VGR

// Q2 2026

zalando

VGR MARKET INTELLIGENCE

VERYGOODRETAIL.AI

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01

Executive Summary

Revenue rose 20.8% to €3,424.4m; the consolidation of ABOUT YOU supplied about 88% of the first-half increase, and pro-forma growth for the half was 2.2%

Zalando reported second-quarter revenue of €3,424.4m, up 20.8%, gross merchandise volume (GMV) of €4,915.0m, up 20.7%, and adjusted EBIT of €204.8m, up 10.4%. EBIT was €111.1m, down 23.5%, and net income €73.8m, down 23.6%. Full-year adjusted EBIT guidance was narrowed to €680m to €720m from €660m to €740m, and GMV and revenue growth are now expected in the lower half of the 12% to 17% range.

ABOUT YOU is consolidated from 11 July 2025. Q2 2025 contains none of it and Q2 2026 a full quarter. The release gives no second-quarter growth rate on a like-for-like perimeter. The Half-Year Report gives one for the half, on a pro-forma basis that assumes ABOUT YOU in both periods: revenue +2.2% against +22.2% reported, GMV +5.0% against +21.0%, B2C revenue +0.7% against +22.0%, and B2B revenue +18.9% against +25.7%. The pro-forma rate implies ABOUT YOU revenue of €1,027.8m in the first half of 2025, bounded at €1,024.7m to €1,030.9m by the rounding of 2.2%. That is 88.1% of the €1,166.0m first-half increase, or 19.6 of the 22.2 points of reported growth. Orders rose 19.2% and the average basket 2.8%; the order count carries the same perimeter change. The release states no currency effect.

The Q3 2026 results on 3 November 2026 settle the second-quarter reading: ABOUT YOU sits in both periods for all but ten days of that quarter, so reported revenue growth will be close to the organic rate the first half does not print.

Adjusted EBIT rose €19.3m: B2B added €29.3m, and B2C, 90.2% of segment revenue, fell €9.6m to €164.1m

B2B adjusted EBIT was €40.7m against €11.4m, on revenue up 27.6% to €334.7m; the segment margin rose 782bp to 12.2%. Part of the segment is SCAYLE, which came with ABOUT YOU; B2B revenue grew 18.9% pro-forma in the half. B2C revenue rose 20.3% to €3,098.7m while B2C adjusted EBIT fell 5.5%, and the B2C margin fell 145bp to 5.3%, with a full quarter of ABOUT YOU in the current period and none in the base. At group level the gross margin was 40.9% against 40.8%, up 3bp. Fulfilment costs rose 102bp of revenue, to 23.1%, and marketing costs 87bp, to 9.6%; administrative expenses fell 50bp. The adjusted EBIT margin fell 56bp to 6.0%. The company attributes the dilution to ABOUT YOU and states a stand-alone Zalando margin of 6.6%; no stand-alone income statement is published, so that figure cannot be checked from the disclosure. B2C has now reported lower adjusted EBIT in both quarters of 2026: €38.2m against €41.0m in Q1, derived, and €164.1m against €173.7m in Q2.

Cash fell €479.6m in the half to €1,397.8m: a €297.5m share buy-back was paid against free cash flow of −€95.0m

Second-quarter free cash flow was €417.9m against €209.3m, the seasonal inflow of the quarter; for the half it was −€95.0m against €17.2m. Net working capital was −€494.0m at 30 June 2026, against −€676.0m at 31 December 2025 and −€107.9m a year earlier. Trade payables fell €243.0m in the half, and supplier claims transferred to factoring providers fell to €654.5m from €931.6m. The buy-back, 13,992,508 shares, is complete. Equity fell €260.0m to €2,565.8m, an equity ratio of 29.2% against 30.5%. The year-end balance sheet in the full-year report will show whether net working capital returns to the −€676.0m of December 2025.

WHAT TO WATCH

Q3 2026 results, 3 November 2026. Group revenue growth, reported. With ABOUT YOU in the base from 11 July 2025 the rate is close to organic. Guidance requires second-half revenue of €7,379m to €7,679m, +4.1% to +8.3% on the €7,092m of the second half of 2025. A continuation of the first-half pro-forma pace is Q3 growth near 2%; a break is growth at or above 4.1%.

Q3 2026 results, 3 November 2026. B2C adjusted EBIT against Q3 2025, the first quarter with ABOUT YOU in both periods. A continuation is a third consecutive year-on-year fall; a break is B2C adjusted EBIT above the prior-year quarter.

Full-year 2026 results, date not disclosed in this release. Adjusted EBIT of €680m to €720m requires €410.4m to €450.4m in the second half against €269.6m in the first. A continuation is delivery inside the range; a break is a second-half figure below €410.4m.

VGR will publish the Q3 2026 analysis when the figures are released.

02

The period in figures

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ZALANDO SE · FRANKFURT: ZAL · SECOND QUARTER 2026 · EUR AS PUBLISHED

FINANCIAL YEAR ENDS 31 DECEMBER 2026 · PERIOD ENDED 30 JUNE 2026 · REPORTED 4 AUGUST 2026 · ANALYSIS 30 SEPTEMBER 2026

NET REVENUES	GROSS PROFIT	OPERATING PROFIT	NET PROFIT
+20.8%	**+20.9%**	**+10.4%**	**−23.6%**
3,424.4 vs 2,835.1	1,398.9 vs 1,157.4	204.8 vs 185.5	73.8 vs 96.6

GROSS MARGIN	OPERATING MARGIN	RoS
40.9%	**6.0%**	**2.2%**
from 40.8%	from 6.5%	from 3.4%

€m, quarter against the same quarter a year earlier; operating profit is the company's adjusted EBIT (EBIT as reported €111.1m against €145.2m, −23.5%); Q2 2026 includes ABOUT YOU, Q2 2025 does not; changes, margins and RoS are VGR arithmetic; Q2 figures are not subject to the auditor's review

Zalando reports quarterly under IAS 34 for a financial year that ends on 31 December. The first half was reviewed by the auditor; the second-quarter columns were not. The table sets the reported lines beside the VGR basis used in the rest of this analysis.

€M	Q2 26	Q2 25	CHANGE
GMV	4,915.0	4,073.4	+20.7%
Revenue	3,424.4	2,835.1	+20.8%
Gross profit	1,398.9	1,157.4	+20.9%
EBIT	111.1	145.2	**−23.5%**
Adjustments (four items, section 10)	93.7	40.3	+53.4
Adjusted EBIT	204.8	185.5	+10.4%
of which B2C	164.1	173.7	**−5.5%**

€M	Q2 26	Q2 25	CHANGE
of which B2B	40.7	11.4	+29.3
Financial result	(12.6)	0.3	**−12.9**
Net income	73.8	96.6	**−23.6%**
Operating cash flow	473.3	283.8	+66.8%
Free cash flow	417.9	209.3	+208.6
Net working capital, 30 June	(494.0)	(107.9)	−386.1
Pro-forma revenue growth, first half	+2.2%		reported +22.2%

Source: Zalando SE, Half-Year Report 2026: income statement p.20, adjusted EBIT p.7, segments p.11, cash flow p.13, pro-forma p.9; net working capital a year earlier from the Zalando SE, Q2 2026 results release, 4 August 2026. Changes are VGR arithmetic.

03

The restatement bridge: ABOUT YOU in one period only

Block N changes one thing in this quarter: the perimeter. ABOUT YOU is consolidated from the 11 July 2025 closing date, so every second-quarter growth rate compares a group with ABOUT YOU against a group without it. The company publishes a pro-forma rate for the half and none for the quarter. VGR restates the half and publishes the quarter as not calculable.

FIRST HALF, €M	LOW	CENTRAL	HIGH
Revenue, H1 2026 (reported)	6,420.6	6,420.6	6,420.6
Published pro-forma growth of 2.2%, read at	upper rounding bound	as printed	lower rounding bound
Implied pro-forma base, H1 2025	6,279.3	6,282.4	6,285.5
Revenue, H1 2025 (reported)	5,254.6	5,254.6	5,254.6
Implied ABOUT YOU revenue, H1 2025	1,024.7	1,027.8	1,030.9
Share of the €1,166.0m increase	87.9%	88.1%	88.4%

Source: Zalando SE, Half-Year Report 2026, p.9 and footnote 12. Bounds carry the rounding of the published 2.2%. VGR arithmetic, bounded; the pro-forma base is the company's, the split is VGR's.

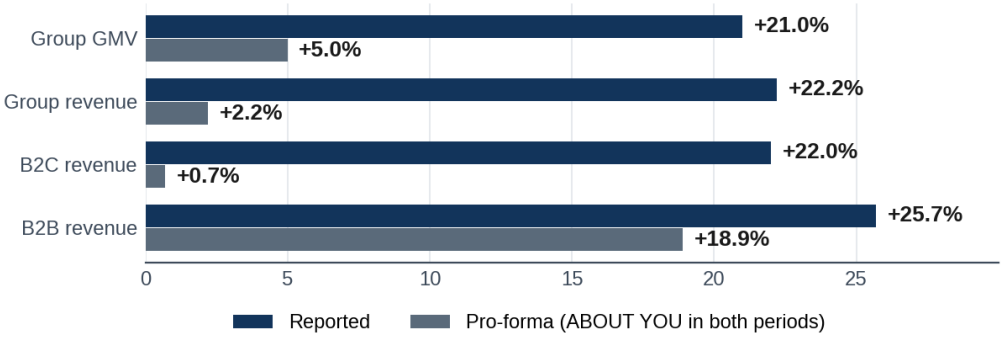
Two further items affect comparability and are not quantified by the company: a positive Norwegian customs reimbursement in Q2 2025 that lowers the prior-year fulfilment cost base (p.9), and "other one-time effects" of −€9.4m in Q2 2026 that raise EBIT and are removed from adjusted EBIT (p.7).

04

Growth composition

First-half revenue grew 22.2% reported and 2.2% pro-forma

Growth, first half 2026 against first half 2025 · per cent



Source: Zalando SE Half-Year Report 2026, signed 3 August 2026. Pro-forma figures assume ABOUT YOU consolidated in the prior-year period (footnote 12). The company gives pro-forma rates for the half only; no Q2 pro-forma rate is disclosed.

The Growth Composition Index splits reported growth into currency, perimeter, space, like-for-like and other. For the first half: currency not disclosed; perimeter 19.6 points (bounded 19.5 to 19.6); space not applicable to an online platform; like-for-like not disclosed; pro-forma growth 2.6 points on the reported base, the company's 2.2% on the enlarged base. For the second quarter only the total, 20.8%, is calculable.

DRIVER	Q2 26	Q2 25	CHANGE
Revenue, €m	3,424.4	2,835.1	+20.8%
Revenue, Q1 (derived), €m	2,996.2	2,419.5	+23.8%
GMV, €m	4,915.0	4,073.4	+20.7%
Revenue as a share of GMV	69.7%	69.6%	+0.1pt
Orders, m	77.5	65.0	+19.2%
Average basket, € (LTM)	63.4	61.6	+2.8%
Active customers, m (LTM)	62.5	52.9	+18.3%

Source: Zalando SE, Half-Year Report 2026, key figures p.2; Q1 is the first half less Q2, VGR arithmetic. LTM customer measures include ABOUT YOU for the full twelve months; the other measures from 11 July 2025 (release note ***). Basket and customer growth are the company's rates.

Reported growth slowed from 23.8% in Q1 to 20.8% in Q2 on the same perimeter change, and GMV from 21.4% to 20.7%. The half's pro-forma rates show the B2C segment near flat, +0.7%, with GMV at +5.0%; the company attributes the gap between the two to the partner model, in which GMV carries the full selling price

and revenue only the commission (p.10). The company names softer demand in the B2C sneaker category and growth in retail media and B2B as the other drivers (p.9).

05

The customer base

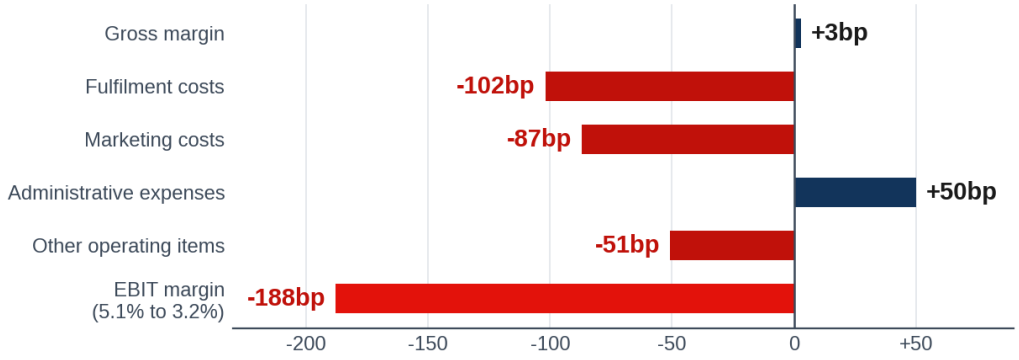
No store estate is material to Zalando's results; the unit of productivity is the active customer. Active customers rose 18.3% to 62.5m, GMV per active customer 2.9% to €307.0, and orders per active customer were 4.8 in both periods. All three are twelve-month measures that include ABOUT YOU in both periods, so they are the one set of volume figures in the release on a common perimeter. No flag.

06

Margin architecture

Fulfilment and marketing costs took 189bp off the EBIT margin

Contribution to the change in EBIT margin, Q2 2026 against Q2 2025 · basis points of revenue



Source: Zalando SE Half-Year Report 2026, signed 3 August 2026. VGR arithmetic on the income statement, p.20. Fulfilment 23.1% of revenue (22.1%), marketing 9.6% (8.7%), administration 4.0% (4.5%). Other operating items: income +17bp, expenses -68bp. Adjusted EBIT margin 6.0% (6.5%), -56bp.

% OF REVENUE	Q2 26	Q2 25	CHANGE, BP
Gross margin	40.9%	40.8%	+3
Fulfilment costs	23.1%	22.1%	−102
Marketing costs	9.6%	8.7%	−87
Administrative expenses	4.0%	4.5%	+50
Other operating income	0.4%	0.2%	+17
Other operating expenses	1.3%	0.6%	−68

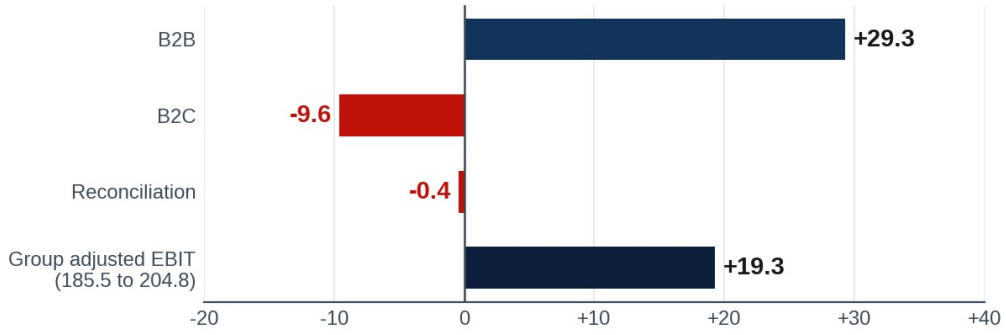
% OF REVENUE	Q2 26	Q2 25	CHANGE, BP
EBIT margin	3.2%	5.1%	**−188**
Adjustments	2.7%	1.4%	+132
Adjusted EBIT margin	6.0%	6.5%	**−56**

Source: Zalando SE, Half-Year Report 2026, income statement p.20 and adjusted EBIT p.7. Cost lines signed by their effect on the margin. VGR arithmetic on unrounded €m; components differ from the total by 1bp of rounding.

Gross margin was unchanged at 40.9%; the company states that higher Zalando gross margins offset ABOUT YOU's lower profile (p.9). The 188bp fall in the EBIT margin sits in the operating costs. Fulfilment costs, which the company attributes to ABOUT YOU's higher logistics cost ratio, transition costs in the logistics network including new centres in Paris and Giessen, and the Norwegian customs reimbursement in the base, took 102bp. Marketing took 87bp; for the half the company gives a marketing ratio of 9.0% excluding acquisition-related amortisation against 9.4% reported, so part of the marketing line is amortisation of acquired brands and customer relationships.

B2B adjusted EBIT rose EUR 29.3m and B2C fell EUR 9.6m

Change in adjusted EBIT, Q2 2026 against Q2 2025, by segment · EUR m



Source: Zalando SE Half-Year Report 2026, signed 3 August 2026. Segment results, p.11. B2C adjusted EBIT margin 5.3% (6.7%); B2B 12.2% (4.3%). Q2 2026 includes ABOUT YOU; Q2 2025 does not. Q2 figures are not subject to the review.

Q2, €M	B2C	B2B	GROUP
Revenue, Q2 26	3,098.7	334.7	3,424.4
Revenue, Q2 25	2,576.1	262.4	2,835.1
Revenue growth	+20.3%	+27.6%	+20.8%
Adjusted EBIT, Q2 26	164.1	40.7	204.8
Adjusted EBIT, Q2 25	173.7	11.4	185.5
Adjusted EBIT margin, Q2 26	5.3%	12.2%	6.0%
Adjusted EBIT margin, Q2 25	6.7%	4.3%	6.5%

Q2, €M	B2C	B2B	GROUP
Margin change, bp	**−145**	+782	**−56**
EBIT, Q2 26	85.8	25.3	111.1
EBIT, Q2 25	139.8	5.0	145.2

Source: Zalando SE, Half-Year Report 2026, segment results p.11. Group includes reconciliation of −€9.0m revenue (−€3.4m) and €0.0m adjusted EBIT (€0.4m). Growth and margin changes are VGR arithmetic.

B2B's share of adjusted EBIT rose to 19.9% from 6.1%. The company attributes the B2B margin to scale in ZEOS fulfilment and higher-margin SCAYLE software revenue; SCAYLE entered the perimeter with ABOUT YOU. For the half, B2C adjusted EBIT fell €12.4m to €202.3m and B2B rose €49.2m to €66.4m.

07

Inventory

Inventories were €2,069.7m at 30 June 2026 against €2,105.1m at 31 December 2025, 93.0 days of second-quarter cost of sales. The release gives no inventory figure at 30 June 2025, so the year-on-year change and the days movement are not calculable. No flag.

08

Working capital, cash and capital structure

€M	Q2 26	Q2 25	H1 26	H1 25
Operating cash flow	473.3	283.8	35.1	140.8
Investing cash flow	(55.4)	(25.5)	(130.1)	(477.6)
Free cash flow	417.9	209.3	(95.0)	17.2
Financing cash flow	(279.5)	(35.1)	(387.2)	(65.8)
Cash at period end	1,397.8	2,183.0	1,397.8	2,183.0

Source: Zalando SE, Half-Year Report 2026, cash flows p.13. Q2 2025 free cash flow of €209.3m does not equal operating plus investing cash flow (€258.3m); Q2 2026 and both halves do. Recorded in section 14.

Net working capital, inventories and trade receivables less trade payables, was −€494.0m at 30 June 2026, €182.0m higher than at 31 December 2025 and €386.1m lower than at 30 June 2025. Trade payables and similar liabilities fell to €3,675.8m from €3,918.8m. Supplier claims transferred to factoring providers and recognised in trade payables were €654.5m, 17.8% of that line, against €931.6m in the prior year (p.14). Operating cash flow depends on that balance; the full-year report is the next disclosure of it.

Financing: lease liabilities €882.6m, convertible bonds €487.0m, cash €1,397.8m. Cash fell €479.6m in the half and €785.2m against 30 June 2025. The equity ratio was 29.2% against 30.5% at December.

09

Capital allocation

Capital expenditure was €54.7m in Q2, 1.6% of revenue against 2.1%, and €124.4m in the half against €93.4m; the full-year range of €240m to €300m is confirmed. The share buy-back of close to €300m was completed in the half: €297.5m paid, 13,992,508 shares, issued capital down to €246.0m from €258.2m. Lease principal payments were €91.2m in the half. Returns on the ABOUT YOU acquisition are not calculable: neither its revenue nor its profit is disclosed separately.

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Earnings quality

ADJUSTING ITEMS, €M	Q2 26	Q2 25	H1 26
Share-based payments	27.9	20.5	56.0
Acquisition-related expenses	33.1	4.9	52.8
Restructuring costs	42.1	14.9	138.9
Other one-time effects	(9.4)	0.0	(9.4)
Total	93.7	40.3	238.3
Total as % of revenue	2.7%	1.4%	3.7%

Source: Zalando SE, Half-Year Report 2026, p.7; totals and ratios VGR arithmetic. Restructuring "mostly referring to the planned exit of our fulfilment centre in Erfurt" (p.9).

Adjusted EBIT rose €19.3m while EBIT fell €34.1m; the adjustments rose €53.4m. Share-based payments recur in every period shown. Acquisition-related expenses include the amortisation of acquired brands and customer relationships, which continues for as long as those assets are carried, and integration costs. The financial result moved to −€12.6m from +€0.3m, which the company attributes to lower interest income after the acquisition, instrument valuation and the US dollar. The tax rate was 25.2% against 33.6%. Net income fell 23.6% to €73.8m; basic earnings per share were €0.30 against €0.37.

11

Guidance and the implied second half

FY2026	PREVIOUS	CURRENT	IMPLIED SECOND HALF
GMV growth	12% to 17%	lower half	not calculated
Revenue, €bn	13.8 to 14.4	13.8 to 14.1	€7,379m to €7,679m
Revenue growth, second half			+4.1% to +8.3%
Adjusted EBIT, €m	660 to 740	680 to 720	410.4 to 450.4
Adjusted EBIT margin		4.8% to 5.2%	5.3% to 6.1%
Capital expenditure, €m	240 to 300	240 to 300	

Source: Zalando SE, Half-Year Report 2026, guidance p.17. "Lower half" of €13.8bn to €14.4bn read as €13.8bn to €14.1bn. Second-half 2025 revenue of €7,092m is the sum of the rounded Q3 and Q4 bars in the chart on p.8, which is not subject to the review. Implied figures are VGR arithmetic.

The narrowing keeps the €700m midpoint. The first half delivered €269.6m, 38.5% of it, so the second half must deliver €430.4m at the midpoint. The second half of 2025 already contains ABOUT YOU from 11 July, so the implied +4.1% to +8.3% revenue growth is close to an organic rate; the first half's pro-forma rate was 2.2%. The company states that its view of second-half trading is unchanged and cites synergies, the logistics reshaping and growth in partner, software and retail media revenue. The second-half 2025 adjusted EBIT is not in this release, so the required profit growth is not calculated here. The implied revenue requirement is a material flag.

12

Disclosure delta and metrics not reported

Not disclosed in the release or the Half-Year Report, and used nowhere in this analysis:

- A second-quarter pro-forma growth rate; the rate is given for the half only.
- ABOUT YOU's revenue and adjusted EBIT, and a stand-alone Zalando income statement behind the 6.6% stand-alone margin.
- The euro amount of the ABOUT YOU synergies ("more than 10 million euros" in Q2) and of the Norwegian customs reimbursement in the base.
- A currency effect on revenue or GMV.
- Inventory at 30 June 2025; B2C gross margin; the level of retail media revenue behind the 39.5% growth rate.
- A reconciliation of the Q2 2025 free cash flow of €209.3m.

The release does not print an exchange ticker; "Frankfurt: ZAL" in section 02 is VGR's identification. The partner-business share is reported on two bases, 36.9% of stand-alone B2C GMV and 31.9% at group level.

13

The company's account, tested

CLAIM	DISPOSITION
"Delivered strong profit increases" in Q2 (release)	The disclosed figures show a different weighting: adjusted EBIT +10.4%, EBIT −23.5%, net income −23.6%, B2C adjusted EBIT −5.5%
Stand-alone Zalando adjusted EBIT margin of 6.6% (release)	Not verifiable from the disclosure: no stand-alone figures are published
ABOUT YOU synergies contributed more than €10m to Q2 adjusted EBIT (release)	Not verifiable from the disclosure: no synergy bridge
B2B margin to 12.2% from ZEOS scale and SCAYLE software (release)	Partially supported: the margin is confirmed; SCAYLE is inorganic and B2B revenue grew 18.9% pro-forma in the half against 25.7% reported
Retail media revenue up 39.5% (release)	Not verifiable from the disclosure: no level is given
The refinement "reflects the first half already delivered and not a change in expectations for the remainder of the year" (release)	Not verifiable from the disclosure: the implied second-half revenue growth of +4.1% to +8.3% compares with first-half pro-forma growth of 2.2%

Zalando SE, Q2 2026 results release, 4 August 2026; Source: Zalando SE, Half-Year Report 2026. Dispositions are VGR's, with arithmetic in Zalando_Q2_2026_Source_Figures.md, PART 3.

14

Method, sources and precision

Primary source: the Half-Year Report 2026 (IAS 34, first half reviewed, Q2 columns not reviewed), with the release of 4 August 2026 for the prior-year net working capital and the company's claims. Twenty-nine cross-foot checks were run across the income statement, the adjusted EBIT bridge, the segment table, the cash flow statement and net working capital; twenty-eight reconcile to within €0.1m of rounding. The exception is the Q2 2025 free cash flow noted in section 08.

FIGURE	PRECISION
Growth rates, margins and bp changes on disclosed €m	Exact
Q1 2026 and Q1 2025 figures (first half less second quarter)	Exact, derived
ABOUT YOU H1 2025 revenue and its share of growth	Bounded: €1,024.7m to €1,030.9m; 87.9% to 88.4%
Second-quarter growth excluding ABOUT YOU	Not calculable: no Q2 pro-forma base
Implied second-half revenue growth	Bounded: +4.1% to +8.3%, on rounded chart values
Inventory days change	Not calculable: no inventory at 30 June 2025

VGR arithmetic, zal_crossfoot.py. No peer in VGR's archive reports an online platform for the same period; no cross-section is printed.

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Made with the supervision of Pau Almar.

METHODOLOGY

VGR Standardised Financial Analysis Methodology v5. Reworked 30 September 2026 from the primary source; every derived figure was computed by script.

PRIMARY SOURCE

Zalando SE, Half-Year Report 2026, signed Berlin, 3 August 2026. https://corporate.zalando.com/sites/default/files/media-download/HY_26_Zalando_SE_EN_260803_s.pdf. Release, Berlin, 4 August 2026: https://corporate.zalando.com/en/financials/zalando-q2-2026-results

WORKING RECORD

Zalando_Q2_2026_Source_Figures.md and zal_crossfoot.py.

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