

Q1



Zalando Q1/25 Earnings call

6 May 2025

Speaker:

David Schröder, Co-CEO and interim CFO

Roeland Loof, VP Finance

zalando

Executive Summary

- 01 Strong start to the year with accelerated GMV growth**
Acceleration in GMV growth to 6.5% paired with continued strong revenue growth of 7.9% supported by successful end of season sales and a promising start to the new spring/summer season
- 02 Continued improvements in profitability driven by B2C gross margin**
Year-over-year improvement in adjusted EBIT from 28m EUR to 47m EUR corresponding to a margin increase of 0.7pp to 1.9%
- 03 B2B continues its double digit growth trajectory driven by ZEOS fulfilment**
ZEOS is TikTok Shop's preferred fulfilment and integration partner for fashion & lifestyle to support brands' and retailers' e-commerce growth across Europe
- 04 Proposed acquisition of ABOUT YOU is progressing as planned**
Secured 91.5% of share capital without treasury shares and attained regulatory approval by Financial Supervisory Authority, closing is expected for summer
- 05 Confirming our full year 2025 guidance**
Both GMV and revenue growth of 4 – 9%, adjusted EBIT in the range of 530 – 590m EUR, CAPEX of 180 – 280m EUR and negative net working capital



Deepening customer engagement with our upgraded loyalty programme Zalando Plus

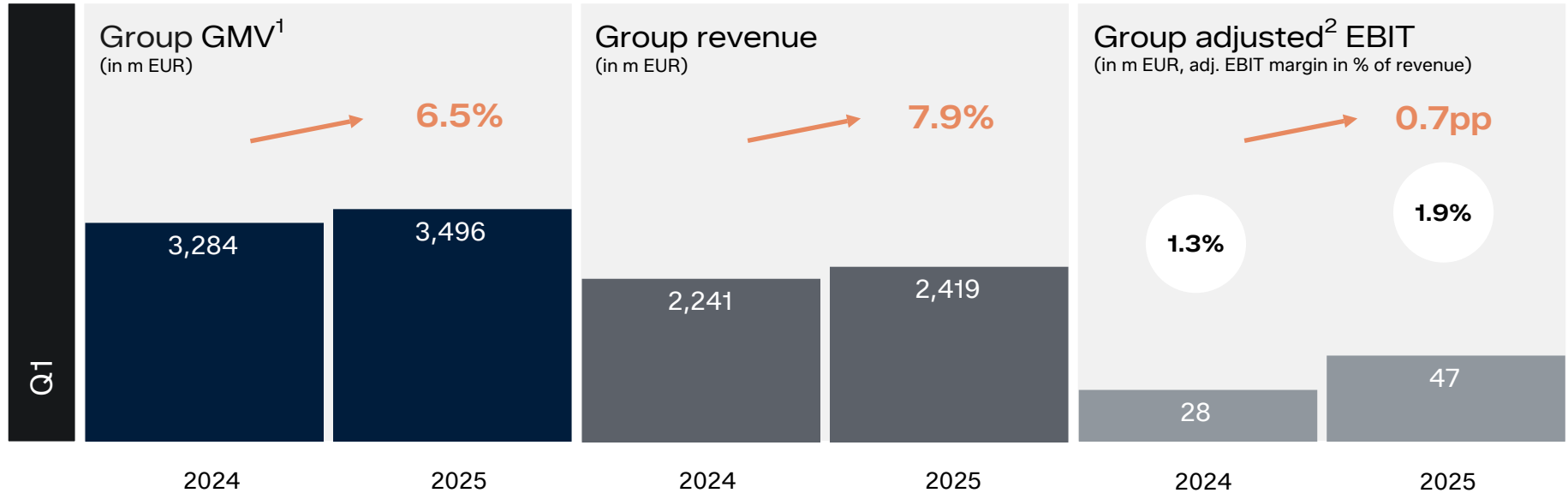
Successfully rolled-out loyalty programme to 13 markets with additional markets to be launched throughout the year

More than 15% of our customer base in all live markets is already participating¹



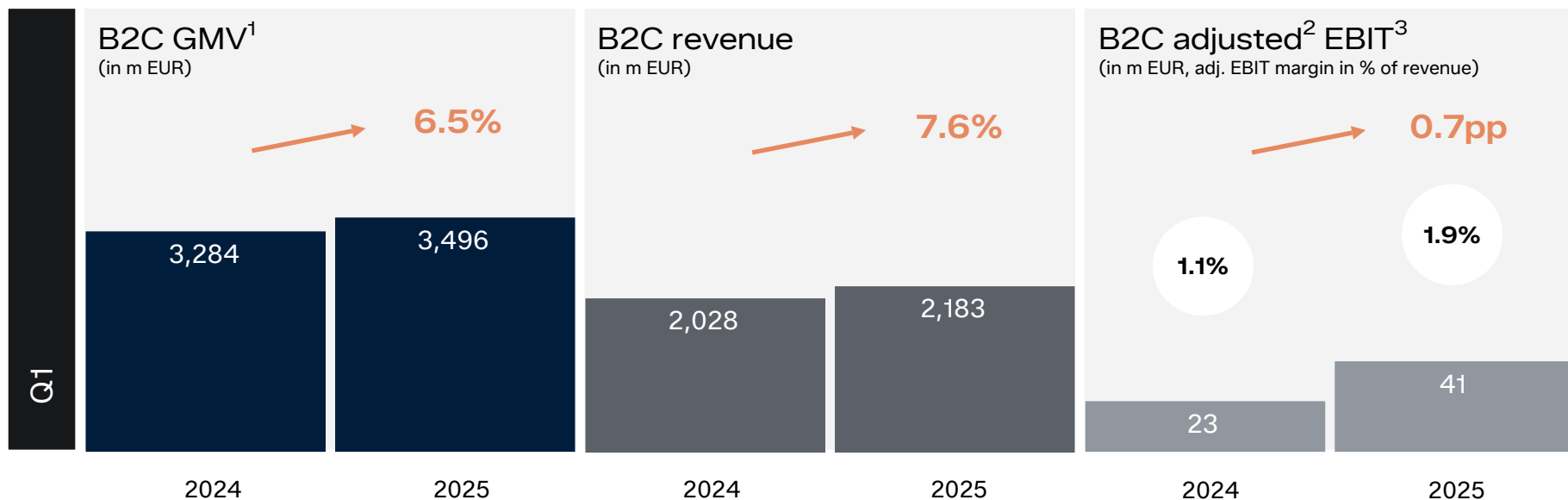


Q1 2025 with accelerated growth in GMV paired with continued strong revenue growth and improved profitability





Growth in B2C supported by successful end of season sales and a promising start to the spring/summer season



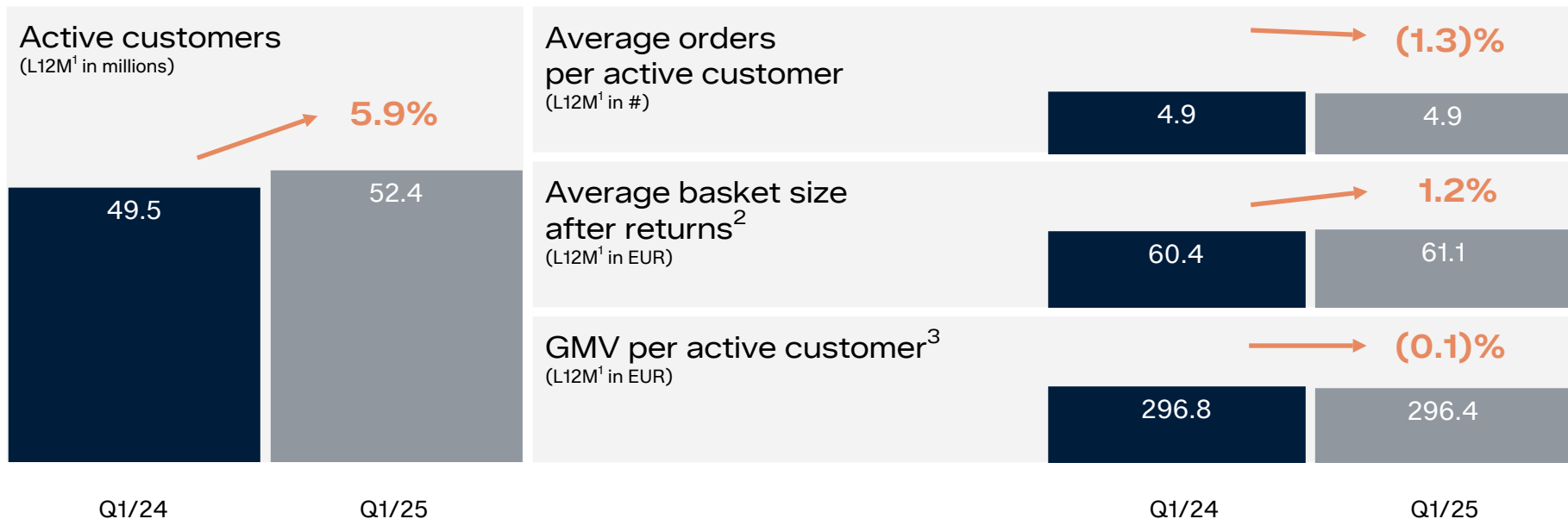
5 ¹ Gross merchandise volume after returns (GMV): dynamically reported

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

³ Q1 2025 contains 0.0m EUR | Q1 2024 EUR 0.0m EUR reconciliation of inter-segment EBIT

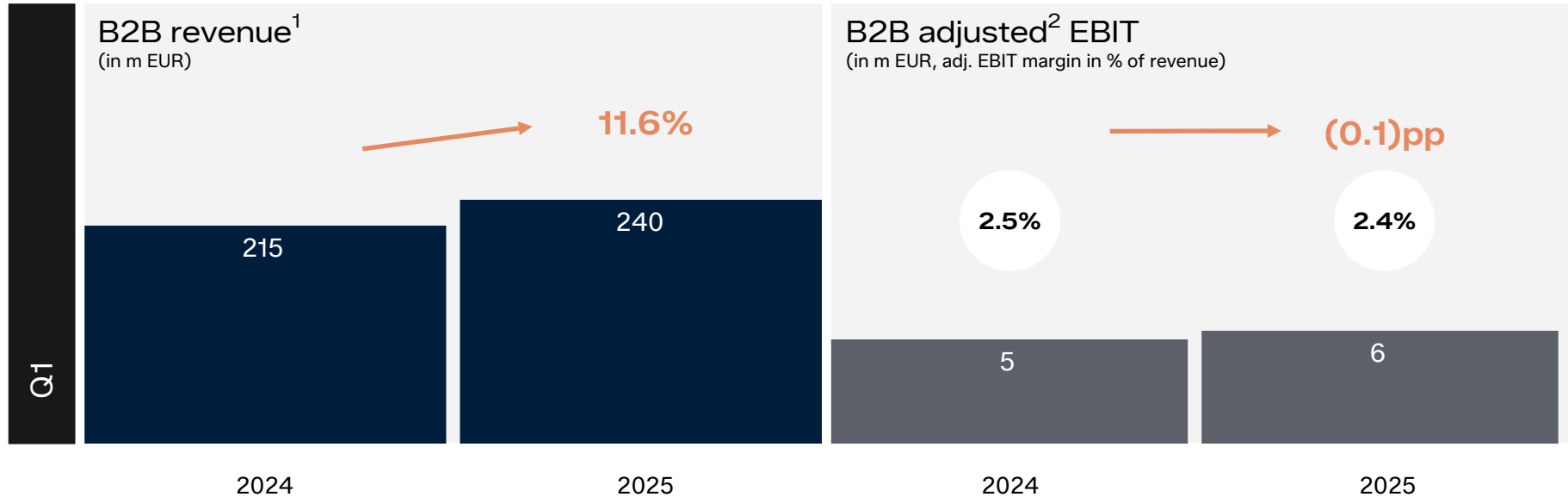


Continued active customer growth to new high





B2B with double digit growth trajectory driven by ZEOS fulfilment





Adjusted EBIT margin improved, driven by sustained strength in gross profit margin, which more than offset the rise in marketing expenses

Costs and margin (in % of revenue)	Q1/24	Q1/25	YoY Δ	
Gross profit	38.2%	39.1%	0.9pp	← Continued strong sell-through of our retail inventory and increase in ZMS revenues
Fulfilment costs	(24.6)%	(24.4)%	0.1pp	
Marketing costs	(8.2)%	(8.7)%	(0.5)pp	← Continued investments in performance and brand marketing to drive active customer growth and brand visibility
Administrative expenses & Other	(5.5)%	(5.1)%	0.4pp	
EBIT	0.0%	0.9%	0.9pp	
Adjusted ¹ EBIT	1.3%	1.9%	0.7pp	



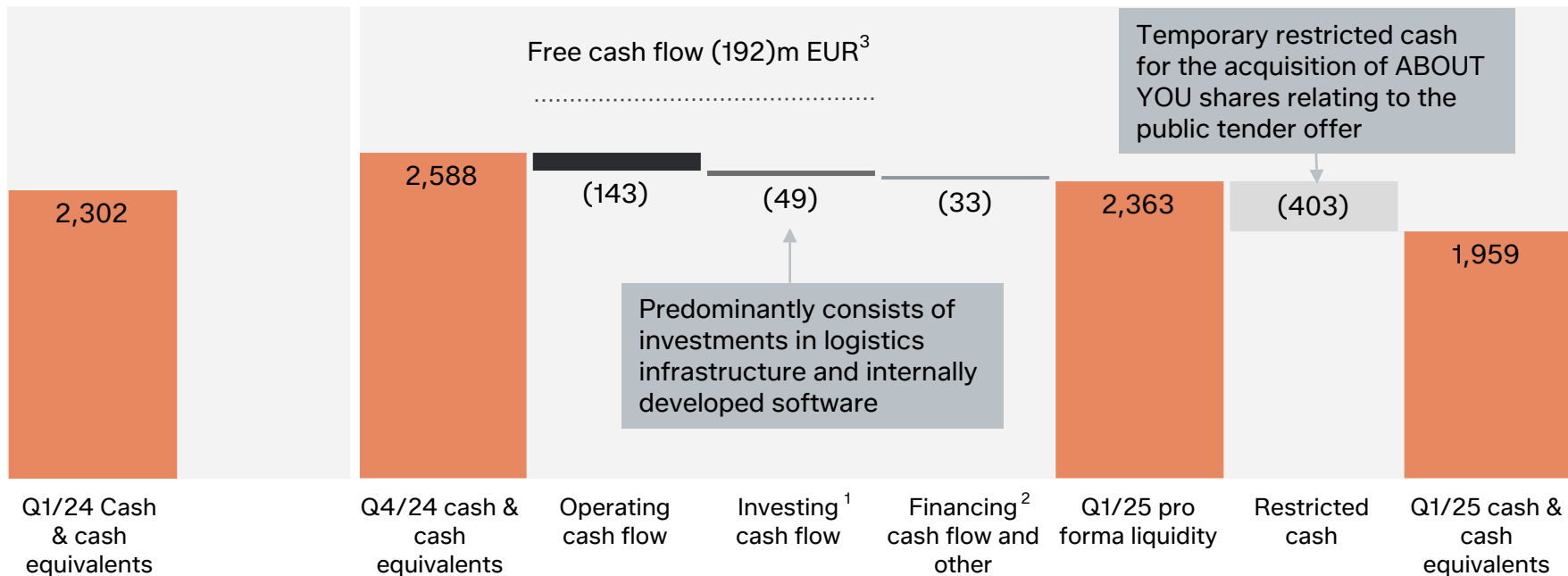
Net working capital position driven by higher inventory position to support our growing retail business





Cash and cash equivalents at two billion EUR

In m EUR



Confirming our full year 2025 guidance despite a fast-changing geopolitical and macro-economic environment

Zalando stand-alone guidance 2025¹

Growth	GMV	4 – 9%
	Revenue	4 – 9%
Profitability	Adjusted ² EBIT (in m EUR)	530 – 590
Cash	Capex (in m EUR)	180 – 280
	Net working capital (in m EUR)	negative



Key takeaways

- 01 Strong start to the year with accelerated GMV growth**
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Q&A



Appendix



Issued share capital

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 ¹	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
Total	6,163,474	41.05

Stock options programmes senior management

(as of 31 March 2025)

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



Zalando Investor Relations team

Patrick Kofler
Director of IR



Patrick.Kofler@zalando.de

Dorothee Schultz
Senior Manager ESG IR



Dorothee.Schultz@zalando.de

Andrea Frese
Senior Manager IR



Andrea.Frese@zalando.de

Nils Pöppinghaus
Senior Manager IR



Nils.Poeppinghaus@zalando.de

Ignacio Azpitarte Garay
Junior Manager IR



Ignacio.Azpitarte.Garay@zalando.de

Team contact

T: +49 3020 9681 584
Zalando SE
Valeska-Gert-Straße 5
10243 Berlin

investor.relations@zalando.de
<https://corporate.zalando.com/en>



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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 centres, inaccurate personnel and capacity forecasts for fulfilment centres, hazardous material / conditions in production with regard to private labels, lack of innovation capabilities, inadequate data security, lack of market knowledge, risk of strike and changes in competition levels.