

NewWave

Presentation of
NewWave
G R O U P



NewWave
G R O U P

Business idea

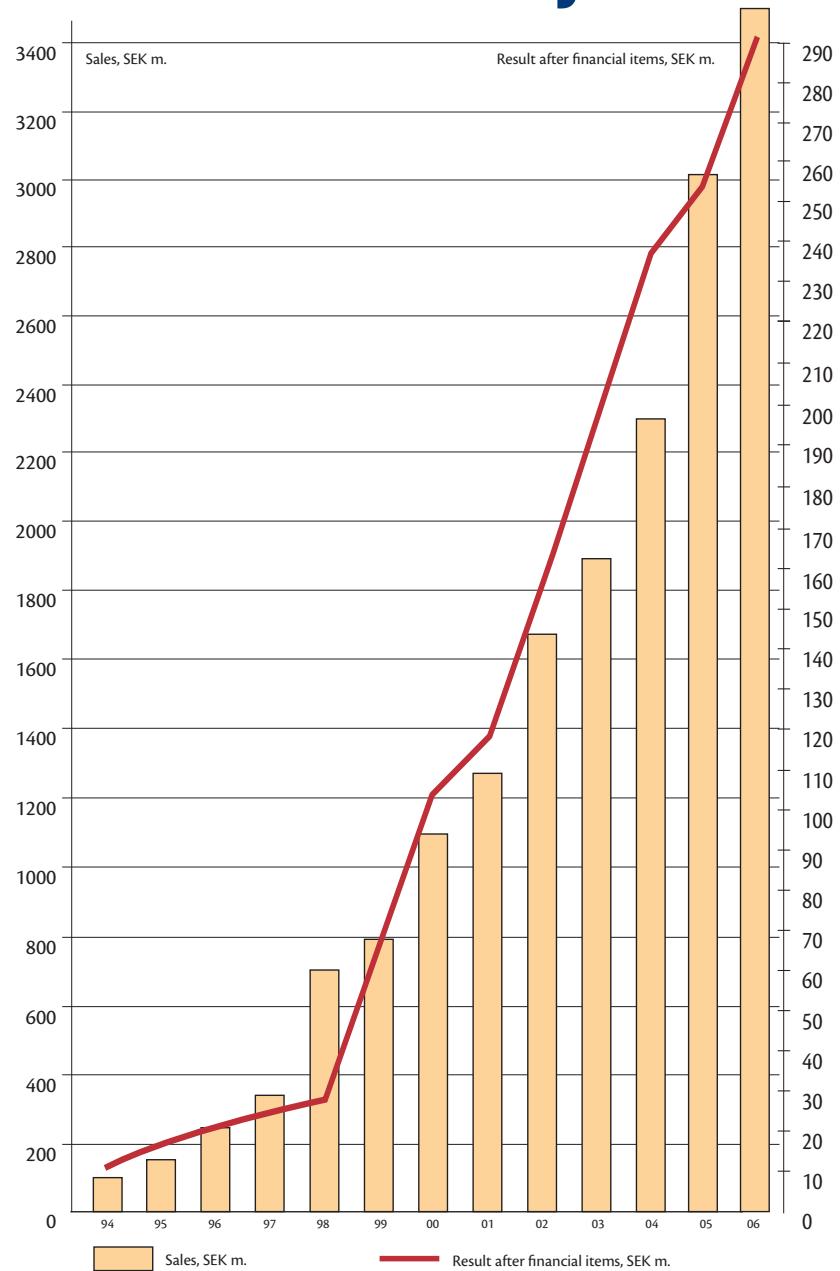
New Wave Group is a growing company that designs, acquires and develops quality articles for the profiling market (business market) and the consumers' market, mainly in the clothing, accessories and gifts areas.

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, IT and distribution.

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 • Holland and England.
- ✓ 2000 • France.
Acquisition of Texet AB.
- ✓ 2001 • Acquisition Sagaform AB, Seger AB.
- ✓ 2002 • Acquisition of Frantextil AB, X-Tend and Toppoint
- ✓ 2003 • China and Switzerland.
Establishment of working clothes.
- ✓ 2004 • Acquisition of SMAP, DAD Sportswear and Jobman.
- ✓ 2005 • Ireland, Wales and Ryssland.
Acquisition of Dahetra, Orrefors Kosta Boda, Intraco.
- ✓ 2006 • New establishments around Orrefors Kosta Boda in Sweden and China.

Did you know...

...that New Wave Group through its trademarks (2006) sold approximately...

- ✓ 4.2 million one-coloured T-shirts in Sweden and 6.5 million in the rest of Europe?
- ✓ 1.4 million piqué shirts in Sweden and 4.2 million in the rest of Europe?
- ✓ 300 thousand shirts in Sweden and 620 thousand in the rest of Europe?
- ✓ 300 thousand bags in Sweden and 500 thousand in the rest of Europe?
- ✓ 40.5 million promo pens in Europe?
- ✓ 1.9 million hand made glass and 2.3 million other art glass in the world?

Vision – The Profiling business area

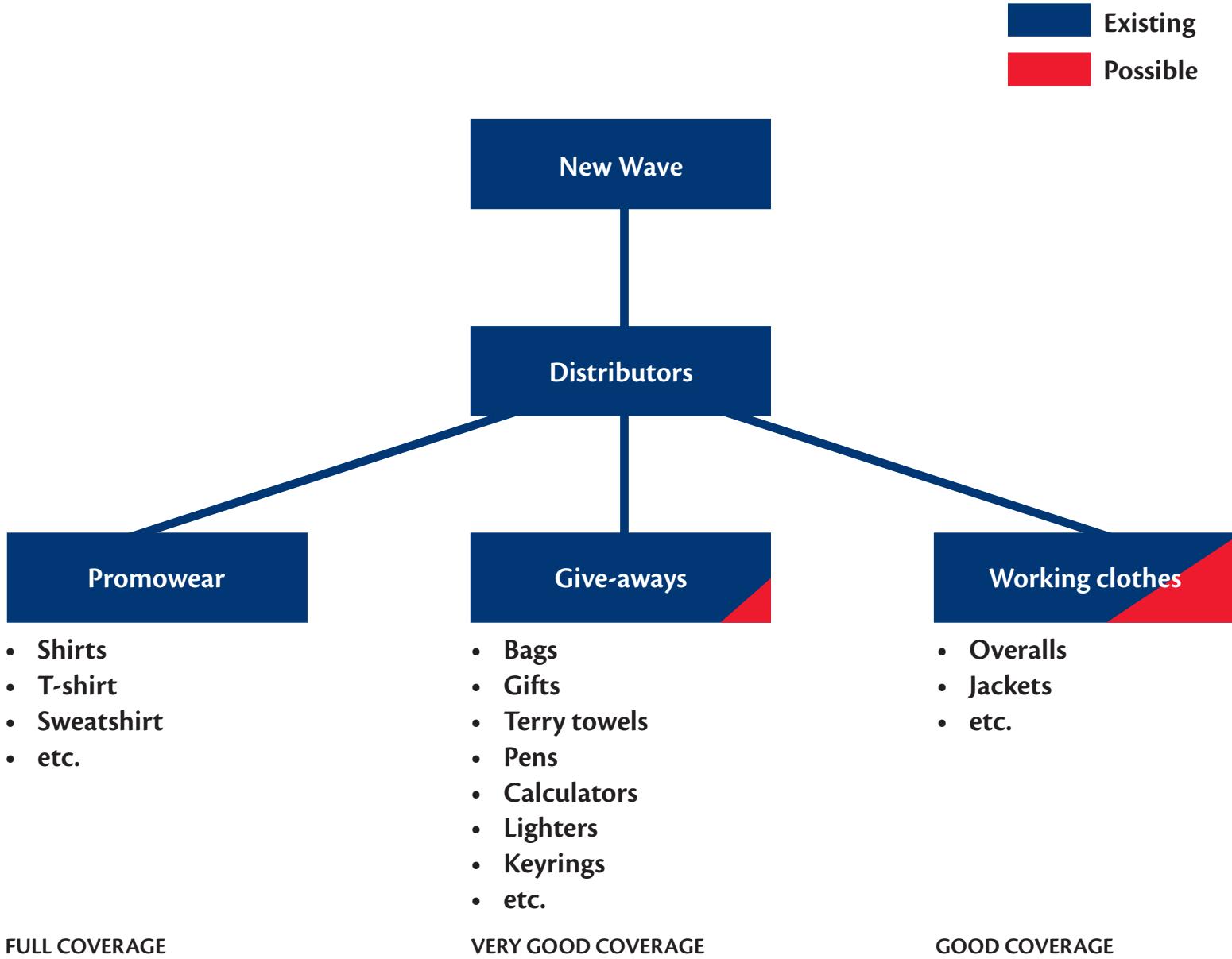
To become Europe's leading supplier of promotion products

by offering...

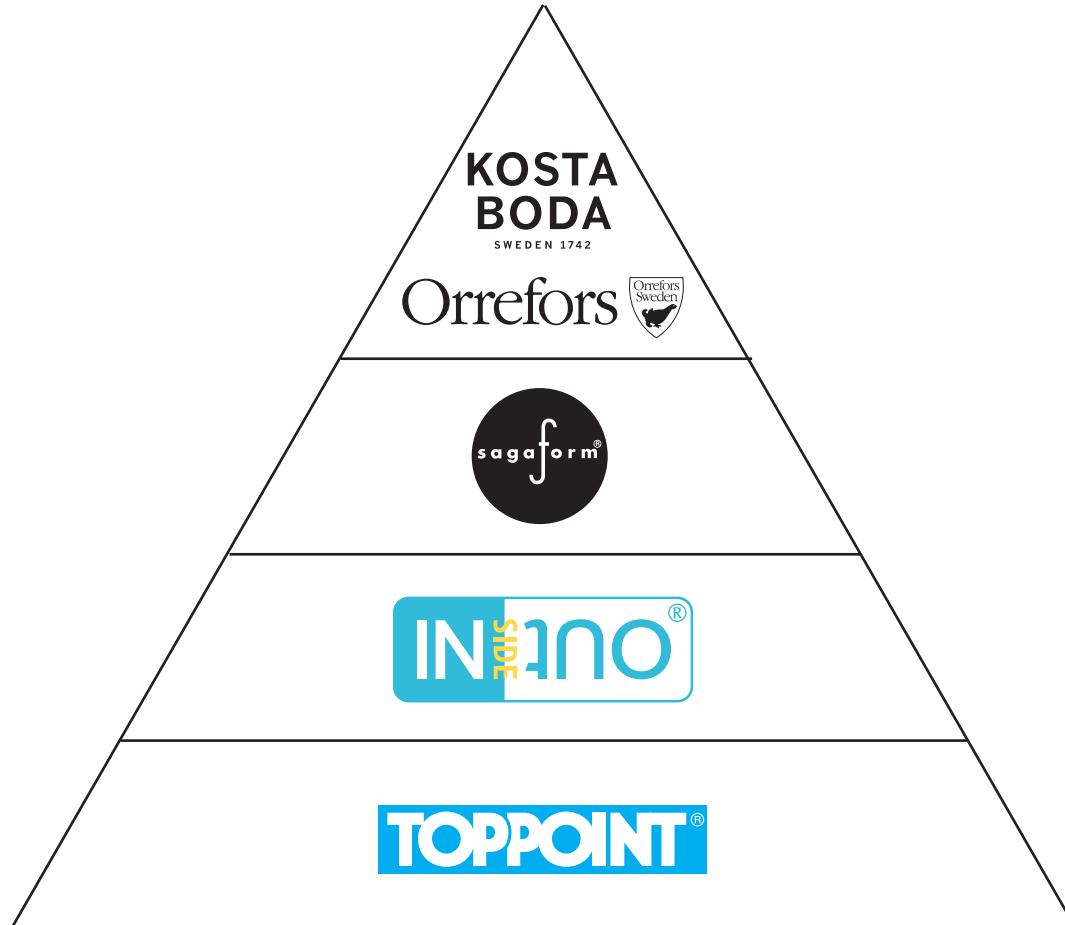
- ✓ good products.
- ✓ strong trademarks.
- ✓ high competence and service.
- ✓ a unique and complete concept for our retailers.

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.

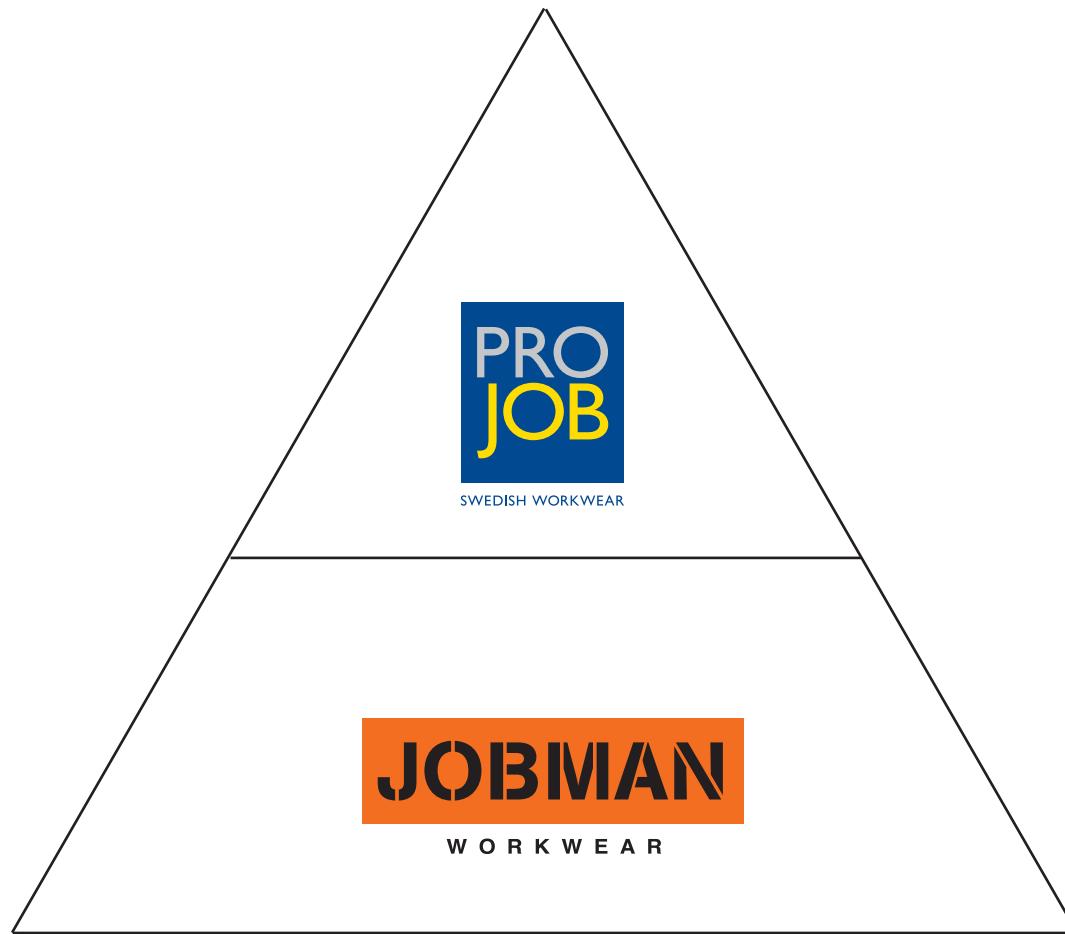




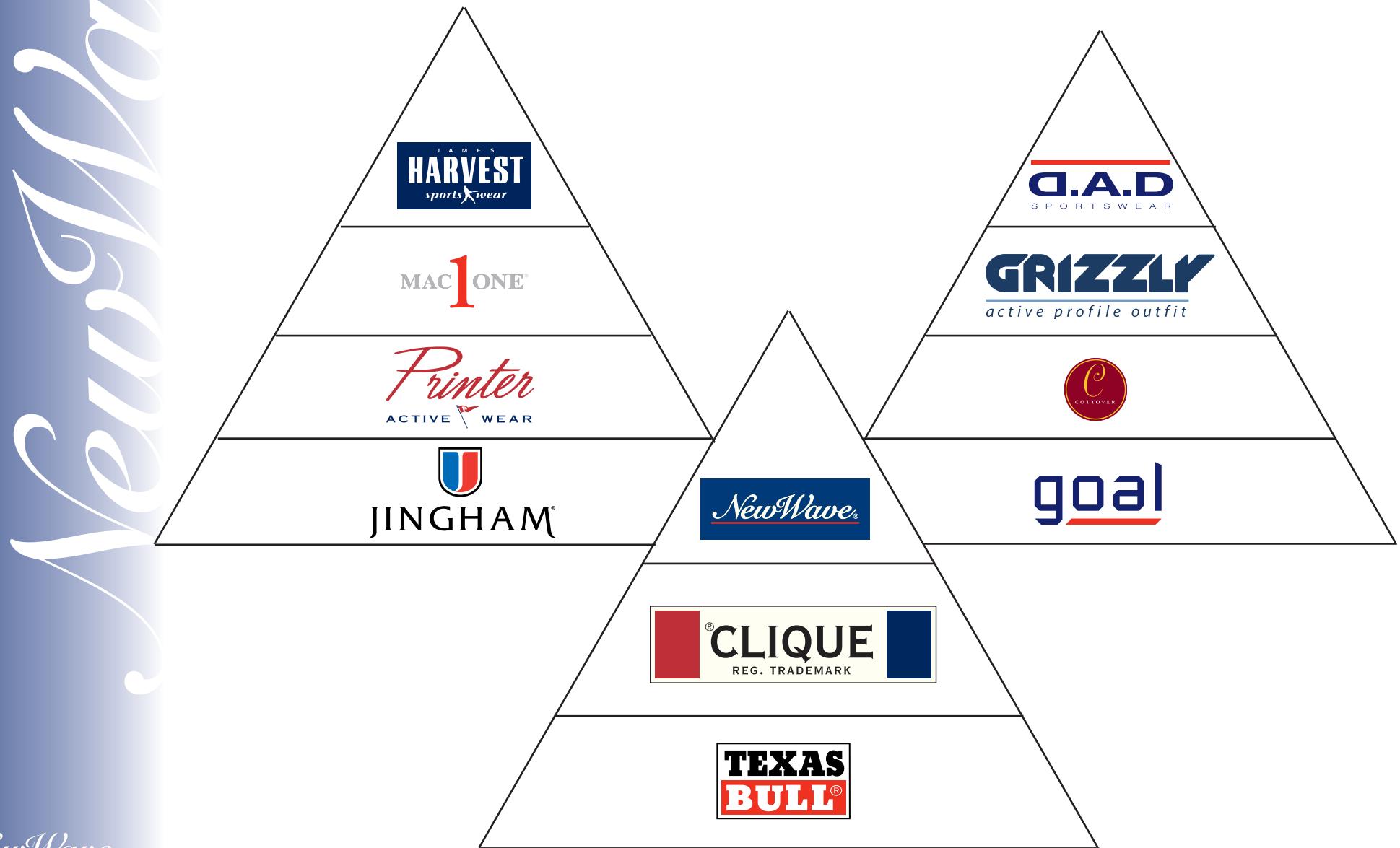
Give-aways – The Profiling business area



Workwear – The Profiling business area



Promowear – The Profiling business area



Vision – The Retailing business area



- ✓ To develop Sagaform into one of Europe's biggest brands on kitchen, china and gifts.



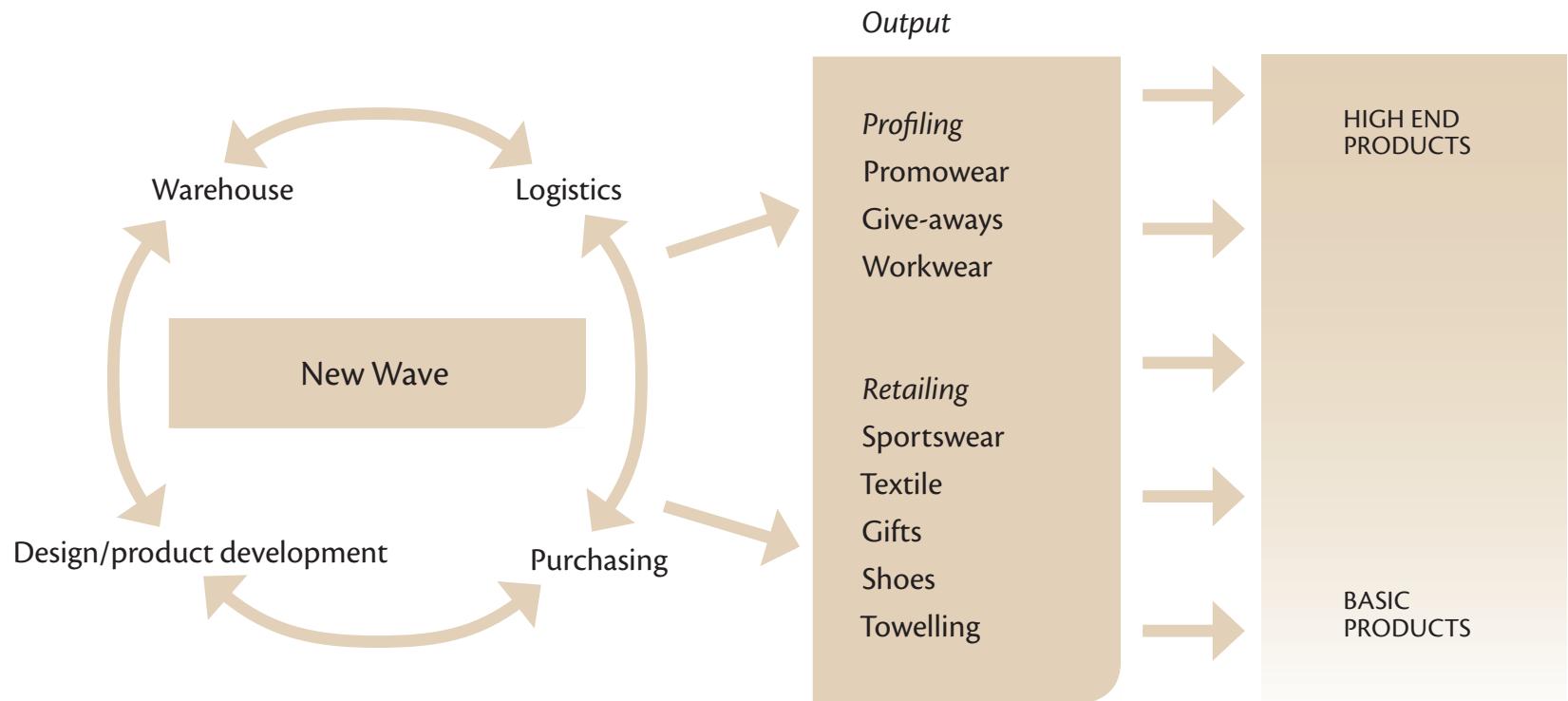
- ✓ To develop the owned trademarks Craft and Seger into international trademarks on functional sportswear.



- ✓ To develop Orrefors and Kosta Boda into the leading brands in the world within glass and crystal.



Big corporate synergies – small companies flexibility



Q4 January–December 2006

✓ Sales:

+15% to SEK 3 531 (3 059) m

Acquired units contributed with SEK 245 m

= organic growth of 7%

Profile: +9% to 2 146 (1 976) m

Retail +28% to 1385 (1083) m

✓ Profit:

SEK +36.2 m to 290.2 (254.0) m

Acquired units burnded by SEK 21.3 m

Profile: EBITDA SEK 40.8 m to 287.9 (247.1) m

Retail: EBITDA SEK 17.0 m to 97.0 (80.0) m

Q4 October–December 2006

✓ Sales:

+5% to 1 079 (1 030) m

Profile: SEK +3 % to SEK 662 (641) m

Retail: SEK +7 % to SEK 417 (389) m

✓ Profit:

SEK +24.5 m to SEK 156.1 (131.6) m

Profile: EBITDA SEK +16.1 m to SEK 115.3 (99.2) m

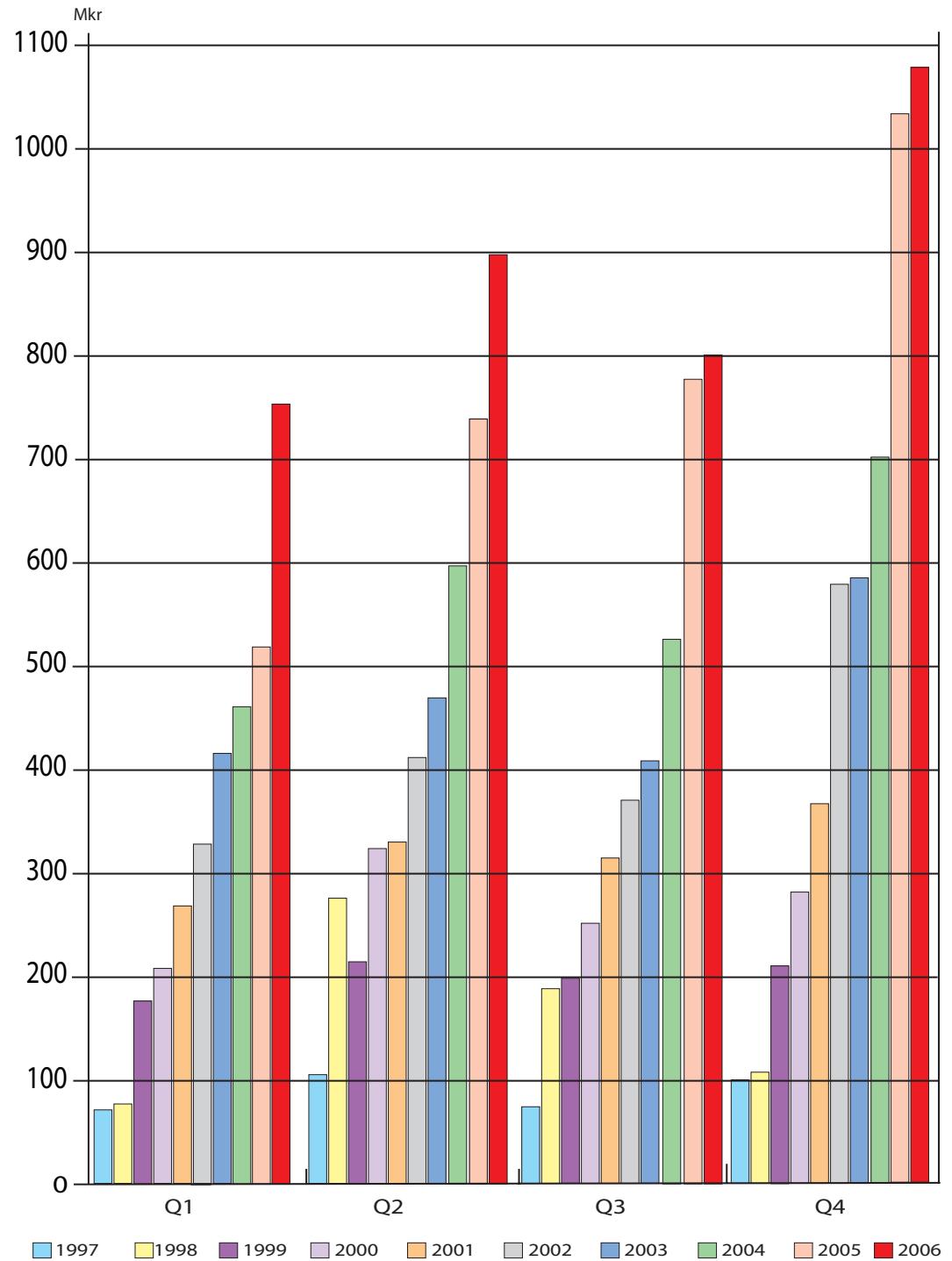
Retail: EBITDA SEK +13.9 m to SEK 64.4 (50.5) m

Important events during Q4

- ✓ Mild autumn/winter affected both profile and retail
- ✓ Currency exchange rate had a negative impact on sales of SEK29m
 - Organic growth in local currencies = 8%
- ✓ A lot of activities around the Orrefors Kosta Boda
- ✓ SEK appreciation vs USD affected the profitability in OKB negatively (production in Sweden and sales in US)
- ✓ Continues strong gross profit development: 50.0 (47.5) %
- ✓ Cost for new establishment SEK 7.4m
- ✓ Strong cash flow as a result of consolidation
 - Cash flow after investment +277 (114) m
 - Stock decrease -152 (31)m
- ✓ Low tax rate 19.1%, back to historical levels in 2007
- ✓ Decided to strengthen the group management with 2 – 4 persons.
- ✓ Suggested dividend 1.0 (0.9) SEK / share.

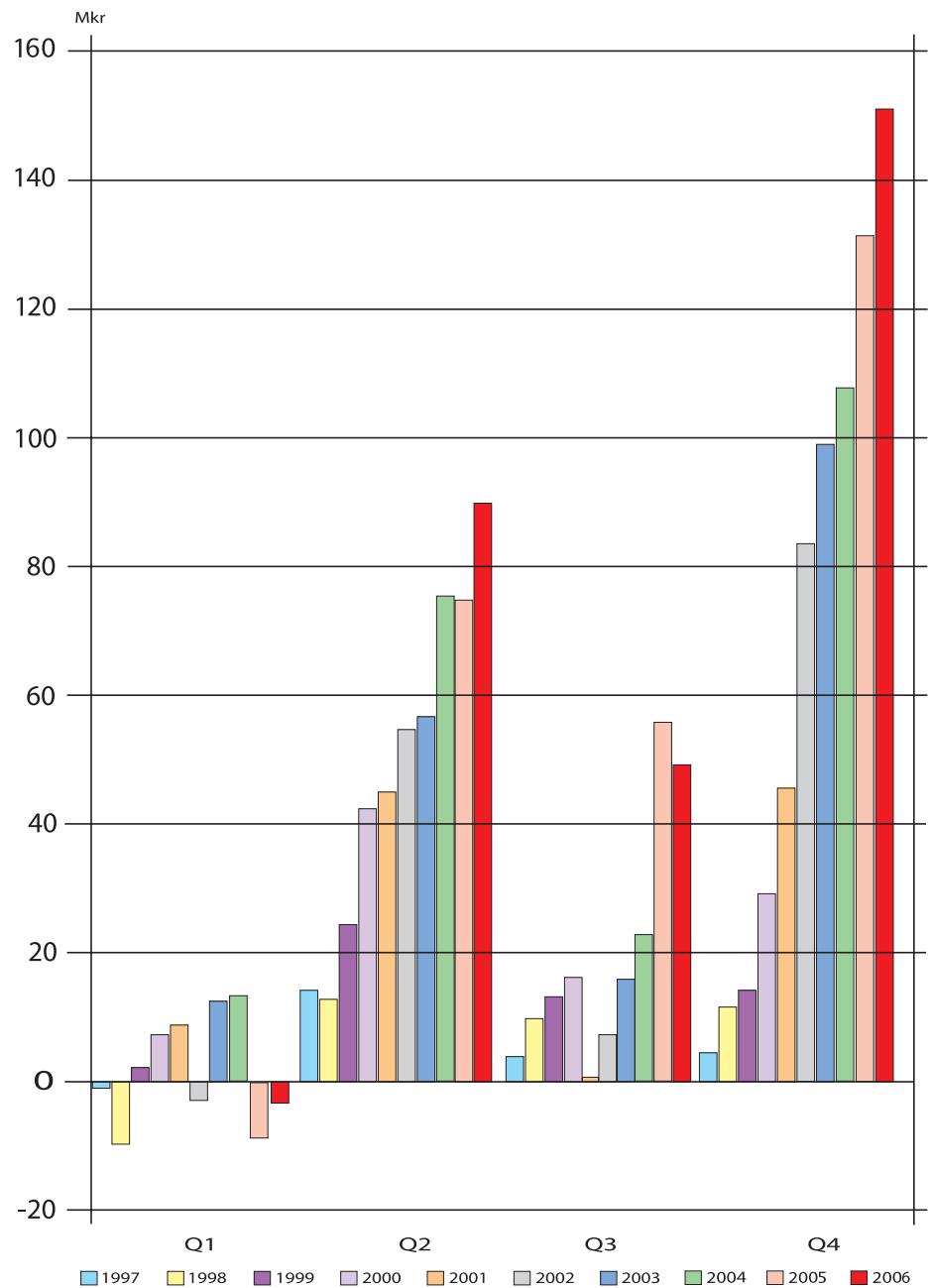
Sales

SEK M



Profit/loss after net financial items

SEK M



Income Statement, Full Year

| SEK Mkr | 2006 | 2005 | 2004 | 2003 | 2002 |
|---------------------------|----------------|----------------|----------------|----------------|----------------|
| Sales | 3 530,5 | 3 059,0 | 2 302,2 | 1 881,9 | 1 687,3 |
| COSG | -1 839,6 | -1 638,7 | -1 246,4 | -1 047,2 | -980,7 |
| Gross profit | 1 690,9 | 1 420,3 | 1 055,8 | 834,7 | 706,6 |
| Gross margin % | 47,9% | 46,4% | 45,9% | 44,4% | 41,9% |
| Other income | 23,1 | 25,8 | 20,0 | 13,5 | 2,2 |
| External costs | -793,4 | -653,9 | -440,2 | -335,1 | -278,0 |
| In % | 22,5% | 21,4% | 19,1% | 17,8% | 16,5% |
| Personnel costs | -522,2 | -461,5 | -341,1 | -263,9 | -216,3 |
| In % | 14,8% | 15,1% | 14,8% | 14,0% | 12,8% |
| Depreciation | -40,1 | -31,5 | -29,6 | -23,6 | -19,7 |
| Other costs | -13,6 | -3,5 | -2,5 | -4,5 | -2,8 |
| Minority shares | 0,1 | -0,1 | 0,2 | 0,0 | 0,0 |
| Operating profit | 344,8 | 295,6 | 263,4 | 221,9 | 192,7 |
| Operating margin | 9,8% | 9,7% | 11,4% | 11,8% | 11,4% |
| Net debt | 1 316,4 | 1 488,7 | 886,2 | 692,5 | 629,0 |
| Finance costs | -54,6 | -41,6 | -28,4 | -23,8 | -33,9 |
| In % of average ND | 3,9% | 3,5% | 3,6% | 3,6% | 5,6% |
| Pre tax profit | 290,2 | 254,0 | 235,0 | 198,1 | 158,8 |
| In % | 8,2% | 8,3% | 10,2% | 10,5% | 9,4% |
| Tax | -63,1 | -47,3 | -61,3 | -46,5 | -30,8 |
| Tax rate: | 21,7% | 18,6% | 26,1% | 23,5% | 19,4% |
| Net profit | 227,1 | 206,7 | 173,7 | 151,6 | 128,0 |

| SEK Mkr | 2006 | | | | 2005 | | | |
|---------------------------|---------|--------|--------|--------|--------|--------|--------|---------|
| | Quarter | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 |
| Net Sales | 755,3 | 896,7 | 799,6 | 1078,9 | 516,5 | 738,6 | 774,2 | 1 029,7 |
| Increase in % | 46,2% | 21,4% | 3,3% | 4,8% | 10,2% | 24,0% | 47,4% | 44,6% |
| Goods for resale | -407,7 | -468,8 | -424,0 | -539,1 | -288,6 | -395,5 | -413,6 | -541,0 |
| Gross profit | 347,6 | 427,9 | 375,6 | 539,8 | 227,9 | 343,1 | 360,6 | 488,7 |
| Gross margin % | 46,0 | 47,7 | 47,0 | 50,0 | 44,1 | 46,5 | 46,6 | 47,5 |
| Other income | 1,8 | 5,5 | 5,7 | 10,1 | 2,6 | 1,9 | 9,4 | 11,9 |
| External costs | -199,9 | -184,4 | -186,2 | -222,9 | -122,0 | -145,8 | -172,0 | -214,1 |
| In % | -26,5% | -20,6% | -23,3% | -20,7% | -23,6% | -19,7% | -22,2% | -20,8% |
| Personnel costs | -129,4 | -132,3 | -116,8 | -143,7 | -99,8 | -110,5 | -115,4 | -135,8 |
| In % | -17,1% | -14,8% | -14,6% | -13,3% | -19,3% | -15,0% | -14,9% | -13,2% |
| Depreciations | -9,4 | -9,3 | -10,2 | -11,2 | -7,4 | -8,5 | -10,0 | -5,6 |
| Other costs | -0,8 | -3,7 | -5,3 | -3,8 | -1,3 | 1,3 | -2,6 | -0,9 |
| Operating profit | 9,9 | 103,7 | 62,7 | 168,5 | 0,0 | 81,5 | 70,0 | 144,1 |
| Operating margin | 1,3% | 11,6% | 7,8% | 15,6% | 0,0% | 11,0% | 9,0% | 14,0% |
| Financial costs | -12,8 | -14,6 | -14,8 | -12,4 | -8,5 | -7,0 | -13,6 | -12,5 |
| Pre-tax profit | -2,9 | 89,1 | 47,9 | 156,1 | -8,5 | 74,5 | 56,4 | 131,6 |
| In % | -0,4% | 9,9% | 6,0% | 14,5% | -1,6% | 10,1% | 7,3% | 12,8% |
| Tax | 0,8 | -23,4 | -10,7 | -29,8 | 1,3 | -18,1 | -12,0 | -18,5 |
| In % | -27,6% | -26,3% | -22,3% | -19,1% | -15,3% | -24,3% | -21,3% | -14,1% |
| Net result for the period | -2,1 | 65,7 | 37,2 | 126,3 | -7,2 | 56,4 | 44,4 | 113,1 |
| Profit margin | -0,3% | 7,3% | 4,7% | 11,7% | -1,4% | 7,6% | 5,7% | 11,0% |
| Profit / share | -0,04 | 1,02 | 0,56 | 1,90 | -0,11 | 0,88 | 0,69 | 1,75 |

Financial Highlights

| | 2006 | 2005 | 2004 | 2003 |
|---|---------|---------|--------|-------|
| Sales Growth % | 15,4 | 32,9 | 22,3 | 11,5 |
| Profile's relation of sales in % | 61 | 65 | 69 | 61 |
| No of employees | 2 161 | 2 032 | 1 269 | 806 |
| | | | | |
| Gross Margin | 47,9 | 46,4 | 45,9 | 44,4 |
| Operating margin | 9,8 | 9,7 | 11,4 | 10,9 |
| PTP-margin | 8,2 | 8,3 | 10,2 | 9,6 |
| Profit margin | 6,4 | 6,8 | 7,5 | 7,1 |
| Return on capital employed % | 12,9 | 13,0 | 16,6 | 16,5 |
| | | | | |
| Equity ratio % | 37,7 | 33,8 | 40,8 | 37,4 |
| Net Debt | 1 316,4 | 1 488,7 | 886,2 | 692,5 |
| Rate of capital turnover | 1,0 | 1,2 | 1,2 | 1,2 |
| | | | | |
| Cash flow before investment SEKM | 281,3 | -97,4 | 2,3 | 75,9 |
| Net Investment SEKM | 49,3 | 220,2 | 245,4 | 80,0 |
| Cash flow after investments MSEK | 232,0 | -317,6 | -243,1 | -4,0 |
| | | | | |
| Shareholders equity per share SEK | 20,03 | 17,82 | 14,75 | 10,57 |
| Dividend per share (suggested for 2006) | 1,00 | 0,90 | 0,75 | 0,63 |

Sales per country

| SEK Mkr | 2006 | In % of total | 2005 | Increase MKR | % |
|---------------|-------|---------------|-------|-----------------|----|
| Sweden | 1 388 | 39% | 1 188 | 200 | 17 |
| Benelux | 369 | 10% | 336 | 33 | 10 |
| Norway | 296 | 8% | 257 | 39 | 15 |
| Germany | 246 | 7% | 223 | 23 | 10 |
| Italy | 210 | 6% | 181 | 29 | 16 |
| Finland | 207 | 6% | 192 | 15 | 8 |
| USA | 167 | 5% | 116 | 51 | 44 |
| Denmark | 133 | 4% | 119 | 14 | 12 |
| Switzerland | 102 | 3% | 85 | 17 | 20 |
| Great Britain | 102 | 3% | 82 | 20 | 24 |
| Spain | 102 | 3% | 99 | 3 | 3 |
| France | 87 | 2% | 85 | 2 | 2 |
| Other | 122 | 3% | 96 | 26 | 27 |
| Total | 3 531 | 100% | 3 059 | 472 | 15 |

Orrefors Kosta Boda Flagship Stores, Shanghai



Orrefors Kosta Boda

- ✓ Production
- ✓ Stock increase
- ✓ New outlet, 12 000m², planned to be ready in July 2007
- ✓ New hotel with approx. 100 beds, planned to be ready in summer 2008
- ✓ Market hall, planned to be ready in Sept 2008
 - Distribution to profile
 - Local sales
 - Supply to restaurants
- ✓ Kosta Linnewäfveri
- ✓ Orrefors Jernverk
- ✓ Profile distribution

Was profitable in 2006

- ✓ Goals 2010
 - Sales of SEK1billion
 - Profit margin 10%



Craft

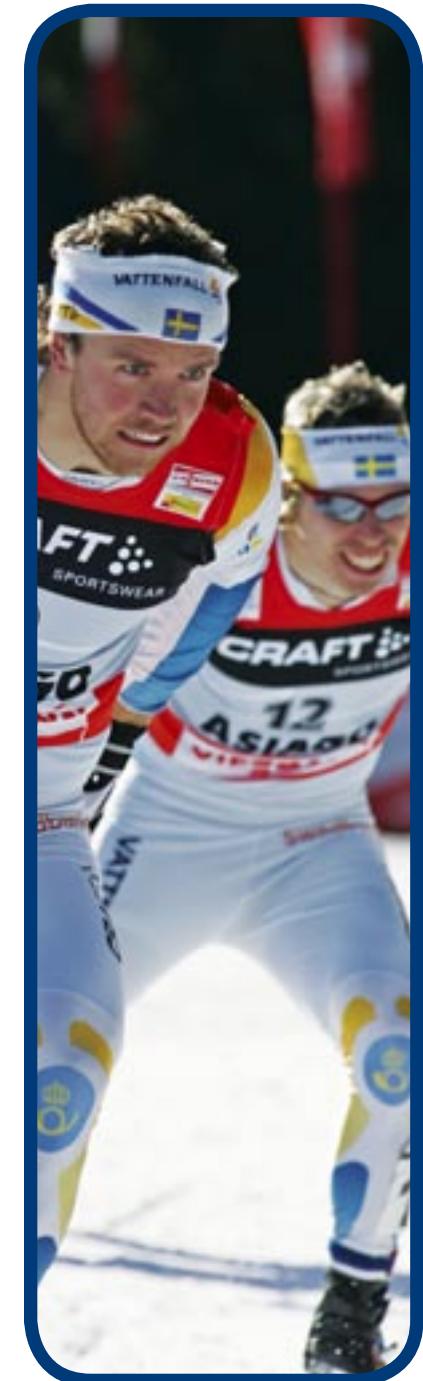
- ✓ Strong running collection
- ✓ Good international development
- ✓ Underwear 365d/year, for all sports = strong development
- ✓ Goals 2010
 - Sales SEK1billion
 - Profit margin >15%

Seger

- ✓ Good, profitable development in 2006
- ✓ Profitable and flexible production in Sweden.

Sagaform

- ✓ Suffer from focus on OKB
- ✓ New MD, Magnus Vaernerberg previous Nordic manager for Villeroy & Boch
- ✓ Built up a good team around him
- ✓ Focus on Market and Product Development.
- ✓ Strong focus on profitability



PROFILE

Work Wear

- ✓ Strong development in 2006
- ✓ Suffer from warm weather in Q4.
- ✓ Focus to build up an international concept
- ✓ Focus in international sales in 2007.

Promo Wear

- ✓ Strong development.
- ✓ Suffer from warm weather in Q4.
- ✓ Three well running concepts
- ✓ Focus to increase cost efficiency/improve profitability in Dahetra
- ✓ Very good service level in most countries in 2006

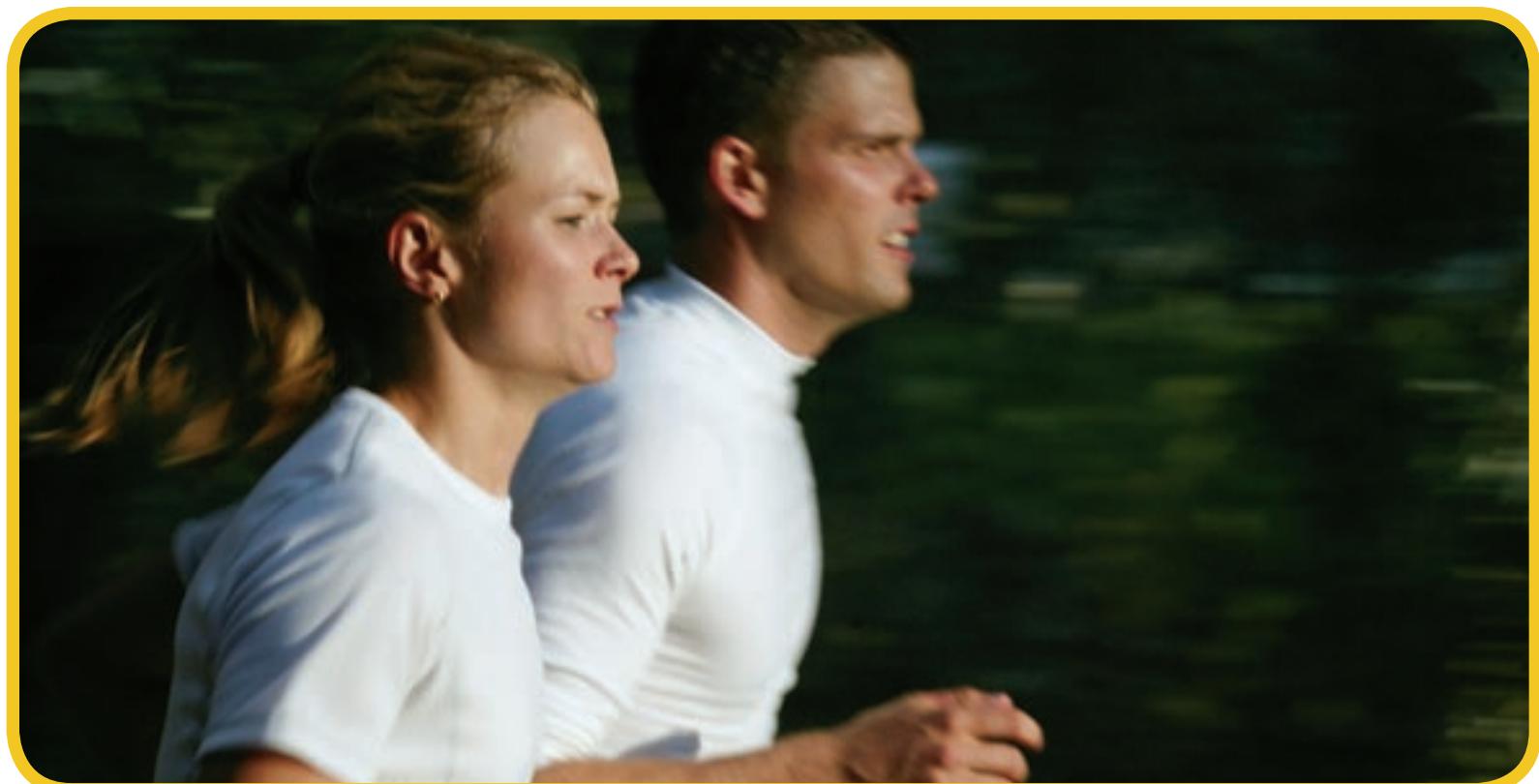
Gifts

- ✓ Strong development in Toppoint
- ✓ Restructuring of DJ Frantextil + move
- ✓ New start for Sagaform (see sep. headline)
- ✓ Focus to get OKB out in Profiling Europe



Views of 2007

- ✓ Improve the profitability on new establishment, integrate the acquisitions and concentrate buying.
- ✓ We are ready for new acquisitions if we find “the right one”.
- ✓ Tax rate back to historic levels
- ✓ Our long term goal is the same = 20 – 40 % growth / year.
- ✓ Increased long term Gross Margin goal to 50 (45) %
- ✓ Both sales and profit will be higher in 2007 than 2006.



How to reach 20–40% growth?

- ✓ Increase competitiveness
 - Better buying
 - Better logistic
 - Better co-ordination between and within the different concepts
 - More cost efficiency = synergies
- ✓ Continues organic growth
- ✓ Continues establishment of existing brands through existing subsidiaries.
- ✓ Entering into new countries
 - Poland
 - Greece
 - Eastern Europe
 - etc
- ✓ Acquisitions in Retailing/Profiling

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

| Year | Sales SEKM | Increase SEKM | 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 | 270 | 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 % |
| 2005 | 3 059 | 757 | 33 % |
| 2006 | 3 531 | 472 | 15 % |
| Average growth | | 35% per year | |

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

| Year | Net profit SEKM | Increase SEKM | 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 | 234,2 | 32,8 | 18,1 % |
| 2005 | 254,0 | 19,8 | 8,5 % |
| 2006 | 292,2 | 38,2 | 15 % |
| Average increase | | 36% per year | |

NewWave

**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