



Nelly Group  
**INVESTOR  
PRESENTATION**

Q3 2024  
25 October 2024

# Nelly Group Q3 2024 Presentation



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# Agenda

- This is NELLY
- CEO's comments on the quarter
- Financial summary
- Q&A

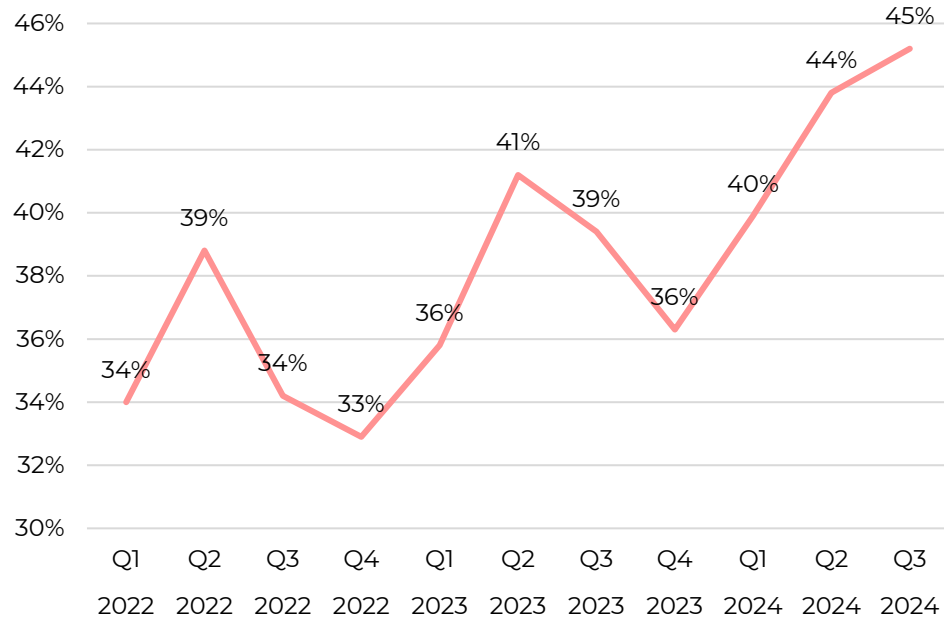


## CEO's comments Q3 2024

- A healthier business
- Focus on profitable growth

# A healthier business

Own brand share (%)

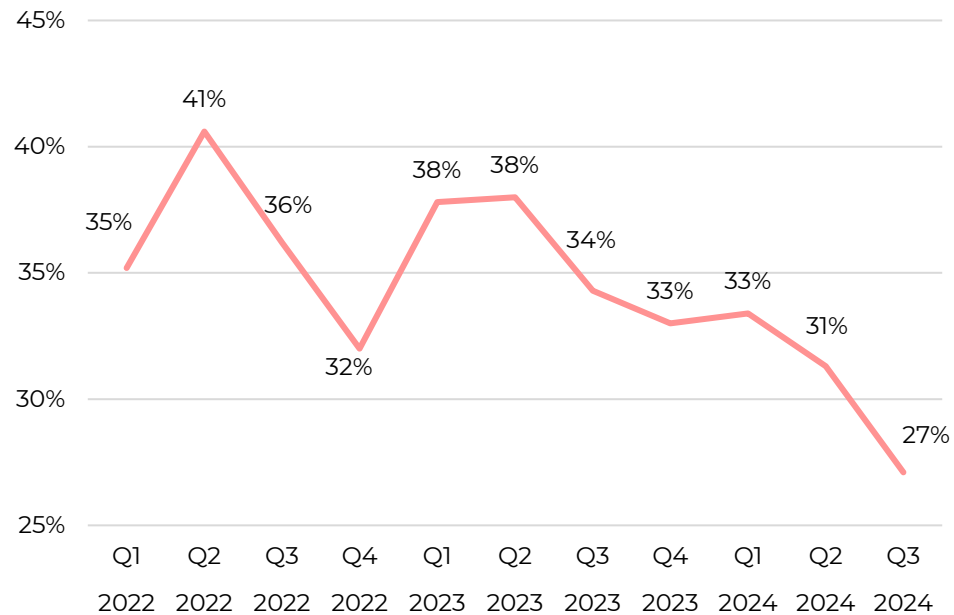


## Growth in own brand share

- 45.2% (39.4%)
- Strong position in jeans, knits, pants & tops
- Central to our Stockholm flagship store

# A healthier business

Return Rate (%)

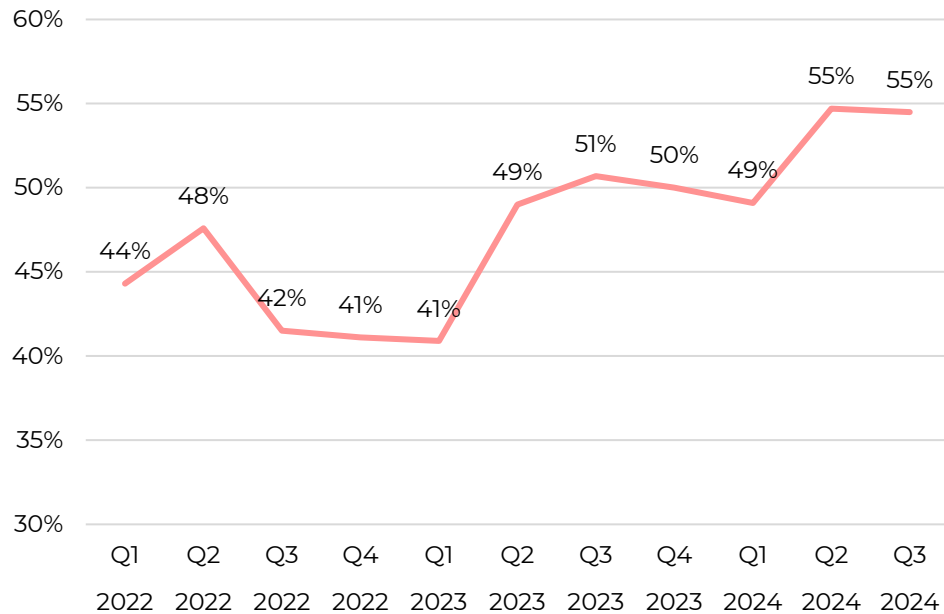


## Further improved return rate

- 27.1% (34.3%)
- Cross-functional strategy
- Positive impact on sell-through, costs, the environment and customer experience

# A healthier business

Gross margin (%)

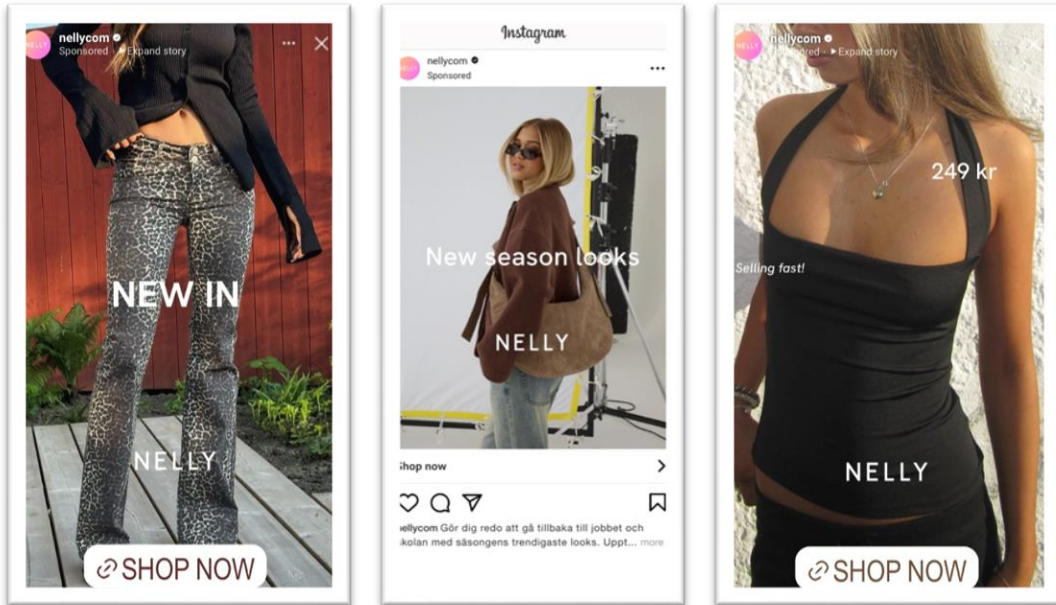


## Strengthened gross margin

- 54.5% (50.7%)
- Higher full-price share
- Lower discount levels
- Growth in own brand share

# Focus on profitable growth

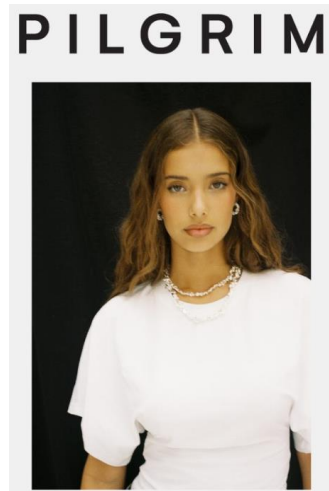
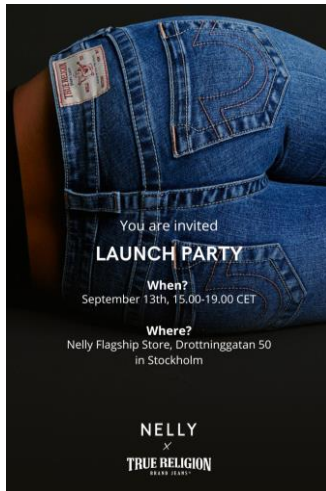
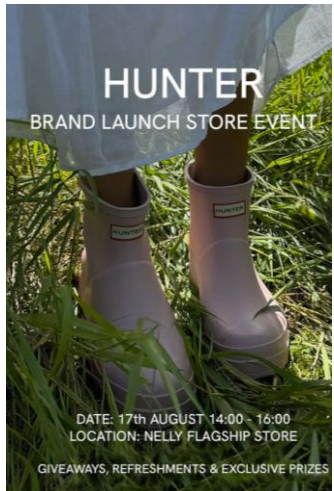
## Investment in profitable marketing



- 9.9% (8.9%) of net revenue
- Driving towards full-price assortment
- Improved profitability per order
- Overall slight growth in traffic with lower conversion rate



# Focus on profitable growth



## Unique products & experiences

- Collaborations with strong brands
- New brand launches
- NELLY Flagship store in Stockholm



## CEO's comments Q3 2024

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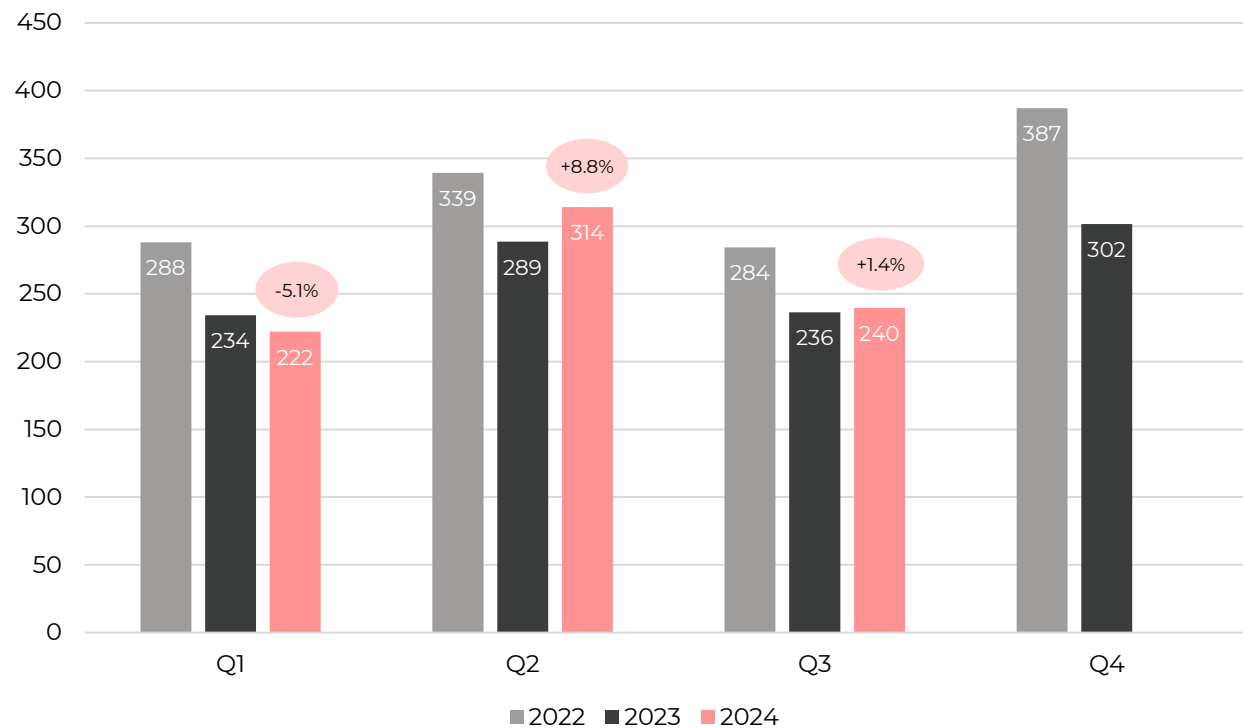


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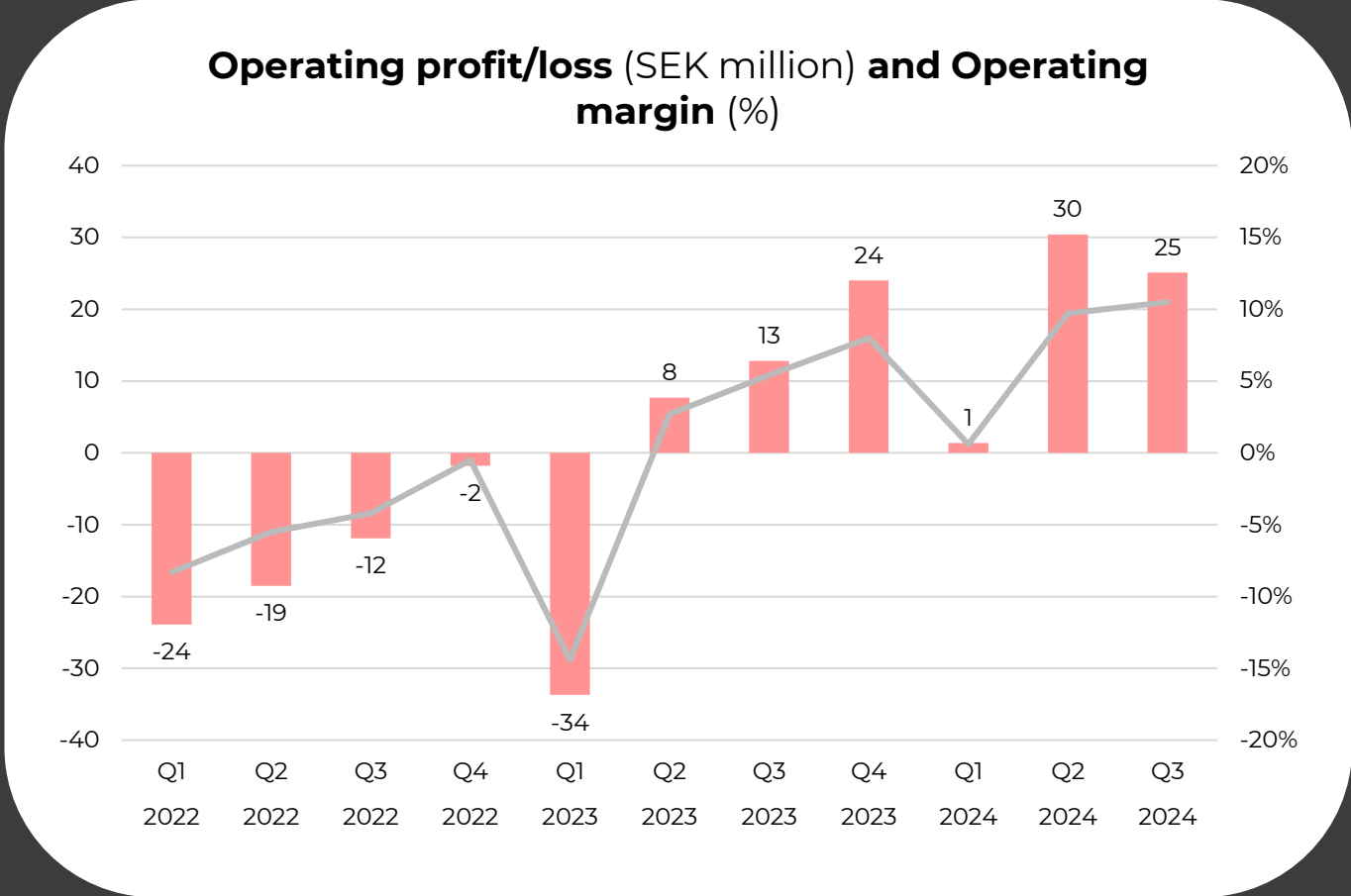
# Growth in the third quarter

Net revenue (SEK million)





# Increased operating margin and good scalability



# Q3 2024 – Income statement

(SEK million)	Q3 24	Q3 23	
<b>Net revenue</b>	<b>239.6</b>	<b>236.4</b>	
<b>Gross profit</b>	<b>130.7</b>	<b>119.8</b>	<b>+10.9</b>
<i>Gross margin</i>	54.5%	50.7%	
Warehousing and distribution costs	-28.0	-33.7	+5.7
Marketing costs	-23.8	-21.1	-2.7
Admin and other operating expenses	-53.8	-52.1	-1.7
<b>Operating profit or loss</b>	<b>25.1</b>	<b>12.8</b>	<b>+12.3</b>
<i>Operating margin</i>	10.5%	5.4%	

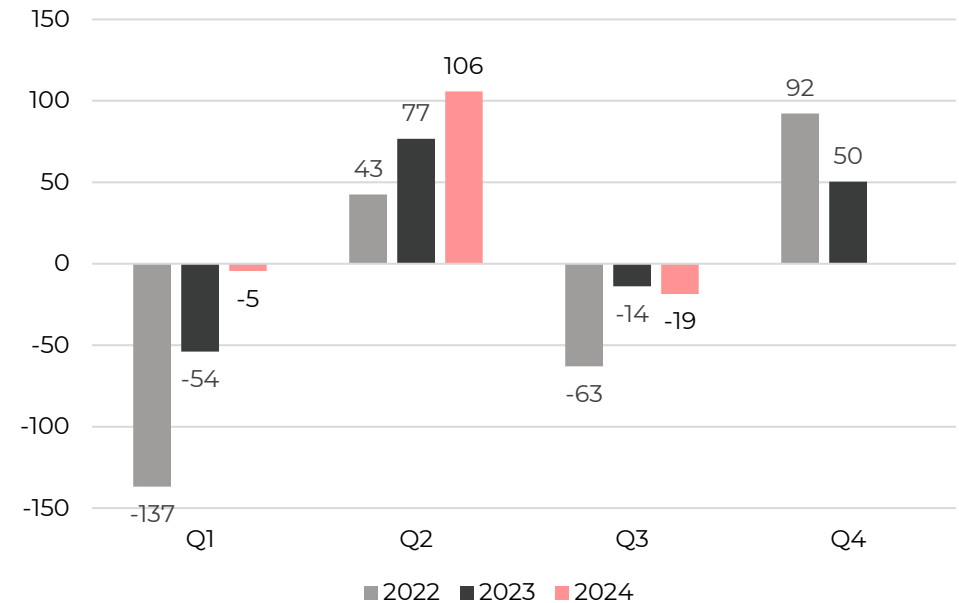
**Δ** = delta vs. LY

# Q3 2024 – Additional financial KPIs

## Solid cash position to end Q3

- Inventory build up ahead of Q4
- Investments in IT infrastructure
- Improved equity ratio

Cash flow from operations (SEK million)



A woman with dark hair and sunglasses is sitting in a dark doorway. She is wearing a white turtleneck sweater and black overalls with a silver ring buckle. She is looking to her left. The background is dark, and the doorway is framed by dark wood. The text "Q&A" is overlaid in the center of the image.

**Q&A**



A woman with dark hair in a bun, wearing black sunglasses, a pearl earring, a light grey crew-neck sweater, and black pants. She is carrying a red crossbody bag. She is standing in a doorway of a light-colored building. The word "Thanks!" is overlaid in white text on her sweater.

Thanks!