Nelly Group

INVESTOR PRESENTATION

Q2 2026

15 July 2026

Nelly Group Q2 2026 Presentation

Helena Karlinder-Östlundh
CEO

Josefin Dalum
CFO

ir@nelly.com

www.nellygroup.com

NELLY

Today’s presentation

- Introduction to NELLY
- CEO’s comments on Q2 2026
- Financial summary
- Q&A

Today's presentation

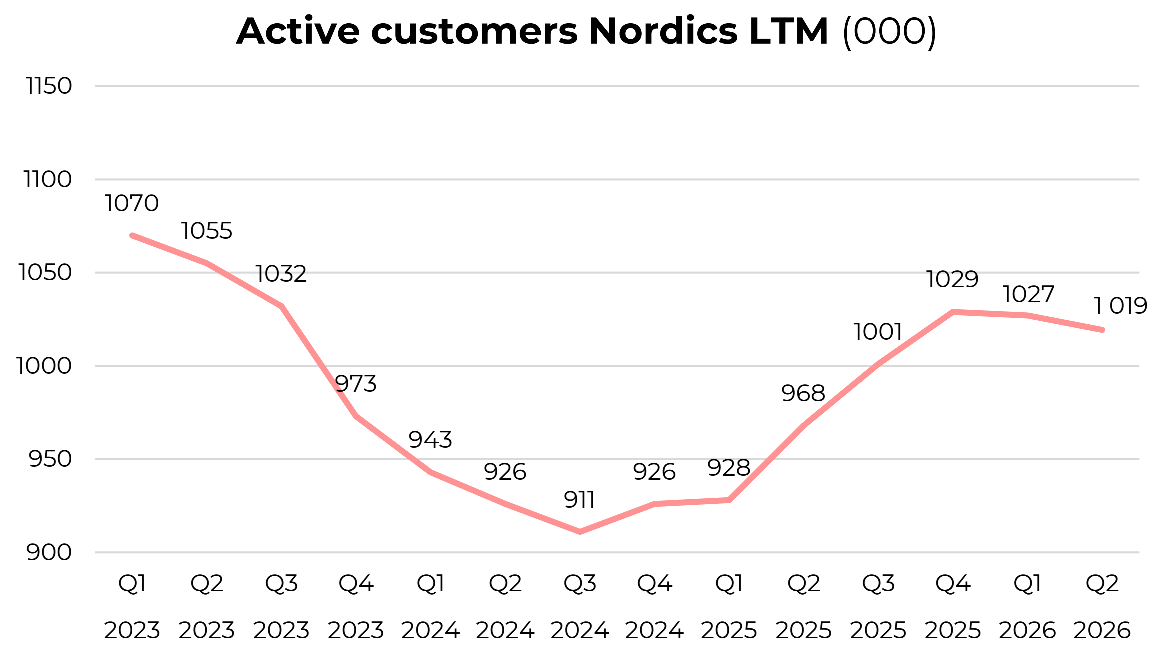
- Introduction to NELLY
- **CEO's comments on Q2 2026**
- Financial summary
- Q&A

Overall, a weak quarter

- Net revenue -4.3% (15.1%)
- Operating margin 9.3% (15.3%)
- Operating profit 32.3 MSEK (55.4 MSEK)
- H1 profitable – a sign of firmer foundations

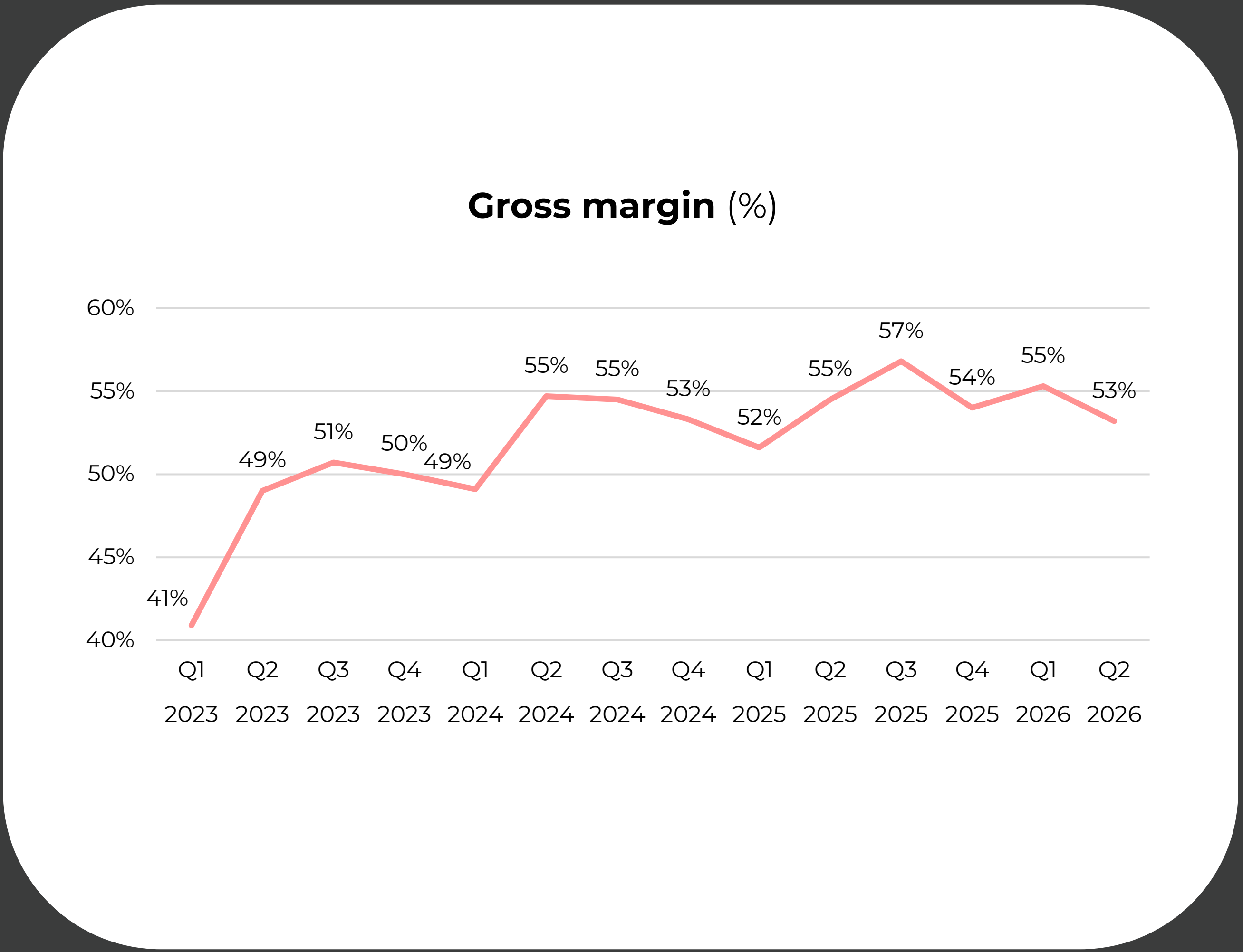
NELLY

Active customers



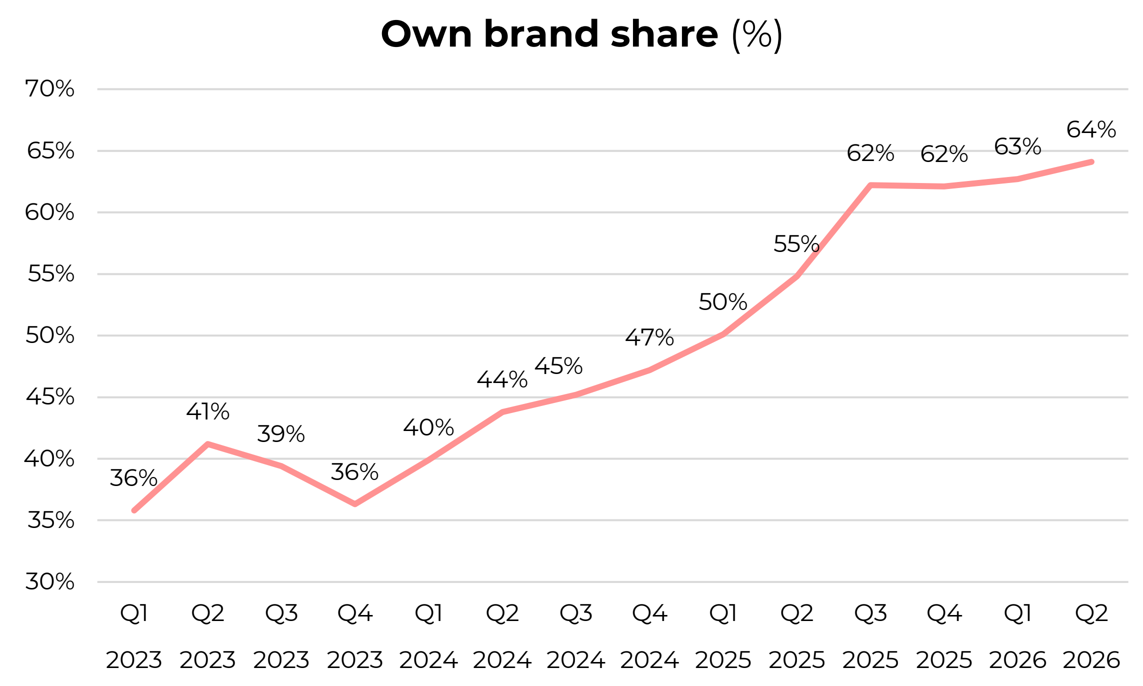
- Returning customers a larger share in Q2
- New customer recruitment held back by weaker assortment
- Germany gaining traction
- Growth in customer base dependent on strong assortment

Gross margin



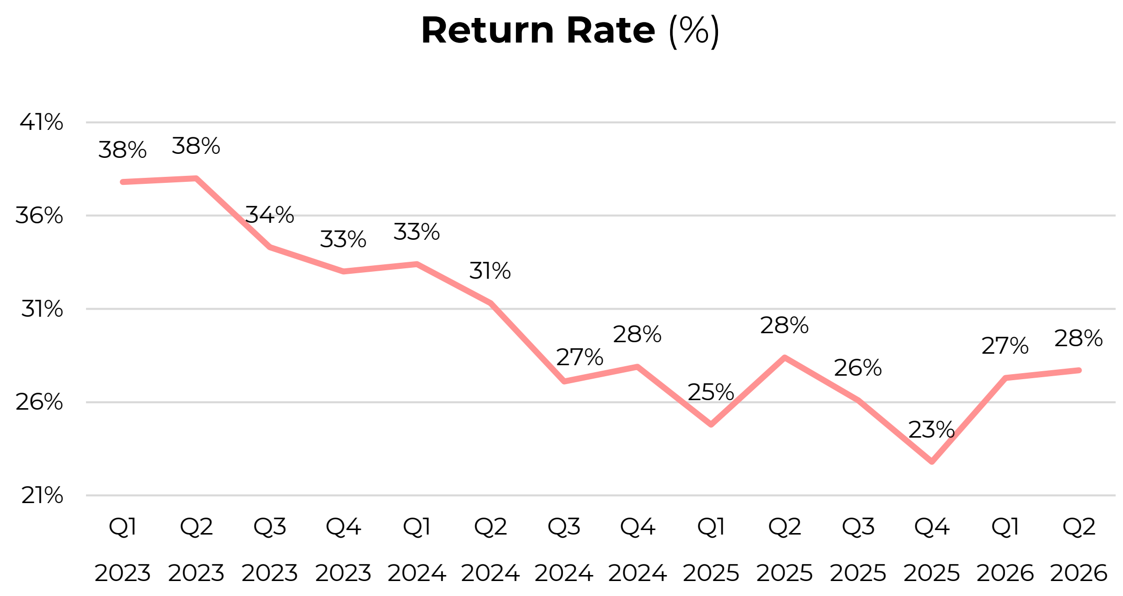
- 53.2% (54.5%)
- Discounting weighed on the margin
- Required to drive SS26 sell-through
- Higher own-brand share contributed positively

Own brand share



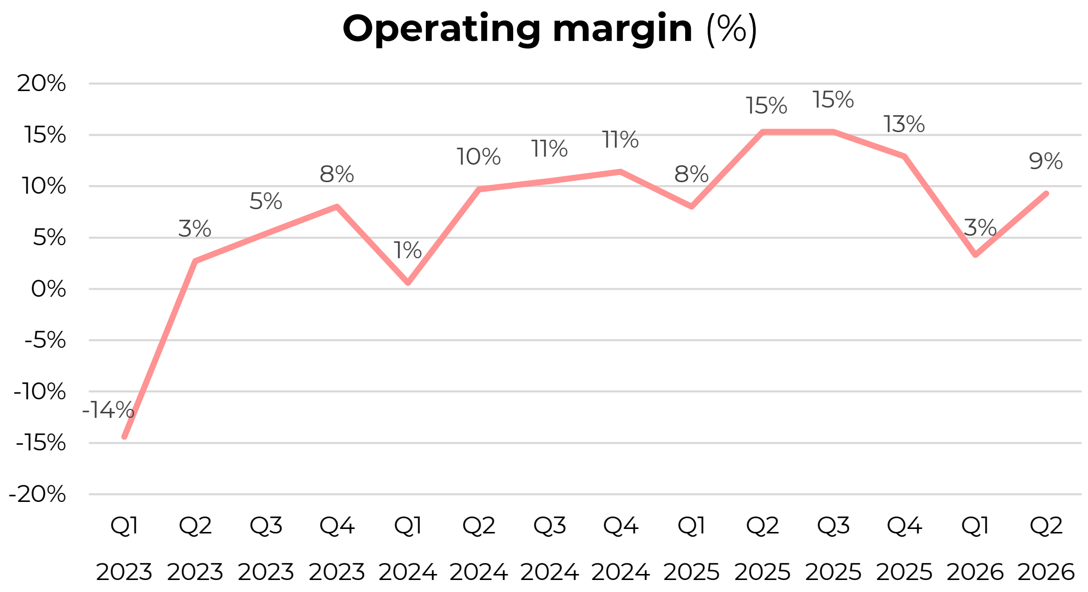
- 64.1% (54.8%)
- Growth in jeans, pants and knitwear
- Tops – a key category – fell short in Q2
- The perfectly curated mix of own and external brands strategically key for NELLY

Return rate



- 27.7% (28.4%)
- Driven by category mix and specific trends
- Directly linked to strength in assortment
- Preventing unnecessary returns remains a priority

Operating margin



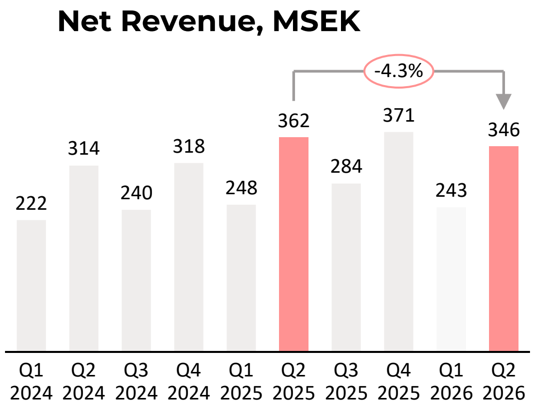
- 9.3% (15.3%)
- Drove SS26 sell-through at a margin cost
- Reflecting growth investment – new roles, Copenhagen store and Germany
- Cost discipline key to stable financial performance

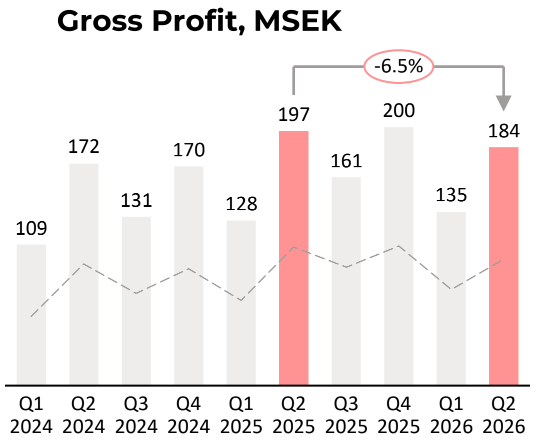
Today’s presentation

- Introduction to NELLY
- CEO’s comments on Q2 2026
- **Financial summary**
- Q&A

Financial Summary

Lower net revenue and gross margin





Sales decrease of -4.3 % year-over-year (-5.8% in local currencies)

- Lower sales in the Nordic markets
- Return rate improved by 0.7 p.p. to 27.7% (28.4%)

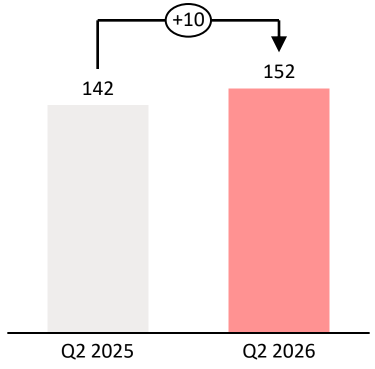
Gross profit decreased by 13 MSEK year-over-year

- Higher own-brand share, 64.1% (+9.3 p.p) supported margin
- Increased campaign activity weighed on margin

NELLY

Cost build up to secure continued development giving lower operating profit

Operating expenses, MSEK



FULFILMENT/ NET REV.

12.0 %

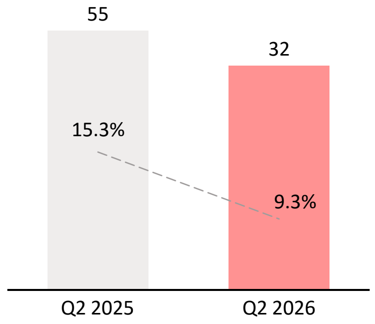
Last year: 11.8 %

MRKT/NET REV.

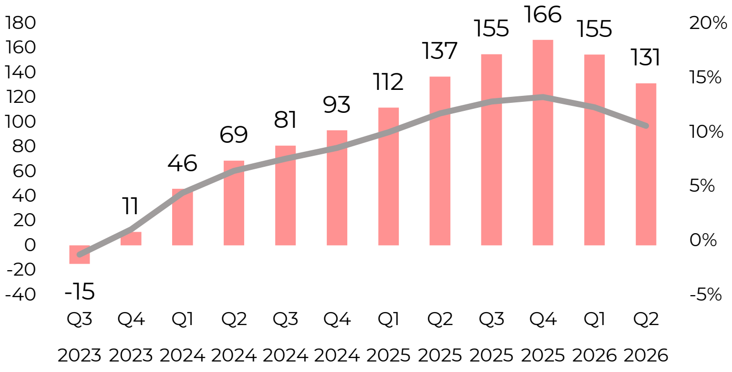
11.0 %

Last year: 10.0%

EBIT



Operating profit/loss LTM (SEK million) **and Operating margin LTM** (%)



Operating expenses increase of 10 MSEK

- Fulfilment and distribution down 1 MSEK
- Marketing up on core-market advertising and Germany expansion.
- Admin and other up on personnel and the Copenhagen store.

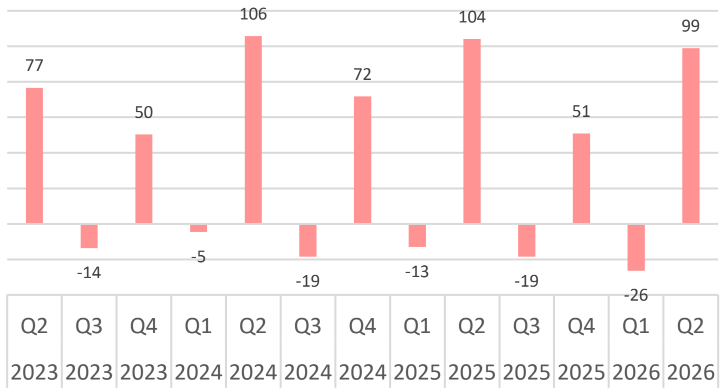
EBIT declined as lower gross profit met a higher cost base

- Operating profit 23.1 MSEK lower than last year ending at 32.3 MSEK
- Operating margin 9.3% (15.3%)

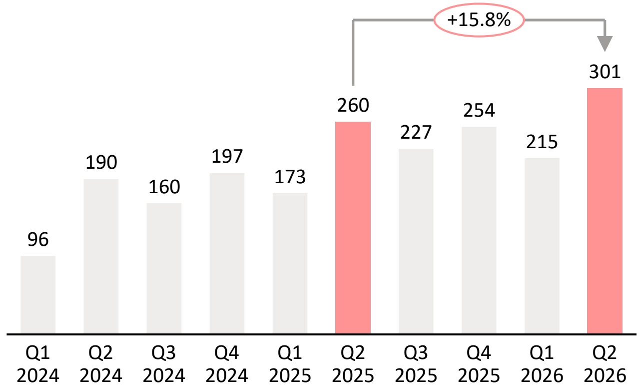
Financial Summary

Strong cash generation and a strengthened balance sheet

Cash flow from operations



Cash balance, MSEK



INVENTORY / NET REV.

17.2 %

Last year: 14.7%

EQUITY RATIO

42.7 %

Last year: 32.6%

Operating cash flow of 99.0 MSEK (104.1 MSEK)

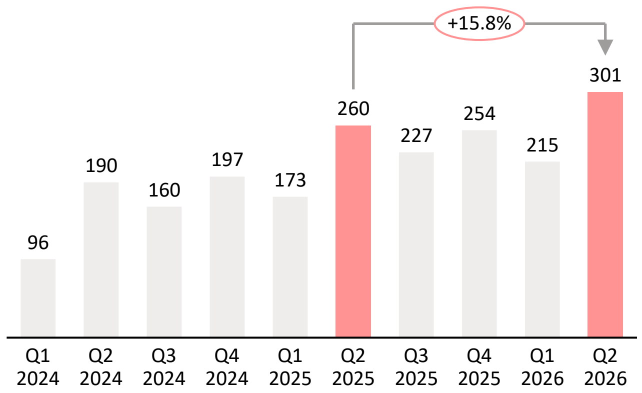
- Lower result offset by positive working-capital changes
- Investing activities -4 MSEK mainly IT/tech and financing activities -10 MSEK in leases
- Tax deferrals reduced to 32.3 MSEK (69.5 MSEK)

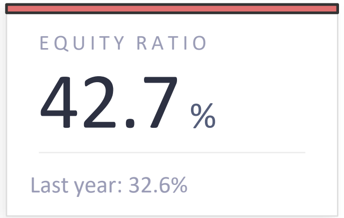
Cash balance of 300.6 MSEK, +15.8% year-over-year

- Cash balance up from 253.8 at year-end 2025
- Equity ratio strengthened to 42.7% (32.6%).
- Inventory 217.6 MSEK, 17.2% of R12 net revenue (14.7%). Reflects stock bought for planned growth and pulled-forward autumn deliveries.

Nelly Group initiates share repurchase programme of up to SEK 30 million

Cash balance, MSEK





- Optimize Nellys capital structure
- Up to 2.500.000 shares for a total amount of SEK 30m under EU Safe Harbour (max 10% of outstanding shares)
- Running 17 Aug 2026- 17 feb 2027
- Executed by Danske Bank; shares cancelled

Summary of H1 – learnings and actions

- Insufficient precision in planning and execution
- Several positive trends to build on
- Programme of work underway across key areas
- Assortment Committee and Strategy Committee set up

NELLY

Our strategy holds firm

- The customer is our compass
- A unique fashion destination rooted in Stockholm and Scandi style
- A curated mix of own and carefully selected external brands
- Disciplined execution and innovation in a changing competitive landscape


Q&A


Thank you