

INDITEX

Interim Nine Months 2024 Results

1 February 2024 to 31 October 2024

- / In 9M2024, Inditex continued with a very robust operating performance due to the creativity of the teams and the strong execution of the fully integrated store and online business model
- / The Autumn/Winter collections have been very well received by our customers. In the 9M2024, sales in constant currency grew 10.5% showing very satisfactory development both in stores and online. Sales were positive in all concepts. We continue to operate with very healthy margins on sales across the different lines of the Income Statement
- / In the 9M2024, sales grew 7.1% to reach €27.4 billion
- / Gross profit increased 7.2% to €16.3 billion. The gross margin reached 59.4% (+4 bps versus 9M2023)
- / All expense lines have shown a favourable evolution. Operating expenses increased 7.0%, below sales growth
- / EBITDA increased 7.2% to €8.0 billion. EBIT increased 9.3% to €5.7 billion
- / PBT increased 9.9% to €5.8 billion
- / Net income increased 8.5% to €4.4 billion
- / We continue to generate strong cash flow and reinvest back into the business. The net cash position grew 3.0% to €11.8 billion
- / The FY2023 final dividend of €0.77 per share was paid on 4 November 2024
- / Autumn/Winter collections remain well received by our customers. Store and online sales in constant currency between 1 November and 9 December 2024 increased 9% versus the same period in 2023

Interim Nine Months 2024: Very strong operating performance

In 9M2024, Inditex continued with a very robust operating performance due to the creativity of the teams and the strong execution of the fully integrated store and online business model.

The Autumn/Winter collections have been very well received by customers. In the 9M2024, sales in constant currency grew 10.5% showing very satisfactory development both in stores and online. Sales were positive in all concepts. We continue to operate with very healthy margins on sales across the different lines of the Income Statement.

Sales grew 7.1% to reach €27.4 billion.

In 9M2024, openings have been carried out in 45 markets. At the end of the period Inditex operated 5,659 stores. A list of total stores by concept is included in Annex I.

In 9M2024, the execution of the business model was very strong. Gross profit increased 7.2% to €16.3 billion. The gross margin reached 59.4% (+4 bps).

All expense lines have shown a favourable evolution. Operating expenses increased 7.0%, below sales growth. Including all lease charges, operating expenses grew 73 bps below sales growth.

EBITDA increased 7.2% to €8.0 billion. EBIT increased 9.3% to €5.7 billion.

PBT increased 9.9% to €5.8 billion.

Annex II includes a breakdown of the Financial Results.

The tax rate applied to the 9M2024 results is the best estimate for the FY2024 based on available information.

Net income increased 8.5% to reach €4.4 billion.

We continue to generate strong cash flow and reinvest back into the business. The net cash position grew 3.0% to €11.8 billion.

| Million Euros | 31 October 2024 | 31 October 2023 |
|----------------------------------|-----------------|-----------------|
| Cash & cash equivalents | 8,268 | 7,940 |
| Short term investments | 3,569 | 3,555 |
| Current financial debt | (13) | (14) |
| Non current financial debt | - | - |
| Net financial cash (debt) | 11,824 | 11,480 |

Due to the strong operating performance over 9M2024, inventory was 2.6% lower as of 31 October 2024 versus the same date in 2023. Inventory is considered to be of high quality.

| Million Euros | 31 October 2024 | 31 October 2023 |
|----------------------------------|------------------------|------------------------|
| Inventories | 4,290 | 4,404 |
| Receivables | 1,159 | 1,184 |
| Payables | (11,392) | (10,241) |
| Operating working capital | (5,943) | (4,652) |

Start of 4Q2024

The Autumn/Winter collections have been very well received by our customers. Store and online sales in constant currency between 1 November and 9 December 2024 increased 9% versus the same period in 2023.

Outlook

Inditex continues to see strong growth opportunities. Our key priorities are to continually improve the fashion proposition, to enhance the customer experience, to increase our focus on sustainability and to preserve the talent and commitment of our people. Prioritising these areas will drive long-term growth. To take our business model to the next level and extend our differentiation further we are developing several initiatives in all key areas for the coming years.

The creativity of our teams and the flexibility of the business model in conjunction with in-season proximity sourcing allows a swift reaction to customer demand. This situation results in a unique market position which provides our business model with great growth potential.

Inditex operates in 214 markets with low share in a highly fragmented sector and we see strong growth opportunities. We expect increased sales productivity in our stores going forward. The growth of annual gross space in the period 2024-2026 is expected to be around 5%. Inditex expects space contribution to sales to be positive in this period, in conjunction with a strong evolution of online sales. Optimisation of stores is ongoing.

At current exchange rates, Inditex reiterates its expectation of around -3.0% currency impact on sales in 2024.

In 2024, Inditex expects a stable gross margin (+/-50 bps).

For 2024, we are making investments that are scaling our capabilities, generating efficiencies, and increasing our competitive differentiation to the next level. We estimate ordinary capital expenditure of around €1.8 billion.

In view of the strong future growth opportunities, Inditex is implementing a logistics expansion plan in 2024 and 2025. This extraordinary two-year investment programme focused on the expansion of the business allocates €900 million per year to increase logistics capacities in each of the 2024 and 2025 financial years. These investments will have the highest standards of sustainability and use the most up-to-date technology.

/ Product proposition

We continue focusing on the creativity, innovation, design and quality of all our collections and integrated sales channels, while reinforcing the commercial initiatives of all our concepts. Zara Woman Metropolis, Zara Man Edition, Zara Kids Studio, Massimo Dutti Midnight Allure, Pull&Bear Not Just a DJ, Bershka Series, Stradivarius Movement of Autumn and Oysho Apres Ski are just some of the creative proposals available through the Autumn/Winter 2024.

/ Customer experience

We offer the best shopping experience to our customers both in our stores and on our online platforms.

The new store design for Zara created by our Architectural Studio is featured in openings, enlargements or relocations such as Madrid Hermosilla, Dublin South King, Birmingham Bullring, Istanbul Istinye, Los Angeles Topanga and Bangalore Mall of Asia.

We are optimising our store presence with important openings, enlargements and relocations in all concepts, with key examples like Massimo Dutti Miami Aventura Mall, Pull&Bear Milan Via Torino, Bershka Madrid Gran Vía, Stradivarius Berlin Alexa Centre, Zara Home Dubai Mall and Oysho A Coruña Plaza de Lugo.

We continue introducing the new security technology in our stores. This new technology provides a significant improvement in customer experience, facilitating interaction with our products and improving the purchasing process. The new system will be fully operational in Zara in FY2024. It is being progressively implemented in all the concepts and will be the basis for us to continue deepening the digitalisation of stores and their integration with online platforms in the coming years.

/ Sustainability

As part of our commitment to the development of new raw materials, Inditex has approved an investment in Epoch Biodesign, a startup that uses artificial intelligence to design enzymes that allow the recycling of mixed plastics and textiles. This alternative allows the transformation of textile waste into the equivalent of virgin materials, promoting textile-to-textile circularity.

Our Sustainability Innovation Hub currently works with more than 350 start-ups.

/ People

At Inditex, we are firmly committed to the training and development of our people as fundamental pillars to drive our transformation and guarantee the leadership of the future.

We have launched the Creatives programme, an initiative to identify and enhance the talent of the new generation of designers in our creative teams. Hand in hand with the best fashion schools in the world, we are looking for new talent to whom we offer a unique experience of training and professional development. The participants have begun their journey with us through a comprehensive training program that provides them with key tools to successfully face the challenges of a dynamic and constantly evolving industry.

Dividends

The FY2023 final dividend of €0.77 per share was paid on 4 November 2024.

The results for FY2024 (1 February - 31 January) will be published on 12 March 2025.

For additional information:

INDITEX

Investor Relations
ir@inditex.com
Tel: +34 981 18 53 64
www.inditex.com

Consolidated Financial Statements

| Inditex Group | | |
|---|---------------|---------------|
| 9M2024 Income Statement (€m) | | |
| | 9M2024(*) | 9M2023(*) |
| Net sales | 27,422 | 25,609 |
| Cost of sales | (11,132) | (10,406) |
| Gross profit | 16,291 | 15,203 |
| <i>Gross margin</i> | 59.4% | 59.4% |
| Operating expenses | (8,276) | (7,733) |
| Other net operating income (losses) | (48) | (40) |
| Operating cash flow (EBITDA) | 7,967 | 7,429 |
| <i>EBITDA margin</i> | 29.1% | 29.0% |
| Amortisation and depreciation | (2,294) | (2,237) |
| Operating income (EBIT) | 5,673 | 5,192 |
| <i>EBIT margin</i> | 20.7% | 20.3% |
| Financial results | 14 | (2) |
| Results from companies consolidated by equity method | 67 | 48 |
| Income before taxes | 5,754 | 5,238 |
| <i>EBT margin</i> | 21.0% | 20.5% |
| Taxes | (1,295) | (1,124) |
| Net income | 4,459 | 4,114 |
| Minorities | 11 | 12 |
| Net profit attributable to the controlling company | 4,449 | 4,102 |
| <i>Net income margin</i> | 16.2% | 16.0% |
| Earnings per share, Euros (**) | 1.428 | 1.318 |

(*) Unaudited data

(**) Shares for EPS calculation 3,114,354,546 for 2024 and 3,112,758,021 for 2023

Inditex Group
Consolidated Balance Sheet as of 31 October 2024 (€m)

| | 31 October 2024(*) | 31 October 2023(*) |
|---|--------------------|--------------------|
| Assets | | |
| Non Current Assets | 17,991 | 16,547 |
| Right of use | 5,065 | 4,944 |
| Intangible assets | 1,597 | 1,404 |
| Tangible assets | 9,477 | 8,163 |
| Financial investments | 453 | 404 |
| Other | 1,400 | 1,632 |
| Current Assets | 18,099 | 17,547 |
| Inventories | 4,290 | 4,404 |
| Receivables | 1,159 | 1,184 |
| Short term investments | 3,569 | 3,555 |
| Cash & cash equivalents | 8,268 | 7,940 |
| Other | 813 | 464 |
| Total Assets | 36,091 | 34,094 |
| Liabilities & Shareholders' Equity | | |
| Shareholders' Equity | 18,140 | 17,391 |
| Equity attributable to the Group | 18,140 | 17,362 |
| Minority interests | - | 29 |
| Non Current Liabilities | 5,000 | 4,915 |
| Deferred taxes | 391 | 428 |
| Financial debt | - | - |
| Lease liability | 4,010 | 3,965 |
| Other | 598 | 522 |
| Current Liabilities | 12,952 | 11,788 |
| Financial debt | 13 | 14 |
| Lease liability | 1,499 | 1,511 |
| Payables | 11,392 | 10,241 |
| Other | 48 | 22 |
| Total Liabilities & Shareholders' Equity | 36,091 | 34,094 |

(*) Unaudited data

Annex I

Number of stores by concept:

| Concept | 31 October 2024 | 31 October 2023 |
|----------------|------------------------|------------------------|
| Zara | 1,791 | 1,827 |
| Zara Home | 407 | 410 |
| Pull&Bear | 812 | 789 |
| Massimo Dutti | 542 | 545 |
| Bershka | 855 | 856 |
| Stradivarius | 845 | 847 |
| Oysho | 407 | 448 |
| Total | 5,659 | 5,722 |

Annex II

Breakdown of financial results:

| Million Euros | 9M2024 | 9M2023 |
|---------------------------------|---------------|---------------|
| Net financial income (losses) | 256 | 219 |
| Lease financial expenses | (165) | (142) |
| Foreign exchange gains (losses) | (78) | (79) |
| Total | 14 | (2) |

The Gross Profit, EBITDA, EBIT, PBT, ROE, ROCE, working capital, net financial position, average net financial debt, store operating profit, quarterly results, sales growth at constant exchange rates and sales in comparable stores are defined in Note 2 to the Consolidated Annual Accounts 2023.

Disclaimer

Neither this document nor the information contained herein constitute an offer to sell, exchange or buy, or the solicitation of an offer to buy, to sell or exchange, or any recommendation or advice regarding any securities issued by the Inditex Group.

This document may contain statements regarding intentions, expectations, estimates or forecasts. All statements other than statements of historical facts contained herein, including, without limitation, those regarding our financial position, business strategy, management plans and objectives for future operations, are forward-looking statements. These statements represent the Company's best estimate, on the basis of the information available as at the date hereof, but do not constitute a guarantee of future performance. Any such forward-looking statements may be subject to risks, uncertainties and other relevant factors which could cause the evolution and actual results achieved to differ materially from results predicted. Accordingly, readers are cautioned not to place undue reliance on such forward-looking statements.

Some of these risks include, without limitation, (i) financial risks, such as the macroeconomic environment of the various geographies where the Group operates, changes to market factors (including, without limitation, foreign exchange or interest rates or the price of raw materials), the financial solvency of counterparties or the competitive environment, (ii) geopolitical risks, such as instability in the different supply markets and the markets where our goods are sold, or the frictions that may hinder the normal movement of goods, (iii) social risks, such as the change in the perception of the Group or the industry by stakeholders, the emergence of infectious or contagious diseases, or labour disputes, (iv) governance risks, such as violation of laws or non-compliance with regulations or good governance recommendations, or risks resulting from tactical and strategic decisions that prevent achieving the business objectives, (v) technological risks, such as cyberattacks, collapse of critical infrastructures, industrial accidents or the fast evolution of technology, and (vi) the different environmental risks associated with natural disasters, climate change, the transition to a low – carbon economy and the interactions resulting from the human exploitation of the environment.

For a discussion of these and other factors that may affect forward looking statements and the Inditex Group's business, financial conditions and results of operations, see the documents of mandatory transparency filed by the company with the Comisión Nacional del Mercado de Valores (the Spanish Securities Market Commission). Readers are invited to review the contents of any such documents on Inditex's website (www.inditex.com).

Notwithstanding this, the risks and uncertainties that could affect the forward-looking statements are difficult to predict. Except where the prevailing regulations require otherwise, the company assumes no obligation to publicly revise or update its forward-looking statements should any unexpected changes, events or circumstances affect them.

In addition to the financial information prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and derived from our financial statements, this document contains alternative performance measures ("APMs") as defined in the Commission Delegated Regulation (EU) 2019/979 of March 14, 2019 and in the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority (ESMA) on 5 October 2015 (ESMA/2015/1415en) and other non-IFRS measures ("Non-IFRS Measures"). These financial measures that qualify as APMs and non-IFRS measures have been calculated with information from Inditex Group; however, those financial measures are not defined or detailed in the applicable financial reporting framework nor have been audited or reviewed by our auditors. These APMs and non-IFRS indicators are included to better understand the financial performance of the Inditex Group. However, the way they are defined and calculated by the Company may be different than other companies which rely on similar measures. Therefore, they may not be useful for comparability purposes. In any case, they should be considered supplemental information to, and are not meant to substitute IFRS measures. Please refer to the audited consolidated financial statements of the Inditex Group for fiscal year 2023, available on Inditex's website (www.inditex.com) for the definition of APMs and Non-IFRS Measures included herein.