



Interim report Q3 2025

1 JANUARY TO 30 SEPTEMBER

NELLY

Nelly Group interim report for the third quarter of 2025

Q3 2025 – Financial highlights

- Net revenue was SEK 283.7 (239.6) million, corresponding to a rise of 18.4% (1.4%)
- Gross profit was SEK 161.2 (130.7) million, corresponding to a gross margin of 56.8% (54.5%)
- Operating profit was SEK 43.3 (25.1) million, corresponding to an operating margin of 15.3% (10.5%)
- Profit after tax was SEK 41.5 (22.3) million, corresponding to earnings per share of SEK 1.38 (0.74)
- Cash flow from operating activities was SEK -18.5 (-18.5) million
- Cash and cash equivalents as at 30 September amounted to SEK 226.7 (160.4) million, with credit facilities unutilised

9M 2025 – Financial highlights of the first nine months of the year

- Net revenue was SEK 893.1 (775.9) million, corresponding to a rise of 15.1% (2.2%)
- Gross profit was SEK 486.0 (411.7) million, corresponding to a gross margin of 54.4% (53.1%)
- Operating profit was SEK 118.6 (57.0) million, corresponding to an operating margin of 13.3% (7.3%)
- Profit after tax was SEK 110.3 (47.1) million, corresponding to earnings per share of SEK 3.68 (1.57)
- Cash flow from operating activities was SEK 72.3 (82.8) million

Material events during the quarter

- No material events were reported during the quarter

Material events after end of quarter

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



CEO's comments

High growth and solid profitability in the third quarter

Nelly delivered a strong third quarter with continued solid growth and profitability, while at the same time further solidifying the brand's position in the market. Net revenue increased by 18.4% (1.4%) to SEK 283.7 (239.6) million. Operating profit improved to SEK 43.3 (25.1) million, corresponding to an operating margin of 15.3% (10.5%). So far in 2025, we have thereby achieved net revenue growth of 15.1% (2.2%), with an improved operating margin compared to last year of 13.3% (7.3%) – a result of our consistent focus on expanding the profitable core business.

Growing customer base and a more attractive brand position, driven by our assortment

In addition to the strong financial performance in the third quarter, it is pleasing that more and more customers are now discovering Nelly, and that the brand is gaining traction. New customer acquisition accelerated further, more customers returned to make another purchase, and the number of active customers grew for the fourth consecutive quarter. Online traffic increased by 9.9% year-on-year, driven by more effective marketing, and the number of orders rose by 20.2%. Our regular brand tracking also shows a continued positive trend, with a growing share of the target audience now naming Nelly as their favourite store.

Several key success factors contributed to the positive development during the quarter, most notably our attractive and relevant assortment, which drove both growth and brand repositioning. The share of sales from Nelly's own brands increased to 62.2% (45.2%), while the external brand portfolio was further strengthened during the spring and summer season with new international names such as Puma and One Teaspoon. During the quarter, we drove significant growth particularly within the jeans and sneakers categories, in which Nelly now offers a, for the target audience, leading assortment, combining our own products with the best global brands. Knitwear, pants and shoes also grew in sales and going forward, we see more potential in these categories. Overall, the performance of our assortment improved yet again year-on-year, with a higher gross margin of 56.8% (54.5%) and a lower return rate of 26.1% (27.1%).

Long-term ambitions with targeted growth initiatives

With enduring high ambitions for profitable growth, we are now working on a number of targeted initiatives where we see potential to expand Nelly's position. The assortment continues to be the most important growth driver in our business, and we are therefore further refining several key categories, including jeans and sneakers, with upcoming brand launches for Diesel and Nike to elevate the attractiveness of the offering. Nelly furthermore has a clear opportunity to take a leading position within categories such as knitwear, tops and pants, reinforcing our role as the go-to fashion destination for our target audience.

Alongside further refining the assortment, we are investing in expanding Nelly's presence in markets with strong growth potential. The opening of a second flagship store in early October – this time on Strøget in central Copenhagen – is part of this initiative, aimed at increasing brand awareness and solidifying our positioning in Denmark and internationally. The Nordics will remain our core market, but we also see significant growth opportunities beyond the Nordics – with Germany as the next focus. Expanding our presence in Germany is a long-term effort that will require both investment and time, but we are confident that Nelly's customer offering has broad appeal in this market as well.

I would once again like to conclude with a truly heartfelt thank you – to all our amazing customers who inspire us to constantly raise the bar, and to the entire Nelly team who work tirelessly every day to create the best possible experience for our customers. I look forward to taking Nelly to new heights together with all of you.



Helena Karlinder-Östlundh, CEO of Nelly Group AB

Key ratios and alternative performance measures

	Q3 25	Q3 24	9M 25	9M 24
Net revenue growth	18.4%	1.4%	15.1%	2.2%
Gross margin	56.8%	54.5%	54.4%	53.1%
Warehousing and distribution costs as a proportion of net revenue	11.0%	11.7%	11.7%	13.2%
Marketing costs as a proportion of net revenue	9.4%	9.9%	9.8%	11.1%
Operating margin	15.3%	10.5%	13.3%	7.3%
Return rate	26.1%	27.1%	26.7%	30.6%
Inventory share of net revenue LTM	18.8%	17.3%	18.8%	17.3%
Proportion of sales of own brands	62.2%	45.2%	55.8%	43.1%
No. of active customers Nordics LTM (000)*	1,001	911	1,001	911
No. of sessions Nordics (000)*	21,079	19,186	69,557	63,020
No. of orders Nordics (000)*	423	352	1,397	1,223
Average order value Nordics*	765	832	757	816
Conversion rate Nordics*	2.0%	1.8%	2.0%	1.9%
No. of employees	169	151	157	151
Proportion of women employed	65%	64%	64%	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 a million active customers in the Nordic region who place 1.9 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 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.



Financial highlights of the third quarter and first nine months of the year

Revenue development

Net revenue for Q3 2025 amounted to SEK 283.7 (239.6) million, corresponding to an increase of 18.4% (1.4%). The change is explained primarily by a combination of higher online sales before returns, a lower return rate and higher sales in the physical store. The return rate for the quarter was 26.1% (27.1%). The proportion of own-brand sales increased to 62.2% (45.2%) during Q3 2025. In local currencies, net revenue increased by 20.2% in Q3.

Net revenue for the first nine months of 2025 amounted to SEK 893.1 (775.9) million, corresponding to an increase of 15.1% (2.2%). The change is explained as for the quarter primarily by higher online sales before returns, a lower return rate and higher sales in the physical store. In local currencies, net revenue increased by 17.2% in the first nine months of the year.

Change in gross margin

The gross margin rose to 56.8% (54.5%) in Q3 2025. Higher own-brand sales, both online and in store, made a positive contribution to the gross margin during the quarter. An improved purchasing margin also made a positive contribution to the gross margin compared with the same quarter of the previous year. Overall, currency effects had a slightly positive impact on the gross margin compared with the same quarter of the previous year. The gross margin was primarily affected positively by a weaker USD and EUR, while the weaker NOK made a negative contribution.

The gross margin rose to 54.4% (53.1%) in the first nine months of 2025. As for the quarter, a higher proportion of own-brand sales made a positive contribution to the gross margin compared with the same period of the previous year. At the same time, currency effects had a negative impact on the gross margin compared with the same period of the previous year, primarily as a consequence of the weaker NOK.

Change in warehousing and distribution costs

Warehousing and distribution costs amounted to SEK 31.3 (28.0) million during Q3 2025. Measured as a proportion of net revenue, costs amounted to 11.0% (11.7%). The improvement measured as a proportion of net revenue may be attributed to process improvements linked to both warehousing and distribution, as well as a lower return rate.

Warehousing and distribution costs amounted to SEK 104.3 (102.4) million in the first nine months of 2025. Measured as a proportion of net revenue, costs amounted to 11.7% (13.2%). As for the quarter, the improvement measured as a proportion of net revenue may be attributed to process improvements linked to both warehousing and distribution, as well as a lower return rate.

More effective marketing

Marketing costs for Q3 2025 amounted to SEK 26.8 (23.8) million. The costs in the quarter are primarily attributable to paid advertising. Measured as a proportion of net revenue, the marketing costs amounted to 9.4% (9.9%) in the third quarter.

Marketing costs amounted to SEK 87.5 (85.9) million during the first nine months of 2025. As for the quarter, they were primarily attributable to paid advertising. Measured as a proportion of net revenue, marketing costs amounted to 9.8% (11.1%) in the first nine months of the year.

Administrative and other operating expenses

Nelly Group's administrative and other operating expenses in Q3 were SEK 59.9 (53.8) million. The increase compared with Q3 2024 was mainly on account of higher employee benefit expenses and consultant expenses. The number of employees for Q3 2025 was 169 (151). The increase in the number of employees is primarily on account of in-house returns management.

Administrative and other operating expenses were SEK 175.6 (166.4) million in the first nine months of the year, with the change being driven by higher employee benefit expenses.

Improved operating profit

Operating profit for the third quarter was SEK 43.3 (25.1) million, the improvement being driven by stronger gross profit.

Operating profit for the first nine months of 2025 was SEK 118.6 (57.0) million. As for the quarter, stronger gross profit made the greatest contribution to the improvement.

Net financial items

Net financial items for Q3 2025 amounted to SEK -1.8 (-3.1) million. Expenses for the quarter are primarily attributable to interest on lease liabilities and tax respite.

Net financial items amounted to SEK -8.5 (-10.8) million in the first nine months of 2025. Expenses for the period are primarily attributable to interest on lease liabilities and tax respite.

Profit after tax

The profit after tax for Q3 2025 was SEK 41.5 (22.3) million. The improved profit after tax for the third quarter is attributable to higher operating profit, driven primarily by improved gross profit.

Profit after tax for the first nine months of 2025 was SEK 110.3 (47.1) million as a result of higher operating profit.

Higher inventory balance

The inventory balance amounted to SEK 227.8 (186.8) million as at 30 September 2025. Inventory as a proportion of net revenue over a rolling 12-month period amounted to 18.8% (17.3%). Goods in transit accounted for a larger proportion of inventory balance as at 30 September 2025 than at the same time in the previous year, and this largely explains the increase in relation to net revenue.

Cash flow and cash and cash equivalents

Cash flow from operations in Q3 2025 totalled SEK -18.5 (-18.5) million. The inventory balance increased on the same quarter of the previous year. At the same time, stronger earnings made a positive contribution to cash flow from operations.

Cash flow from operations amounted to SEK 72.3 (82.8) million in the first nine months of 2025.

Cash flow from investing activities in Q3 2025 totalled SEK -5.6 (-3.1) million. The investments are primarily attributable to IT and technology-related investments.

Cash flow from investing activities amounted to SEK -18.1 (-19.9) million during the first nine months of 2025, primarily attributable to IT and technology-related investments.

Cash flow of SEK -8.7 (-7.9) million from financing activities in Q3 is attributable to repayment of lease liabilities.

Cash flow of SEK -24.5 (-23.6) million from financing activities in the first nine months of the year is attributable to repayment of lease liabilities, as for the quarter.

Cash and cash equivalents amounted to SEK 226.7 (160.4) million as at 30 September 2025. The payment respite for employer's contributions and tax payments amounted to SEK 69.6 (105.6) million at the end of the quarter.

Total assets at the reporting date were SEK 974.9 (859.8) million as a result of higher cash and inventory balance. Equity as at 30 September 2025 was SEK 347.9 (225.7) million, corresponding to an equity/assets ratio of 35.7% (26.2%).

Parent company

The parent company, Nelly Group AB (publ), reported sales of SEK 0.0 (0.0) million during the period from January to September 2025.

Administrative expenses amounted to SEK 9.3 (7.5) million for the period from January to September 2025.

The parent company's loss before tax for the period from January to September 2025 amounted to SEK -9.5 (-8.0) million.

Cash and cash equivalents in the parent company amounted to SEK 1.3 million as at 30 September 2025, compared with SEK 2.5 million as at 30 September of the previous year.

Other information

Share data

As at 30 September 2025, Nelly Group had 30,542,782 shares issued, of which 30,074,075 were ordinary shares and 468,707 were class C shares. The share capital was SEK 30,542,782, 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, 30 September 2025, was SEK 2,398 million.

Organisation

The average number of employees during the quarter was 169 (151), of whom 65% (64%) 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	5.8%
Avanza Pension	3.9%
Nordnet Pensionsförsäkring	2.3%
Klas Bengtsson	2.2%
Nelly Group AB***	1.7%
Handelsbanken Fonder	1.7%
Alexander Eskilsson	1.5%
eQ Asset Management Oy	1.3%
Other shareholders	28.9%
Total	100%

* Based on Monitor's ownership summary for September 2025

** Holds shares via the company ettfemsju själ AB

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

Transactions with related parties

Nelly had no transactions with related parties to report during the quarter.

Auditor review

This interim report has been reviewed by Nelly Group's auditors. See the review report on page 9.

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 2024, pages 47–48.



Helena Karlinder-Östlundh
CEO

Webcast on the interim report

Analysts, investors and the media are invited to a [webcast](#) presentation of Q3 on 23 October 2025 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-mentioned contacts at 08:00 a.m. CEST on 23 October 2025.

Auditor's report



This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

To the Board of directors in Nelly Group AB (publ),
corporate identity number 556035-6940

Introduction

We have conducted a limited review of the condensed interim financial information (interim report) for Nelly Group AB (publ) as of September 30, 2025, and the nine-month period ending on that date. The board of directors and the managing director are responsible for preparing and presenting this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our limited review.

The focus and scope of the limited review

We have conducted our limited review in accordance with the International Standard on Review Engagements ISRE 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A limited review consists of making inquiries, primarily of persons responsible for financial and accounting matters, performing analytical procedures, and other review procedures. A limited review has a different focus and a significantly smaller scope compared to the focus and scope of an audit conducted in accordance with ISA and generally accepted auditing standards. The review procedures taken in a limited review do not enable us to obtain the assurance that we would become aware of all significant matters that might have been identified in an audit. Therefore, the conclusion expressed based on a limited review does not have the assurance that a conclusion expressed based on an audit has.

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the group in accordance with IAS 34 and the Annual Accounts Act and for the parent company in accordance with the Annual Accounts Act.

Borås, 22 October 2025

Öhrlings PricewaterhouseCoopers AB

Mattias Palmqvist
Authorized Public Accountant

Condensed consolidated income statement

(SEK million)	Q3 25	Q3 24	9M 25	9M 24	R12	2024
Net revenue	283.7	239.6	893.1	775.9	1,211.5	1,094.3
Cost of goods sold	-122.5	-109.0	-407.1	-364.2	-555.9	-512.9
Gross profit	161.2	130.7	486.0	411.7	655.6	581.4
Gross margin	56.8%	54.5%	54.4%	53.1%	54.1%	53.1%
Warehousing and distribution costs	-31.3	-28.0	-104.3	-102.4	-144.8	-142.9
Marketing costs	-26.8	-23.8	-87.5	-85.9	-118.5	-117.0
Administrative and other operating expenses	-59.9	-53.8	-175.6	-166.4	-237.6	-228.4
Operating profit	43.3	25.1	118.6	57.0	154.7	93.1
Operating margin	15.3%	10.5%	13.3%	7.3%	12.8%	8.5%
Financial income	0.5	1.6	1.7	3.5	5.2	7.0
Financial expenses	-2.3	-4.6	-10.2	-14.2	-13.7	-17.8
Profit before tax	41.5	22.0	110.1	46.2	146.2	82.3
Tax	0.1	0.3	0.2	0.9	0.4	1.1
Profit after tax	41.5	22.3	110.3	47.1	146.6	83.4
Attributable to						
Parent company shareholders	41.5	22.3	110.3	47.1	146.6	83.4
Shares outstanding at end of period (million)	30.0	30.0	30.0	30.0	30.0	30.0
Average number of shares outstanding (million)	30.0	30.0	30.0	30.0	30.0	30.0
Average number of shares, diluted (million)	30.0	30.0	30.0	30.0	30.0	30.0
Basic/diluted earnings per share (SEK)	1.38	0.74	3.68	1.57	4.89	2.78

Consolidated statement of comprehensive income

(SEK million)	Q3 25	Q3 24	9M 25	9M 24	R12	2024
Items reclassified or available for reclassification to profit/loss for the period						
Translation differences for the period	-	-	-	-	-	-
Comprehensive income for the period	41.5	22.3	110.3	47.1	146.6	83.4
Total comprehensive income attributable to						
Parent company shareholders	41.5	22.3	110.3	47.1	146.6	83.4
Comprehensive income for the period	41.5	22.3	110.3	47.1	146.6	83.4

Condensed consolidated statement of financial position

(SEK million)	2025-09-30	2024-09-30	2024-12-31
Non-current assets			
Goodwill	39.7	39.7	39.7
Other intangible assets	43.2	39.9	38.3
Total intangible assets	82.9	79.6	78.0
Property, plant and equipment	11.1	13.4	12.6
Right-of-use assets (see Note 5)	263.5	263.7	265.3
Total property, plant and equipment	274.6	277.0	278.0
Deferred tax asset (see Note 4)	76.4	76.0	76.2
Deposits (see Note 5)	37.1	38.0	38.0
Total non-current assets	471.1	470.7	470.2
Current assets			
Inventories	227.8	186.8	172.6
Current non-interest-bearing receivables	49.3	41.9	58.8
Cash and cash equivalents (see Note 5)	226.7	160.4	196.9
Total current assets	503.8	389.1	428.4
Total assets	974.9	859.8	898.5
Equity			
Equity attributable to parent company shareholders	347.9	225.7	237.1
Total equity	347.9	225.7	237.1
Non-current liabilities			
Non-interest-bearing			
Provisions	1.4	0.0	0.0
Other liabilities	37.5	69.7	42.9
Total non-interest-bearing non-current liabilities	38.9	69.7	42.9
Interest-bearing			
Lease liabilities (see Note 5)	247.7	190.6	251.5
Total non-current liabilities	286.5	260.3	294.4
Current liabilities			
Interest-bearing			
Lease liabilities (see Note 5)	38.9	94.0	35.8
Total interest-bearing current liabilities	38.9	94.0	35.8
Non-interest-bearing			
Trade payables	137.8	115.7	85.4
Other liabilities	49.2	47.1	84.8
Accrued expenses and deferred income	114.5	117.1	161.1
Total non-interest-bearing current liabilities	301.5	279.9	331.3
Total current liabilities	340.4	373.9	367.1
Total equity and liabilities	974.9	859.8	898.5

Condensed consolidated statement of changes in equity

(SEK million)	9M 25	9M 24	2024
Opening balance	237.1	178.6	178.6
Comprehensive income for the period	110.3	47.1	83.4
Share-based remuneration	0.5	-	-
Dividend	-	-	-24.9
Closing balance	347.9	225.7	237.1

Condensed statement of cash flows

(SEK million)	Q3 25	Q3 24	9M 25	9M 24	2024
Cash flow from operating activities before changes in working capital	54.0	34.7	148.3	84.8	140.0
Changes in working capital	-72.5	-53.2	-76.0	-2.0	14.5
Cash flow from operations	-18.5	-18.5	72.3	82.8	154.5
Investments in non-current assets	-5.6	-3.1	-18.1	-19.9	-22.4
Cash flow from investing activities	-5.6	-3.1	-18.1	-19.9	-22.4
Private placement	-	-	0.0	-	-
Repayment of lease liability	-8.7	-7.9	-24.5	-23.6	-31.5
Dividend	-	-	-	-	-24.9
Cash flow from financing activities	-8.7	-7.9	-24.5	-23.6	-56.4
Change in cash and cash equivalents for the period	-32.8	-29.5	29.7	39.3	75.8
Cash and cash equivalents at start of period	259.6	189.9	196.9	121.1	121.1
Translation difference, cash and cash equivalents	0.0	-	-	-	-
Cash and cash equivalents at end of period	226.7	160.4	226.7	160.4	196.9

Depreciation and amortisation of non-current assets

(SEK million)	Q3 25	Q3 24	9M 25	9M 24
Depreciation of property, plant and equipment	-1.0	-1.2	-3.3	-3.8
Amortisation of intangible assets	-3.8	-2.7	-11.3	-7.1
Depreciation and amortisation (not including IFRS 16)	-4.8	-3.9	-14.6	-10.9
Depreciation of right-of-use assets	-9.1	-9.3	-25.7	-27.8
Depreciation and amortisation (including IFRS 16)	-13.9	-13.2	-40.3	-38.7

Net revenue by geographical area

(SEK million)	Q3 25	Q3 24	9M 25	9M 24
Sweden	142.8	122.7	460.7	398.8
The Nordic region, including Sweden	267.9	235.0	860.1	765.2
Rest of world	15.8	4.6	33.0	10.7
All regions	283.7	239.6	893.1	775.9



Condensed income statement – parent company

(SEK million)	9M 25	9M 24	2024
Net revenue	-	-	1.8
Gross profit	-	-	1.8
Administrative expenses	-9.3	-7.5	-10.1
Operating profit	-9.3	-7.5	-8.3
FINANCIAL INCOME AND EXPENSES			
Net financial items	-0.2	-0.5	-0.6
Profit/loss after financial items	-9.5	-8.0	-8.9
APPROPRIATIONS			
Group contributions received	-	-	102.0
Profit before tax	-9.5	-8.0	93.1
Tax	-	-	-
Profit/loss for the period*	-9.5	-8.0	93.1

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



Condensed statement of financial position – parent company

(SEK million)	2025-09-30	2024-09-30	2024-12-31
Non-current assets			
Investments in subsidiaries	247.6	247.1	247.1
Deferred tax asset	71.7	71.7	71.7
Total non-current assets	319.3	318.8	318.8
Current assets			
Current non-interest-bearing receivables	7.4	2.8	1.7
Receivables from subsidiaries	32.9	-	38.8
Total current receivables	40.4	2.8	40.5
Cash and bank balances	1.3	2.5	10.5
Total cash and cash equivalents	1.3	2.5	10.5
Total current assets	41.7	5.3	51.1
Total assets	361.0	324.1	369.8
Equity			
Restricted equity	31.3	31.3	31.3
Non-restricted equity	318.2	251.1	327.3
Total equity	349.6	282.4	358.6
Non-current liabilities			
Non-interest-bearing			
Provisions	1.4	0.0	0.0
Other liabilities	3.0	7.0	4.0
Total non-current liabilities	4.4	7.0	4.0
Current liabilities			
Liabilities to Group companies	-	29.4	-
Non-interest-bearing liabilities	7.0	5.3	7.3
Total current liabilities	7.0	34.7	7.3
Total liabilities	11.4	41.7	11.3
Total equity and liabilities	361.0	324.1	369.8

Definitions of key ratios and alternative performance measures

Earnings per share – a measure of our earnings per outstanding share

Profit/loss before tax divided by the average number of shares outstanding for the period

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 12-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 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

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

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 in the 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

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 expenses

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 from their carrying amounts.

Note 3 – Segment reporting

Nelly reports only the 'Nelly' segment as no other financial segmentation is deemed to meet the requirements for segment reporting.

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 615.2 (708.9) as reported in the most recently published annual report. See Note 7 in the most recently published annual report for more information.

Note 5 – Other information about items in the balance sheet

SEK 30.0 million was reclassified from cash and cash equivalents to deposits in 2024. These are blocked funds for rent guarantees linked to the company's warehouse property. The reclassification was designed to better reflect the company's actual financial situation. Recognition of leases in accordance with IFRS 16 was adjusted in the quarter to reflect expected economic conditions better. This increased right-of-use assets by SEK 25.0 million and lease liabilities by SEK 25.0 million. The comparative figures for right-of-use assets and lease liabilities, respectively, were updated by SEK 24.0 million for Q3 2024 and SEK 26.8 million for Q4 2024.

Note 6 – Incentive plans

Nelly currently has four active incentive plans as set out below.

Plan	Type	Allotment date	Duration/ vesting	No. of shares based on share price on reporting date	Dilutive effect	Performance conditions
Performance share plan 2022	Performance shares	July 2022	4 years	59,700	0.2%	Growth of TSR index as at March 2026 and retained employment during the vesting period
Share plan 2024*	Shares	December 2024	3 years	10,847	0.0%	Retained employment during the vesting period
Share plan 2025*	Shares	June 2025	3 years	47,950	0.2%	Retained employment during the vesting period
Performance share plan 2025	Performance shares	April/May 2026	3 years	18,110	0.1%	25% EBIT growth in the 2025 financial year compared with 2024 and retained employment during the vesting period
Total				136,607	0.4%	

* The number of shares is allotted to participants and accrued during the vesting period



Financial calendar

The interim report for the fourth quarter of 2025
will be presented on 10 February 2026

The interim report for the first quarter of 2026
will be presented on 28 April 2026

The annual general meeting will
be held on 18 May 2026

The interim report for the second quarter of 2026
will be presented on 15 July 2026



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