2013

BUSINESS
STRATEGY
CORPORATE
GOVERNANCE

New Wave
GROUP

Pulse by Ingegerd Råman

Château by Bertil Vallien

Is a growth company that designs, acquires and develops brands and products in the corporate promo, sport, gifts and home furnishings sectors.

The Group will achieve synergies by coordinating design, purchasing, marketing, warehousing and distribution of its product range.

To ensure good risk diversification, the Group will market its products in the corporate promo market and the retail market.

CONTENTS

NEW WAVE GROUP'S

BRAND

CORPORATE PROMO

CLIQUE · Cottover · D.A.D Sportswear · d-vice · Grizzly · Harvest · hurricane · Jingham · Jobman Workwear · New Wave · Lord Nelson · Lord Nelson Victory · Mac One · Toppoint · nightingale · queen anne · Projob Swedish Workwear · Texas Bull · Printer Active Wear

SPORTS & LEISURE

Annika Cutter & Buck · Cutter & Buck · Auclair · CLIQUE · CRAFT · PAX · Gants Laurentide Ltée Gloves Ltd. · sköna marie · speedo · umbro · Seger · Ahead · Kate Lord · Le Gant Paris Glove

GIFTS & HOME FURNISHINGS

Kosta Boda · Orrefors · Kosta Linnewäfveri · Orrefors Jernverk · Sagaform · SEA glasbruk Kosta Sweden · Kosta Boda Art Hotel · Linnéa Art Restaurant · Kosta Förlag

2013

IN SUMMARY

- Sales amounted to SEK 4,047 million, which was 5 % lower than last year (SEK 4,280 million).
- Acquired business contributed by SEK 27 million in turnover and SEK 2.4 million in profit for the year.
- Operating profit amounted to SEK 290.7 (73.1) million. Last year included restructuring costs of SEK -212.0 million.
- Profit for the year amounted to SEK 187.1 (5.8) million. Last year included restructuring costs of SEK -161.5 million.
- Earnings per share amounted to SEK 2.82 (0.08).
- Cash flow from operating activities amounted to SEK 358.5 (341.1) million.
- Equity ratio improved by 5.7 percentage points and amounted to 49.8 (44.1) %.
- Net debt to equity ratio decreased by 17.4 percentage points and amounted to 60.1 (77.5) %.
- The Board has decided to propose a dividend of SEK 1.00 (1.00) per share.

EVENTS IN BRIEF

The group's sales was lower than last year, which primarily is related to weaker market conditions in the promo sales channel together with a mild winter regarding the retail sales channel.

The Group has continued to work with cost levels and the implementation of cost savings measures had a positive affect on the result during the year. Our efforts to streamline our operations continue. However, we do not see further reduced costs in sales and marketing as a sustainable long-term development and therefor these will increase in during 2014.

New Wave Group AB and Orrefors Kosta Boda AB (OKB) decided during autumn 2012 on a comprehensive package of measures within OKB to create the conditions for an immediate and long-term profitability of the company. With the implemented changes, the goal for New Wave Group was that OKB would reach profitability in 2013 and beyond. We can now state that this goal has been met as OKB has a positive operating result for 2013. OKB and the brands ORREFORS and KOSTA BODA have thus achieved good conditions for positive future development.

Working capital decreased by SEK 131.9 million and the inventory turnover increased to 1.4 (1.3). Work with efficiencies and to achieve a better structure in our stock continues even during the next year.

Another objective has been to strengthen our balance sheet further. This work resulted in the Group reducing its net debt equity ratio by 17.4 percentage points to 60.1 (77.5)% and improved its equity ratio by 5.7 percentage points to 49.8 (44.1)%.

As of July 1 New Wave Group acquired, through its wholly owned subsidiary, New Wave USA Inc, the distribution of CRAFT products in North America.

CORPORATE PROMO

Sales decreased by 5% and amounted to SEK 1,587 (1,675) million and profit (EBITDA) amounted to SEK 143.5 (159.0) million. The lower sales are due to a deteriorated promo market in the Nordic countries (including Sweden) and Europe. The shortfall in sales is offset by savings.

SPORTS & LEISURE

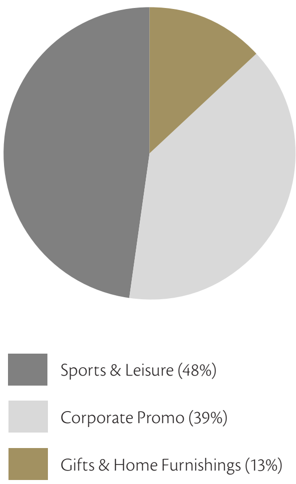
Sales decreased by 3% and amounted to SEK 1,929 (1,983) million and profit (EBITDA) amounted to SEK 154.8 (161.8) million. The sales decrease is primarily related to the Swedish and European markets. The lower profit is mainly related to the lower sales but also higher sales and marketing costs. The acquired business impacted by SEK 27 million in sales and SEK 3.8 million in earnings.

GIFTS & HOME FURNISHINGS

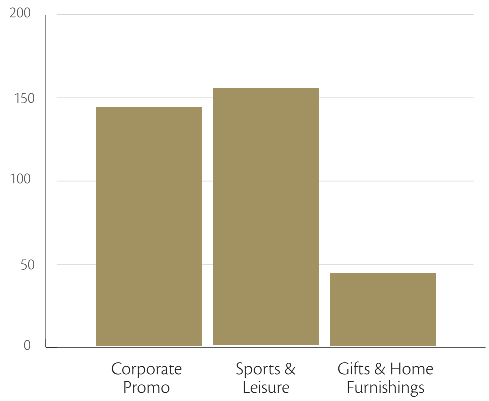
Sales decreased by 15% and amounted to SEK 531 (623) million and profit (EBITDA) amounted to SEK 44.5 (-157.8) million. The decrease in sales was mainly attributable to Orrefors Kosta Boda and its export sales as well as sales in the promo channel. The improvement in EBITDA is primarily related to last year's restructuring costs in Orrefors Kosta Boda, which impacted by SEK -172 million. Even excluding these costs EBITDA improved, due to the implementation of cost savings measures in Orrefors Kosta Boda.

KEY FIGURES	2013	2012
Turnover, SEK million	4 047.4	4 280.2
Profit before depreciation, SEK million	342.8	123.7
Profit after depreciation, SEK million	290.7	73.1
Profit after finance net, SEK million	234.5	14.6
Gross profit margin, %	46.2	43.6
Equity, SEK million	2 102.8	1 958.0
Return on equity, %	9.3	0.4
Return on capital employed. %	8.2	2.0
Net debt/equity, %	60.1	77.5
Net debt through operating capital, %	67.6	77.3
Equity ratio, %	49.8	44.1
Number of employees	2 123	2 258
Profit per share, SEK	2.82	0.08
Equity per share, SEK	31.69	29.51

TURNOVER PER OPERATING SEGMENT, SEK MILLION



EBITDA PER OPERATING SEGMENT, SEK MILLION



CEO COMMENTS

2013 – THE LAST "BORING" YEAR

From a sales and profitability perspective, I am not satisfied with 2013. Given the current market, an incredibly mild winter and too low inventories within Corporate Promo, I think that the outcome is okay – but not more. The positive, is that we have gone through the worst with Orrefors Kosta Boda and can now look ahead, the trademark Craft is getting stronger all the time and we are now equipping ourselves for an expansion within Corporate Promo.

The next positive thing is our extremely strong balance sheet which gives us great opportunities for future expansion. Last but not least we have today, in my opinion, the strongest and most competent leadership we may ever have had, with a strong commitment in Europe, Asia and the USA. Moreover, our leadership has regained the confidence that we had up until 2009 and were then knocked about for a few years – one can well summarize management's mood in two words; Revenge lust!

2014

2014 will be a very exciting year! As I previously said, we will probably not do any good during the first half, but you as shareholders can be assured that we know exactly what we are doing and the results will come.

The first half will not be as good because we partly do not have the inventory that we need and partly because we successively started increasing our selling and marketing efforts from Q4 2013. Initially, this will give higher costs without significantly affecting sales. From Q3 2014 it will gain momentum and the following are some of the measures that will help to yield good growth results:

- *Increasing inventories:* We will increase inventories of our existing profile lineup by about SEK 250 million, which will once again give us satisfied customers and increased sales in Corporate Promo.

- *Launch of new basic line in Europe and the U.S:* In Europe, our basic line will be broadened and in the U.S. it will be launched. We see great opportunities in both markets but especially in the U.S. where we are now beginning to launch the largest, wide basic lines with the largest volumes. This will initially increase capital tied up by about SEK 150 million.

- *Expansion of the sales force in the promo sales channel in the U.S:* Today we have about 30 commission-based salesmen who represent Cutter & Buck, Clique, and in many cases also other brands. We will during 2014 recruit a further 30–40 salesmen who will exclusively represent our brands.

- *Expansion of the sales force in Europe in Corporate Promo:* During the year we will recruit up to 25 additional salesmen in Europe, which is a restoration to the levels we had before in 2009.

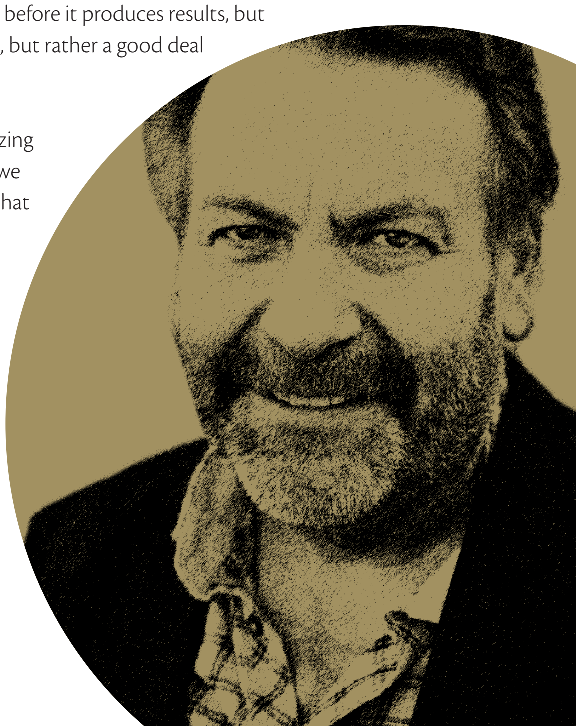
- *Craft Germany:* During the year we will increase investment in Germany specifically, both through increased sales teams of 5–10 people and increased marketing efforts as we believe that Craft is now ready to significantly increase its market share in Germany.

Altogether, these measures will, from the second half of the year, create good growth and increased profitability – although once again I want to point out that the first half of the year will be mediocre development wise and may even fall in profitability.

My only concern is that the above measures may take a quarter or two longer than we expect before it produces results, but otherwise I feel no concern, but rather a good deal of confidence!

We had a thrilling and amazing journey in 1997–2008 and we proved during 2009–2013 that we can deal with crises and difficult conditions. 2014 and onwards we are on a new journey, hopefully as thrilling and exciting as 1997–2008!

Now it's full steam ahead!



TORSTEN JANSSON
MD and CEO

ABOUT NEW WAVE GROUP

BUSINESS CONCEPT

New Wave Group is a growth company that designs, acquires and develops brands and products in the corporate promo, sports, gifts and home furnishings sectors. The Group will achieve synergies by coordinating design, purchasing, marketing, warehousing and distribution of its product range. To ensure good risk diversification, the Group will market its products in the promo market and the retail market.

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.

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 developing Speedo in the Scandinavian markets. With regards to prior year's 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. Together, this means that in the future we will claim a strong market position in Canada in the Sports & Leisure operating segment and workwear. 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. Our vision is also to make PAX the leading children's footwear brand in northern Europe.

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

PROFITABILITY & GROWTH TARGETS

New Wave Group strives for sustainable, profitable sales growth through expansion in its three operating segments, Corporate Promo, Sports & Leisure and Gifts & Home Furnishings. Over a period of one business cycle, the Group's growth target is between 10 and 20% per year, of which between 5 and 10% is organic growth and a 15% operating margin. In addition, New Wave Group aims for at least 30% equity ratio over one business cycle.

STRATEGY

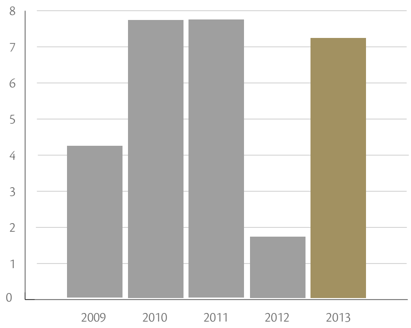
To realise its targets, New Wave Group's strategy involves:
Acquiring, launching and developing the brands in the corporate promo, sports, gifts and home furnishings sectors launching the brands and organisations in new geographic markets spreading the Group's values to new and acquired companies

NEW WAVE GROUP'S VALUES

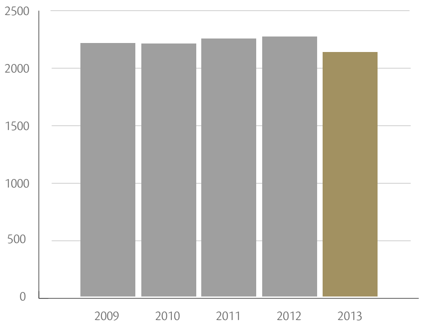
New Wave Group is a decentralised organisation and the Group's values are its guiding principle. We are dedicated to upholding and spreading New Wave Group's values within the Group and particularly when acquiring new companies. New Wave Group does its utmost to find inexpensive, simple solutions and adheres to the motto "a penny saved is a penny earned".

It takes hard work to outperform competitors. Employees must have the conviction to take initiative and to learn from their mistakes in a decentralised organisation. Customer focus is a central principle for the organisation as a whole and imperative to doing our utmost.

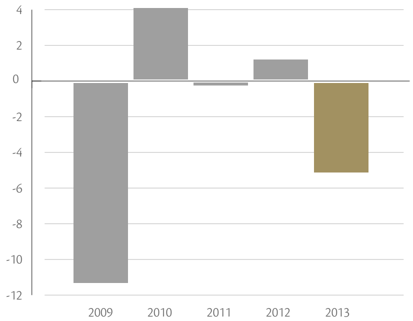
OPERATING MARGIN, %



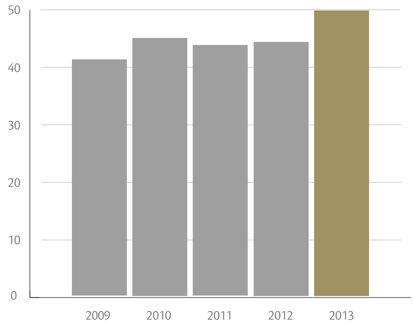
NUMBER OF EMPLOYEES



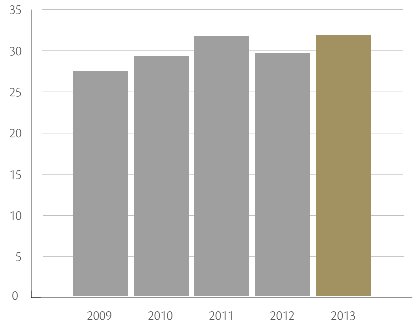
GROWTH, %



EQUITY RATIO, %



EQUITY PER SHARE, SEK



HISTORY

New Wave Group was established in 1990 in Sweden and Norway and in 1994 in Finland. The Group ranks as market leader in these markets, with an estimated promowear market share of about 20%. In 1996 Craft was acquired, which established sales in the retail operating segment. With its 2001 acquisition of Sagaform, New Wave Group moved into promotional gifts, which generated substantial synergies with the Group's other promo activities. In 2003, New Wave Group developed its own workwear concept under the ProJob brand and sealed the venture with the acquisition of Jobman. Following its launch in workwear, New Wave Group is currently the only supplier to cover all three segments (promowear, promotional gifts and workwear) in the promo sector. To further strengthen the Group's gifts and giveaways segment the Orrefors Kosta Boda Group was acquired in late 2005. Cutter & Buck was acquired in 2007 and secured a sound foothold in the North American market. The Group's presence in North America was further strengthened during 2011 when AHEAD Inc and Paris Glove of Canada Ltd were acquired, and 2013 when the distribution of Craft's products were aquired.

The Group has gradually expanded and set up organisations in Europe, North America and Asia. New Wave Group has established sales organisations and its own subsidiaries in 17 countries. Via retailers, New Wave Group distributes the Craft brand in 26 markets in Europe, North America and Asia. Sales in non-Swedish markets make up about 74% of the Group's sales and amount to SEK 3,011 million. Sweden is an important market since most of the acquisitions in the past years have involved Swedish companies, but the recent acquisitions in North America have made this region the biggest market during 2013 when it comes to proportion of sales.

1990
New Wave Group gets established in Sweden and Norway

1994
Acquisitions in Finland and Italy

1996
Acquisition of Craft of Scandinavia

1997
Establishment in Denmark, Spain and German

1998
Acquisition of Hefa

1999
Establishment in The Netherlandsand England

2000
France. Acquisition of Texet

2001
Acquisition of Sagaform and Seger

2002
Acquisition of DJ Frantextil, X-Tend and Toppoint

2003
Establishment in China and Switzerland. Establishing of ProJob

2004
Acquisition of D.A.D Sportswear, Jobman och SMAP

2005
Ireland, Wales and Russia
Acquisition of Dahetra, Orrefors Kosta Boda and Intraco

2006
Large investments in Orrefors Kosta Boda

2007
Acquisition of Cutter & Buck

2008
Introduction of Clique/New Wave in the U.S
Establishment of New Wave Sports

2009
Grand opening of Kosta Boda Art Hotel
Introduction of Cutter & Buck in Europe

2010
Establishment of Linnéa Art Restaurant
Cutter & Buck is establishing a new distribution center in Kentucky

2011
Acquisition of AHEAD and Paris Glove

2012
Measures taken to convert Orrefors Kosta Boda AB into a design and market driven company

2013
Acquisition of Craft distribution in North America

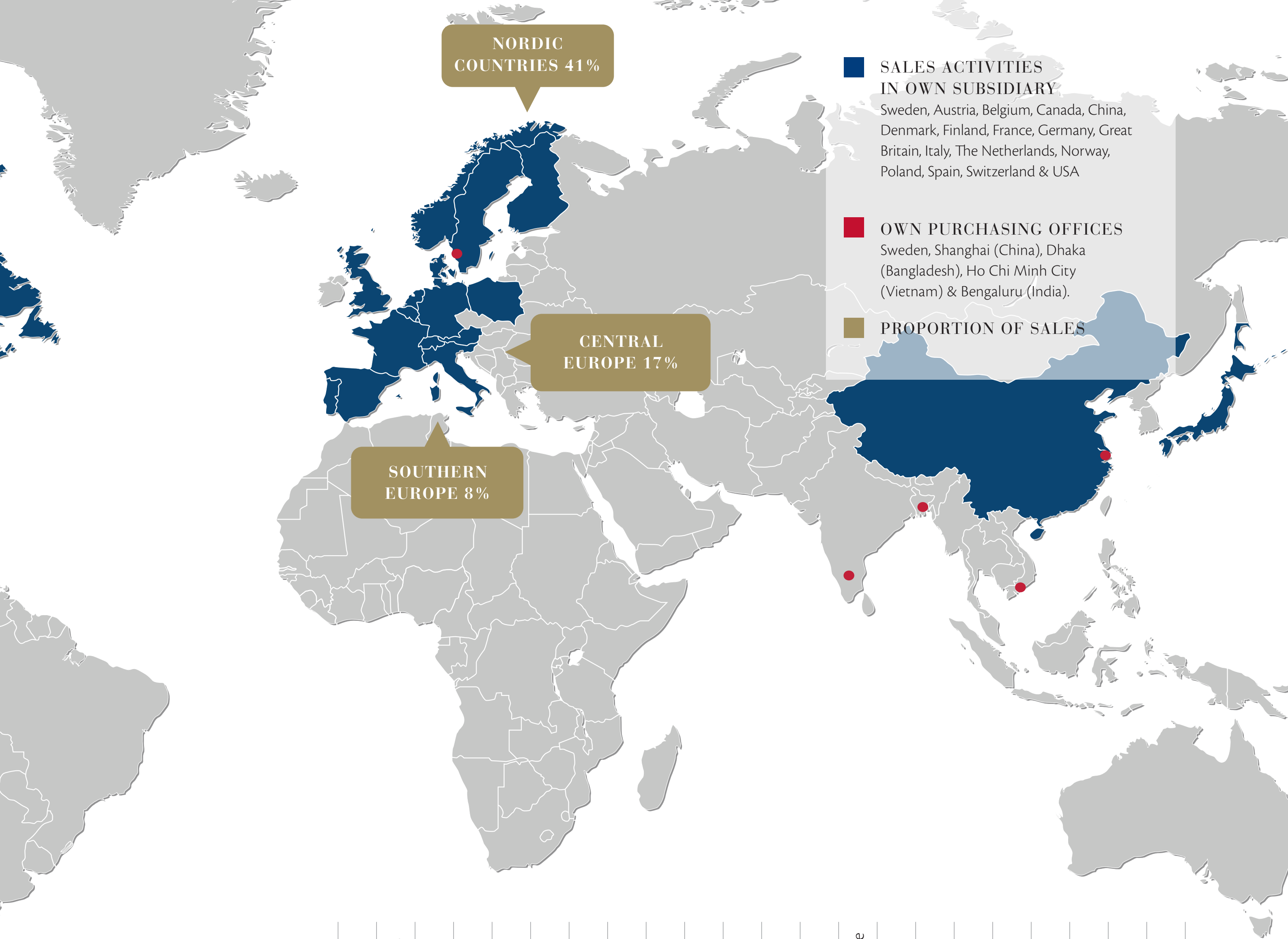
NEW WAVE GROUP IN THE WORLD

New Wave Group has evolved from a market-leading player in the Nordic countries to a prominent player in several other markets. This applies to all operating segments. The Group works with strong international brands such as Craft, Cutter & Buck, Orrefors and Kosta Boda.

The Group's business strategy entails launching brands and developing concepts on new markets. The company's tactics for foreign launches involves only targeting the corporate promo market to start with one or a couple of the Group's brands. Business must be conducted with low costs to limit the financial risks. When satisfactory profitability and good growth have been achieved, more promo brands can be launched and the retail market targeted. If distributors handle the launches, retail launches can be carried out without promo launches, such as in the case of the Craft launch in the USA. New Wave Group regularly invests a share of its operating profits in new markets. New Wave Group currently has subsidiaries in 17 countries and has carried out 196 launches under its existing brands. By solely introducing the Group's existing concepts in countries where the Group already has its own organisations, at least 175 new launches remain to be carried out.

PROPORTION OF SALES

	2013	Share of sales	2012	Share of sales	Change, SEK million	Change, %
Sweden	1 036	26%	1 158	27%	-122	-11%
USA	1 095	27%	1 112	26%	-17	-2%
Nordic region excl Sweden	589	15%	628	15%	-39	-6%
Central Europe	710	17%	743	17%	-33	-4%
Southern Europe	335	8%	356	8%	-21	-6%
Other countries	282	7%	283	7%	-1	0%
Total	**4 047**	**100%**	**4 280**	**100%**	**-233**	**-5%**



	AHEAD/ Kate Lord	Auclair/ Laurentide/ Paris	Clique/New Wave	Clique Retail	Craft	Cutter & Buck	D.A.D	d-vice	Grizzly/Cottover	Harvest/Printer	Hurricane	Jobman	Kosta Boda	Lord Nelson/Queen Anne	Mac One/Jingham	Orrefors	PAX/Sköna Marie	Projob	Sagaform	SEA	Seger	Toppoint
Sweden	●		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Austria			●		●			●		●		●						●	●			●
Belgium			●		●	●	●	●	●	●		●	●			●		●	●		●	●
Canada		●				●				●								●			●	
China			●					●					●			●						
Denmark			●		●	●	●	●	●		●	●	●	●	●	●		●	●	●	●	●
Finland			●			●	●		●	●		●	●	●	●	●	●	●	●	●	●	●
France			●				●	●	●	●			●			●		●	●			●
Germany			●		●		●	●	●	●	●	●	●			●		●	●	●		●
Italy			●		●	●		●		●		●		●				●				●
Netherlands			●		●	●	●	●		●	●	●						●	●		●	●
Norway			●		●	●	●	●	●	●	●	●	●	●		●	●	●	●	●	●	●
Poland							●	●	●	●				●				●	●		●	●
Spain			●					●		●				●				●	●			●
Switzerland			●		●	●		●		●		●						●				
UK			●		●	●	●	●	●	●		●	●			●		●	●			●
USA	●	●	●		●	●		●				●	●			●			●	●	●	

Small company FLEXIBILITY *with large company* SYNERGIES

New Wave Group markets products under several different brands. The company strives for complete integration from the beginning of the chain in order to attain competitive advantages. The synergies are evident for operational segments Corporate Promo, Sports & Leisure as well as Gifts & Home Furnishings within several areas.

DESIGN

The company has extensive experience in design and product development. Elaborate strategies are applied to each brand regardless of product category. The various concepts within the operational segments Sports & Leisure and Gifts & Home Furnishings have their own product development activities. Corporate Promo's product development activities are coordinated since the design is less fashion sensitive.

Well designed promowear suits both men and women of working age and allow ample room for profiling (i.e. logotypes) since the clothes target the corporate market. Many of the designs for Sports & Leisure and Gifts & Home Furnishings are based on form and function. The Group has several close partnerships with athletes at both elite and amateur level in a variety of sports. Kosta Boda and Orrefors teams with several famous artists, a collaboration that is also used in the development of the Kosta Linnewäfveri and Orrefors Jernverk brands.

PURCHASING & PRODUCTION

The Group's total purchasing volume considerably surpasses most of its competitors in the promo market, giving major cost savings in terms of coordinating purchasing, transportation and warehousing. In addition to Sweden, New Wave Group has purchasing offices in Bangladesh, China, India and Vietnam. New Wave Group currently has about 300 suppliers. The Group has locally employed quality controllers who supervise production and safeguard that

GROUP-WIDE COLLABORATION

A STRONG OFFER

the suppliers fulfil the Group's quality and environmental requirements. It is essential that quality issues are detected before the goods are shipped to Europe and the USA in order to correct them and deliver high quality products to the customer. The Group also has controllers employed to oversee that suppliers confirm to the Group's Code of Conduct.

New Wave Group owns a few factories. In Sweden, Seger Europe has a production unit for knitted items (hats, socks and scarves) and Orrefors Kosta Boda glass making facilities. In the Netherlands, Toppoint runs printing operations for, among other things, pen and mug prints. In Denmark, Dahetra owns a production facility for embroidery and transfer printing. In the USA, AHEAD and Cutter & Buck have some embroidery production and Paris Glove a production unit for gloves.

LOGISTICS & WAREHOUSE

Most of the Group's products are manufactured in Asia. Major economies of scale are possible by coordinating transports to Europe. The Group continues to concentrate on few warehouses, which enables the Group to keep tied up capital at a minimum. Logistics can also be coordinated by doing business in both the promo and retail markets, where the two sales channels have most products in common.

CORPORATE PROMO

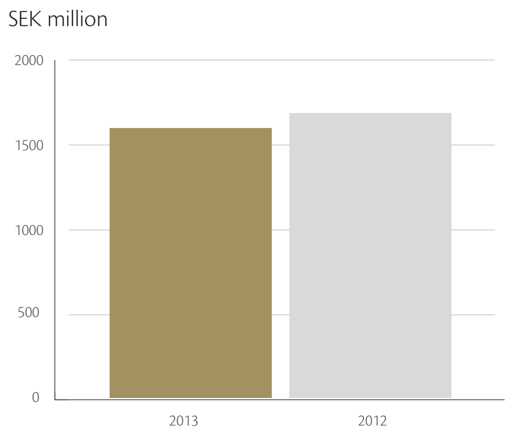
Corporate Promo is New Wave Group's largest operating segment and the brands are divided into three subdivisions: promowear, promotional gifts and workwear. Business is conducted with 19 brands in a total of 17 countries on three continents. The operating segment's domestic market is the Nordic countries which also answer for most of the sales. Corporate Promo answered for 39% of the Group's sales and SEK 143.5 million of the Group's profits (EBITDA) in 2013. The brands in the Corporate Promo operating segment are sold primarily in the promo sales channel, but some brands are also sold in the retail sales channel.


19
HARVEST
88

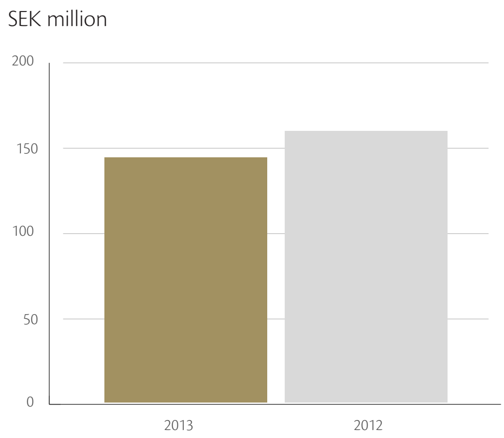
2013

CORPORATE PROMO

TURNOVER



RESULT (EBITDA)



OUR OFFER

Corporate Promo's subdivisions – promowear, promotional gifts and workwear – consist of products that cover all price levels and qualities. Promowear and promotional gifts have similar application areas (to promote and market brands) and are marketed by the same type of retailers. Workwear is primarily used when functional, durable work clothes are needed in many professions.

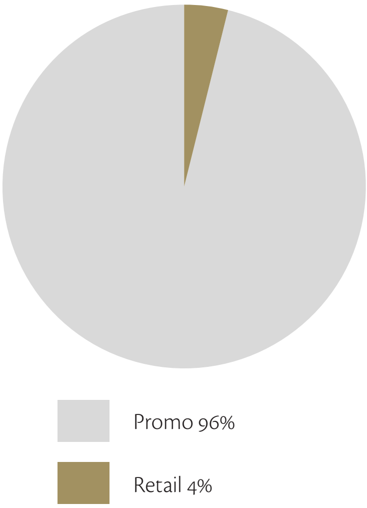
Within the promowear segment, New Wave Group offers clothes adapted for printing and embroidery which, in addition to price and quality, also cover all application areas and sizes – from favourably priced basic garments to detailed garments made of exclusive textiles, leisure, work and sports clothes, clothes in classic and trend colours, in sizes from XS to XXXL. New Wave Group's promowear brands are divided into three concepts that include such brands as D.A.D Sportswear, James Harvest Sportswear and New Wave.

The promotional gift concept is broad and the subdivision covers a multitude of products and price classes. New Wave Group can through its concept, which includes such brands as d-vice, Queen Anne and Toppoint, offer everything from pens, USB flash drives and digital picture frames to handbags, bed linens and towels.

The final piece of the Corporate Promo puzzle is workwear. In Sweden, there is a vast need for and expertise in personal protection and the issue is intensely promoted by trade unions and employers. New Wave Group can through its two brands, Jobman and ProJob, offer work clothes for such professional categories

New Wave Group offers products from all three of Corporate Promo's subdivisions: Promowear | Promotional gifts | Workwear

TURNOVER PER
SALES CHANNEL



as construction and installation workers, painters and plasterers, transport and service workers, as well as hotel and restaurant workers. The collection is all-inclusive, ranging from underwear to outer garments for all seasons and weather conditions, reflective clothing, shoes, carrying systems and accessories. All garments and products are ergonomic and durable and come in sizes for both women and men.

SALES CHANNELS

The Nordic promowear and promotional gifts market is distinguished by a clear distribution chain: manufacturer – wholesaler – retailer – end customer. The distribution is not as well organised in South and Central Europe. Distributors who market brands that they do not themselves own often have substantial influence in the market. The North American market is much more advanced and the distribution chain resembles the Nordic market.

In Sweden, there are about 2,500 retailers of promowear and promotional gifts, a high figure per capita compared with the rest of Europe and the USA. There is a wide variety of retailers, ranging

Promotional gifts is a broad concept that covers a lot of different products and price levels

from simple sole proprietorships to large companies with high-end displays and travelling sales forces. Some retailers target one of the three subdivisions, while others work all three. Most are pure sales companies, but it is equally common that retailers also print, embroider and engrave in order to have a more complete offer.

Workwear has traditionally been sold via special retailers for construction and industry, paints, etc., but today more and more channels include workwear by either collaborating with already established brands or by designing their own brands and collections. This is partly because the sector has been growing for many years, but is also attributed to a greater interest in the domestic market spurred by the large number of DIY and home decoration shows on TV. In the future, distribution will probably be even more differentiated as more players try to establish themselves in the workwear market in Sweden and Europe.

CAPITAL TIED UP

A company that orders promowear in its corporate colours for its employees or customers relies on the supplier's ability to deliver a full range of sizes and correct colours. For instance, if New Wave Group cannot deliver products in a medium size or in the end customer's corporate colours, the customer will turn to a different supplier. The Group's ambition is to deliver 98% of its products within 24 hours. The risk of obsolescence is low since most of the collection comprises timeless basic products for which there is a demand season after season. Adjustments for changes in purchasing prices are made continuously since sales are instant which limits the currency risk. Sales are made to selected retailers, which limits bad debts. Confirmed bad debt losses within Corporate Promo amounted to 0.26% of revenues in 2013. Many of the products are common to both the retail and promotional sales channels, which offers significant risk diversification. The catalogues may also be common to both sales channels.

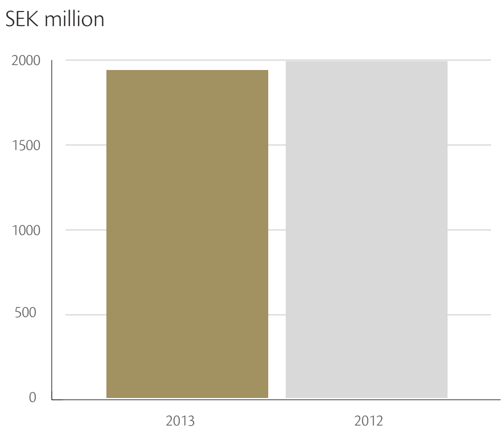
SPORTS & LEISURE

Sports & Leisure includes several internationally well-known sports brands like AHEAD, Auclair, Craft, Cutter & Buck and Seger. Business is conducted with 12 fully owned brands in 14 countries, focusing on the Nordic countries and North America. In addition to our own brands, business is also conducted with licensed brands Speedo and Umbro. Sports & Leisure answered for 48% of the Group's sales and SEK 154,8 million of its profits (EBITDA) in 2013. Most of the sales relate to the retail market (sports retail sector), but some sales also stem from the promo market.

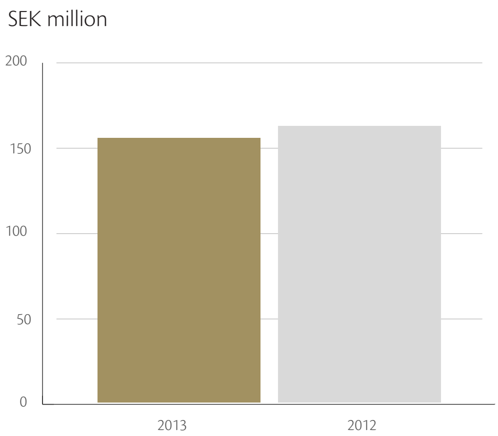
2013

SPORTS & LEISURE

TURNOVER



RESULT (EBITDA)



AHEAD

AHEAD designs and markets branded headgear, clothing and accessories. AHEAD was founded in New Bedford, MA, USA in 1995 and has benefitted from the golf industry's desire for specialised high-quality graphics on headgear and clothing, as well as the brand awareness of people who visit golf shops and tournaments nationwide. AHEAD has recently expanded its' distribution to include the corporate and collegiate markets. AHEAD is worn by many professional golfers including Retief Goosen and Brittany Lincicome and by Hall of Famer legends Jack Nicklaus, Arnold Palmer, and Annika Sorenstam.

AUCLAIR

Auclair is Canada's oldest and most renowned glove brand. Auclair delivers high-quality skiing, snowboard and bike gloves to sports retailers and specialised stores. Auclair has a more than 30 year long cooperation with the Canadian cross country skiing team. Auclair is also official supplier of gloves to practically every Canadian team on snow and ice, including alpine, snowboard, freestyle, bobsleigh, luge, Nordic combined and telemark.

LAURENTIDE

Laurentide supplies the North American industry with work gloves, protective clothing and rain gear.

PARIS GLOVE

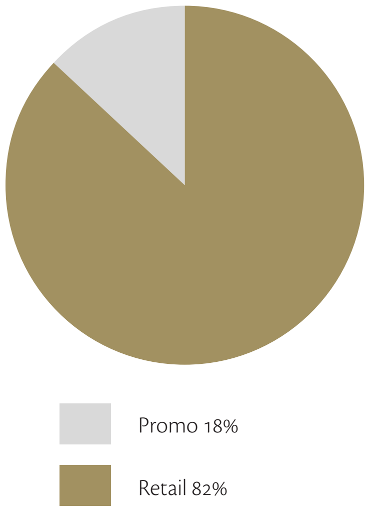
Paris Glove supplies dress and casual gloves for men and ladies to the North American market.

CRAFT

Craft is a product of sweat and tears, of snow and rain, of failure and success, but also of euphoria whenever boundaries are shifted. For four decades, we have delivered optimal performance through functional sportswear, and we have been a part of the professional sporting world for almost as long. Our knowledge of how sportswear for training and competitive events should be designed so as to offer optimal functionality comes largely from our extensive and successful cooperation with elite athletes from across the globe. Craft offers base layers, insulating middle layers and outer garments to runners, cross-country skiers, cyclists and alpine skiers of all abilities.

Sweden is Craft's domestic market, and our largest market in terms of sales. The defined focus markets with considerable potential include the other Nordic countries, the Benelux countries, Russia and Germany. Our competitors vary somewhat depending on the segment and the market, but some examples include Adidas, Castelli, Nike, North Face, Odlo, and Swix. The challenges which Craft faces going forwards are to reinforce the brand internationally and to achieve the same strong position as in our domestic market.

TURNOVER PER SALES CHANNEL



CRAFT – A LOOK BACK AT 2013

Craft has been investing heavily in cycling for several years and has worked together with a number of professional teams during this time. In 2013, we entered a new agreement with ORICA-GreenEDGE for the next few years. Craft will supply all clothing for the team, including off-the-peg competition wear and clothing for off-track activities.

"We have an exciting journey ahead of us, together with ORICA-GreenEDGE," says Jonas Peterson, CEO of Craft. "The team is based in Australia, but also includes several cyclists from many of the countries where we are focusing our growth within the cycling sector. In addition, they also have a professional-level women's team whose members include Swede Emma Johansson, which is exciting for us. The cyclists will be able to contribute their ideas and thoughts on our product development at the same time as being good ambassadors for the sport in general."

We also extended our agreement with Charlotte Kalla in 2013. "Charlotte is a fantastic sports personality with whom we have worked for several years. She has many exciting years ahead, with both the 2014 Sochi Olympic Games and the 2015 Nordic World Ski Championships on home turf in Falun," Peterson continues.

2013 also saw a lot of effort being put into the plans for future growth, with a new business plan and product plan for the next few years.

The acquisition of our American distributor has also intensified our work in the American market, where we see opportunities for growth over the next few years.

CUTTER & BUCK

Cutter & Buck is a world-leading golf inspired American clothing brand for men and women who appreciate groundbreaking, exclusive sports and leisure wear. Cutter & Buck's extensive collaboration with golf legend Annika Sörenstam has resulted in the ANNIKA collection, inspired by Sörenstam's passion for golf and strive for perfection. Cutter & Buck is sold via several different distribution channels, including the golf retail sector, the promo market, the fashion retail sector and directly to consumers (e-commerce and mail order). The objective is to build up a strong position in the golf and ready-to-wear sectors also in the European market in the long term. Cutter & Buck is also a strong platform in the North American market for introducing New Wave's other concepts.

SEGER

Seger's expertise, experience and innovativeness make it a brand that with self-confidence and attitude offers the conscious consumer an obvious choice for technically knitted socks and hats. Seger is mainly marketed in the Nordic countries, but is now also concentrating export activities to the rest of Europe. Even more markets in Central Europe and North America will be addressed in 2013–2014. In the Swedish market, Seger is challenged by brands like Bula, Falke, Housebrands, X-Socks and new niche brands. In the export market, brands like Barts, Bula, Eisbaer, Falke, X-Socks and the sports chains' own brands are the main competitors.

CLIQUE RETAIL

Clique Retail is comfortable and appealing affordable garments. The products are primarily basic ready-to-wear, i.e. products with high turnover rate and great profitability. It is our greatest challenge to explain the brand's simple yet profitable concept: we handle warehousing and therefore assume the greatest risk for lack of profitability. Sweden is Clique Retail's largest market at present and customers consist mainly of the sports chain section and the everyday commodity sector. Clique Retail's main competitors are the sports retailers' own brands.

PAX

PAX has for more than 80 years been dedicated to manufacturing high-quality shoes for children and is nowadays one of Sweden's most prominent shoe manufacturers. Carefully selected materials and innovative design is PAX's insignia. The shoes are sold through a nationwide web of local retailers. Main competitors are the shoe retailers' own brands as well as Ecco, Kavat and Viking.

SKÖNA MARIE

Sköna Marie is classic Swedish shoes brand that manufactures functional high-quality women's shoes. Sköna Marie always uses the very best raw materials and most models are made of real leather, a breathable, soft and very comfortable material. The shoes are sold through a nation-wide web of local retailers. Main competitors are Ecco, Rieker and the shoe retailers' own brands.

LICENSED SPORTS BRANDS

New Wave Group has a portfolio of very strong sports brands in various areas. The Group's main strategy is to own and thereby develop the brands and licensing has therefore historically not been part of our core business. Below is a presentation of the licensed brands that New Wave Group markets in the Swedish and Nordic markets.

UMBRO

Umbro was founded in England in 1924 and designs, develops and markets football related products. Umbro is presently a well-established brand represented all over the world and sold in more than 90 countries. Umbro supplies, among others, the Irish and Norwegian national football teams with match kits and training gear. Umbro sponsors several international professional clubs and also some prominent individual stars.

SPEEDO

Speedo was founded as far back as 1914 in Bondi Beach outside Sydney, Australia and is the most sold swimwear brand in the world. Speedo has been a world leading racing brand for a long time and more Olympic gold medals have been won in a Speedo swimsuit than in any other brand. Speedo's product line has broadened over the years and the Speedo logotype can now be found on everything from swimwear and goggles to watches and MP3 players. Speedo's products are available in more than 170 countries across the world.

SALES CHANNELS

The retail sector is the natural channel for meeting the market for all the operating segment's brands. Clique Retail, Craft, Seger, Speedo and Umbro all have a verified position in the sports retail sector, but are also sold in the promo market and through athletic clubs.

CAPITAL TIED UP

New Wave Group's objective is to keep the stock of fashion items low since the lifespan for these items is short. The retail sector focuses on less fashion-sensitive areas, such as Craft's function base garments and Seger's socks. In the retail sector sales consist largely of advanced orders compared with the promo market where deliveries are made directly against order. This means, for instance, that the customer places orders in the spring for goods to be delivered in the autumn. About 70–75% of the sales in the retail sector are advanced orders. In conjunction with orders from customers, the Group places orders with the factory which significantly reduces the risk of obsolescence. The rest of the sales, so called supplementary sales, are primarily base items with limited fashion risks. In order to limit its foreign exchange risk, the company hedges between 50–80% of the purchasing costs. Sales are made to selected retailers, which limits bad debts. However, there is a higher concentration to fewer customers in the retail segment compared with the promo segment. In 2013, confirmed bad debt losses in the Sport & Leisure operating segment made up 0.15% of sales. Many of the products are the same for both the promo and retail sales channels, which provides a significant spread of risk. Moreover, the two sales channels can use the same product catalogues.

GIFTS & HOME FURNISHINGS

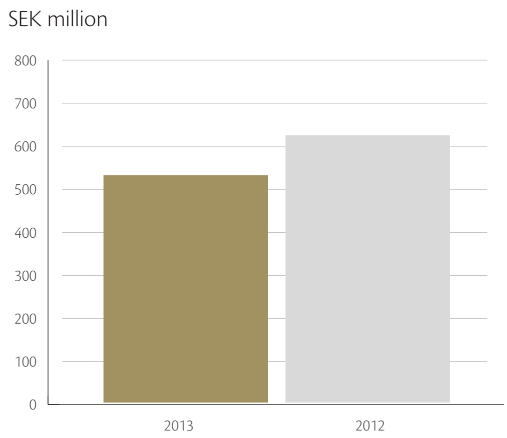
Several strong brands such as Kosta Boda, Orrefors, and Sagaform comprise part of the Gifts & Home Furnishings operating segment. A total of nine brands are established in 14 countries. Sweden is the largest market and also accounts for a large proportion of sales. In 2013, Gifts & Home Furnishings accounted for 13% of the Group's sales and SEK 44.5 million of the Group's profits (EBITDA). The brands are sold primarily on the retail market, but also within the Corporate Promo market.

*Difference by
Erika Lagerbielke*

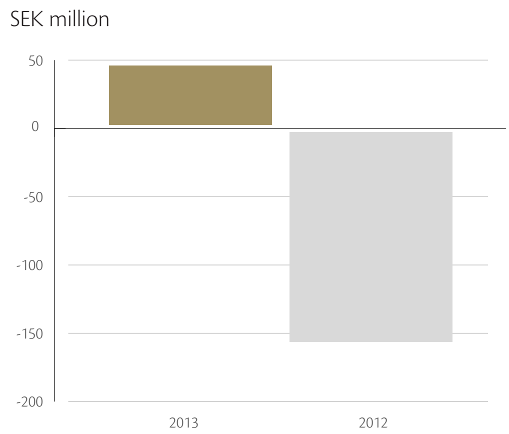
2013

GIFTS & HOME FURNISHINGS

TURNOVER



RESULT (EBITDA)



ORREFORS KOSTA BODA AB

The restructuring package presented during the fall of 2012 was executed during 2013 and reached all predetermined goals. The company achieved good cost control, improved cash flow and invested in Product Development, Marketing and Sales during the year. A new business area was established in order to create a sales channel focused on the hotel, restaurant and catering business. The relocation to Gothenburg of certain strategic departments (Export Sales, Product Development and Marketing) facilitated in the recruitment of staff.

ORREFORS

Orrefors enhances the customers experience and social gatherings centered around food and drink. The year 2013 was marked by the success of the launch of the Orrefors brand in a new price segment which has long been desired by our customers. The stemware series Pulse and More, machine made crystal glasses of the highest quality, beat sales records for newly launched products.

KOSTA BODA

The brand Kosta Boda stands for products with a soul. Every piece, from a votive to a large work of art, carries the designer's thoughts and history. Several art exhibitions took place during the year, among others Kjell Engman's exhibition in the caves of Stenungssund which attracted nearly 30.000 visitors. During the year, we achieved technical and production transfer of a number of series to external suppliers in Europe.

KOSTA BODA ART HOTEL

Kosta Boda Art Hotel is the world's first art glass hotel, where the designers of Kosta Boda were responsible for all the art glass decorations. With its 102 rooms, conference facilities, indoor and outdoor pools, and a large spa and relax area the hotel has generated a real upswing for Kosta's tourism and boosted the number of visitors throughout the entire region.

In 2012, the Kosta Boda Art Hotel had the honour of accepting the Stora Turism prize, awarded for having cultivated a deep-rooted cultural heritage and craftsmanship with fresh and innovative thinking by creating a new design experience which has been recognised both nationally and internationally.

LINNÉA ART RESTAURANT

Linnéa Art Restaurant is a tasteful blend of gourmet restaurant and art glass gallery. The restaurant serves innovative kitchen art rooted in classical cooking in an environment designed by some of Kosta Boda's most prominent art glass designers. Everything — the food, the art, the furniture, the bathroom sinks — is here to give you a world-class experience. Linnéa has ever since the start received excellent reviews from food critics at i.a. Swedish newspapers Göteborgs Posten and Dagens Industri.

KOSTA LINNEWÄFVERI

Kosta Linewäfveri creates textile products based on sustainable ideas from yesterday, but always with one leg in the present and future. Quality is the key word; for the selected materials as well as for the design and functionality. The products are presently sold in the Nordic markets. Main competitors are Gant, Himla, Klippan and Lexington.

ORREFORS JERNVERK

Orrefors Jernverk is exclusively manufactured classic metal products. The collection contains everyday items for the kitchen, as well as home decorations. Quality is very important to Orrefors Jernverk. All the products must be sustainable, timeless through inventive design and robust through good materials and well-tested manufacturing methods. Orrefors Jernverk is presently available in the Nordic markets and its main competitors are Alessi, Design House Stockholm, Georg Jensen and Stelton.

SAGAFORM

Sagaform is joyful and innovative gifts for the kitchen and table settings. Indoors as well as outdoors. The products are favourably priced for consumers looking for an everyday luxury gift for someone else as well as for themselves.

Sagaform is distributed within both the retail and promotional markets, with a focus on the Swedish domestic market where the goal is to become a leader within a product segment full of joyful and innovative gifts. During the year, Sagaform also established itself within the Swedish supermarket industry and is now available at ICA MAXI.

In the export area, the other Nordic countries as well as the Benelux countries, France, Germany and Great Britain are the main priority. In the USA, the company aims for growth with the supports of the strong presence of Cutter & Buck, Kosta Boda and Orrefors. Principal competitors include Eva Solo, Iittala and Meny, but also the chain store's own brands.

Sagaform will celebrate their 20th anniversary in 2014.

SEA GLASBRUK

SEA Glasbruk develops and designs glass for everyday use for homes and public places. The products are colourful and functional with a design that stands out. SEA products are mainly sold in Sweden through specialised stores and promo companies. Norway and the USA are the brand's strongest export markets. SEA's ambition is to grow strong in the domestic market and strengthen its position in Norway and the USA.

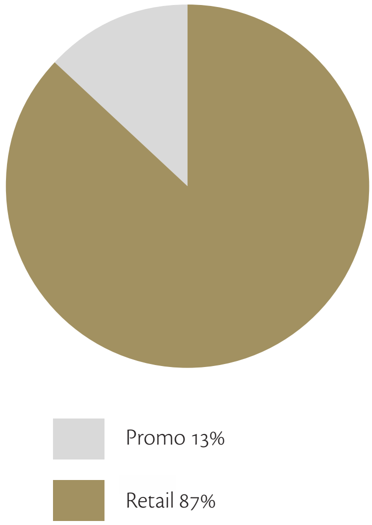
SALES CHANNELS

The Swedish retail sector is undergoing a major reconstruction where we see consumer interest in traditional glass and ceramics falling in favour of design and home decorating shops. The expansion of online shopping is another strategically important aspect where the shift in customers' buying patterns demands completely different availability than previously. Some of the Kosta Boda, Orrefors and Sagaform brand's sales activities target the promo markets where the products are used as everything from simple gifts to exclusive anniversary gifts and mementos. Kosta Boda and Orrefors uphold their position as an interesting alternative for occasions warranting high-class objects. Sagaform's products are popular as Christmas and summer gifts to employees and customers.

CAPITAL TIED UP

Production in Orrefors Kosta Boda is conducted throughout the entire year, while sales occur primarily during the second half of the year. Consequently, tied up capital is most considerable the first part of the year. Most of the production involves classic and popular products like Château, Intermezzo, Line, Mine and others with a product cycle in excess of 20 years, which reduces the risk of obsolescence. For the part not in-house manufactured, most purchases are made against stock for later sale to customers. New Wave Group limits its foreign exchange risk by hedging about 50–80% of the purchasing costs. Sales are made to selected retailers, which limits bad debts. However, there is a higher concentration to fewer customers in the retail segment compared with the promo segment. In 2013, confirmed bad debt losses in the Gift & Home Furnishings operating segment made up 0.44% of sales. Many of the products are the same for both the promo and retail sales channels, which provides a significant spread of risk.

TURNOVER PER SALES CHANNEL



Cup Cake by Anna Ehrner
By Me by Martti Rytkönen

ENVIRONMENT & ETHICS

New Wave Group believes in sustainable growth. We are convinced that long-term thinking will create long-term value. It is hence important to adapt business solutions that are not only financially profitable, but also sustainable from a social and environmental perspective.

FOCUS POINTS & ORGANIZATION

New Wave Group has identified three focus points which we consider the most relevant for social and environmental responsibility within our business. The focus points are chosen to achieve synergies for all New Wave Group-companies and represent a significant part of our business operations. In this way, we aim to successfully implement social and environmental strategies in the core of our company.

NEW WAVE GROUP'S FOCUS POINTS FOR CSR:

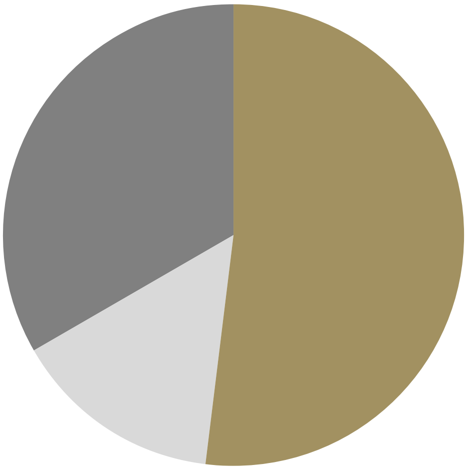
1. *Design and Product Development:* Implementing sustainability in our range of products by focusing on product safety, quality and design, chemical management and sustainable materials.

2. *Purchasing and Production:* Focusing on sustainable manufacturing of our products, which includes important issues such as working conditions, human rights, anti-corruption and environmental sustainability.

3. *Logistics and Transportation:* Includes our ambition to decrease negative environmental impact and to cut our emission of greenhouse gases by ensuring efficient logistics and transportations.

Each New Wave Group-subsidiary is responsible for its own work with environmental- and quality management systems, in order to

CURRENT STATUS ON OUR BSCI COMMITMENT



The BSCI commitment formula is calculated on buying volume in risk countries. BSCI has adopted a risk classification list of countries to be prioritized based on the governance indicators set by the World Bank. This includes our operations in China, Vietnam, India and Bangladesh. As per the annual closing, 52 % of our buying volume could present a valid BSCI-audit with the result "Good" or "Improvement Needed", which is almost 20 % more than our commitment for 2015.

implement such aspects in the company. The global strategy for our sustainability initiatives is decided by the Group Management. Our Buying Offices are responsible for the every-day interaction with our suppliers and to ensure and safeguard product quality and the competitiveness of our products. Our procurement strategy is to purchase directly from our suppliers and to cut intermediaries that could jeopardize control and cooperation with our supply chain.

RESPONSIBLE PURCHASING

Since 2012, New Wave Group is a member of BSCI (Business Social Compliance Initiative). BSCI unites hundreds of companies around a development-oriented system for improved working conditions in the global supply chain, with a common code of conduct and platform for independent factory inspections.

Membership of BSCI comes with specific obligations, which are closely monitored by the organization. For example, BSCI requests a minimum number of supplier audits to take place each year. BSCI audits can only be conducted by SA8000 auditing companies that have been accredited by Social Accountability Accreditation Services. 3 ½ years from joining the initiative, 1/3 of our base of suppliers in risk countries have to show BSCI-audit results rated "Good" or "Improvements Needed". 5 ½ years after joining, the number shall have increased to 2/3. During 2013, 35 BSCI-audits were conducted in our base of suppliers which equals to 40% of our buying volume the same year.

For us, BSCI membership adds transparency to the working condition of our suppliers. We believe BSCI is an important complement to in-house audits performed by our Buying Offices. The CSR-team of New Wave Group operates from each Buying Office and consists of fulltime staff dedicated to visit our suppliers, monitor and support their social and environmental progress. As a result, we are able to include a substantial part of our supply chain in active efforts for sustainable development.

We prioritize improvement efforts on suppliers with high volumes and long-term relationships. In addition, we focus the audit process on new or potential suppliers to ensure our social and environmental requirements are fulfilled. We strive for continuous improvements and regular visits, which will allow us to discover findings in time and adopt corrective actions.

MORE EFFORTS IN BANGLADESH

During 2013, global stakeholders reached consensus on the imminent need for safety improvements of building constructions in Bangladesh. Some of the world leading textile companies initiated the Accord on Fire and Building Safety in Bangladesh, a five-year contract supported by the United Nations, trade unions and the local government. So far, 150 brands have become signatories including New Wave Group. The Accord provides a program for independent building inspections combined with mandatory repairs and renovations to address the root-cause of many fatal accidents in Bangladesh. It is a unique initiative that will allow us to contribute to the important work for a safe working environment in Bangladesh. The initiative will start during 2014.

OTHER INITIATIVES FOR SOCIAL RESPONSIBILITY

New Wave Group is also associated with Fair Labour Association (FLA) through our subsidiary Cutter & Buck. Our commitment applies to all suppliers producing for the American market. FLA is a collaborative effort of universities, civil society organizations and socially responsible companies dedicated to protecting workers' rights around the world. Each year, FLA will handpick suppliers from our supply chain to be audited for social compliance. The audit reports will be published on the FLA website.

American suppliers are also obliged to participate in our work for safe transportation and anti-terrorism. The Customs-Trade Partnership Against Terrorism (C-TPAT) is a voluntary initiative of U.S. Customs and Border Protection (CBP) to build relationships that strengthen international supply chains and improve cargo security.

PRODUCT SAFETY

The quality of our products must as a minimum live up to applicable law, but also to our internal requirements and customer expectations. In 2013, we continued to prioritize chemical management. Through our membership in the Chemicals Group, we receive the latest information on regulations, substances and authority projects, which supports our efforts to reduce and replace chemicals in line with best available technique. In 2013, we updated our Restricted Substance List which contains the Group's chemical requirements towards our suppliers.

Examples of relevant updates are our clear commitment to phase out dirt- and water repellent treatment containing perfluorooctanoic acid (PFOA) and increased focus on practical substitution.

In 2013, supervisory authorities conducted a selection of monitoring visits in our chain of distributors. The aim was to find out how the distributor verifies safe products and the elimination of restricted substances. We welcome supervision and believe it is a good opportunity for us to verify our internal procedures and to raise the awareness within our supply chain. No product that was selected during the inspections contained levels of substances that were inconsistent with applicable legislation.

ENVIRONMENT & TRANSPORTATIONS

The main part of New Wave Group's transportations consist of container shipments between Asia and Europe, resulting in an average shipment of 3 150 containers per year. Sea transportation is generally the best alternative when it comes to long-distance carriages, while air transportation has the highest emission of carbon dioxide. New Wave Group is working to reduce air transports to situations where it is absolutely necessary. Within the Group, we club together as much as possible of our shipments and transportations. Besides from decreasing our environmental impact, sustainable solutions could also contribute to the streamlining of our business.

New Wave Group is working with some of the largest transport companies on the market, all of which have environmental programs for their business operations. During 2014, we will focus more on developing and evaluating indicators regarding emission of greenhouse gases. We strive to achieve efficient and sustainable transportation that will minimize our impact on the environment. Our membership of Clean Shipping Index supports this ambition.

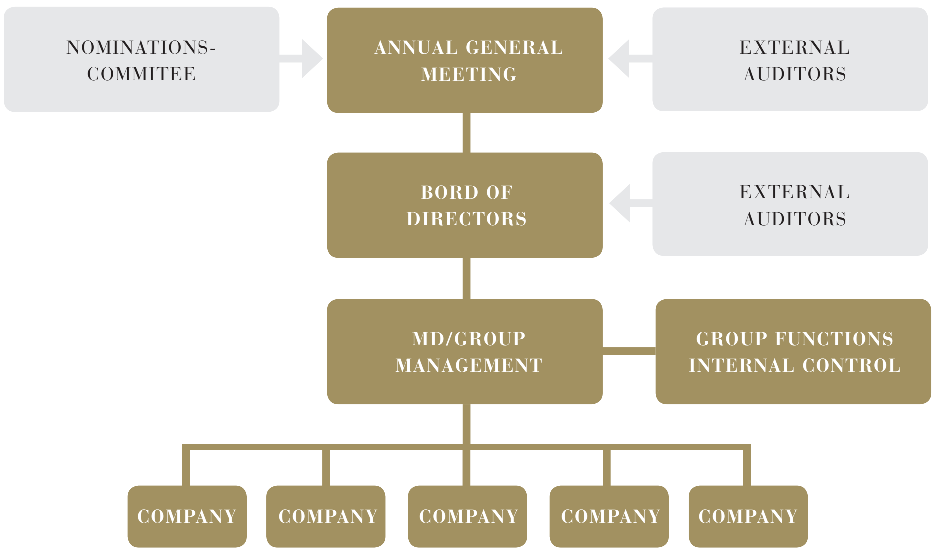
GOALS AND FOLLOW-UP

Suppliers with valid BSCI inspection

2012	2013	GOAL 2015	GOAL 2017
–	52%	33%	67%
		Achieved	Not achieved

CORPORATE GOVERNANCE

New Wave Group applies the relevant rules laid down in the Swedish Code of Corporate Governance ("the Code") and the Swedish Accounts Legislation. The company's Board has thus drawn up this corporate governance report. More information about the Code may be found at *www.bolagsstyrningskollegiet.se*, where there is also a description for foreign investors.



Responsibility for management and supervision of the Group is delegated between the shareholders at the Annual General Meeting, the Board and the Managing Director, which is done in accordance with the Swedish Companies Act, other legislation and regulations, applicable rules for listed companies, the company's articles of association, the Board's internal rules of procedure and other internal control instruments.

SHAREHOLDERS

At the end of 2013, the company had 11,754 shareholders. The proportion of share capital owned by institutions amounted to approximately 49% of the capital and 13% of the votes. Foreign investors owned approximately 11% of the share capital and 3% of the votes. The 10 largest owners had a total holding corresponding to 65% of the share capital and 90% of the votes. For further information on the owners as at 31 December 2013, please see page 44.

ANNUAL GENERAL MEETING

The highest decision-making body is the Annual General Meeting (AGM), at which all shareholders are entitled to participate. The AGM is entitled to make decisions on all matters that are not in breach of Swedish law. At the AGM the shareholders exercise their voting rights to make decisions on the composition of the Board of Directors, the auditors and other important matters such as adoption of the company's balance sheet and income statement, appropriation of profits as well as deciding to grant the Board of Directors and the Managing Director discharge from liability. This is in accordance with New Wave Group's articles of association and Swedish legislation.

2013 ANNUAL GENERAL MEETING

The AGM for shareholders of New Wave Group was held on 7 May 2013 in Kosta. Anders Dahlvig was elected chairman of the meeting.

THE FOLLOWING RESOLUTIONS WERE PASSED:

The AGM adopted the income statement and balance sheet, as well as the consolidated income statement and balance sheet, resolved to appropriate profits in accordance with the proposed appropriation of profits including a dividend of SEK 1 per share to take place for the 2012 financial year, and discharged the Board members and CEO from liability.

In accordance with the Nomination Committee's proposals, the AGM resolved:

- that there shall be six (6) Board members elected by the AGM, and no deputies will be appointed
- that remuneration to the Board is to amount to SEK 810,000, of which SEK 270,000 goes to the Chairman of the Board, and SEK 135,000 to each of the other Board members — who are not employed in the Group — elected by the general meeting of shareholders.
- that Directors' remuneration may be paid to the Board member's Company provided that it is cost-neutral for the Company, and in accordance with tax legislation
- that Torsten Jansson, Mats Årjes, Göran Härstedt, Christina Bellander and Helle Kruse Nielsen (all re-elected) are appointed as Board members
- that Anders Dahlvig is appointed as Chairman of the Board (re-elected)
- that remuneration to auditors shall be paid according to approved calculations and agreements
- to re-elect Ernst & Young AB as auditors until the close of the Annual General Meeting 2014
- on the principles for the appointment of a new Nomination Committee

In accordance with the Board of Directors' proposals, the AGM resolved:

- on guidelines for remuneration to senior management
- to authorise the Board to make decisions regarding share issues
- to authorise the Board to raise financing

Complete information about the 2013 AGM is available on the website, *www.nwg.se*.

2014 ANNUAL GENERAL MEETING

The annual shareholders meeting will be held on 6 May 2014 at 1 pm in Kosta, Sweden.

NOMINATION COMMITTEE

The nomination committee represents the company's shareholders. Its task is to create as sound a basis as possible for decisions at the AGM and to put forward proposals for matters such as the appointment of the Board of Directors and the auditor, and for remuneration to these parties. The nomination committee consists of one representative for each of the company's three biggest shareholders, chosen on the basis of personal qualities. If any of these shareholders decline to appoint a member of the nomination committee, the next shareholder in terms of size is given the opportunity to appoint a member. Information regarding the composition of the nomination committee is normally published in the interim report for the third quarter. The work of the nomination committee is predicted by a questionnaire-based evaluation of the Board of Directors' work and current members. The composition of the nomination committee, before the election of Board members at the 2013 AGM, is as follows:

- Arne Lööw, representative of Fjärde AP-fonden and the committee's chairman
- Torsten Jansson, managing director and representative of Torsten Jansson Förvaltnings AB
- Johan Ståhl, representative of Lannebo fonder

As per the Code, the managing director or other company executive can not be a member of the nomination committee. Torsten Jansson is a member as principal owner and a deviation from the Code has thus been made.

The nomination committee represents around 85% of the votes in New Wave Group as at 31 December 2013. All shareholders are able to contact the nomination committee to propose candidates to the Board. The nomination committee has held a number of meetings and in between these meetings maintained contact by phone and e-mail. Among its many tasks, the nomination committee has evaluated the Board of Directors on the basis of the company's future development and challenges in order to achieve a good combination of expertise and experience.

INDEPENDENCE OF THE BOARD

The New Wave Group Board is subject to the requirements for independence described in the Code. The requirements mainly involve that only one person from the company's management may be a member of the board, that a majority of the elected members of the board shall be independent of the company and its management, and that at least two of the elected members who are independent of the company and its management should also be independent of the company's major shareholders.

As Managing Director and major shareholder of New Wave Group, Torsten Jansson is considered to be dependent on the company and the company management. Göran Härstedt is considered to be dependent in relation to the company's major shareholder. Anders Dahlvig, Christina Bellander, Helle Kruse Nielsen and Mats Årjes are considered to be independent in relation to both the company and the company's major shareholder. It is thus the opinion of the nomination committee that the current composition of the New Wave Board satisfies the requirements for independence laid down in both the Code and in the rules and regulations of NASDAQ OMX Stockholm for issuers. For a detailed presentation of the Board, Board Members assignments and securities holding in New Wave Group, please refer to page 48.

THE BOARD AND ITS WORK

The Board of New Wave Group consists of six members elected by the AGM. The Board's working procedures are defined in the rules of procedure, which regulate the delegation of responsibility between the Board and the MD, the MD's authority, the meeting schedule and reporting routine. The Board meetings deal with budgets, interim reports, year-end accounts, state of business, investments and new launches. They also deal with general issues relating to the long-term business strategy as well as structural and organisational issues.

The working language of the Board's meetings and documentation is Swedish. As a rule, between seven and ten Board meetings are held each year. During 2013, the Board met on twelve occasions. Göran Härstedt is the Board's secretary.

The Chairman organises and leads the Board's work so that this is carried out in accordance with the Swedish Companies Act, other legislation and regulations, applicable rules for listed companies, Including the Code, and the Board's other internal control instruments. The Chairman follows operations in dialogue with the Managing Director and is responsible for other Board members receiving the information required to complete the Board's tasks.

Board	**Attendance**	**Independent**	**Compensation**
Anders Dahlvig, chairman	11/12	x	270 000
Christina Bellander	12/12	x	135 000
Göran Härstedt	11/12		135 000
Helle Kruse Nielsen	11/12	x	135 000
Mats Årjes	12/12	x	135 000
Torsten Jansson, CEO	12/12		0
Total			**810 000**

AUDIT COMMITTEE

There is no specially appointed audit committee as the Board in its entirety handles its control tasks. After the auditors' review in October, the company's auditors draw up an audit memo to the Board containing comments about individual companies and the Group as a whole. The auditors also present a personal report of their observations from the audit, their appraisal of the companies' internal control and the application of accounting policies at one of the autumn Board meetings. The Board receives continuous information about internal control and compliance with rules, control of audited values, estimates, assessments and other matters that might influence the quality of the financial reports. It is the job of the Group's auditor to audit the companies' ability to comply with the overriding rules for internal control within the companies. The auditors also report their observations about internal control.

REMUNERATION COMMITTEE

There is no specially appointed remuneration committee to deal with wages, pension benefits, incentives and other employment-related conditions for the Managing Director. These issues are dealt with by the Board as a whole without the participation of Board member part of company management. The employment conditions of other members of Group management are determined by the MD and the Chairman of the Board.

New Wave Group's compensation policy for senior executives:

- Remuneration to the Group Managing Director and other members of Group management comprises fixed salaries at competitive market rates.
- Variable remunerations such as bonuses may be paid when this is justified in order to be able to recruit and maintain key staff so as to stimulate improvements in sales and profits as well as the work involved in achieving specific key figures set by the Board. Variable remunerations shall be based on predetermined, measureable criteria such as performance of the New Wave Group or return on equity compared to fixed targets. The variable remuneration shall not exceed 50% of the fixed remuneration.
- The Board shall in respect of each financial year consider whether a share or share price related incentive program which covers the year in question shall be proposed to the AGM or not. The AGM makes the final decision regarding such incentive programs.
- There shall be no special fee for Board work in Group companies for senior executives.
- Pension benefits shall be equivalent to an ITP plan or, for senior executives outside Sweden, pension benefits which are standard in the relevant country.
- A mutual notice period of no more than six months and no severance pay shall apply for all senior executives.

CONDITIONS OF EMPLOYMENT FOR THE MD

Remuneration to the Group MD comprises a fixed salary. No Board member's fee or other remuneration (bonuses) is paid to the MD. Pension benefits are paid in accordance with the ITP plan. A mutual notice period of six months applies for the MD, i.e. no severance pay.

REMUNERATION TO THE BOARD

The AGM decides on the fee for the Board members who are elected by the AGM. The division of the fee between the Chairman and other members is set out in note 6 for the Group in the annual report. The Group has purchased consultancy services from a Board member and related parties. No further remuneration has been paid to any Board member.

GROUP MANAGEMENT

The Group's Board appoints the Managing Director of the parent company, who is also the CEO. The MD is responsible for the ongoing supervision of the Group and other members of the Group management report directly to him. The Group management consists of: MD, Chief Financial Officer, Chief Buying Officer, Deputy Chief Buying Officer, MD of New Wave Group USA Inc, Product Manager Corporate Promo, Manager Corporate Promo Northern Europe, Manager Sports & Leisure and MD Orrefors Kosta Boda AB. The MD is responsible for the other operational segments.
Group management is responsible for formulating the Group's overall strategy, corporate governance, policies, the Group's financing, capital structure and risk management. They also deal with matters relating to company acquisitions and projects involving the Group as a whole.

For a more detailed presentation of management's assignments and holdings in New Wave Group refer to page 49.

INTERNAL CONTROL & RISK MANAGEMENT RELATING TO THE FINANCIAL REPORTING FOR THE 2013 FINANCIAL YEAR

GENERAL

According to the Swedish Companies Act, the Board is responsible for internal control. The aim of internal control is to create a clear structure of responsibility and an effective decision-making process. The Board has defined a number of basic documents of importance for financial reporting in order to guarantee an effective control environment. The Board's rules of procedure and the instructions for the Managing Director serve to guarantee a clear allocation of roles and responsibilities, with the aim of operational risks being managed effectively. The Board has also drawn up a number of basic guidelines and policies that are important for internal control, such as a financial policy, instructions for accounting and reporting, employee handbook and a communications policy. The basic control documents are subject to review on an ongoing basis. An effective control environment also requires an adequate organisational structure and ongoing reviews of this. Company management reports to the Board on a regular basis following defined routines. Company management is responsible for the system of internal controls that is required to deal with significant risks in operating activities. Managers at various levels within the Group have clearly defined authority and responsibilities with regard to internal control.

OPERATING SEGMENTS

The Groups divides its operations into three operating segments: Corporate Promo, Sports & Leisure, and Gifts & Home Furnishings. Within Group management there are people with responsibility for each operational segment in order to coordinate operations. The products follow the operational segments, but have separate sales teams for the different sales channels, promo and retail.

SALES CHANNELS

The Group's products are sold via two sales channels, promo and retail.

CONCEPT GROUPS

Within each operational segment there are a number of concept groups responsible for strategic direction, product development and marketing strategy for one or more brands.

FINANCIAL RISK ASSESSMENT

The material risks New Wave Group have identified in connection with the financial reporting are inaccuracies in the reporting and valuation of stock, intangible assets, accounts receivable, interest-bearing liabilities, tax, currencies and the risk of fraud, loss or embezzlement of assets. The greatest financial risks in terms of value in the balance sheet are:

- Stock, which accounts for around 34% of the value of the Group's assets
- Intangible assets (goodwill & trademarks), which account for 28% of the value of the Group's assets
- Accounts receivable, which account for around 17% of the value of the Group's assets
- Interest-bearing liabilities, which account for around 34% of the Group's balance sheet total

CONTROL ENVIRONMENT

The foundations of the internal control in relation to the financial reporting consist of the general control environment with organisation, decision-making paths, authority and responsibilities that have been documented and communicated. Within New Wave Group some of the most important constituent parts of the control environment are documented in the form of policies, e.g. IT policy, financial policy, environmental policy and instructions, such as authorisation instructions and a reporting manual.

CONTROL ACTIVITIES

In order to ensure the internal control works, there are both automatic controls in e.g. IT based systems, which handle authority and authorisation rights, and also manual controls in the form of e.g. reconciliations and physical counts. Detailed economic analyses of the result plus follow-up of plans and forecasts supplement the controls and provide a general confirmation of the quality of the reporting.

The Group performs regular reviews of the companies' routines and accounting methods, which are reported to Group management. No MD's are permitted to appoint or dismiss a finance manager, and finance managers report directly to the Group's CFO. The Group's risks with regard to financial reporting lay in the risk that material misstatements may occur when reporting the company's status and financial results. The company's accounting instructions and manuals, together with established follow-up routines, serve to minimise these risks.

INFORMATION & COMMUNICATION

The most important control documents in the form of policies and instructions are updated regularly and communicated via relevant channels electronically and/or in printed form. For communication with external parties, there is an information policy which specifies guidelines for how this communication should take place. The purpose of the policy is to ensure that all information obligations are fulfilled correctly and in full.

FOLLOW-UP

Finance personnel and management at company and Group level analyse the financial reporting in detail every month. The Group's central support staff is responsible for implementing, further developing and maintaining the Group's control routines, and for performing internal controls of business-critical matters. New Wave Group's privatised structure involves a comprehensive controller-based organisation, which is responsible for ensuring that financial reporting from each unit is correct, complete and on time. New Wave Group has introduced a control system to verify the various processes and to guarantee financial reporting. The controls in respect of the various processes and risk elements are evaluated by means of self-assessment, internal audits, internal Board meetings and via the company's external auditors. Most processes are fully or partly centralised at Group level, such as purchasing, logistics, payments, financing, IT, the consolidation and compilation of Group reports. The Board receives financial reports on an ongoing basis, and at each Board meeting they discuss the financial situation facing the Group and the various companies. During the year the Board has also received reports from the company's auditors detailing their observations.

THE COMPANIES

New Wave Group's organisation is decentralised, with a high degree of independence and self-determination being delegated to company management. The objective is for the companies to be run in an entrepreneurial spirit, while at the same time enjoying the benefits of belonging to a large group of companies. The Group therefore consists of a large number of operational companies, 50 in total, some of which belong to sub-groups. Board meetings are held about three times a year in each company or sub-group. The composition of the Boards depends on the company's direction and its stage of development. In addition to Group management, the expertise of MDs in "mature" companies is utilised on the Boards of local subsidiaries. The organisational model chosen by New Wave Group provides for effective benchmarking of profitability, tied-up capital and growth between companies, brands and markets. New Wave Group has also set up internal targets for the companies.

INTERNAL AUDITING

There is no specially appointed audit committee as the Board in its entirety handles its control tasks. The company has developed control and internal control systems, with business controllers at different levels within the company responsible for following up compliance on a regular basis. The Board's methods of monitoring the company's assessment of the internal control include contact with the company's auditors.

AUDITOR

At the 2013 AGM, the accountancy firm Ernst & Young AB was appointed as auditor. Björn Grundvall is the head auditor and his other public engagements include Rottneros AB, Kappahl AB, Götenehus Group AB and the Sjätte AP fund, as well as assignments from Nasdaq OMX Stockholm as an stock exchange auditor. Björn Grundvall owns no shares in New Wave Group.

AUDIT WORK

The Group applies International Financial Reporting Standards (IFRS) when preparing the Group's reports. The Group's interim report for the third quarter is the subject of a general review by the company's auditor. This review follows the recommendations issued by FAR SRS, the organisation for authorised public accountants. The audit of the annual report, consolidated financial statements, the accounting records and the administration of the Board and Managing Director is conducted in accordance with generally accepted auditing standards in Sweden.

ARTICLES OF ASSOCIATION

The articles of association are adopted by the AGM and contain fundamental facts about the company, e.g. what kind of business the company will run, the size of the share capital, the number of shares issued, the size of the Board of Directors and the procedure for convening the AGM. The company's articles of association state, among other things, that the Board of Directors shall consist of at least three and no more than seven members, that the Board has its registered office in Göteborg, and that a class A share shall carry ten votes and a class B she one vote. The complete articles of association are available at the New Wave Group website, *www.nwg.se*.

POLICY DOCUMENTS

New Wave Group has a number of policies for the Group's operations and its employees. The Group also has a number of recommendations which specify guidelines and supervision for the Group's operations and its employees. Examples of policy content are as follows:

FINANCIAL POLICY

The Group's finance function works according to an instruction given by the Board which sets out frameworks for how the Group's operations shall be financed and how, for example, currency risks and interest rate risks shall be dealt with.

IT POLICY

The Group's IT policy describes the Group's principles for application and safety within IT.

COMMUNICATION POLICY

The Group's communication policy is a document that describes the Group's general principles for providing information.

ENVIRONMENTAL POLICY

The Group's environmental policy sets out guidelines for the environmental work within the Group.

ANTI-CORRUPTION POLICY

The Group's anti-corruption policy describes the Group's principles for work against corruption.

GÖTEBORG ON 2 APRIL, 2014
NEW WAVE GROUP AB (PUBL)

TORSTEN JANSSON
MD and CEO

ANDERS DAHLVIG
Chairman of the Board

CHRISTINA BELLANDER
Board Member

HELLE KRUSE NIELSEN
Board Member

GÖRAN HÄRSTEDT
Board Member

MATS ÅRJES
Board Member

THE AUDITOR'S STATEMENT REGARDING THE CORPORATE GOVERNANCE REPORT

To the Annual General Meeting of New Wave Group AB, organisation number 556350-0916

The Board is responsible for the Corporate Governance Report 2013 on pages 37–43 and that it is prepared in accordance with the Swedish Annual Accounts Act.

To support our statement that the Corporate Governance Report has been prepared and is consistent with the Swedish Annual Accounts Act and financial statements, we have read the Corporate Governance Report and assessed its statutory contents based on our knowledge of the company.

It is our opinion that a Corporate Governance Report has been prepared and that its statutory information is consistent with the Annual Report and financial statements.

GÖTEBORG ON 2 APRIL, 2014,
ERNST & YOUNG AB

BJÖRN GRUNDVALL
Authorised Public Accountant

THE SHARE

THE NEW WAVE GROUP SHARE

The share capital in New Wave amounted to SEK 199,030,629 distributed among a total of 66,343,543 shares. Each with a nominal quota value of SEK 3.00. The shares carry identical rights to the Company's assets and profits. Each Series A share is entitled to then votes and each Series B share is entitled to one vote. New Wave's Series B shares are listed at OMX Stockholm Mid Cap.

DIVIDEND POLICY

The Board's objective is that distribution to shareholders be the equivalent of 40% of Group net profit after taxes over one business cycle.

SHAREHOLDERS

The number of shareholders amounted to 11,754 (13,487) on 31 December, 2013. Institutional investors accounted for 49% of the capital and 13% of the votes. At the same time the ten largest shareholders held 65% of the capital and 90% of the votes. Non-Swedish shareholders accounted for 11% of the capital and 3% of the votes.

NEW WAVE GROUP'S TEN MAJOR SHAREHOLDERS 2013-12-31

SHAREHOLDERS	Number of shares	Number of votes	Capital %	Votes %
Torsten Jansson through companies	20 947 697	198 316 817	31,6%	81,4%
Lannebo Microcap	4 718 490	4 718 490	7,1%	1,9%
Avanza Pension	3 898 506	3 898 506	5,9%	1,6%
Fjärde AP-Fonden	3 330 000	3 330 000	5,0%	1,4%
Andra AP-Fonden	2 512 947	2 512 947	3,8%	1,0%
Handelsbanken fonder	2 019 140	2 019 140	3,0%	0,8%
Länsförsäkringar Småbolagsfond	2 005 390	2 005 390	3,0%	0,8%
Svolder AB	1 468 245	1 468 245	2,2%	0,6%
Nordea fonder	1 314 715	1 314 715	2,0%	0,5%
City Bank New York	1 077 068	1 077 068	1,6%	0,4%
	43 292 198	**220 661 318**	**65,3%**	**90,5%**

SHAREHOLDER DISTRIBUTION IN NEW WAVE GROUP 2013-12-31

	Number of shares	Number of votes	Capital %	Votes %
Sweden	58 903 938	236 273 058	88,8%	96,9%
Shareholders outside Sweden. excl. USA	4 750 550	4 750 550	7,1%	2,0%
USA	2 689 055	2 689 055	4,1%	1,1%
Total	**66 343 543**	**243 712 663**	**100,0%**	**100,0%**

NEW WAVE GROUPS ÄGARSTRUKTUR 2013-12-31

In due order	Number of shareholders	Number of shares	Share, %	TSEK
1–200	5 442	458 547	0,69	15 086
201–1 000	3 991	2 361 259	3,56	77 685
1 001–2 000	1 118	1 822 222	2,75	59 951
2 001–10 000	971	4 288 409	6,46	141 089
10 001–	232	37 705426	86,54	1 240 509
	11 754	**46 635 863**	**100,00**	**1 534 320**

NEW WAVE B
Listed on
OMX Stockholm Mid Cap.

SHARE DEVELOPMENT IN REFERENCE TO INDEX AND TURNOVER

Share capital development

Year	Transaction	Increase number of shares	Issue price	Increase share capital	Total number of shares	Total share capital, SEK	Face quota
1991	The company was founded	500	100,00		500	50 000	100,00
1995	Directed new issue 1:20[1]	25	35 524,00	2 500	525	52 500	100,00
1996	Bonus issue 37:1	19 475		1 947 500	20 000	2 000 000	
1997	Directed new issue 1:17[2]	11 448	600,00	114 480	211 448	2 114 480	10,00
	Bonus issue	0		2 114 480	211 448	4 228 960	
	Split 10:1	1 903 032			2 114 480	4 228 960	
	Directed new issue[3]	681 818	110,00	1 363 636	2 796 298	5 592 596	2,00
1998	Directed new issue[4]	201 106	114,40	402 212	2 997 404	5 994 808	2,00
2000	Directed new issue[5]	552 648	171,45	1 105 296	3 550 052	7 100 104	2,00
	Split 2:1	3 550 052			7 100 104	7 100 104	
2001	Directed new issue[6]	150 000	160,00	150 000	7 250 104	7 250 104	1,00
2002	Split 2:1	7 250 104			14 500 208	7 250 104	
2004	Bonus issue			166 752 392	14 500 208	174 002 496	12,00
	Directed new issue[7]	1 160 016	130,00	13 920 192	15 660 224	187 922 688	12,00
	Split 2:1	15 660 224			31 320 448	187 922 688	6,00
	Directed new issue[8]	226 886	88,15	1 361 316	31 547 334	189 284 004	6,00
2005	Directed new issue[9]	96 822	125,00	580 932	31 644 156	189 864 936	6,00
	Directed new issue[10]	614 732	52,00	3 688 392	32 258 888	193 553 328	6,00
	Split 2:1	32 258 888			64 517 776	193 553 328	3,00
2006	Directed new issue[11]	1 825 767	29,30	5 477 301	66 343 543	199 030 629	3,00

[1] New issue addressed to the owners of Licensprint i Orsa AB connected to the purchase of the company. The share premium reserve increased by SEK 886,000.
[2] New issue addressed to Group personnel. Subscription price SEK 600 per share. The share premium reserve increased by SEK 6,754,000.
[3] New issue connected to introduction on the Swedish Stock Exchange. Subscription price SEK 110 per share. The share premium reserve increased by SEK 69,089,000.
[4] Non-cash issue connected to the purchase of the Hefa Group. Price of issue SEK 114.40 per share. The share premium reserve increased by SEK 22,604,000.
[5] New issue addressed to the owners of Texet AB connected to the purchase of the company. The share premium reserve increased by SEK 94,242,000
[6] New issue addressed to the owners of Segerkoncernen AB connected to the purchase of the company. The share premium reserve increased by SEK 23,850,000.
[7] New issue addressed to the owners of New Wave Group. The share premium reserve increased by SEK 135,794,410.
[8] New issue addressed to the owners of Jobman AB connected to the purchase of the company. The share premium reserve increased by SEK 16,638,684.
[9] New issue addressed to the owners of the Dahetra Group connected to the purchase of the Group. The share premium reserve increased by SEK 11,521,818.
[10] New issue connected to exercise of option rights. The share premium reserve increased by SEK 28,221,388.
[11] New issue connected to exercise of option rights. The share premium reserve increased by SEK 48,017,672.

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THE BOARD OF DIRECTORS

ANDERS DAHLVIG
BORN 1957

Chairman of the Board since May 2009. Former MD and CEO of the IKEA Group (April 1999 to September 2009).

Other directorships: Member of the Board of H&M Hennes & Mauritz AB, Kingfisher plc, Oriflame SA and Resurs Bank Aktiebolag.

Holdings in the company, own and related parties: 20 000 class B shares.

CHRISTINA BELLANDER
BORN 1955

Member of the Board since 2009.

Other directorships: Chairman of the Board of Fabaris AB and the School of Education and Communication at Jönköping University, and Member of the Board of Novus Group.

Holdings in the company, own and related parties: 2 000 class B shares.

GÖRAN HÄRSTEDT
BORN 1965

Member of the Board since 2009.

Other directorships: Chairman of the Board for a number of companies within the New Wave Group.

Holdings in the company, own and related parties: Does not hold any securities in the company.

HELLE KRUSE NIELSEN
BORN 1953

Member of the Board since 2009.

Other directorships: Member of the Board of Lantmännen ek för and Oriflame Cosmetics SA.

Holdings in the company, own and related parties: 5 000 class B shares.

MATS ÅRJES
BORN 1967

Member of the Board since 2007.

MD SkiStar AB. Other directorships: Chairman of the Swedish Ski Association, Member of the Board of SkiStar AB.

Holdings in the company, own and related parties: 10 000 class B shares.

TORSTEN JANSSON
BORN 1962

MD and CEO. Founder and majority s hareholder in New Wave Group AB. Member of the Board since 1991.

Other directorships: Chairman of the Board of Porthouse Interior AB and Member of the Board of Svensk Handel.

Holdings in the company, own and related parties: 19 707 680 class A shares och 1 240 017 class B shares.

AUDITORS
BJÖRN GRUNDVALL
BORN 1955

Authorised Public Accountant, Ernst & Young AB. Auditor of the company since 2012.

GROUP MANAGEMENT

TORSTEN JANSSON
BORN 1962

MD and CEO. Founder and majority shareholder in New Wave Group AB.

Holdings in the company, own and related parties: 19 707 680 class A shares och 1 240 017 class B shares.

TOMAS JANSSON
BORN 1965

Manager Corporate Promo Northern Europe and Managing Director of New Wave Mode AB. Employed since 1993.

Holdings in the company, own and related parties: 20 000 class B shares.

LARS JÖNSSON
BORN 1964

CFO.
Employed since 2007.

Holdings in the company, own and related parties: Does not hold any securities in the company.

MAGNUS CLAESSON
BORN 1960

Chief Buying Officer.
Employed since 2010.

Holdings in the company, own and related parties: 25 000 class B shares.

ERNEST JOHNSON
BORN 1951

Managing Director of New Wave Group USA Inc.
Employed since 2007.

Holdings in the company, own and related parties: Does not hold any securities in the company.

MARK CAO
BORN 1963

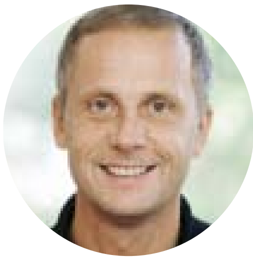
Deputy Chief Buying Officer.
Employed since 2011.

Holdings in the company, own and related parties: Does not hold any securities in the company.

MARIO BIANCHI
BORN 1967

Product Manager – Corporate Promo
Employed since 1994.

Holdings in the company, own and related parties: 202 560 class B shares



JENS PETERSSON
BORN 1963

Manager – Sports & Leisure
Employed since 1999.

Holdings in the company, own and related parties: 102 500 class B shares

MAGNUS ANDERSSON
BORN 1966

Managing Director of Orrefors Kosta Boda AB
Employed since 2012.

Holdings in the company, own and related parties: 50 000 class B shares

ANNUAL GENERAL MEETING

The Annual General Meeting (AGM) will take place on Tuesday 6 May 2014 at 1 pm at Kosta Glascenter, Stora vägen 98, 360 52 Kosta, Sweden. Shareholders have the right to attend the AGM if they are registered in the copy of the share register made on 29 April 2014 and notify the company of their intention to attend the AGM by 29 April 2014 at the latest.

If the shareholder intends to be represented by proxy, a written, dated, power of attorney shall be issued for the proxy. The power of attorney in the original should be sent to the company at the address provided above no later than on April 29, 2014. If the power of attorney is issued by a legal entity, a certified copy of the corporate registration certificate and other authorization documents should be sent to the company. Please note that shareholders who are represented by proxy must also give notice of participation as stipulated above. A proxy form is available on the company's website *www.nwg.se*.

NOMINEE REGISTERED SHARES

Shareholders with nominee-registered shares must register their shares in their own name with Euroclear Sweden AB to be entitled to attend the AGM. This registration must be completed by 29 April 2014 and an application shall therefore be made to the nominee in good time before this date.

NOTIFICATION

Notification of attendance at the AGM shall be made by letter or e-mail to:
New Wave Group AB (publ)
Orrekulla Industrigata 61
425 36 Hisings Kärra
Sweden
bolagsstamma@nwg.se

The notification shall state name, personal identification number/company registration number and daytime phone number. Shareholders who wish to attend the AGM must have notified the company of this before 29 April 2014 when the notification deadline expires.

ISSUES

The issues prescribed by law and the articles of association, the below proposals for dividends and other issues mentioned in the notice to convene the meeting will be addressed at the AGM.

DIVIDEND PAYMENT

The Board proposes to the Annual General Meeting a dividend for 2013 of SEK 1.00 per share, corresponding to a total of SEK 66,344 thousand. The Board has proposed 9 May 2014 as the record day for the dividend. This record day assumes payment of the dividend from Euroclear Sweden AB on 14 May 2014.v







1985

CUTTER
& BUCK
CUTTER
& BUCK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2013

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New Wave GROUP




CUTTER & BUCK

Harvest




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SPORTS & LEISURE

Annika Cutter & Buck, Cutter & Buck, Auclair, Clique, Craft, Pax, Gants Laurentide Ltée Gloves Ltd., sköna marie, speedo, umbro, Seger, Ahead USA, Kate Lord, Le Gant Paris Glove

GIFTS & HOME FURNISHINGS

Kosta Boda Sweden 1742, Orrefors, Kosta Linnewäfveri, Orrefors Jernverk, sagaform, SEA glasbruk Kosta Sweden, Kosta Boda Art Hotel Sweden, Linnéa Art Restaurant, Kosta Förlag

BOARD OF DIRECTORS' REPORT

The Board of Directors and CEO of New Wave Group AB (publ), 556350-0916, based in Göteborg, hereby submit the financial statements and consolidated financial statements for the financial year 1 January 2013 to 31 December 2013.

OPERATIONS

New Wave Group is a growth company that creates, acquires and develops brands and products in the corporate promo, sports, gifts and home furnishings sector. The Group will achieve synergies by coordinating the design, purchasing, marketing, warehousing, and distribution of the product range. To ensure the good allocation of risks, the Group will offer its products in the promo market and the retail market.

New Wave Group's competitiveness lies primarily in its strong brands, considerable expertise, high level of service, and a well-developed overall concept. Products are primarily manufactured in Asia, and to a lesser extent in Europe. Thanks to its relative size, New Wave Group has good purchasing prices and efficient logistics. The Group's most well-known wholly-owned brands include AHEAD, Auclair, Clique, Craft, Cutter & Buck, Grizzly, James Harvest Sportswear, Jobman, Kosta Boda, Orrefors, PAX, ProJob, Sagaform, Seger, Toppoint and the licensed brands Speedo and Umbro.

SUMMARY OF 2013

The group's sales amounted to SEK 4,047 million, which was 5% lower than last year (SEK 4,280 million). The operating segment Corporate Promo sales decreased by 5%. The sales decrease is primarily related to the weaker market conditions in the Nordic region (including Sweden) as well as the European regions. Sports & Leisure sales decreased by 3%, which occurred in both sales channels. The acquired unit contributed 1%. In the U.S., Cutter & Buck sales were slightly over the previous year. Gifts & Home Furnishings had a decrease in sales of 15%, which is mainly related to export markets but also sales in Sweden decreased. Of the Group's sales channels – promo and retail – both channels decreased by 6% (excluding acquisition).

Gross profit margin amounted to 46.2 (43.6)%. Last

INCOME STATEMENTS

Income statements by quarter

SEK million	2013	Q 4	Q 3	Q 2	Q 1
Income	4 047.4	1 139.8	1 035.0	995.3	877.3
Goods for resale	-2 177.0	-626.2	-564.9	-529.1	-456.8
Gross profit	**1 870.4**	**513.6**	**470.1**	**466.2**	**420.5**
Gross profit in %	**46.2%**	**45.1%**	**45.4%**	**46.8%**	**47.9%**
Other operating income	33.3	9.3	7.7	7.7	8.6
External costs	-853.3	-215.2	-205.4	-209.7	-222.9
Personnel costs	-697.8	-182.7	-162.5	-177.9	-174.7
Depreciation and write-downs	-52.1	-11.9	-13.9	-14.6	-11.8
Other operating costs	-10.9	-2.3	-2.9	-1.9	-3.8
Share of associated companies' profit	1.1	0.8	-0.3	0.4	0.2
Operating profit	**290.7**	**111.6**	**92.8**	**70.2**	**16.1**
Financial income	6.8	1.8	1.8	1.4	1.8
Financial costs	-63.0	-14.2	-14.9	-16.1	-17.8
Profit before tax	**234.5**	**99.2**	**79.7**	**55.5**	**0.1**
Tax	-47.4	-8.9	-21.9	-16.6	0.0
Profit for the period	**187.1**	**90.3**	**57.8**	**38.9**	**0.1**

year was negatively impacted by restructuring costs of 2.5% (SEK 109 million). Excluding restructuring costs, the margin is on par with last year.

The Group has continued to work with cost levels and the implementation of cost savings measures had a positive result affect during the year. Last year includes one-time expenses of SEK 63 million and the annual costs were affected by the acquired unit by SEK 9 million. Even excluding these non-recurring and acquisition costs, the Group's costs are lower than the previous year. Our efforts to streamline our operations continue. However, we do not see further reduced costs in sales and marketing as a sustainable long-term development and therefor these will increase in the coming quarters.

Profit for the year amounted to SEK 187.1 (5.8) million. Last year includes restructuring costs of SEK -161.5 million. Excluding these costs, earnings improved by SEK 19.8 million. The improvement is related to lower costs and lower tax percentage.

Since 1999, the American company Karhu North America LLC (" Karhu") has been the exclusive distributor for New Wave Group's sports brand CRAFT in the U.S. and Canada. As of July 1 New Wave Group acquired, through its wholly owned subsidiary, New Wave USA Inc, that part of Karhu activities with regard to the distribution of CRAFT products. New Wave Group believes that the acquisition and the new structure will provide a good basis for further expansion of the brand CRAFT in the U.S. and Canada during the coming years.

New Wave Group AB and Orrefors Kosta Boda AB (OKB) decided during autumn 2012 on a comprehensive package of measures within OKB to create the conditions for an immediate and long-term profitability of the company. The measures adopted meant that OKB would be converted into a design and marketing driven company and as an organization largely similar to other companies and brands in the New Wave Group.

With the implemented changes, the goal for New Wave Group was that OKB would reach profitability in 2013 and beyond. We can now state that this goal has been met as OKB has a positive operating result for 2013. OKB and the brands ORREFORS and KOSTA BODA have thus achieved good conditions for positive future development. Herein is also a goal of ensuring the continued production of premium products and art glass in Sweden.

The Group will also continue its efforts to improve working capital. Working capital decreased by SEK 131.9 million and the inventory turnover increased to 1.4 (1.3). In our aim to improve our ratios however, there arose a shortfall in certain segments of our stock, and we will in the coming year increase our stock level. Work with efficiencies and to achieve a better structure in our stock continues even during the next year. Inventories amounted to SEK 1,449 (1,645) million as of December 31, 2013.

Another objective has been to strengthen our balance sheet further. This work resulted in the Group reducing its net debt by SEK 253 million during the year and net debt as of 31 December 2013 amounted to SEK 1,264 (1,517) million. Net debt equity ratio and net debt to working capital decreased and amounted to 60.1 (77.5)% and 67.6 (77.3)% respectively. The equity ratio increased by 5.7 percentage points to 49.8 (44.1)%. The improvement is due to lower working capital and lower net debt. Even cash flow from operating activities improved and amounted to SEK 358.5 (341.1) million.

INCOME

Sales amounted to SEK 4,047 million, which was 5% lower than last year (SEK 4,280 million). Exchange rates have affected negatively by SEK 78 million and sales in local currency decreased 3%. The acquired business contributed with SEK 27 million.

The operating segment Corporate Promo decreased by 5% where mainly the Nordic countries (including Sweden) and Europe have declined. Sports & Leisure sales decreased by 3% and the acquired unit impacted the segment positively by 1%. The sales decline occurs in both sales channels. Gifts & Home Furnishings sales decreased by 15%. The operating segment's sales decreased both in export markets and in Sweden.

Sales in Sweden decreased by 11% compared to last year and the decrease occurred in both sales channels. In the U.S., sales declined by 2% of which the acquired business affected positively by 2%. Sales were negatively affected by currency fluctuations upon conversion into SEK. In local currency, net sales increased slightly. Other Nordic countries decreased by 6%, which is related to Finland and Norway. Central and Southern Europe were adversely affected by deteriorating market conditions and decreased by 4% and 6% respectively.

	2013	**Share of income**	**2012**	**Share of income**	**Change MSEK**	**%**
Sweden	1 036	26%	1 158	27%	-122	-11
USA	1 095	27%	1 112	26%	-17	-2
Nordic region excl Sweden	589	15%	628	15%	-39	-6
Central Europe	710	17%	743	17%	-33	-4
Southern Europe	335	8%	356	8%	-21	-6
Other countries	282	7%	283	7%	-1	0
Total	**4 047**	**100%**	**4 280**	**100%**	**-233**	**-5**

GROSS PROFIT

Gross profit margin was 46.2 (43.6)%. Last year was negatively impacted by 2.5% (SEK 109 million) due to restructuring costs. Excluding restructuring costs, the margin was on par with last year.

OTHER OPERATING INCOME AND OTHER OPERATING EXPENSES

Other operating income decreased by SEK 1.8 million to SEK 33.3 (35.1) million. Other operating income is primarily attributable to currency exchange gains but also invoiced expenses and should be compared to the line "Other operating expenses" in which, primarily foreign exchange losses are reported. Other operating expenses decreased by SEK 7.8 million and amounted to SEK -10.9 (-18.7) million. Net of the above items was SEK 22.4 (16.4) million. The increase is primarily related to the billing of costs and profits associated with the sale of fixed assets.

COSTS AND DEPRECIATION

External costs decreased by SEK 100.7 million to SEK -853.3 (-954.0) million. Personnel costs amounted to SEK -697.8 million, which was SEK 67.7 million lower than last year (SEK -765.5 million). Depreciation and write-downs totaled SEK -52.1 (-89.9) million.

The lower costs above relate to the implementation of cost savings measures, and that last year included the following non-recurring costs:

External:	SEK 23 million
Personnel:	SEK 40 million
Write-downs:	SEK 40 million

The acquired business affect the costs by SEK -9.0 million

OPERATING MARGIN

Operating margin was 7.2 (1.7)%. Last year includes restructuring costs and excluding these, last year's operating margin was 6.7%.

NET FINANCIAL ITEMS AND TAXES

Net financial items amounted to SEK -56.2 (-58.2) million. The decrease was due to lower net debt.

Tax expenses in absolute terms amounted to SEK -47.4 (-9.1) million. The lower tax rate for the current year is due to a change in the tax base (mix of countries).

PROFIT FOR THE YEAR

Profit for the year amounted to SEK 187.1 (5.8) million and earnings per share amounted to SEK 2.82 (0.08). The previous year was impacted by restructuring costs of SEK -161.5 million. The acquired business contributed with SEK 2.2 million.


REPORTING OF OPERATING SEGMENTS

The operating segments are based on the Group's operational management. New Wave Group AB divides its operations into segments – Corporate Promo, Sports & Leisure, and Gifts & Home Furnishings. The Group monitors the segments' and brands' sales and profit (EBITDA) .

CORPORATE PROMO

Sales decreased by 5% and amounted to SEK 1,587 (1,675) million and profit (EBITDA) amounted to SEK 143.5 (159.0) million. The lower sales are due to a deteriorated promo market in the Nordic countries (including Sweden) and Europe. The shortfall in sales is offset by savings.

SPORTS & LEISURE

The operating segment's sales decreased by 3% and amounted to SEK 1,929 (1,983) million and profit (EBITDA) decreased by SEK 7.0 million and amounted to SEK 154.8 (161.8) million. The sales decrease is primarily related to the Swedish and European markets. The lower profit is mainly related to the lower sales but also higher sales and marketing costs. The acquired business impacted by SEK 27 million in sales and SEK 3.8 million in earnings.

GIFTS & HOME FURNISHINGS

Sales decreased by 15% and amounted to SEK 531 (623) million, but earnings (EBITDA) increased by SEK 202.3 million and amounted to SEK 44.5 (-157.8) million. The decrease in sales was mainly attributable to Orrefors Kosta Boda and its export sales as well as sales in the promo channel. The improvement is primarily related to last year's restructuring costs in Orrefors Kosta Boda, which impacted by SEK -172 million. Even excluding these costs EBITDA improved, due to the implementation of cost savings measures in Orrefors Kosta Boda.

SALES AND RESULT PER OPERATING SEGMENT

SEK million		
Corporate Promo	**2013**	**2012**
Income	1 587.3	1 674.9
Result EBITDA	143.5	159.0
Sports & Leisure		
Income	1 929.3	1 982.6
Result EBITDA	154.8	161.8
Gifts & Home furnishings		
Income	530.8	622.7
Result EBITDA	44.5	-157.8
Total income	**4 047.4**	**4 280.2**
Total result EBITDA	**342.8**	**163.0**

CAPITAL TIED UP

The Group has continued its efforts to improve working capital and capital tied up in goods has fallen by SEK 198 million during the year. Total inventories amounted to SEK 1,449 (1,645) million as of December 31, 2013. The decrease is primarily due to lower purchases. The stock turnover improved and amounted to 1.4 (1.3).

SEK million	**2013**	**2012**
Raw materials	24.6	33.7
Work in progress	4.0	13.2
Goods in transit	77.5	70.5
Merchandise on stock	1 343.0	1 528.0
Total	**1 449.1**	**1 645.4**

As of 31 December 2013, stock has been written down by SEK 100 (163) million, of which SEK 14 million relates to raw materials. The write-down related to merchandise on stock amounted to 6.4 (9.1) %. The decrease is primarily related to the sale of the stock of goods which have been subject to a write-down.

Accounts receivable amounted to SEK 734 (705) million. The increase is related to a change in the mix of customers and countries that have affected the capital tied up negatively.

INTANGIBLE ASSETS & IMPAIRMENT TESTING

Assumptions made in the trial are the Board's best judgment at this stage of the economic conditions expected to prevail over the projection period. Current market conditions and the economic situation make forecasting for future periods difficult to predict. The first five years, 2014–2018, are based upon the Board's established internal forecasts and for the periods thereafter an average growth rate of 3% for the terminal period has been used. Sensitivity analyses have been made of all operating segments.

In calculating the present value of expected future cash flows, a weighted average cost of capital (WACC) of 11,2 (11,5)% before tax is used. Discounted cash flows are compared with book value per cash generating unit/operating segments. Beside the impairment of SEK 10 million related to a completed sales contract, 2013 years assessment showed that there is no additional impairment.

CORPORATE PROMO

The calculation includes the operating segment's cash flow based on internal forecasts. The projections include an annual increase in sales, as well as the fact that capital tied up is expected to increase during the internal forecast period (2014–2018).

SPORTS & LEISURE

The calculation includes the operating segment's cash flow based on internal forecasts. The previous year's measures taken have contributed to the profitability and working capital improvements. The effects of these measures are included in the estimated improvements forecasted.

GIFTS & HOME FURNISHINGS

The calculation includes the operating segment's cash flow based on internal forecasts. Substantial steps were taken during 2012 within the Orrefors Kosta Boda business area in order to improve efficiency and profitability. These measures have yielded results and the forecast includes continued improvement in the margin and profitability. Actions will also provide an improved stock situation and efficiency improvements. Within the forecast period (2014-2018), 2014 is expected to be slightly weaker and then a gradual improvement during the remaining years.

ACQUISITION

Since 1999, the American company Karhu North America LLC ("Karhu") has been the exclusive distributor for New Wave Group's sports brand CRAFT in the U.S. and Canada. As of July 1, New Wave Group through its wholly owned subsidiary, New Wave USA Inc., acquired that part of Karhu activity involving the distribution of CRAFT products. This consists of inventory, certain intangible assets and contract rights. The acquisition is structured as an operating transfer. The initial purchase price is USD 3 million with an additional contingent consideration based on the performance of the business over the next five years. The total additional consideration cannot exceed USD 4.75 million.

Since the acquired business has been conducted under Karhu's other operations, there are no separately audited sales and income information for the CRAFT distribution. Based on pro-forma information, the acquired business achieved sales of approximately USD 6.9 million for fiscal year 2012. New Wave Group expects the acquisition will add an additional annual operating profit of approximately USD 0.7 million.

The acquired business will be conducted in a newly formed U.S. company: Craft Sportswear NA LLC, an indirect wholly owned subsidiary of New Wave USA Inc. Current CEO of Karhu, Huub Valkenburg, who founded the CRAFT distribution in North America , will continue as CEO of the new company, which will still be operated with headquarters in Beverly, Massachusetts, USA. New Wave Group believes that the acquisition and the new structure will provide a good basis for further expansion of the brand CRAFT in the U.S. and Canada during the coming years.

The purchase price allocation is preliminary. A breakdown of net assets acquired, are set out below;

Preliminary acquisition analysis:	USD million	SEK million
Purchase amount	5.3	34.9
Acquisition costs	0.1	0.6
Total purchase amount	**5.4**	**35.5**
Acquired assets, net		34.9
Expensed acquisition costs		0.6
Cash flow impact analysis		
Paid purchase amount	-3.0	-20.1
Paid acquisition costs	-0.1	-0.6
Net cash impact	**-3.1**	**-20.7**

Acquired assets, net SEK million	**Acquired assets, net (fair value)**
Stock	5.3
Other intangible assets	29.6
Acquired assets, net	**34.9**
Total purchase amount	**34.9**

	Total	**Ec. life**	**Depr/year**
Other intangible assets	29.6	10	2.96

INVESTMENTS, FINANCING & LIQUIDITY

Cash flows from operating activities amounted to SEK 358.5 (341.1) million, where the improvement is mainly due to higher operating income. Net cash investments totaled SEK -46.8 (-50.4) million, including acquisitions which amounted to SEK -14.8 million.

Net debt decreased by SEK 253 million and amounted to SEK 1,264 (1,517) million, which is mainly due to improved working capital in inventories. Net debt in relation to equity and working capital decreased to 60.1 (77.5)% and 67.6 (77.3)% respectively.

The equity ratio improved by 5.7 percentage points to 49.8 (44.1)%. Improvement is related to lower working capital and net debt reduction.

The Group has a credit agreement which is valid until 12 November 2015. The credit agreement has, as of 31 December, a credit framework of SEK 2,253 million, of which the principal agreement amounts to SEK 2,150 million. The credit facility amount has been limited to and dependent on the value of some underlying assets. The principal agreement means that business and financial ratios (covenants) must be fulfilled in order to maintain the agreement. Interest is based on each respective currency's base rate and fixed margin.

Based on the present forecast, management estimates that the Group will be able to meet these covenants with sufficient margin.

PERSONNEL, ORGANISATION & ALLOWANCES

As at 31 December 2013, the number of employees amounted to 2 123 (2 258) of which 51% were women and 49% were men. Out of the total number of employees, 513 (597) work within manufacturing. The manufacturing aspects of New Wave Group are attributable to Ahead (embroidered edging), Cutter & Buck (embroidered edging), Paris Glove, Orrefors Kosta Boda, Seger, Dahetra, and Toppoint.

There is no specifically appointed remuneration committee for the management of salary levels, pension benefits, incentive matters, and other terms of employment for the CEO as these issues are addressed by the Board as a whole. The terms of employment for other members of Group Management are decided on by the CEO and Chairman of the Board.

New Wave Group's remuneration policy for senior management in 2013 until the 2014 AGM:

- Remuneration to the Group CEO and senior management shall comprise a fixed salary at market rate.
- No specific Board fees for work within Group companies will be paid to the senior management.
- Variable remuneration, such as bonuses, may be permitted when it can be justified for the recruitment or retention of key employees, and to stimulate improvements in sales and profits, as well as for work to achieve the specific key ratios set by the Board. Variable remuneration shall be based on predetermined and measurable criteria such as the earnings trend for the New Wave Group, or the return on equity compared with fixed targets. Variable remuneration shall not exceed 50% of the fixed remuneration.

- With regard to each financial year, the Board shall evaluate whether a share or share price-related incentive programme which covers the year in question shall be proposed to the AGM or not. The AGM decides on such incentive programmes.

- Pension benefits shall correspond to the ITP plan (supplementary pensions for salaried employees) or, in the case of senior management outside Sweden, pension benefits that are customary in that country.

- A mutual notice period of a maximum of 6 months shall apply to all senior management and no severance pay will be paid.

The Board may deviate from the proposed guidelines above in individual cases if there are specific reasons to do so.

RELATED PARTY TRANSACTIONS

Lease agreements with affiliated companies are in place. Affiliated companies of the CEO have purchased goods for resale and received remuneration for consultancy services . A member of the Board of Directors has carried out consultancy services for a group company. All transactions have taken place on market terms. See Note 24 for further details.

RISKS & RISK MANAGEMENT

Considering its international business operations, New Wave Group is continually exposed to various financial risks. The financial risks include foreign exchange, borrowing, and interest rate risks, as well as liquidity and credit risks. In order to mitigate the impact of these risks on profits, the Group has established a finance policy. See Note 16 for a more detailed description of the Group's risk exposure and risk management.

Operational risks are factors which are not directly controllable, such as economic cycles, as well as fashions and foreign exchange fluctuations;

- with regard to the promo sales channel, the collections demand continuity which limits the risk that stock write-downs need to be made. Foreign exchange risk is limited through continual adjustment of price lists. Sales are made to selected retailers thus limiting credit losses.

- with regard to the retail sales channel, the aspect of fashionability is greater. As sales are largely in the form of pre-orders, the obsolescence risk is limited, however. The foreign exchange risk is limited as 50–80% of purchasing expenses are covered in advance.

The Group's policy is to have short fixed-rate interest periods, which means that fluctuating short-term interest rates have a rapid impact on the Group's net interest income.

ENVIRONMENT

New Wave Group has a responsibility to ensure that our business operations, and the business operations of our suppliers, respect the legal provisions of different countries, as well as basic human rights and working conditions. New Wave Group works systematically with regard to supplier auditing, monitoring, and dialogue in order to ensure that our business operations are conducted in the most responsible manner possible with regard to people and the environment.

New Wave Group understands how our business operations are so closely related to local and global environmental issues. As the Group grows in size, and as more customers buy our products, our environmental impact will increase. For this reason, New Wave Group is striving to develop environmentally sustainable solutions with regard to transport, packaging, and manufacturing.

The Group's subsidiary — Orrefors Kosta Boda AB — conducts licensed operations under the Enviromental code.

For additional information see section Ethics and the environment on pages 34–36.

PARENT COMPANY

Total income amounted to SEK 95.0 (127.2) million. Result before appropriations and tax amounted to SEK 214.4 (-23.7) million. Net borrowing amounted to SEK 1 317 (1 578) million, of which SEK 972 (1 159) million relates to the financing of subsidiaries. Net investments amounted to SEK -13.9 (8.6) million. Total assets amounted to SEK 2 883 (3 074) million, and equity, including 78% of untaxed reserves, amounted to SEK 1 169 (1 015) million. Income was adversely affected by SEK 22.8 million owing to a write-down of fixed assets. This is primarily due to capital contributions to subsidiaries to cover losses. The contributions are not expected to convey further value to the subsidiaries and have thus been charged against income.

NEW WAVE'S SHARES

The number of shares in New Wave Group AB amounts to 66 343 543 with a quotient value of SEK 3.00.The shares have equal rights to the Company's assets and profits. Each Series A share carries ten votes and each Series B share carries one vote. The offer of first refusal is in place for Series A shareholders in accordance with paragraph 14 of the articles of association.

The election of Board members takes place at the AGM.

Through companies, Torsten Jansson owns 31.6% of the capital and 81.4% of the votes.

The following authorisation has been given to the Board until the next AGM:

- to, on one or several occasions, decide on the new issue of a maximum of 4 000 000 Series B shares. The authorisation includes the right to decide to deviate from the shareholders' preferential rights, unless the decision refers to a new issue in which consideration is comprised only of cash. Through decisions supported by the authorisation, share capital will be allowed to increase by a total maximum of SEK 12 000 000. The authorisation will also include the right to decide on new issues with a dominance in kind, or that shares shall be subscribed with a right of set-off or otherwise with conditions as stated in chapter 13, section 5, point 6 of the Companies Act. The reason for the deviation from the shareholders' preferential rights is that the new issue of shares shall be used for the acquisition of companies and for financing continued expansion. The basis of the issue price will be the share's market value at the time of issue.

- to, on one or more occasions, decide to raise financing of a kind that is covered by the provisions in chapter 11, section 11 of the Companies Act. Such financing will take place on market terms. The reason for this authorisation is that the Company should have the opportunity to raise financing on attractive terms for the Company in which the interest rate may depend on the Company's profits or financial position, for example.

GROWTH TARGETS & DIVIDEND POLICY

The growth target over one business cycle is 10–20% per year, of which 5–10% should be organic growth, and 15% operating margin. The dividend policy is that the dividend will account for 40% of the Group's profit after taxes over a business cycle.

IN GENERAL

A report on the Group's governance and the work of the Board is presented in the section on Corporate Governance.

PROPOSED DISTRIBUTION OF PROFIT

THE FOLLOWING IS AT THE DISPOSAL OF THE ANNUAL GENERAL MEETING:

SEK	
Retained profits	425 763 645
Share premium reserve	48 017 672
Result for the year	240 952 927
Total	**714 734 244**

The Board proposes a dividend of SEK 1.00 (1.00) per share, corresponding to SEK 66 343 543, and that retained profits together with the result for the year, in total SEK 600 373 029, is carried forward. The Board's objective is that dividend to shareholders should equate to 40% of the Group's profit over one business cycle.

THE BOARD OF DIRECTORS' STATEMENT REGARDING DISTRIBUTION OF PROFITS

JUSTIFICATION

Consolidated equity has been calculated according to the IFRS standards as adopted by the EU, and in accordance with Swedish law through the application of the Swedish Financial Reporting Board's recommendation, RFR 1 (Supplementary Accounting Rules for Corporate Groups). The Parent Company's equity has been calculated according to Swedish law and through the application of the Swedish Financial Reporting Board's recommendation, RFR 2 (Accounting for Legal Entities).

The proposed distribution of profits corresponds to 35% of the Group's profits for the year, which is in line with the stated objective that dividend should equate to 40% of the Group's profits for the year over one business cycle. Investment plans, consolidation requirements, liquidity and overall position have been taken into account.

The Board finds that there is full coverage of the Company's restricted equity following the proposed distribution of profits.

The Board also finds that the proposed dividend to shareholders is justified with regard to the parameters stated in chapter 17, section 3, paragraphs 2 and 3 of the Companies Act (the nature, scope, and risks of the business, and consolidation requirements, liquidity, and overall position). In relation to this, the Board would like to stress the following.

THE NATURE, SCOPE & RISKS OF THE BUSINESS

The Board deems that Company equity and consolidated equity following the proposed distribution of profits will be sufficient in relation to the nature, scope, and risks of the business. In relation to this, the Board takes into account the Company's and the Group's historical and budgeted development, investment plans, and the economic situation.

CONSOLIDATION REQUIREMENTS, LIQUIDITY & OVERALL POSITION

CONSOLIDATION REQUIREMENTS

The Board has undertaken a comprehensive assessment of the Company's financial position and its ability to honour its future commitments. The proposed dividend represents 5.7% of the Company's equity and 3.2% of consolidated equity. The objective stated with regard to the Group's capital structure for an equity/

assets ratio of at least 30% is retained following the proposed dividend. The Company's and the Group's equity ratio is good. Against this background, the Board considers that the Company and the Group have the necessary conditions for taking future business risks and to withstand any losses. Planned investments have been taken into account in determining the proposed dividend. The distribution of profits will have no negative effect on the Company's and the Group's ability to make further commercially motivated investments according to the adopted plans.

LIQUIDITY

The proposed distribution of profits will not affect the Company's and the Group's ability to honour its payment obligations on time. The Company and the Group have access to liquid asset reserves in the form of both short and long-term credit. The credit can be obtained at short notice, which means that the Company and the Group are prepared to overcome liquidity variations as well as any unexpected events.

POSITION

The Board has evaluated all other known conditions which may be of significance for the Company's and the Group's financial position and which have not been considered within the framework of that which has been stated above. In relation to this, no circumstance has arisen which makes the proposed dividend seem unjustifiable.

The undersigned certify that the consolidated and annual accounts have been prepared in accordance with the IFRS international financial reporting standards, as adopted by the EU, and generally accepted accounting principles, and provide an accurate account of the Group's financial position and performance, and that the Group Directors' Report and Board of Directors' Report provide an accurate overview of the development of the Group's and the Company's operations, financial position and performance, and describe the significant risks and safety factors faced by the companies in the Group.

GÖTEBORG, 2 APRIL 2014

CHRISTINA BELLANDER
Board Member

ANDERS DAHLVIG
Chairman of the Board

HELLE KRUSE NIELSEN
Board Member

MATS ÅRJES
Board Member

TORSTEN JANSSON
MD and CEO

GÖRAN HÄRSTEDT
Board Member

OUR AUDITOR'S REPORT HAS BEEN GIVEN ON 2 APRIL 2014

ERNST & YOUNG AB

BJÖRN GRUNDVALL
Authorised Public Accountant

CONSOLIDATED INCOME STATEMENT

1 JANUARY – 31 DECEMBER

SEK million	**Note**	**2013**	**2012**
Income	3	4 047.4	4 280.2
Goods for resale		-2 177.0	-2 415.8
Gross profit		**1 870.4**	**1 864.4**
Other operating income	4	33.3	35.1
External costs	6	-853.3	-954.0
Personnel costs	5, 6	-697.8	-765.5
Depreciation and write-down of tangible and intangible fixed assets	1, 9, 10	-52.1	-89.9
Other operating costs		-10.9	-18.7
Share of associated companies' result		1.1	1.7
Operating profit		**290.7**	**73.1**
Financial income		6.8	5.0
Financial costs		-63.0	-63.2
Net financial items	23	**-56.2**	**-58.2**
Profit before tax		**234.5**	**14.9**
Tax on net profit for the year	8	-47.4	-9.1
Profit for the year		**187.1**	**5.8**
Other comprehensive income			
Items that can be reclassified into profit or loss			
Translation differences		23.9	-70.5
Cash flow hedge		0.1	-7.0
Sum		**24.0**	**-77.5**
Income tax related to components of other comprehensive income		0.0	1.5
Total other comprehensive income net after tax for the year		*24.0*	*-76.0*
Total comprehensive income for the year		**211.1**	**-70.2**
Profit for the year attributable to:			
Shareholders of the parent company		187.2	5.4
Non-controlling (minority) interest		-0.1	0.4
		187.1	**5.8**
Total comprehensive income attributable to:			
Shareholders of the parent company		210.9	-69.7
Non-controlling (minority) interest		0.2	-0.5
		211.1	**-70.2**
Earnings per share			
before dilution (SEK)		2.82	0.08
after dilution (SEK)	6	2.82	0.08
The average number of outstanding shares before dilution		66 343 543	66 343 543
The average number of outstanding shares after dilution	6	66 343 543	66 343 543

CONSOLIDATED CASH FLOW STATEMENT

1 JANUARY – 31 DECEMBER

SEK million	Note	2013	2012
Current operation			
Operating profit		290.7	73.1
Adjustment for items not included in cash flow		32.2	230.1
Received interest		6.8	5.0
Paid interest		-63.0	-63.2
Paid income tax		-40.1	-63.6
Cash flow from current operations before changes in working capital		**226.6**	**181.4**
Cash flow from changes in working capital			
Increase/decrease in stock		198.2	193.6
Increase/decrease of current receivables		-30.4	12.7
Increase/decrease of current liabilities		-35.9	-46.6
Cash flow from operations		**358.5**	**341.1**
Investing activities			
Investments in tangible fixed assets		-26.8	-54.2
Sales of tangible fixed assets		4.1	8.6
Investments in intangible fixed assets		-24.1	-4.8
Cash flow from investing activities		**-46.8**	**-50.4**
Cash flow after investing activities		**311.7**	**290.7**
Financing activities			
Repayment of long-term receivables		0.8	0.0
Amortization of loan		-291.8	-157.2
Dividends paid to the shareholders of the parent company		-66.3	-66.3
Cash flow from financing activities		**-357.3**	**-223.5**
Cash flow for the year		**-45.6**	**67.2**
Liquid assets at the beginning of the year		229.7	117.7
Adjustment liquid assets at the beginning of the year*		0.0	48.8
Translation differences in liquid assets		1.0	-4.0
Liquid assets at year-end		**185.1**	**229.7**
Liquid assets			
Cash at bank and in hand		**185.1**	**229.7**

The above items have been classified as liquid assets on the basis that:

- they comprice cash
- they have an insignificant risk of exchange rate fluctuations

Comments to the cash flow statement

The cash flow from operating activities increased by SEK 17.4 million (SEK 275.1 million).
Liquidity influencing net investments decreased by SEK -3.6 million (SEK -276.1 million).
Cash flow after investing activities amounts to SEK 311.7 million (SEK 290.7 million).

* As of 2012 gross accounting of cash in bank is applied

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER

SEK million	Note	2013	2012
ASSETS			
Intangible fixed assets	9	1 196.9	1 173.0
Tangible fixed assets	10	287.5	297.4
Shares in associated companies	11	63.1	62.0
Long-term receivables	28	23.9	24.5
Deferred tax assets	12	81.3	103.9
Total fixed assets		**1 652.7**	**1 660.8**
Stock	22	1 449.1	1 645.4
Tax receivables		30.2	33.1
Accounts receivables	16	734.2	705.0
Prepaid expenses and accrued income	13	59.5	59.8
Other receivables	7	110.7	107.4
Liquid assets		185.1	229.7
Total current assets		**2 568.8**	**2 780.4**
TOTAL ASSETS	21, 7	**4 221.5**	**4 441.2**
EQUITY			
Share capital		199.1	199.1
Other capital contributions		219.4	219.4
Reserves		20.0	-9.2
Retained earnings including net profit for the year		1 640.4	1 525.0
Equity attributable to the shareholders of the parent company		**2 078.9**	**1 934.3**
Non-controlling (minority) interest		23.9	23.7
Total equity		**2 102.8**	**1 958.0**
LIABILITIES			
Long-term interest-bearing liabilities	14, 17, 19	1 375.4	1 670.3
Pension provisions		11.0	10.1
Other provisions	25	15.9	1.3
Deferred tax liabilities	12	129.1	138.0
Total none-current liabilities		**1 531.4**	**1 819.7**
Short-term interest-bearing liabilities	14, 17, 19	73.7	76.1
Accounts payable		229.0	237.8
Current tax liabilities		21.6	31.3
Other liabilities	27	92.0	118.1
Accrued expenses and prepaid income	15	171.0	200.2
Total current liabilities		**587.3**	**663.5**
Total liabilies		**2 118.7**	**2 483.2**
TOTAL EQUITY AND LIABILITIES	21	**4 221.5**	**4 441.2**
Memorandum items			
Pledged assets	19	3 493.6	3 505.1
Contingent liabilities	20	24.3	22.0

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK million	Share capital	Other capital contributions	Reserves	Retained earnings including net profit for the year	Total	Non-controlling (minority) interest	Total equity
Opening balance 2012-01-01	**199.1**	**219.4**	**65.9**	**1 584.2**	**2 068.6**	**24.2**	**2 092.8**
Profit for the year				5.4	5.4	0.4	5.8
Change in tax rate, untaxes reserves				1.7	1.7		1.7
Other comprehensive income							
Translation differences			-69.6		-69.6	-0.9	-70.5
Cash flow hedge			-7.0		-7.0		-7.0
Income tax related to components of other comprehensive income			1.5		1.5		1.5
Transactions with shareholders							
Dividends				-66.3	-66.3		-66.3
Closing balance 2012-12-31	**199.1**	**219.4**	**-9.2**	**1 525.0**	**1 934.3**	**23.7**	**1 958.0**

SEK million	Share capital	Other capital contributions	Reserves	Retained earnings including net profit for the year	Total	Non-controlling (minority) interest	Total equity
Opening balance 2013-01-01	**199.1**	**219.4**	**-9.2**	**1 525.0**	**1 934.3**	**23.7**	**1 958.0**
Profit for the year				187.2	187.2	-0.1	187.1
Other comprehensive income							
Translation differences			23.6		23.6	0.3	23.9
Cash flow hedge			7.1	-7.0	0.1		0.1
Income tax related to components of other comprehensive income			-1.5	1.5	0.0		0.0
Transactions with shareholders							
Dividends				-66.3	-66.3		-66.3
Closing balance 2013-12-31	**199.1**	**219.4**	**20.0**	**1 640.4**	**2 078.9**	**23.9**	**2 102.8**

Accumulated translation differences in equity	**2013**	**2012**	**2011**	**2010**
Accumulated translation differences at the beginning of the year	-0.6	69.9	49.9	115.7
Translation differences in foreign subsidiaries for the year	23.9	-70.5	20.0	-65.8
Accumulated translation differences at year-end	**23.3**	**-0.6**	**69.9**	**49.9**

CLASSIFICATION OF EQUITY

SHARE CAPITAL
Share capital includes the registed share capital for the parent company. Share capital consists of 19 707 680 class A shares (quoted value SEK 3.00) and 46 635 863 class B shares (quoted value SEK 3.00).

OTHER CAPITAL CONTRIBUTIONS
Other capital contributions include the total transactions that New Wave Group AB has had with the shareholders. Transactions that have taken place are premium share issues. The amount that is included in other capital contributions is therefore fully equivalent to capital received in addition to the nominal amount from the share issue.

RESERVES
Reserves consist of translation differences and fair value changes regarding financial instruments which are a part of cash flow hedge.

RETAINED EARNING INCLUDING NET PROFIT FOR THE YEAR
Retained earnings are equivalent to the accumulated profit and loss generated by the Group in total, after the deduction of paid dividends.

CAPITAL MANAGEMENT
Group equity amounted to SEK 2 102.8 million (SEK 1 958.0 million) at the end of the year. New Wave Group's financial strategy is to create safe financial conditions for the Group's operations and development. The return on equity is highly significant. At the end of 2013, the return on equity amounted to 9.3% (0.4%) with an equity ration of 49.8% (44.1%).

New Wave Group's dividend policy means that the dividends to the shareholders will be equivalent to 40% of Group profits over an economic cycle. The Board proposes a dividend of SEK 1.00 (1.00) per share, corresponding to SEK 66.3 million, or 35% of the Group's profit for the year.

NOTE 1 ACCOUNTING POLICIES

BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the European Commission for application in the EU. Recommendation RFR 1 Supplementary Accounting Rules for Corporate Groups of the Swedish Financial Reporting Board has also been applied, which means that certain additional disclosures are provided in the consolidated financial statements. The accounting policies presented in the following description have been applied consistently for all periods presented in the consolidated financial statements. The policies have also been applied consistently within the Group. The consolidated financial statements are based primarily on historical costs, except in respect of certain financial assets and liabilities, which are recognised at fair value. The financial statements are prepared in Swedish kronor, which is the functional and reporting currency of New Wave Group.

Preparing financial statements in accordance with IFRS requires that management make certain assessments, estimates and assumptions. Critical estimates and assessments are often based on historical experience and expected future events. Those which are expected to have the biggest impact on earnings, assets and liabilities relate to how trademarks, goodwill and taxes shall be measured. Estimates, assessments and assumptions are reviewed on a regular basis. Changes are reported in the period in which the change is implemented and in future periods if these are affected. Information on areas where applied estimates and assessments contain an element of uncertainty is provided in Note 2.

Non-current assets, non-current liabilities and provisions consist essentially of amounts that are expected to be recovered or paid later than twelve months from the balance sheet date. Current assets and current liabilities consist essentially of amounts that are expected to be recovered or paid within twelve months of the balance sheet date.

NEW AND AMENDED ACCOUNTING POLICIES

As of 1 January 2013, the Group introduced the following new and amended standards from IASB. To the extent that each standard or interpretation has given or is likely to give rise to effects on the content of the financial statements, a more detailed description of the content in respect of the amendment concerned is given. These amendments have also affected the current descriptions in respect of applied accounting policies.

- Amendments to IFRS 7 Financial Instruments: Disclosures introduces new disclosure requirements for the offsetting of financial assets and financial liabilities.
- IFRS 13 Fair Value Measurement, establishes uniform rules for the calculation of fair values where other standards require accounting of or disclosures regarding the fair values of assets and liabilities. The aim of the standard is to ensure that valuations at fair value are more consistent and less complex in that the standard provides an exact definition and common source in the IFRS regarding fair value valuations and related information.
- Amendments to IAS 1 Presentation of Financial Statements. The presentation of other comprehensive income is amended so that items which can be reclassified as income are reported separately from items which will never be reclassified.
- Amendments to IAS 19 Employee Benefits, primarily established significant changes regarding the accounting of defined benefit pension plans. The corridor method and the ability to immediately record actuarial gains and losses in net income for the year has been removed. Furthermore, the interest rate applied when pension liabilities are calculated shall also be used when the return on pension assets is calculated. All revaluations shall be reported under other comprehensive income (not reclassification), i.e., actuarial gains and losses, and the difference between the actual and estimated return on pension assets.
- Annual improvements to IFRS 2009–2011. Minor amendments to and clarifications of five standards, including IAS 1 Presentation of Financial Statements, in which clarification is made of which additional information is required if more than one comparative period is reported in the calculations, or if an adjusted opening balance sheet for the comparative period is presented. The amendments come into force on 1 January 2013. The EU has not yet approved the amendments.

The application of these standards and interpretations has not had any impact on the Group's earnings or financial position.

The following amendments and updates have been decided by IASB and shall apply as of 1 January 2014 or thereafter if no other application date has been adopted by the EU;

- IFRS 9 Financial Instruments. IFRS 9 is intended to replace IAS 39 and to date, subprojects regarding the accounting and valuation of financial assets and financial liabilities have been published. Currently, no decision has been made as to when the new standard will be applied. The EU has not yet approved the standard.
- IFRS 10 Consolidated Financial Statements, gives an account of when controls exists, and subsequently, when companies are to be included in the consolidated financial statements. The standard provides guidance for assessing when control exist.
- IFRS 11 Joint Arrangements, identifies two types of joint arrangements; a joint operation in which participants have the rights and obligations to assets and liabilities, and a joint venture in which participants have the rights to net assets. In a joint operation, each participant shall report its assets, liabilities, income, and expenses. In a joint venture, the equity method is applied.
- IFRS 12 Disclosure of Interests in Other Entities, establishes disclosure requirements for subsidiaries, joint arrangements, associates, and unconsolidated "structured entities".
- IAS 27 Consolidated and Separate Financial Statements. Accounting and disclosures of a legal entity of subsidiaries, "joint arrangements", associates, and "unconsolidated structured entities".

- IAS 28 Investments in Associates and Joint Ventures, describes the application of the equity method, both with regard to the accounting of associates and joint ventures.

- Amendments to IAS 32 Financial Instruments: Presentation, introduces clarification in the section "Application Guidance" with regard to the offsetting of financial assets and financial liabilities.

New Wave Group AB is currently working on evaluating the potential effects of the aforementioned decided but unimplemented new standards and amended standards.

CONSOLIDATED FINANCIAL STATEMENTS AND PRINCIPLES OF CONSOLIDATION

The consolidated financial statements comprise the Parent Company New Wave Group AB and all companies in which New Wave Group AB directly or indirectly holds more than 50% of the voting rights or otherwise exercises a controlling influence. In assessing whether a controlling influence exists, potential shares entitling the holder to vote that can be used or converted without delay are taken into account.

The cost of shares in subsidiaries is eliminated against equity in each subsidiary at the time of acquisition. If the cost of the shares exceeds the value of the acquired Company's net assets consolidated goodwill is recognised. Under this method, only that portion of equity in the subsidiary that has been generated after the acquisition date is included in consolidated equity. Cost is defined as the sum of the fair values of the assets paid, liabilities incurred or assumed and equity instruments issued by New Wave Group to acquire the operation. If the portion of the fair value of the acquired net assets exceeds the cost of the acquisition, the difference is recognised in the income statement as an acquisition on favourable terms. Transaction costs are to be recognised in the income statement as incurred. The acquirer can choose to recognise a non-controlling minority interest either at fair value ("full goodwill") or at its share of the acquired net assets. In the first alternative the non-controlling interest and goodwill will increase in value by the same amount. Changes in value relating to contracted supplementary considerations are accounted for in the income statement and affect the value of the reported goodwill. Under IAS 27, all changes in the equity stake in a subsidiary, where the controlling influence does not cease, should be accounted for as equity transactions.

Goodwill arises upon acquisition and consists of the difference between the cost of the acquisition and the fair values of the identified acquired net assets. The value of goodwill is tested annually or if there are indications of impairment. Goodwill is stated at cost less accumulated impairment losses. Goodwill is allocated to the cash-generating units identified by the Company.

Earnings from operations acquired during the year are recognised in the consolidated income statement from the acquisition date. Any gain or loss from the sale of operations during the year is calculated based on the Group's recognised net assets in such operations, including earnings up to the date of sale. Intercompany balances and any unrealised income and expenses attributable to intercompany transactions are eliminated.

The non-controlling interest's share of the subsidiaries' net assets is accounted for as a separate item under consolidated equity. In the consolidated income statement the non-controlling interest's share is included in reported profit/loss.

Associated companies are those companies which are not subsidiaries but where the Parent Company directly or indirectly owns a voting share of 20% or more. Interests in associated companies are accounted for using the equity method. In the consolidated income statement interests in the profit or loss of associated companies are included in profit/loss before tax. Interests in associated companies recognised at cost after adjustments for the share of the profit or loss after the acquisition date are accounted for in the consolidated balance sheet.

RECOGNITION OF INCOME

Income is stated at the fair value of what has been received or will be received after deducting for value-added tax, discounts and returns. Income is recognised when it is deemed likely that payment will be received and the income can be reliably measured, i. e. when all risks and benefits have been transferred from the seller to the buyer. In the case of New Wave Group this is, in most cases, when an individual product is handed over, provided that New Wave Group does not remain financially involved in the product. Commission, royalty and license income is accounted for in accordance with the economic significance of the agreement concerned.

INTANGIBLE FIXED ASSETS

An intangible asset is an identifiable, non-monetary asset without physical substance. Intangible assets which can be identified and measured separately from goodwill upon acquisition consist, for instance, of customer-, contract- and/or technology-related assets. Typical marketing- and customer-related assets comprise trademarks and customer relationships. Contracts and customer relationships derive from expected customer loyalty and the cash flows that are expected to arise during the remaining useful life of each asset. The method on which the valuation is based is described under Trademarks below.

Internally generated intangible assets, excluding goodwill, are recognised only if it is sufficiently likely that the asset will generate future economic benefits and the cost can be reliably measured. The cost of an internally generated asset includes direct manufacturing expenses and a portion of indirect expenses attributable to the actual asset. Intangible assets are amortized on a straight-line basis over their expected useful lives. Amortization begins when the asset is available for use. Product development mainly comprises design and development of new collections as well as development of new product variants within the framework of the existing product range. Such development generally does not meet the criteria for recognition in the balance sheet. In most cases expenditure on development is therefore charged to expense as incurred. The Company does not conduct any research activities in the strict sense.

Intangible assets are stated at cost and amortised over their useful lives, which can be indefinite or determinable. An intangible asset with an indefinite useful life is not amortised but tested for impairment annually or more frequently. New Wave Group recognises goodwill and trademarks, which are both classified as intangible assets with indefinite useful lives.

TRADEMARKS
Trademarks are mainly stated at cost after deducting any accumulated amortisation and impairment losses. Trademarks with indefinite useful lives are not amortised but tested for impairment annually or more frequently.

TANGIBLE FIXED ASSETS
Property, plant and equipment are valued at cost after adjusting for depreciation and any impairment. Property, plant and equipment are depreciated on a straight-line basis over their expected useful lives. In determining the depreciable amount for an individual item of property, plant and equipment account is taken of any residual value of the asset. To the extent that an asset consists of components which differ materially in respect of their useful lives, these are written off separately (component depreciation). The cost of an item of property, plant and equipment that has been manufactured is included in direct manufacturing expenses and attributable indirect expenses. Depreciation begins when the asset becomes available for use. Land is not depreciated.

An item of property, plant and equipment is removed from the balance sheet upon sale or if the asset is not expected to generate any future economic benefits either by being used or being sold. Capital gains and losses are calculated as the difference between the consideration received and the asset's carrying amount. The capital gain or loss is recognised in the income statement in the year in which the asset is removed from the balance sheet. The assets' residual values, useful lives and methods of depreciation are reviewed at the end of each financial year and adjusted prospectively, if required.

Normal expenditure on maintenance and repairs is expensed as incurred, but expenditure on significant renewal and improvement works is recognised in the balance sheet and depreciated over the remaining useful life of the underlying asset. The following useful lives are applied in New Wave Group.

Computers and software	33%
Buildings	2–4%
Other machinery and equipment	10–20%
Other intangible fixed assets	5–10 %

IMPAIRMENT LOSSES
If there are internal or external indications of a decline in the value of an asset, the asset is to be tested for impairment. For assets with indefinite useful lives, goodwill and trademarks, such tests are performed at least once a year, whether there are any indications of impairment or not. An asset or group of assets (cash-generating units) should be written down if the recoverable amount is lower than the carrying amount. The recoverable amount is the higher of value in use and net realisable value. Impairment losses are recognised in the income statement. If an individual asset cannot be tested separately because it is not possible to identify the fair value less selling expenses for the asset, the asset is allocated to a group of assets known as a cash-generating unit for which it is possible to identify separate future cash flows. Certain assets, such as goodwill, have no fair value less selling expenses, which means that it is demonstrably necessary to instead calculate the value in use for the cash-generating unit to which the asset has been allocated. If the allocation of goodwill cannot be completed before the end of the year in which the acquisition took place the initial allocation must be confirmed before the end of the financial year after the year in which the acquisition took place. Unallocated goodwill must be indicated along with an explanation for why the amount has not been allocated. To the extent that the underlying factors behind an impairment loss change in coming periods, the impairment loss will be reversed, except in the case of goodwill. Information on the specific assumptions which need to be made to calculate value in use is provided in Note 9 Intangible fixed assets.

PROVISIONS
A provision is recognised when the Group has a legal or constructive obligation arising from previous events and it is probable that an outgoing payment will be required to settle the obligation and the amount can be reliably measured. In cases where the Company expects that an obligation for which a provision has been recognised will be paid by an outside party, for instance under the terms of an insurance contract, the provision is accounted for as a separate asset, but only when it is practically certain that the payment will be received. If the obligation for which a provision has been made is due to be settled after more than twelve months, the future payment should be discounted to present value using a discount rate which reflects short-term market expectations, taking account of transaction-specific risks. Capitalisation of the provision is recognised in the balance sheet.

A transfer to the restructuring reserve is accounted for in the period in which the Group becomes legally or constructively committed to the plan and the counterparties have a valid expectation created by past practice. A provision is recognised only in respect of expenditure that is incurred as a direct result of the restructuring and that is a result of remaining contractual obligations without lasting economic benefits or that refers to a penalty incurred on account of terminating the obligation.

FINANCIAL INSTRUMENTS
All purchases and sales of financial assets are recognised at the transaction date, which is the date on which the Group undertakes to purchase the asset. Such purchases and sales normally require delivery within the period defined by regulations or generally accepted practice in the market. A financial asset or financial liability is recognised in the balance sheet when the Company becomes a party to the contractual terms and conditions of the instrument. Trade receivables are recognised in the balance sheet when an invoice has been sent. A liability is recognised when the counterparty has performed and there is a contractual duty to pay, even if no invoice has been received. Trade payables are recognised when an invoice has been received. A financial asset is removed from the balance sheet when the rights inherent in the agreement are realised or expire or if the Company loses control over them. The same applies to a portion of a financial asset. A financial liability is removed from the balance sheet when the obligation in the agreement is fulfilled or otherwise ceases to apply. The same applies to part of a financial liability. Information on financial position and results is provided in Note 16 Financial instruments and financial risk management.

1.FINANCIAL ASSETS
A financial asset is initially classified as one of the following:

- Financial assets carried at fair value trough profit or loss.
- Loans and receivables carried at amortised cost.

- Financial assets held to maturity carried at cost.
- Financial assets available for sale carried at fair value through to comprehensive income.

New Wave Group has financial assets carried at fair value through profit or loss and loans and receivables. There are no financial assets held to maturity or financial assets available for sale.

FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS

New Wave Group uses derivatives, such as currency futures, to manage financial risks. The derivatives are always carried at fair value through profit/loss for the year as long as hedge accounting is applied. If the derivatives have a positive value they are accounted for as a derivative in the balance sheet.

LOAN AND TRADE RECEIVABLES

Loan receivables are non-derivative financial assets with specified or specifiable payments that are not listed on an active market. These are initially stated at fair value and subsequently at amortised cost. If a loan receivable is deemed to be impossible to recover, a provision for the difference between the carrying amount and the expected cash flow is made. Interest income relating to loan receivables is accounted for as financial income.

A provision is made for doubtful receivables at year-end if there is objective evidence that the full value of the asset will not be received. Losses attributable to doubtful receivables are recognised in the income statement under external expenses.

Receivables are assessed individually and recognised at the amounts at which they are expected to be received. Trade receivables are carried at the amounts that are expected to be realised after deducting for doubtful receivables, which are assessed individually. The expected maturity of a trade receivable is short, and the value is therefore recognised at the nominal amount with no discount. Impairment of trade receivables is recognised in operating expenses. Information on impairment losses for the year is provided in Note 16, Financial instruments and financial risk management.

CASH AND BANK DEPOSITS

Cash and short-term bank deposits comprise liquid bank deposits and available cash assets as well as short-term bank deposits with an original maturity of three months or less.

2.FINANCIAL LIABILITIES

A financial liability is initially classified as:

- Financial liabilities carried at fair value through profit/loss for the year
- Financial liabilities carried at amortised cost

FINANCIAL LIABILITIES CARRIED AT FAIR VALUE THROUGH PROFIT/LOSS FOR THE YEAR

New Wave Group uses derivatives, such as currency futures, to manage financial risks. The derivatives are always carried at fair value through profit/loss for the year. If the derivatives have a negative value they are accounted for as a liability in the balance sheet.

FINANCIAL LIABILITIES CARRIED AT AMORTISED COST

These liabilities are initially carried at fair value less transaction costs. In subsequent periods these liabilities are stated at amortised cost by applying the effective interest method.

Loan liabilities comprise liabilities to credit institutions. These are stated at cost in the balance sheet at the settlement date plus accrued interest. Interest expenses are recognised in the income statement as incurred and allocated to the periods to which they refer. Trade payables are stated at amortised cost. Trade payables have a short expected maturity and are stated at their nominal value and are not discounted. A description of risks is provided in Note 16, Financial instruments and financial risk management.

MEASUREMENT OF FINANCIAL INSTRUMENTS AT FAIR VALUE

Financial derivatives are carried at their respective fair values. In cases where no quoted information/data is available for measuring financial instruments at fair value, generally accepted valuation methods are used. These may be more or less dependent on quoted information/data. As New Wave Group only holds financial instruments whose measurement is based on quoted information, management has not had to make any assumptions or assessments for the purpose of measuring financial instruments. For financial assets and liabilities with maturities of less than one year, fair value is assumed to be the nominal value.

FINANCIAL DERIVATIVES AND HEDGE ACCOUNTING

Financial derivatives are initially and subsequently stated at fair value. Changes in value are carried through profit/loss for the year unless they form part of an effective hedge relationship and hedge accounting is applied. When a derivatives contract is concluded the Group chooses to classify the derivatives as fair value hedges, cash flow hedges or hedges of net investments in foreign subsidiaries. New Wave Group applies cash flow hedging for hedging of future flows and hedging of foreign subsidiaries. Changes in value for hedge instruments which form part of an effective cash flow hedge or a hedge of a foreign subsidiary are recognised in other comprehensive income. The cumulative change in value of such derivatives is reversed through profit/loss for the year in the period in which the hedged item affects the items in the income statement.

When a hedge instrument expires or is sold, exercised or withdrawn or otherwise no longer meets the criteria for a hedge transaction, any gain or loss recognised in equity until such date should remain there, after which it is ultimately recognised as an adjustment of expenses or income when the planned transaction or the assumed obligation is realised in the income statement. However, if a planned transaction or an assumed obligation is no longer expected to occur, the cumulative gain or loss recognised in other comprehensive income, from the period in which the hedge is applied, should immediately be transferred to the income statement.

New Wave Group also uses futures to hedge about 50–80% of all purchases in Sports & Leisure and Sagaform that are exposed to fluctuations in exchange rates. When an order is made, derivatives are purchased to hedge the value of incoming deliveries to the warehouses.

Disclosures on individual hedges are provided in Note 16, Financial instruments and financial risk management.

LEASING

Finance leases, where the Group essentially assumes all risks and benefits associated with ownership of the leased object, are recognised in the balance sheet at the lower of the fair value of the leased property or the present value of the minimum lease payments. Lease payments are allocated between funding costs and repayment of the outstanding liability under the lease. Assets held under a finance lease are written off over their expected useful lives.

Leases in which the lessor essentially retains all risks and benefits associated with ownership are classified as operating leases. Lease payments are expensed in the income statement on a straight-line basis over the term of the lease.

STOCK

Stock is recognised at the lower of cost, as determined by applying the first in first out (FIFO) method, and net realisable value. The net realisable value is the estimated selling price less estimated selling expenses. Stock comprise clothes, gift products and accessories held for resale.

INCOME TAX

CURRENT INCOME TAX

Current tax assets and tax liabilities for current and previous periods are defined as the amount that is expected to be received back from or paid to the tax authority. The tax rates and tax laws applied in calculating the amount are those which have been adopted or announced at the balance sheet date. Current tax attributable to items recognised in equity and in other comprehensive income are recognised in equity and other comprehensive income.

DEFERRED INCOME TAX

Deferred tax is recognised at the balance sheet date in accordance with the balance sheet method for temporary differences between the carrying amounts and tax bases of assets and liabilities. Deferred tax liabilities are accounted for all taxable temporary differences. Except are cases where the deferred income tax liability is incurred as a result of goodwill impairment or where an asset or liability is accounted for as part of a transaction which is not a business combination and which, at the time of the transaction, neither affects the reported profit or the taxable profit or loss (i. e. initial recognition exemption). Normally deductible temporary differences are not recorded when related to investments in subsidiaries, associates, and joint ventures except for cases in which the time frame for reversal of the temporary difference can be controlled and it is likely that the temporary difference will not be reversed in the forseeable future.

Deferred tax assets are recognised for all deductible temporary differences, including tax losses to the extent that it is likely that a taxable profit will be available against which the tax asset can be offset. Deferred tax assets are reviewed at each balance sheet date and adjusted to the extent that it is no longer probable that sufficient profits will be generated to enable all or part of the deferred tax asset to be used. Deferred tax assets and tax liabilities are determined at the tax rates applying for the period in which the asset is realised or the liability is paid based on tax rates (and legislation) that have been adopted or announced at the balance sheet date. Deferred tax assets and tax liabilities are offset if there is a legal right to offset the amounts against each other and the deferred tax is attributable to the same unit in the Group and the same tax authority.

PENSIONS

Both defined benefit and defined contribution pension plans are used in New Wave Group. The Group has defined benefit pension plans that are managed by Alecta. This is a plan which covers several employers, and, as Alecta does not have sufficient information available for measurement, the Company's pension obligation with Alecta is accounted for as a defined contribution plan in accordance with IAS 19, p. 30. Alecta's collective funding ratio at year-end was 148 (129)%. Collective funding ratio is defined as the difference between the assets and insurance obligations calculated in accordance with Alecta's actuarial assumptions, which do not comply with IAS 19. The Group's contributions to defined contribution pension plans are charged to the income statement in the year to which they are attributable.

OPERATING SEGMENT REPORTING

The Corporate Promo, Sports & Leisure, and Gifts & Home Furnishings operating segments comprise the Group's segments. Under this classification, each trademark is grouped to the various operating segments. Prices charged between Group companies are set on a commercial basis and thus constitute market prices. Internal profits and losses arising from sales between Group companies have been fully eliminated.

ESTIMATES AND ASSESSMENTS

In preparing financial statements the Board of Directors and Chief Executive Officer are required to make certain estimates and assumptions which affect the content of the financial statements, i. e. the carrying amounts of assets, liabilities, income and expenses. Those areas where estimates and assumptions are of material significance for the Group and which may affect the income statement and balance sheet if they are changed are described in note 2.

IMPAIRMENT OF TANGIBLE FIXED ASSETS AND INTANGIBLE FIXED ASSETS

Tangible fixed assets and intangible fixed assets, except those which have indefinite useful lives, are written off over the periods in which they will generate income, i. e. their useful lives. If there is an indication of impairment of an asset the recoverable amount is determined. The recoverable amount is the higher of the fair value of the asset less selling expenses and its value in use. An impairment loss is recognised when the asset's recoverable amount is less than the carrying amount. The recoverable amount is determined based on management's estimate of future cash flows or other factors. The assumptions made for the purpose of impairment tests, including the associated sensitivity analyses, are explained in Note 9 and affect the estimated present value in all cases.

Goodwill, trademarks and other intangible assets with indefinite useful lives should be tested for impairment at least once a year or if there are indications of impairment. To test these assets for impairment, the assets need to be allocated to cash-generating units and their values in use need to be calculated. The necessary calculations require that management make an estimate of the expected future cash flow attributable to the defined cash-generating units. A discount rate also needs to be calculated for the purpose of discounting the cash flow. See Note 9.

The Group has reviewed those estimates which, if they were to be changed, could have a significant impact on the fair values of assets and would therefore require recognition of impairment losses. The estimates relate to factors such as expected selling prices for the products, expected inflation levels and discount rates. A description of the assumptions made concerning impairment tests, including sensitivity analyses, is given in Note 9.

MEASUREMENT OF FINANCIAL INSTRUMENTS AT FAIR VALUE

In cases where financial assets and liabilities have no fair values based on quoted prices, other measurement methods are used, such as discounted cash flow models or the Black & Scholes model. The main assessments refer to future cash flows, credit risks and volatility. For more information, see Note 16, Financial instrument and financial management.

DEFERRED TAX ASSETS

Deferred taxes are recognised for temporary differences arising between the carrying amounts and tax bases of assets and liabilities as well as for unused tax losses. Deferred tax assets are recognised only if it is likely that these can be used to offset future profits. In the event that actual outcomes differ from the estimates made or if management adjusts these estimates in future, the value of deferred tax assets could change. See Note 12 Deferred tax assets for detailed information.

PROVISIONS FOR DOUBTFUL RECEIVABLES

Trade receivables are initially carried at fair value and subsequently at the value at which they are expected to be realised. An estimate of doubtful receivables that is based on an objective assessment of all outstanding amounts is made continuously. Losses relating to doubtful receivables are recognised in the income statement under external expenses, see Note 16, Financial instruments and financial risk management.

MEASUREMENT OF STOCK

The value is dependent on management's assessments in respect of the calculation of the net realisable value of the stock. These assessments may require the recognition of impairment losses on the stock.

EMISSION ALLOWANCES

At the closing date Orrefors Kosta Boda AB held, as the sole unit in the Group, 4,257 (1,611) emission allowances. The emission allowances have been allocated by the Swedish Energy Agency free of charge and have therefore not been assigned a value.

NOTE 2 MATERIAL ACCOUNTING ASSESSMENTS, ESTIMATES AND ASSUMPTIONS

In preparing financial statements in accordance with the applied accounting policies, the Board of Directors and Managing Director are required to make certain estimates and assumptions which affect the carrying amounts of assets, liabilities, income and expenses. Those areas where estimates and assumptions are of material significance for the Group and which may affect the income statement and balance sheet if they are changed are described below:

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

Tangible and intangible assets with the exception of goodwill and trademarks are written off over the periods in which they will generate income, i.e. their useful lives. If there is an indication of impairment of an asset the recoverable amount is determined. The recoverable amount is the higher of the net realisable value of the asset and its value in use. An impairment loss is recognised when the asset's recoverable amount is less than the carrying amount. The recoverable amount is determined based on management's estimate of future cash flows. The assumptions made for the purpose of impairment tests, including the associated sensitivity analyses, are explained in Note 9 Intangible fixed assets.

Goodwill, trademarks and other intangible assets with indefinite useful lives should be tested for impairment at least once a year. The calculations require that management make an estimate of the expected future cash flow attributable to the defined units. A discount rate also needs to be calculated for the purpose of discounting the cash flow, see Note 9 Intangible fixed assets.

The Group has reviewed those estimates which, if they were to be changed, could have a significant impact on the fair values of assets and would therefore require recognition of impairment losses. The estimates relate to factors such as expected selling prices for the products, expected inflation levels and discount rates. A description of the assumptions made concerning impairment tests, including sensitivity analyses, is given in Note 9 Intangible fixed assets.

MEASUREMENT OF INVENTORIES

Inventories comprise clothes, gift products and accessories held fore resale, and are stated, by applying the first in, first out principle, at the lower of cost and net realisable value at the balance sheet date. Internal profits arising from deliveries between companies in the Group are deducted. In the Corporate Promo operating segment the risk that the net realisable value will be lower than the cost is low, as a large portion of the collection comprises timeless basic products for which there is a demand season after season.

In the Sports & Leisure operating segment about 18% of sales are made through the promo sales channel. This product range mainly comprises basic products with limited fashion risk. For sales made through the retail sales channel orders are sent to the factory upon receipt of a purchase order from the customer, which significantly limits the risk that the net realisable value will be lower than the cost.

In the Gifts & Home Furnishings operating segment most of the volume consists of classic and big-selling products, many of which have a product cycle of more than 20 years. This limits the risk that the net realisable value will be lower than the cost.

PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS

Defined benefit pension plans are used in the Group. The pension plans are relatively small. As the Swedish pension fund manager Alecta is not able to provide data from which the defined benefit pension liability could be calculated, this pension plan has been accounted for as a defined contribution plan.

NOTE 3 SEGMENT INFORMATION

New Wave Group AB's segments constitute the operating segments Corporate Promo, Sports & Leisure and Gifts & Home Furnishings. The relevant brands are allocated to the operating segment to which they are considered to belong. The Group monitors income and profit/loss (EBITDA) for each segment. The operating segments are based on the Group's operational management and this is exclusively based on IFRS, which means that no adjustments need to be made in relation to the consolidated financial statements. New Wave Group has chosen to present the profit for the operating segments as EBITDA (Earning Before Interest, Tax, Depreciation and Amortisation), which means operating profit/loss adjusted for depreciation of fixed assets. Central costs have been distributed to the relevant segment based on use.

The Group has a large amount of customers of which no one exceeds 10 percent of the Group's income.

SEK million	Income		Operating profit/ loss, EBITDA		Assets		Fixed assets *		Deferred tax assets	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Corporate Promo	1 587.3	1 674.9	143.5	159.0	2 137.6	2 167.6	568.0	562.6	22.0	29.5
Sports & Leisure	1 929.3	1 982.6	154.8	161.8	1 647.4	1 767.4	772.4	762.3	27.4	26.3
Gifts & Home Furnishings	530.8	622.7	44.5	-157.8	436.5	506.2	144.0	145.5	31.9	48.1
Total	**4 047.4**	**4 280.2**	**342.8**	**163.0**	**4 221.5**	**4 441.2**	**1 484.4**	**1 470.4**	**81.3**	**103.9**

Total EBITDA results	**342,8**	**163,0**
Depreciation	-52,1	-89,9
Net financial items	-56,2	-58,2
Profit before tax	**234,5**	**14,9**

SEK million	Investments		Depreciation and write-downs		Liabilities	
	2013	2012	2013	2012	2013	2012
Corporate Promo	-15.9	-35.9	-22.2	-25.1	1 397.2	1 644.5
Sports & Leisure	-42.0	-11.8	-28.7	-17.3	473.3	495.4
Gifts & Home Furnishings	-3.2	-2.7	-1.2	-47.5	248.2	343.3
Total	**-61.1**	**-50.4**	**-52.1**	**-89.9**	**2 118.7**	**2 483.2**

Geographic areas

SEK million	Income		Fixed assets *		Deferred tax assets	
	2013	2012	2013	2012	2013	2012
Sweden	1 035.7	1 157.9	425.8	446.7	19.8	37.4
USA	1 094.9	1 111.7	707.1	681.3	39.3	36.1
Nordic countries excl Sweden	589.2	628.5	22.3	23.8	5.1	6.9
Central Europe	710.1	743.3	180.1	174.3	8.7	12.6
Southern Europe	335.1	356.2	138.9	139.7	1.9	2.5
Other countries	282.4	282.6	10.2	4.6	6.5	8.4
Total	**4 047.4**	**4 280.2**	**1 484.4**	**1 470.4**	**81.3**	**103.9**

Income is based on where the income is earned. Fixed assets and deferred tax assets are based on where the Group's assets are located.

* Fixed assets classified as financial fixed assets are not included.

NOTE 4 OTHER OPERATING INCOME

SEK million	2013	2012
Exchange rate gains	15.4	19.6
Capital gains	0.4	2.4
Other contributions and payments	17.5	13.1
Total	**33.3**	**35.1**

NOTE 5 AVERAGE NUMBER OF EMPLOYEES

	2013 Number of employees	Of which men	2012 Number of employees	Of which men
Parent company				
Hisings Kärra	32	20	31	21
Total parent company	**32**	**20**	**31**	**21**
Subsidiaries in Sweden				
Borås	131	70	139	76
Göteborg	7	6	4	3
Hisings Kärra	16	11	18	13
Munkedal	90	43	97	50
Orrefors Kosta	234	117	347	185
Stockholm	44	32	47	34
Ulricehamn	38	18	42	18
Örebro	11	5	12	4
Total subsidiaries in Sweden	**571**	**302**	**706**	**383**
Subsidiaries abroad				
Bangladesh	33	32	34	33
Belgium	37	19	40	21
Denmark	66	23	68	25
England	7	3	7	3
Finland	40	24	40	24
France	16	12	17	12
The Netherlands	161	108	162	103
Hong Kong	4	3	5	4
India	21	17	21	18
Italy	47	28	46	27
Canada	78	33	75	28
China	146	51	158	55
Norway	70	38	66	36
Poland	77	27	82	43
Switzerland	30	20	34	21
Spain	17	11	17	12
Taiwan	3	0	3	0
Germany	40	27	49	28
USA	558	211	533	200
Vietnam	28	12	27	11
Wales	28	14	24	12
Austria	13	9	13	9
Total subsidiaries abroad	**1 520**	**722**	**1 521**	**725**
Group total	**2 123**	**1 044**	**2 258**	**1 129**

Gender distribution within company management

	2013 Women	Men	Total	2012 Women	Men	Total
Styrelsen	2	4	6	2	4	6
Koncernledningen	0	9	9	0	7*	7
Totalt	**2**	**13**	**15**	**2**	**11**	**13**

*Deputy Managing Director, Rolf Karp, has been a member part of the year, but not at 31 December 2012.

NOTE 6 SALARIES, OTHER REMUNERATION AND SOCIAL SECURITY COSTS

SEK million	2013 Salaries and other remuneration	Social security costs	Of which pension costs	2012 Salaries and other remuneration	Social security costs	Of which pension costs
Parent company	14.8	6.8	1.8	15.7	7.5	1.7
Subsidiaries in Sweden	208.7	80.6	13.3	281.8	105.0	14.9
Subsidiaries abroad	430.2	86.8	13.9	437.8	87.1	12.5
Group total	**653.7**	**174.2**	**29.0**	**735.3**	**199.6**	**29.1**
Of which purchasing and production personnel	118.7	29.8	3.4	161.9	46.4	2.8

Of the parent company's pension costs, SEK 0.4 million (SEK 0.4 million) concerns the corporate Board and the Managing Director.
Of the Group's pension costs, SEK 3.5 million (SEK 3.4 million) concerns the corporate Board and Managing Director.

Salaries and other remueration divided by country and between Board members and MD and other employees

SEK million	2013 Board and MD	Of which bonus*	Other employees	2012 Board and MD	Of which bonus*	Other employees
Parent company	**1.7**	**0.0**	**13.1**	**1.7**	**0.0**	**14.0**
Subsidiaries in Sweden	**9.4**	**0.1**	**198.4**	**9.6**	**0.2**	**272.3**
Subsidiaries abroad						
Belgium	0.8	0.0	13.1	0.7	0.0	13.1
Denmark	2.1	0.0	27.2	2.1	0.0	26.8
Finland	1.9	0.0	14.4	1.8	0.0	14.3
France	0.6	0.0	2.7	0.6	0.0	3.0
The Netherlands	4.4	0.0	66.7	4.9	0.0	64.0
Italy	2.6	0.0	12.8	2.6	0.1	12.4
Canada	3.3	0.0	15.2	2.9	0.4	19.1
China	0.5	0.0	18.0	0.5	0.0	18.6
Norway	1.8	0.0	35.5	2.2	0.1	36.2
Poland	0.6	0.0	2.3	0.6	0.0	2.9
Switzerland	1.8	0.0	16.5	1.9	0.1	18.9
Spain	0.9	0.0	3.7	0.9	0.0	4.1
Germany	3.1	1.3	13.1	2.1	0.3	14.4
USA	9.3	0.0	146.1	8.5	0.0	147.9
Wales	0.9	0.0	4.0	0.7	0.0	4.0
Austria	0.0	0.0	5.2	0.0	0.0	5.0
Total subsidiaries abroad	**34.6**	**1.3**	**396.5**	**33.0**	**1.0**	**404.7**
Group total	**45.7**	**1.4**	**608.0**	**44.3**	**1.2**	**691.0**

* Bonuses are related to performance and are calculated annually with no future commitment.

Board members' fees	2013	2012
External members of the parent company's Board	0.8	0.8
Of which to the Chairman of the Board	0.3	0.3

A remuneration committee for the parent company's Board has not been elected. The fees paid to the Chairman of the Board and the Board members are in accordance with the decision of the Annual General Meeting.

CONDITIONS OF EMPLOYMENT FOR THE MANAGING DIRECTOR

Remuneration to the Managing Director comprises a fixed salary from New Wave Group AB. No Board member fees or other remuneration such as bonuses are paid to the Managing Director. As pension insurance for the Managing Director, a market-adjusted fixed payment plan is in place. A mutual notice period of six months applies for the Managing Director and no severance pay is awarded.

THE CONDITIONS OF EMPLOYMENT FOR OTHER SENIOR EXECUTIVES

Other senior executives are the eight persons who make up the Group management together with the Managing Director. For the structure of the Group Management, see page 117. Remuneration to the other senior executives comprises a fixed salary. No board member fees are paid. Market-adjusted fixed payment pension agreements exist for the other senior executives. A mutual notice period of between three to six months exists for the other senior executives and no severence pay is awarded.

DECISION-MAKING PROCESS

There is no specially appointed remuneration committe to deal with salaries, pension benefits, incentives and other employment-related conditions for the Managing Director and the Group's other senior executives; these matters are dealt with by the Board as a whole. The salaries of the senior executives are decided by the Managing Director after consultation with the Chariman of the Board. The Board members' fees are decided by the Annual General Meeting.

Wages, salaries and other remuneration distributed by directors and other executives

SEK million	2013 Salaries and other remuneration	Of which bonus and similar	Pension costs	2012 Salaries and other remuneration	Of which bonus and similar	Pension costs
Torsten Jansson, Managing Director	0.9	0.0	0.4	0.9	0.0	0.4
Anders Dahlvig, Chairman of the Board	0.3	0.0	0.0	0.3	0.0	0.0
Christina Bellander, Board Member	0.1	0.0	0.0	0.1	0.0	0.0
Göran Härstedt, Board Member	0.1	0.0	0.0	0.1	0.0	0.0
Helle Kruse Nielsen, Board Member	0.1	0.0	0.0	0.1	0.0	0.0
Mats Årjes, Board Member	0.1	0.0	0.0	0.1	0.0	0.0
Other senior executives*	12.1	0.0	0.7	7.5	0.0	0.8
Total	**13.7**	**0.0**	**1.1**	**9.1**	**0.0**	**1.2**

*Individuals referred to on page 117.

Subscriptions options	2013 Quantity	2012 Quantity with exercise date 2013
Chairman of the Board	0	0
Other Board Members	0	50 000
Managing Director	0	0
Other senior executives	0	0
Total	**0**	**50 000**

No share warrants have been issued during 2013.

Pension commitments

Defined benefit pension plan do exist within the Group. These are only small pension plans. As the Swedish manager Alecta cannot recognise a basis that allows calculation of fixed benefit pension liabilities, this pension plan has instead been recognised as a defined contribution pension plan. Recognition has therefore not been carried out in the balance sheet. Alecta's collective funding ratio at the end of the year was 148% (129%). The collective funding level is the difference between the company's assets and insurance commitments, calculated in accordance with Alecta's calculation assumptions for insurance purpouses, which do not comply with IAS 19.

Remuneration to auditors and auditing company
SEK million

Group	2013	2012
Audit assignment		
Ernst & Young	4.0	4.2
Other	2.6	2.4
Audit work outside audit assignment	0.7	0.6
Tax consultancy	0.7	0.8
Total	**8.0**	**8.0**

NOTE 7 ALLOWANCES

The Group has been awarded 4 257 (1 611) allowances which have been valued at SEK 0 million (SEK 0 million).

NOTE 8 TAX ON PROFIT FOR THE YEAR

SEK million	2013	2012
Current tax	-34.3	-46.7
Tax attributable to previous years	0.8	-0.6
Total	**-33.5**	**-47.3**
Deferred tax relating to temporary differences and loss carry-forward	-13.9	38.2
Totally recorded tax expense	**-47.4**	**-9.1**

The Group's tax expense for the year amounted to SEK 47.4 million (SEK 9.1 million) or 20.2% (61.0%) on profit before tax.

Reconciliation of actual tax
Reconciliation between the groups weighted average tax rate, based on each respective countries tax rate, and the groups actual tax:

SEK million	2013	%	2012	%
Profit before tax	234.5		14.9	
Tax expense based on respective country's tax rate	-43.2	-18.4	3.0	20.1
Tax effects from:				
Non taxable profit	14.4	6.1	0.3	2.0
Non deductible expenses	-2.9	-1.2	-44.7	-300.0
Tax arrears assessment	0.8	0.3	-0.6	-4.0
Regional and other variations regarding tax rates	-0.7	-0.3	3.6	24.2
Reverse of previous activated loss carry-forward	-12.8	-5.5	-11.0	-73.8
Activated loss carry-forward this year	-0.1	0.0	0.0	0.0
Activation of previous not activated loss carry-forward	3.4	1.5	8.1	54.4
Not activated loss carry-forward	-5.5	-2.3	0.0	0.0
Temporary differences	0.4	0.2	36.8	247.0
Other	-1.2	-0.5	-4.6	-30.9
Taxe rate according to consolidated income statement	**-47.4**	**-20.2**	**-9.1**	**-61.0**

NOTE 9 INTANGIBLE FIXED ASSETS

	Goodwill		Trademarks		Computer software		Other intangible fixed assets	
SEK million	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Accumulated acquisition value								
Opening acquisition value	786.7	818.0	436.8	453.4	104.7	102.0	14.1	15.0
Acquisition	1.8	0.0	0.0	0.0	7.4	4.8	29.2	0.0
Sales/disposals	0.0	0.0	0.0	0.0	0.0	-2.0	0.0	0.0
Translation difference	3.6	-31.3	1.1	-16.6	0.2	-0.1	0.0	-0.9
Closing accumulated acquisition value	**792.1**	**786.7**	**437.9**	**436.8**	**112.3**	**104.7**	**43.3**	**14.1**
Accumulated depreciation according to plan								
Opening depreciation	-54.4	-54.4	-19.1	-18.0	-91.7	-89.1	-4.1	-3.4
Sales/disposals	0.0	0.0	0.0	0.0	0.0	2.0	0.0	0.0
Depreciation during the year	0.0	0.0	-1.1	-1.1	-6.1	-4.6	-2.2	-0.7
Closing accumulated depreciation	**-54.4**	**-54.4**	**-20.2**	**-19.1**	**-97.8**	**-91.7**	**-6.3**	**-4.1**
Accumulated write-downs								
Opening write-downs	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Write-downs of the year	-10,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Closing accumulated write-downs	**-10,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**
Closing book value	**727.7**	**732.3**	**417.7**	**417.7**	**14.5**	**13.0**	**37.0**	**10.0**

This years write-down of goodwill is related to a completed sales contract within the operating segment Sports & Leisure.

Remaining depreciation time	**-**	**-**	*****	*****	**3 year**	**3 year**	******	******

* Trademarks with a residual value of SEK 1.4 million (SEK 2.4 million) have an average remaining depreciation time of 1.2 years (2.3 years).
The remaining value is tested in annual impairment tests.

**Other intangible fixed assets, which consists of customer relations, are depreciated between 5–10%, see also note 1.

Goodwill allocated to cash-generating unit

SEK million	**2013**	**2012**
Corporate Promo	244.8	243.6
Sports & Leisure	429.0	434.8
Gifts & Home Furnishings	53.9	53.9
Total	**727.7**	**732.3**

Brands allocated to cash-generating unit

SEK million	**2013**	**2012**
Corporate Promo	16.9	17.9
Sports & Leisure	290.8	289.8
Gifts & Home Furnishings	110.0	110.0
Total	**417.7**	**417.7**

The distribution of intangible fixed assets between segments is based on the relationship at the time of acquisition of the relevant company/trademark and is attributed to the operating segment to which it is considered to belong. Goodwill is based on local currency and gives rise to translation differences in the consolidated financial statements. The value of goodwill is tested annually to ensure that the value does not deviate negatively from book value, but can be tested more often if there are indications that the value has decreased. Write-downs of the operating segments containing goodwill and trademarks are based on a calculation of the value in use. This value is based on cash flow projections for the next five years and a terminal period. The cash flows in the operating segments are influenced by commercial factors, including market growth, competitiveness, margins, cost trends, levels of investment and tied-up operating capital. Assessment of financial factors such as interest rates, borrowing costs, market risk, beta values and tax rates are added when discounting.

Assumptions made in a test are the Board's best assessment of the economic conditions expected to prevail over the forecast period, based on the current situation. Existing market conditions and economic situation makes forecast for future periods difficult to assess. The first five years, 2014–2018, are based upon the Board's established internal forecasts and for the following terminal period an average growth rate of 3% (3%) has been used. Sensitivity analysis have been carried out across all operating segments.

In calculating the present value of expected future cash flows, a weighted average cost of capital (WACC) of 11.2% (11.5%) before tax is used. Discounted cash flows are compared with carrying amount per cash-generating unit/operating segment. Beside the impairment of SEK 10 million related to a completed sales contract, 2013 years assessment showed that there is no additional impairment.

CORPORATE PROMO
The calculation covers the operating segment's cash flow which is based on internal forecasts. It includes a slight increase in sales and that the capital tied up during the end of the internal forecast period (2014–2018) is expected to increase.

SPORTS & LEISURE
The calculation covers the operating segment's cash flow which is based on internal forecasts. Measures taken in previous years have contributed to improvements in the profitability and the working capital. The effects of these measures are included in the estimated improvements forecasted.

GIFTS & HOME FURNISHINGS
The calculation includes the operating segment's cash flow which is based on internal forecasts. Regarding Orrefors Kosta Boda, which is very important to the operating segment, measures to improve efficiency and profitability have been taken during 2012. These measures have yielded results in 2013 and the effects of these measures are included in the estimated margin and earnings improvements forecasted, including an improved stock situation and better efficiency. During the period (2014–2018) 2014 is expected to have a weaker development and then a gradual improvement during the following years.

OTHER ASSUMPTIONS AND COMMENTS

MARKET SHARE AND GROWTH
Demand for mature products has historically followed the business cycle. The expected market growth is based on a transition from the prevailing economic situation to the expected long-term growth. The current market share has already been won for the Nordic countries but there is some growth in Europe and USA.

EXCHANGE RATES
Currency forecasts are based on the current listed exchange rate. Existing currency hedging has been taken into account.

RAW MATERIAL PRICES
Raw material prices (cotton, electricity, oil) have been assessed on the basis of the current price level.

PERSONNEL COSTS
The forecast for personnel costs is based on expected inflation, certain real salary increases and scheduled streamlining measures.

The company management estimates that reasonable changes should not have such a great effect that each individual recoverable value should be reduced to a value that is lower than that recognised for the relevant operating segment.

NOTE 10 TANGIBLE FIXED ASSETS

	Buildings and land		Equipment, tools and installations	
SEK million	**2013**	**2012**	**2013**	**2012**
Accumulated acquisition value				
Opening acqusition value	282.4	287.8	601.0	613.1
Acquisitions	0.0	5.1	26.8	49.1
Sales/disposals	-21.1	-7.4	-253.9	-44.9
Translation difference	3.7	-3.1	1.2	-16.3
Closing accumulated acquistion value	**265.0**	**282.4**	**375.1**	**601.0**
Accumulated depreciation according to plan				
Opening depreciation	-84.0	-72.9	-462.0	-461.9
Sales/disposals	20.8	1.3	244.6	43.2
Depreciation as a part of production costs/goods for resale	-1.6	-2.5	-7.6	-15.7
Depreciation during the year	-5.6	-10.9	-26.9	-32.6
Translation difference	0.0	1.0	0.0	5.0
Closing accumulated depreciation	**-70.4**	**-84.0**	**-251.9**	**-462.0**
Accumulated write-downs				
Opening write-downs	-20.0	0.0	-20.0	0.0
Sales/disposals	0.0	0.0	9.9	0.0
Write-downs of the year	-0.2	-20.0	0.0	-20.0
Closing accumulated write-downs	**-20.2**	**-20.0**	**-10.1**	**-20.0**
Closing book value	**174.4**	**178.4**	**113.1**	**119.0**

The group has operational leasing agreements for the rental of premises and ERP systems. The future commitment for these agreements can be seen in the following summary:

	2013			2012	
	Premises	**ERP**		**Premises**	**ERP**
2014	100.5	1.0	2013	107.9	4.4
2015	86.8	0.0	2014	97.2	1.0
2016	76.7	0.0	2015	79.4	0.0
2017	41.5	0.0	2016	72.9	0.0
2018 inkl.	87.6	0.0	2017 inkl.	109.1	0.0
costs through contract period end			costs through contract period end		
Cost for the year under the operational leasing heading	101.1	4.7		116.0	8.5

NOTE 11 FINANCIAL FIXED ASSETS

Shares in associated companies SEK million	Company registration number	Registered office	Share of capital, %	Share of vote, %	Number of shares	2013 Book value	2012 Book value
Dingle Industrilokaler AB	556594-6570	Munkedal	49	49	83 055	7.3	7.4
8016267 Canada Inc	801626-7	Montreal, Canada	49	49	4 900	5.6	5.7
Glasrikets skatter ekonomiska förening	769620-1701	Orrefors	10	10	100	1.0	1.0
Kosta Köpmanshus AB	556691-7042	Kosta	49	49	7 350	29.3	29.2
Scandinavian Trade Holding AB	556686-5811	Lessebo	45	45	45	5.6	4.4
Vist Fastighetsbolag AB	556741-1672	Ulricehamn	49	49	49	14.1	14.1
Other			-	-	-	0.2	0.2
Total			**-**	**-**	**-**	**63.1**	**62.0**

A majority of the representation of the Board of Directors as well as Chairman of the Board is held by the majority owner in each associated company.

	At year end the companies' equity amounted to		The Groups share of total comprehensive income for the year		The Groups share of contingent liabilities	
SEK million	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Dingle Industrilokaler AB	15.1	15.3	-0.1	-0.1	None	None
8016267 Canada Inc	4.7	5.4	-0.1	0.0	None	None
Glasrikets skatter ekonomiska förening	10.3	10.0	0.0	0.0	None	None
Kosta Köpmanshus AB	63.9	63.8	0.0	0.0	None	None
Scandinavian Trade Holding AB	12.3	9.6	1.2	1.7	None	None
Vist Fastighetsbolag AB	27.5	27.5	0.0	0.0	None	None

NOTE 12 DEFERRED TAX ASSETS

Deferred tax assets and deferred tax liabilities in the Group assigned to:

SEK million	Assets	2013 Liabilities	Assets	2012 Liabilities
Loss carry-forwards	29.5	-	34.8	-
Internal gains	11.4	-	12.6	-
Reserves	-	-	2.6	-
Depreciation and fixed assets	0.6	-	0.6	-
Temporary differences	39.8	-	53.3	-
Trademarks	-	106.2	-	106.1
Stock	-	12.6	-	14.2
Reserves and accelerated depreciation	-	3.9	-	13.9
Other temporary differences	-	6.4	-	3.8
Deferred tax assets / liabilities	**81.3**	**129.1**	**103.9**	**138.0**

Loss carry-forwards

At the year-end the Group had a total tax loss carry-forwards of SEK 317.3 million (SEK 324.1 million). Of these, SEK 108.8 million (SEK 122.6 million) have been utilized, which has resulted in a deferred tax asset of SEK 29.5 million (SEK 34.8 million) as it has been assessed that in the future there will be taxable profits against which the tax loss carry-forwards can be settled.

Total loss carry-forwards expires as follows:

SEK million	2013	2012
2013	-	6.4
2014	12.4	15.5
2015	11.1	10.5
2016	6.3	4.4
2017	3.8	2.8
2018	1.0	-
2019	0.2	-
2022	6.3	6.7
2023	7.8	7.8
2024	23.6	23.1
2025	9.8	9.5
2026	3.7	3.5
2027	8.7	8.6
2028	15.0	14.8
2029	19.3	4.6
2030	-	7.4
Unlimited	188.3	198.5
Total	**317.3**	**324.1**

Deferred tax liability arising from tax allocation reserves and accelerated depreciation in Sweden are due as follows:

	2013
2017	1.5
Unlimited	2.4
Total Sweden	**3.9**

NOTE 13 PREPAID EXPENSES AND ACCRUED INCOME

SEK million	2013	2012
Insurance	3.7	3.8
Prepaid rents	11.6	11.6
Prepaid leasing fees	3.9	6.4
Trade fair costs, repayable	5.9	6.4
Allocation of multi-year advertising contract	0.3	1.8
Prepaid deliveries of goods	1.3	1.1
Accrued royalty income	2.8	2.8
Accrued exchange rate gains	0.0	0.1
Other accrued income	2.0	1.7
Prepaid operational expenses	15.1	9.5
Prepaid salary costs	0.3	0.1
Prepaid expenses	4.0	2.6
Bank charges	3.4	6.2
Other items	5.2	5.7
Total	**59.5**	**59.8**

NOTE 14 CREDIT LIMIT

Amount granted in relation to loans and bank overdraft facilities amounts to SEK 2 253 million (SEK 2 312 million).

NOTE 15 ACCRUED EXPENSES AND PREPAID INCOME

SEK million	2013	2012
Salaries and payroll overhead	81.8	86.8
Marketing costs	15.2	20.0
Commission	16.0	11.3
Royalties	13.2	6.4
Audit	5.2	2.6
Interest	0.5	5.6
Delivery of goods	16.3	16.8
Electricity and rental costs	4.5	4.2
Claims	2.0	2.7
Environmental reserve	0.0	13.0
Prepaid income	0.3	0.0
Bank charges	0.5	5.2
Other items	15.5	25.6
Total	**171.0**	**200.2**

NOTE 16 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

New Wave Group is continually exposed to various financial risks. Financial risks comprise currency risks, borrowing and interest risks, and liquidity and credit risks. To minimise the impact on earnings from these risks, the Group has adopted a financial policy which describes how the company seeks to limit the impact of financial risks on reported earnings. The goal is to ensure that the central finance function exploits available economies of scale in the Group and assists the subsidiaries by providing professional service in order to minimise the risks.

FINANCING RISK

Due to the relatively capital-intensive nature of its activities and its expansive growth strategy, New Wave Group has a need to secure its funding. For a growth company like New Wave Group it is essential to ensure that sufficient liquidity is available to fund future expansion, and that there is a high degree of flexibility when acquisition opportunities present themselves. New Wave Group has a centralised finance function, which means that external borrowing is handled and administered centrally as far as possible.

At year-end the Group had credit facilities, excluding limits on letters of credit and currency futures, of SEK 2 253 million, of which SEK 1 264 million had been drawn. The confirmed credit facilities amounts to SEK 2 150 million and have been agreed and apply until 12 November 2015 inclusive. The Group's credit facilities are in terms of amount, limited to and dependent on the value of certain underlying assets. The funding is based on covenants relating to key performance indicators. The covenants are met as of 31 December 2013. Based on the current forecast, management deems that the Group will be able to achieve these key performance indicators by a satisfactory margin. Future growth is also dependent on a sound balance sheet. New Wave Group's goal is to achieve an equity/assets ratio in excess of 30%.

	2013	2012
2013	-	76.1
2014	73.7	50.0
2015	1 375.4	1 620.3

	2013	2012
2013	-	550.4
2014	493.3	-

SEK million	Assets at fair value through profit and loss	Loans and accounts receivables	Other financial assets	Total	Fair value
Financial assets					
Accounts receivable		734.2		734.2	734.2
Other receivables			110.7	110.7	110.7
Accrued income			4.8	4.8	4.8
Derivative	0.1			0.1	0.1
Liquid assets			185.1	185.1	185.1
Total assets				**1 034.9**	**1 034.9**

Financial liabilities	Liabilities at fair value through profit and loss	Liabilities at amortized cost	Total	Fair value
Liabilities to credit institutions		1 449.1	1 449.1	1 449.1
Derivative	1.6		1.6	1.6
Accounts payable		229.0	229.0	229.0
Accrued liabilities		170.7	170.7	170.7
Other liabilities		92.0	92.0	92.0
Total liabilities			**1 942.4**	**1 942.4**

INTEREST RISK

New Wave Group believes the use of short fixed-rate periods leads to lower borrowing costs over time. Short-term interest rates also follow the economy and therefore offset fluctuations in the Group's earnings. The interest rate is based on STIBOR and a fixed margin. The breakdown by currency of the Group's borrowing at year-end is shown in the following table. An increase in interest rates over the course of the year by one percentage point would have a negative impact on earnings of about SEK 6 million, based on the reported net debt at 31 December 2013.

Breakdown by currency	Net debt, SEK million
SEK	-434
EUR	-92
GBP	10
USD	-711
CHF	17
DKK	-8
NOK	-57
CAD	-18
Other	29
Total	**-1 264**

CURRENCY EXPOSURE

A significant portion of New Wave Group's sales are made in foreign currency (approx. 70%). The consolidated income statement and balance sheet are affected by changes in exchange rates. The risks identified are transaction and translation risks. A change in exchange rates of one per cent would have an impact on sales of SEK 29 million, based on sales in 2013.

TRANSACTION EXPOSURE – HEDGE ACCOUNTING

The Group's most important purchasing curreny is the US dollar. Changes in exchange rates between the dollar, euro and Swedish krona constitute the single largest transaction exposures in the Group. In the Corporate Promo operating segment New Wave Group is the stockkeeper. Orders from resellers are therefore not placed until the reseller has received an order from the end customer. The order backlog for future deliveries is therefore small, as deliveries are made immediately. Due to the character of the product range, i.e. that continuity in collections is desirable and that most of the range consists of basic garments, the risk of obsolescence is low. Adjustments for changes in purchase prices are made continuously due to the immediate nature of sales, which limits the currency risk. In Sports & Leisure about 82% of sales are made through the retail sales channel. A large portion of these sales are made through advance orders, unlike in the promo sales channel, where products are delivered directly upon receipt of orders. This means, for instance, that customers place orders in the spring for delivery in the autumn. About 50–75% of all retail sales in Sports & Leisure are made in this way. Upon receipt of an order, New Wave Group submits an order to the factory, which significantly limits the risk of obsolescence. The remaining portion of sales in the retail sales channel, known as supplementary sales, mainly comprises basic goods with limited fashion risk. In order to limit the currency risk, about 50–80% of foreign currency purchases in Sports & Leisure are hedged against fluctuations in exchange rates. When an order is placed derivatives are purchased to guarantee the value of incoming deliveries to the warehouses. In these cases IAS 39 hedge accounting is applied, which means that changes in the value of derivatives are recognised in other comprehensive income. In the Gifts & Home Furnishings operating segment most of the product range is manufactured in Sweden. In cases where products are purchased from another country, about 50–80% of the foreign currency purchases are hedged.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of interest-bearing assets and liabilities may differ from their carrying amounts, partly as a result of changes in market interest rates. The fair values of these assets have been determined by discounting future cash flows using current interest rates and exchange rates for equivalent instruments. For financial instruments such as trade receivables, trade payables and other non-interest-bearing financial assets and liabilities, which are carried at amortised cost less any impairment losses, the fair value is deemed to agree with the carrying amount. The Group's long-term borrowing is mainly through credit facilities with long maturities but short fixed-rate periods.

Outstanding transactions hedging and value 2013-12-31

	Hedged volume result SEK million	Unrealized SEK million	Number of hedged months
EUR	0.0	0.0	< 6
EUR	0.0	0.0	6 > 12
USD	3.1	0.1	< 6
USD	0.0	0.0	6 > 12
		0.1	

The above hedged volume consists exclusively of currency futures, all of which mature within twelve months of the end of the year.

For 2013, the consolidated revenue in the conversion to SEK was affected negative with SEK -78.4 million (SEK 3.0 million). Below is a sensitivity analysis of net sales compared with the previous year's exchange rates.

Region	Currency influence 2013	Currency influence 2012
Nordic Countries	-15.9	-8.1
Central Europe	-6.6	-20.7
Southern Europe	-5.2	-10.8
USA	-41.8	40.2
Other countries	-8.9	2.4
Total	**-78.4**	**3.0**

TRANSACTION EXPOSURE

The balance sheet is affected, as assets and liabilities are expressed in foreign currency as they arise.

TRANSLATION EXPOSURE

New Wave Group does not apply hedge accounting of equity.

The majority of the risks which arise are eliminated, either through funding in each company's functional currency or through hedging using futures.

The Group's total comprehensive income is affected by translation differences. These arise upon consolidation of the profits or losses of foreign subsidiaries and had a positive impact of SEK 23.9 million in 2013.

CREDIT RISKS

The risk that the Group's customers will fail to meet their obligations, i.e. that New Wave Group's trade receivables will not be paid, constitutes a credit risk. New Wave Group has adopted a number of centrally issued directives, based on which each company has drawn up a set of written procedures for credit checks. Information from external credit reference agencies is one stage of the process. The credit risk in the Corporate Promo operating segment is lower, as the resellers, which are New Wave Group's customers, make purchases based on orders that have already been placed by the end customers. The resellers are relatively small and large in number. In Sweden alone New Wave Group has over 2 000 customers, and there is no significant known credit risk in any individual customer or group of customers. New Wave Group has insured its trade payables in some of its subsidiaries. This type of insurance means that if a customer payment fails, the receiveable is compensated by the insurance company. In 2013 actual bad debts in Corporate Promo represented 0.26% of sales.

In the Gifts & Home Furnishings and Sports & Leisure operating segments sales are made to selected resellers, and credit losses are small, although there is a higher concentration to a smaller number of customers compared with the promo market. In 2013 actual bad debts in these two operating segments represented 0.44% respectively 0.15% of sales.

Accounts receivables	**2013**	**2012**
Exposure	786.5	755.8
Credit risk reserve	52.3	50.8
Carrying amount	**734.2**	**705.0**

A description of credit risk exposures is given in the table below:

	Number customers	**Percentage of total customers**	**Percentage of portfolio**
Exposure < 1 MSEK	24 896	92.1	61.4
Exposure 1 - 5 MSEK	717	2.6	15.1
Exposure > 5 MSEK	1 430	5.3	23.5
Total	**27 043**	**100.0**	**100.0**

The provision for doubtful receivables has been changed as follows:

Provision for doubtful receivables	**2013**	**2012**
Provision at the beginning of the year	50.8	34.2
Reserve for anticipated losses	7.7	17.4
Confirmed losses	-6.2	-0.8
Provision at year-end	**52.3**	**50.8**

Other than the provision for estimated bad debts, there are no impairment losses on financial instruments.

Age analysis Matured and impaired	**2013**	**2012**
< 30 days	616.9	589.9
30 - 90 days	62.8	60.8
> 90 days	54.5	54.3
Total	**734.2**	**705.0**

FINANCIAL CREDIT RISKS

The liquidity generated in the Group is continually transferred to New Wave Group's treasury centre through various pooling systems and reduces the credit volume. New Wave Group has not made any financial investments. Temporary liquid assets may arise during the year as a result of cash flows.

OTHER RISKS

PURCHASING MARKET

New Wave Group's purchases are mainly made in China, Bangladesh, India and Thailand. Political and socioeconomic changes could have an impact on New Wave Group. By maintaining a high level of preparedness and by making purchases in several different countries in Europe as well as Asia, New Wave Group limits the economic risk which would arise if purchases were made from a single country.

STRONG GROWTH

The continued expansion planned by New Wave Group will put strong pressure on management and employees. Wrong recruitments, organisational problems, the departure of key individuals, etc could delay and affect the progress of the expansion. The crucial factor determining the pace of expansion is that earnings expand at the same pace, which could result in uneven growth rates. New Wave Group is allocating resources to internal management training programmes, mentorship schemes and annual meetings of management to guarantee future leadership and spread New Wave Group's values.

FASHION TRENDS – CHANGES IN ECONOMIC CONDITIONS

Although New Wave Group devotes significant resources to ensure good design and quality, the company cannot exclude the possibility of temporary declines in sales for certain collections due to the rapid pace of change in the fashion industry. However, New Wave Group has a limited risk, as the fashion content is lower in the Corporate Promo operating segment and the Promo sales channel, while the Sports & Leisure operating segment is focused on areas that are less sensitive to changes in fashions, such as Craft functional underwear and Seger socks. New Wave Group's goal is to ensure that the Promo sales channel continues to account for 60–80% of total sales.

FOREIGN EXPANSION

The Group intends to establish a presence in additional foreign countries only when previous foreign operations are generating satisfactory profits. The Board deems that this strategy represents a good compromise between growth and reduced risk. New Wave Group believes it is very hard to determine the exact timetables and budgets for new foreign ventures, which could entail a risk of initial losses. However, the Board deems that the company is well equipped for the new ventures that are being planned.

ENVIRONMENT

The Group's operations may involve environmental commitments, but the Board's and the management's assessment is that these – to the extent that they may have an impact on the Group's financial position – have been considered in the present financial statement.

NOTE 17 NET ASSETS IN FOREIGN CURRENCIES

SEK million

Net assets	**2013**	**2012**
Euro, EUR	530.7	527.8
Canadian dollar, CAD	41.0	21.1
Swiss franc, CHF	356.5	437.8
US dollar, USD	486.2	447.3
Nowegian krone, NOK	41.1	57.7
Danish krone, DKK	25.9	27.0
Chinese yuan, CNY	56.9	41.4
Polish zloty, PLN	15.2	14.6
Hong Kong dollar, HKD	0.4	0.4
British pound, GBP	58.1	56.1
Total net assets in foreign currencies	**1 612.0**	**1 631.2**

NOTE 18 CURRENCY EXPOSURE IN OPERATING PROFIT

The table shows currency exposed operating profit per currency.

SEK million

Operating profit	**2013**	**2012**
Euro, EUR	40.1	53.3
Canadian dollar, CAD	6.0	15.4
Swiss franc, CHF	140.5	135.2
US dollar, USD	68.3	79.3
Nowegian krone, NOK	13.0	21.5
Danish krone, DKK	7.4	3.9
Chinese yuan, CNY	10.5	-0.4
Polish zloty, PLN	0.6	1.1
Hong Kong dollar, HKD	0.0	0.2
British pound, GBP	0.8	-0.5
Total operating profit in foreign currencies	**287.2**	**309.0**

NOTE 19 PLEDGED ASSETS AND MATURING LIABILITIES

SEK million		Due for payment			
Liability	**Liabilities as at 31 Dec, 2013**	**Within one year**	**Within one to five years**	**Pledged assets**	**Liabilities as at 31 Dec, 2012**
Liabilities to credit institutions	1 449.1	73.7	1 375.4	see below	1 746.4

Pledged assets in relation to debt to credit institutions and overdraft facilities

	2013	**2012**
Floating charges	663.5	663.5
Property mortgages	61.7	60.9
Net assets in subsidiaries	2 017.4	2 010.9
Stocks and accounts receivable	751.0	769.8
Total	**3 493.6**	**3 505.1**

Other information concerning pledged assets

Trademarks have been specially pledged to the bank. The amounts are included in the net assets in subsidiaries recognised above. The commitment of the Group's main bank is based in agreed covenant conditions. See also in Note 16 the section Financing risk.

NOTE 20 CONTINGENT LIABILITIES

SEK million	**2013**	**2012**
Duty guarantee	10.6	11.6
PRI	3.3	3.2
Other guarantees	1.3	1.2
Guarantees for associated companies	9.1	6.0
Total	**24.3**	**22.0**

NOTE 21 NET DEBT

SEK million	**2013**	**2012**
Liquid assets	-185.1	-229.7
Long-term interest-bearing liabilities	1 375.4	1 670.3
Short-term interest-bearing liabilities	73.7	76.1
Total	**1 264.0**	**1 516.7**
Effective interest rate based on recognised net interest	4.0	3.5

NOTE 22 STOCK

SEK million	2013	2012
Raw materials	24.6	33.7
Work in progress	4.0	13.2
Goods in transit	77.5	70.5
Good for resale in stock	1 343.0	1 528.0
Total	**1 449.1**	**1 645.4**

Stocks consist of clothes, gift items and accessories for resale. The stocks are valued by applying the FIFO principle, at the lowest of the cost and net sales value on the balance sheet date. Deductions are made for internal profit made from deliveries between Group companies. There is a low risk that the net sales value is lower than the cost in the Corporate Promo operating segment since much of the product range consists of timeless basic products which are in demand season after season. For sales within the Sports & Leisure operating segment, orders to the factory are placed once the purchase order has been received from the customer, which considerably reduces the risk that the net sales value is lower than the cost. Remaining sales are mainly made up of basic items with a limited fashion risk. Within the Gifts & Home Furnishings operating segment, most of the volume consists of classic, best-selling products that in many cases have a product cycle of more than 20 years, which limits the risk that the net sales value is lower than the cost. As at 31 December 2013, the Group's stock has been written down with SEK 100.0 million (SEK 163.0 million), which constitutes 6.4% (9.1%) of the goods for resale in stock. The part of the stock which is recorded to net realizable value after deduction of selling expenses amounts to SEK 539.8 million (SEK 747.8 million).

NOTE 23 FINANCIAL INCOME AND COSTS

SEK million	2013	2012
Interest income	2.9	1.9
Interest on overdue accounts receivable	2.9	2.9
Translation gains on short-term receivables	1.0	0.1
Interest expense	-60.8	-62.2
Interest on overdue accounts payable	0.0	-0.1
Translation differences on liabilities	-1.5	0.1
Other financial expenses	-0.7	-0.9
Total	**-56.2**	**-58.2**

NOTE 24 RELATED PARTIES

SEK million	Sales to		Purchases from		Receivables		Liabilities	
Associated companies	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**	**2013**	**2012**
Glasrikets skatter ekonomiska förening	-	-	0.2	0.2	-	-	-	-
Dingle Industrilokaler AB	-	-	2.0	2.6	-	-	0.2	0.2
Kosta Köpmanshus AB	0.5	0.8	16.8	21.3	1.6	0.9	0.4	1.9
Vist Fastighets AB	-	-	5.1	4.2	-	0.1	0.2	0.4
8016267 Canada Inc	1.0	0.9	-	-	0.5	0.4	-	-
Karhu NA	-	-	5.0	-	-	-	0.2	-

Reporting of associated companies is done under Note 11 Financial fixed assets. Information is also submitted in the presentation of the Board and Management and under Note 6 Salaries, other remuneration and social security costs. Reporting of dividends from, and capital injections to, associated companies is covered in Note 11. All transactions are carried out under market conditions.

Transactions with key figures in management positions

Ulrica Messing is Managing Director in one of the Group's companies. A company owned by her has purchased goods, amounting to SEK 0.1 million, from companies within New Wave Group. Her company has also paid rent for premises, amounting to SEK 0.1 million, to New Wave Group companies and compensation for consultancy services rendered amounts of SEK 0.6 million. Göran Härstedt, member of the Board of Directors, has carried out consultancy services amounting to SEK 1.2 million, which has been invoiced through a company of his own. All transactions are carried out under market conditions.

NOTE 25 OTHER PROVISIONS

SEK million	2013	2012
Opening balance	1.3	0.6
Provision for additional consideration	14.6	0.0
Other provisions during the year	0.0	0.7
Closing balance at year-end	**15.9**	**1.3**

NOTE 27 OTHER CURRENT LIABILITIES

SEK million	2013	2012
VAT	34.0	35.5
Personal income tax	12.2	12.4
Bills payable	7.8	0.0
Advances from customers	2.7	1.2
Other wage deductions	7.7	32.5
Liabilities to employees	0.2	2.1
Social security	3.3	3.2
Currency futures	1.6	5.1
Giftcards not redeemed	1.8	0.9
Other items	20.7	25.2
Total	**92.0**	**118.1**

NOTE 28 OTHER LONG-TERM RECEIVABLES

SEK million	2013	2012
Loans secured	1.4	1.1
Deposits	2.8	3.6
Other long-term receivables	19.7	19.8
Total	**23.9**	**24.5**

NOTE 26 ACQUISITION

Since 1999, the American company Karhu North America LLC ("Karhu") has been the exclusive distributor for New Wave Group's sports brand CRAFT in the U.S. and Canada. As of July 1, New Wave Group through its wholly owned subsidiary, New Wave USA Inc., acquired that part of Karhu activity involving the distribution of CRAFT products. This consists of inventory, certain intangible assets and contract rights. The acquisition is structured as an operating transfer. The initial purchase price is USD 3 million with an additional contingent consideration based on the performance of the business over the next five years. The total additional consideration cannot exceed USD 4.75 million.

Since the acquired business has been conducted under Karhu's other operations, there are no separately audited sales and income information for the CRAFT distribution. Based on pro-forma information, the acquired business achieved sales of approximately USD 6.9 million for fiscal year 2012. New Wave Group expects the acquisition will add an additional annual operating profit of approximately USD 0.7 million.

The acquired business will be conducted in a newly formed U.S. company: Craft Sportswear NA LLC, an indirect wholly owned subsidiary of New Wave USA Inc. Current CEO of Karhu, Huub Valkenburg, who founded the CRAFT distribution in North America , will continue as CEO of the new company, which will still be operated with headquarters in Beverly, Massachusetts, USA. New Wave Group believes that the acquisition and the new structure will provide a good basis for further expansion of the brand CRAFT in the U.S. and Canada during the coming years.

The purchase price allocation is preliminary. A breakdown of net assets acquired, are set out below.

Preliminary acquisition analysis:	**USD million**	**SEK million**
Purchase amount	5.3	34.9
Acquisition costs	0.1	0.6
Total purchase amount	**5.4**	**35.5**
Acquired assets, net		34.9
Expensed acquisition costs		0.6
Cash flow impact analysis		
Paid purchase amount	-3.0	-20.1
Paid acquisition costs	-0.1	-0.6
Net cash impact	**-3.1**	**-20.7**

Acquired assets, net SEK million	**Acquired assets, net (fair value)**
Stock	5.3
Other intangible assets	29.6
Acquired assets, net	**34.9**
Total purchase amount	**34.9**

	Total	Ec. life	Depr/year
Other intangible assets	29.6	10	2.96

INCOME STATEMENTS

1 JANUARY – 31 DECEMBER

SEK million	**Note**	**2013**	**2012**
Income	19	84.6	109.6
Other operating income	2	10.4	17.6
Operating costs			
External costs	4, 8, 19	-61.3	-90.4
Personnel costs	3, 4	-22.6	-24.2
Depreciation of tangible and intangible fixed assets	7, 8	-2.5	-3.1
Other operating costs		-8.4	-15.3
Operating profit		**0.2**	**-5.8**
Net income from shares in Group companies		312.3	239.8
Write-down of financial fixed assets		-22.8	-203.6
Financial income		55.8	77.1
Financial expenses		-131.1	-131.2
Net financial items	18	**214.2**	**-17.9**
Result before appropriations and income tax		**214.4**	**-23.7**
Appropriations	5	26.1	15.8
Tax on result for the year	6	0.4	0.0
Result for the year		**240.9**	**-7.9**

Total comprehensive income for the year correspond with profit for the year.

CASH FLOW STATEMENT

1 JANUARY – 31 DECEMBER

SEK million	Note	2013	2012
Current operations			
Operating profit/loss		0.2	-5.8
Adjustment for items not included in cash flow		2.5	3.2
Received dividends		16.8	13.6
Received interest		55.8	77.1
Paid interest		-68.8	-72.3
Paid income tax		4.9	-7.1
Cash flow from current operations before changes in working capital		**11.4**	**8.7**
Cash flow from changes in working capital			
Decrease in current receivables		450.7	311.2
Decrease in current liabilities		-121.9	-122.6
Cash flow from operations		**340.2**	**197.3**
Investing activities			
Capital contribution to subsidiaries		-20.7	0.0
Intragroup sales of group companies		0.1	10.1
Investments in tangible fixed assets		0.0	-1.4
Investments in intangible fixed assets		-3.9	-0.2
Sales of intangible fixes assets		0.0	0.1
Repaid loans from subsidiaries		10.6	0.0
Cash flow from investing activities		**-13.9**	**8.6**
Cash flow after investing activities		**326.3**	**205.9**
Financial activities			
Amortization of loan		-278.5	-141.9
Dividend paid to shareholders of the parent company		-66.3	-66.3
Cash-flow from financial activities		**-344.8**	**-208.2**
Cash flow for the year		**-18.5**	**-2.3**
Liquid assets at beginning of the year		18.9	0.0
Adjustment liquid assets at the beginning of the year*		0.0	21.2
Liquid assets at year end		**0.4**	**18.9**

* As of 2012 gross accounting of cash in bank is applied

BALANCE SHEET

AS AT 31 DECEMBER

SEK million	Note	2013	2012
ASSETS			
Fixed assets			
Intangible fixed assets	7	5.8	3.8
Tangible fixed assets	8	1.4	2.1
Financial fixed assets			
Shares in Group companies	9	1 383.7	1 324.8
Shares in associated companies	10	58.9	58.9
Receivables on Group companies		714.0	747.6
Other long-term receivables		2.0	2.0
Total financial fixed assets		*2 158.6*	*2 133.3*
Total fixed assets		**2 165.8**	**2 139.2**
Current assets			
Current receivables			
Accounts receivable		0.2	0.2
Receivables on Group companies		619.2	819.6
Tax receivables		1.1	5.6
Other receivables		87.1	76.3
Prepaid expenses and accrued income	11	9.2	13.7
Total current receivables		*716.8*	*915.4*
Cash at bank and in hand		0.4	18.9
Total current assets		**717.2**	**934.3**
TOTAL ASSETS		**2 883.0**	**3 073.5**

SEK million	Note	2013	2012
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	13	199.1	199.1
Restricted reserves		249.4	249.4
		448.5	**448.5**
Unrestricted equity			
Retained profits		425.9	500.1
Share premium reserve		48.0	48.0
Result for the year		240.9	-7.9
		714.8	**540.2**
Total equity		**1 163.3**	**988.7**
Untaxed reserves	12	**7.3**	**33.4**
Non-current liabilities	**14**		
Overdraft facilities		867.7	1 097.0
Bank loans		400.0	450.0
Total non-current liabilities		**1 267.7**	**1 547.0**
Current liabilities			
Short-term interest-bearing liabilities	14	50.0	50.0
Accounts payable		25.9	24.3
Liabilities to Group companies		361.5	408.7
Current tax liability		0.0	0.0
Other liabilities		2.3	5.9
Accrued expenses and prepaid income	15	5.0	15.5
Total current liabilities		**444.7**	**504.4**
TOTAL EQUITY AND LIABILITIES		**2 883.0**	**3 073.5**

Pledged assets and contingent liabilities for the parent company

Pledged assets	16	1 116.1	1 082.3
Contingent liabilities	17	208.6	230.2

CHANGES IN EQUITY

SEK million	Share capital	Restricted reserves	Retained profits	Share premium reserve	Result for the year	Total equity
Opening balance 2012-01-01	**199.1**	**249.4**	**776.2**	**48.0**	**-209.8**	**1 062.9**
Transfer according to Annual General meeting			**-209.8**		**209.8**	**0.0**
Result for the year					-7.9	-7.9
Total change in net assets excluding transactions with shareholders	**0.0**	**0.0**	**0.0**	**0.0**	**-7.9**	**-7.9**
Dividends			-66.3			-66.3
Closing balance 2012-12-31	**199.1**	**249.4**	**500.1**	**48.0**	**-7.9**	**988.7**

SEK million	Share capital	Restricted reserves	Retained profits	Share premium reserve	Result for the year	Total equity
Opening balance 2013-01-01	**199.1**	**249.4**	**500.1**	**48.0**	**-7.9**	**988.7**
Transfer according to Annual General meeting			**-7.9**		**7.9**	**0.0**
Result for the year					240.9	240.9
Total change in net assets excluding transactions with shareholders	**0.0**	**0.0**	**0.0**	**0.0**	**240.9**	**240.9**
Dividends			-66.3			-66.3
Closing balance 2013-12-31	**199.1**	**249.4**	**425.9**	**48.0**	**240.9**	**1 163.3**

NOTE 1 ACCOUNTING PRINCIPLES FOR THE PARENT COMPANY

The Swedish Financial Reporting Board's Recommendation 2 – Accounting for Legal Entities and the Swedish Annual Accounts Act have been applied when preparing the parent company's annual accounts. In accordance with this recommendation, the parent company shall prepare its reports in accordance with the IASB's International Financial Reporting Standards (IFRS) adopted by the EU, to the extent that these are not contrary to the Swedish Annual Accounts Act. The accountancy principles have been applied consistently for all periods, unless otherwise stated.

In Sweden, group contributions are deductable, unlike the shareholder contribution. Group contributions are reported so that they mainly reflect the transaction's financial consequence. Group contributions, which have the same aim as the shareholder contribution, are activated as an investment in subsidiaries in the balance sheet with a reservation for impairment testing. The Company has chosen to use the exclusion rule which means that given shareholders contribution are reported as financial expenses. Group contributions received which are comparable with a dividend are reported as a dividend, net income from shares in Group companies. This means that Group contributions received and their associated tax effect are recognized in the income statement.

The deferred tax liability on untaxed reserves is reported under untaxed reserves in the parent company's annual accounts due to the connection between accounting and taxation.

NOTE 2 OTHER INCOME

SEK million	**2013**	**2012**
Foreign exchange rate gains	10.4	17.6
	10.4	**17.6**

NOTE 3 AVERAGE NUMBER OF EMPLOYEES

	2013		**2012**	
	Number of employees	**Of which men**	**Number of employees**	**Of which men**
Hisings Kärra	32	20	31	21
Total	**32**	**20**	**31**	**21**

NOTE 4 SALARIES, OTHER REMUNERATION AND SOCIAL SECURITY COSTS

SEK million	2013 Salaries and other remuneration	Security costs	Pension costs	2012 Salaries and other remuneration	Security costs	Pension costs
	14.8	6.8	1.8	15.7	7.5	1.7

Of the parent company's pension costs SEK 0.4 million (SEK 0.4 million) concerns the corporate board and the Managing director.

Salaries and other remuneration divided between Board members and MD and other employees

SEK million	2013 Board and MD	Of which bonus	Other employees	2012 Board and MD	Of which bonus	Other employees
	1.7	0.0	13.1	1.7	0.0	14.0

Board members' fees	2013	2012
External members of the parent company's Board	0.8	0.8
Of which to the Chairman of the Board	0.3	0.3

A remuneration committee for the parent company has not been elected. The fees paid to the Chairman of the Board and the Board of Directors are in accordance with the decision of the Annual General Meeting.

TERMS OF EMPLOYMENT FOR THE MANAGING DIRECTOR

Remuneration to the Managing Director comprises a fixed salary from New Wave Group AB. No board member's fees or other remuneration such as bonuses are paid to the Managing Director. As pension insurance for the Managing Director, a market-adjusted defined contribution plan is in place. A mutual notice period of six months applies for the Managing Director and no severence pay is awarded.

THE CONDITIONS OF EMPLOYMENT FOR OTHER SENIOR EXECUTIVES

Other senior executives refers to the one person who together with the Managing Director is a part of the Group management. For the structure of the Group management, see page 117. Renumeration to the other senior executives comprises a fixed salary. No board member fees are paid. Market adjusted defined contribution pension plan exist for the other senior executives. A mutual notice period of between three to six months exists for the other senior executives and no severence pay is awarded.

DECISION-MAKING PROCESS

There is no specially appointed renumeration committee to deal with wages, pension benefits, incentives and other employment-related conditions for the Managing Director and the Group's other senior executives; these matters are dealt with by the Board as a whole. The salaries of the senior executives are decided by the Managing Director after consultation with the Chairman of the Board. The board members' fees are decided by the Annual General Meeting.

SEK million	2013 Salaries and other remuneration	Security costs	Pension costs	2012 Salaries and other remuneration	Security costs	Pension costs
Torsten Jansson, Managing Director	0.9	0.0	0.4	0.9	0.0	0.4
Anders Dahlvig, Chairman of the Board	0.3	0.0	0.0	0.3	0.0	0.0
Christina Bellander, Board Member	0.1	0.0	0.0	0.1	0.0	0.0
Göran Härstedt, Board Member	0.1	0.0	0.0	0.1	0.0	0.0
Helle Kruse Nielsen, Board Member	0.1	0.0	0.0	0.1	0.0	0.0
Mats Årjes, Board Member	0.1	0.0	0.0	0.1	0.0	0.0
Other senior executives*	1.9	0.0	0.2	3.1	0.0	0.6
Total	**3.5**	**0.0**	**0.6**	**4.7**	**0.0**	**1.0**

*Individuals referred to on page 117.

Subscriptions options	2013 Quantity	2012 Quantity with exercise date 2013
Chairman of the Board	0	0
Other Board Members	0	50 000
Managing Director	0	0
Other senior executives	0	0
Total	**0**	**50 000**

No share warrants have been issued during 2013.

PENSION COMMITMENTS

Defined benefit pension plans exist within the parent company. As the Swedish manager Alecta cannot recognise a basis that allows calculation of defined benefit pension liabilities, these pension plans have instead been recognised as defined contribution plans. Recognition has therefore not been carried out in the balance sheet. Alecta's collective funding ratio at the end of the year was 148% (129%). The collective funding level is the difference between the company's assets and insurance commitments, calculated in accordance with Alecta's calculation assumptions for insurance purpouses, which do not comply with IAS 19.

Remuneration to auditors and audition company

SEK million	**2013**	**2012**
Audit assignment		
Ernst & Young	0.8	0.7
Others	0.0	0.2
Audit work outside audit assignment	0.1	0.4
Tax consultancy	0.0	0.0
Total	**0.9**	**1.3**

NOTE 5 APPROPRIATIONS

SEK million	**2013**	**2012**
Difference between reported depreciation and depreciation according to plan	-0.4	0.1
Tax allocation reserve	26.5	15.7
Total	**26.1**	**15.8**

NOTE 6 TAX ON PROFIT FOR THE YEAR

SEK million	**2013**		**2012**	
Current tax	0.0		0.0	
Tax attributable to previous years	0.4		0.0	
Total	**0.4**		**0.0**	
Reconciliation of actual tax				
Profit before tax	**240.5**		**-7.9**	
Tax expense according to local tax rate	-52.9	-22.0%	2.1	26.6%
Tax effects from:				
Non taxable income	59.0	24.5%	52.7	667.1%
Non deductible expenses	-5.9	-2.5%	-54.8	-693.7%
Tax attributable to previous years	0.4	0.2%	0.0	0.0%
Other	-0.2	-0.1%	0.0	0.0%
Tax according to income statement	**0.4**	**0.2%**	**0.0**	**0.0%**

NOTE 7 INTANGIBLE FIXED ASSETS

SEK million	Trademarks 2013	Trademarks 2012	Computer software 2013	Computer software 2012
Accumulated acquisition values				
Opening acquisition value	6.9	6.9	13.9	13.9
Acquisitions	0.0	0.0	3.9	0.1
Closing accumulated acquisition value	**6.9**	**6.9**	**17.8**	**14.0**
Accumulated depreciation according to plan				
Opening depreciation	-6.9	-6.9	-10.2	-8.9
Depreciation during the year	0.0	0.0	-1.8	-1.3
Closing accumulated depreciation	**-6.9**	**-6.9**	**-12.0**	**-10.2**
Closing book value	**0.0**	**0.0**	**5.8**	**3.8**

NOTE 8 TANGIBLE FIXED ASSETS

SEK million	Equipment, tools and installations 2013	Equipment, tools and installations 2012
Accumulated acquisition values		
Opening acquisition value	11.3	9.8
Acquisitions	0.0	1.5
Closing accumulated acquisition value	**11.3**	**11.3**
Accumulated depreciation according to plan		
Opening depreciation	-9.2	-7.4
Depreciation during the year	-0.7	-1.8
Closing accumulated depreciation	**-9.9**	**-9.2**
Closing book value	**1.4**	**2.1**

Leasing costs for operational leasing

The Group has operational lease agreements for rental of premises and business systems.
The future commitment for these agreements can be seen in the following summary:

	2013 Premises	2013 ERP		2012 Premises	2012 ERP
2014	1.6	1.0	2013	1.6	4.4
2015	1.6	0.0	2014	1.6	1.0
2016	1.7	0.0	2015	1.6	0.0
2017	0.0	0.0	2016	1.6	0.0
2018 incl. costs through contract period end	0.0	0.0	2017 incl. costs through contract period end	0.0	0.0
Rental costs for the year amounted to	1.6	4.7		1.6	8.5

NOTE 9 SHARES IN GROUP COMPANIES

	Equity %	Voting rights, %	Number of shares	Book value, TSEK
Dahetra A/S [9]	100	100	1 000	29 000
DJ Frantextil AB	100	100	30 000	13 844
EBAS Group BV [1]	100	100	5 100	27 010
GC Sportswear OY	100	100	8 000	82
Hefa AB [2]	100	100	18 985	52 496
Intraco Holding BV [3]	64	64	49 804	33 362
Jobman Workwear AB	100	100	10 000	81 387
Kosta-Förlaget AB	100	100	500	1 136
New Wave Asia Ltd	100	100	1	9
New Wave Austria GmbH	100	100	-	18 921
New Wave Danmark A/S	100	100	2	1 180
New Wave France SAS	100	100	100	10 714
New Wave Garments Ltd	100	100	-	0
New Wave Group Incentives AB	100	100	1 000	118
New Wave Group International Trading Ltd	100	100	-	0
New Wave Group SA [4]	100	100	100	536
New Wave Holland BV [8]	100	100	13 616	104 351
New Wave Italia S.r.l	100	100	500 000	6 670
New Wave Mode AB	100	100	100 000	69 459
New Wave Profile Professional AB	100	100	1 000	100
New Wave Profile Professional Ltd	100	100	1 000	14
New Wave Sports AB	100	100	50 000	5 000
New Wave Norway A/S [11]	100	100	9 000	1 022
New Wave Sportswear S.A.	100	100	1 000	2 415
New Wave Trading Shanghai Ltd	100	100	-	17 888
New Wave USA Inc [6]	100	100	-	462 708
OKB Restaurang AB	100	100	10 000	0
Orrefors Event AB	100	100	100	100
Orrefors Kosta Boda AB (f.d. Orrefors Kosta Boda Holding AB) [5]	100	100	100 000	24 481
OY Trexet Finland AB	100	100	600	1 412
New Wave Group Canadian Distribution Inc [10]	100	100	1 000	39 873
Pax Scandinavia AB	100	100	2 400	27 065
Projob Workwear AB	100	100	1 015 684	492
Sagaform AB [7]	100	100	5 611 223	69 212
Seger Europe AB	100	100	10 000	34 599
Texet AB	100	100	58 500	87 659
Texet Benelux BV	86	86	-	102 558
Texet France SAS	96	96	47 798	0
Texet Poland Sp z o.o.	51	51	7 885	1 858
United Brands of Scandinavia Ltd, Wales	100	100	200	54 973
Total				**1 383 704**

1. EBAS Group BV owns 14% of Texet Benelux BV, 4% of Texet France SAS and 100% of Texet Harvest Spain SL.

2. Hefa AB owns company Texet GmbH which owns New Wave GmbH.

3. Intraco Holding owns Intraco Hong Kong Ltd, Intraco International Ltd, Intraco Electronics Ltd, Intraco Trading BV and 60% of DeskTop Ideas Ltd.

4. New Wave Group SA owns New Wave Group Licensing SA, New Wave Far East Ltd. and Multi Sourcing Asia Ltd.

5. Orrefors Kosta Boda AB (former Orrefors Kosta Boda Holding AB) owns Glasma AB and Kosta Glasproduktion AB (former Orrefors Kosta Boda AB) which owns Orrefors Kosta Boda Leasing AB and SEA Glasbruk AB.

6. New Wave USA Inc owns Cutter & Buck, Auclair Sports Inc, Gloves International Inc as well as Orrefors Kosta Boda Inc, which in turn owns Sagaform Inc and Ahead Inc and Craft Sportswear NA, LLC.

7. Sagaform AB owns Sagaform APS and Sagaform GmbH (Germany).

8. New Wave Holland BV owns Lensen Toppoint BV, Toppoint Deutschland GmbH, Newpoint Sp. z.oo, Toppoint Polska Sp z.oo, GS Plastics GmbH, New Wave Sportswear BV and X-Tend BV.

9. Dahetra A/S owns Hurricane Purchases A/S.

10. New Wave Group Canadian Distribution Inc owns Paris Glove of Canada Ltd, which in turn owns Laurentide Gloves Ltd.

11. New Wave Norway A/S owns Safetyhouse A/S.

Information regarding subsidiary corporate identities and domiciles:

	Company registration number	Domicile
Ahead Inc	45-2433808	New Bedford, USA
Auclair Sports Inc	V245570	Burlington, USA
Craft Sportswear NA, LLC	35-2477259	Beverly, USA
Cutter & Buck Inc	206-830-6812	Seattle, USA
Dahetra A/S	37764728	Skanderborg, Denmark
Desk Top Ideas Ltd	718094721	Oxfordshire, England
DJ Frantextil AB	556190-4086	Borås, Sweden
EBAS Group BV	17078626	Mijdrecht, The Netherlands
GC Sportswear OY	1772317-6	Esbo, Finland
Glasma AB	556085-8671	Emmaboda, Sweden
Gloves International Inc	2579860	Mayfield, USA
Hefa AB	556485-2126	Hisings Kärra, Sweden
Hurricane Purchase A/S	16503770	Skanderborg, Denmark
Intraco Holding BV	34228913	Wormerveer, The Netherlands
Intraco Hong Kong Ltd	33959038-000-10-03-3	Hong Kong
Intraco International Ltd	35134648-000-11-04-7	Hong Kong
Intraco Electronics Ltd	- - -	Shenzhen, China
Intraco Trading BV	35027019	Wormerveer, The Netherlands
Jobman Workwear AB	556218-1783	Stockholm, Sweden
Kosta-Förlaget AB	556700-7140	Orrefors, Sweden
Kosta Glasproduktion AB	556037-0461	Lessebo, Sweden
Laurentide Gloves Ltd	1142613307	Montreal, Canada
Lensen Toppoint BV	5055988	Bergentheim, The Netherlands
Multi Sourcing Asia Ltd	1859015	Hong Kong
New Wave Asia Ltd	1213487	Hong Kong
New Wave Austria GmbH	FN272531g	Eli, Austria
New Wave Danmark A/S	234083	Copenhagen, Denmark
New Wave Far East Ltd	551901	Hong Kong
New Wave France SAS	430 060 624 000 29 514C	Dardilly, France
New Wave Garments Ltd	755013846	Shanghai, China
New Wave GmbH	HRB10847	Oberaudorf, Germany
New Wave Group Incentives AB	556544-8833	Borås, Sweden
New Wave Group International Trading Ltd	74959455X	Shanghai, China
New Wave Group SA	CH-645-1009704-1	Cortaillod, Switzerland
New Wave Holland BV	5061847	Hardenberg, The Netherlands
New Wave Italia S.r.l	1730/9310/45	Codogno, Italien
New Wave Licensing SA	CH-645-4099083-3	Cortaillod, Switzerland
New Wave Mode AB	556312-5771	Dingle, Sweden
New Wave Norway A/S	946506370	Sarpsborg, Norge
New Wave Profile Professionals AB	556765-0782	Dingle, Sweden
New Wave Profile Professionals Ltd	893996	Hong Kong
New Wave Sports AB	556529-1845	Borås, Sweden
New Wave Sportswear BV	30159098	Mijdrecht, The Netherlands
New Wave Sportswear S.A.	29963 166887 0190 B1	Barcelona, Spain
New Wave Trading Shanghai Ltd	310000400561917	Shanghai, China
New Wave USA Inc	26-28441698	Seattle, USA
Newpoint Sp z o.o.	270348	Zielona Góra, Poland
OKB Restaurang AB	556697-8804	Orrefors, Sweden
Orrefors Event AB	556699-2565	Orrefors, Sweden
Orrefors Kosta Boda AB	556519-1300	Lessebo, Sweden
Orrefors Kosta Boda Inc	23-05822990	West Berlin, USA
Orrefors Kosta Boda Leasing AB	556374-8804	Orrefors, Sweden

	Company registration number	Domicile
OY Trexet Finland AB	0874124-1	Esbo, Finland
Paris Glove of Canada Ltd	1142613711	Montreal, Canada
New Wave Group Canadian Distribution Inc	1167232215	Montreal, Canada
Pax Scandinavia AB	556253-8685	Örebro, Sweden
Projob Workwear AB	556560-7180	Borås, Sweden
Restaurant AB Kullegården	556552-1373	Lessebo, Sweden
Safetyhouse A/S	911 689 693	Grålum, Norway
Sagaform AB	556402-4064	Borås, Sweden
Sagaform APS	25818253	Karlebo, Denmark
Sagaform GmbH	47619	Frankfurt am Main, Germany
Sagaform Inc	20-3981096	West Berlin, USA
SEA Glasbruk AB	556066-8883	Kosta, Sweden
Seger Europe AB	556244-8901	Gällstad, Sweden
Texet AB	556354-3015	Stockholm, Sweden
Texet Benelux NV	BE 404.998.655	Aarschot, Belgium
Texet France SAS	305035693	Naterre Cedex, France
Texet GmbH	328/5857/0728	Menden, Germany
Texet Harvest Spain SL	A 78480696	Madrid, Spain
Texet Poland Sp z o.o.	281382	Poznan, Poland
Toppoint Deutschland GmbH	HR B 1986	Nordhorn, Germany
Toppoint Polska Sp z o.o.	220828	Zielona Góra, Poland
United Brands of Scandinavia Ltd	5480650	Hirwaun, South Wales
X-Tend BV	8108654	Zwolle, The Netherlands

NOTE 10 FINANCIAL FIXED ASSETS

Reported acquisition costs for the associated companies

SEK million	**2013**	**2012**
Dingle Industrilokaler AB	8.3	8.3
8016267 Canada Inc	5.7	5.7
Glasrikets skatter ekonomiska förening	1.0	1.0
Kosta Köpmanshus AB	29.4	29.4
Scandinavian Trade Holding AB	1.0	1.0
Vist Fastighetsbolag AB	13.5	13.5
Total	**58.9**	**58.9**

NOTE 11 PREPAID EXPENSES AND ACCRUED INCOME

SEK million	**2013**	**2012**
Leases	1.7	5.4
Prepaid credit fees	3.4	6.2
Prepaid rents	0.4	0.4
Prepaid fair costs. repayable	0.0	0.9
Prepaid marketingexpenses	1.4	0.0
Prepaid license costs	0.9	0.0
Other items	1.4	0.8
Total	**9.2**	**13.7**

NOTE 12 UNTAXED RESERVES

SEK million	2013	2012
The difference between reported depreciation and depreciation according to plan	0.4	0.0
Tax allocation reserve 08	0.0	5.8
Tax allocation reserve 10	0.0	1.0
Tax allocation reserve 11	0.0	19.4
Tax allocation reserve 12	6.9	7.2
Total	**7.3**	**33.4**

Deferred tax on untaxed reserves amounts to SEK 1.6 million (SEK 7.3 million).

NOTE 13 EQUITY

Division of share capital

The parent company's share capital consisted of the following number of shares as at 31 December 2013 with a quoted value of up to SEK 3.00 per share.

Shares % Share class		No. of shares	No. of votes	Capital	Votes
A	10 votes	20 707 680	207 076 800	31.2	81.9
B	1 vote	45 635 863	45 635 863	68.8	18.1
Total		**66 343 543**	**252 712 663**	**100.0**	**100.0**

NOTE 14 CREDIT LIMIT

Amount granted in relatin to loans and bank overdraft facilities amount so SEK 2 150 million (SEK 2 200 million).

The company's overdraft facilities with the bank are defined as long-term as the credit facility is valid until 12 November 2015.

NOTE 15 ACCRUED EXPENSES AND PREPAID INCOME

SEK million	2013	2012
Holiday pay liability	2.2	2.1
Social security charges	0.4	0.4
Special employer's contibution	0.9	0.9
Audit	0.4	0.4
Interest	0.2	5.2
Credit charge	0.5	5.6
Legal services	0.0	0.7
Other items	0.4	0.2
Total	**5.0**	**15.5**

NOTE 16 PLEDGED ASSETS AND MATURING LIABILITIES

SEK million			Due for payment			
Liability	Liability as per 31 Dec. 2013	Within 1 year	Between one to five years	Later than five years	Pledged asset	Liability as per 31 Dec. 2012
Liability to credit institution	1 317.7	50.0	1 267.7	-	see below	1 597.0

Pledged assets in relation to debts to credit institutions and overdraft facilities

	2013	2012
Company mortgages	30.0	30.0
Shares in subsidiary	1 077.8	1 044.0
Shares in associated company	8.3	8.3
Total	**1 116.1**	**1 082.3**

NOTE 17 CONTINGENT LIABILITIES

SEK million	2013	2012
Guarantees for subsidiaries	208.6	230.2

NOTE 18 FINANCIAL INCOME AND COST

SEK million	2013	2012
Write-down of financial fixed assets*	-22.8	-203.6
Profit/loss from internal Group sales of subsidiaries	-3.6	-1.1
Dividends from subsidiaries	315.9	240.9
Financial income, Group companies	31.8	43.6
Financial income, other	24.0	33.5
Financial expenses, Group companies	-72.7	-70.9
Financial expenses, other	-58.4	-60.3
Total	**214.2**	**-17.9**

* Income was adversely affected by SEK 22.8 million (SEK -203.6 million) owing to a write down of fixed assets. This is primarily due to capital contributions to subsidiaries to cover losses. The contributions are not expected to convey further value to the subsidiaries and have thus been charged against income.

NOTE 19 RELATED PARTIES

Sales

Of the parent company's invoiced sales, SEK 84.2 million (SEK 109.1 million) equivalent to 99.5% (99.6%) were sales to Group companies. All transactions have occured in accordance with market conditions.

Transactions with related persons

The parent company has not had any transactions with related persons during 2013.

AUDITOR'S REPORT

TO THE ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF NEW WAVE GROUP AB (PUBL)

CORPORATE IDENTITY NUMBER
556350 - 0916

REPORT ON THE ANNUAL ACCOUNTS & CONSOLIDATED ACCONTS

We have audited the annual accounts and consolidated accounts of New Wave Group AB (publ) for the financial year 2013. The annual accounts and consolidated accounts of the company are included in the printed version of this document on pages 57–111.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR FOR THE ANNUAL ACCOUNTS & CONSOLIDATED ACCOUNTS

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act and of the consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

OPINIONS

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2013 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2013 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the parent company and consolidated income statement and consolidated balance sheet for the group.

REPORT ON OTHER LEGAL & REGULATORY REQUIREMENTS

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of New Wave Group AB (publ) for the financial year 2013.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. The Board of Directors and the Managing Director are responsible for administration under the Companies Act and that the corporate governance statement has been prepared in accordance with the Annual Accounts Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined (the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess) whether the proposal is in accordance with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence which we have obtained is sufficient and appropriate in order to provide a basis for our opinions.

OPINIONS

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

GÖTEBORG, 2 APRIL 2014
ERNST & YOUNG AB

Björn Grundvall

BJÖRN GRUNDVALL
Authorized Public Accountant

THE GROUP IN SUMMARY

Income statements in brief, SEK million	2013	2012	2011	2010	2009
Income	4 047.4	4 280.2	4 236.9	4 243.4	4 087.0
Other operating income	33.3	35.1	39.4	32.2	68.9
Operating costs	-3 737.9	-4 152.3	-3 898.8	-3 889.6	-3 912.9
Profit before depreciation	342.8	163.0	377.5	386.0	243.0
Depreciation and write-downs	-52.1	-89.9	-50.6	-58.4	-70.6
Operating profit	290.7	73.1	326.9	327.6	172.4
Net financial items	-56.2	-58.2	-51.0	-27.3	-46.2
Profit before tax	234.5	14.9	275.9	300.3	126.2
Tax	-47.4	-9.1	-76.8	-78.8	-38.4
Profit for the year	**187.1**	**5.8**	**199.1**	**221.5**	**87.8**
Balance sheets in brief					
Trademarks	417.7	417.7	435.4	376.0	392.2
Other fixed assets	1 235.0	1 243.1	1 337.9	1 267.5	1 367.2
Stock	1 449.1	1 645.4	1 973.9	1 594.7	1 624.8
Accounts receivable	734.2	705.0	782.3	787.9	735.3
Other current assets	200.4	200.3	159.2	170.8	202.4
Liquid assets	185.1	229.7	117.7	121.7	80.4
Total assets	**4 221.5**	**4 441.2**	**4 806.4**	**4 318.6**	**4 402.3**
Equity attributable to shareholders	2 078.9	1 934.3	2 068.6	1 908.3	1 773.6
Equity attributable to non-controlling (minority) interest	23.9	23.7	24.2	24.7	33.5
Provisions	156.0	149.4	173.1	172.3	195.6
Interest-bearing liabilities	1 449.1	1 746.4	1 915.0	1 528.3	1 821.2
Non-interest-bearing liabilities	513.6	587.4	625.5	685.0	578.4
Total equity and liabilities	**4 221.5**	**4 441.2**	**4 806.4**	**4 318.6**	**4 402.3**
Cash flows					
Cash flow before changes in working capital and investments	226.6	181.4	269.6	332.1	138.9
Changes in working capital	131.9	159.7	-203.6	11.5	667.4
Cash flow before investments	358.5	341.1	66.0	343.6	806.3
Net investments	-46.8	-50.4	-326.5	-57.6	-23.0
Cash flow after investments	311.7	290.7	-260.5	286.0	783.3
Financial payments	-357.3	-223.5	256.0	-241.2	-884.8
Cash flow for the year	**-45.6**	**67.2**	**-4.5**	**44.8**	**-101.5**
Key figures					
Gross margin, %	46.2	43.6	47.7	47.1	46.5
Operating margin, %	7.2	1.7	7.7	7.7	4.2
Profit margin, %	5.8	0.3	6.5	7.1	3.1
Net margin, %	4.6	0.2	4.6	5.3	2.1
Return on capital employed, %	8.2	2.0	8.9	9.4	4.3
Return on equity, %	9.3	0.4	9.9	12.1	4.9
Equity ratio, %	49.8	44.1	43.5	44.8	41.0
Net debt/equity ratio, %	60.1	77.5	85.9	72.8	96.3
Net debt in relation to working capital, %	67.6	77.3	78.6	75.3	87.7
Proportion of risk-bearing capital, %	52.9	44.1	46.9	48.2	42.4
Interest coverage ratio, times	4.7	1.2	5.8	10.4	3.4
Rate of capital turnover, times	0.9	0.9	0.9	1.0	0.8
Rate of stock turnover, times	1.4	1.3	1.2	1.4	1.1
Average number of employees	2 123	2 258	2 242	2 196	2 203
Salary costs incl, social security contributions, SEK million*	827.9	934.9	886.1	861.8	917.0
Sales outside Sweden, %	74.4	72.9	69.7	69.6	70.9

* Includes purchase and production personnel.

Data per share	2013	2012	2011	2010	2009
Number of shares before dilution	66 343 543	66 343 543	66 343 543	66 343 543	66 343 543
Number of shares after dilution	66 343 543	66 343 543	67 343 543	67 343 543	67 343 543
Profit per share before dilution, SEK	2.82	0.08	2.99	3.31	1.29
Profit per share after dilution, SEK	2.82	0.08	2.94	3.26	1.27
Equity per share, SEK	31.69	29.51	31.54	29.14	27.24
Equity per share after dilution, SEK	31.69	29.51	31.08	28.70	26.83
Share price as at 31 December, SEK	32.90	25.00	23.00	40.40	27.50
P/E ratio as at 31 December	11.67	229.36	7.76	12.03	20.54
Dividend per share, SEK	1.00	1.00	1.00	1.00	0.25
Dividend yield, %	3.0	4.0	4.3	2.5	0.9
Operating cash flow per share, SEK	5.40	5.14	1.01	5.18	12.15

DEFINITIONS

RETURN ON EQUITY
Profit for the year according to income statement in percent of average adjusted equity.

RETURN ON CAPITAL EMPLOYED
Profit before tax plus financial costs in percent of average capital employed.

GROSS MARGIN
Income with deductions for goods for resale in percent of income.

EBITDA
Operating profit before depreciation.

CAPITAL TURNOVER
Income divided by the average balance sheet total.

NET MARGIN
Profit for the year as a percentage of the period´s income.

NET DEBT/EQUITY RATIO
Interest bearing liabilities less interest bearing assets as a percentage of equity.

INTEREST COVERAGE RATIO
Result before tax plus financial costs divided by financial costs.

OPERATING MARGIN
Operating profit after depreciation as a percentage of the period´s income.

WORKING CAPITAL
Total current assets less liquid assets less short-term non-interest bearing liabilities.

EQUITY/ASSETS RATIO
Equity including non-controlling (minority) interest as a percentage of balance sheet total.

CAPITAL EMPLOYED
Balance sheet total less non-interest bearing liabilities and non-interest bearing provisions.

PROFIT MARGIN
Result before tax as a percentage of the period's income.

STOCK TURNOVER
Goods for resale divided by average stock.

PROFIT PER SHARE
Profit for the year in relation to a weighted average of the outstanding number of shares.

SHARE OF RISK-BEARING CAPITAL
Total equity and deferred tax liabilities (including non-controlling (minority) interest) divided by the balance sheet total.

BOARD OF DIRECTORS

ANDERS DAHLVIG
BORN 1957

Chairman of the Board since May 2009. Former MD and CEO of the IKEA Group (April 1999 to September 2009).

Other directorships: Member of the Board of H&M Hennes & Mauritz AB, Axel Johnson AB, Kingfisher plc, Oriflame SA and Resurs Bank Aktiebolag.

Holdings in the company, own and related parties: 20 000 class B shares.

CHRISTINA BELLANDER
BORN 1955

Member of the Board since 2009.

Other directorships: Chairman of the Board of Fabaris AB and the School of Education and Communication at Jönköping University, and Member of the Board of Novus Group.

Holdings in the company, own and related parties: 2 000 class B shares.

GÖRAN HÄRSTEDT
BORN 1965

Member of the Board since 2009.

Other directorships: Chairman of the Board for a number of companies within the New Wave Group.

Holdings in the company, own and related parties: Does not hold any securities in the company.

HELLE KRUSE NIELSEN
BORN 1953

Member of the Board since 2009.

Other directorships: Member of the Board of Lantmännen ek för and Oriflame Cosmetics SA.

Holdings in the company, own and related parties: 5 000 class B shares.

MATS ÅRJES
BORN 1967

Member of the Board since 2007.

MD SkiStar AB. Other directorships: Chairman of the Swedish Ski Association, Member of the Board of SkiStar AB.

Holdings in the company, own and related parties: 10 000 class B shares.

TORSTEN JANSSON
BORN 1962

MD and CEO. Founder and majority s hareholder in New Wave Group AB. Member of the Board since 1991.

Other directorships: Chairman of the Board of Porthouse Interior AB and Member of the Board of Svensk Handel.

Holdings in the company, own and related parties: 19 707 680 class A shares och 1 240 017 class B shares.

AUDITORS
BJÖRN GRUNDVALL
BORN 1955

Authorised Public Accountant, Ernst & Young AB. Auditor of the company since 2012.

GROUP MANAGEMENT

TORSTEN JANSSON
BORN 1962

MD and CEO. Founder and majority shareholder in New Wave Group AB.

Holdings in the company, own and related parties: 19 707 680 class A shares och 1 240 017 class B shares.

TOMAS JANSSON
BORN 1965

Manager Corporate Promo Northern Europe and Managing Director of New Wave Mode AB. Employed since 1993.

Holdings in the company, own and related parties: 20 000 class B shares.

LARS JÖNSSON
BORN 1964

CFO.
Employed since 2007.

Holdings in the company, own and related parties: Does not hold any securities in the company.

MAGNUS CLAESSON
BORN 1960

Chief Buying Officer.
Employed since 2010.

Holdings in the company, own and related parties: 25 000 class B shares.

ERNEST JOHNSON
BORN 1951

Managing Director of New Wave Group USA Inc.
Employed since 2007.

Holdings in the company, own and related parties: Does not hold any securities in the company.

MARK CAO
BORN 1963

Deputy Chief Buying Officer.
Employed since 2011

Holdings in the company, own and related parties: Does not hold any securities in the company.

MARIO BIANCHI
BORN 1967

Product Manager – Corporate Promo
Employed since 1994.

Holdings in the company, own and related parties: 202 560 class B shares

JENS PETERSSON
BORN 1963

Manager – Sports & Leisure
Employed since 1999.

Holdings in the company, own and related parties: 102 500 class B shares

MAGNUS ANDERSSON
BORN 1966

Managing Director of Orrefors Kosta Boda AB
Employed since 2012.

Holdings in the company, own and related parties: 50 000 class B shares

ANNUAL GENERAL MEETING

The Annual General Meeting (AGM) will take place on Tuesday 6 May 2014 at 1 pm at the Kosta Glascenter, Stora vägen 98, 360 52 Kosta, Sweden. Shareholders have the right to attend the AGM if they are registered in the copy of the share register made on 29 April 2014 and notify the company of their intention to attend the AGM by 29 April 2014 at the latest.

If the shareholder intends to be represented by proxy, a written, dated, power of attorney shall be issued for the proxy. The power of attorney in the original should be sent to the company at the address provided above no later than on April 29, 2014. If the power of attorney is issued by a legal entity, a certified copy of the corporate registration certificate and other authorization documents should be sent to the company. Please note that shareholders who are represented by proxy must also give notice of participation as stipulated above. A proxy form is available on the company's website *www.nwg.se*.

NOMINEE REGISTERED SHARES

Shareholders with nominee-registered shares must register their shares in their own name with Euroclear Sweden AB to be entitled to attend the AGM. This registration must be completed by 29 April 2014 and an application shall therefore be made to the nominee in good time before this date.

NOTIFICATION

Notification of attendance at the AGM shall be made by letter or e-mail to:
New Wave Group AB (publ)
Orrekulla Industrigata 61
425 36 Hisings Kärra
Sweden
bolagsstamma@nwg.se

The notification shall state name, personal identification number/company registration number and daytime phone number. Shareholders who wish to attend the AGM must have notified the company of this before 29 April 2014 when the notification deadline expires.

ISSUES

The issues prescribed by law and the articles of association, the below proposals for dividends and other issues mentioned in the notice to convene the meeting will be addressed at the AGM.

DIVIDEND PAYMENT

The Board proposes to the Annual General Meeting a dividend for 2013 of SEK 1.00 per share, corresponding to a total of SEK 66,344 thousand. The Board has proposed 9 May 2014 as the record day for the dividend. This record day assumes payment of the dividend from Euroclear Sweden AB on 14 May 2014.







NewWave
GROUP

New Wave Group AB (publ) Org nr 556350-0916

Orrekulla Industrigata 61, SE-425 36 Hisings Kärra

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