

NewWave

Presentation of
NewWave
G R O U P



NewWave
G R O U P

Q2 2003

Result after net financial items:

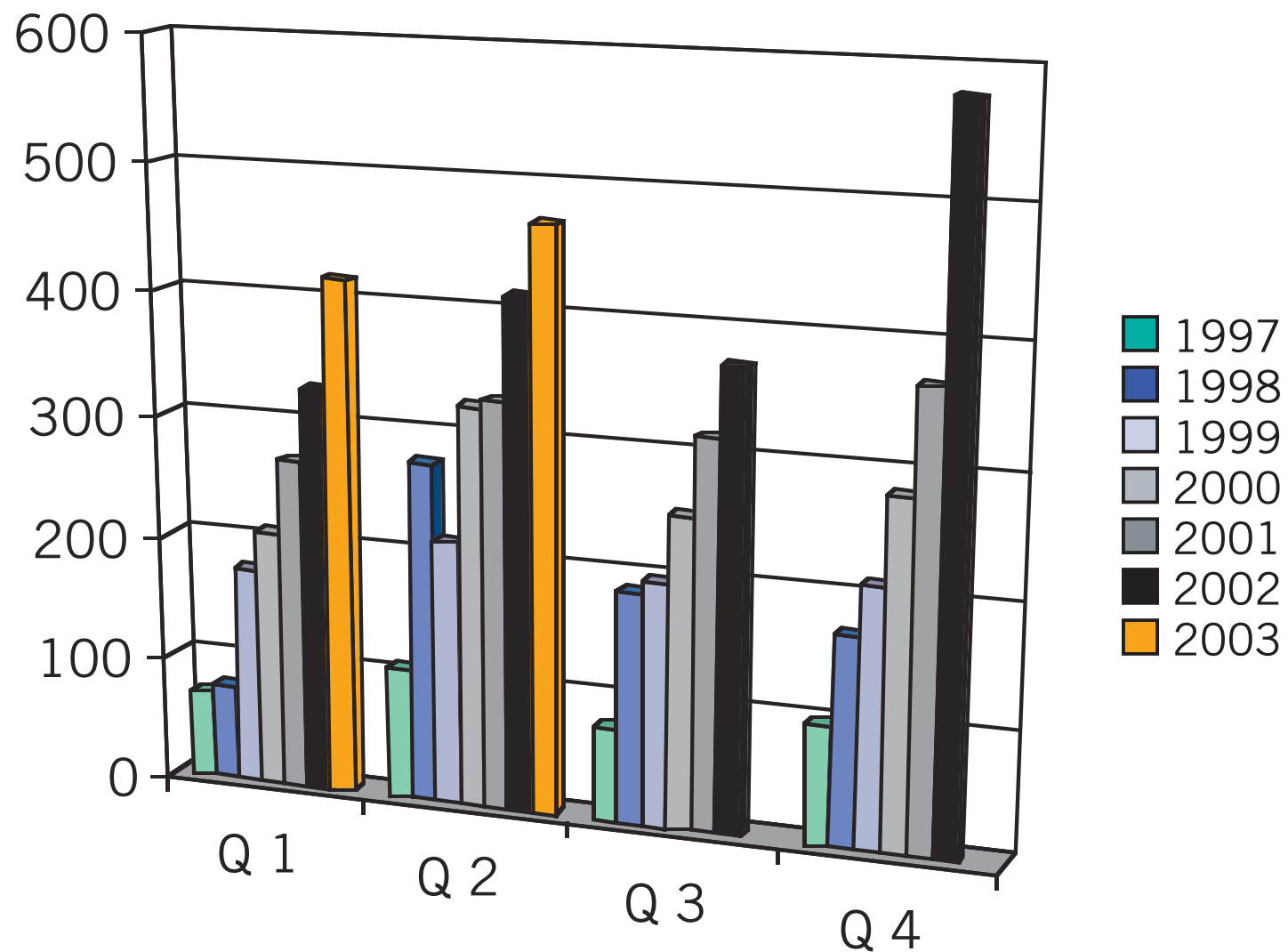
- ✓ Increased by SEK 17.4 m to SEK 69.2 (51.8) m:
 - Corporate Profiling SEK 13 m to SEK 57.7 (44.7) m
 - Retailing SEK 4.4 m to SEK 11.5 (7.1) m
- ✓ 12 months moving SEK 162.5 (125.3) m

Q2 2003

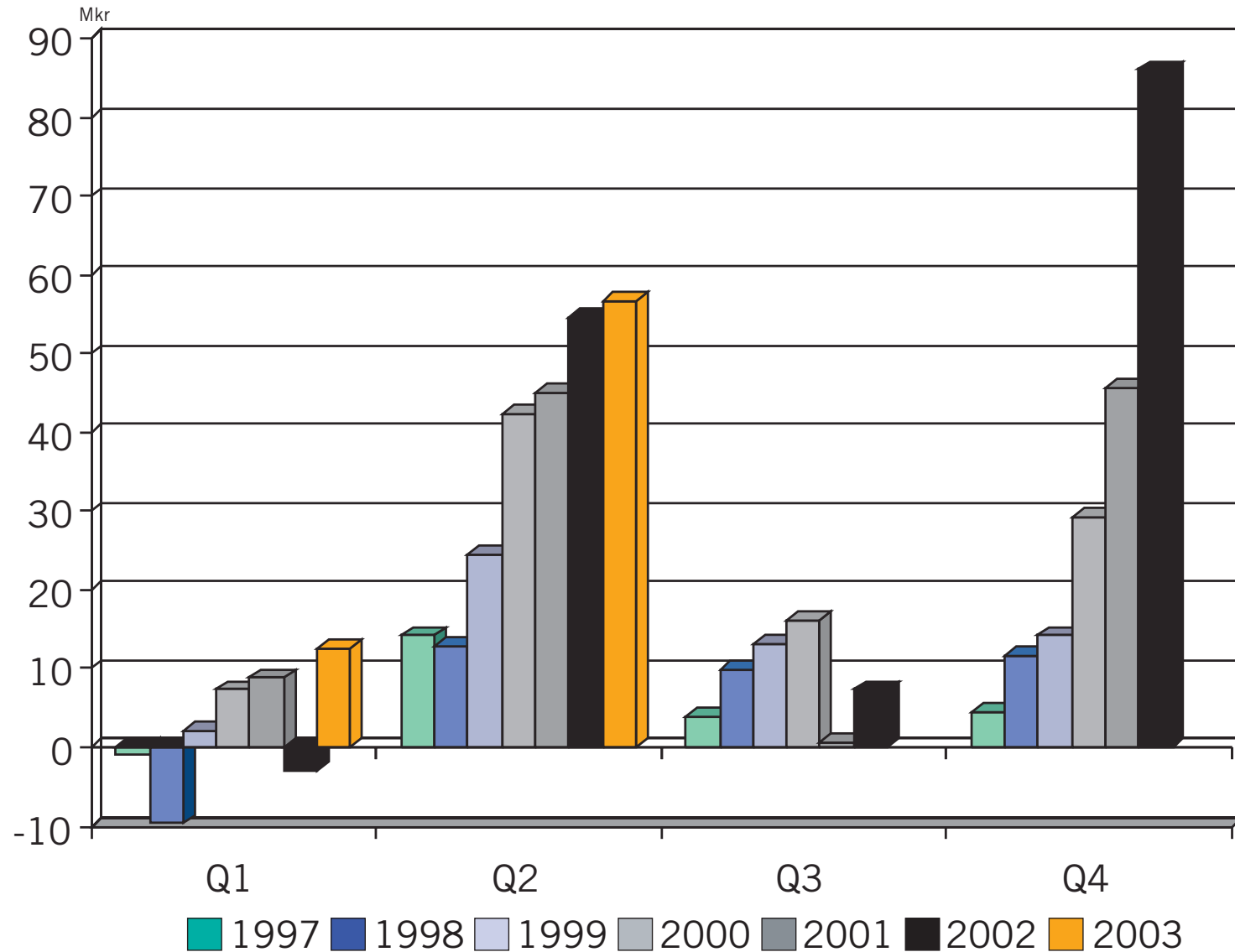
Turnover:

- ✓ Increased by 20 % to SEK 884 (738.8) m:
 - Corporate Profiling +22 % to SEK 573.6 (469.8) m
 - Retailing +15 % to SEK 310.4 (269) m
- ✓ 12 months moving increased by 30 % to SEK 1,832.5 (1,410.9) m

Sales



Profit/loss after net financial items



Important events during Q2

- ✓ The gross profit margin improved further (43.5 (42.6) % the first half-year).
- ✓ Establishment of working clothes.
- ✓ Reconstruction of New Wave Sportswear Ltd completed. Peter Koski is the new General Manager.
- ✓ The Umbro investment is better than expected.
- ✓ New Wave in Spain continues its swift recovery.
- ✓ New Wave S.r.l. is still strong.

Income Statements

| | 3 months JAN-MAR 2003 | 3 months JAN-MAR 2002 | 3 months APR-MAR 2002/2003 | 3 months JAN-DEC 2002 | 3 months JAN-DEC 2001 |
|-------------------------------------|-----------------------------|-----------------------------|----------------------------------|-----------------------------|-----------------------------|
| SEK MILLION | 2003 | 2002 | 2002/2003 | 2002 | 2001 |
| Net sales | 415.2 | 327.6 | 1 774.9 | 1 687.3 | 1 269.6 |
| Other income | 0.4 | 0.3 | 2.3 | 2.2 | 10.6 |
| Goods for resale | -239.4 | -196.0 | -1 024.1 | -980.7 | -760.1 |
| Gross profit | 176.2 | 131.9 | 753.1 | 708.8 | 520.1 |
| Gross margin | 42.4 % | 40.3 % | 42.4 % | 42.0 % | 41.0 % |
| Other external costs | -83.1 | -69.4 | -291.7 | -278.0 | -209.4 |
| % of income | -20.0 % | -21.2 % | -16.4 % | -16.5 % | -16.5 % |
| Personnel costs | -63.4 | -49.0 | -230.7 | -216.3 | -158.2 |
| % of income | -15.3 % | -15.0 % | -13.0 % | -12.8 % | -12.5 % |
| Depreciation | -10.1 | -8.7 | -34.1 | -32.7 | -24.9 |
| Other costs | -2.4 | -0.4 | -4.8 | -2.8 | |
| Operating profit | 17.2 | 4.4 | 191.8 | 179.0 | 127.6 |
| Operating margin | 4.1 % | 1.3 % | 10.8 % | 10.6 % | 10.1 % |
| Net financial items | -4.7 | -7.3 | -31.3 | -33.9 | -27.5 |
| Result after financial items | 12.5 | -2.9 | 160.5 | 145.1 | 100.1 |
| Tax for the period | -3.1 | -0.6 | -33.3 | -30.8 | -16.7 |
| Minority share | 0.8 | 0.5 | -9.7 | -10.0 | -1.6 |
| Profit for the period | 10.2 | -3.0 | 117.5 | 104.3 | 81.8 |
| Profit margin | 2.5 % | -0.9 % | 6.6 % | 6.2 % | 6.4 % |
| Result per share | 0.70 | -0.21 | 8.10 | 7.20 | 5.70 |

NewWave

Financial Highlights

| | JAN-MAR | JAN-MAR | JAN-DEC | JAN-DEC | JAN-DEC |
|-------------------------------------|---------|---------|---------|---------|---------|
| SEK MILLION | 2003 | 2002 | 2002 | 2001 | 2000 |
| Sales growth % | 26.8 | 22.3 | 32.0 | 20.2 | 33.1 |
| Sales per employee | 2.3 | 2.6 | 3.0 | 3.1 | 3.1 |
| Gross profit margin % | 42.4 | 40.2 | 44.2 | 41.0 | 38.8 |
| Operating margin % | 4.1 | 1.3 | 10.6 | 10.0 | 10.6 |
| Profit margin % | 2.5 | -0.9 | 6.2 | 6.4 | 6.1 |
| Return on shareholders' equity % | 7.9 | -2.8 | 22.0 | 20.9 | 23.7 |
| Return on capital employed % | 6.0 | 2.0 | 16.9 | 14.7 | 17.7 |
| Solidity % | 37.9 | 35.2 | 37.9 | 40.5 | 36.7 |
| Net borrowings | 662.0 | 625.0 | 629.0 | 519.7 | 427.8 |
| Turnover of inventories, times | 1.4 | 1.4 | 1.6 | 1.5 | 1.6 |
| Net investments | 8.3 | 35.2 | 147.3 | 85.1 | 37.8 |
| Cash flow after investments | -32.8 | -46.8 | 9.6 | 9.4 | -146.1 |
| Cash flow before investments | -24.5 | -11.6 | 156.9 | 94.5 | -108.3 |
| Shareholders' equity per share, SEK | 35.95 | 29.38 | 35.26 | 29.98 | 22.93 |

Turnover per country (SEK million)

| | JAN-MAR | JAN-MAR | CHANGE | % |
|---------|---------|---------|--------|-------|
| COUNTRY | 2003 | 2002 | SEK M | |
| Denmark | 6.9 | 4.7 | 2.2 | 46.8 |
| England | 16.2 | 10.5 | 5.7 | 54.3 |
| Finland | 20.9 | 18.2 | 2.7 | 14.8 |
| France | 6.2 | 3.5 | 2.7 | 77.1 |
| Holland | 42.3 | 6.1 | 36.2 | 593.4 |
| Italy | 20.3 | 16.2 | 4.1 | 25.3 |
| Norway | 30.0 | 26.6 | 3.4 | 12.8 |
| Spain | 15.2 | 13.1 | 2.1 | 16.0 |
| Sweden | 232.8 | 218.3 | 14.5 | 6.6 |
| Germany | 20.7 | 9.8 | 10.9 | 111.2 |
| Other | 3.7 | 0.6 | 3.1 | 516.7 |
| Total | 415.2 | 327.6 | 87.6 | 26.7 |

2003

- ✓ Prognosis turnover: app. SEK 2,000 million.
- ✓ Prognosis result: > 2002.
- ✓ Within Corporate Profiling we will continue gaining market shares:
 - Current concepts in current markets.
 - More Group concepts in current markets.
 - Establishments in new markets (China, Switzerland etc.).
- ✓ New trading company in China for sales to European customers.
- ✓ Establishment of Corporate Profiling company for sales in the Chinese market.
- ✓ Investments in working clothes lead to costs of app. SEK 5 m for 2003.
- ✓ Implementation of warehouse and business system according to plan. This has affected Q2 negatively by SEK 2 m and will cost SEK 5–6 m during the rest of 2003.

2003 continuation

- ✓ Improvements in England compared to the preceding year.
- ✓ Craft expects heavy international expansion.
- ✓ When the economic situation improves: Great turnover – result potential.

Business idea

New Wave Group is a growing company that designs, acquires and develops quality articles for the profiling market (business market) and the consumers' market, mainly in the clothing, accessories and gifts areas.

New Wave Group concentrates on two business areas:

- ✓ The Retailing business area – the products are distributed via the retailing trade.
- ✓ The Profiling business area – the products are distributed via independent retailers to companies.

Synergies between the two business areas: design, product development, purchasing and distribution.

Strategic distribution – business areas

- ✓ The main part of the distribution (60–80%) within Corporate Profiling has a lower risk when it comes to degree of fashion etc.
- ✓ Risk spread between Retailing and Corporate Profiling, as they have different business cycles.



The Corporate Profiling business area



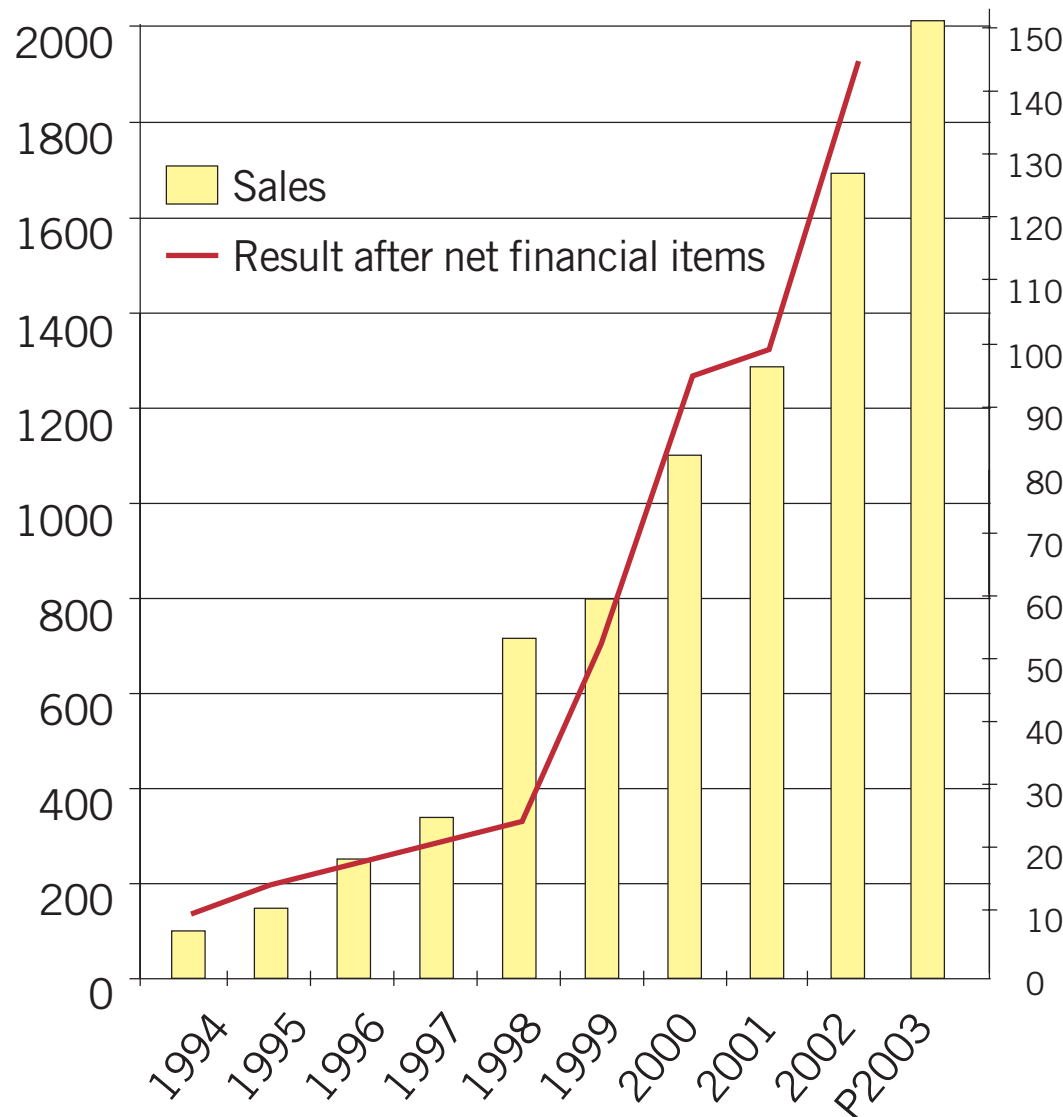
Did you know...

...that New Wave Group through its trademarks (2002) sold approximately...

- ✓ 4.1 million one-coloured T-shirts in Sweden and 4.4 million in the rest of Europe?
- ✓ 470 thousand piqué shirts in Sweden and 1.4 million in the rest of Europe?
- ✓ 265 thousand shirts in Sweden and 451 thousand in the rest of Europe?
- ✓ 33 million promo pens in Europe?



New Wave – history



- ✓ **1990** • Sweden and Norway
- ✓ **1994** • Finland and Italy
- ✓ **1996** • Acquisition of Craft AB
- ✓ **1997** • Denmark, Spain and Germany
- ✓ **1998** • Acquisition of Hefa AB
- ✓ **1999** • Acquisition in Holland and England
- ✓ **2000** • Acquisition of Textet AB, establishments of Cyberwave and Make Your Own Design, and the subsidiary in France
- ✓ **2001** • Acquisition of Textwear A/ S, and Sagaform AB, Seger AB
- ✓ **2002** • Acquisition of Frantextil AB, X-Tend B.V., Lensen Beheer B.V.
- ✓ **2003** • Establishment of a Corporate Profiling company and a trading company in China. Establishment of working clothes.

Design and product development

Two of the most important things for a successful company within our line of business are good design (without concern taken to fashion) and good products.



Clique Bike – a classic design that's sold in over 1.2 million pieces.

Purchasing – quality control

New Wave Group has purchasing offices (with equipment for extensive quality control) in Sweden, China and Bangladesh. Producing products with a even, high quality is very important.



Vision – The Profiling business area

To become Europe's leading supplier of promotion products
by offering...

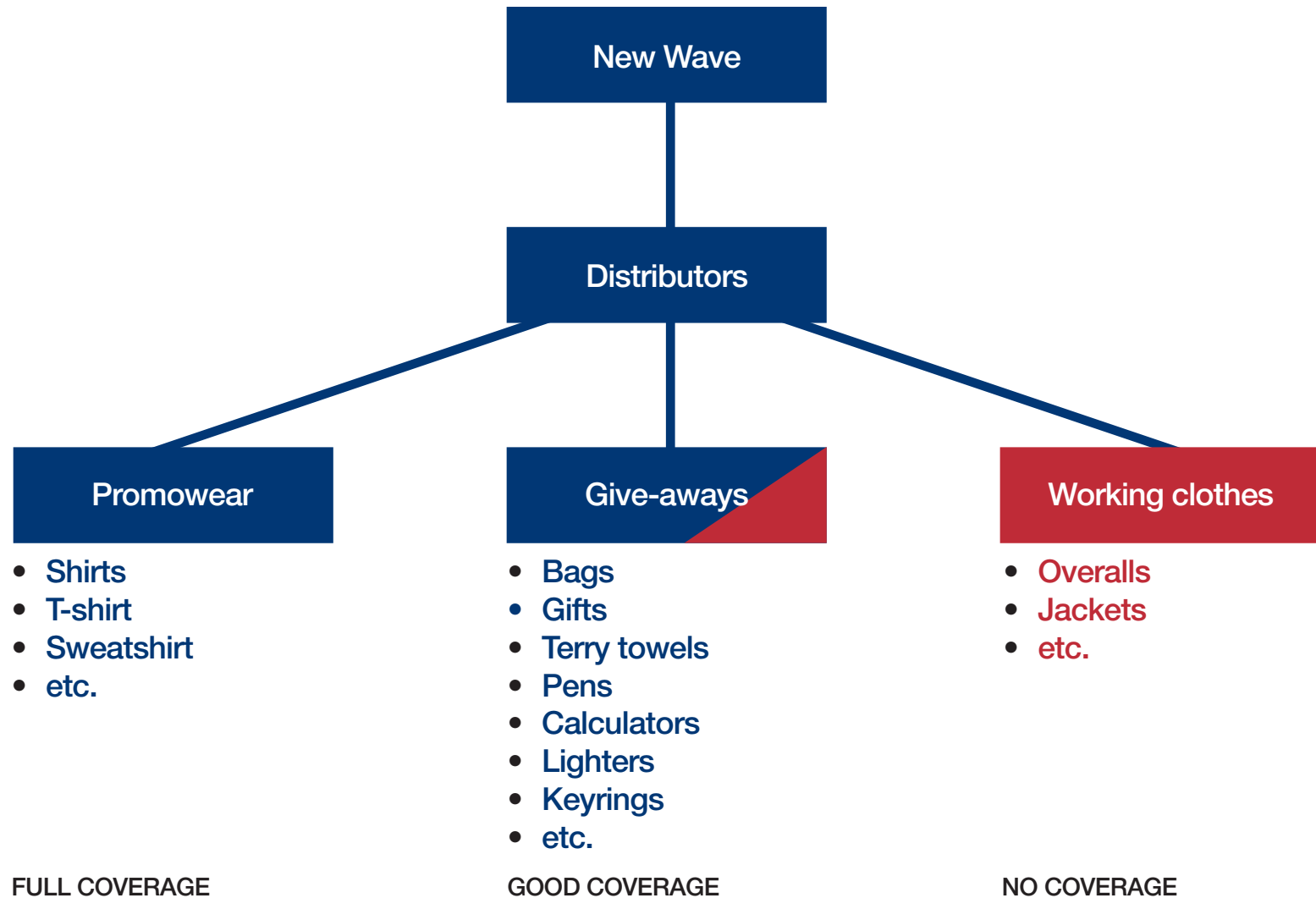
- ✓ good products.
- ✓ strong trademarks.
- ✓ high competence and service.
- ✓ a unique and complete concept for our retailers, including e-business and marketing solutions etc.

The total market covering the suppliers within the three areas promowear, gifts and working clothes in Europe amounts to between SEK 80 and 100 billion.



Range coverage

Existing
Possible



The following owned trademarks are distributed within the Profiling business area:



How to reach our goals for Corporate Profiling

- ✓ More green field projects in more countries
Switzerland, Poland, the Czech Republic, Hungary, Portugal, Greece etc.
- ✓ More concepts/trademarks on the Group's existing markets
Italy, Germany, Benelux, Spain, England
- ✓ The very first establishment of Corporate Profiling outside Europe
Careful set-up in China
- ✓ Further acquisitions are possible
Golf, Watches, Umbrellas
- ✓ Working clothes
Starting with ProJob

How shall we succeed with working clothes?

Our competitors have:

- ✓ Strong trademarks (Fristad, Snickers, Blåkläder, Jobman etc.)
- ✓ Good profitability
- ✓ High gross profit (some more than 50 percent)
- ✓ Good products
- ✓ Loyal customers
- ✓ Enough capital to be persistent

How shall we succeed with working clothes?

- ✓ We have international distribution
- ✓ We will create many new retailers of working clothes, i.e. customers that do not sell working clothes today but want to. In Sweden, approximately 300 retailers are concerned.
- ✓ We will offer working clothes to our existing retailers and use our advantages as market leader within promo wear.
- ✓ We will be the only reliable alternative for retailers that want to offer promo wear, gifts and working clothes.
- ✓ Withing two years, we will be as good as our competitors when it comes to products, quality, range and logistics.

NewWave

Goal – working clothes

- 2003** No turnover. Negative result. Only in Sweden. No stock. Large development costs (products, personnel etc.).
- 2004** Goal: Turnover of SEK 20 m in Sweden. Loss of up to SEK –5 m.
- 2005** Goal: Turnover of SEK 40 m in Sweden. Introduction in Norway and Denmark. Total turnover of SEK 60 m. Small profit.
- 2006** Goal: Turnover of SEK 80 m in Sweden. Turnover of SEK 60 m in Norway and Denmark. Introduction in Finland and Germany with a turnover of SEK 20 m. Total turnover of SEK 160 m. Fine profit.
- 2007** Goal: Total turnover of at least SEK 250 m. Good profitability. Operations in more countries.
- 2008** Goal: Total turnover of at least SEK 350 m. Margin goal reached.

The development can be faster, but this plan is realistic.










Vision – The Retailing business area

- ✓ To become the Nordic countries' main supplier of sports- and leisurewear.
- ✓ To become one of the main suppliers of quality shoes and gifts.
- ✓ To develop the owned trademarks Craft and Seger into international trademarks on functional sportswear.



The Retailing business area


These owned trademarks are distributed within the Retailing business area:

- ✓  – functional sportswear
- ✓  – basicwear, T-shirts etc, for the sports trade.
- ✓  – basic ware, T-shirts etc, for the everyday commodities trade.
- ✓  – socks, caps etc.
- ✓  – children's shoes
- ✓  – ladies' shoes
- ✓  – gifts
- ✓  – domestic textile products
- ✓  – domestic textile products



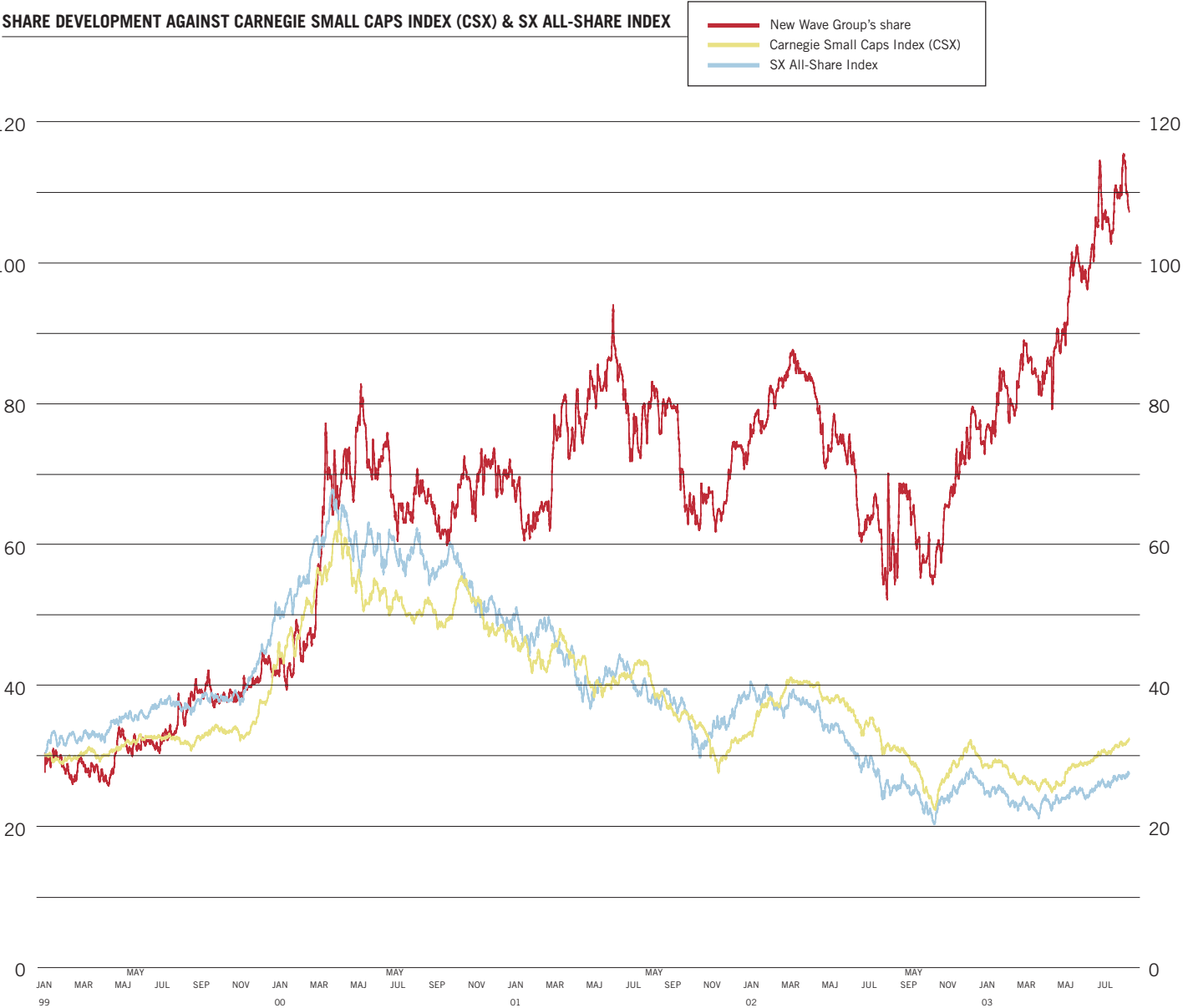
The Retailing business area

The following licence or agent trademarks are distributed in Sweden:

- ✓ **NORDICA** – skiing equipment
- ✓ **Rollerblade** – inlines
- ✓ **exel** – indoor bandy and skiing equipment
- ✓  **UMBRO** – football clothes and equipment



Share development against general index



Continuous growth

New Wave Group expects the growth to continue at the same pace as earlier, if the result allows it, through...

- ✓ continuous organic growth
- ✓ continuous establishments of current trademarks abroad
- ✓ new establishments/product broadening/acquisitions within gifts
- ✓ new establishments/product broadening/acquisitions within working clothes
- ✓ continuous acquisitions of retail trademarks (sports)

“The sky is the limit”

Why are we likely to succeed?

NewWave

What we have accomplished so far speaks for itself...

| Year | Sales SEK m | Increase SEK m | Increase % |
|--------------|-------------|----------------|------------|
| 1992 | 53 | | |
| 1993 | 74 | 21 | 39.7 % |
| 1994 | 102 | 28 | 37.8 % |
| 1995 | 151 | 49 | 48.0 % |
| 1996 | 246 | 95 | 62.9 % |
| 1997 | 351 | 105 | 42.7 % |
| 1998 | 721 | 370 | 105.4 % |
| 1999 | 799 | 78 | 10.8 % |
| 2000 | 1,063 | 264 | 33.0 % |
| 2001 | 1,278 | 215 | 20.2 % |
| 2002 | 1,687 | 409 | 32 % |
| 2003 (prog.) | app. 2,000 | >313 | >19 % |

...especially considering the fact that the profit has increased every year...

| Year | Net profit SEK m | Increase SEK m | Increase % |
|------|------------------|----------------|------------|
| 1992 | 3.8 | | |
| 1993 | 7.5 | 3.7 | 97.4 % |
| 1994 | 9.7 | 2.2 | 29.3 % |
| 1995 | 14.5 | 4.7 | 48.5 % |
| 1996 | 17.9 | 3.4 | 23.5 % |
| 1997 | 21.6 | 3.7 | 20.7 % |
| 1998 | 24.5 | 2.9 | 13.4 % |
| 1999 | 54.1 | 29.6 | 120.8 % |
| 2000 | 86.6 | 32.5 | 60.0 % |
| 2001 | 100.1 | 13.5 | 15.6 % |
| 2002 | 145.2 | 45.1 | 45.1 % |

New Wave's success factors

- ✓ Early integration
- ✓ Advantages of scale
- ✓ Synergies between the business areas
- ✓ Leads progress
- ✓ Good service/quality
- ✓ The customer is the most important
- ✓ The "New Wave culture"

Turnover for the profiling and gifts market

| | Estimated total market* SEK m | New Wave's prof. sales 2002 | New Wave's market share |
|-------------|-------------------------------|-----------------------------|-------------------------|
| Sweden | 2 944 | 465 | 15.8 % |
| Norway | 1 472 | 110 | 7.5 % |
| Finland | 1 693 | 86 | 5.1 % |
| Denmark | 1 472 | 14 | 1.0 % |
| Germany | 22 816 | 46 | 0.2 % |
| England | 16 928 | 45 | 0.3 % |
| France | 16 928 | 15 | 0.1 % |
| Italy | 11 040 | 87 | 0.8 % |
| Spain | 11 040 | 35 | 0.3 % |
| Benelux | 7341 | 142 | 1.9 % |
| Portugal | 2 208 | 0 | 0.0 % |
| Switzerland | 2 061 | 0 | 0.0 % |
| Austria | 2 318 | 0 | 0,0 % |
| Total | 100 262 | 1 045 | |

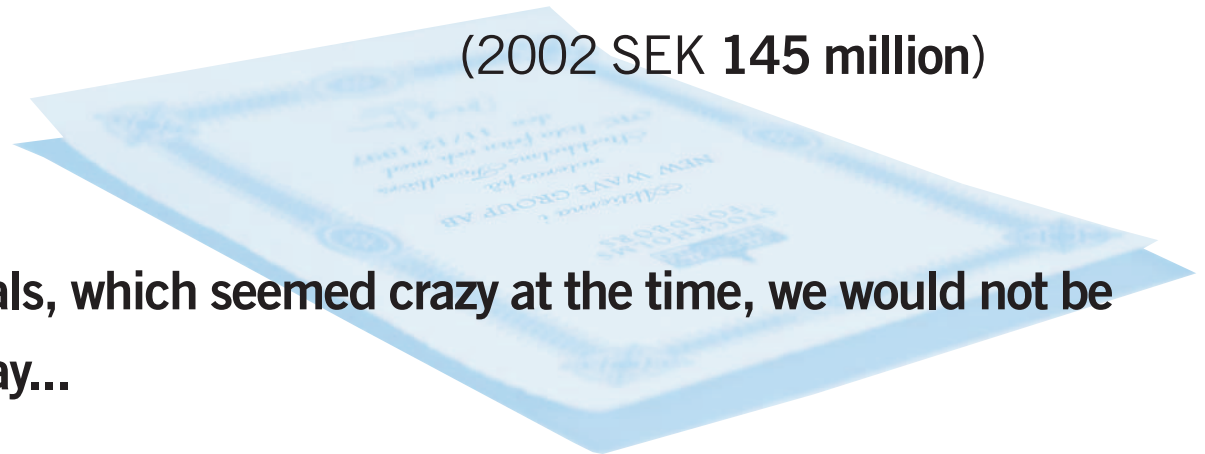
*Light working clothes are also part of this segment.

Three goals at the introduction in December 1997

(Sales of that time was app. SEK 350 million, the stock value was app. SEK 300 million and the profit/loss before taxes was SEK 21.6 million)

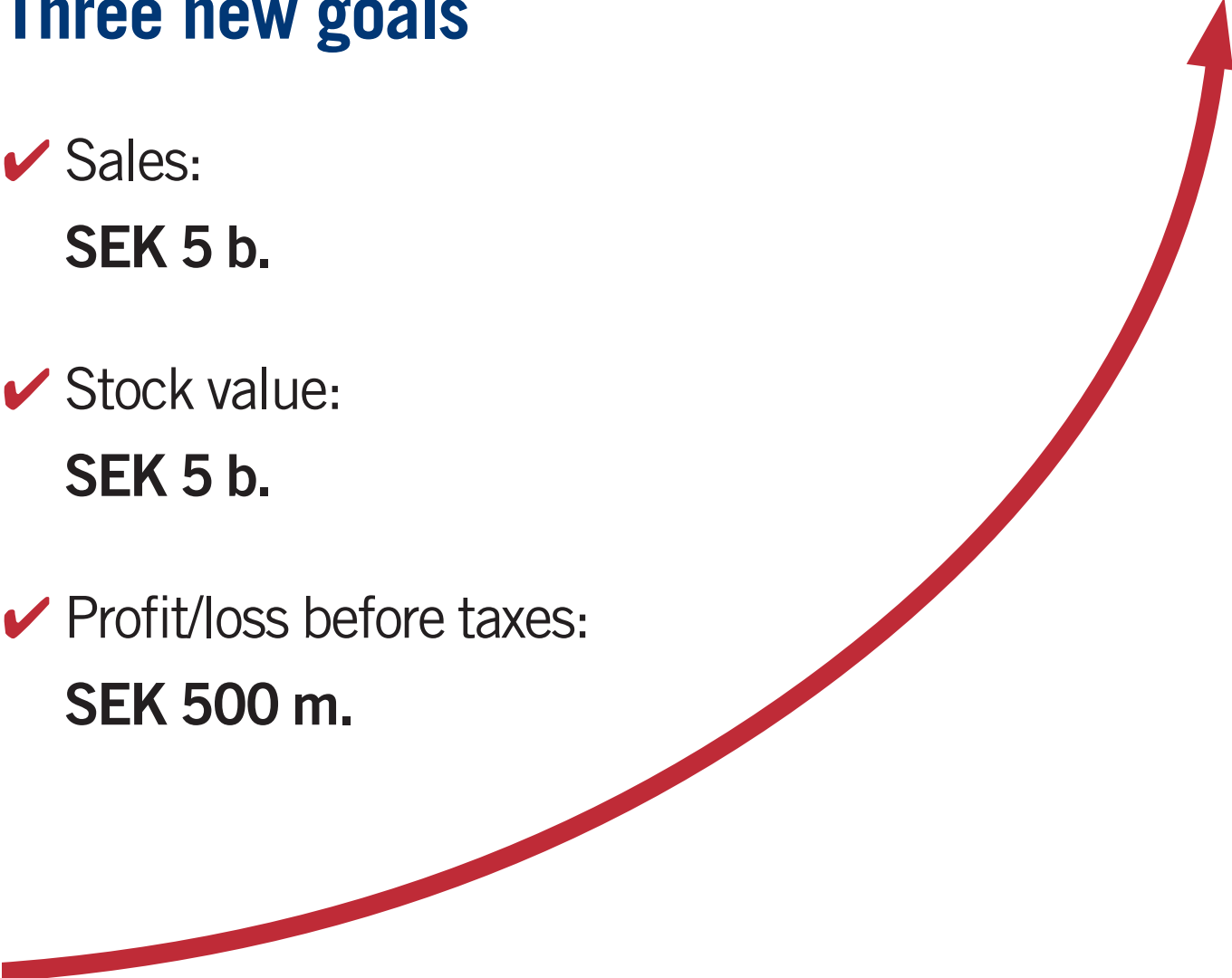
- ✓ Sales: **SEK 1 b** (met 2000)
(2002 SEK **1,685 million**)
- ✓ Stock value: **SEK 1 b** (met 2000)
(2002 SEK **1,280 million**)
- ✓ Profit/loss b. taxes: **SEK 100 m** (met 2001)
(2002 SEK **145 million**)

Without these goals, which seemed crazy at the time, we would not be where we are today...



Three new goals

- ✓ Sales:
SEK 5 b.
- ✓ Stock value:
SEK 5 b.
- ✓ Profit/loss before taxes:
SEK 500 m.



...and without these goals, which might seem crazy now, we will not be able to come as far as we plan to in the future! (When we have reached these goals, or just before we reach them, we will have new goals!)

**We hope that everybody who buys our
products is a content customer
and we want you to know that if you choose
to invest in New Wave Group
we promise that we will
take care of your investment
in the best possible way through long-term
thinking, growth,
stability and hard work!**

NewWave
G R O U P