

NewWave

Presentation of
NewWave
G R O U P



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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

- ✓ Corporate Profiling 60–80 %.
Retailing 20–40 %.
- ✓ Risk spread.



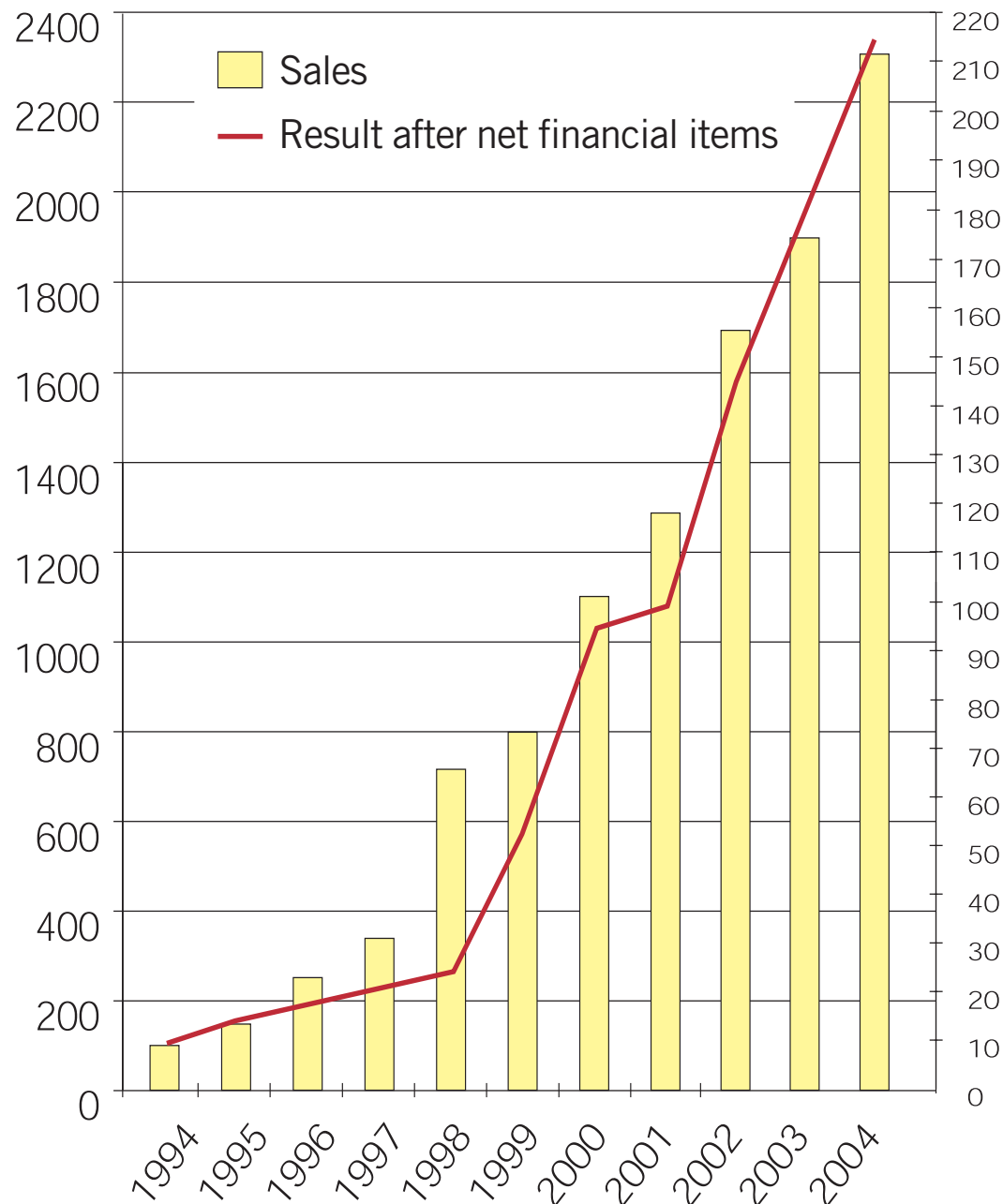
Did you know...

...that New Wave Group through its trademarks (2003) sold approximately...

- ✓ 4.2 million one-coloured T-shirts in Sweden and 5.0 million in the rest of Europe?
- ✓ 480 thousand piqué shirts in Sweden and 1.7 million in the rest of Europe?
- ✓ 266 thousand shirts in Sweden and 520 thousand in the rest of Europe?
- ✓ 34 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 in China. Establishment of working clothes.
- ✓ **2003** • Establishment in Switzerland.
- ✓ **2004** • Acquisition of SMAP. Acquisition of DAD. Acquisition of Jobman.
- ✓ **2005** • Acquisition of Dahetra.

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 (Shanghai, Hong Kong, Guangzhou), Turkey, Vietnam 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

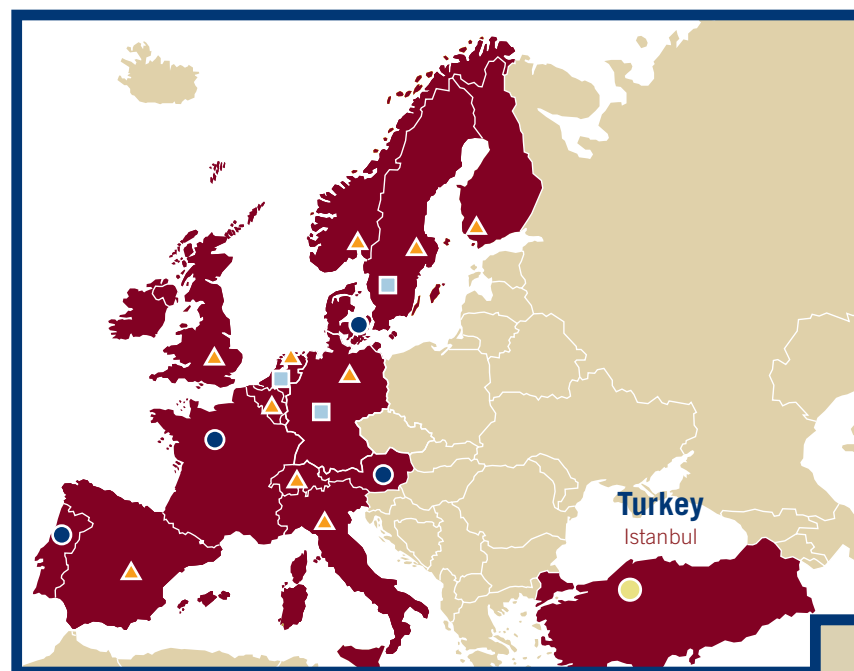
by offering...

- ✓ 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.



Countries where New Wave Group is operating



- ▲ sales offices & warehouses
- production facilities
- sales offices
- purchasing offices



Some of the brands are also distributed in Iceland (Harvest/Printer), North America (Craft) and Australia (Harvest/Printer).



New Wave has established a factory for production of clothes for the Chinese market in Shanghai, China.



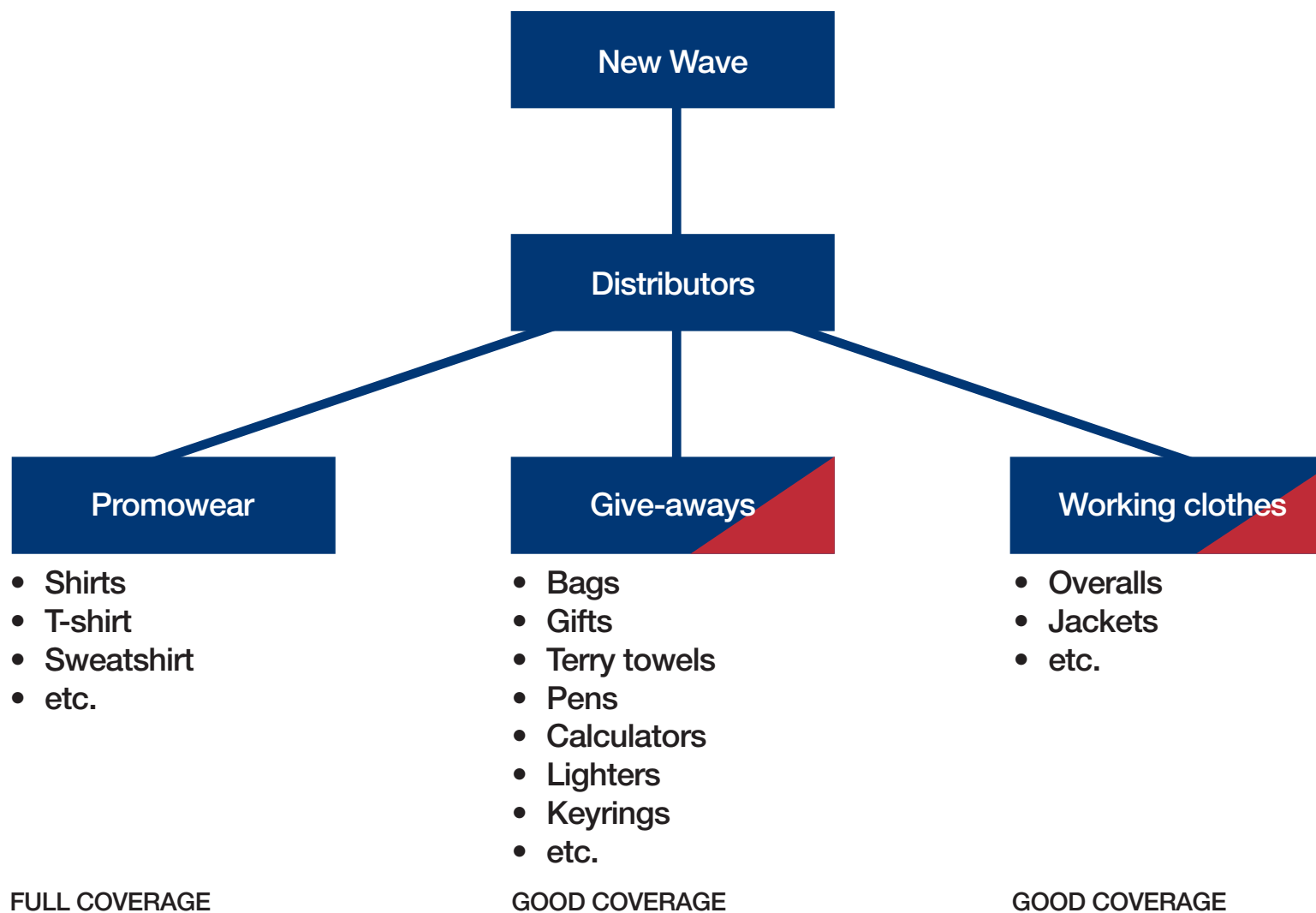
Interior from New Wave's factory in Shanghai, China.



Embroidery machine in New Wave's factory in Shanghai, China. The Chinese customers are offered ready-embroidered promowear. A service we now also, through Dahetra, can offer own customers in the Nordic countries.

Range coverage

Existing
Possible



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











Vision – The Retailing business area

- ✓ To become the Nordic countries' main supplier of sports- and leisurewear.
- ✓ To develop Sagaform into one of Europe's biggest brands on kitchen, china 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
- ✓ **mari:DC** – ladies' shoes
- ✓  **sagaform** – gifts
- ✓  **Lord NELSON** – textile products
- ✓  **Queen Anne** – 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



UMBRO

2003–2008



Craft has not only strengthened its collection of underwear with the line Pro Cool, but it also invests more in cycling by recruiting Tony Rominger as Cycling Product Manager (ranked one of the world's top 10 cyclists ever by Union Cycliste Internationale).

Q4 July–December 2004

✓ Sales:

+22% to SEK 712 (585) m.

Profiling: +41% to SEK 511 (363) m.

Retailing: –9% to SEK 201 (222) m.

✓ Profit:

+ SEK 10 to SEK 108 (98) m.

Profiling: + SEK 9 to SEK 73 (64) m.

Retailing: + SEK 1 to SEK 35,5 (34) m.

January–December 2004

✓ Sales:

+22 % to SEK 2 302 (1 882) m.

Profiling: +37 % to SEK 1 581 (1155) m.

Retailing: –1 % to SEK 721 (727) m.

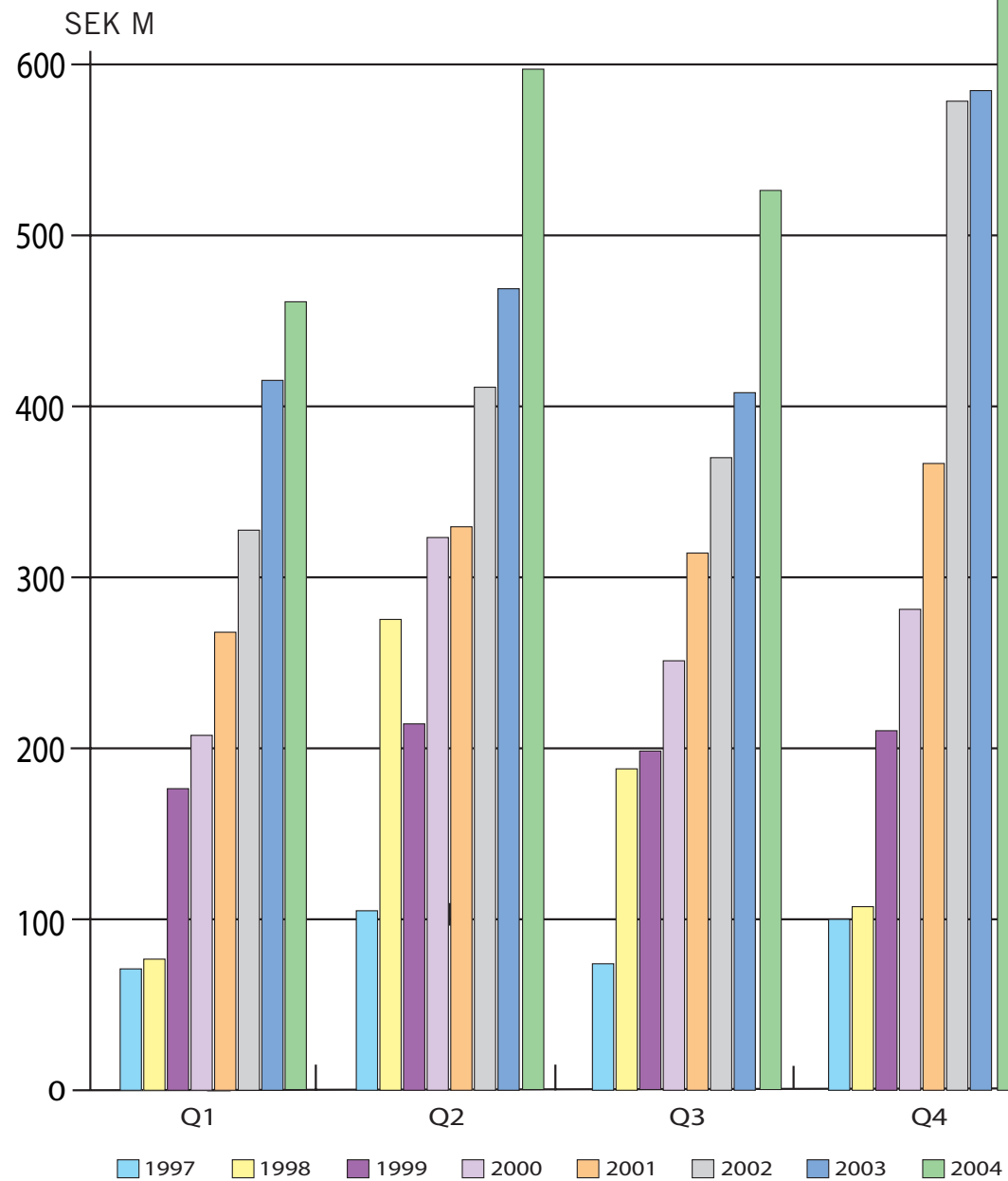
✓ Profit:

+ SEK 33 to SEK 214 (181) m.

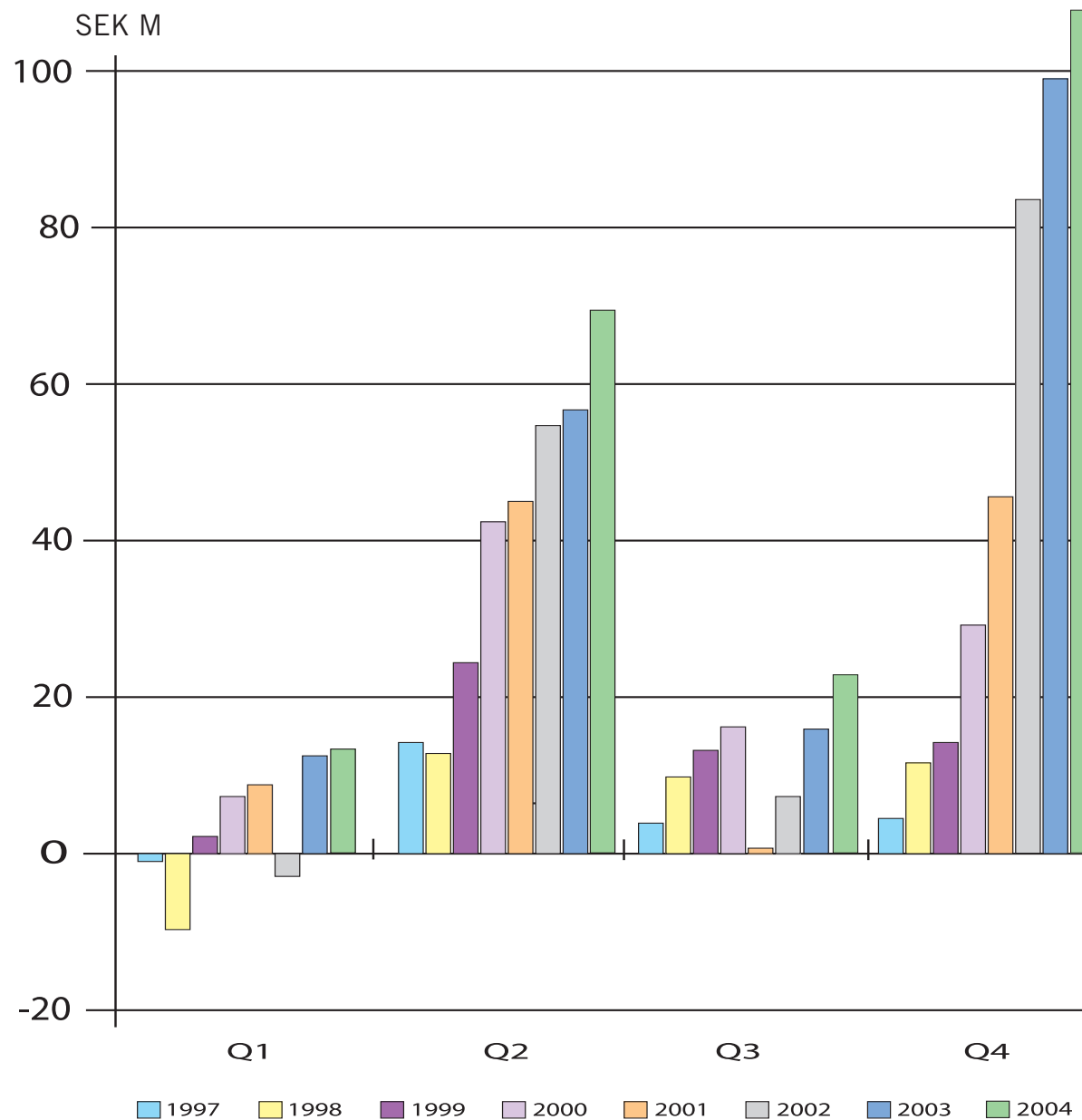
Profiling: + SEK 27 to SEK 154 (127) m.

Retailing: + SEK 6 to SEK 60 (54) m.

Sales



Profit/loss after net financial items



Financial Highlights

	JAN - DEC 2004	JAN - DEC 2003	JAN - DEC 2002	JAN - DEC 2001	JAN - DEC 2000
Sales growth %	22.3	11.5	32.0	20.2	33.1
Employees	1 269.0	806.0	729.0	422.0	338.0
Gross profit margin %	45.9	44.4	42.0	40.5	38.8
Operating margin %	10.5	10.9	10.6	10.0	10.6
Profit margin %	6.6	7.1	6.2	6.4	6.1
Return on shareholders' equity %	20.3	23.8	22.0	20.9	23.7
Return on capital employed %	15.4	16.5	16.9	14.7	17.7
Solidity %	40.5	37.4	37.9	40.5	36.7
Net borrowings SEK m	886.2	692.5	629.0	519.7	427.8
Turnover of inventories times	1.5	1.6	1.6	1.5	1.6
Net investments, SEK m,	245.4	80.0	153.6	85.1	36.6
Cash flow before investments, SEK m	2.3	76.0	160.7	94.5	-109.8
Cash flow after investments, SEK m	-243.1	-4.0	7.1	9.4	-146.4
Shareholders' equity per share SEK	28.72	21.13	17.80	15.00	11.47
Shareh. equity/share aft. dilution SEK	28.17	21.04	17.27	14.92	11.96
Share price on 31 December SEK	127.50	75.00	37.50	37.50	35.00
Dividend per share SEK	1.50	1.25	0.88	0.75	0.63

Income Statement

	3 Months	3 Months	12 Months	12 Months
	OKT-DEC	OKT-DEC	JAN-DEC	JAN-DEC
SEK M,	2004	2003	2004	2003
Net sales	712.3	584.7	2 302.2	1 881.9
Other income	7.2	12.0	20.0	13.5
Goods for resale	-374.0	-310.7	-1 246.4	-1 047.2
Gross profit	338.3	274.0	1 055.8	834.7
Gross margin	47.5%	46.9%	45.9%	44.4%
Other external costs	-123.5	-95.7	-440.2	-335.1
% of income	-17.2%	-16.0%	-19.0%	-17.7%
Personnel costs	-95.9	-74.8	-341.1	-263.9
% of income	-13.3%	-12.5%	-14.7%	-13.9%
Depreciations	-10.5	-10.4	-49.7	-39.6
Other costs	0.2	-0.2	-2.5	-4.5
Operating profit	115.8	104.9	242.3	205.1
Operating margin	16.3%	17.9%	10.5%	10.9%
Net financial items	-7.9	-6.9	-28.2	-23.8
Result after financial items	107.9	98.0	214.1	181.3
Tax for the period	-31.8	-24.5	-61.3	-46.5
Minority share	-2.9	-2.2	-1.0	-1.3
Profit for the period	73.2	71.3	151.8	133.5
Profit per share SEK	2.37	2.46	4.92	4.51

NewWave

Sales per country

	JAN-DEC	JAN-DEC	CHANGE	
COUNTRY	2004	2003	SEK M	%
Sweden	956	835	121	15
Benelux	293	202	91	45
Germany	181	124	57	46
Norway	180	171	9	5
Finland	180	166	14	8
Italy	140	117	23	20
Spain	93	77	16	21
Denmark	64	52	12	23
France	62	30	32	107
England	56	54	2	4
Switzerland	48	8	40	500
Other	49	44	5	11
Total	2 302	1 880	422	22

Important events during Q4

- ✓ The sale of winter garments was lower than expected.
- ✓ The establishments in Switzerland, China, Spain, Belgium, as well as the launch of ProJob and the Jobman acquisition, have had a negative impact of approximately SEK 17 m. on the result.
- ✓ Suspicion about fraud in one of the subsidiaries. This has a negative effect of approximately SEK 6 m. on the result. A new management has been recruited.
- ✓ Acquired entries have positively contributed with SEK 3,9 m.
- ✓ Craft Switzerland SA was established to a cost of SEK 4,7 m.
- ✓ The investment in workwear is still positive.
- ✓ The bespoke organisation has established a couple big of contracts.
- ✓ New Wave Group has acquired the Danish Dahetra A/S with subsidiaries in Sweden, Norway and Bangladesh.
- ✓ The Board of Directors has decided to suggest an increased dividend of 20 percent to SEK 1,50 (1,25) per stock. Totaling to SEK 47,3 m.

Prognosis 2005

- ✓ We are well prepared for the future and have a great optimism!
- ✓ ProJob will be launched in Finland, Belgium and Denmark.
- ✓ Jobman will be launched in Norway and Italy.
- ✓ Craft Suisse SA starts deliver goods in Switzerland.
- ✓ NW in China continues expanding in purchase, as well as sales and production.
- ✓ Dahetra will be integrated in the New Wave Group.
- ✓ Dahetra starts selling Mac One/Jingham in Denmark.
- ✓ Sagaform starts deliver goods from their storage in Belgium.
- ✓ New Wave/Clique starts storing in France.
- ✓ The trading starts deliver to new big clients.

**Both sales and profit
expects to increase
for 2005**

Concept per country

	Clique/New Wave	Clique Retail	Harvest/Printer	Mac One/Jingham	Grizzly/Cottover/Goal	DAD	Make Your Own Design	INsideOUT	Sagaform	Craft	Seger	Jobman	ProJob	Toppoint	Hurricane	Lord Nelson/Queen Anne	Pax/MariDC	To be established
Sweden	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	0
Norway	●		●		●		●	●	●	●	●	○		●	●	●	●	4
Finland	●		●	●	●			●	●	○			○			●	●	7
Denmark	●				●			●	●	●			○	●	●	●	●	7
Germany	●		●		●	○		●	●	●				●		●	●	7
France	●		●					●		○				●		●	●	10
Italy	●							●		●		○				●	●	11
Belgium	●		●	●				●	●	●				●		●	●	8
Holland	●		●	●				●	●	●				●		●	●	8
Switzerland	●		●							●						●	●	12
Spain	●		●					●		●			○	●		●	●	9
Austria			●											●		●	●	13
Great Britain	●		●						●					●		●	●	11
China	●									●						●	●	–

The above table means that New Wave up until this date has made 91 establishments but has still 107 remaining counting only current countries (exkl. China). The brands Lord Nelson, Queen Anne, Pax and MariDC are Swedish and no plans for other countries exist.

**What says that
we are going to
succeed?**

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	1,882	195	12 %
2004	2,301	419	22 %

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

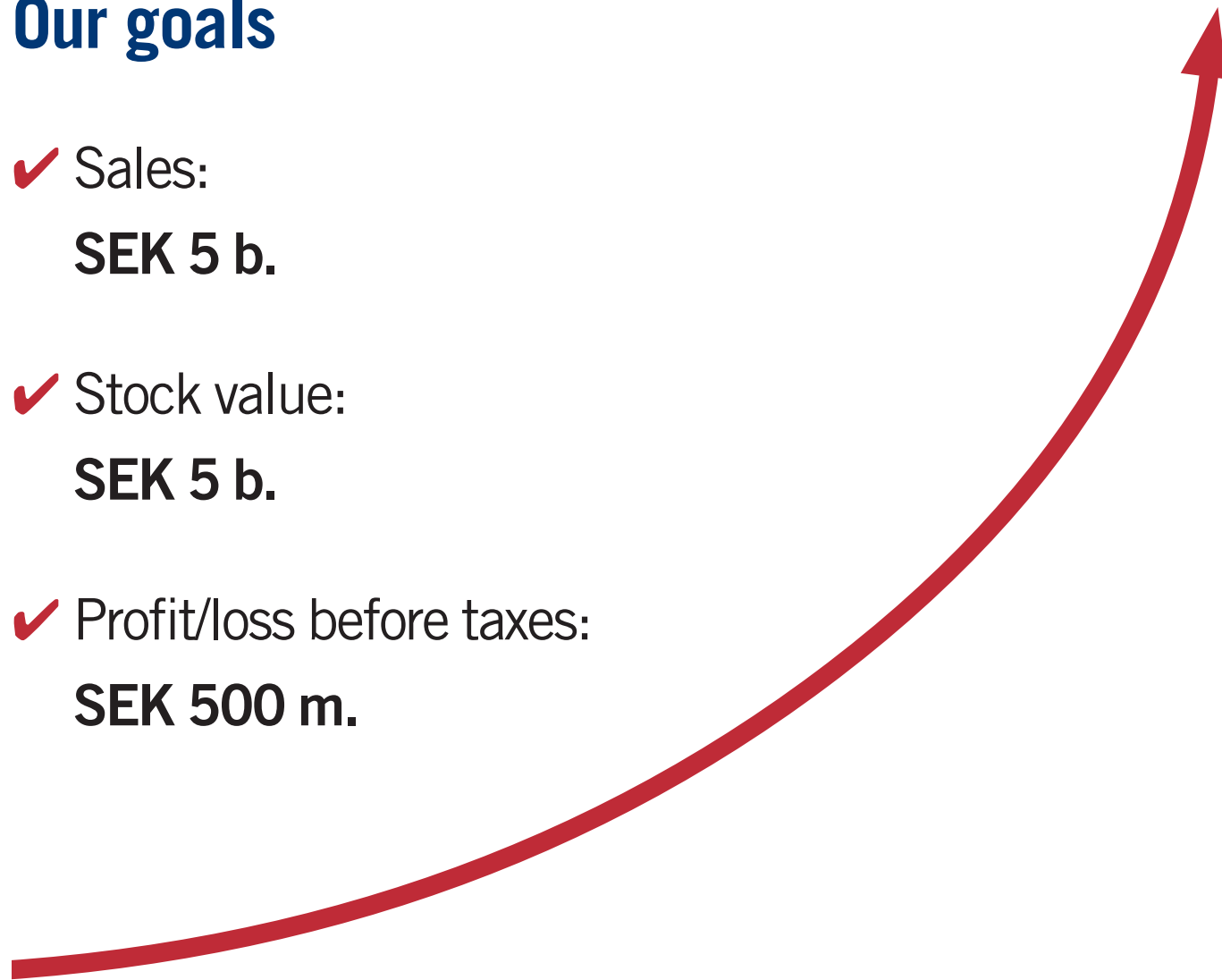
Year	Net profit SEK m	Increase SEK m	Increase %
1992	3.8		
1993	7.5	3.7	97.4 %
1994	9.7	2.2	29.3 %
1995	14.5	4.7	48.5 %
1996	17.9	3.4	23.5 %
1997	21.6	3.7	20.7 %
1998	24.5	2.9	13.4 %
1999	54.1	29.6	120.8 %
2000	86.6	32.5	60.0 %
2001	100.1	13.5	15.6 %
2002	145.2	45.1	45.1 %
2003	181.3	36.1	25.0 %
2004	214.1	32.8	18.1 %

New Wave's success factors

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

Our goals

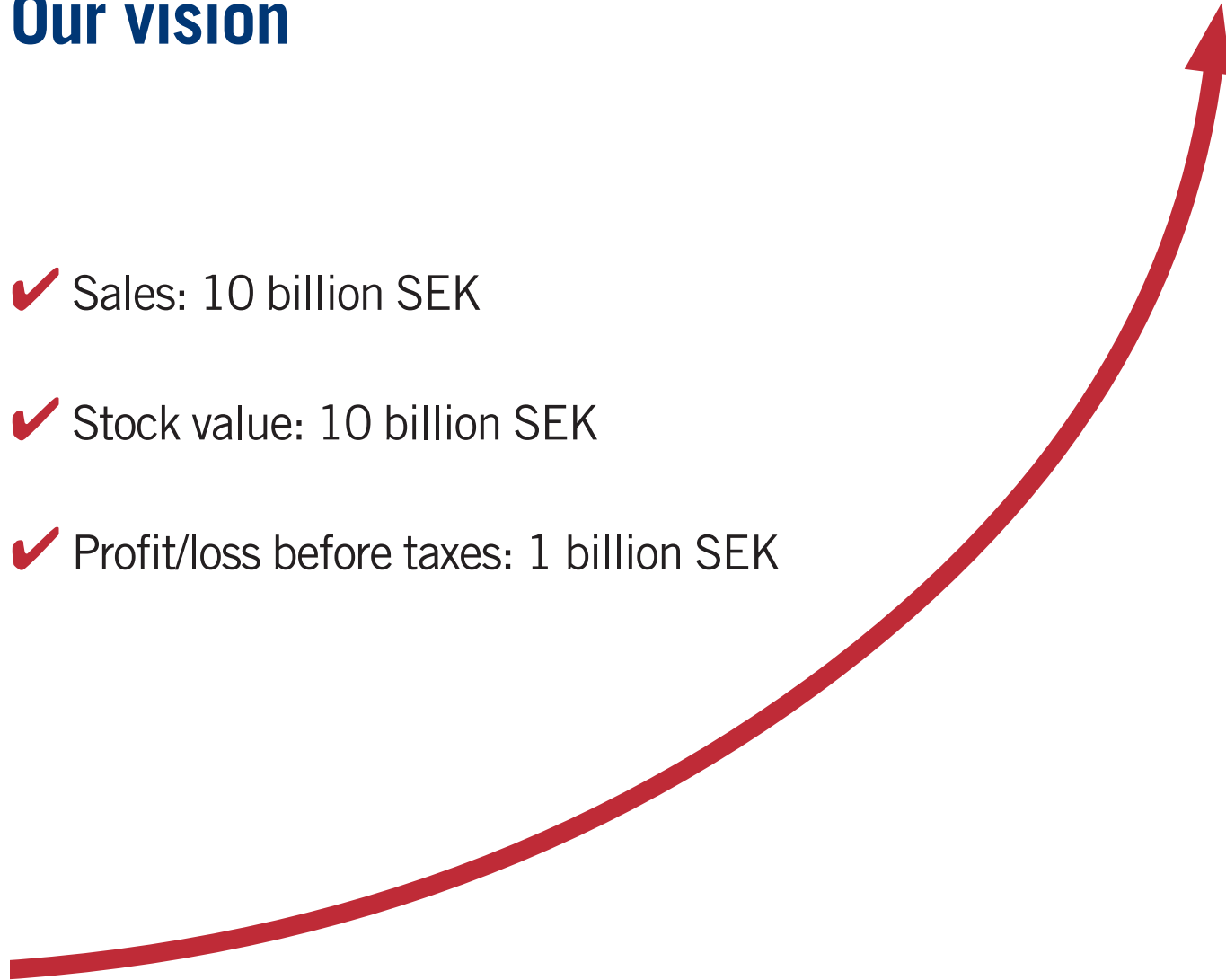
- ✓ Sales:
SEK 5 b.
- ✓ Stock value:
SEK 5 b.
- ✓ Profit/loss before taxes:
SEK 500 m.



...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!

Our vision

- ✓ Sales: 10 billion SEK
- ✓ Stock value: 10 billion SEK
- ✓ Profit/loss before taxes: 1 billion SEK



**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!**

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