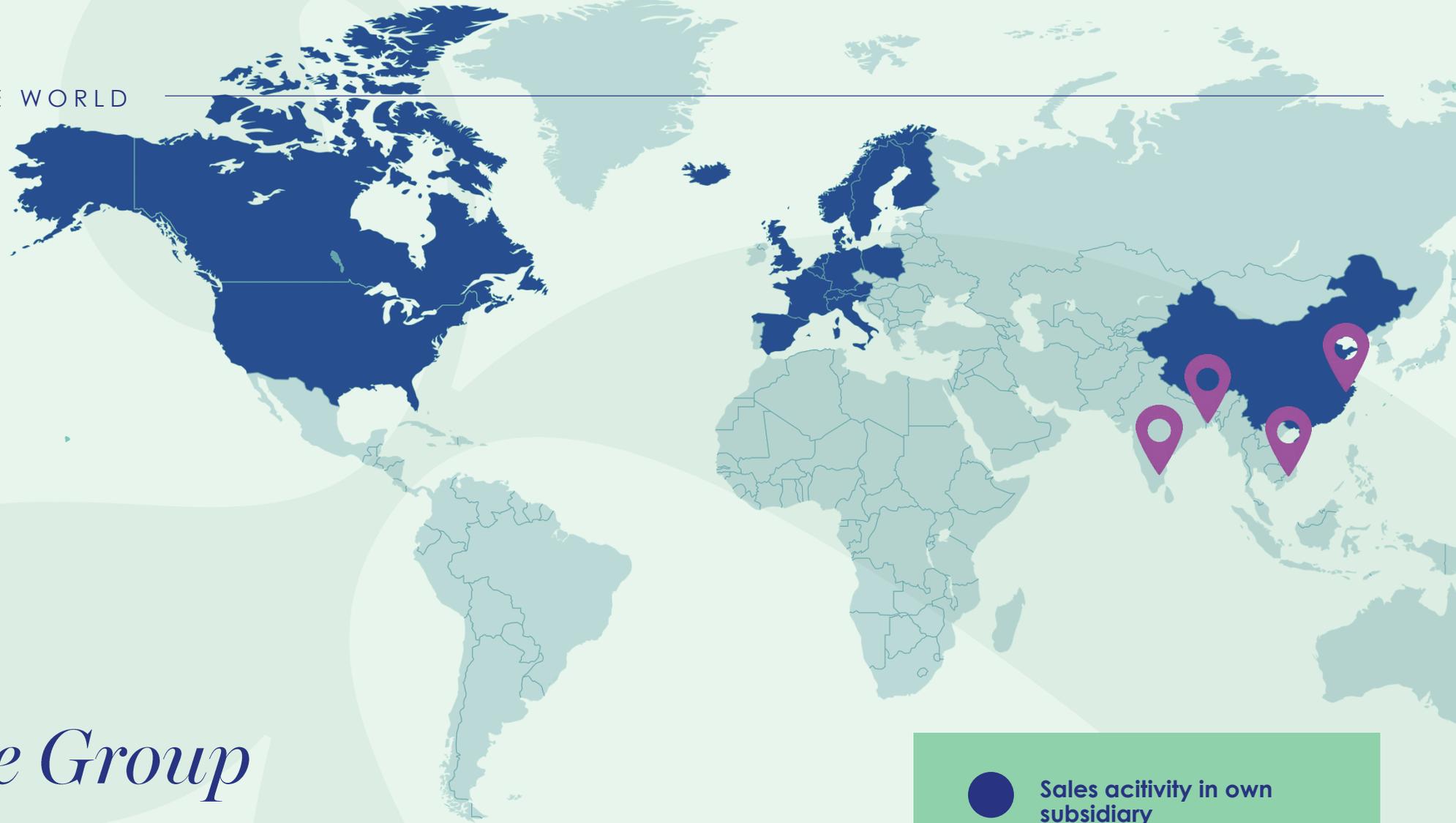


New Wave Group AB

2021

Interim Report

January - June



This is New Wave Group

New Wave Group is a growth group 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.

-  Sales activity in own subsidiary
-  Own purchasing offices

Our operating segments and sales channels

Our brands are categorized 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.

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 United States by offering companies a broad product range, strong brands, advanced expertise and service, and a superior all-inclusive concept.

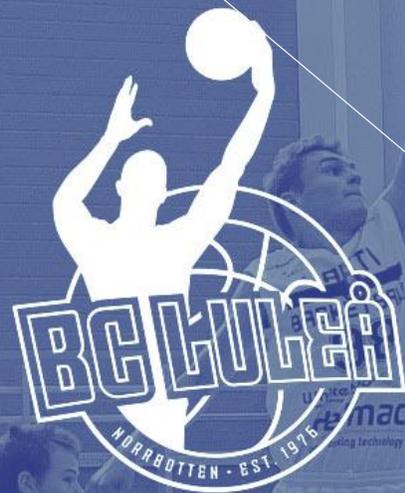
Sports & Leisure

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.





CRAFT



Gifts & Home Furnishings

The vision for the Gifts & Home Furnishings operating segment 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 quarter
at a glance*



The quarter

- *Recovery mainly in the US, the Nordic countries and in the retail sales channel.*
- *Operating result improved by SEK 131.2 million compared to the previous year and amounted to SEK 241.3 (110.1) million.*
- *Equity ratio of 58.9% and further decreased net debt.*

2021

Financial information

April - June



April - June

Net sales

- Sales amounted to SEK 1,486.8 (1,314.5) million
- Sales increased by 13% (18% in local currencies)
- Promo sales channel decreased by 1%, retail increased by 51%

2021

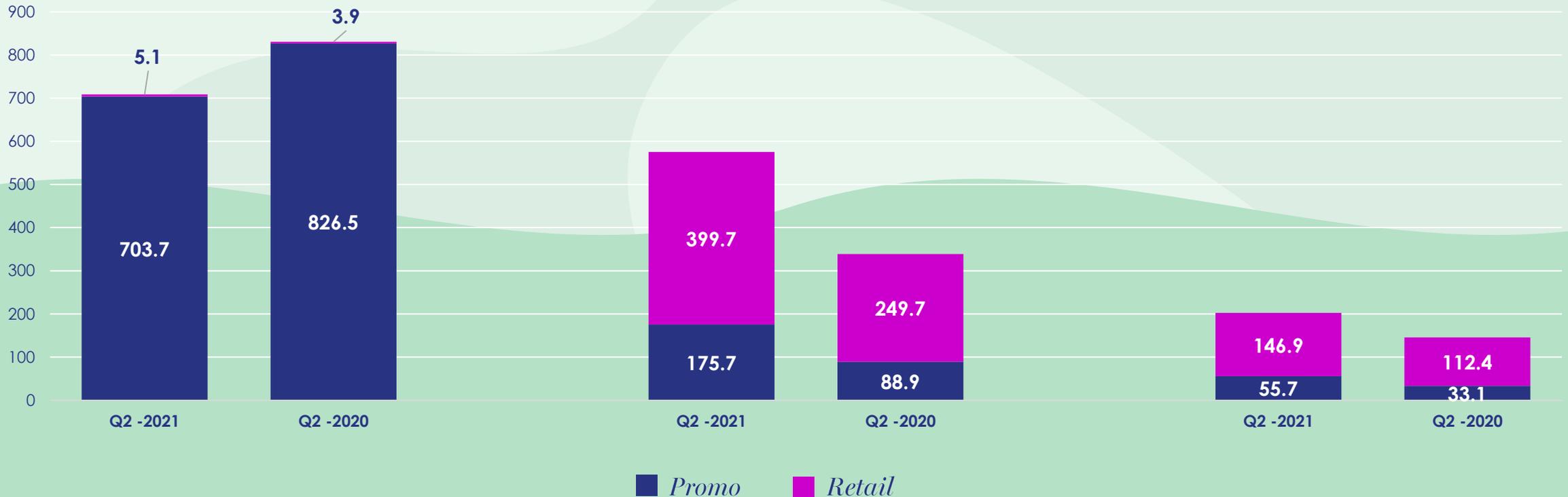


Net sales per operating segment

Corporate -15%

Sports & Leisure 70%

Gifts & Home Furnishings 39%



April - June

Net sales per geographic area and operating segment

SEK million	Corporate		Sports & Leisure		Gifts & Home Furnishings		Total		
	Apr - Jun 2021	Apr - Jun 2020	Apr - Jun 2021	Apr - Jun 2020	Apr - Jun 2021	Apr - Jun 2020	Apr - Jun 2021	Apr - Jun 2020	Change %
USA	38.2	28.5	276.2	136.8	11.1	10.9	325.5	176.2	85%
Sweden	122.0	79.8	114.3	76.3	170.3	118.4	406.6	274.5	48%
Central Europe	138.0	104.4	66.6	55.4	6.4	4.1	211.0	163.9	29%
Nordic countries excl. Sweden	106.1	72.3	83.4	48.4	10.6	7.5	200.1	128.3	56%
Southern Europe	185.0	357.2	12.7	11.1	0.1	0.0	197.8	368.3	-46%
Other countries	119.5	188.3	22.3	10.8	4.0	4.5	145.8	203.5	-28%
Total	708.8	830.4	575.5	338.7	202.6	145.4	1 486.8	1 314.5	13%

April - June

2021

- **Gross profit margin amounted to 48.3 (39.2)%**
 - Higher margin for all segments
- **External costs and personnel costs amounted to a total of SEK -476.6 (-396.8) million**
 - Increase of volume-related costs
 - Appropriately staffed for the current volumes
 - Positive currency effect of SEK 27.6 million
- **Operating result amounted to SEK 241.3 (110.1) million**
 - Higher net sales
 - Improved gross profit margin
- **Result for the period amounted to SEK 187.7 (72.9) million**

SEK million	Apr – Jun 2021		Apr – Jun 2020	
Net sales	1 486.8		1 314.5	
Goods for resale	-769.2		-799.7	
Gross profit	717.6	48.3%	514.8	39.2%
Other operating income	59.4		61.4	
External costs	-233.8		-187.7	
Personnel costs	-242.8		-209.1	
Depreciation and write-downs of tangible and intangible fixed assets	-56.0		-57.8	
Other operating costs	-2.9		-11.4	
Share of associated companies' result	-0.1		-0.1	
Operating result	241.3	16.2%	110.1	8.4%
Net financial items	-9.4		-17.3	
Result before tax	231.9		92.8	
Tax on result for the period	-44.3		-19.9	
Result for the period	187.7		72.9	
Result per share (SEK)	2.84		1.11	

April - June

Operating result per operating segment

Corporate

- Lower net sales
- Decreased sales in Southern Europe and Other countries due to less trading business
- Improved gross profit margin
- Positive effect by forgiven government loans in the US of SEK 7.5 million

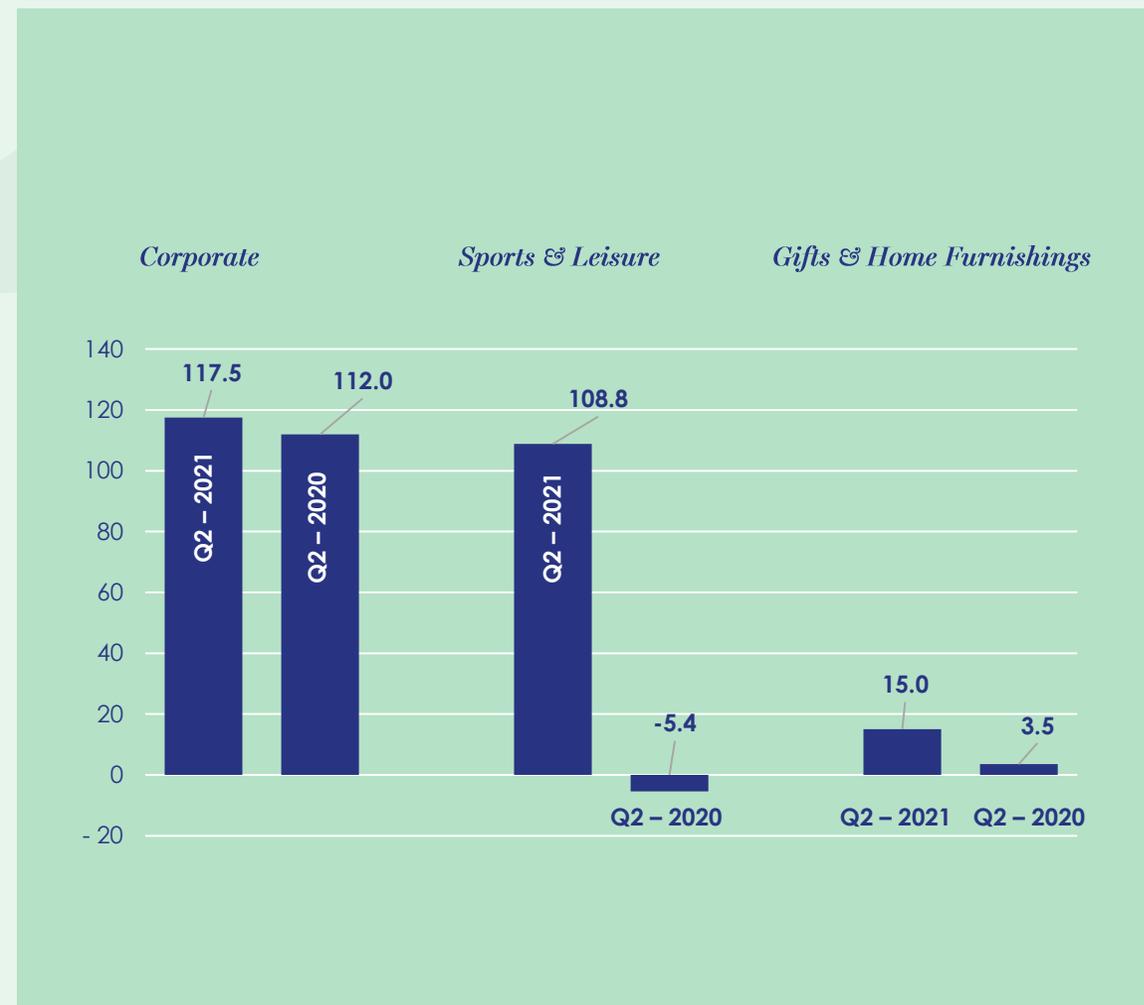
Sports & Leisure

- Increased sales in all regions and in both sales channels
- Higher gross profit margin
- Positive effect by forgiven government loans in the US of SEK 35.0 million

Gifts & Home Furnishings

- Higher net sales, mainly related to Sweden
- Improved gross profit margin

..... 2021



April - June

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

	Apr – Jun 2021	Apr – Jun 2020
	219.0	176.0
	-33.7	75.5
	185.3	251.4
	-24.0	-11.1
	161.3	240.3
	-95.4	-201.6
	65.9	38.7

Strong balance sheet

SEK million

	30 Jun 2021	30 Jun 2020
Equity	4 195.8	3 799.7
Equity ratio, %	58.9	47.9
Net debt, SEK million	1 307.3	2 656.6
Net debt to credit institutes, SEK million	593.5	1 898.8
Equity per share, SEK	63.11	57.08

Rolling 12 months

- **Continuing rising operating margin** now amounting to 13.2%

2021

SEK million

	Rolling 12 months	
Net sales	6 091.7	
Goods for resale	-3 277.2	
Gross profit	2 814.6	46.2%
Other operating income	140.3	
External costs	-935.6	
Personnel costs	-960.7	
Depreciation and write-downs of tangible and intangible fixed assets	-221.7	
Other operating costs	-34.7	
Share of associated companies' result	-0.8	
Operating result	801.3	13.2%
Net financial items	-51.8	
Result before tax	749.6	
Tax on result for the period	-167.2	
Result for the period	582.4	
Result per share (SEK)	8.82	

2021

Financial information

January - June



January - June

Net sales

- Sales amounted to SEK 2,748.4 (2,755.4) million
- Sales on par with the previous year (6% increase in local currencies)
- Promo sales channel decreased 10%, retail increased 19%

..... 2021

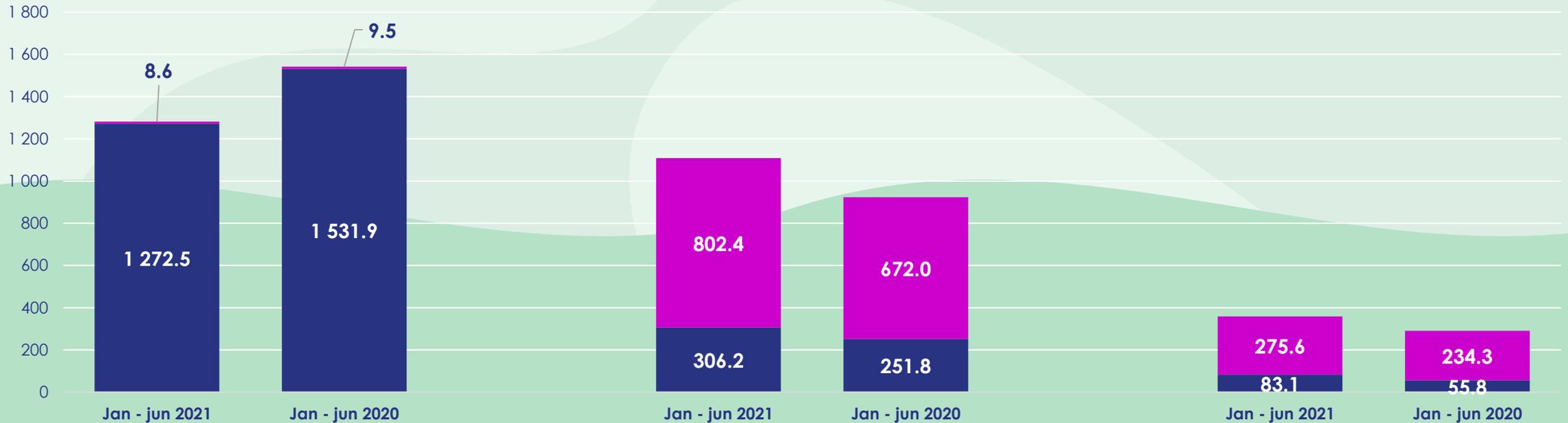


Net sales per operating segment

Corporate -17%

Sports & Leisure 20%

Gifts & Home Furnishings 24%



■ Promo ■ Retail

January - June

Net sales per geographic area and operating segment

SEK million	Corporate		Sports & Leisure		Gifts & Home Furnishings		Total		
	Jan - Jun 2021	Jan - Jun 2020	Jan - Jun 2021	Jan - Jun 2020	Jan - Jun 2021	Jan - Jun 2020	Jan - Jun 2021	Jan - Jun 2020	Change %
USA	84.1	81.8	476.3	429.6	22.2	23.5	582.6	534.9	9%
Sweden	218.8	169.9	247.1	188.9	297.8	237.0	763.7	595.9	28%
Central Europe	262.2	262.8	146.3	124.5	11.2	7.0	419.7	394.3	6%
Nordic countries excl. Sweden	178.4	164.7	158.4	120.9	18.3	14.6	355.1	300.2	18%
Southern Europe	342.1	510.7	34.5	24.9	0.1	0.1	376.8	535.7	-30%
Other countries	195.4	351.6	46.1	34.9	9.0	7.9	250.6	394.4	-36%
Total	1 281.1	1 541.5	1 108.6	923.9	358.7	290.1	2 748.4	2 755.4	0%

January - June

2021

- **Gross profit margin amounted to 48.1 (41.6)%**
 - Large share of trading shipments last year
- **External costs and personnel costs amounted to a total of SEK -938.6 (-1,000.7) million**
 - Decrease mainly related to positive exchange rate effects
- **Operating result amounted to SEK 341.5 (86.0) million**
 - Higher gross profit margin
- **Result for the period amounted to SEK 255.4 (35.9) million**

SEK million	Jan – Jun 2021	Jan – Jun 2020
Net sales	2 748.4	2 755.4
Goods for resale	-1 425.6	-1 609.9
Gross profit	1 322.8 48.1%	1 145.5 41.6%
Other operating income	76.0	82.0
External costs	-458.6	-498.7
Personnel costs	-480.0	-502.0
Depreciation and write-downs of tangible and intangible fixed assets	-110.1	-117.9
Other operating costs	-8.1	-21.8
Share of associated companies' result	-0.5	-1.1
Operating result	341.5 12.4%	86.0 3.1%
Net financial items	-22.1	-35.2
Result before tax	319.3	50.7
Tax on result for the period	-63.9	-14.8
Result for the period	255.4	35.9
Result per share (SEK)	3.88	0.57

January - June

Operating result per operating segment

Corporate

- Lower net sales
- Decreased sales in Southern Europe and Other countries due to less trading business
- Higher gross profit margin
- Cost savings

Sports & Leisure

- Increased sales in all regions and in both sales channels
- Higher gross profit margin

Gifts & Home Furnishings

- Higher net sales, mainly related to Sweden but also Nordic countries excluding Sweden and Central Europe
- Improved gross profit margin

..... 2021



January - June

Cash flow

SEK million

	Jan - Jun 2021	Jan - Jun 2020
Cash flow from operating activities before changes in working capital	306.1	113.0
Change in working capital	246.3	253.0
Cash flow from operating activities	552.5	366.0
Investing activities	-39.1	-41.7
Cash flow after investing activities	513.3	324.3
Financial activities	-441.6	-396.8
Cash flow for the period	71.8	-72.5

Torsten Jansson
CEO
comments

“The operating result for the quarter was record strong and increased from SEK 110.1 million to SEK 241.3 million.”



Torsten Jansson
CEO

April – June

- **Sales growth of 18% in local currencies.**
- **The operating margin** amounted to 16.2%, which is a fantastic performance!
- **The balance sheet has continued to strengthen** and the equity ratio now amounts to 58.9%.

January – June

- **The operating result was record strong** and increased to SEK 341.5 (86.0) million.

The Future

- **Still hard to make short-term assessments**, we believe in a continued good recovery during the fall, but new outbreaks of the delta virus are worrisome.
- **In the long term**, I am more convinced than ever of a very good development.

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!

NewWave
G R O U P