

Nelly Group
**INVESTOR
PRESENTATION**

Q1 2025
24 April 2025



Nelly Group Q1 2025 Presentation



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Agenda

- This is NELLY
- CEO's comments on Q1 2025
- Financial summary
- Q&A



CEO's comments Q1 2025

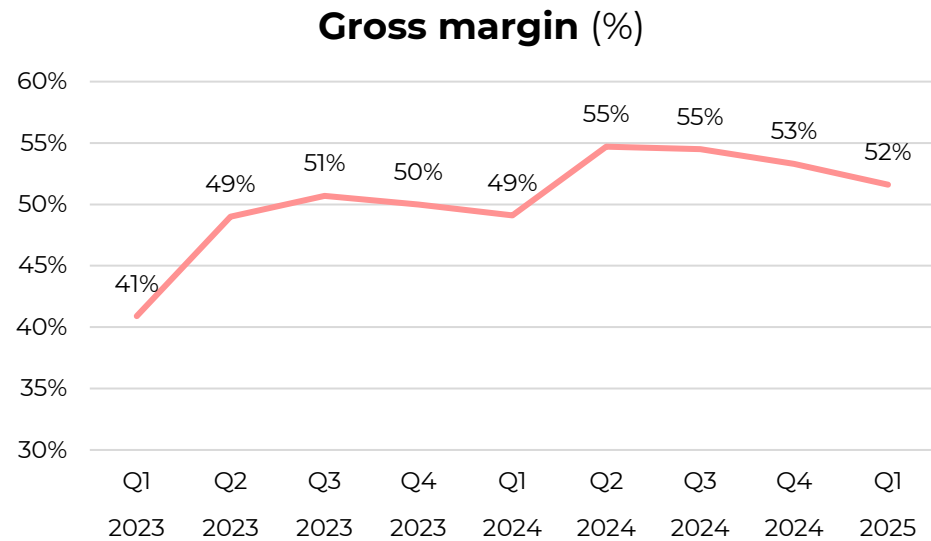
- A strong first quarter
- Continued focus on growth & efficiency



A strong first quarter

- Historically the most challenging quarter
- Net revenue growth 11.5%
- Operating margin 8.0%
- 8 profitable quarters & 4 with net revenue growth

A strong first quarter

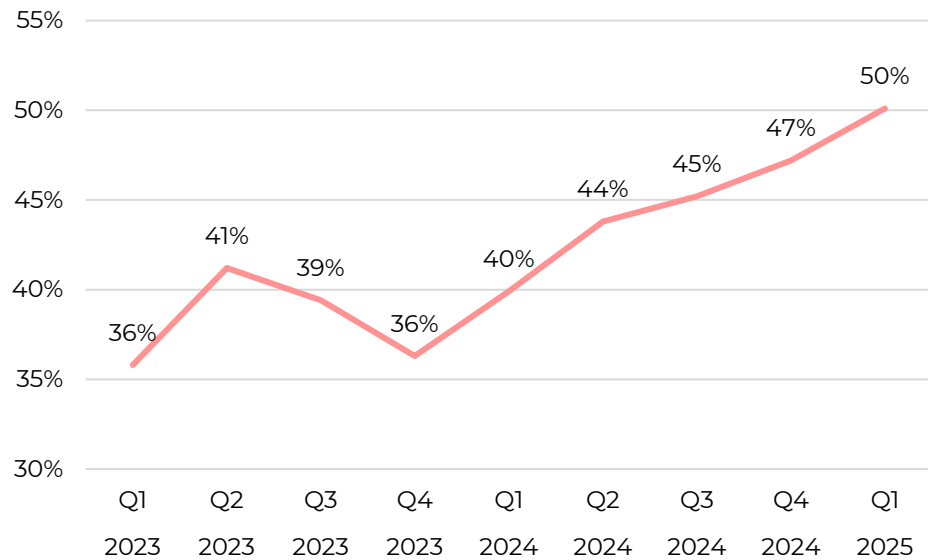


Improved gross margin

- 51.6% (49.1%)
- Growth in own brand share
- Less need for outlet-driven sales
- Balanced end-of-season sale period

A strong first quarter

Own brand share (%)

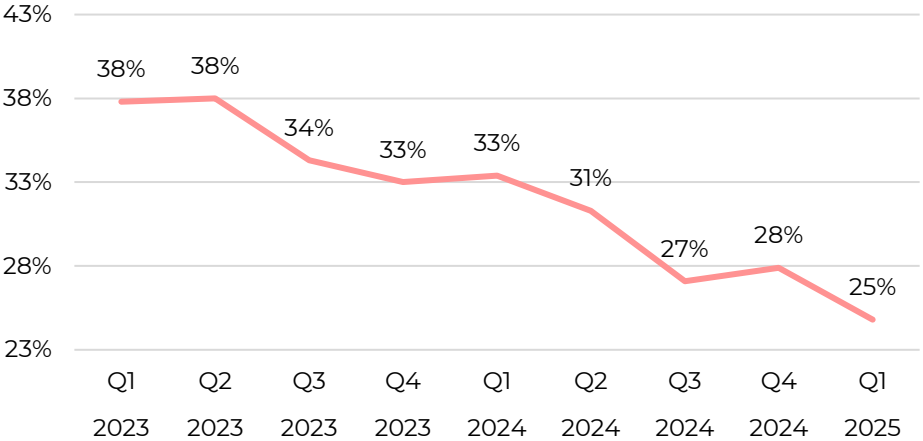


Growth in own brand share

- 50.1% (39.9%)
- Jeans & tops particularly strong
- Central to our Stockholm flagship store
- Improved availability early in the season

A strong first quarter

Return Rate (%)

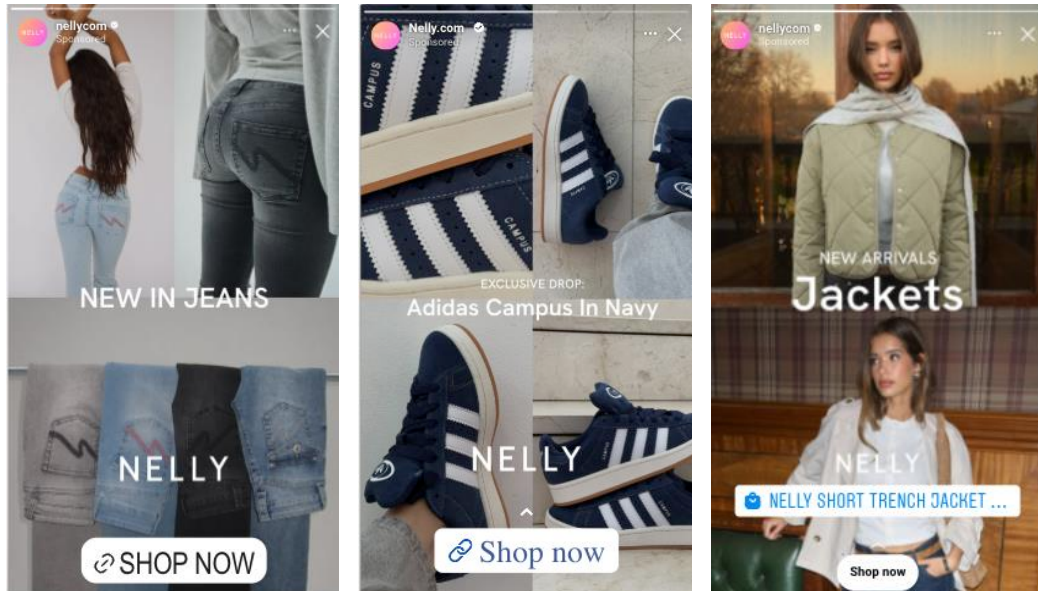


Continued return rate benefits

- 24.8% (33.4%)
- Strong assortment
- Continued cross-functional strategy
- Positive impact of physical store

A strong first quarter

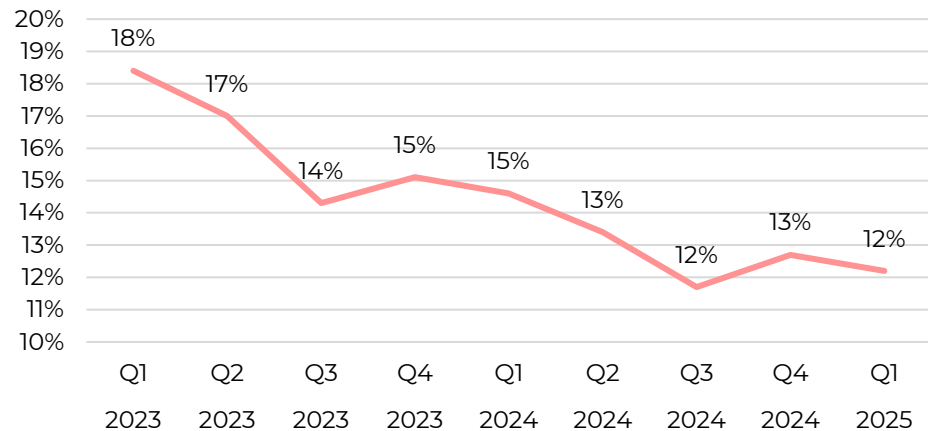
Efficient & profitable marketing



- 9.9% (9.6%) of net revenue
- Growth in traffic & orders
- Positive development in new customers & active customers
- Improvements in organic & paid

A strong first quarter

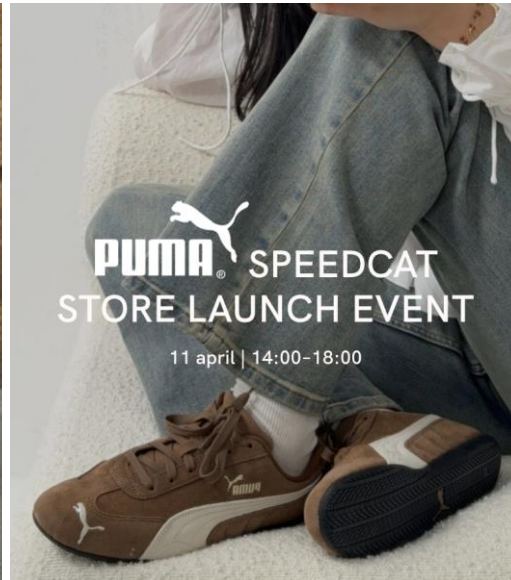
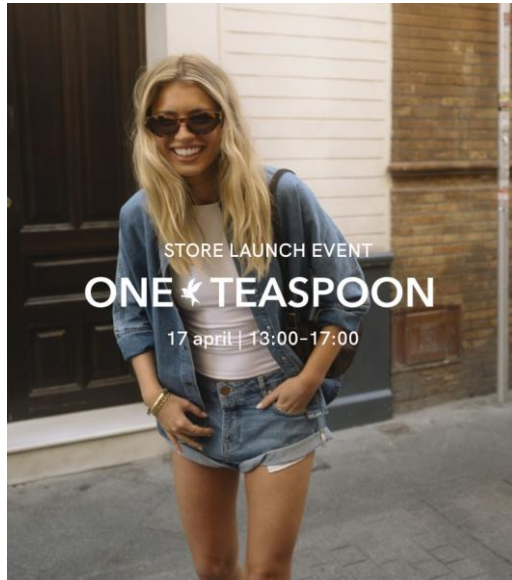
**Warehousing and distribution costs
as a proportion of net revenue(%)**



Efficient warehousing & distribution

- 12.2% (14.6%)
- Continuous improvement in operations
- Optimisation of distribution network
- Lower return volumes

Continued focus on growth & efficiency



Elevating the customer experience

- Continue evolving own brands
- New brand launches
- Unique collaborations
- NELLY Flagship store & events



Continued focus on growth & efficiency

- Bring handling of returns in-house
- Complete remainder of IT-systems changes



CEO's comments Q1 2025

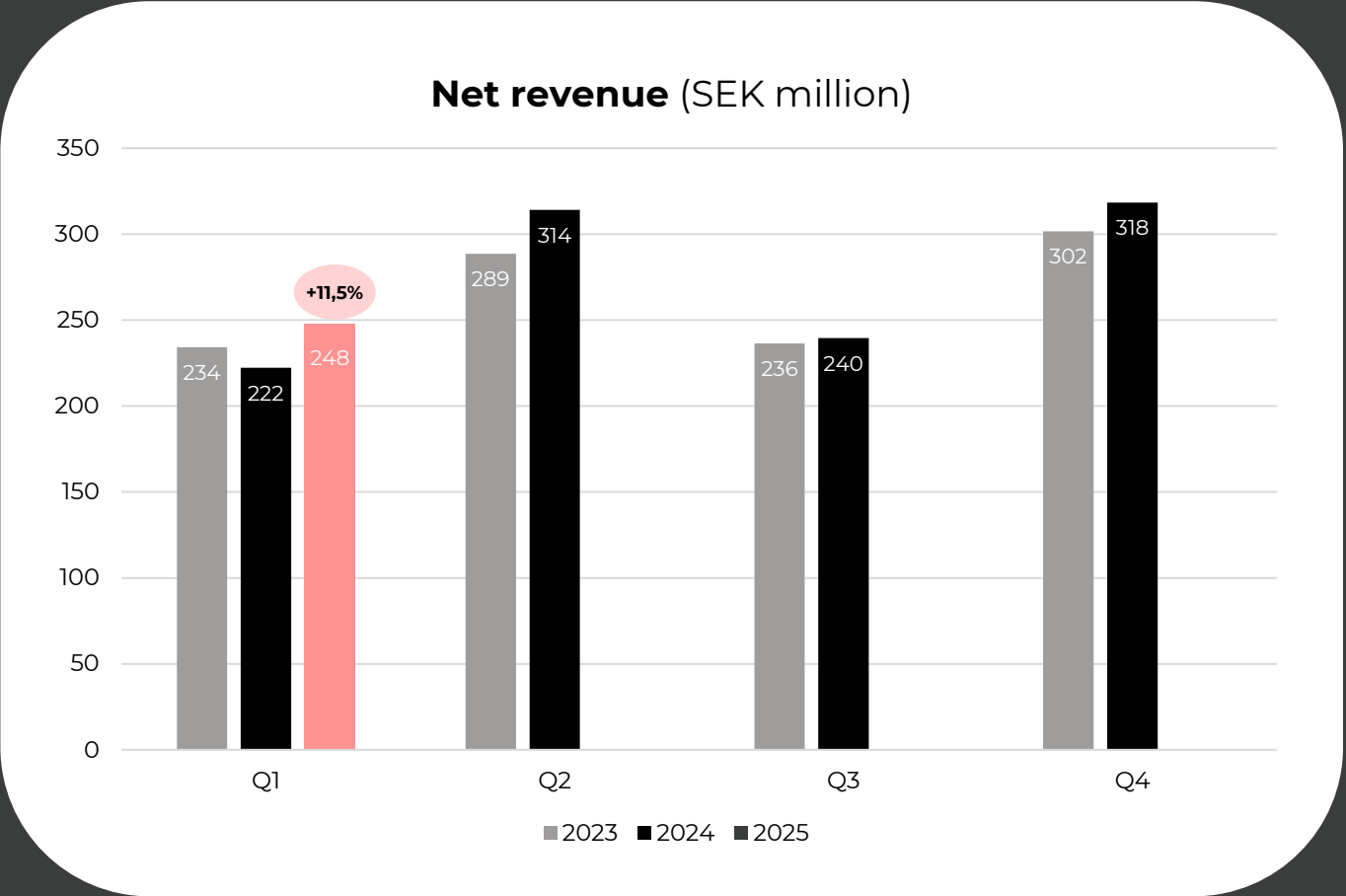
- A strong first quarter
- Continued focus on growth & efficiency



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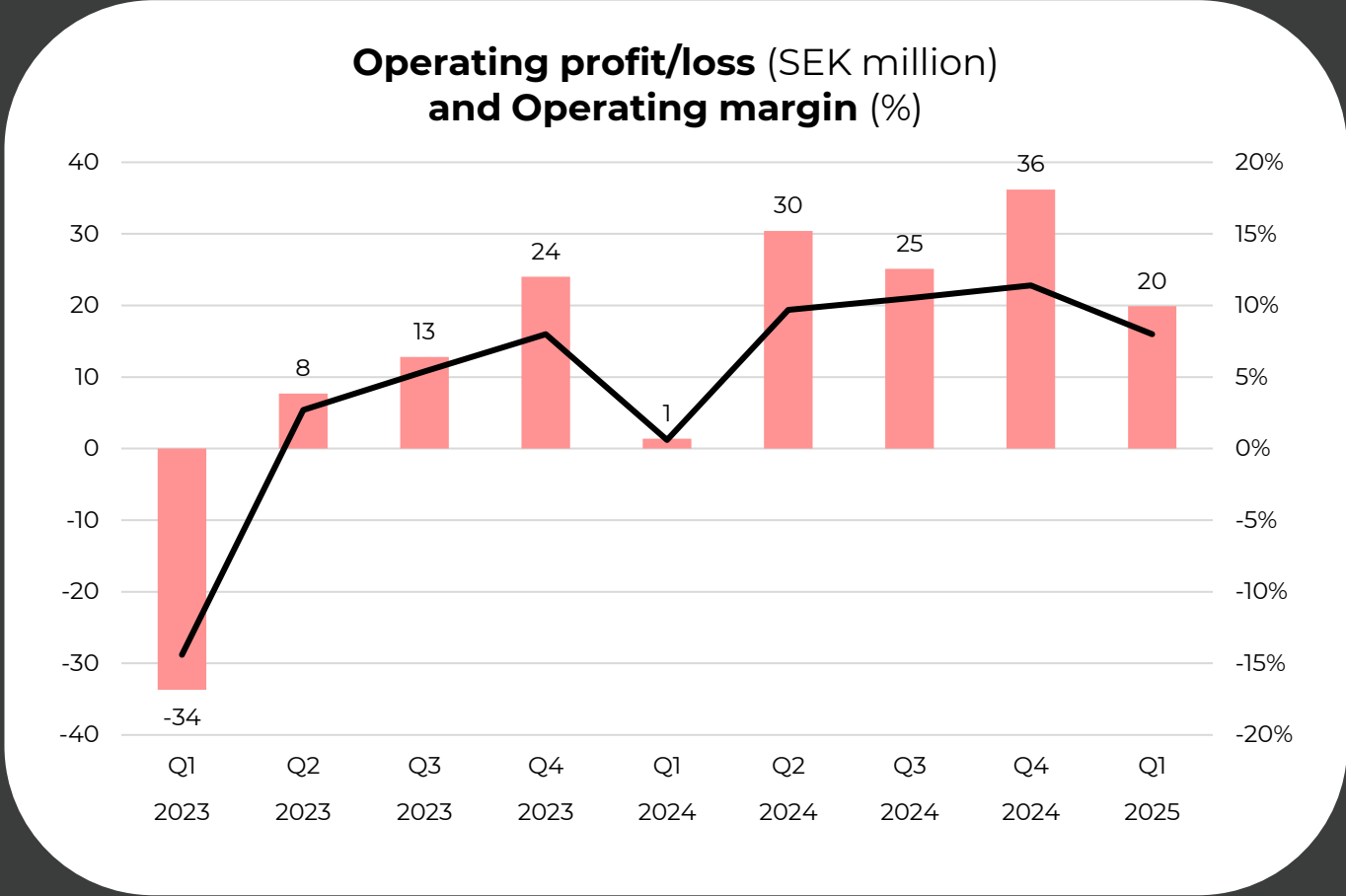
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Strong growth in the first quarter



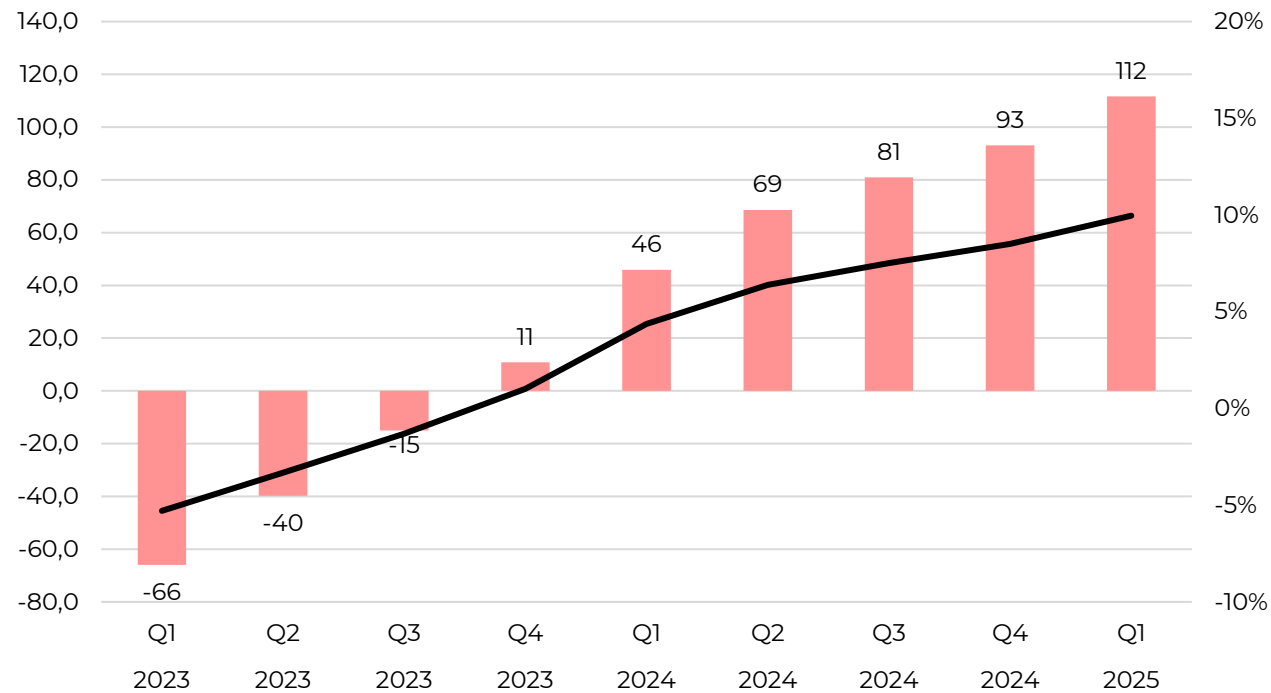


Consistent profitability and a solid improvement in Q1



Sustained growth in Operating profit

**Operating profit/loss LTM (SEK million)
and Operating margin LTM (%)**



Q1 2025 – Income statement

(SEK million)	Q1 25	Q1 24	
Net revenue	247.8	222.2	
Gross profit	127.8	109.1	+18.7
<i>Gross margin</i>	51.6%	49.1%	
Warehousing and distribution costs	-30.3	-32.4	+2.1
Marketing costs	-24.4	-21.3	-3.1
Admin and other operating expenses	-53.1	-54.1	+0.9
Operating profit	19.9	1.4	+18.5
<i>Operating margin</i>	8.0%	0.6%	

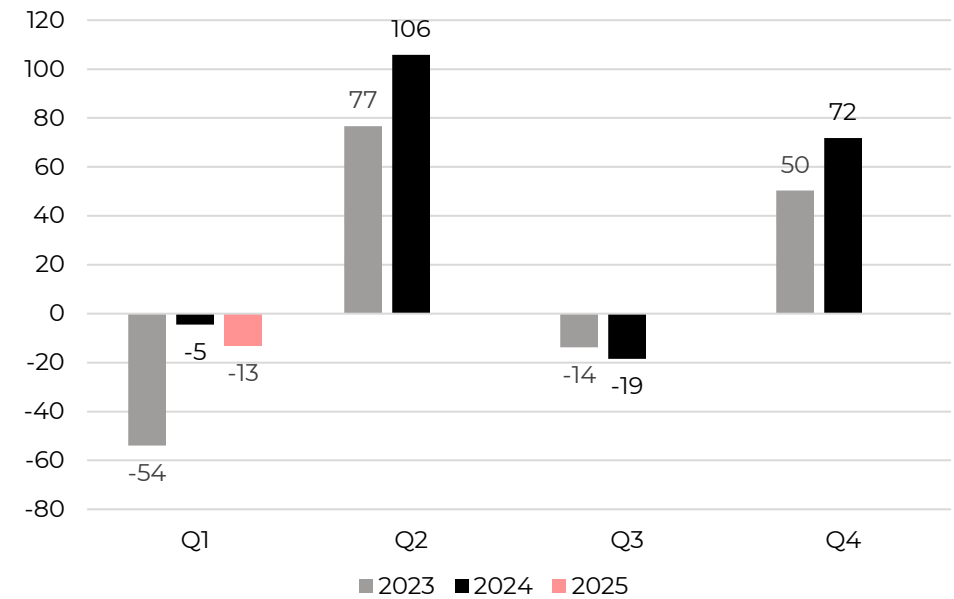
Δ = delta vs. LY

Q1 2025 – Additional financial KPIs

Healthy balance sheet

- Improved Equity ratio
- Inventory build-up ahead of Q2
- Investments in IT infrastructure

Cash flow from operations (SEK million)





Q&A

A woman with blonde hair and glasses is standing in front of a stone building. She is wearing a brown blazer, a white t-shirt, denim shorts, white socks, and brown shoes. The building has a large, dark, ornate door on the left and a stone wall on the right. The word "Thanks!" is written in large white letters across the center of the image.

Thanks!