

New Wave Group AB

2023 *Year-end report*

January - December

Trademarks

Corporate



Sports & Leisure



Gifts & Home Furnishings



New Wave Group AB

Q4

Year-end report

PERIOD 1 OCTOBER - 31 DECEMBER 2023

- Net sales amounted to SEK **2,735.9** million, which was **3%** lower than last year (SEK **2,815.1** million). Currency changes affected net sales positively by **2%** and acquired business by **1%**.
- Operating result amounted to SEK **518.7** (**547.2**) million.
- Result for the period amounted to SEK **366.4** (**446.2**) million.
- Earnings per share amounted to SEK **2.76** (**3.36**)*.
- Cash flow from operating activities amounted to SEK **753.5** (**-232.9**) million.

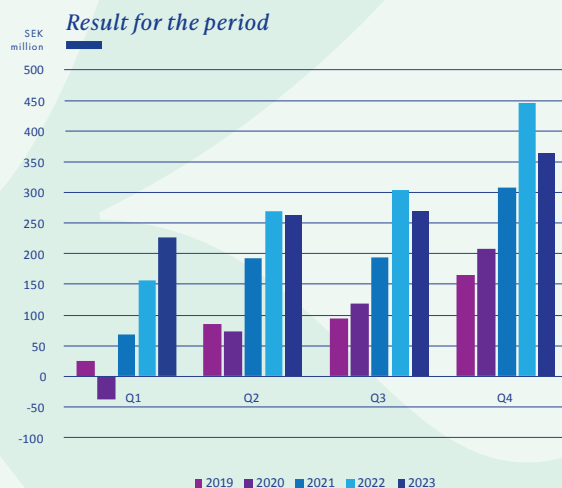
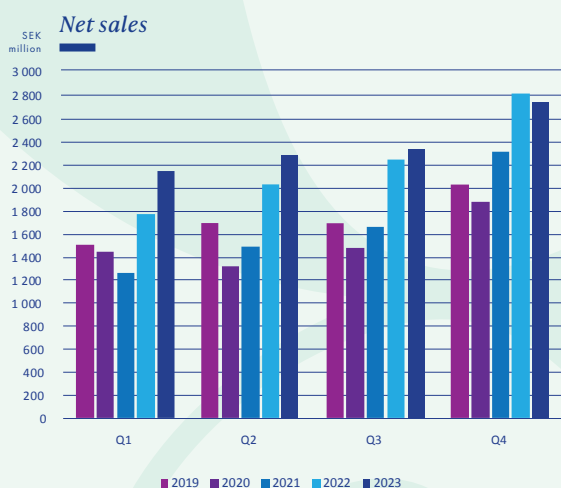
PERIOD 1 JANUARY - 31 DECEMBER 2023

- Net sales amounted to SEK **9,512.9** million, which was **8%** higher than last year (SEK **8,843.6** million). Currency changes affected net sales positively by **4%** and acquired business by **6%**.
- Operating result amounted to SEK **1,577.2** (**1,505.1**) million.
- Result for the period amounted to SEK **1,119.0** (**1,168.8**) million.
- Earnings per share amounted to SEK **8.43** (**8.81**)*.
- Cash flow from operating activities amounted to SEK **963.8** (**-360.0**) million.
- Equity ratio amounted to **60.2** (**53.8**)%.
- Net debt to equity ratio amounted to **31.4** (**39.5**)%.

ANNUAL GENERAL MEETING

The board proposes that the general meeting decide on a dividend of SEK **3.50** per share, with half-yearly payments of SEK **1.75** per share each.

* Before and after dilution, recalculated with regard to the 2:1 share split carried out in June 2023.



Torsten Jansson

CEO comments

*"4th quarter continued with
very strong margins and
cash flow."*



October - December

4th quarter continued with very strong margins and cash flow.

Despite a challenging market, we managed well even though we saw a decline in net sales of 3%. I am very satisfied with the fact that we delivered SEK 518.7 million in operating result, even if it meant a reduction in the quarter of SEK 28.5 million, it is still the second highest quarterly profit in our history and our operating margin amounted to 19.0%. As we said earlier, we worked on achieving a good cash flow and it is gratifying that the cash flow from operating activities amounted to SEK 753.5 million in the quarter, which is an improvement of SEK 986.4 million compared to the year before. Looking at our different sales channels, promo only had a marginal decline while retail was weaker. Of our segments, Corporate was at the same level as last year, despite reduced prices for basic products (which we communicated in the last quarterly report) and increased its operating result. Sports & Leisure and Gifts & Home Furnishings, which are more dependent on the retail trade, decreased both in terms of net sales and operating result. It shows once again how our different sales channels and segments complement each other. The fourth quarter was definitely one that continued to position us for the future.

Full year 2023

New all-time high in both net sales and operating result.

For the full year, net sales increased by 8% to SEK 9,512.9 million, which is an all-time high. Operating result increased by SEK 72.1 million to SEK 1,577.2 million, also an all-time high. The operating margin amounted to 16.6% and once again exceeded our current target of 15.0%. The board is now working on a review of our financial goals. Cash flow improved significantly as we had planned and previously communicated. For the full year, cash flow from operating activities amounted to SEK 963.8 million, an improvement of SEK 1,323.8 million compared to the previous year. The challenging market situation, mainly in the retail trade, during the second half of the year is also reflected in the full-year figures. Despite this, we had a growth in retail sales of 1%, while promo to increase by 12%.

In the past year, as a supplier to retail companies, we were affected by both reduced

consumer sales and our retail customer's need to focus on reducing their excess inventories. New purchases have been very limited because of this.

In summary I am pleased to say that 2023 was the best year ever and a year where we continued to gain market share and strengthen ourselves for the future.

Cash flow & balance sheet

Thanks to the strong cash flow, we finished 2023 with a very strong balance sheet. Equity now amounts to almost SEK 6.5 billion and the equity ratio to just over 60%, which is a new record level. This puts us in a secure position allowing for great opportunities going forward.

The future

We are well equipped for continued profitable growth through organic growth, geographical growth, and also acquisitions. We have a very strong organization with good products. We are well ahead in sustainability. Our brands continue to strengthen every year along with a very solid balance sheet. We have also more than proven that our concepts work internationally, where the Swedish share of net sales is now only 21% of the total. The retail market for us as a supplier will likely start to improve in the next few quarters, even if the consumer market continues to be challenging. This is due to several of our customers having to reduce their inventories significantly during the past year. We continue to have tremendous growth opportunities in our promo sales channel. This also applies to the retail trade with Craft, especially shoes and Teamwear, and as we grow the Team market. This relatively new market opens up for merchandise where our range and brands become extremely competitive together. We are better equipped than ever for a successful future!

Many thanks to all employees, to the board, to our resellers and not least to all end consumers who buy our products!

..... Q4


Torsten Jansson
 CEO

The period

Comments on the period

Summary of the quarter October - December

The year finished in a weaker market. Both net sales and result were lower in relation to the previous year. The lower net sales were mainly related to Sports & Leisure and the retail sales channel and that the segment had a weak development in most regions. The gross profit margin has continued to improve and is higher than in the previous year. Costs increased slightly, which was mainly related to currency changes and acquired operations. Overall, the operating result amounted to SEK 518.7 (547.2) million.



Craft X Bajen

Match kit developed from scratch for Hammarby 2023. Innovative technical design combined with a slightly more classic football silhouette.

The Group's net sales decreased by **3%** (of which currency changes had a positive effect of **2%** and acquired operations by **1%**). Corporate was at the same level as last year, with an increase in the regions Central Europe and Other countries, but a decrease in Sweden, the USA and the Nordic region (excl. Sweden). Sports & Leisure decreased by **7%** and the reduction took place in the Nordics (excl. Sweden), Central and Southern Europe and Other countries. Gifts & Home Furnishings decreased by **1%** compared to the previous year. The segment increased in Sweden but decreased mainly in the Nordics (excl. Sweden).

The promo sales channel decreased by **1%** and the retail trade declined by **6%**. In promo, mainly Gifts & Home Furnishing decreased, while retail decreased primarily in Sports & Leisure.

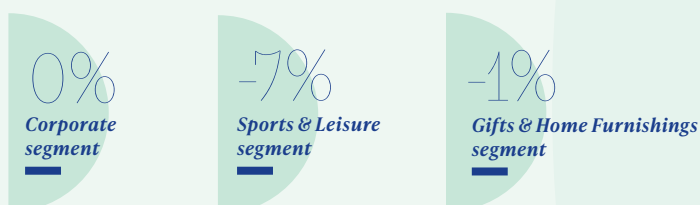
The gross profit margin improved compared to the previous year and amounted to **52.0 (49.7) %**. It was mainly in Sports & Leisure that an improvement took place, but also in Corporate. Gifts & Home Furnishings were slightly lower compared to last year.

In addition to currency changes and acquired operations, external costs increased slightly compared to the previous year. The increase is mainly attributable to costs for our premises and more marketing activities. Personnel costs increased and are due to more employees. The group now has a workforce that is adapted to current volumes.

Operating result decreased by SEK **28.5** million compared to the previous year and amounted to SEK **518.7 (547.2)** million. The operating margin amounted to **19.0 (19.4)%**.

Cash flow from operating activities improved by SEK **986.4** million and amounted to SEK **753.5 (-232.9)** million. The improved cash flow is primarily an effect of lower merchandise purchases. The inventory increased slightly compared to the previous year and amounted to SEK **5,346.8 (5,297.7)** million, of which the exchange rate change when converted to SEK has reduced the value by SEK **67.1** million and acquired operations increased the inventory value by SEK **57.6** million.

CHANGE IN NET SALES



October - December

Net sales

Net sales amounted to SEK 2,735.9 million, which was 3% lower than the previous year (SEK 2,815.1 million). The exchange rate effects had a positive impact on sales by SEK 50.5 million, or 2%. Acquired operations had an impact of SEK 41.1 million, or 1%.

Net sales in USA and Sweden decreased by 1% and this was mainly related to the Corporate segment. Central Europe increased by 2%. The increase occurred in Corporate, while Sports & Leisure decreased. Southern Europe reduced net sales by 4%, which was related to Sports & Leisure. The Nordic region (excl. Sweden) decreased by 7% compared to the previous year. The reduction occurred in all segments. Other countries decreased by 18% and the lower net sales were related to Sports & Leisure.

The promo sales channel decreased by 1% and the retail trade by 6%. Promo improved slightly in Sports & Leisure but decreased slightly in Corporate and Gifts & Home Furnishings. Retail sales decreased in Sports & Leisure, but increased slightly in Corporate and Gifts & Home Furnishings.

Gross profit

The gross profit margin improved compared to the previous year and amounted to 52.0 (49.7) %. Mainly Sports & Leisure increased but also Corporate improved its margin, while Gifts & Home Furnishings decreased slightly compared to last year.

Other operating income and other operating costs

Other operating income decreased by SEK 7.0 million to SEK 29.7 (36.7) million. Other operating income mainly refers to the operation's exchange rate gains and must be set against the profit line other operating expenses where mainly the operation's exchange rate losses are reported. Other operating expenses increased by SEK 4.0 million and amounted to SEK -16.6 (-12.6) million. The net of the above-mentioned items amounted to SEK 13.1 (24.1) million and the reduction is related to lower exchange rate gains.

Costs and depreciations

External costs increased by SEK 34.9 million and amounted to SEK -489.3 (-454.4) million. The increase is mainly related to higher costs for premises and more marketing activities. Personnel costs increased by SEK 14.8 million and amounted to SEK -365.1 (-350.3) million. The increase is mainly related to the acquisition and exchange rate changes.

Exchange rate changes have increased the above costs by SEK 10.5 million. Acquired operations affected the costs by SEK 16.6 million.

Depreciation and write-downs were lower compared to the previous year and amounted to SEK -63.4 (-71.5) million. The reduction is related to depreciation of the right-of-use asset linked to leasing.

Operating result

Operating result decreased by SEK 28.5 million compared to the previous year and amounted to SEK 518.7 (547.2) million. The lower operating result is primarily related to the lower net sales. The operating margin decreased slightly and amounted to 19.0 (19.4) %. Acquired operations contributed SEK 1.9 million.

Net financial items and tax

The net financial items amounted to SEK -38.1 (-22.0) million. The increase is related to interest rates being higher than last year.

Tax on the period's results amounted to SEK -114.3 (-79.0) million and the effective tax rate amounted to 23.8 (15.0) %. The higher tax rate is related to the fact that last year contained a positive change in deferred tax assets and the year has been negatively affected by a change in deferred tax liabilities.

Result for the period

The result for the period decreased by SEK 79.8 million and amounted to SEK 366.4 (446.2) million. Earnings per share amounted to SEK 2.76 (3.36).



Tenson
During 2023,
New Wave
Group acquired
the outdoor company
Tenson AB.

Summary 2023

The strong development that the Group had in 2022 also continued into the first quarter of the year. Net sales increased by **20%** (of which currency **6%** and **9%** acquired operations) and amounted to SEK **2,135.5 (1,774.9)** million. All segments increased their net sales, but mainly it increased in Corporate and Sports & Leisure. The Group had growth in both sales channels. The majority of our geographic regions also showed growth, it was only Other countries and our trading operations in Asia that decreased. The Group improved its operating result by SEK **104.4** million to SEK **313.5 (209.1)** million. We increased the pace of product development, marketing, etc. in most countries.

The market was weaker in the second quarter than we previously estimated, but net sales increased by **14%** (of which currency **5%** and **9%** acquired operations). Of our segments, Corporate had growth, while Sports & Leisure and Gifts & Home Furnishings declined. The promo sales channel increased net sales while retail sales decreased. The USA, Sweden and the Nordic countries (excl. Sweden) decreased their net sales, while the regions Central and Southern Europe and Other countries increased. The Group took market shares in a weaker market. Operating result was at the same level as last year and amounted to SEK **363.9 (351.0)** million. The operating margin was still above our target but decreased compared to the previous year and amounted to **15.8 (17.4%)**. During the quarter, the Group began successful efforts to focus on cash flow. Cash flow from operating activities improved and amounted to SEK **230.1 (68.1)** million.

The third quarter of the year had a challenging market with price reductions on a number of basic goods. The Group continued to gain market share and net sales increased by **5%**, of which currency **4%** and acquired operations **7%**. Acquired business refers to B.T.C Activewear Ltd which was acquired on 1 September 2022 and that New Wave Group AB on 1 July 2023 acquired **100%** of the shares in the Swedish outdoor company Tenson AB. Excluding acquired operations, all segments were slightly lower than last year. Both sales channels increased their net sales, which were related to the acquired units and excluding these, sales in both channels decreased. The Group had growth in the European regions but decreased in other regions. Operating result decreased slightly compared to the previous year and amounted to SEK **381.1 (397.8)** million. The operating margin amounted to **16.3 (17.8)%**, which is the second highest operating margin the Group had in this quarter. The cash flow



from operating activities improved by SEK **373.7** million and amounted to SEK **173.3 (-200.4)** million.

It was a weaker market in the fourth quarter but in line with our expectations. Net sales decreased slightly compared to the previous year and most of our regions decreased. Only Central Europe had growth. The Group reduced net sales in both sales channels. The segments Corporate and Gifts & Home Furnishings were at the same level as last year, while Sports & Leisure decreased net sales. The gross profit margin has continued to improve and was higher than the previous year. We have good cost control and excluding currency changes and acquisitions, the increase was related to higher costs for premises and marketing. Operating result decreased by SEK **28.5** million to SEK **518.7 (547.2)** million. The operating margin remains strong and amounted to **19.0 (19.4)%** in the quarter.

Net sales for the year amounted to SEK 9,512.9 million, which was an increase of 8% (4% excluding currency changes), of which acquired operations contributed 6%. The promo sales channel increased by 12%, which is mainly related to acquired business and the retail trade was on par with last year. The Corporate segment increased by 15%, of which acquired operations had a positive impact of 11%. The segment had strong growth during the first three quarters of the year and a weaker development during the last quarter. Although market efforts have increased, costs have been kept at an appropriate level, therefore the operating margin is at the same level as last year. Sports & Leisure also started the year strong but had weaker development thereafter and for the whole year the segment increased by 2%. The segment increased mainly in Sweden and Central Europe, but net sales decreased in the Other countries region. Investments in Craft have continued and the brand is developing well. During the year, significant market investments were made. We also have good cost control in this segment. However, our costs have increased as the result of more marketing activities and the operating margin was lower than last year. Net sales for Gifts & Home Furnishings decreased by 3%. After a weak start to the year, things improved in the second half of the year. The segment had lower net sales in all regions. Increased

marketing activities and more personnel have caused the operating result to decrease compared to last year.

The Group once again had a strong year that resulted in an operating result of SEK 1,577.2 (1,505.1) million and with an operating margin that amounted to 16.6 (17.0)%. The financial net increased during the year as last year's acquisition and inventory build-up gave a higher net debt during a period of increasing interest rates rose. In line with a weaker market, the Group has adapted its inventory to current volumes and demand. The year's net result amounted to SEK 1,119.0 (1,168.8) million. The inventory reduction has also contributed to the cash flow from operating activities improving by SEK 1,323.8 million and amounting to SEK 963.8 (-360.0) million and the debt to equity ratio being reduced to 31.4 (39.5)%. Investing activities decreased and amounted to SEK -220.9 (-552.2) million, where last year includes SEK 398.7 million regarding the acquisition of B.T.C Activewear Ltd. The equity ratio improved and amounted to 60.2 (53.8)% and the Group's net debt decreased by SEK 300.7 million and amounted to SEK 2,028.9 (2,329.6) million as of December 31.



Craft

Craft's collaboration with team sports has continued in 2023.



BTC Activewear



Photo by: Bildbyrån.



Photo by: Bildbyrån.



Photo by: Bildbyrån.



Craft

Today, Craft collaborates with many national teams and top clubs in some of the world's biggest sports.

January - December

Net sales

Net sales amounted to SEK **9,512.9** million, which was **8%** higher than the previous year (SEK 8,843.6 million). Exchange rate effects had a positive impact on sales with SEK **359.5** million, or **4%**. Acquired operations had a positive impact of SEK **520.5** million or **6%**.

Net sales in the USA increased by **1%** with improvement in Sports & Leisure but declines in Corporate and Gifts & Home Furnishings. Sweden was on par with last year with Sports & Leisure increasing, while Corporate and Gifts & Home Furnishing decreasing. Central Europe increased by **35%**, which was mainly related to last year's acquisition in the Corporate segment, but Sports & Leisure also increased. Southern Europe increased by **10%** with the improvement occurring in the Corporate and Sports & Leisure segments. The Nordics (excl. Sweden) decreased by **1%** where Corporate increased while Sports & Leisure experienced declines. Other countries decreased by **5%** and all segments had lower net sales.

The promo sales channel increased by **12%** and retail sales improved by **1%**. Promo improved in Corporate and Sports & Leisure segment but decreased in Gifts & Home Furnishings. Retail sales increased mainly in Corporate and Sports & Leisure.

Gross profit

The gross profit margin was higher than the previous year and amounted to **50.3 (49.5) %**. Sports & Leisure increased its margin, while Corporate and Gifts & Home Furnishing are at the same level as last year.

Other operating income and other operating costs

Other operating income increased by SEK **6.8** million to SEK **130.7 (123.9)** million. Other operating income is primarily attributable to the operation's exchange rate gains and must be set against the profit line other operating expenses where the operation's exchange rate losses are reported. Other operating expenses decreased by SEK **12.9** million and amounted to SEK **-54.5 (-67.4)** million. The net of the above-mentioned items amounted to SEK **76.2 (56.5)** million. The improvement is primarily due to receiving electricity subsidies, a positive profit effect in connection with the acquisition of Tenson AB in addition to capital gains from the sale of property.

Costs and depreciations

External costs increased by SEK **192.7** million and amounted to SEK **-1,663.0 (-1,470.3)** million. The increase is mainly related to volume-related costs, rental costs but also more marketing activities. Personnel costs increased by SEK **147.5** million and amounted to SEK **-1,352.8 (-1,205.3)** million. This year's increase is mainly due to acquired units and the savings made in previous years. The business is now adapted to current volumes.

Exchange rate changes have increased the above costs by SEK **112.6** million and acquired operations affected the costs by SEK **97.0** million.

Depreciation and write-downs were slightly higher compared to the previous year and amounted to SEK **-263.2 (-249.2)** million. The increase is related to depreciation of right-of-use assets linked to leasing and investments in our warehouses.

Operating result

Operating result increased by SEK **72.1** million and amounted to SEK **1,577.2 (1,505.1)** million. The improvement is mainly related to a higher gross profit margin. The operating margin was slightly lower than last year but still above our target and amounted to **16.6 (17.0) %**. Acquired businesses contributed SEK **37.3** million.

Net financial items and tax

The financial net increased compared to the previous year, amounting to SEK **-137.7 (-55.0)** million. Net debt increased during the first nine months of the year due to inventory build-up and last year's acquisition that took place on September 1. This has increased interest costs at the same time as interest levels have increased compared to last year.

The tax cost for the period amounted to SEK **-320.4 (-281.3)** million. The effective tax rate amounted to **22.3 (19.4) %**, where last year deferred tax assets had a positive affect.

Result for the period

Result for the period amounted to SEK **1,119.0 (1,168.8)** million and earnings per share amounted to SEK **8.43 (8.81)**.

Reporting of operating segments

New Wave Group divides its operations into the segments Corporate, Sports & Leisure and Gifts & Home Furnishings. The Group monitors the segments' and brands' sales as well as operating result. The operating segments are based on the Group's operational management.



Corporate

Net sales for the fourth quarter were at the same level as last year and amounted to SEK 1,358.4 (1,359.0) million. Sales increased in Central Europe and Other countries, but decreased in other regions. The promo sales channel was unchanged while retail sales increased. Operating result improved by SEK 34.9 million and amounted to SEK 331.5 (296.6) million. The higher result is mainly related to an improved gross profit margin.

Net sales for the year amounted to SEK 4,757.1 (4,152.0) million. Acquired operations had a positive impact of SEK 445.6 million or 11%. Central and Southern Europe and the Nordics (excl. Sweden) increased their net sales, while the regions USA, Sweden and Other countries decreased. Both sales channels increased their net sales. Operating result improved by SEK 129.6 million and amounted to SEK 942.7 (813.1) million. The higher result is mainly related to the higher net sales. Acquired unit contributed SEK 28.1 million.

Sports & Leisure

Net sales during the period October-December decreased by 7% and amounted to SEK 1,071.6 (1,146.8) million. Acquired operations had an impact of SEK 41.1 million or 4%. Sweden increased slightly, which was related to acquired operations, and the USA was at the same level as last year. Other regions reduced their net sales. The promo sales channel increased slightly while retail sales decreased by 9%. Operating result decreased by SEK 49.0 million and amounted to SEK 169.1 (218.1) million. The lower result is related to the reduced net sales and higher costs. However, the segment had an improved gross profit margin. Acquired unit contributed SEK 1.9 million.

Net sales for the period January-December increased by 2% and amounted to SEK 3,874.6 (3,782.3) million. Acquired operations had an impact of SEK 74.9 million or 2%. The segment had higher net sales in all regions except the Nordics (excl. Sweden) and Other countries. Both sales channels increased. Operating result decreased by SEK 29.6 million and amounted to SEK 617.7 (647.3) million. The decline in earnings is related to higher costs but has an improved gross profit margin. Acquired unit contributed SEK 2.7 million and a positive profit effect was reported in connection with the acquisition of SEK 6.5 million.



KostaBoda

Gifts & Home Furnishings

Net sales for the fourth quarter decreased slightly compared to the previous year and amounted to SEK 305.9 (309.2) million. The segment has lower net sales in most regions, but increased slightly in Central Europe and Sweden. Sales decreased in the promo sales channel but increased in the retail. Operating result decreased by SEK 14.5 million compared to last year and amounted to SEK 18.0 (32.5) million. The lower result is related to both lower net sales and gross profit margin, but also higher costs of more employees and marketing.

Net sales for the period January-December decreased by 3% and amounted to SEK 881.1 (909.3) million. All regions have a lower net turnover and it is the promo sales channel that is decreasing. Retail sales are on par with last year. Operating result decreased by SEK 27.9 million compared to the previous year and amounted to SEK 16.8 (44.7) million. The lower result is related to the lower net sales and higher costs in the form of more market activities and a higher number of employees.

Capital tied up

Capital tied up in inventory increased by SEK 49.1 million compared to the previous year, amounting to SEK 5,346.8 (5,297.7) million. Exchange rate changes have reduced the inventory value by SEK 67.1 million and acquired operations increased the value by SEK 57.6 million. The inventory's turnover rate decreased compared to last year and amounted to 0.9 (1.1) times.

SEK million	31 Dec 2023	31 Dec 2022
Raw materials	59.8	63.4
Work in progress	0.7	1.8
Goods in transit	365.9	544.4
Finished goods	4 920.4	4 688.1
Total	5 346.8	5 297.7

As of 31 December 2023, total obsolescence reserves (the difference between the lowest of acquisition value and fair value) for inventory amounted to SEK 152.9 (164.4) million and obsolescence reserve in relation to finished goods inventory amounted to 3.0 (3.4) %.

Accounts receivable amounted to SEK 1,475.2 (1,664.1) million, where the decrease is primarily related to the lower net sales.

Investments, financing and liquidity

The quarter's cash flow from operating activities improved by SEK 986.4 million and amounted to SEK 753.5 (-232.9) million. The higher cash flow is mainly attributable to lower merchandise purchases. Cash flow from investing activities amounted to SEK -25.3 (-8.3) million.

For the full year, cash flow from operating activities amounted to SEK 963.8 million, which was SEK 1,323.8 million higher than the previous year (SEK -360.0 million). The improved cash flow is mainly related to lower merchandise purchases. The cash flow from investing activities amounted to SEK -220.9 (-522.2) million, where last year included SEK -398.7 million related to business acquisitions.

Net debt decreased by SEK 300.7 million, of which SEK 166.9 million referred to credit institutions, and amounted to SEK 2,028.9 (2,329.6) million. The net debt to equity ratio and net debt through working capital decreased and amounted to 31.4 (39.5) % and 37.2 (44.7) % respectively.

The equity ratio improved by 6.4 percentage points and amounted to 60.2 (53.8) %.

During the quarter, the group extended one of its financing agreements by one year, until December 2026. The total credit line as of December 31 amounted to SEK 2,753.2 million, of which USD 1.4 million is in effect through January 2024, SEK 2,150.0

million is in effect through December 2026, SEK 164.1 million is in effect through August 2027 and SEK 175.0 million has a term that extends to December 2030. The other SEK 250.0 million has a term of between three months and six years. The credit line is limited in amount to and dependent on the value of certain underlying assets. The financing agreement means that key figures (covenants) must be met in order to maintain the credit line. The group's key figures (covenants) were fulfilled as of December 31, 2023.

Personnel and organization

The average number of annual employees as of December 31 amounted to 2,450 (2,313) people, of which 49% were men and 51% were women. Of the number of employees, 502 (481) work in production.

The production within the New Wave Group is attributable to AHEAD (embroidery), Cutter & Buck (embroidery), Kosta Boda, Orrefors, Seger, Termo and Toppoint.

Intangible Assets

The Group's intangible assets with indefinite useful life consist of goodwill and trademarks. The useful lives are assessed to be indefinite because they are well established strategic brands in respective markets which the Group intends to maintain and develop further. The brands with greater value, listed at their acquisition values, are well-known brands such as Orrefors and Kosta Boda within Gifts & Home Furnishings as well as predominantly Cutter & Buck within Sports & Leisure. The value of the Group's goodwill and trademarks, which are based on local currency and can give rise to currency translation effects in the consolidated financial statements, have been allocated between the cash-generating units for which they belong. These units are also the Group's segments. The value of these intangible assets is reviewed annually to ensure that the value does not deviate negatively from book value, but can be tested more frequently if there are indications that the value has decreased. In an impairment test, the recoverable amount needs to be determined by a calculation of the respective cash-generating unit's value in use. For New Wave Group, the operating segments are deemed to constitute cash-generating units, except in the case of Gifts & Home Furnishings, which is divided into two cash-generating units, Gifts & Home Furnishings and Destination Kosta. During 2023, the segment has been split into two cash-generating units due to the fact that the products and services that Destination Kosta provides differ from other products within the operating segment. The assets for generating payments linked to these products and services can also be clearly distinguished from others within the operating segment.

The value in use is based on established cash flow projections for the next five years, and a long-term growth rate, known as terminal growth. The most important assumptions in determining the value in use include growth rate, operating margin and discount rate (WACC). As the cash generating units have different characteristics, each unit is assessed after its commercial factors. The estimated cost of capital (WACC) is considered to be representative of all cash generating units.

Based on the tests and analyses that have been carried out during the quarter, there is currently no need for impairment, nor for impairment of the comparison year.

Related party transactions

Lease agreements exist with related companies. Companies related to the CEO have bought merchandise. In addition, there are transactions with related parties at insignificant values. All transactions have taken place on market terms.

The Parent company

Total income for the quarter amounted to SEK 53.0 (40.3) million. Result before appropriations and tax amounted to SEK 36.4 (-2.8) million. The higher result is mainly attributable to an intra-group company sale. The net debt amounted to SEK 1,674.7 (1,861.0) million. The parent company's net financing to subsidiaries amounted to SEK 2,156.6 (2,533.9) million. The cash flow from investing activities amounted to SEK -3.2 (-0.2) million. The balance sheet total amounted to SEK 5,520.9 (5,754.8) million and the equity, including the equity share of untaxed reserves, to SEK 2,741.4 (2,663.3) million.

Total income for the period January-December amounted to SEK 168.8 (161.7) million. Result before appropriations and tax amounted to SEK 509.1 (257.0) million. The improvement in earnings is mainly attributable to higher dividends from foreign subsidiaries. The cash flow from investing activities is positive and amounted to SEK 43.6 (-408.9) million. This year's investment activities includes an intra-group company sale, while last year's includes the acquisition of B.T.C Activewear Ltd.

Annual General Meeting

The Annual General Meeting takes place on May 16 at 1 p.m. in Kosta. The annual report is expected to be available on April 17 at the company's head office in Gothenburg and at www.nwg.se.

Dividend

The company's dividend policy is that 40% of the net profit must be distributed over a business cycle.

The board proposes that the general meeting decide on a dividend of SEK 3.50 (3.25) per share, a total of SEK 464,404,801 (431,233,030), with half-yearly payments of SEK 1.75 per share each. The dividend corresponds to 42 (37)% of the net profit.

Nomination committee

The nomination committee for the board election at the 2024 Annual General Meeting is

- Tomas Risbecker, representative of Svolder and Chairman of the nomination committee
- Torsten Jansson, CEO and representative of Torsten Jansson Holding AB
- Frank Larsson, representative of Svenska Handelsbankens fonder

For more information about the nomination committee and its work, please see www.nwg.se.



Calendar

20 FEB	Capital Market Day
25 APR	Interim report for the first quarter
16 MAY	Annual General Meeting
15 AUG	Interim report for the second quarter
7 NOV	Interim report for the third quarter

The Board of Directors and CEO declare that the year-end report gives a true and fair overview of the company's and Group's operations, financial position and earnings, and describes the significant risks and uncertainty factors faced by the company and the companies included in the Group.

The company's auditors have not conducted any review of the report for the fourth quarter of 2023.

..... 2023

Gothenburg, February 8, 2024

New Wave Group AB (publ)

Olof Persson
Chairman of the Board

Jonas Eriksson
Member of the Board

M. Johan Widerberg
Member of the Board

Ingrid Söderlund
Member of the Board

Kinna Bellander
Member of the Board

Ralph Mühbrad
Member of the Board

Isabella Jansson
Member of the Board

Torsten Jansson
CEO and Group CEO

For more information, please contact:

CEO AND GROUP CEO

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CFO

Lars Jönsson

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This information is information that New Wave Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons detailed above, at 7:00 a.m.CET on February 8th, 2024.

Consolidated income statement

SEK million	Note	3 months Oct - Dec 2023	3 months Oct - Dec 2022	12 months Jan - Dec 2023	12 months Jan - Dec 2022
Net sales	3, 4, 5	2 735.9	2 815.1	9 512.9	8 843.6
Goods for resale		-1 312.3	-1 415.4	-4 730.2	-4 468.4
Gross profit		1 423.6	1 399.7	4 782.6	4 375.2
Other operating income	8	29.7	36.7	130.7	123.9
External costs		-489.3	-454.4	-1 663.0	-1 470.3
Personnel costs		-365.1	-350.3	-1 352.8	-1 205.3
Amortizations, depreciations and write-downs of tangible and intangible fixed assets	3	-63.4	-71.5	-263.2	-249.2
Other operating costs		-16.6	-12.6	-54.5	-67.4
Share of associated companies' result		-0.1	-0.4	-2.7	-1.8
Operating result	3	518.7	547.2	1 577.2	1 505.1
Financial income		4.0	0.5	9.6	3.7
Financial expenses		-42.1	-22.5	-147.3	-58.7
Net financial items		-38.1	-22.0	-137.7	-55.0
Result before tax		480.6	525.2	1 439.4	1 450.1
Tax expense		-114.3	-79.0	-320.4	-281.3
Result for the period		366.4	446.2	1 119.0	1 168.8
Other comprehensive income:					
Items that can be reclassified into profit or loss:					
Translation differences		-286.4	-116.3	-114.5	434.2
Cash flow hedges		0.9	-13.6	-4.2	2.4
Sum		-285.5	-129.9	-118.7	436.6
Income tax related to components of other comprehensive income		-0.2	2.8	0.8	-0.5
Total other comprehensive for the period		-285.7	-127.1	-117.9	436.1
Total comprehensive income for the period		80.7	319.1	1 001.1	1 604.9
Result for the period attributable to:					
Shareholders of the Parent company		366.4	446.3	1 119.0	1 168.8
Non-controlling interest		0.0	-0.1	0.0	0.0
		366.4	446.2	1 119.0	1 168.8
Total comprehensive income attributable to:					
Shareholders of the Parent company		80.7	319.1	1 001.1	1 604.9
Non-controlling interest		0.0	0.0	0.0	0.0
		80.7	319.1	1 001.1	1 604.9
Earnings per share (SEK)*		2.76	3.36	8.43	8.81
The average number of outstanding shares**		132 687 086	132 687 086	132 687 086	132 687 086

*Earnings per share and the average number of outstanding shares are the same before and after dilution.

**Recalculated with regard to the 2:1 share split carried out in June.

Consolidated cash flow statement

SEK million	Note	3 months Oct - Dec 2023	3 months Oct - Dec 2022	12 months Jan - Dec 2023	12 months Jan - Dec 2022
Operating activities					
Operating result		518.7	547.3	1 577.2	1 505.1
Adjustment for items not included in cash flow		72.1	88.9	249.4	253.7
Received interest		3.1	5.9	5.6	7.6
Paid interest		-41.6	-28.0	-143.7	-62.7
Paid income tax		-128.2	-147.8	-325.6	-320.6
Cash flow from operating activities before changes in working capital		424.1	466.3	1 362.8	1 383.2
Changes in working capital					
Increase/decrease of inventories		320.6	-525.1	-70.9	-1 983.1
Increase/decrease of current receivables		41.8	-71.1	175.3	-186.8
Increase/decrease of current liabilities		-33.0	-103.0	-503.5	426.7
Cash flow from changes in working capital		329.4	-699.2	-399.0	-1 743.2
Cash flow from operating activities		753.5	-232.9	963.8	-360.0
Investing activities					
Investments in tangible fixed assets		-22.0	-9.1	-220.3	-123.7
Sales of tangible fixed assets		0.7	0.4	10.9	10.7
Investments in intangible fixed assets		-4.1	0.4	-14.6	-10.5
Acquisition of shares		0.0	0.0	3.1	-398.7
Raised long-term receivables		0.0	0.0	0.0	0.0
Repayment of long-term receivables		0.0	0.0	0.0	0.0
Cash flow from investing activities	3	-25.3	-8.3	-220.9	-522.2
Cash flow after investing activities		728.2	-241.2	742.9	-882.2
Financial activities					
Loans raised		0.0	454.0	0.0	1 465.6
Amortization of loans		-387.6	-28.4	-205.5	-111.3
Amortization of lease liabilities		-33.4	-36.4	-148.7	-138.2
Acquisition of non-controlling interests		0.0	0.0	0.0	0.0
Dividend paid to the shareholders of the Parent company		-214.9	0.0	-431.2	-282.0
Cash flow from financial activities		-635.9	389.2	-785.4	934.1
Cash flow for the period		92.2	148.0	-42.5	51.9
Liquid assets at the beginning of the period		299.6	279.2	419.4	327.9
Translation differences in liquid assets		-19.2	-7.8	-4.2	39.6
Liquid assets at the end of the period		372.6	419.4	372.6	419.4
Liquid assets					
Cash at bank and in hand		372.6	419.4	372.6	419.4

Consolidated balance sheet

SEK million	Note	31 Dec 2023	31 Dec 2022
ASSETS			
Intangible fixed assets	3	1 756.7	1 768.5
Tangible fixed assets	3	1 357.8	1 319.6
Shares in associated companies		38.7	38.7
Other long-term receivables		11.8	13.9
Deferred tax assets	3, 5	127.9	129.2
Total non-current assets	5	3 292.8	3 269.9
Inventory		5 346.8	5 297.7
Current tax receivables		43.8	30.2
Accounts receivable		1 475.2	1 664.1
Other receivables		128.5	169.6
Prepaid expenses and accrued income		79.7	92.7
Liquid assets		372.6	419.4
Total current assets		7 446.5	7 673.7
TOTAL ASSETS	3, 6	10 739.3	10 943.6
EQUITY			
Share capital		199.0	199.0
Other capital contributions		219.4	219.4
Reserves		812.4	927.9
Retained earnings including result for the period		5 228.5	4 543.1
Equity attributable to shareholders of the Parent company		6 459.3	5 889.4
Non-controlling interest		1.2	1.1
Total equity		6 460.4	5 890.5
LIABILITIES			
Long-term interest-bearing liabilities	7	2 194.9	2 418.4
Pension provisions		24.8	24.1
Other provisions		5.1	7.2
Deferred tax liabilities		178.0	159.2
Total non-current liabilities		2 402.8	2 608.9
Short-term interest-bearing liabilities	7	206.6	330.6
Accounts payable		967.8	1 404.8
Current tax liabilities		86.7	104.4
Other liabilities		188.4	174.7
Accrued expenses and prepaid income		426.5	429.7
Total current liabilities		1 876.1	2 444.2
Total liabilities	3, 6	4 278.9	5 053.1
TOTAL EQUITY AND LIABILITIES		10 739.3	10 943.6

Consolidated statement of changes in equity

SEK million	Share capital	Other capital contributions	Reserves	Retained earnings incl. result for the period	Total	Non-controlling interest	Total equity
Opening balance 2022-01-01	199.0	219.4	489.4	3 658.8	4 566.7	0.9	4 567.6
Result for the period				1 168.8	1 168.8	0.0	1 168.8
Other comprehensive income							
Translation differences			434.0		434.0	0.2	434.2
Cash flow hedges for the period			2.4		2.4		2.4
Reclassification of previous years' cash flow hedge			2.6	-2.6	0.0		0.0
Income tax related to components of other comprehensive income			-0.5		-0.5		-0.5
Total comprehensive income			438.5	-2.6	435.9	0.2	436.1
Transactions with shareholders							
Dividends to shareholders of the Parent company				-282.0	-282.0		-282.0
Acquisition of non-controlling interest				0.0	0.0	0.0	0.0
Closing balance 2022-12-31	199.0	219.4	927.9	4 543.1	5 889.4	1.1	5 890.5

SEK million	Share capital	Other capital contributions	Reserves	Retained earnings incl. result for the period	Total	Non-controlling interest	Total equity
Opening balance 2023-01-01	199.0	219.4	927.9	4 543.1	5 889.4	1.1	5 890.5
Result for the period				1 119.0	1 119.0	0.1	1 119.0
Other comprehensive income							
Translation differences			-114.5		-114.5	0.0	-114.5
Cash flow hedges for the period			-4.2		-4.2		-4.2
Reclassification of previous years' cash flow hedge			2.4	-2.4	0.0		0.0
Income tax related to components of other comprehensive income			0.8		0.8		0.8
Total comprehensive income			-115.5	-2.4	-117.9	0.0	-117.9
Transactions with shareholders							
Dividends to shareholders of the Parent company				-431.2	-431.2		-431.2
Acquisitions of non-controlling interest					0.0		0.0
Closing balance 2023-12-31	199.0	219.4	812.4	5 228.5	6 459.3	1.2	6 460.4

	Jan - Dec 2023	Jan - Dec 2022
Accumulated translation differences in equity		
Accumulated translation differences at the beginning of the period	931.2	497.0
Translation differences in foreign Group companies for the period	-114.5	434.2
Accumulated translation differences at the end of period	816.7	931.2

Financial key figures

	3 months Oct - Dec 2023	3 months Oct - Dec 2022	12 months Jan - Dec 2023	12 months Jan - Dec 2022
Net sales growth, %	-2.8	22.0	7.6	31.6
Organic growth, %	-6.5	6.3	-2.4	20.8
Acquired growth, %	1.5	7.8	5.9	3.7
Average number of employees	2 450	2 313	2 450	2 313
Gross profit margin, %	52.0	49.7	50.3	49.5
Operating margin before depreciations, %	21.3	22.0	19.3	19.8
Operating margin, %	19.0	19.4	16.6	17.0
Profit margin, %	17.6	18.7	15.1	16.4
Net margin, %	13.4	15.8	11.8	13.2
Return on shareholders' equity, %	18.7	25.0	18.7	25.0
Return on capital employed, %	18.1	20.7	18.1	20.7
Equity ratio, %	60.2	53.8	60.2	53.8
Net debt, SEK million	2 028.9	2 329.6	2 028.9	2 329.6
Net debt to credit institutes, SEK million	1 468.5	1 635.4	1 468.5	1 635.4
Net debt to equity ratio, %	31.4	39.5	31.4	39.5
Net debt in relation to working capital, %	37.2	44.7	37.2	44.7
Interest coverage ratio, times	12.4	24.4	10.8	25.7
Capital turnover, times	0.9	1.0	0.9	1.0
Inventory turnover, times	0.9	1.1	0.9	1.1
Cash flow before investments, SEK million	753.5	-232.9	963.8	-360.0
Net investments, SEK million	-25.3	-8.3	-220.9	-522.2
Cash flow after investments, SEK million	728.2	-241.2	742.9	-882.2
Shareholders' equity per share, before and after dilution, SEK	48.68	44.39	48.68	44.39
Share price as of the balance sheet date, SEK	101.88	103.20	101.88	103.20
Dividend/share, SEK*	1.63	-	3.25	2.13
P/E-ratio	12.08	11.72	12.08	11.72
P/S-ratio	1.42	1.55	1.42	1.55
Share price/Shareholders' equity	2.09	2.33	2.09	2.33

*Recalculated with regard to the 2:1 share split carried out in June 2023.
For definitions of alternative performance measures, see page 34.

Income statement

SEK million	3 months Oct - Dec 2023	3 months Oct - Dec 2022	12 months Jan - Dec 2023	12 months Jan - Dec 2022
Net sales	38.9	25.6	121.9	100.1
Other operating income	14.1	14.8	46.8	61.6
Total income	53.0	40.3	168.8	161.7
External costs	-22.2	-20.3	-90.1	-70.4
Personnel costs	-15.3	-12.4	-51.5	-45.5
Amortizations, depreciations and write-downs of tangible and intangible fixed assets	-0.7	-0.9	-2.9	-4.5
Other operating costs	-11.5	-11.9	-38.6	-52.4
Operating result	3.2	-5.1	-14.3	-11.2
Result from shares in Group companies	22.0	8.6	447.7	247.2
Changes in write-downs of financial assets	-3.6	-15.1	16.0	-4.3
Financial income	68.0	33.6	234.7	69.7
Financial expenses	-53.2	-24.7	-175.0	-44.5
Net financial items	33.2	2.4	523.4	268.1
Result before appropriations and tax	36.4	-2.8	509.1	257.0
Appropriations	10.6	125.3	10.6	125.3
Tax expense	5.6	-22.4	0.0	-24.6
Result for the period	52.6	100.1	519.7	357.6

Total comprehensive income for the period corresponds with result for the period.

Cash flow statement

SEK million	3 months Oct - Dec 2023	3 months Oct - Dec 2022	12 months Jan - Dec 2023	12 months Jan - Dec 2022
Operating activities				
Operating result	3.2	-5.1	-14.3	-11.2
Adjustment for items not included in cash flow	-20.3	-2.2	-0.9	42.1
Received dividends	0.0	8.6	425.7	247.2
Received interest	68.0	33.6	234.7	69.7
Paid interest	-52.8	-24.7	-174.6	-44.5
Paid income tax	-8.0	-4.4	-29.4	-26.3
Cash flow from operating activities before changes in working capital	-9.8	5.8	441.2	277.1
Changes in working capital				
Increase/decrease in current receivables	346.3	-391.7	243.6	-1 333.2
Increase/decrease in current liabilities	152.3	75.1	-112.3	459.6
Cash flow from changes in working capital	498.6	-316.6	131.3	-873.6
Cash flow from operating activities	488.7	-310.8	572.5	-596.5
Investing activities				
Shareholder contributions to Group companies	0.0	0.0	-50.0	0.0
Investments in associated companies	0.0	0.0	0.0	0.0
Investments in tangible fixed assets	-1.0	-0.1	-2.4	-0.2
Investments in intangible fixed assets	0.0	-0.5	0.0	-0.5
Acquisition of shares	0.0	0.0	0.0	-409.2
Intra-Group sales of Group companies	0.0	0.0	95.0	0.0
Changes in long-term loans to Group companies	-2.6	0.5	0.9	1.5
Raised long-term receivables	0.4	-0.1	0.0	-0.5
Cash flow from investing activities	-3.2	-0.2	43.6	-408.9
Cash flow after investing activities	485.6	-311.0	616.1	-1 005.4
Financial activities				
Loans raised	0.0	385.6	0.0	1 388.4
Amortization of loans	-270.6	-74.8	-184.9	-101.5
Dividend paid to shareholders of the Parent company	-215.0	0.0	-431.2	-282.0
Cash flow from financial activities	-485.6	310.8	-616.1	1 004.9
Cash flow for the period	0.0	-0.2	0.0	-0.5
Liquid assets at the beginning of the period	0.0	0.2	0.0	0.5
Liquid assets at the end of the period	0.0	0.0	0.0	0.0
Liquid assets				
Cash at bank and in hand	0.0	0.0	0.0	0.0

Balance sheet

SEK million	Note	31 Dec 2023	31 Dec 2022
ASSETS			
Intangible fixed assets		4.1	5.9
Tangible fixed assets		4.0	2.7
Shares in Group companies		2 618.0	2 644.6
Shares in associated companies		37.7	38.1
Receivables on Group companies		30.1	31.0
Other long-term receivables		5.9	6.0
Total non-current assets		2 699.8	2 728.3
Accounts receivable		1.0	0.8
Receivables on Group companies		2 769.6	2 988.8
Current tax receivables		18.6	0.0
Other receivables		15.2	25.6
Prepaid expenses and accrued income		16.5	11.3
Liquid assets		0.0	0.0
Total current assets		2 821.1	3 026.6
TOTAL ASSETS		5 520.9	5 754.8
EQUITY			
Share capital		199.0	199.0
Restricted reserves		249.4	249.4
Total restricted equity		448.4	448.4
Retained earnings		1 626.2	1 699.9
Share premium reserve		48.0	48.0
Result for the period		519.7	357.6
Total unrestricted equity		2 193.9	2 105.5
Total equity		2 642.4	2 553.9
Untaxed reserves		124.8	137.7
LIABILITIES			
Long-term interest-bearing liabilities	7	1 591.9	1 733.6
Total non-current liabilities		1 591.9	1 733.6
Short-term interest-bearing liabilities	7	82.9	127.5
Accounts payable		424.3	696.8
Liabilities to Group companies		643.2	485.9
Current tax liabilities		0.0	10.8
Other liabilities		1.1	0.8
Accrued expenses and prepaid income		10.4	7.8
Total current liabilities		1 161.9	1 329.6
Total liabilities		2 753.7	3 063.2
TOTAL EQUITY AND LIABILITIES		5 520.9	5 754.8

Statement of changes in equity

SEK million	Share capital	Restricted reserves	Retained earnings	Share premium reserve	Result for the period	Total equity
Opening balance 2022-01-01	199.0	249.4	1 389.1	48.0	592.8	2 478.3
Transfer according to decision at AGM			592.8		-592.8	0.0
Result for the period					357.6	357.6
Total changes excluding transactions with shareholders	0.0	0.0	0.0	0.0	357.6	357.6
Dividends			-282.0			-282.0
Closing balance 2022-12-31	199.0	249.4	1 699.9	48.0	357.6	2 553.9

SEK million	Share capital	Restricted reserves	Retained earnings	Share premium reserve	Result for the period	Total equity
Opening balance 2023-01-01	199.0	249.4	1 699.9	48.0	357.6	2 553.9
Transfer according to decision at AGM			357.6		-357.6	0.0
Result for the period					519.7	519.7
Total changes excluding transactions with shareholders	0.0	0.0	0.0	0.0	519.7	519.7
Dividends			-431.2			-431.2
Closing balance 2023-12-31	199.0	249.4	1 626.3	48.0	519.7	2 642.4



The Group and Parent company Notes

Note 1 - Accounting policies

This report is prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. The year-end for the Parent Company has been prepared according to the Annual Accounts Act as well as RFR 2 Reporting for Legal Entities. Applied accounting policies are otherwise consistent with the 2021 Annual Report.

New accounting policies for 2023

Several amendments to existing standards have been published and will come into effect in 2023 and beyond. One of these is changes in IAS 1 - Disclosure of accounting principles. To support the changes, the IASB has also developed guidance and examples to explain and identify a significant accounting principle. The company's management assesses that this change is expected to affect information about applied accounting principles and work is underway to evaluate these effects in their entirety. Other changes are not considered to have a significant impact on New Wave Group's financial reports.

Note 2 - Risks and risk control

New Wave Group's international operations mean that it is continuously exposed to various financial risks. The financial risks are interest rate risks, currency, liquidity and credit risks. In order to minimize the effect these risks may have on earnings, the Group has a risk policy. For a more detailed description of the Group's risk management please refer to the Annual Report 2022, note 16, p. 98-104. The Annual Report is available at the Group's headquarters in Gothenburg, Sweden, as well as at www.nwg.se.

The Group's policy is to have short fixed-rate interest periods, which means that fluctuating short-term interest rates have a rapid impact on the Group's net interest income.



The Group's policy is to have short fixed-rate interest periods, which means that fluctuating short-term interest rates have a rapid impact on the Group's net interest income.

Russia's invasion of Ukraine and the war in Gaza has significantly increased geopolitical tensions, which in turn has a major impact on world trade. In this context, New Wave Group has marginal business in these regions. Furthermore, the wars also mean increased uncertainty about economic development.

Group management and each company management closely monitor developments in the conflicts and work closely with suppliers and customers. Strategies and activities are continuously adapted as the situation develops.

Besides the above, the Group's reported risks are deemed to be essentially unchanged.

Note 3 - Reporting of operating segments

Net sales and operating result per operating segment

SEK million	3 months Oct - Dec 2023	3 months Oct - Dec 2022	12 months Jan - Dec 2023	12 months Jan - Dec 2022
Corporate				
Net sales	1 358.4	1 359.0	4 757.1	4 152.0
Operating result	331.5	296.6	942.7	813.1
Sports & Leisure				
Net sales	1 071.6	1 146.8	3 874.6	3 782.3
Operating result	169.1	218.1	617.7	647.3
Gifts & Home Furnishings				
Net sales	305.9	309.2	881.1	909.3
Operating result	18.0	32.5	16.8	44.7
Total net sales	2 735.9	2 815.1	9 512.9	8 843.6
Total operating result	518.7	547.2	1 577.2	1 505.1
Total operating result	518.7	547.2	1 577.2	1 505.1
Net financial items	-38.1	-22.0	-137.7	-55.0
Result before tax	480.6	525.2	1 439.4	1 450.1

Assets and liabilities per operating segment

SEK million	Total assets	Fixed assets*	Deferred tax assets	Net investments	Amortizations, depreciations and write-downs	Total liabilities
31 Dec 2023						
Corporate	6 895.4	1 131.2	41.2	-69.2	-167.4	2 451.2
Sports & Leisure	3 283.0	1 658.7	78.5	-133.3	-78.3	1 495.0
Gifts & Home Furnishings	560.9	324.6	8.2	-21.5	-17.3	332.7
Total	10 739.3	3 114.5	127.9	-224.0	-263.2	4 278.9
31 Dec 2022						
Corporate	6 745.4	1 207.3	51.6	-450.0	-156.2	3 913.1
Sports & Leisure	3 811.3	1 548.8	60.5	-55.4	-77.0	935.9
Gifts & Home Furnishings	386.8	332.0	17.1	-16.8	-16.0	204.0
Total	10 943.6	3 088.1	129.2	-522.2	-249.2	5 053.1

* Financial fixed assets and Deferred tax assets are not included.

Note 4 - Net sales per sales channel and operating segment

SEK million	Corporate		Sports & Leisure		Gifts & Home Furnishings		Total	
	3 months	3 months	3 months	3 months	3 months	3 months	3 months	3 months
	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec
	2023	2022	2023	2022	2023	2022	2023	2022
Promo	1 348.1	1 351.6	312.4	309.6	100.5	111.2	1 760.9	1 772.5
Retail	10.4	7.4	759.3	837.2	205.3	198.0	975.0	1 042.6
Total	1 358.4	1 359.0	1 071.6	1 146.8	305.9	309.2	2 735.9	2 815.1

SEK million	Corporate		Sports & Leisure		Gifts & Home Furnishings		Total	
	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months
	Jan - Dec	Jan - Dec	Jan - Dec	Jan - Dec	Jan - Dec	Jan - Dec	Jan - Dec	Jan - Dec
	2023	2022	2023	2022	2023	2022	2023	2022
Promo	4 726.9	4 132.4	1 132.6	1 054.9	203.8	229.5	6 063.5	5 416.8
Retail	30.3	19.6	2 742.0	2 727.4	677.3	679.8	3 449.5	3 426.8
Total	4 757.1	4 152.0	3 874.6	3 782.3	881.1	909.3	9 512.9	8 843.6



Note 5 - Reporting of geographic areas

Net sales per geographic area

SEK million	Corporate		Sports & Leisure		Gifts & Home Furnishings		Total		Change %
	3 months Oct - Dec 2023	3 months Oct - Dec 2022	3 months Oct - Dec 2023	3 months Oct - Dec 2022	3 months Oct - Dec 2023	3 months Oct - Dec 2022	3 months Oct - Dec 2023	3 months Oct - Dec 2022	
USA	89.9	98.9	501.4	500.7	21.9	23.0	613.3	622.6	-1%
Sweden	153.6	172.1	225.7	218.8	249.8	246.1	629.1	637.0	-1%
Central Europe	523.3	503.4	116.4	123.7	7.8	6.9	647.5	634.1	2%
Nordic countries excl. Sweden	134.4	140.2	144.5	157.3	23.5	28.9	302.4	326.4	-7%
Southern Europe	347.9	347.1	27.3	42.3	0.1	0.2	375.2	389.6	-4%
Other countries	109.4	97.3	56.4	103.9	2.8	4.2	168.6	205.4	-18%
Total	1 358.4	1 359.0	1 071.6	1 146.8	305.9	309.2	2 735.9	2 815.1	-3%

SEK million	Corporate		Sports & Leisure		Gifts & Home Furnishings		Total		Change %
	12 months Jan - Dec 2023	12 months Jan - Dec 2022	12 months Jan - Dec 2023	12 months Jan - Dec 2022	12 months Jan - Dec 2023	12 months Jan - Dec 2022	12 months Jan - Dec 2023	12 months Jan - Dec 2022	
USA	274.7	303.5	1 819.1	1 769.5	62.5	66.0	2 156.2	2 139.0	1%
Sweden	504.4	545.0	777.4	724.3	732.3	740.8	2 014.1	2 010.1	0%
Central Europe	1 767.8	1 201.0	426.2	413.1	23.9	25.0	2 217.9	1 639.1	35%
Nordic countries excl. Sweden	505.7	494.5	517.6	526.7	51.3	62.4	1 074.5	1 083.6	-1%
Southern Europe	1 169.8	1 059.6	127.2	119.3	0.4	0.4	1 297.3	1 179.3	10%
Other countries	534.8	548.4	207.2	229.4	10.8	14.7	752.8	792.5	-5%
Total	4 757.1	4 152.0	3 874.6	3 782.3	881.1	909.3	9 512.9	8 843.6	8%

Fixed assets and deferred tax assets per geographic area

SEK million	31 Dec 2023		31 Dec 2022	
	Fixed assets*	Deferred tax assets	Fixed assets*	Deferred tax assets
USA	1 343.3	55.3	1 323.3	51.1
Sweden	804.7	26.9	723.7	26.3
Central Europe	470.9	15.9	477.2	16.3
Nordic countries excl. Sweden	171.5	4.8	206.7	6.5
Southern Europe	221.7	12.6	223.9	20.9
Other countries	102.3	12.4	133.3	8.1
Total	3 114.5	127.9	3 088.1	129.2

*Financial fixed assets and Deferred tax assets are not included.



KostaBoda

Note 6 - Financial instruments

SEK million	31 Dec 2023	31 Dec 2022
Assets at fair value through other comprehensive income	0.0	2.4
Assets at amortized cost	1 983.3	2 258.1
Total financial assets	1 983.3	2 260.5
Liabilities at fair value through other comprehensive income	4.3	0.0
Liabilities at amortized cost	3 209.5	3 862.9
Total financial liabilities	3 213.8	3 862.9

Financial instruments are measured at fair value or amortized cost according to classification in the consolidated balance sheet.

Note 7 - Pledged assets and contingent liabilities

GROUP

Pledged assets	31 Dec 2023	31 Dec 2022
SEK million		
Floating charges	634.7	690.5
Property mortgages	195.2	201.5
Net assets in Group companies	4 628.6	4 286.3
Shares in associated companies	8.3	8.3
Stock and accounts receivable	415.9	560.0
Total	5 882.7	5 746.6
Contingent liabilities	31 Dec 2023	31 Dec 2022
SEK million		
Duty guarantees	13.6	13.8
Rent guarantees	111.5	132.9
Guarantees for associated companies	6.0	6.0
Total	131.1	152.7
PARENT COMPANY		
Pledged assets	31 Dec 2023	31 Dec 2022
SEK million		
Floating charges	30.0	30.0
Shares in Group companies	1 694.1	1 739.1
Shares in associated companies	8.3	8.3
Total	1 732.4	1 777.4
Contingent liabilities	31 Dec 2023	31 Dec 2022
SEK million		
Guarantees for Group companies	426.1	589.8
Guarantees for associated companies	6.0	6.0
Total	432.1	595.8



Note 8 - Acquisition of Tenson AB

On July 1, New Wave Group acquired **100%** of the shares in the Swedish outdoor company Tenson AB. The purchase price amounted to SEK **1**, which was based on equity at the time of acquisition on July 1, 2023 amounting to at least SEK **6.53** million, where the brand was valued at SEK **30.9** million. This resulted in a positive profit effect of SEK **6.5** million, which was reported under other operating income.

Tenson, the Swedish outdoor & lifestyle brand with roots on the Swedish west coast (founded in Varberg in 1951) has, during the last four years, undergone a restructuring & repositioning process that included the entire spectrum of brand, product, market, sales and channel strategies. New Wave Group, through the acquisition and integration of the company, will give Tenson access to the resources and synergies required to enter the next phase of the above-mentioned process, to scale up operations and profitability.

In 2022, the Tenson group's sales amounted to SEK **129.7** million with a loss after tax of SEK **8.5** million. The acquisition has had no major effect on earnings in the second half of 2023, but is expected to have a positive effect on New Wave Group's earnings already in 2024.

The acquisition analysis is preliminary and subject to adjustment.

Note 9 - Subsequent events

No significant events have occurred after the balance sheet date.

Condensed quarterly consolidated income statements

SEK million

Quarter	2023				2022				2021			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	2 735.9	2 337.0	2 304.5	2 135.5	2 815.1	2 234.4	2 019.2	1 774.9	2 306.7	1 663.5	1 486.8	1 261.6
Goods for resale	-1 312.3	-1 200.5	-1 164.8	-1 052.6	-1 415.4	-1 131.6	-989.8	-931.6	-1 203.3	-860.4	-769.2	-656.4
Gross profit	1 423.6	1 136.4	1 139.7	1 082.9	1 399.7	1 102.8	1 029.4	843.3	1 103.4	803.1	717.6	605.2
Gross profit margin %	52.0	48.6	49.5	50.7	49.7	49.4	51.0	47.5	47.8	48.3	48.3	48.0
Other operating income	29.7	50.0	27.4	23.7	36.7	35.7	28.9	22.6	23.9	11.6	59.4	16.6
External costs	-489.3	-403.0	-382.3	-388.4	-454.4	-359.3	-345.0	-311.6	-350.9	-258.4	-233.8	-224.8
Personnel costs	-365.1	-320.2	-338.7	-328.8	-350.3	-291.5	-288.9	-274.6	-301.4	-235.5	-242.8	-237.2
Depreciations and write-downs	-63.4	-65.6	-68.8	-65.4	-71.5	-60.6	-58.3	-58.8	-61.5	-55.7	-56.0	-54.1
Other operating costs	-16.6	-14.6	-13.1	-10.2	-12.6	-27.9	-15.1	-11.8	-9.9	-3.7	-2.9	-5.2
Share of associated companies' result	-0.1	-2.0	-0.3	-0.3	-0.4	-1.4	0.0	0.0	-0.3	-0.3	-0.1	-0.4
Operating result	518.7	381.1	363.9	313.5	547.2	397.8	351.0	209.1	403.3	261.1	241.3	100.1
Financial income	4.0	3.5	0.9	1.1	0.5	1.1	1.5	0.6	0.7	0.6	0.9	0.8
Financial expenses	-42.1	-39.6	-36.0	-29.6	-22.5	-14.1	-11.9	-10.2	-10.6	-11.6	-10.3	-13.5
Result before tax	480.6	345.0	328.8	285.0	525.2	384.8	340.6	199.5	393.4	250.1	231.9	87.4
Tax expense	-114.3	-74.2	-69.2	-62.8	-79.0	-80.8	-75.5	-46.0	-84.9	-54.1	-44.3	-19.7
Result for the period	366.4	270.9	259.6	222.2	446.2	304.0	265.0	153.5	308.5	196.0	187.7	67.7
Total other comprehensive income for the period	-285.7	-77.4	251.3	-6.1	-127.1	556.9	253.3	70.5	87.5	60.5	-57.7	142.5
Total comprehensive income for the period	80.7	193.5	510.9	216.1	319.1	860.9	518.4	224.0	396.0	256.5	130.0	210.2
Earnings per share before and after dilution (SEK)*	2.76	2.04	1.96	1.67	3.36	2.29	2.00	1.16	2.31	1.49	1.42	0.52
Quarter	2020				2019				2018			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	1 873.2	1 470.1	1 314.5	1 440.9	2 024.1	1 685.5	1 689.0	1 504.9	1 943.4	1 551.2	1 523.2	1 272.8
Goods for resale	-1 007.7	-843.9	-799.7	-810.2	-1 079.2	-923.2	-903.3	-795.3	-1 042.3	-835.3	-804.2	-677.5
Gross profit	865.6	626.2	514.8	630.7	944.9	762.3	785.7	709.6	901.1	715.8	719.0	595.4
Gross profit margin %	46.2	42.6	39.2	43.8	46.7	45.2	46.5	47.1	46.4	46.1	47.2	46.8
Other operating income	29.6	34.7	61.4	20.6	32.3	12.9	15.5	17.2	28.3	19.3	11.3	15.9
External costs	-285.4	-191.6	-187.7	-311.1	-343.8	-300.3	-330.2	-338.4	-390.6	-323.5	-305.1	-317.2
Personnel costs	-259.9	-220.8	-209.1	-292.8	-307.6	-278.7	-290.5	-283.0	-298.0	-257.7	-260.9	-246.4
Depreciations and write-downs	-55.0	-56.6	-57.8	-60.1	-73.6	-55.7	-52.8	-51.0	-21.6	-20.2	-18.5	-17.6
Other operating costs	-11.4	-15.2	-11.4	-10.4	-12.4	-11.3	-7.7	-8.2	-9.8	-15.0	-8.3	-11.8
Share of associated companies' result	0.1	-0.4	-0.1	-0.9	0.6	-0.2	-0.3	-0.2	0.1	-1.3	-0.3	0.4
Operating result	283.6	176.3	110.1	-24.1	240.3	129.1	119.6	46.0	209.4	117.5	137.3	18.6
Financial income	0.1	0.6	2.9	0.5	2.8	2.5	2.2	1.3	1.5	0.7	1.8	1.5
Financial expenses	-14.6	-15.8	-20.2	-18.4	-24.1	-19.5	-18.1	-15.3	-14.2	-12.3	-8.2	-11.7
Result before tax	269.2	161.1	92.8	-42.1	219.1	112.1	103.6	32.0	196.6	105.9	130.9	8.4
Tax expense	-61.0	-42.2	-19.9	5.1	-53.1	-17.6	-19.9	-6.0	-37.7	-17.5	-24.2	-2.4
Result for the period	208.2	118.9	72.9	-36.9	165.9	94.4	83.7	26.0	158.9	88.4	106.8	6.0
Total other comprehensive income for the period	-213.0	-58.3	-212.4	205.5	-131.5	126.9	16.2	86.3	2.7	-37.8	121.1	71.7
Total comprehensive income for the period	-4.9	60.6	-139.5	168.6	34.4	221.4	99.9	112.3	161.6	50.5	227.9	77.7
Earnings per share before and after dilution (SEK)*	1.56	0.91	0.55	-0.27	1.26	0.72	0.64	0.20	1.21	0.68	0.80	0.05

* The average number of outstanding shares, before and after dilution, has been 123,687,086* in all periods in the table.

*Recalculated with regard to the 2:1 share split carried out in June 2023.

Condensed quarterly consolidated cash flow statements

SEK million

Quarter	2023				2022				2021			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Cash flow from operating activities before changes in working capital	424.1	381,2	259.7	297.8	466.3	367,3	346.0	203.6	404.1	282.8	219.0	87.1
Increase/decrease of inventories	320.6	-126,6	-5.8	-259.0	-525.1	-870,8	-360.7	-226.5	59.7	-157.7	125.2	30.6
Increase/decrease of current receivables	41.8	-117,8	-30.2	281.5	-71.1	-202,3	-119.2	205.8	-194.6	-174.7	-156.8	256.3
Increase/decrease of current liabilities	-33.0	36,5	6.4	-513.4	-103.0	505,4	202.0	-177.7	144.1	291.4	-2.2	-6.8
Changes in working capital	329.4	-207,9	-29.6	-490.9	-699.2	-567,7	-277.9	-198.4	9.2	-41.0	-33.7	280.1
Cash flow from operating activities	753.5	173,3	230.1	-193.1	-232.9	-200,4	68.1	5.2	413.3	241.8	185.3	367.2
Investing activities	-25.3	-72,1	-82.8	-40.7	-8.3	-433,4	-55.2	-25.3	-42.1	-33.0	-24.0	-15.2
Cash flow after investing activities	728.2	101,2	147.3	-233.8	-241.2	-633,8	12.9	-20.1	371.2	208.8	161.3	352.0
Increase/decrease of interest-bearing liabilities	-421.0	-211,2	88.1	190.0	389.3	589,6	253.6	-16.3	-82.6	-309.0	-95.4	-346.1
Transactions with owners	-214.9	0,0	-216.3	0.0	0.0	0,0	-282.0	0.0	-277.9	0.0	0.0	0.0
Cash flow from financial activities	-635.9	-211,2	-128.2	190.0	389.2	589,6	-28.4	-16.3	-360.5	-309.0	-95.4	-346.1
Cash flow for the period	92.2	-110,0	19.1	-43.8	148.0	-44,2	-15.5	-36.4	10.7	-100.2	65.9	5.9
Liquid assets at the beginning of the period	299.6	416,5	376.7	419.4	279.2	305,5	298.6	327.9	311.0	405.8	344.8	325.1
Translation differences in liquid assets	-19.2	-6,9	20.7	1.1	-7.8	17,9	22.4	7.1	6.2	5.5	-4.9	13.8
Liquid assets at the end of the period	372.6	299,6	416.5	376,7	419,4	279,2	305,5	298,6	327,9	311,0	405,8	344,8

Quarter	2020				2019				2018			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Cash flow from operating activities before changes in working wcapital	300.0	218.9	176.0	-63.0	262.1	149.9	143.8	49.3	184.1	116.1	128.3	1.2
Increase/decrease of stock	472.4	86.9	53.9	-117.4	180.9	-256,4	-108.0	-58.3	44.6	-310,4	-110.8	-117.4
Increase/decrease of current receivables	-87.7	-207,6	87.4	313.9	-47.5	-34,3	-95.9	126.2	-3.6	-128,6	-36.2	140.9
Increase/decrease of current liabilities	-127.2	185.0	-65.9	-19.0	-108.8	9,7	69.1	-182.3	-50.7	239,9	143.2	-18.1
Changes in working capital	257.5	64.3	75.5	177.6	24.7	-281.0	-134.8	-114.4	-9.7	-199.1	-3.7	5.4
Cash flow from operating activities	557.5	283.2	251.4	114.6	286.7	-131.1	9.0	-65.1	174.4	-83.0	124.6	6.6
Investing activities	-7.2	-8.6	-11.1	-30.6	-42.2	-32,6	-35.6	-38.3	-39.7	-42.1	-41.6	-39.8
Cash flow after investing activities	550.3	274.6	240.3	84.0	244.6	-163,8	-26.6	-103.4	134.7	-125.1	83.0	-33.2
Increase/decrease of interest-bearing liabilities	-435.9	-322,9	-201.6	-195.2	-122.6	210,1	75.3	49.2	-15.9	104,9	58.0	5.1
Transactions with owners	0.0	0,0	0.0	0.0	0.0	1,2	-132.7	0.0	0.0	0,0	-112.8	0.0
Cash flow from financial activities	-435.9	-322,9	-201.6	-195.2	-122.6	211.2	-57.4	49.2	-15.9	104.9	-54.8	5.1
Cash flow for the period	114.5	-48.4	38.7	-111.2	121.9	47.4	-84.0	-54.2	118.8	-20.2	28.2	-28.1
Liquid assets at the beginning of the period	226.8	277,8	257.6	351.3	238.4	182,5	265.0	312.2	192.6	215,4	180.5	202.4
Translation differences in liquid assets	-16.2	-2,7	-18.5	17.6	-9.1	8,5	1.5	7.0	0.8	-2,6	6.7	6.2
Liquid assets at the end of the period	325.1	226.8	277.8	257,6	351,3	238,4	182,5	265,0	312,2	192,6	215,4	180,5

Definitions of alternative performance measures

Guidelines concerning non-IFRS performance measures for companies with securities listed on a regulated market in the EU have been issued by ESMA (The European Securities and Markets Authority). These guidelines are to be applied to alternative performance measures (APM) applied as of July 3, 2016. The Interim Report refers to a number of non-IFRS performance measures used to assist investors and company management to analyze the company's operations. Because not all companies calculate the financial measures in the same way, these are not

always comparable to measures used by other companies. These financial measures should not be seen as a substitute for measures defined under IFRS. A description of the various non-IFRS performance measures used as a complement to the financial information reported according to IFRS and how they are used, is presented below. A reconciliation of alternative performance measures is available on www.nwg.se/en/investor-relations/financial-reports/key-numbers.

PERFORMANCE MEASURES	DEFINITION/CALCULATION	PURPOSE
GROSS PROFIT MARGIN	Net sales less goods for resale in percent of net sales.	The measure is used for showing the Group's margins before the effect of costs such as selling and administrative costs.
OPERATING MARGIN	Operating result as a percentage of the period's net sales.	The measure is used to show operating profitability and how the Group meets its targets.
PROFIT MARGIN	Result before tax as a percentage of the period's net sales.	The measure enables the profitability to be compared across locations where corporate taxes differ.
NET MARGIN	Result after tax as a percentage of the period's net sales.	The measure is used to show net earnings in relation to income.
NET SALES GROWTH	Sales growth including currency effects.	The measure is used to show growth in the Group and to measure how the Group meets its targets.
ORGANIC GROWTH	Organic growth refers to sales growth from existing operations cleared from currency effects. The currency effect is calculated by recalculating this year's sales in local currencies to last year's rates and compared to previous year's sales.	The measure is used to show growth in existing business since currency effects are beyond the Group's control and to measure how the Group meets its targets.
OPERATING MARGIN BEFORE DEPRECIATIONS	Operating result before depreciation as a percentage of the period's net sales.	The measure is used to show operating profitability and how the Group meets its targets, regardless of depreciation, amortization and write-downs.
NET FINANCIAL ITEMS	The total of interest income, interest expenses, currency differences on borrowings and cash equivalents in foreign currencies, other financial income and other financial expenses.	The measure reflects the Group's total costs of the external financing.
RETURN MEASURES	DEFINITION/CALCULATION	PURPOSE
RETURN ON CAPITAL EMPLOYED	Rolling 12 month's result before tax plus financial expenses as a percentage of average capital employed. The average capital employed is calculated by taking the capital employed per period end and the capital employed at year-end for the previous year divided by two.	The measure is used to analyze profitability by putting result in relation to the capital needed to operate the business.
RETURN ON EQUITY	Rolling 12 month's result for the period according to the income statement as a percentage of average equity. The average equity is calculated by taking the equity per period end and the equity at year-end for the previous year divided by two. For the Parent company it is calculated as result after tax as a percentage of average adjusted equity. In adjusted equity, the equity part of untaxed reserves is included.	The measure is used to analyze profitability over time, given the resources available to the Parent company's owners.

DATA PER SHARE	DEFINITION/CALCULATION	PURPOSE
EQUITY PER SHARE	Equity at the end of the period divided by number of shares at the end of the period.	Equity per share measures the net asset value per share and determines if a company is increasing shareholder value over time.
CAPITAL MEASURES	DEFINITION/CALCULATION	PURPOSE
EQUITY	The equity reported in the consolidated balance sheet consists of taxed equity increased by the equity portion of the Group's untaxed reserves and non-controlling interests. Deferred tax liability in untaxed reserves has been calculated at the applicable tax rates for the companies in each country, as decided and communicated at the balance sheet date.	The measure is the difference between the Group's assets and liabilities, which corresponds to the Group's equity contributed by owners and the Group's accumulated profits.
CAPITAL EMPLOYED	Total assets less provisions and non-interest bearing liabilities, which consist of accounts payable, current tax liabilities, other liabilities and accrued expenses and prepaid income.	The measure indicates how much capital is needed to run the business, regardless of type of financing (borrowed or equity).
WORKING CAPITAL	Total current assets, excluding liquid assets and current tax receivables, less short-term non-interest bearing liabilities excluding current tax liabilities.	The measure is used to show how much capital is needed to finance operating activities.
NET DEBT	Interest-bearing liabilities (current and non-current) less cash and cash equivalents.	The measure shows financing from borrowings.
NET DEBT TO CREDIT INSTITUTES	Interest-bearing liabilities (current and non-current) less lease liabilities and less cash and cash equivalents.	The measure shows financing from borrowings excluding lease liabilities
CAPITAL TURNOVER	Rolling 12 month's net sales divided by average total assets. The average total assets is calculated by taking the total assets per period end and the total assets at year-end for the previous year divided by two.	The measure shows how efficiently the Group uses its total capital.
INVENTORY TURNOVER	Rolling 12 month's goods for resale in the income statement divided by average inventory. The average inventory is calculated by taking the inventory per period end and the inventory at year-end for the previous year divided by two.	The measure is used to show the inventory's turnover per year, since the stock is central for the Group to keep a good service level, i.e. to be able to deliver goods fast.
NET DEBT TO EQUITY RATIO	Net debt as a percentage of equity.	The measure helps show financial risk and is useful for management to monitor the level of the indebtedness.
NET DEBT IN RELATION TO WORKING CAPITAL	Net debt divided by working capital.	The measure is used to show how much of the working capital is financed through net debt.
INTEREST COVERAGE RATIO	Result before tax plus financial costs divided by financial costs.	The measure is used to calculate the Group's ability to pay interest costs.
EQUITY RATIO	Total equity as a percentage of total assets.	The measure shows how much of the Group's assets are financed by the shareholders through equity. An equity ratio is a measure of financial strength and how the Group meets its targets.
OTHER MEASURES	DEFINITION/CALCULATION	PURPOSE
EFFECTIVE TAX RATE	Tax on profit for the period as a percentage of result before tax.	This measure enables comparison of income tax across locations where corporate taxes differ.
EFFECTIVE INTEREST RATE	Net financial items in relation to average net debt.	The measure enables comparison of cost for the net debt.
CASH FLOW FROM OPERATIONS	Cash flow from operating activities including changes in working capital and before cash flows from investing and financing activities.	The measure is used to show the cash flow generated by the company's operations.
NET INVESTMENTS	Cash flow from investing activities according to the cash flow analysis which includes investments and divestments of buildings, acquisitions, investments in tangible and intangible assets and raised long-term debt.	The measure is used to regularly estimate how much cash is used for investments in operations and for expansion.

NewWave
G R O U P

New Wave Group is a growth group that designs, acquires and develops brands and products in the corporate, sports, gifts and home furnishings sectors. The Group shall achieve synergies by coordinating design, purchasing, marketing, warehousing and distribution of the assortment. The Group shall offer its products to the promo market and the retail market in order to achieve good risk diversification.

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