



# Investor Factbook

May 2025

zalando

# Welcome to Zalando

Zalando keeps the pace high. Only 16 years after founding the company in 2008, we today serve around 52m active customers in 25 European countries and have become Europe's leading multi-brand online fashion destination. Building on this, more than 15.000 employees work hard every day to build a pan-European ecosystem for fashion and lifestyle e-commerce on Zalando and beyond.

This factbook is designed to give you easy access to the most relevant capital markets information about Zalando.

Enjoy the read!

**Astrid, David, Robert, David,  
and the IR team**



## **Zalando Management Board**

Robert Gentz, David Schröder, Astrid Arndt, David Schneider



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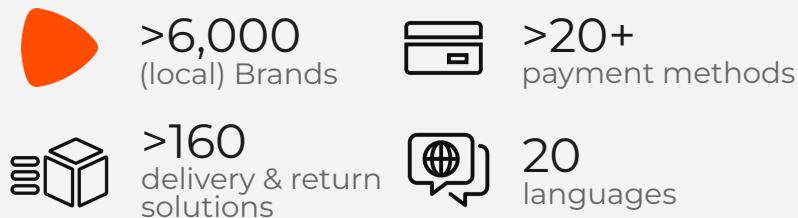
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# Zalando in a nutshell

## Unrivalled scale



## Strong localization



## Industry-leading platform business model



## Best-in-class logistics & tech capabilities







# We are expanding our strategy towards building a pan-European ecosystem for fashion & lifestyle e-commerce

2009 GMV  
€6m

2025 GMV  
€>15bn  
+ 2024

2008 / 2009	2010 / 2011	2011 / 2012	2013 / 2014	2015	2019	
Market Entry	Category Expansion	Geographic Expansion	Operational Excellence	Platform Transition	Starting Point Vision	Ecosystem for Fashion and Lifestyle
<ul style="list-style-type: none"> <li>• Focus on shoes</li> <li>• Defined value proposition</li> <li>• Leadership in Germany</li> </ul>	<ul style="list-style-type: none"> <li>• Apparel</li> <li>• Sports</li> <li>• Accessories</li> <li>• Private label</li> </ul>	<ul style="list-style-type: none"> <li>• 15 European markets</li> <li>• 425m population</li> <li>• Highly localized approach</li> </ul>	<ul style="list-style-type: none"> <li>• Building proprietary technology and logistics infrastructure</li> <li>• Creating scalable and efficient processes</li> <li>• Successful IPO October 2014</li> </ul>	<ul style="list-style-type: none"> <li>• Opening our platform for partners (e.g. Partner Program)</li> <li>• Leveraging capabilities beyond retail (e.g. ZFS, ZMS)</li> <li>• Focusing on customer loyalty (e.g. Zalando Plus)</li> </ul>	<ul style="list-style-type: none"> <li>• Pursuing our vision to be the Starting Point for Fashion</li> <li>• Become a sustainable fashion platform with the “Do More” strategy as core part of our business strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Building a pan-European fashion and lifestyle e-commerce ecosystem around its two key growth vectors: Business-to-Consumer (B2C) and Business-to-Business (B2B).</li> <li>• Allows Zalando to cover an even larger share of fashion and lifestyle e-commerce in Europe</li> <li>• Achieving Net-Zero for whole value chain &amp; empowering workers through Decent Work</li> </ul>

# We are a truly European fashion platform and...

We are **active in 25 European markets** and will **expand our presence to Portugal, Greece, and Bulgaria**.

We serve around **52m active customers**<sup>1</sup>, more than 10% of the European population

And we serve our customers in a more meaningful way as active customers spending over 500 euros make up **around 60% of our GMV**<sup>2</sup>



6 <sup>1</sup> FY/2024, each customer that has placed at least one order within the last twelve months

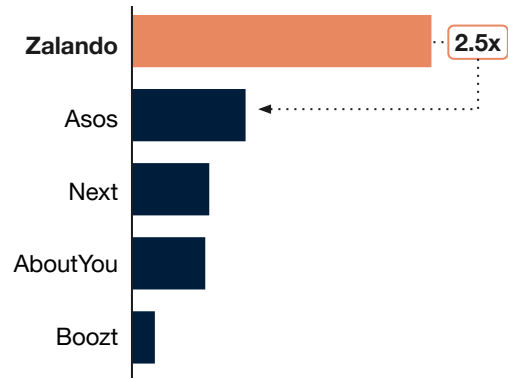
<sup>2</sup> Gross Merchandise Volume (GMV) incl. VAT, data from 2024



## ... the leading multi-brand fashion destination in Europe

### Most visited multi-brand fashion destination

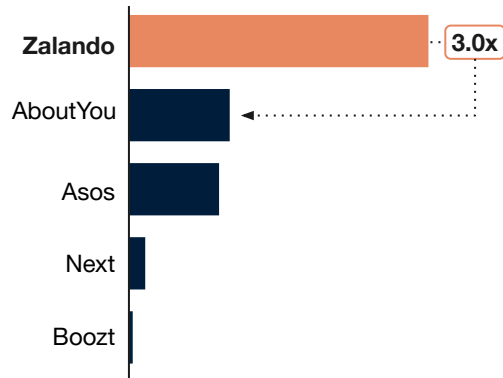
Total unique visitors 2023<sup>1</sup>



**56% of customers visit us 5+ times per month<sup>4</sup>**

### Most downloaded multi-brand fashion app

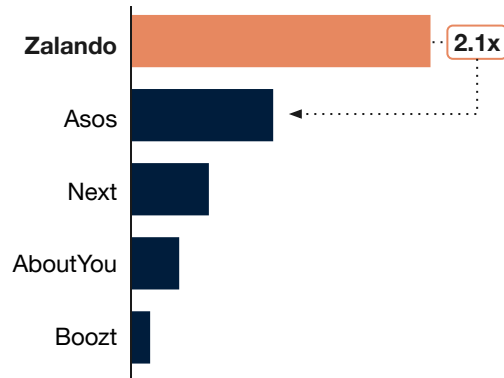
Total app downloads 2023<sup>2</sup>



**61% of orders done via App**

### Unmatched scale in Europe

Active customers in #m<sup>3</sup>



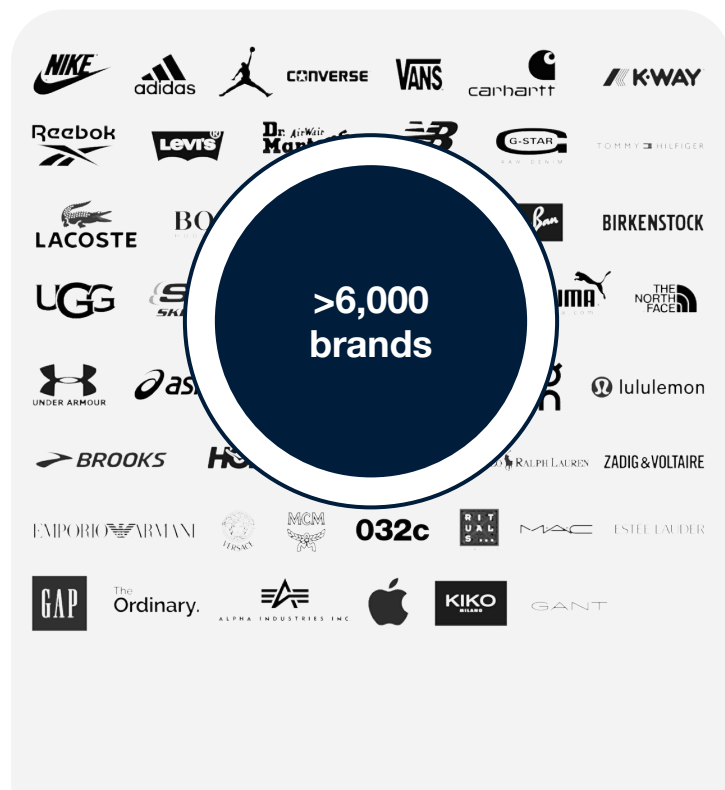
**~300 EUR spend per customer<sup>5</sup>**

# We have become THE European meeting point of customers and lifestyle brands



**61%**  
of consumers prefer to  
shop **fashion** at  
multi-brand retailers<sup>1</sup>

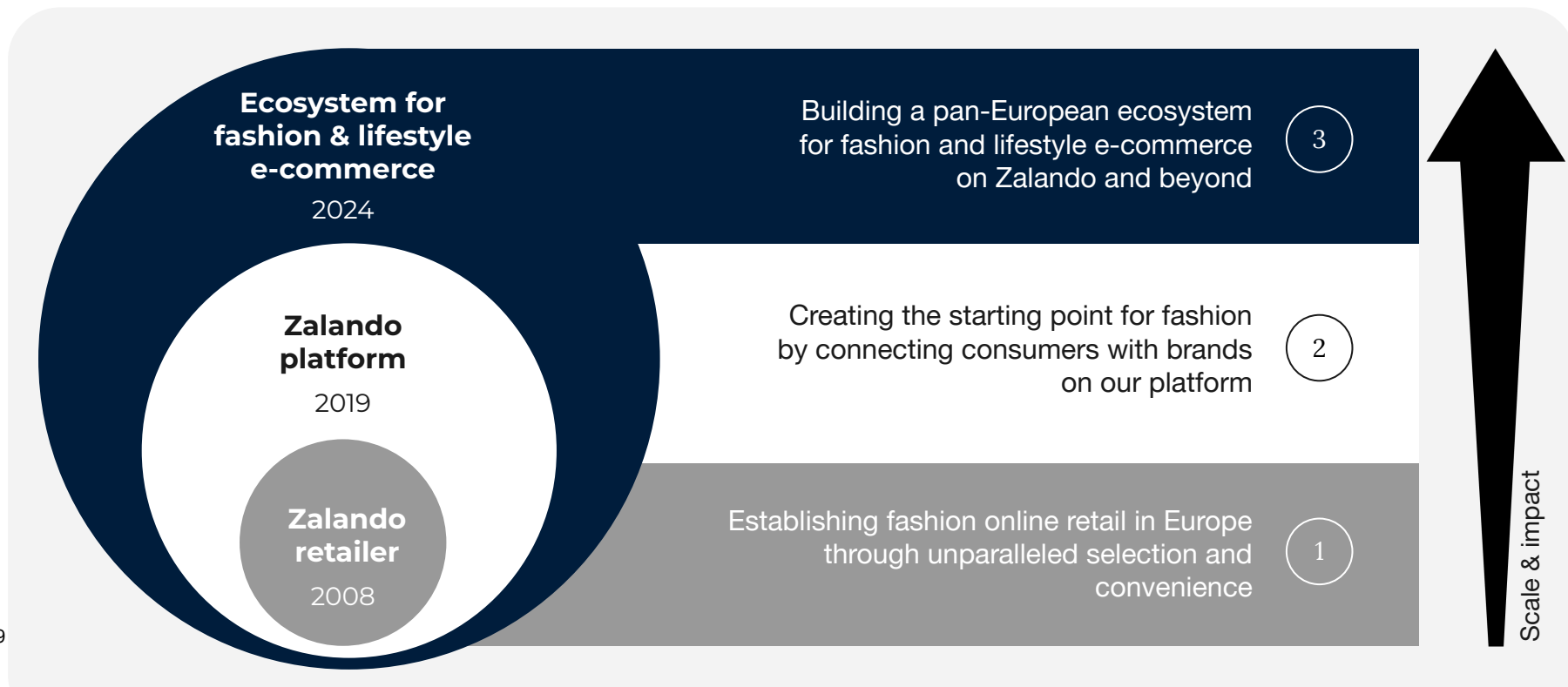
**15**  
different brands  
ordered by average  
Zalando customer<sup>2</sup>





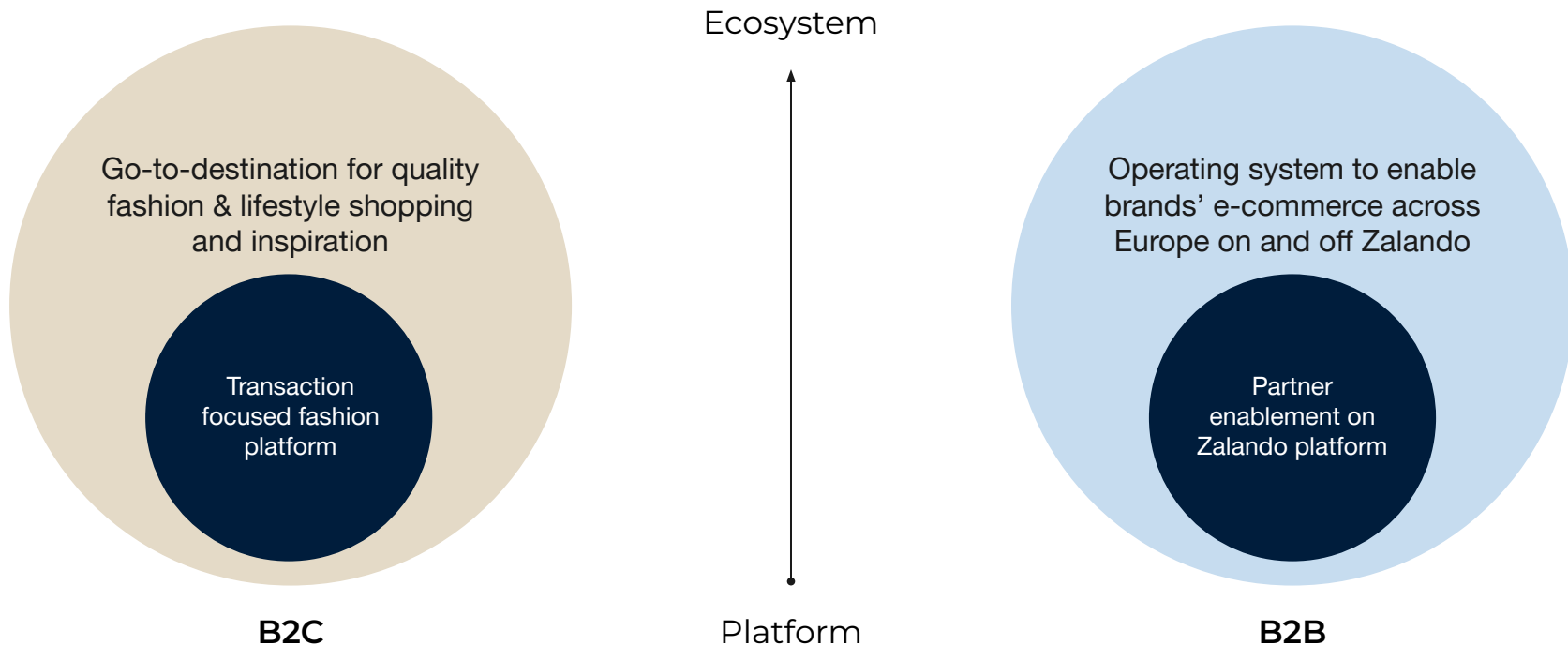


# We expand our strategy towards building a pan-European ecosystem for fashion & lifestyle e-commerce





Our ecosystem strategy serves customers beyond transactions and enables partners beyond our platform across Europe

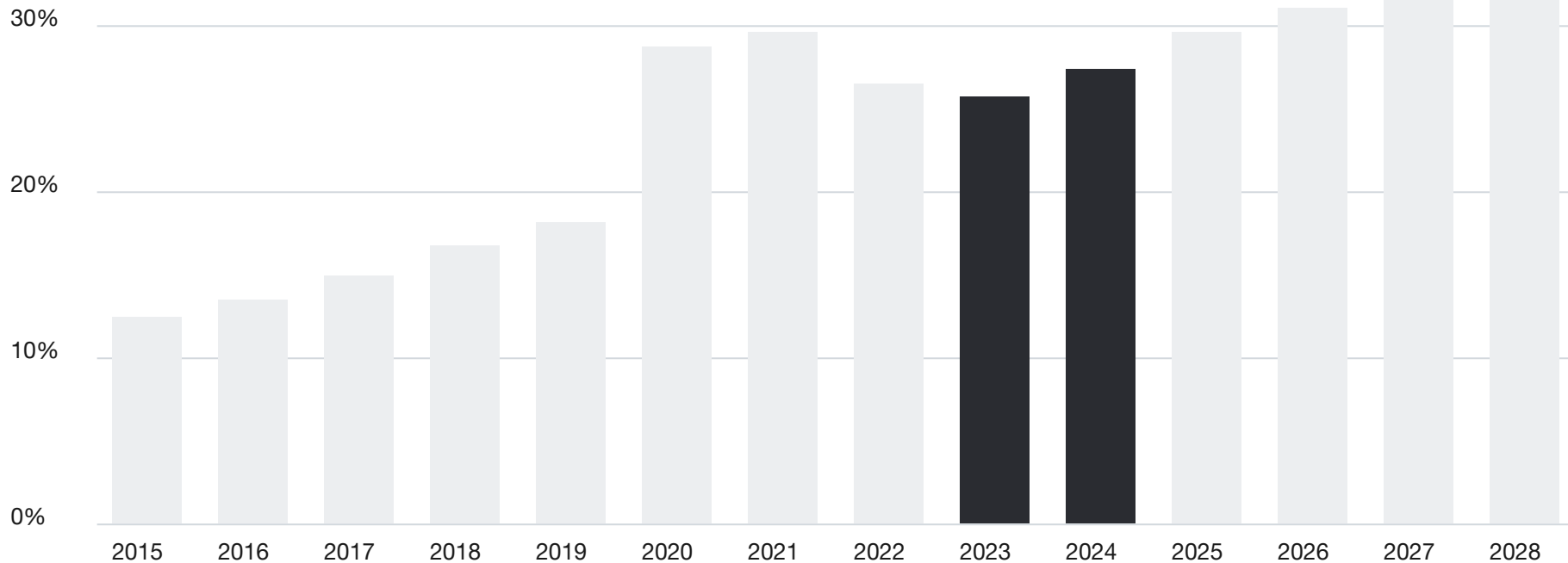




# European e-commerce penetration returned to its long term trend line and increased again for the first time post Covid

## Online Penetration Fashion in Europe<sup>1</sup>

(in percent)



11 <sup>1</sup> Euromonitor online penetration as of February 2025, international forecasts, values based on actuals and estimates; fixed exchange rates. Fashion data incl. apparel and footwear, bags and luggage, jewelry and watches. Data for Europe (excl. Russia)

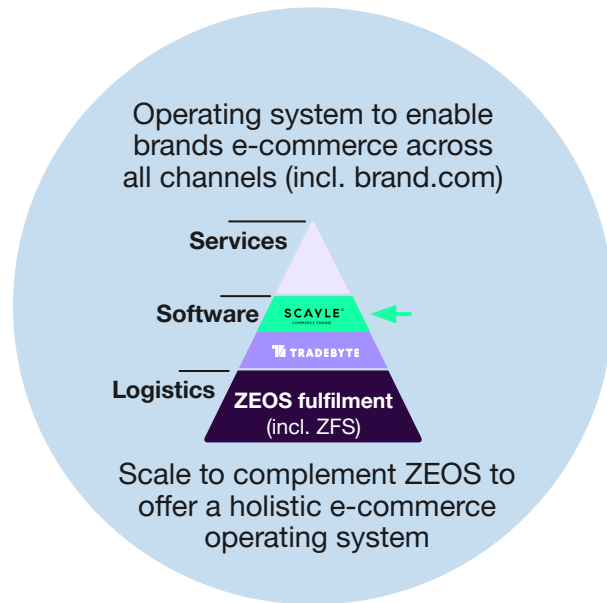
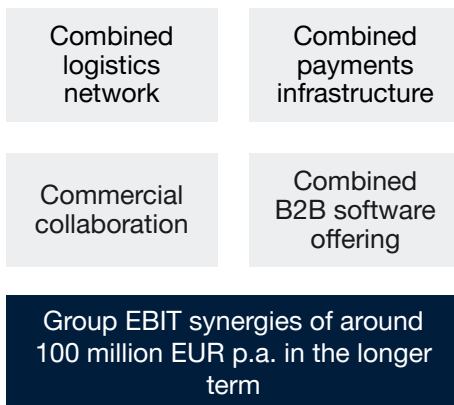


# Acquisition of ABOUT YOU plays into our ecosystem strategy and unlocks significant value creation opportunities

## Significant value creation opportunities



**B2C**



**B2B**

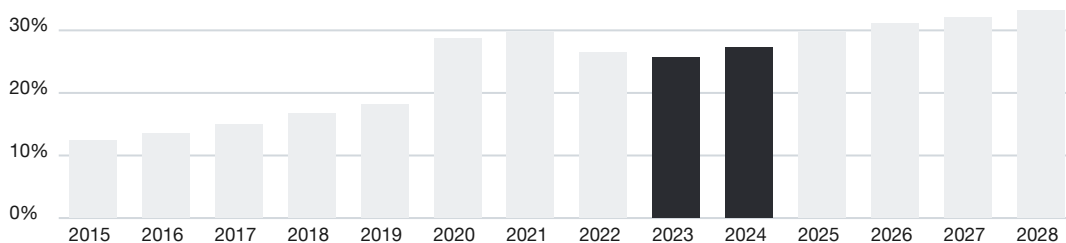


# Transaction adds further scale to an already huge opportunity contributing to Zalando's attractive long term financial profile

## Expanded ecosystem opportunity



## Online fashion segment continues to grow<sup>1</sup>



## Combined group offers highly attractive financial profile at scale

	B2C	B2B
<b>Long-term target margin</b> (adj. <sup>2</sup> EBIT margin in % revenue)	10% – 13%	10% – 13%

<sup>13</sup> <sup>1</sup>Euromonitor online penetration as of February 2025, international forecasts, values based on actuals and estimates; fixed exchange rates. Fashion data incl. apparel and footwear, bags and luggage, jewelry and watches. Data for Europe (excl. Russia)

<sup>2</sup> Excludes equity-settled share-based payment expense ("SBC"), restructuring costs, significant non-operating one-time effects and acquisition-related expenses



# Our mid-term guidance for the combined group until 2028 reflects our ambition to return to strong growth and to continue margin expansion

5-year CAGR<sup>1</sup> (2023 – 2028)

Adjusted EBIT margin in % of revenue

Zalando combined group (incl. ABOUT YOU)

Growth	GMV	5% – 10% CAGR
	Revenue	5% – 10% CAGR
Profitability	Adj. <sup>2</sup> EBIT margin	6% – 8% in 2028
Cash generation	Free cash flow	Strong free cash flow

14 <sup>1</sup> For the combined group including pro-forma ABOUT YOU numbers

<sup>2</sup> Excludes equity-settled share-based payment expense ("SBC"), restructuring costs, significant non-operating one-time effects and acquisition-related expenses



Zalando is still managed by its founders, supported by high-profile experts that secure a well-rounded view of the business



**Robert Gentz**  
Co-founder &  
co-CEO



**David Schröder**  
Co-CEO<sup>1</sup>



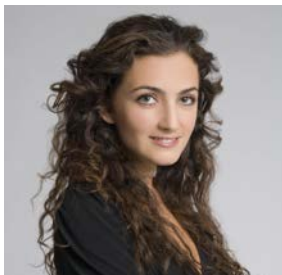
**Astrid Arndt**  
Chief People  
Officer



**David Schneider**  
Co-founder



# All supervisory board members have the relevant track record from various businesses to support Zalando



**Jennifer Hyman**<sup>1</sup>  
CEO and Co-Founder at  
Rent the Runway, Inc.



**Anders Hoch  
Povlsen**<sup>1</sup>  
CEO of Bestseller A/S



**Anika  
Mangelmann**<sup>2</sup>  
Zalando SE



**Niklas Östberg**<sup>1</sup>  
CEO and Co-Founder of  
Delivery Hero SE



**Susanne  
Schröter-Crossan**<sup>1</sup>  
CFO at sennder  
Technologies GmbH



**Matti Ahtiainen**<sup>2</sup>  
Zalando Finland Oy



**Kelly Bennett**<sup>1</sup>  
Executive Advisor to  
Microsoft/Xbox, Nubank and  
Spotify leadership teams



**Mariella  
Röhme-Kottmann**<sup>1</sup>  
CFO at Sunlight Group Energy  
Storage Systems Industrial and  
Commercial SA



**Jade Buddenberg**<sup>2</sup>  
Zalando SE





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1. Investment highlights
2. Business to consumer (B2C)

## Overview

Supplementary information on B2C proposition

Supplementary information on B2C business models

3. Business to business (B2B)
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6. Business segments & financials
7. Share, convertible bond & contact

## We set the standard of fashion e-commerce in Europe addressing important needs

Trusted European brand

Tailored & innovative  
digital experience

Sustainable & inclusive  
choices

Highly relevant  
assortment & content

Localized & personalized  
convenience



# Our quality differentiation drives a flywheel for customers, partners and Zalando with substantial benefits

## Customer benefits

- **Access** to more than **6,000 brands**
- **11,000 exclusive** products<sup>1</sup>
- **300 hot drops**<sup>1</sup>



## Partner benefits

- Unparalleled access to about **52m active customers** in **25 markets** via Partner Program
- Ability to **authenticate** in a **quality multi-brand environment**

## Zalando benefits

- **Higher scalability and flexibility** with a **50% Partner Program CAGR**<sup>2</sup>
- **Margin accretive** platform business

Our offering allowed us build a ~52m customer base and strong partnerships with >6,000 brands

Last twelve month figures, FY/24

~300EUR

GMV per customer

~52m

active customers

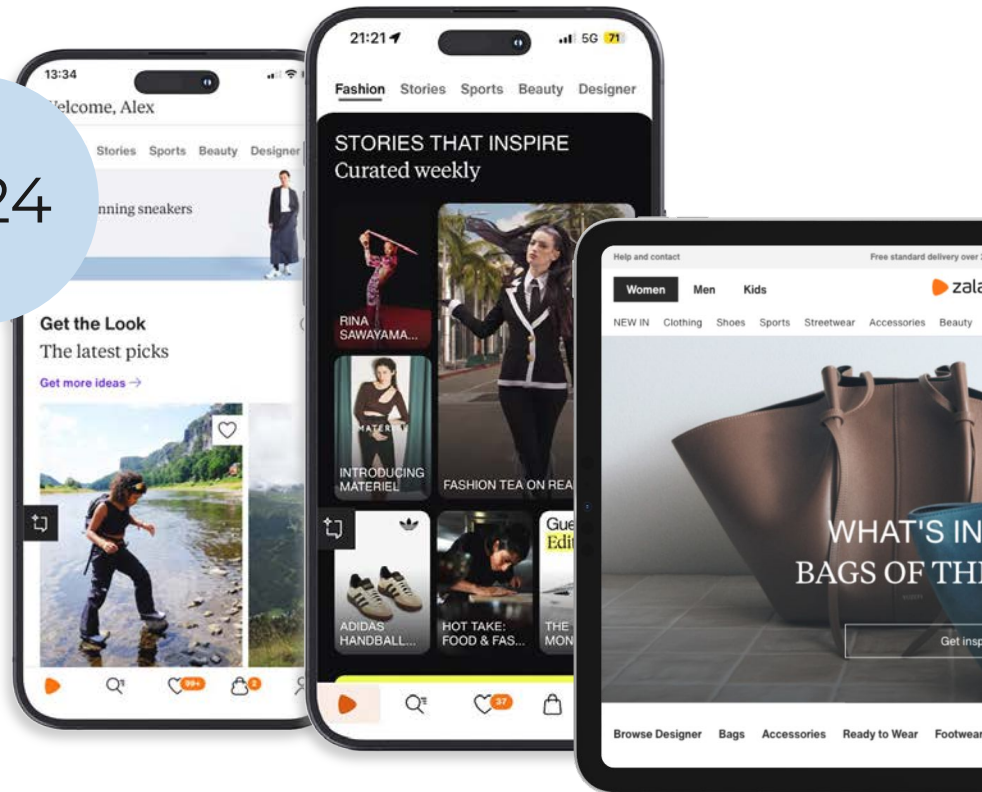
~61EUR

average basket  
size per customer

~5x

average order per  
active customers

2024







## Evolving needs of customers create new opportunities

### Growing expectations

59% of Zalando customers are willing to pay more for good **quality**.<sup>1</sup>

### Increased lifestyle expenditure

>50% of consumer expenditure in Europe is on **lifestyle** categories.<sup>2</sup> Fashion represents less than a quarter of that.

### Inspiration as entry point to shopping

86% of consumers look for **inspiration** within their shopping journey. For GenZ this increases to 96% and social media is the predominant source.<sup>3</sup>

Access, convenience, personalization & more sustainable choices



# Our B2C growth vector is built on three strategic growth pillars

## MULTI-BRAND PLATFORM

### Differentiation through quality



### Lifestyle expansion



### Inspiration & entertainment



# We continue to raise the bar on quality in everything we do

## Trusted European brand





# Our loyalty programme rewards all customers of our platform for their engagement

Zalando Plus is points-based tiered loyalty programme

**Plus \*\* Superstar**

Level 3

Priority access to new releases

Free premium delivery  
Unlimited

Premium customer care

Free delivery for orders under MOV 5 per year

**Plus \* Star**

Level 2

Free premium delivery 4 per year

Premium customer care

Free delivery for orders under MOV 3 per year

**Plus \* Shine**

Level 1

Free delivery for orders under MOV 1 per year

Untapped opportunity



Engaged and happy customers translate into increased order frequency and more loyalty

>90%

of Zalando customers are not yet part of Zalando Plus

>60%

of Zalando customers state they seek rewards for their loyalty

# Deepening customer engagement with our upgraded loyalty programme Zalando Plus

Successfully rolled-out loyalty programme to 13 markets with  
additional markets to be launched throughout the year

More than 15% of our customer base in all live markets is  
already participating<sup>1</sup>



<sup>1</sup> As of 4 May



We offer high equity brands that have a rich heritage, exciting products and unique stories to tell

The **brand is a major factor when buying** for >60% of customers.<sup>1</sup>



We are a preferred partner for many brands.

30% of Gen Z consumers rank quality as **the most important factor**, ahead of price, fast delivery, or free returns.<sup>2</sup>



We have access to the most demanded products, many of which are exclusive to us.

**Product quality is a top 3 reason** when choosing where to shop. 59% are willing to **pay more for quality items**.<sup>3</sup>



We have a proven capability to tell the story behind a brand and a product.

## Lacoste x Zalando

An **exclusive** capsule collection only available on Zalando





We brought the collection to where customers are in France,  
in a locally tailored way

### Driving awareness



### Driving engagement



**+65%**

traffic at campaign start

**+37%**

conversion rate increase  
after go-live

**+9%**

YoY GMV increase<sup>1</sup>



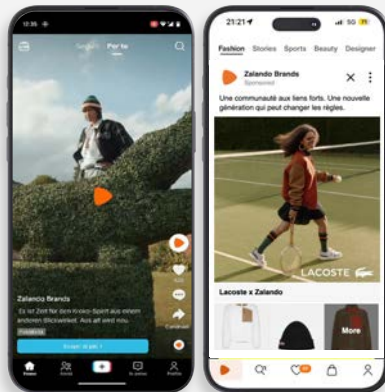
# ZMS brought it across Europe and created a lasting impact

**Awareness**

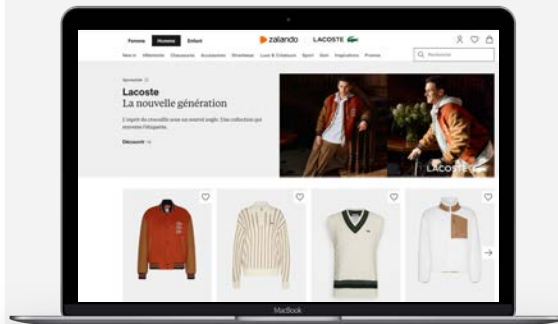
**Consideration**

**Conversion**

## Offsite digital-first campaign



## Onsite activation



**>2.8m**  
PDP views<sup>1</sup>

**+27%**  
brand followership increase  
during campaign

**60%**  
of acquired customers are  
new to the brand

## Size & Fit steps up quality of service

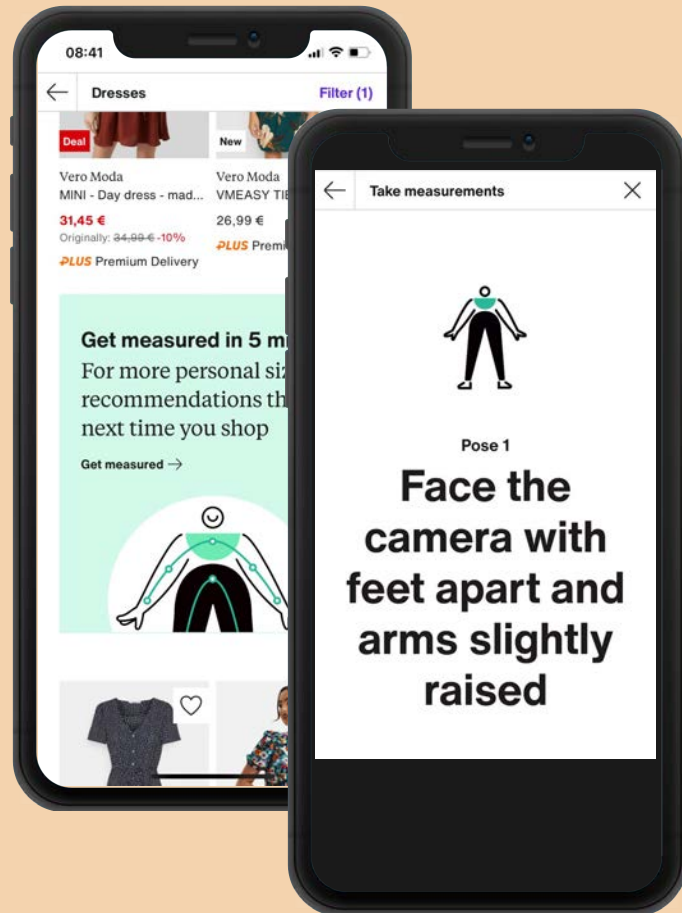
We continue to break ground and reduce the need for a physical changing room, **using computer vision, generative AI and mixed reality.**

60%

of all items sold  
on Zalando use  
size advice

>14%

reduction of size-related  
returns enabled by new  
technologies and experiences





# Our B2C growth vector is built on three strategic growth pillars

## MULTI-BRAND PLATFORM

### Differentiation through quality



### Lifestyle expansion

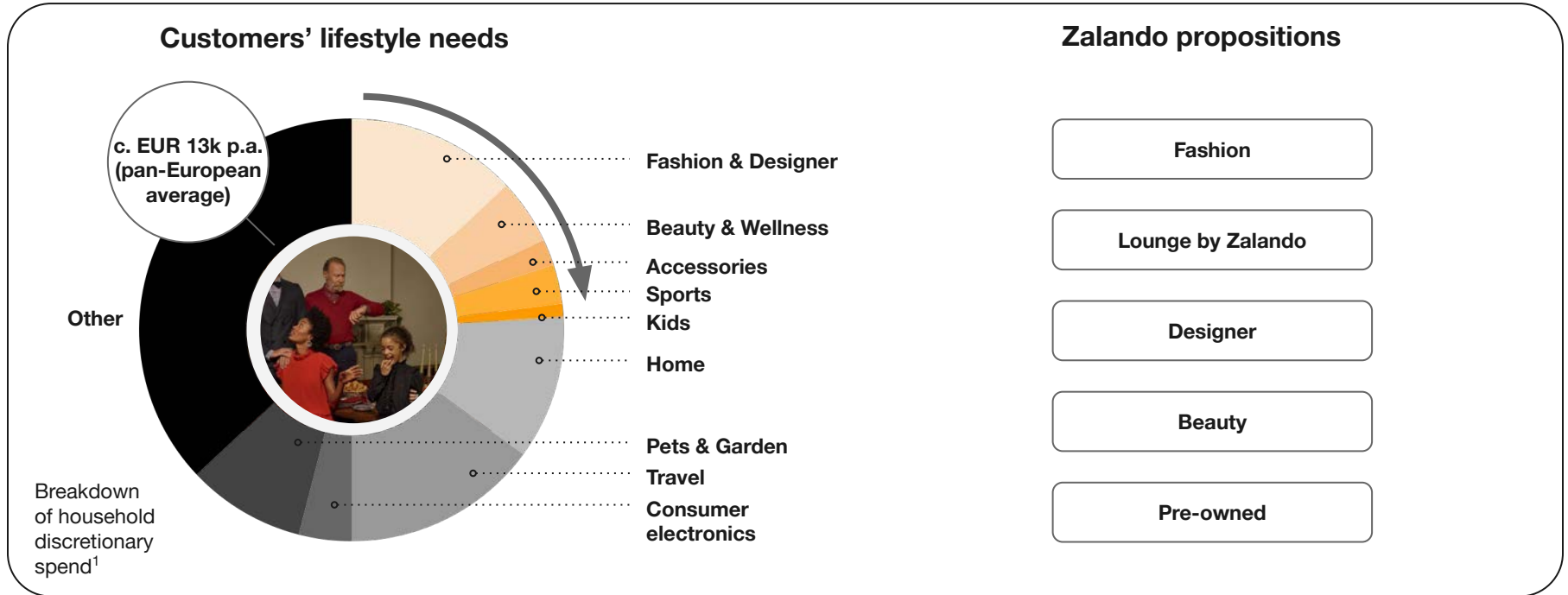


### Inspiration & entertainment





# We serve more of our customers' lifestyle needs with growing and powerful propositions



Our beauty proposition is experiencing strong growth as we are continuously strengthening our assortment

*SOL*  
DE  
*JANEIRO*

ARMANI  
beauty

Still to come

*Kiehl's*  
SINCE 1851

ghd  
good hair day

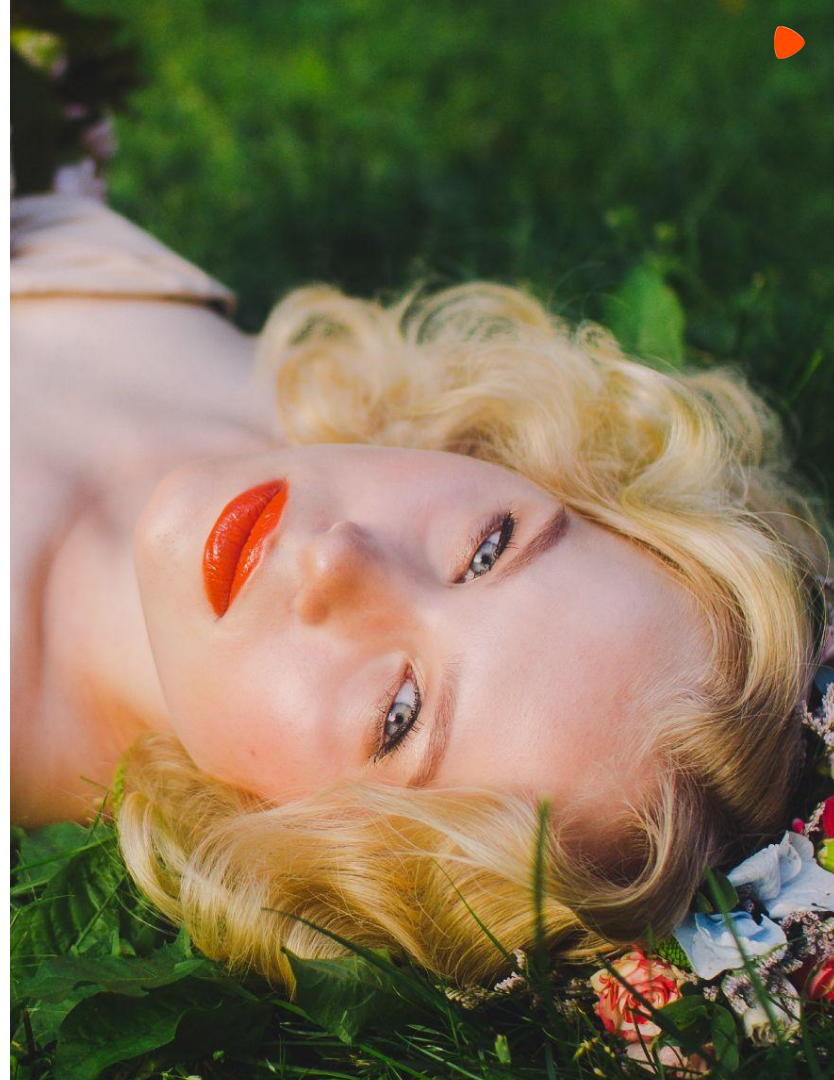
dyson

Milk MAKEUP

Abib

TIRTIR

SUNDAY  
RILEY



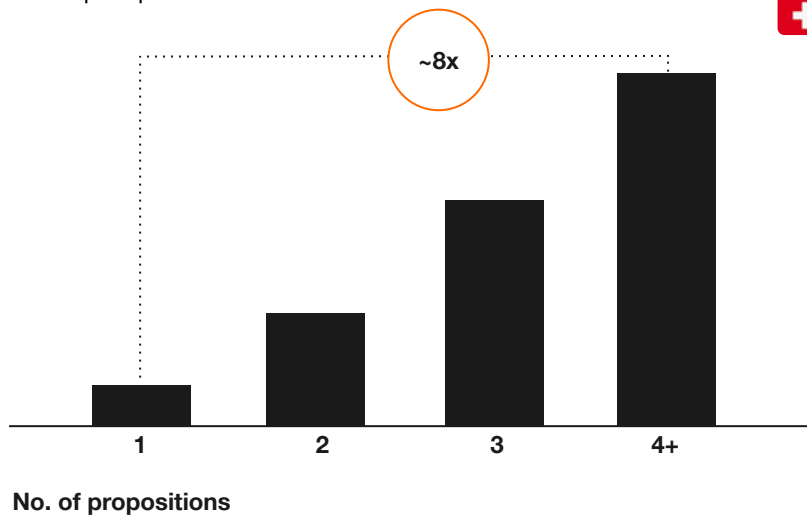


# Our multi-proposition machine has been delivering results – even in a challenging environment

## Customers shopping multiple propositions spend more ... (in DACH, 2023)



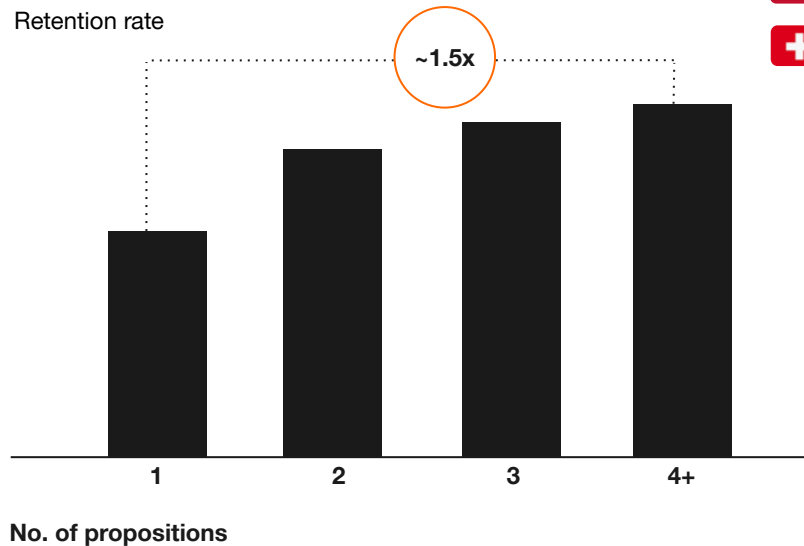
GMV spent per customer



## ... and show significantly higher retention rates (in DACH, 2023)



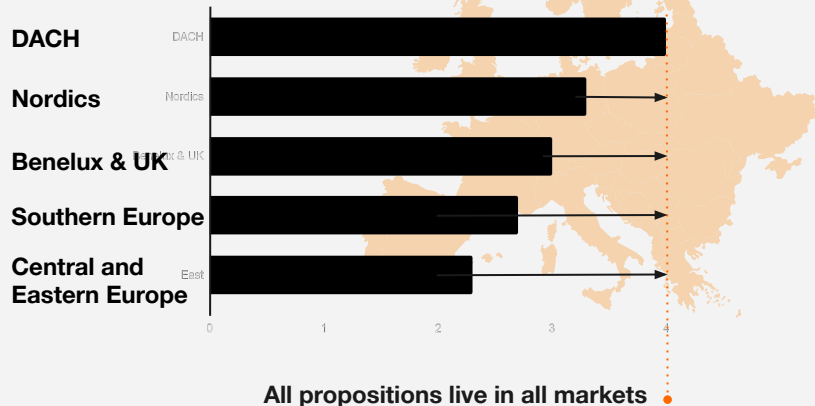
Retention rate



# Our multi-proposition machine has tremendous room for growth

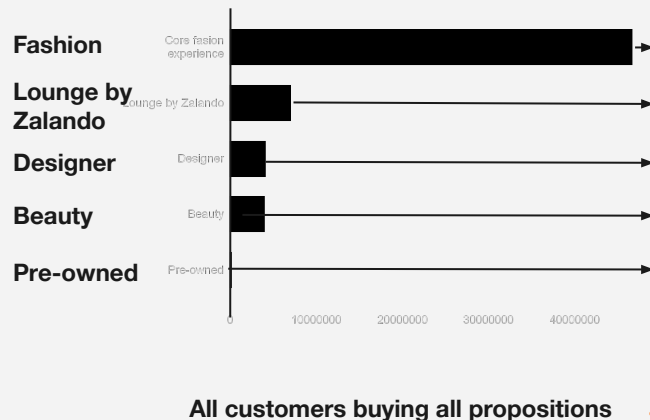
We will drive growth by rolling out existing **propositions to more markets**

Average no. of propositions per market cluster (illustrative)



And we see a massive opportunity for driving **multi-proposition adoption**

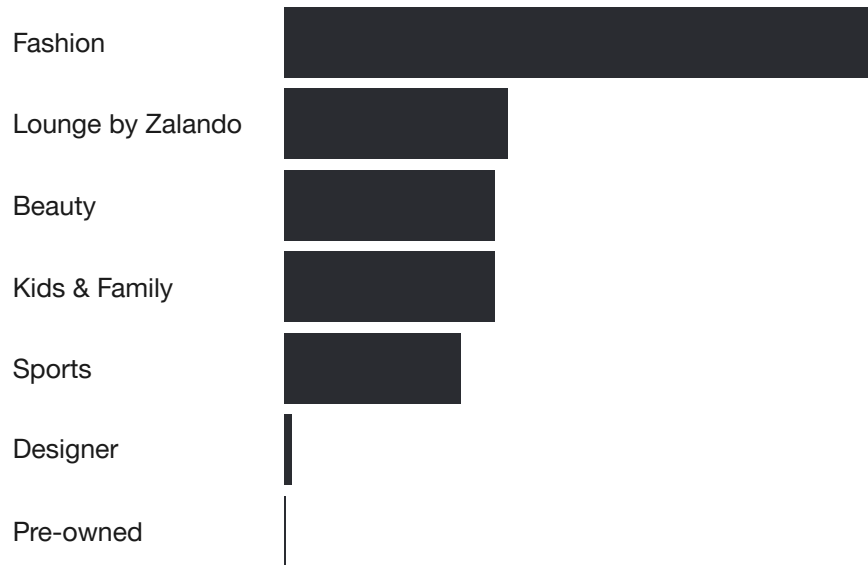
Customers per proposition (in #m)<sup>1</sup> (illustrative)





## 2024, we serve more of our customers' lifestyle needs by growing distinct propositions

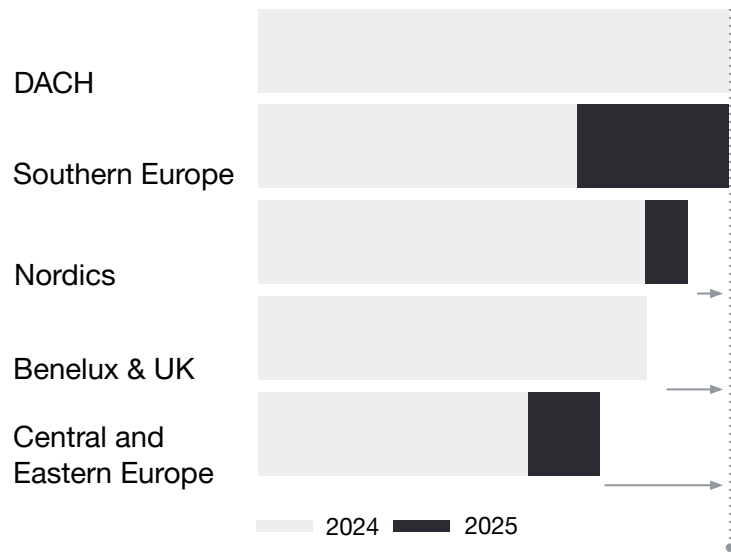
Increase in customers per proposition<sup>1</sup>  
(in m) (illustrative)



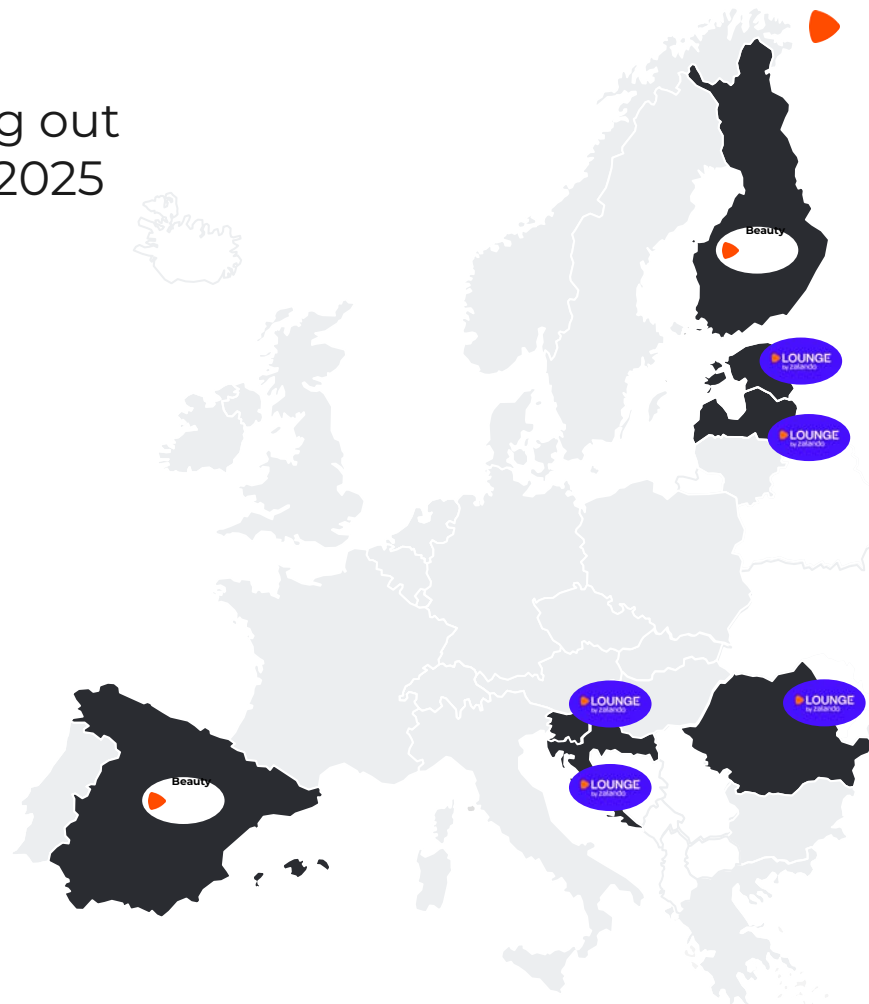


# We will continue to drive growth by rolling out existing propositions to more markets in 2025

Average no. of propositions per market cluster  
(illustrative)

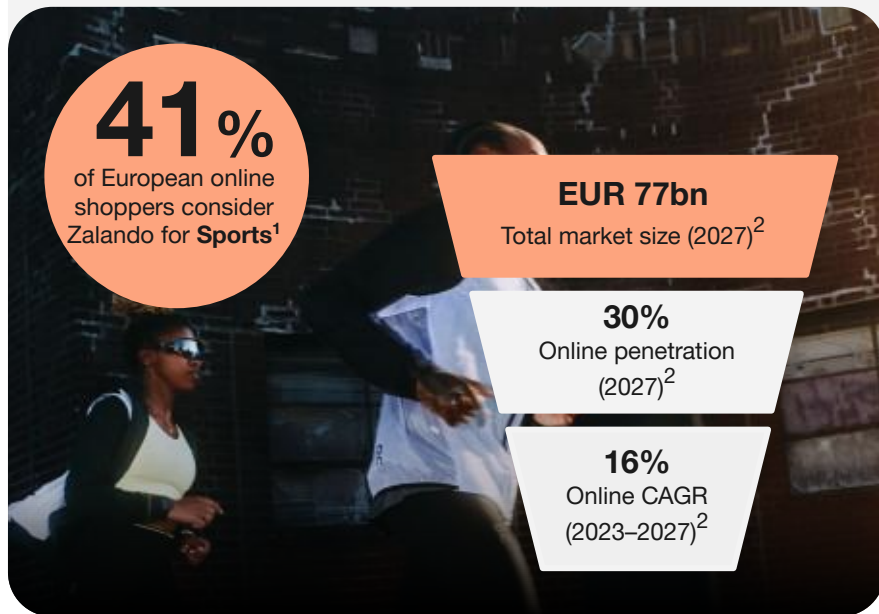


All propositions live in all markets

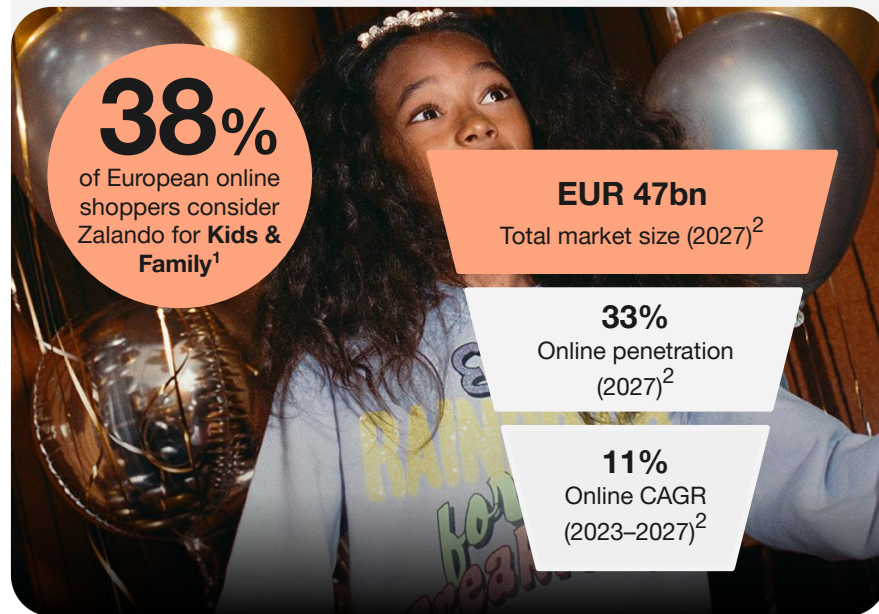


## We build powerful new propositions in Sports and Kids & Family

### Sports

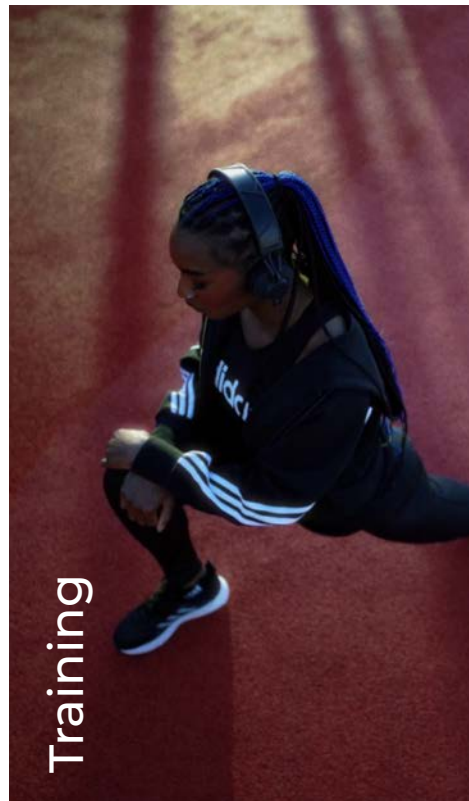
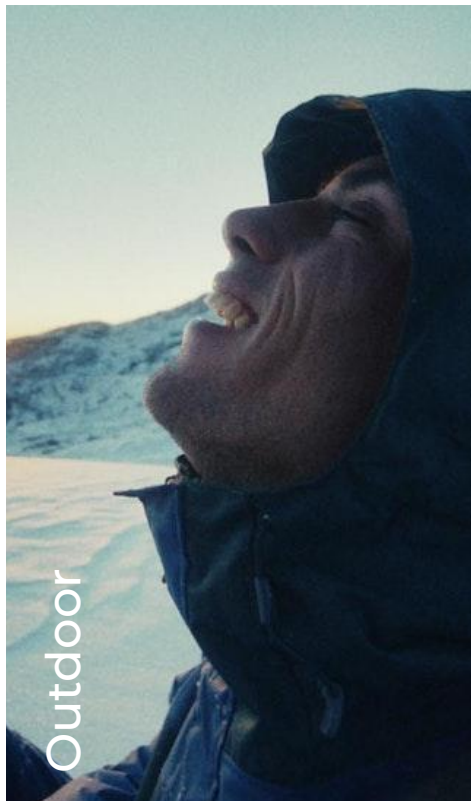


### Kids & Family



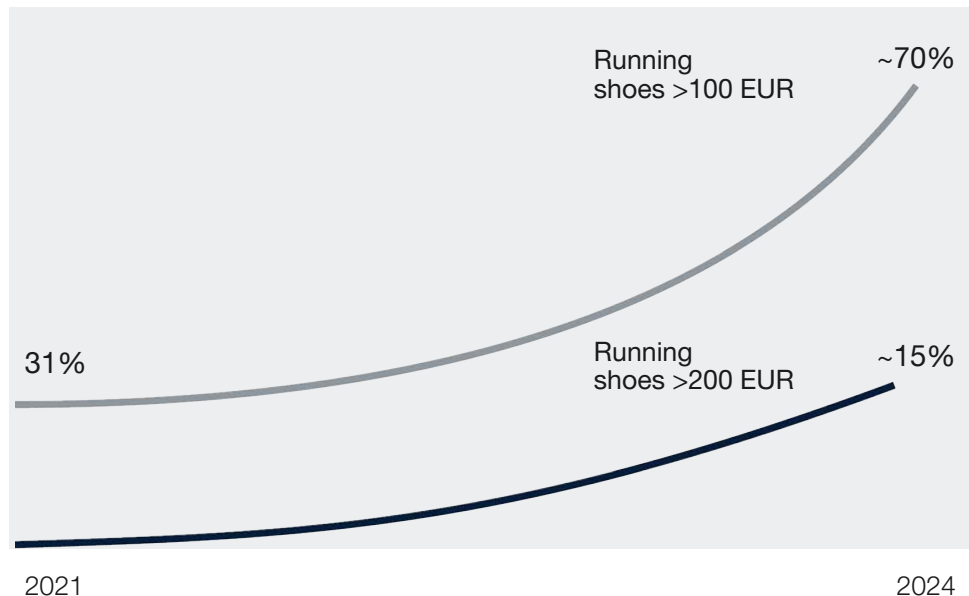


We are doubling down on our sports opportunity by creating bespoke customer experiences for our biggest sports categories ...



... and boosting our running  
assortment competency through high  
quality partnerships

Share of running shoes business in %





# Our B2C growth vector is built on three strategic growth pillars

## MULTI-BRAND PLATFORM

### Differentiation through quality



### Lifestyle expansion



### Inspiration & entertainment





## Inspiration is becoming a key driver of the shopping journey

31%

of fashion shoppers know the brand and product they want to buy when they start their fashion journey<sup>1</sup>

>70%

GenZ shoppers make their decision to purchase while seeking inspiration<sup>2</sup>

72%

of inspiration happens online<sup>1</sup>



Business to consumer

We are engaging and entertaining our customers by telling more compelling stories

Since launch in August 2023

>500

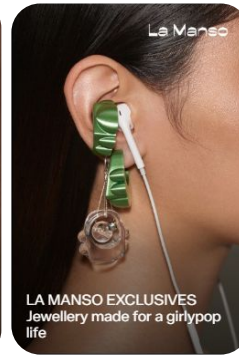
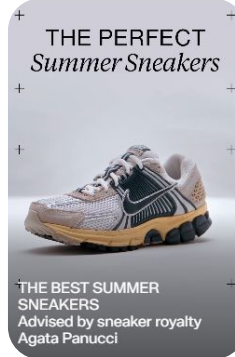
Stories published

>700

Featured brands

>7000

Featured products



We are constantly experimenting and iterating new ways to engage our customers with exciting content and AI-driven experiences

New content  
sources:  
Talent Profiles



New content  
types:  
Live Shopping



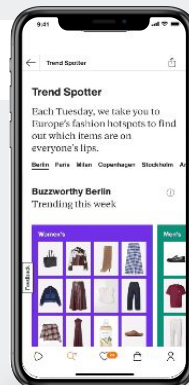
New content  
formats:  
User Boards



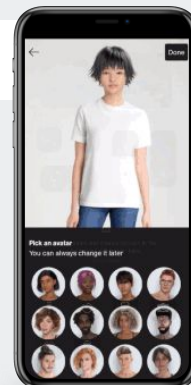
Zalando  
Assistant



Trendspotter



Outfit  
Builder



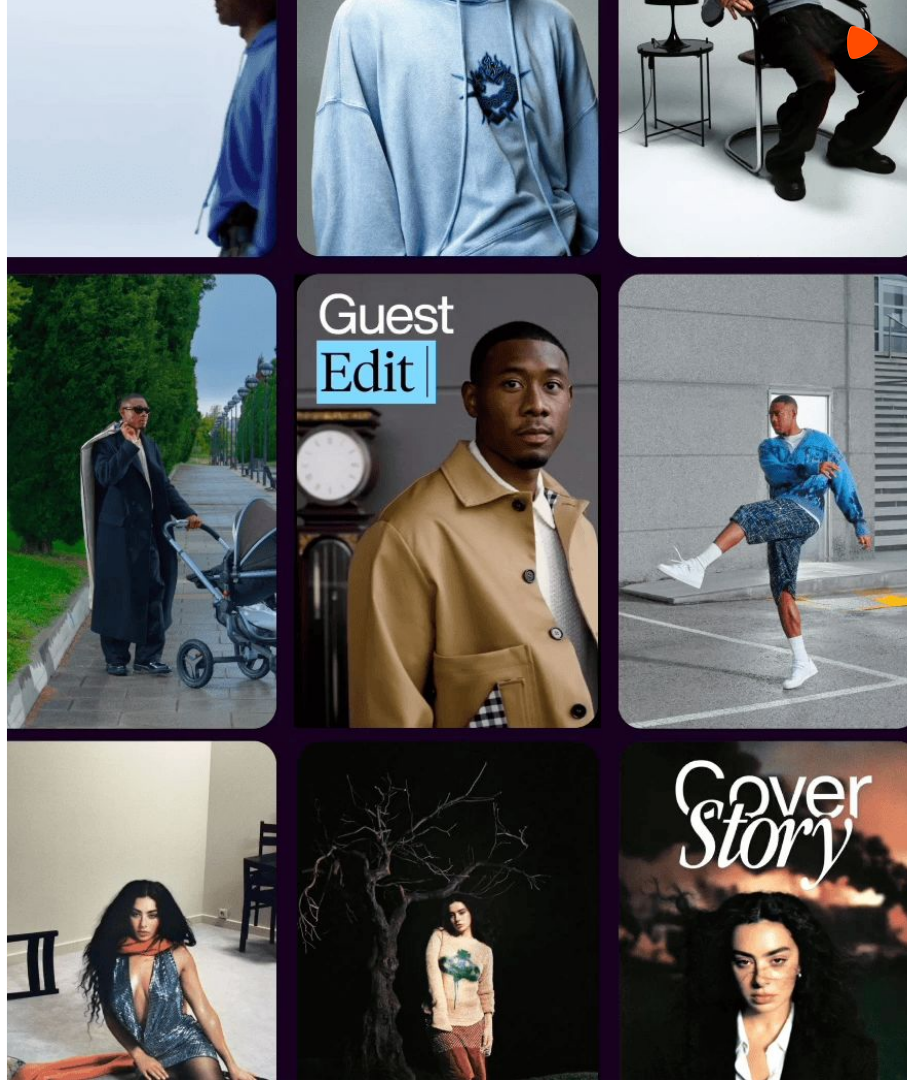


Business to consumer

We leverage creators to expand  
into more content sources

43%

of consumers prioritize  
**fashion creators** that are  
relatable and authentic<sup>1</sup>



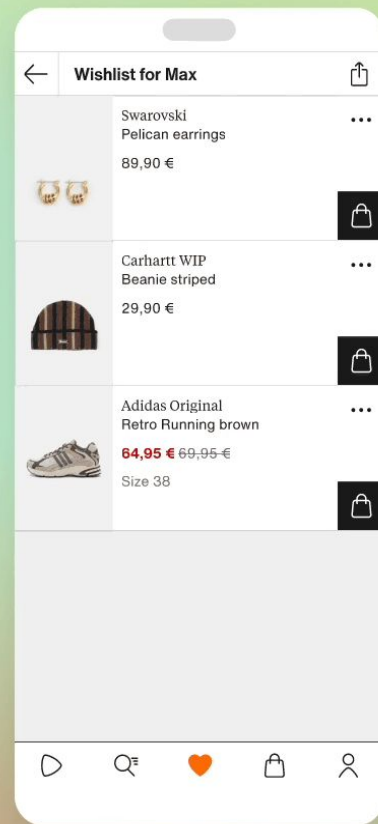
We turn our customers into contributors by enriching the experience with social elements

8%

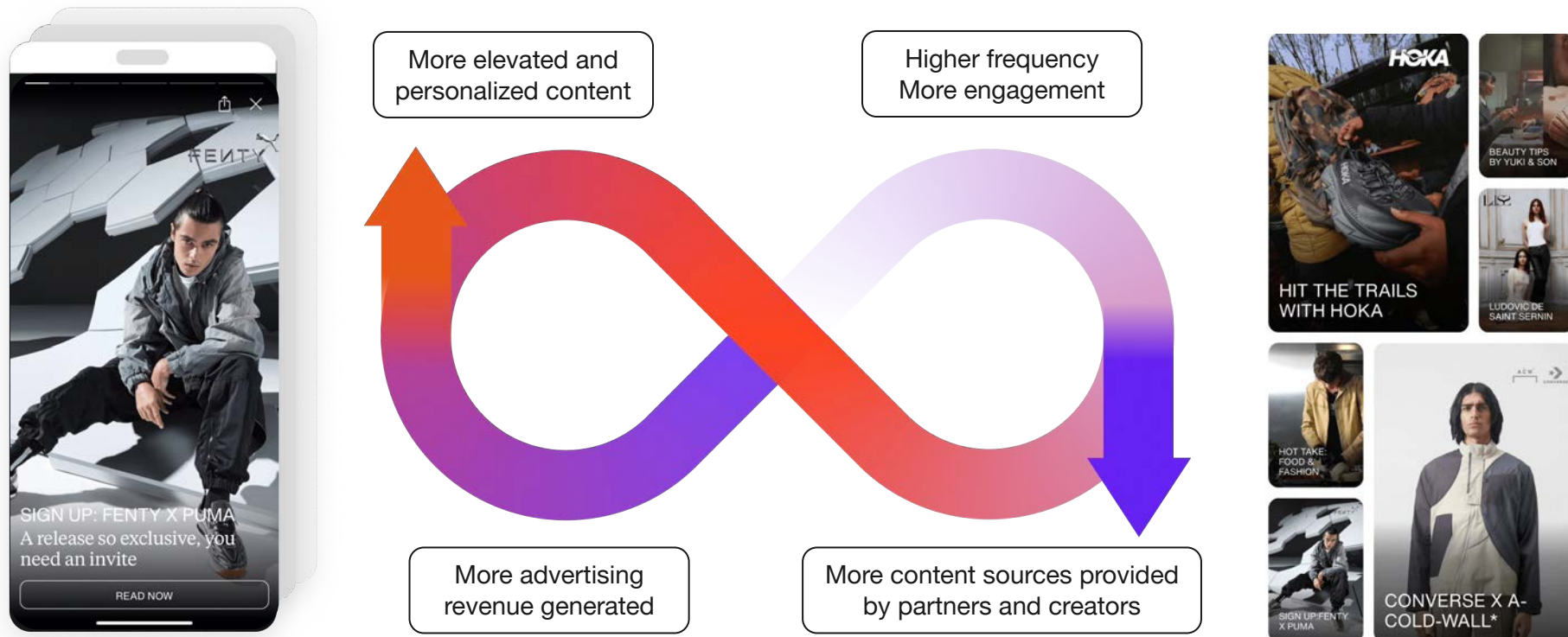
share of customers visiting a product detail page that clicked the **share button** at least once

29%

share of GenZ customers that **talk to others about the product** after they bought it<sup>1</sup>

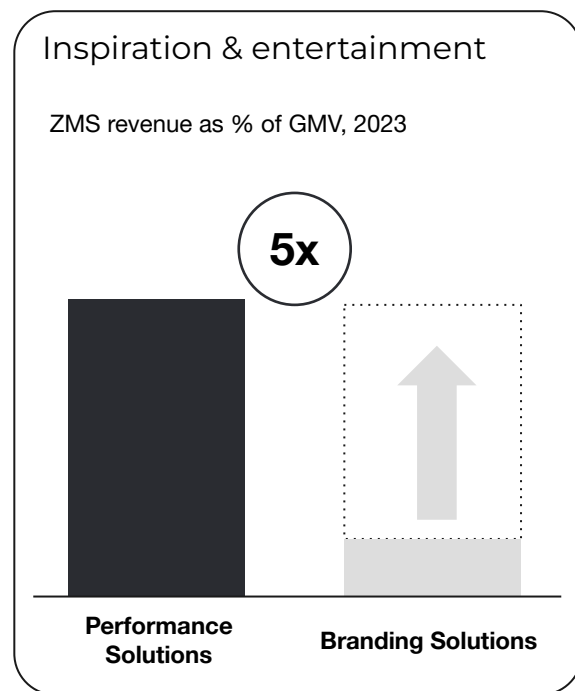
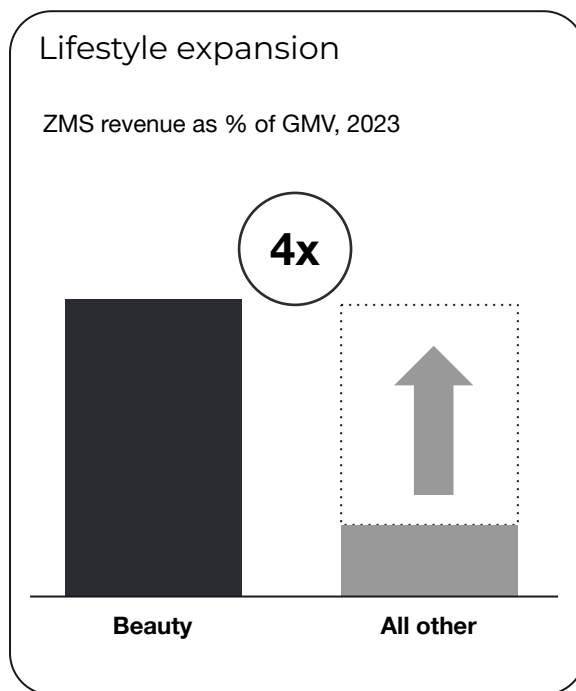
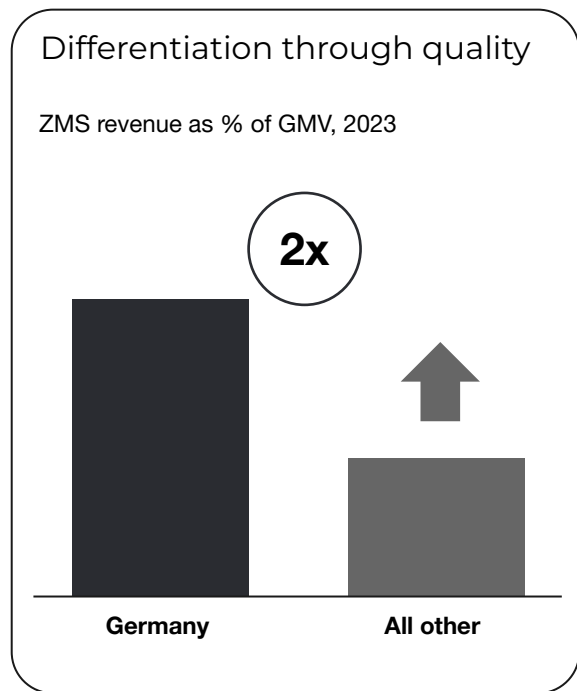


# Personalised content at scale will drive user engagement, time spent and advertising





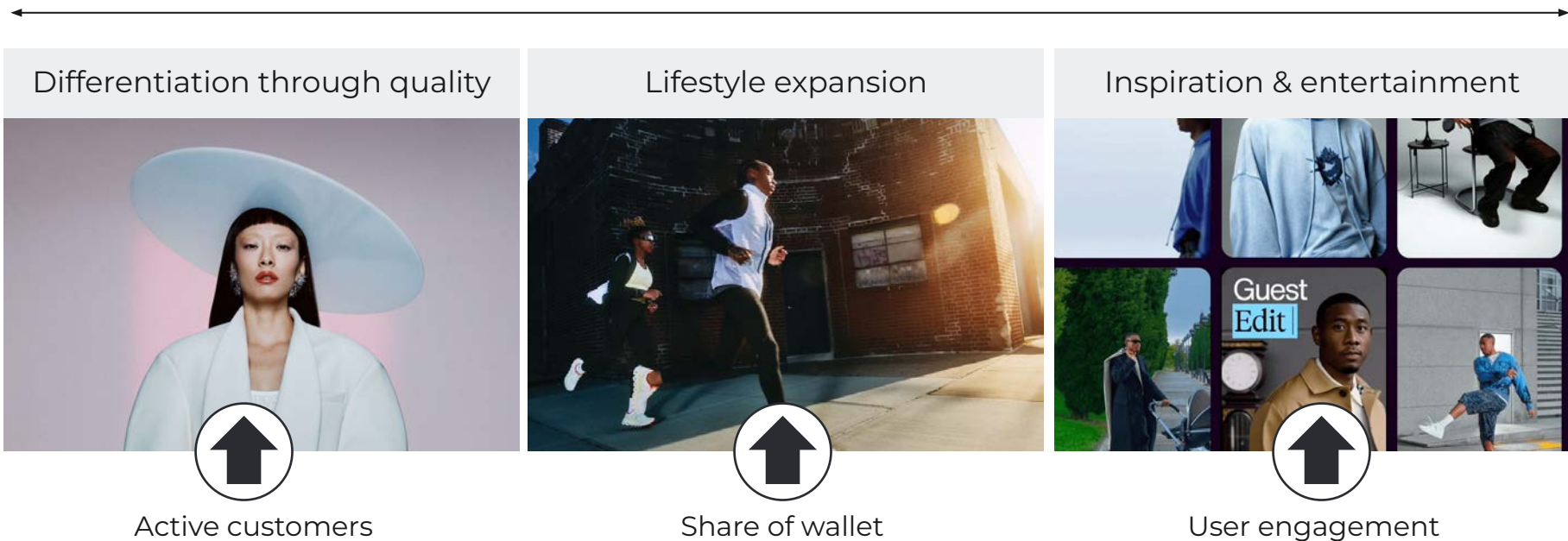
Progressing on our strategic growth pillars in B2C will create an even more attractive advertising environment for brands





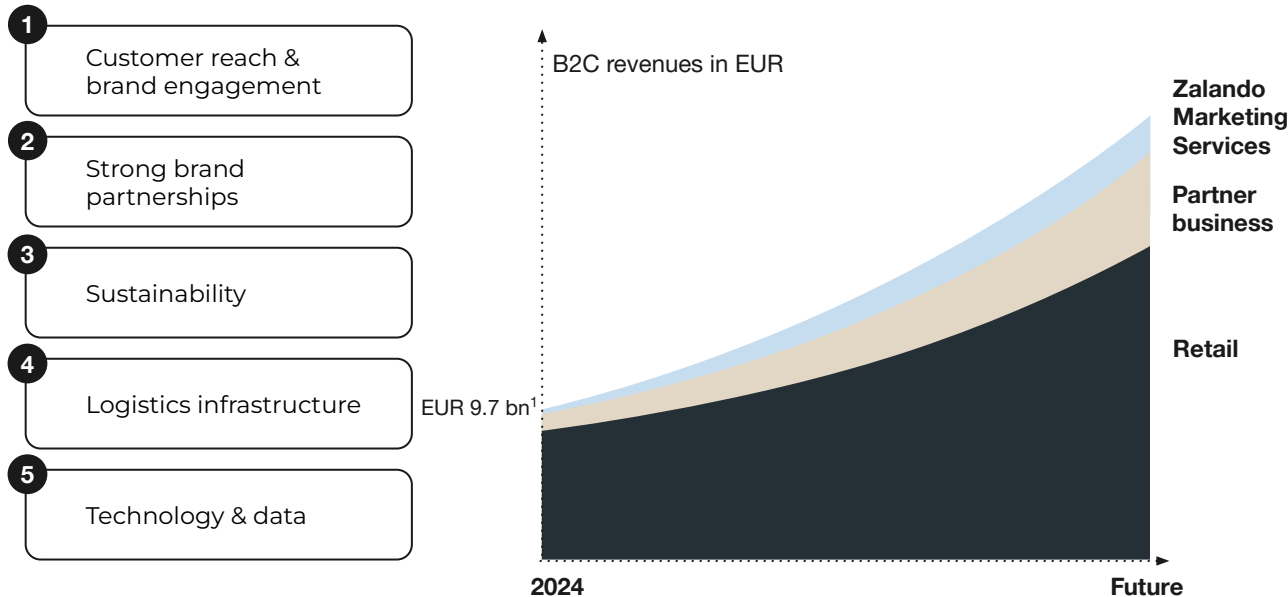
# Three strategic growth pillars for our B2C business present a clear path to strong growth again

## MULTI-BRAND PLATFORM



# Leveraging the group's unique capabilities, B2C supports Zalando's long-term value creation

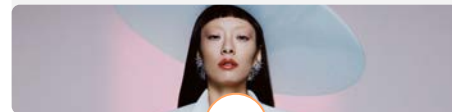
Unique Zalando capabilities ... ... enabling B2C long-term growth trajectory ...



50 <sup>1</sup> B2C also includes other B2C service revenues like shipping fees

... by capitalizing on three key strategic growth pillars

Differentiate through quality



Lifestyle expansion



Inspiration & engagement







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1. Investment highlights
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**Supplementary information on B2C proposition**

Supplementary information on B2C business models

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4. Logistics network
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6. Business segments & financials
7. Share, convertible bond & contact





# We continuously introduce our customers to adjacent and new propositions to drive deeper engagement and long-term loyalty

## Differentiating through quality across the customer journey



Highly relevant assortment & content



Tailored & innovative digital experience



More sustainable & inclusive choices



Localized & personalized convenience

Elevating distinct customer propositions within Fashion

Beauty

Designer

Zalando Loyalty Programme

Pre-Owned

And more. (e.g. Sports, Kids & Family)

# Our multi-year vision to build an industry-leading Beauty proposition

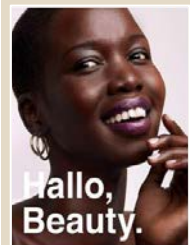
**March 2018**  
Beauty  
Launches in  
Germany



**2020**  
Salon opened in  
Beauty station in order  
to launch Professional  
haircare brands



**2023**  
Launch of prestige  
luxury brands to  
Retail; Lancome,  
Mugler, Maison  
Margiela, Shiseido &  
Zadig & Voltaire.



**2018-2019**  
Beauty rolled  
out to nine new  
markets



**2020**  
Launch of Derma  
Cosmetics Brands  
inc. Vichy, La  
Roche Posay  
and CeraVe



**Today**  
~800 brands and ~25k  
Beauty products  
online across  
Skincare, Makeup,  
Hair Care and  
Fragrance, available in  
11 markets

# From Transaction to Experience: The Designer proposition

Designer is maturing as an **elevated destination** within the world of Zalando, where our Designer audience can engage with luxury brands through a new lens with an emphasis on authentic brand DNA with partners controlling the narrative.

Through our **New Designer** destination, we empower brands to connect with the **next generation of luxury customers** who crave engagement and the convenience of cross shopping and value based decision making.

## Selected brands:

- GUCCI<sup>1</sup>
- PRADA<sup>1</sup>
- VERSACE<sup>1</sup>
- BURBERRY<sup>1</sup>
- CHLOÉ<sup>1</sup>
- VICTORIA BECKHAM
- LONGCHAMP
- PAUL SMITH
- HELMUT LANG
- ROBERTO CAVALLI
- MARNI
- MISSIONI
- MCM
- MM6
- Diane von Fürstenberg



# Zalando launched the most effortless Pre-owned fashion experience in Europe in 2020

## Buying Pre-owned<sup>1</sup>

Discover pre-owned items in a dedicated Category (separate section onsite) with the same seamless Zalando experience



**Curated** assortment of **quality-checked** Women's and Men's wear items.



All items **processed and sold** by Zalando: no customer-to-customer sales.



Same Zalando **convenience proposition** (100 day return, payment, etc.) plus **carbon neutral** shipping in **plastic-free** packaging.

## Trade-in\*

Effortlessly trade in those fashion items you no longer wear to Zalando in exchange for credit or a donation



**Easy upload** with just one photo and seamless trade-in of items bought on Zalando or elsewhere



**Fast and direct offer** from Zalando: no C2C bargaining, no waiting time



**Free shipping:** Zalando pays all delivery & returns of trade-in items for our customers



## Lounge by Zalando - one of Europe's leading online outlets

PARTNER BENEFITS

01

Connect brands to a new and **distinct customer demographic**

02

Offers **an outlet sales channel** in a protected and known environment

03

Recapitalise **unsold stock** from a brand's ecosystem

04

**Help brands to** mitigate insecurities in supply production planning



Items that were previously offered in the Zalando online shop or in our online shopping club Lounge by Zalando can get a second chance at Zalando Outlets



In our 15 outlet (brick-and mortar) stores, customers can find an assortment of designer and brand-name products on sale by up to 70%. These items become available for Outlet customers as soon as they are not part of the newest seasonal collection anymore, are only available in single sizes or come with minor defects such as a missing button. Beauty products in mint condition complement the selection of textiles, accessories, shoes, and homeware articles.

Zalando Outlets are located in city centers and have an individual store concept adapted to the local target group and community culture. Customers find a modern and pleasant shopping atmosphere: Zalando Outlets offer wide aisles, free wifi, and a relaxed atmosphere thanks to the interior design with local features.





## Zalando customers want to make value-driven choices

Trusted European brand

Tailored & innovative  
digital experience

Sustainable & inclusive  
choices

Highly relevant  
assortment & content

Localized & personalized  
convenience





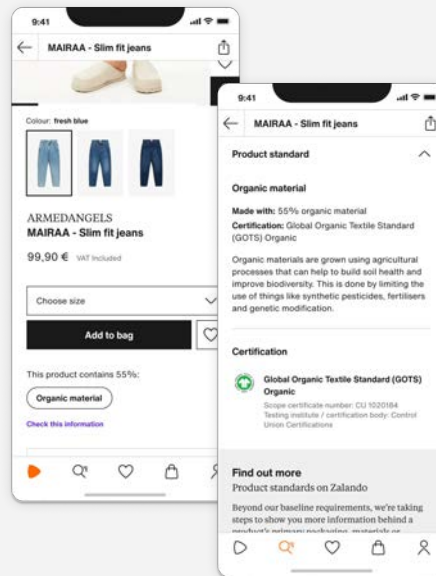
# We highlight Sustainability-related product information throughout the customer experience



## 'Product standard' Filter

1 The **'Product standard' filter** enables our customers to search for products with sustainability related third party standards. Only products with a **minimum of 30%** certified materials are included

## Glanceable preview and detailed Information on the Product Detail Page



2 The top of the Product Detail Page gives customers a **preview of an item's product standard**.

3 Sustainability related information on the **Product Detail Page** offers customers additional information



# Our product standards: Fashion, footwear & accessories

**Customers can filter the catalog using these product standards and find further information about them on the Product Detail Page.**

## **Organic material**

Certifications supporting soil health and biodiversity through organic farming

## **Organic in-transition material**

Certified material produced by farmers changing to organic practices.

## **Certified wool**

Standards supporting animal welfare and land management.

## **Regeneratively grown material**

Farming standards supporting ecosystems and soil health.

## **Recycled material**

Standards using reclaimed material that might otherwise end up as waste.

## **Cotton (farming standard)**

Supporting environmental management and more traceable systems.

## **Certified down**

Standards supporting animal welfare and farming practices.

## **Leather (production standard)**

Supporting environmental practices across production.

## **Forest-based material**

Certifications supporting the conservation and restoration of forests.

## **Designed for circularity**

Full lifecycle design that uses recycled or renewable materials, and prioritises durability and recyclability.

## **Wood-based material**

Regenerated cellulose material made in a way that minimises resource use.

## **Leather alternative**

Plant-based leather or synthetic leather manufactured without chemical solvents.

## **Bio-based material**

Renewable materials like corn, algae, orange peels, coffee grounds or fish skin.

## **bluesign® approved material**

Production standard for limited chemical use, environmental management, health, and safety.



## Our product standards: Beauty & personal care

**Customers can filter the catalog using these product standards and find further information about them on the Product Detail Page.**

### **Forest-based material**

Certifications supporting the conservation and restoration of forests.

### **Recycled packaging**

Product packaging (like bottles, bags or containers) made from reclaimed materials.

### **Natural ingredients**

Certified ingredients from plants, animals, micro-organisms or minerals.

### **Refillable**

Packaging that can be used again to decrease waste.

### **Cruelty free**

Ensuring no animal testing globally for ingredients or manufacturing.

### **Organic ingredients**

Certifications supporting soil health and biodiversity through organic farming.

# Our Commitment: To offer an inclusive assortment with products in every category across price, size and style



## Adaptive Fashion

**Over 600 styles for adults & kids** from with Tommy Hilfiger, Nike Friedly Shoes, Adidas, Sketchers and within Zalando's own private labels



## Genderless

Inspiring customers with a dedicated **fashion hub** and **exclusive collections**



## Beauty

**Inclusive beauty** assortment including e.g. make up for dark skin tones



## Black Owned Brands

**Assortment from black-owned brands** across beauty, jewelry and fashion



## Modest Fashion

New Styles and assortment



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Strong retail partnerships represent a key success criterion in establishing Zalando as Europe's leading online retailer and lay the foundation of our platform transformation

## Retail

Partners can leverage Europe's most powerful sales channel for their products while we take care of all operations and inventory (price is set by Zalando)

### Partner benefits:

- Profound expertise of Zalando buyers
- Data-driven insights into customers' online shopping behavior
- We take care of all operations
- Inventory risk is on Zalando





We offer our brand and retail partners three different partnership models that determines the way how we source fashion supply for our platform



## Retail

**Zalando buys from suppliers, stores in warehouses and sells to customers.**  
Zalando does pricing and merchandising.  
Zalando carries inventory risk.

## Direct-to-Consumer



## Partner Program

**Partners connect to the Zalando platform and sell directly to consumers.**  
Partner does pricing and merchandising.  
Partner carries inventory risk.

For Backfill + additional assortment.



## Connected Retail

**Physical stores connect to the Zalando platform and sell directly to consumers.**  
Store does pricing and merchandising. Store carries inventory risk.

For Backfill + additional assortment

## Partner business



Opening our infrastructure for partners was a logical next step and our strategic response to the emerging trend of direct-to-consumer among our partners...

## Partner Program

Partners can directly integrate stock with Zalando and manage their growth, while retaining control over products, prices and brand representation.

### Partner benefits:

- Increase profitability, leverage overall business processes and cut costs
- Get direct access to millions of customers
- Partner sets prices
- Curated assortment integrated in catalogue
- Partners can manage growth (not limited by budget)



...and with Connected Retail we expanded the platform model to the offline world

## Connected Retail

Partners can integrate physical stores with Zalando and start selling online to millions of Zalando customers - without the need of having an own ecom channel!

### Partner benefits:

- More than 60% increase in store revenue per sqm
- More than 100% increase in stock turnover
- No upfront investments, all costs are variable
- Be in full control of article prices at all times
- Increase in sales per square meter is independent of foot traffic



Our logistic services make customers benefit from increased choice and the ability to shop multiple brands at one single destination with maximum convenience

convenience

	One order = one parcel			
	Retail	Partner Program with ZFS <sup>1</sup>	Partner Program Drop-ship	Connected Retail
Product ownership & control	Zalando buys product and has full control	Direct integration of stock and brand has full control over products, prices and product representation.		
Customer check-out (point of sale)	Zalando shops / App (e.g. Zalando.de)			
Warehousing & Packaging	Zalando warehouse; one Zalando-branded parcel		Partner warehouse; separate partner-branded parcel	Brick & Mortar store; separate partner-branded parcel
Shipping	Zalando transportation network (middle and last mile)		Partner transportation network (middle and last mile)	Partner transportation network (middle and last mile)
Returns	Customer returns products in one parcel to Zalando network		Customer returns products in separate parcel to partner network	Customer returns products in separate parcel to store



# Our Partner business is a highly flexible model tailored to our partners...

Partner Program offers growth opportunities and advantages to all parties

**ZMS**

Zalando Marketing Services

**ZFS**

Zalando Fulfillment Solutions<sup>1</sup>



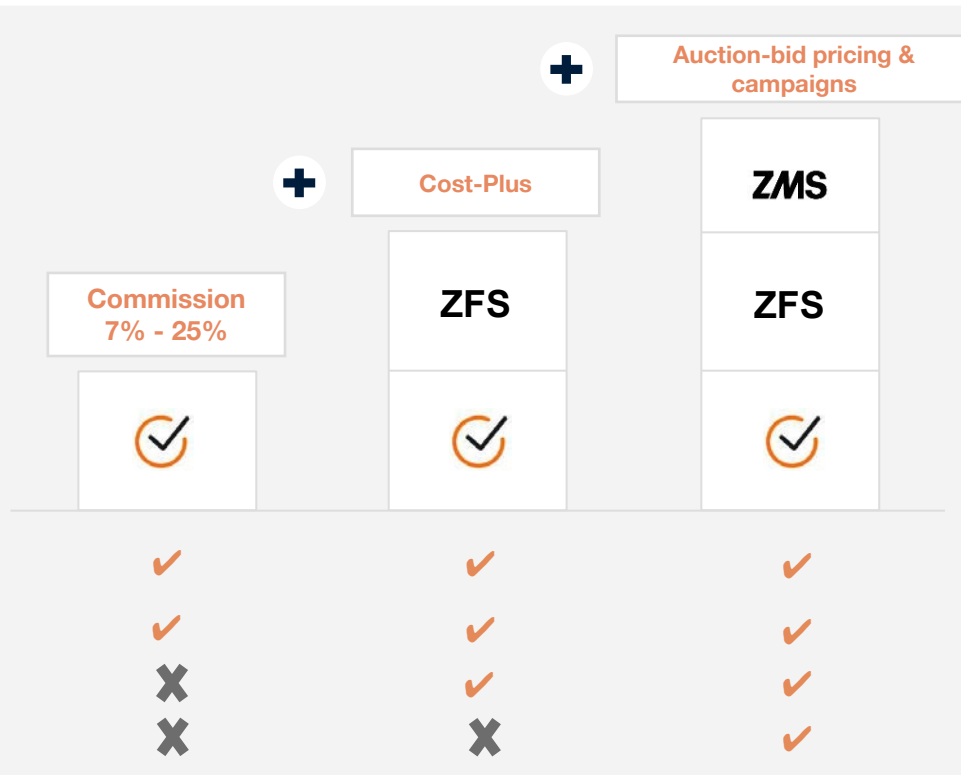
Partner Program & Connected Retail

Direct-to-Consumer

Control of Product, Content & Pricing

Physical Access to Consumer, Superior Order Economics & Convenience

High Sell-Through & Brand Building (retail media)





...and an integral part of our B2C segment

		B2C business models <i>as of 2024<sup>1</sup></i>		
		Retail	Partner business	ZMS
B2C <i>as of 2024<sup>1</sup></i>	Fashion	X	X	X
	Lounge by Zalando	X	-	-
	Outlets	X	-	-

Our retail media business unit ZMS enables partners to connect their brands to Europe's largest fashion audience at the point of sale and beyond

## Zalando Marketing Services (ZMS)

ZMS connects our partners to ~50m customers, boosts their sales and positions their brand.

### Partner benefits:

- Partners drive sales by tailor-made campaigns
- Strengthen brand positioning and tell brand stories
- Celebrate product drops across many different channels and all Zalando markets
- Source and distribute authentic content produced by the most inspiring influencers

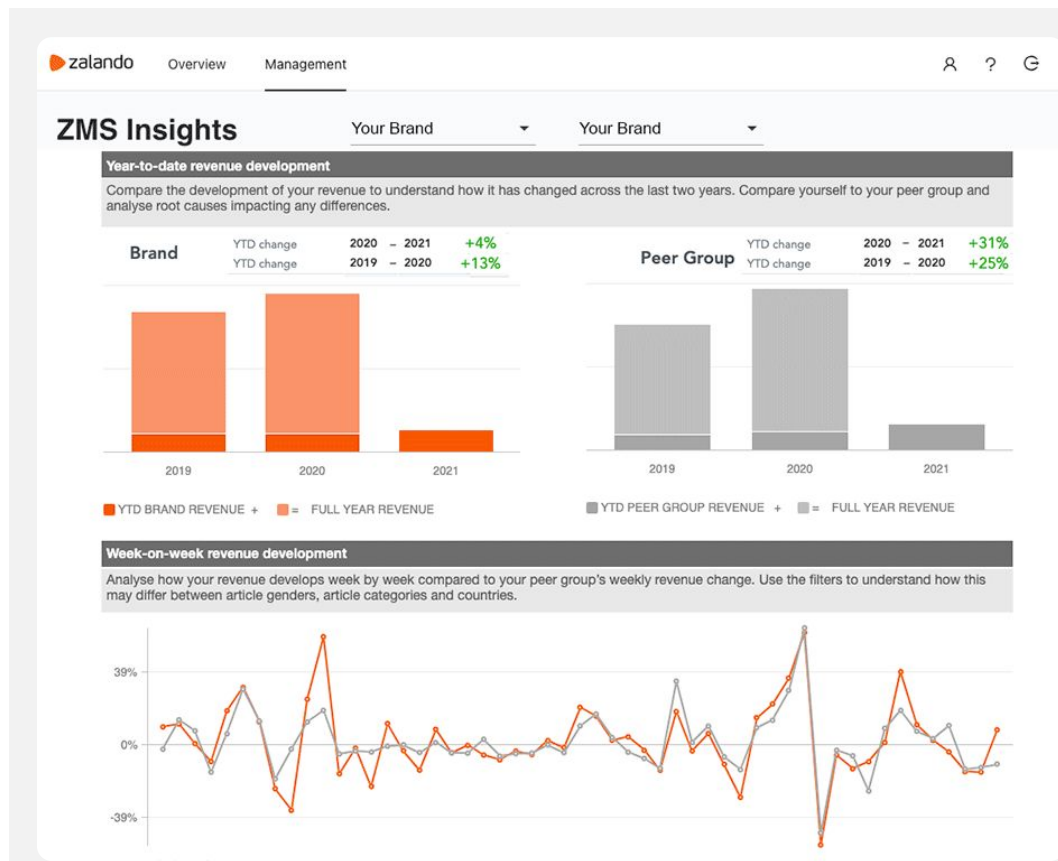




# Through ZMS we offer our partners actionable insights to understand customers...

## Insights to understand the customer:

- Via brand health metrics in the Zalando app
- Via purchase behaviour by demographic and target group
- Via SKU performance insights
- Via benchmarks of your brands and sales to your peers
- Via survey based perception analyses



# ...and tailor engaging and inspiring content to them

## Tailor content to customers



### Influencer Marketing

- Address new audiences
- Produce creative campaigns
- Inspire through authentic stylings



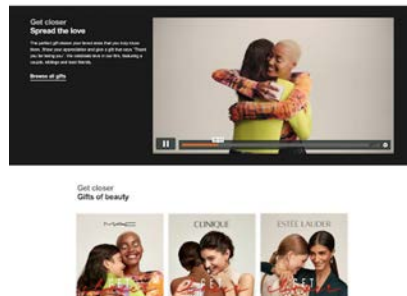
### Creative Campaigns

- Creative Strategy
- Ideation
- Execution



### Product-Focused Content

- Engaging video and lifestyle images for PDPs
- e-Com content production

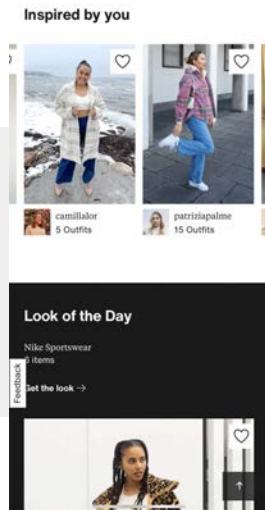


### Digital Experiences

- Landing pages
- Style guides
- Interactive Fit Finder

Partner can use these valuable insights and engaging contents to either drive direct sales or to build their brand across all relevant touchpoints

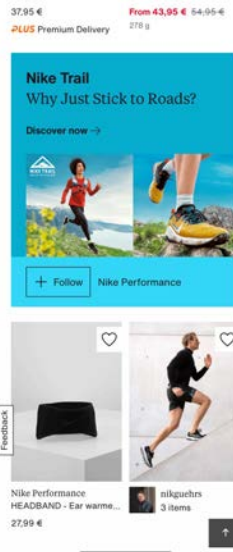
Growth & branding across all relevant touchpoints:



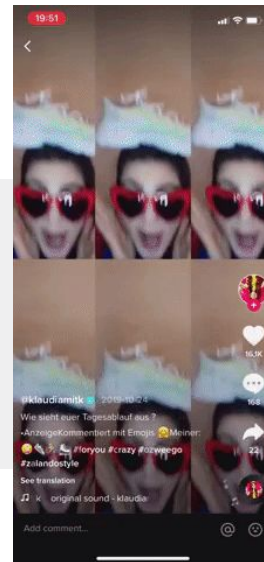
Through **awareness** formats in Zalando's inspiring and content-focused environment



Through all **digital channels**

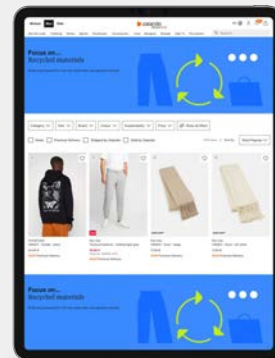


Through category and **product-focused** ad slots within the multi-brand shopping funnel

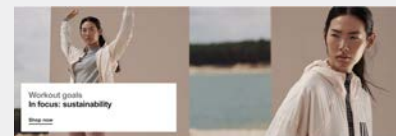


Through **influencer** generated content

We help customers discover your products through inspiring and educational stories online



**Sustainability Hub page**



**Weekly onsite teasers**



**Brand Homes**



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## **B2B deep dive**

Supplementary B2B segment & business model insights

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## Europe holds huge (untapped) potential

### Population of Europe



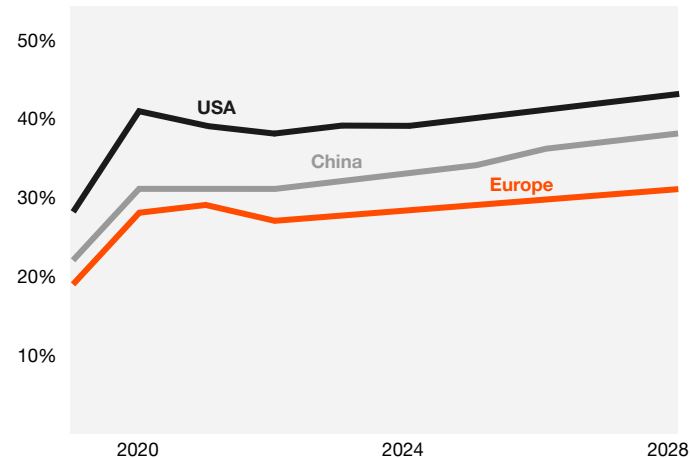
Source: Statista, February 2024, Data for Europe (excluding Russia)

### Fashion and lifestyle in Europe



Source: Euromonitor market size 2023 as of February 2024, International forecasts, values based on actuals and estimates; fixed exchange rates. Fashion data incl. apparel and footwear, bags and luggage, jewelry and watches. Data for Europe (excluding Russia) inclusive of sales tax

### Share of online fashion sales in Europe, China and the US



Source: Boston Consulting Group, proprietary model, February 2024

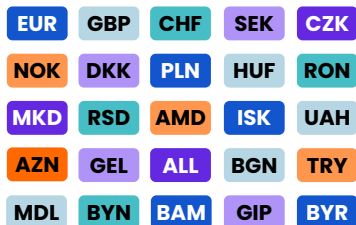


# Europe is complex

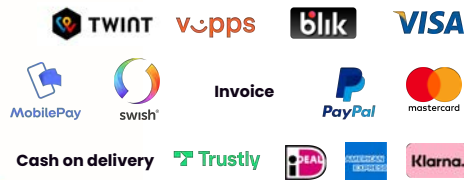
40+ countries  
30+ languages



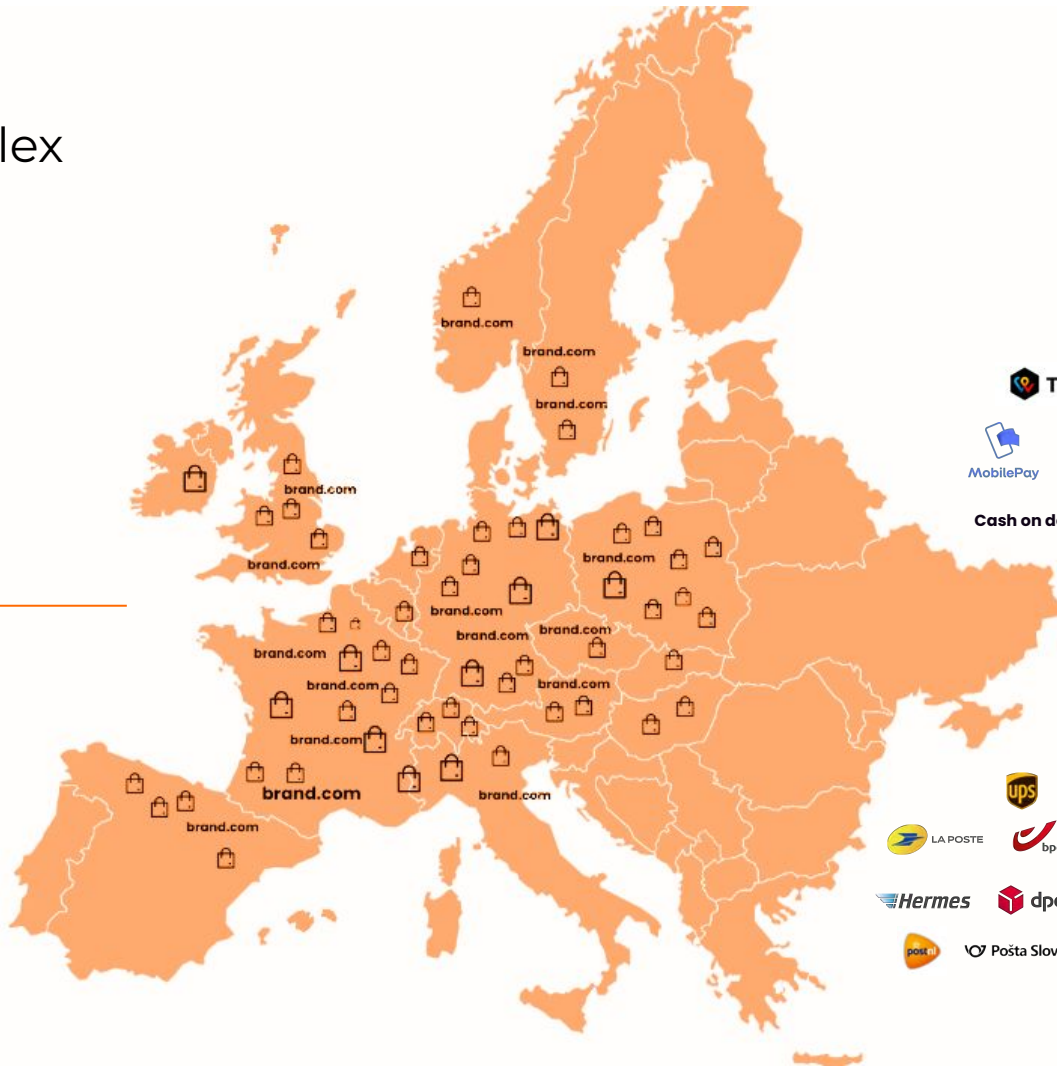
30 currencies



Over 20  
payment methods



40+ local  
logistic providers





As a result, brands and retailers face significant challenges when serving customers across markets and channels in Europe

1. Dozens of integrations

2. Split inventory

3. Lack of visibility & control

4. Unnecessary parcels

### **Lost opportunities:**

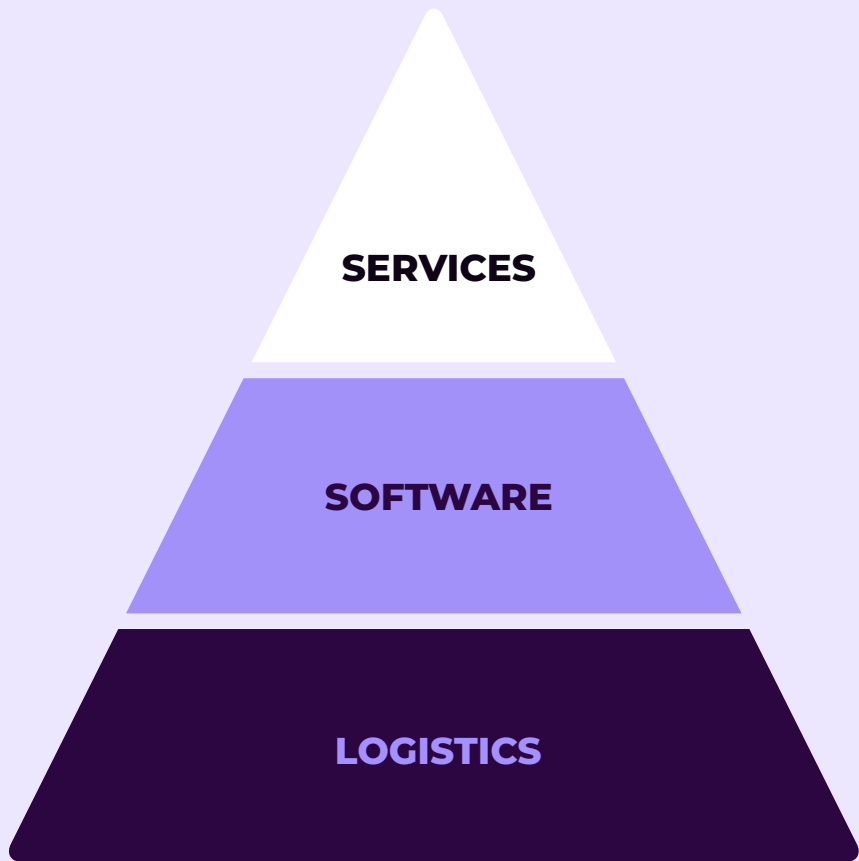
**growth**

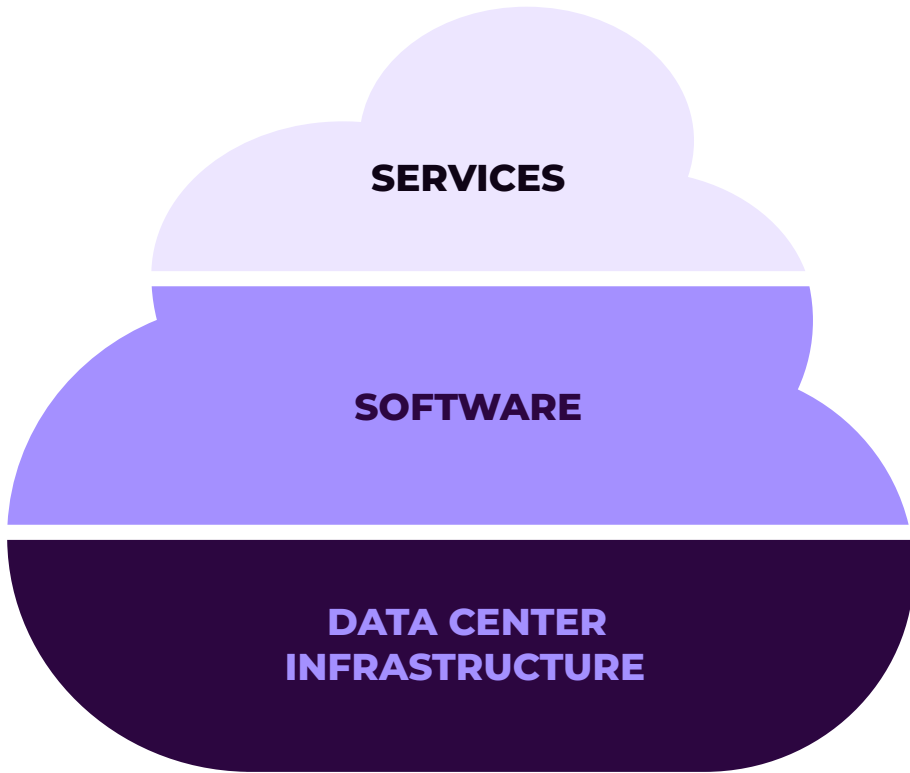
**profitability**

**sustainability**

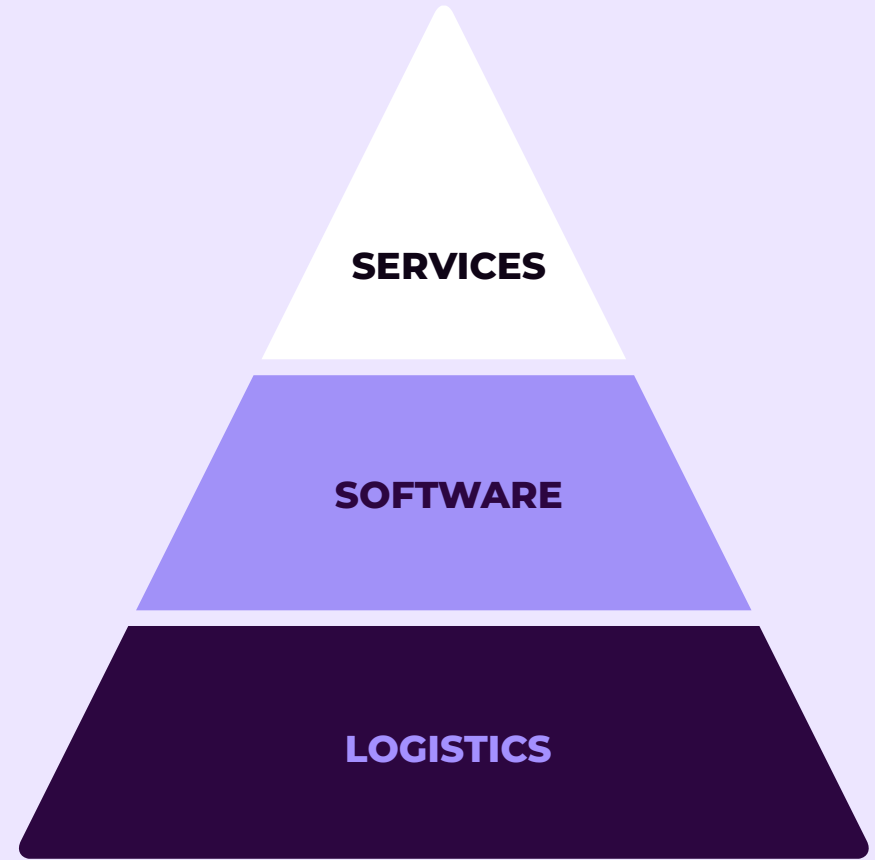
# ZEOS

Three layers.  
One  
operating  
system.





**Transforming technology**



**Transforming e-commerce**

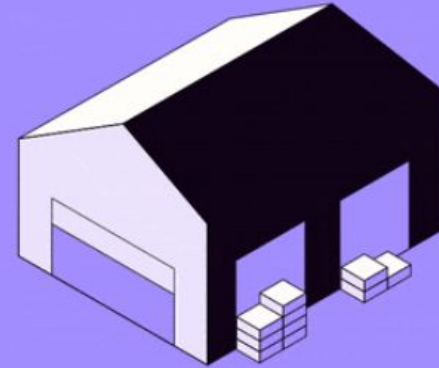
# One integration

Making products available on marketplaces, and connecting to dozens of local carriers across Europe. All in one go.



# One stock pool

Connecting multi-channel inventory – for optimal stock levels and availability in each sales channel and market - less stock outs, less overstock and less overproduction.







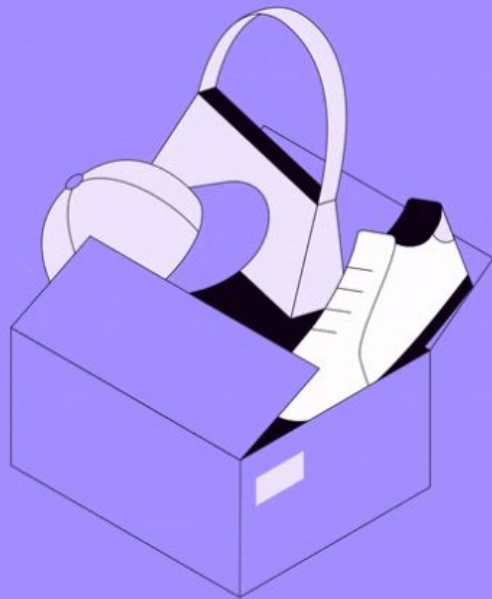
# One control panel

Connecting multi-channel data in one place. Uncovering insights to maximize growth and profitability. Giving merchants the tools to manage their entire e-commerce out of one place.



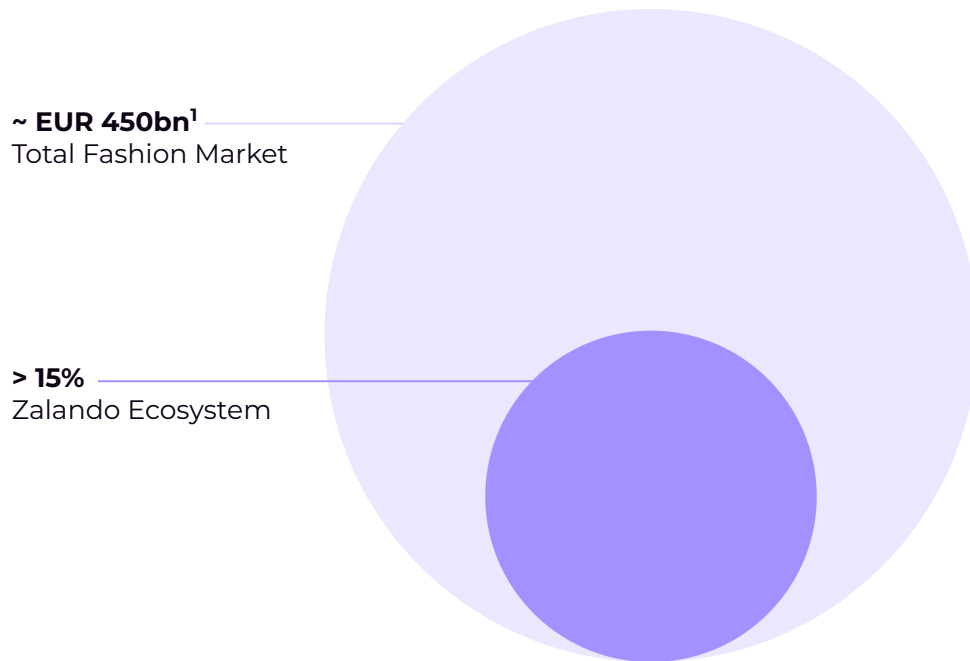
# One parcel

One order. One box. One shipment. One return. Saving unnecessary parcels and creating a win-win-win for consumers, brands and the planet.





# ZEOS taps into a huge opportunity by enabling e-commerce on and off Zalando



- **Fragmentation and complexity on the consumer side** prevent brands and retailers from capitalizing on massive opportunities in Europe.
- **Infrastructure and technology consolidation** present a clear path to overcome industry inefficiencies and increase the value pool.

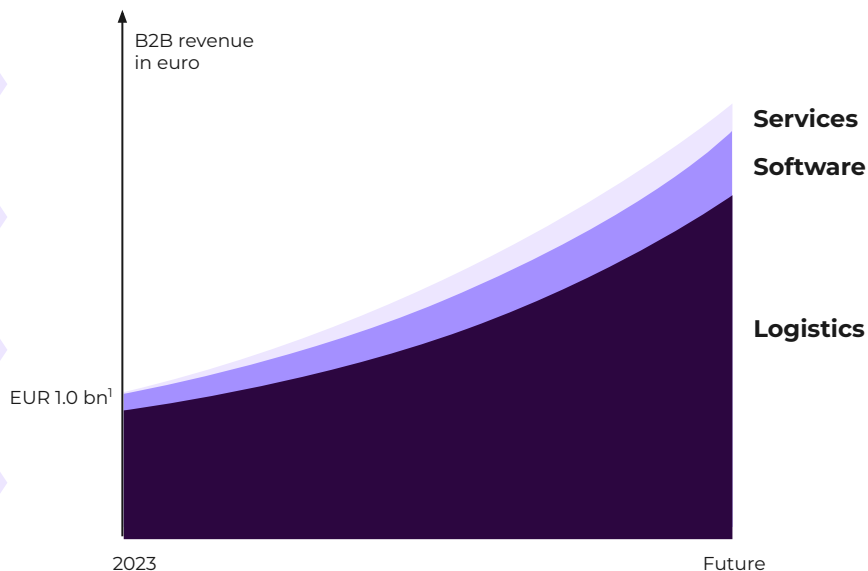
→ **ZEOS is distinctly positioned to capitalize on this value creation opportunity.**

# Leveraging the group's unique capabilities, ZEOS enlarges Zalando's long-term value creation

## Unique Zalando capabilities ...

- 1 **Strong brand partnerships**
- 2 **Technology & data**
- 3 **Logistics infrastructure**
- 4 **Sustainability**

## ... enabling ZEOS long-term growth trajectory ...



## ... by capitalizing on three key growth dimensions

### Industry Verticals:

- Fashion
- Lifestyle
- ...



### Geographies:

- Existing Zalando markets
- Rest of Europe
- ...



### Product Domains:

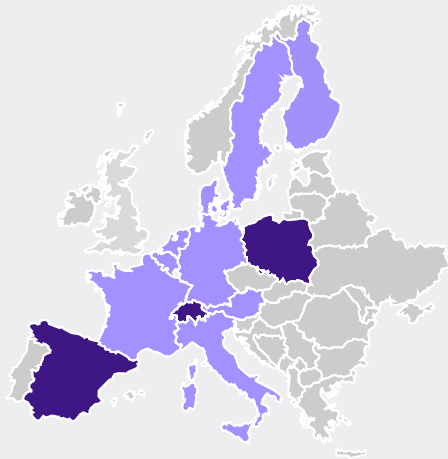
- Logistics
- Software
- Services



# We made significant progress in advancing ZEOS Logistics in 2024

We launched more markets ...

12  
markets  
(+3)



... connected more channels ...

10  
channels  
(+3)



... and gave merchants more control

1  
control panel

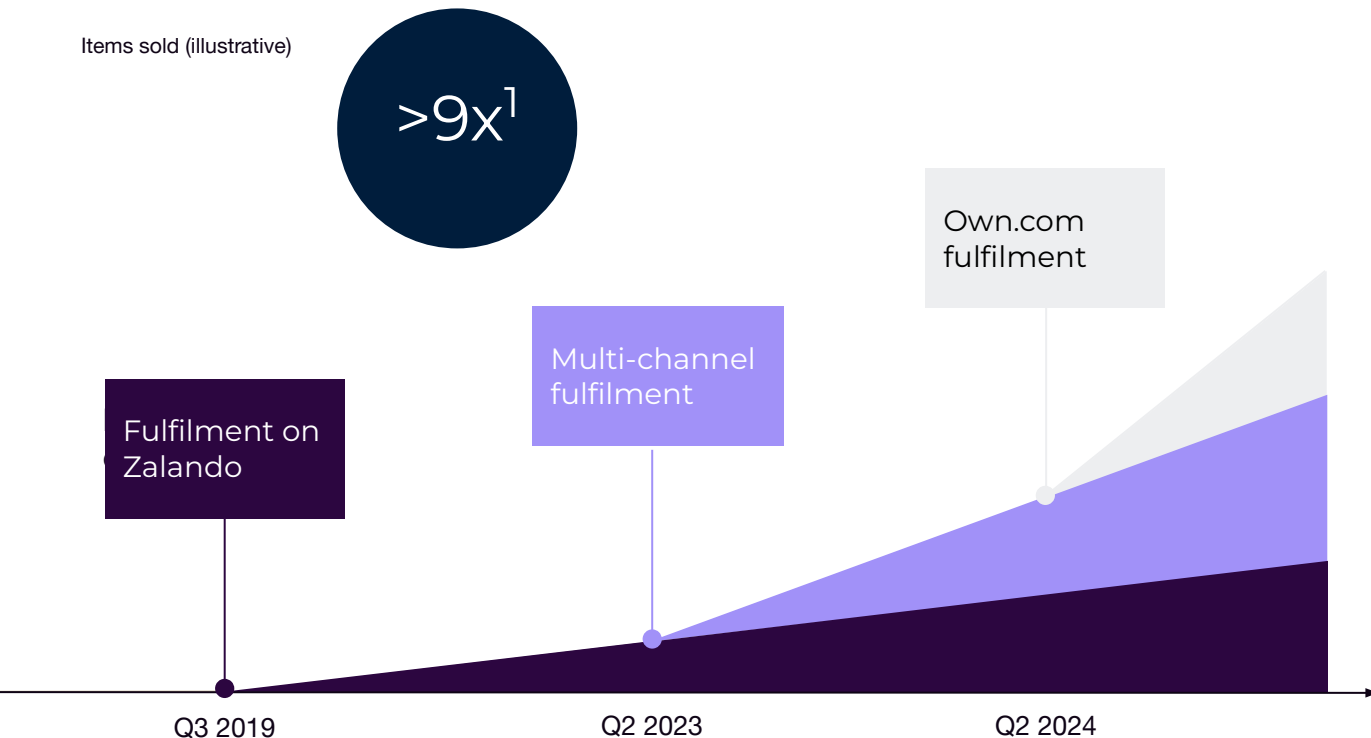
**ZEOS One**



# Pepe Jeans' journey demonstrates the growth potential ZEOS Logistics can unlock

Items sold (illustrative)

>9x<sup>1</sup>



**Pepe Jeans**  
LONDON

## About Pepe Jeans:

- Founded in 1973, Pepe Jeans is known for its **high-quality denim jeans**, offering a range for men, women, and children
- They are a global brand with a presence **in over 60 countries worldwide**





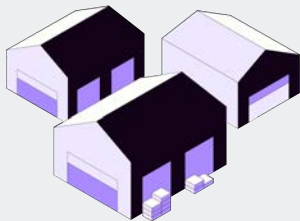
# Our new partnership with NEXT will add scale and enable further logistics innovations for all merchants

## NEXT

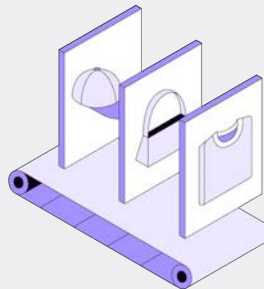
About NEXT:

- NEXT is a UK-based omnichannel retailer offering **fashion, home, and beauty**
- With **5.8bn GBP in 2024** total sales, NEXT is a **leading retailer in the UK**, growing their international business significantly

Advanced fulfilment capabilities



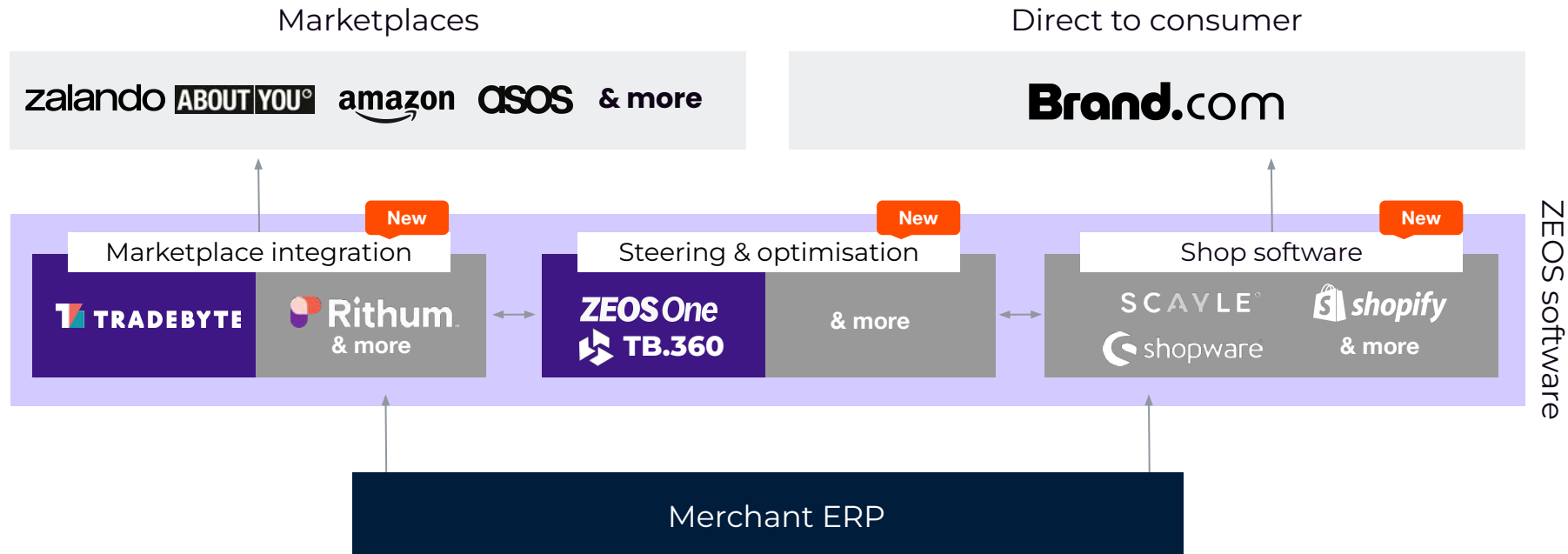
Onboarding & inventory management



Market expansion & enhanced services



Our fully composable ZEOS software ecosystem offers merchants a holistic solution to drive their digital business





In 2025, we will further expand our software ecosystem and provide merchants with enhanced capabilities

Build out ecosystem  
partnerships



Enhance steering & optimisation  
tooling



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Since fulfillment is challenging for partners at times they can make use of our fulfillment capabilities via Zalando Fulfillment Solutions

## Zalando Fulfillment Solutions (ZFS)

ZFS drives Partner Program success by giving you access to Europe's most efficient fashion fulfillment network - We take over the entire customer-facing fulfillment chain.

### Partner benefits:

- Quicker reach throughout Europe
- Lower shipping costs
- Ensuring your customers' receive a single parcel when ordering on Zalando



# ZFS offers partners a cost efficient fulfilment solution to internationalise in Partner Program while meeting the high convenience expectations of our customers

## Enables internationalisation

Fast and easy internationalisation  
in just one contract

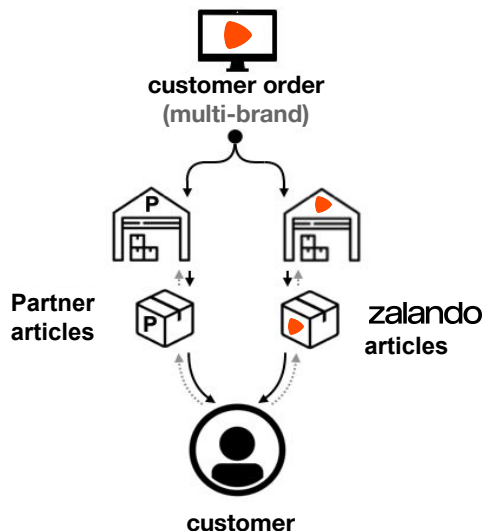
## Superior Order Economics

Significant savings through bundling  
multi-brand orders in a single parcel

## Unmatched convenience experience

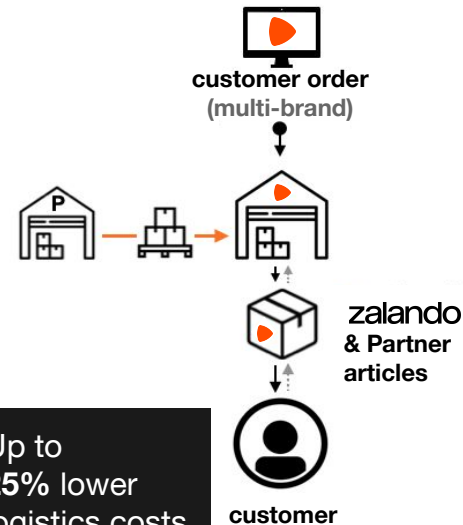
Convenience proposition on par  
with Zalando Retail

### Drop ship model



- No parcel sharing
- High fulfilment cost
- Less compelling convenience proposition

### ZFS model



Up to  
25% lower  
logistics costs

- Multi-Brand orders in one parcel
- Parcel sharing cuts fulfilment cost
- ZFS orders are enabled for Zalando Plus



With Zalando Shipping Solutions we offer procedural simplicity with one integration and attractive transport conditions for its partners

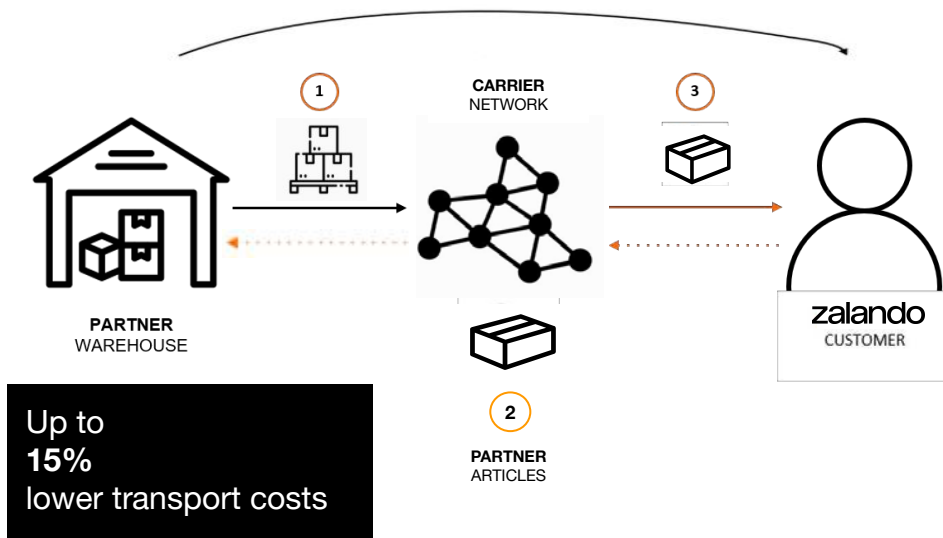
**One Integration = Multiple Countries**

## Zalando Shipping Solutions (ZSS)

ZSS enables our partners to grow internationally and deliver on customer promises cross-border from partner warehouse to end consumer by leveraging the Zalando transportation network and contracts with last-mile carriers.

### Partner benefits:

- Grow business in new markets with cross-border shipping from your warehouse to end consumer
- Only one contract partner and single integration
- Attractive pricing without integration costs



## Multi-channel fulfillment - the single thread from end-to-end

1. Dozens of integrations

ONE integration

2. Split inventory

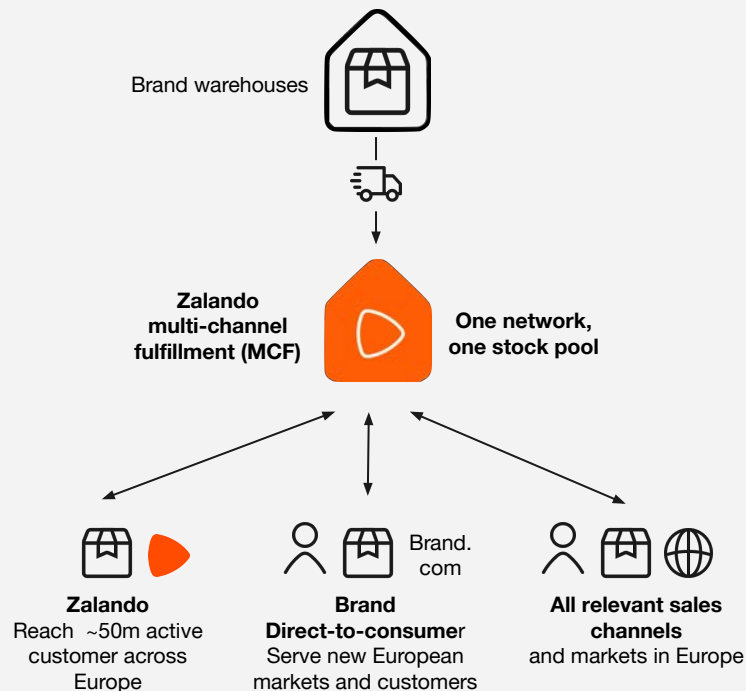
ONE stock pool

3. Lack of visibility & control

ONE control panel

4. Unnecessary parcels

ONE parcel



Tradebyte, acquired by Zalando in 2016, offers all-in-one solutions to enable merchants to grow their business with seamless integrations into marketplaces and solution providers

## 90+ MARKETPLACES & 1000+ BRANDS



Brands



HALLHUBER



YOOX



BEST SECRET

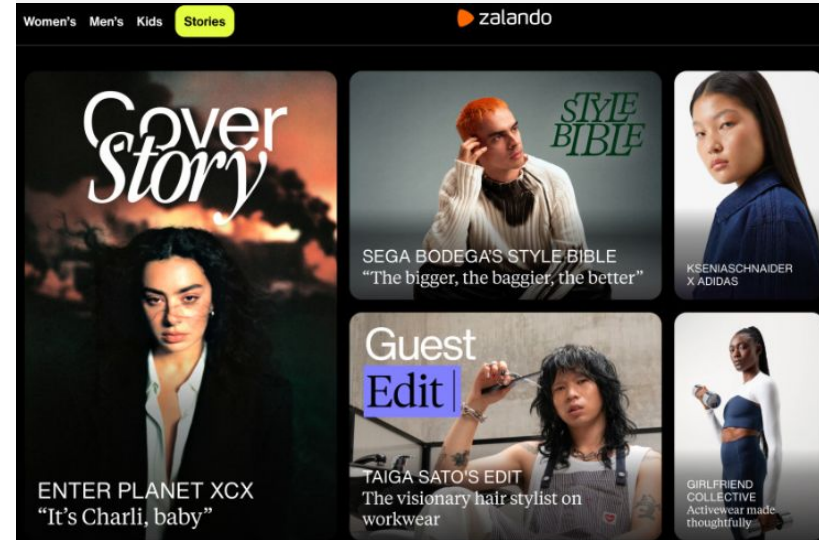
Retailers



- **First choice of fashion and lifestyle brands:** 1000+ brands in total have chosen to work with Tradebyte - the leading and most trusted SaaS solution to connect European fashion and lifestyle brands to consumer marketplaces.
- **Seamless Direct To Consumer (DTC) experience:** Tradebyte enables clients to seamlessly manage and merchandise your DTC strategy across all relevant e-commerce channels throughout Europe.
- **Reach to your full potential with Tradebyte's multichannel solutions:** Steering digital multichannel business from one central place: once connected to Tradebyte, clients have access to 80+ marketplaces across Europe:
- **Simplifying DTC complexities:** Expansion has never been easier. Tradebyte simplifies and automates your DTC and marketplace operations so clients can focus on its core competencies e.g. assortment strategy and pricing

## In 2022, Zalando acquires majority stake in Highsnobiety, bringing together content and commerce

- Zalando acquired a majority stake in Highsnobiety, the influential global fashion and lifestyle media brand
- Highsnobiety will act as a strategic and creative consultant to Zalando, bolstering its inspirational storytelling and assortment curation capabilities
- Highsnobiety to retain its editorial independence, with creative agency work remaining fully autonomous and management structure unchanged
- “Stories on Zalando”, Zalando’s state of the art immersive visual-first fashion experience, was created in collaboration with Highsnobiety





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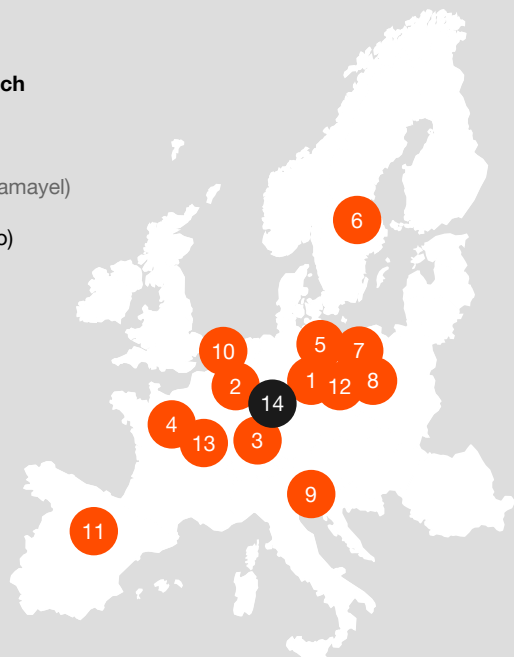
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To ensure a fast and convenient delivery and return handling to our customers we are heavily investing into our fulfillment network

### Zalando's fulfillment network and start of operations

- 1. Erfurt**  
Start in 2012
- 2. Mönchengladbach**  
Start in 2013
- 3. Lahr**  
Start in 2016
- 4. Paris** (Moissy-Cramayel)  
Start in 2016
- 5. Szczecin** (Gryfino)  
Start in 2017
- 6. Stockholm**  
Start in 2018
- 7. Olsztyn** (PL)  
Start in 2019



- 8. Lodz** (Gluchow)  
Start in 2019
- 9. Verona** (Nogarole Rocca)  
Start in 2020
- 10. Rotterdam** (Bleiswijk)  
Start in 2021
- 11. Madrid**  
Start in 2021
- 12. Bydgoszcz**  
Start in 2023
- 13. Paris** (Mont. Sur-Le-Jard)  
Start in 2024
- 14. Frankfurt** (Giessen)  
Start in 2026

		Type	Capex (€m)	Size (k sqm)
1	<b>Erfurt (GER)</b>	Hub	~100	~130
2	<b>Mönchengladbach (GER)</b>	Hub	~100	~130
3	<b>Lahr (GER)</b>	Hub	~150	~130
4	<b>Paris (FR)</b>	Spoke	<50	<50
5	<b>Szczecin (PL)</b>	Hub	<50	<50
6	<b>Stockholm (SWE)</b>	Spoke	<50	<50
7	<b>Olsztyn (PL)</b> (for Lounge)	Hub	~100	~130
8	<b>Lodz (PL)</b>	Hub	~100	~130
9	<b>Verona (IT)</b>	Hub	~150	~80
10	<b>Rotterdam (NL)</b>	Hub	~200	~150
11	<b>Madrid (ES)</b>	Spoke	<50	<50
12	<b>Bydgoszcz (PL)</b> (for Lounge)	Hub	~100	~140
13	<b>Paris (FR)</b>	Hub	>250	~150
14	<b>Frankfurt (GER)</b> (under construction)	Hub	>250	~150





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# To be the ecosystem for Fashion, we need to become part of the solution on the sustainability challenges we face

Our planet has a problem ...

1°C

increase in global  
temperature since 1880<sup>1</sup>

Up to 4.8°C

expected increase in global  
temperature by 2100 if we don't  
take action<sup>2</sup>

... fashion is part of the problem ...

only 1%

of fashion is recycled into new  
clothing<sup>3</sup>

2x

increase in global clothing  
production since 2002<sup>3</sup>

... and customers want to see change

85%

of Gen Z customers say that  
value-based brand drivers have  
become more important to them<sup>5</sup>

43%

of customers bought at least one  
product carrying the sustainability  
flag

<sup>1</sup> The Intergovernmental Panel on Climate Change (IPCC), SR15 Headline Statements, 2019

103 <sup>2</sup> Climate Action Tracker, Global Temperatures, December 2020

<sup>3</sup> Ellen MacArthur Foundation, "A New Textiles Economy: Redesigning Fashion's Future," Ellen MacArthur Foundation, 2017

<sup>4</sup> The influence of woke consumers on fashion, McKinsey, February 2019



Sustainability, diversity and inclusion are core elements of our strategy & embedded across our operations to create competitive advantage

**Our ambition is to be a key enabler of a more sustainable and inclusive fashion industry at scale**

1 Enable our customers to make informed choices with an assortment and brands that align with their values

2 Enable partners in working towards their sustainability ambitions and adapting to evolving regulatory environment.

3 Foster innovation to reduce negative environmental and social impacts at an industry level.



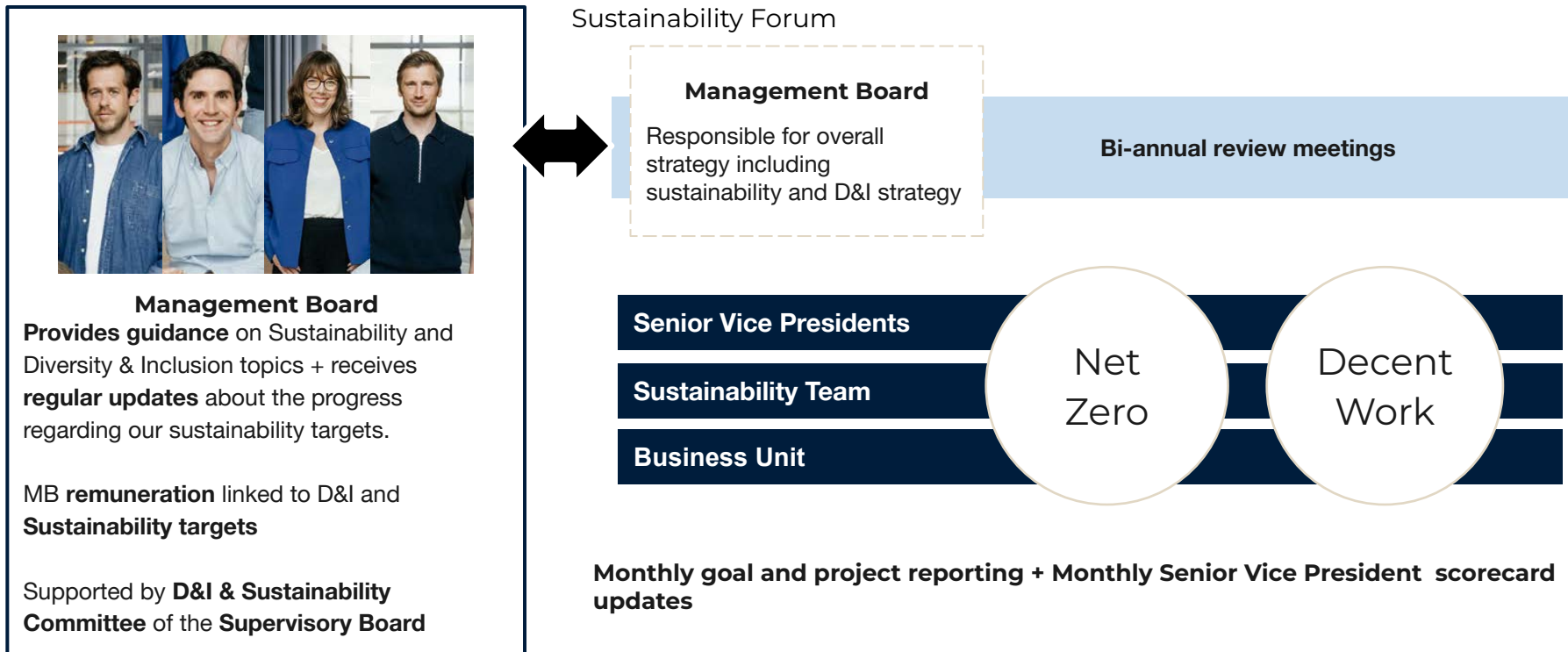
Our aim is underpinned by three key long-term sustainability ambitions

**Reach net-zero emissions** by 2040 in our own operations and private labels, and by 2050 for the remaining company value chain emissions. including fashion brand partners, packaging and transportation emissions

Further **empower workers through decent work** by deepening human rights due diligence in our own operations and those of our partners, as well as further evolving our purchasing practices and wage management systems in our private labels by 2028.

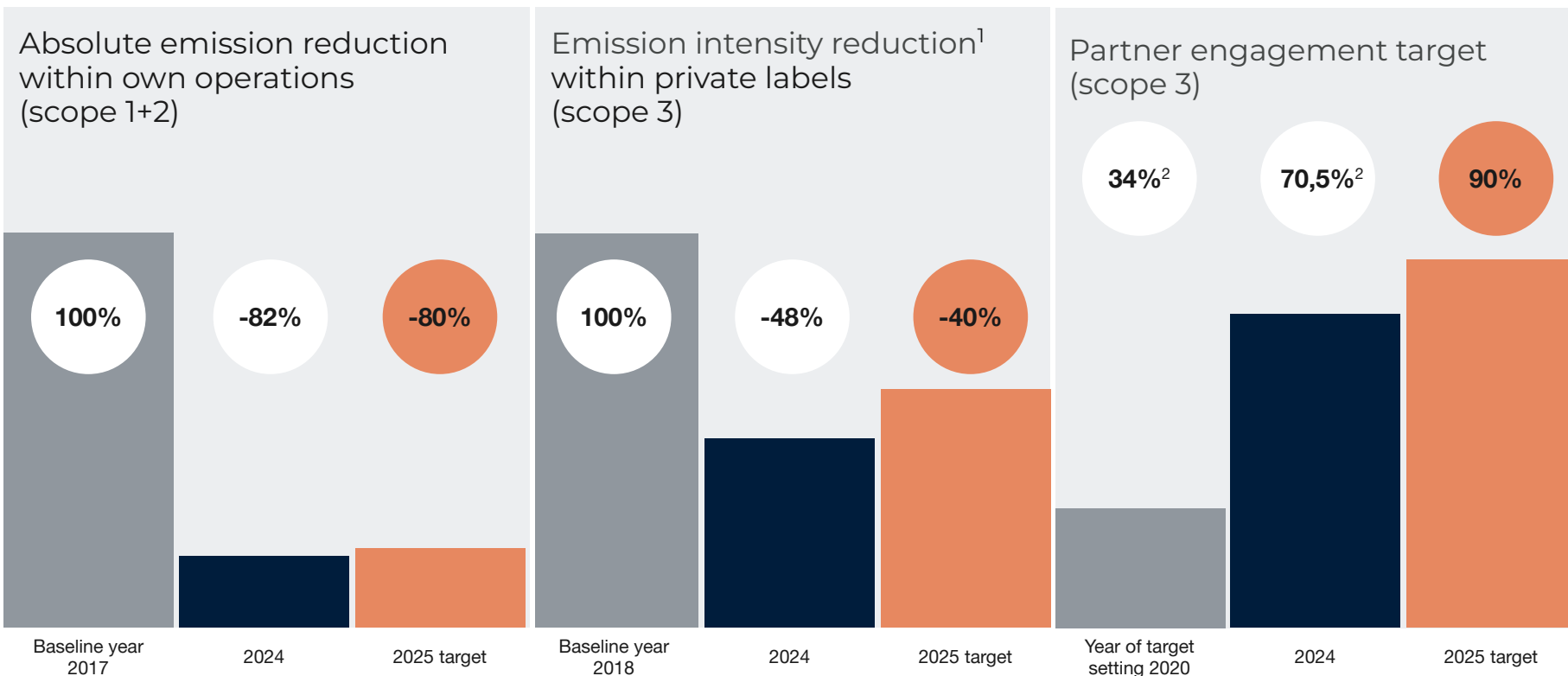
**Be inclusive by design**, bringing to life the diversity of our talent, leaders, customers and partners

## Governance: To maximise impact, sustainability is integrated into all business units





# We have made progress on our path towards net zero

107 <sup>1</sup> Per million euros in gross profit<sup>2</sup> By emissions



# We work towards Net Zero by acting on three decarbonization levers with partners, Private Labels and in our own operations

	Levers		Measures
Materials	From <b>conventional</b> to <b>preferred</b> materials to address land use change, fertilizers, etc	Private Labels & Partner Brands	Increase of organic, recycled, regenerative and responsibly sourced materials for private labels & support the partners to do the same
Energy	From fossil fuels to <b>renewable energy</b> & <b>energy efficiencies</b>	Own operations LEAP & FIP	Optimisation of energy use, increase use of renewable energy Support partners to do the same e.g. by scaling private label Facility Improvement Programme & LEAP Initiative
Business efficiency & circular models	Reducing <b>resource use per revenue gain</b> via circular business models	Operational Excellence Recommerce Packaging waste reduction	Inventory management, returns minimization, route optimization Pre-owned fashion category Recyclable + recycled packaging & reusable system for intralogistic boxes



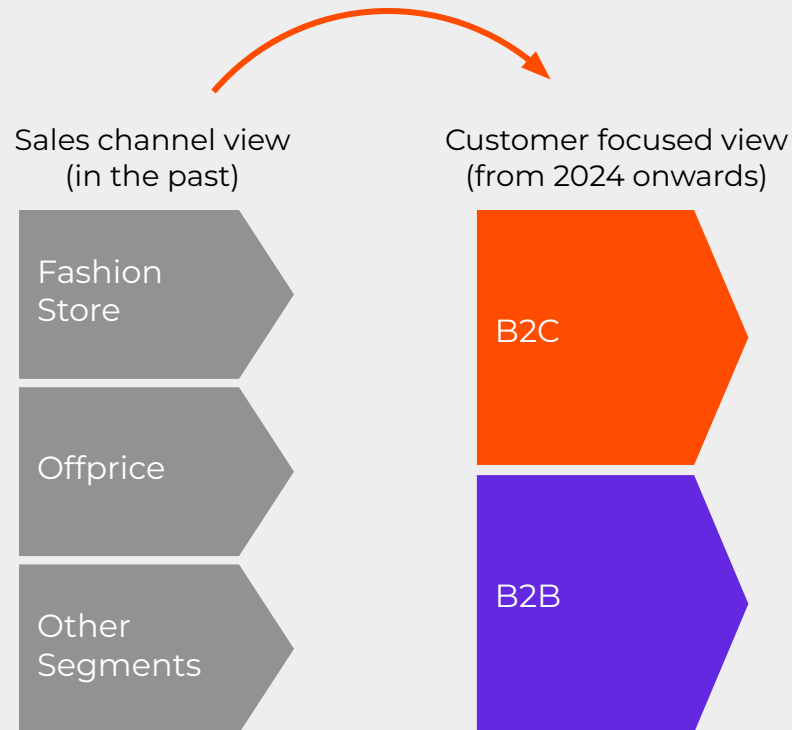


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## Our new segment reporting from 2024 onwards

- Our steering and decision-making starts from a customer point of view, now we are shifting from a sales channel view to a customer-focused distinction between B2C and B2B.
- Our external reporting will be adjusted to reflect these two operating segments.
- The majority of our business revenue is located in our B2C business and its supporting services, including our partner business and Zalando Marketing Services (ZMS).
- The B2B segment will comprise services that provide B2B products we offer to our partners on and off our Zalando Platform to meet their business needs (i.e. ZEOS including Zalando Fulfillment Solutions and Tradebyte as well as Highsnobiety as another brand-facing business of the Zalando group).



# Group Key Figures

Zalando group key figures as of Q1 2025

	Year FY/20	Year FY/21	Year FY/22	Year FY/23	Year FY/24	Quarter Q1/25
<b>Results of operations</b>						
Average GMV per active customer (LTM) (in EUR)	276.4	295.6	288.6	296.8	295.9	296.4
Active customers LTM (m)	38.7	48.5	51.2	49.5	51.8	52.4
Number of orders (m)	185.5	252.2	261.1	244.8	251.0	58.5
Average order per active customer (LTM)	4.8x	5.2x	5.1x	4.9 x	4.8 x	4.9 x
Average basket size (LTM) (in EUR)	57.7	56.8	56.6	59.8	61.1	61.1
Gross merchandise volume (GMV) (in m EUR)	10,696.0	14,332.7	14,788.7	14,631.0	15,324.8	3,495.7
Revenue (in m EUR)	7,982.0	10,354.0	10,344.8	10,143.1	10,572.5	2,419.5
Adjusted EBIT (in m EUR)	420.8	468.4	184.6	349.9	511.1	46.7
Adjusted EBIT margin	5.3%	4.5%	1.8%	3.5%	4.8%	1.9%
EBIT (in m EUR)	367.0	424.7	81.0	190.9	391.9	21.4
EBIT margin	4.6%	4.1%	0.8%	1.9%	3.7%	0.9%
<b>Other key figures (in m EUR)</b>						
Net working capital	(87.4)	(162.1)	(211.6)	(441.8)	(269.3)	(85.9)
Cash flow from operating activities	527.4	616.2	459.9	949.5	654.1	(143.0)
Cash flow from investing activities	(217.8)	(335.9)	(476.2)	(320.7)	(269.8)	(452.1)
Free cash flow	284.5	283.2	(18.8)	683.8	379.4	(192.1)
Capex	(250.0)	(332.9)	(351.7)	(263.2)	(206.9)	(33.6)
Cash and cash equivalents at the end of the period	2,644.0	2,287.9	2,024.8	2,533.2	2,587.8	1,959.4
Number of employees as of reporting date*	14,194	17,043	16,999*	15,793 *	15,309 *	15,463 *
Basic earnings per share (in EUR)	0.90	0.91	0.07	0.32	0.97	0.04

\*Average number of employees

# Income Statement

Zalando group income statement (in m EUR) as of Q1 2025

	Year FY/20	Year FY/21	Year FY/22	Year FY/23	Year FY/24	Quarter Q1/25
<b>Revenue</b>	<b>7,982.0</b>	<b>10,354.0</b>	<b>10,344.8</b>	<b>10,143.1</b>	<b>10,572.5</b>	<b>2,419.5</b>
% growth	23.1%	29.7%	(0.1%)	(1.9%)	4.2%	7.9%
<b>Cost of sales</b>	<b>(4,587.8)</b>	<b>(6,027.7)</b>	<b>(6,289.3)</b>	<b>(6,212.7)</b>	<b>(6,270.5)</b>	<b>(1,473.3)</b>
<b>Gross profit</b>	<b>3,394.2</b>	<b>4,326.2</b>	<b>4,055.5</b>	<b>3,930.4</b>	<b>4,302.0</b>	<b>946.1</b>
% margin	42.5%	41.8%	39.2%	38.7%	40.7%	39.1%
<b>Selling and distribution costs</b>	<b>(2,716.0)</b>	<b>(3,529.6)</b>	<b>(3,507.1)</b>	<b>(3,210.8)</b>	<b>(3,397.6)</b>	<b>(801.4)</b>
<b>Administrative expenses</b>	<b>(319.2)</b>	<b>(393.2)</b>	<b>(480.4)</b>	<b>(490.8)</b>	<b>(513.3)</b>	<b>(125.6)</b>
<b>Other operating income</b>	<b>26.7</b>	<b>32.8</b>	<b>28.1</b>	<b>20.6</b>	<b>20.9</b>	<b>3.7</b>
<b>Other operating expenses</b>	<b>(18.7)</b>	<b>(11.5)</b>	<b>(15.1)</b>	<b>(58.5)</b>	<b>(20.1)</b>	<b>(1.4)</b>
<b>EBIT</b>	<b>367.0</b>	<b>424.7</b>	<b>81.0</b>	<b>190.9</b>	<b>391.9</b>	<b>21.4</b>
% margin	4.6%	4.1%	0.8%	1.9%	3.7%	0.9%
<b>Financial result</b>	<b>(48.6)</b>	<b>(70.4)</b>	<b>(42.2)</b>	<b>(38.0)</b>	<b>(23.9)</b>	<b>(3.5)</b>
<b>EBT</b>	<b>318.5</b>	<b>354.3</b>	<b>38.8</b>	<b>152.9</b>	<b>368.0</b>	<b>17.9</b>
% margin	4.0%	3.4%	0.4%	1.5%	3.5%	0.7%
<b>Income taxes</b>	<b>(92.4)</b>	<b>(119.7)</b>	<b>(22.0)</b>	<b>(69.9)</b>	<b>(116.9)</b>	<b>(8.0)</b>
<b>Net income</b>	<b>226.1</b>	<b>234.5</b>	<b>16.8</b>	<b>83.0</b>	<b>251.1</b>	<b>9.9</b>
% margin	2.8%	2.3%	0.2%	0.8%	2.4%	0.4%
<b>Depreciation &amp; amortisation</b>	<b>214.5</b>	<b>235.4</b>	<b>312.4</b>	<b>334.0</b>	<b>349.9</b>	<b>87.1</b>
<b>EBITDA</b>	<b>581.5</b>	<b>660.1</b>	<b>393.4</b>	<b>524.8</b>	<b>741.8</b>	<b>108.5</b>
% margin	7.3%	6.4%	3.8%	5.2%	7.0%	4.5%
<b>Share-based payments</b>	<b>53.8</b>	<b>57.3</b>	<b>72.5</b>	<b>83.0</b>	<b>82.4</b>	<b>20.7</b>
<b>Acquisition-related expenses</b>	<b>0.0</b>	<b>0.0</b>	<b>11.5</b>	<b>19.4</b>	<b>30.5</b>	<b>4.6</b>
<b>Restructuring costs</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>32.4</b>	<b>0.0</b>	<b>0.0</b>
<b>One-time effects</b>	<b>0.0</b>	<b>13.6</b>	<b>19.6</b>	<b>24.2</b>	<b>6.3</b>	<b>0.0</b>
<b>Adjusted EBIT</b>	<b>420.8</b>	<b>468.4</b>	<b>184.6</b>	<b>349.9</b>	<b>511.1</b>	<b>46.7</b>
% margin	5.3%	4.5%	1.8%	3.5%	4.8%	1.9%
<b>Adjusted EBITDA</b>	<b>635.3</b>	<b>703.8</b>	<b>473.3</b>	<b>654.1</b>	<b>840.3</b>	<b>131.5</b>
% margin	8.0%	6.8%	4.6%	6.5%	7.9%	5.4%

# Segments

Segment performance (in m EUR) as of Q1 2025

	Year FY/23	Year FY/24	Quarter Q1/25
<b>Gross merchandise volume (GMV) (in m EUR)*</b>	<b>14,631.0</b>	<b>15,324.8</b>	<b>3,495.7</b>
<b>Revenue (in m EUR)</b>	<b>10,143.1</b>	<b>10,572.5</b>	<b>2,419.5</b>
B2C	9,301.8	9,657.7	2,182.5
B2B	854.4	952.6	240.0
Reconciliation	(13.1)	(37.8)	(3.0)
<b>Adjusted EBIT (in m EUR)</b>	<b>349.9</b>	<b>511.1</b>	<b>46.7</b>
B2C	310.8	488.7	41.0
B2B	39.2	22.8	5.8
Reconciliation	0.0	(0.4)	0.0
<b>Adjusted EBIT margin (in %)</b>	<b>3.5%</b>	<b>4.8%</b>	<b>1.9%</b>
B2C	3.3%	5.1%	1.9%
B2B	4.6%	2.4%	2.4%
<b>EBIT (in m EUR)</b>	<b>190.9</b>	<b>391.9</b>	<b>21.4</b>
B2C	176.5	394.2	20.6
B2B	14.4	(1.9)	0.8
Reconciliation	0.0	(0.4)	0.0
<b>EBIT margin (in %)</b>	<b>1.9%</b>	<b>3.7%</b>	<b>0.9%</b>
B2C	1.9%	4.1%	0.9%
B2B	1.7%	(0.2%)	0.4%

\*Gross merchandise volume (GMV) figures consists of B2C only

# Balance Sheet (total assets)

Zalando group balance sheet (in m EUR) as of Q1 2025

	Year FY/20	Year FY/21	Year FY/22	Year FY/23	Year FY/24	Quarter Q1/25
<b>Non-current assets</b>	<b>1,560.0</b>	<b>1,901.4</b>	<b>2,342.3</b>	<b>2,540.5</b>	<b>2,532.3</b>	<b>2,513.5</b>
Intangible assets	236.0	263.0	414.1	399.2	402.2	403.1
Property, plant and equipment	810.1	959.4	1,145.5	1,254.1	1,229.5	1,208.7
Right-of-use assets	479.8	584.2	679.3	785.5	742.3	728.5
Financial assets	11.9	78.1	85.2	85.2	143.4	158.0
Non-financial assets	5.1	3.9	4.2	3.2	4.4	4.0
Investments accounted for using the equity method	1.7	1.7	8.3	6.9	1.4	1.4
Deferred tax assets	15.4	11.2	5.7	6.4	9.0	9.8
<b>Current assets</b>	<b>4,934.8</b>	<b>4,995.6</b>	<b>5,283.8</b>	<b>5,249.2</b>	<b>5,451.6</b>	<b>5,594.5</b>
Inventories	1,361.2	1,547.4	1,809.5	1,440.9	1,549.7	1,910.5
Prepayments*	0.0	0.0	0.0	0.0	0.0	0.0
Trade and other receivables	602.5	727.4	913.0	899.3	926.1	933.4
Other financial assets	32.0	49.8	78.6	110.5	120.3	525.2
Other non-financial assets	295.1	383.0	457.9	265.4	267.7	265.9
Cash and cash equivalents	2,644.0	2,287.9	2,024.8	2,533.2	2,587.8	1,959.4
Assets held for sale	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total assets</b>	<b>6,494.8</b>	<b>6,897.0</b>	<b>7,626.1</b>	<b>7,789.7</b>	<b>7,983.9</b>	<b>8,108.0</b>



# Balance Sheet (total equity and liabilities)

Zalando group balance sheet (in m EUR) as of Q1 2025

	Year FY/20	Year FY/21	Year FY/22	Year FY/23	Year FY/24	Quarter Q1/25
<b>Equity</b>	<b>2,151.1</b>	<b>2,218.8</b>	<b>2,199.2</b>	<b>2,373.1</b>	<b>2,665.3</b>	<b>2,689.9</b>
Issued capital	253.1	258.7	259.0	260.5	259.2	260.1
Capital reserves	1,428.9	1,285.9	1,237.8	1,323.7	1,319.7	1,345.1
Other reserves	(7.3)	(36.8)	(25.4)	(21.9)	24.4	12.8
Retained earnings	476.6	711.1	727.8	810.9	1,062.0	1,071.9
Non-controlling interest	(0.2)	(0.2)	0.0	0.0	0.0	0.0
<b>Non-current liabilities</b>	<b>1,404.2</b>	<b>1,580.7</b>	<b>1,760.0</b>	<b>1,890.4</b>	<b>1,328.5</b>	<b>1,299.1</b>
Provisions	47.7	54.3	85.3	108.8	104.0	104.5
Lease liabilities	443.0	579.0	670.1	780.0	712.8	689.2
Borrowings	0.0	0.0	0.0	0.0	0.0	0.0
Convertible bonds	873.7	895.0	916.9	939.4	469.8	472.6
Other financial liabilities	15.6	14.2	12.1	6.7	0.3	0.2
Other non-financial liabilities	5.1	4.6	4.6	0.4	0.1	0.0
Deferred tax liabilities	19.1	33.5	71.0	55.1	41.4	32.5
<b>Current liabilities</b>	<b>2,939.5</b>	<b>3,097.5</b>	<b>3,666.9</b>	<b>3,526.2</b>	<b>3,990.2</b>	<b>4,119.0</b>
Provisions	0.5	0.0	0.0	5.0	23.0	23.1
Lease liabilities	73.7	101.0	129.7	132.2	148.8	154.9
Borrowings	377.7	0.0	0.0	0.0	0.0	0.0
Convertible bonds	0.0	0.0	0.0	0.0	394.1	396.6
Trade payables and similar liabilities	2,050.5	2,437.0	2,934.1	2,782.0	2,745.1	2,929.8
Prepayments received	47.1	40.6	49.2	48.0	38.9	47.5
Income tax liabilities	9.6	25.2	24.8	20.6	60.7	60.6
Other financial liabilities	145.6	214.9	253.1	233.7	202.2	213.0
Other non-financial liabilities	234.8	278.9	276.0	304.6	377.4	293.4
Liabilities associated with assets held for sale	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total equity and liabilities</b>	<b>6,494.8</b>	<b>6,897.0</b>	<b>7,626.1</b>	<b>7,789.7</b>	<b>7,983.9</b>	<b>8,108.0</b>



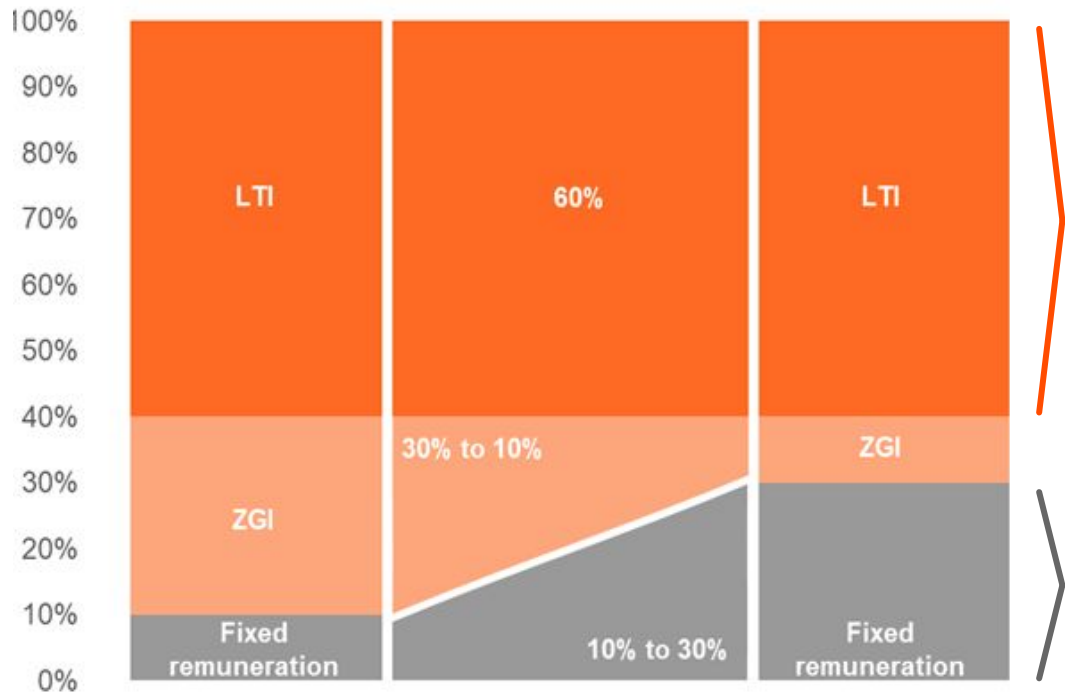
# Cash Flow Statement

Zalando group cash flow statement (in m EUR) as of Q1 2025

	Year FY/20	Year FY/21	Year FY/22	Year FY/23	Year FY/24	Quarter Q1/25
<b>Net income/loss for the period</b>	<b>226.1</b>	<b>234.5</b>	<b>16.8</b>	<b>83.0</b>	<b>251.1</b>	<b>9.9</b>
Non-cash expenses from share-based payments	53.8	57.3	72.5	83.0	82.4	20.7
Cash paid for settlement of claims from share-based payments	(3.5)	0.0	0.0	0.0	0.0	0.0
Depreciation of property, plant and equipment, right-of-use assets and amortisation of intangible assets	214.5	235.4	312.4	334.0	349.9	87.1
Income taxes	92.4	119.7	22.0	69.9	116.9	8.0
Incomes taxes paid, less refunds	(116.7)	(106.3)	(64.1)	(39.0)	(75.4)	(25.6)
Increase/decrease in provisions	(2.1)	(0.5)	7.2	17.6	7.5	0.1
Other non-cash income/expenses	4.3	(2.7)	13.8	7.9	19.1	4.2
Decrease/increase in inventories	(262.9)	(186.3)	(260.1)	368.6	(108.8)	(360.8)
Decrease/increase in trade and other receivables	(139.6)	(125.5)	(169.5)	13.7	(26.8)	(7.3)
Increase/decrease in trade payables and similar liabilities	329.2	391.7	489.9	(168.9)	(18.1)	186.4
Increase/decrease in other assets/liabilities	132.1	(1.1)	19.1	179.7	56.3	(65.7)
<b>Cash flow from operating activities</b>	<b>527.4</b>	<b>616.2</b>	<b>459.9</b>	<b>949.5</b>	<b>654.1</b>	<b>(143.0)</b>
Proceeds from disposal of non-current assets	32.7	0.0	0.0	0.0	0.0	0.0
Payments received from the sale of shares in associated and other companies	6.0	0.0	0.0	0.0	0.0	0.0
Cash received from sales of property, plant and equipment, intangibles and other long-term assets	0.0	0.0	0.0	3.5	0.0	0.0
Cash paid for investments in property, plant and equipment	(177.6)	(240.4)	(274.5)	(190.5)	(120.6)	(9.0)
Cash paid for investments in intangible assets	(72.5)	(92.5)	(77.1)	(72.7)	(86.2)	(24.5)
Cash paid for acquisition of shares in associated companies and subsidiaries less cash acquired and other equity investments	(31.5)	0.0	(127.0)	(6.1)	(67.9)	(15.5)
Cash received from/paid for short-term investments in other financial assets	25.0	(3.0)	0.0	(50.0)	0.0	0.0
Change in restricted cash	0.0	0.0	2.5	(4.9)	4.9	(403.0)
<b>Cash flow from investing activities</b>	<b>(217.8)</b>	<b>(335.9)</b>	<b>(476.2)</b>	<b>(320.7)</b>	<b>(269.8)</b>	<b>(452.1)</b>
Cash received from capital increases by the shareholders and stock option exercises less transaction costs	55.1	22.5	4.4	4.5	4.0	5.7
Cash paid for the repurchase of treasury shares	0.0	(200.0)	(136.2)	0.0	(99.5)	0.0
Cash repayment of loans and similar payments	(2.8)	(377.7)	(3.3)	0.0	0.0	0.0
Cash received from increases in borrowings	375.0	0.0	0.0	0.0	0.0	0.0
Cash payments for the principal portion of lease liabilities	(67.2)	(84.5)	(110.8)	(128.1)	(134.5)	(36.4)
Cash received from the issue of convertible bonds less transaction costs/Cash paid for the repurchase of convertible bonds including transaction costs	994.0	0.0	0.0	0.0	(95.5)	0.0
<b>Cash flow from financing activities</b>	<b>1,354.1</b>	<b>(639.8)</b>	<b>(245.9)</b>	<b>(123.6)</b>	<b>(325.6)</b>	<b>(30.7)</b>
Net change in cash and cash equivalents from cash relevant transactions	1,663.6	(359.6)	(262.2)	505.2	58.8	(625.8)
Change in cash and cash equivalents due to exchange rate movements	3.9	3.5	(0.9)	3.2	(4.2)	(2.6)
Cash and cash equivalents at the beginning of the period	976.5	2,644.0	2,287.9	2,024.8	2,533.2	2,587.8
<b>Cash and cash equivalents at the end of the period</b>	<b>2,644.0</b>	<b>2,287.9</b>	<b>2,024.8</b>	<b>2,533.2</b>	<b>2,587.8</b>	<b>1,959.4</b>
<b>Free cash flow</b>	<b>284.5</b>	<b>283.2</b>	<b>(18.8)</b>	<b>683.8</b>	<b>379.4</b>	<b>(192.1)</b>

# Management Board Remuneration System - Overview<sup>1</sup>

Composition as % of target total remuneration



- **Rolling annual grant** of LTI 2024 Options (PO) and Shares (PS)
- **Fixed mix between PO and PS** with flexibility for Supervisory Board to deviate if appropriate
- Both instruments **linked to growth and ESG targets**, strike price for LTI Options (see next slide)
- **Three-year performance** and one year-holding period
- **Payout caps** and **malus & clawback provisions**

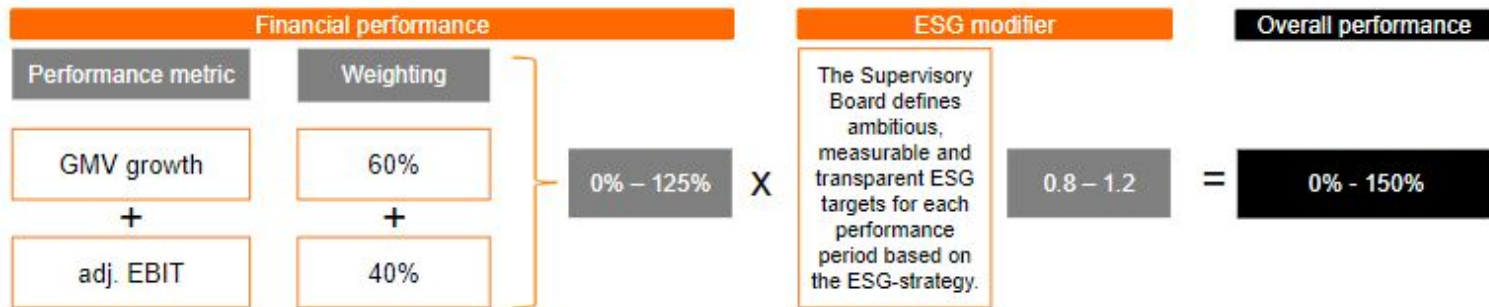
- **ZGI**: market-standard cash settled short-term incentive that depends upon the achievement of annual financial targets
- Management Board obliged to **reinvest 50%** of the net payouts under the **ZGI** in Zalando shares with a holding period of one year. **Long-Term Incentive (LTI)** grant will be changed to an **annual grant structure**

# Management Board Remuneration Scheme - Performance criteria of the LTI and determination of Overall Target Achievement

The **Overall Target Achievement** defines the total number of exercisable **LTI Shares** and **LTI Options**.

It is measured:

- on the basis of the **development of Zalando Group's GMV and Zalando Group's adj. EBIT during the Performance Period** as the currently most relevant performance parameters under the company's long-term strategy and;
- by taking into account the **achievement of pre-defined ESG-targets** by way of a modifier with a **factor of between 0.8-1.2**.





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# Zalando Share and overview stock options programmes

## Share information

(as of 31 March 2025)

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	264,122,978
Issued capital	264,122,978 EUR

## Stock options programmes management board

(as of 31 March 2025)

Program	# Options outstanding	Weighted average exercise price (EUR)
LTI 2018 <sup>1</sup>	4,296,949	47.44
LTI 2019	28,070	1.00
LTI 2021	849,280	29.90
LTI 2024	125,389	23.22
LTI 2025	534,218	28.55
ZOP 2021	329,568	16.92
<b>Total</b>	<b>6,163,474</b>	<b>41.05</b>

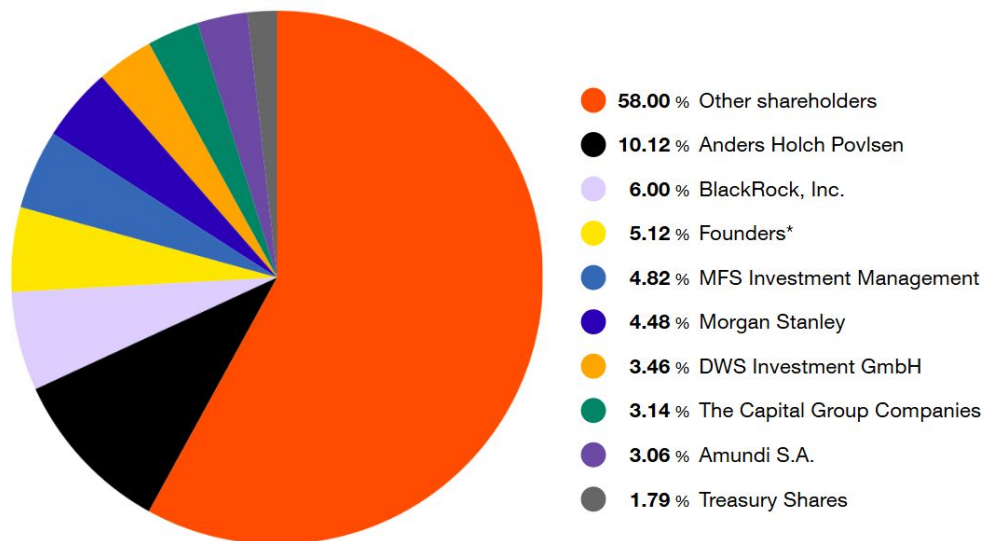
## Stock options programmes senior management

(as of 31 March 2025)

Program	# Options outstanding	Weighted average exercise price (EUR)
EIP <sup>2</sup>	2,191,548	41.72
ZOP 2019	7,055,096	26.28
<b>Total</b>	<b>9,246,644</b>	<b>29.94</b>



# Shareholder structure

































# Convertible Bond 2020

	Pricing Terms	
	5-year	7-year
<b>Issue size</b>	<b>1,000m EUR</b>	
<b>Tranche size<sup>1</sup></b>	<b>500m EUR</b>	<b>500m EUR</b>
Status	Senior, unsecured	Senior, unsecured
Maturity	5 years (2025)	7 years (2027)
Issuer call	After year 3 at 130% trigger	After year 5 at 150% trigger
<b>Reference share price</b>	<b>61.50 EUR</b>	<b>61.50 EUR</b>
Issue price	100.88%	100.0%
Redemption price	100.0%	100.0%
<b>Yield to maturity</b>	<b>-0.125%</b>	<b>0.625%</b>
<b>Coupon</b>	<b>0.05%</b>	<b>0.625%</b>
<b>Conversion premium</b>	<b>42.5%</b>	<b>50.0%</b>
<b>Conversion price</b>	<b>87.6375 EUR</b>	<b>92.2500 EUR</b>
Underlying shares (m)	5.7m	5.4m
Underlying shares (% ISC)	2.2%	2.1%



## Zalando analyst coverage

 <b>AlsterResearch</b> Alexander Zienkiewicz	 <b>Parete</b> Rocco Strauss	 <b>BAADER</b> Volker Bosse	 <b>BANK OF AMERICA</b> Joffrey Bellicha Meller	 <b>METZLER</b> Felix Jonathan Dennl	 <b>BARCLAYS</b> Sarah Roberts	 <b>BERENBERG</b> PARTNERSHIP SINCE 1590 Anne Critchlow
 <b>BERNSTEIN</b> William Woods	 <b>BRYAN, GARNIER &amp; CO</b> The European Growth Investment Bank Clement Genelot	 <b>CaixaBank</b> José Rito	 <b>citi</b> Monique Pollard	 <b>CRISPidea</b> get your message across Aishwarya Dinesh	 <b>Deutsche Bank</b> Adam Cochrane	 <b>DZ BANK</b> Die Initiativbank Thomas Maul
 <b>EXANE</b> Mia Strauss	 <b>Goldman Sachs</b> Richard Edwards	 <b>HAUCK &amp; AUFHÄUSER</b> PRIVATBANK SEIT 1796 Christian Salis	 <b>HSBC</b> Paul Rossington	 <b>J.P.Morgan</b> Georgina Johanan	 <b>Kepler Cheuvreux</b> Jürgen Kolb	 <b>Morgan Stanley</b> Luke Holbrook
 <b>ODDO BHF</b> CORPORATES & MARKETS Andreas Riemann	 <b>QUIRIN</b> PRIVATBANK Ralf Marinoni	 <b>RBC</b> Royal Bank Richard Chamberlain	 <b>REDBURN</b> Ashton Olds	 <b>Santander</b> Alejandro Conde	 <b>UBS</b> Yashraj Rajani	 <b>M.M. WARBURG &amp; CO</b> BANK Jörg Philipp Frey



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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 centers, inaccurate personnel and capacity forecasts for fulfilment centers, 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.