VGR

// Q3 FY2026

Associated British Foods plc

PRIMARK

VGR MARKET INTELLIGENCE

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01

Executive Summary

Associated British Foods plc's trading update for the third quarter of FY2026 reports Primark sales of £2,920m for the 16 weeks to 20 June 2026, up 4% at actual currency and 3% at constant currency, with like-for-like sales down 2.2% (Q3 2025: down 2.3%) and new stores contributing 5% to growth. For the 40 weeks to date Primark sales were £7,577m, up 4% at actual currency and 2% at constant currency, with like-for-like sales down 2.5% (down 2.4%). Group revenue for the quarter was £5,304m, up 3% at actual currency and in line at constant currency. The company kept its FY2026 guidance of a Primark adjusted operating margin of approximately 10% and of Group adjusted operating profit and adjusted earnings per share below last year, and put a range on the Sugar adjusted operating loss for the first time: £25m to £60m. The release carries no profit figure for the quarter.

Primark sales rose £111m, or 4.0%, to £2,920m in the 16 weeks to 20 June 2026; new stores added 5 points, like-for-like sales took away 2.2 and currency added about 1.0.

Against £2,809m in the same 16 weeks of 2025, Primark's sales rose by £111m, or 4.0% at actual currency. The company gives constant-currency growth of 3% and like-for-like sales down 2.2%, and states that new stores contributed 5% to growth. Like-for-like and new stores together give 2.8 points against the 3% disclosed; the 0.2-point residual is the rounding of whole-point figures. The difference between actual and constant-currency growth is between 0.5 and 1.5 points, with a central reading of 1.0, or £13m to £41m of the £111m (central £27m), about a quarter of the increase.

By difference from the year-to-date figures, the first 24 weeks of the year (H1) carried sales of £4,657m against £4,472m, up 4.1% at actual currency, against constant-currency growth of 2% disclosed in April. The currency contribution therefore fell from about 2.1 points in H1 to about 1.0 in Q3, while constant-currency growth rose from 2% to 3%. New stores contributed 4 points in H1 and 5 in Q3; like-for-like sales moved from about minus 2.7% in H1 (weighted by weeks, bounded) to minus 2.2%. Against the same quarter a year earlier the like-for-like rate is 0.1 points better (Q3 2025: minus 2.3%), and year to date it is 0.1 points worse (minus 2.5% against minus 2.4%). The sequential improvement is 0.5 points; the year-on-year change is 0.1. The fourth-quarter like-for-like rate in the September trading statement settles which of the two readings holds.

Continental Europe, 47% of Primark sales, fell 3.6% like-for-like after falling 3.5% a year earlier, and accounts for about 1.7 points of the 2.2-point decline.

Europe (excluding the UK and Ireland) posted like-for-like sales down 3.6% in the quarter and down 4.8% for the 40 weeks, with total sales down 1% in both, so new stores did not offset the like-for-like decline in the largest market. Compounded over two years, the Q3 decline is 7.0% (Q3 2025: down 3.5%). The Q3 rate is 2.0 points narrower than the minus 5.6% disclosed for H1 in April. Weighted by its 47% share of sales, Europe contributes about 1.7 points of the Group's 2.2-point like-for-like decline (bounded: the weight is the year-to-date share of total sales, not of the like-for-like base).

The UK moved the other way within the year. UK-only like-for-like sales were down 0.1% in Q3, after growth of 1.3% in H1, and UK and Ireland down 0.2% (Q3 2025: down 1.0%), contributing about 0.1 points of the decline. The company attributes weaker trading in April and May to the Middle East conflict and unseasonal weather; it gives no monthly figures (section 13). US sales rose 16% with three store openings, to 41 stores, and no like-for-like figure is given. The Europe like-for-like rate in the fourth quarter settles whether the Q3 narrowing continues.

Sugar, 8.5% of Group revenue in the quarter, carries the only change to Group guidance: an FY2026 adjusted operating loss of £25m to £60m, and a larger loss expected for FY2027.

In April the company said it expected an adjusted operating loss in Sugar for 2026 without a range. The July release sets it at £25m to £60m, a £35m range with a £42.5m midpoint; the upper end includes further onerous contracts if gas costs stay near current levels, a devaluation of the Malawian kwacha and a slow ramp-up at the new Tanzania factory. For FY2027 the company expects "a further deterioration" from the £60m upper end, and names five factors without sizing them. Sugar revenue was £451m in the quarter, down 4% at constant currency, and £1,422m year to date, down 8%. Guidance for Primark, Grocery, Ingredients and Agriculture is unchanged. The FY2026 results settle the Sugar figure.

WHAT TO WATCH

Q4 FY2026 trading statement, September 2026 (date not given in this release).

Primark like-for-like sales for the 12-week fourth quarter. A continuation is a decline between 1.7% and 2.7%, around Q3's 2.2%; a break is a figure outside that band in either direction.

Same release. Europe (excluding UK and Ireland) like-for-like sales. A continuation is a decline smaller than Q3's 3.6%; a break is a decline larger than the 4.8% year-to-date rate.

FY2026 results (date not given in this release). Sugar adjusted operating loss for FY2026. A continuation is a loss within £25m to £60m; a break is a loss above £60m or below £25m.
FY2026 results. Primark adjusted operating margin against the guided approximately 10% and H1's 10.1%. A continuation is a margin from 9.5% to 10.5%; a break is a margin outside it.

VGR will publish the Q4 FY2026 trading statement analysis when the figures are released.

02 · THE PERIOD IN FIGURES

The period in figures

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ASSOCIATED BRITISH FOODS PLC · LSE: ABF · Q3 FY2026 · GBP AS PUBLISHED

FINANCIAL YEAR ENDS NOT DISCLOSED · PERIOD ENDED 20 JUNE 2026 · REPORTED 1 JULY 2026 · ANALYSIS 30 SEPTEMBER 2026

NET REVENUES	GROSS PROFIT	OPERATING PROFIT	NET PROFIT
+4.0%	not provided	not provided	not provided
2,920 vs 2,809			

GROSS MARGIN	OPERATING MARGIN	RoS
not provided	not provided	not provided

£m, Primark (Retail segment), 16 weeks against the same 16 weeks a year earlier; released 07:00. Revenue growth is VGR arithmetic at actual currency. A trading update carries no income statement: no profit line is disclosed for Primark or the Group.

Primark sales growth by market, as printed by the company

MARKET	% OF SALES	Q3 LFL	YTD LFL	Q3 TOTAL	YTD TOTAL
UK only	n/s	(0.1)%	+0.8%	+1%	+2%
UK and Ireland	46%	(0.2)%	+0.6%	+1%	+2%
Europe excl. UK, Ireland	47%	(3.6)%	(4.8)%	(1)%	(1)%
US	6%	n/d	n/d	+16%	+14%
Primark Group	n/s	(2.2)%	(2.5)%	+3%	+2%

Source: Associated British Foods plc, Trading Update, 1 July 2026 (RNS 4838K). GBP as published. Constant currency. Q3 is the 16 weeks and YTD the 40 weeks to 20 June 2026. Share of sales is year to date. Rates are printed as disclosed, total growth in whole points. n/d not disclosed; n/s not stated. Primark Group includes four franchise stores (three in Dubai, one in Kuwait).

The comparator year, from the release's Appendix

MARKET	Q3 25 LFL	YTD 25 LFL	Q3 25 TOTAL	YTD 25 TOTAL
UK only	(0.7)%	(4.1)%	+1%	(2)%
UK and Ireland	(1.0)%	(4.1)%	+1%	(2)%

MARKET	Q3 25 LFL	YTD 25 LFL	Q3 25 TOTAL	YTD 25 TOTAL
Europe excl. UK, Ireland	**(3.5)%**	**(0.7)%**	in line	+3%
US	n/d	n/d	+22%	+19%
Primark Group	**(2.3)%**	**(2.4)%**	+1%	+1%

Source: Associated British Foods plc, Trading Update, 1 July 2026 (RNS 4838K). GBP as published. Appendix, RNS text; the Appendix is not reproduced on the company's web page. Q3 2025 is the 16 weeks and YTD 2025 the 40 weeks to 21 June 2025.

Group revenue by segment, third quarter

SEGMENT	Q3 26 £M	Q3 25 £M	ACTUAL GROWTH (VGR)	CONSTANT CCY
Retail (Primark)	2,920	2,809	+4.0%	+3%
Grocery	1,043	993	+5.0%	+1%
Ingredients	543	508	+6.9%	+3%
Sugar	451	435	+3.7%	**(4)%**
Agriculture	347	400	**(13.3)%**	**(14)%**
Group	5,304	5,172	+2.6%	in line

Source: Associated British Foods plc, Trading Update, 1 July 2026 (RNS 4838K). GBP as published. Columns marked VGR are VGR arithmetic on the disclosed figures. Retail is 16 weeks to 20 June; the Food segments are 12 weeks to 23 May. Group includes disposed and closed businesses: £nil (Q3 2025: £27m). Agriculture is £347m in the RNS text and £357m on the company's web page; the segments sum to £5,304m only with £347m. The company prints Group actual growth as +3%.

03 · THE RESTATEMENT BRIDGE

The restatement bridge

Three comparability items apply. The quarter mixes two calendars, the Group comparator carries revenue from businesses since sold or closed, and Primark's actual-currency growth includes a translation gain the company does not state in pounds.

ITEM	EFFECT	FLAG
Period length	Primark 16 weeks to 20 June; Food 12 weeks to 23 May. Group Q3 adds the two; per-week or Group-level ratios mix calendars.	N
Disposed and closed businesses	£27m in Q3 2025, £nil in Q3 2026. Group growth 2.6% reported, 3.1% excluding them; YTD 0.6% and 1.2%.	N

ITEM	EFFECT	FLAG
Currency, Primark Q3	Actual 4.0% against constant 3%: 0.5 to 1.5 points, £13m to £41m of £111m.	M
Currency, Primark YTD	Actual 4.1% against constant 2%: 1.6 to 2.6 points, £114m to £187m of £296m.	M

Source: Associated British Foods plc, Trading Update, 1 July 2026 (RNS 4838K). GBP as published. Columns marked VGR are VGR arithmetic on the disclosed figures. Currency bounds use the whole-point constant-currency rate ±0.5 points. M: currency is 25% or more of Primark's growth at the central reading.

04 · GROWTH COMPOSITION

Growth composition

The Growth Composition Index splits Primark's Q3 growth of 4.0% at actual currency into its sources. Perimeter is nil: Primark made no acquisition or disposal in the period. Space is the company's own 5-point new-store contribution, disclosed in whole points.

COMPONENT	POINTS OF GROWTH	BASIS
Currency	+1.0 (0.5 to 1.5)	VGR: actual less constant currency
Perimeter	0.0	none disclosed
Space (new stores)	+5	company, whole points
Like-for-like	**−2.2**	company
Rounding residual	+0.2	VGR: 3% less (5 − 2.2)
Reported growth	+4.0	VGR: £2,920m / £2,809m

Source: Associated British Foods plc, Trading Update, 1 July 2026 (RNS 4838K). GBP as published. Columns marked VGR are VGR arithmetic on the disclosed figures. Components do not sum exactly because space and constant-currency growth are disclosed in whole points.

The Food segments' Q3 growth at constant currency ranges from minus 14% (Agriculture) to plus 3% (Ingredients); Group revenue is in line at constant currency. No peer in the VGR archive reports a like-for-like rate for the same 16 weeks, so no cross-section is published.

05 · THE ESTATE

The estate

MEASURE	DISCLOSED
US stores	41, after three openings in Q3, including the first Manhattan store in May
Franchise	four stores: three in Dubai, one in Kuwait
Total stores, selling space	not disclosed in this release
New-store contribution	5 points of Q3 growth (H1: 4 points)

Source: Associated British Foods plc, Trading Update, 1 July 2026 (RNS 4838K). GBP as published.

Sales per store and per square foot are not calculable: the release gives no revenue by market in pounds and no store count outside the US.

06 · MARGIN ARCHITECTURE

Margin architecture

MEASURE	Q3 FY2026	H1 FY2026	FY2026 GUIDANCE
Primark adjusted operating margin	not provided	10.1%	approximately 10%
Group adjusted operating profit	not provided	n/a	below last year
Sugar adjusted operating result	not provided	loss	loss £25m to £60m

Source: Associated British Foods plc, Trading Update, 1 July 2026 (RNS 4838K). GBP as published. H1 margin from the Interim Results Announcement, 21 April 2026.

No bp bridge is possible: the release carries no gross or operating profit figure.

07 · INVENTORY AND THE MARKDOWN CYCLE

Inventory and the markdown cycle

MEASURE	DISCLOSED
Inventory, days of inventory, markdown	not provided

Source: Associated British Foods plc, Trading Update, 1 July 2026 (RNS 4838K). GBP as published.

A trading update carries no balance sheet; inventory is not calculable for the quarter.

08 · WORKING CAPITAL, CASH AND CAPITAL STRUCTURE

Working capital, cash and capital structure

MEASURE	DISCLOSED
Working capital, cash flow, net debt, leverage	not provided

Source: Associated British Foods plc, Trading Update, 1 July 2026 (RNS 4838K). GBP as published.

No cash or debt figure is given; the last disclosed leverage ratio is 1.2x at 28 February 2026 (Interim Results).

09 · CAPITAL ALLOCATION AND RETURNS

Capital allocation and returns

ITEM	DISCLOSED
Hovis Group Limited	acquisition approved by the Competition and Markets Authority; completion steps under way; no consideration stated
Agriculture	one of nine UK compound feed mills disposed in the period; no proceeds stated
Primark demerger	on track to become effective before the end of calendar 2027

Source: Associated British Foods plc, Trading Update, 1 July 2026 (RNS 4838K). GBP as published.

No amount in pounds is given for any of the three items; returns are not calculable.

10 · EARNINGS QUALITY

Earnings quality

ITEM	DISCLOSED
Sugar onerous contracts	expected to be recognised in FY2026 if gas-cost and sugar-price conditions persist; no amount stated, included in the upper end of the £25m to £60m range

Source: Associated British Foods plc, Trading Update, 1 July 2026 (RNS 4838K). GBP as published.

No profit figure is disclosed for the quarter, so no underlying-to-reported bridge exists.

11 · GUIDANCE SCORECARD

Guidance scorecard and the implied requirement

GUIDANCE ITEM	STATUS	APRIL 2026 AGAINST JULY 2026
Primark adjusted operating margin, FY2026	held	approximately 10% in both
Group adjusted operating profit and EPS	held	below last year in both
Sugar adjusted operating result, FY2026	set	"an adjusted operating loss" became £25m to £60m
Sugar, FY2027	new	further deterioration from the £60m upper end; not sized
Grocery, Ingredients, Agriculture	held	no change to FY2026 guidance

Source: Associated British Foods plc, Trading Update, 1 July 2026 (RNS 4838K). GBP as published. April column from the Interim Results Announcement, 21 April 2026.

Implied requirement: H1 Primark revenue of £4,657m (derived) at a 10.1% margin gives about £470m of adjusted operating profit (bounded £468m to £473m). A full-year margin of 10.0% then needs a second-half margin a little under 10.0%, within about 0.1 point of H1 on second-half revenue of around £5bn; the Q4 revenue that fixes it is not yet disclosed. The FY2026 results settle both figures.

12 · DISCLOSURE DELTA

Disclosure delta and metrics not reported

METRIC	STATUS IN THIS RELEASE
Primark revenue by market, £m	not disclosed; percentages only
US and franchise like-for-like	not disclosed
Store count and selling space, total	not disclosed (US only: 41 stores)
Profit, margin, inventory, cash, net debt	not disclosed (trading update)
Financial year end, next release date	not stated

METRIC	STATUS IN THIS RELEASE
Agriculture Q3 revenue	£347m in the RNS text, £357m on the company's web page
2025 comparators	in the RNS Appendix; not on the company's web page

Source: Associated British Foods plc, Trading Update, 1 July 2026 (RNS 4838K). GBP as published. Web page read 30 September 2026.

The two versions of the release differ in one segment figure and in the Appendix; this analysis uses the RNS text, whose segments sum to the Group total.

13 · THE COMPANY'S ACCOUNT, TESTED

The company's account, tested

CLAIM	DISPOSITION	DISCLOSED FIGURE
"The Group delivered a resilient trading performance"	Not verifiable from the disclosure	Group revenue in line at constant currency; no benchmark given
"New stores contributed 5% to growth"	Supported by the disclosed figures	3% constant less minus 2.2% like-for-like = 5.2 points
UK market share gain (Kantar)	Not verifiable from the disclosure	third-party data, 12 weeks to 24 May; UK LFL minus 0.1%
Womenswear outperformed other departments	Not verifiable from the disclosure	no category figures
Strong March, weaker April and May, stronger June	Not verifiable from the disclosure	no monthly figures
US trading "mixed"; Manhattan "started strongly"	Not verifiable from the disclosure	US +16% total with three openings; no LFL
"Grocery and Ingredients delivered solid results"	Partially supported	+1% and +3% at constant currency; no profit figure
Outlook unchanged aside from Sugar	Supported by the disclosed figures	April and July guidance text match for Primark and the Group

Source: Associated British Foods plc, Trading Update, 1 July 2026 (RNS 4838K). GBP as published. Dispositions are VGR's, on the four-word v5 register.

14 · METHOD, SOURCES AND PRECISION

Method, sources and precision register

FIGURE	PRECISION	NOTE
Primark growth 4.0%, £111m	exact	£2,920m / £2,809m
Currency 1.0 point, £27m	bounded	0.5 to 1.5 points; £13m to £41m
H1 revenue £4,657m, growth 4.1%	exact	YTD less Q3, both years
H1 like-for-like minus 2.7%	bounded	weighted by weeks, not sales
Europe 1.7 of 2.2 points	bounded	YTD sales share as weight
Europe two-year minus 7.0%	exact	compounded disclosed rates
H1 profit about £470m	bounded	10.05% to 10.15% of £4,657m
Q3 profit, margin	not calculable	no profit line disclosed

Source: Associated British Foods plc, Trading Update, 1 July 2026 (RNS 4838K). GBP as published. Columns marked VGR are VGR arithmetic on the disclosed figures.

Primary source: the company's Trading Update of 1 July 2026, 07:00, read on 30 September 2026 at https://www.abf.co.uk/media/news/2026/trading-update-july-2026 and, for the Appendix, in the RNS text at https://www.lse.co.uk/rns/ABF/trading-update-6hl4x0jqn0g7cdt.html. Prior: the Interim Results Announcement of 21 April 2026. Company materials only; no consensus or third-party estimate. Figures in pounds as published.

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Made with the supervision of Pau Almar.
Revised 30 September 2026 to methodology v5; first published 3 July 2026.

METHODOLOGY

VGR standardised financial analysis methodology v5. Restatement before measurement; arithmetic before language; every finding names the disclosure that would settle it.

PRIMARY SOURCE

Associated British Foods plc (LSE: ABF), "Trading Update", 1 July 2026, 07:00, RNS Number 4838K; https://www.abf.co.uk/media/news/2026/trading-update-july-2026; RNS text with Appendix at https://www.lse.co.uk/rns/ABF/trading-update-6hl4x0jqn0g7cdt.html. Primark: 16 weeks to 20 June 2026; Food businesses: 12 weeks to 23 May 2026. Reporting currency: pounds sterling, as published.

WORKING RECORD

ABF_Primark_Q3 FY2026_Source_Figures.md, with company-disclosed figures, VGR-derived arithmetic, the claims register and metrics not reported in separate parts; the figure pass closed before the claims register was opened.

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