

A woman with long blonde hair, wearing a long-sleeved, form-fitting white dress and a long necklace with a tassel, stands on a set of stone steps. She is leaning against a rough, textured stone wall. Her right hand is raised to her forehead, and her left hand is on her hip. A dark brown handbag is placed on one of the steps. The scene is lit with bright sunlight, creating strong shadows.

Nelly Group
**INVESTOR
PRESENTATION**

Q1 2026
28 April 2026

Nelly Group Q1 2026 Presentation



Helena Karlinder-Östlundh
CEO



Josefin Dalum
CFO

ir@nelly.com

www.nellygroup.com



Today's presentation

- Introduction to NELLY
- CEO's comments on Q1 2026
- Financial summary
- Q&A



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- Introduction to NELLY
- **CEO's comments on Q1 2026**
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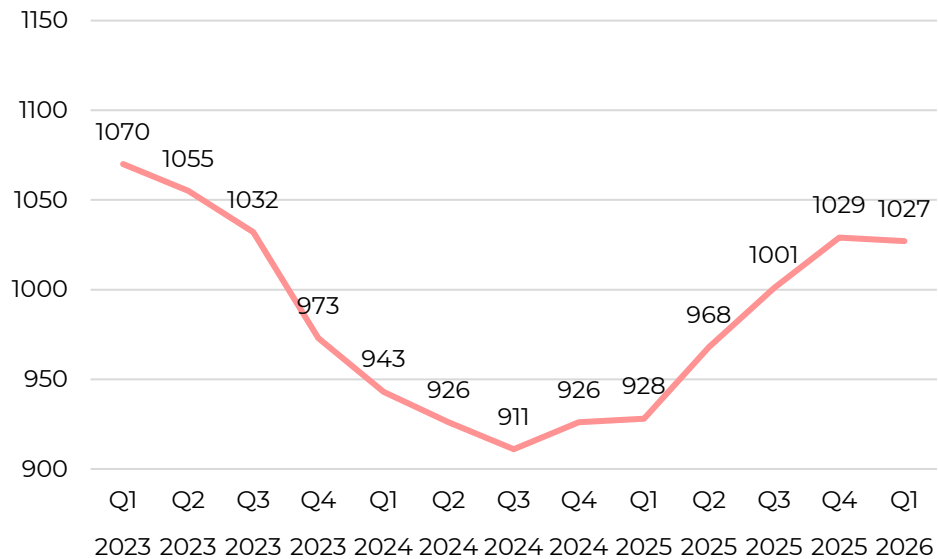


A soft start to 2026

- Net revenue -1,8% (11.5%)
- Operating margin 3.3% (8.0%)
- Operating profit 8.0 MSEK (19.9)
- Result below our expectations

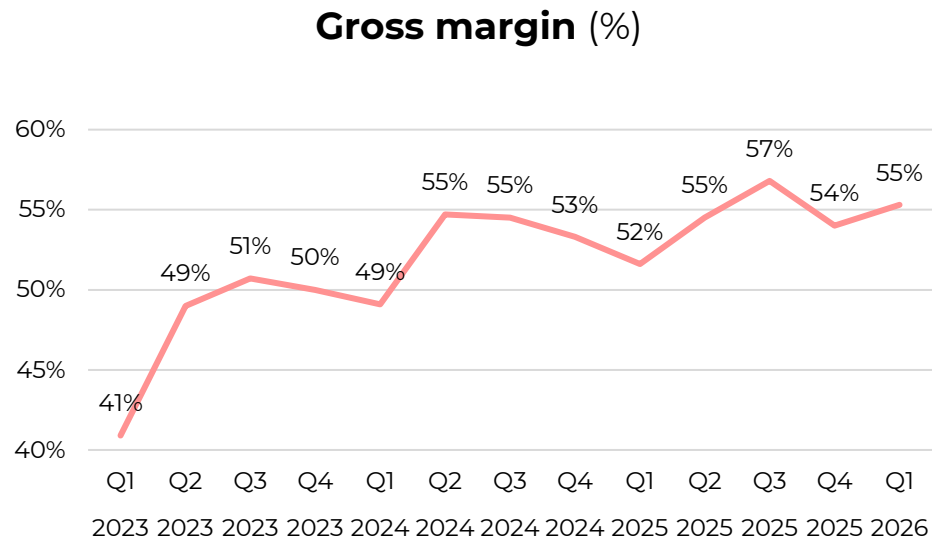
Active customers

Active customers Nordics LTM (000)



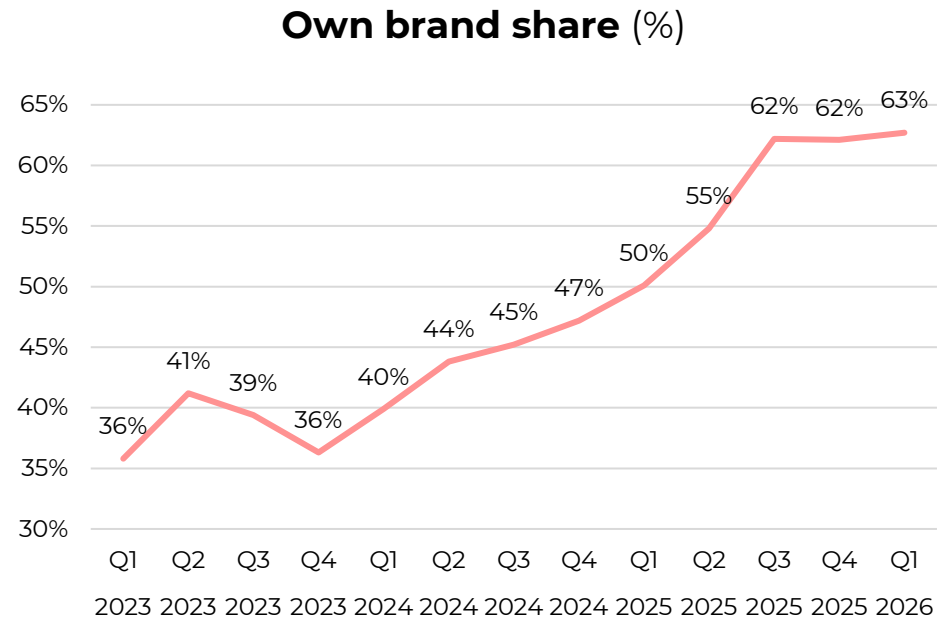
- Active customer base in the Nordics broadly flat
- Shortfall in new customer recruitment
- Assortment didn't resonate enough
- Decline in traffic and lower conversion

Gross margin



- 55.3% (51.6%)
- Positive impact from own brand growth
- Pressured by higher discounting
- Margin variability reflects customer-led assortment decisions

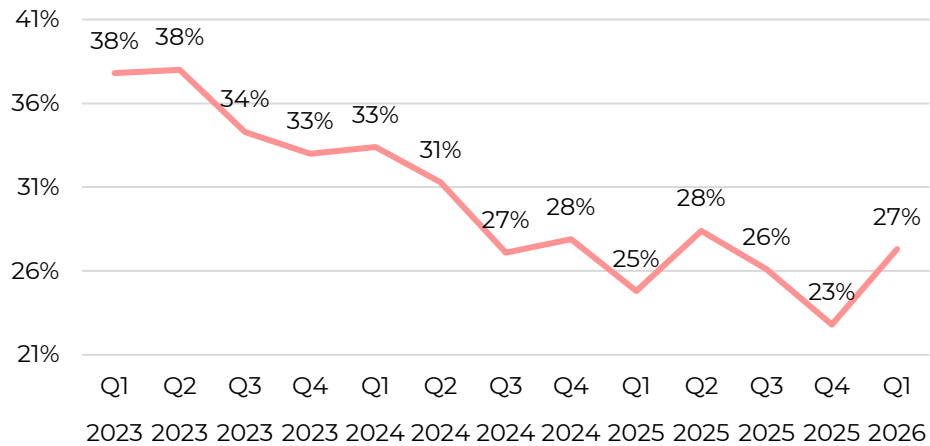
Own brand share



- 62.7% (50.1%)
- Growth in jeans, pants and swimwear
- Overall underweighted on trends
- External portfolio strengthened with Diesel, Nike and Lois
- Focus on core everyday categories and highly curated mix of brands

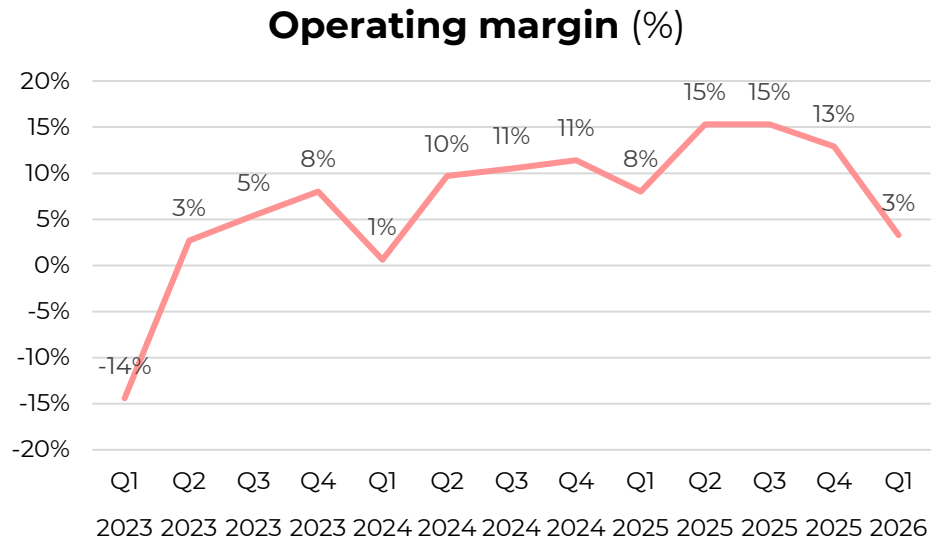
Return rate

Return Rate (%)



- 27.3% (24.8%)
- Higher return rate, partly trend-driven
- Certain categories and silhouettes carry higher returns
- Continues to be a key metric that is closely tracked and actively managed

Operating margin



- Lower operating margin despite higher gross margin
- Higher marketing intensity required in a challenging period
- Reflect deliberate investments to build the business going forward
- Profitable growth remains our north star



Strategy holds firm

- Curated assortment of own and international brands
- Positioning NELLY as the most sought-after fashion destination
- Customer preferences are our primary compass
- Disciplined execution amid continued market pressure

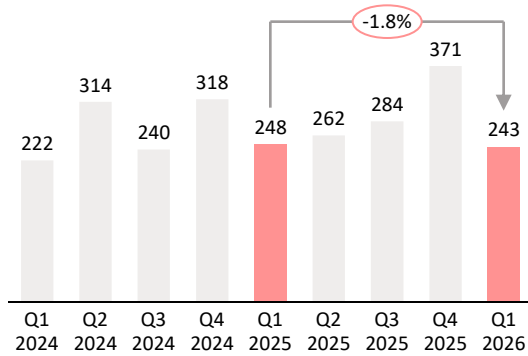


Agenda

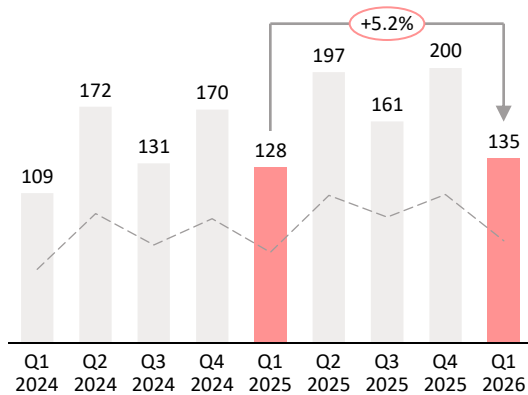
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Net revenue decline, gross margin improvement

Net Revenue, MSEK



Gross Profit, MSEK



Sales decrease of 1.8 % year-over-year

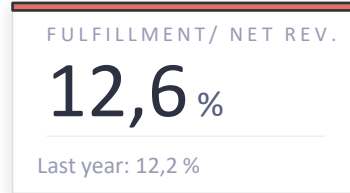
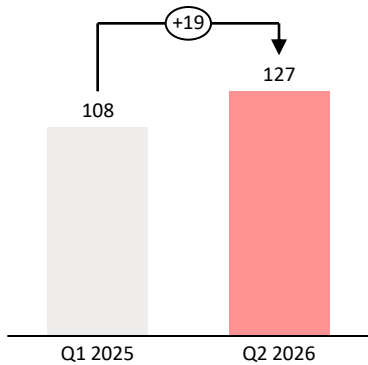
- Lower sales in Nordic markets
- Increased return levels

Gross profit increased by 7 MSEK year-over-year despite lower net revenue

- Increased own brand share
- Campaign activities affected negatively

Higher operating expenses, lower operating profit

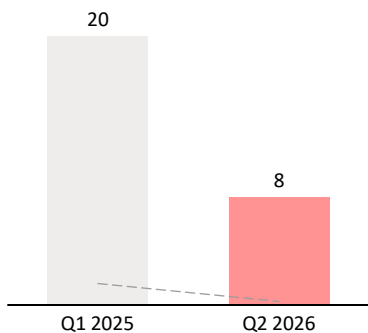
Operating expenses, MSEK



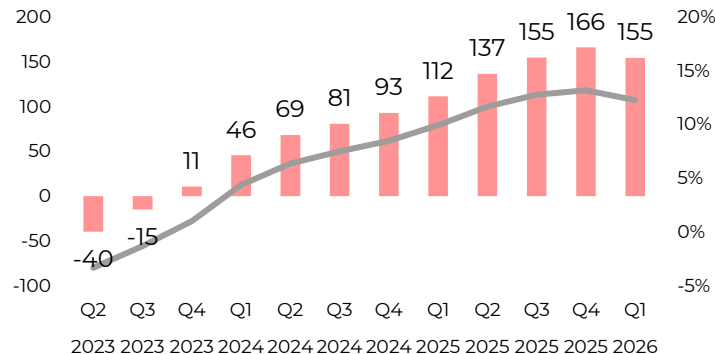
Operating expenses increase by 19 msek mainly driven by investments in personnel

- Fulfillment and distribution costs relatively flat in absolute measures
- Marketing costs increased driven by higher paid advertising in core markets combined with expansion in Germany
- Increase in Admin and other operating costs mainly due to investments to further develop the company

EBIT



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

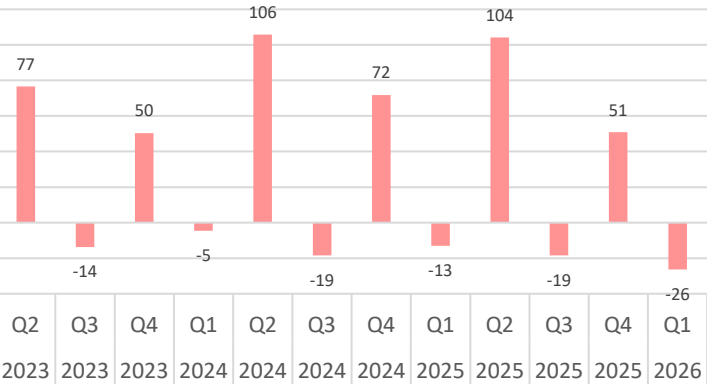


EBIT declined despite gross profit growth due to higher operating expenses

- Operating profit 11,9 msek lower than last year mainly driven by higher cost base

Strong balance sheet with solid liquidity and equity ratio

Cash flow from operations



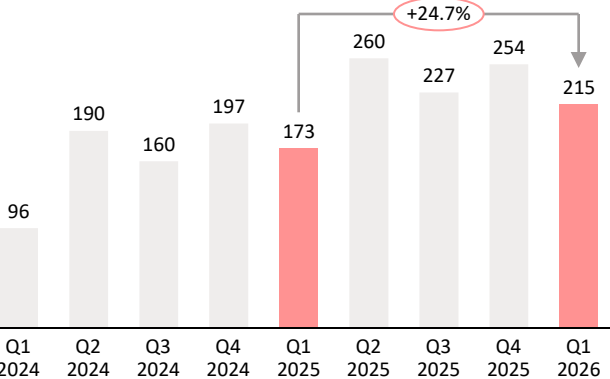
Cash flow following historical trend affected by first quarters weaker result.

- Operating cashflow affected by the weaker operating result.
- Cashflow from investing activities mainly related to IT and tech related investments.
- Cashflow from financing activities consisted of interest paid on lease agreements.

Balance sheet, working capital inventory

- Solid cash balance and equity ratio supporting continued development and investment capacity.
- Inventory – Net Revenue ratio decreased

Cash balance, MSEK



INVENTORY / NET REV.

16,1%

Last year: 18,1%

EQUITY RATIO

42,9%

Last year: 29,1%

Q&A



Thank you

