



Interim report Q1 2024

1 JANUARY TO 31 MARCH

NELLY

Nelly Group interim report for the first quarter of 2024

Q1 2024 – the quarter in brief

- Net revenue was SEK 222.2 (234.2) million, corresponding to -5.1% (-18.7%)
- Gross profit was SEK 109.1 (95.8) million, corresponding to a gross margin of 49.1% (40.9%)
- Operating profit was SEK 1.4 (-33.7) million, corresponding to an operating margin of 0.6% (-14.4%)
- Profit/loss after tax was SEK -1.9 (-34.8) million, corresponding to earnings per share of SEK -0.06 (-1.94)
- Cash flow from operating activities was SEK -4.5 (-53.9) million
- Cash and cash equivalents at 31 March amounted to SEK 126.0 (35.8) million, with credit facilities unutilised

Q1 2024 – Significant events during the quarter

- Niklas Lingblom took over as CFO on 5 February and replaces Ola Wahlström, who has been interim CFO since November 2022.

Significant events after end of quarter

- No significant events have been reported since the end of the period

“We still see great potential to drive further improvements in our business, something we will focus on in the coming quarters.”

Helena Karlinder-Östlundh, CEO of Nelly Group AB



CEO's comments

Positive operating profit for the first quarter of the year

As we move into 2024, we continue to see the clear effects of our transition efforts. Operating profit for the first quarter was SEK 1.4 (-33.7) million, a significant improvement on the previous year. Profit after tax amounted to SEK -1.9 (-34.8) million, and several key underlying factors showed a strong positive trend, not least a gross margin of 49.1% (40.9%).

Net revenue for the quarter decreased to SEK 222.2 (234.2) million compared with the previous year, but the decline of -5.1% (-18.7%) was less than all quarters in 2023. It is worth mentioning that in the first quarter of 2023, we chose to drive more sales through price reductions than in the corresponding quarter this year. Cash and cash equivalents at the end of the quarter amounted to SEK 126.0 (35.8) million, so here too, the company strengthened its position compared with the previous year, through both the rights issue carried out in 2023 and fundamental operational improvements.

Our long-term strategy delivers the desired results

During the first quarter of the previous year, we had begun our transformation journey but had not yet seen its effects. The comparison with this period now clearly reveals a healthier core business, with a stable foundation in place for generating sustainable long-term profitability. The core part of Nelly's business continues to be our product range, and here we are pleased to note that the positive trends crystallised during the second half of 2023 in particular continued into the first quarter of this year. In total alignment with our strategy, we offered a more carefully selected product range with considerably fewer variants than in the previous year, while our top sellers of the quarter again achieved significantly higher quantities than before. The Nelly brand's position in everyday fashion was further consolidated as tops and jeans in particular performed better than in the previous year. Together with trousers and jackets, these categories accounted for a significant share of sales. At the end of the first quarter, the current spring and summer season had achieved both higher sell-through rates and a higher share of full-price sales compared with the same time in 2023. Additionally, Nelly's own brands accounted for 39.9% (35.8%) of total sales in Q1 and the return rate improved to 33.4% (37.8%), giving us confidence that our product range strategy is still on the right track.

We continued to demonstrate good cost control during the period, with further improvements in several areas. There was a slight reduction in marketing costs compared with the previous year

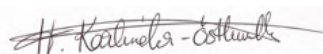
and we made a number of improvements in this area, aimed at ensuring organic traffic and increasing the profitability of all paid advertising. Our warehousing and distribution costs were also reduced, both in absolute terms and as a share of net revenue, despite lower order volumes. Going forward, we will continue to work on both the customer experience and our costs, particularly now that new system support for further optimisation has been put into operation in the first quarter.

Improvement work continues

There is still significant potential to pursue further operational improvements and we will focus on these in the coming quarters. Total traffic to our website continued to show a negative trend in the first quarter and conversion was lower than in the previous year. The effect of fewer orders on net revenue was partly offset by a larger average order value compared with the previous year. However, to reverse the downward trend, we must continuously develop our range, optimise pricing going forward and strengthen customer communication to become the fashion destination of choice for our target group. Here we see more opportunities to use the Stockholm flagship store to even greater advantage and deepen the collaboration with our external brands in order to offer Nelly customers unique products and experiences.

As previously communicated, the process of redesigning our system landscape was intensified at the end of 2023, and we are now in the middle of several important projects that will significantly strengthen Nelly's IT architecture from the ground up. The transition to more flexible, user-friendly technology requires significant investment and focus from the organisation, but it will eventually create completely new conditions for a more personalised, inspiring and smooth customer experience, which is why this process is a priority both for the rest of this year and for 2025.

The first quarter has marked a promising start to 2024. We delivered a significantly improved operating profit compared with the previous year and, with our new permanent CFO taking office during the quarter, we now have a full management team working with the rest of the organisation as we continue to execute our plan for the next phase of Nelly's transformation. Finally, I would like to once again extend my warmest thanks to our amazing customers, whom I now get the opportunity to talk to in our physical store and, of course, to the entire Nelly team. It is a privilege and a pleasure to continue developing and strengthening the company with you.



Helena Karlinder-Östlundh, CEO of Nelly Group AB

Key ratios and alternative performance measures

	Q1 24	Q1 23	2023
Net revenue growth	-5.1%	-18.7%	-18.3%
Gross margin	49.1%	40.9%	47.9%
Warehousing and distribution costs as a proportion of net revenue	14.6%	18.4%	16.1%
Marketing costs as a proportion of net revenue	9.6%	10.3%	9.5%
Operating margin	0.6%	-14.4%	1.0%
Return rate	33.4%	37.8%	35.8%
Inventory share of net revenue LTM	16.6%	18.6%	14.4%
Proportion of sales of own brands	39.9%	35.8%	38.2%
No. of active customers Nordics LTM (000)*	943	1,070	973
No. of sessions Nordics (000)*	19,008	22,261	88,185
No. of orders Nordics (000)*	369	435	1,876
Average order value Nordics*	810	762	777
Conversion rate Nordics*	1.9%	2.0%	2.1%
No. of employees	150	169	158
Proportion of women employed	62%	62%	61%

Alternative performance measures are described in the table on page 16. Calculations may differ from other companies' definitions of similar measures.

* KPIs concern the Group's e-commerce directly with consumers



This is Nelly

The Nelly brand

Nelly is one of the best-loved fashion destinations for young women in the Nordic region. Nelly was founded in 2004 in Borås, the heartland of the Swedish textile and e-commerce industries, as a pioneer in influencer marketing and direct digital sales to customers. We now have a vibrant customer base consisting mainly of young women in the Nordic region. We have 2.4 million members of Nelly.com in the Nordic region and 1.2 million followers of our social media profiles. We offer our community daily inspiration in terms of trends and looks from our own brands and carefully selected supplementary brands from an international portfolio.

Men's clothes have been part of our offer since 2008. The men's department was separated out in 2014, and the NLY Man site was launched, a fashion destination for young men offering clothes, shoes and accessories from the most popular brands for all occasions.

Efficient operations enable the customer experience

Our target audience has grown up with digital media, and e-commerce is second nature. We have 0.9 million active customers in the Nordic region who place 1.8 million orders a year via our website or our app. They choose Nelly on account of our reasonably priced, trend-aware, attractive offering.

Our fashion- and customer-focused organisation analyses and engages with our target audiences daily from our hub in Borås. Here, we have invested in a high-capacity automated warehouse, which has reduced delivery and distribution costs, improved the delivery experience and reduced our environmental footprint.

Celebrating the Nelly generation of young women

Nelly is not only a fashion brand. Nelly.com is not only a fashion destination. We are an integral part of young women's everyday life, giving them inspiration to find their entire look both for everyday wear and special occasions.

With 'Celebrate the fab you' as our core concept, we are determined to always highlight and encourage women around us to express themselves and celebrate life, whatever the occasion!



The first quarter in brief

Revenue development

Net revenue for Q1 2024 was SEK 222.2 (234.2) million, corresponding to a decline of 5.1%. The change is mainly due to lower B2C sales before returns. Lower B2B sales and lower shipping revenue also had a negative impact on net revenue, while a lower return rate contributed positively to performance compared with the same quarter of the previous year. Own brand sales during Q1 2024 increased to 39.9% (35.8%). In local currencies, net revenue fell by 4.2% in Q1.

The return rate for Q1 2024 was 33.4% (37.8%). The improved return rate is mainly attributable to the strategic efforts carried out at the product range and customer levels.

Improved gross margin in the first quarter

The gross margin increased to 49.1% (40.9%) in Q1 2024. Lower campaign activity and a higher proportion of own-brand sales made a positive contribution to the gross margin compared with the first quarter of the previous year. At the same time, currency effects had a slightly negative impact on the gross margin compared with the same quarter of the previous year.

Lower warehousing and distribution costs

Warehousing and distribution costs amounted to SEK 32.4 (43.0) million during Q1. The lower warehousing and distribution costs were the result of lower volumes processed. Measured as a proportion of net revenue, the costs amounted to 14.6% (18.4%), with a larger average order value making a positive contribution.

Lower marketing costs

Marketing costs for Q1 2024 amounted to SEK 21.3 (24.1) million. The main reason for the lower costs of marketing in Q1 is the decrease in purchased paid traffic. Measured as a proportion of net revenue, marketing costs totalled 9.6% (10.3%) in Q1, with the average order value making a positive contribution.

Lower administrative and other operating expenses

Nelly Group's administrative and other operating expenses in Q1 were SEK 54.1 (62.4) million. The reduction compared with Q1 2023 was mainly on account of lower payroll costs, as there were fewer employees. The number of employees for Q1 2024 was 150 (169). At the same time, our physical store on Drottninggatan contributed to increased administrative and operating expenses since its opening in the second half of 2023.

Improved operating profit

Operating profit for the first quarter was SEK 1.4 (-33.7) million, the improvement being driven mainly by a stronger gross profit and lower warehousing and distribution costs. Reduced administrative and other operating expenses as well as lower marketing costs also contributed to stronger operating profit.

Net financial items

Net financial items for Q1 2024 amounted to SEK -3.6 (-1.5) million. The change is primarily attributable to currency effects.

Profit/loss after tax

Profit/loss after tax for Q1 2024 amounted to SEK -1.9 (-34.8) million. The improved profit/loss after tax for the first quarter is attributable to higher operating profit, while net financial items had a negative effect compared with the same quarter of the previous year.

Lower inventory balance

The inventory balance amounted to SEK 174.5 (231.6) million as at 31 March 2024. Reduced purchases contributed to a lower inventory balance at the reporting date compared with the same time in the previous year. Inventory as a proportion of net revenue over a rolling 12-month period amounted to 16.6% (18.6%).

Cash flow and cash and cash equivalents

Cash flow from operations in Q1 2024 totalled SEK -4.5 (-53.9) million. Stronger operating profit and lower capital tied up in inventory contributed positively to cash flow compared with the same quarter of the previous year.

Cash flow from investing activities amounted to SEK -9.6 (-0.6) million in Q1 2024. The investments are primarily attributable to IT and technology-related investments.

Cash flow of SEK -11.0 (-6.5) million from financing activities in Q1 is primarily attributable to repayment of lease liabilities, while the change over the same quarter of the previous year is attributable to changes in financial assets.

Cash and cash equivalents amounted to SEK 126.0 (35.8) million as at 31 March 2024. The payment respite for employer's contributions and tax payments amounted to SEK 108.7 (93.8) million at the end of the

quarter. Total assets at the reporting date were SEK 800.8 (748.5) million.

Equity as at 31 March 2024 was SEK 176.6 (97.1) million, corresponding to an equity ratio of 22.1% (13.0%).

Parent company

The parent company, Nelly Group AB (publ), reported sales of SEK 0.0 (0.0) million in January to March 2024.

Administrative expenses for Q1 2024 amounted to SEK 2.0 (2.1) million.

The parent company's profit/loss before tax for Q1 2024 amounted to SEK -2.2 (-2.1) million.

Cash and cash equivalents in the parent company amounted to SEK 6.1 million as at 31 March 2024, compared with SEK 1.2 million for the same period of the previous year.

Other information

Share data

As at 31 March 2024, Nelly Group had 30,483,985 issued shares, of which 30,015,278 were ordinary shares and 468,707 were class C shares. The share capital was SEK 30,483,985, and each share had a quotient value of SEK 1.00. The class C shares and 42,747 class B shares are held by Nelly Group AB and are thus not outstanding. These shares may not be represented at general meetings. The class B shares were returned by former participants in the Owner Plan 2020.

Market capitalisation on the reporting date, 31 March 2024, was SEK 536.5 million.

Organisation

The average number of employees during the quarter was 150 (169), of whom 62% (62%) were women.

Ten largest shareholders at end of period*

Shareholder Source: Monitor by Modular Finance AB	Capital
Rite Ventures	28.59%
Stefan Palm**	16.61%
Mandatum Life Insurance Company	9.64%
Avanza Pension	5.07%
eQ Asset Management Oy	2.59%
Nelly Group AB***	1.68%
Klas Bengtsson	1.67%
Anders Böös	1.53%
Nordnet pensionsförsäkring	1.16%
Thomas Jakobsen	1.13%
Other shareholders	30.33%
Total	100.0%

* List of shareholders verified as at 26 March 2024

** Holds shares via the company *ettfemsju själ AB*

*** See the text above under the heading 'Share data'

2024 annual general meeting

The annual general meeting will be held on 13 May 2024. Further information is available on the [Nelly Group website](#).

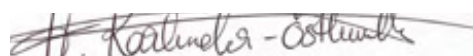
Auditor review

This interim report has not been reviewed by Nelly Group's auditors.

Risk

Several risk factors may affect Nelly Group's business. Many of these risks can be managed by internal controls, but others are affected by external factors.

For more information about risks, please see the latest published annual report for 2023, pages 51-52.



Helena Karlinder-Östlundh

CEO of Nelly Group AB

Webcast on the interim report

Analysts, investors and the media are invited to a [webcast presentation](#) of Q1 on 26 April at 9 a.m. CEST. The presentation will be given in English by Helena Karlinder-Östlundh, CEO, and Niklas Lingblom, CFO. The webcast will be made available on the [Nelly Group website](#).

Forward-looking statements

This report may contain forward-looking statements. Information in this report that is not historical fact should be seen as a forward-looking statement. These forward-looking statements reflect Nelly Group's current estimates concerning future events and actual results may differ from these estimates. Except to the extent required by law, Nelly Group does not undertake any obligation to update or revise any forward-looking statements.

For further information, please contact

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This information is information that Nelly Group AB (publ) is required to disclose under the EU Market Abuse Regulation. The information was released for publication through the agency of the above contact person at 8 a.m. CEST on 26 April 2024.

Condensed consolidated income statement

(SEK million)	Q1 24	Q1 23	LTM	2023
Net revenue	222.2	234.2	1,048.8	1,060.8
Cost of goods sold	-113.1	-138.4	-527.6	-552.9
Gross profit	109.1	95.8	521.3	507.9
Gross margin	49.1%	40.9%	49.7%	47.9%
Warehousing and distribution costs	-32.4	-43.0	-160.6	-171.3
Marketing costs	-21.3	-24.1	-97.7	-100.5
Administrative and other operating expenses	-54.1	-62.4	-216.9	-225.3
Operating profit/loss	1.4	-33.7	46.0	10.9
Operating margin	0.6%	-14.4%	4.4%	1.0%
Net financial items	-3.6	-1.5	-15.3	-13.2
Profit/loss before tax	-2.2	-35.2	30.6	-2.3
Tax	0.3	0.3	0.8	0.8
Profit/loss after tax	-1.9	-34.8	31.4	-1.5
Attributable to				
Parent company shareholders	-1.9	-34.8	31.4	-1.5
Shares outstanding at end of period (million)	30.0	18.0	30.0	30.0
Average number of shares outstanding (million)	30.0	18.0	29.1	26.1
Average number of shares, diluted (million)	30.0	18.0	29.1	26.1
Basic/diluted earnings per share (SEK)	-0.06	-1.94	1.08	-0.06

Consolidated statement of comprehensive income

(SEK million)	Q1 24	Q1 23	LTM	2023
Items reclassified or available for reclassification to profit/loss for the period				
Translation differences for the period	-	-1.6	0.8	-0.9
Total comprehensive income for the period	-1.9	-36.4	32.2	-2.4
Total comprehensive income attributable to				
Parent company shareholders	-1.9	-36.4	32.2	-2.4
Total comprehensive income for the period	-1.9	-36.4	32.2	-2.4
Shares outstanding at end of period (million)	30.0	18.0	30.0	30.0
Average number of shares outstanding (million)	30.0	18.0	29.1	26.1
Average number of shares, diluted (million)	30.0	18.0	29.1	26.1

Condensed consolidated statement of financial position

(SEK million)	31 Mar 2024	31 Mar 2023	31 Dec 2023
Non-current assets			
Goodwill	39.7	39.7	39.7
Other intangible assets	34.6	21.4	28.0
Property, plant and equipment	15.9	11.4	16.3
Right-of-use assets	257.9	276.2	267.0
Deferred tax asset (see Note 4)	75.4	74.1	75.1
Deposits	11.2	6.0	8.0
Total non-current assets	434.8	428.8	434.2
Current assets			
Inventories	174.5	231.6	152.3
Current non-interest-bearing receivables	65.6	52.3	62.3
Cash and cash equivalents	126.0	35.8	151.1
Total current assets	366.0	319.7	365.7
Total assets	800.8	748.5	799.8
Equity			
Equity attributable to parent company shareholders	176.6	97.1	178.6
Total equity	176.6	97.1	178.6
Non-current liabilities			
Non-interest bearing			
Other provisions	0.0	0.0	0.0
Interest-bearing			
Lease liabilities	177.8	221.4	183.3
Total non-current liabilities	177.8	221.4	183.3
Current liabilities			
Interest-bearing			
Credit facility	-	12.0	-
Lease liabilities	98.3	66.7	100.3
Non-interest bearing			
Trade payables	105.1	115.5	90.4
Other liabilities	102.9	99.4	110.4
Accrued expenses and deferred income	140.1	136.5	136.8
Total current liabilities	446.5	430.0	438.0
Total equity and liabilities	800.8	748.5	799.8

Condensed consolidated statement of changes in equity

(SEK million)	Q1 24	Q1 23	2023
Opening balance	178.6	133.6	133.6
Comprehensive income for the period	-1.9	-36.4	-2.4
Effects of long-term incentive plans	-0.1	-0.1	0.0
Rights issue	-	-	47.4
Closing balance	176.6	97.1	178.6

Condensed statement of cash flows

(SEK million)	Q1 24	Q1 23	2023
Cash flow from operating activities before changes in working capital	11.7	-25.8	47.7
Changes in working capital	-16.2	-28.1	11.7
Cash flow from operations	-4.5	-53.9	59.3
Investments in non-current assets	-9.6	-0.6	-22.9
Cash flow to/from investing activities	-9.6	-0.6	-22.9
Rights issue	-	-	47.4
Repayment of lease liability	-7.8	-6.5	-27.6
Changes in financial assets	-3.2	0.0	-2.0
Cash flow to/from financing activities	-11.0	-6.5	17.8
Change in cash and cash equivalents for the period	-25.1	-61.0	54.2
Cash and cash equivalents at start of period	151.1	96.8	96.8
Translation difference, cash and cash equivalents	0.0	0.1	0.1
Cash and cash equivalents at end of period	126.0	35.8	151.1

Depreciation and amortisation of non-current assets

(SEK million)	Q1 24	Q1 23	2023
Depreciation of property, plant and equipment	-1.2	-0.9	-3.8
Amortisation of intangible assets	-2.2	-2.9	-10.6
Depreciation and amortisation (not including IFRS 16)	-3.4	-3.8	-14.4
Depreciation of right-of-use assets	-9.3	-8.1	-34.1
Depreciation and amortisation (including IFRS 16)	-12.7	-11.9	-48.5

Net revenue by geographical area

(SEK million)	Q1 24	Q1 23	2023
Sweden	112.6	116.4	548.9
The Nordic region, including Sweden	219.2	228.8	1,043.3
Rest of world	3.0	5.4	17.5
All regions	222.2	234.2	1,060.8



Condensed income statement – parent company

(SEK million)	Q1 24	Q1 23	2023
Net revenue	-	-	1.9
Gross profit	-	-	1.9
Administrative expenses	-2.0	-2.1	-10.1
Operating profit/loss	-2.0	-2.1	-8.3
FINANCIAL INCOME AND EXPENSES			
Net financial items	-0.2	0.0	-0.3
Profit/loss after financial items	-2.2	-2.1	-8.6
APPROPRIATIONS			
Group contributions received	-	-	20.0
Profit/loss before tax	-2.2	-2.1	11.4
Tax	-	-	-
Profit/loss for the period*	-2.2	-2.1	11.4

*Profit/loss for the period = comprehensive income for the parent company



Condensed statement of financial position – parent company

(SEK million)	31 Mar 2024	31 Mar 2023	31 Dec 2023
Non-current assets			
Investments in subsidiaries	247.1	247.1	247.1
Deferred tax asset	71.7	71.7	71.7
Total non-current assets	318.8	318.8	318.8
Current assets			
Current non-interest-bearing receivables	2.5	6.1	2.1
Total current receivables	2.5	6.1	2.1
Cash and bank balances	6.1	1.2	7.9
Total cash and cash equivalents	6.1	1.2	7.9
Total current assets	8.6	7.3	10.0
Total assets	327.4	326.1	328.8
Equity			
Restricted equity	31.3	185.8	31.3
Non-restricted equity	256.8	43.8	259.0
Total equity	288.1	229.5	290.3
Provisions			
Other provisions	0.0	0.0	0.0
Total provisions	0.0	0.0	0.0
Current liabilities			
Liabilities to Group companies	27.0	93.7	26.8
Non-interest-bearing liabilities	12.2	2.8	11.7
Total current liabilities	39.3	96.6	38.5
Total liabilities	39.3	96.6	38.5
Total equity and liabilities	327.4	326.1	328.8

Definitions of key ratios and alternative performance measures

Gross margin – *a measure of how well goods are sourced and sold in relation to net revenue*

Gross profit divided by net revenue. Gross margin is what Nelly Group previously described as product margin. More information about the calculation components of net revenue and cost of goods sold can be found under the income statement definitions on page 17

Return rate – *a measure of the proportion of sales that customers return*

The sales value of returned goods divided by total sales before returns

Inventory share of net revenue LTM – *a measure of how efficiently the sourcing of goods is planned and executed*

Closing inventory balance divided by net revenue over a rolling twelve-month period

Proportion of sales of own brands – *the proportion of sales of Nelly Group's own brands*

Calculated by dividing total sales of own brands before returns by total B2C and B2B sales before returns

No. of active customers Nordics LTM (000) – *a gauge of how well Nelly Group attracts new customers and retains existing ones*

The number of unique customers in the Nordic countries who have shopped online from the Group during the last 12-month period

No. of sessions Nordics (000) – *an indicator of how well Nelly generates traffic to the website*

The number of unique website visits from Nordic IP addresses to nelly.com or nlyman.com during a given period

No. of orders Nordics (000) – *a measure of how many orders Nelly generates during a given period*

The number of orders that Nordic customers have placed on nelly.com or nlyman.com during a given period

Average order value Nordics – *the average order value in SEK*

The number of items multiplied by average item value for orders placed on nelly.com or nlyman.com in the Nordics during a given period

Conversion rate Nordics – *a gauge of the proportion of customers visiting the website who place an order*

The number of Nordic orders divided by the number of Nordic sessions on nelly.com or nlyman.com

No. of employees – *a measure of the number of employees in the Group*

Calculated using the number of actual hours worked, together with paid holiday and other short-term absence, compared with the scheduled working time

Proportion of women employed – *a measure of the proportion of women in relation to the total number of employees*

The proportion of women divided by the total number of employees, calculated in the same way as number of employees above

Income statement definitions

Net revenue – revenue from B2C customers and B2B customers, and any other revenue

Includes sales after returns, commissions, invoicing fees, outbound freight fees, return fees and other revenue

Cost of goods sold – costs attributable to goods purchased

Includes product cost, inbound freight cost, customs and other costs related to bringing goods to the warehouse shelf

Warehousing and distribution costs – costs to bring goods from the warehouse shelf to the customer

Warehousing and handling costs, including salaries, and shipping costs to the customer

Marketing costs – costs to build the value of the brand and generate traffic to the website.

Performance and brand marketing costs such as search engine optimisation and brand-building activities

Administrative and other operating expenses – other costs to operate the company

Includes payroll costs, IT costs, studio costs, consultancy costs, depreciation, amortisation and other operating costs

Net financial items – the net of financial income and expenses

Includes costs related to interest, currency gains/losses of a financial nature and other finance income and expenses



Notes

Note 1 – Accounting policies

The report was prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The accounting policies are unchanged from those applied in the previous report for the same period.

The parent company Nelly Group AB (publ)'s financial statements are prepared in accordance with the Swedish Annual Accounts Act and the Swedish Corporate Reporting Board's recommendation RFR 2 'Accounting for Legal Entities'.

For full information about the accounting policies and valuation principles applied by the Group, please see the most recently adopted annual report.

Note 2 – Fair value of financial instruments

The fair values of financial assets and liabilities do not differ significantly from their carrying amounts.

Note 3 – Segment reporting

Nelly reports only the 'Nelly' segment.

Note 4 – Deferred tax asset

SEK 71.7 (71.7) million of the Group's total deferred tax assets are a result of historical losses. Management has made assumptions about the company's future sales, expenses and profitability, and the possibility of future utilisation of these loss carryforwards is evaluated on this basis.

The Group's recognised loss carryforwards amounted to SEK 708.9 (720.7) million as at 31 December 2023. More information can be found in Note 7 of the 2023 annual report.





Financial calendar

The annual general meeting will be held
on 13 May 2024

The interim report for the second quarter
will be presented on 12 July 2024

The interim report for the third quarter
will be presented on 25 October 2024



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