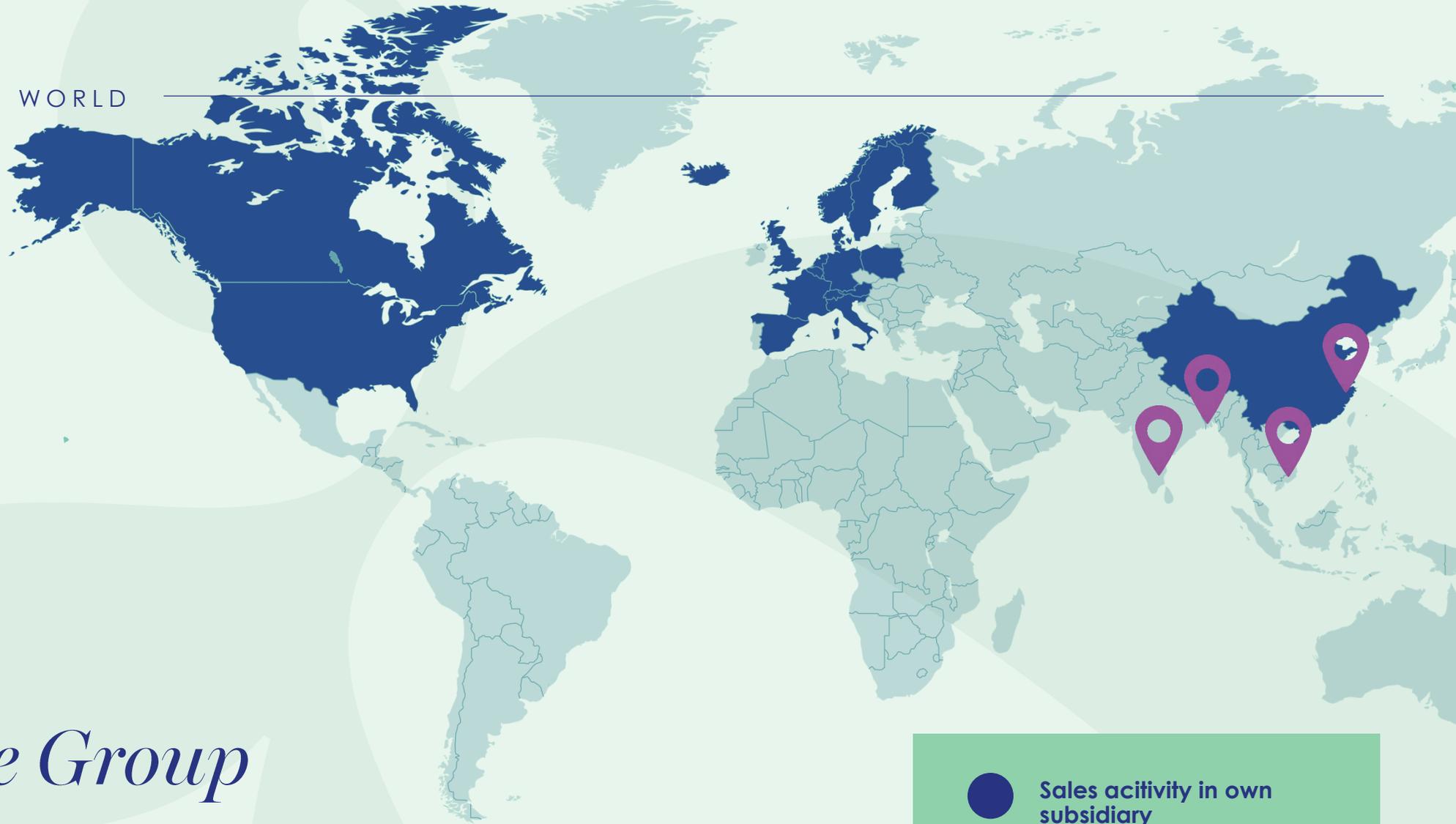


*New Wave Group AB*

# *2022*

## *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

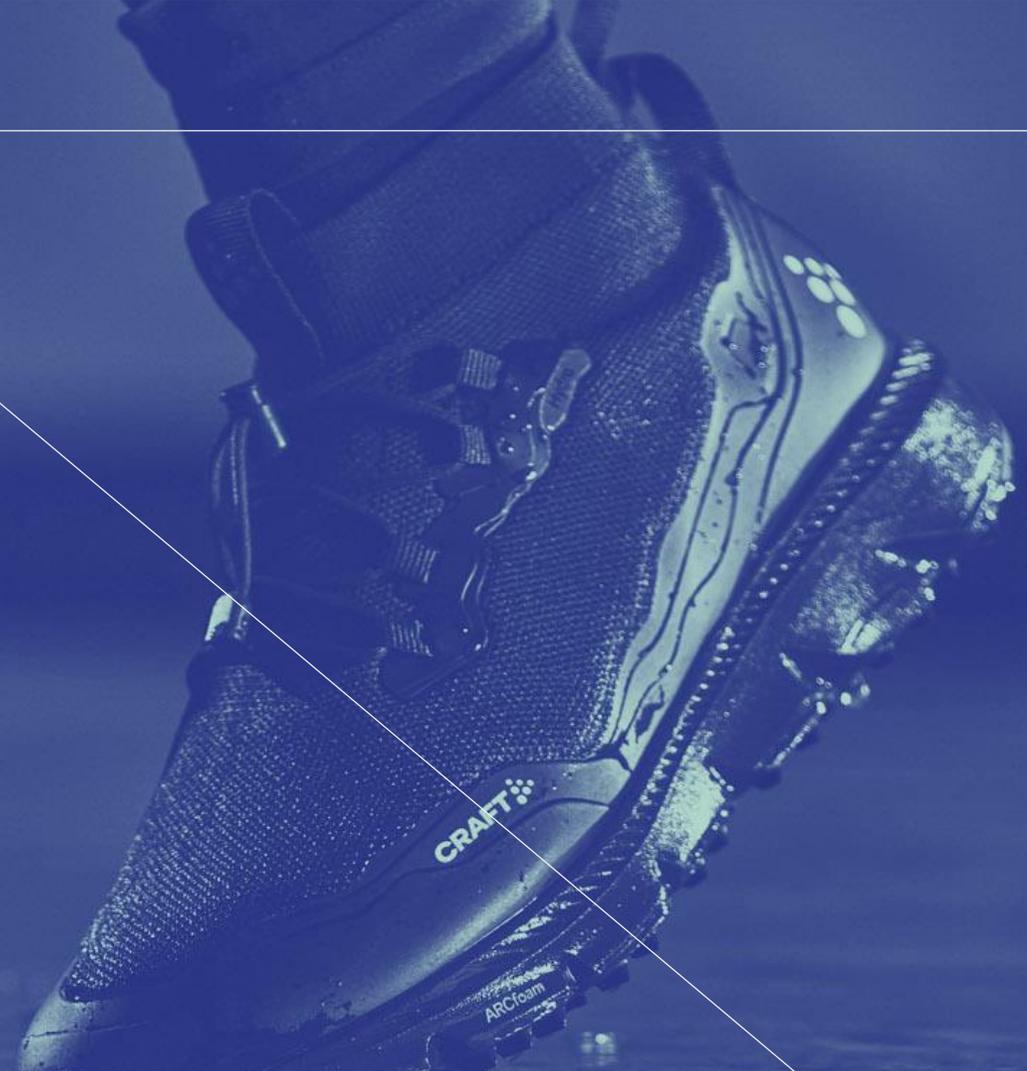
*The vision for the Corporate operating segment is to become the leading supplier of promotional products to corporations in Europe and one of the leading suppliers in the United States by offering companies a broad product range, strong brands, advanced expertise and service, and a superior all-inclusive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

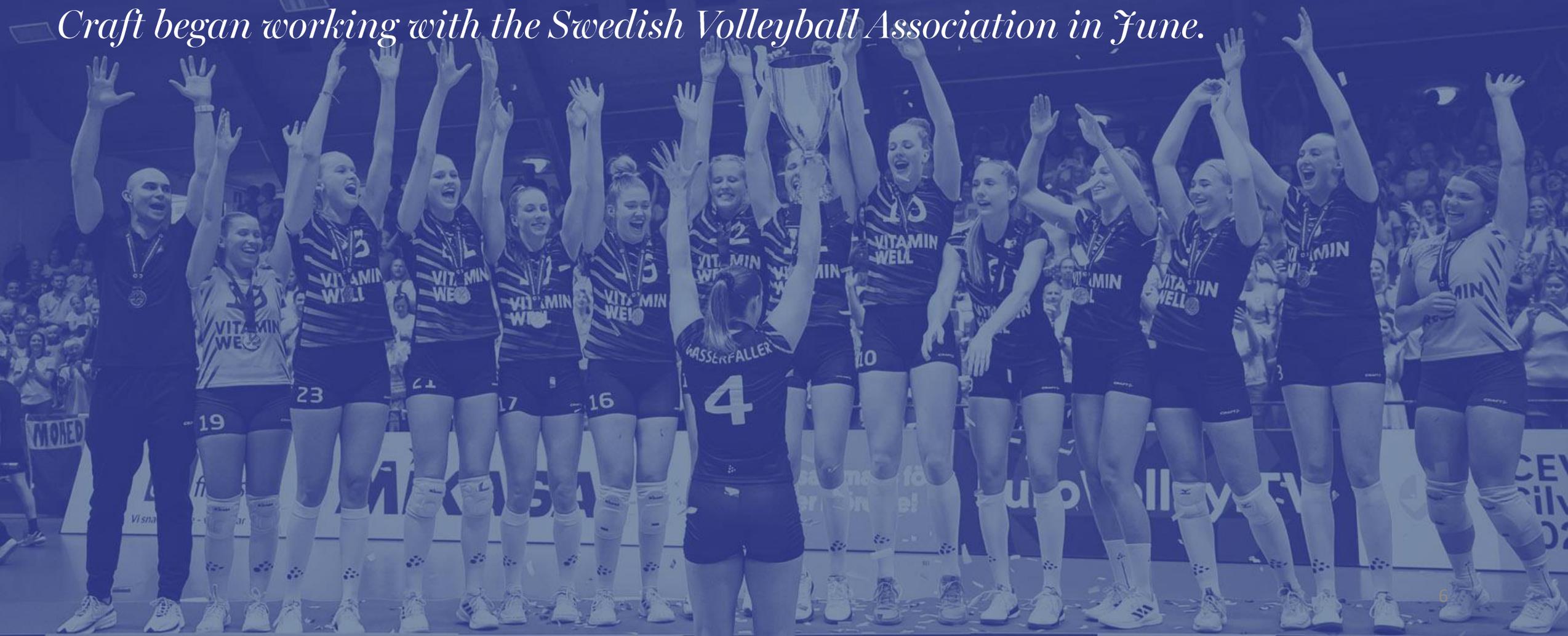
*The brand Auclair should take a leading position on gloves in Europe and we will also use Paris Glove's strong distribution platform to launch the Group's other brands in Canada.*

*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.*



*The Women's Swedish National Volleyball Team wins against Portugal in the European Silver League and is classified for the European Golden League.*

*Craft began working with the Swedish Volleyball Association in June.*



# FOOTWEAR AWARDS



**CTM ULTRA CARBON  
RACE REBEL**

'Best Fast  
Shoe.'



**PRO ENDUR  
DISTANCE**

'Best Overall  
Running Shoe'



**PRO ENDUR  
DISTANCE**

'Best Long-Run  
Shoe'



## *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*

- *Continued strong development. All segments and regions as well as both sales channels had higher net sales*
- *All time high for both net sales and results*
- *Operating result improved by SEK 109.7 million compared to the previous year and amounted to SEK 351.0 (241.3) million.*

2021

# *Financial information*

April - June



# April - June

## Net sales

- Sales amounted to SEK 2,019.2 (1,486.8) million
- Sales increased by 36% (30% in local currencies)
- Promo sales channel increased by 33%, retail increased by 40%

..... 2022 .....



# Net sales per operating segment

*Corporate +30%*

*Sports & Leisure +53%*

*Gifts & Home Furnishings +8%*



# April - June

*Net sales per geographic area and operating segment*

SEK million	Corporate		Sports & Leisure		Gifts & Home Furnishings		Total		Change %
	Apr - Jun 2022	Apr - Jun 2021	Apr - Jun 2022	Apr - Jun 2021	Apr - Jun 2022	Apr - Jun 2021	Apr - Jun 2022	Apr - Jun 2021	
USA	63.3	38.2	448.5	276.2	15.0	11.1	526.8	325.5	62%
Sweden	142.7	122.0	154.4	114.3	180.1	170.3	477.2	406.6	17%
Central Europe	219.2	138.0	93.3	66.6	7.5	6.4	320.0	211.0	52%
Nordic countries excl. Sweden	135.8	106.1	125.6	83.4	12.3	10.6	273.7	200.1	37%
Southern Europe	264.3	185.0	26.3	12.7	0.1	0.1	290.7	197.8	47%
Other countries	93.8	119.5	33.4	22.3	3.6	4.0	130.8	145.8	-10%
<b>Total</b>	<b>919.1</b>	<b>708.8</b>	<b>881.5</b>	<b>575.5</b>	<b>218.6</b>	<b>202.6</b>	<b>2 019.2</b>	<b>1 486.8</b>	<b>36%</b>

## April - June

2022

- **Gross profit margin amounted to 51.0 (48.3)%**
  - Corporate and Gifts & Home increased while Sports & Leisure were on the same level
- **External costs and personnel costs amounted to a total of SEK -633.9 (-476.6) million**
  - Increase of volume-related costs
  - Increased marketing activity
  - Appropriately staffed for the current volumes
- **Operating result amounted to SEK 351.0 (241.3) million**
  - Higher net sales and improved Gross profit margin
- **Result for the period amounted to SEK 265.0 (187.7) million**

SEK million	Apr - Jun 2022		Apr - Jun 2021	
Net sales	2 019.2		1 486.8	
Goods for resale	-989.8		-769.2	
<b>Gross profit</b>	<b>1 029.4</b>	<b>51.0%</b>	<b>717.6</b>	<b>48.3%</b>
Other operating income	28.9		59.4	
External costs	-345.0		-233.8	
Personnel costs	-288.9		-242.8	
Depreciation and write-downs of tangible and intangible fixed assets	-58.3		-56.0	
Other operating costs	-15.1		-2.9	
Share of associated companies' result	0.0		-0.1	
<b>Operating result</b>	<b>351.0</b>	<b>17.4%</b>	<b>241.3</b>	<b>16.2%</b>
Net financial items	-10.4		-9.4	
<b>Result before tax</b>	<b>340.6</b>		<b>231.9</b>	
Tax on result for the period	-75.5		-44.3	
<b>Result for the period</b>	<b>265.0</b>		<b>187.7</b>	
Result per share (SEK)	3.99		2.84	

# April - June

## Operating result per operating segment

### Corporate

- Higher sales in all regions except Other countries due to lower trading activities in Asia

### Sports & Leisure

- Increased sales in all regions
- Prior year incl income of SEK 35 million related to forgiveness of loans (PPP) in USA

### Gifts & Home Furnishings

- Higher net sales, mainly related to Sweden, USA and the Other Nordic countries
- Improved Gross profit margin
- Lower result mainly related to market investments, higher energy costs and more employees.

..... 2022



# 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 2022	Apr - Jun 2021
	346.0	219.0
	-277.9	-33.7
<b>Cash flow from operating activities</b>	<b>68.1</b>	<b>185.3</b>
Investing activities	-55.2	-24.0
<b>Cash flow after investing activities</b>	<b>12.9</b>	<b>-161.3</b>
Financial activities	-28.4	-95.4
<b>Cash flow for the period</b>	<b>-15.5</b>	<b>65.9</b>

## *Strong balance sheet*

### SEK million

	30 Jun 2022	30 Jun 2021
Equity	5 027.9	4 195.8
Equity ratio, %	59.0	58.9
Net debt, SEK million	1 356.1	1 307.3
Net debt to credit institutes, SEK million	695.2	593.5
Equity per share, SEK	75.77	63.11

## Rolling 12 months

- **Continuing rising operating margin** now amounts to 15.8 %

.....  
2022  
.....

SEK million	Rolling 12 months	
Net sales	7 764.3	
Goods for resale	-3 985.1	
<b>Gross profit</b>	<b>3 779.2</b>	<b>48.7%</b>
Other operating income	87.0	
External costs	-1 265.9	
Personnel costs	-1 100.4	
Depreciation and write-downs of tangible and intangible fixed assets	-234.3	
Other operating costs	-40.5	
Share of associated companies' result	-0.6	
<b>Operating result</b>	<b>1 224.5</b>	<b>15.8%</b>
Net financial items	-40.9	
<b>Result before tax</b>	<b>1 183.6</b>	
Tax on result for the period	-260.5	
<b>Result for the period</b>	<b>923.0</b>	
Result per share (SEK)	13.89	

2022

# *Financial information*

January - June



# January - June

## Net sales

- Sales amounted to SEK 3,794.1 (2,748.4) million
- Sales increased by 38% (32% in local currencies)
- Promo sales channel increased by 40%, retail increased by 35%

2022



# Net sales per operating segment

*Corporate +38%*

*Sports & Leisure +47%*

*Gifts & Home Furnishings +10%*



# January- June

*Net sales per geographic area and operating segment*

SEK million	Corporate		Sports & Leisure		Gifts & Home Furnishings		Total		Change %
	Jan - Jun 2022	Jan - Jun 2021	Jan - Jun 2022	Jan - Jun 2021	Jan - Jun 2022	Jan - Jun 2021	Jan - Jun 2022	Jan - Jun 2021	
USA	132.0	84.1	783.0	476.3	29.0	22.2	943.9	582.6	62%
Sweden	254.7	218.8	313.5	247.1	322.2	297.8	890.4	763.7	17%
Central Europe	409.1	262.2	184.4	146.3	12.2	11.2	605.7	419.7	44%
Nordic countries excl. Sweden	235.5	178.4	229.0	158.4	24.7	18.3	489.2	355.1	38%
Southern Europe	485.3	342.1	48.2	34.5	0.2	0.1	533.7	376.8	42%
Other countries	253.9	195.4	70.1	46.1	7.2	9.0	331.2	250.6	32%
<b>Total</b>	<b>1 770.4</b>	<b>1 281.1</b>	<b>1 628.2</b>	<b>1 108.6</b>	<b>395.5</b>	<b>358.7</b>	<b>3 794.1</b>	<b>2 748.4</b>	<b>38%</b>

## January - June

2022

- **Gross profit margin amounted to 49.4 (48.1)%**
  - Primarily in Corporate and Gifts & Home Furnishings
- **External costs and personnel costs amounted to a total of SEK -1,220.1 (-938.6) million**
  - Increase of volume-related costs
  - Increased marketing activity
  - Appropriately staffed for the current volumes
- **Operating result amounted to SEK 560.1 (341.5) million**
  - Higher net sales and improved Gross profit margin
- **Result for the period amounted to SEK 418.5 (255.4) million**

SEK million	Jan – Jun 2022	Jan – Jun 2021
Net sales	3 794.1	2 748.4
Goods for resale	-1 921.4	-1 425.6
<b>Gross profit</b>	<b>1 872.7</b>	<b>1 322.8</b>
	<b>49.4%</b>	<b>48.1%</b>
Other operating income	51.5	76.0
External costs	-656.6	-458.6
Personnel costs	-563.5	-480.0
Depreciation and write-downs of tangible and intangible fixed assets	-117.1	-110.1
Other operating costs	-26.9	-8.1
Share of associated companies' result	0.0	-0.5
<b>Operating result</b>	<b>560.1</b>	<b>341.5</b>
	<b>14.8%</b>	<b>12.4%</b>
Net financial items	-20.0	-22.1
<b>Result before tax</b>	<b>540.1</b>	<b>319.3</b>
Tax on result for the period	-121.5	-63.9
<b>Result for the period</b>	<b>418.5</b>	<b>255.4</b>
Result per share (SEK)	6.31	3.88

# January - June

## Operating result per operating segment

### Corporate

- Higher sales in all regions
- Improved Gross profit margin

### Sports & Leisure

- Increased sales in all regions
- Prior year incl income of SEK 35 million related to forgiveness of loans (PPP) in USA

### Gifts & Home Furnishings

- Higher net sales, mainly related to Sweden, USA and the Other Nordic countries
- Lower result mainly related to market investments in Destination Kosta.

..... 2022



# January - June

## Cash flow

SEK million

	Jan - Jun 2022	Jan - Jun 2021
Cash flow from operating activities before changes in working capital	549.6	306.1
Change in working capital	-476.3	246.3
<b>Cash flow from operating activities</b>	<b>73.3</b>	<b>552.5</b>
Investing activities	-80.5	-39.1
<b>Cash flow after investing activities</b>	<b>-7.2</b>	<b>513.3</b>
Financial activities	-44.7	-441.6
<b>Cash flow for the period</b>	<b>-51.9</b>	<b>71.8</b>

Torsten Jansson  
**CEO**  
*comments*

*”It is with pride and joy that we  
can present another record  
quarter.”*



**Torsten Jansson**  
CEO

## April - June

- **Net sales have increased eight quarters in a row.** The quarter increased 36% (30% in local currencies)
- **All regions** increased (except Other countries since our trading activities were lower than py) and both sales channels had good growth
- **The USA is once again our biggest market.**
- **All time high for net sales and result**
- **Operating margin** amount to 17.4%, which is also an all time high

## January - June

- **Net sales increased** by 38% (32% in local currencies).
- **Operating margin has improved** and amounted to 14.8% compared to 12.4% for the same period in the previous year
- **Rolling 12-months has an operating margin of 15.8%**

Torsten Jansson  
**CEO**  
*comments*

*”It is with pride and joy that we  
can present another record  
quarter.”*



**Torsten Jansson**  
CEO

## The future

- **Further stock build-up** is needed to meet the increased demand
- **Strong balance sheet**
- **We continue to take market shares**
- **Clique and Cutter & Buck** develops very well and continues to grow.
- **42% growth in Craft's base orders for the fall**



*Capital Market Day – 6 October 2022.*

*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