Corporate Research

Nelly Group

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Growth comes at a price

Nelly delivered a better-than-feared Q3, although the recovery was driven by higher volumes rather than profitability, as increased discounting and marketing spend weighed on margins. While the narrower earnings decline is encouraging, a sustainable recovery hinges on improving assortment relevance and restoring organic demand. The strong balance sheet provides support, but the management transition adds execution risk, in our view.

Sales beat, but profitability remains under pressure

Sales grew 9% y/y in LCC, supported by the Nordics and continued expansion in Germany. EBIT of SEK 42m exceeded our estimate by 66%, but declined 2% y/y, with the margin contracting to 13.5% (15.3%). Despite private-label penetration increasing to 66.9% (62.2%), gross margin declined 30bp to 56.5%, reflecting heavier promotional activity. Marketing and distribution costs also increased relative to sales, highlighting the cost of sustaining growth. Importantly, management acknowledged that weaker organic traffic and insufficient assortment appeal necessitated greater commercial investment.

Assortment improvements key to restoring profitable growth, in our view

While Q3 marks a clear improvement from H1, we remain cautious on the sustainability of the recovery. Higher private-label penetration and improving returns are encouraging, but the associated margin benefits are largely being absorbed by discounting and customer acquisition costs. Management is working to improve assortment precision and shorten lead times, although meaningful benefits remain to be demonstrated. With inventory elevated and further fixed-cost increases expected, Q4 presents another test, in our view. Nevertheless, Nelly trades at 2027E EV/EBIT of c. 8x, and a more compelling assortment could unlock considerable earnings leverage over time, we think.

We update our fair value range to SEK 63-79 (56-70)

We update our estimates after Q3 and set a new fair value range on Nelly Group.

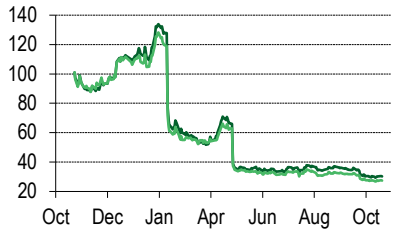
Key Data (2026E)

Price (SEK)	37.72
Reuters	NELLY.ST
Bloomberg	NELLY SS
Market cap (SEKm)	1,121
Market cap (USDm)	113
Net debt (SEKm)	21
Net gearing	4%
Net debt/EBITDA (x)	0.1
Shares fully dil. (m)	29.7
Avg daily turnover (m)	14.5
Free float	47%

Estimate Revisions (%)

	2026E	2027E	2028E
Revenues	5	7	7
Adj. EBIT	17	10	10
Adj. EPS	20	12	12

Share Price (12M)



Absolute (green) / Relative to Sweden (light green).

Marketing communication commissioned by:
Nelly Group

Financials (SEK)

Year end: Dec	2024	2025	2026E	2027E	2028E
Revenues (m)	1,094	1,264	1,300	1,383	1,453
Adj. EBIT	93	166	125	130	149
Pre-tax profit (m)	90	155	109	114	135
EPS	2.96	5.60	3.65	3.85	4.55
Adj. EPS	2.96	5.60	3.65	3.85	4.55
DPS	0.00	0.00	0.00	0.00	0.00
Revenue growth (%)	3.2	15.5	2.9	6.4	5.1
Adj. EBIT growth (%)	485.5	78.7	(24.6)	3.6	14.5
Adj. EPS growth (%)	n.m.	89.0	(34.9)	5.6	18.0
Adj. EBIT margin (%)	8.5	13.2	9.6	9.4	10.2
ROE (%)	43.5	52.4	24.5	21.1	20.2
ROCE (%)	20.3	27.8	17.6	16.2	16.3
PER (x)	9.7	19.4	10.3	9.8	8.3
Free cash flow yield (%)	11.4	3.4	4.0	11.4	13.2
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
P/BV (x)	3.72	8.16	2.31	1.87	1.52
EV/Sales (x)	0.89	2.65	0.88	0.73	0.60
EV/Adj. EBITDA (x)	6.7	15.1	6.1	5.2	4.1
EV/Adj. EBIT (x)	10.4	20.1	9.1	7.8	5.8
EV/Adj. EBITA (x)	10.4	20.1	9.1	7.8	n.a
Net debt/EBITDA (x)	0.62	0.16	0.11	(0.55)	(1.19)

Source for all data on this page: SEB (estimates) and Millistream/Thomson Reuters (prices)

Estimate revisions & financials

Earnings revisions

	New estimates			Old estimates			Difference (%)		
(SEKm)	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E
Net sales	1,300	1,383	1,453	1,238	1,289	1,354	5.0	7.3	7.3
Gross profit	708	748	787	671	701	736	5.5	6.8	6.8
EBIT, reported	125	130	149	107	118	135	17.1	10.2	9.9
Adj. EBIT	125	130	149	107	118	135	17.1	10.2	9.9
Pre-tax profit	109	114	135	91	102	121	20.4	12.2	11.6
Net profit	109	114	135	91	102	121	20.4	12.2	11.6
EPS	3.65	3.85	4.55	3.03	3.43	4.07	20.4	12.2	11.6
Adj. EPS	3.65	3.85	4.55	3.03	3.43	4.07	20.4	12.2	11.6

Source: SEB

Nelly Group - consolidated P&L, as reported

	Q1/25	Q2/25	Q3/25	Q4/25	Q1/26	Q2/26	Q3/26	Q4/26E	2024	2025	2026E	2027E	2028E
(SEKm)													
Net Sales	247.8	361.6	283.7	370.5	243.3	346.3	313.1	397.8	1,094.3	1,263.6	1,300.5	1,383.5	1,453.5
COGS	(119.9)	(164.7)	(122.5)	(170.4)	(108.8)	(162.2)	(136.1)	(185.0)	(512.9)	(577.6)	(592.1)	(635.0)	(666.8)
Gross profit	**127.9**	**196.9**	**161.2**	**200.1**	**134.5**	**184.1**	**177.0**	**212.8**	**581.4**	**686.0**	**708.4**	**748.5**	**786.7**
SG&A	(107.8)	(141.5)	(118.0)	(152.2)	(126.5)	(151.8)	(134.6)	(170.1)	(488.3)	(519.6)	(583.0)	(618.5)	(637.8)
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other operating expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total SG&A	(107.8)	(141.5)	(118.0)	(152.2)	(126.5)	(151.8)	(134.6)	(170.1)	(488.3)	(519.6)	(583.0)	(618.5)	(637.8)
EBIT	**20.1**	**55.4**	**43.2**	**47.9**	**8.0**	**32.3**	**42.4**	**42.7**	**93.1**	**166.4**	**125.4**	**130.0**	**148.8**
o/w: NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adj. EBIT (excl. NRIs)	**20.1**	**55.4**	**43.2**	**47.9**	**8.0**	**32.3**	**42.4**	**42.7**	**93.1**	**166.4**	**125.4**	**130.0**	**148.8**
Interest and other financial income	0.0	0.0	0.5	0.8	0.7	1.0	1.3	0.0	7.0	3.5	4.0	5.1	7.2
Interest and other financial costs	(0.6)	(0.5)	(0.4)	(0.4)	(1.2)	(0.4)	(3.0)	0.7	0.0	(4.6)	(9.2)	(9.2)	(9.2)
Leasing interest (IFRS 16)	(2.5)	(2.5)	(1.9)	(3.8)	(2.5)	(2.5)	(1.9)	(3.8)	(10.8)	(10.8)	(11.1)	(11.5)	(11.8)
Pre-tax profit	**17.0**	**52.4**	**41.4**	**44.5**	**5.0**	**30.4**	**38.8**	**39.6**	**89.3**	**154.5**	**109.1**	**114.4**	**135.1**
Current tax expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred tax expenses	0.1	0.1	0.1	13.9	0.1	0.0	(10.1)	0.1	0.0	14.0	0.0	0.0	0.0
Net income (cont. operations)	**17.1**	**52.5**	**41.5**	**58.4**	**5.1**	**30.4**	**28.7**	**39.7**	**89.3**	**168.5**	**109.1**	**114.4**	**135.1**
Net income from discont. operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total net income	**17.1**	**52.5**	**41.5**	**58.4**	**5.1**	**30.4**	**28.7**	**39.7**	**89.3**	**168.5**	**109.1**	**114.4**	**135.1**
EPS, reported (SEK)	0.57	1.75	1.38	1.94	0.17	1.01	1.02	1.33	2.93	5.60	3.65	3.85	4.55
EPS, adj (SEK)	0.57	1.75	1.38	1.94	0.17	1.01	1.02	1.33	2.93	5.60	3.65	3.85	4.55
Sales growth (%)	11.6	15.1	18.4	16.4	(1.8)	(4.2)	10.4	7.4	3.2	15.5	2.9	6.4	5.1
Organic sales growth (loc. CCY) (%)	12.4	18.2	20.2	19.5	(0.4)	(5.8)	8.9	3.4	3.2	17.8	1.3	4.6	5.1
Adj. EBIT growth (%)	1,335.7	81.6	72.8	32.0	(60.2)	(41.7)	(1.9)	(10.8)	485.5	78.7	(24.6)	3.6	14.5
COGS/Sales	48.4	45.5	43.2	46.0	44.7	46.8	43.5	46.5	46.9	45.7	45.5	45.9	45.9
COGS/OPEX	111.2	116.4	103.8	112.0	86.0	106.9	101.1	108.7	105.0	111.2	101.6	102.7	104.5
COGS growth (%)	6.1	15.8	12.4	14.6	(9.3)	(1.5)	11.1	8.5	(7.2)	12.6	2.5	7.2	5.0
Adj. SG&A/sales (excl. NRIs) (%)	43.5	39.1	41.6	41.1	52.0	43.8	43.0	42.8	44.6	41.1	44.8	44.7	43.9
SG&A/tot opex	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Adj. SG&A cost growth (%)	0.1	0.1	11.7	14.1	17.3	7.3	14.1	11.8	0.3	6.4	12.2	6.1	3.1
Total SG&A	-108	-142	-118	-152	-127	-152	-135	-170	-488	-520	-583	-619	-638
Total SG&A (excl. NRIs)	-108	-142	-118	-152	-127	-152	-135	-170	-488	-520	-583	-619	-638
Total SG&A (excl. NRI)/sales (%)	43.5	39.1	41.6	41.1	52.0	43.8	43.0	42.8	44.6	41.1	44.8	44.7	43.9
Gross margin (%)	51.6	54.5	56.8	54.0	55.3	53.2	56.5	53.5	53.1	54.3	54.5	54.1	54.1
GM change, y/y (pp)	2.5	(0.3)	2.3	0.7	3.7	(1.3)	(0.3)	(0.5)	5.3	1.2	0.2	(0.4)	0.0
Reported EBIT margin (%)	8.1	15.3	15.2	12.9	3.3	9.3	13.5	10.7	8.5	13.2	9.6	9.4	10.2
Adj. EBIT margin (excl. NRIs) (%)	8.1	15.3	15.2	12.9	3.3	9.3	13.5	10.7	8.5	13.2	9.6	9.4	10.2
Pre-tax margin (%)	6.9	14.5	14.6	15.8	2.1	8.8	9.2	10.0	8.2	13.3	8.4	8.3	9.3

Source: Company data, SEB estimates

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Valuation

After Nelly Group's Q3/26 report, we update our estimates and fair value range to SEK 63-79 (56-70) per share, based on a +/- 1% absolute change in our EBITDA margin and sales growth estimates and assuming a weighted average cost of capital (WACC) of c. 8.5% (unchanged).

DCF summary

DCF valuation (SEKm)		**Weighted average cost of capital (%)**	
NPV of FCF in explicit forecast period	912	Risk free interest rate	2.5
NPV of continuing value	917	Risk premium	6.0
Value of operation	**1,828**	**Cost of equity**	**8.5**
Net debt	(266)	**After tax cost of debt**	**2.0**
Share issue/buy-back in forecast period	-		
Value of associated companies	-	**WACC**	**8.5**
Value of minority shareholders' equity	-		
Value of marketable assets	-	**Assumptions**	
DCF value of equity	**2,094**	Number of forecast years	10
DCF value per share (SEK)	**70.50**	EBIT margin - steady state (%)	10.1
Current share price (SEK)	37.72	EBIT multiple - steady state (x)	9.4
DCF performance potential (%)	87	Continuing value (% of NPV)	50.1

Source: SEB

Valuation range, sensitivity table (SEK/share)

		Absolute change in EBITDA margin - all years				
		-2%	-1%	**0**	+1%	+2%
Abs. change in sales growth - all years	-2%	56.00	60.50	65.10	69.60	74.10
	-1%	58.10	62.90	67.70	72.50	77.30
	0	60.40	65.40	**70.50**	75.60	80.60
	+1%	62.70	68.10	73.40	78.80	84.20
	+2%	65.20	70.90	76.50	82.20	87.90

Source: SEB

DCF – assumption details

(SEKm)	2026E	2027E	2028E	2029E	2030E	Average year 6	Average year 7-8	Average year 9-10
Sales growth (%)	2.9	6.4	5.1	5.0	5.0	5.0	4.0	4.0
EBITDA margin (%)	14.4	14.0	14.7	14.7	14.7	14.7	14.7	14.7
EBIT margin (%)	9.6	9.4	10.2	10.2	10.1	10.1	10.1	10.1
Gross capital expenditures as % of sales	1.1	0.8	0.9	0.8	0.8	0.8	0.8	0.8
Working capital as % of sales	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Lease repayments as % of sales	(2.7)	(2.7)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)	(2.6)
Sales	1,300	1,383	1,453	1,526	1,602	1,683	1,785	1,931
Depreciation	(62)	(63)	(65)	(68)	(73)	(77)	(82)	(88)
Intangibles amortisation	0	0	0	0	0	0	0	0
EBIT	125	130	149	156	162	170	181	195
Taxes on EBIT	(28)	(29)	(33)	(34)	(36)	(37)	(40)	(43)
Increase in deferred taxes	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
NOPLAT	**98**	**101**	**116**	**122**	**126**	**133**	**141**	**152**
Gross capital expenditure	(14)	(12)	(12)	(12)	(13)	(13)	(14)	(15)
Increase in working capital	(76)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Lease repayments	(34)	(35)	(37)	(40)	(42)	(44)	(46)	(48)
Free cash flow (incl. lease repayments)	**35**	**116**	**130**	**136**	**143**	**151**	**160**	**173**
ROIC (%)	12.6	11.4	11.3	12.6	13.9	15.6	18.8	25.0
ROIC-WACC (%)	4.1	2.9	2.8	4.1	5.4	7.1	10.3	16.5
Share of total net present value (%)	0.0	6.0	6.2	6.0	5.8	5.6	10.6	9.7

Source: SEB

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Overview

Investment considerations	From its leading position in online fashion, targeting the young-female segment with a niche and curated look, we believe Nelly Group is well placed to capitalise on the digital fashion market opportunity in the Nordic region. Its strategic changes to its assortment should drive up high gross margin PL sales and improve return rates during 2024-26. Automation of its new warehouse supports a decrease in handling costs per order and should contribute to EPS growth over our forecast period.
Company profile	Nelly Group, formerly Qliro Group, was a holding company for Nordic e-commerce brands within popular consumer segments. Its origins are in CDON.com, which was founded as an online record store in 1999 as part of the media company MTG. After several divestments and restructurings, its assets included Nordic market-leading brands such as the online marketplace CDON and the online fashion retailer Nelly. Qliro, the consumer bank offering digital payment solutions and banking services, was distributed to shareholders according to the Lex ASEA rules and separately listed on 2 October 2020. On 6 November 2020, CDON was also distributed Lex ASEA and separately listed. Nelly Group today offers a curated mix of its own and well-known external brands targeting the young-female (aged 15-25) segment of the Nordic market for apparel, footwear, beauty, accessories and sportswear.
Valuation approach	We derive our fair equity valuation range from a DCF framework.
Investment risks	E-commerce, as with all retail, is based on consumer spending. A significant economic downturn in discretionary spending could mean that structural growth is unable to offset reduced consumption. Increasing online retail penetration has allowed both domestic and foreign players (e.g., Boozt, ASOS and Zalando) to compete for local market share. Retailers are struggling with store economics and potentially excess inventories, and this could burden gross margin for the sector as a whole, including online.

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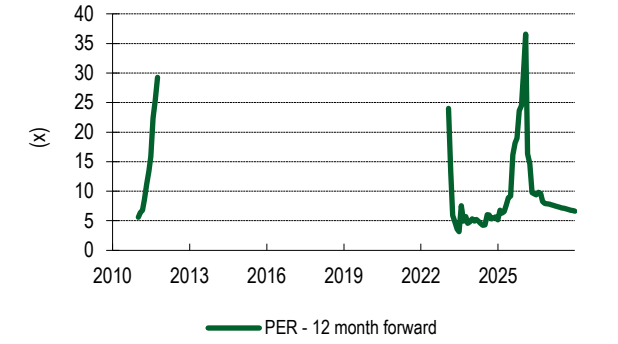
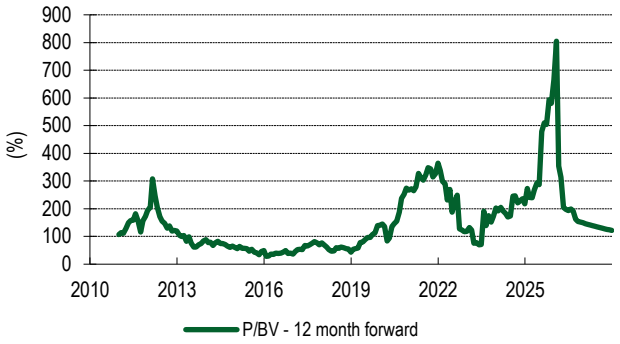
PER - 12 month forward



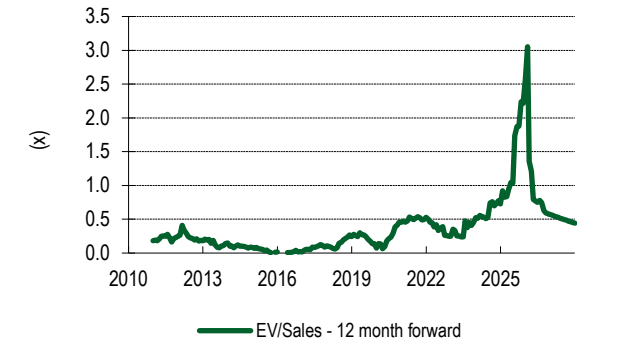
Source: SEB

P/BV - 12 month forward



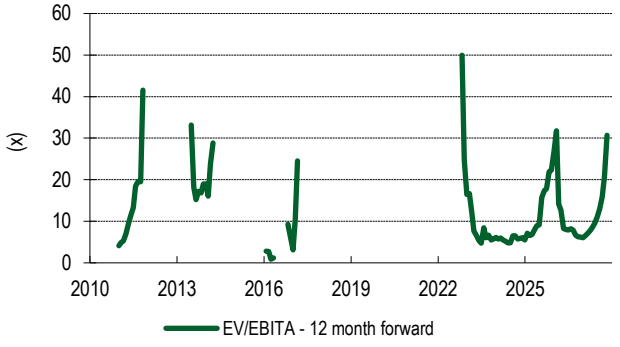
Source: SEB

EV/Sales - 12 month forward



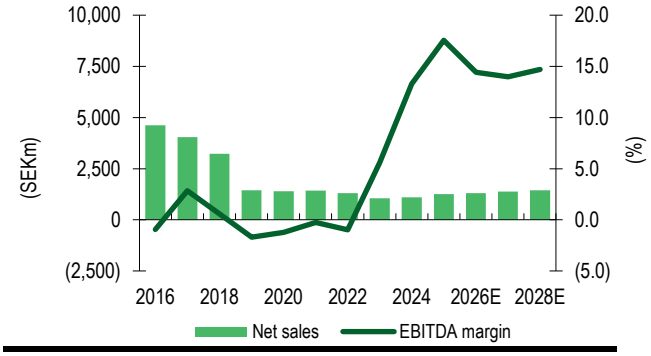
Source: SEB

EV/EBITA - 12 month forward



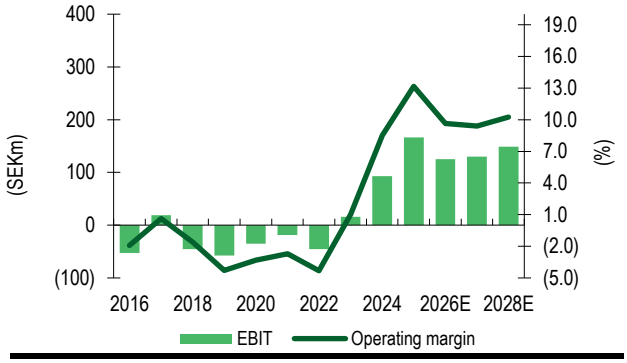
Source: SEB

Net sales & EBITDA margin



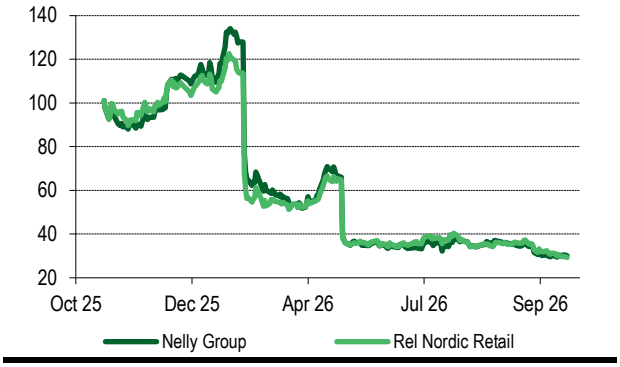
Source: SEB

EBIT & Operating margin



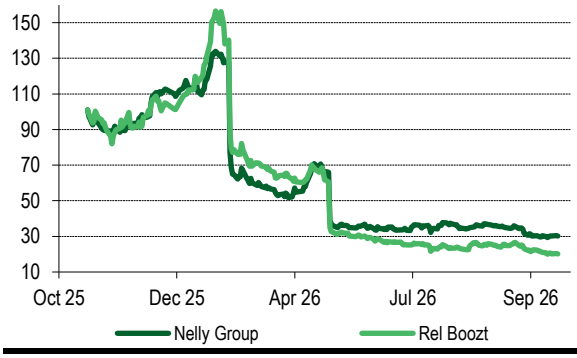
Source: SEB

Comparison with sector index - 1 year



Source: SIX

Comparison with Boozt - 1 year



Source: SIX

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Profit & loss statement - Nelly Group													
(SEKm)	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Net Sales	4,630	4,050	3,226	1,452	1,394	1,428	1,299	1,061	1,094	1,264	1,300	1,383	1,453
Other revenues	0	0	0	0	0	0	0	0	0	0	0	0	0
Total revenues	**4,630**	**4,050**	**3,226**	**1,452**	**1,394**	**1,428**	**1,299**	**1,061**	**1,094**	**1,264**	**1,300**	**1,383**	**1,453**
Total expenses	(4,673)	(3,935)	(3,207)	(1,477)	(1,411)	(1,432)	(1,312)	(1,001)	(949)	(1,042)	(1,113)	(1,190)	(1,240)
Profit before depreciation	**(43)**	**115**	**19**	**(25)**	**(17)**	**(3)**	**(13)**	**59**	**146**	**222**	**187**	**193**	**214**
Depreciation - Fixed assets	(13)	(63)	(44)	(15)	(3)	(2)	(3)	(4)	(5)	(5)	(6)	(6)	(6)
Depreciation - Other assets	(32)	(27)	(27)	(5)	(9)	(8)	(8)	(11)	(11)	(15)	(14)	(14)	(14)
Depreciation of right-of-use assets	0	0	0	(18)	(17)	(25)	(32)	(34)	(37)	(36)	(42)	(43)	(45)
Amortisation - Goodwill	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortisation - Other intangibles	0	0	0	(0)	(1)	0	0	0	0	0	0	0	0
Operating profit	**(88)**	**25**	**(52)**	**(62)**	**(46)**	**(39)**	**(56)**	**11**	**93**	**166**	**125**	**130**	**149**
Net interest expenses	(8)	(12)	(29)	(9)	(2)	(1)	(1)	(3)	7	(1)	(5)	(4)	(2)
Foreign exchange items	0	2	(3)	(2)	1	(4)	(3)	2	1	0	0	0	0
Other financial items	0	0	(1)	0	0	0	(0)	(1)	0	0	0	0	0
Value changes - Fixed assets	0	0	0	0	0	0	0	0	0	0	0	0	0
Value changes - Financial assets	0	0	0	0	0	0	0	0	0	0	0	0	0
Value changes - Other assets	0	0	0	0	0	0	0	0	0	0	0	0	0
Reported pre-tax profit	**(96)**	**15**	**(84)**	**(74)**	**(48)**	**(47)**	**(72)**	**(2)**	**90**	**155**	**109**	**114**	**135**
Minority interests	1	0	0	0	0	0	0	0	0	0	0	0	0
Total taxes	19	(9)	(52)	(14)	(24)	(1)	(0)	1	0	14	0	0	0
Reported profit after tax	**(77)**	**6**	**(136)**	**(87)**	**(72)**	**(48)**	**(72)**	**(2)**	**90**	**169**	**109**	**114**	**135**
Discontinued operations	(111)	(30)	139	(23)	583	0	0	0	0	0	0	0	0
Extraordinary items	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Profit	**(187)**	**(25)**	**3**	**(111)**	**512**	**(48)**	**(72)**	**(2)**	**90**	**169**	**109**	**114**	**135**
Adjustments:													
Discontinued operations	111	30	(139)	23	(583)	0	0	0	0	0	0	0	0
Interest on convertible debt	0	0	0	0	0	0	0	0	0	0	0	0	0
Minority interests (IFRS)	0	0	0	0	0	0	0	0	0	0	0	0	0
Value changes	0	0	0	0	0	0	0	0	0	0	0	0	0
Goodwill/intangibles amortisations	0	0	0	0	1	0	0	0	0	0	0	0	0
Restructuring charges	0	0	0	0	0	0	0	0	0	0	0	0	0
Other adjustments	35	(6)	7	5	11	20	11	5	0	0	0	0	0
Tax effect of adjustments	(8)	1	(2)	(1)	(3)	(4)	(2)	(1)	0	0	0	0	0
Adjusted profit after tax	**(49)**	**1**	**(131)**	**(83)**	**(63)**	**(32)**	**(63)**	**2**	**90**	**169**	**109**	**114**	**135**
Margins, tax & returns													
Operating margin	(1.9)	0.6	(1.6)	(4.3)	(3.3)	(2.7)	(4.3)	1.0	8.5	13.2	9.6	9.4	10.2
Pre-tax margin	(2.1)	0.4	(2.6)	(5.1)	(3.4)	(3.3)	(5.5)	(0.2)	8.3	12.2	8.4	8.3	9.3
Tax rate	19.8	60.7	(61.1)	(18.8)	(48.9)	(1.3)	(0.1)	34.8	0.0	(9.1)	0.0	0.0	0.0
ROE	(6.9)	0.6	(13.6)	(9.3)	(12.6)	(21.0)	(42.4)	(1.0)	43.5	52.4	24.5	21.1	20.2
ROCE	(4.6)	1.6	(3.2)	(3.6)	(3.5)	(4.5)	(9.5)	4.3	20.3	27.8	17.6	16.2	16.3
Growth rates y-o-y (%)													
Total revenues	n.a.	(12.5)	(20.3)	(55.0)	(4.0)	2.5	(9.1)	(18.3)	3.2	15.5	2.9	6.4	5.1
Operating profit	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	754.1	78.7	(24.6)	3.6	14.5
Pre-tax profit	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	70.9	(29.4)	4.9	18.0
EPS (adjusted)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,079.0	89.0	(34.9)	5.6	18.0

Cash flow													
(SEKm)	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Net profit	(187)	(25)	3	(111)	512	(48)	(72)	(2)	90	169	109	114	135
Non-cash adjustments	179	116	(30)	64	(574)	18	18	22	18	7	27	27	27
Cash flow before work cap	**(9)**	**92**	**(28)**	**(47)**	**(62)**	**(30)**	**(53)**	**20**	**109**	**176**	**136**	**141**	**162**
Ch. in working capital / Other	(167)	(67)	(206)	53	70	26	(43)	12	15	(32)	(76)	(2)	(2)
Operating cash flow	**(176)**	**25**	**(234)**	**7**	**7**	**(4)**	**(96)**	**32**	**123**	**144**	**59**	**139**	**160**
Capital expenditures	(95)	(107)	(91)	(13)	(6)	(23)	(11)	(23)	(22)	(32)	(14)	(12)	(12)
Asset disposals	0	12	387	0	0	0	0	0	0	0	0	0	0
L/T financial investments	0	0	0	(138)	(125)	0	0	(2)	0	0	0	0	0
Acquisitions / adjustments	249	0	0	0	0	0	0	0	0	0	0	0	0
Free cash flow	**(21)**	**(70)**	**63**	**(144)**	**(124)**	**(27)**	**(107)**	**7**	**101**	**112**	**45**	**127**	**148**
Net loan proceeds	146	336	0	(206)	(50)	(6)	0	0	0	0	0	0	0
Dividend paid	0	0	0	0	84	0	0	0	(25)	0	0	0	0
Share issue	0	0	0	0	203	0	0	47	0	0	(30)	0	0
Other	(14)	(77)	177	40	(438)	1	6	0	0	0	0	0	0
Net change in cash	**111**	**189**	**240**	**(310)**	**(324)**	**(33)**	**(101)**	**54**	**76**	**112**	**15**	**127**	**148**
Adjustments													
C/flow bef chng in work cap	(9)	92	(28)	(47)	(62)	(30)	(53)	20	109	176	136	141	162
Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0
Int on conv debt net of tax	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash earnings	(9)	92	(28)	(47)	(62)	(30)	(53)	20	109	176	136	141	162
Per share information													
Cash earnings	(0.58)	6.13	(1.86)	(3.11)	(3.89)	(1.58)	(2.88)	0.76	3.56	5.85	4.54	4.75	5.45
Operating cash flow	(11.7)	1.68	(15.6)	0.45	0.46	(0.23)	(5.18)	1.2	4.03	4.78	1.98	4.69	5.4
Free cash flow	(1.41)	(4.7)	4.17	(9.61)	(7.75)	(1.45)	(5.78)	0.26	3.3	3.71	1.5	4.29	4.98
Investment cover													
Capex/sales (%)	0.2	0.3	0.3	0.2	0.0	0.5	0.5	0.6	2.0	2.5	0.6	0.6	0.5
Capex/depreciation (%)	69	19	25	18	3	356	195	156	457	617	122	124	126

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Balance sheet - Nelly Group													
(SEKm)	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Cash and liquid assets	435	625	864	554	230	198	97	151	197	254	269	396	544
Debtors	188	276	205	78	47	39	45	37	59	48	49	52	55
Inventories	548	448	418	350	166	180	226	152	173	188	200	212	223
Other	746	1,055	1,493	2,219	34	15	30	25	0	0	0	0	0
Current assets	**1,916**	**2,403**	**2,980**	**3,201**	**478**	**431**	**398**	**366**	**428**	**490**	**517**	**661**	**822**
Interest bearing fixed assets	0	65	25	255	0	0	0	0	0	0	0	0	0
Other financial assets	122	108	113	111	74	74	74	75	76	90	90	90	90
Capitalized development cost	135	137	155	269	16	20	23	27	38	37	30	20	10
Goodwill	207	63	64	64	40	40	40	40	40	40	40	40	40
Other intangibles	124	78	78	1	1	1	1	1	38	44	44	44	44
Right-of-use lease assets	0	0	0	81	39	314	284	267	265	270	263	257	250
Fixed tangible assets	28	24	25	28	8	15	12	16	13	19	20	22	23
Other fixed assets	0	366	0	0	0	6	6	8	0	0	0	0	0
Fixed assets	**615**	**841**	**460**	**810**	**177**	**469**	**440**	**434**	**470**	**500**	**488**	**473**	**458**
Total assets	**2,532**	**3,244**	**3,440**	**4,010**	**655**	**900**	**837**	**800**	**898**	**990**	**1,005**	**1,134**	**1,280**
Creditors	549	612	966	316	144	144	143	90	85	81	83	89	93
Other trade financing	0	0	0	320	153	145	154	137	85	81	84	89	94
S/T lease liabilities	0	0	0	29	21	50	62	100	36	36	36	36	36
S/T interest bearing debt	512	2	2	0	0	0	0	0	0	0	0	0	0
Other	426	875	767	2,010	69	90	112	110	161	120	52	55	58
Current liabilities	**1,488**	**1,489**	**1,736**	**2,675**	**386**	**429**	**471**	**438**	**367**	**319**	**255**	**269**	**281**
L/T interest bearing debt	1	577	708	392	0	0	0	0	0	0	0	0	0
L/T lease liabilities	0	0	0	54	19	266	233	183	252	251	251	251	251
Other long-term liabilities	0	164	0	0	0	0	0	0	43	11	11	11	11
Convertible debt	0	0	0	0	0	0	0	0	0	0	0	0	0
Pension provisions	0	0	0	0	0	0	0	0	0	3	3	3	3
Other provisions	5	3	2	1	0	0	0	0	0	0	0	0	0
Deferred tax	12	1	0	0	0	0	0	0	0	0	0	0	0
Long term liabilities	**18**	**745**	**710**	**447**	**19**	**266**	**233**	**183**	**294**	**265**	**265**	**265**	**265**
Minority interests	0	0	0	0	0	0	0	0	0	0	0	0	0
Shareholders' equity	**1,026**	**1,010**	**995**	**889**	**250**	**204**	**134**	**179**	**237**	**406**	**486**	**600**	**735**
Total liabilities and equity	**2,532**	**3,244**	**3,440**	**4,010**	**655**	**900**	**837**	**800**	**899**	**990**	**1,005**	**1,134**	**1,280**
Net debt (m)	(435)	(303)	(420)	(34)	(191)	119	198	133	90	36	21	(107)	(255)
Working capital (m)	506	291	383	1	(118)	(146)	(108)	(123)	(100)	(47)	30	32	33
Capital employed (m)	1,026	1,396	1,464	1,664	289	521	428	462	524	696	775	890	1,025
Net debt/equity (%)	(42)	(30)	(42)	(4)	(76)	58	148	74	38	9	4	(18)	(35)
Net debt/EBITDA (x)	57.4	(2.8)	(16.1)	1.7	31.5	7.4	(95.1)	2.1	0.6	0.2	0.1	(0.6)	(1.2)
Equity/total assets (%)	41	31	29	22	38	23	16	22	26	41	48	53	57
Interest cover	(9.4)	2.1	(1.8)	(6.9)	(19.1)	(19.5)	(61.9)	2.3	0.0	36.9	14.1	14.7	17.0

Valuation													
(SEK)	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
No of shares, fully dil. (y/e)	15.0	15.0	15.0	15.0	18.0	18.5	18.5	30.5	30.5	30.5	29.7	29.7	29.7
No of shares, fully dil. avg.	15.0	15.0	15.0	15.0	16.0	18.8	18.5	26.5	30.5	30.1	29.9	29.7	29.7
Share price, y/e	24.2	50.6	25.7	19.5	29.5	26.4	7.0	15.8	28.9	108.6	37.7	37.7	37.7
Share price, high	34.7	57.6	54.0	36.1	36.6	33.7	26.7	16.4	32.0	114.8	135.6		
Share price, low	17.5	23.8	25.0	18.3	9.8	21.9	6.5	4.1	14.3	28.5	29.0		
Share price, avg	25.8	43.1	35.8	28.7	20.5	27.9	14.9	9.1	22.0	60.0	52.4		
EPS (reported)	(5.12)	0.38	(9.08)	(5.83)	(4.48)	(2.53)	(3.88)	(0.06)	2.96	5.60	3.65	3.85	4.55
EPS (adjusted)	(3.28)	0.08	(8.72)	(5.57)	(3.92)	(1.71)	(3.42)	0.09	2.96	5.60	3.65	3.85	4.55
Cash earnings/share	(0.58)	6.13	(1.86)	(3.11)	(3.89)	(1.58)	(2.88)	0.76	3.56	5.85	4.54	4.75	5.45
Dividend/share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Enterprise value/share	-4.9	30	-2.3	17.3	18.9	33	17.7	20	32	110	38	34	29
Book value/share	69	67	66	59	13.9	11.1	7.2	5.9	7.8	13.3	16.3	20	25
Adjusted equity/share	69	67	66	59	13.9	11.1	7.2	5.9	7.8	13.3	16.3	20	25
PER (adjusted)	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.	168.9	9.7	19.4	10.3	9.8	8.3
CEM	(41.7)	8.3	(13.8)	(6.3)	(7.6)	(16.7)	(2.4)	20.8	8.1	18.6	8.3	7.9	6.9
Dividend yield	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EV/EBITDA	9.6	4.2	(1.3)	(12.9)	(56.1)	37.6	(157.0)	9.5	6.7	15.1	6.1	5.2	4.1
EV/EBITA	1.4	23.7	0.8	(4.6)	(9.9)	(32.1)	(7.2)	38.5	10.4	20.1	9.1	7.8	n.a
EV/EBIT	1.4	23.7	0.8	(4.5)	(9.7)	(32.1)	(7.2)	38.5	10.4	20.1	9.1	7.8	5.8
EV/Sales (x)	(0.02)	0.11	(0.01)	0.18	0.24	0.42	0.25	0.58	0.89	2.65	0.88	0.73	0.60
Price/Book value	0.35	0.75	0.39	0.33	2.12	2.39	0.96	2.69	3.72	8.16	2.31	1.87	1.52
Price/adjusted equity	0.35	0.75	0.39	0.33	2.12	2.39	0.96	2.69	3.72	8.16	2.31	1.87	1.52
Free cash flow/Market cap (%)	(74.6)	(10.8)	(84.4)	(2.1)	0.3	(5.5)	(83.2)	2.1	11.4	3.4	4.0	11.4	13.2
Operating cash flow/EV (%)	241.6	5.5	664.8	2.6	2.2	(0.7)	(29.4)	5.2	12.7	4.3	5.2	13.7	18.5
EV/Capital employed (x)	(0.1)	0.3	(0.0)	0.2	1.2	1.2	0.8	1.3	1.9	4.8	1.5	1.1	0.8

Main shareholders			
Name	**(%) Votes**	**Capital**
Rite Ventures	34.3	34.3
Stefan Palm	16.7	16.7
Avanza Pension	6.3	6.3
Foreign owners (total)	6.2	6.2

Management	
Title	**Name**
COB	Ebba Ljungerud
CEO	Helena Karlinder-Östlundh
CFO	Josefin Dalum
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