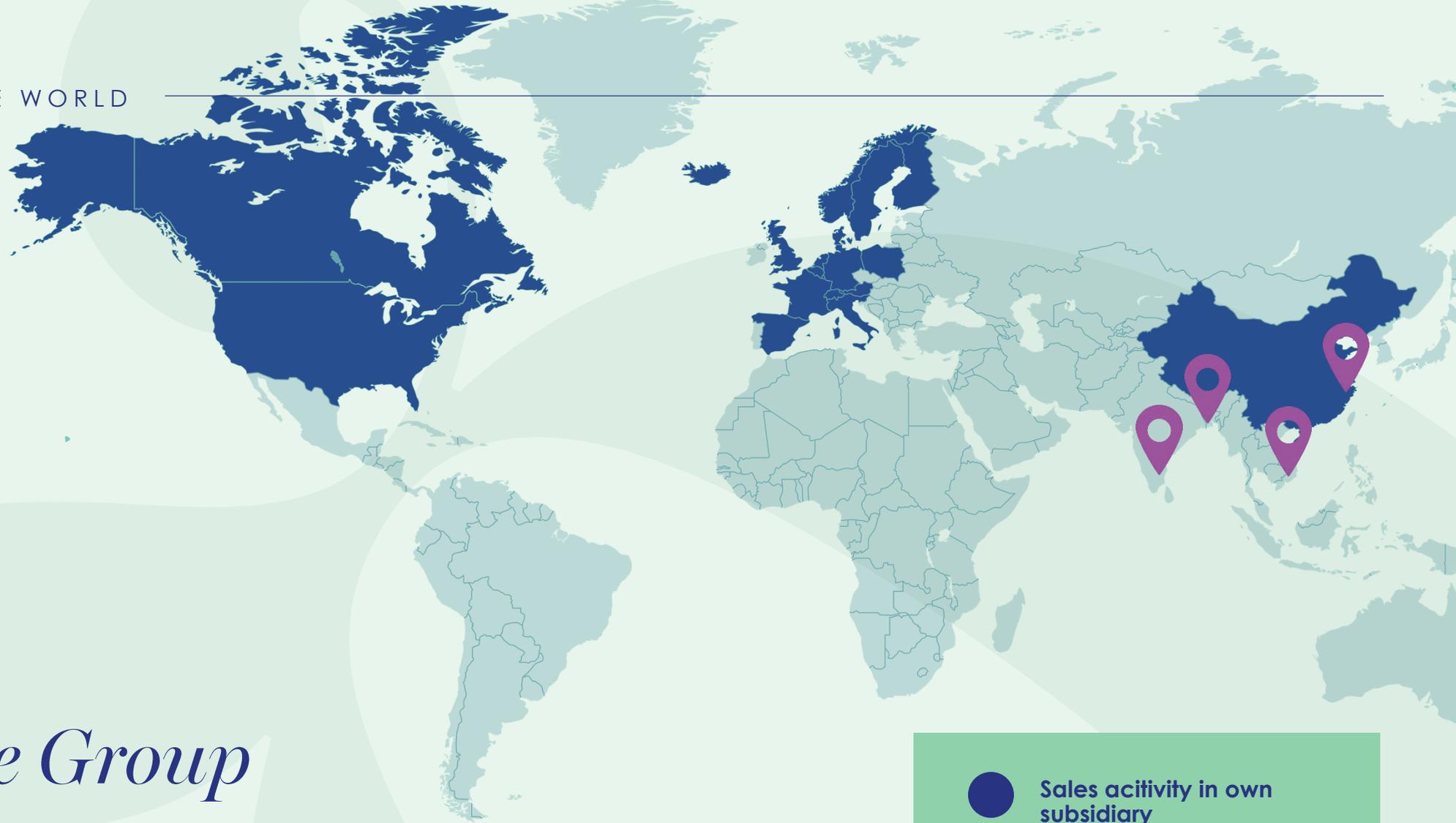


New Wave Group AB

2021 Interim Report

January – September





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.

Business
area

Peers to New Wave

Almost all Swedish major competitors are included in other listed Swedish companies

Latour

Own for instance Snickers, Fristads, Kansas, Dunderdon and more. They are the biggest Nordic competitor in workwear to NWG.

Storskogen

Owns Båstadsgruppen and Sandryds and is our biggest competitor withing profile.

45%

Corporate
accounted for
45% of NWG Net
sales 2021-09

Sports & Leisure

Business area

Peers to New Wave

Most of our competitors / colleagues are companies significantly larger than us.

Competitors in Sweden:
Björn Borg, Fenix Outdoor.

Significantly larger competitors:
Adidas, Puma, Nike, Under Armour

42%

Sports & Leisure
accounted for
42% of NWG
Net sales 2021-09.

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.



NWG // THE SEGMENTS



NWG // THE SEGMENTS



Craft Tailored Motion
Made in Italy
Craft Tailored Motion
Made in Italy

Craft

Craft Tailored Motion
Made in Italy

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.

Business
area

Peers to New Wave

The most similar listed companies to New Wave Group are:

Fiskars who own Royal Copenhagen, Iittala, Arabida, Hackman, Rörstrand and more.

13%

Gifts & Home
Furnishings
accounted for
13% of NWG
Net sales 2021-09.

The quarter at a glance





The quarter

- *Net sales continue to have positive development. Recovery mainly in the US, the Nordic countries but also in Central- and South Europe.*
- *Both sales channels are increasing*
- *Operating result improved by SEK 84,8 million compared to the previous year and amounted to SEK 261.1 (176.3) million.*
- *Strong cash flow from operating activities SEK 241.8 (283.2) million.*

2021

Financial information

July - September



July - September

Net sales

- Sales amounted to SEK 1,663.5 (1 470,1) million
- Sales increased by 13% (14% in local currencies)
- **Promo** sales channel increased by 7%, **retail** increased by 22%

2021



Net sales per operating segment

Corporate -3%

Sports & Leisure 36%

Gifts & Home Furnishings 8%



July - September

Net sales per geographic area and operating segment

SEK million	Corporate		Sports & Leisure		Gifts & Home Furnishings		Total		
	Jul - Sep 2021	Jul - Sep 2020	Jul - Sep 2021	Jul - Sep 2020	Jul - Sep 2021	Jul - Sep 2020	Jul - Sep 2021	Jul - Sep 2020	Change %
USA	46.0	44.3	321.4	201.9	14.4	9.6	381.8	255.8	49%
Sweden	102.7	83.2	165.5	138.2	184.0	174.5	452.1	395.9	14%
Central Europe	155.5	128.0	83.7	87.8	4.7	3.5	243.9	219.4	11%
Nordic countries excl. Sweden	95.5	78.6	120.4	82.1	8.2	6.6	224.0	167.2	34%
Southern Europe	169.9	136.9	20.4	16.9	0.1	0.1	190.4	154.0	24%
Other countries	116.0	238.8	51.4	34.6	4.1	4.5	171.4	277.9	-38%
Total	685.5	710.0	762.7	561.5	215.4	198.7	1 663.5	1 470.1	13%

July - September

2021

- **Gross profit margin amounted to 48.3 (42.8)%**
 - Higher margin for all segments
- **External costs and personnel costs amounted to a total of SEK -493.9 (-412.4) million**
 - Increase of volume-related costs
 - Increased marketing expenses
 - Appropriately staffed for the current volumes
 - Negative currency effect of SEK -5.3 million
- **Operating result amounted to SEK 261.1 (176.7) million**
 - Higher net sales
 - Improved gross profit margin
- **Result for the period amounted to SEK 196.0 (118.9) million**

SEK million	Jul – Sep 2021		Jul – Sep 2020	
Net sales	1 663.5		1 470.1	
Goods for resale	-860.4		-843.9	
Gross profit	803.1	48.3%	626.2	42.6%
Other operating income	11.6		34.7	
External costs	-258.4		-191.6	
Personnel costs	-235.5		-220.8	
Depreciation and write-downs of tangible and intangible fixed assets	-55.7		-56.6	
Other operating costs	-3.7		-15.2	
Share of associated companies' result	-0.3		-0.4	
Operating result	261.1	15.7%	176.3	12.0%
Net financial items	-11.0		-15.2	
Result before tax	250.1		161.1	
Tax on result for the period	-54.1		-42.2	
Result for the period	196.0		118.9	
Result per share (SEK)	2.97		1.81	

July - September

Operating result per operating segment

Corporate

- Higher net sales in all regions except Other countries due to less trading business
- Improved gross profit margin

Sports & Leisure

- Increased sales in all regions except Central Europe
- Both sales channels increased
- Higher gross profit margin

Gifts & Home Furnishings

- Higher net sales, mainly related to Sweden and USA
- Both sales channels increased
- Improved gross profit margin

..... 2021



July - September

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

	Jul – Sep 2021	Jul – Sep 2020
	282.8	218.9
	-41.0	64.3
	241.8	283.2
	-33.0	-8.6
	208.8	274.6
	-309.0	-322.9
	-100.2	-48.4

Strong balance sheet

SEK million

Equity	4 452,3	3 860,3
Equity ratio, %	60,0	49,0
Net debt, SEK million	1 119,3	2 396,4
Net debt to credit institutes, SEK million	426,7	1 629,8
Equity per share, SEK	66,99	58,02

Rolling 12 months

- **Continuing rising operating margin** now amounting to 14.1%

2021

SEK million

	Rolling 12 months	
Net sales	6 285.1	
Goods for resale	-3 293.6	
Gross profit	2 991.5	47.6%
Other operating income	117.2	
External costs	-1 002.4	
Personnel costs	-975.4	
Depreciation and write-downs of tangible and intangible fixed assets	-220.8	
Other operating costs	-23.2	
Share of associated companies' result	-0.7	
Operating result	886.3	14.1%
Net financial items	-47.6	
Result before tax	838.7	
Tax on result for the period	-179.1	
Result for the period	659.6	
Result per share (SEK)	9.97	

2021

Financial information

January - September



January - September

Net sales

- Sales amounted to SEK 4,411.9 (4,225.6) million
- Sales increased with 4% (9% in local currencies)
- Promo sales channel decreased 4%, retail increased 20%

2021

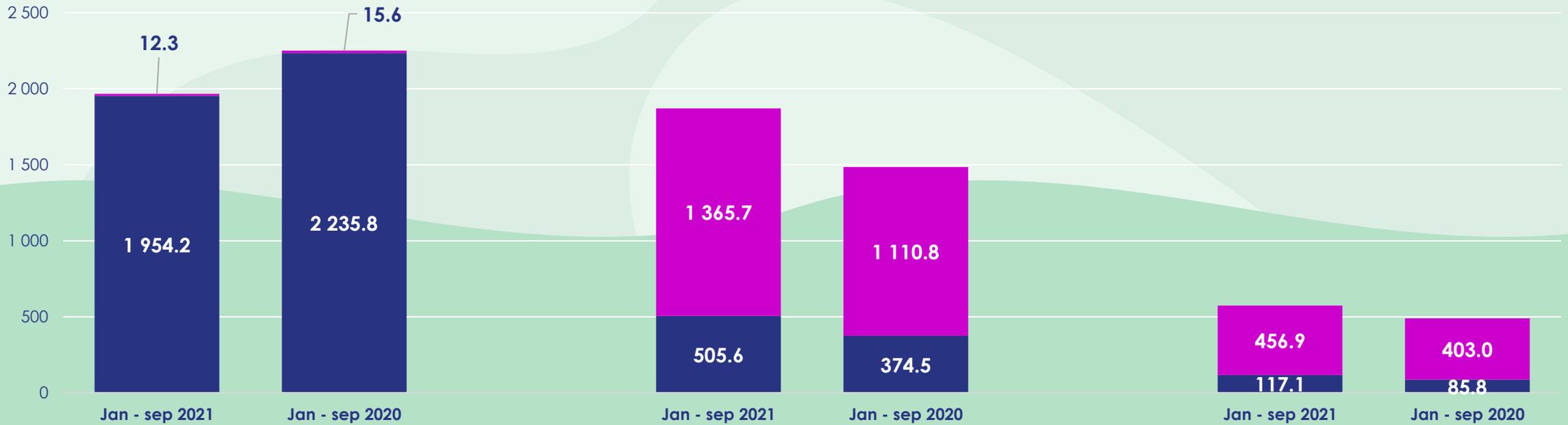


Net sales per operating segment

Corporate -13%

Sports & Leisure 26%

Gifts & Home Furnishings 17%



■ *Promo* ■ *Retail*

January - September

Net sales per geographic area and operating segment

SEK million	Corporate		Sports & Leisure		Gifts & Home Furnishings		Total		
	Jan - Sep 2021	Jan - Sep 2020	Jan - Sep 2021	Jan - Sep 2020	Jan - Sep 2021	Jan - Sep 2020	Jan - Sep 2021	Jan - Sep 2020	Change %
USA	130.1	126.1	797.7	631.5	36.6	33.0	964.4	790.7	22%
Sweden	321.5	253.1	412.6	327.1	481.8	411.5	1 215.8	991.7	23%
Central Europe	417.7	390.8	230.0	212.4	15.9	10.5	663.6	613.7	8%
Nordic countries excl. Sweden	273.9	243.2	278.8	203.0	26.5	21.2	579.1	467.4	24%
Southern Europe	512.0	647.7	54.9	41.9	0.2	0.2	567.1	689.7	-18%
Other countries	311.4	590.5	97.5	69.4	13.1	12.3	421.9	672.3	-37%
Total	1 966.5	2 251.4	1 871.4	1 485.3	574.0	488.8	4 411.9	4 225.6	4%

January - September

2021

- **Gross profit margin amounted to 48.2 (41.9)%**
 - Large share of trading shipments last year
- **External costs and personnel costs amounted to a total of SEK -1,432.5 (-1,413.1) million**
 - Volume related expenses increased
- **Operating result amounted to SEK 602.6 (262.3) million**
 - Higher gross profit margin
- **Result for the period amounted to SEK 451.5 (154.8) million**

SEK million	Jan – Sep 2021		Jan – Sep 2020	
Net sales	4 411.9		4 225.6	
Goods for resale	-2 286.0		-2 453.8	
Gross profit	2 125.9	48.2%	1 771.7	41.9%
Other operating income	87.6		116.7	
External costs	-717.0		-690.3	
Personnel costs	-715.5		-722.8	
Depreciation and write-downs of tangible and intangible fixed assets	-165.8		-174.6	
Other operating costs	-11.8		-37.0	
Share of associated companies' result	-0.8		-1.5	
Operating result	602.6	13.7%	262.3	6.2%
Net financial items	-33.1		-50.5	
Result before tax	569.5		211.8	
Tax on result for the period	-118.0		-57.0	
Result for the period	451.5		154.8	
Result per share (SEK)	6.85		2.38	

January - September

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

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 all regions increased
- Improved gross profit margin

2021



January - September

Cash flow

SEK million

	Jan - Sep 2021	Jan - Sep 2020
Cash flow from operating activities before changes in working capital	588.9	331.8
Change in working capital	205.3	317.3
Cash flow from operating activities	794.2	649.1
Investing activities	-72.1	-50.3
Cash flow after investing activities	722.1	598.8
Financial activities	-750.5	-719.7
Cash flow for the period	-28.4	-120.9

Torsten Jansson
CEO
comments

”The operating result increased by 48% and the operating margin was a full 15.7%”



Torsten Jansson
CEO

July – September

- Sales growth of 14% in local currencies.
- It is likely that we take a significant share of the market.
- **The operating margin** amount to 15.7%. A fantastic result!
- **The equity to asset ratio amount to 60.0%**, and it provides a very strong foundation, and it gives us great opportunities.

January – September

- **The operating result** increased to SEK 602.6 (262.3) million with an operating margin of 13.7%
- **Strong cash flow from operations** that amounted to SEK **794.2** million, although I actually prefer it to have been lower in favor of a larger inventory given the current longer lead times.

Torsten Jansson
CEO
comments

”Craft has a fantastic development”



Torsten Jansson
CEO

Craft

- **Strong growth in pre-orders**
- **Growth on all markets and product segments**
- **We can succeed quickly in new segments**
- **We have fantastic growth with shoes.** Our spring collection has now been introduced to the retail chain Fleet Feet in the USA.

The Future

- **Clouds of unrest?** COVID-19 is still present, freight capacity from Asia and longer lead times another - but the clouds of unrest are still far fewer and smaller than 1.5 years ago.
- **I believe more than ever in the future** based on our progress to date

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