

INDITEX

Interim three months 2022

8 June 2022



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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 and information 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.

This presentation contains, 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, 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 measures 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 2021 for the definition of APMs and Non-IFRS Measures included herein.

Strong operating
performance



1Q2022: Strong operating performance

- ▶ Fully-integrated, digital, sustainable business model accelerates Inditex's differentiation
- ▶ Very strong sales progression in 1Q2022. Spring/Summer collections very well received
- ▶ Strong rebound in store traffic. Store optimisation proved key
- ▶ Remarkable operating performance in the 1Q2022
- ▶ Robust financial condition. Strong free cash flow generation, net cash position of €9.2bn and lower capital intensity going forward
- ▶ Global growth opportunities
- ▶ Predictable attractive shareholder remuneration. FY21 dividend of €0.93 (+33%). 2022 bonus dividend of €0.40 per share

1Q2022: Strong operating performance

- ▶ Sales reached €6.7 billion, +36%
- ▶ Strong execution of business model
- ▶ Extraordinary charge of €216 million to provision all expected expenses in Russian Federation and Ukraine for 2022
- ▶ Tight control of operating expenses
- ▶ Net income reached €760 million, +80%
- ▶ Net income excluding provision reached €940 million
- ▶ Remarkable cash generation

Zara Woman Studio



Zara Man Studio



Zara Kids Summer camp



Zara Home I'm awake, a collection for newborns



Massimo Dutti Limited edition



Bershka Festival season



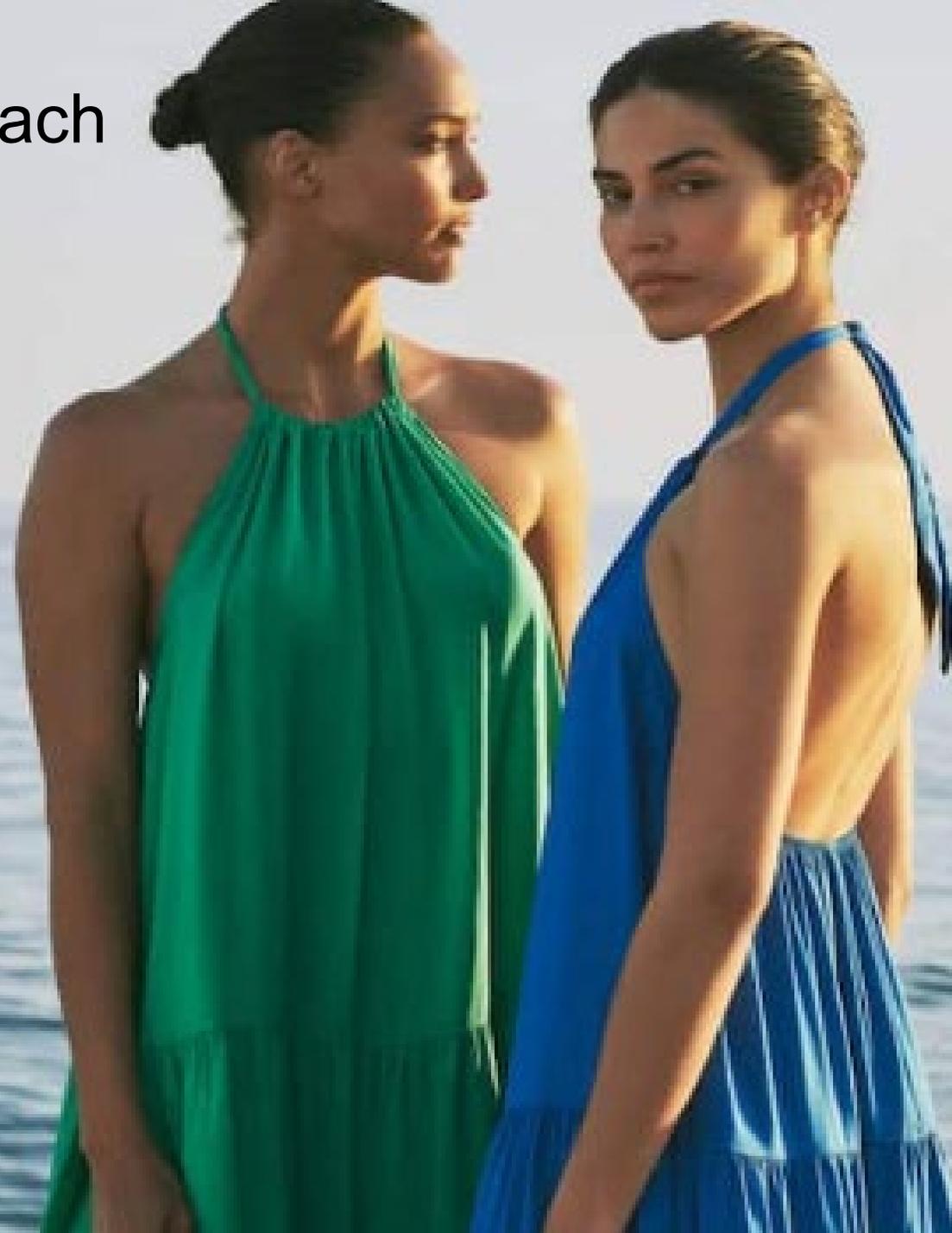
Pull&Bear Dresses



Stradivarius Ø waste denim



Oysho On the beach





ZARA

Blue directional sign with a white arrow pointing up.
Red circular sign with a white border and a black silhouette of a truck, indicating a truck ban.

Blue directional sign with a white arrow pointing up.

White taxi with license plate M 2012-1015.

Financial summary



1Q2022: Very strong operating performance

€ million	1Q22	1Q21	22/21
Net sales	6,742	4,942	36%
Gross profit	4,054	2,962	37%
EBITDA	1,917	1,235	55%
PBT	990	544	82%
Net income	760	421	80%

- ▶ Strong execution of the business model
- ▶ Healthy gross margin
- ▶ Efficient cost management
- ▶ Extraordinary charge of €216 million to provision all expected expenses in Russian Federation and Ukraine for 2022
- ▶ Net income reached €760 million (+80%)
- ▶ Net income excluding provision reached €940 million

Sales

€ million	1Q22	1Q21	22/21
Net sales	6,742	4,942	36%

- ▶ Significant rebound in traffic to Inditex stores
- ▶ Very strong performance across all regions
- ▶ Strong progression in the USA continues

Gross margin

€ million	1Q2022	1Q2021	22/21
Gross margin	60.1%	59.9%	+20bps

- ▶ Very healthy execution of the business model
- ▶ Highest 1Q gross margin in 10 years

Operating efficiencies

€ million	1Q22	1Q21	22/21
Op. expenses	2,126	1,716	24%

- ▶ The main components of operating expenses have shown a very good performance
- ▶ Operating expenses grew below sales growth

Working capital increased +57% due to strong execution

€ million	1Q22	1Q21
Inventory	3,517	2,769
Receivables	874	893
Payables	(7,710)	(5,781)
Op. working capital	(3,320)	(2,118)

- ▶ Inventory +27% and is considered of high quality
- ▶ Increased product availability in the face of possible supply chain tensions, without altering commitment levels
- ▶ Consistent with strong sales reflected in Q2 trading update

Strong cash flow and financial condition

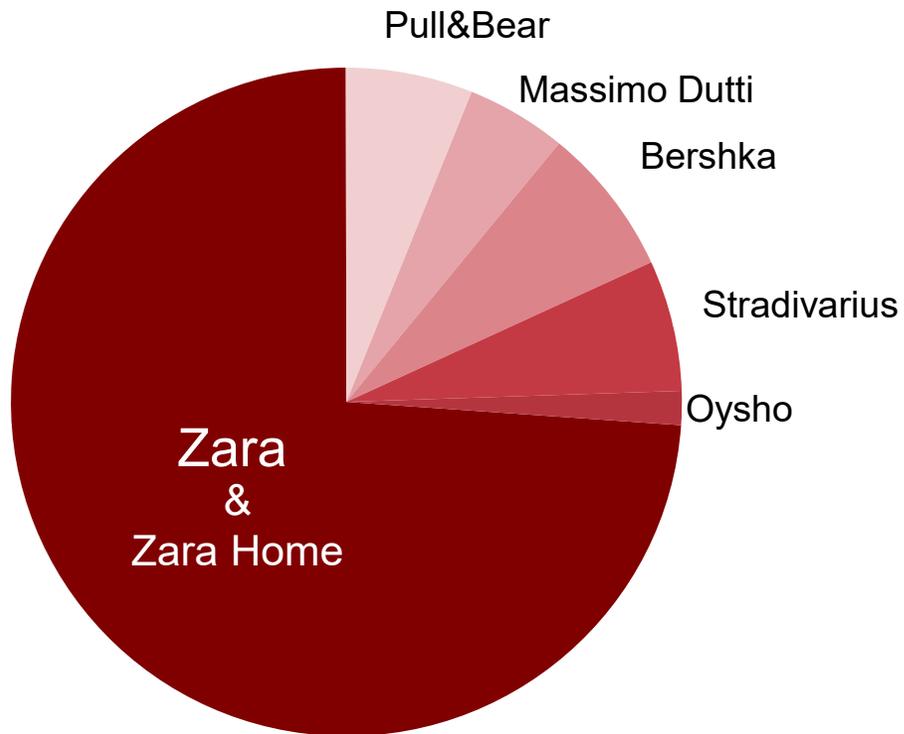
€ million	1Q22	1Q21	22/21
Net cash position	9,189	7,176	28%

- ▶ Strong cash generation
- ▶ Net cash position up +28%

Concepts

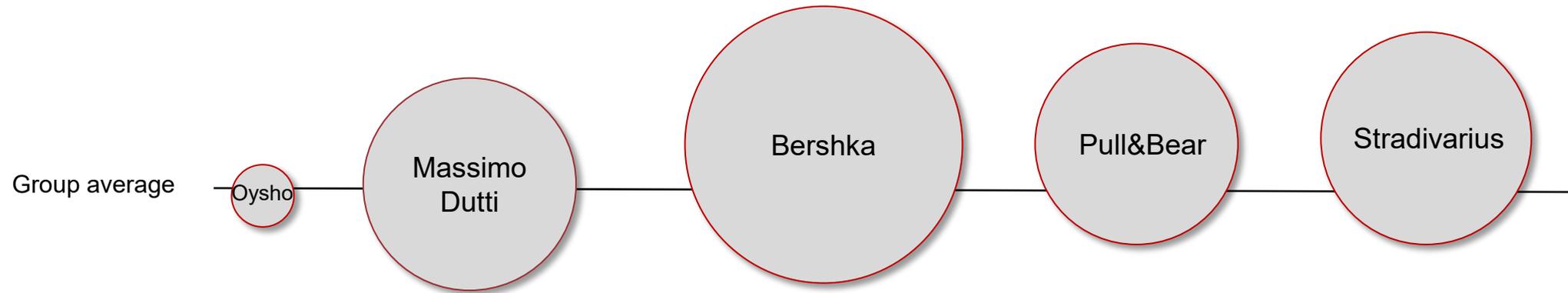


Store & Online sales by concept



- ▶ Strong expansion continues
- ▶ Store openings in 16 different markets in 1Q2022
- ▶ Optimization activities across all concepts

Performance per concept



- ▶ Store sales across all concepts have been robust
- ▶ Zara exceptionally strong performance
- ▶ All concepts have performed strongly, especially Stradivarius, Pull&Bear and Bershka

Sustainability innovation hub: Technology in recycled fabrics



- ▶ Launch of a capsule collection made from fibres transformed from clothing waste
- ▶ Infinna is an upcycled textile fibre using a technology that turns cellulose-rich materials such as worn out clothes, into a new fabric that feels like cotton
- ▶ Committed to buy €100 million worth of Infinna fabric over 3 years, starting when Infinited Fibre open their first large scale factory in 2024



INFINITED FIBER X ZARA

Outlook



Continuity in key strategic pillars



- ▶ Unique business model
- ▶ Full integration of Stores & Online
- ▶ Customer-centric and entrepreneurial corporate culture
- ▶ Sustainability and digitalisation
- ▶ Investment in the future growth of the business
- ▶ Predictable attractive shareholding remuneration

Outlook



- ▶ Global fully integrated Store & Online
- ▶ Strong organic growth. Increased differentiation
- ▶ Online sales to exceed 30% of total sales by 2024
- ▶ Stable gross margins
- ▶ Higher returns. Lower capital intensity
- ▶ Capex of €1.1 billion for 2022

Dividends



- ▶ A dividend of €0.93 per share (+33%) for 2021 proposed
- ▶ 2 May 2022: €0.465 per share ordinary paid
- ▶ 2 November 2022: €0.465 per share (€0.165 ordinary + €0.30 bonus)
- ▶ Inditex dividend policy of 60% ordinary payout and bonus dividends remains in place
- ▶ Total bonus dividend of €0.40 per share to be paid in relation to FY2022 results

Outlook 2022



- ▶ Strong Spring/Summer season
- ▶ Store and online sales in constant currency between 1 May and 5 June 2022 increased 17% versus the record period in 2021 (+13% in the last two weeks versus the same period in 2021). Currently 90% of stores are open.

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