

NewWave

Presentation of

NewWave

G R O U P



NewWave
G R O U P

Q3 2003

✓ Turnover:

+12 % to SEK 413.2 (370.0) m. (organic)

Profiling: +/-0 % to SEK 217.8 (217.9) m.

Retailing: +28 % to SEK 195.4 (152.2) m.

✓ Result:

+SEK 6.8 m. to SEK 14.1 (7.3) m.

Profiling: SEK 5.4 (-0.9) m.

Detalj: SEK 8.7 (8.2) m.

Jan–Sep 2003

Result after net financial items:

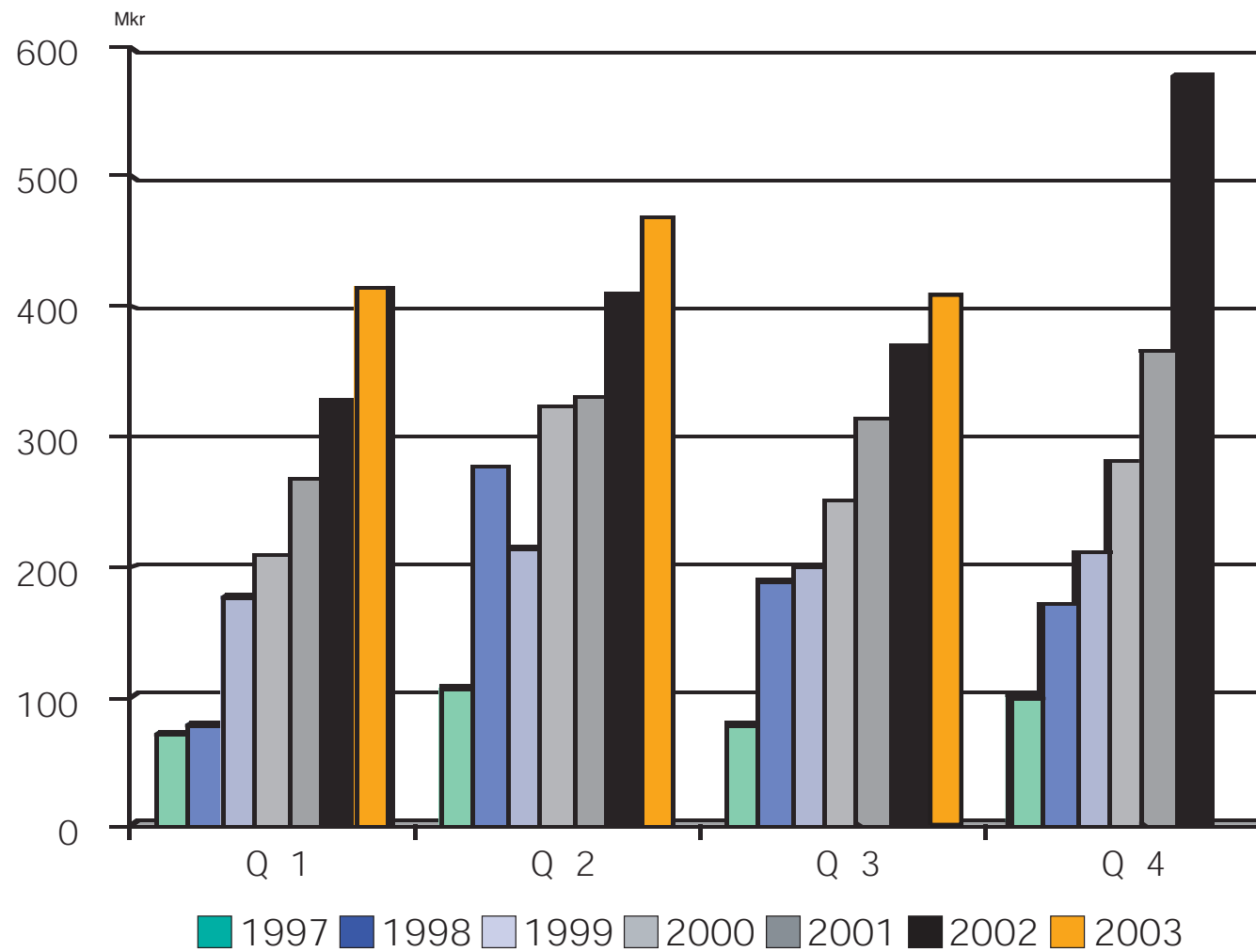
- ✓ Increased by SEK +24.2 m. to SEK 83.3 (59.1) m.:
 - Profiling SEK +19.3 m. to SEK 63.1 (43.8) m.
 - Retailing SEK +4.9 m to SEK 20.2 (15.3) m.
- ✓ 12-months moving total SEK 169.3 (104.7) m.

Jan–Sep 2003

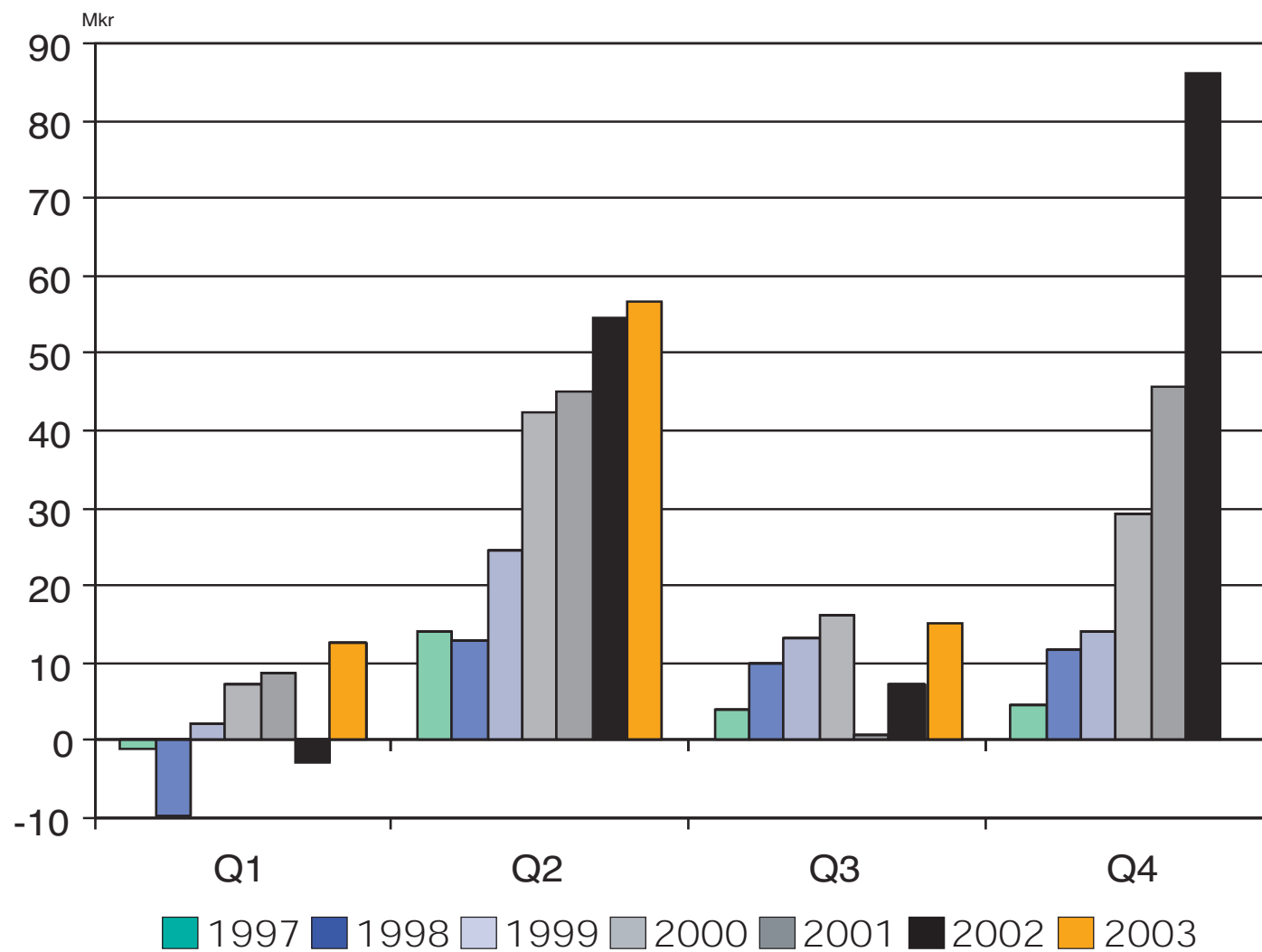
Turnover:

- ✓ Increased by 17 % to SEK 1,297.2 (1,108.8) m.:
 - Profiling +15 % to SEK 791.4 (687.6) m.
 - Retailing +20 % to SEK 505.8 (421.2) m.
- ✓ 12-months moving total increased by 28 % to SEK 1,875.7 (1,467.0) m.

Sales



Profit/loss after net financial items



Important events during Q3

- ✓ Letter of intent to Swedish Match.
- ✓ Acquisition of the remaining 49.9 % of Sagaform.
- ✓ The workwear launching gets postponed until August.
- ✓ Establishment in Switzerland begins.
- ✓ Establishment of buying office in Vietnam.

Income Statements

	3 Months	3 Months	9 Months	9 Months	12 Months	12 Months
	JUL-SEP	JUL-SEP	JAN-SEP	JAN-SEP	OKT-SEP	JAN-DEC
SEK M.	2003	2002	2003	2002	'02/03	2002
Net sales	413.2	370	1 297.2	1 108.8	1 875.7	1 687.3
Other income	-0.3	0.7	1.5	1.4	2.3	2.2
Goods for resale	-236.6	-219.4	-736.5	-654.2	-1 063.1	-980.7
Gross profit	176.3	151.3	562.2	456.0	814.9	708.8
Gross margin	42.7%	40.8%	43.3%	41.1%	43.4%	42.0%
Other external costs	-84.5	-68.9	-239.4	-193.4	-324.0	-278.0
% of income	20.5%	18.6%	18.4%	17.4%	17.3%	16.5%
Personnel costs	-59.2	-52.5	-189.1	-150.1	-255.3	-216.3
% of income	14.3%	14.2%	14.6%	13.5%	13.6%	12.8%
Depreciation	-10.7	-9.6	-29.2	-25.8	-36.0	-32.7
Other costs	-1.9	-1.6	-5.8	-2.6	-6.0	-2.8
Operating profit	20.0	18.7	98.7	84.1	193.6	179.0
Operating margin	4.8%	5.0%	7.6%	7.6%	10.3%	10.6%
Net financial items	-5.9	-11.4	-15.4	-25.0	-24.3	-33.9
Result after financial items	14.1	7.3	83.3	59.1	169.3	145.1
Tax for the period	-4.1	-3.1	-22.0	-11.8	-41.1	-30.8
Minority share	1.9	-1.0	0.9	-0.9	-8.2	-10.0
Profit for the period	11.9	3.2	62.2	46.4	120.0	104.3
Profit margin	2.9%	0.9%	4.8%	4.2%	6.4%	6.2%
Result per share	0.82	3.19	4.29	3.32	8.29	7.20

NewWave

Financial Highlights

	JAN - SEP	JAN - SEP	JAN - DEC	JAN - DEC	JAN - DEC
SEK M.	2003	2002	2002	2001	2000
Sales growth %	17.1	21.6	32.0	20.2	33.1
Number of employees	779.0	721.0	729.0	422.0	338.0
Gross profit margin %	43.3	41.1	42.0	40.6	38.8
Operating margin %	7.6	7.6	10.6	10.0	10.6
Profit margin %	4.8	4.2	6.2	6.4	6.1
Return on shareholders' equity %	16.2	14.0	22.0	20.9	23.7
Return on capital employed %	10.8	10.4	16.9	14.7	17.7
Solidity %	32.6	33.0	37.9	40.5	36.7
Net borrowings SEK m.	806.3	755.4	629.0	519.7	427.8
Turnover of inventories. times	1.5	1.3	1.6	1.5	1.6
Net investments SEK m.	59.7	125.4	153.6	85.1	37.8
Cash flow before investments SEK m.	-57.4	51.8	160.7	94.5	-108.3
Cash flow after investments SEK m.	-117.1	15.6	7.1	9.4	-146.1
Shareholders' equity per share. SEK	37.21	31.14	35.26	29.99	24.42

Turnover per country (SEK m.)

	JAN-SEP	JAN-SEP		CHANGE
COUNTRY	2003	2002	SEK M.	%
Denmark	29.7	22.8	6.9	30.3
England	33.6	36.0	-2.4	-6.7
Finland	96.8	88.5	8.3	9.4
France	20.2	12.6	7.6	60.3
Benelux	150.0	62.4	87.7	140.6
Italy	77.9	63.2	14.7	23.3
Norway	121.7	121.8	-0.1	-0.1
Spain	55.2	43.0	12.2	28.4
Sweden	601.1	582.8	18.3	3.1
Germany	75.6	50.6	25.0	49.4
Other	35.4	25.1	10.3	41.0
Total	1.297.2	1.108.8	188.5	17

NewWave

2003

- ✓ Prognosis turnover: app. SEK 2,000 million.
- ✓ Prognosis result: > 2002.
- ✓ Within Corporate Profiling we will continue gaining market shares.
- ✓ New trading company in China for sales to European customers.
- ✓ Establishment of Corporate Profiling company for sales in the Chinese market.

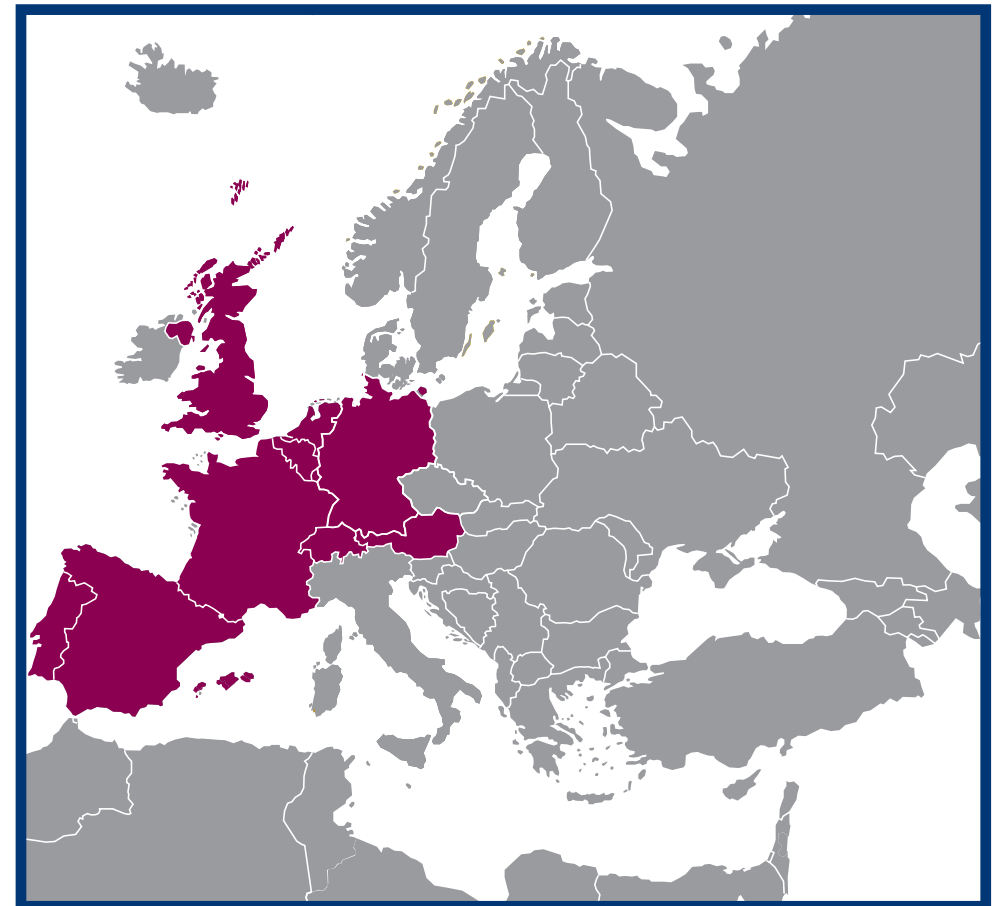
2003 continuation

- ✓ Investments in workwear.
- ✓ Implementation of warehouse and business system according to plan.
- ✓ Great improvement in England compared to the preceding year.
- ✓ Letter of intent to Swedish Match.
- ✓ Retailing, with Craft and Umbro among other trademarks, develops very well.
- ✓ Establishment in Switzerland.

SMAP – Harvest and Printer

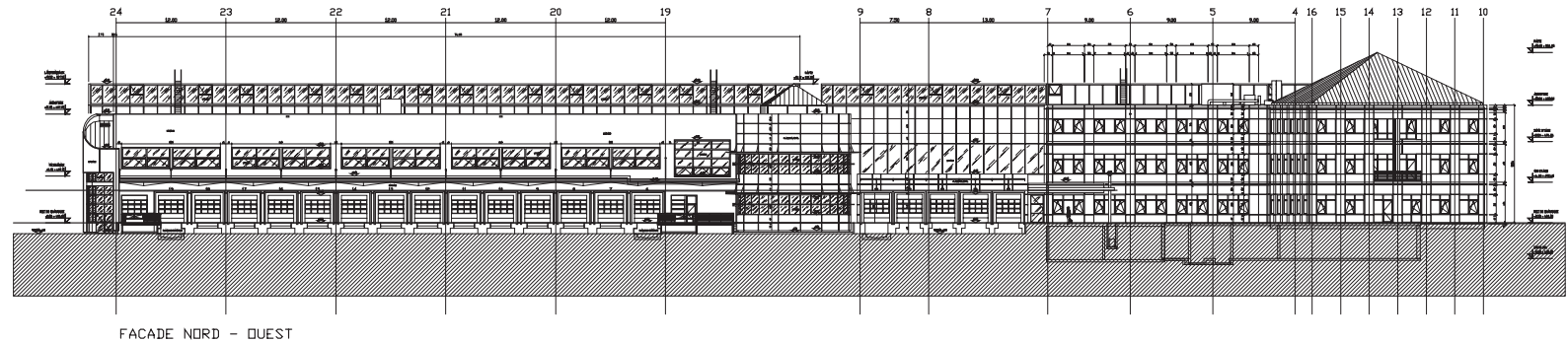
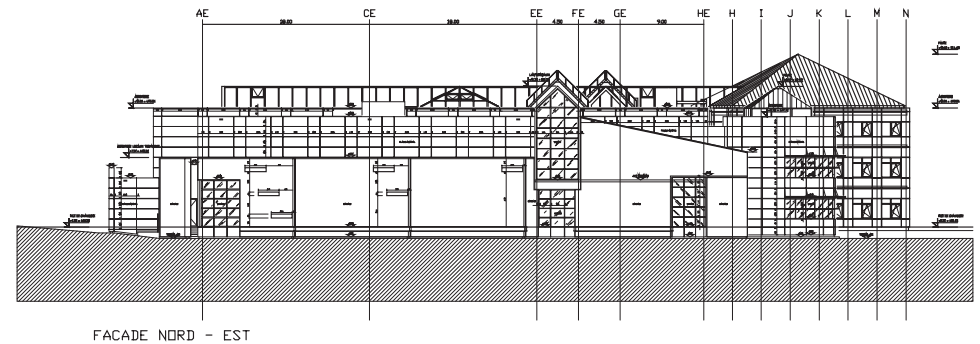
Estimated turnover for 2003

Spain	€ 1,500
Portugal	€ 500
France	€ 2,300
Great Britain	€ 1,100
Benelux	€ 6,400
Germany	€ 2,600
Switzerland	€ 1,200
Austria	€ 1,500
<hr/>	
TOTAL	€ 17,000



The property in Switzerland

- ✓ 6,000 m² totally (including warehouse)
- ✓ 5,000 pallet spaces
- ✓ 11 m high
- ✓ 80 work spaces



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.



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?



Vision – The Profiling business area

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

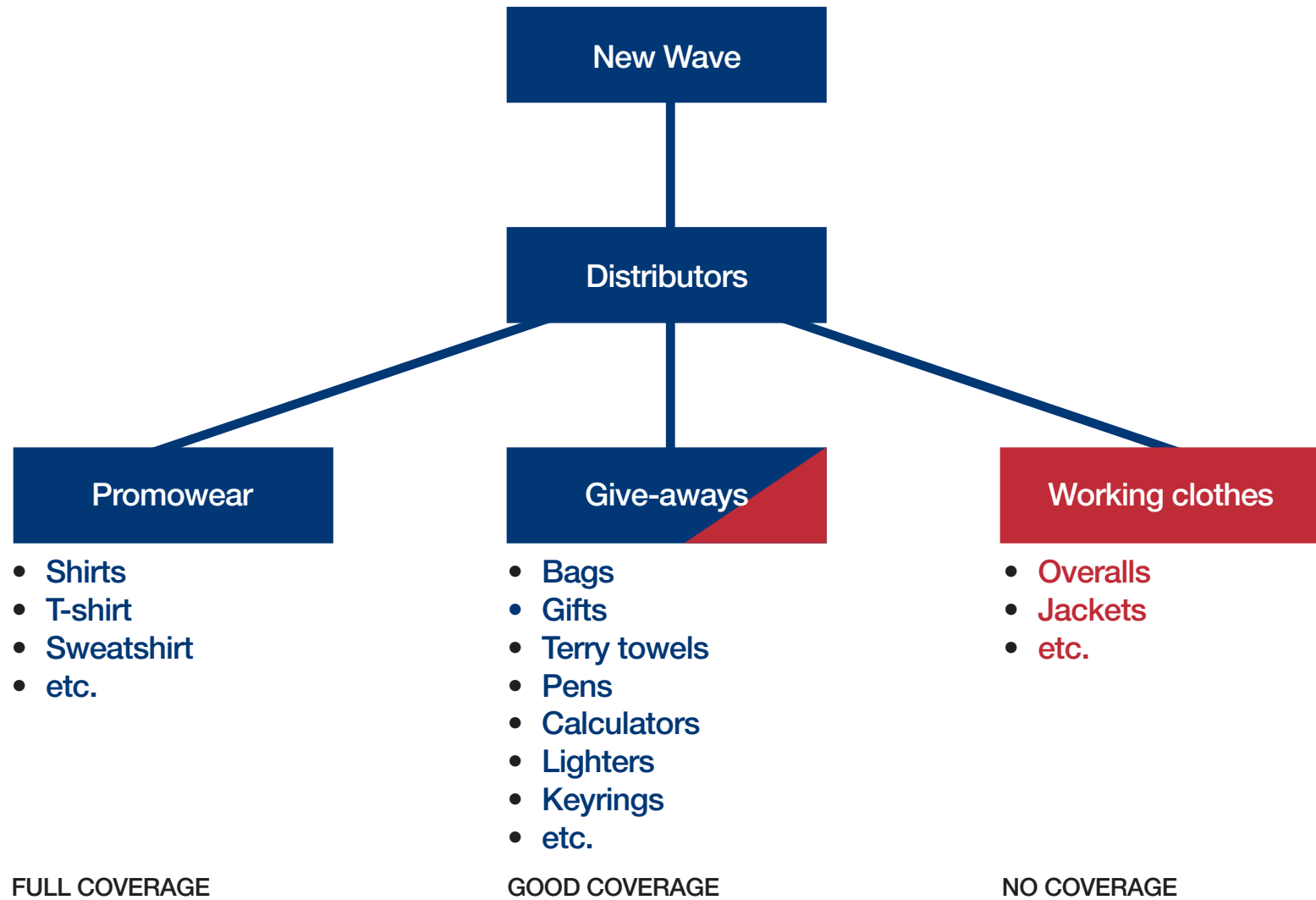
- ✓ good products.
- ✓ strong trademarks.
- ✓ high competence and service.
- ✓ a unique and complete concept for our retailers, including e-business and marketing solutions etc.

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.

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:

- ✓ **CRAFT**  – functional sportswear
- ✓ **CLIQUE**  – basicwear, T-shirts etc, for the sports trade.
- ✓ **baz**  – basic ware, T-shirts etc, for the everyday commodities trade.
- ✓ **SEGER**  – socks, caps etc.
- ✓ **PAX**  – children's shoes
- ✓ **Sköna marie**  – ladies' shoes
- ✓ **sagaform**  – gifts
- ✓ **NELSON**  – domestic textile products
- ✓ **QUEEN ANNE**  – 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



2003–2008

New Wave's success factors

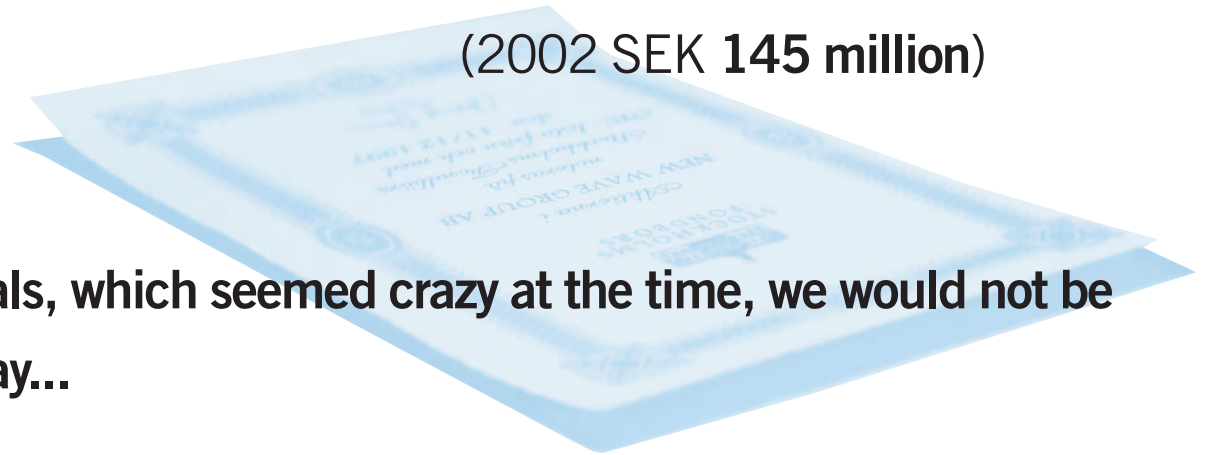
- ✓ Early integration
- ✓ Advantages of scale
- ✓ Synergies between the business areas
- ✓ Leads progress
- ✓ Good service/quality
- ✓ The customer is the most important
- ✓ The "New Wave culture"

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)

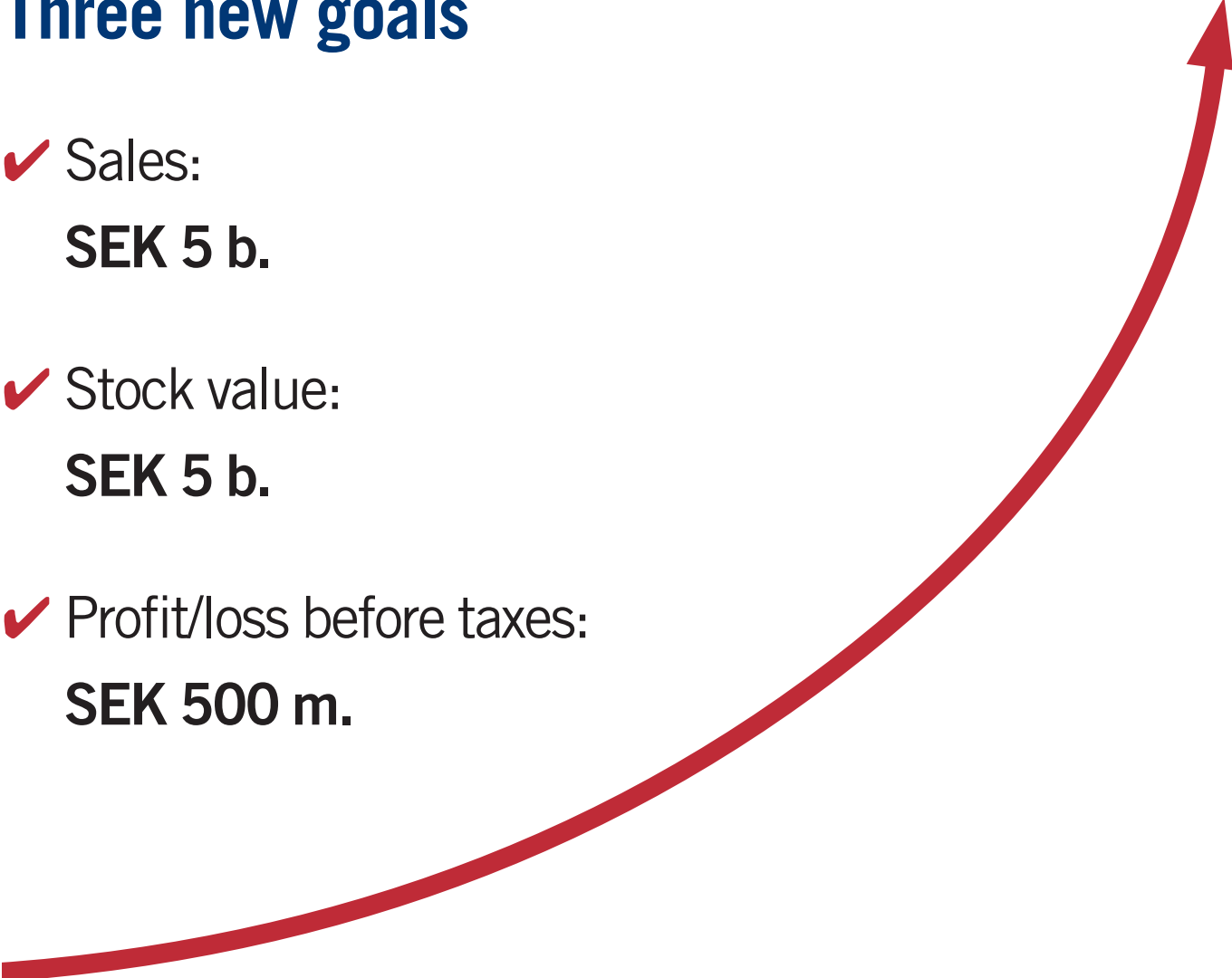
- ✓ Sales: **SEK 1 b** (met 2000)
(2002 SEK **1,685 million**)
- ✓ Stock value: **SEK 1 b** (met 2000)
(2002 SEK **1,280 million**)
- ✓ Profit/loss b. taxes: **SEK 100 m** (met 2001)
(2002 SEK **145 million**)

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