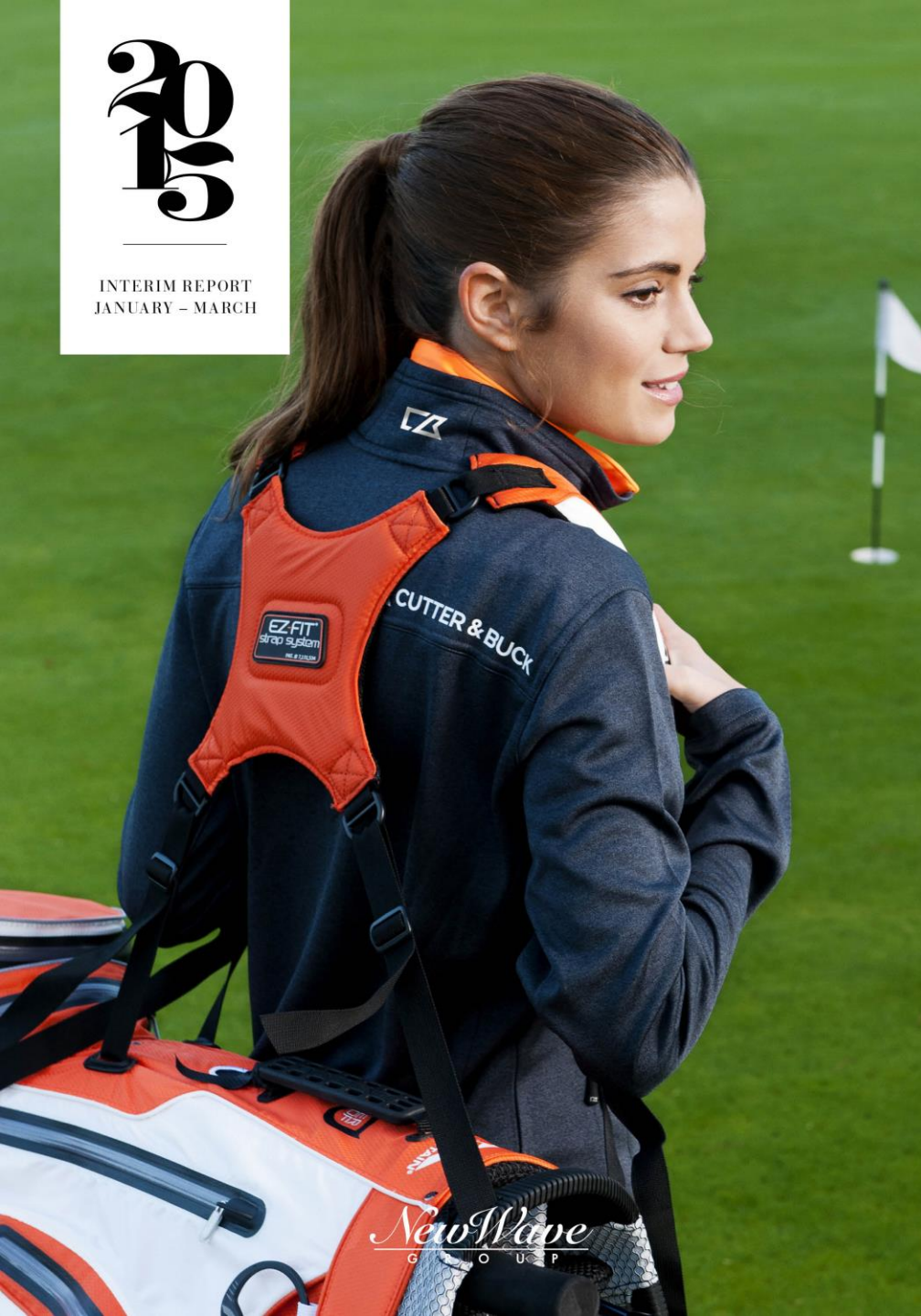




INTERIM REPORT
JANUARY – MARCH



NewWave

G R O U P

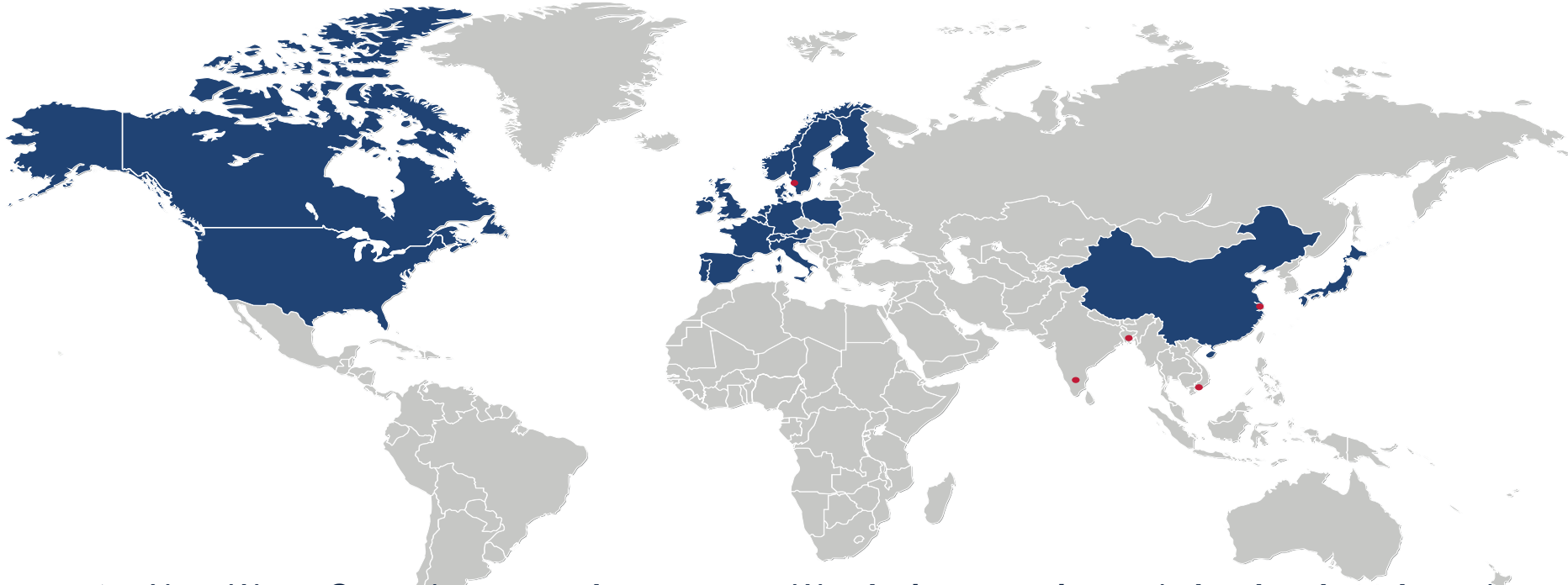
Interim Report

January - March

2015

NewWave
G R O U P

This is New Wave Group



- ★ New Wave Group is a **growth company**. We **design, acquire and develop brands and products** in the **corporate promotion, gifts and home furnishings** sectors.
- ★ Our three operating segments are: **Corporate Promo**; promowear, promotional gifts and workwear, **Sports & Leisure** and **Gifts & Home Furnishings**.
- ★ We are active in two sales channels; the **promo market** and the **retail market**. By being active in both markets the Group achieves **good risk diversification**. We also achieve great **synergy advantages** since major parts of our product range can be used in both sales channels.
- ★ New Wave Group's strengths are **design, purchasing, logistics and marketing** of our brands.
- ★ The products are mainly produced in Asia and to a certain, lesser extent in Europe.
- ★ New Wave Group has since the start had **strong growth and good margins**.

Corporate Promo



Sport & Leisure



Gifts & Home Furnishings



Operating segments and markets

New Wave Group distributes more than 40 different brands, 3 of which are licensed brands. The rest are fully owned.

Each brand is categorised according to which of our three operating segments it belongs to; Corporate Promo, Sports & Leisure or Gifts & Home Furnishings.

The brands are distributed in both the promo market and the retail market to achieve good risk diversification.



Corporate Promo vision

The vision for the Corporate Promo operating segment is to become the leading supplier in Europe and one of the leading suppliers in the USA of promotional products by offering retailers a broad product range, strong brands, advanced expertise and service, and a superior all-inclusive concept.

Seger

Sports & Leisure vision

The vision for the Sports & Leisure operating segment involves establishing the wholly owned brands Craft and Seger as international functional sportswear brands, and making Cutter & Buck a world-leading golf apparel brand.

The vision also entails to strengthening Speedo in the Swedish, Norwegian and Danish markets.

With regards to our most recent acquisitions, we want to launch AHEAD in Europe and in time achieve the same market position as in the USA. The brand Auclair should take a leading position in Europe and we will also use Paris Glove's strong distribution platform to launch the Group's other brands in Canada.

All in all, we want to become the leading sports supplier in both Sweden and the other European countries, as well as in the USA.

Gifts & Home Furnishings vision

The vision for the Gifts & Home Furnishings operating segment area is to make Orrefors and Kosta Boda world-leading glass and crystal suppliers.

Part of the vision also involves utilising innovative and playful design to make Sagaform a prominent player in Northern Europe in both the promo and retail markets.

The Group's ambition is to become a prominent supplier in the North American promo market through its presence in the USA and Canada.





Clique Retail
Craft
Cutter & Buck

Financial information



January – March 2015

★ Sales SEK 1 096 (909) million

- ★ Sales in local currencies 9%
- ★ Corporate Promo 29%, Sport & Leisure 19%, Gifts & Home -2%.
- ★ Improvements in Sweden, Other Nordic countries and Europe
- ★ Promo sales channel 30%, retail 12%

★ Operating segments

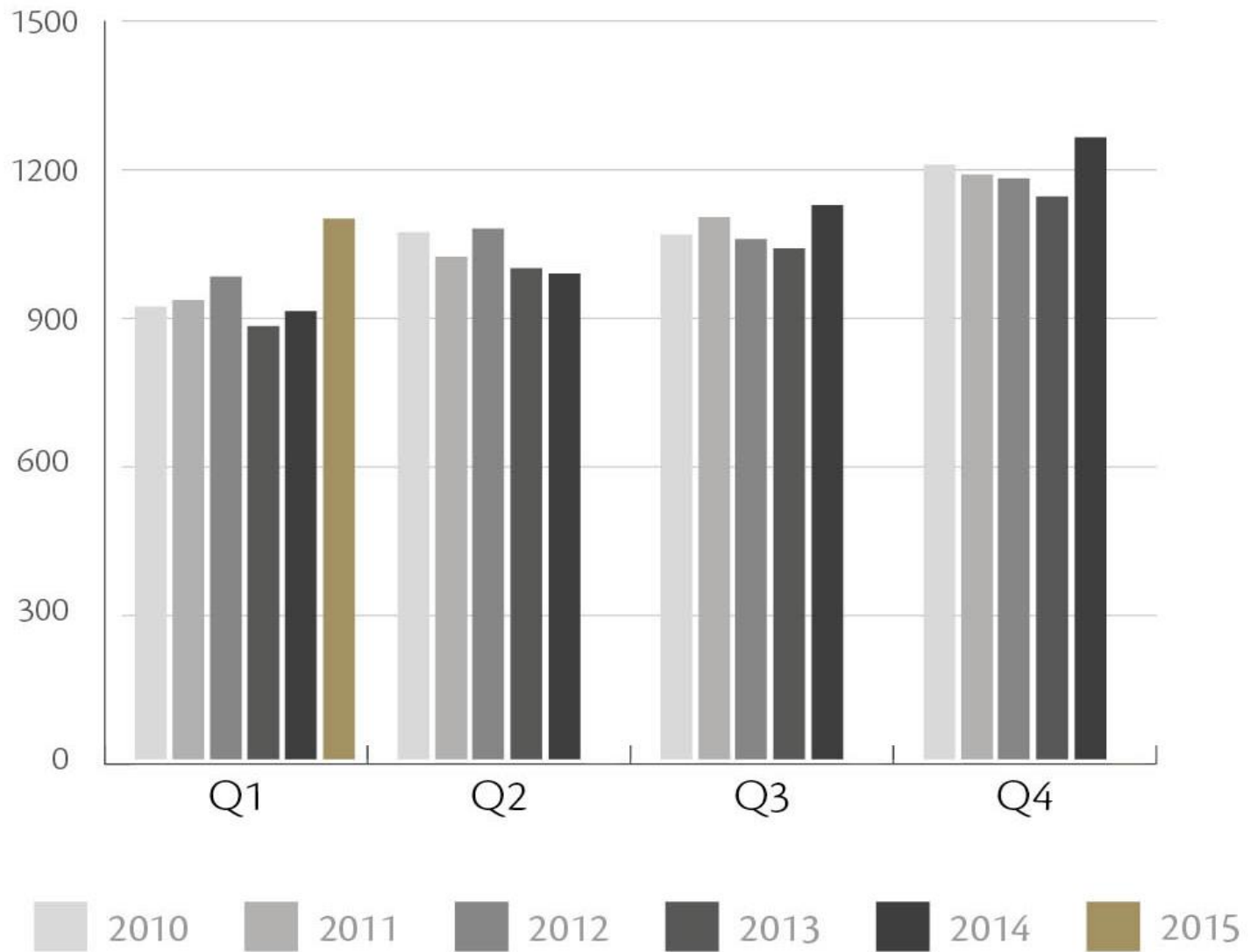
- ★ Corporate Promo 29% to SEK 467 (362) million
 - Increase primarily in Sweden, Other Nordic countries and Europe
- ★ Sports & Leisure 19% to SEK 523 (439) million
 - Both sales channels increased
 - Other Nordic countries and Europe
- ★ Gifts & Home -2% to SEK 106 (108) million
 - Retail sales channel on same level as py but promo decreased

January – March 2015

Sales per area

	JAN-MAR 2015	Part of turnover	JAN-MAR 2014	Part of turnover	Change MSEK	%
Sweden	236	22%	220	24%	16	7
USA	287	26%	221	24%	66	30
Nordic countries, excl Sweden	163	15%	143	16%	20	14
Central Europe	222	20%	190	21%	32	17
South Europe	103	9%	76	8%	27	36
Other countries	85	8%	59	7%	26	44
Total	1 096	100%	909	100%	187	21

Sales





cottover
people & planet



January – March 2015

- ★ Gross profit margin amounted to 45.7 (45.2)%
 - ★ *improved service level, but also mix of countries and customers*

- ★ Total costs amounted to SEK -475.4 (-409.0) million
 - ★ *additional sales and marketing activities*
 - ★ *currency affected costs negatively with SEK 45 million*

- ★ Operating profit amounted to SEK 1.8 (-5.9) million
 - ★ *higher turnover and gross margin*
 - ★ *more sales and marketing activities*

- ★ Result for the period amounted to SEK -10.9 (-11.3) million

January – March 2015

Income statement

SEK Million	Jan-Mar 2015	Jan-Mar 2014
Income	1 096.1	908.5
Goods for resale	-595.7	-497.7
Gross profit	500.4 45.7%	410.8 45.2%
Other operating income	9.3	7.1
External costs	-270.1	-229.5
Personnel costs	-205.3	-179.5
Depreciation/amortization	-14.9	-12.4
Other operating costs	-18.5	-2.4
Associated companies	0.9	0.0
Operating profit	1.8 0.2%	-5.9 -0.6%
Financial income	1.9	1.4
Financial costs	-17.0	-9.7
Net financial items	-15.1	-8.3
Result before tax	-13.3	-14.2
Tax on profit for the period	2.4	2.9
Result for the period	-10.9	-11.3
Result per share	-0.17	-0.17

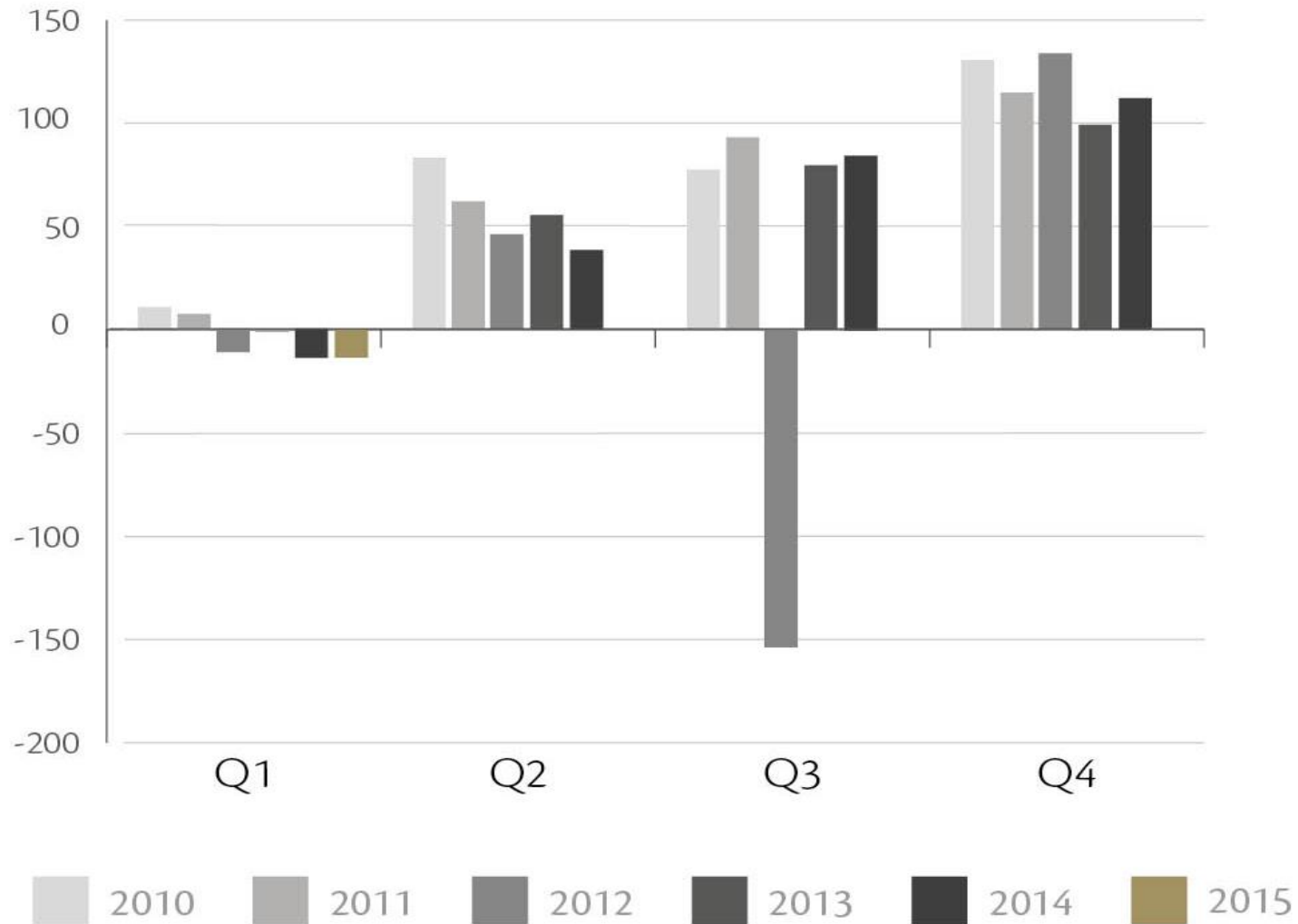
January – March 2015

EBITDA per operating segment

- ★ **Corporate Promo amounted to SEK 9.1 (1.4) million**
 - ★ Higher turnover
 - ★ Higher costs due to increased activity within sales and marketing
- ★ **Sports & Leisure amounted to SEK 24.6 (18.9) million**
 - ★ Higher turnover
 - ★ Higher costs due to increased activity within sales and marketing
- ★ **Gifts & Home amounted to SEK -17.0 (-13.8) million**
 - ★ Higher costs due to increased activity within sales and marketing



Result before tax



January - March 2015

Cash flow

SEK Million	Jan-Mar 2015	Jan-Mar 2014
Cash flow from operating act. before changes in working capital	-9.2	-7.1
Changes in working capital	-19.7	95.9
Cash flow from operations	-28.9	88.8
Investing activities	-26.3	-15.0
Cash flow after investing activities	-55.2	73.8
Financial activities	-14.3	-106.1
Cash flow for the period	-69.5	-32.3

Financial highlights - summary

	Jan-Mar 2015	Jan-Mar 2014	Jan-Dec 2014	Jan-Dec 2013	Jan-Dec 2012	Jan-Dec 2011	Jan-Dec 2010
Sales growth, %	20.6	3.6	5.6	-5.4	1.0	-0.2	3.8
Number of employees	2 264	2 159	2 212	2 123	2 258	2 470	2 196
Gross profit margin, %	45.7	45.2	45.7	46.2	43.6	47.7	47.1
Operating margin before depreciation, %	1.5	0.7	7.1	8.5	3.8	8.9	9.1
Operating margin, %	0.2	-0.7	5.9	7.2	1.7	7.7	7.7
Profit margin, %	-1.2	-1.6	4.9	5.8	0.3	6.5	7.1
Return on shareholders' equity, %	-1.8	-2.2	7.9	9.3	0.4	9.9	12.1
Return on capital employed, %	0.4	-0.4	6.4	8.2	2.0	8.9	9.4
Equity ratio, %	45.8	51.4	45.9	49.8	44.1	43.5	44.8
Net debt - Equity ratio, %	79.1	56.8	76.0	60.1	77.5	85.9	72.8
Net debt - working capital ratio, %	72.9	66.5	71.1	67.6	77.3	78.6	75.3
Net debt, SEK million	1 974.0	1 188.2	1 828.7	1 264.0	1 516.7	1 797.3	1 406.6
Stock turnover, times	1.0	1.3	1.3	1.4	1.3	1.2	1.4
Cash flow before investments, SEK million	-28.9	88.8	-284.2	358.5	341.1	66.0	343.6
Net investments, SEK million	-26.3	-15.0	-74.3	-46.8	-50.4	-326.5	-57.6
Cash flow after investments, SEK million	-55.2	73.8	-358.5	311.7	290.7	-260.5	286.0
Shareholders' equity per share, SEK	37.62	31.55	36.25	31.69	29.51	31.54	29.14

CEO summary

★ Sales and result

- ★ Growth increases !

 - ★ *I am pleased on more or less all points*

- ★ Despite that we are in an investment phase, where we are increasing our costs as well as taking one-off costs, we managed to improve operating profit

★ Balance sheet

- ★ Strong balance sheet with an equity ratio of 46% and much better than our competitors (swedish Corporate Promo market)

- ★ Currency (USD) had a strong impact on stock and net debt

★ Future

- ★ We are taking market shares

- ★ Continued investments in products, sales and marketing - above giving priority to profitability



Craft offers sports lovers at all levels underwear, insulating mid layer, and outerwear within running, cross country skiing, bicycling and alpine skiing.

We strive to make everyone who buys our products
a happy customer.

If you choose to invest in New Wave Group
we want you to know that

we promise to take care of your investment
in the best possible way we can —

through long-term thinking, growth, stability and hard work!