



2018

*New Wave Group
Annual General Meeting*

New Wave
G R O U P

This is New Wave Group

New Wave Group is a growth company that designs, acquires and develops brands. To ensure good risk diversification, the Group will market its products in the promo market and the retail market.

The **Group's growth target** is 10-20 % per year, of which 5-10 % is organic growth.

An **operating margin target** of 15 %.

New Wave Group aims for at least 30 % **equity ratio**.



Sales activity in own subsidiary



Own purchasing offices

Our operating segments and markets

Our brands are categorised according to which of our three operating segments it belongs to: **Corporate**, **Sports & Leisure** or **Gifts & Home Furnishings**.

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

Brands close to or over SEK 1 billion in net sales: Craft, Clique, Cutter & Buck.

Corporate



Sports & Leisure



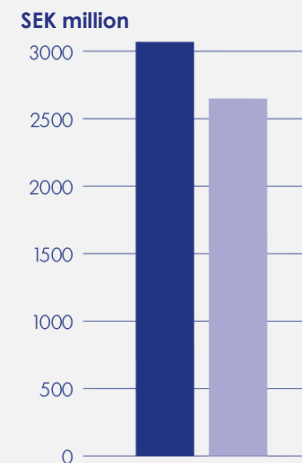
Gifts & Home Furnishings



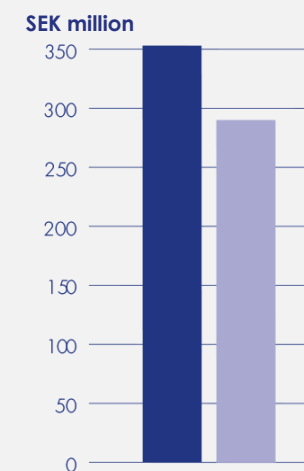
Corporate

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

Net sales



EBITDA



● 2018

● 2017

Sports & Leisure

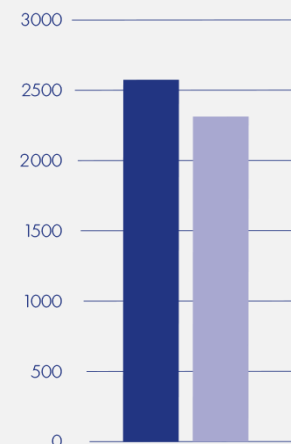
The vision for the Sports & Leisure operating segment involves establishing Craft as a world-leading sportswear brand, and making Cutter & Buck a world-leading golf apparel brand.

The brand Auclair should take a leading position on gloves in Europe and we will also use Paris Glove's strong distribution platform to launch the Group's other brands in Canada.

Overall, we want to be one of the leading sports suppliers, both in Sweden and in other European countries and in the United States. All in all, our brands shall give us a position among the largest sport suppliers in the world.

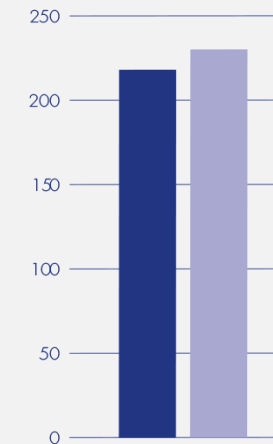
Net sales

SEK million



EBITDA

SEK million



● 2018

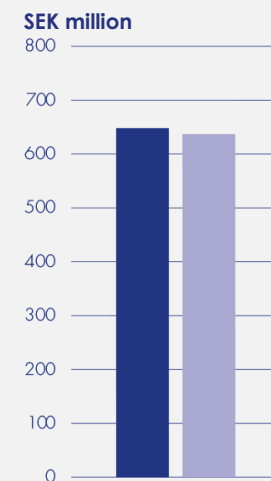
● 2017

Gifts & Home Furnishings

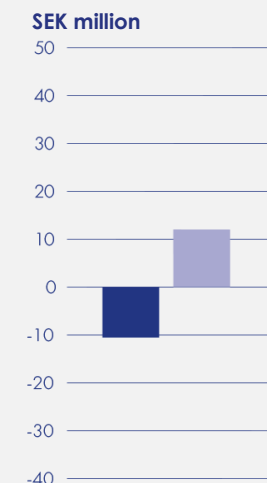
The vision for the Gifts & Home Furnishings operating segment area is to make Orrefors and Kosta Boda world leading glass and crystal suppliers.

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.

Net sales



EBITDA



● 2018

● 2017

NWG // ACTIVITIES

Activities in focus





Craft

- *Craft Teamwear*
- *Hammarby*
- *Spartan*
- *Craft shoes*

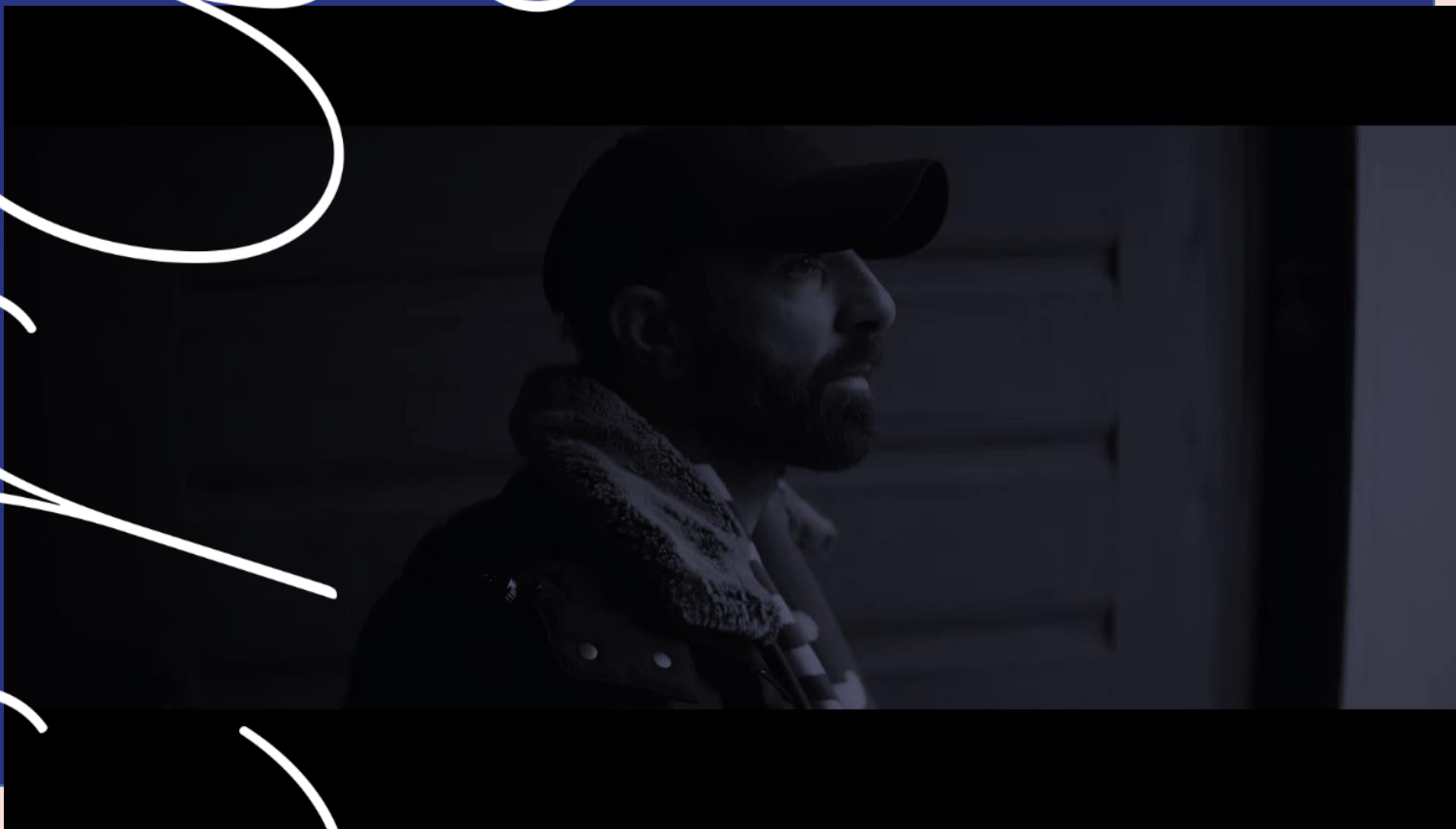
Clubs



Craft

NWG // ACTIVITIES

Craft



NWG // ACTIVITIES

Workwear

- *Projob*
- *Jobman*



PROJOB
SWEDISH WORKWEAR



JOBMAN
WORKWEAR



Workwear

- *Projob*
- *Jobman*



Cutter & Buck



Kosta Safaripark

- *Kosta Safaripark
opens in May 2018*

Kosta Safaripark



kosta

CSR and Sustainability

New Wave Group believes in sustainable growth. It is important for us to adapt business solutions that are financially profitable, but also sustainable from a social and environmental perspective.

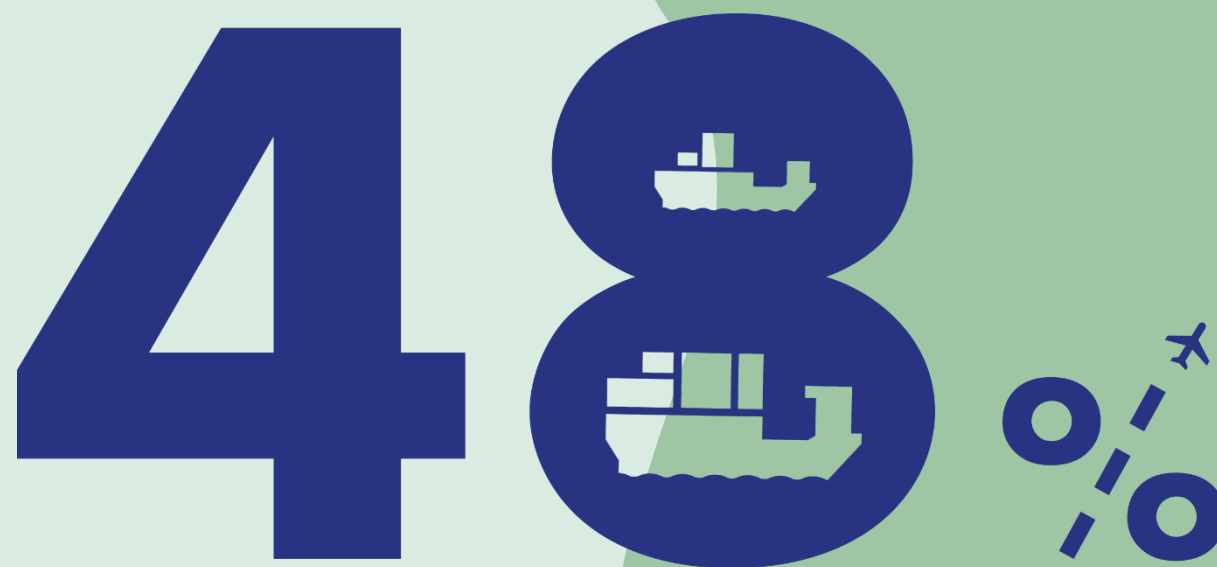
- Sustainability report published for the second year
- We continue to work on sustainability
- Heavy reduction of emissions from transports.
- Increased demand for the eco-labeled brand Cottover.



Read more about how New Wave Group works with CSR and sustainability in the separate Sustainability Report 2018, available on www.nwg.se.

Emissions from air freight and shipping were reduced by 48% during 2018 as a result of less number of shipments with improved fill rate.

48%

The graphic features the number '48' in a large, bold, dark blue font. The digit '8' is stylized with a white cargo ship icon inside its upper loop and a white cargo ship icon inside its lower loop. To the right of the '8' is a dark blue percentage sign '%'. The top bar of the percentage sign is replaced by a white airplane icon.



Financial information

12%
Increase in
net sales for
the Group

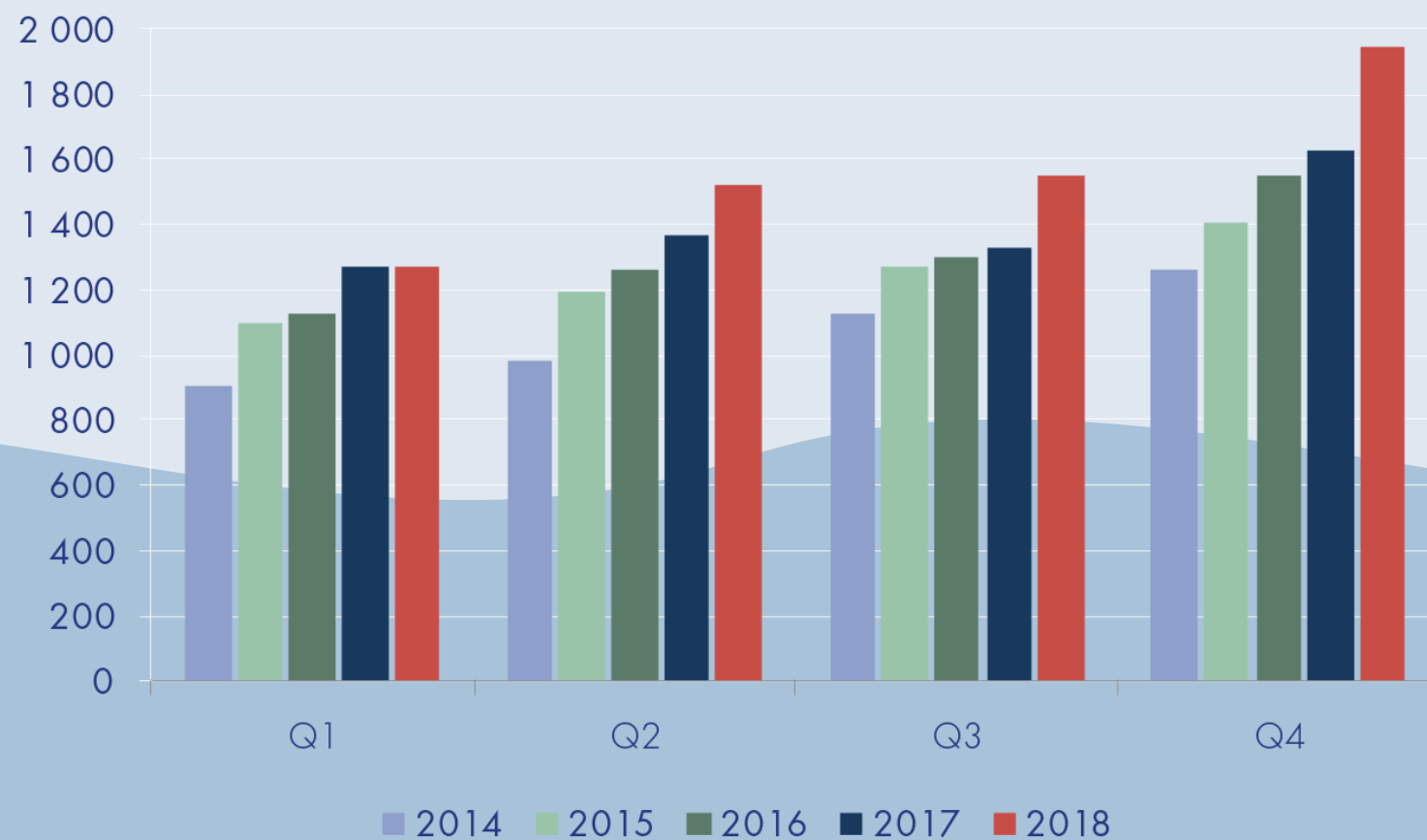
16%
Increase in
net sales
Corporate

11%
Increase in net
sales Sports &
Leisure

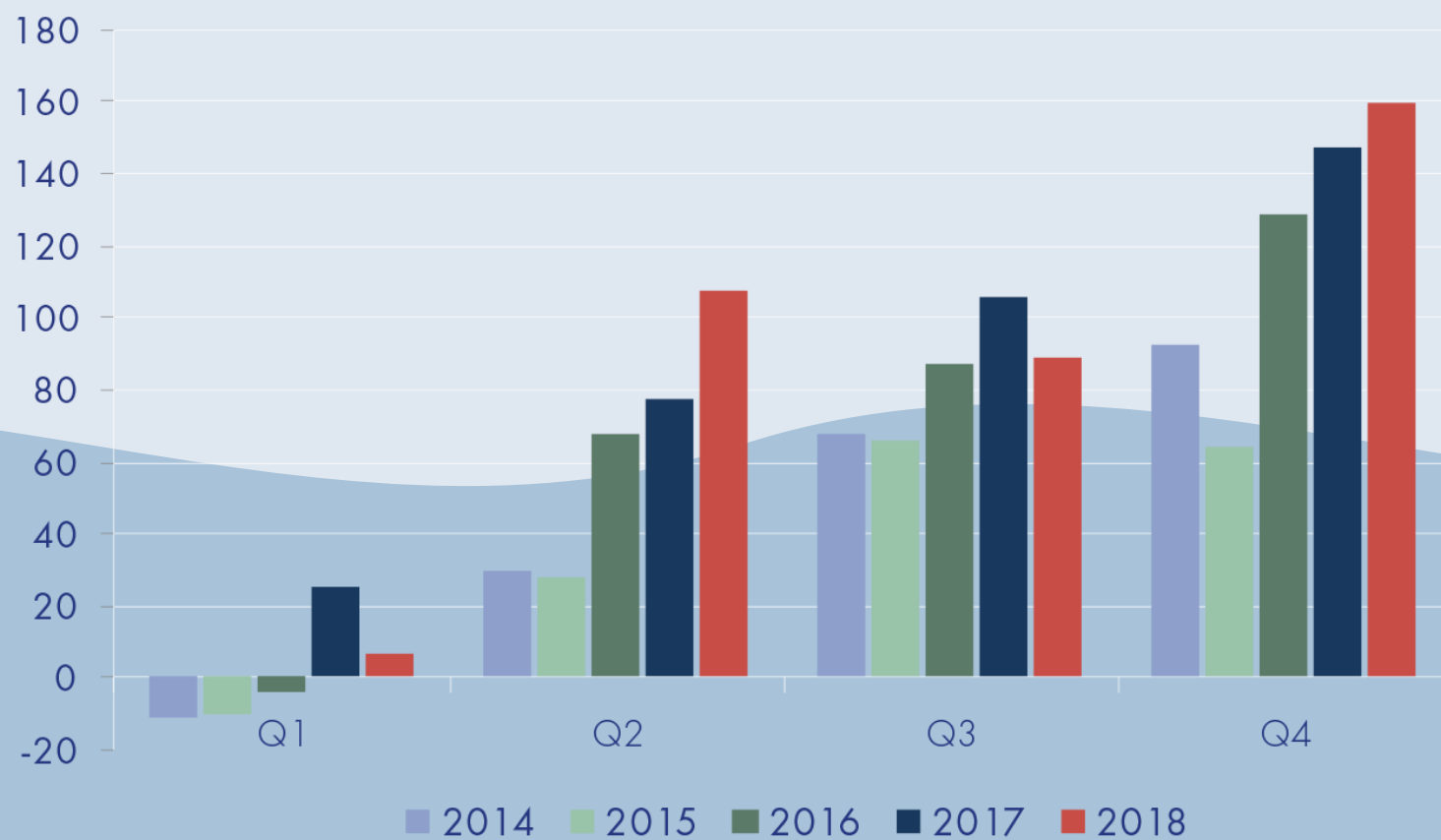
2%
Increase in net sales
Gifts & Home
Furnishings

..... 2018

Net sales



Result for the period



January - December

Net sales per geographic area

SEK million	Jan - Dec 2018	Part of net sales	Jan - Dec 2017	Part of net sales	Change MSEK	Change %
Sweden	1 529.9	24%	1 463.8	26%	66.1	5%
USA	1 579.7	25%	1 423.7	25%	156.0	11%
Nordic countries excluding Sweden	807.1	13%	727.7	13%	79.4	11%
Central Europe	986.4	16%	891.1	16%	95.3	11%
Southern Europe	716.5	11%	630.8	11%	85.7	14%
Other countries	670.9	11%	460.2	8%	210.7	46%
Total	6 290.6	100%	5 597.3	100%	693.3	12%

January - December

2018

- **Gross profit margin amounted to 46.6 (46.1) %**
- **External costs and personnel costs amounted to a total of SEK -2,399.4 (-2,069.2) million**
 - More sales and service oriented activities
 - More employees within sales, warehouse and customer service
 - Currency exchange rates increased costs with SEK 61.6 million
- **Operating result amounted to SEK 482.8 (469.1) million**
- **Result for the period amounted to SEK 360.0 (354.0) million**

SEK million	Jan – Dec 2018		Jan – Dec 2017	
Net sales	6 290.6		5 597.3	
Goods for resale	-3 359.4		-3 018.1	
Gross profit	2 931.2	46.6%	2 579.2	46.1%
Other operating income	74.8		51.2	
External costs	-1336.4		-1 128.9	
Personnel costs	-1 063.0		-940.3	
Depreciation and write-downs of tangible and intangible fixed assets	-77.9		-65.3	
Other operating costs	-44.8		-25.2	
Share of associated companies' result	-1.1		-1.6	
Operating result	482.8	7.7%	469.1	8.4%
Net financial items	-40.9		-51.9	
Result before tax	441.8		417.2	
Tax on result for the period	-81.8		-63.2	
Result for the period	360.0		354.0	
Result per share (SEK)	5.48		5.34	

January - December

EBITDA per operating segment



Corporate amounted to SEK 353.1 (289.7) million

- Higher turnover
- Increased marketing activities



Sports & Leisure amounted to SEK 218.2 (230.3) million

- Higher turnover
- Improved gross profit margin
- Higher costs



Gifts & Home Furnishings amounted to SEK -10.6 (14.4) million

- The warm summer affected net sales in Kosta
- More marketing activities
- Somewhat lower gross profit margin

January - December

Cash flow

SEK million

Cash flow from operating activities before
changes in working capital

Change in working capital

Cash flow from operating activities

Investing activities

Cash flow after investing activities

Financial activities

Cash flow for the period

Jan - Dec
2018

Jan - Dec
2017

429.7

451.0

-207.1

-243.2

222.6

207.8

-163.2

-110.6

59.4

97.2

39.3

-106.3

98.7

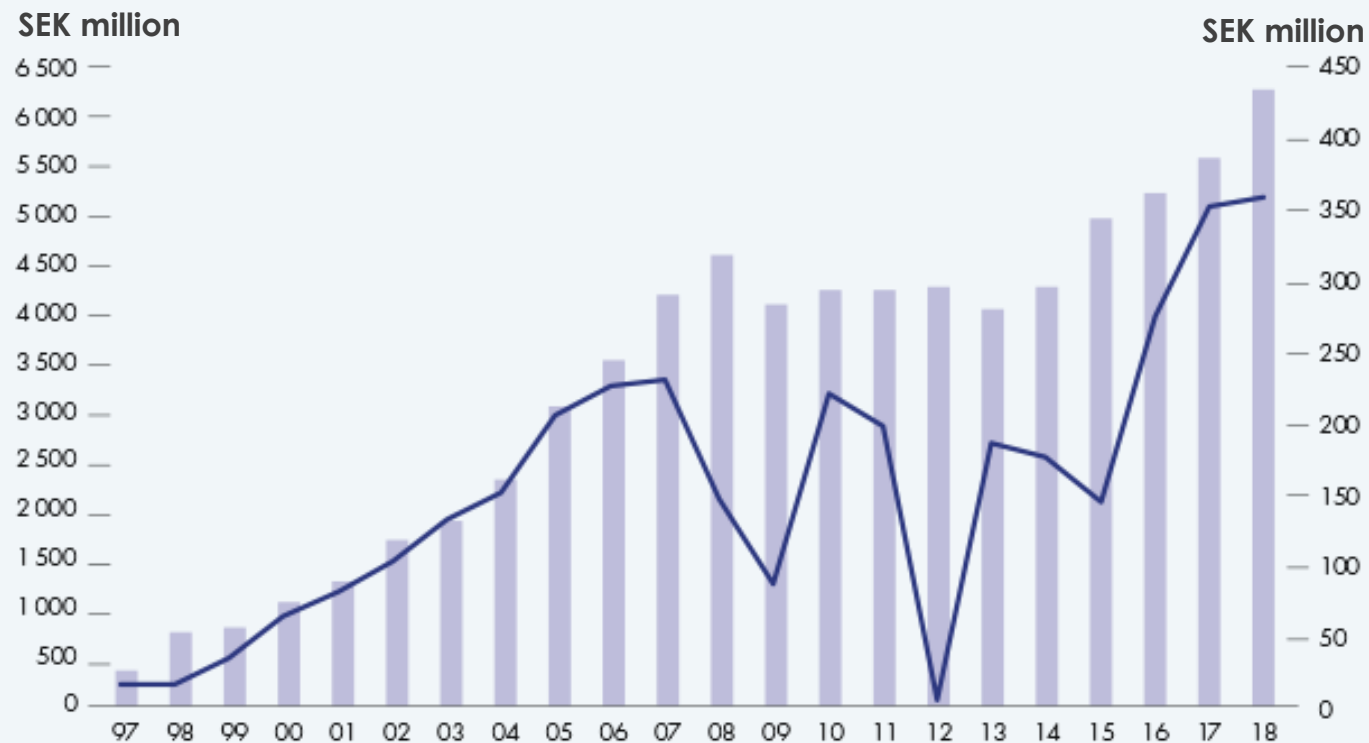
-9.1

Financial highlights

SEK million

	Jan – Dec 2018	Jan – Dec 2017
Net sales growth, %	12.4	6.9
Number of employees	2 605	2 495
Gross profit margin, %	46.6	46.1
Operating margin before depreciation, %	8.9	9.5
Operating margin, %	7.7	8.4
Return on shareholders' equity, %	11.2	12.2
Return on capital employed, %	9.4	9.8
Equity ratio, %	48.6	50.9
Net debt to equity ratio, %	53.3	54.1
Net debt in relation to working capital, %	57.0	54.7
Net debt, SEK million	1 831.0	1 637.3
Stock turnover, times	1.1	1.2
Shareholders' equity per share, SEK	51.76	45.66

Growth in net sales and result for the year



Growth in net sales and result for the year

- Net sales
- Result for the year

"2018 is the second year in a row that I start with, that I am actually happy with the year."

- Torsten Jansson



Torsten Jansson
CEO

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2018
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CEO comments

January - December

- Sales increased by 12 % (9 % in local currencies)
- Sales of SEK 6,290.6 (5,597.3) million – **All time high**
- Operating result amounted to SEK 482.8 (469.1) million – **All time high**
- Result for the period amounted to SEK 360.0 (354.0) mkr – **All time high**
- Strong balance sheet gives room for continued expansion

The future

- USA – **Strong growth**
- The Corporate* segment has a strong growth
- Our powerful investments are expected to give results
- Club/Teamwear are evolving
- We have never been better, bigger or stronger!

2019

“All time high results for a
first quarter”

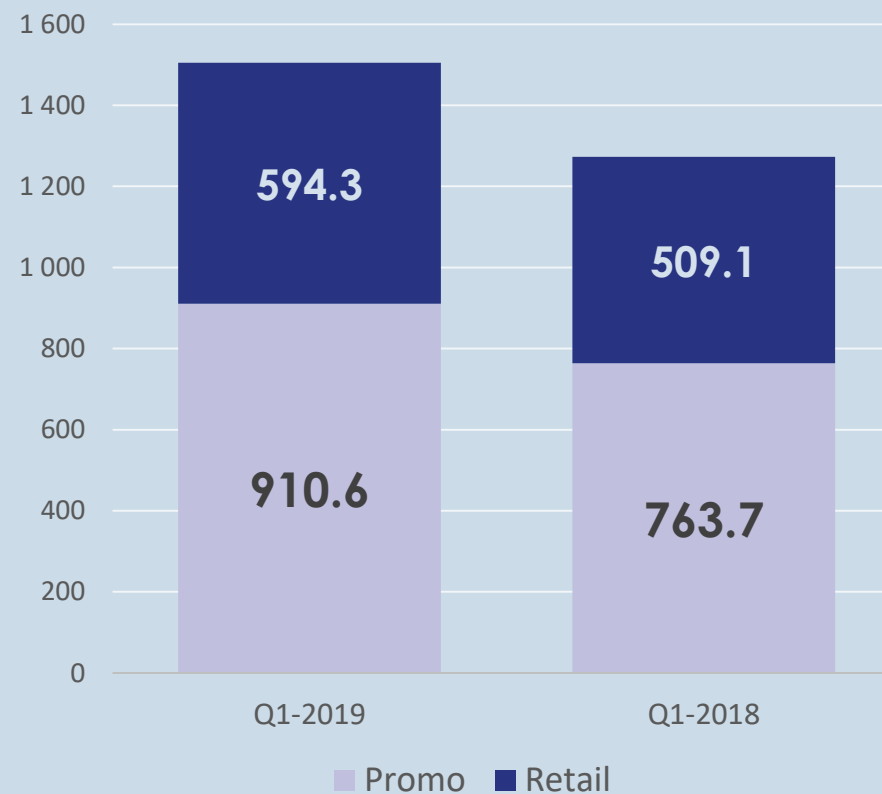
- Torsten Jansson

*quarter
report 1*

January - March

- Sales amounted to SEK 1,504.9 (1,278.) million
- Sales increased by 18 % (11 % in local currencies)
- Promo sales channel 19 %, retail 17 %
- Growth in all regions
- All time high for net sales in a Q1!

2019



January - March

- **Gross profit margin amounted to 47.1 (46.8) %**
- **External costs and personnel costs amounted to a total of SEK -621.4 (-563.6) million**
 - More sales and service oriented activities
 - More employees within sales, warehouse and customer service
 - Currency exchange rates increased costs with SEK 37.2 million
 - IFRS 16 affected external costs by SEK 30.6 million
- **Operating result amounted to SEK 46.0 (18.6) million**
 - IFRS 16 affected external costs by SEK 30.6 million and depreciation by SEK -18.1 million
- **Result for the period amounted to SEK 26.0 (6.0) million**
 - IFRS 16 also affected the financial expenses by SEK -4.5 million, which gives a total of SEK -2.0 million on Result for the period.

2019

SEK million	Jan – Mar 2019	Jan – Mar 2018
Net sales	1 504.9	1 272.8
Goods for resale	-795.3	-677.5
Gross profit	709.6	595.4
	47.1%	46.8%
Other operating income	17.2	15.9
External costs	-338.4	-317.2
Personnel costs	-283.0	-246.4
Amortizations, depreciations and write-downs of tangible and intangible fixed assets	-51.0	-17.6
Other operating costs	-8.2	-11.8
Share of associated companies' result	-0.2	0.4
Operating result	46.0	18.6
	3.1%	1.5%
Net financial items	-14.0	-10.2
Result before tax	32.0	8.4
Tax expense	-6.0	-2.4
Result for the period	26.0	6.0
Result per share (SEK)*	0.41	5.97

January - March

Cash flow

SEK million

	Jan - Mar 2019	Jan - Mar 2018
Cash flow from operating activities before changes in working capital	49.3	1.2
Change in working capital	-114.4	5.4
Cash flow from operating activities	-65.1	6.6
Investing activities	-38.3	-39.8
Cash flow after investing activities	-103.4	-33.2
Financial activities	49.2	5.1
Cash flow for the period	-54.2	-28.1

"To achieve an operating result of SEK 46.0 million and a result for the period of SEK 26.0 million pleases me."

- Torsten Jansson



Torsten Jansson
CEO

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2019
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CEO comments

January - March

- **Strong growth** of 18 % (11 % in local currency). All time high sales.
- **19th quarter** in a row with growth. **Rolling 12 months** have now exceeded SEK 6.5 billion. Our investments in marketing activities continued.
- **Operating result** increased and amounted to **SEK 46.0** (18.6)million. Rolling 12 months now passed SEK 500 million
- **Result for the period** increased to SEK 26.0 (6.0) million
- Both results are an **"all time high"** for a first quarter

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!

Thank you!