Zalando Q3 Earnings Call

2026

zalando

Speaker:
Anna Dimitrova, CFO

3 November 2026

Executive Summary

01 **Q3 performance: We gained business momentum and increased profitability**
Reported GMV and revenue grew +7.5% (pro-forma: +6.1%) and +5.1% (pro-forma: +3.3%), respectively, while adjusted EBIT rose +10.6% year-on-year to 107m EUR

02 **AI: Agentic commerce enables new customer journeys, and we are at the forefront**
We are opening new growth opportunities with our new Zalando Extended agentic commerce experience.

03 **B2C: Solid traction across all three apps, with Zalando and Lounge improving**
In the Zalando App, the shift to a platform business model is accelerating with double-digit growth in partner business and retail media

04 **B2B: Accelerated double-digit revenue growth trajectory**
ZEOS secured additional key wins and SCAYLE expanded its merchant base with major additions in the U.S. and in the U.K.

05 **Outlook: Confirming our full year 2026 guidance from August**
GMV and revenue growth in the lower half of 12 – 17% range, adj. EBIT range of 680 – 720m EUR, 240 – 300m EUR capex and negative net working capital position



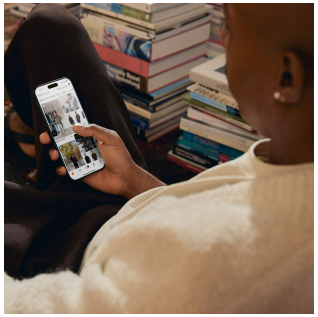
Billions of customer interactions give us the ultimate AI advantage, driving growth and efficiency

Growth ↗

Personalised shopping
Retail media
Value added services







Efficiency +

Operational excellence
Faster decision making
Cost & resource savings

Data foundation

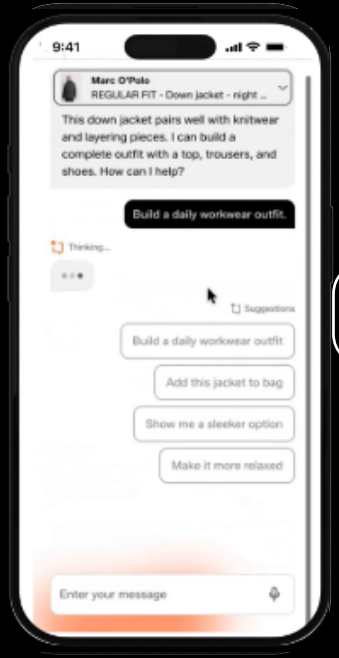
Supply chain data | Product data | Size & fit data | Rich content data | Behavioural data

>60m
active customers

>7,000
brands

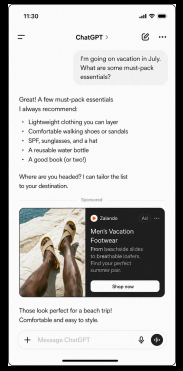
~3,000
data scientists and engineers

Agentic commerce enables new customer journeys, and we are at the forefront



In-App

Zalando Assistant



ChatGPT Ads Pilot



Google UCP Pilot

Inbound

Outbound



WESTWING
first pilot partner for the Home & Living category

Zalando Extended

Our B2B solutions continue to gain traction with ZEOS securing key wins and SCAYLE building further momentum in the U.S. and U.K.

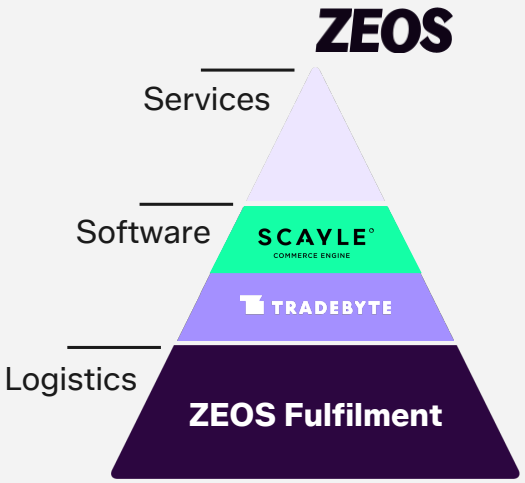
ZEOS is the turnkey solution for own e-com and marketplace fulfilment

LASCANA — Lingerie, swimwear, and women's fashion brand

LC WAIKIKI — Ready-to-wear clothing & lifestyle retailer

Champion — Athletic wear & sportswear brand

B2B Operating System



SCAYLE adding substantial scale across key markets

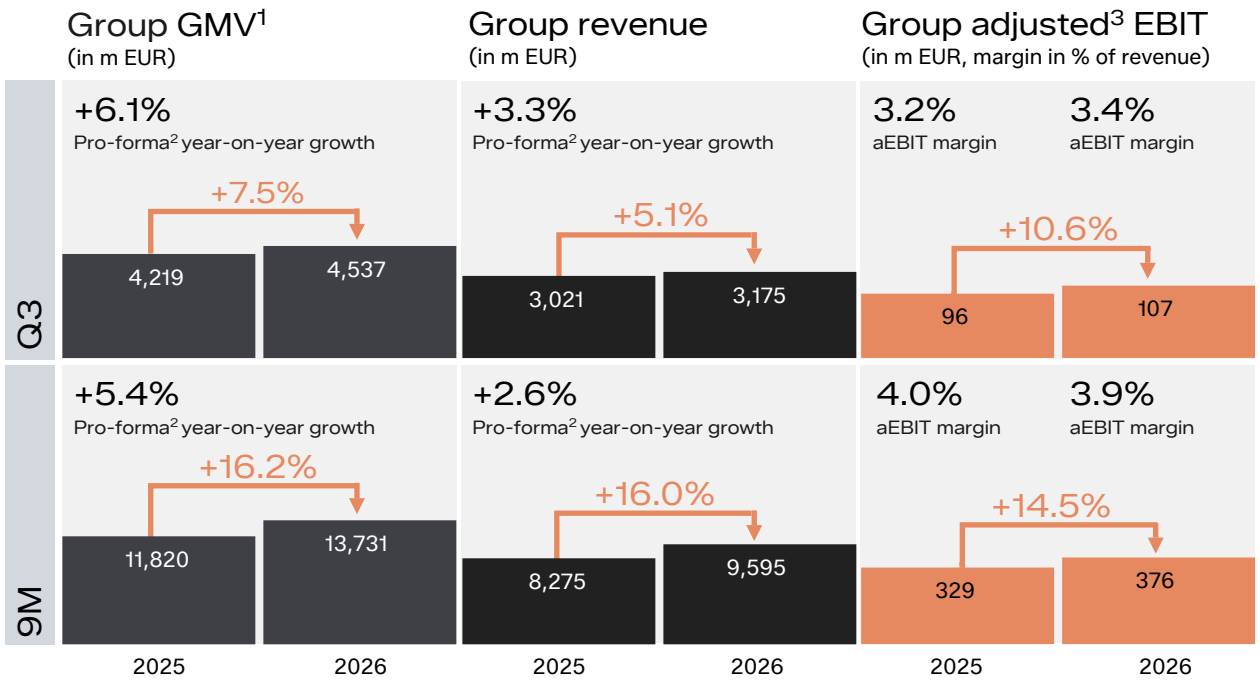
SCAYLE Commerce Engine

- NEIGHBORHOOD INTELLIGENCE — Home & Family
- RUE GILT GROUPE — Premium off-price
- N BROWN GROUP PLC — Multi-category

SCAYLE STUDIOS

- HUGO BOSS — Premium Fashion

Group: Q3 delivers improved GMV and revenue growth alongside increased adjusted EBIT



GMV & revenue

- GMV increased across all three consumer apps. The improvement was led by our core Zalando App and the scaling of the partner business alongside strong momentum in Lounge
- Revenue growth was mainly driven by strong performance in Retail Media and B2B
- Reported vs. pro-forma: remaining difference reflects ABOUT YOU inclusion date of July 11th

Adjusted EBIT

- Adjusted EBIT margin expanded by 0.2 percentage points to 3.4%, supported by lower fulfilment costs, synergies and B2B, partially offset by targeted investments in attractive offers for our customers and marketing investments
- ABOUT YOU profitability continues to improve
- In Q3, we delivered mid-teens millions in group synergies

[1] Gross merchandise volume after returns (GMV): dynamically reported
[2] Pro-forma figures assume the consolidation of ABOUT YOU in the prior-year period. These figures are provided for illustrative purposes only to facilitate a like-for-like comparison and were not subject to financial audit
[3] Excluding equity-settled share-based payment expense ("SBC"), restructuring costs, significant other non-operating one-time effects and acquisition-related expenses

B2C: GMV and revenue improvement driven by Zalando and Lounge, with continued strong momentum in partner business

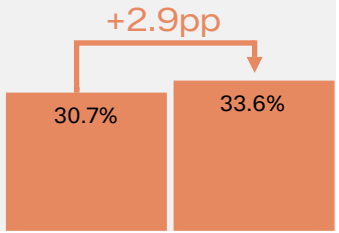
B2C GMV[1] (in m EUR)

+6.1%
Pro-forma[2] growth



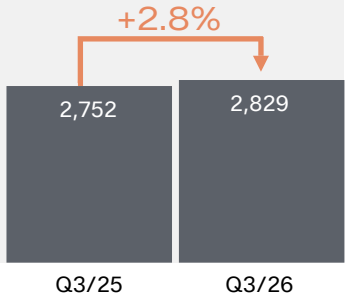
Partner business (GMV in % of B2C GMV[1])

+17.8%
YoY, GMV growth



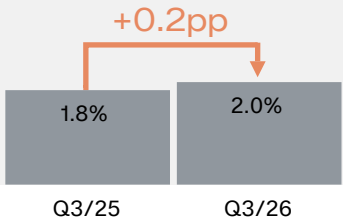
B2C revenue (in m EUR)

+0.9%
Pro-forma[2] growth



Retail media[3] (Revenue % of B2C GMV[1])

+17.8%
YoY, revenue growth



B2C GMV & revenue

- We saw strong growth in our fashion categories, directly benefiting from a higher partner share. Additionally, our lifestyle categories such as Beauty and Sports grew strongly.
- Zalando Plus served 22.0m customers in Q3 (up from 20.1m in Q2)
- Revenue growth trailed GMV growth as a result of strong partner business momentum, reflecting our strategic shift toward a platform-led model.

Partner business

- Strong growth is coming from all types of partners on our platform

Retail media

- Growth reflects lapping of ABOUT YOU inclusion

[1] Gross merchandise volume after returns (GMV): dynamically reported
[2] Pro-forma figures assume the consolidation of ABOUT YOU in the prior-year period. These figures are provided for illustrative purposes only to facilitate a like-for-like comparison and were not subject to financial audit
[3] Retail media defined as Zalando Marketing Services (ZMS) and ABOUT YOU retail media

B2C: Quarter-on-quarter active customers increased by over 600k, thereby supporting the improvement in B2C growth



Active customers

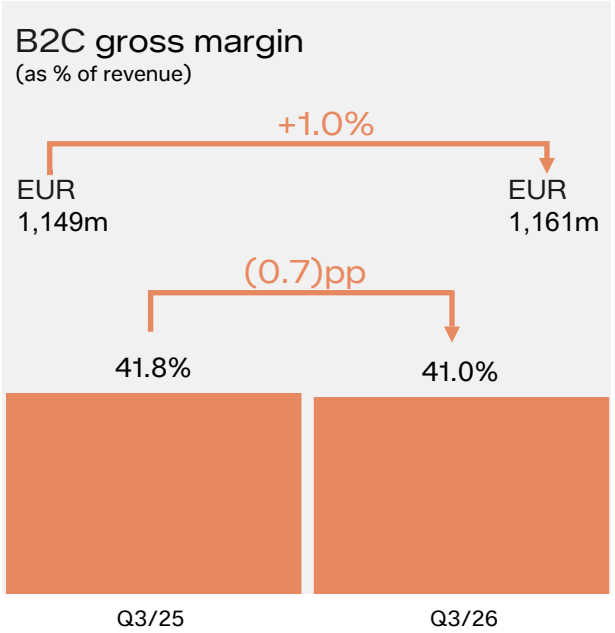
- Growth driven by more loyal customers across all three apps

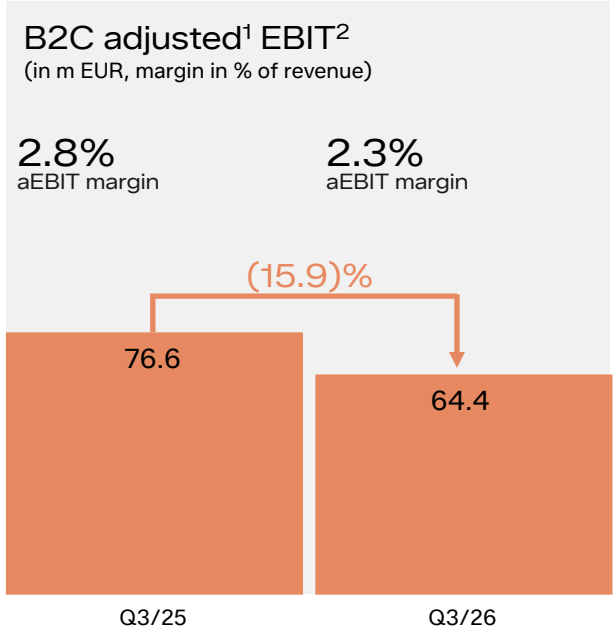
GMV per active customer

- Increased spending from existing customers primarily driven by larger average basket sizes as a result of an increased share of cross-category shoppers

[1] L12M = last 12 months
[2] Defined as L12M GMV divided by the number of orders
[3] Defined as L12M GMV divided by the number of active customers

B2C: Profitability impacted by targeted investments in attractive offers for our customers and marketing investments





B2C gross margin

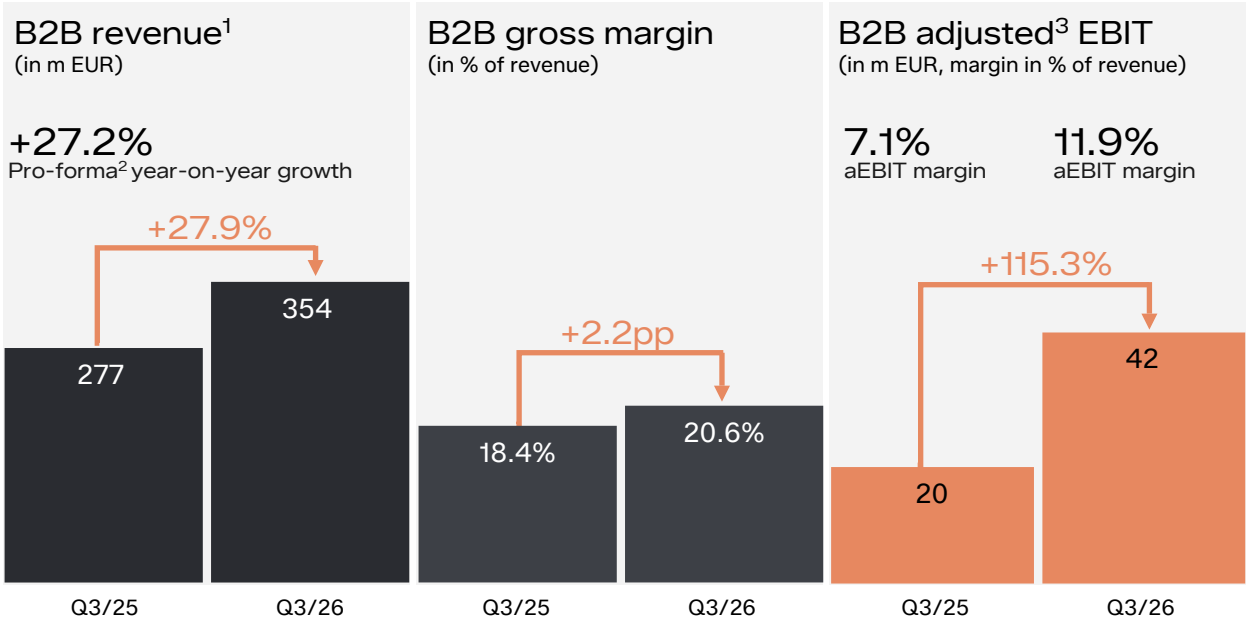
- Decline was primarily driven by targeted investments in attractive offers for our customers in our retail business, especially in sneakers
- At the same time, our gross margin continues to benefit from positive contributions from our partner and retail media businesses

B2C adjusted EBIT

- Margin was down 0.5pp driven by gross margin decline and year-on-year higher marketing spend, reflecting an earlier start to the autumn/winter campaign and marketing activities around the World Cup
- Higher synergies and lower fulfilment costs partially offset these effects

[1] Excluding equity-settled share-based payment expense ("SBC"), restructuring costs, significant other non-operating one-time effects and acquisition-related expenses
[2] Q3/26 contains (0.1)m EUR | Q3/25 contains 0.2m EUR of inter-segment EBIT

B2B: Continued accelerated double-digit revenue growth translates into improved profitability



B2B revenue

- Primary driver of B2B growth was ZEOS Fulfilment, which includes both Zalando Fulfilment Solutions (ZFS) and Multi-Channel Fulfilment
- ZFS maintained its strong growth trajectory by successfully keeping pace with the scaling of the partner business
- B2B's major revenue stream is logistics-as-a-service, complemented by software-as-a-service revenues from SCAYLE and Tradebyte

B2B gross margin and adjusted EBIT

- Improvement was driven by overhead leverage and a higher gross margin from scaling ZEOS

[1] Q3/26A contains (8.9)m EUR | Q3/25A contains (8.2)m EUR of inter-segment revenue
[2] Pro-forma figures assume the consolidation of ABOUT YOU in the prior-year period. These figures are provided for illustrative purposes only to facilitate a like-for-like comparison and were not subject to financial audit
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Increase in group adjusted EBIT margin driven by lower fulfilment costs

Costs and margins[1]

(as % of revenue)

	Q3/25	Q3/26	YoY Δ	YoY Δ excl. adjustments[2]
Gross margin	39.6%	38.7%	**(0.9)pp**	**(0.9)pp**
OPEX	(37.9)%	(38.3)%	**(0.3)pp**	**1.0pp**
Fulfilment costs	(24.3)%	(23.6)%	0.8pp	0.9pp
Marketing costs	(9.3)%	(9.4)%	(0.1)pp	0.0pp
Admin costs & Other	(4.3)%	(5.3)%	(0.9)pp	0.1pp
- Administrative costs	(4.3)%	(3.6)%	0.7pp	0.1pp
- Other income & expenses	0.0%	(1.7)%	(1.7)pp	0.0pp
EBIT	1.6%	0.4%	**(1.2)pp**	
Adjusted[2] EBIT	3.2%	3.4%		**0.2pp**

Gross margin

- Gross margin decreased due to targeted investments in attractive offers for our customers in B2C and strong growth in B2B which comes with lower gross margins

OPEX

- Fulfilment costs: driven by the lapping of ramp-up costs at our Paris and Giessen logistics sites, alongside other operational efficiencies
- Other expenses: impacted by ~58m EUR restructuring costs

Adjusted EBIT margin

- Slightly up reflecting structured improvement in fulfilment costs

[1] Rounding differences may arise in the percentages and numbers in this table

[2] Excluding equity-settled share-based payment expense ("SBC"), restructuring costs, significant other non-operating one-time effects and acquisition-related expenses EBIT adjustments in Q3/26 amount to 93.4m EUR (Q3/25: 47.2m EUR). See details in appendix

Net working capital position driven by higher partner business share

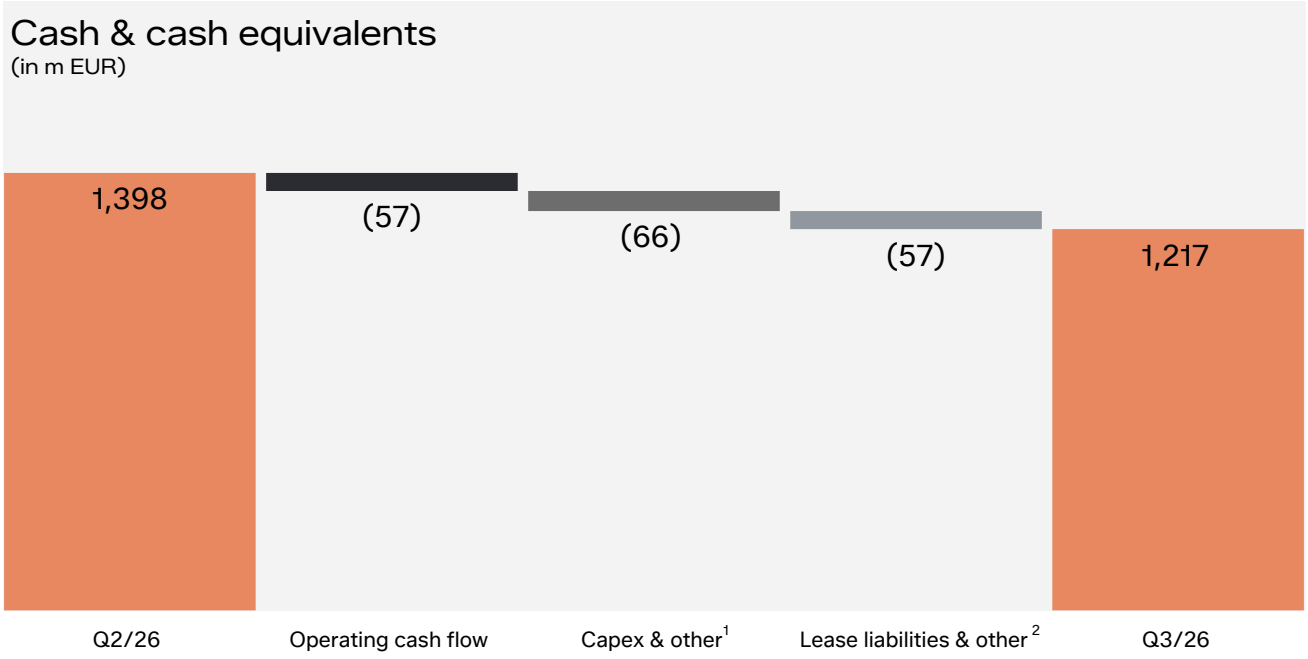
Net working capital
(m EUR)

	Q3/25	Q3/26	YoY Δ
Inventories	2,523	2,515	**(0.3)%**
Trade receivables	982	1,035	**+5.4%**
Trade payables	3,646	3,974	**+9.0%**
Net working capital	(141)	(424)	

Inventories
- Growth in inventories in line with retail topline growth

Trade payables
- Trade payables increased year-on-year on the back of strong growth in partner business

Solid cash position of ~1.2 billion EUR



Operating cash flow

- Impacted by seasonal net working capital changes as we received inventory for autumn/winter season
- Furthermore, cash outflows for the Erfurt restructuring and ABOUT YOU integration partially materialized in Q3, reflecting costs already provisioned for in earlier quarters of 2026

Capex

- Capex was driven by investments in fulfilment centres and further automation, particularly in Sweden and Germany, as well as continued investment in internally developed software

[1] Includes investments in fixed assets of (26.8)m EUR and intangible assets of (34.3)m EUR as well as payments for acquisitions (5.0)m EUR
[2] Includes lease liabilities of (59.7)m EUR, payments received from capital increases and option exercises 0.5m EUR and effect of exchange rate changes on cash and cash equivalents of 1.7m EUR

Confirming our FY 2026 guidance

		Guidance 2026[1]	9M results
Growth	GMV[2] (in bn EUR)	Lower half of 19.7 – 20.6 Lower half of +12 – 17% YoY	13.7 +16.2% YoY
	Revenue (in bn EUR)	Lower half of 13.8 – 14.4 Lower half of +12 – 17% YoY	9.6 +16.0% YoY
Profitability	Adjusted[3] EBIT (in m EUR)	680 – 720	376
Cash	Capex (in m EUR)	240 – 300	186
	Net working capital position	negative	negative

Pro-forma[4]: GMV and revenue growth in the lower half of 5% – 10% GMV range (9M: +5.4%) and 3% – 8% revenue range (9M: +2.6%)

Segment level performance:

- B2C: Scaling our multi-app approach and AI personalisation. High partner business growth means GMV will significantly outpace revenue
- B2B: Growing our operating system (ZEOS, SCAYLE, Tradebyte), with segment revenue expected to exceed overall group growth
- Reported B2B revenue growth will moderately outpace B2C revenue growth

[1] Our outlook excludes potential impact from a prolonged Middle East conflict. Any potential future impact cannot be reliably assessed at the moment
[2] B2C gross merchandise volume after returns (GMV): dynamically reported
[3] Excludes equity-settled share-based payment expense ("SBC"), restructuring costs, significant other non-operating one-time effects and acquisition-related expenses
[4] Pro-forma figures are provided for illustrative purposes only to facilitate a like-for-like comparison and do not constitute part of the formal guidance. These figures assume the consolidation of ABOUT YOU in the prior-year period to the same extent as in FY 2025

Key takeaways

01 **Q3 performance: We gained business momentum and increased profitability**
Reported GMV and revenue grew +7.5% (pro-forma: +6.1%) and +5.1% (pro-forma: +3.3%), respectively, while adjusted EBIT rose +10.6% year-on-year to 107m EUR

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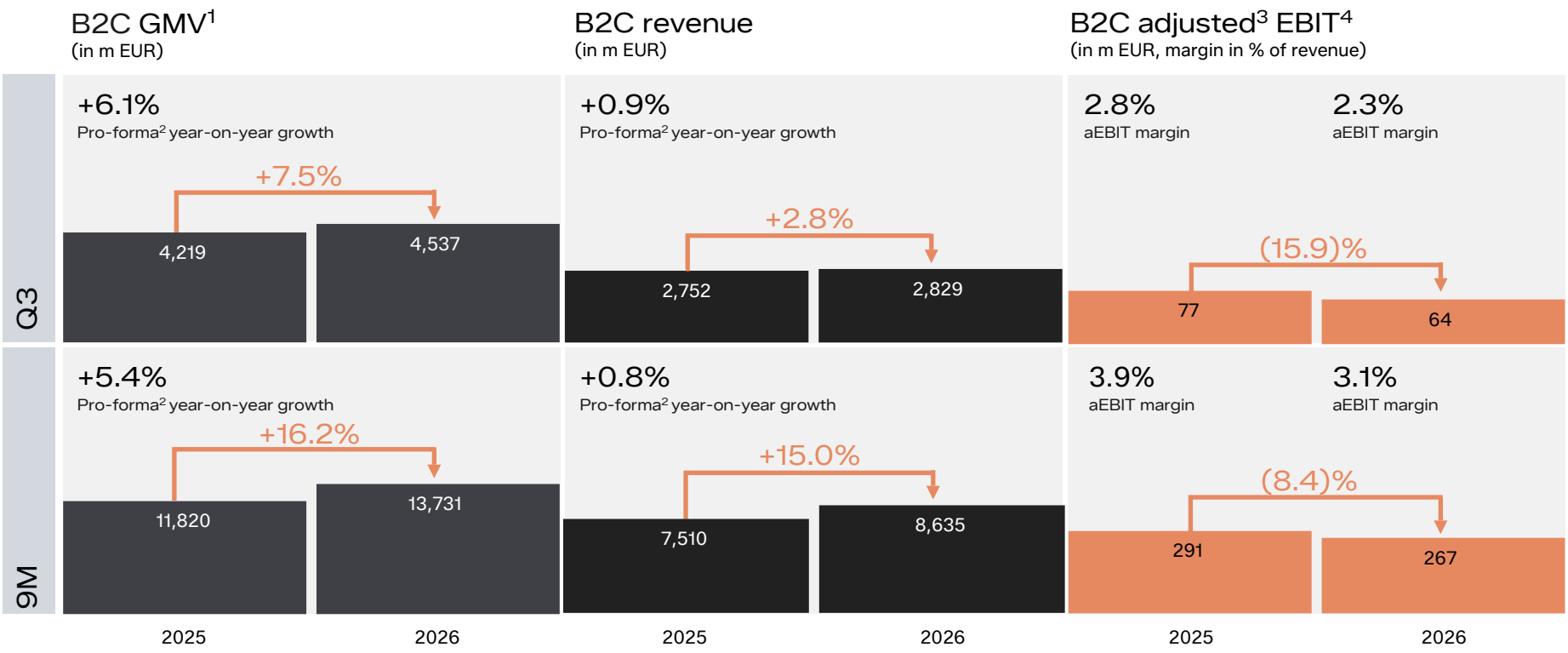
Q&A

2026

zalando

Appendix

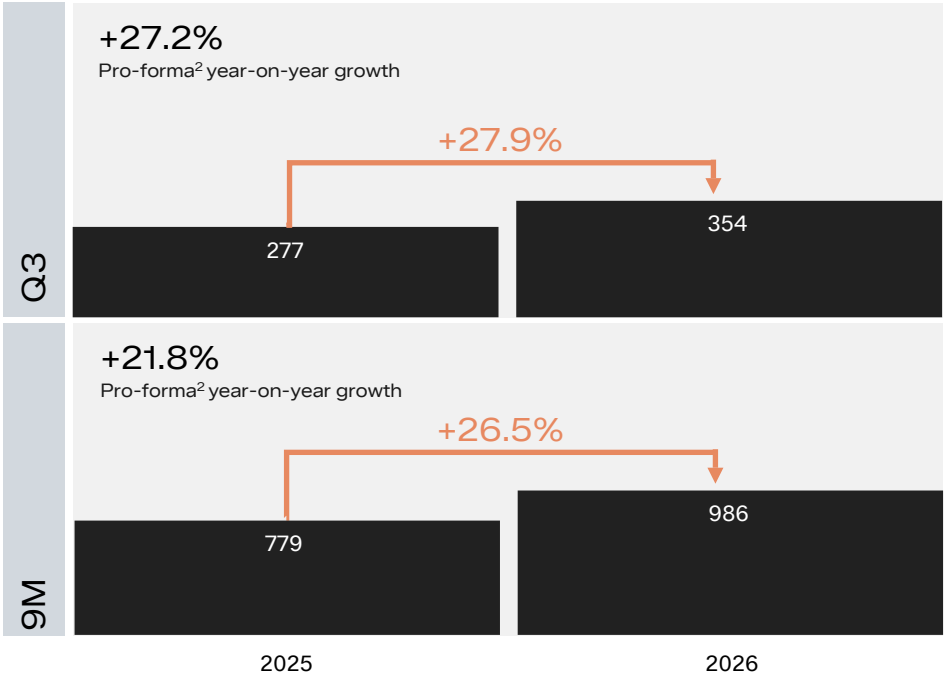
Financial performance Q3 and 9M: B2C



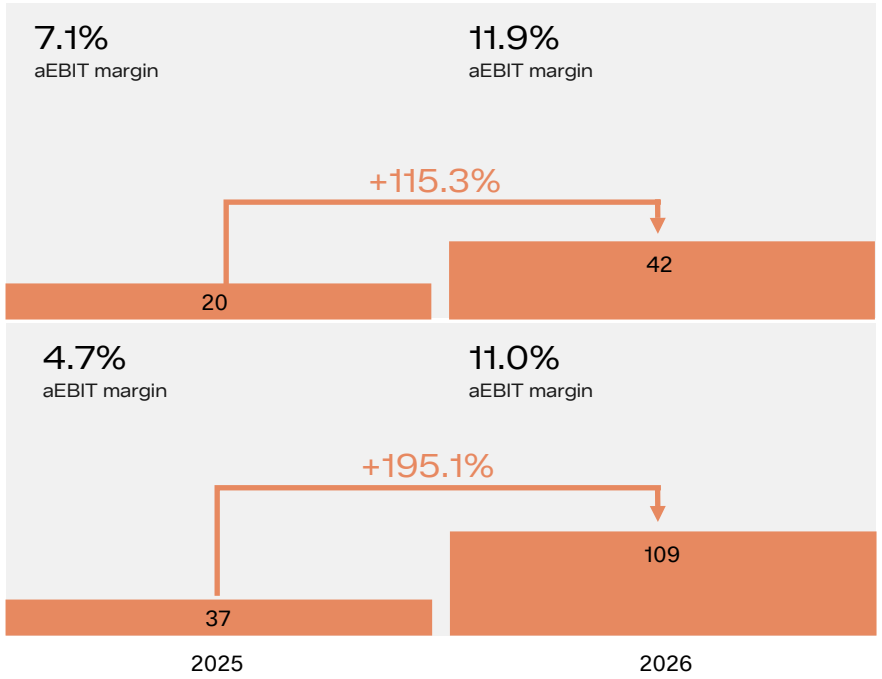
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[4] Q3/26 contains (0.1)m EUR | Q3/25 EUR 0.2m EUR of inter-segment EBIT. 9M/26 contains 0.9m EUR | 9M/25 0.6m EUR of inter-segment EBIT

Financial performance Q3 and 9M: B2B

B2B revenue[1]
(in m EUR)



B2B adjusted[3] EBIT
(in m EUR, margin in % of revenue)



[1] Q3/26 contains (8.9)m EUR | Q3/25 (8.2)m EUR of inter-segment revenue. 9M/26 contains (25.7)m EUR | 9M/25 (14.7)m EUR of inter-segment revenue.
[2] Pro-forma figures assume the consolidation of ABOUT YOU in the prior-year period. These figures are provided for illustrative purposes only to facilitate a like-for-like comparison and were not subject to financial audit
[3] Excluding equity-settled share-based payment expense ("SBC"), restructuring costs, significant other non-operating one-time effects and acquisition-related expenses

P&L Q3 and 9M: group

Costs and margins[1]

(as % of revenue)

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OPEX	(37.2)%	(39.1)%	**(1.9)pp**	**0.2pp**	(37.9)%	(38.3)%	**(0.3)pp**	**1.0pp**
Fulfilment costs	(23.6)%	(23.9)%	(0.3)pp	(0.1)pp	(24.3)%	(23.6)%	0.8pp	0.9pp
Marketing costs	(8.9)%	(9.4)%	(0.5)pp	(0.2)pp	(9.3)%	(9.4)%	(0.1)pp	0.0pp
Admin costs & Other	(4.7)%	(5.8)%	(1.1)pp	0.5pp	(4.3)%	(5.3)%	(0.9)pp	0.1pp
- Administrative costs	(4.6)%	(4.0)%	0.6pp	0.4pp	(4.3)%	(3.6)%	0.7pp	0.1pp
- Other income & expenses	(0.1)%	(1.8)%	(1.7)pp	0.1pp	0.0%	(1.7)%	(1.7)pp	0.0pp
EBIT	2.6%	0.5%	**(2.1)pp**		1.6%	0.4%	**(1.2)pp**	
Adjusted[2] EBIT	4.0%	3.9%		**(0.1)pp**	3.2%	3.4%		**0.2pp**

[1] Rounding differences may arise in the percentages and numbers in this table

[2] Excluding equity-settled share-based payment expense ("SBC"), restructuring costs, significant other non-operating one-time effects and acquisition-related expenses
EBIT adjustments in 9M/26 amount to 331.6m EUR (9M/25: 112.8m EUR) and EBIT adjustments in Q3/26 amount to 93.4m EUR (Q3/25: 47.2m EUR) . See details on the next slide

EBIT adjustments Q3 and 9M

In m EUR	Q3/25	Q3/26	Change	9M/25	9M/26	Change
EBIT	**49.1**	**13.1**	**(36.0)**	**215.8**	**44.5**	**171.2**
Share-based compensation	21.1	22.6	+1.5	62.3	78.5	+16.2
Acquisition-related expenses[2]	21.2	21.7	+0.5	30.8	74.5	+43.7
Restructuring costs	4.9	58.1	+53.2	19.8	197.0	+177.2
Other one-time effects	0.0	(9.0)	(9.0)	0.0	(18.3)	(18.3)
Adjusted[1] EBIT	**96.3**	**106.5**	**+10.2**	**328.6**	**376.2**	**+47.6**

Reversal of office impairments

[1] Excluding equity-settled share-based payment expense ("SBC"), restructuring costs, significant other non-operating one-time effects and acquisition-related expenses
[2] Acquisition-related expenses mostly driven by the ABOUT YOU acquisition and the related amortisation of acquired brands and customer relationships as well as integration costs and other one-time effects

Issued share capital

Share information
(as of 30 September 2026)

Type of shares	Ordinary bearer shares with no-par value (Stückaktien)
Stock exchange	Frankfurt Stock Exchange
Market segment	Regulated Market (Prime Standard)
Index listings	DAX
Total number of shares outstanding	250,250,456
Issued capital	250,250,456 EUR

Stock options programmes management board
(as of 30 September 2026)

Program	**# Options outstanding**	**Weighted average exercise price** (EUR)
LTI 2018 [1]	4,296,949	47.44
LTI 2021	625,656	23.51
LTI 2024	1,443,129	24.30
ZOP 2021	271,776	20.31
Total	**6,637,510**	**39.04**

Stock options programmes senior management
(as of 30 September 2026)

Program	**# Options outstanding**	**Weighted average exercise price** (EUR)
EIP [2]	229,551	31.49
ZOP 2019	8,207,339	21.38
LTI	1,262,507	0.20
Total	**9,699,397**	**18.86**

[1] Only to 35% to be settled with new shares, remaining backed by treasury shares
[2] Settled with new shares

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Disclaimer

Certain statements in this communication may constitute forward looking statements. These statements are based on assumptions that are believed to be reasonable at the time they are made, and are subject to significant risks and uncertainties.

You should not rely on these forward-looking statements as predictions of future events and we undertake no obligation to update or revise these statements.

Our actual results may differ materially and adversely from any forward-looking statements discussed on this call due to a number of factors, including without limitation, risks from macroeconomic developments, external fraud, inefficient
processes at fulfilment centres, inaccurate personnel and capacity forecasts for fulfilment centres, hazardous material / conditions in production with regard to private labels, lack of innovation capabilities, inadequate data security, lack of market knowledge, risk of strike and changes in competition levels.