

A woman with long dark hair, wearing a black sleeveless, backless, floor-length dress, stands in front of a wall. The wall is composed of large, reddish-brown square tiles. To the right of the woman is a window with a dark metal grid pattern. The floor is made of light-colored, textured stone tiles. The overall lighting is warm and directional, coming from the upper left.

Interim report Q1 2025

1 JANUARY TO 31 MARCH

NELLY



# Nelly Group interim report for the first quarter of 2025

## Q1 2025 – Financial highlights

- Net revenue was SEK 247.8 (222.2) million, corresponding to an increase of 11.5% (-5.1%)
- Gross profit was SEK 127.8 (109.1) million, corresponding to a gross margin of 51.6% (49.1%)
- Operating profit was SEK 19.9 (1.4) million, corresponding to an operating margin of 8.0% (0.6%)
- Profit after tax was SEK 16.3 (-1.9) million, corresponding to earnings per share of SEK 0.54 (-0.06)
- Cash flow from operating activities was SEK -13.0 (-4.6) million
- Cash and cash equivalents at 31 March amounted to SEK 172.6 (96.0) million, with credit facilities unutilised

## Significant events during the quarter

- No significant events were reported during the quarter

## Significant events after end of quarter

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

“The first quarter has historically been Nelly’s most challenging quarter, characterised by more discount-driven sales during certain periods and fewer obvious occasions for our customers to update their wardrobe. However, the past quarter shows that, with the right assortment and effective marketing, we are able to deliver both growth and solid profitability even under these circumstances.”

*Helena Karlinder-Östlundh, CEO of Nelly Group AB*



# CEO's comments

## A strong first quarter

Nelly performed well during the first quarter of the year. Net revenue increased by 11.5% (-5.1%) to SEK 247.8 (222.2) million. Gross margin grew to 51.6% (49.1%), contributing to an operating profit of SEK 19.9 (1.4) million and an operating margin of 8.0% (0.6%).

## The right assortment and effective marketing

The first quarter has historically been Nelly's most challenging quarter, characterised by more discount-driven sales during certain periods and fewer obvious occasions for our customers to update their wardrobe. However, the past quarter shows that, with the right assortment and effective marketing, we are able to deliver both growth and solid profitability even under these circumstances. The number of active customers grew for the second quarter in a row and order intake was up on the corresponding period of the previous year.

Nelly's own brand share continued to increase, reaching 50.1% (39.9%), and the return rate fell further to 24.8% (33.4%). The latter is the result of our long-term intensive work with a cross-functional returns strategy, while opening our physical store has also contributed positively to further reducing the return rate.

All these KPI:s reflect how attractive our assortment has become, particularly in important categories such as jeans, tops and sneakers, all of which grew significantly compared with the same quarter of the previous year. Another critical factor enabling the growth was that we this year managed to ensure better stock depth early in the spring/summer season, unlike in 2024 when several bestsellers sold out at times.

While the assortment performed well, we also improved the efficiency of our marketing in the first few months of the year. Total traffic grew by 13.4% on the previous year, while we maintained the conversion rate. We saw a positive development in organic traffic, which was the result of increased organic search as well as our social media channels. Marketing costs as a proportion of net revenue rose slightly to 9.9% (9.6%), but profitability per order improved, and we continued to achieve a positive trend in new customer recruitment. Going forward, we will focus on further enhancing the customer experience in all channels, to strengthen conversion and increase average order value.

## Continued initiatives for growth and efficiency

For the remainder of 2025 we are planning to deliver several exciting initiatives, which will continue to improve the business. Several new partnerships with strong global brands like Puma and Scholl were launched in the first quarter, and we continue to work intensively on developing and enhancing our entire external brand portfolio. Our flagship store on Drottninggatan further established its position in the first quarter compared with the previous year, which confirms the demand for physical meeting places and experiences among Nelly's target audience. We see further potential here to refine our store concept as an important complement to e-commerce.

Alongside these customer-facing initiatives, we will start to move our returns management from a third party abroad to our own warehouse in Borås to give us more control and reduce lead times. Last but not least, we are completing the IT system changes which we previously announced would be an important priority throughout much of 2025.

As always, I would like to conclude by expressing my deep gratitude both to all our wonderful customers, new and loyal, and to my brilliant colleagues in the Nelly team. It is a delight to be surrounded by such talented, committed colleagues who have a genuine passion for our customers.



Helena Karlinder-Östlund, CEO of Nelly Group AB

## Key ratios and alternative performance measures

	Q1 25	Q1 24	2024
Net revenue growth	11.5%	-5.1%	3.2%
Gross margin	51.6%	49.1%	53.1%
Warehousing and distribution costs as a proportion of net revenue	12.2%	14.6%	13.1%
Marketing costs as a proportion of net revenue	9.9%	9.6%	10.7%
Operating margin	8.0%	0.6%	8.5%
Return rate	24.8%	33.4%	29.9%
Inventory share of net revenue LTM	18.1%	16.6%	15.8%
Proportion of sales of own brands	50.1%	39.9%	44.2%
No. of active customers Nordics LTM (000)*	928	943	926
No. of sessions Nordics (000)*	21,553	19,008	88,125
No. of orders Nordics (000)*	399	369	1,751
Average order value Nordics*	752	810	789
Conversion rate Nordics*	1.9%	1.9%	2.0%
No. of employees	145	150	151
Proportion of women employed	63%	62%	62%

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 committed customer base consisting mainly of young women in the Nordic region. We have 1.4 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.





# The first quarter in brief

## Revenue development

Net revenue for Q1 2025 amounted to SEK 247.8 (222.2) million, corresponding to an increase of 11.5% (-5.1%). The change is largely on account of reduced returns. The return rate was 24.8% (33.4%). The improved return rate is mainly attributable to the strategic efforts carried out at the product range and customer levels in 2024 and 2025. Sales in the physical store also made a positive contribution to net revenue compared with the first quarter of the previous year. Own brand sales during Q1 2025 increased to 50.1% (39.9%). In local currencies, net revenue increased by 12.4% in Q1.

## Improved gross margin

The gross margin increased to 51.6% (49.1%) in Q1 2025. A higher proportion of own-brand sales and lower volumes to outlets made a positive contribution to the gross margin compared with the first quarter of the previous year. Overall, currency effects had a 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 30.3 (32.4) million during Q1. The lower warehousing and distribution costs were the result of operational process improvements in the warehouse, optimisation of distribution and the improved return rate. Measured as a proportion of net revenue, the costs amounted to 12.2% (14.6%).

## Higher marketing costs

Marketing costs for Q1 2025 amounted to SEK 24.4 (21.3) million. The costs in the quarter are primarily attributable to paid advertising. Measured as a proportion of net revenue, the marketing costs amounted to 9.9% (9.6%) in the first quarter.

## Administrative and other operating expenses

Nelly Group's administrative and other operating expenses in Q1 were SEK 53.1 (54.1) million. The reduction compared with Q1 2024 was mainly on account of lower personnel and consultancy costs. The number of employees for Q1 2025 was 145 (150).

## Improved operating profit

Operating profit for the first quarter was SEK 19.9 (1.4) million, the improvement being driven by a stronger gross profit, lower warehousing and distribution costs, and lower administrative and other operating expenses. At the same time, marketing costs rose in the quarter.

## Net financial items

Net financial items for Q1 2025 amounted to SEK -3.7 (-3.6) million. The costs in the quarter are primarily attributable to amortisation of lease liabilities.

## Profit/loss after tax

Profit/loss after tax for Q1 2025 amounted to SEK 16.3 (-1.9) million. The improved profit/loss after tax for the first quarter is attributable to higher operating profit, driven primarily by higher gross profit.

## Higher inventory balance

The inventory balance amounted to SEK 202.8 (174.5) million as at 31 March 2025. The increased inventory value is linked to a strategic decision to frontload purchases to avoid out of stocks on presumed bestsellers during the spring and summer season. Inventory as a proportion of net revenue over a rolling 12-month period amounted to 18.1% (16.6%).

## Cash flow and cash and cash equivalents

Cash flow from operations in Q1 2025 totalled SEK -13.0 (-4.6) million. The change on the same quarter of the previous year is primarily on account of higher buildup of inventory, while higher profit made a positive contribution to cash flow from operations.

Cash flow from investing activities amounted to SEK -3.5 (-9.6) million in Q1 2025. The investments are primarily attributable to IT and technology-related investments. Total investments during the quarter were lower than in the same quarter of the previous year.

Cash flow of SEK -7.7 (-11.0) million from financing activities in Q1 is attributable to repayment of lease liabilities.

Cash and cash equivalents amounted to SEK 172.6 (96.0) million as at 31 March 2025. The payment respite for employer's contributions and tax payments amounted to SEK 95.3 (108.7) million at the end of the quarter.

Total assets at the reporting date were SEK 846.5 (800.8) million as a result of higher cash in hand and inventory balance. Equity as at 31 March 2025 was SEK 253.4 (176.6) million, corresponding to an equity/assets ratio of 29.9% (22.1%).

### Parent company

The parent company, Nelly Group AB (publ), reported sales of SEK 0.0 (0.0) million in January to March 2025.

Administrative expenses amounted to SEK 2.3 (2.0) million for January to March 2025.

The parent company's loss before tax for January to March 2025 amounted to SEK -2.3 (-2.2) million.

Cash and cash equivalents in the parent company amounted to SEK 7.9 million as at 31 March 2025, compared with SEK 6.1 million for the same quarter of the previous year.

## Other information

### Share data

As at 31 March 2025, Nelly Group had 30,494,832 issued shares, of which 30,026,125 were ordinary shares and 468,707 were class C shares. The share capital was SEK 30,494,832, 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 2025, was SEK 1,026 million.

### Organisation

The average number of employees during the quarter was 145 (150), of whom 63% (62%) were women.

### Ten largest shareholders at end of period\*

Shareholder Source: Monitor av Modular Finance AB	Capital (%)
Rite Ventures	34.0%
Stefan Palm**	16.7%
Mandatum Life Insurance Company	9.6%
Avanza Pension	3.7%
eQ Asset Management Oy	2.1%
Klas Bengtsson	1.8%
Nelly Group AB***	1.7%
Alexander Eskilsson	1.6%
Nordnet Pensionsförsäkring	1.5%
Handelsbanken Fonder	0.6%
Other shareholders	26.7%
<b>Total</b>	<b>100%</b>

\* Based on Monitor's ownership summary for March 2025

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

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

### Transactions with related parties

Nelly has no related party transactions to report for the quarter.

### 2025 annual general meeting

The annual general meeting will be held on 23 May 2025. Further information is available on the [Nelly Group website](#).

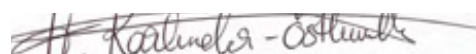
### Auditor review

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.



Helena Karlinder-Östlundh  
CEO



### Webcast on the interim report

Analysts, investors and the media are invited to [a webcast presentation](#) of Q1 on 24 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 24 April 2025.*

## Condensed consolidated income statement

(SEK million)	Q1 25	Q1 24	R12	2024
Net revenue	247.8	222.2	1,119.8	1,094.3
Cost of goods sold	-119.9	-113.1	-519.8	-512.9
<b>Gross profit</b>	<b>127.8</b>	<b>109.1</b>	<b>600.1</b>	<b>581.4</b>
<b>Gross margin</b>	<b>51.6%</b>	<b>49.1%</b>	<b>53.6%</b>	<b>53.1%</b>
Warehousing and distribution costs	-30.3	-32.4	-140.9	-142.9
Marketing costs	-24.4	-21.3	-120.1	-117.0
Administrative and other operating expenses	-53.1	-54.1	-227.5	-228.4
<b>Operating profit/loss</b>	<b>19.9</b>	<b>1.4</b>	<b>111.6</b>	<b>93.1</b>
<b>Operating margin</b>	<b>8.0%</b>	<b>0.6%</b>	<b>10.0%</b>	<b>8.5%</b>
Net financial items	-3.7	-3.6	-10.8	-10.8
Profit/loss before tax	16.2	-2.2	100.8	82.3
Tax	0.1	0.3	0.9	1.1
<b>Profit/loss after tax</b>	<b>16.3</b>	<b>-1.9</b>	<b>101.7</b>	<b>83.4</b>
<b>Attributable to</b>				
<b>Parent company shareholders</b>	<b>16.3</b>	<b>-1.9</b>	<b>101.7</b>	<b>83.4</b>
Shares outstanding at end of period (million)	30.0	30.0	30.0	30.0
Average number of shares outstanding (million)	30.0	30.0	30.0	30.0
Average number of shares, diluted (million)	30.0	30.0	30.0	30.0
<b>Basic/diluted earnings per share (SEK)</b>	<b>0.54</b>	<b>-0.06</b>	<b>3.39</b>	<b>2.78</b>

## Consolidated statement of comprehensive income

(SEK million)	Q1 25	Q1 24	R12	2024
<b>Items reclassified or available for reclassification to profit/loss for the period</b>				
Translation differences for the period	0.0	0.0	0.0	0.0
<b>Comprehensive income for the period</b>	<b>16.3</b>	<b>-1.9</b>	<b>101.7</b>	<b>83.4</b>
<b>Total comprehensive income attributable to</b>				
<b>Parent company shareholders</b>	<b>16.3</b>	<b>-1.9</b>	<b>101.7</b>	<b>83.4</b>
<b>Comprehensive income for the period</b>	<b>16.3</b>	<b>-1.9</b>	<b>101.7</b>	<b>83.4</b>
Shares outstanding at end of period (million)	30.0	30.0	30.0	30.0
Average number of shares outstanding (million)	30.0	30.0	30.0	30.0
Average number of shares, diluted (million)	30.0	30.0	30.0	30.0

## Condensed consolidated statement of financial position

(SEK million)	2025-03-31	2024-03-31	2024-12-31
<b>Non-current assets</b>			
Goodwill	39.7	39.7	39.7
Other intangible assets	37.9	34.6	38.3
Property, plant and equipment	11.7	15.9	12.6
Right-of-use assets	230.1	257.9	238.4
Deferred tax asset (see Note 4)	76.3	75.4	76.2
Deposits (see Note 5)	37.0	41.2	38.0
<b>Total non-current assets</b>	<b>432.7</b>	<b>464.8</b>	<b>443.3</b>
<b>Current assets</b>			
Inventories	202.8	174.5	172.6
Current non-interest-bearing receivables	38.4	65.6	55.0
Cash and cash equivalents (see Note 5)	172.6	96.0	196.9
<b>Total current assets</b>	<b>413.8</b>	<b>336.0</b>	<b>424.6</b>
<b>Total assets</b>	<b>846.5</b>	<b>800.8</b>	<b>867.8</b>
<b>Equity</b>			
Equity attributable to parent company shareholders	253.4	176.6	237.1
<b>Total equity</b>	<b>253.4</b>	<b>176.6</b>	<b>237.1</b>
<b>Non-current liabilities</b>			
<b>Non-interest-bearing</b>			
Provisions	0.0	0.0	0.0
Other liabilities	42.9	-	42.9
<b>Interest-bearing</b>			
Lease liabilities	217.7	177.8	224.6
<b>Total non-current liabilities</b>	<b>260.6</b>	<b>177.8</b>	<b>267.5</b>
<b>Current liabilities</b>			
<b>Interest-bearing</b>			
Lease liabilities	34.9	98.3	35.8
<b>Non-interest-bearing</b>			
Trade payables	111.8	105.1	85.4
Other liabilities	59.1	105.8	81.0
Accrued expenses and deferred income	126.8	137.2	161.1
<b>Total current liabilities</b>	<b>332.5</b>	<b>446.5</b>	<b>363.3</b>
<b>Total equity and liabilities</b>	<b>846.5</b>	<b>800.8</b>	<b>867.8</b>



## Condensed consolidated statement of changes in equity

(SEK million)	Q1 25	Q1 24	2024
<b>Opening balance</b>	237.1	178.6	178.6
Comprehensive income for the period	16.3	-1.9	83.4
Effects of long-term incentive plans	0.0	-0.1	0.0
Preferential share issue	-	-	-
Dividend	-	-	-24.9
<b>Closing balance</b>	<b>253.4</b>	<b>176.6</b>	<b>237.1</b>

## Condensed statement of cash flows

(SEK million)	Q1 25	Q1 24	2024
Cash flow from operating activities before changes in working capital	29.4	11.7	140.0
Changes in working capital	-42.4	-16.3	14.5
<b>Cash flow from operations</b>	<b>-13.0</b>	<b>-4.6</b>	<b>154.5</b>
Investments in non-current assets	-3.5	-9.6	-22.4
<b>Cash flow to/from investing activities</b>	<b>-3.5</b>	<b>-9.6</b>	<b>-22.4</b>
Repayment of lease liability	-7.7	-7.8	-31.5
Changes in financial assets	-	-3.2	-
Dividend	-	-	-24.9
<b>Cash flow to/from financing activities</b>	<b>-7.7</b>	<b>-11.0</b>	<b>-56.4</b>
<b>Change in cash and cash equivalents for the period</b>	<b>-24.2</b>	<b>-25.2</b>	<b>75.8</b>
<b>Cash and cash equivalents at start of period</b>	<b>196.9</b>	<b>121.1</b>	<b>121.1</b>
Translation difference, cash and cash equivalents	-	-	-
<b>Cash and cash equivalents at end of period</b>	<b>172.6</b>	<b>96.0</b>	<b>196.9</b>

## Depreciation and amortisation of non-current assets

(SEK million)	Q1 25	Q1 24	2024
Depreciation of property, plant and equipment	-1.1	-1.2	-4.9
Amortisation of intangible assets	-3.8	-2.2	-10.9
<b>Depreciation and amortisation (not including IFRS 16)</b>	<b>-4.9</b>	<b>-3.4</b>	<b>-15.8</b>
Amortisation of right-of-use assets	-8.3	-9.3	-36.7
<b>Depreciation and amortisation (including IFRS 16)</b>	<b>-13.2</b>	<b>-12.7</b>	<b>-52.5</b>

## Net revenue by geographical area

(SEK million)	Q1 25	Q1 24	2024
Sweden	126.5	112.6	559.0
<b>The Nordic region, including Sweden</b>	<b>239.8</b>	<b>219.2</b>	<b>1,077.7</b>
Rest of world	7.9	3.0	16.6
<b>All regions</b>	<b>247.8</b>	<b>222.2</b>	<b>1,094.3</b>



## Condensed income statement – parent company

(SEK million)	Q1 25	Q1 24	2024
Net revenue	0.0	0.0	1.8
Gross profit	0.0	0.0	1.8
Administrative expenses	-2.3	-2.0	-10.1
Operating profit/loss	-2.3	-2.0	-8.3
<b>FINANCIAL INCOME AND EXPENSES</b>			
Net financial items	-0.1	-0.2	-0.6
Profit/loss after financial items	-2.3	-2.2	-8.9
<b>APPROPRIATIONS</b>			
Group contributions received	-	-	102.0
Profit/loss before tax	-2.3	-2.2	93.1
Tax	-	-	-
Profit/loss for the period*	-2.3	-2.2	93.1

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





## Condensed statement of financial position – parent company

(SEK million)	2025-03-31	2024-03-31	31 Dec 2023
<b>Non-current assets</b>			
Investments in subsidiaries	247.1	247.1	247.1
Deferred tax asset	71.7	71.7	71.7
<b>Total non-current assets</b>	<b>318.8</b>	<b>318.8</b>	<b>318.8</b>
<b>Current assets</b>			
Current non-interest-bearing receivables	2.4	2.5	1.7
Receivables from subsidiaries	38.6	-	38.8
<b>Total current receivables</b>	<b>41.0</b>	<b>2.5</b>	<b>40.5</b>
Cash and bank balances	7.9	6.1	10.5
<b>Total cash and cash equivalents</b>	<b>7.9</b>	<b>6.1</b>	<b>10.5</b>
<b>Total current assets</b>	<b>48.9</b>	<b>8.6</b>	<b>51.1</b>
<b>Total assets</b>	<b>367.7</b>	<b>327.4</b>	<b>369.8</b>
<b>Equity</b>			
Restricted equity	31.3	31.3	31.3
Non-restricted equity	324.9	256.8	327.3
<b>Total equity</b>	<b>356.2</b>	<b>288.1</b>	<b>358.6</b>
<b>Non-current liabilities</b>			
<b>Non-interest-bearing</b>			
Provisions	0.0	0.0	0.0
Other liabilities	8.5	-	8.5
<b>Total non-current liabilities</b>	<b>8.5</b>	<b>0.0</b>	<b>8.5</b>
<b>Current liabilities</b>			
Liabilities to Group companies	-	27.0	-
Non-interest-bearing liabilities	3.0	12.2	2.8
<b>Total current liabilities</b>	<b>3.0</b>	<b>39.3</b>	<b>2.8</b>
<b>Total liabilities</b>	<b>11.5</b>	<b>39.3</b>	<b>11.3</b>
<b>Total equity and liabilities</b>	<b>367.7</b>	<b>327.4</b>	<b>369.8</b>

## Definitions of key ratios and alternative performance measures

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**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

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

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

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**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 12-month period

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**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

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**No. of active customers Nordics LTM (000)** – *a measure 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

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**No. of sessions Nordics (000)** – *a measure 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

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**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

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**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

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**Conversion rate Nordics** – *a measure 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

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**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

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**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

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# Income statement definitions

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**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

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**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

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**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

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**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

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**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 expenses

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**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

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# 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 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 reported in the most recently published annual report. See Note 7 in the most recently published annual report for more information.

## Note 5 – Deposits

SEK 30.0 million has been reclassified in 2024 from cash and cash equivalents to deposits and relates to blocked funds for rent guarantees linked to the company's warehouse property. The reclassification is intended to better reflect the company's actual financial situation.





## Financial calendar

The annual report will be published on 30 April 2025

The annual general meeting will be held on 23 May 2025.

The interim report for the second quarter of 2025  
will be presented on 15 July 2025.

The interim report for the third quarter of 2025  
will be presented on 23 October 2025.





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