



**Year-end report 2024**

1 JANUARY TO 31 DECEMBER

**NELLY**

# Nelly Group year-end report 2024

## Q4 2024 – Financial highlights

- Net revenue was SEK 318.4 (301.6) million, corresponding to an increase of 5.5% (-22.1%)
- Gross profit was SEK 169.7 (150.9) million, corresponding to a gross margin of 53.3% (50.0%)
- Operating profit was SEK 36.2 (24.0) million, corresponding to an operating margin of 11.4% (8.0%)
- Profit after tax was SEK 36.3 (19.7) million, corresponding to earnings per share of SEK 1.21 (0.66)
- Cash flow from operating activities was SEK 71.8 (50.4) million
- Cash and cash equivalents amounted to SEK 196.9 (121.1) million as at 31 December and credit facilities were unutilised

## 2024 – financial highlights of the full year

- Net revenue was SEK 1,094.3 (1,060.8) million, corresponding to an increase of 3.2% (-18.3%)
- Gross profit was SEK 581.4 (507.9) million, corresponding to a gross margin of 53.1% (47.9%)
- Operating profit was SEK 93.1 (10.9) million, corresponding to an operating margin of 8.5% (1.0%)
- Profit after tax was SEK 83.4 (-1.5) million, corresponding to earnings per share of SEK 2.78 (-0.06)
- Cash flow from operating activities was SEK 154.5 (59.3) million

## Significant events during the quarter

- During the quarter, Nelly Group AB (publ) held an Extraordinary General Meeting at which a dividend of SEK 0.83 per ordinary share was adopted, to be paid out in December 2024. The Extraordinary General Meeting also resolved to set up a share programme for senior executives at Nelly, and the number of shares and votes in Nelly Group AB (publ) increased by 10,847 in December 2024 following the private placement resolved by the meeting.

## Significant events after end of quarter

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

“In 2024, we achieved the highest sell-through rate since our transformation journey began in autumn 2022, and our offering was further strengthened in several important categories during the year”

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



## CEO's comments

### Further improved result for the quarter and the year as a whole

In the fourth quarter, we delivered a markedly improved result compared to the same quarter last year. Net revenue grew by 5.5% (-22.1%) to SEK 318.4 (301.6) million. The gross margin increased to 53.3% (50.0%), contributing to an operating profit of SEK 36.2 (24.0) million and an operating margin of 11.4% (8.0%) for the quarter. Profit after tax amounted to SEK 36.3 (19.7) million and Nelly has thus delivered its seventh consecutive profitable quarter and its third consecutive quarter of net revenue growth.

The result for the full year 2024 also improved. Net revenue grew by 3.2% (-18.3%) to SEK 1,094.3 (1,060.8) million, and we achieved an operating profit of SEK 93.1 (10.9) million with an operating margin of 8.5% (1.0%). Profit after tax for 2024 increased to SEK 83.4 (-1.5) million.

### Unchanged focus on profitable growth

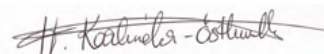
The core of our business, the assortment, continued to perform better and better during the year. In 2024, we achieved the highest sell-through rate since our transformation journey began in autumn 2022, and our offering was further strengthened in several important categories during the year, in particular jeans, tops and knitwear, which together form the basis of our customers' everyday wardrobe. The share of sales from Nelly's own brands continued to increase to 47.2% (36.3%) during Q4, and several external brands delivered strong growth. One important focus area going forward is to further develop and improve our brand portfolio. Overall, the assortment was well received by customers, as reflected in the markedly improved return rate of 27.9% (33.0%) for the quarter and 29.9% (35.8%) for the full year.

Investment in our marketing continued with positive results in the fourth quarter. Marketing costs as a percentage of net revenue increased to 9.7% (8.6%), resulting in higher traffic than in the previous year as well as strengthened profitability per order. The number of orders in the Nordics also increased during the quarter, and we started to see a positive trend with more new customers and declining churn among existing customers. Our focus going forward is on further optimising the effectiveness of all paid advertising and increasing both conversion rate and average order value to drive profitable growth.

In addition to the further progress made in the assortment and marketing during the year, our warehousing and distribution costs as a percentage of net revenue also improved during the fourth quarter to 12.7% (15.1%). The lower return rate contributed positively, the cost per handled order fell, and outbound freight costs decreased following several optimisation initiatives, which will allow for good cost control in the coming quarters.

### The next phase in Nelly's development

In 2024, we continued to make progress on the road towards being a healthy business, and it is a sign of strength that Nelly was able to award its first dividend to shareholders at the end of the year. Despite this, great potential for improvement remains in many areas of the company, and in 2025, we look forward to further developing our customer offer and continuing to simplify internal processes, not least through the IT system changes planned for this year. In many ways, we are now embarking on a new phase of our development as a company as we have created a stable business foundation and can now focus even more wholeheartedly on becoming the preferred fashion destination for our target group. In conclusion, I would like to once again say a warm thank you to all our customers, both new and existing, and of course turn the spotlight on the entire Nelly team who truly inspire me every day.



Helena Karlinder-Östlund, CEO of Nelly Group AB

## Key ratios and alternative performance measures

	Q4 24	Q4 23	2024	2023
Net revenue growth	5.5%	-22.1%	3.2%	-18.3%
Gross margin	53.3%	50.0%	53.1%	47.9%
Warehousing and distribution costs as a proportion of net revenue	12.7%	15.1%	13.1%	16.1%
Marketing costs as a proportion of net revenue	9.7%	8.6%	10.7%	9.5%
Operating margin	11.4%	8.0%	8.5%	1.0%
Return rate	27.9%	33.0%	29.9%	35.8%
Inventory share of net revenue LTM	15.8%	14.4%	15.8%	14.4%
Proportion of sales of own brands	47.2%	36.3%	44.2%	38.2%
No. of active customers Nordics LTM (000)*	926	973	926	973
No. of sessions Nordics (000)*	25,104	23,736	88,125	88,185
No. of orders Nordics (000)*	529	512	1,751	1,876
Average order value Nordics*	726	771	789	777
Conversion rate Nordics*	2.1%	2.2%	2.0%	2.1%
No. of employees	150	153	151	158
Proportion of women employed	64%	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 committed customer base consisting mainly of young women in the Nordic region. We have 1.3 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.



# Financial highlights of Q4 and 2024

## Revenue development

Net revenue for Q4 2024 amounted to SEK 318.4 (301.6) million, corresponding to an increase of 5.5% (-22.1%). The change is largely on account of a decrease in returns. The return rate was 27.9% (33.0%). The improved return rate is mainly attributable to the strategic efforts carried out at the product range and customer levels during the year. Sales in the physical store also made a positive contribution to net revenue compared with the fourth quarter of the previous year. The proportion of sales of own brands increased to 47.2% (36.3%) during Q4 2024. In local currencies, net revenue increased by 5.7% in Q4.

Net revenue was SEK 1,094.3 (1,060.8) million for the full year 2024, corresponding to an increase of 3.2% (-18.3%). As for the quarter, the change is largely on account of an improved return rate. In local currencies, net revenue increased by 3.8% during the year.

## Improved gross margin

The gross margin increased to 53.3% (50.0%) in Q4 2024. Lower campaign activity and a higher proportion of own-brand sales made a positive contribution to the gross margin compared with the fourth quarter of the previous year. Overall, currency effects had a marginally negative impact on the gross margin compared with the same quarter of the previous year.

The gross margin increased to 53.1% (47.9%) in 2024. As for the quarter, lower campaign activity and 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 slightly negative impact on the gross margin compared with the same period of the previous year.

## Lower warehousing and distribution costs

Warehousing and distribution costs amounted to SEK 40.5 (45.6) million during Q4 2024. The lower warehousing and distribution costs were the result of operational process improvements at the warehouse, optimisation of distribution and an improved return rate. Measured as a proportion of net revenue, the costs amounted to 12.7% (15.1%).

Warehousing and distribution costs amounted to SEK 142.9 (171.3) million in 2024. The lower warehousing and distribution costs were the result of improvements in warehouse processes, optimisation of distribution and lower volumes handled and returned.

## Higher marketing costs

Marketing costs for Q4 2024 amounted to SEK 31.0 (26.0) million. The costs in the quarter are primarily attributable to paid advertising. Measured as a proportion of net revenue, marketing costs amounted to 9.7% (8.6%) in the fourth quarter.

Marketing costs amounted to SEK 117.0 (100.5) million during 2024 and increased as a result of new working methods for managing paid advertising.

## Administrative and other operating expenses

Nelly Group's administrative and other operating expenses in Q4 were SEK 61.9 (55.3) million. The increase compared to the fourth quarter of 2023 is largely on account of higher IT costs linked to the new IT platform. Depreciation of IT systems was also higher than in the same quarter of the previous year. The number of employees for Q4 2024 was 150 (153).

Administrative and other operating expenses were SEK 228.4 (225.3) million in 2024, with higher rental costs attributable to the store on Drottninggatan and costs attributable to IT as two of the drivers.

## Improved operating profit

Operating profit for the fourth quarter was SEK 36.2 (24.0) million, the improvement being driven by stronger gross profit and lower warehousing and distribution costs. Administrative and other operating expenses and marketing costs also increased in the quarter.

Operating profit for 2024 was SEK 93.1 (10.9) million, the improvement being mainly driven by stronger gross profit and lower warehousing and distribution costs.

## Net financial items

Net financial items amounted to SEK -0.1 (-4.6) million in Q4 2024. The change in relation to the same quarter in the previous year is primarily attributable to lower interest expense and exchange rate fluctuations. Higher interest income linked to higher cash holdings also made a positive contribution to net financial items.

Net financial items amounted to SEK -10.8 (-13.2) million in 2024. Higher interest income and exchange rate fluctuations were contributing factors.

### Profit after tax

Profit after tax for Q4 2024 amounted to SEK 36.3 (19.7) million. The improved profit after tax for the fourth quarter is primarily attributable to higher operating profit. However, net financial items also made a positive contribution.

Profit after tax for 2024 was SEK 83.4 (-1.5) million as a result of higher operating profit. Net financial items also made a positive contribution to profit after tax compared with the same period in the previous year.

### Higher inventory balance

The inventory balance as at 31 December 2024 was SEK 172.6 (152.3) million. Goods in transit accounted for a higher proportion of the inventory balance on the reporting date than in the previous year. Inventory as a proportion of net revenue over a rolling 12-month period amounted to 15.8% (14.4%).

### Cash flow and cash and cash equivalents

Cash flow from operations for Q4 2024 amounted to SEK 71.8 (50.4) million. The positive cash flow for the quarter is primarily attributable to higher earnings.

Cash flow from operations totalled SEK 154.5 (59.3) million in 2024, primarily attributable to higher earnings.

Cash flow from investing activities amounted to SEK -2.5 (-11.0) million in Q4 2024. The investments are primarily attributable to IT and technology-related investments.

Cash flow from investing activities amounted to SEK -22.4 (-22.9) million during 2024, primarily attributable to IT and technology-related investments.

Cash flow of SEK -32.8 (-7.8) million from financing activities in Q4 is attributable to dividend of SEK 24.9 million and repayment of lease liabilities of SEK 7.9 million.

Cash and cash equivalents amounted to SEK 196.9 (121.1) million as at 31 December 2024. The payment respite for employer's contributions and tax payments amounted to SEK 95.3 (108.7) million at the end of the quarter. Dividend of SEK 24.9 million was paid to shareholders during the quarter.

Total assets at the reporting date were SEK 867.8 (799.8) million, driven by higher cash holdings. During the quarter, some of the non-current lease liabilities were moved from current to non-current liabilities, based on updated assessment of the useful life of assets.

Equity as at 31 December 2024 was SEK 237.1 (178.6) million, corresponding to an equity ratio of 27.3% (22.3%).

### Parent company

The parent company, Nelly Group AB (publ), reported revenue of SEK 1.8 (1.9) million in January to December 2024.

Administrative expenses amounted to SEK 10.1 (10.1) million for 2024.

Parent company profit before tax for 2024 was SEK 93.1 (11.4) million.

Cash and cash equivalents in the parent company amounted to SEK 10.5 million as at 31 December 2024, compared with SEK 7.9 million for the same quarter of the previous year.

## Other information

### Share data

As at 31 December 2024, Nelly Group had 30,494,832 shares issued, 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 at the reporting date, 31 December 2024, was SEK 881.3 million.

### Organisation

The average number of employees during the quarter was 150 (153), of whom 64% (62%) were women.

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

Shareholder Source: Monitor av Modular Finance AB	Capital %
Rite Ventures	34.0%
Stefan Palm**	16.6%
Mandatum Life Insurance Company	9.6%
Avanza Pension	4.0%
eQ Asset Management Oy	2.5%
Klas Bengtsson	1.7%
Nelly Group AB***	1.7%
Nordnet pensionsförsäkring	1.6%
Alexander Eskilsson	1.3%
Handelsbanken Fonder	0.6%
Other shareholders	26.4%
<b>Total</b>	<b>100%</b>

\* Based on Monitor's ownership summary for December 2024

\*\* 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.

### Nomination Committee for the annual general meeting

The Nomination Committee consists of Axel Medefelt-Westphalen, appointed by Rite Ventures, Stefan Palm, appointed by ettfemsju själ AB, and Alexander Antas, appointed by Mandatum Life Insurance Company. Axel Medefelt-Westphalen was appointed chair of the Nomination Committee.

Information about the work of the Nomination Committee is available on the company's website at [www.nellygroup.com](http://www.nellygroup.com). Shareholders who wish to make proposals to the Nomination Committee may do so in writing via email to [ir@nelly.com](mailto:ir@nelly.com) or by letter to Nelly Group AB (publ), att. Bolagssekreteraren, Box 690, 501 13 Borås, Sweden.

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

### Auditor review

This year-end 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.

Borås, 6 February 2025

Ebba Ljungerud  
Chair

Stefan Palm  
Director

Josephine Salenstedt  
Director

Daniel Hörnqvist  
Director

Axel Medefelt-Westphalen  
Director

Lennart Sparud  
Director

Helena Karlinder-Östlundh  
CEO



### **Webcast on the year-end report**

Analysts, investors and the media are invited to a [webcast](#) presentation of Q4 on 6 February at 9 a.m. 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 on 6 February 2025.*

## Condensed income statement – Group

(SEK million)	Q4 24	Q4 23	2024	2023
Net revenue	318.4	301.6	1,094.3	1,060.8
Cost of goods sold	-148.7	-150.7	-512.9	-552.9
<b>Gross profit</b>	<b>169.7</b>	<b>150.9</b>	<b>581.4</b>	<b>507.9</b>
<b>Gross margin</b>	<b>53.3%</b>	<b>50.0%</b>	<b>53.1%</b>	<b>47.9%</b>
Warehousing and distribution costs	-40.5	-45.6	-142.9	-171.3
Marketing costs	-31.0	-26.0	-117.0	-100.5
Administrative and other operating expenses	-61.9	-55.3	-228.4	-225.3
<b>Operating profit/loss</b>	<b>36.2</b>	<b>24.0</b>	<b>93.1</b>	<b>10.9</b>
<b>Operating margin</b>	<b>11.4%</b>	<b>8.0%</b>	<b>8.5%</b>	<b>1.0%</b>
Net financial items	-0.1	-4.6	-10.8	-13.2
Profit/loss before tax	36.1	19.4	82.3	-2.3
Tax	0.2	0.3	1.1	0.8
<b>Profit after tax</b>	<b>36.3</b>	<b>19.7</b>	<b>83.4</b>	<b>-1.5</b>
<b>Attributable to</b>				
<b>Parent company shareholders</b>	<b>36.3</b>	<b>19.7</b>	<b>83.4</b>	<b>-1.5</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	26.1
Average number of shares, diluted (million)	30.0	30.0	30.0	26.1
<b>Basic/diluted earnings per share (SEK)</b>	<b>1.21</b>	<b>0.66</b>	<b>2.78</b>	<b>-0.06</b>

## Consolidated statement of comprehensive income

(SEK million)	Q4 24	Q4 23	2024	2023
<b>Items reclassified or available for reclassification to profit/loss for the period</b>				
Translation differences for the period	-	0.1	-	-0.9
<b>Comprehensive income for the period</b>	<b>36.3</b>	<b>19.8</b>	<b>83.4</b>	<b>-2.4</b>
<b>Total comprehensive income attributable to</b>				
<b>Parent company shareholders</b>	<b>36.3</b>	<b>19.8</b>	<b>83.4</b>	<b>-2.4</b>
<b>Comprehensive income for the period</b>	<b>36.3</b>	<b>19.8</b>	<b>83.4</b>	<b>-2.4</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	26.1
Average number of shares, diluted (million)	30.0	30.0	30.0	26.1

## Condensed statement of financial position

(SEK million)	31 Dec 2024	31 Dec 2023
<b>Non-current assets</b>		
Goodwill	39.7	39.7
Other intangible assets	38.3	28.0
Property, plant and equipment	12.6	16.3
Right-of-use assets	238.4	267.0
Deferred tax asset (see Note 4)	76.2	75.1
Deposits (see Note 5)	38.0	38.0
<b>Total non-current assets</b>	<b>443.3</b>	<b>464.2</b>
<b>Current assets</b>		
Inventories	172.6	152.3
Current non-interest-bearing receivables	55.0	62.3
Cash and cash equivalents (see Note 5)	196.9	121.1
<b>Total current assets</b>	<b>424.6</b>	<b>335.7</b>
<b>Total assets</b>	<b>867.8</b>	<b>799.8</b>
<b>Equity</b>		
Equity attributable to parent company shareholders	237.1	178.6
<b>Total equity</b>	<b>237.1</b>	<b>178.6</b>
<b>Non-current liabilities</b>		
<b>Non-interest-bearing</b>		
Provisions	0.0	0.0
Other liabilities	42.9	-
<b>Interest-bearing</b>		
Lease liabilities	224.6	183.3
<b>Total non-current liabilities</b>	<b>267.5</b>	<b>183.3</b>
<b>Current liabilities</b>		
<b>Interest-bearing</b>		
Lease liabilities	35.8	100.3
<b>Non-interest-bearing</b>		
Trade payables	85.4	90.4
Other liabilities	81.0	110.4
Accrued expenses and deferred income	161.1	136.8
<b>Total current liabilities</b>	<b>363.3</b>	<b>438.0</b>
<b>Total equity and liabilities</b>	<b>867.8</b>	<b>799.8</b>

## Consolidated statement of changes in equity

(SEK million)	2024	2023
<b>Opening balance</b>	178.6	133.6
Comprehensive income for the period	83.4	-2.4
Effects of long-term incentive plans	0.0	0.0
Rights issue	-	47.4
Dividend	-24.9	-
<b>Closing balance</b>	<b>237.1</b>	<b>178.6</b>

## Condensed statement of cash flows

(SEK million)	Q4 24	Q4 23	2024	2023
Cash flow from operating activities before changes in working capital	55.3	36.8	140.0	47.7
Changes in working capital	16.5	13.6	14.5	11.7
<b>Cash flow from operations</b>	<b>71.8</b>	<b>50.4</b>	<b>154.5</b>	<b>59.3</b>
Investments in non-current assets	-2.5	-11.0	-22.4	-22.9
<b>Cash flow to/from investing activities</b>	<b>-2.5</b>	<b>-11.0</b>	<b>-22.4</b>	<b>-22.9</b>
Rights issue	-	-	-	47.4
Dividend	-24.9	-	-24.9	-
Repayment of lease liability	-7.9	-7.8	-31.5	-27.6
Changes in financial assets	0.0	0.0	0.0	-2.0
<b>Cash flow to/from financing activities</b>	<b>-32.8</b>	<b>-7.8</b>	<b>-56.4</b>	<b>17.8</b>
<b>Change in cash and cash equivalents for the period</b>	<b>36.5</b>	<b>31.6</b>	<b>75.8</b>	<b>54.2</b>
<b>Cash and cash equivalents at start of period</b>	<b>160.4</b>	<b>90.4</b>	<b>121.1</b>	<b>66.8</b>
Translation difference cash and cash equivalents	-	-1.0	-	0.1
<b>Cash and cash equivalents at end of period</b>	<b>196.9</b>	<b>121.1</b>	<b>196.9</b>	<b>121.1</b>

## Depreciation and amortisation of non-current assets

(SEK million)	Q4 24	Q4 23	2024	2023
Depreciation of property, plant and equipment	-1.0	-1.2	-4.9	-3.8
Amortisation of intangible assets	-3.8	-2.3	-10.9	-10.6
<b>Depreciation and amortisation (not including IFRS 16)</b>	<b>-4.8</b>	<b>-3.5</b>	<b>-15.8</b>	<b>-14.4</b>
Amortisation of right-of-use assets	-8.9	-9.3	-36.7	-34.1
<b>Depreciation and amortisation (including IFRS 16)</b>	<b>-13.7</b>	<b>-12.8</b>	<b>-52.5</b>	<b>-48.5</b>

## Net revenue by geographical area

(SEK million)	Q4 24	Q4 23	2024	2023
Sweden	160.1	158.0	559.0	548.9
<b>The Nordic region, including Sweden</b>	<b>312.5</b>	<b>297.5</b>	<b>1,077.7</b>	<b>1,043.3</b>
Rest of world	5.9	4.2	16.6	17.5
<b>All regions</b>	<b>318.4</b>	<b>301.6</b>	<b>1,094.3</b>	<b>1,060.8</b>



## Condensed income statement – parent company

(SEK million)	2024	2023
Net revenue	1.8	1.9
Gross profit	1.8	1.9
Administrative expenses	-10.1	-10.1
Operating profit/loss	-8.3	-8.3
<b>FINANCIAL INCOME AND EXPENSES</b>		
Net financial items	-0.6	-0.3
Profit/loss after financial items	-8.9	-8.6
<b>APPROPRIATIONS</b>		
Group contributions received	102.0	20.0
Profit/loss before tax	93.1	11.4
Tax	-	-
Profit/loss for the period*	93.1	11.4

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



## Condensed statement of financial position – parent company

(SEK million)	31 Dec 2024	31 Dec 2023
<b>Non-current assets</b>		
Investments in Group companies	247.1	247.1
Deferred tax asset	71.7	71.7
<b>Total non-current assets</b>	<b>318.8</b>	<b>318.8</b>
<b>Current assets</b>		
Current non-interest-bearing receivables	1.7	2.1
Receivables from subsidiaries	38.8	-
<b>Total current receivables</b>	<b>40.5</b>	<b>2.1</b>
Cash and bank balances	10.5	7.9
<b>Total cash and cash equivalents</b>	<b>10.5</b>	<b>7.9</b>
<b>Total current assets</b>	<b>51.1</b>	<b>10.0</b>
<b>Total assets</b>	<b>369.8</b>	<b>328.8</b>
<b>Equity</b>		
Restricted equity	31.3	31.3
Non-restricted equity	327.3	259.0
<b>Total equity</b>	<b>358.6</b>	<b>290.3</b>
<b>Non-current liabilities</b>		
<b>Non-interest-bearing</b>		
Provisions	0.0	0.0
Other liabilities	8.5	-
<b>Total non-current liabilities</b>	<b>8.5</b>	<b>0.0</b>
<b>Current liabilities</b>		
Liabilities to Group companies	-	26.8
Non-interest-bearing liabilities	2.8	11.7
<b>Total current liabilities</b>	<b>2.8</b>	<b>38.5</b>
<b>Total liabilities</b>	<b>11.3</b>	<b>38.5</b>
<b>Total equity and liabilities</b>	<b>369.8</b>	<b>328.8</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) as reported in the most recently adopted annual report. More information can be found in Note 7 of the 2023 annual report.

## Note 5 – Deposits

SEK 30.0 million has been reclassified 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 interim report for the first quarter of 2025  
will be presented on 24 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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