



INVESTOR PRESENTATION

Q1 2021

21 APRIL 2021

NELLY

Join our community of a *fab-loving* generation

We are building a company that shall generate sustainable and attractive returns. A key fundamental for this is our loved community powered brand – enabling high frequency, low cost of sales and appealing margins.



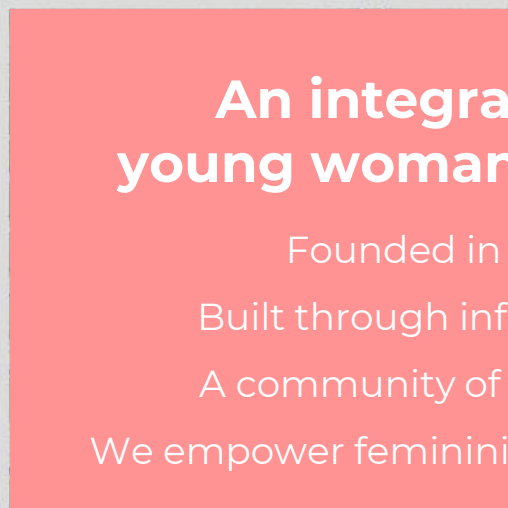
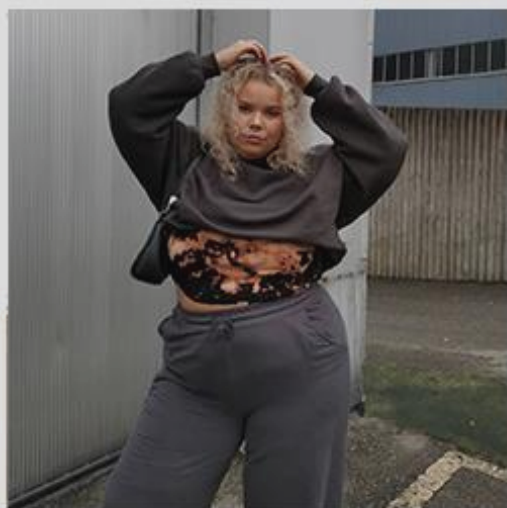
Kristina Lukes
CEO



John Afzelius, CFA
CFO

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An integral part of the young woman's everyday life

Founded in 2004 in Borås

Built through influencer marketing

A community of Nordic consumers

We empower femininity and make her feel fab



First quarter 2021 highlights

**Net Revenue
Growth**

**Strong
Inventory
Turnover**

**SEK 27m
Operating
Result
Improvement**

**Warehouse
Automation
Progressing
Well**

Q1 2021 Income statement

Net revenue increased **3.0%**,
5.5% in local currencies
SEK 13m gross margin
improvement

SEK 15m lower costs through the
Nelly business and due to Borås
integration of Group functions

SEK 6m marketing spend
increased due to new initiatives
and higher performance
marketing costs

SEK 27m EBIT increase due to
higher efficiency, focus on the
Nordics and lower return rate

(SEK million)	Q1 20	Q1 21	
Net revenue	303	312	
Gross profit	124	136	+13
<i>Gross margin</i>	<i>40.9%</i>	<i>43.7%</i>	
Fulfilment and distribution cost	-63	-54	+9
Marketing cost	-26	-32	-6
Admin and other operating cost	-77	-65	+12
Operating profit or loss	-43	-15	+27
<i>Operating margin</i>	<i>-14.1%</i>	<i>-4.8%</i>	



Q1 2021 – Other Highlights

Warehouse Project Update

- First deliveries from new warehouse expected early Q3
- **SEK 35m** annual cost improvement targeted
- **SEK 110m** capex and **SEK 35-45m** project costs expected

Strong Inventory Turnover

- Turnover on in-season stock nearly doubled
- Inventory down **28%** YoY
- Focus on outgoing season stock levels continues to support margins and return on capital

Solid Cash Position and Sound Balance Sheet

- **SEK 185m** cash position in seasonally cash draining quarter
- High inventory turnover supportive of cash generation
- Low volumes of Q4 returns received

A photograph of three women standing on a set of white stone steps. In the background, there is a large, light-colored classical sculpture of a seated figure. The woman on the left has long blonde hair and is wearing a black and white plaid, off-the-shoulder, long-sleeved dress with a matching belt. The woman in the middle has long, wavy brown hair and is wearing a white t-shirt tucked into black, shiny, high-waisted pants. She has her arms crossed. The woman on the right has long, straight black hair and is wearing a dark grey, long-sleeved, high-waisted dress with a wide, black, studded belt. She has her hand on her hip. The text 'Nelly – A Platform for Inspiration' is overlaid in white, bold font across the center of the image.

Nelly – A Platform for Inspiration

Nelly today: A leading Nordic fashion experience

THE HUB

Situated in the Swedish heart of E-Commerce and Fashion
Borås

2021 new automated high-capacity warehouse

NELLY

Inspirational head to toe look
Mix of Own Brands, must have brands & Co-Labs
Worn by icons / by customers in "her channels"
Sold through own inspirational platforms and B2B presence

NLY MAN

The group also consists of the Brand NLYman, targeting the growing online Men's segment

This is how we utilize our platform and expand our business



An engaging community

biancaingrosso 

207 113 visningar · Gillas av moaforseen och alexivogn
biancaingrosso Advertisement for @nellycom
New amazing campaign for the best @nellycom is finally LIVE 🍷
I truly have the best time ever with the funniest, craziest and most inspiring women at @nellycom
Visa alla 211 kommentarer
anty 🥰🥰🥰
ramihanna 🔥🔥🔥
För 4 dagar sedan · Visa översättning

biancaingrosso 
Strandvägen 1

linnahlborg 

Gillas av svenssoncaroline och 55 307 andra
linnahlborg It's quite sick when you think about it, that I have shopped and loved @nellycom since I was 15 years old and today that same little kid is FRONTING A FUC * ING CAMPAIGN for them 🥰🥰🥰 Thank you for today the whole team, you are incredible! 💜

stephanies

289 gilla-markeringar
stephanies Quick response and helpful staff. Love that you get a answer with a greeting about: a dreamy day! It makes your day! Thank you 💜
17 mars · Visa översättning

**Our community based platform
enables short time-to-market
on all emerging trends**



1.3 M

FOLLOWERS ON
SOCIAL MEDIA



19%

OF TARGET
GROUP VISIT
US WEEKLY



1.2 M

ACTIVE
CUSTOMERS



2.7 M

ORDERS

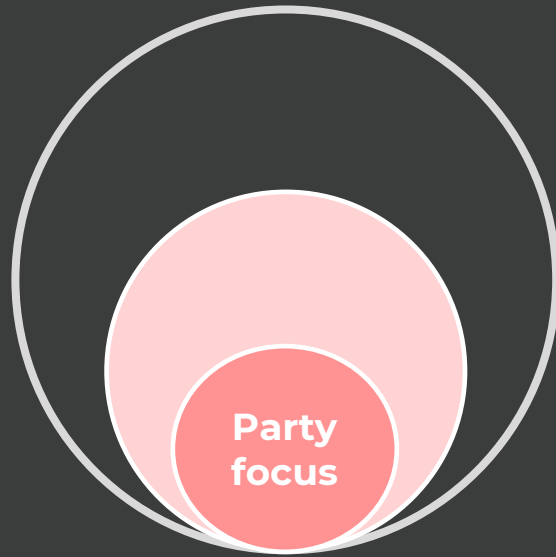


**This is Denise,
she shops 18 times a year
for her appearance**



Encourage her to always feel fab with a head-to-toe look – and needs beyond fashion

Our strategy
for growth



Fashion market

Low frequency needs catering



Fashion market

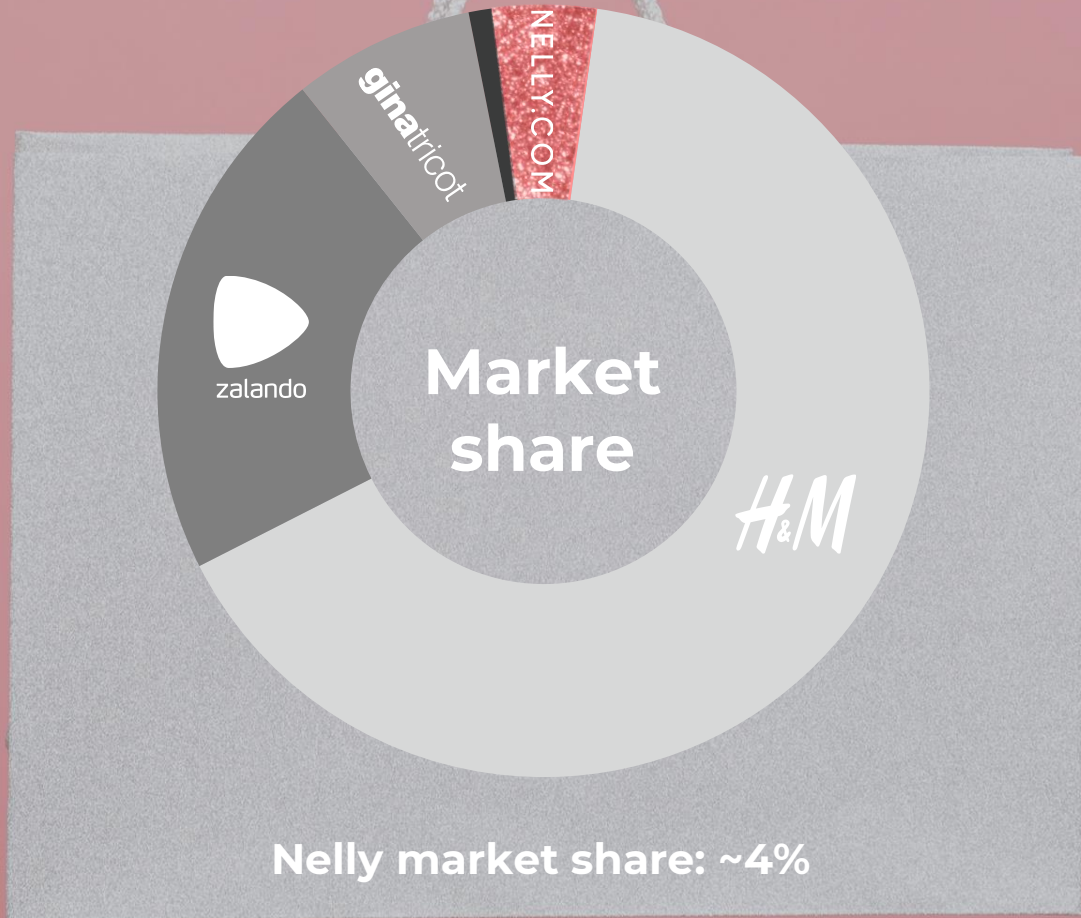
High frequency needs catering



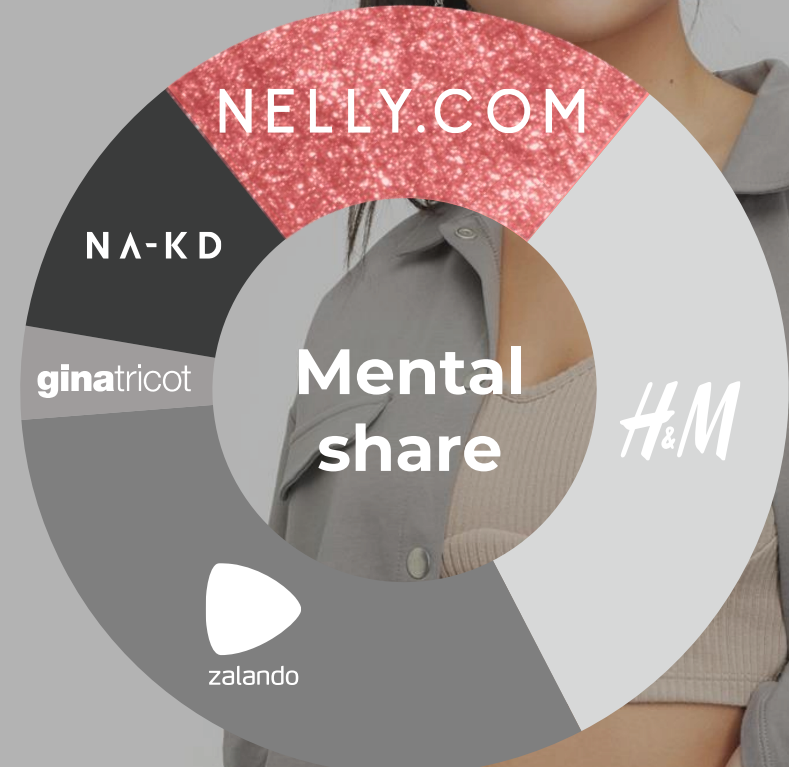
Feel fab market

High frequency made possible by catering all her appearance needs

Nelly is a large brand in the mind of the young Nordic fashionista



Nelly market share: ~4%



Nelly mental share: Sizewise close to H&M and Zalando

Celebrating every day – life is a party



Introducing a new high-capacity automated warehouse

- 35 000 sqm, opens summer 2021
- Located in e-com center Borås
- Standardized automation system (AutoStore)



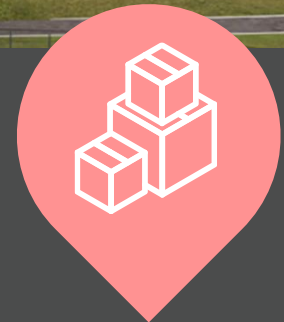
Cost efficiency



Time to customer



**Improved environmental
footprint**



Room for growth

Shaping a sound and sustainable Nelly, with her

**Empower
femininity**



**60% female representation
in Board of Directors and
Executive Management**

**Respect
the planet**



**Reduction of emission by
46% in own operations**

**Fair &
Equal**



**Improved transparency
through public list of suppliers**

Board of Directors

Louise Nylén
Board Director



Maj-Louise Pizzelli
Board Director



Josephine Salenstedt
Board Director



Christoffer Häggblom
Board Director

Stina Westerstad
Board Director

Mathias Pedersen
Chairman of the Board



LOVE,

Neilly

Andreas Drougge
CTO

John Afzelius
CFO

Stefan Svensson
COO

Therese Knutsson
CHRO

Mimi Darin
CCO



Maria Segergren
CAO

Kristina Lukes
CEO

Executive
Management





Thanks!