

A woman with long dark hair, wearing a white short-sleeved crop top and black wide-leg trousers, stands on a stone ledge overlooking a swimming pool. The pool is surrounded by lush greenery and outdoor furniture. The scene is brightly lit, suggesting a sunny day.

Interim report Q2 2025

1 JANUARY TO 30 JUNE

NELLY

Nelly Group interim report for the second quarter of 2025

Q2 2025 – Financial highlights

- Net revenue was SEK 361.7 (314.1) million, corresponding to a rise of 15.1% (8.8%)
- Gross profit was SEK 196.9 (171.9) million, corresponding to a gross margin of 54.5% (54.7%)
- Operating profit was SEK 55.4 (30.5) million, corresponding to an operating margin of 15.3% (9.7%)
- Profit after tax was SEK 52.4 (26.7) million, corresponding to earnings per share of SEK 1.75 (0.89)
- Cash flow from operating activities was SEK 104.1 (105.8) million
- Cash and cash equivalents as at 30 June amounted to SEK 259.6 (189.9) million, with credit facilities unutilised

H1 2025 – Financial highlights

- Net revenue was SEK 609.4 (536.3) million, corresponding to a rise of 13.6% (2.6%)
- Gross profit was SEK 324.8 (281.1) million, corresponding to a gross margin of 53.3% (52.4%)
- Operating profit was SEK 75.3 (31.9) million, corresponding to an operating margin of 12.4% (5.9%)
- Profit after tax was SEK 68.8 (24.8) million, corresponding to earnings per share of SEK 2.29 (0.83)
- Cash flow from operating activities was SEK 90.9 (101.2) 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

Accelerated growth and improved profitability in the second quarter

Nelly reported both higher growth and improved profitability in the second quarter compared to the same quarter in the previous year. Net revenue increased by 15.1% (8.8%) to SEK 361.7 (314.1) million. Operating profit rose to SEK 55.4 (30.5) million, corresponding to an operating margin of 15.3% (9.7%). This positive trend was also reflected in the half-year result, with net revenue increasing 13.6% (2.6%) and operating profit rising to SEK 75.3 (31.9) million.

A growing customer base driven by the right assortment and marketing activities

The favourable development we have seen in the customer base over recent quarters was sustained. Online traffic rose by 8.5% compared to the previous year and the number of orders increased by 14.3%. Continued strong new customer acquisition, combined with an improved repurchase rate, resulted in the number of active customers increasing for the third consecutive quarter. This confirms that our customer offering is attractive and that more effective marketing activities are delivering results.

The 2025 spring and summer collection has performed well, with improvements across several areas, particularly during the second quarter. Priority categories such as jeans, tops, and knitwear accounted for a significant share of the growth, while the return rate improved once again to 28.4% (31.3%), driven by the cross-functional return strategy we continue to implement. The share of sales from Nelly's own brands increased to 54.8% (43.8%), while we also achieved strong growth across many of our external brands. It is worth highlighting that the link between increased sales of our own brands and improved gross margin, which we have historically seen, was not as pronounced in the second quarter. This was due mainly to a deliberate decision to maintain attractive and dynamic pricing for our customers despite higher production costs particularly in Turkey as well as quality improvements we have made on several of our bestselling products. As a result, gross margin decreased slightly in the second quarter to 54.5% (54.7%).

The strong assortment and growing customer base also enabled further improvements in our customer communication during the second quarter. Marketing costs as a proportion of net revenue decreased to 10.0% (13.0%), and profitability per order improved compared to the previous year.

We continued to invest in our social channels to strengthen the Nelly brand and build long-term customer loyalty. A larger share of the total advertising budget was allocated to these platforms, and we increased organic content to continuously drive engagement and traffic.

Continued focus on creating a truly differentiated customer experience

The positive customer response we have received is pleasing and gives us confidence that we need to continue to create an even more differentiated and attractive offering. Despite the strong growth that has already been achieved in Nelly's own brands, there is still significant potential to establish our position in more categories, thereby also expanding average basket size. In parallel, we continue to refine our external brand portfolio and will launch several new partnerships with well-known international brands going forward. Alongside these initiatives, we announced at the end of the second quarter that our store concept, which has been so successful in Stockholm, will expand to Denmark this autumn with a flagship store on Strøget, Copenhagen's busiest shopping street. We have an exciting autumn ahead of us.

As always, I would like to conclude with a heartfelt thank you – to all our incredible customers, both new and returning, and of course to the entire Nelly team. I never cease to be impressed by the creativity, talent, and dedication I'm surrounded by every day, and I'm proud of everything we have achieved together.



Helena Karlinder-Östlund, CEO of Nelly Group AB

Key ratios and alternative performance measures

	Q2 25	Q2 24	H1 25	H1 24
Net revenue growth	15.1%	8.8%	13.6%	2.6%
Gross margin	54.5%	54.7%	53.3%	52.4%
Warehousing and distribution costs as a proportion of net revenue	11.8%	13.4%	12.0%	13.9%
Marketing costs as a proportion of net revenue	10.0%	13.0%	10.0%	11.6%
Operating margin	15.3%	9.7%	12.4%	5.9%
Return rate	28.4%	31.3%	26.9%	32.1%
Inventory share of net revenue LTM	14.7%	14.5%	14.7%	14.5%
Proportion of sales of own brands	54.8%	43.8%	52.9%	42.2%
No. of active customers Nordics LTM (000)*	968	926	968	926
No. of sessions Nordics (000)*	26,925	24,826	48,478	43,834
No. of orders Nordics (000)*	574	502	973	871
Average order value Nordics*	754	809	753	809
Conversion rate Nordics*	2.1%	2.0%	2.0%	2.0%
No. of employees	157	151	151	151
Proportion of women employed	64%	60%	64%	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 1.4 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.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 second quarter and first half-year

Revenue development

Net revenue for Q2 2025 amounted to SEK 361.7 (314.1) million, corresponding to an increase of 15.1% (8.8%). 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 28.4% (31.3%). The proportion of sales of own brands increased to 54.8% (43.8%) during Q2 2025. In local currencies, net revenue increased by 18.2% in Q2.

Net revenue for the first half of 2025 amounted to SEK 609.4 (536.3) million, corresponding to an increase of 13.6% (2.6%). The change is explained as for the quarter by higher online sales before returns, a lower return rate and higher sales in the physical store. In local currencies, net revenue increased by 15.8% in the first half of the year.

Change in gross margin

The gross margin fell slightly to 54.5% (54.7%) in Q2 2025. Higher campaign activity to customers in the quarter made a negative contribution to the gross margin. Higher own-brand sales made a positive contribution to the gross margin but did not fully compensate for the higher campaign activity. Overall, currency effects had a negative impact on the gross margin compared with the same quarter of the previous year. The gross margin was primarily affected negatively by weaker NOK and DKK but also positively by weaker USD and EUR.

The gross margin increased to 53.3% (52.4%) in the first half 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, driven by the same factors as for the quarter.

Change in warehousing and distribution costs

Warehousing and distribution costs amounted to SEK 42.7 (42.1) million during the second quarter of the year. Measured as a proportion of net revenue, the costs amounted to 11.8% (13.4%). 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 73.0 (74.4) million in the first half of 2025. Measured as a proportion of net revenue, costs amounted to 12.0% (13.9%). 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.

Lower marketing costs

Marketing costs for Q2 2025 amounted to SEK 36.2 (40.9) million. The costs in the quarter are primarily attributable to paid advertising. Measured as a proportion of net revenue, the marketing costs amounted to 10.0% (13.0%) in the second quarter.

Marketing costs amounted to SEK 60.7 (62.2) million during the first half of 2025. As for the quarter, they were primarily attributable to paid advertising. Measured as a proportion of net revenue, marketing costs amounted to 10.0% (11.6%) in the first half of the year.

Administrative and other operating expenses

Nelly Group's administrative and other operating expenses in Q2 were SEK 62.6 (58.5) million. The increase compared to the second quarter of 2024 is mainly on account of higher employee benefit expenses, driven by the incentive plan adopted at the AGM. The number of employees for Q2 2025 was 157 (151).

Administrative and other operating expenses were SEK 115.7 (112.6) million in the first half of the year, with the change being driven by the same factors as for the quarter.

Improved operating profit

Operating profit for the second quarter was SEK 55.4 (30.5) million, the improvement being driven by stronger gross profit and lower marketing costs.

Operating profit for the first half of the year was SEK 75.3 (31.9) million, the improvement being driven by stronger gross profit and lower warehousing, distribution and marketing costs.

Net financial items

Net financial items amounted to SEK -3.0 (-4.0) million in Q2 2025. Expenses for the quarter are primarily attributable to interest on lease liabilities and tax respite.

Net financial items for the first half of 2025 amounted to SEK -6.7 (-7.7) million. Expenses for the first half of the year are primarily attributable to interest on lease liabilities and tax respite.

Profit after tax

Profit after tax for Q2 2025 was SEK 52.4 (26.7) million. The improved profit after tax for the second quarter is attributable to higher operating profit, driven primarily by stronger gross profit.

Profit after tax for the first half of 2025 was SEK 68.8 (24.8) million as a result of higher operating profit.

Higher inventory balance

The inventory balance amounted to SEK 172.0 (155.8) million as at 30 June 2025. Inventory as a proportion of net revenue over a rolling 12-month period amounted to 14.7% (14.5%).

Cash flow and cash and cash equivalents

Cash flow from operations for Q2 2025 amounted to SEK 104.1 (105.8) million. The change compared with the same quarter of the previous year is primarily attributable to changes in other operating receivables. Tax respite of SEK 25.7 million was repaid during the quarter. At the same time, stronger earnings made a positive contribution to cash flow from operations.

Cash flow from operations amounted to SEK 90.9 (101.2) million during the first half of 2025.

Cash flow from investing activities amounted to SEK -9.2 (-7.2) million in Q2 2025. The investments are primarily attributable to IT and technology-related investments.

Cash flow from investing activities amounted to SEK -12.7 (-16.8) million during the first half of 2025, primarily attributable to IT and technology-related investments.

Cash flow of SEK -7.9 (-4.7) million from financing activities in Q2 is attributable to repayment of lease liabilities.

Cash flow of SEK -15.6 (-15.7) million from financing activities in the first half of the year is attributable to repayment of lease liabilities, as for the quarter.

Cash and cash equivalents amounted to SEK 259.6 (189.9) million as at 30 June 2025. The payment respite for employer's contributions and tax payments amounted to SEK 69.5 (105.6) million at the end of the quarter.

Total assets at the reporting date were SEK 913.8 (854.5) million as a result of higher cash and inventory balance. Equity as at 30 March 2025 was SEK 306.2 (203.3) million, corresponding to an equity/assets ratio of 33.5% (23.8%).

Parent company

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

Administrative expenses amounted to SEK 5.4 (5.2) million for January to June 2025.

The parent company's profit/loss before tax for January to June 2025 amounted to SEK -5.6 (-5.5) million.

Cash and cash equivalents in the parent company amounted to SEK 3.1 million as at 30 June 2025, compared with SEK 4.8 million as at 30 June of the previous year.

Other information

Share data

As at 30 June 2025, Nelly Group AB 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 June 2025, was SEK 1,298 million.

Organisation

The average number of employees during the quarter was 157 (151), of whom 64% (60%) 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	3.8%
Klas Bengtsson	2.2%
Nordnet Pensionsförsäkring	2.1%
Nelly Group AB***	1.7%
eQ Asset Management Oy	1.5%
Alexander Eskilsson	1.3%
Handelsbanken Fonder	1.3%
Other shareholders	25.9%
Total	100%

* Based on Monitor's ownership summary for June 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 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 2024, pages 47–48.

Declaration by the Board

The Board and CEO certify that this interim report provides a fair overview of the parent company's and the Group's operations, financial position and financial performance and describes material risks and uncertainties faced by the parent company and Group companies.

Borås, 15 July 2025

Ebba Ljungerud
Chair of the Board

Mikaela Willman
Board member

Stefan Palm
Board member

Josephine Bernadotte
Board member

Lennart Sparud
Board member

Lars Axelsson
Board member

Helena Karlinder-Östlundh
CEO

Webcast on the interim report

Analysts, investors and the media are invited to a [webcast](#) on Q2 on 15 July at 09:00 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 and the Securities Market Act. The information was released for publication through the agency of the above-mentioned contacts at 08:00 on 15 July 2025.

Condensed consolidated income statement

(SEK million)	Q2 25	Q2 24	H1 25	H1 24	R12	2024
Net revenue	361.7	314.1	609.4	536.3	1,167.4	1,094.3
Cost of goods sold	-164.7	-142.2	-284.7	-255.2	-542.3	-512.9
Gross profit	196.9	171.9	324.8	281.1	625.1	581.4
Gross margin	54.5%	54.7%	53.3%	52.4%	53.5%	53.1%
Warehousing and distribution costs	-42.7	-42.1	-73.0	-74.4	-141.6	-142.9
Marketing costs	-36.2	-40.9	-60.7	-62.2	-115.5	-117.0
Administrative and other operating expenses	-62.6	-58.5	-115.7	-112.6	-231.5	-228.4
Operating profit	55.4	30.5	75.3	31.9	136.6	93.1
Operating margin	15.3%	9.7%	12.4%	5.9%	11.7%	8.5%
Net financial items	-3.0	-4.0	-6.7	-7.7	-9.8	-10.8
Profit before tax	52.4	26.4	68.6	24.2	126.8	82.3
Tax	0.1	0.3	0.2	0.6	0.6	1.1
Profit after tax	52.4	26.7	68.8	24.8	127.4	83.4
Attributable to						
Parent company shareholders	52.4	26.7	68.8	24.8	127.4	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)	1.75	0.89	2.29	0.83	4.25	2.78

Consolidated statement of comprehensive income

(SEK million)	Q2 25	Q2 24	H1 25	H1 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	52.4	26.7	68.8	24.8	127.4	83.4
Total comprehensive income attributable to						
Parent company shareholders	52.4	26.7	68.8	24.8	127.4	83.4
Comprehensive income for the period	52.4	26.7	68.8	24.8	127.4	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

Condensed consolidated statement of financial position

(SEK million)	2025-06-30	2024-06-30	2024-12-31
Non-current assets			
Goodwill	39.7	39.7	39.7
Other intangible assets	41.7	39.6	38.3
Property, plant and equipment	12.1	14.6	12.6
Right-of-use assets	221.9	248.9	238.4
Deferred tax asset (see Note 4)	76.4	75.7	76.2
Deposits (see Note 5)	37.0	38.0	38.0
Total non-current assets	428.8	456.5	443.3
Current assets			
Inventories	172.0	155.8	172.6
Current non-interest-bearing receivables	53.4	52.2	58.8
Cash and cash equivalents (see Note 5)	259.6	189.9	196.9
Total current assets	485.0	398.0	428.4
Total assets	913.8	854.5	871.6
Equity			
Equity attributable to parent company shareholders	306.2	203.3	237.1
Total equity	306.2	203.3	237.1
Non-current liabilities			
Non-interest-bearing			
Provisions	0.0	0.0	0.0
Other liabilities	37.6	69.6	42.9
Interest-bearing			
Lease liabilities	210.8	172.2	224.6
Total non-current liabilities	248.4	241.8	267.5
Current liabilities			
Interest-bearing			
Lease liabilities	33.8	96.2	35.8
Non-interest-bearing			
Trade payables	119.3	123.7	85.4
Other liabilities	71.2	63.5	84.8
Accrued expenses and deferred income	135.0	126.0	161.1
Total current liabilities	359.2	409.3	367.1
Total equity and liabilities	913.8	854.5	871.6

Condensed consolidated statement of changes in equity

(SEK million)	H1 25	H1 24	2024
Opening balance	237.1	178.6	178.6
Comprehensive income for the period	68.8	24.8	83.4
Share-based remuneration	0.3	-	-
Dividend	-	-	-24.9
Closing balance	306.2	203.3	237.1

Condensed statement of cash flows

(SEK million)	Q2 25	Q2 24	H1 25	H1 24	2024
Cash flow from operating activities before changes in working capital	64.9	38.4	94.3	50.1	140.0
Changes in working capital	39.3	67.4	-3.4	51.2	14.5
Cash flow from operations	104.1	105.8	90.9	101.2	154.5
Investments in non-current assets	-9.2	-7.2	-12.7	-16.8	-22.4
Cash flow from investing activities	-9.2	-7.2	-12.7	-16.8	-22.4
Directed share issue	0.0	-	0.0	-	-
Repayment of lease liability	-7.9	-7.9	-15.6	-15.7	-31.5
Changes in financial assets	-	3.2	-	-	-
Dividend	-	-	-	-	-24.9
Cash flow from financing activities	-7.9	-4.7	-15.6	-15.7	-56.4
Change in cash and cash equivalents for the period	87.1	93.9	62.6	68.8	75.8
Cash and cash equivalents at start of period	172.6	96.0	196.9	121.1	121.1
Translation difference, cash and cash equivalents	-	-	-	-	-
Cash and cash equivalents at end of period	259.6	189.9	259.6	189.9	196.9

Depreciation and amortisation of non-current assets

(SEK million)	Q2 25	Q2 24	H1 25	H1 24
Depreciation of property, plant and equipment	-1.2	-1.3	-2.3	-2.5
Amortisation of intangible assets	-3.8	-2.2	-7.5	-4.4
Depreciation and amortisation (not including IFRS 16)	-4.9	-3.5	-9.8	-6.9
Depreciation of right-of-use assets	-8.3	-9.3	-16.6	-18.6
Depreciation and amortisation (including IFRS 16)	-13.2	-12.8	-26.4	-25.5

Net revenue by geographical area

(SEK million)	Q2 25	Q2 24	H1 25	H1 24
Sweden	191.4	163.6	317.9	276.2
The Nordic region, including Sweden	352.4	310.9	592.3	530.2
Rest of world	9.2	3.1	17.1	6.1
All regions	361.7	314.1	609.4	536.3



Condensed income statement – parent company

(SEK million)	H1 25	H1 24	2024
Net revenue	-	-	1.8
Gross profit	-	-	1.8
Administrative expenses	-5.4	-5.2	-10.1
Operating profit	-5.4	-5.2	-8.3
FINANCIAL INCOME AND EXPENSES			
Net financial items	-0.2	-0.3	-0.6
Profit/loss after financial items	-5.6	-5.5	-8.9
APPROPRIATIONS			
Group contributions received	-	-	102.0
Profit before tax	-5.6	-5.5	93.1
Tax	-	-	-
Profit/loss for the period*	-5.6	-5.5	93.1

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



Condensed statement of financial position – parent company

(SEK million)	2025-06-30	2024-06-30	2024-12-31
Non-current assets			
Investments in subsidiaries	247.2	247.1	247.1
Deferred tax asset	71.7	71.7	71.7
Total non-current assets	318.9	318.8	318.8
Current assets			
Current non-interest-bearing receivables	3.3	3.4	1.7
Receivables from subsidiaries	38.0	-	38.8
Total current receivables	41.3	3.4	40.5
Cash and bank balances	3.1	4.8	10.5
Total cash and cash equivalents	3.1	4.8	10.5
Total current assets	44.4	8.3	51.1
Total assets	363.3	327.0	369.8
Equity			
Restricted equity	31.3	31.3	31.3
Non-restricted equity	321.9	253.6	327.3
Total equity	353.2	284.9	358.6
Non-current liabilities			
Non-interest-bearing			
Provisions	0.0	0.0	0.0
Other liabilities	3.0	7.0	4.0
Total non-current liabilities	3.0	7.0	4.0
Current liabilities			
Liabilities to Group companies	-	29.1	-
Non-interest-bearing liabilities	7.1	6.0	7.3
Total current liabilities	7.1	35.2	7.3
Total liabilities	10.1	42.2	11.3
Total equity and liabilities	363.3	327.0	369.8

Definitions of key ratios and alternative performance measures

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

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

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

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

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

Closing inventory balance divided by net revenue over a rolling 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.

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 – Deposits

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.





Financial calendar

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

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



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