



Roadshow presentation

May 2025

zalando



Agenda

Investment highlights

Our Q1 results and 2025 outlook

Appendix

Investment highlights

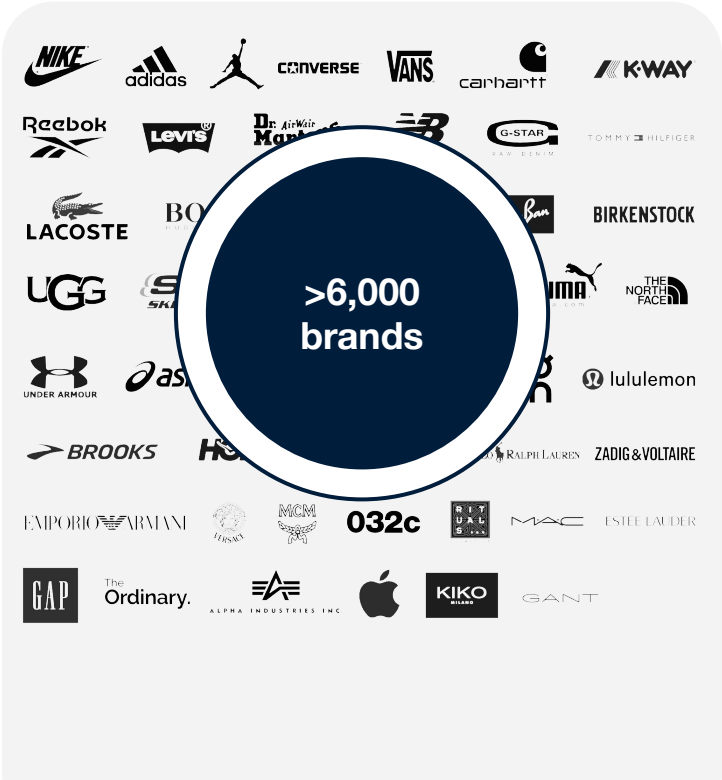
- 01 Strategic evolution to ecosystem model for fashion and lifestyle e-commerce**
Expanding from platform to ecosystem boosts scope and impact of our growth vectors B2C and B2B
- 02 B2C: Go-to-destination for quality fashion & lifestyle shopping and inspiration**
We differentiate through quality, lifestyle focus and inspiration
- 03 B2B: Operating system to enable brands' e-commerce across Europe**
With ZEOS we tap into a huge opportunity by enabling e-commerce on and off Zalando
- 04 Updated strategy will drive growth and margin expansion through 2028**
GMV and revenue both with a CAGR of 5-10%; adjusted EBIT margin of 6-8% in 2028

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



61%
of consumers prefer to shop fashion at multi-brand retailers¹

15
different brands ordered by average Zalando customer²



4 ¹ Source: BCG consumer research (2023) "At which type of shop / retailer did you make your last purchase", February 202; ² average during customer lifetime

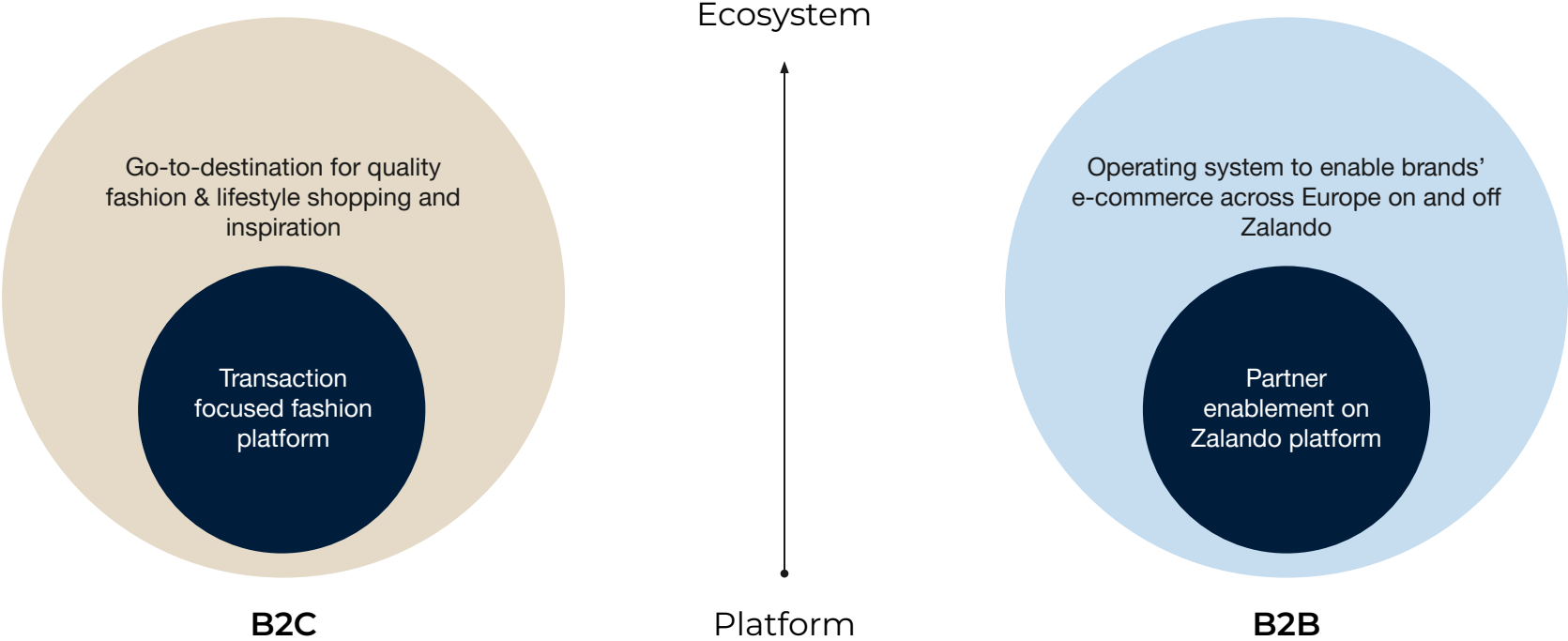


We expand our strategy towards building a pan-European ecosystem for fashion & lifestyle e-commerce





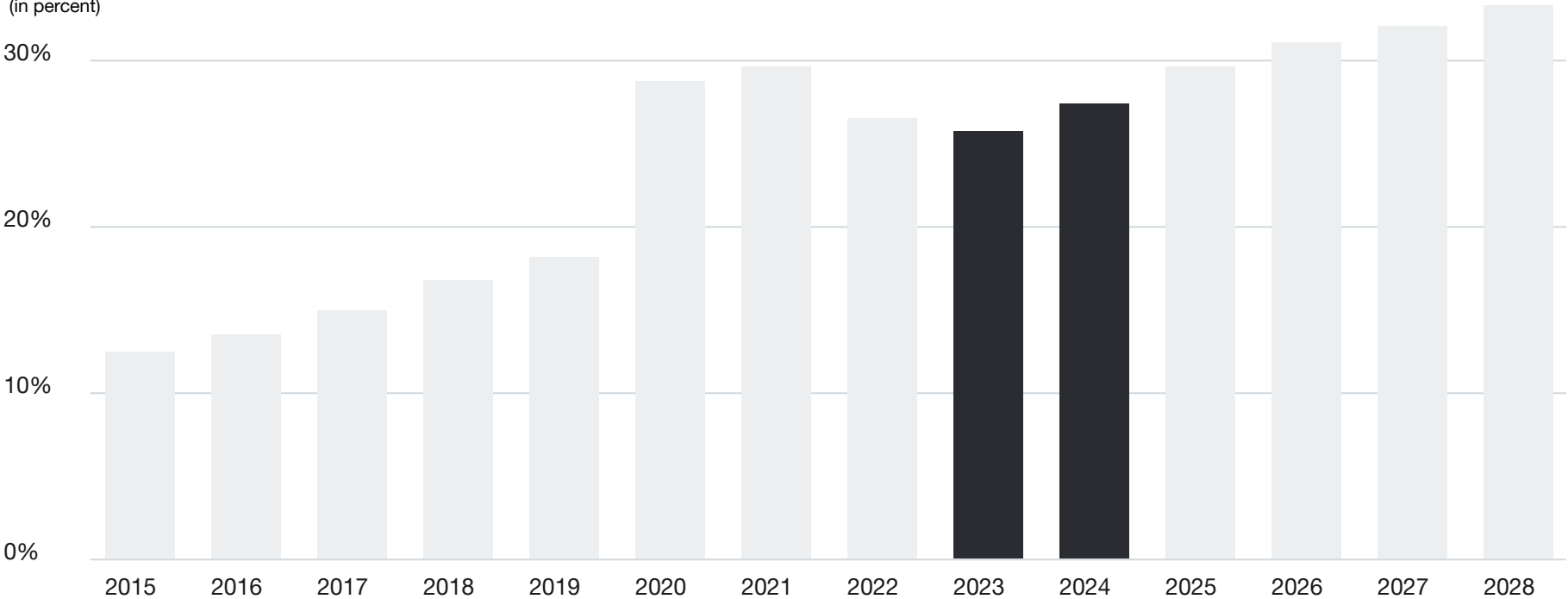
Our ecosystem strategy serves customers beyond transactions and enables partners beyond our platform across Europe





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

Online Penetration Fashion in Europe¹
(in percent)



7 ¹ 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)

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Our B2C growth vector is built on three strategic growth pillars

MULTI-BRAND PLATFORM

Differentiation through quality



Lifestyle expansion

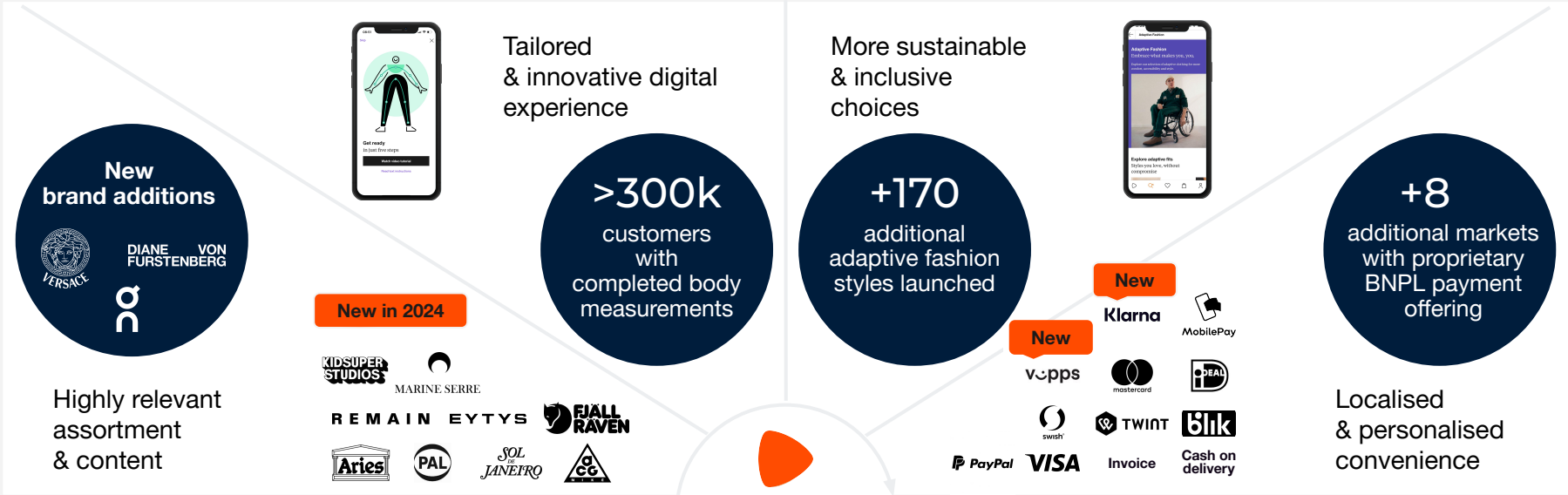


Inspiration & entertainment



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

Trusted European brand





Evolving our approach to loyalty to reward all customers of our platform for their engagement

Switching Zalando Plus from a subscription to a points-based tiered loyalty programme



Untapped opportunity



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

>90%

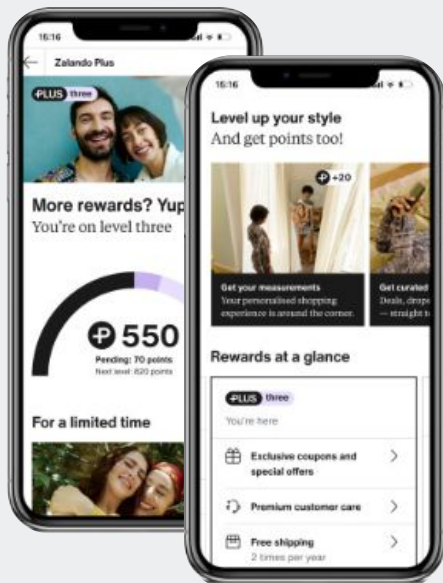
of Zalando customers are not yet part of Zalando Plus

>60%

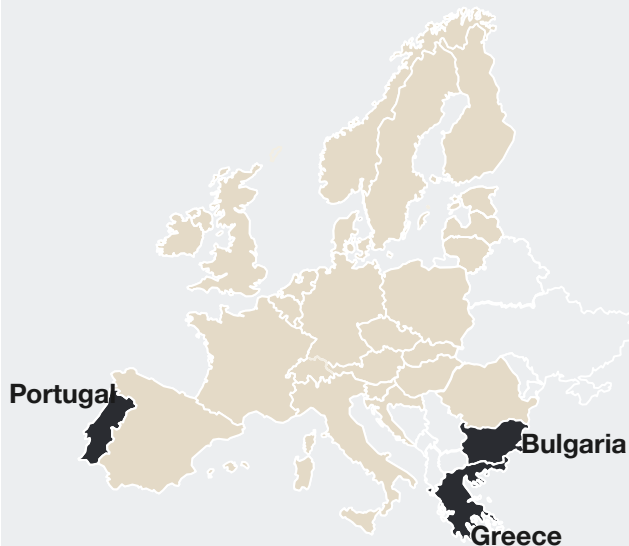
of Zalando customers state they seek rewards for their loyalty

Driving sustained and healthy active customer growth in 2025 through quality differentiation

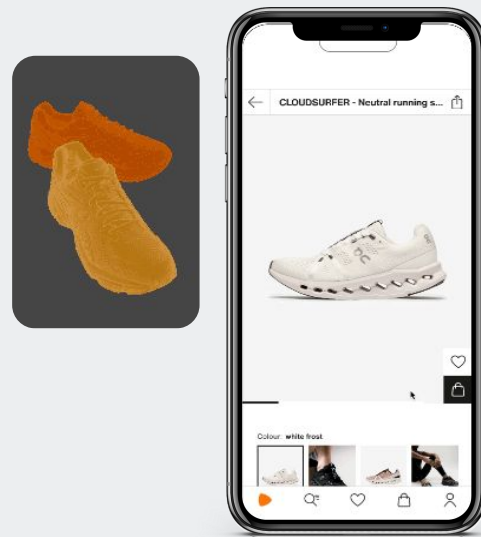
Roll-out loyalty programme to majority of our markets



Market expansion to Portugal, Greece and Bulgaria



Content- and data-richest product experience in fashion & lifestyle



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



¹ As of 4 May



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MULTI-BRAND PLATFORM

Differentiation through quality



Lifestyle expansion

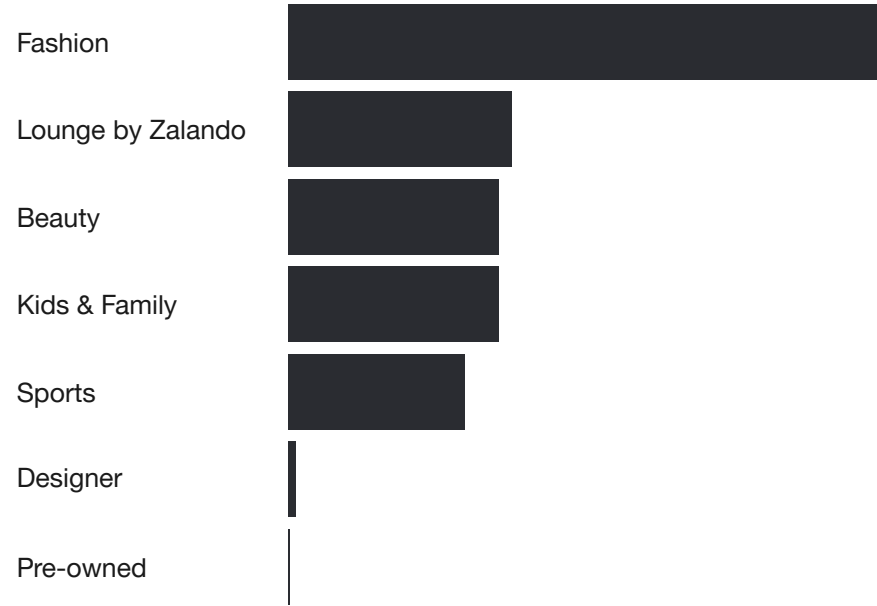


Inspiration & entertainment



We serve more of our customers' lifestyle needs by growing distinct propositions

Increase in customers per proposition¹
(in m) (illustrative)

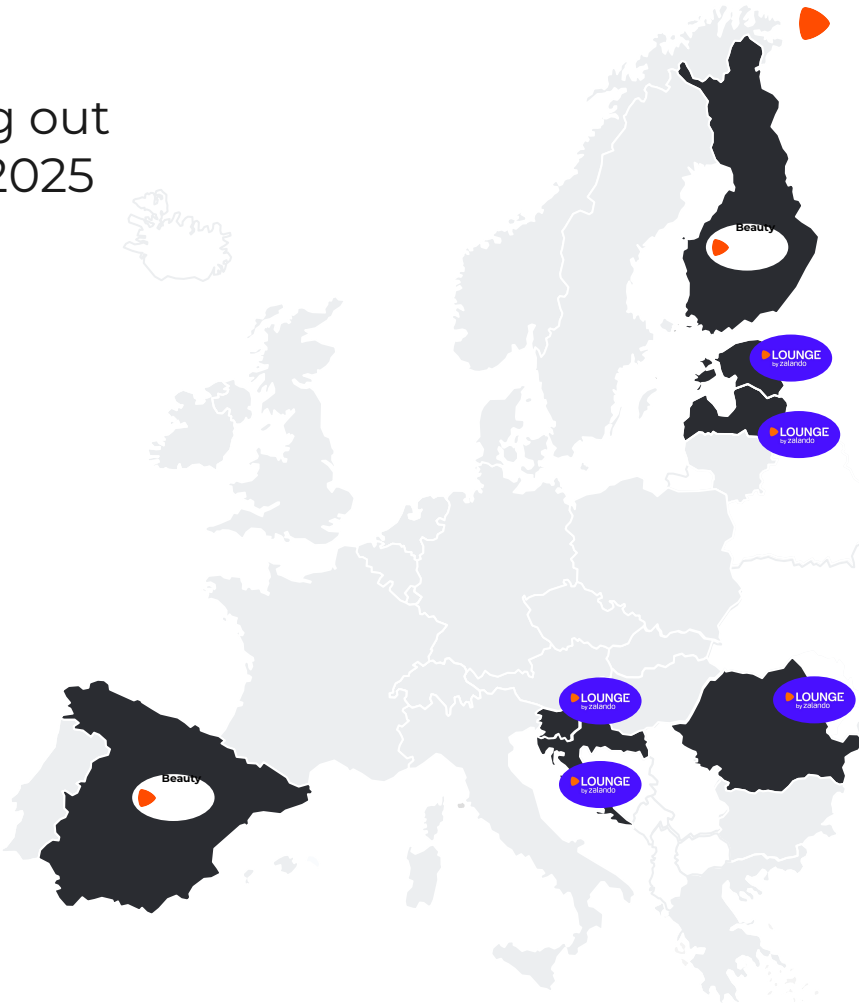
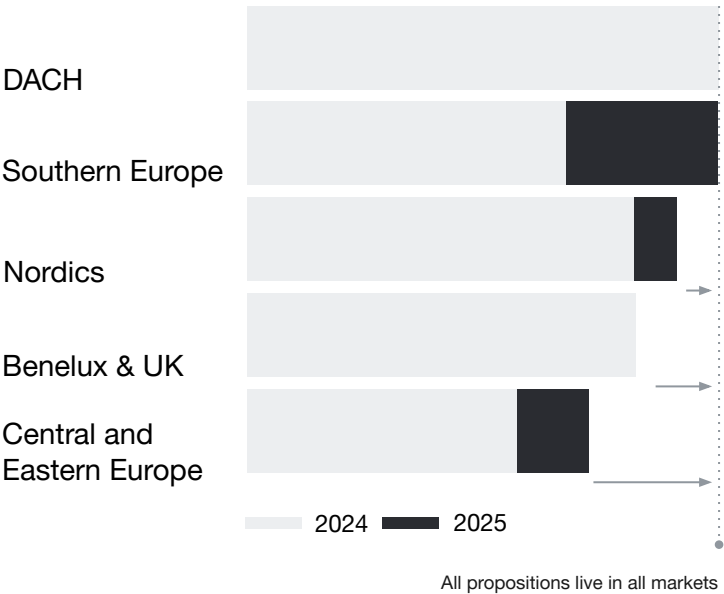


¹⁵ ¹ Year on year increase in active customers per proposition. Data for 2024



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

Average no. of propositions per market cluster
(illustrative)





Our B2C growth vector is built on three strategic growth pillars

MULTI-BRAND PLATFORM



Differentiation through quality



Lifestyle expansion



Inspiration & entertainment



Stories on Zalando unlock higher tiered assortment by creating elevated content with a cultural-focused storytelling

Since launch in August 2023

>500

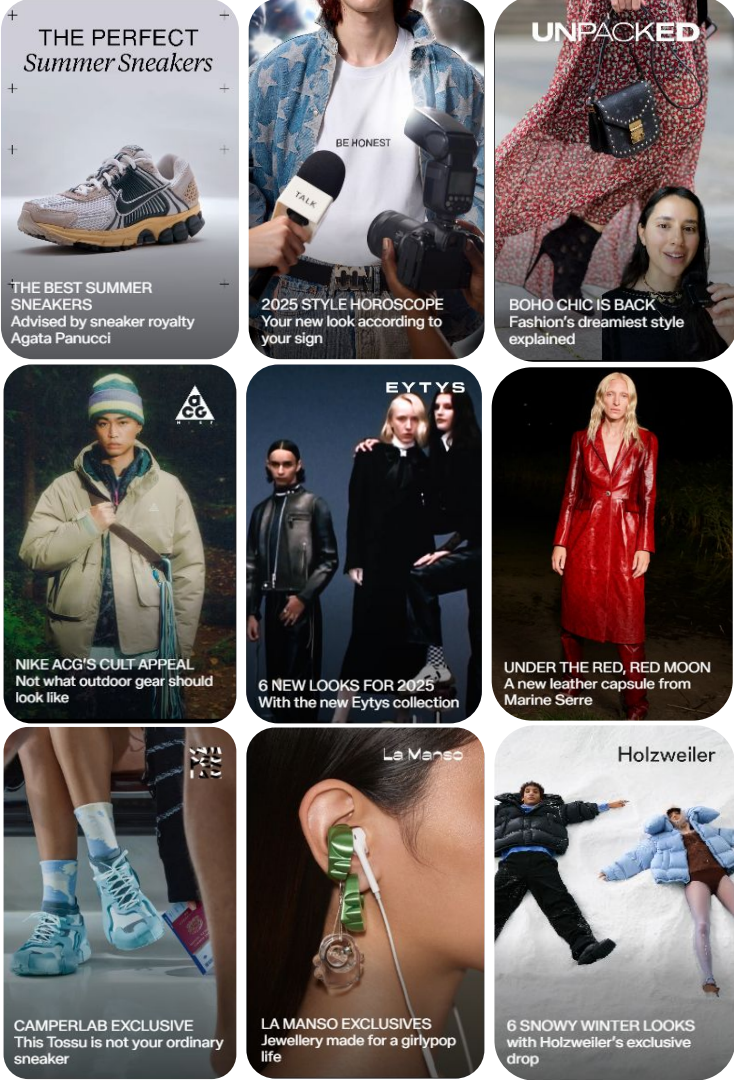
Stories published

>700

Featured brands

>7000

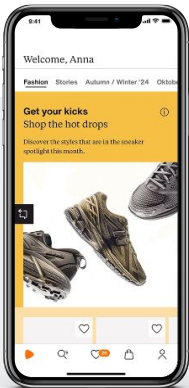
Featured products





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

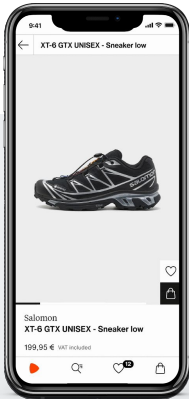
New content sources:
Talent Profiles



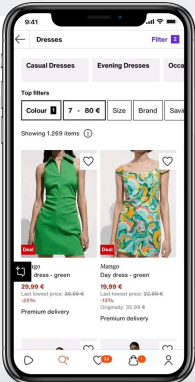
New content types:
Live Shopping



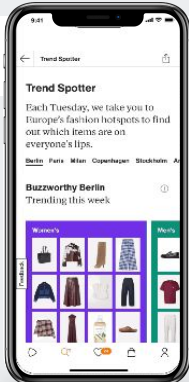
New content formats:
User Boards



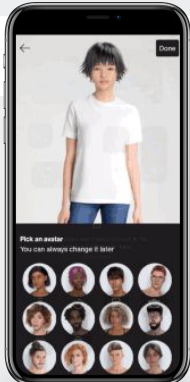
Zalando Assistant



Trendspotter



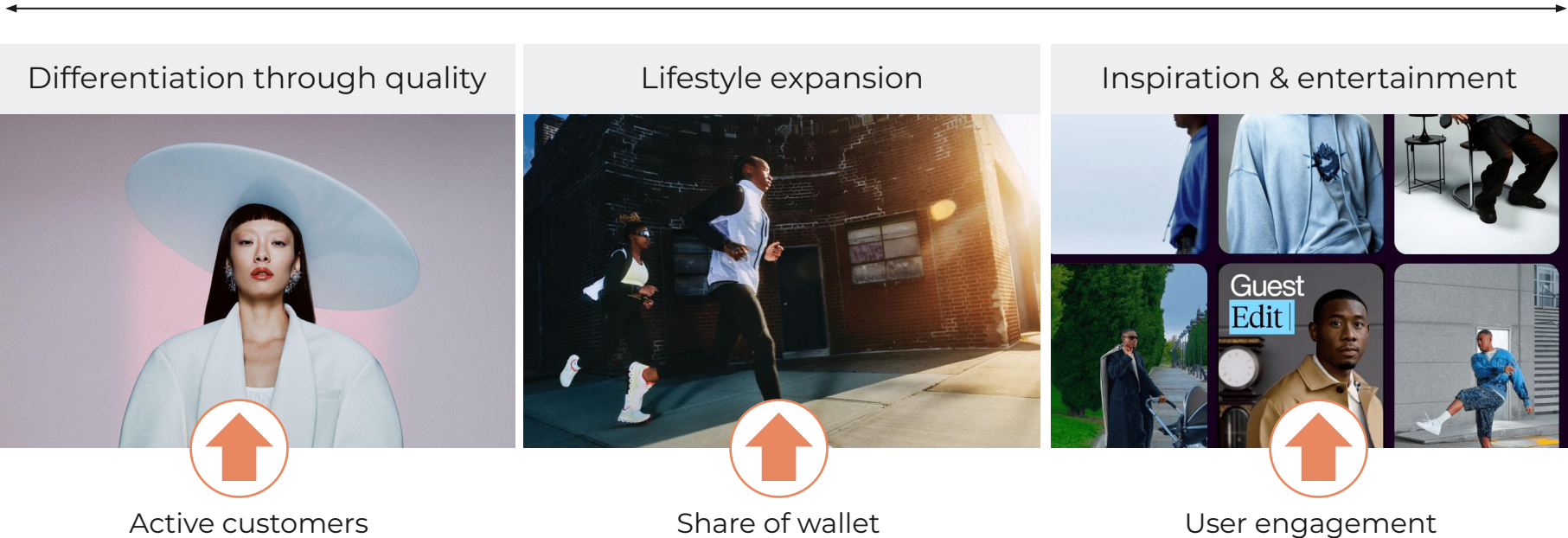
Outfit Builder





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

MULTI-BRAND PLATFORM



Investment highlights

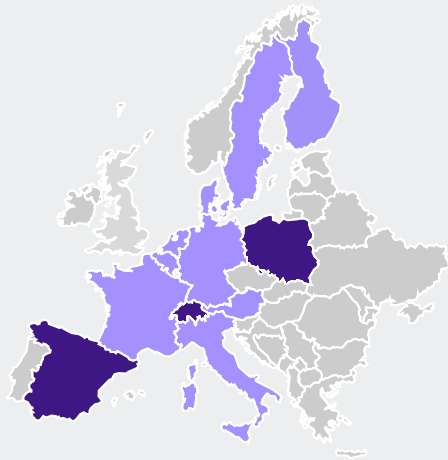
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GMV and revenue both with a CAGR of 5-10%; adjusted EBIT margin of 6-8% in 2028



We made significant progress in advancing ZEOS Logistics in 2024

We launched more markets ...

12
markets
(+3)



... connected more channels ...

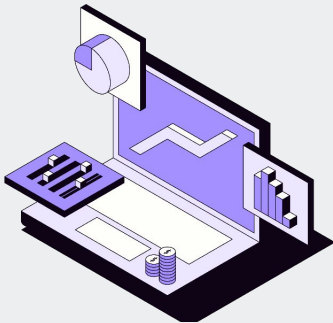
10
channels
(+3)



... and gave merchants more control

1
control panel

ZEOS One

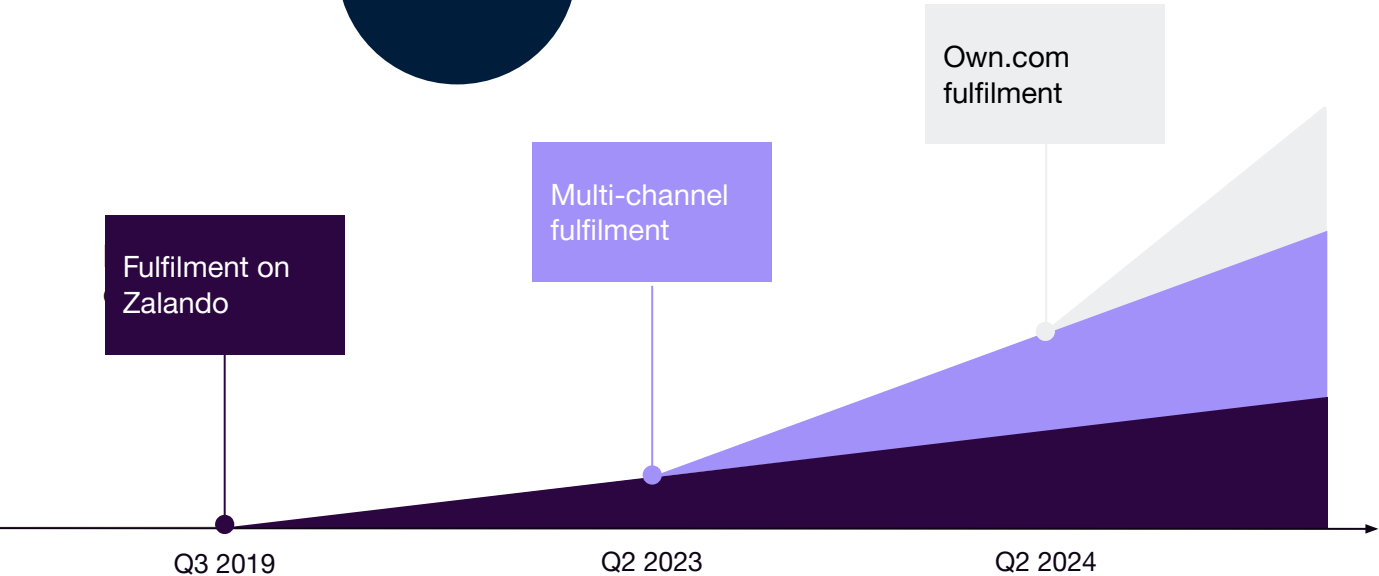




Pepe Jeans' journey demonstrates the growth potential ZEOS Logistics can unlock

Items sold (illustrative)

>9x¹



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**



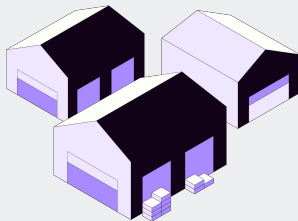
Our new partnership with NEXT will add scale and enable further logistics innovations for all merchants

NEXT

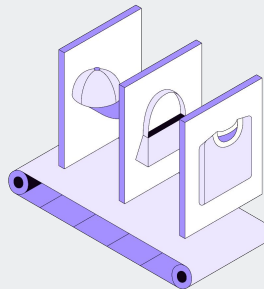
About NEXT:

- 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

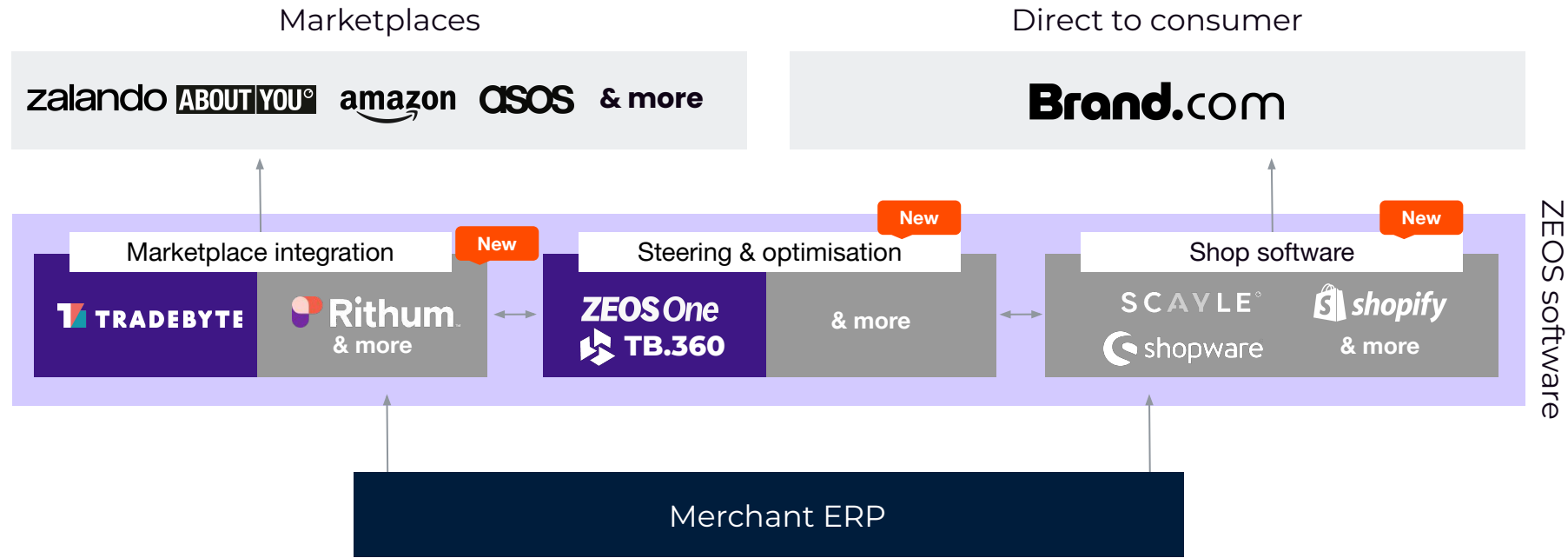


Market expansion & enhanced services





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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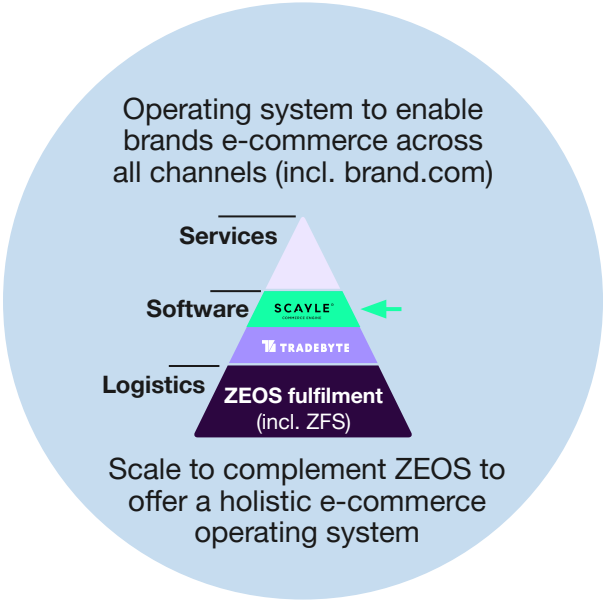
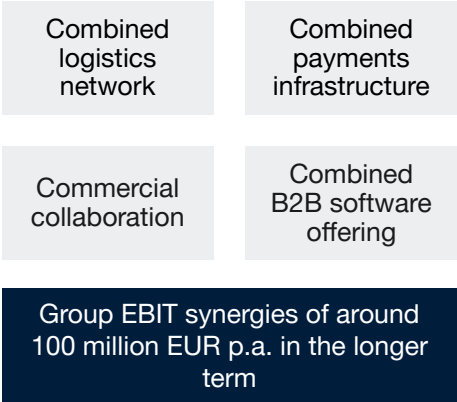


Acquisition of ABOUT YOU plays into our ecosystem strategy and unlocks significant value creation opportunities



B2C

Significant value creation opportunities



B2B

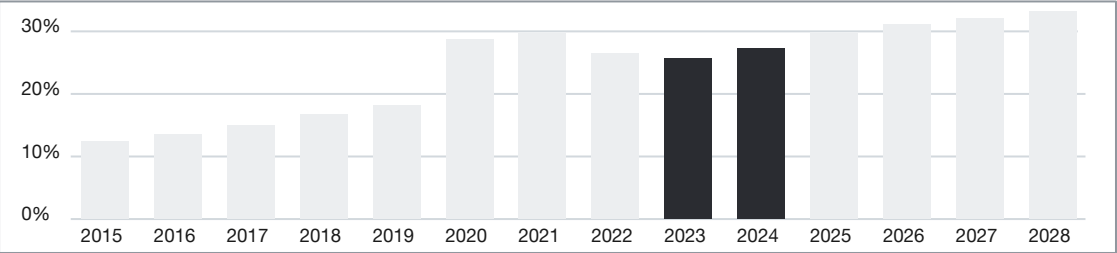


Transaction adds further scale to an already huge opportunity contributing to Zalando's attractive long term financial profile

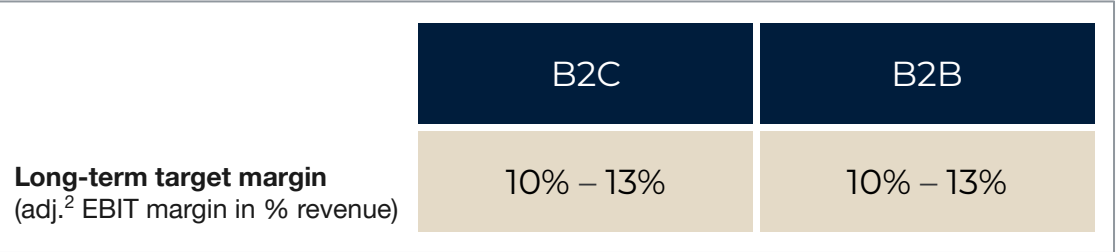
Expanded ecosystem opportunity



Online fashion segment continues to grow¹



Combined group offers highly attractive financial profile at scale



29 ¹ 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)
² 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 ¹ (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. ² EBIT margin	6% – 8% in 2028
Cash generation	Free cash flow	Strong free cash flow

30 ¹ For the combined group including pro-forma ABOUT YOU numbers
² Excludes equity-settled share-based payment expense ("SBC"), restructuring costs, significant non-operating one-time effects and acquisition-related expenses



Agenda

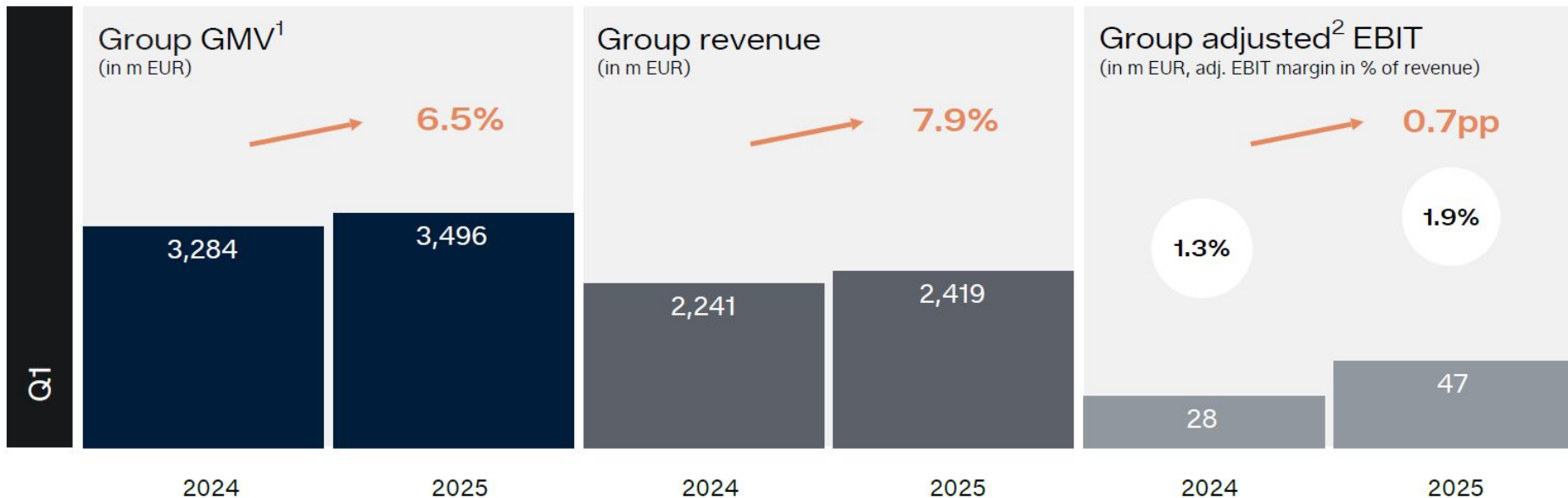
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Q1 2025 with accelerated growth in GMV paired with continued strong revenue growth and improved profitability

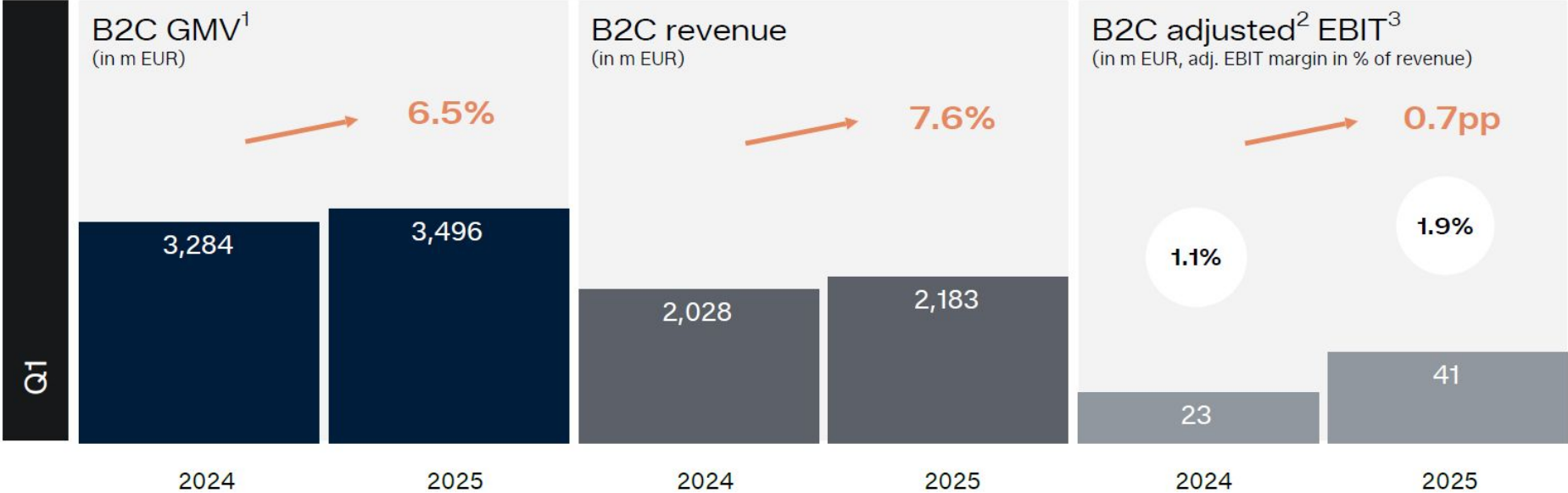


32 ¹ Gross Merchandise Volume after Returns (GMV): dynamically reported

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



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



33 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



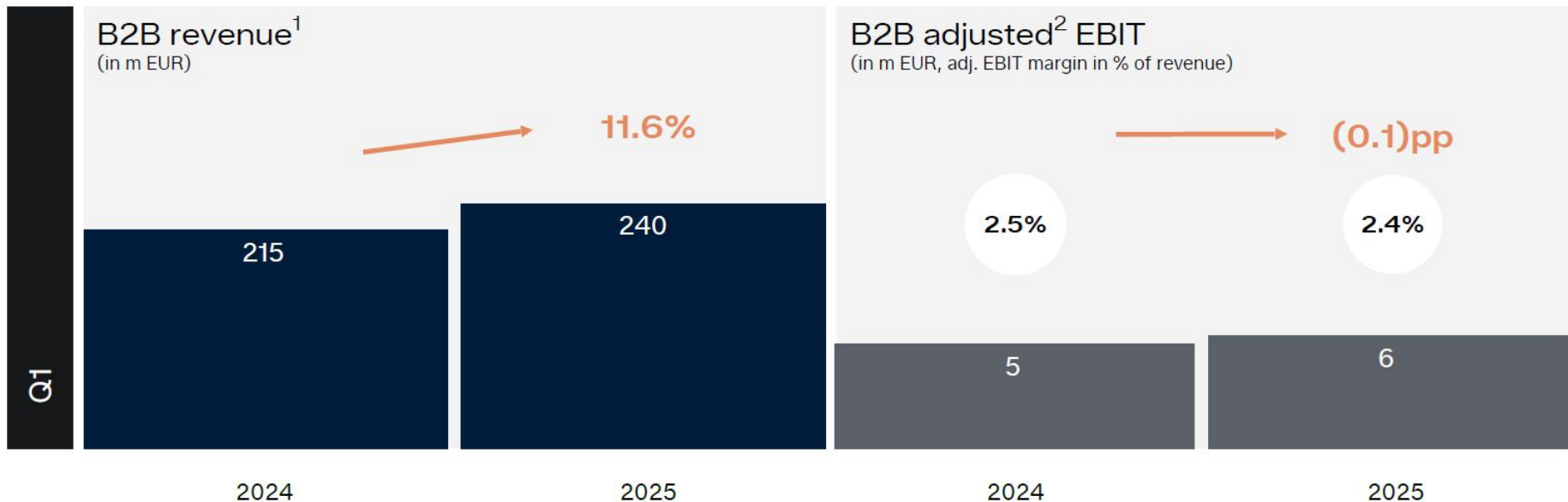
Continued active customer growth to new high



34 ¹ L12M = last twelve months
² Defined as GMV divided by the number of orders
³ Defined as GMV divided by the number of active customers



B2B with double digit growth trajectory driven by ZEOS fulfilment



35 ¹ Q1 2025 contains (3.0)m EUR | Q1 2024 (1.7)m EUR reconciliation of inter-segment revenue

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

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	

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

37 ¹ Guidance does not account for any impacts from the anticipated consolidation of ABOUT YOU, with the deal expected to close in summer

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





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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

39 ¹ Only to 35% to be settled with new shares, remaining backed by treasury shares

² Settled with new shares



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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.