Report on Limited Review

INDUSTRIA DE DISEÑO TEXTIL, S.A. AND SUBSIDIARIES

Interim Condensed Consolidated Financial Statements and Interim Consolidated Directors' Report for the First Half of 2025

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REPORT ON LIMITED REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the Shareholders of Industria de Diseño Textil, S.A. at the request of the Board of Directors:

Report on the interim condensed consolidated financial statements

Introduction

We have carried out a limited review of the accompanying interim condensed consolidated financial statements (hereinafter the interim financial statements) of Industria de Diseño Textil, S.A. (hereinafter the Parent) and Subsidiaries (hereinafter the Group), which comprise the balance sheet at July 31, 2025, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows, and the explanatory notes, all condensed and consolidated, for the six-month period then ended. The Parent's Directors are responsible for the preparation of said interim financial statements in accordance with the requirements established by International Accounting Standard (IAS) 34, "Interim Financial Reporting", adopted by the European Union for the preparation of interim condensed financial reporting in conformity with article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of review

We have performed our limited review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Reporting Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making inquiries, primarily of personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit carried out in accordance with regulations on the auditing of accounts in force in Spain and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

Conclusion

During the course of our limited review, which under no circumstances can be considered an audit of accounts, no matter come to our attention which would lead us to conclude that the accompanying interim financial statements for the six-month period ended July 31, 2025 have not been prepared, in all significant respects, in accordance with the requirements established by International Accounting Standard (IAS) 34, "Interim Financial Reporting", as adopted by the European Union in conformity with article 12 of Royal Decree 1362/2007 for the preparation of interim condensed financial statements.

Domicilio Social: Calle de Raimundo Fernández Villaverde, 65. 28003 Madrid - Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª. C.I.F. B-78970506.

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Emphasis paragraph

We draw attention to the matter describe in accompanying explanatory Note 2 in the interim financial statements, which indicates that the abovementioned accompanying interim financial statements do not include all the information that would be required for complete consolidated financial statements prepared in accordance with International Financial Reporting Standards, as adopted by the European Union. Therefore, the accompanying interim financial statements should be read in conjunction with the Group's consolidated financial statements for the year ended January 31, 2025. This matter does not modify our conclusion.

Report on other legal and regulatory reporting requirements

The accompanying interim consolidated directors' report for the six-month period ended July 31, 2025, contains such explanations as the Parent's Directors consider appropriate regarding significant events which occurred during this period and their effect on these interim financial statements, of which it is not an integral part, as well as on the information required in conformity with article 15 of Royal Decree 1362/2007. We have checked that the accounting information included in the abovementioned report agrees with the interim financial statements for the six-month period ended July 31, 2025. Our work is limited to verifying the interim consolidated directors' report in accordance with the scope described in this paragraph and does not include the review of information other than that obtained from the accounting records of Industria de Diseño Textil, S.A. and its Subsidiaries.

Paragraph on other issues

This report has been prepared at the request of the Board of Directors of Industria de Diseño Textil, S.A. with regard to the publication of the semi-annual financial report required by Article 100 of Law 6/2023 on Securities Markets and Investment Services, of March 17.

ERNST & YOUNG, S.L.
(Registered in the Official Register of Auditors under No. S0530)

(Signature on the original in Spanish)

_____

Hildur Eir Jónsdóttir
(Registered in the Official Register of Auditors under No. 18201)

September 9, 2025

Industria de Diseño Textil, S.A. and subsidiaries

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND INTERIM CONSOLIDATED DIRECTORS' REPORT FOR THE FIRST HALF OF 2025

Translation of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 9). In the event of a discrepancy, the Spanish-language version prevails

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Industria de Diseño Textil, S.A. and subsidiaries

Interim condensed consolidated income statement

(Amounts in millions of euros)	31/07/2025	31/07/2024
Net sales	18,357	18,065
Cost of sales	(7,654)	(7,524)
GROSS PROFIT	**10,703**	**10,541**
	58.3%	58.3%
Operating expenses	(5,584)	(5,467)
Other losses and income, net	(5)	(34)
GROSS OPERATING PROFIT (EBITDA)	**5,114**	**5,040**
Amortisation and depreciation	(1,542)	(1,499)
NET OPERATING PROFIT (EBIT)	**3,572**	**3,541**
Financial results	(12)	12
Results of companies accounted for using the equity method	42	45
PROFIT BEFORE TAXES (PBT)	**3,601**	**3,598**
Income tax	(810)	(820)
NET PROFIT	**2,791**	**2,778**
Net profit attributable to non-controlling interests	-	9
NET PROFIT ATTRIBUTABLE TO THE PARENT	**2,791**	**2,768**
EARNINGS PER SHARE, euros	0.896	0.889

The accompanying explanatory notes 1 to 9 are an integral part of these interim condensed consolidated financial statements for the first half of 2025.

Industria de Diseño Textil, S.A. and subsidiaries

Interim condensed consolidated statement of comprehensive income

(Amounts in millions of euros)	31/07/2025	31/07/2024
Net profit	**2,791**	**2,778**
Items that will be reclassified to the income statement in future years		
Other comprehensive income recognised directly in equity:		
Translation differences related to financial statements of foreign operations	(269)	(107)
Cash flow hedges		
Profit	-	-
Loss	(9)	-
Tax effect	2	-
Total	**(276)**	**(107)**
Transfers to the income statement:		
Cash flow hedges		
Profit	(7)	1
Loss	-	-
Tax effect	2	-
Total	**(5)**	**1**
Total comprehensive income for the period	**2,510**	**2,672**
Total comprehensive income attributable to:		
Equity holders of the Parent	2,510	2,662
Non-controlling interests	-	9
Total comprehensive income for the period	**2,510**	**2,672**

The accompanying explanatory notes 1 to 9 are an integral part of these interim condensed consolidated financial statements for the first half of 2025.

Industria de Diseño Textil, S.A. and subsidiaries

Interim condensed consolidated balance sheet

(Amounts in millions of euros)	31/07/2025	31/01/2025
ASSETS		
NON-CURRENT ASSETS	**18,827**	**18,358**
Rights of use	5,191	5,269
Other intangible assets	1,542	1,411
Goodwill	196	196
Property, plant and equipment	10,485	10,005
Investment property	8	9
Financial investments	479	450
Other non-current assets	206	217
Deferred tax assets	720	800
CURRENT ASSETS	**15,220**	**16,356**
Inventories	3,466	3,321
Trade and other receivables	1,241	1,088
Income tax receivable	333	326
Other current assets	160	94
Other financial assets	8	25
Current financial investments	4,874	5,120
Cash and cash equivalents	5,139	6,382
TOTAL ASSETS	**34,047**	**34,714**
EQUITY AND LIABILITIES		
EQUITY	**16,954**	**19,676**
Equity attributable to the Parent	16,954	19,676
Equity attributable to non-controlling interests	-	-
NON-CURRENT LIABILITIES	**4,704**	**4,851**
Provisions	293	348
Other non-current liabilities	293	251
Financial debt	-	-
Non-current lease liability	4,040	4,180
Deferred tax liabilities	78	72
CURRENT LIABILITIES	**12,389**	**10,187**
Financial debt	1	7
Other financial liabilities	66	48
Current lease liability	1,550	1,542
Income tax payable	333	312
Trade and other payables	10,440	8,278
TOTAL EQUITY AND LIABILITIES	**34,047**	**34,714**

The accompanying explanatory notes 1 to 9 are an integral part of these interim condensed consolidated financial statements for the first half of 2025.

Industria de Diseño Textil, S.A. and subsidiaries

Interim condensed consolidated statement of cash flows

(Amounts in millions of euros)	From 1 February 2025 to 31 July 2025	From 1 February 2024 to 31 July 2024
Profit before taxes and non-controlling interest	3,601	3,598
Adjustments to profit		
Amortisation and depreciation	1,542	1,499
Provisions for impairment	(76)	1
Results from companies consolidated by equity method	(42)	(45)
Lease financial expenses	110	110
Other	160	56
Income tax paid	(695)	(829)
Funds from operations	**4,600**	**4,390**
Variation in assets and liabilities		
Inventories	(119)	(426)
Receivables and other current assets	(323)	(192)
Current payables	(811)	276
Changes in working capital	**(1,253)**	**(342)**
Cash flows from operating activities	**3,347**	**4,048**
Payments relating to investments in intangible assets	(253)	(244)
Payments relating to investments in property, plant and equipment	(1,016)	(1,032)
Payments relating to investments in companies	(2)	-
Payments relating investment in other financial investments	(6)	-
Payments relating to investment in other assets	(4)	(6)
Collections relating to investment in other assets	9	5
Changes in current financial investments	267	(547)
Cash flows from investing activities	**(1,006)**	**(1,825)**
Changes in current financial debt	(6)	2
Leases payments fixed charge	(913)	(863)
Dividends	(2,618)	(2,398)
Cash flows used in financing activities	**(3,536)**	**(3,259)**
Net increase in cash and cash equivalents	(1,195)	(1,036)
Cash and cash equivalents at the beginning of the period	6,382	7,007
Effect of exchange rate fluctuations on cash and cash equivalents	(48)	(21)
Cash and cash equivalents at the end of the period	**5,139**	**5,951**

The accompanying explanatory notes 1 to 9 are an integral part of these interim condensed consolidated financial statements for the first half of 2025.

Industria de Diseño Textil, S.A. and subsidiaries

Interim condensed consolidated statement of changes in equity

(Amounts in millions of euros)	Equity attributable to the Parent										
	Capital	Share premium	Retained earnings	Other reserves	Reserves of companies accounted for using the equity method	Treasury shares	Translation differences	Cash flows	Subtotal	Non-controlling interests	Total equity
Balance at 1 February 2024	**94**	**20**	**17,991**	**562**	**299**	**(92)**	**(231)**	**(1)**	**18,642**	**30**	**18,672**
Profit for the year	-	-	2,768	-	-	-	-	-	2,768	9	2,778
Profit distribution	-	-	(72)	-	72	-	-	-	-	-	-
Dividends distribution	-	-	44	-	(44)	-	-	-	-	-	-
Transfers	-	-	8	-	-	-	(8)	-	-	-	-
Hyperinflation and other movements	-	-	(1)	-	(1)	-	27	-	26	-	26
Other comprehensive income for the year	-	-	-	-	-	-	(107)	1	(106)	-	(106)
· Translation differences related to foreign operations	-	-	-	-	-	-	(107)	-	(107)	-	(107)
· Cash flow hedges	-	-	-	-	-	-	-	1	1	-	1
Operations with equity holders or owners	-	-	(4,826)	(40)	-	45	-	-	(4,821)	-	(4,821)
· Share-based payments recognition	-	-	-	37	-	-	-	-	37	-	37
· Share-based payments exercise	-	-	(28)	(77)	-	45	-	-	(60)	-	(60)
· Dividends	-	-	(4,798)	-	-	-	-	-	(4,798)	-	(4,798)
Balance at 31 July 2024	**94**	**20**	**15,912**	**522**	**327**	**(47)**	**(319)**	**-**	**16,509**	**39**	**16,548**
Balance at 1 de febrero de 2025	**94**	**20**	**18,994**	**571**	**329**	**(47)**	**(290)**	**5**	**19,676**	**-**	**19,676**
Profit for the year	-	-	2,791	-	-	-	-	-	2,791	-	2,791
Profit distribution	-	-	(99)	-	99	-	-	-	-	-	-
Dividends distribution	-	-	61	-	(61)	-	-	-	-	-	-
Transfers	-	-	(4)	-	-	-	4	-	-	-	-
Hyperinflation and other movements	-	-	(5)	-	(2)	-	13	-	6	-	6
Other comprehensive income for the year	-	-	-	-	-	-	(269)	(12)	(281)	-	(281)
· Translation differences related to foreign operations	-	-	-	-	-	-	(269)	-	(269)	-	(269)
· Cash flow hedges	-	-	-	-	-	-	-	(12)	(12)	-	(12)
Operations with equity holders or owners	-	-	(5,269)	(9)	-	40	-	-	(5,238)	-	(5,238)
· Share-based payments recognition	-	-	-	51	-	-	-	-	51	-	51
· Share-based payments exercise	-	-	(34)	(60)	-	40	-	-	(54)	-	(54)
· Dividends	-	-	(5,235)	-	-	-	-	-	(5,235)	-	(5,235)
Balance at 31 July 2025	**94**	**20**	**16,469**	**562**	**365**	**(7)**	**(542)**	**(7)**	**16,954**	**-**	**16,954**

The accompanying explanatory notes 1 to 9 are an integral part of these interim condensed consolidated financial statements for the first half of 2025.

Explanatory notes to the interim condensed consolidated financial statements at 31 July 2025

1. Activity and description of the Group

Industria de Diseño Textil, S.A. with registered office in Spain (Avenida de la Diputación s/n Edificio Inditex, Arteixo, A Coruña), is the Parent of the Inditex Group (hereinafter also 'the Group', 'the Inditex Group' or 'the Company'). Inditex is listed on all the four Spanish stock exchanges.

Our main activity consists of offering our customers an inspiring, high-quality and responsibly produced fashion proposal. This activity is carried out through various retail concepts: Zara, Pull&Bear, Massimo Dutti, Bershka, Stradivarius, Oysho, Lefties and Zara Home. Each concept operates through an online and store model that is managed directly by companies over which Inditex exercises control through the ownership of all or the majority of the share capital and of the voting rights, except in certain markets where, for several reasons, the business is carried out through franchises.

Inditex has a unique business model that is clearly customer-oriented.The operation of this business model would not be feasible without the integration and flexibility of every stage of our value chain: design, procurement and manufacturing, logistics and distribution, and lastly, sales in our physical stores and online platforms.

Our designers' creative talent and innate ability to interpret trends, together with the analysis of sales and the daily feedback from our stores and sales teams, consistently enable us to anticipate, and even pre-empt, what our customers want. In addition, their active promotion and search for more sustainable materials and production processes help to raise standards of quality and to reduce the social and environmental impact of our activity.

The Group's various brands distribute their stock to stores and online warehouses around the world from centralised logistics hubs, efficiently integrating our store and online operations during the warehousing, shipping and distribution processes. By adopting and developing technologies such as Radio Frequency Identification (RFID) or the Integrated Stock Management System (SINT), we have merged the inventory management of all our brands. Thus, our staff can quickly locate any article, regardless of where it is located, and make it available to customers.

All our physical stores and online platforms are merged into a single sales environment. We take extreme care of all points of contact between our brands and customers: cutting-edge designs, sophisticated spaces and innovative technology to offer the best possible customer experience. We are always looking for ways to improve our stores—located in the world's most exclusive shopping hubs and equipped with cutting-edge technology—while launching innovative proposals with high-level fashion editorials for our e-commerce.

The people working in our Company is a key factor to make possible the sustained and sustainable development of this model. Ours is a diverse team, shaped by its creative talent, passion for fashion, enterprising spirit and continuous innovation.

At 31 July 2025, the various Group concepts had stores in 97 markets with the following geographical distribution:

	Number of stores		
	Company Managed	**Franchises**	**Total**
Spain	1,023	36	1,059
Rest of Europe	2,439	171	2,610
Americas	605	186	791
Rest of the world	313	755	1,068
Total	**4,380**	**1,148**	**5,528**

2. Basis of presentation

The interim condensed consolidated financial statements of the Inditex Group, the Parent of which is Industria de Diseño Textil, S.A. (Inditex) for the six-month period ended 31 July 2025 ('interim financial statements') were prepared in accordance with International Accounting Standard ('IAS 34'), on Interim Financial Reporting and pursuant to Article 12 of Royal Decree 1362/2007. Accordingly, they do not include all the information and additional disclosures required in a complete set of annual consolidated financial statements and, in order to be interpreted properly, they must be read in conjunction with the consolidated annual accounts for the year ended 31 January 2025. These interim financial statements were prepared by the Board of Directors at its meeting held on 9 September 2025.

Inditex's financial year and that of most of its subsidiaries starts on 1 February of each year and ends on 31 January of the following year. The six-month period ended 31 July 2025 will hereinafter be referred to as the 'first half of 2025' and the six-month period ended 31 July 2024 as the 'first half of 2024'.

Unless otherwise stated, the amounts shown in these interim financial statements are expressed in millions of euros.

The interim condensed consolidated financial statements are presented in euros.

The interim condensed financial statements of the Inditex Group for the first half of 2025 were prepared on the basis of the accounting records of Inditex and the other Group companies.

The comparison of information in the interim financial statements refers to the six-month periods ended 31 July 2025 and 2024, except with respect to the interim condensed consolidated balance sheet, which compares 31 July 2025 with 31 January 2025.

There have been no significant changes in the consolidation scope in the first half of 2025.

Uncertainty has continued to prevail in the macroeconomic and geopolitical environment during the period. Inflation has tended to normalise in most economies on the back of high interest rates, although it has not yet reached levels that have allowed for a cycle of generalised rate cuts to begin. Cost pressures persist due to supply chain tensions stemming from geopolitical instability. Against this backdrop, growth and consumer spending forecasts in the major economies have been scaled back. Once again, in this very challenging context, the flexibility of our business model has proved resilient.

The Group has a solid financial position, and a negative operating working capital as a result of the business model.

The Alternative Performance Measures (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 for 2024.

3. Accounting policies and basis of consolidation

The accounting policies and basis of consolidation adopted in the preparation of these interim condensed consolidated financial statements at 31 July 2025 are the same as those applied in the preparation of the consolidated annual accounts for the year 2024.

None of the standards and interpretations that have been adopted for the first time from 1 February 2025 have had a material impact on the Group's accounting policies.

Interpretations and amendments to standards issued by the IASB that have not yet been endorsed for application in the European Union will be adopted by the Group as soon as they become effective in the European Union, if applicable to the Group. The Group is currently analysing their impact, although based on the analyses performed to date, their adoption is not expected to have a material impact on the Group's consolidated financial statements or interim condensed consolidated financial statements.

In preparing the interim condensed consolidated financial statements at 31 July 2025 estimates were made in order to measure certain assets, liabilities, income, expenses and obligations reported herein. The estimates are affected by the sources of uncertainty. The estimates made by the Management are the same as those used in the consolidated annual accounts for 2024, and the most significant ones refer to:

- The determination of inventory costs and its net realisable value.
- The useful life of property, plant and equipment, intangible assets and investment property.
- The assessment of possible impairment losses on certain non-current, non-financial assets.
- Assessment of counterparty credit risk of financial institutions in which the Group holds cash and cash equivalents and current financial investments.
- With regard to lease agreements, the estimated lease term and discount rate.
- The assumptions used in the actuarial calculation of liabilities for pensions and other obligations with employees.
- The calculation of the provisions required for contingencies relating to litigation in progress and doubtful debts.

These estimates were made using the best information available at 31 July 2025. However, events that take place in the future might make it necessary to change these estimates. Changes in accounting estimates would be applied prospectively in accordance with IAS 8.

In view of the business activities in which the Group companies engage, their transactions are not substantially cyclical or seasonal in nature. Therefore, no specific disclosures are included in this connection in these explanatory notes to the interim condensed consolidated financial statements for the first half of 2025.

4. Segment reporting

The principal activity of the Inditex Group comprises the retail and online distribution of clothing, footwear, accessories and household products through various retail concepts targeted at different sectors of the public.

The origin and predominant nature of the risks and rewards of the Inditex Group's business units are influenced mainly by the particular retail concepts to which the units belong. The internal structure of the Inditex Group, the business decision-making process and the system for communicating information to the Board of Directors and Group Management are organised by retail concepts and geographic area.

The key business indicators, understood as those that are part of the periodic segment reporting to the Board of Directors and the Group Management, and used in the decision-making process, are the sales figure and the profit before taxes by segment.

The segment liabilities, financial results and taxes are not disclosed, as they do not form part of the key business indicators defined above, or of the segment information reported periodically to the Board of Directors and to the Group Management.

Group Management believes there are no differentiated income categories with respect to the manner in which the nature, amount, timing and uncertainty of revenues from ordinary activities and cash flows are affected by economic factors.

The Inditex Group segment information is as follows:

1H 2025	Zara/Zara Home/Lefties	Bershka	Other	Inter-segment	Total
Sales to third parties	13,197	1,444	3,783	(67)	18,357
Profit before taxes	2,629	265	707	-	3,601
Amortisation and depreciation	1,053	143	346	-	1,542
Segment total assets	27,330	1,961	4,756	-	34,047

1H 2024	Zara/Zara Home/Lefties	Bershka	Other	Inter-segment	Total
Sales to third parties	13,076	1,386	3,660	(57)	18,065
Profit before taxes	2,615	261	722	-	3,598
Amortisation and depreciation	1,065	124	311	-	1,499
Segment total assets	27,233	1,715	4,305	-	33,253

For reporting purposes, the Zara, Zara Home, and Lefties retail concepts have been grouped together into a single segment. Zara and Zara Home are grouped together due to the synergies between the two concepts, while Lefties has been included due to the historical origin of the brand's creation and its positioning.

In addition, the retail concepts other than Zara, Zara Home, Lefties and Bershka have been grouped into a single reporting segment due to the similarities in the nature of the products sold and their management and monitoring model.

For the purpose of reconciliation with the interim condensed consolidated financial statements, the sales to third parties relate to 'net sales' in the interim condensed consolidated income statement and the depreciation and amortisation charge corresponds to 'amortisation and depreciation' in the interim condensed consolidated income statement.

The segment's profit before taxes refers to'profit before taxes' in the interim condensed consolidated income statement. Income and expenses which might be considered to be corporate in nature or as belonging to all segments were allocated to each of the segments based on distribution criteria considered reasonable by Group Management. Inter-segment transactions are carried out on an arm's length basis.

'Segment total assets' relates to 'total assets' in the interim condensed consolidated balance sheet.

Zara was the first concept created by the Inditex Group and its positioning is based on a fashion offering featuring a wide range of products. Zara Home sells household products. Lefties targets a broad segment of consumers and is aimed at offering accessible fashion that does not compromise on design.

Bershka targets the younger consumers and its aim is to offer the latest fashion at affordable prices.

5. Property, plant and equipment and intangible assets

The main additions made in the first half of 2025 amount to 1,616 million euros (1,541 million euros in the first half of 2024) and relate basically to assets related to new stores or refurbishments of existing ones and logistical assets, recognised under 'property, plant and equipment' in the accompanying interim condensed consolidated balance sheet.

6. Capital and reserves

Share capital

At 31 July 2025 and 31 January 2025, the Company's share capital amounted to 94 million euros and was divided into 3,116,652,000 fully subscribed and paid shares of 0.03 euros par value each. All the shares are of a single class and series, have the same voting and dividend rights attached, are represented by book entries and are listed on all four Spanish stock exchanges.

Inditex has a contract with Sociedad de Gestión de Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear) to provide the daily share ownership notification service.

As per the Company's shareholder register, the members of the Board of Directors directly or indirectly owned 59.303% of the Parent's share capital at 31 July 2025 and 31 January 2025. Pontegadea Inversiones, S.L. owns 50.010% of said shares.

Treasury shares

The Annual General Meeting held on 13 July 2021 approved the 2021-2025 Long-Term Incentive Plan (Note 26 to the consolidated annual accounts for 2021). Similarly, the Annual General Meeting held on 11 July 2023 approved the 2023-2027 Long-Term Incentive Plan (Note 27 to the consolidated annual accounts for 2023), and authorised the Board of Directors to acquire treasury shares, to cater for these plans, and the Annual General Meeting held on 15 July 2025 approved a new 2025-2029 Long-Term Incentive Plan.

At 31 January 2025, the Company owned 1,905,846 treasury shares, representing 0.061% of the share capital.

During the first half of 2025, the Company proceeded to settle the second cycle (2022-2025) of the 2021-2025 Plan (accrued and completed on 31 January 2025) and to award shares to its beneficiaries. The total of treasury shares delivered was 1,620,614 shares, representing 0.052% of the share capital.

Aside from these share deliveries, there were no other operations involving treasury shares in the first half of 2025.

Consequently, at 31 July 2025, the Company owned a total of 285,232 treasury shares, representing 0.009% of the share capital.

Dividends

The Group's dividend policy, which comprises a combination of the 60% ordinary payout and the payment of a bonus dividend, remains in force.

On 15 July 2025, the Annual General Meeting approved the distribution of a dividend out of profits for 2024 and unrestricted reserves, in the maximum amount of 5,236 million euros (1.68 euros gross per share corresponding to an ordinary dividend of 1.13 euros per share and a bonus dividend of 0.55 euros per share for all the outstanding shares).

Of this amount, 0.84 euros gross per share were paid on 2 May 2025, as interim ordinary dividend, and 0.84 euros gross per share will be paid on 3 November 2025, as a final ordinary and bonus dividend, through the companies holding interests in Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear) in which the shareholders have deposited their shares; at 31 July 2025, under the heading 'trade and other payables' on the accompanying interim condensed consolidated balance sheet, the total amount pending payment is shown.

Earnings per share

The basic earnings per share, of 0.896 euros (0.889 euros at 31 July 2024) was calculated on the basis of the average weighted number of outstanding shares during the period (3,115.8 million shares in the first half of 2025 and 3,114.2 million shares in the first half of 2024).

At 31 July 2025, taking into consideration treasury shares that are subject to the long-term incentive plans, the result of the calculation of diluted earnings per share does not differ from the basic earnings per share.

7. Income tax

The accrued income tax expense for the first half of 2025 was calculated using the tax rate that would be applicable to the expected total annual profits or losses expected for the year, that is, the interim period income tax expense is the result of applying the estimated average annual effective tax rate to the profit before taxes for the interim period. However, the tax effects arising from one-off events or unique transactions performed in the reporting period are taken into consideration in full in the calculation.

The income tax expense recognised in the interim condensed consolidated income statement for the period ended at 31 July 2025 and 31 July 2024 was calculated by applying an effective tax rate of 22.5% and 22.8%, respectively.

Ordinary audits are currently being performed on Group companies in various markets. The Group does not expect any significant additional liabilities to arise as a result of these audits or those that could be carried out in the future in relation to periods that are not yet statute barred.

On 20 December 2024, Law 7/2024 of 20 December 2024 was passed in Spain, establishing a Supplementary Tax to guarantee a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups. This law transposes Council Directive (EU) 2022/2523 of 15 December 2022, which incorporates the global minimum taxation rules into the European legal framework. This law is in effect for tax periods beginning on or after 31 December 2023.

These interim financial statements include an estimate of the impact of applying this rule, as well as equivalent rules adopted in the markets in which the Group operates, which is immaterial and limited to jurisdictions where the nominal Corporate Income Tax rate is below 15%. In addition, it should be noted that the Inditex Group applies the mandatory exception to the recognition and disclosure of deferred tax assets and liabilities in relation to the global minimum taxation rules.

8. Remuneration of the members of the Board of Directors and related party transactions

Remuneration of the members of the Board of Directors

The remuneration earned by the members of the Board of Directors and Senior Management of the Group in the first half of 2025 is shown in the section on related party transactions.

Related party transactions

Related parties are, among others, the companies that are wholly owned, either directly or indirectly, by Inditex, as well as its subsidiaries, jointly controlled entities and associates, the significant or controlling shareholders, the members of the Board of Directors of Inditex and the Senior Management of the Inditex Group, as well as their close family members.

Related parties transactions covered in the section were carried out on an arm's length basis.

Inditex Group companies

The transactions between Inditex and its (directly or indirectly) wholly-owned companies and subsidiaries form part of the normal course of business in terms of their purpose and terms and conditions and were eliminated in full on consolidation. Therefore, they are not disclosed in this Note.

The following tables detail the transactions and the outstanding balances between Inditex Group companies and its jointly controlled entities (a group with Tempe S.A. as the parent company):

Transactions:

	1H 2025	1H 2024
Jointly controlled entities	(515)	(583)

Balances:

	31/07/2025	31/01/2025
Current financial investments	21	-
Trade and other receivables	18	46
Non-current financial investments	404	386
Trade and other payables	622	572

Transactions between Inditex or any Inditex Group companies and Tempe, S.A. and/or subsidiaries also form part of the normal course of business in terms of their purpose and terms and conditions.

It is hereby placed on record for any relevant purposes, that no party related to Inditex or any of its Group companies holds any interest in Tempe, S.A. or in any of its subsidiaries.

Related parties

Transactions carried out by the Inditex Group with among others, its significant shareholders, directors or persons or companies related thereto, were as follows:

Company name of significant shareholder	Nature of relationship	Type of operation	1H 2025	1H 2024
Pontegadea Inversiones, S.L., Partler Participaciones, S.L.U., Partler 2006, S.L. or related entities or persons	Contractual	Payments related to leases	(24)	(24)
		Services (construction work)	31	17
Rosp Corunna Participaciones Empresariales, S.L.U. or related entities or persons	Contractual	Other expenses	(1)	-
		Payments related to leases	(1)	(1)

Several Inditex Group companies have leased commercial premises where stores belonging to the Group's various brands are located, which are owned by companies related to the controlling shareholder or significant shareholders. In addition, the Inditex Group company that is engaged in construction and renovation work is currently constructing and commissioning seven all around care centres to cater to dependent elderly people in the Autonomous Community of Galicia promoted by entities linked to the controlling shareholder.

During the first half of 2025, no transactions were formalised between Inditex or Inditex Group entities and the controlling shareholder,significant shareholders or other related parties that are considered significant due to their amount and/or nature and which, therefore, are subject to individual disclosure in this section.

Members of the Board of Directors and Senior Management

The amounts indicated in the tables below referring to remuneration and severance pay are expressed in thousands of euros in both years.

The following tables show the remuneration and severance pay earned by the Directors and Senior Management members of Inditex in the first half of 2025:

	Thousands euros	
	Directors	Senior Management
Remuneration	2,812	15,611
Severance pay	-	-
Total	**2,812**	**15,611**

The amount shown in the 'Directors' section includes the remuneration accrued by the Directors in office at the end of the first half of 2025 (10) and at any time during the aforementioned period[1], for their membership on the Board and on its committees, as applicable in each case.

It also includes the fixed remuneration accrued during the reporting period by the CEO, Mr Óscar García Maceiras, for the performance of his executive duties.

The amount specified in the 'Senior Management' section refers to the fixed remuneration earned by twenty-three (23) senior managers for the performance of their duties, proportional to the time in which they have held senior management positions.

The variable remuneration earned by the CEO and Senior Management in 2024 has been paid during the first half of 2025 and is shown in the annual financial information of 2024.

Similarly, the variable remuneration earned, where applicable, by the CEO and Senior Management in 2025, and which will be subject to the approval of the Board of Directors, will be shown in the annual financial information of current year 2025.

In the first half of 2024 Inditex's members of the Board of Directors and Senior Management earned the following remuneration and severance pay:

	Thousands euros	
	Directors	**Senior Management**
Remuneration	2,819	15,357
Severance pay	-	-
Total	**2,819**	**15,357**

The amount shown in the 'Directors' section included the remuneration accrued by the Directors in office at the end of the first half of 2024 (10) and at any time during the aforementioned period[2], for their membership on the Board and on its committees, as applicable in each case.

It also included the fixed remuneration accrued during the reporting period by the CEO, Mr Óscar García Maceiras, for the performance of his executive duties.

The amount specified in the 'Senior Management' section referred to the fixed remuneration earned by twenty-two (22) senior managers for the performance of their duties, proportional to the time in which they held senior management positions.

The variable remuneration earned by the CEO and Senior Management in 2023 was paid during the first half of 2024 and is shown in the annual financial information of 2023.

[1] The aforementioned remuneration includes the proportional part accrued by the outgoing Director, Mr José Arnau Sierra, following the AGM held on 15 July 2025, as well as in consideration for the performance of his duties as Deputy Chair of the Board of Directors and member of all its committees. It also includes the proportional part accrued by Mr Roberto Cibeira Moreiras, who was formally appointed at such AGM, as new Director and member of the Audit and Compliance, Nomination, Remuneration, and Sustainability Committees. At the end of the first half of 2025 (on 31 July 2025), the Board of Directors was composed of ten (10) members.

[2] The aforementioned remuneration included the proportional part accrued by the outgoing Directors following the AGM held on 9 July 2024, i.e. the company Pontegadea Inversiones, S.L. and Ms Anne Lange (until the effective dates of their respective resignations), as well as by the new Directors Ms Flora Pérez Marcote and Ms Belén Romana García (and the latter, furthermore, as a new member of the Audit and Compliance, Sustainability and Nomination Committees, the last of which she chairs), who were formally appointed at said AGM. At the end of the first half of 2024 (on 31 July 2024), the Board of Directors was composed of ten (10) members.

9. Explanation added for translation to English

These interim condensed consolidated financial statements are originally prepared in Spanish and presented on the basis of the regulatory financial reporting framework applicable to the Group in Spain (see Note 2). Certain accounting practices applied by the Group that conform with that regulatory framework may not conform with other generally accepted accounting principles and rules in other countries. In the event of a discrepancy, the Spanish-language version prevails.

Industria de Diseño Textil, S.A. and subsidiaries

INTERIM CONSOLIDATED DIRECTORS' REPORT FOR THE FIRST HALF OF 2025

INDITEX

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

Interim consolidated directors' report

(Amounts expressed in millions of euros)

Situation of the entity

During the first half of 2025, there have been no significant events and/or changes in the Company's situation with respect to that described in section *SBM. Strategy* of the Inditex Group's 2024 Consolidated Statement on Non-Financial Information and Sustainability Information.

Organisational structure

Inditex's corporate governance is basically structured around the following institutional and operational bodies and mechanisms:

/ General Meeting of Shareholders

/ Board of Directors

/ Management Committee

/ Audit and Compliance Committee

/ Nomination Committee

/ Remuneration Committee

/ Sustainability Committee

/ Market Transparency Committee

/ Ethics Committee

In addition, Inditex has three permanent internal bodies advising the main governing bodies, made up entirely of external members:

/ Sustainability and Inclusion Advisory Committee

/ Cybersecurity Advisory Committee

/ International Advisory Board

Business performance and results

Key financial and non-financial indicators

In 1H2025, Inditex maintained a solid operational performance led by the creativity of our teams and the strong execution of the fully integrated business model.

The Spring/Summer collections have been well received by customers. Sales grew 1.6% to reach €18.4 billion, showing satisfactory development both in stores and online. Sales in constant currency grew 5.1%.

In 1H2025, openings have been carried out in 35 markets. At the end of the period Inditex operated 5,528 stores.

Total stores by concept is included in the table below:

Concept	31 July 2025	31 July 2024
Zara	1,534	1,594
Zara Home	379	404
Lefties	210	198
Pull&Bear	801	808
Massimo Dutti	518	542
Bershka	856	856
Stradivarius	839	847
Oysho	391	418
Total	**5,528**	**5,667**

Net sales by concept in 1H2025 and 1H2024 are shown in the table below:

	1H 2025	1H 2024
Zara (Zara, Zara Home & Lefties)	13,150	13,033
Pull&Bear	1,158	1,124
Massimo Dutti	895	904
Bershka	1,438	1,382
Stradivarius	1,327	1,255
Oysho	389	368
Total	**18,357**	**18,065**

Inditex continues to roll out its global sales platform. Store and online sales by geographical area are shown in the table below.

Area	**1H 2025**	**1H 2024**
Europe ex-Spain	50.7%	49.9%
Americas	17.8%	18.8%
Asia & RoW	16.0%	16.6%
Spain	15.5%	14.7%
Total	**100%**	**100%**

In 1H2025, the execution of the business model was sound. Gross profit increased 1.5% to €10.7 billion. The gross margin reached 58.3% (-5 bps).

All expense lines have shown a favourable evolution. Operating expenses increased 2.2%. Including all lease charges, operating expenses grew 63 bps above sales growth.

EBITDA increased 1.5% to €5.1 billion.

EBIT increased 0.9% to €3.6 billion and PBT 0.1% to €3.6 billion.

A breakdown of financial results can be found in the table below:

	1H 2025	**1H 2024**
Net financial income (losses)	100	173
Lease financial expenses	(110)	(110)
Foreign exchange gains (losses)	(3)	(52)
Total	**(12)**	**12**

The tax rate applied to the 1H2025 results is the best estimate for financial year 2025 based on available information.

Net income increased 0.8% to reach €2.8 billion.

Funds from operations came to €3.7 billion in 1H2025, 5% higher.

	1H 2025	**1H 2024**
Funds from Operations after Corporate Income Tax*	**3,687**	**3,527**
Change in working capital	(1,253)	(342)
Cash from Operations	**2,434**	**3,185**
Capital expenditure	(1,269)	(1,276)
Free Cash Flow	**1,165**	**1,909**

*The cash lease payments fixed charge has been added back.

Issues relating to sustainability and employees

During the first half of 2025, there have been no significant events and/or changes in terms of sustainability and employees, in relation to the content of the heading for the Integrated Directors' Report for 2024 financial year that ended on 31 January 2025, which contains the "Consolidated Statement on Non-Financial Information and Sustainability Information" of the Inditex Group.

In any case, the Integrated Directors' Report for 2025, under the heading "Consolidated Statement on Non-Financial Information and Sustainability Information", will contain comprehensive information on the Inditex Group's sustainability and employee matters, referring to the current 2025.

Liquidity and capital resources

The net cash position was €10.0 billion at the end of 1H2025.

	31 July 2025	**31 July 2024**
Cash & cash equivalents	5,139	5,951
Short term investments	4,874	4,977
Current financial debt	(1)	(17)
Non current financial debt	-	-
Net financial cash (debt)	**10,012**	**10,911**

Due to the robust operating performance, inventory was 3.1% higher as of 31 July 2025. Inventory is considered to be of high quality.

	31 July 2025	**31 July 2024**
Inventories	3,466	3,363
Receivables	1,241	1,121
Payables	(10,773)	(10,438)
Operating working capital	**(6,066)**	**(5,954)**

The Group's capital structure is characterised by the low debt/equity ratio as a result of the practically non-existent financing and the strength of its equity.

The Group's organic growth and its CAPEX needs have been financed with the funds generated by the business, which has enabled the Group to maintain its solid cash position.

The Group has credit facilities available that guarantee access to such additional funds as might be required.

Analysis of contractual obligations and off balance sheet transactions

Commitments exist in relation to investments in future store openings and logistic centers in the present year, the amount of which is included in the figure for CAPEX detailed under 'Information on the outlook for the Group'.

Main risks and uncertainties

In order to facilitate unified and comprehensive risk management, the Group has established a common definition of risk for the Organisation as a whole. Accordingly, the Group defines a risk as 'any potential event that may have a negative impact on the achievement of the business objectives'.

The risks reviewed are classified and grouped in the following categories:

1. Financial risks

Financial risks are threats originating in the macroeconomic sphere, financial markets, global value chains and industry or company specific events that may prevent the proposed objectives from being attained.

The normal functioning of the Group's operations exposes it to risks of a financial nature. This category includes market risk, foreign exchange rate risk, counterparty risk, inflation and risk relating to raw material price increases, economic contraction and the competitive environment.

The euro is the Group's presentation currency. Its international transactions require the use of numerous non-euro currencies giving rise to foreign currency exchange risk. The Group has investments overseas whose assets are exposed to the foreign currency exchange risk. Given that the Group consolidates the annual accounts of all its companies in its presentation currency, i.e., in euros, it is exposed to foreign currency exchange risk in the translation of the results of all its entities located outside the Economic and Monetary Union. The Company is also exposed to the risk arising from the payment and collection flows in currencies other than the euro in relation to the acquisition and provision of goods and services in both Group and non-Group transactions.

The Group is exposed to counterparty risk from its suppliers of goods and services, as well as from its customers and business partners which could impact the normal performance of some of its operations. The majority of its revenue relates to retail sales which are collected on demand, either in cash or through a credit card. There are therefore no significant concentrations of credit risk. The financial solvency of the Group's most important third parties is analysed and monitored as part of an analysis process that also encompasses legal, compliance, reputational and other aspects. The Group is also exposed to the risk that counterparties (mainly financial) fail to comply with their obligations in relation to investing the Company's liquidity, credit policies or other funding and guarantee vehicles, as well as the derivative instruments arranged to hedge financial risks.

Interest rate and liquidity risk are also assessed. The Group manages cash at corporate level based on a highly active repatriation policy aimed at reducing the aforementioned risks to a minimum, also taking into account sovereign or jurisdiction risk. Consideration is also given to the potential impact of inflation affecting costs linked to the acquisition of goods and services. In this regard, it is worth noting the increase in the price of the many raw materials consumed directly and indirectly in the Group's operations and in its procurement of goods and services. The Group is monitoring the evolution of the raw material markets. It actively manages their impact, taking advantage of the flexibility of our business model, which enables the diversification of sources and the adaptability of the value chain based on expected demand forecasting.

Lastly, this category includes risks relating to the competitive environment, meaning the difficulties in adapting to the environment or market in which the Group operates, as regards both the procurement processes and the product retailing and sale activities. It consists of the Group's possible inability to follow and respond to changes in its target market or to adapt to new situations in its supply or distribution countries, considering the difficulties involved in recognising and taking on board the ongoing changes in fashion trends, and in manufacturing, supplying and marketing new items that meet customer expectations. The optimal achievement of business objectives may be shaped by a potential decline in sales resulting from an economic downturn, whether global or limited to one or more of the markets in which the Group operates.

2. Geopolitical risks

Geopolitical risks arise from a deterioration in the political situation, society's crime levels, changes in the ideology, leadership and regulation of its authorities, politically motivated conflicts at home or between nation states that threaten operations or forecast performance.

Potential instability in the territories where the Group's supply chains are located, as well as where products are marketed, is a significant risk. Sometimes instability manifests itself through frictions that hinder the normal movement of goods during the transport process, whether due to political instability, infrastructure saturation, or constraints,

especially on key routes, which generate bottlenecks due to supply-demand imbalances that limit access to transport and/or erode business margins. At the time of writing this report, extraordinary sea freight shipping conditions persist as a result of the difficulties for container vessels to transit through the Red Sea since the onset of the instability in the Middle East. We have adapted our processes to these circumstances and they are functioning normally. Furthermore, the Group is monitoring developments in the People's Republic of Bangladesh which, so far, have not impacted our operations. Bangladesh is one of the Group's ten supply and manufacturing clusters.

The business model is based on a value chain with multiple geographic origins. The Group's integrated sales model enables it to operate in more than two hundred markets, which ensures a significant level of diversification and resilience. As a result of its broad geographic presence, the Group is directly or indirectly exposed to multiple legislations in the countries where it operates (tax, customs, labour, trade and consumer, industrial and intellectual property, personal data protection and privacy regulations). Regulatory changes, as well as differing or even divergent treatment of legal facts in different jurisdictions, expose the Group to potential negative effects of a financial, compliance and/or reputational nature.

3. Technological risks

The technological risk category includes targeted cyberattacks, collapse of critical infrastructure, industrial accidents with direct or indirect impacts, as well as the inability to adapt to technological advances.

These include the risks associated with the technological infrastructure, the effective management of information, IT and robotic networks and communications. They also include those relating to the physical and technological security of systems, in particular, the risk of cyberattacks on information systems, which could potentially affect the confidentiality, integrity and availability of critical data.

These risks may significantly affect the normal functioning of the Group's operations. Some of the operational risks are concentrated at logistics centres and third-party operators transporting goods. The clothing, footwear, accessories and household products of all the concepts are distributed from different logistics centres, owned by the Group and operated by third parties, located throughout Spain and complemented by a logistics connection hub in the Netherlands. There are additional smaller logistics centres located in other countries and operated by third parties which carry out small scale distribution operations.

The ability to adapt to technological innovations and evolutions in a broad sense, and digitalisation, both in customer interaction through the development of a satisfactory omni-channel experience, as well as in the improvement of operational processes, is essential to ensure the Group's commercial success in a highly competitive environment. The emergence of disruptive technologies, such as Artificial Intelligence, is playing an increasingly significant role. This represents a transformative opportunity in many spheres such as automation and process optimisation, but also a potential amplifier of other risks, be they technological, social, etc.

4. Environmental risks

Environmental risks are risks associated with natural disasters, climate change and the interactions resulting from human exploitation of the environment.

Key operations pertaining to business and transport processes could be paralysed as a result of natural disasters (floods, fires, earthquakes, etc.), especially if they affect the Group's critical infrastructures. The Group's performance is exposed to the potential impact of climate change in its various manifestations of physical risk, whether chronic or acute, as well as the risks resulting from the transition to a low-carbon economy.

In this regard, significant changes in weather cycles may affect consumer demand patterns and the supply and demand of textile raw materials used to manufacture the garments, among others. There are potential financial and reputational risks associated with the nature, speed and focus of policy, legal, technological and market changes as society transitions to a low-carbon economy.

There is also a risk arising from the potential adverse effects of the Group's value chain due to the discharge of undesirable or hazardous substances into the environment, or potentially resulting in biodiversity loss, deforestation, soil degradation, shortage of raw materials, among others.

5. Social risks

The category of social risks includes risks arising from socio-economic trends in societies, including the evolution of preferences, social norms, demographics, as well as the prevalence of diseases and the development of public healthcare systems.

Human resource-related risks pertain to the necessity to adapt the organisational culture to the needs of staff in a new and complex environment, where the sustainability of human capital becomes more relevant and which aims to ensure the quality of employment, health and well-being of staff, work-life balance, diversity, and other factors.

This category includes the risk of infectious diseases. It corresponds to the potential disruption caused by a local, regional or global pandemic as a result of infectious diseases against which there is little or no pre-existing immunity in the human population.

Lastly, this category also includes risks which have a direct influence on the perception of the Group by its stakeholders (customers, employees, shareholders and suppliers) and society in general. They arise from the possibility of the inappropriate management of issues relating to corporate ethics, social and environmental sustainability, responsibility for the health and safety of the products, the corporate image of the Group, as well as its image in social networks, and any other potential regulatory breach or good practices that might have an impact on the Organisation's reputation.

6. Governance risk

Governance risks include a set of risks of a different nature. These include non-compliance by the Company, and in particular by its Board of Directors and Senior Management, with the law in a formal or material sense; good governance guidelines and best practices; as well as the commitments that Inditex Group voluntarily undertakes as a business, and the risks resulting from the tactical and strategic decisions of the Group's Management that may result in the non-fulfilment of the business objectives of the functional areas or of the Group, as well as regulatory risks of a criminal nature, such as crimes related to corruption, fraud and/or bribery, or any other damage to the reputation of the Company.

Risk management in the Group is a process promoted by the Board of Directors and Senior Management and is the responsibility of all members of the Group, the purpose of which is to provide reasonable assurance that the objectives established by the Group will be achieved as a response to the social and environmental challenges, furnishing all stakeholders with sufficient guarantees to ensure that the value generated will be protected.

In this context, the Group's Integrated Risk Management System ('IRMS') is based on the Enterprise Risk Management Policy, which sets out the basic principles, key risk factors and the general framework for risk management and control.

The Enterprise Risk Management Policy is implemented and complemented by specific policies and internal regulations relating to certain units or areas of the Group. The policies and internal regulations developed and implemented by these areas for the management of the different types of risks include: the Financial Risk Management Policy, the Code of Conduct, the Code of Conduct for Manufacturers and Suppliers, the Criminal Risk Prevention Policy, the Sustainability Policy, the Information Security Policy, the Human Rights Policy, the Diversity and Inclusion Policy, the Compliance Policy, and the Anti-Money Laundering and Terrorist Financing Policy, among others.

For further details see Additional Information Section. Responsible risk management of the Consolidated Statement on Non-Financial Information and Sustainability Information for 2024.

Events after the reporting period

No significant events have occurred since the reporting date.

Information on the outlook for the Group

The Autumn/Winter collections have been very well received by our customers. Store and online sales in constant currency between 1 August and 8 September 2025 increased 9% versus the same period in 2024.

Our priority continues to be the continued improvement of our fashion proposition, the level of customer care, our focus on sustainability and cultivating our world-class teams. By focusing on these areas we will underpin the long-term growth potential of the Group.

The business model we enjoy, characterised by flexibility, responsiveness and within-season proximity sourcing, permits us to react to fashion trends reinforcing our unique market position. By continually investing in our stores, our global online channel and our centralised logistics platforms, with an accompanying focus on sustainability, we will continue to generate long-term growth.

Inditex operates in 214 markets with low market share in what is a fragmented sector. Optimisation of stores is ongoing, and we expect this to drive further gains in store productivity. The growth of annual gross space in the period 2025-2026 is expected to be around 5%, with positive net space accompanied by strong online sales.

At current exchange rates, Inditex expects around -4% currency impact on sales in 2025.

For 2025, Inditex expects a stable gross margin (+/-50 bps).

In the current year, we are planning investments that will scale our capabilities, generate efficiencies and increase our competitive differentiation further. We estimate ordinary capital expenditure of around €1.8 billion.

Our logistics expansion plan in 2024 and 2025 is on track. 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. The objective of this logistics plan is to strengthen Inditex's capabilities to capture global growth opportunities in the medium and long term. The Zaragoza II distribution centre is now operational. As with our other centres, these investments have the highest standards of sustainability and cutting-edge technology, with a focus on productivity and team well-being. In July, Inditex invested in Theker Robotics, a startup developing AI-driven logistics automation.

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.

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

Regarding our stores, Zara has launched in new locations for example in Leipzig Grimmasche Strasse, Freiburg Kaiser Josef Strasse and LA Brea Mall. Additionally, we have made important enlargements and refurbishments in some of our most emblematic stores such as Madrid Serrano and relocations like Manchester Trafford Centre.

The other concepts continue to launch in important locations, for example Stradivarius in Vienna Donauzentrum, Oysho in Amsterdam Kalverstraat and Bershka in Manchester Trafford Centre.

We continue introducing the new soft-tag technology in our stores. This programme adds to the existing in-store technology ecosystem with Click & Collect silos, sorters, assisted checkouts and drop-off points. It provides a significant improvement in customer experience, facilitating interaction with our products, enhancing the purchasing process and will be the basis for us to continue deepening the digitalisation of stores and their integration with online platforms in the coming years. The new system is now fully operational in Zara and is being rolled out in Bershka and Pull&Bear.

Within the #bringyourbag initiative and thanks to the reuse of shopping bags by our customers, we have reduced their consumption in our stores by 49%. We are investing the equivalent full amount raised from charging for recycled paper bags and envelopes in environmental projects in over 30 countries, in partnership with non-profit organisations such as Conservation International and WWF. Recently, we have formalised a new program, in collaboration with the international environmental organisation Ocean Conservancy, aimed at the protection of marine ecosystems and biodiversity. This agreement, endowed by Inditex, includes the removal of more than 450 tonnes of plastics from beaches and areas of high environmental value, the collection of nets and fishing gear abandoned in the oceans and the promotion of "zero waste" projects for the collection and recovery of waste.

R&D+I activities

The Inditex Group carries out research, development and innovation activities in all areas of its business with the aim of improving the manufacturing and distribution processes and developing technologies that facilitate business management, either using its own resources or with the help of third parties. In particular, we highlight the activity of designing clothing, accessories and household products, logistics and those related to technology linked to point-of-sale terminals, to administration and inventory management systems, to delivery systems at distribution centres, to communication with stores, to garment labelling and, finally, to the activity linked to the digital transformation of the business.

Acquisition and sale of treasure shares

The Annual General Meeting held on 13 July 2021 approved the 2021-2025 Long-Term Incentive Plan (Note 26 to the consolidated annual accounts for 2021). Similarly, the Annual General Meeting held on 11 July 2023 approved the 2023-2027 Long-Term Incentive Plan (Note 27 to the consolidated annual accounts for 2023), and authorised the Board of Directors to acquire treasury shares, to cater for these plans, and the Annual General Meeting held on 15 July 2025 approved a new 2025-2029 Long-Term Incentive Plan.

At 31 January 2025, the Company owned 1,905,846 treasury shares, representing 0.061% of the share capital.

During the first half of 2025, the Company proceeded to settle the second cycle (2022-2025) of the 2021-2025 Plan (accrued and completed on 31 January 2025) and to award shares to its beneficiaries. The total of treasury shares delivered was 1,620,614 shares, representing 0.052% of the share capital.

Aside from these share deliveries, there were no other operations involving treasury shares in the first half of 2025.

Consequently, at 31 July 2025, the Company owned a total of 285,232 treasury shares, representing 0.009% of the share capital.

Other salient information

Stock market information

Inditex's market share price stood at 41.91 euros per share at 31 July 2025, a decrease of 20.5% since the beginning of the year, while the Ibex 35 index posted an increase of 16.4% in the same period. The average daily trading volume was approximately 2.4 million shares.

Inditex's market capitalisation stood at 130,619 million euros at the end of the six-month period, up 1,326% on its capitalisation when its shares were admitted to trading on 23 May 2001, as compared with a 50% increase in the Ibex 35 index in the same period.

Dividends policy

The Group's dividend policy, which comprises a combination of the 60% ordinary payout and the payment of a bonus dividend, remains in force.

On 15 July 2025, the Annual General Meeting approved the distribution of a dividend out of profits for 2024 and unrestricted reserves, in the maximum amount of 5,236 million euros (a gross amount of 1.68 euros gross per share corresponding to an ordinary dividend of 1.13 euros per share and a bonus dividend of 0.55 euros per share for all the outstanding shares).

Of this amount, 0.84 euros gross per share were paid on 2 May 2025, as interim ordinary dividend, and 0.84 euros gross per share will be paid on 3 November 2025, as a final ordinary and bonus dividend, through the companies holding interests in Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear) in which the shareholders have deposited their shares; at 31 July 2025, under the heading 'trade and other payables' on the

accompanying interim condensed consolidated balance sheet, the total amount pending payment is shown.

Other disclosures

Related party transactions

Related party transactions are described in Note 8 to this interim condensed consolidated financial statements. The Company did not carry out any related party transactions during the year that substantially affected its financial position or results.

Risk and uncertainties

Other than those described above, there are no significant risks or uncertainties for the second half of 2025.

Alternative performance measures

The Alternative Performance Measures (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 for 2024.

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.

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.