Revenue

The Group's revenue arises from the sale of goods to customers. Contracts with customers generally have one performance obligation. The Group has concluded that the revenue from the sale of goods should be recognised at a point in time when control of the goods is transferred to the customer, which is dependent on the revenue channel. Revenue is recognised at the invoiced price less any associated discounts and sales taxes.

The Group assessed its revenue channels against the IFRS 15 five-step model, identifying the contracts, the performance obligations and the transaction price, and then allocating this to determine the timing of revenue recognition. The revenue channels that have been separately assessed are as follows:

- ecommerce revenue, including delivery charge income;
- retail revenue; and
- wholesale revenue.

Control is passed to the customer on the following basis under each of the revenue channels as follows:

- ecommerce channel: upon receipt of the goods by the consumer;
- retail channel: upon completion of the transaction; and
- wholesale channel: upon delivery of the goods or upon dispatch to the customer if the customer takes responsibility for delivery.

The payment terms across each of these revenue channels vary. The payments for retail are received at the transfer of control. Ecommerce payments are mainly made in advance of transfer of control by less than one week as there is a timing difference between receipt of cash on order and receipt of goods by the consumer. Wholesale customers pay on terms generally between 30 and 60 days.

Some contracts for the sale of goods provide customers with a right of return and rebates. Under IFRS 15, this gives rise to variable consideration, which is constrained such that it is highly probable that significant reversal will not occur.

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

2. Accounting policies (continued)

2.6 Revenue(continued)

Rights of return

When a contract provides a customer with a right of return, under IFRS 15, the consideration is variable because the contract allows the customer to return the product. The Group uses the expected value method to estimate the goods that will be returned and recognise a refund liability and an asset for the goods to be recovered. Provisions for returned goods are calculated based on future expected levels of returns for each channel, assessed across a variety of factors such as historical trends, economic factors and other measures.

Rebates

Under IFRS 15, rebates give rise to variable consideration. To estimate this the Group applies the most likely amount method.

2.7 Finance income and expenses

Finance expenses consist of interest payable on various forms of debt and finance income consists of interest receivable amounts from cash held. Both are recognised in the Statement of Profit or Loss under the effective interest rate method.

2.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax movement recognised. The tax currently payable is based on taxable profit. Taxable profit differs from net profit as reported in the Statement of Profit or Loss because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the end of each reporting period.

Tax provisions are recognised when there is a potential exposure to an uncertain tax position and an outflow of resources is probable. The Group applies *IFRIC 23 Uncertainty over Income Tax Treatments* to measure uncertain tax positions. The Group calculates each provision using either the expected value method or the most likely outcome method in line with the guidance contained within IFRIC 23. The uncertain tax positions are reviewed regularly and there is ongoing monitoring of tax cases and rulings which could impact the provision.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the historical financial information and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet liability method based on rates that are enacted or substantively enacted by the end of each reporting period. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the taxable profit nor the accounting profit. Deferred tax liabilities are recognised for taxable temporary differences arising in investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised, or the liability is settled. Deferred tax is charged or credited in the Statement of Profit or Loss, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity. Both deferred tax assets and liabilities and current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities, when they relate to income taxes levied by the same taxation authority, and the Group intends to settle its current tax assets and liabilities on a net basis.

On 20 June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15% for large groups for financial years beginning on or after 31 December 2023. The majority of territories in which the Group operates are expected to qualify for one of the safe harbour exemptions such that top-up taxes should not apply.

On 23 May 2023, the IASB issued an amendment to IAS 12 'Income Taxes' to clarify how the effects of the global minimum tax framework should be accounted for and disclosed effective 1 January 2023. This was endorsed by the UK Endorsement Board on 19 July 2023 and has been adopted by the Group for 2025 reporting. The Group has applied the exemption to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

2.9 Dividends

Final dividends are recorded in the financial statements in the period in which they are approved by the Company's shareholders. Interim dividends are recorded in the period in which they are paid.

2.10 Intangible assets

Goodwill

Business combinations are accounted for by applying the acquisition method. Goodwill acquired represents the excess of the fair value of the consideration over the fair value of the identifiable net assets acquired.

After initial recognition, positive goodwill is measured at cost less any accumulated impairment losses. At the date of acquisition, the goodwill is allocated to cash generating units, usually at business segment level, for the purpose of impairment testing and is tested at least annually for impairment, or if an indicator of impairment exists. On subsequent disposal or termination of a business acquired, the profit or loss on termination is calculated after charging the carrying value of any related goodwill. Negative goodwill is recognised directly in the Statement of Profit or Loss.

Separately acquired intangible assets

Separately acquired intangible assets comprise other intangibles. Other intangibles that have finite useful lives are carried at cost less accumulated amortisation and any provision for impairment. Other intangibles with a finite life are amortised on a straight line basis over the expected useful economic life of each of the assets, which is considered to be 5 to 15 years. Amortisation expense is charged to selling and administrative expenses. Other intangibles with an indefinite useful life are carried at cost less impairment. These are other intangibles for which the estimated useful life is indefinite. The carrying value of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

2. Accounting policies (continued)

2.10 Intangible assets (continued)

Software

Software comprises internally generated software development. Research expenditure is charged to income in the period in which it is incurred. Development expenditure is charged to income in the period it is incurred unless it meets the recognition criteria of IAS 38 Intangible Assets to be capitalised as an intangible asset. Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and impairment losses. Amortisation begins when development is complete, and the asset is available for use. These assets are considered to have finite useful lives and are amortised on a straight line basis over the expected useful economic life of the assets, which is considered to be 5 to 15 years. Amortisation expense is charged to selling and administrative expenses. The carrying value of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

2.11 Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and provision for impairment. Depreciation is calculated to write down the cost of the assets less estimated residual value over its expected useful life on a straight line basis as follows:

Freehold property	50 years
Freehold improvements	10 years
Leasehold improvements	Over the life of the lease
Plant and machinery	15 years
Fixtures and fittings	5-15 years
Office and computer equipment	3 years for computer equipment and 5 years for all other office equipment

Depreciation expense is charged to selling and administrative expenses. Any gain or loss arising on the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss in the period that the asset is derecognised.

2.12 Lease accounting

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. As part of the measurement approach, the Group uses its incremental borrowing rate which is adjusted by both property type and geography. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Right-of-use-assets	Shorter of lease term and estimated useful life (3 to 15 years)
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If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in the Impairment of non-financial assets section.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate (adjusted by both property type and geography) at the lease commencement date as often the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the interest charge and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification that does not increase the scope of the lease, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. A lease modification is accounted for as a separate lease where the modification increases the scope of the lease, and the lease consideration increases by an amount reflecting the stand-alone price for the increase in scope. The Group's lease liabilities are included in interest-bearing loans and borrowings note 18.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight line basis over the lease term.

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

2. Accounting policies (continued)

2.13 Impairment of non-financial assets

The carrying amounts of the Group's relevant assets are reviewed at each period-end date to determine whether there is any indication of impairment, and if an indicator is present the asset is tested for impairment. For goodwill and intangible assets that have an indefinite useful life, an impairment test is also performed each period-end. If an impairment test is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs of disposal and its value in use. An impairment is present if the recoverable amount is less than the carrying value of the asset. Impairment losses are recognised in the Statement of Profit or Loss in those expense categories consistent with the function of the impaired asset.

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories consists of all costs of purchase, costs of design and other costs incurred in bringing the inventory to its first point of sale location and condition. Inventories are valued at weighted average cost, including freight to warehouse and duty. Net realisable value is based on estimated selling price less any costs expected to be incurred to completion or disposal.

2.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets, and to settle the liabilities simultaneously.

Categorisation of inputs for fair value measurements

Assets and liabilities held at fair value are categorised into levels that have been defined according to IFRS 13 'Fair Value Measurement' measurement hierarchy as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The fair values of derivatives are calculated using valuation models based on observable market curves such as forward foreign exchange rates, discounted back to present value using risk-free interest rates. The impacts of counterparty credit, volatility and currency basis are also considered as part of the fair valuation where appropriate.

All financial instruments that are held at fair value use Level 2 inputs except for equity investments which use Level 3 inputs. Furthermore, under IFRS 9, cost has been used as the best estimate for fair value for equity investments due to insufficient recent information available to measure fair value.

2.16 Financial assets

Recognition and derecognition

Purchases and sales of financial assets are recognised on trade date being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Investments

Equity investments that are not held for trading have been irrevocably designated as fair value through other comprehensive income. After initial recognition at fair value plus transaction costs, these assets are recorded at fair value at each period end with the movements recognised in other comprehensive income until derecognition or impaired. On derecognition, the cumulative gain or loss previously recognised in other comprehensive income is never recycled to the income statement. Dividends on financial assets at fair value through other comprehensive income are recognised in the income statement when the entity's right to receive payment is established. Equity investments are recorded in non-current assets unless they are expected to be sold within one year.

Trade and other receivables

Trade receivables are assessed under IFRS 9 and measured at amortised cost using the effective interest rate method. The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss (FVPL). The most significant financial assets of the Group are its cash and trade receivables. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

Cash and cash equivalents

Cash and cash equivalents primarily comprise cash held in bank accounts, money market funds (MMFs) and bank term deposits maturing less than 90 days from inception. All cash is held short term in highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Included in cash and cash equivalents are electronic payments from customers using debit and credit cards, digital wallets, and other payment methods which are received from payment service providers (PSP) along with cash in transit from various payment processing intermediaries that provide receipting services to the Group. All cash and cash equivalents are measured at amortised cost except MMFs which are held at fair value through profit or loss.

Summary of the Group's financial assets:

Financial asset	IFRS 9 classification
Investments	Fair value through other comprehensive income
Trade and other receivables excluding prepayments	Amortised cost
Derivative financial assets	Fair value through profit and loss
Cash and cash equivalents	Amortised cost, except for cash amounts held within money market funds which are held at fair value through profit or loss

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

2. Accounting policies (continued)

2.17 Financial liabilities

The Group classifies and measures all of its non-derivative financial liabilities at amortised cost.

Initial recognition

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the course of ordinary business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently held at amortised cost using the effective interest rate method.

Summary of the Group's financial liabilities:

Financial liability	IFRS 9 classification
Bank debt	Amortised cost
Bank interest	Amortised cost
Lease liabilities	Amortised cost
Derivative financial instruments	Fair value through profit and loss
Trade and other payables excluding non-financial liabilities	Amortised cost

2.18 Derivative financial instruments and hedging activities

The Group uses foreign exchange forward contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Gains or losses arising from changes in fair value related to derivatives held in a cash flow hedge relationship are recognised in other comprehensive income/(expense) and deferred in the hedging reserve to the extent that the hedges are deemed effective. Amounts are transferred to the income statement in the same period in which the hedged risk affects the income statement and against the same line item.

Where cash flow hedging is applied, the Group designates foreign exchange derivative hedges on a full forward or spot basis. Where only the spot element of a foreign exchange derivative is designated, the cost of hedging election is applied to the forward points with fair value movements recognised in other comprehensive income and released to profit or loss depending on the nature of the underlying hedged item.

The Group performs regular hedge effectiveness testing. For cash flow hedges where the forecast transaction is no longer expected to occur, hedge accounting is discontinued, and all accumulated gains or losses held in the hedging reserve are immediately recognised in profit or loss. Where hedge accounting is discontinued as a result of expiry, disposal or termination of the derivative instrument (and where the hedge relationship was deemed to be effective), accumulated gains or losses up to the point of discontinuation are held in the hedging reserve and released to profit or loss in line with the hedged item.

Derivative financial instruments consist of foreign currency exchange forward contracts, which are categorised within Level 2 under the IFRS 13 measurement hierarchy (refer to note 20 for further detail on fair value level categorisation).

The full fair values of derivatives are classified as a non-current asset or liability if the remaining maturity of the derivatives are more than 12 months and as a current asset or liability if the maturity of the derivatives are less than 12 months.

2.19 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently carried at amortised cost using the effective interest rate method so that any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Profit or Loss over the period of the borrowings. Details of the Group's borrowings are included in note 18.

Borrowing costs

The Group expenses borrowing costs in the period the costs are incurred. Where borrowing costs are attributable to the acquisition, construction or production of a qualifying asset, such costs are capitalised as part of the specific asset and amortised over the estimated useful life of the asset. Details of the Group's borrowings are included in note 18.

2.20 Ordinary share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.21 Segmental analysis

IFRS 8 'Operating Segments' requires operating segments to be determined by the Group's internal reporting to the Chief Operating Decision Maker (CODM). The CODM has been determined to be both the CEO and CFO, who receive information on this basis of the Group's revenue in key geographical regions based on the Group's management and internal reporting structure. The CODM assesses the performance of geographical segments based on a measure of revenue and EBIT¹. To increase transparency the Group also includes additional voluntary disclosure analysis of global revenue within different operating channels.

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

2. Accounting policies (continued)

2.22 Pension arrangements

The Group provides pension benefits which include both defined benefit and defined contribution arrangements.

Defined contribution pension schemes

For defined contribution schemes the amount charged to the Statement of Profit or Loss represents the contributions payable to the plans in the accounting period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

Defined benefit pension scheme

The Group operates a defined benefit pension scheme, which requires contributions to be made to separately administered funds for administration expenses. The Group did not make any contributions to the scheme in the period (FY25: £nil). The UK defined benefit scheme was closed to new members on 6 April 2002, from which time membership of a defined contribution plan was available. It was then closed to all future accrual for all existing members on 31 January 2006. A valuation of the Plan is carried out at least once every three years to determine whether the Statutory Funding Objective is met. A full actuarial valuation was carried out as at 30 June 2025. During the period, the Trustees purchased a bulk annuity contract, constituting a buy-in transaction. Prior to the buy-in, the Plan surplus was not recognised on the Balance Sheet due to uncertainty over recoverability. Following the transaction, the surplus is now recognised in full in the Balance Sheet as it represents a true economic surplus as set out in note 30.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. Past-service costs are recognised immediately in the Statement of Profit or Loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. When occurring, this cost is included in employee benefit expense in the Statement of Profit or Loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

2.23 Employee Trusts

The Group operates two Share Incentive Plan (SIP) Trusts for the benefit of its employees. Under accounting standard IFRS 10 Consolidated Financial Statements, control for accounting purposes has a different test threshold than under a legal basis and as a result the Group's SIP Trusts are deemed to be under the control of Dr. Martens plc. The Trust deed for the Dr. Martens plc UK Share Incentive Plan Trust was adopted by the Board on 10 September 2021.

During the period, the Group established the Dr. Martens plc Employee Benefit Trust for the purpose of acquiring shares in Dr. Martens plc to satisfy future settlement of equity-settled awards. Under accounting standard IFRS 10 Consolidated Financial Statements, control for accounting purposes has a different test threshold than under a legal basis and as a result the Dr. Martens plc Employee Benefit Trust is deemed to be under the control of Dr. Martens plc. The Trust deed for the Dr. Martens plc Employee Benefit Trust was adopted by the Board on 1 December 2025. Shares are purchased from the market and held by the trust until the scheme vests.

2.24 Share-based payments and share schemes

The Group provides benefits to certain employees in the form of share-based-compensation, whereby employees render services as consideration in exchange for equity instruments ('equity-settled transactions').

The cost of equity-settled transactions is measured by reference to the fair value of the equity instruments at the date on which they are granted and is recognised as an expense over the vesting period, which ends on the date the relevant employee becomes fully entitled to the award. The fair value is calculated using an appropriate option pricing model and takes into account the impact of any market performance conditions. The impact of non-market performance conditions is not considered in determining the fair value at the date of grant. Vesting conditions which relate to non-market conditions are allowed for in the assumptions used for the number of options expected to vest. The level of vesting is reviewed at each Balance Sheet date and the charge adjusted to reflect actual and estimated levels of vesting. The cost of share-based payment transactions is recognised as an expense over the vesting period of the awards, with a corresponding increase in equity. Further details of share-based awards granted in the period can be found in note 27.

A proportion of the annual Executive Bonus Scheme is settled in the form of purchased Parent Company shares. This is accounted for as a cash-settled scheme as although participants received equity, it is driven by a cash amount that is paid and converted into shares at a point in time. The proximity of the date of communication of the bonus to when the shares are received means that there would be minimal difference between cash and equity-settled treatment.

2.25 Significant judgements and estimates

The preparation of the Group's financial statements in conforming with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts in the financial statements. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances. However, the nature of estimation means that actual outcomes could differ from those estimates. Information about such judgements and estimation is contained in the accounting policies and/or notes to the financial statements and the key areas are summarised below:

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

2. Accounting policies (continued)

2.25 Significant judgements and estimates (continued)

The Consolidated Financial Statements include areas of judgement and accounting estimates. While these areas do not meet the definition under IAS 1 of significant accounting estimates or critical accounting judgements, the recognition and measurement of certain material assets and liabilities are based on assumptions and/or are subject to longer-term uncertainties. The other areas of judgement and accounting estimates are listed below:

Judgements

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g. construction of significant leasehold improvements or significant customisation to the leased asset).

The Group included the renewal period as part of the lease term for leases of plant and machinery with shorter non-cancellable periods (i.e. three to five years). The Group typically exercises its option to renew these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of leasehold property with longer non-cancellable periods (i.e. 10 to 15 years) are not included as part of the lease term, unless there is an economic incentive to extend the lease, as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Defined benefit scheme surplus

The Group acknowledges that the recognition of pension scheme surplus is an area of accounting judgement, which depends on the interpretation of the Scheme Rules and the relevant accounting standards including IAS 19 and IFRIC 14. In December 2025, the Trustees purchased a bulk insurance annuity policy, constituting a buy-in transaction. Prior to the buy-in transaction, the Plan surplus was not recognised on the grounds that Airwair International Limited was unlikely to derive any future economic benefits from the surplus. However, following the transaction the asset ceiling has been removed, with the surplus recognised in full, on the basis that any surplus now represents a true economic surplus.

The net surplus of £3.0m (FY25: £nil) has been recognised on the Balance Sheet. The key sensitivities of the defined benefit obligation to the actuarial assumptions are shown in note 30.

Exceptional costs

The classification of exceptional costs requires management judgement after considering the nature and intentions of a transaction. The Group's definitions of exceptional costs are outlined within both the Group accounting policies and the Glossary. Note 4 provides further details on current period exceptional costs and their adherence to Group policy.

Indicators of impairment of non-financial assets

The assessment of indicators of impairment for non-financial assets involves a degree of management judgement. This judgement is applied both in identifying potential indicators and in determining whether such indicators are considered to be present. The Group considers relevant internal and external sources of information in making this determination, for example market capitalisation and comparison of performance to budget. Once this assessment has been made, any required impairment testing is performed in accordance with the prescribed valuation methodologies, in line with the applicable accounting standards.

Sources of estimation uncertainty and assumptions

The following estimates are dependent upon assumptions which could change in the next financial year and have an effect on the carrying amount of assets and liabilities recognised at the Balance Sheet date:

Inventory net realisable value and provisions

The assessment of the valuation of inventory requires the determination of net realisable value. Sales prices, patterns and other assumptions are reviewed to estimate net realisable value. Inventory provisioning also requires significant assumptions to be made. When classifying inventory lines to be provided against, the Group identifies stock that is at a higher risk of not being sold at its current value by identifying products sold at a loss and products which do not meet defined quality standards.

Uncertain tax positions

The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which the determination is made. Management is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies (see notes 9 and 23). In addition, the assessment of uncertain tax positions is based on management's interpretation of relevant tax rules and decided cases, external advice obtained, statutes of limitations, the status of the negotiations and past experience with tax authorities. In evaluating whether a provision is needed it is assumed that tax authorities have full knowledge of the facts and circumstances applicable to each issue.

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

2. Accounting policies (continued) 2.25 Significant judgements and estimates (continued)

Carrying value of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group performs an impairment test and estimates the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs of disposal and its value in use. An impairment is present if the recoverable amount is less than the carrying value of the asset.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. If assessing value in use, estimates of future cash flows are discounted to present value using pre-tax discount rates derived from risk-free rates based on long-term government bonds, adjusted for risk factors such as region and market risk in the territories in which the Group operates and the time value of money. The future cash flows are then extended into perpetuity using long-term growth rates. If determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

For details of relevant non-financial assets, see notes 12 and 13.

Defined benefit pension scheme assumption

Determining the fair value of the defined benefit pension scheme, which relates to the pension of the Group, requires assumptions to be made by management and the Group's independent qualified actuary around the actuarial valuations of the scheme's assets and liabilities. For details see note 30.

Leases – estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in most leases; therefore it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating). The IBR is reassessed when there is a reassessment of the lease liability or a lease modification.

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

3. Segmental analysis

	FY26				
	EMEA £m	Americas £m	APAC £m	Support costs ^{4,5} £m	Total £m
Revenue^{1,2}	377.5	278.4	109.0	-	764.9
Gross margin	259.2	167.8	79.0	-	506.0
Staff and operating costs	(144.9)	(120.5)	(52.5)	(60.1)	(378.0)
Depreciation, amortisation, impairment and other gains	(35.6)	(22.3)	(9.3)	(4.7)	(71.9)
Currency gains	-	-	-	0.9	0.9
EBIT³	78.7	25.0	17.2	(63.9)	57.0
Exceptional (gains)/costs ³	(0.1)	(0.3)	-	12.5	12.1
Investment in transformation	1.1	0.9	1.3	3.6	6.9
Impairment of non-financial assets	2.8	1.4	-	-	4.2
Currency gains	-	-	-	(0.9)	(0.9)
Adjusted EBIT³	82.5	27.0	18.5	(48.7)	79.3
Net finance income and expense					(24.3)
Exceptional costs ³					(12.1)
Investment in transformation					(6.9)
Impairment of non-financial assets					(4.2)
Currency gains					0.9
Profit before tax					32.7

	FY25				
	EMEA £m	Americas £m	APAC £m	Support costs ⁴ £m	Total £m
Revenue^{1,2}	384.2	288.5	114.9	-	787.6
Gross margin	261.1	169.5	81.1	-	511.7
Staff and operating costs	(150.1)	(134.4)	(55.8)	(54.4)	(394.7)
Depreciation, amortisation, impairment and other losses	(36.6)	(25.7)	(10.3)	(4.3)	(76.9)
Currency losses	-	-	-	(3.1)	(3.1)
EBIT³	74.4	9.4	15.0	(61.8)	37.0
Exceptional costs ³	0.8	2.1	0.9	12.5	16.3
Investment in transformation	-	-	-	-	-
Impairment of non-financial assets	2.1	2.1	0.1	-	4.3
Currency losses	-	-	-	3.1	3.1
Adjusted EBIT³	77.3	13.6	16.0	(46.2)	60.7
Net finance income and expense					(28.2)
Exceptional costs ³					(16.3)
Investment in transformation					-
Impairment of non-financial assets					(4.3)
Currency losses					(3.1)
Profit before tax					8.8

1. Revenue by geographical market represents revenue from external customers; there is no inter-segment revenue.

2. Included in EMEA revenue is £135.5m (FY25: £142.1m) in relation to trading in the UK.

3. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

4. All currency gains/losses are included in support costs. Currency gains/losses are a product of how trading is managed by legal entity globally. Inclusion in support costs allows performance for each region to be evaluated exclusive of the currency impact of global operations. EMEA trading entities incurred a £1.3m currency gain (FY25: £5.1m loss). Americas trading entities incurred a £0.8m currency gain (FY25: £0.5m gain). APAC trading entities incurred a £0.4m currency loss (FY25: £0.5m loss).

5. The impact of US tariffs is included entirely within support costs. Although they are tariffs impacting our US imports, the impact of these costs are felt across the whole group and therefore allocated to global operation support costs.

Additional analysis

The Group derives its revenue in geographical markets from the following sources:

	FY26 £m	FY25 £m
Revenue by channel		
Ecommerce	244.4	268.3
Retail	236.8	242.4
Total DTC revenue ⁶	481.2	510.7
Wholesale ⁷	283.7	276.9
Total revenue	764.9	787.6

6. DTC revenue consists of revenue from the Group's direct-to-consumer (DTC) channel which is ecommerce plus retail revenue, as defined in the Glossary on pages 74 to 76.

7. Wholesale revenue including distributor customers.

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

3. Segmental analysis (continued)

	FY26 £m	FY25 £m
Non-current assets⁸		
EMEA ⁹	131.1	135.8
Americas	64.6	77.3
APAC	12.8	14.0
Goodwill	240.7	240.7
Deferred tax	11.0	11.1
Total non-current assets	460.2	478.9

8. Assets are monitored by the CODM on an entity basis, not by reporting segment. Therefore, non-current assets are disclosed by geographical location with goodwill and deferred tax being representative of the Group.

9. Included in the EMEA non-current assets is £76.2m (FY25: £75.3m) in relation to the UK legal entities.

4. Adjusting items

Total adjustments to profit after tax for the period ended 29 March 2026 are a net charge of £16.8m (FY25: £18.9m charge). Adjustments include exceptional costs¹ and other adjusting items. EBIT¹ includes exceptional costs¹ of £12.1m (FY25: £16.3m) and profit before tax includes £12.1m (FY25: £17.9m) of exceptional costs¹. Adjusted results are presented to provide a clearer view of the Group's ongoing operational performance, reflecting how the business is managed and measured on a day-to-day basis, and to aid comparability between periods.

The adjustments made to reported profit measures are:

	FY26 £m	FY25 £m
Included in selling and administrative expenses		
Exceptional costs ¹		
Director joining costs	0.8	4.6
Cost savings related costs	0.4	11.7
Pension buy-in accounting charges and associated expenses	1.0	-
IEEPA-related US tariffs following the US Supreme Court judgment	9.9	-
Total exceptional costs¹ included in selling and administrative expenses	12.1	16.3
Other adjusting items		
Investment in transformation	6.9	-
Impairment of non-financial assets	4.2	4.3
Currency (gains)/losses	(0.9)	3.1
Total other adjusting items included in selling and administrative expenses	10.2	7.4
Adjustments to EBIT¹	22.3	23.7
Included in finance expense		
Exceptional costs ¹		
Accelerated amortisation of fees on debt refinancing	-	1.6
Total exceptional costs¹ included in finance expense	-	1.6
Adjustments to profit before tax	22.3	25.3
Tax impact of adjustments:		
Exceptional costs ^{1,2}		
Director joining costs	-	(0.6)
Cost savings related costs	(0.1)	(2.9)
Pension buy-in accounting charges and associated expenses	(0.2)	-
IEEPA-related US tariffs following the US Supreme Court judgment	(2.7)	-
Accelerated amortisation of fees on debt refinancing	-	(0.4)
Total tax impact of exceptional costs¹	(3.0)	(3.9)
Other adjusting items		
Investment in transformation ²	(1.7)	-
Impairment of non-financial assets ³	(1.1)	(1.0)
Currency gains/(losses) ⁴	0.3	(1.5)
Total tax impact of other adjusting items	(2.5)	(2.5)
Adjustments to profit after tax	16.8	18.9

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

2. The tax impact of exceptional costs and investment in transformation has been calculated by applying the statutory tax rate for the entities where these costs have been incurred.

3. The tax impact of impairment has been calculated by applying the effective tax rate or statutory tax rate for the relevant jurisdiction depending on local treatment.

4. The tax impact of currency gains/(losses) has been calculated by applying the Group's effective tax rate.

Exceptional costs

Director joining costs

The CEO and CFO were appointed in the previous period, ended 30 March 2025. The Group recognised the costs associated with their appointment as exceptional costs due to their quantum, and nature as sign-on packages related to their specific appointment, rather than being a standard practice for the Group. These costs relate only to discretionary compensation for the Directors relating to the share scheme value they lost because of leaving previous employment, outside of the Group's LTIP scheme.

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

4. Adjusting items (continued)

Director joining costs (continued)

During the current period, the Group recognised further costs associated with the appointment of the Directors of £0.8m (FY25: £4.6m). £0.7m (FY25: £1.9m) of the cost incurred relates to the continued amortisation of the share schemes awarded in the prior period, which is non-cash. The remaining £0.1m (FY25: £0.3m) of expense relates to payroll taxes accrued on the share-based payment expense which will be paid in cash when the schemes vest. A further £0.3m of share-based payment expense is expected to be incurred in future periods.

During the previous period, costs in relation to cash-settled compensation for a portion of their share schemes values lost and associated payroll taxes (FY25: £1.6m) were incurred. Other professional fees relating to the recruitment of the Directors (FY25: £0.4m) and costs of the CEO handover period (FY25 £0.4m) were also incurred. There are £nil costs in relation to these amounts during the period ended 29 March 2026.

Cost savings related costs

In FY25, the Group announced it would be undertaking a cost action plan, to create savings from operational efficiency and design, better procurement and operational streamlining. In February 2025, the Group commenced a project to change and improve the Global Technology organisation and capability through the establishment of the Global Technology Centre in India. Costs incurred in relation to these cost savings plans were £0.4m (FY25: £11.7m) during the period. There was a cash outflow related to delivery of cost savings of £3.2m (FY25: £8.3m). The cash outflow largely related to amounts accrued in the prior period. We do not expect any future costs to be incurred.

Pension buy-in accounting charges and associated expenses

In December 2025, the Trustees of the defined pension scheme purchased a bulk annuity contract with Pension Insurance Corporation (PIC) to insure the Plan's non-annuitant benefits in full. This is deemed a buy-in transaction, and costs related to this are classified as exceptional costs during the period ended 29 March 2026 due to their non-recurring nature. Those costs include past service costs of £0.6m (FY25: £nil) and one-off professional fees directly related to the buy-in exercise £0.4m (FY25: £nil). The past service cost is due to the Trustees and Airwair International Limited agreeing to adopt PIC's factors for converting pension into lump sum at retirement. The impact of this has been allowed for as a past service cost. In addition, the buy-in surplus of £3.0m has been recognised on the Balance Sheet and the gain recognised in the Statement of Other Comprehensive Income.

IEEPA-related US tariffs following the US Supreme Court judgment

As an importer of record to the US, the Group paid IEEPA-related US tariffs via its customs broker during the reporting period. In February 2026 however, the US Supreme Court clarified the legal foundation for tariffs, constraining the executive branch's ability to rely on IEEPA as a stand-alone basis for tariff authority. The ruling declared existing IEEPA tariffs to be unlawful. Subsequently, in March 2026 the US Court of International Trade (CIT) ruled that the IEEPA tariffs were to be refunded for unliquidated entries, and liquidated entries for which liquidation was not final. At the time of the CIT ruling all IEEPA-related US tariffs charged to the Group were unliquidated.

During the period, the Group paid £9.9m in IEEPA-related US tariffs affected by both the Supreme Court and CIT rulings. On 20 April 2026, the US Customs and Border Protection Agency (CBP) opened the Consolidated Administration and Processing of Entries (CAPE) functionality within its Automated Commercial Environment (ACE) to enable importers of record or their customs broker to submit and process refunds for IEEPA tariffs. As the CBP have confirmed that payment may take between 60 and 90 days from an accepted CAPE declaration, no actual refunds will have been received by the date the financial statements are authorised for issue, and consequently it is deemed that the threshold for recognising an asset for a potential IEEPA-related US tariff refund for the Group has not been met. As such, the full amount of IEEPA-related US tariffs paid on all products sold or held in inventory at the Balance Sheet date have been recognised within selling and administrative expenses in the Consolidated Statement of Profit or Loss. This charge is considered an exceptional cost given its magnitude and unusual nature makes it an expense not part of the core operations of the business. If refunds of IEEPA-related US tariffs paid by the Group are received in the future they will be recognised in the Consolidated Statement of Profit or Loss in the accounting period in which they are received and will be considered exceptional income.

Accelerated fees on debt refinancing

In November 2024, following the refinancing of its €337.5m EUR Term Loan the Group incurred costs relating to the immediate acceleration of unamortised prepaid transaction costs related to the previous debt extinguishment. These were classified as exceptional costs during the period ended 30 March 2025 due to their non-recurring nature. This approach ensures that the financial statements present a clearer view of the Group's ongoing operational performance by excluding these one-time adjustments related to refinancing. During the current period, £nil (FY25: £1.6m) costs were recognised in relation to refinancing existing debt.

Other adjusting items

Investment in transformation: Markets-based operational model

In FY26 the Group initiated an operational transformation programme. The programme transitions the business to a markets-based operational model which will enable a consumer-first focus and be better placed to support the new strategy announced in June 2025. During the period, the Group recognised costs associated with Investment in transformation of £6.9m (FY25: £nil). This comprised of £4.5m in relation to severance costs, £1.9m of professional fees, and £0.5m of other related costs. This corresponds to a cash outflow during the period of £2.4m.

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

4. Adjusting items (continued) Other adjusting items (continued)

Impairment of non-financial assets

The Group has carried out an assessment for indicators of impairment of non-current assets, including the store portfolio. Where an impairment indicator has been identified, the Group has performed impairment testing based on the forecast operating cash flows using the FY27 Board approved budget and applying the latest published external market growth rates from FY28 until the end of FY31.

As a result, store impairment testing has identified stores where the current and anticipated future performance does not support the carrying value of the stores. A non-cash charge of £4.2m (FY25: £4.3m) has been recorded, of which £0.7m (FY25: £1.1m) relates to property, plant and equipment, and £3.5m (FY25: £3.2m) relates to right-of-use assets. Refer to note 13 for further details on the impairments.

Impairment charges have been classified as adjusting items due to their nature as volatile non-cash accounting charges which do not represent controllable core operational costs. They are presented separately to provide clarity on the Group's underlying operational performance excluding these non-cash, non-underlying charges and to aid comparability between periods.

Currency gains and losses

Currency gains and losses have been classified as adjusting items due to the volatility in magnitude and directionality over financial periods. By eliminating the effect of these gains/losses, comparability between periods is improved and there is greater clarity on the Group's underlying operational performance.

5. Expenses analysis

Profit before tax is stated after charging and crediting:

	Note	FY26 £m	FY25 £m
Selling and administrative expenses			
Staff costs ¹	7	161.6	179.6
Operating costs ²		216.4	215.1
		378.0	394.7
Amortisation of intangible assets	12	6.3	6.1
Depreciation of property, plant and equipment	13	13.3	15.0
Depreciation of right-of-use assets	13	48.8	51.4
Impairment of property, plant and equipment	13	0.7	1.1
Impairment of right-of-use assets	13	3.5	3.2
Currency (gains)/losses		(0.9)	3.1
Other (gains)/losses		(0.7)	0.1
Depreciation, amortisation, impairment, currency (gains)/losses and other (gains)/losses		71.0	80.0
Total selling and administrative expenses		449.0	474.7

1. Included within staff costs is £5.2m of adjusting items (FY25: £14.4m) relating to Director joining costs, cost savings related costs, pension buy-in accounting charges and associated expenses and investment in transformation.

2. Included within operating costs is £13.8m of adjusting items (FY25: £1.9m) relating to Director joining costs, cost savings related costs, IEEPA-related US tariffs following the US Supreme Court judgment, and investment in transformation.

6. Auditors' remuneration

	FY26 £m	FY25 £m
Audit services in respect of the financial statements of the Parent Company and consolidation ¹	1.8	1.9
Audit services in respect of the financial statements of subsidiary companies	0.5	0.7
Other non-audit related services	-	0.2
	2.3	2.8

1. During the prior period £0.2m of additional fees relating to the FY24 audit were agreed and incurred as an accounting expense. There are £nil costs in relation to prior period additional fees during the period ended 29 March 2026.

7. Staff costs

The aggregate payroll costs were as follows:

	FY26 £m	FY25 £m
Wages and salaries ¹	125.9	141.0
Termination benefits ²	7.6	7.3
Social security costs ³	15.7	15.4
Pension costs ⁴	5.0	5.3
Other benefits ⁵	10.6	13.8
	165.4	182.8

1. Included within wages and salaries is £0.1m of adjusting items (FY25: £2.5m), and £3.4m of payroll costs capitalised (£2.5m within MIE inventory, £0.9m within intangible assets). The FY25 figures have been restated to disclose these costs (£2.3m MIE and £0.6m other).

2. Included within termination benefits is £3.8m of adjusting items (FY25: £6.5m).

3. Included within social security costs is £0.5m of adjusting items (FY25: £1.0m) and £0.3m of payroll costs capitalised relating to the MIE factory. The FY25 figures have been restated to disclose these costs (FY25: £0.2m).

4. Included within pension costs is £0.1m of payroll costs capitalised relating to the MIE factory. The FY25 figures have been restated to disclose these costs (FY25: £0.1m).

5. Included within other benefits is share-based payments of £5.2m (FY25: £7.2m), which comprises £0.7m (FY25: £3.4m) of adjusting items.

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

7. Staff costs (continued)

For details of remuneration relating to Directors, please refer to the Directors' Remuneration Report on pages 120 to 135 of the Annual Report.

The monthly number of employees (including Directors) employed by the Group during the period was:

	FTE ⁶		Average ⁷	
	As at 29 March	As at 30 March	For the 52	For the 52
	2026	2025	weeks ended	weeks ended 30
	No.	No.	29 March 2026	March 2025
	No.	No.	No.	No.
EMEA	924	971	1,630	1,720
Americas	532	549	811	802
APAC	286	293	555	546
Global support functions	635	535	614	583
	2,377	2,348	3,610	3,651

6. FTE (full-time equivalent) is calculated by dividing the employee's contracted hours by the Group's standard full time contract hours.

7. Average is the average actual employees of the Group during the period calculated on a monthly basis.

8. Finance expense

	FY26	FY25
	£m	£m
Bank debt and other charges	20.0	22.1
Interest on lease liabilities	6.3	6.9
Discount unwind of dilapidation provision	0.3	0.2
Amortisation of bank loan issue costs	1.4	1.2
Accelerated amortisation of fees on debt refinancing ¹	-	1.6
Total financing expense	28.0	32.0

1. Classified as an exceptional cost – see note 4 for detail.

9. Tax expense

The Group calculates the tax expense for the period using the tax rate that would be applicable to the expected total annual earnings. The major components of tax expense in the Consolidated Statement of Profit or Loss are:

	FY26	FY25
	£m	£m
Current tax		
Current tax on UK profit for the period	7.2	1.7
Adjustment in respect of prior periods	0.2	(0.1)
Current tax on overseas profits for the period	3.2	3.8
	10.6	5.4
Deferred tax		
Origination and reversal of temporary differences	(1.8)	(0.8)
Adjustment in respect of prior periods	(0.1)	(0.3)
Effect of change in tax rate on opening balance	0.2	-
	(1.7)	(1.1)
Total tax expense in the Consolidated Statement of Profit or Loss	8.9	4.3
Other comprehensive income		
Tax in relation to share schemes	(0.3)	0.7
Tax in relation to cash flow hedges	(0.1)	(0.3)
Tax in relation to pension buy-in	0.9	-
Total tax expense in the Consolidated Statement of Comprehensive Income	9.4	4.7

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

9. Tax expense (continued)

	FY26 £m	FY25 £m
Factors affecting the tax expense for the period:		
Profit before tax	32.7	8.8
Profit before tax multiplied by standard rate of UK corporation tax of 25% (FY25: 25%)	8.2	2.2
<i>Effects of:</i>		
Non-deductible expenses	0.8	1.8
Share-based payments	0.1	0.9
Difference in foreign tax rates	(0.2)	(0.1)
Other adjustments	(0.1)	(0.1)
Adjustments in respect of prior periods ¹	0.1	(0.4)
Total tax expense in the Consolidated Statement of Profit or Loss	8.9	4.3
Other comprehensive income		
Tax in relation to share schemes	(0.3)	0.7
Tax in relation to cash flow hedges	(0.1)	(0.3)
Tax in relation to pension buy-in	0.9	-
Total tax expense in the Consolidated Statement of Comprehensive Income	9.4	4.7
Effective tax rate²	27.2%	48.9%

1. The adjustments in respect of the prior periods are in relation to current and deferred tax on temporary differences.

2. Adjusted effective tax rate for the period is 26.2% (FY25: 31.6%). Tax impact of adjusting items is detailed in note 4. Adjusted effective tax rate is calculated by dividing the post-adjusting items tax charge for the period by adjusted profit before tax.

Factors that may affect future tax charges

On 20 June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15% for large groups for financial years beginning on or after 31 December 2023.

The majority of territories in which the Group operates are expected to qualify for one of the safe harbour exemptions such that top-up taxes should not apply. For any entities that may not qualify for safe harbour relief there is the potential for Pillar Two taxes to apply, but these are not expected to be material. The group applies the IAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

10. Earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders of the Parent Company divided by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by dividing the profit for the period attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

	Note	FY26 £m	FY25 £m
Profit after tax		23.8	4.5
Adjustments to profit after tax	4	16.8	18.9
Adjusted profit after tax ¹		40.6	23.4
1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.			
		FY26 No.	FY25 No.
Weighted average number of shares for calculating basic earnings per share (millions)		964.7	962.3
Potentially dilutive share awards (millions)		14.9	11.8
Weighted average number of shares for calculating diluted earnings per share (millions)		979.6	974.1
		FY26	FY25
Earnings per share			
Basic earnings per share		2.5p	0.5p
Diluted earnings per share		2.4p	0.5p
Adjusted earnings per share¹			
Adjusted basic earnings per share ¹		4.2p	2.4p
Adjusted diluted earnings per share ¹		4.1p	2.4p

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

11. Dividends

	FY26 £m	FY25 £m
Dividends paid during the period		
Prior period final dividend paid	16.4	9.5
Prior period interim dividend paid	8.2 ¹	-
Total dividends paid during the period	24.6	9.5
Dividend in respect of the period:		
Interim dividend: 0.85p (FY25: 0.85p) ²	8.2	8.2
Final dividend: 1.70p (FY25: 1.70p)	16.3	16.4
Total dividend in respect of the period	24.5	24.6
Payout ratio %³	103%	547%

1. The FY25 interim dividend was paid on 4 April 2025.

2. The FY26 interim dividend was paid on 7 April 2026.

3. Refer to the Glossary on pages 74 to 76 for method of calculation.

The Board has proposed, subject to shareholder approval, a final dividend of 1.70p (FY25: 1.70p), taking the total dividend for FY26, including the interim dividend of 0.85p, to 2.55p, a 103% payout ratio.

12. Intangible assets

	Software intangibles ¹ £m	Other intangibles £m	Goodwill £m	Total £m
Cost				
At 1 April 2024	57.3	1.2	240.7	299.2
Additions	10.3	-	-	10.3
Disposals	(3.6)	-	-	(3.6)
Foreign exchange	(0.1)	-	-	(0.1)
At 30 March 2025	63.9	1.2	240.7	305.8
Additions	2.7	-	-	2.7
Disposals	(0.8)	-	-	(0.8)
Foreign exchange	(0.1)	-	-	(0.1)
At 29 March 2026	65.7	1.2	240.7	307.6
Accumulated amortisation and impairment				
At 1 April 2024	29.0	0.2	-	29.2
Charge for the period	6.1	-	-	6.1
Disposals	(3.4)	-	-	(3.4)
Foreign exchange	(0.1)	-	-	(0.1)
At 30 March 2025	31.6	0.2	-	31.8
Charge for the period	6.3	-	-	6.3
Disposals	(0.8)	-	-	(0.8)
Foreign exchange	(0.1)	-	-	(0.1)
At 29 March 2026	37.0	0.2	-	37.2
Net book value				
At 29 March 2026	28.7	1.0	240.7	270.4
At 30 March 2025	32.3	1.0	240.7	274.0

1. Software intangible additions in the period of £2.7m (FY25 £10.3m) include permanent employee staff costs capitalised of £0.6m (FY25: £0.6m).

Goodwill impairment assessment

Goodwill is required to be tested for impairment on an annual basis by estimating the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs of disposal and its value in use. An impairment is present if the recoverable amount is less than the carrying value of the asset. The recoverable amount is estimated for goodwill with reference to the cash generating units (CGUs) to which goodwill was originally allocated and each of these CGUs has been separately assessed and tested. The CGUs were agreed by the Directors as the geographical regions in which the Group operates. These regions are the lowest level at which goodwill is monitored and represent identifiable operating segments. There have been no changes to the composition of the Group's CGUs during the period.

The aggregate carrying amount of goodwill allocated to each CGU was as follows:

	FY26 £m	FY25 £m
EMEA	66.6	66.6
Americas	114.1	114.1
APAC	60.0	60.0
	240.7	240.7

All CGUs were tested for impairment. No impairment charge was made in the current period (FY25: £nil).

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

12. Intangible assets (continued)

Judgements, assumptions and estimates

The results of the Company's impairment tests are dependent upon estimates and judgements made by management. All CGUs' recoverable amounts are measured using a value in use calculation.

In previous periods, the value in use was calculated by discounting management's internal cash flow projections for the CGU covering a five-year period (pre-perpetuity). The forecasts were based on annual budgets and strategic projections representing the best estimate of future performance.

This period, in determining value in use, management applied growth assumptions that are consistent with published external market data ('market growth plan'). The external growth assumptions have been applied from the FY27 Board approved budget year onwards, and estimates cashflows for the years FY28 to FY31. External growth assumptions have been applied as following a period of stabilisation in FY26, the global economy in FY27 remains uncertain, with growth expected to be modest and uneven across markets. Key factors influencing the outlook include; geopolitical and political uncertainty, inflation and interest rates, cost-of-living crisis and climate-related risks

The FY27 budget period cash flows are consistent with those used to review going concern and viability, however, are required by IAS 36 to be adjusted for use within an impairment review to exclude new retail development to which the Group is not yet committed. The first two months of cashflows related to FY28 going concern are based on management's internal plan due to consistent results across this and the market growth plan during the period.

In determining the value in use of CGUs it is necessary to make a series of assumptions to estimate the present value of future cash flows. The following assumptions have been made by management reflecting past experience and are consistent with relevant external sources of information.

Pre-tax risk adjusted discount rates

Future cash flows are discounted to present value using pre-tax discount rates derived from risk-free rates based on long-term government bonds, adjusted for risk factors such as region and market risk in the territories in which the Group operates and the time value of money. Consistent with the 2019 IFRS IASB Staff Paper, post-tax discount rates and post-tax cash flows are used as observable inputs, and then the pre-tax discount rates are calculated from this to comply with the disclosure requirements under IAS 36.

The pre-tax risk adjusted discount rates have been calculated to be 13.1% for EMEA (FY25: 12.7%), 13.1% for Americas (FY25: 12.2%), and 12.6% for APAC (FY25: 11.8%). The increase from the prior period reflects the application of higher discount rates, rather than the midpoint, in the current period assessment, primarily driven by increased market uncertainty and geopolitical volatility during the period.

Long-term growth rates

To forecast beyond the five-year detailed cash flows into perpetuity, a long-term average growth rate has been used. The long-term growth rates applied for the Regions are 2.0% for EMEA (FY25: 2.0%), 2.2% for Americas (FY25: 2.2%), and 2.0% for APAC (FY25: 3.2%). The rates used are in line with geographical forecasts from industry reports which include market data.

Operating cash flows

The main assumptions within the forecast operating cash flows use the FY27 board approved budget and apply the latest published external market growth rates from the budget period across the three Regions; Americas, EMEA and APAC. Any new retail development that has not been committed, is excluded from the base year and future years. For the impairment test as at 29 March 2026, cash flow projections from FY28 until the end of FY31 were considered in line with external market growth rates. Variable input costs are in line with the growth assumptions. The levels of capital expenditure required to support each sales channel has also been considered on a no new stores basis.

Sensitivity analysis

Sensitivity analysis to potential changes in these key assumptions has been reviewed. For the EMEA and APAC CGUs there are no reasonably possible changes to key assumptions that would cause the carrying amount of these CGUs to exceed their recoverable amount. The Americas CGU was previously noted to be sensitive to the assumptions relating to sales growth and EBITDA margin. Future sales are estimated to increase on a compound annual growth rate (CAGR) basis for the Americas CGU by 4.1% (FY25: 7.9%) over the five years pre-perpetuity from external market rates. The CAGR is achievable based on the performance of Americas CGU during the financial period.

Potential changes in these key assumptions have been sensitised without cost mitigation as follows:

	FY26 £m	FY25 £m
Americas		
Original headroom	159.4	129.7
Headroom/(deficit) using a 10% decrease in forecasted sales	15.9	(50.8)
Headroom using a 10% increase in forecasted sales	304.7	308.4
Headroom/(deficit) using a 25% decrease in forecasted EBITDA	8.9	(21.4)
Headroom using a 25% increase in forecasted EBITDA	309.8	280.7
(Deficit) combining a 10% decrease in forecasted sales, a further 10% decrease in EBITDA and a 1%pt increase in pre-tax discount rate	(52.2)	(120.6)

Sales

Sensitivities have been modelled in the table above based on a +/- 10% movement in sales relative to the market growth plan, applied each year and into perpetuity. A decrease in forecasted sales of -10% would result in no impairment loss. A decrease in forecast sales of -10% results in a revised compound annual growth rate (CAGR) over the five years pre-perpetuity from FY26 sales of 1.9%, and an increase of 10% results in a revised CAGR of 6.1%. The reduction in forecast sales, for each of the five years and into perpetuity, that would result in the carrying amount and the recoverable amount being equal, is a decrease of 11.1%. Under the current period impairment assessment, a 10% change in Sales assumptions does not result in an impairment for the Americas CGU, whereas such sensitivity was observed in the prior period.

This would result in an EBITDA % of 11.2% (FY25: 8.8%). Under the current period impairment assessment, a 25% change in EBITDA assumptions does not result in an impairment for the Americas CGU, whereas such sensitivity was observed in the prior period.

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

12. Intangible assets (continued)

EBITDA

Sensitivities have been modelled in the table above based on a +/- 25% movement in EBITDA relative to the market growth plan each year and into perpetuity. A decrease in forecasted EBITDA of -25% would result in no impairment loss. The reduction in forecast EBITDA, for each of the five years and into perpetuity, that would result in the carrying amount and the recoverable amount being equal, is a decrease of 26.5%.

Additional illustration

An additional sensitivity as set out in the table above, which is not considered reasonably possible, has been included for illustrative purposes which models a scenario where forecasted sales decline by -10%, EBITDA deteriorates by a further 10% (in addition to the EBITDA decline from reducing forecasted sales) and the pre-tax discount rate also increases by 1pts (FY25: 1%pt). This would result in an impairment loss.

13. Property, plant and equipment

	Freehold property and improvements £m	Leasehold improvements £m	Plant, machinery, fixtures and fittings £m	Office and computer equipment £m	Total £m
Cost					
At 1 April 2024	7.8	82.0	16.0	8.5	114.3
Additions	0.1	6.7	0.2	0.7	7.7
Disposals	(0.1)	(4.4)	(1.3)	(2.0)	(7.8)
Reclassifications to right-of-use assets	-	(0.7)	-	-	(0.7)
Foreign exchange	(0.1)	(1.5)	(0.3)	(0.1)	(2.0)
At 30 March 2025	7.7	82.1	14.6	7.1	111.5
Additions	-	7.3	0.1	1.1	8.5
Disposals	-	(6.4)	-	(0.7)	(7.1)
Foreign exchange	(0.2)	(0.3)	(0.2)	(0.1)	(0.8)
At 29 March 2026	7.5	82.7	14.5	7.4	112.1
Accumulated depreciation and impairment					
At 1 April 2024	0.8	43.9	4.2	6.0	54.9
Charge for the period	0.2	12.2	0.9	1.7	15.0
Impairment	-	1.0	0.1	-	1.1
Eliminated on disposal	-	(4.3)	(1.3)	(2.0)	(7.6)
Reclassifications to right-of-use assets	-	(0.6)	-	-	(0.6)
Foreign exchange	-	(0.8)	-	(0.1)	(0.9)
At 30 March 2025	1.0	51.4	3.9	5.6	61.9
Charge for the period	0.1	11.2	0.8	1.2	13.3
Impairment	-	0.7	-	-	0.7
Eliminated on disposal	-	(6.1)	-	(0.7)	(6.8)
Foreign exchange	(0.1)	(0.3)	(0.1)	-	(0.5)
At 29 March 2026	1.0	56.9	4.6	6.1	68.6
Net book value					
At 29 March 2026	6.5	25.8	9.9	1.3	43.5
At 30 March 2025	6.7	30.7	10.7	1.5	49.6

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

13. Property, plant and equipment (continued)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Right-of-use assets £m
Cost or valuation	
At 1 April 2024	302.9
Additions ¹	18.6
Reassessments of leases ²	2.6
Reclassifications from property, plant and equipment	0.7
Modifications of leases	6.3
Disposals	(14.4)
Foreign exchange	(5.8)
At 30 March 2025	310.9
Additions ¹	11.3
Reassessments of leases ²	6.0
Modifications of leases	23.4
Disposals	(13.3)
Foreign exchange	(1.6)
At 29 March 2026	336.7
Accumulated depreciation and impairment	
At 1 April 2024	129.4
Charge for the period	51.4
Reclassifications from property, plant and equipment	0.6
Impairment	3.2
Disposals	(14.4)
Foreign exchange	(2.5)
At 30 March 2025	167.7
Charge for the period	48.8
Impairment	3.5
Disposals	(13.3)
Foreign exchange	(1.3)
At 29 March 2026	205.4
Net book value	
At 29 March 2026	131.3
At 30 March 2025	143.2

1. Additions include £0.7m of direct costs (FY25: £0.7m) and £0.2m (FY25: £1.2m) in relation to costs of removal and restoring.

2. Lease reassessments relate to measurement adjustments for rent reviews and stores that have exercised lease breaks.

Impairment of property, plant and equipment and right-of-use assets

The Group has determined that each retail store is a separate CGU. Each CGU is assessed for indicators of impairment at the Balance Sheet date and tested for impairment if any indicators exist. The Group has some leases that meet the IAS 36 definition of corporate assets, such as offices, as they do not generate independent cash flows. These are assessed for impairment indicators and, if required to be tested for impairment, are done so using the two-step impairment process under IAS 36 in which they are allocated to the regional-level CGUs as determined for goodwill impairment (note 12). There has been no change to the way in which CGUs are determined in the period.

During the period, the Group has recognised an impairment charge of £3.5m (FY25: £3.2m) to right-of-use assets and £0.7m (FY25: £1.1m) to related property, plant and equipment in relation to the ongoing store estate. These stores were impaired to their value in use recoverable amount of £3.4m.

Judgements, assumptions and estimates – retail stores

The results of the Company's impairment tests are dependent upon estimates and judgements made by management. If an indicator of impairment has been identified, a CGU's recoverable amount is measured using the value in use method. The value in use calculations have been determined by applying growth assumptions that are consistent with published external market data ('market growth plan'). The external growth assumptions have been applied from the FY27 Board approved budget onwards, and estimated cash flows for the periods FY28 to FY31. The forecasts are based on annual budgets and strategic projections representing the best estimate of future performance. Management considers forecasting over this period to appropriately reflect the business cycle of the CGUs.

If determining the value in use of CGUs it is necessary to make a series of assumptions to estimate the present value of future cash flows which reflect past experience and are consistent with relevant external sources of information.

Operating cash flows – retail stores

If an indicator of impairment has been identified and a CGU's recoverable amount is required to be estimated, the main assumptions within the forecast operating cash flows include the achievement of future growth in retail sales, sales prices and volumes, raw material input costs, the cost structure of each CGU, the impact of foreign currency rates upon selling price and cost relationships and the levels of capital expenditure required to support the associated sales. Ecommerce cash flows are not allocated to store CGUs for the purpose of impairment testing.

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

13. Property, plant and equipment (continued)

Pre-tax risk adjusted discount rate – retail stores

If an indicator of impairment has been identified and a CGU's recoverable amount is required to be estimated, future cash flows are discounted to present value using a pre-tax discount rate derived from risk-free rates based on long-term government bonds, adjusted for risk factors such as region and market risk in the territories in which the Group operates and the time value of money. Consistent with the 2019 IFRS IASB Staff Paper, a post-tax discount rate and post-tax cash flows are used as observable inputs, and then the pre-tax discount rate is calculated from this to comply with the disclosure requirements under IAS 36. The pre-tax discount rate for the Group has been calculated to be 12.9% (FY25: 12.4%).

Sensitivity analysis – retail stores

The results of the Group's impairment tests are dependent upon estimates and judgements made by management, particularly in relation to the key assumptions of the Group. The cash flow projections include assumptions on store performance throughout the remaining contractual lease term. In particular, the retail revenue recovery profile in the budget for future periods represents a source of estimation uncertainty. The projections and sensitivity analysis for future periods are consistent with the market growth plan. We have concluded no material reasonable possible changes in assumptions will result in an impairment and therefore no sensitivity analysis has been disclosed.

14. Inventories

	FY26	FY25
	£m	£m
Raw materials	1.6	1.6
Finished goods	159.2	185.8
Inventories net of provisions	160.8	187.4
	FY26	FY25
	£m	£m
Inventory provision	1.7	2.5
Inventory written off to Consolidated Statement of Profit or Loss	1.1	1.0

The cost of inventories recognised as an expense and included in cost of sales amounted to £246.0m (FY25: £253.4m). The remainder of total cost of sales of £258.9m (FY25: £275.9m) relates to freight including shipping out costs.

15. Trade and other receivables

	FY26	FY25
	£m	£m
Trade receivables	57.4	50.6
Less: allowance for expected credit losses	(1.4)	(0.9)
Trade receivables – net	56.0	49.7
Other receivables	8.2	7.1
	64.2	56.8
Prepayments	6.5	5.6
	70.7	62.4

All trade and other receivables are expected to be recovered within 12 months of the period end date. Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value. The carrying value of trade receivables represents the maximum exposure to credit risk. For some trade receivables, the Group may obtain security in the form of guarantees, insurances or letters of credit which can be called upon if the counterparty is in default under the terms. As at 29 March 2026 the amount of collateral held was £0.3m (FY25: £0.3m).

As at 29 March 2026 trade receivables of £2.9m (FY25: £1.4m) were due over 90 days, trade receivables of £1.0m (FY25: £0.3m) were due between 60-90 days and trade receivables of £53.5m (FY25: £48.9m) were due in less than 60 days. The Group establishes a loss allowance that represents its estimate of potential losses in respect of trade receivables, where it is deemed that a receivable may not be recovered, and considers factors which may impact risk of default.

Where appropriate, we have grouped these receivables with the same overall risk characteristics. When the receivable is deemed irrecoverable, the provision is written off against the underlying receivables.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure expected credit losses, trade receivables have been grouped based on customer segment, geographical location, and the days past due. The expected loss rates are based on the historical credit losses experienced in previous periods. The rates are adjusted to reflect current and forward-looking information, including macroeconomic factors, by obtaining and reviewing relevant market data affecting the ability of customers to settle the receivables based on their customer segment and geographical location. Where objective evidence exists that a trade receivable balance may be impaired, provision is made for the difference between its carrying amount and the present value of the estimated cash that will be recovered. Evidence of impairment may include such factors as a customer entering insolvent administration proceedings.

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

15. Trade and other receivables (continued)

As at 29 March 2026 trade receivables were carried net of expected credit losses of £1.4m (FY25: £0.9m). The individually impaired receivables relate mainly to accounts which are outside the normal credit terms. The ageing analysis of these provisions against trade receivables is as follows:

	FY26 £m	FY25 £m
Up to 60 days	-	-
60 to 90 days	-	-
Over 90 days	1.4	0.9
	1.4	0.9
	FY26 £m	FY25 £m
At 31 March 2025 and 1 April 2024	0.9	0.8
Change in provision for expected credit losses	0.5	0.1
At 29 March 2026 and 30 March 2025	1.4	0.9
Debtors days	61	58

The carrying amount of the Group's trade and other receivables is denominated in the following currencies:

	FY26 £m	FY25 £m
UK Sterling	10.1	3.9
Euro	14.8	12.8
US Dollar	24.5	26.3
Japanese Yen	2.2	2.5
Other currencies	4.4	4.2
	56.0	49.7

16. Cash and cash equivalents

	FY26 £m	FY25 £m
Cash and cash equivalents ¹	180.3	155.9

1. Cash includes £89.1m of investments in high-quality overnight money market funds (FY25: £58.7m). A further £54.9m sits in term deposits with terms of less than 90 days (FY25: £58.5m).

17. Trade and other payables

	FY26 £m	FY25 £m
Trade payables	33.8	27.5
Taxes and social security costs	10.7	10.6
Other payables	7.6	7.1
	52.1	45.2
Accruals ¹	60.2	63.7
	112.3	108.9

1. Included within accruals is the refund liability of £3.6m (FY25: £3.9m), deferred income of £2.3m (FY25: £2.4m), accruals for royalties of £8.8m (FY25: £9.5m), goods received not invoiced of £7.7m (FY25: £6.5m), and other accruals of £37.8m (FY25: £41.4m).

All trade and other payables are expected to be settled within 12 months of the period end date. Due to the short-term nature of the current payables, their carrying amount is considered to be the same as their fair value. At 29 March 2026, other payables included £5.6m (FY25: £5.2m) in relation to employment-related payables.

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

18. Borrowings

	FY26 £m	FY25 £m
Current		
Bank interest	2.1	2.4
Lease liabilities (note 29)	44.1	45.9
Total current	46.2	48.3
Non-current		
Bank loans (net of unamortised bank fees)	247.6	246.3
Lease liabilities (note 29)	99.7	109.5
Total non-current	347.3	355.8
Total borrowings¹	393.5	404.1

1. From total borrowings, only bank loans (excluding unamortised bank fees) and lease liabilities are included in net debt for bank loan covenant calculation purposes.

	FY26 £m	FY25 £m
Analysis of bank loan:		
Non-current bank loans (net of unamortised bank fees)	247.6	246.3
Add back unamortised fees	2.4	3.7
Total gross bank loan	250.0	250.0

In November 2024, the Group agreed with existing and new lenders to refinance its debt facilities, previously comprising a €337.5m Term Loan and RCF of £200.0m. The refinanced facilities ('New Facilities') consist of a £250.0m Term Loan and RCF of £126.5m for an initial term of three years (ending 14 November 2027), with two one-year extension options, subject to lender approval.

In April 2026, the lending syndicate approved the Group's request to exercise the one-year extension option on both the Term Loan and the RCF, extending the maturity of these facilities to 14 November 2028, effective from 1 May 2026. On 30 March 2026, the Group also cancelled £26.5 million of commitments under the RCF, thereby reducing the total size of the facility to £100.0 million. All other terms remain unchanged.

A portion of the RCF commitment is carved out for ancillary commitments of which £3.8m (FY25: £3.7m) has been utilised primarily for landlord rent guarantees.

The Facilities include a single financial covenant on leverage that is tested semi-annually on a rolling 12-month basis at the Group level. Interest on the Term Loan is charged at a variable margin linked to the Group's leverage, applied over compounded daily SONIA.

The weighted average interest rate for this instrument in FY26 was 7.4%. For comparative purposes, interest on the Euro Term Loan B, which was extinguished in November 2024, was charged at a variable margin linked to the Group's leverage over floating EURIBOR. The weighted total interest rate for this instrument in FY25 up to extinguishment was 6.8% and the total weighted average interest rate for the full year was 7.3%.

Bank loans

Loan repayments will occur as follows:

	Term Loan £m
2027 (14 November 2027) ¹	250.0
Total	250.0

1. This date reflects the repayment date of the loan as at 29 March 2026. The loan was extended as of 1 May 2026 to bring the maturity of the facility to 14 November 2028.

	FY26 £m	FY25 £m
Revolving credit facility utilisation		
Guarantees	3.8	3.7
Total utilised facility	3.8	3.7
Available facility (unutilised)	122.7	122.8
Total revolving facility	126.5	126.5
	%	%
Interest rate charged on unutilised facility	1.23	1.23

The bank loans are secured by a fixed and floating charge over assets of the Group.

The fair value of the items classified as loans and borrowings is shown above. The book and fair values of borrowings are deemed to be materially equal.

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

18. Borrowings (continued)

Movements in loans and borrowings were as follows:

	30 March 2025	Cash movements	Fee amortisation	Interest expense	Settlement	Working capital	Fair value movement	Foreign exchange movement	29 March 2026
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Term Loan	250.0	-	-	-	-	-	-	-	250.0
Capitalised fees	(3.7)	(0.1)	1.4	-	-	-	-	-	(2.4)
Borrowing interest payable	2.4	(20.2)	-	19.9	-	-	-	-	2.1
Total borrowings	248.7	(20.3)	1.4	19.9	-	-	-	-	249.7

	31 March 2024	Cash movements	Fee amortisation	Interest expense	Settlement	Working capital	Fair value movement	Foreign exchange movement	30 March 2025
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Euro Term Loan B	288.6	(283.0)	-	-	-	-	-	(5.6)	-
Term Loan	-	250.0	-	-	-	-	-	-	250.0
Capitalised fees	(2.3)	(3.8)	2.8	-	-	(0.4)	-	-	(3.7)
Borrowing interest payable	8.4	(27.6)	-	21.6	-	-	-	-	2.4
Loan-related derivatives	-	-	-	-	4.0	-	(4.0)	-	-
Total borrowings	294.7	(64.4)	2.8	21.6	4.0	(0.4)	(4.0)	(5.6)	248.7

Movements in lease liabilities are not included above but are detailed in note 29.

Net debt¹ reconciliation

The breakdown of net debt¹ was as follows:

	FY26 £m	FY25 £m
Cash and cash equivalents	180.3	155.9
Bank loans (excluding unamortised bank fees)	(250.0)	(250.0)
Lease liabilities	(143.8)	(155.4)
Net debt¹	(213.5)	(249.5)

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

19. Provisions

	Total £m
At 1 April 2024	6.3
Arising during the period	1.2
Remeasurements during the period	(0.7)
Amounts utilised	(0.3)
Discount rate unwind	0.2
Foreign exchange	(0.2)
At 30 March 2025	6.5
Arising during the period	0.2
Remeasurements during the period	0.7
Amounts utilised	(0.3)
Discount rate unwind	0.3
Foreign exchange	(0.1)
At 29 March 2026	7.3

All provisions are property provisions that relate to the estimated repair and restoration costs for properties at the end of the lease.

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

20. Derivative financial assets and liabilities

	FY26 £m	FY25 £m
Assets		
Foreign exchange forward contracts – Current	0.5	1.0
Foreign exchange forward contracts – Non-current	-	-
Liabilities		
Foreign exchange forward contracts – Current	(0.2)	(0.1)
Foreign exchange forward contracts – Non-current	-	-

Derivative financial instruments consist of foreign exchange forward contracts, which are categorised within Level 2 (refer to note 2.15 for details on fair value hierarchy categorisation). The full fair value of a derivative is classified as a non-current asset or liability if the remaining maturity is more than 12 months and as a current asset or liability if the maturity of the derivative is less than 12 months.

Foreign exchange forward derivatives

The Group takes a holistic approach to foreign exchange risk, viewing exposures on Group-wide net cash flow basis, seeking to maximise natural offsets wherever possible. Where considered material, the Group manages its exposure to variability in GBP from foreign exchange by hedging highly probable future cash flows arising in other currencies. The Group's principal net currency exposures are to USD, EUR, JPY and CAD.

The Group adopts a rolling, layered approach to hedging its operating cash flows using forward foreign exchange contracts on an 18-month horizon. Other derivative contracts and longer tenors may be used provided these are approved by the Board and Audit and Risk Committee.

The following table represents the nominal amounts and types of derivatives held as at each Balance Sheet date:

	FY26	FY25
Average foreign exchange rate		
Cash flow hedges: sell EUR buy GBP	1.1358	1.1684
Nominal amounts		
Cash flow hedges: sell EUR buy GBP		
Less than a year	£m 66.5	£m 82.2
More than a year but less than two years	7.9	7.0
Derivatives measured at fair value through profit or loss: sell EUR buy GBP		
Less than a year	£m -	£m -

For hedges of forecast receipts and payments in foreign currencies, the critical terms of the hedging instruments match exactly with the terms of the hedged items and, therefore, the Group performs a qualitative assessment of effectiveness. The fair value of forecast hedge items is assessed to move materially equally and opposite to continuing cash flow hedge instruments. Ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated or if there are changes in the credit risk of the Group or the derivative counterparty. The hedge ratio is 1:1.

If a hedged item is no longer expected to occur, the hedge instruments are immediately de-designated from a cash flow hedge relationship. Amounts recognised in relation to de-designated derivatives are released from the hedging reserve and thereafter movements are classified as fair value through profit or loss.

Gains/(losses) reclassified from the Consolidated Statement of Comprehensive Income to the Consolidated Statement of Profit or Loss during the period are as follows:

	FY26 £m	FY25 £m
Revenue	(1.3)	3.8
Foreign exchange losses	-	(3.6)
	(1.3)	0.2

Derivative financial assets and liabilities are subject to offsetting, enforceable master netting arrangements with counterparties. However, these amounts are presented gross on the face of the Balance Sheet as the conditions for netting specified in IAS 32 'Financial Instruments Presentation' are not met.

	FY26		
	Gross carrying amounts £m	Amounts not offset £m	Net amounts £m
Derivative financial assets	0.5	(0.1)	0.4
Derivative financial liabilities	(0.2)	0.1	(0.1)
	FY25		
	Gross carrying amounts £m	Amounts not offset £m	Net amounts £m
Derivative financial assets	1.0	(0.1)	0.9
Derivative financial liabilities	(0.1)	0.1	-

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

21. Investments

	FY26 £m	FY25 £m
Investments	1.0	1.0

On 16 January 2023 the Group made an investment of £1.0m in the share capital of Generation Phoenix Limited, a company that specialises in producing a sustainable alternative to leather and produces a recycled leather product using part-processed offcuts.

22. Financial instruments

IFRS 13 requires the classification of financial instruments measured at fair value to be determined by reference to the source of inputs used to derive fair value. The fair values of all financial instruments, except for leases, in both years are materially equal to their carrying values. All financial instruments are measured at amortised cost with the exception of derivatives, cash amounts held within money market funds, and investments in equity instruments which are measured at fair value. Derivatives and money market funds are classified as Level 2 under the fair value hierarchy, and investments in equity instruments as Level 3, which is consistent with the definitions in note 2.15.

	29 March 2026			Total £m
	Assets at amortised cost £m	Fair value through other comprehensive income £m	Fair value through profit or loss £m	
Assets as per Balance Sheet				
Investments	-	1.0	-	1.0
Trade and other receivables excluding prepayments	64.2	-	-	64.2
Derivative financial assets – Current	-	0.5	-	0.5
Derivative financial assets – Non-current	-	-	-	-
Cash and cash equivalents	91.2 ¹	-	89.1 ²	180.3
	155.4	1.5	89.1	246.0

1. £54.9m sits in term deposits with terms of less than 90 days.

2. A proportion of cash is invested in high-quality overnight money market funds to mitigate concentration and counterparty risk.

	Fair value			Total £m
	Liabilities at amortised cost £m	through other comprehensive income £m	Fair value through profit or loss £m	
Liabilities as per Balance Sheet				
Bank debt (excluding unamortised bank fees)	250.0	-	-	250.0
Bank interest – Current	2.1	-	-	2.1
Lease liabilities – Current	44.1	-	-	44.1
Lease liabilities – Non-current	99.7	-	-	99.7
Derivative financial instruments – Current	-	0.2	-	0.2
Derivative financial instruments – Non-current	-	-	-	-
Trade and other payables excluding non-financial liabilities (mainly tax and social security costs)	99.3	-	-	99.3
	495.2	0.2	-	495.4

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

22. Financial instruments (continued)

	30 March 2025			
	Assets at amortised cost £m	Fair value through other comprehensive income £m	Fair value through profit or loss £m	Total £m
Assets as per Balance Sheet				
Investments	-	1.0	-	1.0
Trade and other receivables excluding prepayments	56.8	-	-	56.8
Derivative financial assets – Current	-	1.0	-	1.0
Derivative financial assets – Non-current	-	-	-	-
Cash and cash equivalents	97.2	-	58.7 ¹	155.9
	154.0	2.0	58.7	214.7

1. A proportion of cash is invested in high-quality overnight money market funds to mitigate concentration and counterparty risk.

	30 March 2025			
	Liabilities at amortised cost £m	Fair value through other comprehensive income £m	Fair value through profit or loss £m	Total £m
Liabilities as per Balance Sheet				
Bank debt (excluding unamortised bank fees)	250.0	-	-	250.0
Bank interest – Current	2.4	-	-	2.4
Lease liabilities – Current	45.9	-	-	45.9
Lease liabilities – Non-current	109.5	-	-	109.5
Derivative financial instruments – Current	-	0.1	-	0.1
Trade and other payables excluding non-financial liabilities (mainly tax and social security costs)	95.9	-	-	95.9
	503.7	0.1	-	503.8

Group financial risk factors

The Group's activities expose it to a wide variety of financial risks including liquidity, credit and market risk (including foreign exchange and interest rate risks). The Group's treasury policies seek to manage residual financial risk within the Board agreed tolerance in a cost-effective manner and taking advantage of natural offsets that exist or can be created through its operating activities. Where appropriate the Group uses derivative financial instruments to hedge certain risk exposures (for example to reduce the impacts of foreign exchange volatility).

Risk management is carried out by a central Group Treasury department under policies approved by the Board of Directors and the Audit and Risk Committee. Group Finance and Group Treasury identify, evaluate and hedge financial risks in close cooperation with the Group's regional operating units. The Board agrees written principles for overall risk management as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and liquidity risk. These policies cover the allowable use of selective derivative financial instruments and investment management processes for excess liquidity.

Liquidity risk

Cash flow forecasting is regularly performed in the operating entities of the Group and aggregated by Group Treasury. Group Treasury monitors rolling forecasts of the Group's liquidity requirements to ensure that it has sufficient cash to meet operational needs while maintaining sufficient headroom in its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants. Surplus cash held by operating entities over and above balances required for working capital are transferred to Group Treasury to be managed centrally. Group Treasury policy is to invest surplus cash in high-quality, short-term, interest-bearing instruments including current accounts, term deposit and low volatility money market funds.

The Group continually reviews any medium to long-term financing requirements to ensure cost effective access to funding is available if and when it is needed (including any debt refinancing).

The table below sets out the contractual maturities (representing undiscounted contractual cash flows) of loans, borrowings and other financial liabilities:

	At 29 March 2026				
	Up to 3 months £m	Between 3 & 12 months £m	Between 1 & 5 years £m	More than 5 years £m	Total £m
Bank loans – Principal	-	-	250.0	-	250.0
Bank loans – Interest ¹	4.7	13.9	13.8	-	32.4
Total bank loans	4.7	13.9	263.8	-	282.4
Lease liabilities	13.2	36.1	88.3	22.0	159.6
Derivative financial instruments	-	0.2	-	-	0.2
Trade and other payables excluding non-financial liabilities	99.3	-	-	-	99.3
	117.2	50.2	352.1	22.0	541.5

1. Future interest cash flows are determined by a variable margin depending on the Group leverage forecast over a three-month average compounded SONIA forward curve.

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

22. Financial instruments (continued)

	At 30 March 2025				Total £m
	Up to 3 months £m	Between 3 & 12 months £m	Between 1 & 5 years £m	More than 5 years £m	
Bank loans – Principal	-	-	250.0	-	250.0
Bank loans – Interest ¹	5.2	15.0	31.7	-	51.9
Total bank loans	5.2	15.0	281.7	-	301.9
Lease liabilities	13.6	37.9	97.4	22.8	171.7
Derivative financial instruments	-	0.1	-	-	0.1
Trade and other payables excluding non-financial liabilities	95.9	-	-	-	95.9
	114.7	53.0	379.1	22.8	569.6

1. Future interest cash flows are determined by a variable margin depending on the Group leverage forecast over a three-month average compounded SONIA forward curve.

Credit risk

Credit risk is managed on a Group basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analysing the credit risk of their new customers before standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, derivative financial instruments, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. Cash investments and derivative transactions are only executed with financial institutions who hold an investment grade rating with at least one of Moody's, Standard & Poor's or Fitch's rating agencies. The Group's treasury policy defines strict limits that do not allow concentration of risk with individual counterparties.

For wholesale customers, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are regularly monitored. Sales to wholesale customers are settled primarily by bank transfer and retail consumers are settled in cash or by major debit or credit cards. The Group has no significant concentration of credit risk as exposure is spread over a large number of consumers.

Market risk

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from the various currency exposures, primarily with respect to the US Dollar, Euro, Canadian Dollar and Japanese Yen. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in overseas operations. Foreign exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The Group purchases the vast majority of its inventory from factories in Asia which are paid in US Dollars. On a net basis, the majority of Group EBIT is earned in currencies other than Pounds Sterling. In addition, the Group has other currency denominated investments in overseas operations whose net assets are exposed to foreign currency translation risk upon consolidation.

Cash flow and fair value interest rate risk

The Group's interest rate risk arises from its floating rate bank debt and cash amounts held. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group's bank debt borrowings are denominated in GBP and incur interest at variable rates subject to compounded daily SONIA.

At 29 March 2026, if interest rates on bank borrowings had been 50 basis points higher or lower with all other variables held constant, the calculated pre-tax profit for the period would change by £1.2m (FY25: £1.4m).

Capital risk

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balances. The Group's overall strategy remains consistent with that from the past few years.

The capital structure of the Group consists of net debt disclosed in note 18 and equity attributable to equity holders of the parent, comprised of issued ordinary share capital, reserves and retained earnings as disclosed in notes 24 and 26 and the Consolidated Statement of Changes in Equity. The Group's Board of Directors reviews the capital structure on an annual basis. The Group is not subject to any externally imposed capital requirement.

Foreign currency risk

The Group has analysed the impact of a movement in foreign exchange rate of the major non-GBP currencies on its EBIT¹ (all other foreign exchange rates remaining unchanged) as follows:

10% appreciation of currency	FY26 £m	FY25 £m
US Dollar	(9.1)	(12.6)
Euro	13.8	13.4
Yen	3.5	3.4

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

The majority of the Group's inventory is purchased in US Dollars however the net foreign currency exposure is largely offset by income from the Group's US operations and US Dollar-denominated sales to distributors.

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

23. Deferred taxation

The analysis of deferred tax assets and liabilities is as follows:

	FY26 £m	FY25 £m
Non-current		
Assets	11.0	11.1
Liabilities	(1.3)	(2.5)
	9.7	8.6

The gross movement on the deferred income tax is as follows:

	FY26 £m	FY25 £m
Credit for the period in the Consolidated Statement of Comprehensive Income	1.1	0.2

The deferred tax asset provided in the financial statements is supported by budgets and trading forecasts and relates to the following temporary differences:

- accelerated capital allowances are the differences between the net book value of fixed assets and their tax base;
- other temporary differences are the other differences between the carrying amount of an asset/liability and its tax base that eventually will reverse;
- unrealised profits in intra-group transactions and expenses;
- trade losses expected to be utilised in future periods; and
- deferred tax on share-based payments in relation to the expected future tax deduction on the exercise of granted share options spread over the vesting period.

The movement in deferred income tax assets and liabilities during the period is as follows:

	Accelerated capital allowances £m	Unrealised intra-group profits £m	Other temporary differences £m	Tax losses £m	Share-based payments £m	Total £m
At 1 April 2024	(3.2)	3.3	6.9	0.6	0.8	8.4
Statement of Profit or Loss credit/(charge)	0.1	-	0.9	(0.4)	0.5	1.1
Credited/(charged) directly to equity	-	-	0.3	-	(0.7)	(0.4)
Adjustment for Korea concession income ¹	-	-	(0.3)	-	-	(0.3)
Foreign exchange	-	(0.1)	(0.1)	-	-	(0.2)
At 30 March 2025	(3.1)	3.2	7.7	0.2	0.6	8.6
Statement of Profit or Loss credit/(charge)	0.9	0.7	(0.4)	(0.1)	0.6	1.7
(Charged)/credited directly to equity	-	-	(0.8)	-	0.3	(0.5)
Foreign exchange	-	-	(0.1)	-	-	(0.1)
At 29 March 2026	(2.2)	3.9	6.4	0.1	1.5	9.7

1. This adjustment relates to the release of a historic Korean deferred tax asset arising from differences in income recognition in concessions between Korean GAAP and Korean tax rules. This asset was released due to a claim with the Korean tax authorities being resolved.

Deferred taxation not provided in the financial statements:

	FY26 £m	FY25 £m
Tax losses ²	8.6	8.9

2. This is the tax affected amount of losses that have not been provided for in the financial statements, calculated using the rate at which the losses would be expected to be used. There is £34.6m (FY25: £35.4m) of gross tax losses that have not been provided for because they are either capital losses (which can only be used against future capital gains which we are not forecasting) or they are non-trade loan relationship losses which can only be used in the same company (and are in companies we don't expect to have any loan relationship profits).

The deferred tax assets and liabilities have been measured at the corporation tax rate expected to apply to the reversal of the timing difference, based on rates that are enacted or substantively enacted by the end of each reporting period. There are no material temporary differences associated with investments in subsidiaries, branches and associates and interests in joint arrangements, for which deferred tax liabilities have not been recognised.

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

24. Ordinary share capital

	FY26 No.	FY26 £m	FY25 No.	FY25 £m
Authorised, called up and fully paid				
Ordinary shares of £0.01 each	967,472,963	9.7	964,537,323	9.6

The movements in the ordinary share capital during the period ended 29 March 2026 and the period ended 30 March 2025 were as follows:

	FY26 No.	FY26 £m	FY25 No.	FY25 £m
At 31 March 2025 and 1 April 2024	964,537,323	9.6	961,878,608	9.6
Shares issued	2,935,640	0.1	2,658,715	-
At 29 March 2026 and 30 March 2025	967,472,963	9.7	964,537,323	9.6

25. Treasury shares

The movements in treasury shares held by the Company during the period ended 29 March 2026 and period ended 30 March 2025 were as follows:

	FY26 No.	FY26 £m	FY25 No.	FY25 £m
At 31 March 2025 and 1 April 2024	735,360	-	394,923	-
Purchase of own shares held by employee trust	10,000,000	6.7	-	-
Shares issued for share schemes held in trust	283,102	-	447,685	-
Shares vested from share schemes held in trust	(161,463)	-	(107,248)	-
At 29 March 2026 and 30 March 2025	10,856,999	6.7	735,360	-

During the period the Dr. Martens plc Employee Benefit Trust (EBT) was established, set up for the purpose of purchasing and holding shares in Dr. Martens plc for subsequent transfer to employees under the terms of the Group's share plans. During the period, the Trust purchased 10,000,000 shares (FY25: £nil) for a total cash consideration of £6.7m (FY25: £nil). The cost of the shares purchased by the Employee Benefit Trust is recorded within Treasury shares, and reduces the profits available for distribution by the Company. Shares held within the Trust have been excluded from the weighted average number of shares used in the calculation of earnings per share, and dividends are waived on all these shares.

26. Reserves

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Ordinary share capital	Nominal value of subscribed shares.
Treasury shares	This reserve relates to shares held by SIP Trusts, and EBT. The shares held by the SIP Trusts were issued directly to the Trusts in order to satisfy outstanding employee share schemes and potential awards under the employee share incentive schemes. The Company issued 283,102 shares directly to the Trusts during the period and held 10,856,999 as at 29 March 2026 (30 March 2025 held: 735,360). Shares purchased by Dr. Martens plc Employee Benefit Trust are included within treasury shares. During the period, the trust purchased 10,000,000 shares for a cash consideration of £6.7m and held 10,000,000 as at 29 March 2026 (30 March 2025 held: nil)
Hedging reserve	Represents the movements in fair value on designated hedging instruments.
Capital redemption reserve	A non-distributable reserve into which amounts are transferred following the redemption or purchase of own shares. The reserve was created in order to ensure sufficient distributable reserves were available for the purpose of redeeming preference shares in the prior periods.
Merger reserve	The difference between the nominal value of shares acquired by Dr. Martens plc (the Parent Company) in the share-for-share exchange with Doc Topco Limited and the nominal value of shares issued to acquire them on 11 December 2020.
Foreign currency translation reserve	Includes translation gains or losses on translation of foreign subsidiaries' financial statements from the functional currencies to the presentational currency.
Retained earnings	Retained earnings represent the profits of the Group made in current and preceding periods, net of distributions and equity-settled share-based awards. Included in retained earnings are distributable reserves.

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

27. Share-based payments and share schemes

Executive Share Plan – The Dr. Martens Long-Term Incentive Plan (LTIP)

Awards of shares to Executive Directors and other senior executives are made under the Long-Term Incentive Plan (LTIP): the Performance Share Plan (PSP) for the Executive Directors and Global Leadership Team (GLT) and the Restricted Share Unit Plan (RSU) for GLT direct reports and other employees. The LTIP is a discretionary share plan under which awards are approved and granted at the discretion of the Remuneration Committee.

Long-Term Incentive Plan – Performance Share Plan (PSP)

Awards of conditional shares are granted to the Executive Directors and GLT. These awards are currently capable of vesting subject to the achievement of set performance conditions over a three-year performance period and continued service. There are three performance conditions attached to the awards which are Total Shareholder Return (TSR), which is a market-based performance condition, and Operating Cash Flow Conversion (OCFC) and EPS growth, which are non-market-based performance conditions. In prior years, only the TSR and EPS conditions applied. The fair value of the TSR element of the performance conditions is calculated and fixed at the date of grant using a Stochastic options pricing model. The fair value of the EPS and OCFC elements of the performance conditions are reviewed at each Balance Sheet date and adjusted through the number of awards expected to vest. The fair value of the PSP is the face value of the awards at the date of grant (calculated using the closing share price on the day preceding grant). The awards will vest to participants at the end of the vesting period subject to the performance conditions of the award being met. The entitlement of any of the awards for leavers are subject to the leaver provisions as set out in the Plan Rules. There are no cash settlement alternatives and the Group accounts for the PSP as an equity-settled plan. Full details on the performance conditions for all the LTIP awards can be found in the Remuneration Report on page 130 of the Annual Report.

Long-Term Incentive Plan – Restricted Share Unit Plan (RSU)

Conditional awards of shares under the RSU are granted to GLT direct reports and other employees of the Group. There are no performance conditions attached to the awards; the awards will only vest should the participants remain employed on the vesting date. If participants leave the Group their awards would usually lapse in full, subject to the leaver provisions set out in the Plan Rules. The fair value of Restricted Share Unit awards is the face value of the awards at the date of grant (calculated using the closing share price on the day preceding grant). The Group accounts for the Restricted Share Unit awards as an equity-settled plan.

Movements during the period

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, shares subject to LTIP schemes during the period:

	FY26		FY25	
	LTIP		LTIP	
	No.	WAEP	No.	WAEP
Outstanding at the beginning of the period	27,081,970	-	15,324,569	-
Granted	16,811,595	£0.00	20,262,208	£0.00
Vested	(2,488,247)	-	(2,768,104)	-
Forfeited	(6,772,372)	-	(5,736,703)	-
Outstanding at the end of the period	34,632,946	£0.00	27,081,970	£0.00
Weighted average contractual life remaining (years)	1.5	£0.00	1.8	£0.00

Fair value measurement

The following table lists the inputs to the models used for the plans granted during the period ended 29 March 2026 and period ended 30 March 2025:

	FY26		
	LTIP		
	PSP	PSP	PSP
Date of grant	16/06/2025	08/12/2025	08/12/2025
Share price (pence)	74.2	78.2	78.2
Fair value at grant date (pence)	62.9	64.2	64.2
Exercise price (pence)	0	0	0
Dividend yield (%)	Nil	Nil	Nil
Expected volatility (%)	57.92%	50.53%	50.53%
Risk-free interest rate (%)	3.77%	3.72%	3.72%
Expected life (years)	3.0 years	1.5 years	3.0 years
Model used	Monte Carlo and Finnerty	Monte Carlo and Finnerty	Monte Carlo and Finnerty

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

27. Share-based payments and share schemes (continued)

	FY26					
	LTIP					
	RSU	RSU	RSU	RSU	RSU	RSU
Date of grant	16/06/2025	16/06/2025	16/06/2025	16/06/2025	16/06/2025	08/12/2025
Share price (pence)	74.2	74.2	74.2	74.2	78.2	78.2
Fair value at grant date (pence)	74.2	74.2	74.2	74.2	78.2	78.2
Exercise price (pence)	0	0	0	0	0	0
Dividend yield (%)	Nil	Nil	Nil	Nil	Nil	Nil
Expected volatility (%)	Nil	Nil	Nil	Nil	Nil	Nil
Risk-free interest rate (%)	Nil	Nil	Nil	Nil	Nil	Nil
Expected life (years)	3.0 years	0.5 years	3.0 years	0.1 years	0.2 years	3.0 years
Model used	N/A	N/A	N/A	N/A	N/A	N/A

	FY25					
	LTIP					
	PSP	RSU	RSU	RSU	RSU	RSU
Date of grant	14/06/2024	14/06/2024	14/06/2024	14/06/2024	05/12/2024	05/12/2024
Share price (pence)	84.1	84.1	84.1	84.1	69.9	69.9
Fair value at grant date (pence)	72.8	84.1	84.1	84.1	69.9	69.9
Exercise price (pence)	0	0	0	0	0	0
Dividend yield (%)	Nil	Nil	Nil	Nil	Nil	Nil
Expected volatility (%)	56.88%	Nil	Nil	Nil	Nil	Nil
Risk-free interest rate (%)	4.12%	Nil	Nil	Nil	Nil	Nil
Expected life (years)	3.0 years	3.0 years	3.3 years	0.7 years	2.5 years	1.6 years
Model used	Monte Carlo	N/A	N/A	N/A	N/A	N/A

The following schemes granted in FY24 and FY23 were also still in existence during FY25 and FY26:

	FY24		
	LTIP		
	PSP	RSU	RSU
Date of grant	30/06/2023	30/06/2023	14/12/2023
Share price (pence)	119.3	119.3	88.5
Fair value at grant date (pence)	96.7	119.3	88.5
Exercise price (pence)	0	0	0
Dividend yield (%)	Nil	Nil	Nil
Expected volatility (%)	55.05%	Nil	Nil
Risk-free interest rate (%)	5.13%	Nil	Nil
Expected life (years)	3.0 years	3.0 years	3.0 years
Model used	Monte Carlo	N/A	N/A

The following schemes granted in FY23 were also still in existence during FY24 and FY25:

	FY23		
	LTIP		
	PSP	RSU	RSU
Date of grant	15/06/2022	15/06/2022	08/12/2022
Share price (pence)	238	238	193
Fair value at grant date (pence)	205	238	193
Exercise price (pence)	0	0	0
Dividend yield (%)	Nil	Nil	Nil
Expected volatility (%)	50.71%	Nil	Nil
Risk-free interest rate (%)	2.23%	Nil	Nil
Expected life (years)	3.0 years	3.0 years	2.7 years
Model used	Monte Carlo	N/A	N/A

Volatility

For determining expected volatility, IFRS 2 requires the fair value to take into account historical volatility over the expected term. Where Dr. Martens plc has been listed for less than the expected life of the plans it does not have sufficient information on historical volatility, and it computes volatility for the longest period for which trading activity is available. It also considered the historical volatility of similar entities in the same industry for the equivalent period of their listed share price history.

All-employee Plan – Share Incentive Plan (SIP) and International Share Incentive Plan

The Group has two SIP Trusts, Dr. Martens plc UK Share Incentive Plan Trust ('SIP-UK') and Dr. Martens plc International Share Incentive Plan Trust ('SIP-International'), for the purpose of facilitating the holding of shares in Dr. Martens plc for the benefit of employees of the Group. The assets of the employee share trusts are held by the separate trusts, of which the Directors consider that Dr. Martens plc has control for accounting purposes.

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

27. Share-based payments and share schemes (continued)

Share Incentive Plan (SIP): Buy As You Earn

In October 2021 employees were granted Free Shares under the Share Incentive Plan (SIP); these shares vested and became available to employees in October 2024. In September 2022 the Company launched the purchase and matching element of the SIP known as Buy As You Earn (BAYE). Employees can elect to make a monthly contribution from their gross pay to purchase shares in Dr. Martens plc ('partnership shares'). For each partnership share acquired, the Company will award a 'matching' share. Matching shares are subject to a three-year forfeiture period, and employees will receive the matching shares if they remain employed at the end of this period of service.

The matching shares fall within the scope of IFRS 2 and are classed as equity-settled share-based payments with a three-year forfeiture period, due to the condition of continued service for three years from the allocation date. A new invitation to join the plan will be rolled out each year effective 1 September. On 11 November 2022, the first matching shares were allocated to employees who had opted into the plan and purchased partnership shares. These awards are subject to a three-year forfeiture period after the date of purchase of the corresponding partnership shares. There are no cash settlement alternatives and the Group accounts for the SIP as an equity-settled plan.

Global Share Incentive Plan (SIP): International Buy As You Earn

In March 2023 the Company launched the purchase and matching element of the International SIP known as International Buy As You Earn (BAYE). Employees can elect to make a monthly contribution from their net pay to purchase shares in Dr. Martens plc ('partnership shares'). Partnership shares are purchased quarterly with the first purchase in July 2023. For each partnership share acquired, the Company will allocate a 'matching' share. Matching shares vest after a period of between two and three years depending on the allocation date. The average weighted vesting period is 2.7 years. The matching shares fall within the scope of IFRS 2 and are classed as equity-settled share-based payments, and employees will receive the matching shares if they remain employed at the end of this period of service. A new invitation to join the plan will be rolled out each year effective 1 September.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, SIP shares during the period:

	FY26	FY25
	SIP	
	No.	No.
Outstanding at the beginning of the period	837,211	385,523
Granted	497,127	634,772
Vested	(161,463)	(107,248)
Forfeited	(132,497)	(75,836)
Outstanding at the end of the period	1,040,378	837,211
Weighted average contractual life remaining (years)	1.7 years	2.1 years

Fair value measurement

The following table lists the inputs to the model used for the SIP plans for the period ended 29 March 2026 and period ended 30 March 2025:

	FY26	FY25	FY24	FY23
	SIP			
Date of grant	19/09/2025	20/09/2024	22/09/2023	15/09/2022
Share price (pence)	50-91	55-95	82-165	128-290
Fair value at grant date (pence)	50-91	55-95	82-165	128-290
Exercise price (pence)	0	0	0	0
Dividend yield (%)	Nil	Nil	Nil	Nil
Expected volatility (%)	0	0	0	0
Risk-free interest rate	0	0	0	0
Weighted average expected life (years)	3.3 years	3.4 years	3.3 years	3.2 years
Model used	N/A	N/A	N/A	N/A

Share schemes – additional information

Employer payroll taxes are being accrued, where applicable, at local rate, which management expects to be the prevailing rate when the awards are exercised, based on the share price at the reporting date. The total employer payroll taxes for the period relating to all the awards was £0.6m (FY25: £0.4m). Within this amount is £0.1m (FY25: £0.3m) of exceptional costs relating to Director joining costs.

Included in staff costs and accruals is £nil (FY25: £nil) in relation to expenses arising from cash-settled share-based payments.

Included in staff costs is £5.2m (FY25: £7.2m) in relation to expenses arising from equity-settled share-based payments. Within this amount is £0.3m (FY25: £0.3m) in relation to the SIP, £0.7m (FY25: £1.9m) of exceptional costs relating to Director joining costs and £nil (FY25: £0.1m) of exceptional costs relating to the cost action plan.

Global Bonus Scheme Share Plan

The Remuneration Committee of the Group has determined that a proportion of the annual Executive Bonus Scheme will be utilised (on a net basis) to purchase Parent Company shares. There were no cancellations or modifications during the period.

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

28. Financial commitments

The Group is party to a number of warehousing agreements whereby it is committed to certain costs which are not required to be reflected on the Balance Sheet. These costs pertain to storage costs for some warehouses that do not meet the recognition requirements of IFRS 16, and the fixed-cost elements of the additional services that the Group's warehouse operators provide.

The below table discloses the contractual cash flows that the Group is committed to under these arrangements, excluding the effects of future rate increases allowable within the agreements.

	FY26 £m	FY25 £m
Within 1 year	7.9	7.0
1 to 5 years	12.7	6.5
Over 5 years	2.8	-
	23.4	13.5

Short-term leases for retail stores are not required to be included above as the portfolio of short-term leases to which the Group is committed to at the end of the reporting period is not dissimilar to the portfolio of short-term leases to which the short-term lease expense disclosed in note 29 relates.

Guarantees exist in the form of rent guarantees to various landlords of £5.9m (FY25: £5.9m) and other guarantees of £0.2m (FY25: £0.2m). Included within the rent guarantees is £3.8m of issued guarantees (FY25: £3.7m) secured by an ancillary carve-out from the Group's RCF.

The Group has additional commitments relating to leases where the Group has entered into an obligation but does not yet have control of the underlying asset. The future lease payments to which the Group is committed, over the expected lease term, but are not recorded on the Group's Balance Sheet are as follows:

	FY26 £m	FY25 £m
Within 1 year	-	0.2
1 to 5 years	-	1.4
Over 5 years	-	1.0
	-	2.6

29. Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

	Note	FY26 £m	FY25 £m
At 31 March 2025 and 1 April 2024		155.4	182.3
Additions ¹		10.4	16.7
Reassessments		5.3	3.0
Modifications		22.3	6.3
Interest expense	8	6.3	6.9
Lease capital and interest repayments		(55.6)	(56.2)
Foreign exchange		(0.3)	(3.6)
At 29 March 2026 and 30 March 2025		143.8	155.4
Current	18	44.1	45.9
Non-current	18	99.7	109.5

1. Additions comprises right-of-use asset additions less working capital of £0.9m (FY25: £1.9m).

The following amounts were recognised in the Consolidated Statement of Profit or Loss:

	Note	FY26 £m	FY25 £m
Depreciation expense of right-of-use assets	13	48.8	51.4
Impairment of right-of-use assets	13	3.5	3.2
Gain on remeasurement of leases		(1.1)	(0.3)
Interest expense on lease liabilities	8	6.3	6.9
Expenses relating to short-term leases		0.1	0.3
Variable lease payments		2.5	2.9
Total operating expenses recognised in the Consolidated Statement of Profit or Loss		2.6	3.2
Total amount recognised in the Consolidated Statement of Profit or Loss		60.1	64.4

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

29. Lease Liabilities (continued)

Extension options

Some leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group will reassess and remeasure when there is a significant event or change in circumstances. For example, lease renewals or business decisions to exercise lease breaks. These are reviewed and embedded to the model as they occur.

	Lease liabilities recognised (discounted)	Potential future lease payments not included in lease liabilities (undiscounted)
	£m	£m
FY26: Leases with lease extension options	33.8	79.6
FY25: Leases with lease extension options	38.2	84.5

30. Pensions

Defined contribution scheme

The Group operates a defined contribution pension scheme for its employees. The Group's expenses in relation to this scheme were £4.9m for the period ended 29 March 2026 (FY25: £5.2m) and at 29 March 2026 £0.2m (FY25: £0.2m) remained payable to the pension fund.

Defined benefit scheme

Dr Martens Airwair Group Limited and Airwair International Limited (subsidiaries of the Group) operate a pension arrangement called the Dr Martens Airwair Group Pension Plan (the Plan). The Plan has a defined benefit section that provides benefits based on final salary and length of service on retirement, leaving service or death. The defined benefit section closed to new members on 6 April 2002 and closed to future accrual with effect from 31 January 2006. The Plan also has a defined contribution section that provides money purchase benefits to some current and former employees.

The Plan is managed by a board of Trustees appointed in part by Airwair International Limited and in part from elections by members of the Plan. The Trustees have responsibility for obtaining valuations of the fund, administering benefit payments and investing the Plan's assets. The Trustees delegate some of these functions to their professional advisers where appropriate.

During December 2025, the Trustees purchased a bulk annuity contract with Pension Insurance Corporation (PIC) to insure the Plan's non-annuitant benefits in full (excluding any additional benefits arising due to GMP equalisation which will be insured as part of a future top-up premium discount). The buy-in transaction has been recognised in the 29 March 2026 disclosures as a remeasurement, with the value of the buy-in policy set equal to the IAS 19 value of the liabilities insured.

The defined benefit section of the Plan is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Plan is carried out at least once every three years to determine whether the Statutory Funding Objective is met. A full actuarial valuation was carried out as at 30 June 2025. The results of that valuation were received in February 2026 by a qualified independent actuary and confirmed that the Plan had sufficient assets to meet the Statutory Funding Objective. The Statutory Funding Objective does not currently impact on the recognition of the Plan in these financial statements.

The weighted average duration of the defined benefit obligation is approximately 11 years (FY25: 11 years). Around 50% of the undiscounted benefits are due to be paid beyond 17 years' time, with the projected actuarial cash flows declining to zero in about 70 years.

Key risks

As a consequence of the buy-in the following key risks have been transferred to PIC:

- Investment risk. The Plan holds investments in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long term, the short-term volatility can cause additional funding to be required if a deficit emerges
- Interest rate risk. The value of the Plan's liabilities is assessed using market yields on high-quality corporate bonds to discount the liabilities. As the Plan holds assets such as equities, the value of the assets and liabilities may not move in the same way. The Plan holds derivatives to manage a proportion of the interest rate risk
- Inflation risk. A significant proportion of the benefits under the Plan are linked to inflation. Although the Plan's assets are expected to provide a good hedge against inflation over the long term, movements in inflation expectations over the short term could lead to a deficit emerging. The Plan holds some derivatives to hedge a proportion of the potential changes in the value of the liabilities due to changes in market inflation expectations
- Mortality risk. In the event that members live longer than assumed, a deficit could emerge in the Plan

Although the Lloyds Banking Group Pensions Trustees Limited vs Lloyds Bank plc (and others) court judgment on 26 October 2018 (and the subsequent court judgment on 20 November 2020) provided some clarity in respect of GMP equalisation and the obligations that this places on schemes, the actual impact of equalising the Plan's GMPs remains uncertain. An approximate allowance equivalent to 1.1% (FY25: 1.1%) of the value of the liabilities has been made in the disclosures for the impact of GMP equalisation. There were no other plan amendments, curtailments or settlements during the period.

The Group's Annual Report and Accounts for the period ended 30 March 2025 disclosed the dismissal on 25 July 2024 of the appeal by Virgin Media to the judgment in the High Court case of Virgin Media vs NTL Trustees which was handed down on 16 June 2023. The judge ruled that where benefit changes were made without a valid 'section 37' certificate from the Scheme Actuary, those changes could be considered void. This judgment could have material consequences for some defined benefit schemes. On June 5 2025 the Government announced that in light of this uncertainty, it would introduce legislation into the Pension Schemes Bill which will allow affected schemes to obtain retrospective actuarial confirmation that historical benefit changes in scope of section 37 were valid (subject to various provisions). Provisions were published on September 18 2025 in the amended Pension Schemes Bill to allow for this.

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

30. Pensions (continued)

The Group has considered the extent to which it should investigate the implications of the Virgin Media ruling on its IAS 19 disclosures as at 29 March 2026 in relation to the Dr Martens Airwair Group Pension Plan. The Plan was contracted-out of the State Pension during the relevant period and therefore is in scope of the ruling. The Group is not aware of any evidence that there are any amendments that were made during the relevant period that did not receive the appropriate actuarial confirmation.

In light of the above and the draft legislation, disclosures have been prepared assuming that the ruling will not affect the Plan's benefits.

Effect of the Plan on the Company's future cash flows

Airwair International Limited is required to agree a Schedule of Contributions with the Trustees of the Plan following a valuation, which must be carried out at least once every three years. Following the valuation of the Plan as at 30 June 2025, a Schedule of Contributions was agreed under which Airwair International Limited was not required to make any contributions to the defined benefit section of the Plan (other than payments in respect of administrative expenses). Accordingly, Airwair International Limited does not expect to contribute to the defined benefit section of the Plan, although it will continue to contribute to the defined contribution section in line with the Schedule of Contributions. Due to the buy-in transaction with PIC and the resultant surplus assets in the Plan, the company does not expect to need to pay any contributions to the Plan following the conclusion of the valuation.

The amounts recognised in the Balance Sheet (under IAS 19 Employee Benefits) are determined as follows:

	FY26 £m	FY25 £m
Fair value of plan assets – defined benefit section	37.0	42.4
Present value of funded obligations – defined benefit section	(34.0)	(33.7)
Surplus of funded plans	3.0	8.7
Impact of asset ceiling	-	(8.7)
Net pension asset	3.0	-

Prior to the buy-in transaction, any surplus in the Plan was not recognised on the grounds that Airwair International Limited was unlikely to derive any future economic benefits from the surplus. As such, an asset ceiling was applied to the Balance Sheet. However, post buy-in, the surplus now reflects a true economic surplus and the Company has an unconditional right to this surplus.

A reconciliation of the net defined benefit asset over the period is given below:

	FY26 £m	FY25 £m
Net defined benefit asset at beginning of the period	-	-
Total defined benefit charge in the Statement of Profit or Loss	(0.6)	-
Remeasurement gains in the Statement of Comprehensive Income	3.6	-
Employer's contributions	-	-
Net defined benefit asset at end of the period	3.0	-

The amount charged to the Consolidated Statement of Profit or Loss in respect of the defined benefit section of the Plan is shown below:

	FY26 £m	FY25 £m
Net interest charge in the P&L account	-	-
Past service costs	0.6	-
Total defined benefit charge	0.6	-

As part of the buy-in transaction, the pension adopted changes to insurer factors for converting pension into a lump sum at retirement. This enhancement resulted in a past service cost of £0.6m. Administration costs related to the buy-in were £0.4m. The amount charged to the Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income in respect of the defined benefit section of the Plan was £nil (FY25: £16k). Costs in respect of the defined contribution section of the Plan, and other defined contribution arrangements operated by Airwair International Limited, are allowed for separately.

The remeasurements in respect of the defined benefit section of the Plan, to be shown in the Consolidated Statement of Comprehensive Income, are shown below:

	FY26 £m	FY25 £m
Losses on defined benefit assets in excess of interest	5.5	4.3
Experience loss on defined benefit obligation	0.5	-
Losses from changes to demographic assumptions	0.3	-
Gains from changes to financial assumptions	(0.9)	(3.4)
Change in effect of asset ceiling	(9.0)	(0.9)
Total remeasurements to be shown in other comprehensive income	(3.6)	-

The buy-in transaction reduced the Plan's assets for IAS 19 purposes, contributing to the loss on defined benefit assets in excess of interest shown above. This is because the buy-in policy asset value is set equal to the value of the liabilities under IAS 19, not the amount paid across to the insurer. The associated loss is viewed as investment loss for the purpose of the disclosure. The removal of the asset ceiling results in a significant remeasurement gain.

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

30. Pensions (continued)

The change in defined benefit scheme assets over the period was:

	FY26	FY25
	£m	£m
At 31 March 2025 and 1 April 2024	42.4	46.7
Interest on defined benefit assets	2.2	2.2
Movement on defined benefit section assets less interest	(5.5)	(4.3)
Benefits paid from the defined benefit section	(2.1)	(2.2)
At 29 March 2026 and 30 March 2025	37.0	42.4

The change in the defined benefit scheme funded obligations over the period was:

	FY26	FY25
	£m	£m
At 31 March 2025 and 1 April 2024	33.7	37.6
Past service cost	0.6	-
Interest cost on defined benefit obligation	1.9	1.7
Experience loss on defined benefit obligation	0.5	-
Changes to demographic assumptions	0.3	-
Changes to financial assumptions	(0.9)	(3.4)
Benefits paid from the defined benefit section	(2.1)	(2.2)
At 29 March 2026 and 30 March 2025	34.0	33.7

The change in the effect of the asset ceiling over the period was as follows:

	FY26	FY25
	£m	£m
At 31 March 2025 and 1 April 2024	8.7	9.1
Net interest charge on asset ceiling	0.3	0.5
Changes in the effect of the asset ceiling excluding interest	(9.0)	(0.9)
At 29 March 2026 and 30 March 2025	-	8.7

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

30. Pensions (continued)

A breakdown of the assets is set out below, split between those assets that have a quoted market value in an active market and those that do not. The assets do not include any investment in shares of Airwair International Limited, nor any property owned or occupied by the Group.

	FY26 £m	FY25 £m
Assets with a quoted market value in an active market:		
Cash and other		
Domestic	0.4	-
	0.4	-
Assets without a quoted market value in an active market:		
Equities and property		
Domestic	-	0.1
Foreign	-	2.0
	-	2.1
Fixed interest bonds		
Unspecified	-	13.0
	-	13.0
Index linked gilts		
Domestic	-	25.9
	-	25.9
Alternatives		
Unspecified	0.1	0.5
	0.1	0.5
Property		
Unspecified	-	-
	-	-
Insured annuities		
Domestic	33.3	0.8
	33.3	0.8
Cash and other		
Domestic	3.2	0.1
Foreign	-	-
Unspecified	-	-
	3.2	0.1
Fair value of plan assets	37.0	42.4

Notes to the Consolidated Financial Statements (continued) For the 52 weeks ended 29 March 2026

30. Pensions (continued)

A full actuarial valuation was carried out as at 30 June 2025. The results of that valuation were received in February 2026 by a qualified independent actuary. The principal assumptions selected by Airwair International Limited and used by the actuary to calculate the Plan's defined benefit obligation were:

	FY26	FY25
Discount rate	6.1%	5.7%
Inflation assumption (RPI)	3.4%	3.2%
Inflation assumption (CPI)	2.7%	2.5%
LPI pension increases subject to 5% cap	3.2%	3.1%
LPI pension increases subject to 3% cap	2.5%	2.5%
Revaluation in deferment	2.7%	2.5%
Post-retirement mortality assumption	105% (males) and 111% (females) of S3PA tables, with allowance for future improvements in line with the CMI_2024 core projection model using a long-term rate of improvement of 1.0% p.a., an initial addition of 0.2% and a half-life of 1.0	105% (males) and 111% (females) of S3PA tables, with allowance for future improvements in line with the CMI_2022 core projection model using 0% 2020 and 2021 weight parameters, a 15% 2022 weight parameter, a long-term rate of improvement of 1.0% p.a. and an initial addition of 0.2%
Tax free cash	Members are assumed to take 75% of the maximum tax free cash	Members are assumed to take 50% of the maximum tax free cash possible
Proportion married at retirement or earlier death	Deferred members: 70% of male members and 80% of female members are assumed to be married at 30 June 2025. Pensioner members: 80% of male members and 60% of female members are assumed to be married at 30 June 2025	80% of male members and 65% of female members are assumed to be married at retirement or earlier death
Age difference	Deferred members: Males 1.5 years older than dependant, females 1.5 years younger than dependant Pensioner members: Males 2.5 years older than dependant, females 3 years younger than dependant	Males three years older than dependant, females one year younger than dependant
Assumed life expectancies on retirement at age 65 are:		
Retiring today:	Male Female	21.5 23.4
Retiring in 20 years' time:	Male Female	22.2 24.4

The key sensitivities of the defined benefit obligation to the actuarial assumptions are shown below:

	FY26 £m	FY25 £m
Discount rate		
Plus 0.5%	(1.6)	(1.7)
Minus 0.5%	1.7	1.9
Plus 1.0%	(3.2)	(3.2)
Minus 1.0%	3.8	3.9
Rate of inflation		
Plus 0.5%	1.4	1.4
Minus 0.5%	(1.3)	(1.5)
Life expectancy		
Plus 1.0 year	1.2	1.4
Minus 1.0 year	(1.2)	(1.4)

Notes to the Consolidated Financial Statements (continued)

For the 52 weeks ended 29 March 2026

30. Pensions (continued)

The sensitivity illustrations set out above are approximate. They show the likely effect of an assumption being adjusted while all other assumptions remain the same. Only the impact on the liability value (i.e. the defined benefit obligation) is considered – in particular:

- no allowance is made for any changes to the value of the Plan's invested assets in scenarios where interest rates or market inflation expectations change; and
- no allowance is made for changes in the value of the annuity policies held by the Plan, which is calculated using the same actuarial assumptions as for the Plan's defined benefit obligation.

Such changes to the asset values would be likely to partially offset the changes in the defined benefit obligation.

31. Contingent assets

As an importer of record to the US, the Group paid IEEPA-related US tariffs via its customs broker during the reporting period. In February 2026 however, the US Supreme Court clarified the legal foundation for tariffs, constraining the executive branch's ability to rely on IEEPA as a stand-alone basis for tariff authority. The ruling declared existing IEEPA tariffs to be unlawful. Subsequently, in March 2026 the US Court of International Trade ('CIT') ruled that the IEEPA tariffs were to be refunded for unliquidated entries, and liquidated entries for which liquidation was not final. At the time of the CIT ruling all IEEPA-related US tariffs charged to the Group were unliquidated

During the period, the Group paid £9.9m in IEEPA-related US tariffs affected by both the Supreme Court and CIT rulings. Whilst the Group expects to make a claim for the full amount paid, as at the reporting date the expectation for a recovery does not meet the virtually certain threshold required for asset recognition.

32. Related party transactions

Transactions between the Company and its wholly owned subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. A list of investments in subsidiary undertakings can be found in note 14 to the Parent Company financial statements.

	FY26 £000	FY25 £000
GFM GmbH Trademarks¹		
Amounts incurred	88.3	80.0
Amounts payable by/(owed) at the period end	0.7	-

1. GFM GmbH Trademarks is related to the Group as it is an equity-accounted joint venture under joint control of the Group.

The compensation of key management (including Executive and Non-Executive Directors) for the period was as follows:

	FY26 £m	FY25 £m
Salaries and benefits	11.3	9.1
Termination benefits	-	0.3
Pensions	0.2	0.2
LTIPs – Share-based payments	1.3	3.5

33. Post Balance Sheet events

In April 2026, the lending syndicate approved the Group's request to exercise the one-year extension option on both the Term Loan and the RCF, extending the maturity of these facilities to 14 November 2028, effective from 1 May 2026. On 30 March 2026, the Group also cancelled £26.5m of commitments under the RCF, thereby reducing the total size of the facility to £100.0m. All other terms remain unchanged.

Parent Company Balance Sheet

As at 29 March 2026

Company registration number 12960219

	Note	FY26 £m	FY25 £m
Fixed assets			
Investments	6	1,119.3	1,413.4
		1,119.3	1,413.4
Current assets			
Debtors	7	11.0	6.2
Cash and cash equivalents	8	-	-
		11.0	6.2
Total assets		1,130.3	1,419.6
Current liabilities			
Trade and other payables	9	(1.7)	(2.1)
Total liabilities		(1.7)	(2.1)
Net assets		1,128.6	1,417.5
Equity			
Ordinary share capital	10	9.7	9.6
Treasury shares	11	(6.7)	-
Capital redemption reserve	12	0.4	0.4
Retained earnings	12	1,125.2	1,407.5
Total equity		1,128.6	1,417.5

As permitted by section 408 of the Companies Act 2006, the Company's Statement of Profit or Loss has not been included in these financial statements.

The Company generated a loss for the period ended 29 March 2026 of £262.9m (period ended 30 March 2025: £4.4m profit).

The notes on pages 65 to 70 are an integral part of these financial statements.

The financial statements on pages 63 to 70 were approved and authorised by the Board of Directors on 19 May 2026 and signed on its behalf by:

Ije Nworie
Chief Executive Officer

Giles Wilson
Chief Financial Officer

Parent Company Statement of Changes in Equity For the 52 weeks ended 29 March 2026

	Note	Ordinary share capital £m	Treasury shares £m	Capital redemption reserve £m	Retained earnings £m	Total equity £m
At 1 April 2024		9.6	-	0.4	1,405.4	1,415.4
Profit for the period		-	-	-	4.4	4.4
Total comprehensive income for the period		-	-	-	4.4	4.4
Dividends paid	5	-	-	-	(9.5)	(9.5)
Shares issued	10	-	-	-	-	-
Share-based payments		-	-	-	7.2	7.2
At 30 March 2025		9.6	-	0.4	1,407.5	1,417.5
Loss for the period		-	-	-	(262.9)	(262.9)
Total comprehensive loss for the period		-	-	-	(262.9)	(262.9)
Dividends paid	5	-	-	-	(24.6)	(24.6)
Shares issued	10	0.1	-	-	-	0.1
Purchase of own shares held by employee trust	11	-	(6.7)	-	-	(6.7)
Share-based payments		-	-	-	5.2	5.2
At 29 March 2026		9.7	(6.7)	0.4	1,125.2	1,128.6

The notes on pages 65 to 70 form part of these financial statements.

Notes to the Parent Company Financial Statements

For the 52 weeks ended 29 March 2026

1. General information

Dr. Martens plc (the 'Company') is a public company limited by shares incorporated in the United Kingdom, and registered and domiciled in England and Wales, whose shares are traded on the London Stock Exchange. The Company's registered office is: 28 Jamestown Road, Camden, London NW1 7BY. The principal activity of the Company and its subsidiaries (together referred to as the 'Group') is the design, development, procurement, marketing, selling and distribution of footwear under the Dr. Martens brand.

2. Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to the periods presented, unless otherwise stated. Amounts are presented in GBP and to the nearest million pounds (to one decimal place) unless otherwise noted.

Basis of preparation

The financial statements of the Company have been prepared in accordance with the Companies Act 2006 and Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101'). The financial statements have been prepared on a going concern basis under the historical cost convention. FRS 101 enables the financial statements of the Company to be prepared in accordance with IFRS but with certain disclosure exemptions. The main areas of reduced disclosure are in respect of equity-settled share-based payments, financial instruments, the Statement of Cash Flows, and related party transactions with Group companies. The accounting policies adopted for the Company are otherwise consistent with those used for the Group which are set out on pages 23 to 32. As permitted by Section 408 of the Companies Act 2006, the Statement of Profit or Loss of the Company is not presented as part of the financial statements.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in the significant judgements and estimates section.

Financial calendar

The FY26 period began on 31 March 2025, and the Company Financial Statements report the 52 weeks ended 29 March 2026. The retail calendar will report a 52-week year, split into monthly 5-4-4 Monday to Sunday week formats. A 53-week year will be reported approximately every six years to avoid the retail calendar deviating by more than seven days from the calendar year and the accounting reference date of 31 March.

Financial Reporting Standard 101 – reduced disclosure exemptions

This basis of preparation has enabled the Company to take advantage of the applicable disclosure exemptions permitted by FRS 101 in the financial statements. The following disclosures have not been provided as permitted by FRS 101:

- a cash flow statement and related notes;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRS;
- disclosures in respect of the compensation of key management personnel as required; and
- statement of compliance with all IFRS.

The Company has also taken the exemption under FRS 101 available in respect of the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 (Share-based Payment) in respect of Group equity-settled share-based payments as the Consolidated Financial Statements of the Group include the equivalent disclosures.

Going concern

The financial statements have been prepared on a going concern basis. The ability of the Company to continue as a going concern is contingent on the ongoing viability of the Group. The Directors have considered the business activities, as well as the principal risks, the other matters discussed in connection with the Viability Statement, and uncertainties faced by the business. Based on this information, and the Group's trading and cash flow forecasts, the Directors are satisfied that the Group will maintain an adequate level of resources to be able to operate during the period under review. Refer to note 2.1 of the Consolidated Financial Statements for further information.

Distributable reserves

When making a distribution to shareholders, the Directors determine the profits available for distribution by reference to guidance on realised and distributable profits under the Companies Act 2006 issued by the Institute of Chartered Accountants in England and Wales.

Investments

Investments are stated at cost less any provision for impairment.

Share-based payments

The Company provides benefits to employees in the form of share-based payment transactions, whereby employees render services as consideration in exchange for equity instruments ('equity-settled transactions'). Refer to note 27 of the Consolidated Financial Statements for further information.

Dividends

Final dividends are recorded in the financial statements in the period in which they are approved by the Company's shareholders. Interim dividends are recorded in the period in which they are paid.

Notes to the Parent Company Financial Statements (continued) For the 52 weeks ended 29 March 2026

2. Accounting policies continued Significant judgements and estimates

The following judgement has had the most significant effect on amounts recognised in the financial statements:

Carrying value of investments

The Company assesses at each reporting date whether there is an indication that its investment may be impaired. If any indication exists, the Company estimates the investment's recoverable amount. The investment's recoverable amount is the higher of its fair value less costs of disposal and its value in use. An impairment is present if the recoverable amount is less than the carrying value of the asset. In assessing an investment's recoverable amount using a value in use calculation, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and future cash flows are then extended into perpetuity using long-term growth rates.

UK registered subsidiaries exempt from audit

The following UK subsidiaries are exempt from the Companies Act 2006 requirements relating to the audit of their financial statements by virtue of section 479A of the Companies Act. All undertakings are wholly owned subsidiaries of the Company and are included in the Consolidated Financial Statements for the period ended 29 March 2026.

Name	Country of registration	Nature of investment	
		Direct	Indirect
Airwair Property Limited	United Kingdom		100%
Ampdebtco Limited	United Kingdom	100%	
Dr Martens Airwair Group Limited	United Kingdom		100%
Airwair International Limited	United Kingdom		100%
Dr Martens Airwair Wholesale Limited	United Kingdom		100%
Airwair Limited	United Kingdom		100%
Airwair (1994) Limited	United Kingdom		100%
Airwair (1996) Limited	United Kingdom		100%

The Company provides a guarantee for the debts and liabilities of the UK subsidiary undertakings as at 29 March 2026.

3. Staff costs

Other than the Directors, the Company had no employees during the period (FY25: none). Details of Directors' remuneration can be found in the Remuneration Report on pages 120 to 135 of the Annual Report.

4. Auditors' remuneration

The Company has incurred audit fees of £23,587 (FY25: £22,680) for the period.

5. Dividends

Details in respect of dividends proposed and paid during the period by the Company are included in note 11 to the Consolidated Financial Statements.

6. Investments

	FY26 £m	FY25 £m
At 31 March 2025 and 1 April 2024	1,413.4	1,413.4
Impairment	(294.1)	-
At 29 March 2026 and 30 March 2025	1,119.3	1,413.4

Investment impairment assessment

The Company's investment is a non-financial asset and required to be reviewed for impairment indicators each period end date. If an indicator of impairment exists, the asset is required to be tested for impairment by estimating its recoverable amount. An asset's recoverable amount is the higher of its fair value less costs of disposal and its value in use. An impairment is present if the recoverable amount is less than the carrying value of the asset.

An appropriate check to begin with per IAS 36 is assessing whether the carrying amount of the Company's net assets is higher than the market capitalisation. Management has reviewed the share price as at 28 March 2026 and the average share price over a variety of preceding time periods to examine the average market capitalisation for comparison to Dr. Martens plc's net assets. It is relevant to consider the volatility of the share price over recent years when interpreting a company's market capitalisation. Where there is volatility, taking a point in time measure may be misleading, as market sentiment fluctuations can result in significant point in time changes that are not necessarily reflective of the true value of a business. It is also noted that stock market movements recently are not unique to Dr. Martens only, and significant macroeconomic and geopolitical events have impacted many companies, again potentially inaccurately reflecting the true value of the business. Dr. Martens plc's net assets exceed the market capitalisation, therefore showing a potential indicator of impairment. As this review showed a potential impairment indicator, management decided to run a test for impairment.

Impairment test results

The investment's recoverable amount based on the value in use calculations using published external market growth rates was deemed to be less than its carrying amount by £294.1m. As a result, an impairment loss of £294.1m was recognised.

Judgements, assumptions and estimates

In previous periods, the value in use was calculated by discounting management's cash flow projections for the investment impairment. Management used the financial projections reviewed by the Board covering a five-year period (pre-perpetuity). The forecasts were based on annual budgets and strategic projections representing the best estimate of future performance.

Notes to the Parent Company Financial Statements (continued)

For the 52 weeks ended 29 March 2026

6. Investments (continued)

This period, in determining value in use, management applied growth assumptions that are consistent with published external market data ('market growth plan'). The external growth assumptions have been applied from the FY27 Board approved budget year onwards, and estimates cashflows for the years FY28 to FY31. External growth assumptions have been applied as following a period of stabilisation in FY26, the global economy in FY27 remains uncertain, with growth expected to be modest and uneven across markets. Key factors influencing the outlook include; geopolitical and political uncertainty, inflation and interest rates, cost-of-living crisis and climate-related risks.

The FY27 Budget period cash flows are consistent with those used to review going concern and viability, however, they are required by IAS 36 to be adjusted for use within an impairment review to exclude new retail development to which the Group is not yet committed. The first two months of cashflows related to FY28 going concern are based on management's internal plan due to consistent results across both plans during the period. The first two months of cashflows related to FY28 going concern are based on management's internal plan due to consistent results across this and the market growth plan during the period.

Operating cash flows

The main assumptions within the forecast operating cash flows use the FY27 board approved budget and apply the latest published external market growth rates from the budget period across the three regions; Americas, EMEA and APAC. Any new retail development that has not been committed, is excluded from the base year and future years. For the impairment test as at 29 March 2026, cash flow projections from FY28 until the end of FY31 were considered in line with external market growth rates. Variable input costs are in line with the growth assumptions. The levels of capital expenditure required to support each sales channel has also been considered on a no new stores basis.

In FY25, future sales were estimated to increase on a CAGR basis of 7.2% over the five-year pre-perpetuity from FY25 sales.¹ For the FY26 impairment assessment, the FY27 Board approved budget has been used as the base and future sales have been estimated using external market growth rates on a CAGR basis of 4.2% over the five-year pre-perpetuity from FY26 sales. The CAGR is expected to be achievable based on the Board-approved strategic growth reflected in the FY27 Budget year, which is reflective of the expected trading environment, and the anticipated achievement of external market growth rates.

Pre-tax risk adjusted discount rate

Future cash flows are discounted to present value using a pre-tax discount rate derived from risk-free rates based on long-term government bonds, adjusted for risk factors such as region and market risk in the territories in which the Group operates and the time value of money. Consistent with the 2019 IFRS IASB Staff Paper, a post-tax discount rate and post-tax cash flows are used as observable inputs, and then the pre-tax discount rate is calculated from this to comply with the disclosure requirements under IAS 36. The pre-tax discount rate applied for the Group is 12.9% (FY25: 12.5%). The increase from the prior period reflects the application of higher discount rates in the current period assessment, primarily driven by increased market uncertainty and geopolitical volatility during the period.

Long-term growth rate

To forecast beyond the five-year detailed cash flows into perpetuity, a long-term average growth rate has been used. The long-term growth rate applied for the Group is 2.1% (FY25: 2.3%). The rate used includes aggregation of geographical forecasts included from industry reports which include market data.

Sensitivity analysis

The Company has assessed that the two significant assumptions used within the value in use calculation are pre-perpetuity sales growth and EBITDA margin, and potential changes in these have been sensitised without cost mitigation as follows:

	FY26 £m	FY25 £m
Original (deficit)/headroom	(294.1)	152.5
(Deficit) using a 10% decrease in forecasted sales	(821.2)	(516.3)
Headroom using a 10% increase in forecasted sales	243.5	816.5
(Deficit) using a 10% decrease in forecasted EBITDA	(535.5)	(159.1)
(Deficit)/headroom using a 10% increase in forecasted EBITDA	(52.8)	464.1
(Deficit)/headroom using a 1% decrease in forecasted pre-tax WACC	(169.5)	338.3
(Deficit) using a 1% increase in forecasted pre-tax WACC	(398.0)	(0.2)
(Deficit) combining a 10% decrease in forecasted sales, a further 10% decrease in EBITDA and a 1%pt increase in pre-tax discount rate ²	(902.4)	(616.2)

² FY25 deficit has been re-presented to include the pre-tax discount rate, in line with FY26 calculations.

Sales

Sensitivities have been modelled in the table above based on a +/-10% movement in sales relative to the market growth plan, applied each period and into perpetuity. A decrease in forecasted sales of -10% would result in an increase in the impairment loss increasing to £821.1m. As the growth rates used within the value in use calculations are based on external market growth rates already, a decrease in sales of -10% is considered unlikely. A decrease of -10% results in a revised CAGR over the five years pre-perpetuity from FY26 sales of 2.0% (FY25: 4.9%), and an increase of 10% results in a revised CAGR of 6.2% (FY25: 9.2%¹). The reduction in forecast sales, for each of the five years and into perpetuity, that would result in the carrying amount and the recoverable amount being equal, is an increase of 5.4% (FY25: -2.3%).

EBITDA

Sensitivities have been modelled in the table above based on a +/- 10% movement in EBITDA relative to the market growth plan, applied each period and into perpetuity. A decrease in forecasted EBITDA of -10% would result in the impairment loss increasing to £535.5m. The increase in forecast EBITDA, for each of the five years and into perpetuity, that would result in the carrying amount and the recoverable amount being equal, is 12.2% (FY25: -4.9%). This would result in an EBITDA % of 21.0% (FY25: 17.8%).

WACC

Sensitivities have been modelled in the table above based on a +/- 1% movement in the pre-tax WACC rate relative to the market growth plan, applied each period and into perpetuity. A decrease in forecasted pre-tax WACC rate of -1% would result in the impairment loss decreasing to £169.5m. The increase in forecasted pre-tax WACC rate of +1% would result in the impairment loss increasing to £398.0m. The forecast pre-tax WACC, for each of the five years and into perpetuity, that would result in the carrying amount and the recoverable amount being equal, is 10.8% (FY25: 13.5%).

1. The underlying methodology used for calculating CAGR has changed in the period. FY25 CAGR has been re-presented to align with FY26 calculations.

Notes to the Parent Company Financial Statements (continued) For the 52 weeks ended 29 March 2026

6. Investments (continued)

Additional illustration

An additional sensitivity as set out in the table above, which is not considered reasonably possible, has been included for illustrative purposes which models a scenario where forecasted sales decline by -10%, EBITDA deteriorates by a further 10% (in addition to the EBITDA decline from reducing forecasted sales) and the pre-tax discount rate also increases by 1%pt (FY25: 1%pt). This would result in an increase in the impairment loss.

A list of the Company's investments in subsidiary undertakings can be found in note 14.

7. Debtors

	FY26 £m	FY25 £m
Income tax receivable	-	-
Social security and other taxes	0.1	-
Prepayments	0.1	0.2
Amounts owed by subsidiary undertakings ¹	10.8	6.0
	11.0	6.2

1. Amounts owed by subsidiary undertakings are non-interest-bearing trading balances and are repayable on demand.

IFRS 9 expected credit losses have been assessed as immaterial in relation to all balances.

8. Cash and cash equivalents

	FY26 £m	FY25 £m
Cash and cash equivalents	-	-

9. Trade and other payables

	FY26 £m	FY25 £m
Trade creditors	0.3	-
Amounts due to subsidiary undertakings ¹	-	-
Accruals and deferred income	1.4	2.1
	1.7	2.1

1. Amounts due to subsidiary undertakings are non-interest-bearing trading balances and are repayable on demand.

10. Ordinary share capital

	FY26 No.	FY26 £m	FY25 No.	FY25 £m
Authorised, called up and fully paid				
Ordinary shares of £0.01 each	967,472,963	9.7	964,537,323	9.6

The movements in the ordinary share capital during the periods ended 29 March 2026 and 30 March 2025 were as follows:

	FY26 No.	FY26 £m	FY25 No.	FY25 £m
At 31 March 2025 and 1 April 2024	964,537,323	9.6	961,878,608	9.6
Shares issued	2,935,640	0.1	2,658,715	-
At 29 March 2026 and 30 March 2025	967,472,963	9.7	964,537,323	9.6

11. Treasury shares

The movements in treasury shares held by the Company during the periods ended 29 March 2026 and 30 March 2025 were as follows:

	FY26 No.	FY26 £m	FY25 No.	FY25 £m
At 31 March 2025 and 1 April 2024	735,360	-	394,923	-
Purchase of shares by the Trust	10,000,000	6.7	-	-
Shares issued for share schemes held in trust	283,102	-	447,685	-
Shares vested from share schemes held in trust	(161,463)	-	(107,248)	-
At 29 March 2026 and 30 March 2025	10,856,999	6.7	735,360	-

During the period the Dr. Martens plc Employee Benefit Trust (EBT) was established, set up for the purpose of purchasing and holding shares in the Company for subsequent transfer to employees under the terms of the Group's share plans. During the period, the Trust purchased 10,000,000 shares (FY25: £nil) for a total cash consideration of £6.7m (FY25: £nil). The cost of the shares purchased by the EBT is recorded within treasury shares, and reduces the profits available for distribution by the Company. Shares held within the Trust have been excluded from the weighted average number of shares used in the calculation of earnings per share, and dividends are waived on all these shares.

Notes to the Parent Company Financial Statements (continued) For the 52 weeks ended 29 March 2026

12. Reserves

Reserve	Description and purpose
Ordinary share capital	Nominal value of subscribed shares.
Treasury shares	<p>This reserve relates to shares held by SIP Trusts, and EBT.</p> <p>The shares held by the SIP Trusts were issued directly to the Trusts in order to satisfy outstanding employee share schemes and potential awards under the employee share incentive schemes. The Company issued 283,102 shares directly to the Trusts during the period and held 10,856,999 as at 29 March 2026 (30 March 2025 held: 735,360).</p> <p>Shares purchased by Dr. Martens plc Employee Benefit Trust are included within treasury shares. During the period, the trust purchased 10,000,000 shares for a cash consideration of £6.7m and held 10,000,000 as at 29 March 2026 (30 March 2025 held: nil).</p>
Capital redemption reserve	A non-distributable reserve into which amounts are transferred following the redemption or purchase of own shares. The reserve was created in order to ensure sufficient distributable reserves were available for the purpose of redeeming preference shares in the prior periods.
Retained earnings	To recognise the profit or loss, all other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere, and the value of equity-settled share-based awards provided to Executive Directors and other senior executives as part of their remuneration (refer to the Directors' Remuneration Report on pages 120 to 135 of the Annual Report for further details).

13. Financial commitments

As part of its participation in the Group's financing arrangements, the Company has provided a financial guarantee in respect of borrowings held by its subsidiary, Ampdebtco Limited. This obligation forms part of the wider Group financing structure, with the likelihood of the guarantee being called upon considered remote.

Notes to the Parent Company Financial Statements (continued)

For the 52 weeks ended 29 March 2026

14. Subsidiary undertakings

The registered address and principal place of business of each subsidiary undertaking are shown in the footnotes below the table. The financial performance and financial position of these undertakings have been consolidated in the Consolidated Financial Statements.

Name	Country of registration	Class of share capital held	Nature of investment		Nature of business
			Direct	Indirect	
Airwair (1994) Limited ^{1†}	England and Wales	Ordinary	-	100%	Management company
Airwair (1996) Limited ^{1†}	England and Wales	Ordinary	-	100%	Management company
Airwair International Limited ^{1†}	England and Wales	Ordinary	-	100%	Footwear retail and distribution
Airwair Limited ^{1†}	England and Wales	Ordinary	-	100%	Management company
Airwair Property Limited ^{1†}	England and Wales	Ordinary	-	100%	Property investment
Ampdebtco Limited ^{2†}	England and Wales	Ordinary	100%	-	Management company
DM Airwair Germany GmbH ¹³	Germany	Ordinary	-	100%	Footwear retail and distribution
DM Airwair Sweden AB ¹⁴	Sweden	Ordinary	-	100%	Footwear retail and distribution
Dr. Martens Airwair (Ireland) Limited ¹²	Republic of Ireland	Ordinary	-	100%	Footwear retail and distribution
Dr. Martens Airwair Austria GmbH ²²	Austria	Ordinary	-	100%	Footwear retail and distribution
Dr Martens Airwair Belgium SA ⁸	Belgium	Ordinary	-	100%	Footwear retail and distribution
Dr. Martens Airwair Canada Inc. ¹⁹	Canada	Capital of no par value	-	100%	Footwear retail and distribution
Dr Martens Airwair France SAS ⁹	France	Ordinary	-	100%	Footwear retail and distribution
Dr Martens Airwair Group Limited ^{1†}	England and Wales	Ordinary	-	100%	Management company
Dr. Martens Airwair Hong Kong Limited ⁴	Hong Kong SAR	Ordinary	-	100%	Footwear retail and distribution
Dr. Martens Airwair India Global Capability Centre Private Limited ⁵	India	Ordinary	-	100%	Technology
Dr. Martens Airwair Japan K.K. ⁷	Japan	Ordinary	-	100%	Footwear retail and distribution
Dr. Martens Airwair Korea Limited ⁶	Korea	Ordinary	-	100%	Footwear retail and distribution
Dr. Martens Airwair Spain S.L.U. ¹⁷	Spain	Ordinary	-	100%	Footwear retail and distribution
Dr. Martens Airwair USA LLC ³	USA	Capital of no par value	-	100%	Footwear retail and distribution
Dr Martens Airwair Wholesale Limited ^{1†}	England and Wales	Ordinary	-	100%	Footwear retail and distribution
Dr Martens Airwair Italy S.R.L. ¹⁵	Italy	Ordinary	-	100%	Footwear retail and distribution
Dr Martens Airwair Netherlands B.V. ¹⁰	Netherlands	Ordinary	-	100%	Footwear retail and distribution
GFM GmbH Trademarks ¹¹	Germany	Ordinary	-	50%	Trademark registration
Shanghai Airwair Trading Limited ^{*16}	China	Ordinary	-	100%	Footwear retail and distribution
Dr. Martens Airwair Poland Z.o.o. ²⁰	Poland	Ordinary	-	100%	Footwear retail and distribution
Dr. Martens Airwair Denmark ApS ²¹	Denmark	Ordinary	-	100%	Footwear retail and distribution
Dr. Martens Airwair Vietnam Company Limited ²³	Vietnam	Ordinary	-	100%	Footwear retail and distribution
Dr Martens Airwair Limited ¹	England and Wales	Ordinary	-	100%	Non-trading
Dr. Martens Sports & Leisure Limited ¹	England and Wales	Ordinary	-	100%	Dormant
Dr. Martens Airwair Singapore PTE Ltd ¹⁸	Singapore	Ordinary	-	100%	Non-trading
Dr Martens Airwair & Co. Limited ¹	England and Wales	Ordinary	-	100%	Dormant
Dr. Martens Dept. Store Limited ¹	England and Wales	Ordinary	-	100%	Dormant

*The financial year of this entity ends on 31 December in line with local requirements.

†This entity is exempt from the Companies Act 2006 requirements relating to the audit of their financial statements by virtue of section 479A of the Companies Act.

1. Cobbs Lane, Wollaston, Northamptonshire, England, NN29 7SW.

2. 28 Jamestown Road, Camden, London, England, NW1 7BY.

3. 16192 Coastal Hwy, Lewes, Delaware 19958, United States.

4. Unit 2306-11, 23F, Sun Life Tower, The Gateway Tower 5, Harbour City, 15 Canton Road, Tsim Sha Tsui, Hong Kong.

5. J Block, 1st Floor, Outer, Ring Rd. Manyata Embassy, Arabic College, Bangalore, Bangalore North, Karnataka, India, 560045

6. 14/F, Room 1, 2, SB Tower, 318 Dosan-daero, Gangnam-gu, Seoul, Republic of Korea.

7. 5-2-28 Jingumae, Shibuya, Tokyo, Japan 150-0001.

8. Botanic Tower - 6th floor, Boulevard Saint-Lazare, 4-10, 1210 Brussels, Belgium.

9. 5, Cité Trévise 75009 Paris, France.

10. Herikerbergweg 238, Luna Arena, 1101 CM Amsterdam, Netherlands.

11. Seeshaupt, Landkreis Weilheim-Schongau, Germany. Note: this entity is equity accounted not consolidated.

12. TMF Group Ground Floor, Two Dockland Central, Guild St, North Dock, Dublin, Republic of Ireland, D01 K2C5.

13. Wagnerstr. 1A, 40212 Düsseldorf, Germany.

14. Blekingegatan 48, 11662 Stockholm, Sweden.

15. Via Morimondo 26-20143 Milano, Italy.

16. Room 1610-11, 1612, Level 16, Tower A, THREE ITC, No. 183 Hongqiao Road, Xuhui, Shanghai, China.

17. C/Principe de Vergara, 112 4A Planta 28002, Madrid, Spain.

18. 77 Robinson Road, 13-00 Robinson 77, Singapore 068896.

19. C/O TMF Canada Inc. 1 University Ave, 3rd Floor, Toronto, Ontario M5J 2P1, Canada.

20. Rondo, Daszyńskiego 2B, 00-843 Warsaw, Poland.

21. H.C. Andersens Boulevard 38, 3. Th, 1553, København, 1553 Langebro, Denmark.

22. Teinfaltstraße 8/4, 1010 Vienna, Austria.

23. Unit 1402, Level 14, Friendship Tower, No. 31, Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.

Five-year financial summary (unaudited) For the 52 weeks ended 29 March 2026

	FY26	FY25	FY24	FY23	FY22
	£m	£m	£m	£m	£m
Revenue:					
Ecommerce	244.4	268.3	276.3	279.0	262.4
Retail	236.8	242.4	256.8	241.7	185.6
DTC	481.2	510.7	533.1	520.7	448.0
Wholesale ⁴	283.7	276.9	344.0	479.6	460.3
	764.9	787.6	877.1	1,000.3	908.3
Gross profit	506.0	511.7	575.2	618.1	578.8
Selling and administrative expenses	(449.0)	(474.7)	(453.0)	(441.9)	(349.5)
EBIT^{1,5,6}	57.0	37.0	122.2	176.2	229.3
Adjusted EBIT^{1,5}	79.3	60.7	126.4	190.8	226.2
Profit before tax²	32.7	8.8	93.0	159.4	214.3
Adjusted profit before tax¹	55.0	34.1	97.2	174.0	211.2
Tax expense	(8.9)	(4.3)	(23.8)	(30.5)	(33.1)
Profit after tax	23.8	4.5	69.2	128.9	181.2
Earnings per share					
Basic	2.5p	0.5p	7.0p	12.9p	18.1p
Diluted	2.4p	0.5p	7.0p	12.9p	18.1p
Adjusted earnings per share¹					
Basic	4.2p	2.4p	7.4p	14.0p	17.9p
Diluted	4.1p	2.4p	7.3p	14.0p	17.8p
Key statistics:					
Pairs sold (m)	10.2	10.5	11.5	13.8	14.1
No. of stores ³	240	239	239	204	158
DTC mix %	62.9%	64.8%	60.8%	52.1%	49.3%
Gross margin % ¹	66.2%	65.0%	65.6%	61.8%	63.7%
EBIT % ^{1,5,6}	7.5%	4.7%	13.9%	17.6%	25.2%

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

2. Post-adjusting items.

3. Own stores on streets and malls operated under arm's length leasehold arrangements.

4. Wholesale revenue including distributor customers.

5. In previous periods EBITDA was presented. From FY25 this was replaced with EBIT as it is considered a more relevant performance measure for the business and earlier periods have been re-presented. Refer to the Glossary on pages 74 to 76 for further explanation of the change.

6. Total EBIT margins are inclusive of support costs.

Five-year financial summary (unaudited) For the 52 weeks ended 29 March 2026

	FY26	FY25	FY24	FY23	FY22
	£m	£m	£m	£m	£m
Revenue by region:					
EMEA	377.5	384.2	431.8	443.0	398.5
Americas	278.4	288.5	325.8	428.2	382.7
APAC	109.0	114.9	119.5	129.1	127.1
	764.9	787.6	877.1	1,000.3	908.3
Revenue mix:					
EMEA %	49.3%	48.8%	49.2%	44.3%	43.9%
Americas %	36.4%	36.6%	37.1%	42.8%	42.1%
APAC %	14.3%	14.6%	13.7%	12.9%	14.0%
EBIT ^{1,2,3} by region:					
EMEA	78.7	74.4	109.7	120.7	127.1
Americas	25.0	9.4	41.7	80.7	109.6
APAC	17.2	15.0	22.1	25.5	26.8
Group support costs	(63.9)	(61.8)	(51.3)	(50.7)	(34.2)
	57.0	37.0	122.2	176.2	229.3
EBIT % ^{1,2,3} by region:					
EMEA	20.8%	19.4%	25.4%	27.2%	31.9%
Americas	9.0%	3.3%	12.8%	18.8%	28.6%
APAC	15.8%	13.1%	18.5%	19.8%	21.1%
	7.5%	4.7%	13.9%	17.6%	25.2%

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

2. In previous periods EBITDA was presented. From FY25, this was replaced with EBIT as it is considered a more relevant performance measure for the business and earlier periods have been re-presented. Refer to the Glossary on pages 74 to 76 for further explanation of the change.

3. Total EBIT margins are inclusive of support costs.

First half/second half analysis (unaudited)

For the 52 weeks ended 29 March 2026

	H1			H2			FY		
	Unaudited FY26 £m	Unaudited FY25 £m	Variance %	Unaudited FY26 £m	Unaudited FY25 £m	Variance %	Audited FY26 £m	Audited FY25 £m	Variance %
Revenue by channel:									
Ecommerce	81.3	87.7	-7.3%	163.1	180.6	-9.7%	244.4	268.3	-8.9%
Retail	98.2	95.3	3.0%	138.6	147.1	-5.8%	236.8	242.4	-2.3%
DTC	179.5	183.0	-1.9%	301.7	327.7	-7.9%	481.2	510.7	-5.8%
Wholesale ⁴	142.5	141.6	0.6%	141.2	135.3	4.4%	283.7	276.9	2.5%
	322.0	324.6	-0.8%	442.9	463.0	-4.3%	764.9	787.6	-2.9%
Gross margin	210.3	207.7	1.3%	295.7	304.0	-2.7%	506.0	511.7	-1.1%
EBIT ^{1,5}	1.5	(15.1)	na	55.5	52.1	6.5%	57.0	37.0	54.1%
Adjusted EBIT ^{1,5}	3.1	(3.0)	na	76.2	63.7	19.6%	79.3	60.7	30.6%
(Loss)/profit before tax ²	(11.0)	(28.7)	61.7%	43.7	37.5	16.5%	32.7	8.8	na
Adjusted (loss)/profit before tax ¹	(9.4)	(16.6)	43.4%	64.4	50.7	27.0%	55.0	34.1	61.3%
Tax credit/(expense)	1.0	7.9	-87.3%	(9.9)	(12.2)	-18.9%	(8.9)	(4.3)	na
(Loss)/profit after tax	(10.0)	(20.8)	51.9%	33.8	25.3	33.6%	23.8	4.5	na
(Loss)/earnings per share									
Basic	(1.0p)	(2.2p)	54.5%	3.3p	2.7p	22.2%	2.5p	0.5p	na
Diluted	(1.0p)	(2.2p)	54.5%	3.2p	2.7p	18.5%	2.4p	0.5p	na
Adjusted (loss)/earnings per share ¹									
Basic	(0.9p)	(1.2p)	25.0%	5.1p	3.6p	41.7%	4.2p	2.4p	75.0%
Diluted	(0.9p)	(1.2p)	25.0%	5.0p	3.6p	38.9%	4.1p	2.4p	70.8%
Key statistics:									
Pairs sold (m)	4.7	4.6	1.4%	5.5	5.9	-6.8%	10.2	10.5	-2.9%
No. of stores ³	244	238	2.5%	240	239	0.4%	240	239	0.4%
DTC mix %	55.7%	56.4%	-0.7pts	68.1%	70.8%	-2.7pts	62.9%	64.8%	-1.9pts
Gross margin % ¹	65.3%	64.0%	1.3pts	66.8%	65.7%	1.1pts	66.2%	65.0%	1.2pts
EBIT % ^{1,5}	0.5%	-4.7%	5.2pts	12.5%	11.3%	1.2pts	7.5%	4.7%	2.8pts
Revenue by region:									
EMEA	158.6	162.4	-2.3%	218.9	221.8	-1.3%	377.5	384.2	-1.7%
Americas	116.8	114.7	1.8%	161.6	173.8	-7.0%	278.4	288.5	-3.5%
APAC	46.6	47.5	-1.9%	62.4	67.4	-7.4%	109.0	114.9	-5.1%
	322.0	324.6	-0.8%	442.9	463.0	-4.3%	764.9	787.6	-2.9%
Revenue mix:									
EMEA %	49.2%	50.0%	-0.8pts	49.4%	47.9%	1.5pts	49.3%	48.8%	0.5pts
Americas %	36.3%	35.3%	1.0pts	36.5%	37.5%	-1.0pts	36.4%	36.6%	-0.2pts
APAC %	14.5%	14.7%	-0.2pts	14.1%	14.6%	-0.5pts	14.3%	14.6%	-0.3pts
EBIT ^{1,5} by region:									
EMEA	26.8	22.4	19.6%	51.9	52.0	-0.2%	78.7	74.4	5.8%
Americas	(1.2)	(7.7)	84.4%	26.2	17.1	53.2%	25.0	9.4	na
APAC	4.3	2.3	87.0%	12.9	12.7	1.6%	17.2	15.0	14.7%
Support costs	(28.4)	(32.1)	11.5%	(35.5)	(29.7)	19.5%	(63.9)	(61.8)	3.4%
	1.5	(15.1)	na	55.5	52.1	6.5%	57.0	37.0	54.1%
EBIT % ^{1,5} :									
EMEA	16.9%	13.8%	3.1pts	23.7%	23.4%	0.3pts	20.8%	19.4%	1.4pts
Americas	-1.0%	-6.7%	5.7pts	16.2%	9.8%	6.4pts	9.0%	3.3%	5.7pts
APAC	9.2%	4.8%	4.4pts	20.7%	18.8%	1.9pts	15.8%	13.1%	2.7pts
Total	0.5%	-4.7%	5.2pts	12.5%	11.3%	1.2pts	7.5%	4.7%	2.8pts

1. Alternative Performance Measure (APM) as defined in the Glossary on pages 74 to 76.

2. Post-adjusting items.

3. Own stores on streets and malls operated under arm's length leasehold arrangements.

4. Wholesale revenue including distributor customers.

5. In previous periods EBITDA was presented. From FY25, this was replaced with EBIT as it is considered a more relevant performance measure for the business and earlier periods have been re-presented. Refer to the Glossary on pages 74 to 76 for further explanation of the change.

6. Total EBIT margins are inclusive of support costs.

Glossary and Alternative Performance Measures (APMs)

The Group tracks a number of key performance indicators (KPIs) including Alternative Performance Measures (APMs) in managing its business, which are not defined or specified under the requirements of IFRS because they exclude amounts that are included in , or include amounts that are excluded from, the most directly comparable measures calculated and presented in accordance with IFRS or are calculated using financial measures that are not calculated in accordance with IFRS.

The Group believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information on the performance of the business. These APMs are consistent with how the business performance is planned and reported within the internal management reporting to the Board.

These APMs should be viewed as supplemental to, but not as a substitute for, measures presented in the Consolidated Financial Statements relating to the Group, which are prepared in accordance with IFRS. The Group believes that these APMs are useful indicators of its performance. However, they may not be comparable with similarly titled measures reported by other companies due to differences in the way they are calculated.

During the period the Group introduced a new category of adjusting items, investment in transformation. The definition of adjusted measures has been updated accordingly to exclude the effect of investment in transformation.

The Audit and Risk Committee has reviewed the overall presentation of APMs to ensure they have not been given undue prominence, and that reconciliations are sufficiently clear. Further to this it has evaluated all revisions to APMs and the types and classifications of exceptional costs.

Metric	Definition	Rationale	APM	KPI
Revenue	Revenue per Financial Statements.	Helps evaluate growth trends, establish budgets and assess operational performance and efficiencies.	No	Yes
Revenue by geographical market Revenue: EMEA Revenue: Americas Revenue: APAC	Revenue per the Group's geographical segments.	Helps evaluate growth trends, establish budgets and assess operational performance and efficiencies.	No	Yes
Revenue by channel Revenue: ecommerce Revenue: retail Revenue: DTC Revenue: wholesale	Revenue from the Group's ecommerce platforms. Revenue from the Group's own stores (including concessions). Revenue from the Group's direct-to-consumer (DTC) channel (= ecommerce plus retail revenue). Revenue from the Group's business-to-business channel, revenue to wholesale customers, distributors and franchisees.	Helps evaluate growth trends, establish budgets and assess operational performance and efficiencies.	No	Yes
Constant currency basis	Constant currency applies the prior period exchange rates to current period results to remove the impact of FX.	Presenting results of the Group excluding foreign exchange volatility.	Yes	No
Gross margin	Revenue less cost of sales (mainly raw materials and consumables). Revenue and cost of sales are disclosed in the Consolidated Statement of Profit or Loss.	Helps evaluate growth trends, establish budgets and assess operational performance and efficiencies.	No	No
Gross margin %	Gross margin divided by revenue.	Helps evaluate growth trends, establish budgets and assess operational performance and efficiencies.	Yes	No
Exceptional costs	Costs or incomes considered significant in nature and/or quantum, and/or relate to activities which are outside the ordinary course of business, and are not reflective of operational performance, including items such as: - Director joining costs - Cost savings related costs - Accelerated amortisation of fees on debt refinancing (relates to prior period only). - Pension buy-in accounting charges and associated expenses - IEEPA-related US tariffs following the US Supreme Court judgment	Excluding these items from profit metrics provides readers with helpful information on the underlying performance of the business because it aids consistency across periods and is consistent with how the business performance is planned by, and reported to, the Board.	Yes	No

Glossary and Alternative Performance Measures (APMs) (continued)

Metric	Definition	Rationale	APM	KPI
Opex	Selling and administrative expenses less depreciation, amortisation, impairment, other gains/losses, exceptional costs, investment in transformation and currency gains/losses.	Opex is used to reconcile between gross margin and EBIT.	Yes	No
EBITDA	Profit/loss for the period before income tax expense, finance expense, currency gains/losses, depreciation of right-of-use assets, depreciation, amortisation and impairment.	EBITDA was used as a key profit measure because it shows the results of normal, core operations exclusive of income or charges that are not considered to represent the underlying operational performance. EBIT is now considered a more relevant measure, but EBITDA continues to be reported for bank covenant purposes.	Yes	No
EBITDA %	EBITDA divided by revenue.	EBITDA % was used to evaluate growth trends, establish budgets and assess operational performance and efficiencies.	Yes	No
EBIT	Profit/loss for the period before net finance expense and income tax expense.	EBIT is used as a key profit measure because it shows the results of normal, core operations exclusive of only income or charges that relate to capital and tax burdens.	Yes	Yes
EBIT %	EBIT divided by revenue.	Used to evaluate growth trends, establish budgets and assess operational performance and efficiencies.	Yes	Yes
Adjusted EBIT	EBIT before exceptional costs, investment in transformation, impairment of non-financial assets and currency gains/losses.	Used as a key profit measure because it shows the results of normal, core operations exclusive of income or charges that relate to capital and tax burdens, exceptional costs, investment in transformation, impairment of non-financial assets and currency gains/losses. This improves comparability between periods by eliminating the effect of non-recurring costs and large currency gains/losses.	Yes	Yes
Adjusted EBIT margin	Adjusted EBIT divided by revenue.	Used to evaluate growth trends, establish budgets and assess operational performance and efficiencies.	Yes	Yes
Operating cash flow	EBITDA less change in net working capital, share-based payment expense and capital expenditure.	Operating cash flow is used as a trading cash generation measure because it shows the results of normal, core operations exclusive of income or charges that are not considered to represent the underlying operational performance.	Yes	Yes
Operating cash flow conversion	Operating cash flow divided by EBITDA.	Used to evaluate the efficiency of a company's operations and its ability to employ its earnings toward repayment of debt, capital expenditure and working capital requirements.	Yes	Yes
Adjusted operating cash flow conversion	Operating cash flow divided by EBITDA excluding the impact of exceptional costs and investment in transformation on EBITDA and working capital.	Used to evaluate the efficiency of a company's operations and its ability to employ its earnings toward repayment of debt, capital expenditure and working capital requirements, exclusive of the impact of exceptional costs and investment in transformation.	Yes	Yes
Net debt	Net debt is calculated by subtracting cash and cash equivalents from bank loans (excluding unamortised bank fees) and lease liabilities.	Used to aid the understanding of the reader of the financial statements in respect of liabilities owed.	Yes	No
Adjusted profit before tax	Profit/loss before tax and before exceptional costs, investment in transformation, impairment of non-financial assets and currency gains/losses.	Helps evaluate growth trends, establish budgets and assess operational performance and efficiencies on an underlying basis exclusive of exceptional costs, investment in transformation, impairment of non-financial assets and currency gains/losses.	Yes	No
Adjusted profit after tax	Profit/loss after tax and before exceptional costs, investment in transformation, impairment of non-financial assets and currency gains/losses.	Adjusted profit after tax is the denominator for the calculation of adjusted basic and diluted earnings per share.	Yes	No
Earnings per share	IFRS measure.	This indicates how much money a company makes for each share of its stock, and is a widely used metric to estimate company value.	No	Yes
Basic earnings per share	The calculation of earnings per ordinary share is based on earnings after tax and the weighted average number of ordinary shares in issue during the period.	A higher EPS indicates greater value because investors will pay more for a company's shares if they think the company has higher profits relative to its share price.	No	Yes
Diluted earnings per share	Calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares that would have been issued on the conversion of all dilutive potential ordinary shares into ordinary shares.	Used to gauge the quality of EPS if all convertible securities were exercised.	No	No

Glossary and Alternative Performance Measures (APMs) (continued)

Metric	Definition	Rationale	APM	KPI
Adjusted basic earnings per share	The calculation of adjusted earnings per ordinary share is based on profit/loss after tax excluding exceptional costs, investment in transformation, impairment of non-financial assets and currency gains/losses and the weighted average number of ordinary shares in issue during the period.	Helps evaluate basic earnings per share exclusive of exceptional costs, investment in transformation, impairment of non-financial assets and currency gains/losses that are not considered to represent the underlying operational performance.	Yes	No
Adjusted diluted earnings per share	Calculated by dividing the profit/loss after tax attributable to ordinary equity holders of the parent excluding exceptional costs, investment in transformation, impairment of non-financial assets and currency gains/losses by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares that would have been issued on the conversion of all dilutive potential ordinary shares into ordinary shares.	Helps evaluate diluted earnings per share exclusive of exceptional costs, investment in transformation, impairment of non-financial assets and currency gains/losses that are not considered to represent the underlying operational performance.	Yes	No
Ecommerce mix %	Ecommerce revenue as a percentage of total revenue.	Helps evaluate progress towards strategic objectives.	No	Yes
DTC mix %	DTC revenue as a percentage of total revenue.	Helps evaluate progress towards strategic objectives.	No	Yes
Payout ratio	Payout ratio % is calculated as total dividend in respect of the period divided by profit for the period.	Used to evaluate growth trends, establish budgets and assess operational performance and efficiencies.	No	No
No. of stores	Number of 'own' directly operated stores open in the Group.	Helps evaluate progress towards strategic objectives.	No	Yes
Pairs	Pairs of footwear sold during a period.	Used to show volumes and growths in the Group.	No	Yes

Company Information

Shareholders' enquiries

Any shareholder with enquiries relating to their shareholding should, in the first instance, contact our registrar, Equiniti Limited, using the telephone number or address on this page.

Electronic shareholder communications

Shareholders can elect to receive communications by email each time the Company distributes documents, instead of receiving paper copies. This can be done by registering via Shareview at no extra cost, at www.shareview.co.uk. In the event that you change your mind or require a paper version of any document in the future, please contact the registrar.

Access to Shareview allows shareholders to view details about their holdings, submit a proxy vote for shareholder meetings and notify a change of address. In addition to this, shareholders have the opportunity to complete dividend mandates online which facilitates the payment of dividends directly into a nominated account.

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