



Half-Year Report
2025

H1

zalando

Zalando at a glance

Key figures

	Q2/25	Q2/24	Change	H1/25	H1/24	Change
Key performance indicators						
Gross merchandise volume (GMV*) (in m EUR)	4,058.1	3,864.3	5.0%	7,593.3	7,148.2	6.2%
Revenue (in m EUR)	2,835.1	2,643.2	7.3%	5,254.6	4,884.6	7.6%
Adjusted EBIT (in m EUR)**	185.5	171.6	8.1%	232.3	199.9	16.2%
Adjusted EBIT margin (as %)	6.5	6.5	0.1pp	4.4	4.1	0.3pp
EBIT (in m EUR)	145.2	154.7	-6.2%	166.6	155.5	7.2%
EBIT margin (as %)	5.1	5.9	-0.7pp	3.2	3.2	0.0pp
Capex (in m EUR)	-59.8	-40.6	47.2%	-93.4	-100.1	-6.7%
Active customers (LTM***) (in m)	52.9	49.8	6.1%	52.9	49.8	6.1%
Number of orders (in m)	65.0	63.4	2.5%	123.5	118.6	4.2%
Average GMV per active customer (LTM***) (in EUR)	298.2	297.5	0.2%	298.2	297.5	0.2%
Average orders per active customer (LTM***)	4.8	4.9	-1.0%	4.8	4.9	-1.0%
Average basket size (LTM***) (in EUR)	61.6	60.9	1.2%	61.6	60.9	1.2%
Other key figures						
Net working capital (in m EUR)****	-107.9	-269.3	59.9%	-107.9	-269.3	59.9%
Equity ratio (as % of total assets)****	34.3	33.4	0.9pp	34.3	33.4	0.9pp
Cash flow from operating activities (in m EUR)	283.8	481.7	-41.1%	140.8	379.7	-62.9%
Cash flow from investing activities (in m EUR)	-25.5	-12.6	>100 %	-477.6	-95.2	>100 %
Free cash flow (in m EUR)	209.3	441.1	-52.6%	17.2	279.6	-93.9%
Cash and cash equivalents (in m EUR)****	2,183.0	2,587.8	-15.6%	2,183.0	2,587.8	-15.6%
Average number of employees****	15,571	15,309	1.7%	15,571	15,309	1.7%
Basic earnings per share (in EUR)	0.37	0.37	0.4%	0.41	0.33	22.5%
Diluted earnings per share (in EUR)	0.37	0.37	0.3%	0.41	0.33	22.2%

pp = percentage points

For an explanation of the performance indicators please refer to the glossary.

Rounding differences may arise in the percentages and numbers shown in this interim statement.

*) GMV (gross merchandise volume) is defined as the value of all merchandise sold to customers after cancellations and returns and including VAT, dynamically reported. It includes neither B2B revenues (e.g. ZEOS services) nor other B2C revenues (e.g. partner business commissions, Zalando Marketing Services and service charges like express delivery fees); these are included in revenue only. GMV is recorded based on the time of the customers' order. Due to the dynamic reporting of GMV, prior-year figures may deviate from former published reports.

**) Adjusted EBIT is defined as EBIT before equity-settled share-based payment expenses, restructuring costs, acquisition-related expenses and other significant non-operating one-time effects.

***) Calculated based on the last 12 months (LTM).

****) As of 30 June 2025 and 31 December 2024, respectively.

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Interim group management report

1.1 Information on our group

Zalando and ABOUT YOU have successfully completed the transaction to team up to lead the way in European fashion and lifestyle e-commerce. The European Commission granted merger control clearance for the transaction including the voluntary public takeover offer to the shareholders of ABOUT YOU. This strategic combination that allows us to serve customers and partners better was closed on 11 July 2025, and consolidated financials incorporating both Zalando and ABOUT YOU will be prepared only as of this date. With complementary business-to-consumer (B2C) and business-to-business (B2B) offerings, we will continue to build a pan-European ecosystem for fashion and lifestyle e-commerce and cover a larger share of the European fashion and lifestyle e-commerce market.

In our annual general meeting, Alice Delahunt, founder and CEO of SYKY, a platform that empowers emerging digital designers, was elected to the supervisory board as a shareholder representative on the recommendation of the nomination committee. Supervisory board members Anders Holch Povlsen, Mariella Röhm-Kottmann, Kelly Bennett, Niklas Östberg and Susanne Schröter-Crossan were re-elected. Jennifer Hyman, who has been a member of the supervisory board since 2020, did not stand for re-election. The employee representatives Zbigniew Laskowski, Rose Reynolds and Maggie Ratay Sloan were newly appointed to the supervisory board.

1.2 Report on economic position

1.2.1 Macroeconomic and sector-specific environment in H1 2025

The global economic environment remains volatile, driven by increasing trade barriers and unpredictable economic and trade policies, weighing on both business and consumer confidence. Global GDP growth is projected to slow down from 3.3% in 2024 to 2.9% in both 2025 and 2026 according to forecasts as of June 2025.¹

Economic activity in Europe increased by 0.3% in the first quarter of 2025, and is expected to slow in the second and third quarters of 2025 as the unwinding of the front-loading of exports in the first quarter is compounded by new tariffs and by significant trade policy uncertainty. Domestic demand driven by private consumption made a positive contribution to growth in the first quarter, as did net trade. Across sectors, industrial activity picked up in the first quarter, driven by stronger demand for goods as real incomes improved and purchases were brought forward ahead of anticipated tariffs. Meanwhile, the services sector continued its steady expansion.² The EU consumer confidence indicator has decreased since the beginning of 2025, reaching -14.8 at the end of June.³ However, a gradual recovery in consumer confidence is expected over the medium term, supported by favourable labour market prospects and consumption-smoothing behaviour.⁴

¹ OECD Economic Outlook, June 2025

² Eurosystem staff macroeconomic projections for the euro area, June 2025

³ European Commission, EU, 27 June 2025

⁴ Eurosystem staff macroeconomic projections for the euro area, June 2025

Recovery in the German economy is experiencing delays caused by trade policy turmoil. After a slight decline in GDP of -0.2% in the fourth quarter of 2024, GDP grew by 0.4% in the first quarter of 2025, and is expected to stagnate in the second quarter of this year. This weak momentum is partly driven by anticipatory export activity, as companies seek to front-load shipments ahead of potentially higher U.S. tariffs from August onwards. Both the direct impact of these tariffs and the broader uncertainty surrounding U.S. trade policy are likely to weigh on economic performance throughout 2025 and into the following year. As a result, the overall pace of GDP growth is expected to remain subdued.⁵

In the first half of 2025, preliminary German brick-and-mortar retail sales increased by 2.5%, thereby slightly exceeding full-year 2025 expectations of 2% with a 3% decline in sales in the second quarter of the year.⁶ The German e-commerce sales in the clothing segment (apparel & shoes) increased by 4.7% in the first half of 2025 to 9.1bn EUR, including VAT. The second quarter 2025 had grown by 5.2%.⁷

⁵ Deutsche Bundesbank: Monthly Report, June 2025
⁶ TextilWirtschaft revenue statistics, July 2025
⁷ BEVH press releases, April and July 2025

1.2.2 Financial performance of the group

Condensed consolidated income statement H1/25

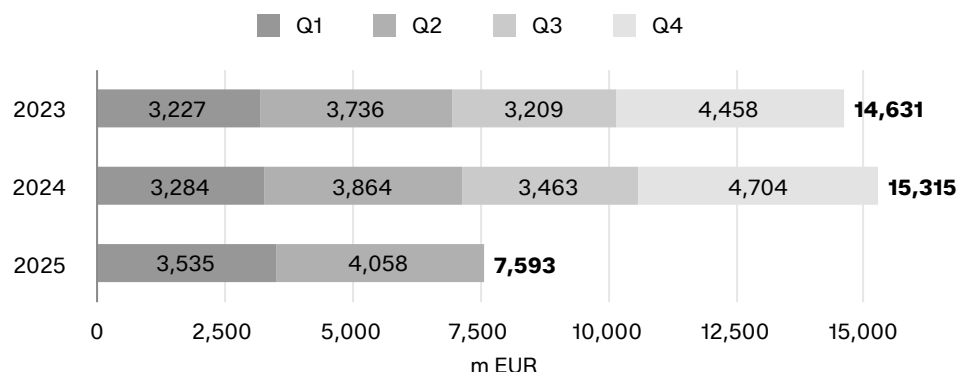
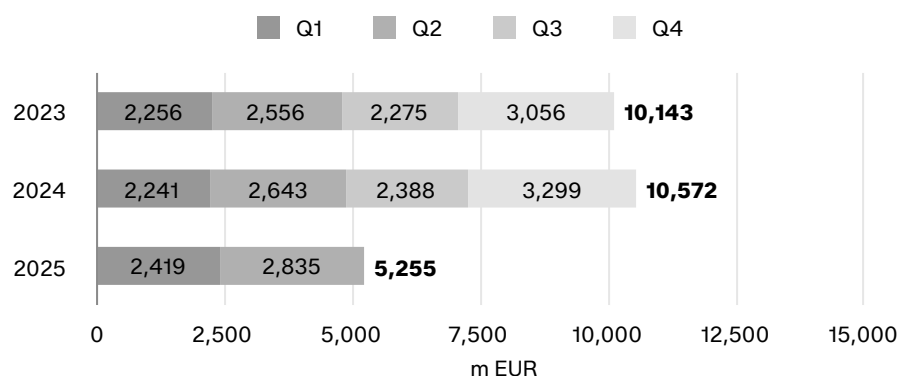
in m EUR	H1/25	As % of revenue	H1/24	As % of revenue	Change
GMV	7,593.3	144.5%	7,148.2	146.3%	-1.8pp
Revenue	5,254.6	100.0%	4,884.6	100.0%	0.0pp
Cost of sales	-3,151.0	-60.0%	-2,928.6	-60.0%	0.0pp
Gross profit	2,103.6	40.0%	1,956.0	40.0%	0.0pp
Fulfilment costs	-1,218.5	-23.2%	-1,134.0	-23.2%	0.0pp
Marketing costs	-456.9	-8.7%	-420.4	-8.6%	-0.1pp
Administrative expenses	-253.8	-4.8%	-249.6	-5.1%	0.3pp
Other operating income	10.2	0.2%	7.7	0.2%	0.0pp
Other operating expenses	-17.9	-0.3%	-4.3	-0.1%	-0.3pp
EBIT	166.6	3.2%	155.5	3.2%	0.0pp
Share-based payments	41.2	0.8%	44.7	0.9%	-0.1pp
Acquisition-related expenses	9.5	0.2%	10.3	0.2%	0.0pp
One-time effects	0.0	0.0%	-10.6	-0.2%	0.2pp
Restructuring costs	14.9	0.3%	0.0	0.0%	0.3pp
Adjusted EBIT	232.3	4.4%	199.9	4.1%	0.3pp

Condensed consolidated income statement Q2/25

in m EUR	Q2/25 ⁸	As % of revenue	Q2/24 ⁹	As % of revenue	Change
GMV	4,058.1	143.1%	3,864.3	146.2%	-3.1pp
Revenue	2,835.1	100.0%	2,643.2	100.0%	0.0pp
Cost of sales	-1,677.6	-59.2%	-1,544.0	-58.4%	-0.8pp
Gross profit	1,157.4	40.8%	1,099.1	41.6%	-0.8pp
Fulfilment costs	-627.0	-22.1%	-583.5	-22.1%	0.0pp
Marketing costs	-247.0	-8.7%	-237.3	-9.0%	0.3pp
Administrative expenses	-128.2	-4.5%	-126.8	-4.8%	0.3pp
Other operating income	6.4	0.2%	2.4	0.1%	0.1pp
Other operating expenses	-16.4	-0.6%	0.8	0.0%	-0.6pp
EBIT	145.2	5.1%	154.7	5.9%	-0.7pp
Share-based payments	20.5	0.7%	22.4	0.8%	-0.1pp
Acquisition-related expenses	4.9	0.2%	5.0	0.2%	0.0pp
One-time effects	0.0	0.0%	-10.6	-0.4%	0.4pp
Restructuring costs	14.9	0.5%	0.0	0.0%	0.5pp
Adjusted EBIT	185.5	6.5%	171.6	6.5%	0.1pp

⁸ The Q2 figures are not subject to the review.

⁹ The Q2 figures are not subject to the review.

GMV by quarter (2023–2025)¹⁰Revenue by quarter (2023–2025)¹¹

GMV rose by 6.2% to 7,593.3m EUR in the first half of 2025, up from 7,148.2m EUR in the prior-year period, driven by a solid start to the spring/summer season, strategic growth investments (e.g. the roll-out of our updated Zalando Plus loyalty programme) and successful commercial events. Additionally, top-line development was bolstered by continued growth in online retail demand across core European markets.

As of 30 June 2025, the number of active customers rose by 6.1% and reached a new high of 52.9 million compared to 49.8 million in the prior-year period. GMV per active customer remained almost unchanged at 298.2 EUR (prior-year period: 297.5 EUR). Average basket size increased by 1.2% to 61.6 EUR (prior-year period: 60.9 EUR). Average orders per active customer remained broadly stable at 4.8 at the end of Q2 2025 (prior-year period: 4.9). All KPIs were calculated on the basis of the last 12 months.

¹⁰ The statements on the quarterly development of GMV are not subject to the review.

¹¹ The statements on the quarterly development of revenue are not subject to the review.

Revenue increased by 7.6% to 5,254.6m EUR (prior-year period: 4,884.6m EUR) and consequently surpassed GMV growth of 6.2% in H1 2025 on the back of strong revenue growth of 11.9% in B2B as well as in Zalando Marketing Services (ZMS).

The adjusted EBIT was 232.3m EUR in H1 2025 (prior-year period: 199.9m EUR). H1 2025 adjustments comprised expenses for equity-settled share-based payments of 41.2m EUR (prior-year period: 44.7m EUR), acquisition-related expenses of 9.5m EUR (prior-year period: 10.3m EUR) as well as restructuring expenses of 14.9m EUR resulting from organisational changes primarily within our customer care team where we aim to ensure high quality service at lower costs by leveraging a combination of nearshoring and automation for simple service requests. The adjusted EBIT margin improved to 4.4% (prior-year period: 4.1%).

Our gross margin in H1 2025 remained stable at 40.0%, driven by good retail sell-through rates and a solid start to the spring/summer season. These positive trends were, however, counterbalanced by a faster growing B2B segment, which comes with structurally lower gross margins as well as revenue deferrals tied to our updated loyalty scheme.

Compared to the prior-year period, fulfilment costs as a percentage of revenue remained unchanged at 23.2% as higher fixed costs in our warehouses were counterbalanced by the positive impact from customs reimbursement in Norway.

Marketing expenses increased to 456.9m EUR (prior-year period: 420.4m EUR). The marketing cost ratio reached 8.7%, a stable development compared to the prior-year period (prior-year period: 8.6%) as we continue to invest in performance marketing to support active customer growth. Additionally, we invested in several brand marketing campaigns to enhance brand visibility, among which was our spring/summer campaign with Sarah Jessica Parker.

Administrative expenses amounted to 253.8m EUR (prior-year period: 249.6m EUR) and, in proportion to revenue, decreased to 4.8% (prior-year period: 5.1%).

Other operating expenses increased to 17.9m EUR (prior-year period: 4.3m EUR), mainly driven by restructuring expenses from organisational changes primarily within our customer care team.

The improved financial result of -3.2m EUR (prior-year period: -19.7m EUR) was mainly impacted by the currency result, which is attributable to the favourable development of the Swiss franc and the U.S. dollar. Taking into account the financial result and income taxes of -56.9m EUR (prior-year period: -48.9m EUR), our net income improved to 106.5m EUR (prior-year period: 86.9m EUR) in H1 2025.

1.2.3 Results by segment

Segment results of the group H1/25

in m EUR	B2C	B2B	Total	Recon- ciliation	Total group
GMV	7,593.3	—	7,593.3	0.0	7,593.3
<i>(prior year)</i>	<i>(7,148.2)</i>	<i>(—)</i>	<i>(7,148.2)</i>	<i>(0.0)</i>	<i>(7,148.2)</i>
Revenue	4,758.6	502.3	5,261.0	-6.4	5,254.6
<i>(prior year)</i>	<i>(4,441.1)</i>	<i>(448.9)</i>	<i>(4,890.0)</i>	<i>(-5.4)</i>	<i>(4,884.6)</i>
thereof intersegment revenue	0.0	6.4	6.4	-6.4	0.0
<i>(prior year)</i>	<i>(0.0)</i>	<i>(5.4)</i>	<i>(5.4)</i>	<i>(-5.4)</i>	<i>(0.0)</i>
Adjusted EBIT	214.7	17.2	231.9	0.4	232.3
<i>(prior year)</i>	<i>(188.1)</i>	<i>(12.6)</i>	<i>(200.8)</i>	<i>(-0.9)</i>	<i>(199.9)</i>
Adjusted EBIT margin (as %)	4.5%	3.4%	4.4%	—	4.4%
<i>(prior year)</i>	<i>(4.2%)</i>	<i>(2.8%)</i>	<i>(4.1%)</i>	<i>(—)</i>	<i>(4.1%)</i>
Share-based payments	37.7	3.5	41.2	0.0	41.2
<i>(prior year)</i>	<i>(40.4)</i>	<i>(4.3)</i>	<i>(44.7)</i>	<i>(0.0)</i>	<i>(44.7)</i>
Acquisition-related expenses	2.7	6.8	9.5	0.0	9.5
<i>(prior year)</i>	<i>(1.7)</i>	<i>(8.6)</i>	<i>(10.3)</i>	<i>(0.0)</i>	<i>(10.3)</i>
One-time effects	0.0	0.0	0.0	0.0	0.0
<i>(prior year)</i>	<i>(-10.6)</i>	<i>(0.0)</i>	<i>(-10.6)</i>	<i>(0.0)</i>	<i>(-10.6)</i>
Restructuring costs	13.8	1.1	14.9	0.0	14.9
<i>(prior year)</i>	<i>(0.0)</i>	<i>(0.0)</i>	<i>(0.0)</i>	<i>(0.0)</i>	<i>(0.0)</i>
EBIT	160.4	5.8	166.2	0.4	166.6
<i>(prior year)</i>	<i>(156.6)</i>	<i>(-0.3)</i>	<i>(156.4)</i>	<i>(-0.9)</i>	<i>(155.5)</i>

Segment results of the group Q2/25¹²

in m EUR	B2C	B2B	Total	Recon- ciliation	Total group
GMV	4,058.1	—	4,058.1	0.0	4,058.1
(prior year)	(3,864.3)	(—)	(3,864.3)	(0.0)	(3,864.3)
Revenue	2,576.1	262.4	2,838.5	-3.4	2,835.1
(prior year)	(2,413.1)	(233.8)	(2,646.8)	(-3.7)	(2,643.2)
thereof intersegment revenue	0.0	3.4	3.4	-3.4	0.0
(prior year)	(0.0)	(3.7)	(3.7)	(-3.7)	(0.0)
Adjusted EBIT	173.7	11.4	185.1	0.4	185.5
(prior year)	(165.2)	(7.1)	(172.4)	(-0.8)	(171.6)
Adjusted EBIT margin (as %)	6.7%	4.3%	6.5%	—	6.5%
(prior year)	(6.8%)	(3.1%)	(6.5%)	(—)	(6.5%)
Share-based payments	18.6	1.9	20.5	0.0	20.5
(prior year)	(20.1)	(2.3)	(22.4)	(0.0)	(22.4)
Acquisition-related expenses	1.5	3.4	4.9	0.0	4.9
(prior year)	(0.8)	(4.2)	(5.0)	(0.0)	(5.0)
One-time effects	0.0	0.0	0.0	0.0	0.0
(prior year)	(-10.6)	(0.0)	(-10.6)	(0.0)	(-10.6)
Restructuring costs	13.8	1.1	14.9	0.0	14.9
(prior year)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
EBIT	139.8	5.0	144.8	0.4	145.2
(prior year)	(154.8)	(0.7)	(155.5)	(-0.8)	(154.7)

GMV in the B2C segment, which is equal to group GMV, increased by 6.2% in H1 2025 and reached 7,593.3m EUR (prior-year period: 7,148.2m EUR). This development was driven by a solid start to the spring/summer season, strategic growth investments (e.g. the roll-out of our updated Zalando Plus loyalty programme) and successful commercial events. Additionally, top-line development was bolstered by continued growth in online retail demand across core European markets.

Revenue in the B2C segment increased by 7.2% in H1 2025, 0.9 percentage points above the GMV growth rate, on the back of good development in our retail business combined with strong growth momentum in ZMS. Partner business GMV grew in line with B2C GMV, resulting in a partner business share of 34.0% in the first half of 2025 (prior-year period: 34.3%).

Our adjusted EBIT in the B2C segment continued to grow in H1 2025, reaching a level of 214.7m EUR compared to 188.1m EUR in the prior-year period. The adjusted EBIT margin in the B2C segment improved to 4.5% (prior-year period: 4.2%).

¹² The Q2 figures are not subject to the review.

Revenue growth rates in the B2B segment continue to outgrow group revenues and increased by 11.9%, reaching 502.3m EUR (prior-year period: 448.9m EUR), with Zalando Fulfilment Solutions (ZFS) being the major growth driver. The adjusted EBIT for the B2B segment was 17.2m EUR in the first half of 2025, compared to 12.6m EUR in the prior-year period. Driven by efficiency gains, the adjusted EBIT margin reached 3.4%, an improvement compared to 2.8% in the first half of 2024.

1.2.4 Cash flows

The group's condensed statement of cash flows is presented in the following table:

Condensed statement of cash flows

in m EUR	Q2/25 ¹³	Q2/24 ¹⁴	H1/25	H1/24
Cash flow from operating activities	283.8	481.7	140.8	379.7
Cash flow from investing activities	-25.5	-12.6	-477.6	-95.2
Cash flow from financing activities	-35.1	-205.3	-65.8	-246.0
Net change in cash and cash equivalents from cash-relevant transactions	223.1	263.8	-402.6	38.6
Change in cash and cash equivalents due to exchange rate movements	0.4	0.8	-2.1	-5.6
Cash and cash equivalents at the beginning of the period	1,959.4	2,301.6	2,587.8	2,533.2
Cash and cash equivalents at the end of the period	2,183.0	2,566.2	2,183.0	2,566.2
Free cash flow	209.3	441.1	17.2	279.6

In H1 2025, we generated a positive cash flow from operating activities of 140.8m EUR, driven mainly by positive effects from our operating income (considering that our net income comprises non-cash expenses like depreciation and share-based payments), which was partially compensated by the development of our net working capital.

In comparison to H1 2024, the decrease in cash flow from operating activities of 238.9m EUR resulted primarily from the development of net working capital.

Capex in H1 2025 amounted to 93.4m EUR (prior-year period: 100.1m EUR), which mainly consisted of investments in logistics infrastructure related to the fulfilment centres in Germany and France, as well as capex in internally developed software.

As a result, our free cash flow declined by 262.4m EUR to 17.2m EUR in H1 2025, from 279.6m EUR in the prior-year period.

In H1 2025, cash flow from investing activities was predominately impacted by the change in restricted cash amounting to -403.0m EUR (prior-year period: 4.9m EUR). For the purpose of implementing the voluntary public takeover offer to the shareholders of

¹³ The Q2 figures are not subject to the review.

¹⁴ The Q2 figures are not subject to the review.

ABOUT YOU Holding SE, we paid 403.0m EUR into a trust account at the beginning of 2025. On 30 June 2025, the funds were still restricted for the acquisition of ABOUT YOU shares through our public takeover offer.

On 11 July 2025, Zalando SE gained control over ABOUT YOU. After having fulfilled all closing conditions, in particular the European Commission's grant of merger control clearance, we increased our share in ABOUT YOU from 6.4% to 91.5% for a total consideration transferred of 1,028.7m EUR, whereby 917.7m EUR became cash-effective as of 11 July 2025.

In H1 2025, the cash flow from financing activities predominately consisted of payments of the principal portion of lease liabilities amounting to 71.8m EUR (prior-year period: 64.3m EUR). The increase in cash flow from financing activities by 180.1m EUR to -65.8m EUR, from -246.0 in the prior-year period, resulted primarily from prior-year effects such as the payments for the repurchase of treasury shares of 100.0m EUR as part of our share buyback programme, as well as the repurchase of convertible bonds of 84.2m EUR in H1 2024.

Overall, even after the payment into the trust account for the acquisition of the ABOUT YOU shares of 403.0m EUR, our remaining cash and cash equivalents remained strong at 2,183.0m EUR as of 30 June 2025 (31 December 2024: 2,587.8m EUR).

1.2.5 Financial position

The group's financial position is shown in the following condensed statement of financial position:

Assets

in m EUR	30 Jun, 2025		31 Dec, 2024		Change	
Non-current assets	2,504.3	30.8%	2,532.3	31.7%	-28.0	-1.1%
Current assets	5,624.3	69.2%	5,451.6	68.3%	172.7	3.2%
Total assets	8,128.6	100.0%	7,983.9	100.0%	144.7	1.8%

Equity and liabilities

in m EUR	30 Jun, 2025		31 Dec, 2024		Change	
Equity	2,791.2	34.3%	2,665.3	33.4%	125.9	4.7%
Non-current liabilities	1,273.1	15.7%	1,328.5	16.6%	-55.3	-4.2%
Current liabilities	4,064.3	50.0%	3,990.2	50.0%	74.1	1.9%
Total equity and liabilities	8,128.6	100.0%	7,983.9	100.0%	144.7	1.8%

Compared to 31 December 2024, our total assets increased slightly by 1.8% to 8,128.6m EUR. The statement of financial position is dominated by property, plant and equipment, net working capital, as well as cash and cash equivalents.

In the first half of 2025, non-current assets comprised additions to intangible assets amounting to 74.0m EUR (prior-year period: 43.5m EUR). Additions to property, plant and equipment amounted to 42.7m EUR (prior-year period: 40.3m EUR). The effects were partly compensated by depreciations and amortisations.

The development in current assets of 172.7m EUR was essentially driven by an increase in inventories of 108.8m EUR and trade and other receivables of 77.9m EUR. Inventories increased to 1,658.6m EUR as of 30 June 2025, reflecting our preparation for the autumn/winter 2025 season start and the low inventory level in Q2 2024. The inventory level was more stable compared to Q2 2023. The changes in other financial assets mainly relate to the increase in our restricted cash position of 403.0m EUR for the acquisition of ABOUT YOU, and are compensated by the corresponding reduction in cash and cash equivalents.

Equity increased by 125.9m EUR to 2,791.2m EUR as of 30 June 2025 (31 December 2024: 2,665.3m EUR), primarily due to our positive net income for the period. The equity ratio increased from 33.4% at the beginning of the year to 34.3% as of 30 June 2025.

While our non-current liabilities decreased by 55.3m EUR due to a decrease in lease liabilities, the development of our current liabilities was mainly driven by the increase in trade payables and similar liabilities of 25.4m EUR to 2,770.5m EUR as of 30 June 2025. Suppliers' claims against Zalando, totalling 559.7m EUR as of 30 June 2025, were transferred to various factoring providers (31 December 2024: 639.2m EUR). These balances were recognised under trade payables and similar liabilities. In addition, the development was impacted by an increase in other non-financial liabilities of 22.8m EUR to 400.2m EUR as of 30 June 2025, mainly impacted by increased VAT liabilities.

Net working capital, consisting of inventories and trade and other receivables less trade payables and similar liabilities, increased from -269.3m EUR as of 31 December 2024 to -107.9m EUR as of 30 June 2025. This development was mainly driven by an increase in inventories, reflecting our preparation for the autumn/winter 2025 season start and the low inventory level in Q2 2024, as well as an increase in trade and other receivables.

Overall assessment

The management board looks positively on the business development in the first half of 2025. In a market environment characterised by rising uncertainty in light of increasing trade barriers and unpredictable economic and trade policies, weighing on both business and consumer confidence, the company has demonstrated its ability to execute on its strategy and to drive profitable growth. The successful completion of the ABOUT YOU transaction marks an important milestone in becoming the leading pan-European ecosystem for fashion and lifestyle e-commerce.

Supported by a positive trend in fashion online penetration in Europe and our enriched offering, GMV increased by 6.2% compared to the prior-year period, while revenues showed an increase of 7.6%. We maintained our focus on profitable growth and achieved an adjusted EBIT of

232.3m EUR in H1 2025 compared to 199.9m EUR in the prior-year period, thereby improving the adjusted EBIT margin to 4.4%, an increase of 0.3 percentage points.

1.2.6 Employees

The average headcount increased by 262 employees, from 15,309 employees as of 31 December 2024 to 15,571 employees as of 30 June 2025.

1.3 Risk and opportunity report

The macroeconomic environment continues to be marked by a high degree of volatility with increased protectionist measures manifested by the introduction of trade barriers and unpredictable economic and trade policies, weighing on both business and consumer confidence. Operating at a pan-European level, we are continuously exposed to these macroeconomic, geopolitical, market and regulatory developments. We deem these external developments to be particularly relevant to us as they may influence our top risks or lead to new risks in the short, medium or long term. The results of the H1 2025 risk cycle reflect these challenges and threats in our risk universe.

Information and cybersecurity remain our top priorities against the growing sophistication of cyber threats. Competition in the online fashion market is intensifying, with global players increasingly focusing their attention on Europe as a more stable and profitable trade environment. Climate change in the sense of changing seasonality and extreme weather events continue to affect consumer demand and challenge our supply and demand forecasts. Enhancing the digital user experience for our customers and shifting towards a discovery-led platform as laid out by our Zalando group strategy presents a profound and complex challenge to overcome. At the same time, investing in our platform capabilities and model to improve attractiveness for partners and brands is imperative for growing our partner share.

Recent developments around trade tariffs and potential EU responses highlight the need to closely monitor our reliance on U.S.-based technology providers and their evolving business models. We may see possible implications for our operational costs, data compliance requirements, strategic planning and long-term business resilience. The key value-creation assumptions for partnering with ABOUT YOU are included as part of our comprehensive risk reporting in the Zalando risk universe. We will work together with ABOUT YOU to not only align methodologies but also integrate the ABOUT YOU risk universe into our risk management system in time for the H2 2025 risk cycle.

Notwithstanding the challenges described in the previous paragraphs, we are confident in our growth and profitability plans for the 2025 financial year. The H1 2025 risk cycle revealed that no single risk or its aggregate might threaten Zalando SE as a going concern.

1.4 Outlook

1.4.1 Future macroeconomic and industry-specific situation

The economic outlook for the euro area remains subdued due to ongoing trade tensions and heightened global uncertainty. For 2025 as a whole, these negative effects are expected to be partially offset by stronger-than-anticipated economic performance in the first quarter. This early strength likely reflects, in part, a front-loading of exports ahead of anticipated tariff increases. Over the medium term, economic activity is expected to benefit from newly announced fiscal measures, which should provide some support for domestic demand. Higher U.S. tariffs on EU goods combined with persistent trade policy uncertainty and the recent appreciation of the euro are expected to dampen euro area exports and investment, and to a lesser extent household consumption. Annual average real GDP growth in the EU is expected to be 0.9% in 2025, 1.1% in 2026 and 1.3% in 2027.¹⁵

The table below shows the percentage changes in private consumption for the period 2024 through 2026.

Private consumption growth

in %	Historical data	Forecast	
	2024	2025	2026
Euro area	1.0	1.2	1.2
Germany	0.2	0.9	1.0
Switzerland	1.8	1.1	1.4
Spain	2.9	2.7	1.9
France	0.9	0.9	1.1
Italy	0.4	0.8	0.7

Source: OECD household spending, June 2025

Inflation in Europe is anticipated to remain below 2% in the near term and is expected to return to target in the medium term. Inflation is projected to decline in the course of 2025 and to reach 1.4% in the first quarter of 2026, before returning to 2.0% in 2027. The decline in headline inflation over 2025 is seen to be driven in part by negative energy inflation following the recent decline in oil prices and wholesale natural gas prices.¹⁶

The German e-commerce sector experienced a steady recovery in the first half of the year driven by higher growth in the second quarter and a significant increase in digital services. This growth is attributed to returning consumer confidence, effective digital outreach and the increasing influence of Asian online platforms.¹⁷ The online fashion segment's market share in Germany is projected to increase from 30.7% to 33% this year.¹⁸

¹⁵ ECB staff macroeconomic projections for the euro area, June 2025

¹⁶ ECB staff macroeconomic projections for the euro area, June 2025

¹⁷ BEVH press releases, July 2025

¹⁸ TextilWirtschaft revenue statistics, July 2025

1.4.2 Guidance

Despite operating in a fast changing macroeconomic and geopolitical environment market, the first half of 2025 was characterised by an acceleration of top line growth with GMV of 6.2% and revenue growth of 7.6%. The European online fashion market segment is experiencing continued growth, driven by increasing online penetration, and we anticipate this structural development will persist throughout the year.

Following the successful closing of the ABOUT YOU deal on the 11 July 2025, we start consolidating ABOUT YOU from closing onwards. Consequently, the management board of Zalando gives a first combined outlook including ABOUT YOU.

For GMV, the combined group is expecting GMV of 17.2bn EUR to 17.6bn EUR representing a 12% to 15% increase vs financial year 2024 (Zalando stand-alone). Revenue for the combined group is expected to range between 12.1bn to 12.4bn EUR, corresponding to an increase of 14% to 17% vs financial year 2024 (Zalando stand-alone). Both figures capturing ABOUT YOU from the closing date, 11 July 2025. On a pro-forma basis, Zalando expects GMV and revenue growth rates of 4% to 7% for financial year 2025.¹⁹

We will maintain our B2C and B2B segment reporting. ABOUT YOU's Commerce segment will be included into B2C and its enterprise digital commerce platform SCAYLE into B2B. Within our segments, due to the inclusion of ABOUT YOU since 11 July 2025, we project both segments to develop in line with group performance. On a pro-forma basis, we continue to project that the B2B segment revenue growth will significantly outpace B2C revenue growth, while we expect pro-forma B2C revenue growth to be modestly below group revenue growth.¹⁹

In terms of profitability, the combined adjusted EBIT is expected to range between 550m EUR to 600m EUR on the back of a strong first half performance, a continued focus on profitable growth and the early realisation of synergies between Zalando and ABOUT YOU.

Furthermore, we continue to invest in logistics and technology to enable our long-term growth ambitions, with a planned combined capex investment of between 200m EUR to 280m EUR in 2025.

Outlook 2025

	Zalando (Initial and outdated guidance from 6 March 2025)	Combined guidance 2025 (Zalando including ABOUT YOU)
	4% to 9%	12% to 15%
GMV	15.9bn EUR to 16.7bn EUR	17.2bn EUR to 17.6bn EUR
	4% to 9%	14% to 17%
Revenue	11.0bn EUR to 11.5bn EUR	12.1bn EUR to 12.4bn EUR
Adjusted EBIT	530m EUR to 590m EUR	550m EUR to 600m EUR
Capex	180m EUR to 280m EUR	200m EUR to 280m EUR

¹⁹ The pro-forma comparative growth rates are based on the assumption that ABOUT YOU is included as of 11 July 2025, and is therefore also included for the same period in the prior year. Pro-forma numbers were not in scope of the review.

1.4.3 Overall assessment by the management board of Zalando SE

Overall, the financial performance and position show that at the time of preparing the half-year report of the financial year 2025, the economic condition of the group including ABOUT YOU since 11 July 2025, remains solid.

Berlin, 5 August 2025

Management board

Robert Gentz	David Schneider
David Schröder	Dr Astrid Arndt

Interim consolidated financial statements

2.1 Consolidated statement of comprehensive income

Consolidated income statement

in m EUR	Notes 2.5.2	Q2/25 ²⁰	Q2/24 ²¹	H1/25	H1/24
Revenue	(1.)	2,835.1	2,643.2	5,254.6	4,884.6
Cost of sales	(2.)	-1,677.6	-1,544.0	-3,151.0	-2,928.6
Gross profit		1,157.4	1,099.1	2,103.6	1,956.0
Fulfilment costs	(3.)	-627.0	-583.5	-1,218.5	-1,134.0
Marketing costs	(3.)	-247.0	-237.3	-456.9	-420.4
Administrative expenses		-128.2	-126.8	-253.8	-249.6
Other operating income		6.4	2.4	10.2	7.7
Other operating expenses	(4.)	-16.4	0.8	-17.9	-4.3
Earnings before interest and taxes (EBIT)		145.2	154.7	166.6	155.5
Interest and similar income		10.8	20.1	25.7	38.2
Interest and similar expenses		-18.4	-24.1	-36.7	-46.1
Other financial result		7.8	-2.8	7.7	-11.8
Financial result		0.3	-6.7	-3.2	-19.7
Earnings before taxes (EBT)		145.5	148.0	163.4	135.8
Income taxes	(5.)	-48.9	-52.3	-56.9	-48.9
Net income/loss for the period		96.6	95.7	106.5	86.9
Net income/loss for the period as percentage of revenue		3.4%	3.6%	2.0%	1.8%
Basic earnings per share (in EUR)	(6.)	0.37	0.37	0.41	0.33
Diluted earnings per share (in EUR)	(6.)	0.37	0.37	0.41	0.33

Consolidated statement of other comprehensive income

in m EUR	Q2/25 ²²	Q2/24 ²³	H1/25	H1/24
Net income/loss for the period	96.6	95.7	106.5	86.9
Items recycled to profit or loss in subsequent periods				
Effective portion of gains/losses from cash flow hedges, net of tax	-1.2	-9.0	-19.6	29.3
Exchange differences on translation of foreign financial statements	-8.7	1.8	-3.3	2.5
Other comprehensive income/loss	-9.9	-7.2	-23.0	31.8
Total comprehensive income/loss	86.6	88.6	83.5	118.7

²⁰ The Q2 figures are not subject to the review.

²¹ The Q2 figures are not subject to the review.

²² The Q2 figures are not subject to the review.

²³ The Q2 figures are not subject to the review.

2.2 Consolidated statement of financial position

Consolidated statement of financial position – assets

in m EUR	Notes 2.5.2	30 Jun, 2025	31 Dec, 2024
Non-current assets			
Intangible assets		428.3	402.2
Property, plant and equipment		1,208.4	1,229.5
Right-of-use assets		693.9	742.3
Financial assets		159.7	143.4
Non-financial assets		3.1	4.4
Investments accounted for using the equity method		1.2	1.4
Deferred tax assets		9.7	9.0
		2,504.3	2,532.3
Current assets			
Inventories	(7.)	1,658.6	1,549.7
Trade and other receivables	(8.)	1,004.0	926.1
Other financial assets		481.7	120.3
Other non-financial assets		297.1	267.7
Cash and cash equivalents	(9.)	2,183.0	2,587.8
		5,624.3	5,451.6
Total assets		8,128.6	7,983.9

Consolidated statement of financial position – equity and liabilities

in m EUR	Notes 2.5.2	30 Jun, 2025	31 Dec, 2024
Equity			
Issued capital		260.5	259.2
Capital reserves		1,362.6	1,319.7
Other reserves		-0.4	24.4
Retained earnings		1,168.5	1,062.0
	(10.)	2,791.2	2,665.3
Non-current liabilities			
Provisions		101.6	104.0
Lease liabilities		653.8	712.8
Convertible bonds		475.5	469.8
Other financial liabilities		11.3	0.3
Other non-financial liabilities		0.2	0.1
Deferred tax liabilities		30.8	41.4
		1,273.1	1,328.5
Current liabilities			
Provisions		38.9	23.0
Lease liabilities		156.6	148.8
Convertible bonds		399.0	394.1
Trade payables and similar liabilities	(11.)	2,770.5	2,745.1
Prepayments received	(11.)	51.7	38.9
Income tax liabilities		41.0	60.7
Other financial liabilities		206.4	202.2
Other non-financial liabilities		400.2	377.4
		4,064.3	3,990.2
Total equity and liabilities		8,128.6	7,983.9

2.3 Consolidated statement of changes in equity

Consolidated statement of changes in equity H1/25

in m EUR	Notes 2.5.2	Issued capital	Capital reserves
As of 1 Jan, 2025		259.2	1,319.7
Net income/loss for the period		0.0	0.0
Other comprehensive income/loss		0.0	0.0
Total comprehensive income/loss		0.0	0.0
Capital increase		0.2	5.0
Issue of treasury shares		1.1	-0.2
Repurchase of treasury shares		0.0	0.0
Share-based payments		0.0	41.3
Deferred taxes from share-based payments		0.0	-3.1
Removement of cash flow hedge reserve to inventories		0.0	0.0
As of 30 Jun, 2025	(10.)	260.5	1,362.6

Consolidated statement of changes in equity H1/24

in m EUR	Notes 2.5.2	Issued capital	Capital reserves
As of 1 Jan, 2024		260.5	1,323.7
Net income/loss for the period		0.0	0.0
Other comprehensive income/loss		0.0	0.0
Total comprehensive income/loss		0.0	0.0
Capital increase		0.1	1.5
Issue of treasury shares		1.1	-0.2
Repurchase of treasury shares		-4.1	-95.4
Share-based payments		0.0	45.0
Deferred taxes from share-based payments		0.0	0.1
Removement of cash flow hedge reserve to inventories		0.0	0.0
As of 30 Jun, 2024	(10.)	257.6	1,274.7

Consolidated statement of changes in equity H1/25

Other reserves		Retained earnings	Total
Cash flow hedges	Currency translation		
4.2	20.2	1,062.0	2,665.3
0.0	0.0	106.5	106.5
-19.6	-3.3	0.0	-23.0
-19.6	-3.3	106.5	83.5
0.0	0.0	0.0	5.2
0.0	0.0	0.0	0.8
0.0	0.0	0.0	0.0
0.0	0.0	0.0	41.3
0.0	0.0	0.0	-3.1
-1.8	0.0	0.0	-1.8
-17.2	16.9	1,168.5	2,791.2

Consolidated statement of changes in equity H1/24

Other reserves		Retained earnings	Total
Cash flow hedges	Currency translation		
-33.5	11.5	810.9	2,373.1
0.0	0.0	86.9	86.9
29.3	2.5	0.0	31.8
29.3	2.5	86.9	118.7
0.0	0.0	0.0	1.6
0.0	0.0	0.0	0.9
0.0	0.0	0.0	-99.5
0.0	0.0	0.0	45.0
0.0	0.0	0.0	0.1
2.1	0.0	0.0	2.1
-2.0	14.0	897.7	2,442.0

2.4 Consolidated statement of cash flows

Consolidated statement of cash flows

in m EUR	Notes 2.5.2	Q2/25 ²⁴	Q2/24 ²⁵	H1/25	H1/24
1 Net income/loss for the period		96.6	95.7	106.5	86.9
2 + Non-cash expenses from share-based payments		20.5	22.4	41.2	44.7
3 + Depreciation of property, plant and equipment, right-of-use assets and amortisation of intangible assets		84.4	77.8	171.5	160.5
4 +/- Income taxes	(5.)	48.9	52.3	56.9	48.9
5 - Income taxes paid, less refunds		-61.8	-30.0	-87.5	-23.9
6 +/- Increase/decrease in provisions		13.6	-4.0	13.7	-4.4
7 -/+ Other non-cash income/expenses		-3.9	6.3	0.3	11.3
8 +/- Decrease/increase in inventories	(7.)	252.0	140.2	-108.8	-3.0
9 +/- Decrease/increase in trade and other receivables	(8.)	-70.6	-186.6	-77.9	-49.0
10 +/- Increase/decrease in trade payables and similar liabilities	(11.)	-160.2	203.9	26.3	116.8
11 +/- Increase/decrease in other assets/liabilities		64.2	103.7	-1.5	-9.1
12 = Cash flow from operating activities	(12.)	283.8	481.7	140.8	379.7
13 - Cash paid for investments in property, plant and equipment		-34.2	-19.2	-43.3	-56.8
14 - Cash paid for investments in intangible assets		-25.5	-21.4	-50.1	-43.3
15 - Cash paid for acquisition of shares in associated companies, subsidiaries less cash acquired and other equity investments		-14.7	0.0	-30.3	0.0
16 +/- Cash received from/paid for short-term investments in other financial assets		49.0	28.0	49.0	0.0
17 +/- Change in restricted cash	(9.)	0.0	0.0	-403.0	4.9
18 = Cash flow from investing activities	(12.)	-25.5	-12.6	-477.6	-95.2
19 + Cash received from capital increases by the shareholders and stock option exercises less transaction costs		0.3	2.0	6.0	2.5
20 - Cash paid for the repurchase of treasury shares		0.0	-92.1	0.0	-100.0
21 - Cash paid for the repurchase of convertible bonds including transaction costs		0.0	-84.2	0.0	-84.2
22 - Cash payments for the principal portion of lease liabilities		-35.5	-31.0	-71.8	-64.3
23 = Cash flow from financing activities	(12.)	-35.1	-205.3	-65.8	-246.0
24 = Net change in cash and cash equivalents from cash-relevant transactions		223.1	263.8	-402.6	38.6
25 +/- Change in cash and cash equivalents due to exchange rate movements		0.4	0.8	-2.1	-5.6
26 + Cash and cash equivalents at the beginning of the period		1,959.4	2,301.6	2,587.8	2,533.2
27 = Cash and cash equivalents at the end of the period	(9.)	2,183.0	2,566.2	2,183.0	2,566.2
Free cash flow	(12.)	209.3	441.1	17.2	279.6

²⁴ The Q2 figures are not subject to the review.

²⁵ The Q2 figures are not subject to the review.

2.5 Condensed notes to the interim consolidated financial statements

2.5.1 Corporate information

Zalando SE is a publicly listed European stock corporation with registered office in Berlin, Germany. Zalando SE, Berlin, is the parent of the Zalando group (hereinafter referred to as "Zalando" or the "group").

The interim condensed consolidated financial statements as of 30 June 2025 were prepared in accordance with IAS 34 Interim Financial Reporting in conjunction with IAS 1 Presentation of Financial Statements as adopted by the EU. The requirements of the WpHG (Wertpapier-handelsgesetz: German Securities Trading Act) were also complied with. The interim condensed consolidated financial statements do not include all of the information and disclosures required for consolidated financial statements and must therefore be read in conjunction with the consolidated financial statements for the year ended 31 December 2024.

Accounting and measurement principles

The accounting policies and recognition and measurement methods applied in the consolidated financial statements as of 31 December 2024 have been applied without change.

The first-time application of amendments to the IFRS accounting standards as issued by the IASB and applicable in the EU in financial year 2025 did not have any material impact on the interim condensed consolidated financial statements.

The interim condensed consolidated financial statements are presented in euros. Due to rounding, it is possible that figures may not add up exactly to the total stated, and the percentages presented may not precisely reflect the figures to which they correspond.

Basis of consolidation

The number of subsidiaries included in the basis of consolidation increased from 58 as of 31 December 2024 to 61 as of 30 June 2025 which did not have any material impact on the interim condensed consolidated financial statements.

2.5.2 Selected notes to the consolidated statement of comprehensive income and statement of financial position²⁶

(1.) Revenue

Revenue

in m EUR	Q2/25	Q2/24	H1/25	H1/24
Revenue from the sale of merchandise	2,252.4	2,116.5	4,173.5	3,899.3
Revenue from other services	582.7	526.7	1,081.1	985.3
Total	2,835.1	2,643.2	5,254.6	4,884.6

Revenue from the sale of merchandise comprised sales of merchandise to our customers within the retail business and is therefore entirely allocated to the B2C segment. Revenue from other services comprised mainly revenues from our partner business, Zalando Payment Services, ZMS and ZEOS Fulfilment (including ZFS and MCF). These revenues are allocated to the B2C and B2B segments.

Further information on revenue can be found in section [2.5.3 \(2.\) Segment reporting](#).

(2.) Cost of sales

Cost of sales

in m EUR	Q2/25	Q2/24	H1/25	H1/24
Non-personnel costs	1,598.8	1,460.4	2,993.5	2,764.6
Personnel costs	78.9	83.6	157.4	164.0
Total	1,677.6	1,544.0	3,151.0	2,928.6

Cost of sales mainly consisted of cost of materials, personnel costs, allowances on inventories, depreciation, third-party services and infrastructure costs.

Cost of sales

in m EUR	Q2/25	Q2/24	Change	H1/25	H1/24	Change
Total	1,677.6	1,544.0	133.6	3,151.0	2,928.6	222.4
thereof historical acquisition costs	1,406.2	1,345.8	60.4	2,615.7	2,474.8	140.8
thereof changes of allowances	-0.1	-51.3	51.2	15.4	-30.1	45.4
thereof fulfilment services	211.6	188.4	23.2	406.3	363.0	43.3
thereof other	60.0	61.1	-1.2	113.7	120.9	-7.2

"Other" comprised mainly partner business, Highsnobiety and ZMS.

²⁶ The Q2 figures are not subject to the review.

(3.) Selling and distribution costs

Selling and distribution costs

in m EUR	Q2/25	Q2/24	H1/25	H1/24
Non-personnel costs	742.2	682.7	1,419.2	1,287.7
Personnel costs	131.8	138.2	256.2	266.6
Total	874.0	820.8	1,675.4	1,554.3

In H1 2025, selling and distribution costs comprised fulfilment costs of 1,218.5m EUR (prior-year period: 1,134.0m EUR) and marketing costs of 456.9m EUR (prior-year period: 420.4m EUR).

The non-personnel costs consist of predominately logistic outbound and marketing expenses as well as depreciation of fixed assets and right-of-use assets.

(4.) Other operating expenses

In H1 2025, other operating expenses amounted to 17.9m EUR (prior-year period: 4.3m EUR) and mainly comprised restructuring costs of 14.9m EUR (prior-year period: 0.0m EUR). These restructuring costs include personnel costs from organisational changes primarily within our customer care teams.

(5.) Income taxes

Income taxes

in m EUR	Q2/25	Q2/24	H1/25	H1/24
Deferred taxes	4.9	-6.4	8.4	6.3
Current taxes	-53.8	-45.9	-65.3	-55.1
Total	-48.9	-52.3	-56.9	-48.9

Income taxes included income tax income for prior years of 2.4m EUR (prior-year period: income tax expense of 0.2m EUR).

Income tax expenses are recognised based on the estimate of the weighted average annual income tax rate for the full financial year. The tax rate for the interim period ended 30 June 2025 is 34.8% (prior-year period: 36.0%).

On 11 July 2025, the Federal Council (Bundesrat) approved the bill for an immediate tax investment programme to strengthen Germany as a business location (Gesetz für ein steuerliches Investitionssofortprogramm zur Stärkung des Wirtschaftsstandorts Deutschland). The bill includes a gradual corporate tax rate reduction of 1% per year from 1 January 2028, from the current 15% to 10% by 2032, and through which would have a reduction impact on the tax rate for the interim period ended 30 June 2025 by 1.5%.

(6.) Earnings per share

The basic earnings per share is determined by dividing the net income/loss for the period attributable to the shareholders of Zalando SE by the basic weighted average number of shares.

Basic earnings per share (EPS)

	Q2/25	Q2/24	H1/25	H1/24
Net income/loss for the period attributable to the shareholders of Zalando SE (in m EUR)	96.6	95.7	106.5	86.9
Basic weighted average number of shares (in millions)	260.3	259.1	260.0	259.8
Total (in EUR)	0.37	0.37	0.41	0.33

The diluted earnings per share is determined by dividing the net income/loss for the period attributable to the shareholders of Zalando SE by the diluted weighted average number of shares.

Diluted earnings per share (EPS)

	Q2/25	Q2/24	H1/25	H1/24
Net income/loss for the period attributable to the shareholders of Zalando SE (in m EUR)	96.6	95.7	106.5	86.9
Diluted weighted average number of shares (in millions)	263.1	261.6	263.0	262.1
Total (in EUR)	0.37	0.37	0.41	0.33

The dilutive effect stemmed from equity-settled share-based payment awards granted to employees and members of the management board. All awards were considered in the calculation of the diluted earnings per share, except for those equity-settled share-based payments containing performance conditions that had not yet been met as of the reporting date or that were out of the money in the respective reporting period. Hence, as in the prior year, only some options under EIP, LTI and ZOP (mainly those with a strike price of 1.00 EUR) were included in diluted earnings per share.

(7.) Inventories

Inventories of merchandise, consisting mainly of shoes and textiles, are presented in the following table:

Inventories

in m EUR	30 Jun, 2025	31 Dec, 2024	Change
Inventories	1,658.6	1,549.7	108.8
thereof historical acquisition costs	1,981.1	1,856.9	124.2
thereof allowances	-322.6	-307.2	-15.4

(8.) Trade and other receivables

As of the reporting date, trade and other receivables comprised the following:

Trade and other receivables

in m EUR	30 Jun, 2025	31 Dec, 2024	Change
Trade and other receivables	1,004.0	926.1	77.9
thereof trade receivables	629.4	593.9	35.6
thereof other receivables	374.6	332.2	42.4

Trade receivables are due from customers of Zalando SE, whereas other receivables are due from customers of our partners for sales concluded on our platform. The entire portfolio of receivables was reduced by bad debt allowances.

Bad debt allowances amount to 41.7m EUR as of 30 June 2025 (31 December 2024: 39.3m EUR).

(9.) Cash and cash equivalents

Cash and cash equivalents decreased by 404.8m EUR in the first half of 2025. This significant decrease is almost entirely attributable to the acquisition of ABOUT YOU, in the course of which EUR 403.0m EUR was transferred to a restricted cash account and subsequently reclassified under other current financial assets.

As of 1 June 2025, we expanded our safeguarding strategy for third-party funds and added escrow accounts, whereas we had previously only used an insurance solution in accordance with § 17 of the German Payment Services Supervision Act (ZAG). As of 30 June 2025, third-party funds held in escrow accounts amounted to 154.0m EUR.

For more information regarding the change in cash and cash equivalents, please refer to [2.5.2 \(12.\) Notes to the statement of cash flows](#).

(10.) Equity

In the first half of 2025, the 125.9m EUR increase in equity primarily stemmed from our positive net income for the period.

(11.) Trade payables and similar liabilities and prepayments received

Trade payables and similar liabilities increased by 25.4m EUR in the first six months of 2025. As of 30 June 2025, suppliers' claims against Zalando totalling 559.7m EUR were transferred to various reverse factoring providers (31 December 2024: 639.2m EUR). These balances were recognised under current liabilities, i.e. trade payables and similar liabilities.

Prepayments received pertain to advance payments received from customers for orders.

(12.) Notes to the statement of cash flows

In the first half of 2025, we generated positive cash flows from operating activities of 140.8m EUR (prior-year period: 379.7m EUR).

All interest paid and received included in the cash flow are from operating activities:

Cash-effective interest

in m EUR	Q2/25	Q2/24	H1/25	H1/24
Interest paid	-10.7	-17.1	-23.7	-35.0
Interest received	10.3	18.6	33.5	36.5
Total	-0.5	1.5	9.9	1.5

In the first half of 2025, interest paid included cash payments for the interest portion of lease liabilities of 12.9m EUR (prior-year period: 13.3m EUR) classified as cash flow from operating activities.

The table below shows the calculation of free cash flow based on cash flow from operating activities.

Free cash flow

in m EUR	Q2/25	Q2/24	H1/25	H1/24
Cash flow from operating activities	283.8	481.7	140.8	379.7
Cash paid for investments in property, plant and equipment	-34.2	-19.2	-43.3	-56.8
Cash paid for investments in intangible assets	-25.5	-21.4	-50.1	-43.3
Cash paid for acquisition of shares in associated companies, subsidiaries less cash acquired and other equity investments	-14.7	0.0	-30.3	0.0
Free cash flow	209.3	441.1	17.2	279.6

(13.) Financial instruments

The fair value of the convertible bonds (level 1 of the fair value hierarchy) as at 30 June 2025 was 869.1m EUR, which is in contrast to a carrying amount of 874.5m EUR. There were no further major differences between the carrying amount and the fair value of other financial instruments.

Corporate investments and derivative financial instruments are measured at fair value (level 2 of the fair value hierarchy). The fair value of corporate investments as at 30 June 2025 was 105.2m EUR (31 December 2024: 92.5m EUR), of derivative financial instruments assets was 14.7m EUR (31 December 2024: 26.2m EUR) and of derivative financial instruments liabilities was 32.7m EUR (31 December 2024: 10.1m EUR).

With regard to the fair value of financial instruments, the valuation methods and inputs as well as the categorisation of the fair value hierarchy levels remain unchanged from 31 December 2024.

2.5.3 Other selected notes²⁷**(1.) Information about related parties**

Transactions with related parties were carried out in the reporting period in the ordinary course of business. These transactions were carried out in accordance with the arm's length principle. All transactions with related parties concern the key management personnel of Zalando, i.e. were carried out with our members of the management board or supervisory board, their close family members or with entities controlled or jointly controlled by those persons.

Transactions with entities controlled or jointly controlled by our key management personnel resulting from the purchase of goods and services gave rise to liabilities of 140.3m EUR as of the reporting date (31 December 2024: 170.8m EUR). Of this amount, 139.8m EUR (31 December 2024: 170.7m EUR) was due to a reverse factoring provider on account of reverse factoring agreements between Zalando and related parties. As a result, there were trade payables or similar liabilities due directly to related parties totalling 0.5m EUR (31 December 2024: 0.1m EUR). Trade receivables from related parties amounted to 0.1m EUR (31 December 2024: 0.2m EUR).

Merchandise of 122.4m EUR was ordered from these related parties in the reporting period. The order volume for merchandise totalled 121.8m EUR in the prior-year period. In addition, goods totalling 0.7m EUR were sold to related parties (prior-year period: 1.7m EUR). Furthermore, we provided services to related parties of 15.0m EUR (prior-year period: 13.1m EUR). As in the prior-year period, we received no services from related parties in the reporting period.

In contrast, transactions with our key management personnel only related to the exercise of options under our share-based payment awards granted to the members of the management board as part of the management board remuneration. In the reporting period, members of the management board exercised 12,342 options under ZOP 2021 and 268,372 options under LTI 2019. No options were exercised by our key management personnel in the prior-year period.

²⁷ The Q2 figures are not subject to the review.

(2.) Segment reporting

The B2C segment, which covers the majority of our business, includes our retail business as well as our platform service ZMS. The B2B segment comprises services that provide B2B products we offer to our partners both on and off our Zalando platform to meet their business needs (i.e. ZEOS Fulfilment, including ZFS and MCF, Tradebyte and Highsnobiety).

Revenue and profitability generated through external business partners as well as internal transactions between our segments are reported to the chief operating decision-maker as required by IFRS 8. As a result, our segment reporting continues to include a reconciliation column to reconcile the segment figures (covering both internal and external transactions) with the consolidated group figures (showing only external transactions). The internal transactions relate to the exchange of goods and services between segments.

The management board measures the performance of the segments on the basis of revenue and adjusted EBIT, which for segment reporting purposes are defined in the same way as for the consolidated financial statements of the group. No information on segment assets or liabilities is available or relevant for decision-making.

The condensed segment results for the first half of 2025 are presented in the table below:

Segment results of the group H1/25

in m EUR	B2C	B2B	Total	Recon- ciliation	Total group
Revenue	4,758.6	502.3	5,261.0	-6.4	5,254.6
(prior year)	(4,441.1)	(448.9)	(4,890.0)	(-5.4)	(4,884.6)
thereof intersegment revenue	0.0	6.4	6.4	-6.4	0.0
(prior year)	(0.0)	(5.4)	(5.4)	(-5.4)	(0.0)
Adjusted EBIT	214.7	17.2	231.9	0.4	232.3
(prior year)	(188.1)	(12.6)	(200.8)	(-0.9)	(199.9)
Adjusted EBIT margin (as %)	4.5%	3.4%	4.4%	—	4.4%
(prior year)	(4.2%)	(2.8%)	(4.1%)	(—)	(4.1%)
Share-based payments	37.7	3.5	41.2	0.0	41.2
(prior year)	(40.4)	(4.3)	(44.7)	(0.0)	(44.7)
Acquisition-related expenses	2.7	6.8	9.5	0.0	9.5
(prior year)	(1.7)	(8.6)	(10.3)	(0.0)	(10.3)
One-time effects	0.0	0.0	0.0	0.0	0.0
(prior year)	(-10.6)	(0.0)	(-10.6)	(0.0)	(-10.6)
Restructuring costs	13.8	1.1	14.9	0.0	14.9
(prior year)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
EBIT	160.4	5.8	166.2	0.4	166.6
(prior year)	(156.6)	(-0.3)	(156.4)	(-0.9)	(155.5)

The condensed segment results for Q2 2025 are shown in the table below:

Segment results of the group Q2/25

in m EUR	B2C	B2B	Total	Recon- ciliation	Total group
Revenue	2,576.1	262.4	2,838.5	-3.4	2,835.1
(prior year)	(2,413.1)	(233.8)	(2,646.8)	(-3.7)	(2,643.2)
thereof intersegment revenue	0.0	3.4	3.4	-3.4	0.0
(prior year)	(0.0)	(3.7)	(3.7)	(-3.7)	(0.0)
Adjusted EBIT	173.7	11.4	185.1	0.4	185.5
(prior year)	(165.2)	(7.1)	(172.4)	(-0.8)	(171.6)
Adjusted EBIT margin (as %)	6.7%	4.3%	6.5%	—	6.5%
(prior year)	(6.8%)	(3.1%)	(6.5%)	(—)	(6.5%)
Share-based payments	18.6	1.9	20.5	0.0	20.5
(prior year)	(20.1)	(2.3)	(22.4)	(0.0)	(22.4)
Acquisition-related expenses	1.5	3.4	4.9	0.0	4.9
(prior year)	(0.8)	(4.2)	(5.0)	(0.0)	(5.0)
One-time effects	0.0	0.0	0.0	0.0	0.0
(prior year)	(-10.6)	(0.0)	(-10.6)	(0.0)	(-10.6)
Restructuring costs	13.8	1.1	14.9	0.0	14.9
(prior year)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
EBIT	139.8	5.0	144.8	0.4	145.2
(prior year)	(154.8)	(0.7)	(155.5)	(-0.8)	(154.7)

(3.) Subsequent events

On 11 July 2025, Zalando SE gained control over ABOUT YOU Holding SE, Hamburg (ABOUT YOU), the parent company of the ABOUT YOU group. After having fulfilled all closing conditions, in particular the European Commission's grant of merger control clearance, we increased our share in ABOUT YOU from 6.4% to 91.5%. We plan to acquire the remaining shares in a squeeze-out.

The acquisition of ABOUT YOU will enable us to pursue a dual-brand strategy in both B2C and B2B, and ABOUT YOU's SCAYLE SaaS commerce platform will complement Zalando's ZEOS e-commerce operating system. Through this combination we intend to create compelling synergies, especially in logistics, payment infrastructure and commercial collaboration. By combining our offerings, we will better serve the needs of customers and partners and will cover a larger share of the European fashion and lifestyle e-commerce market. Combining our complementary software capabilities, Tradebyte and SCAYLE, will create an advanced e-commerce operating system that will enable brands and retailers to even better manage their multi-channel business across Europe.

Due to the short period of time between the closing and reporting dates, all figures below are preliminary. The measurement of acquired net assets and allocation of goodwill have not yet been finalised.

The fair value of the consideration transferred on 11 July 2025 for the acquisition of 91.5% of the ABOUT YOU shares amounts to 1,028.7m EUR. The consideration transferred includes an amount of 917.7m EUR that was paid in cash, an amount of 79.4m EUR that is the acquisition date fair value of the previously held equity interest (6.4% of the ABOUT YOU shares, already acquired in December 2024 and January 2025) and an amount of 31.6m EUR that is the acquisition date fair value of the Zalando shares transferred. Costs associated with this business combination amounted to approximately 12.6m EUR, with 11.7m EUR already expensed in 2024.

The fair value of the net assets acquired will range between 330.0m EUR and 510.0m EUR and will mostly comprise the ABOUT YOU and SCAYLE brand, software, as well customer relationships, lease assets and liabilities, inventories, and current trade receivables and payables. Cash and cash equivalents acquired amount to 117.8m EUR. The assessment of the possibility to use the tax loss carryforwards of ABOUT YOU is ongoing. The transaction will result in goodwill ranging between 560.0m EUR and 720.0m EUR, mostly relating to future business potential and synergies from the complementary B2C and B2B offerings.

Berlin, 5 August 2025

Management board

Robert Gentz	David Schröder
David Schneider	Dr Astrid Arndt

2.6 Responsibility statement by the management board

To the best of our knowledge and in accordance with the applicable reporting principles for half-yearly financial reporting, we assure that the interim condensed consolidated financial statements give a true and fair view of the assets, financial and earnings position of the group, and that the interim group management report includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Berlin, 5 August 2025

Management board

Robert Gentz	David Schröder
David Schneider	Dr Astrid Arndt

2.7 Review report

To Zalando SE, Berlin

We have reviewed the condensed interim consolidated financial statements of the Zalando SE, Berlin, – comprising the consolidated interim statement of financial position as of 30 June 2025, the consolidated interim income statement, the consolidated interim statement of comprehensive income, consolidated interim statement of cash flows, and the consolidated interim statement of changes in equity for the period from 1 January to 30 June 2025, and selected explanatory notes to the condensed interim consolidated financial statements – together with the interim group management report of Zalando SE, Berlin, for the period from 1 January 2025 to 30 June 2025 that are part of the half-year financial report according to § 115 WpHG [“Wertpapierhandelsgesetz”: “German Securities Trading Act”]. The preparation of the condensed interim consolidated financial statements in accordance with International Accounting Standard IAS 34 “Interim Financial Reporting” as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the Company’s management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with IAS 34, “Interim Financial Reporting” as adopted by the EU, and that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor’s report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Berlin, 5 August 2025

KPMG AG
Wirtschaftsprüfungsgesellschaft

Schmidt	Sternberg
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Service

3.1 Glossary

Active customers

Active customers is the number of customers who have placed at least one order in the last 12 months during the reporting period, irrespective of returns. The number of customers who have completely cancelled their orders is excluded.

Adjusted EBIT

Adjusted EBIT is EBIT before equity-settled share-based payment expenses, restructuring costs, acquisition-related expenses and significant non-operating one-time effects.

Average basket size

Average basket size is the gross merchandise volume (including the gross merchandise volume from our partner business) after cancellations and returns and including VAT, divided by the number of orders in the last 12 months of the reporting period.

Average GMV per active customer

Average gross merchandise volume (GMV) per active customer is the average value of all merchandise sold to active customers after cancellations and returns and including VAT in the last 12 months of the reporting period.

Average orders per active customer

Average orders per active customer is the number of orders in the last 12 months of the reporting period divided by the number of active customers.

Capex

Capex is the sum of the payments for investments in fixed assets and intangible assets excluding payments for the acquisition of companies.

EBIT

EBIT is earnings before interest and taxes.

EBIT margin

EBIT margin is EBIT as a percentage of revenue.

Free cash flow

Free cash flow is the cash flow from operating activities plus cash flow from investment activities (excluding investments in time deposits and restricted cash).

GMV

GMV (gross merchandise volume) is defined as the value of all merchandise sold to customers after cancellations and returns and including VAT, dynamically reported. It includes neither B2B revenues (e.g. ZEOS services) nor other B2C revenues (e.g. partner business commissions, Zalando Marketing Services and service charges like express delivery fees); these are included in revenue only. GMV is recorded based on the time of the customers' order.

Net working capital

Net working capital is the sum of inventories and trade and other receivables less trade payables and similar liabilities.

Number of orders

Number of orders is the number of orders placed by customers during the reporting period, irrespective of cancellations or returns. An order is counted on the day the customer places the order. The number of orders placed may differ from the number of orders delivered because the orders at the end of the reporting period may still be in transit or may have been cancelled.

3.2 Financial calendar 2025

Financial calendar

Date	Event
Thursday, 6 November	Publication of the third quarter results 2025

3.3 Imprint

Contact

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Disclaimer

This interim report contains statements that relate to the future and are based on assumptions and estimates made by the management of Zalando SE. Even if the management is of the opinion that these assumptions and estimates are appropriate, the actual development and the actual future results may vary from these assumptions and estimates as a result of a variety of factors. These factors include, for example, changes to the overall economic environment, the statutory and regulatory conditions in Germany and the EU, and changes in the industry. Zalando SE makes no guarantee and accepts no liability for future developments and for the actual results achieved in the future matching the assumptions and estimates stated in this interim report. It is neither the intention of Zalando SE to update statements related to the future, nor does Zalando SE accept a special obligation for this, in order to align them with events or developments that take place after this interim report is published.

The interim report is also available in German. If there are variances, the German version has priority over the English translation. It is available for download in both languages at <https://corporate.zalando.com/en/investor-relations/financial-reporting>.

