

New Wave Group AB

2021 Year-end report

January - December

Trademarks

Corporate



Sports & Leisure



Gifts & Home Furnishings



New Wave Group AB

Year-end report

PERIOD 1 OCTOBER- 31 DECEMBER 2021

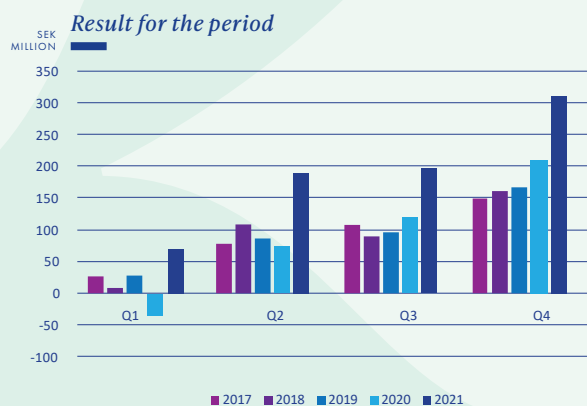
- Net sales amounted to SEK **2,306.7** million, which was **23 % (22 % in local currencies)** higher than last year (SEK **1,873.2** million).
- Operating result amounted to SEK **403.3 (283.6)** million.
- Result for the period amounted to SEK **308.5 (208.2)** million.
- Earnings per share amounted to SEK **4.61 (3.13)**.
- Cash flow from operating activities amounted to SEK **413.3 (557.5)** million.

PERIOD 1 JANUARY - 31 DECEMBER 2021

- Net sales amounted to SEK **6,718.6** million, which was **10 % (13 % in local currencies)** higher than last year (SEK **6,098.8** million).
- Operating result amounted to SEK **1,005.9 (545.9)** million.
- Result for the period amounted to SEK **760.0 (363.0)** million.
- Earnings per share amounted to SEK **11.46 (5.51)**.
- Cash flow from operating activities amounted to SEK **1,207.4 (1,206.6)** million.
- Equity ratio amounted to **59.6 (53.4) %**.
- Net debt to equity ratio amounted to **23.4 (47.1) %**.

DIVIDEND

The Board of Directors has decided to propose to the AGM a dividend of SEK 4.25 per share equal to SEK 282.0 million.





Torsten Jansson

CEO comments

"All figures for the quarter are at an all time high."

October - December

Fourth quarter yielded records in both earnings and net sales

I feel incredible joy and pride over both sales and operating profit during the quarter and of course also for the full year 2021. The pandemic is not over and continues to be an impact on day-to-day business. Several countries received new restrictions during the fourth quarter and this development has continued at the beginning of 2022. This is having a negative effect on our sales in parts of the Group, and considering that background our results are even more fantastic.

Net sales during the quarter amounted to SEK **2,306.7** million, which is an increase from the previous year of SEK **433.5** million or **23%**. It is also interesting that there is a growth of **14%** against the fourth quarter of 2019, which was the last quarter before the great outbreak of the pandemic. The quarter for the year is also

an all time high in terms of sales both for a fourth quarter but also the highest net sales for a single quarter.

Operating result was SEK **403.3** million, an increase of SEK **119.7** million or **42%** compared to 2020 and the operating margin increased from **15.1%** to **17.5%** - all figures for the quarter are at an all time high. Compared with the 2019 quarter, operating result increased by SEK **163.0** million or **68%** and the operating margin has been increased from **11.9%** to **17.5%**.

It is once again a pleasure to note that we have growth in all three segments. Gifts & Home Furnishings grew by **13%**, Corporate by **18%** and Sports & Leisure by as much as **35%**. Our two sales channels also showed good growth, promo with **16%** and retail with **36%**. Given the negative effects of the pandemic, this is a very strong development.

Full year 2021

Despite the negative effects of the pandemic and reduced sales at the beginning of the year, we still increased net sales for the full year by SEK 619.8 million, a growth of 13% in local currencies. Of our three segments, Corporate was the hardest hit by the pandemic and decreased by 4%. Gifts & Home Furnishings grew by 16% despite several of the company’s operations in Kosta, such as hotels, restaurants and retail, being hit hard during parts of the year. Sports & Leisure showed growth throughout by 29%. Both our sales channels increased, promo by 2% and retail by 25%.

Operating result increased by SEK 460.0 million to SEK 1,005.9 million, an increase of 84% and it is incredibly exciting to pass SEK 1 billion in operating result. At the same time, net financial items decreased, which together means that we more than doubled the result for the year from SEK 363.0 million to SEK 760.0 million, an improvement of 109%. Having met our target this year of 15% operating margin is very gratifying and EBITDA now amounts to SEK 1,233.3 million. The Corporate segment increased its operating result by SEK 91.8 million to SEK 440.8 million, Sports & Leisure improved by as much as SEK 295.6 million to SEK 466.0 million and our formerly challenging Gifts & Home Furnishings business improved by SEK 72.6 million to SEK 99.1 million which actually means that the segment reaches an operating margin of 10.4%.

Cash flow and balance sheet

Cash flow from operating activities amounted to SEK 1,207.4 million and cash flow after investing activities to SEK 1,093.2 million. The strong cash flow has further strengthened our already strong balance sheet. Net debt to credit institutions at the turn of the year was down to SEK 375.1 million and equity amounted to SEK 4,567.6 million and the equity ratio to 59.6%. These strong financial positions provide great opportunity going forward for both acquisitions and organic expansion, while also providing great security to the existing operations.

Craft’s fantastic development continues

Craft’s preorders for the AW season increased by as much as 42%, breaking new records. We are pleased to see the growth is taking place in all markets and in all product segments. It is noteworthy that the more mature markets show very good growth, such as Sweden with 34% or Norway with as much as 71% and we are taking big steps forward in markets such as Spain, France, the USA and Canada.

Our other brands

Thanks to Craft’s fantastic development, it would be easy to overlook our other strong brands. It is very gratifying that we actually have good growth in almost all brands in all segments. For example, Gifts & Home Furnishings had a growth of 16% during the year, despite the fact that several businesses such as retail, hotels, restaurants, etc. in Kosta were hit hard by the pandemic. Net sales increased in the segment due to the fact that Kosta Boda, Orrefors, Sagaform and others had very good growth. Cutter & Buck, ProJob, Jobman and others also had good growth.

The future

We are entering 2022 stronger than ever and it is difficult not to be optimistic about the development we have had. Companies are developing well despite the pandemic. Sports & Leisure with Craft at the forefront with fantastic development opportunities and the previously challenged Gifts & Home Furnishings is demonstrating promising development.

We stand strong against our competitors in terms of product quality, design and function. We are far ahead of many competitors in terms of sustainability and we are among the absolute best in terms of service. Some areas of uncertainty remain in the market although it feels more stable than before. We need to increase our inventory to cope with the strong growth and there are still some disruptions in the production and logistics chains. However, these disturbances are less than feared and it looks brighter going forward. Another is large price increases, for example on freight and energy. The ongoing pandemic is also a continuing challenge for several businesses with, for example, very high sick leave/ absenteeism rates impacting day-to-day operations.

Overall, however, I am very optimistic going forward and believe we will achieve good and profitable growth. Of course, there may be individual quarters that may be weaker, but over time I am convinced of continued very good development.

Thank you all for a fantastic effort in 2021. Now we are building New Wave even stronger in 2022 and beyond!



..... Q4

Torsten Jansson
Torsten Jansson
 CEO

The period

Comments on the period

Summary of the quarter October - December

The Group delivered continued positive development of both net sales and earnings during the last quarter of the year. The Group's net sales improved by 23% and result for the period by 49% and amounted to SEK 308.5 (208.2) million. The recovery is taking place in all regions and segments as well as in both sales channels. The gross profit margin improved compared with the previous year and costs increased as the Group had a higher sales volume and more marketing activities than in previous quarters.



Craft
The Swedish national handball team won the European Championships for the first time in 20 years.

The Group's net sales increased by **23%** (22% in local currencies). The Corporate segment increased by **18%**. All regions improved their net sales except for Other countries, which are on a par with the previous year. Sports & Leisure increased by **35%**. The segment had higher net sales in all regions. Gifts & Home Furnishings increased by **13%**, which is primarily related to Sweden and the USA.

Both sales channels improved their net sales where promo increased by **16%** while retail increased by **36%**. Promo increased in Corporate and Sports & Leisure but decreased slightly in the Gifts & Home Furnishings segment. Retail sales increased in all segments.

The gross profit margin improved compared with the previous year and amounted to **47.8** (46.2)%. All segments improved their margin.

The Group's external costs increased compared with the previous year, which is mainly attributable to volume-related costs but also a slightly higher level of activity regarding marketing. Personnel costs also increased and are due to the fact that last year's quarter entailed significant savings regarding the workforce. The Group has a workforce that is adapted to current volumes.

Operating result improved by SEK **119.7** million compared with the previous year and amounted to SEK **403.3** (283.6) million.

Cash flow from operating activities amounted to SEK **413.3** (557.5) million. The lower cash flow is mainly due to the Group increasing its purchases of goods, but the higher net sales also have a negative effect on tied-up capital in accounts receivable. Compared with the previous year, inventories increased slightly and amounted to **2,937.6** (SEK **2,883.0** million).

CHANGE IN NET SALES

18%

Corporate segment

35%

Sports & Leisure segment

13%

Gifts & Home Furnishings segment

October - December

Net sales

Net sales amounted to SEK **2,306.7** million, which was **23%** higher than the previous year (SEK **1,873.2** million). Exchange rate fluctuations had a positive impact on sales of SEK **18.3** million or approximately **1%**.

Net sales in the USA increased by **27%** and the improvement took place in all segments. Sweden increased its net sales by **23%** and here too all segments had higher net sales. Sales in Central Europe increased by **21%**. The improvement is mainly related to Corporate and Sport & Leisure. The Nordic region excluding Sweden improved by **17%** compared with the previous year and the increase took place in all segments except Gifts & Home Furnishings, where net sales decreased slightly. Southern Europe increased by **40%**. The higher net sales were related to the Corporate and Sports & Leisure segments. Other countries increased by **10%**, which was mainly related to Sport & Leisure and Canada.

Gross profit

The gross profit margin improved compared with the previous year and amounted to **47.8 (46.2)%**. All segments had a higher margin.

Other operating income and other operating costs

Other operating income decreased by SEK **5.7** million to SEK **23.9 (29.6)** million. The item includes government grants related to COVID-19 of SEK **3.0 (12.4)** million, see also Note 8. In addition to these grants, other operating income also includes the operating exchange rate gains and shall be set against the income statement item other operating expenses where mainly the operating exchange rate losses are reported. Other operating expenses decreased by SEK **1.5** million and amounted to SEK **-9.9 (-11.4)** million. The net of the above-mentioned items amounted to SEK **14.0 (18.2)** million.

Costs and depreciations

External costs increased by SEK **65.6** million and amounted to SEK **-350.9 (-285.3)** million. The increase is mainly related to volume-related costs, but marketing activities have also increased. Personnel costs increased by SEK **41.5** million and amounted to SEK **-301.4 (-259.9)** million. The increase is related to

the Group returning to a more normal operation after last year's significant savings in the workforce.

Exchange rate fluctuations increased the above-mentioned costs by SEK **6.8** million.

Depreciation and write-downs increased slightly compared with the previous year and amounted to SEK **-61.5 (-55.0)** million.

Operating result

Operating result improved by SEK **119.7** million compared with the previous year and amounted to SEK **403.3 (283.6)** million.

The improved operating result is mainly related to higher net sales and an improved gross profit margin.

Net financial items and tax

Net financial items amounted to SEK **-9.9 (-14.5)** million. The Group's net debt has decreased, which has also contributed to lower interest expenses.

Tax on the profit for the period amounted to SEK **-84.9 (-61.0)** million and the effective tax rate was **21.6 (22.7)%**.

Result for the period

Result for the period improved by SEK **100.3** million and amounted to SEK **308.5 (208.2)** million. Earnings per share amounted to SEK **4.61 (3.13)**.



Summary 2021

Despite the fact that the pandemic continued into 2021 and several countries had strict operating restrictions, the Group delivered record results in the first quarter. The COVID-19 challenges for many of our operations continued, including canceled events, sports activities that were completely canceled, while other elite sport events were conducted without an audience and the lack of conferences. Demand for the Group's products and services remained lower than in the previous years. However, we saw a recovery in the USA and Canada. Sweden also developed strongly while the rest of Europe continued to lose ground, except for Southern Europe, which showed growth. The negative effects on net sales were offset by an improved gross profit margin and implemented cost savings. It was also gratifying that all three of our segments improved their results during the first quarter of the year.

During the second quarter, the COVID-19 pandemic was still a major concern, even though we saw a significantly stronger market than before. Restrictions on facilities for events, sports, certain audiences, etc. contributed to this. However, the second quarter of 2020 was affected to a greater extent than 2021 by COVID-19 and its shutdowns of countries as well as restrictions on deliveries. The recovery took place mainly in the USA, the Nordic countries and in the retail sales channel. The quarter's net sales increased compared to the previous year by 13% and even though our focus is primarily on earnings, it was still nice to be back on growth. Operating result for the quarter increased from SEK 110.1 million to SEK 241.3 million and the operating margin was 16.2%. In addition to the increased net sales, the improvement in earnings was due to a continued strong gross profit margin and good cost control.

Although the pandemic was not over yet and definitely not over during the third quarter, society interactions began to open up. The Group's net sales continued to develop positively compared with the previous year. The recovery took place mainly in the USA and the Nordic countries, but Central and Southern Europe also had good growth. Just as we predicted in previous reports, demand increased and we had a strong autumn. Net sales increased by 13% and almost reached the 2019 level. In terms of earnings, it was a new record for a third quarter and operating result increased by 48% and the operating margin was 15.7%.



All segments improved their operating result and we continued to have a strong cash flow. The gross profit margin improved and costs increased slightly as the Group had a higher sales volume and more marketing activities than in previous quarters.

The fourth quarter yielded records in both earnings and net sales. The pandemic is still not over and several countries were given new restrictions. However, the Group had a continued positive development of both net sales and earnings during the last quarter of the year. Net sales improved by 23% to 2,306.7, which also means the highest net sales we had in a single quarter. Operating result increased by 42% compared to 2020 and the operating margin improved from 15.1% to 17.5%. The recovery is taking place in all regions and segments as well as in both sales channels. The gross profit margin improved compared with the previous year and costs increased as the Group had a higher level of activity than in previous quarters. Given both the negative effects of the pandemic and a certain shortage of goods, this is a very strong development.

Net sales for the year amounted to SEK 6,718.6 million, which was an increase of 10% (13% excluding currency change) compared with the previous year. Both sales channels increased compared to last year. Corporate decreased their net sales by 4%. The segment was mainly affected at the beginning of the year by canceled events, conferences and other corporate activities, which reduced the demand for promo products. The segment also had a lower share of trading orders compared with last year, which

Craft

Craft Teamwear continued to expand its operation in 2021 and are now active in handball, athletics, football, volleyball, gymnastics, basketball, and cycling.

reduced this year's net sales. Savings and efficiency measures have been implemented. Sports & Leisure has also been negatively affected by COVID-19 as it has led to canceled sports events with reduced sales as a result. However, investments in the Craft brand continued during the year. The USA market was hit hard by the pandemic last year. The companies made large cost savings and adapted their operations to current volumes. When net sales increased, the segment had a smaller cost base, which resulted in a good earnings trend during the year. The segment as a whole increased its net sales by **29%** and operating result to SEK **466.0 (170.5)** million. The Gifts & Home Furnishings segment had a growth of **16%** despite the fact that several businesses such as retail, hotels, restaurants, etc. in Kosta were hit hard by the pandemic. Other operations in the segment such as Kosta Boda, Orrefors, Sagaform and others had a very good increase in net sales. This, together with an improved gross profit margin, has resulted in operating result amounting to SEK **99.3 (26.5)** million. The Group's gross profit margin increased compared with the previous year and amounted to **48.1 (43.2)%**. Last year, the Group was quick to take measures and implement cost savings, as well as to adjust its operations to a lower volume. This has also yielded results in 2021, and although external costs and personnel costs have

increased during the second half of the year, costs are under good control. Some of the Group's companies received government grants at the beginning of the year. These are reported as other income and are reported in Note 8. The higher net sales, improved gross profit margin and good cost control resulted in an operating result of SEK **1,005.9** million and an operating margin of **15.0%**. The improved operating result gave us the opportunity to repay debts also improving net financial items. Result for the year amounted to SEK **760.0 (363.0)** million. Cash flow from operating activities was on a par with the previous year and amounted to SEK **1,207.4 (1,206.6)** million. Capital assigned to inventories has not increased as much as was planned, which has been difficult due to disruptions in the production and logistics chains. However, the supply of goods has functioned relatively well, even though a slightly larger inventory at the end of the year would have been desirable in order to be able to meet the demand we see ahead with full service to our customers. Investment operations increased and amounted to SEK **114.2 (57.5)** million. The equity ratio improved and amounted to **59.6 (53.4)%** and the Group's net debt decreased by SEK **748.8** million and as of December 31 amounted to SEK **1,068.8 (1,817.6)** million.

ProJob

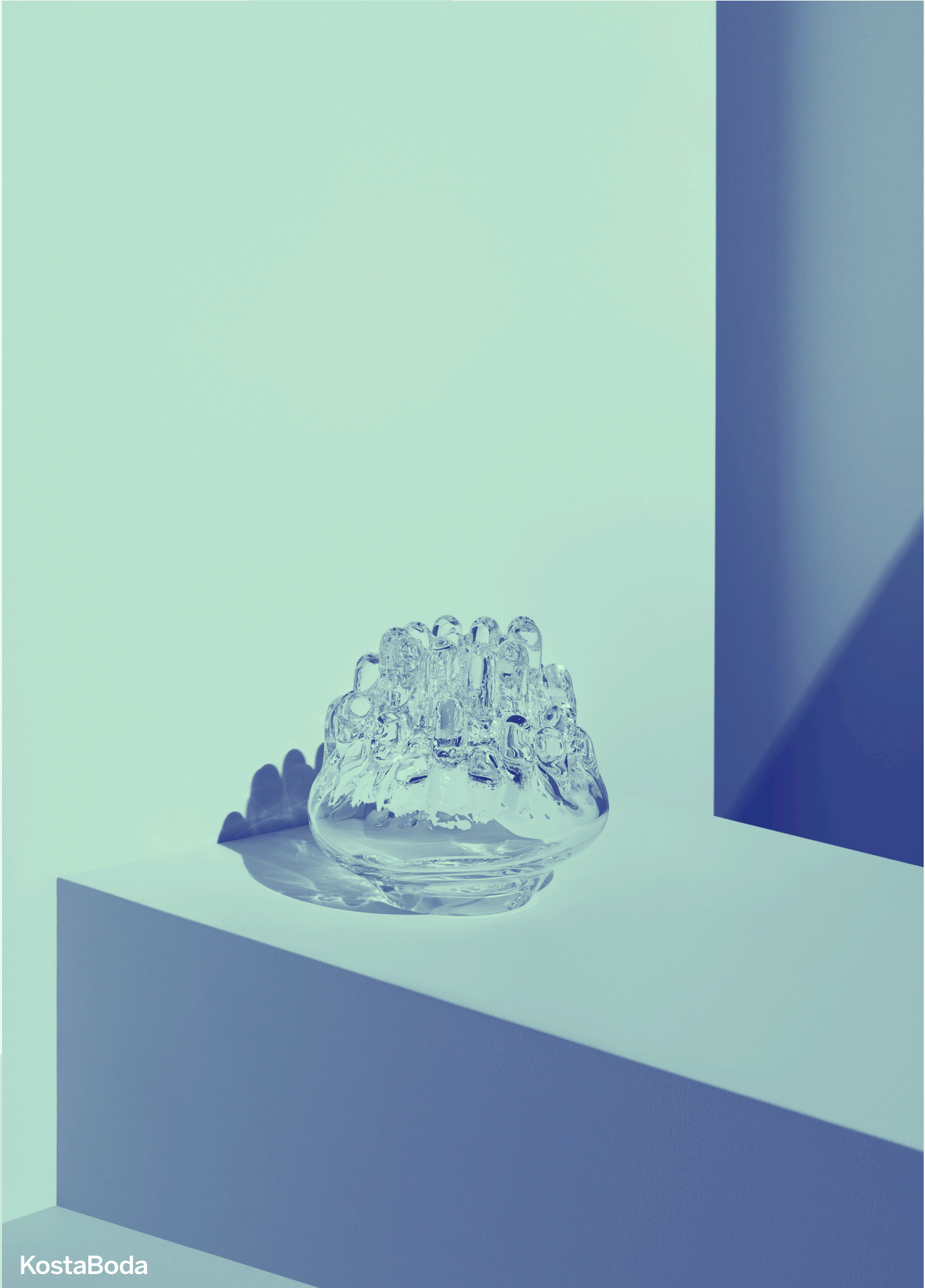
During the year, ProJob made major changes in their collection, which was very well received and contributed positively to the company's development.

Projob has also created a complete solution to facilitate the flow between reseller and end customer with a more automated processing solution with minimal hand-laying.



Jobman

Jobman is one of the leading suppliers on the market within workwear with the goal of producing functional, modern and affordable workwear of high quality.



KostaBoda

January - December

Net sales

Net sales amounted to SEK **6,718.6** million, which was **10%** higher than the previous year (SEK **6,098.9** million). Exchange rate fluctuations had a negative impact on sales by SEK **166.6** million, which corresponds to **3%**.

In the Group's two largest regions, the USA and Sweden, net sales increased by **24%** and **23%**, respectively. The improvement took place in all segments for these two regions. Central Europe increased by **12%** and the Nordic region excluding Sweden increased by **21%** and also in these regions sales increased in all segments. Southern Europe decreased by **4%**, which is attributable to several major trading deliveries last year in the Corporate segment. However, the region increased in the Sports & Leisure segment. Other countries decreased by **26%**, which is related to trading operations in Asia in the Corporate segment, which decreased while Canada had an increase in net sales. Canada increased sales in both Corporate and Sports & Leisure.

Gross profit

The gross profit margin was higher than the previous year and amounted to **48.1 (43.2)%**. The higher margin is mainly related to the fact that last year had a high share of trading operations in the Corporate segment. This business has a lower percentage gross profit margin than the Group in general.

Other operating income and other operating costs

Other operating income decreased by SEK **34.7** million to SEK **111.5 (146.2)** million. Government grants linked to COVID-19 amount to SEK **61.9 (75.7)** million for the period, where this year's figure includes forgiveness of government loans (referred to as PPP loans) in the USA of SEK **44.2** million. See also Note **8** regarding information related to COVID-19. In addition to these grants, other operating income also includes the operating exchange rate gains and must be set against the income statement item other operating expenses where the operating exchange rate losses are reported. Other operating expenses decreased by SEK **26.6** million and amounted to SEK **-21.7 (-48.3)** million. The net of the above-mentioned items amounted to SEK **89.8 (97.9)** million.

Costs and depreciations

External costs increased by SEK **92.2** million and amounted to SEK **-1,067.9 (-977.1)** million, which is attributable to volume-related costs. Personnel costs increased by SEK **34.3** million and amounted to SEK **-1,016.9 (-982.6)** million. The increase took place mainly during the second half of the year and is related to the Group returning to more normal operations after last year's sharp savings in the workforce.

Exchange rate fluctuations have reduced the above costs by SEK **66.6** million.

Depreciation and write-downs were on a par with the previous year and amounted to SEK **-227.3 (-229.5)** million.

Operating result

Operating result increased by SEK **460.0** million and amounted to SEK **1,005.9 (545.9)** million. The improvement is related to higher net sales and an improved gross profit margin.

Net financial items and tax

Net financial items amounted to SEK **-43.0 (-64.9)** million, which is attributable to lower net debt and thus lower interest expenses.

The tax expense for the period amounted to SEK **-202.9 (-118.0)** million. The effective tax rate was **21.1 (24.5)%**, where last year was negatively affected by the adjustment of deferred tax assets and the year was positively affected by non-taxable income in connection with forgiveness of government loans in the USA.

Result for the period

Result for the period amounted to SEK **760.0 (363.0)** million and earnings per share amounted to SEK **11.46 (5.51)**.

Reporting of operating segments

New Wave Group divides its operations into the segments Corporate, Sports & Leisure and Gifts & Home Furnishings. The Group monitors the segments' and brands' sales as well as operating result. The operating segments are based on the Group's operational management.



Corporate

Net sales during the period October-December increased by **18%** and amounted to SEK **1,005.1 (853.4)** million. Sales increased in all regions except Other countries, which were at the same level as last year. Both sales channels increased their sales. Operating result improved by SEK **46.7** million and amounted to SEK **186.6 (139.9)** million. The higher result is mainly related to the higher net sales and an improved gross profit margin.

Net sales for the year amounted to SEK **2,971.6 (3,104.8)** million. The regions of Southern Europe and Other countries decreased due to lower trading activities, while other regions increased compared with the previous year. The sales channel promo decreased its net sales which is due to the lower trading business while the sales channel retail increased. Operating result improved by SEK **91.8** million and amounted to SEK **440.8 (349.0)** million. The higher result is mainly related to a higher gross profit margin.

Sports & Leisure

Net sales for the fourth quarter increased by **35%** and amounted to SEK **921.1 (683.1)** million. The segment had higher net sales in all regions and both sales channels increased. Operating result improved by SEK **60.1** million and amounted to SEK **162.9 (102.8)** million. The higher result is mainly related to higher net sales and an improved gross profit margin.

Net sales for the period January-December increased by **29%** and amounted to SEK **2,792.5 (2,168.5)** million. Sales increased in all regions and in both sales channels. Operating result increased by SEK **295.6** million and amounted to SEK **466.0 (170.5)** million. The improvement is related to the higher net sales and improved gross profit margin. The segment's other income was positively affected by forgiveness of the government loans (PPP loans) in the USA of SEK **35.0** million.



Gifts & Home Furnishings

Net sales during the period October-December increased by **13%** and amounted to SEK **380.5 (336.7)** million. The improved net sales are mainly related to Sweden and the USA. The retail sales channel increased while promo was slightly lower than the previous year. Operating result improved by SEK **13.0** million compared with last year and amounted to SEK **53.9 (40.9)** million. The improvement was mainly related to higher net sales and an improved gross profit margin.

Net sales for the year increased by **16%** and amounted to SEK **954.5 (825.5)** million. Sales increased in both sales channels. The higher net sales are mainly related to Sweden, but all regions improved their sales. Operating result improved by SEK **72.6** million compared with the previous year and amounted to SEK **99.1 (26.5)** million, which is mainly attributable to the higher net sales and improved the gross profit margin.



CRAFT

Capital tied up

Capital assigned to inventories increased slightly and amounted to SEK **2,937.6** (2,883.0) million. The increase is related to more purchases but goods are not in stock but are on their way. The inventory's turnover rate improved slightly compared with the previous year and amounted to **1.2** (1.1) times.

SEK million	31 Dec 2021	31 Dec 2020
Raw materials	41.1	36.0
Work in progress	1.9	7.9
Goods in transit	356.8	128.2
Finished goods	2,537.8	2,710.9
Total	2,937.6	2,883.0

As of December 31, 2021, total obsolescence deductions (an expression of the difference between the lower of acquisition value and fair value for inventories) amounted to SEK **140.5** (144.2) million and obsolescence reserves in relation to finished goods inventories amounted to **5.2** (5.0)%.

Accounts receivable amounted to SEK **1,359.6** (1,059.3) million, where the increase is mainly related to the higher net sales.

Investments, financing and liquidity

The quarter's cash flow from operating activities was slightly lower than the previous year and amounted to SEK **413.3** (557.5) million. Cash flow has been positively affected by the improved operating result but negatively with regard to working capital. The Group has increased its purchases of goods and the higher net sales increase capital tied up in accounts receivable. Cash flow from investing activities amounted to SEK **-42.1** (-7.2) million.

The year's cash flow from operating activities was on a par with last year and amounted to SEK **1,207.4** (1,206.6) million. The full year has also been positively affected by the improved operating result, but with a higher capital tied up in operating receivables and more purchases of goods.

Net debt decreased by SEK **748.8** million, of which SEK **700.8** million is related to credit institutions and amounted to SEK **1,068.8** (1,817.6) million. The net debt to equity ratio and net debt through working capital amounted to **23.4** (47.1)% and **35.7** (59.5)%, respectively.

The equity ratio improved by **6.2** percentage points compared with the previous year and amounted to **59.6** (53.4)%.

In December, the Group signed a new three-year financing agreement. The new agreement means that the Group's total credit facility as of December

31 amounted to SEK **2,766.0** million, of which SEK **2,150.0** million runs through December 2024, MUSD **12.7** up to and including January 2024 and SEK **251.6** million has maturities that extend up to and including August 2027. The other SEK **250.0** million has a term of between three months and six years. The credit facility is limited in amount to and dependent on the value of certain underlying assets. The financing agreement means that key figures (covenants) must be met in order to maintain the credit line.

Personnel and organization

The number of full-time employees as of December 31 was **2,060 (2,064)**, of which **49%** were women and **51%** were men. Of the number of employees, **400 (385)** people work in production.

The production available within the New Wave Group is attributable to AHEAD (embroidery), Cutter & Buck (embroidery), Kosta Boda, Orrefors, Seger, Termo and Toppoint.

Intangible Assets

The Group's intangible assets with indefinite useful life consist of goodwill and trademarks. The useful lives are assessed to be indefinite because they are well established strategic brands in respective markets which the Group intends to maintain and develop further. The brands with greater value, listed at their acquisition values, are well-known brands such as Orrefors and Kosta Boda within Gifts & Home Furnishings as well as mainly Cutter & Buck within Sports & Leisure. The value of the Group's goodwill and trademarks, which are based on local currency and can give rise to currency translation effects in the consolidated financial statements, have been allocated between the cash-generating units they are considered to belong to. These units are also the Group's segments. The value of these intangible assets is reviewed annually to ensure that the value does not deviate negatively from book value, but can be tested more frequently if there are indications that the value has decreased. In an impairment test, the recoverable amount needs to be determined by a calculation of the respective cash-generating unit's value in use. The value in use is based on established cash flow projections for the next five years, and a long-term growth rate, so-called terminal growth. The most important assumptions in determining the value in use include growth rate, operating margin and discount rate (WACC). When calculating the discount rate, an assessment of financial factors such as interest rates, borrowing costs, market risk, beta values and tax rates will be carried out. As the cash generating units have different characteristics,

each unit is assessed after its commercial factors. The estimated cost of capital (WACC) is considered to be representative of all cash generating units.

The cash flow forecasts that form the basis for the impairment test are based on the five year forecast adopted by the Board (2022-2026) and thereafter a terminal growth of **2.0 (2.0)%**. In calculating the present value of expected future cash flows, a weighted average cost of capital (WACC) of **10.2 (10.2)** % before tax is used.

Based on the tests and analyzes that have been carried out during the quarter, there is currently no need for impairment. Nor was there any need for impairment for the comparison year.

Related party transactions

Lease agreements exist with related companies. Companies related to the CEO have purchased merchandise and received compensation for consulting services performed. In addition, there are transactions with related parties to insignificant values. All transactions have taken place on market terms.

The Parent company

Total income for the quarter amounted to SEK **30.8 (23.0)** million. Result before appropriations and tax amounted to SEK **92.9 (110.5)** million. The reduced result is attributable to lower dividends from foreign subsidiaries. Net debt amounted to SEK **552.2 (1,129.4)** million. The parent company's net financing to subsidiaries amounted to SEK **1,192.5 (1,241.5)** million. Cash flow from investing activities amounted to SEK **123.8 (-6.2)** million, which is related to amortization of long-term receivables from Group companies. Total assets amounted to SEK **3,875.0 (4,004.6)** million and equity, including the equity portion of untaxed reserves, to SEK **2,557.6 (2,195.8)** million.

Total income for the year amounted to **108.4 (131.5)**. Result before appropriations and tax amounted to SEK **474.7 (94.6)** million. The improvement in earnings is attributable to dividends from foreign subsidiaries. Cash flow from investing activities was positive and amounted to SEK **285.8 (5.3)** million, which is related to amortization of long-term receivables from Group companies.

Annual General Meeting

The Annual General Meeting takes place on May 18 (a meeting with only postal voting, provided that the so-called temporary AGM Act is reintroduced). The annual report is expected to be available on April 14 at the company's head office in Gothenburg.



Dividend

The company's dividend policy is that **40%** of the net profit shall be distributed over a business cycle.

Despite the pandemic and the uncertainties that existed, the Group's financial position and liquidity have strengthened and New Wave Group has performed significantly better than previously forecast. The Board has therefore decided to return to the ordinary policy and to propose that the Annual General Meeting resolves on a dividend of SEK **4.25** per share, regardless of share class, a total of SEK **281,960,058**.

Nomination committee

The nomination committee for the board election at the 2022 Annual General Meeting is

- *Ulf Hedlundh, representative of Svolder and Chairman of the nomination committee*
- *Torsten Jansson, CEO and representative of Torsten Jansson Holding AB*
- *Frank Larsson, representative for Svenska Handelsbankens Fonder*

For more information about the nomination committee and its work, please see www.nwg.se.

Calendar

26 APR	Interim report for the first quarter
18 MAY	Annual General Meeting
17 AUG	Interim report for the second quarter
8 NOV	Interim report for the third quarter

The company's auditors have not conducted any review of the report for the fourth quarter of 2021.

The Board of Directors and CEO declare that the year-end report gives a true and fair overview of the company's and Group's operations, financial position and earnings, and describes the significant risks and uncertainty factors faced by the company and the companies included in the Group.

..... 2021

Gothenburg, February 10, 2022

New Wave Group AB (publ)

Olof Persson
Chairman of the Board

Jonas Eriksson
Member of the Board

M. Johan Widerberg
Member of the Board

Ingrid Söderlund
Member of the Board

Mats Arjes
Member of the Board

Christina Bellander
Member of the Board

Ralph Mührad
Member of the Board

Torsten Jansson
CEO and Group CEO

For more information, please contact:

CEO AND GROUP CEO

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CFO

Lars Jönsson

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This information is information that New Wave Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons detailed above, at 7:00 a.m. CET on February 10th, 2022.

Consolidated income statement

SEK million	Note	3 months Oct - Dec 2021	3 months Oct - Dec 2020	12 months Jan - Dec 2021	12 months Jan - Dec 2020
Net sales	3, 4, 5	2 306.7	1 873.2	6 718.6	6 098.8
Goods for resale		-1 203.3	-1 007.7	-3 489.3	-3 461.5
Gross profit		1 103.4	865.6	3 229.3	2 637.3
Other operating income	8	23.9	29.6	111.5	146.2
External costs		-350.9	-285.4	-1 067.9	-975.7
Personnel costs		-301.4	-259.9	-1 016.9	-982.6
Amortizations, depreciations and write-downs of tangible and intangible fixed assets	3	-61.5	-55.0	-227.3	-229.5
Other operating costs		-9.9	-11.4	-21.7	-48.3
Share of associated companies' result		-0.3	0.1	-1.1	-1.4
Operating result	3	403.3	283.6	1 005.9	545.9
Financial income		0.7	0.1	3.0	4.1
Financial expenses		-10.6	-14.6	-46.0	-69.0
Net financial items		-9.9	-14.5	-43.0	-64.9
Result before tax		393.4	269.2	962.9	481.0
Tax expense		-84.9	-61.0	-202.9	-118.0
Result for the period		308.5	208.2	760.0	363.0
Other comprehensive income:					
Items that can be reclassified into profit or loss:					
Translation differences		87.5	-212.3	230.3	-274.5
Cash flow hedges		0.0	-0.9	3.3	-4.7
Sum		87.5	-213.2	233.6	-279.2
Income tax related to components of other comprehensive income		0.0	0.2	-0.7	1.0
Total other comprehensive for the period		87.5	-213.0	232.9	-278.2
Total comprehensive income for the period		396.0	-4.9	992.9	84.8
Result for the period attributable to:					
Shareholders of the Parent company		305.9	207.6	760.3	365.5
Non-controlling interest		2.6	0.6	-0.3	-2.5
		308.5	208.2	760.0	363.0
Total comprehensive income attributable to:					
Shareholders of the Parent company		393.4	-4.0	992.8	88.9
Non-controlling interest		2.6	-0.8	0.1	-4.1
		396.0	-4.9	992.9	84.8
Earnings per share (SEK)		4.61	3.13	11.46	5.51
The average number of outstanding shares		66 343 543	66 343 543	66 343 543	66 343 543

Consolidated cash flow statement

SEK million	Note	3 months Oct - Dec 2021	3 months Oct - Dec 2020	12 months Jan - Dec 2021	12 months Jan - Dec 2020
Operating activities					
Operating result		403.3	283.6	1 005.9	545.9
Adjustment for items not included in cash flow		75.2	69.8	194.8	264.6
Received interest		0.4	0.0	1.8	0.7
Paid interest		-10.3	-14.5	-44.8	-65.7
Paid income tax		-64.5	-38.9	-164.7	-113.7
Cash flow from operating activities before changes in working capital		404.1	300.0	993.0	631.8
Changes in working capital					
Increase/decrease of inventories		59.7	472.4	57.8	495.8
Increase/decrease of current receivables		-194.6	-87.7	-269.9	106.1
Increase/decrease of current liabilities		144.1	-127.2	426.5	-27.1
Cash flow from changes in working capital		9.2	257.5	214.4	574.8
Cash flow from operating activities		413.3	557.5	1 207.4	1 206.6
Investing activities					
Investments in tangible fixed assets		-36.9	-9.5	-105.3	-44.7
Sales of tangible fixed assets		0.0	2.9	9.9	6.7
Investments in intangible fixed assets		-6.0	-1.2	-18.8	-11.3
Business combinations		0.0	0.0	0.0	-8.6
Raised long-term receivables		0.8	0.0	0.0	0.0
Repayment of long-term receivables		0.0	0.6	0.0	0.3
Cash flow from investing activities	3	-42.1	-7.2	-114.2	-57.5
Cash flow after investing activities		371.2	550.3	1 093.2	1 149.1
Financial activities					
Loans raised		0.0	0.0	0.0	62.9
Amortization of loans		-50.9	-406.0	-706.5	-1 091.8
Amortization of lease liabilities		-31.7	-29.8	-126.5	-126.7
Acquisition of non-controlling interests		-12.5	0.0	-12.5	0.0
Dividend paid to the shareholders of the Parent company		-265.4	0.0	-265.4	0.0
Cash flow from financial activities		-360.5	-435.9	-1 110.9	-1 155.6
Cash flow for the period		10.7	114.5	-17.7	-6.4
Liquid assets at the beginning of the period		311.0	226.8	325.1	351.3
Translation differences in liquid assets		6.2	-16.2	20.5	-19.8
Liquid assets at the end of the period		327.9	325.1	327.9	325.1
Liquid assets					
Cash at bank and in hand		327.9	325.1	327.9	325.1

Consolidated balance sheet

SEK million	Note	31 Dec 2021	31 Dec 2020
ASSETS			
Intangible fixed assets	3	1 474.7	1 380.9
Tangible fixed assets	3	1 258.3	1 289.5
Shares in associated companies		38.7	39.7
Other long-term receivables		11.8	14.0
Deferred tax assets	3, 5	93.5	106.7
Total non-current assets	5	2 877.0	2 830.8
Inventory		2 937.6	2 883.0
Current tax receivables		16.7	13.4
Accounts receivable		1 359.6	1 059.3
Other receivables		86.5	61.6
Prepaid expenses and accrued income		55.3	43.5
Liquid assets		327.9	325.1
Total current assets		4 783.6	4 385.9
TOTAL ASSETS	3, 6	7 660.6	7 216.7
EQUITY			
Share capital		199.0	199.0
Other capital contributions		219.4	219.4
Reserves		489.4	252.2
Retained earnings including result for the period		3 658.8	3 174.3
Equity attributable to shareholders of the Parent company		4 566.7	3 845.0
Non-controlling interest		0.9	10.5
Total equity		4 567.6	3 855.5
LIABILITIES			
Long-term interest-bearing liabilities	7, 8	1 166.8	1 933.3
Pension provisions		19.3	18.1
Other provisions		7.1	7.6
Deferred tax liabilities		138.4	140.1
Total non-current liabilities		1 331.6	2 099.1
Short-term interest-bearing liabilities	7, 8	229.9	209.4
Accounts payable		926.1	543.6
Current tax liabilities		89.9	58.6
Other liabilities	8	163.6	177.9
Accrued expenses and prepaid income		351.9	272.5
Total current liabilities		1 761.4	1 262.1
Total liabilities	3, 6	3 093.0	3 361.1
TOTAL EQUITY AND LIABILITIES		7 660.6	7 216.7

Consolidated statement of changes in equity

SEK million	Share capital	Other capital contributions	Reserves	Retained earnings incl. result for the period	Total	Non-controlling interest	Total equity
Opening balance 2020-01-01	199.0	219.4	531.0	2 804.9	3 754.4	16.3	3 770.7
Result for the period				365.5	365.5	-2.5	363.0
Other comprehensive income							
Translation differences			-272.9		-272.9	-1.6	-274.5
Cash flow hedges for the period			-4.7		-4.7		-4.7
Reclassification of previous years' cash flow hedge			-2.2	2.2	0.0		0.0
Income tax related to components of other comprehensive income			1.0		1.0		1.0
Transactions with shareholders							
Dividends to shareholders of the Parent company				0.0	0.0		0.0
Acquisition of non-controlling interest				1.8	1.8	-1.8	0.0
Closing balance 2020-12-31	199.0	219.4	252.2	3 174.4	3 845.0	10.5	3 855.5

SEK million	Share capital	Other capital contributions	Reserves	Retained earnings incl. result for the period	Total	Non-controlling interest	Total equity
Opening balance 2021-01-01	199.0	219.4	252.2	3 174.4	3 845.0	10.5	3 855.5
Result for the period				760.3	760.3	-0.3	760.0
Other comprehensive income							
Translation differences			229.9		229.9	0.4	230.3
Cash flow hedges for the period			3.3		3.3		3.3
Reclassification of previous years' cash flow hedge			4.7	-4.7	0.0		0.0
Income tax related to components of other comprehensive income			-0.7		-0.7		-0.7
Transactions with shareholders							
Dividends to shareholders of the Parent company				-265.4	-265.4		-265.4
Acquisitions of non-controlling interest				-5.7	-5.7	-9.7	-15.4
Closing balance 2021-12-31	199.0	219.4	489.4	3 658.8	4 566.7	0.9	4 567.6

	Jan - Dec 2021	Jan - Dec 2020
Accumulated translation differences in equity		
Accumulated translation differences at the beginning of the period	266.7	541.2
Translation differences in foreign Group companies for the period	230.3	-274.5
Accumulated translation differences at the end of period	497.0	266.7

Financial key figures

	3 months Oct - Dec 2021	3 months Oct - Dec 2020	12 months Jan - Dec 2021	12 months Jan - Dec 2020
Net sales growth, %	23.1	-7.5	10.2	-11.7
Organic growth, %	22.2	-2.7	12.9	-9.9
Average number of employees	2 060	2 064	2 060	2 064
Gross profit margin, %	47.8	46.2	48.1	43.2
Operating margin before depreciations, %	20.1	18.1	18.4	12.7
Operating margin, %	17.5	15.1	15.0	9.0
Profit margin, %	17.1	14.4	14.3	7.9
Net margin, %	13.4	11.1	11.3	6.0
Return on shareholders' equity, %	18.0	9.5	18.0	9.5
Return on capital employed, %	16.9	8.4	16.9	8.4
Equity ratio, %	59.6	53.4	59.6	53.4
Net debt, SEK million	1 068.8	1 817.6	1 068.8	1 817.6
Net debt to credit institutes, SEK million	375.1	1 075.9	375.1	1 075.9
Net debt to equity ratio, %	23.4	47.1	23.4	47.1
Net debt in relation to working capital, %	35.7	59.5	35.7	59.5
Interest coverage ratio, times	38.1	19.5	21.9	8.0
Capital turnover, times	0.9	0.8	0.9	0.8
Inventory turnover, times	1.2	1.1	1.2	1.1
Cash flow before investments, SEK million	413.3	557.5	1 207.4	1 206.6
Net investments, SEK million	-42.1	-7.2	-114.2	-57.5
Cash flow after investments, SEK million	371.2	550.3	1 093.2	1 149.1
Shareholders' equity per share, before and after dilution, SEK	68.83	57.96	68.83	57.96
Share price as of the balance sheet date, SEK	167.80	54.50	167.80	54.50
Dividend/share, SEK	4.00	-	4.00	-
P/E-ratio	14.64	9.89	14.64	9.89
P/S-ratio	1.66	0.59	1.66	0.59
Share price/Shareholders' equity	2.44	0.94	2.44	0.94

For definitions of alternative performance measures, see page 34.

Income statement

SEK million	3 months Oct - Dec 2021	3 months Oct - Dec 2020	12 months Jan - Dec 2021	12 months Jan - Dec 2020
Net sales	22.5	17.4	90.4	90.5
Other operating income	8.2	5.6	18.0	41.1
Total income	30.8	23.0	108.4	131.5
External costs	-15.5	-13.2	-62.6	-55.4
Personnel costs	-12.1	-12.1	-41.5	-42.8
Amortizations, depreciations and write-downs of tangible and intangible fixed assets	-1.3	-1.6	-5.4	-6.2
Other operating costs	-7.1	-6.0	-14.3	-35.2
Operating result	-5.2	-9.9	-15.4	-8.0
Result from shares in Group companies	79.9	110.0	470.6	80.5
Changes in write-downs of financial assets	15.0	7.8	7.1	7.8
Financial income	8.6	11.4	36.3	56.6
Financial expenses	-5.5	-8.8	-23.9	-42.4
Net financial items	98.1	120.4	490.1	102.5
Result before appropriations and tax	92.9	110.5	474.7	94.6
Appropriations	144.9	7.6	144.9	7.6
Tax expense	-26.9	0.0	-26.9	0.0
Result for the period	211.0	118.1	592.8	102.1

Total comprehensive income for the period corresponds with result for the period.

Cash flow statement

SEK million	3 months Oct - Dec 2021	3 months Oct - Dec 2020	12 months Jan - Dec 2021	12 months Jan - Dec 2020
Operating activities				
Operating result	-5.2	-9.9	-15.4	-8.0
Adjustment for items not included in cash flow	6.6	5.3	-0.5	17.9
Received dividends	470.6	0.0	470.6	0.0
Received interest	8.6	11.4	36.3	56.6
Paid interest	-5.5	-8.8	-23.9	-42.4
Paid income tax	-4.4	-0.3	-13.2	-4.6
Cash flow from operating activities before changes in working capital	470.7	-2.3	453.8	19.5
Changes in working capital				
Increase/decrease in current receivables	-363.8	369.6	49.7	743.9
Increase/decrease in current liabilities	141.6	-62.4	65.1	147.4
Cash flow from changes in working capital	-222.2	307.2	114.8	891.4
Cash flow from operating activities	248.5	304.9	568.6	910.9
Investing activities				
Shareholder contributions to Group companies	-20.4	-3.0	-20.4	-6.5
Investments in associated companies	0.0	0.0	0.0	0.0
Investments in tangible fixed assets	0.3	-3.6	0.0	-3.6
Investments in intangible fixed assets	0.0	0.0	-6.1	-2.5
Acquisition of shares	-12.5	0.0	-12.5	0.0
Intra-Group sales of Group companies	0.0	0.0	0.0	14.5
Changes in long-term loans to Group companies	156.4	0.5	324.9	2.5
Raised long-term receivables	0.0	-0.1	-0.1	0.9
Cash flow from investing activities	123.8	-6.2	285.8	5.3
Cash flow after investing activities	372.3	298.7	854.5	916.2
Financial activities				
Loans raised	0.0	0.0	0.0	0.0
Amortization of loans	-109.0	-304.9	-588.8	-936.4
Dividend paid to shareholders of the Parent company	-265.4	0.0	-265.4	0.0
Cash flow from financial activities	-374.4	-304.9	-854.2	-936.4
Cash flow for the period	-2.2	-6.2	0.1	-20.2
Liquid assets at the beginning of the period	2.7	6.6	0.4	20.6
Liquid assets at the end of the period	0.5	0.4	0.5	0.4
Liquid assets				
Cash at bank and in hand	0.5	0.4	0.5	0.4

Balance sheet

SEK million	Note	31 Dec 2021	31 Dec 2020
ASSETS			
Intangible fixed assets		8.8	6.6
Tangible fixed assets		3.5	4.7
Shares in Group companies		2 256.0	2 236.1
Shares in associated companies		38.1	38.1
Receivables on Group companies		32.5	326.9
Other long-term receivables		5.5	5.4
Total non-current assets		2 344.4	2 617.8
Accounts receivable		0.7	0.5
Receivables on Group companies		1 481.6	1 351.8
Current tax receivables		0.0	1.2
Other receivables		39.4	24.5
Prepaid expenses and accrued income		8.5	8.4
Liquid assets		0.5	0.4
Total current assets		1 530.6	1 386.8
TOTAL ASSETS		3 875.0	4 004.6
EQUITY			
Share capital		199.0	199.0
Restricted reserves		249.4	249.4
Total restricted equity		448.4	448.4
Retained earnings		1 389.1	1 552.4
Share premium reserve		48.0	48.0
Result for the period		592.8	102.1
Total unrestricted equity		2 029.9	1 702.5
Total equity		2 478.3	2 151.0
Untaxed reserves		99.9	57.3
LIABILITIES			
Long-term interest-bearing liabilities	7	458.0	1 040.0
Total non-current liabilities		458.0	1 040.0
Short-term interest-bearing liabilities	7	94.6	89.8
Accounts payable		399.1	218.0
Liabilities to Group companies		321.6	437.2
Current tax liabilities		12.4	0.0
Other liabilities		1.2	1.3
Accrued expenses and prepaid income		9.9	10.1
Total current liabilities		838.8	756.4
Total liabilities		1 296.8	1 796.3
TOTAL EQUITY AND LIABILITIES		3 875.0	4 004.6

Statement of changes in equity

SEK million	Share capital	Restricted reserves	Retained earnings	Share premium reserve	Result for the period	Total equity
Opening balance 2020-01-01	199.0	249.4	1 295.1	48.0	257.2	2 048.8
Transfer according to decision at AGM			257.2		-257.2	0.0
Result for the period					102.1	102.1
Total changes excluding transactions with shareholders	0.0	0.0	0.0	0.0	102.1	102.1
Dividends			0.0			0.0
Closing balance 2020-12-31	199.0	249.4	1 552.4	48.0	102.1	2 151.0

SEK million	Share capital	Restricted reserves	Retained earnings	Share premium reserve	Result for the period	Total equity
Opening balance 2021-01-01	199.0	249.4	1 552.4	48.0	102.1	2 151.0
Transfer according to decision at AGM			102.1		-102.1	0.0
Result for the period					592.8	592.8
Total changes excluding transactions with shareholders	0.0	0.0	0.0	0.0	592.8	592.8
Dividends			-265.4			-265.4
Closing balance 2021-12-31	199.0	249.4	1 389.1	48.0	592.8	2 478.3



The Group and Parent company Notes

Note 1 - Accounting policies

This report is prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. The interim report for the Parent Company has been prepared according the Annual Accounts Act as well as RFR 2 Reporting for Legal Entities. Applied accounting policies are otherwise consistent with the 2020 Annual Report.

New accounting policies for 2021

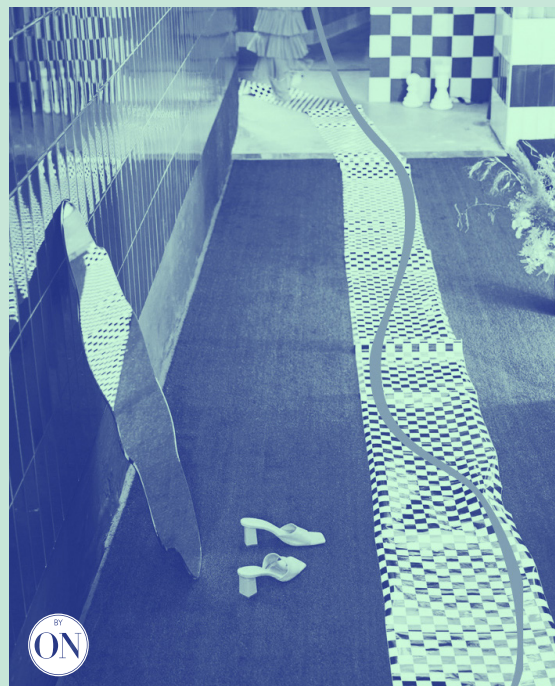
A number of amendments of current accounting standards have been published and are effective from 2021 and later. None of these has a material impact on New Wave Group's financial statements.

Note 2 - Risks and risk control

New Wave Group's international operations mean that it is continuously exposed to various financial risks. The financial risks are interest rate risks, currency, liquidity and credit risks. In order to minimize the effect these risks may have on earnings, the Group has a risk policy. For a more detailed description of the Group's risk management please refer to the Annual Report 2020, note 16, p. 94-100. The Annual Report is available at the Group's headquarters in Gothenburg, Sweden, as well as at www.nwg.se.

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.

During 2020, the world was hit by a pandemic caused by COVID-19. New Wave Group has been largely affected by the spread of COVID-19 and the demand for the Group's products and services was significantly reduced during the previous year. Net sales for the Group was negatively affected during the first quarter 2021 as well. When it comes to the second quarter, the negative effect was larger during the previous



year, while the third quarter has shown a more positive development. The Group's customers also suffer from the negative effects of the pandemic, which leads to an increased credit risk. The companies within the Group attach great importance to monitoring the customers' ability to pay and continuously make assessments regarding adequate credit risk provisions.

Besides the above, the Group's reported risks are deemed to be essentially unchanged.

Note 3 - Reporting of operating segments

Net sales and operating result per operating segment

SEK million	3 months Oct - Dec 2021	3 months Oct - Dec 2020	12 months Jan - Dec 2021	12 months Jan - Dec 2020
Corporate				
Net sales	1 005.1	853.4	2 971.6	3 104.8
Operating result	186.6	139.9	440.8	349.0
Sports & Leisure				
Net sales	921.1	683.1	2 792.5	2 168.5
Operating result	162.9	102.8	466.0	170.4
Gifts & Home Furnishings				
Net sales	380.5	336.7	954.5	825.5
Operating result	53.9	40.9	99.1	26.5
Total net sales	2 306.7	1 873.2	6 718.6	6 098.8
Total operating result	403.3	283.6	1 005.9	545.9
Total operating result	403.3	283.6	1 005.9	545.9
Net financial items	-9.9	-14.5	-43.0	-64.9
Result before tax	393.4	269.2	962.9	481.0

Assets and liabilities per operating segment

SEK million	Total assets	Fixed assets*	Deferred tax assets	Net investments	Amortizations, depreciations and write-downs	Total liabilities
31 Dec 2021						
Corporate	4 425.7	1 078.8	32.8	-60.9	-141.4	2 090.3
Sports & Leisure	2 742.7	1 317.6	45.3	-29.2	-66.5	749.5
Gifts & Home Furnishings	492.2	336.6	15.4	-24.1	-16.4	253.3
Total	7 660.6	2 733.0	93.5	-114.2	-224.3	3 093.0
31 Dec 2020						
Corporate	4 225.6	1 105.1	37.1	-29.1	-146.5	2 448.2
Sports & Leisure	2 571.2	1 233.4	44.7	-24.1	-66.4	697.9
Gifts & Home Furnishings	419.9	331.9	24.9	-4.3	-16.6	215.0
Total	7 216.7	2 670.4	106.7	-57.5	-229.5	3 361.1

* Financial fixed assets are not included

Note 4 - Net sales per sales channel and operating segment

SEK million	Corporate		Sports & Leisure		Gifts & Home Furnishings		Total	
	3 months	3 months	3 months	3 months	3 months	3 months	3 months	3 months
	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec	Oct - Dec
	2021	2020	2021	2020	2021	2020	2021	2020
Promo	995.6	848.8	236.5	193.7	148.1	150.9	1 380.2	1 193.4
Retail	9.5	4.6	684.6	489.4	232.4	185.9	926.5	679.8
Total	1 005.1	853.3	921.1	683.1	380.5	336.8	2 306.7	1 873.2

SEK million	Corporate		Sports & Leisure		Gifts & Home Furnishings		Total	
	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months
	Jan - Dec	Jan - Dec	Jan - Dec	Jan - Dec	Jan - Dec	Jan - Dec	Jan - Dec	Jan - Dec
	2021	2020	2021	2020	2021	2020	2021	2020
Promo	2 949.9	3 084.6	742.1	568.3	265.3	236.7	3 957.3	3 889.6
Retail	21.7	20.2	2 050.4	1 600.2	689.2	588.8	2 761.3	2 209.2
Total	2 971.6	3 104.8	2 792.5	2 168.5	954.5	825.5	6 718.6	6 098.8



Note 5 - Reporting of geographic areas

Net sales per geographic area

SEK million	Corporate		Sports & Leisure		Gifts & Home Furnishings		Total		Change %
	3 months Oct - Dec 2021	3 months Oct - Dec 2020	3 months Oct - Dec 2021	3 months Oct - Dec 2020	3 months Oct - Dec 2021	3 months Oct - Dec 2020	3 months Oct - Dec 2021	3 months Oct - Dec 2020	
USA	73.5	67.6	347.3	263.7	23.9	19.0	444.7	350.2	27%
Sweden	154.5	134.7	225.1	153.2	317.6	278.3	697.2	566.3	23%
Central Europe	243.2	201.6	108.9	88.4	10.1	9.6	362.2	299.7	21%
Nordic countries excl. Sweden	127.4	115.2	132.6	103.1	23.4	24.5	283.4	242.9	17%
Southern Europe	267.3	194.3	28.3	17.1	0.2	0.1	295.8	211.5	40%
Other countries	139.2	139.9	78.9	57.6	5.3	5.2	223.4	202.7	10%
Total	1 005.1	853.3	921.1	683.1	380.5	336.7	2 306.7	1 873.2	23%

SEK million	Corporate		Sports & Leisure		Gifts & Home Furnishings		Total		Change %
	12 months Jan - Dec 2021	12 months Jan - Dec 2020	12 months Jan - Dec 2021	12 months Jan - Dec 2020	12 months Jan - Dec 2021	12 months Jan - Dec 2020	12 months Jan - Dec 2021	12 months Jan - Dec 2020	
USA	203.6	193.7	1 145.0	895.2	60.4	52.0	1 409.0	1 140.9	23%
Sweden	476.1	387.8	637.6	480.3	799.4	689.8	1 913.1	1 558.0	23%
Central Europe	660.8	592.4	338.9	300.8	26.0	20.2	1 025.7	913.4	12%
Nordic countries excl. Sweden	401.3	358.5	411.4	306.1	49.8	45.7	862.5	710.3	21%
Southern Europe	779.3	842.0	83.2	58.9	0.4	0.3	862.9	901.2	-4%
Other countries	450.5	730.4	176.4	127.1	18.5	17.5	645.4	875.0	-26%
Total	2 971.6	3 104.8	2 792.5	2 168.5	954.5	825.5	6 718.6	6 098.8	10%

Fixed assets and deferred tax assets per geographic area

SEK million	31 Dec 2021		31 Dec 2020	
	Fixed assets*	Deferred tax assets	Fixed assets*	Deferred tax assets
USA	1 078.8	40.8	990.2	43.6
Sweden	755.3	19.5	737.9	26.9
Central Europe	318.1	8.7	339.0	5.5
Nordic countries excl. Sweden	230.2	3.9	245.8	3.6
Southern Europe	210.2	16.7	224.4	21.6
Other countries	140.4	3.9	133.0	5.5
Total	2 733.0	93.5	2 670.4	106.7

* Financial fixed assets are not included



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Note 6 - Financial instruments

	31 Dec 2021	31 Dec 2020
SEK million		
Assets at fair value through other comprehensive income	3.3	0.0
Assets at amortized cost	1 777.5	1 454.7
Total financial assets	1 780.8	1 454.7
Liabilities at fair value through other comprehensive income	0.0	4.7
Liabilities at amortized cost	2 662.4	2 951.7
Total financial liabilities	2 662.4	2 956.4

Financial instruments are measured at fair value or amortized cost according to classification in the consolidated balance sheet.

Note 7 - Pledged assets and contingent liabilities

GROUP

Pledged assets		
SEK million	31 Dec 2021	31 Dec 2020
Floating charges	690.5	690.5
Property mortgages	179.8	172.0
Net assets in Group companies	3 337.8	3 201.5
Shares in associated companies	8.3	8.3
Stock and accounts receivable	353.5	321.7
Total	4 569.9	4 394.1
Contingent liabilities		
SEK million	31 Dec 2021	31 Dec 2020
Duty guarantees	12.2	12.2
Rent guarantees	141.9	151.5
Other guarantees	0.0	0.0
Guarantees for associated companies	6.0	6.0
Total	160.1	169.7
PARENT COMPANY		
Pledged assets		
SEK million	31 Dec 2021	31 Dec 2020
Floating charges	30.0	30.0
Shares in Group companies	1 737.7	1 744.3
Shares in associated companies	8.3	8.3
Total	1 776.0	1 782.6
Contingent liabilities		
SEK million	31 Dec 2021	31 Dec 2020
Guarantees for Group companies	633.5	555.7
Guarantees for associated companies	6.0	6.0
Total	639.5	561.7



Note 8 - Disclosures related to COVID-19

In connection with the COVID-19 crisis, companies within the Group have taken part of the support packages that governments around the world have issued. This note contains information about the government support that the Group has received and their financial impact. In several countries, the Group has also taken part in support packages where employees reduce their working hours and receive compensation directly from the government. The financial impact from this is reduced personnel costs, but is not defined as a government grant.

Government grants

The Group has received government grants, mainly related to temporary lay-offs, in several countries. Employees reduce their working hours, but can keep main part of their salary and the employer temporary receives government grants to cover main part of the personnel costs for the employees. The table below contains information on total received grants that are recorded as other operating income and grants that are received, but recorded as other liabilities as they relate to costs that have not yet occurred.

During the second quarter of the year, the Group has received notice that the majority of the previously granted government loans in the USA has been forgiven. Loan forgiveness of the remaining part were confirmed during the third quarter and all Payroll Protection Program (PPP) loans have now been forgiven. The loans were granted last year due to the COVID-19 crisis. The loan forgiveness is considered a government grant and is therefore recognized as other operating income. The total loan forgiveness amounts to SEK 44.2 million.

	3 months Okt - Dec 2021	3 months Okt - Dec 2020	12 months Jan - Dec 2021	12 months Jan - Dec 2020
Other operating income	3.0	12.4	61.9	75.7

	31 Dec 2021	31 Dec 2020
Other liabilities	0.3	1.3

Deferment of payment of taxes and social charges

In some countries, the Group has been granted a deferral of payment of taxes and social charges. The table below contains information on total liabilities for which the Group has been granted a deferral. All liabilities fall due within 12 months.

	31 Dec 2021	31 Dec 2020
Other liabilities	0.0	20.2

Government

The Group has chosen to use the opportunity to obtain government loans in the USA (PPP), in France and UK. The Group has received notice that all of the previously granted government loans in the USA has been forgiven. The loan forgiveness is recognized as other operating income. For the government loans in France and UK, there are no forgiveness options. The table below contains information on the remaining government loans received.

	31 Dec 2021	31 Dec 2020
Long-term interest-bearing liabilities	4.6	36.8
Short-term interest-bearing liabilities	0.6	12.3
	5.2	49.1

Condensed quarterly consolidated income statements

SEK million

Quarter	2021				2020				2019			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	2 306.7	1 663.5	1 486.8	1 261.6	1 873.2	1 470.1	1 314.5	1 440.9	2 024.1	1 685.5	1 689.0	1 504.9
Goods for resale	-1 203.3	-860.4	-769.2	-656.4	-1 007.7	-843.9	-799.7	-810.2	-1 079.2	-923.2	-903.3	-795.3
Gross profit	1 103.4	803.1	717.6	605.2	865.6	626.2	514.8	630.7	944.9	762.3	785.7	709.6
Gross profit margin %	47.8	48.3	48.3	48.0	46.2	42.6	39.2	43.8	46.7	45.2	46.5	47.1
Other operating income	23.9	11.6	59.4	16.6	29.6	34.7	61.4	20.6	32.3	12.9	15.5	17.2
External costs	-350.9	-258.4	-233.8	-224.8	-285.4	-191.6	-187.7	-311.1	-343.8	-300.3	-330.2	-338.4
Personnel costs	-301.4	-235.5	-242.8	-237.2	-259.9	-220.8	-209.1	-292.8	-307.6	-278.7	-290.5	-283.0
Depreciations and write-downs	-61.5	-55.7	-56.0	-54.1	-55.0	-56.6	-57.8	-60.1	-73.6	-55.7	-52.8	-51.0
Other operating costs	-9.9	-3.7	-2.9	-5.2	-11.4	-15.2	-11.4	-10.4	-12.4	-11.3	-7.7	-8.2
Share of associated companies' result	-0.3	-0.3	-0.1	-0.4	0.1	-0.4	-0.1	-0.9	0.6	-0.2	-0.3	-0.2
Operating result	403.3	261.1	241.3	100.1	283.6	176.3	110.1	-24.1	240.3	129.1	119.6	46.0
Financial income	0.7	0.6	0.9	0.8	0.1	0.6	2.9	0.5	2.8	2.5	2.2	1.3
Financial expenses	-10.6	-11.6	-10.3	-13.5	-14.6	-15.8	-20.2	-18.4	-24.1	-19.5	-18.1	-15.3
Result before tax	393.4	250.1	231.9	87.4	269.2	161.1	92.8	-42.1	219.1	112.1	103.6	32.0
Tax expense	-84.9	-54.1	-44.3	-19.7	-61.0	-42.2	-19.9	5.1	-53.1	-17.6	-19.9	-6.0
Result for the period	308.5	196.0	187.7	67.7	208.2	118.9	72.9	-36.9	165.9	94.4	83.7	26.0
Total other comprehensive income for the period	87.5	60.5	-57.7	142.5	-213.0	-58.3	-212.4	205.5	-131.5	126.9	16.2	86.3
Total comprehensive income for the period	396.0	256.5	130.0	210.2	-4.9	60.6	-139.5	168.6	34.4	221.4	99.9	112.3
Earnings per share before and after dilution (SEK)*	4.61	2.97	2.84	1.04	3.13	1.81	1.11	-0.54	2.53	1.45	1.28	0.41
Quarter	2018				2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	1 943.4	1 551.2	1 523.2	1 272.8	1 630.3	1 331.1	1 371.7	1 264.2	1 548.6	1 300.4	1 257.3	1 130.8
Goods for resale	-1 042.3	-835.3	-804.2	-677.5	-886.8	-692.8	-745.7	-692.8	-832.3	-693.3	-685.0	-616.3
Gross profit	901.1	715.8	719.0	595.4	743.5	638.2	626.0	571.4	716.3	607.1	572.3	514.5
Gross profit margin %	46.4	46.1	47.2	46.8	45.6	47.9	45.6	45.2	46.3	46.7	45.5	45.5
Other operating income	28.3	19.3	11.3	15.9	22.9	10.4	7.0	10.9	14.9	14.5	12.2	9.4
External costs	-390.6	-323.5	-305.1	-317.2	-304.9	-265.4	-270.1	-288.6	-300.1	-268.5	-249.6	-279.8
Personnel costs	-298.0	-257.7	-260.9	-246.4	-262.2	-217.1	-233.0	-228.1	-242.9	-208.3	-213.0	-217.4
Depreciations and write-downs	-21.6	-20.2	-18.5	-17.6	-18.2	-16.4	-15.7	-15.0	-15.2	-14.1	-13.4	-13.2
Other operating costs	-9.8	-15.0	-8.3	-11.8	-6.1	-7.4	-3.9	-7.8	-6.2	-5.8	-8.1	-5.6
Share of associated companies' result	0.1	-1.3	-0.3	0.4	-2.5	0.6	0.2	0.4	0.2	0.0	-0.2	0.2
Operating result	209.4	117.5	137.3	18.6	172.5	143.0	110.5	43.2	167.0	124.9	100.2	8.1
Financial income	1.5	0.7	1.8	1.5	1.3	1.6	1.0	1.3	0.0	1.0	0.9	1.2
Financial expenses	-14.2	-12.3	-8.2	-11.7	-14.3	-14.8	-14.1	-13.8	-15.9	-16.4	-15.7	-15.0
Result before tax	196.6	105.9	130.9	8.4	159.4	129.8	97.4	30.7	151.1	109.5	85.4	-5.7
Tax expense	-37.7	-17.5	-24.2	-2.4	-12.6	-24.5	-20.3	-5.8	-23.3	-23.0	-18.4	1.1
Result for the period	158.9	88.4	106.8	6.0	146.8	105.3	77.0	24.9	127.8	86.5	67.0	-4.6
Total other comprehensive income for the period	2.7	-37.8	121.1	71.7	45.3	-43.3	-42.4	-12.2	35.1	26.4	47.2	-15.5
Total comprehensive income for the period	161.6	50.5	227.9	77.7	192.1	62.0	34.7	12.7	162.9	112.9	114.2	-20.1
Earnings per share before and after dilution (SEK)*	2.42	1.36	1.60	0.10	2.20	1.60	1.16	0.38	1.90	1.31	1.01	-0.06

* The average number of outstanding shares, before and after dilution, has been 66,343,543 in all periods in the table.

Condensed quarterly consolidated cash flow statements

SEK million

Quarter	2021				2020				2019			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Cash flow from operating activities before changes in working capital	404.1	282.8	219.0	87.1	300.0	218.9	176.0	-63.0	262.1	149.9	143.8	49.3
Increase/decrease of inventories	59.7	-157.7	125.2	30.6	472.4	86.9	53.9	-117.4	180.9	-256.4	-108.0	-58.3
Increase/decrease of current receivables	-194.6	-174.7	-156.8	256.3	-87.7	-207.6	87.4	313.9	-47.5	-34.3	-95.9	126.2
Increase/decrease of current liabilities	144.1	291.4	-2.2	-6.8	-127.2	185.0	-65.9	-19.0	-108.8	9.7	69.1	-182.3
Changes in working capital	9.2	-41.0	-33.7	280.1	257.5	64.3	75.5	177.6	24.7	-281.0	-134.8	-114.4
Cash flow from operating activities	413.3	241.8	185.3	367.2	557.5	283.2	251.4	114.6	286.7	-131.1	9.0	-65.1
Investing activities	-42.1	-33.0	-24.0	-15.2	-7.2	-8.6	-11.1	-30.6	-42.2	-32.6	-35.6	-38.3
Cash flow after investing activities	371.2	208.8	161.3	352.0	550.3	274.6	240.3	84.0	244.6	-163.8	-26.6	-103.4
Increase/decrease of interest-bearing liabilities	-82.6	-309.0	-95.4	-346.1	-435.9	-322.9	-201.6	-195.2	-122.6	210.1	75.3	49.2
Transactions with owners	-277.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.2	-132.7	0.0
Cash flow from financial activities	-360.5	-309.0	-95.4	-346.1	-435.9	-322.9	-201.6	-195.2	-122.6	211.2	-57.4	49.2
Cash flow for the period	10.7	-100.2	65.9	5.9	114.5	-48.4	38.7	-111.2	121.9	47.4	-84.0	-54.2
Liquid assets at the beginning of the period	311.0	405.8	344.8	325.1	226.8	277.8	257.6	351.3	238.4	182.5	265.0	312.2
Translation differences in liquid assets	6.2	5.5	-4.9	13.8	-16.2	-2.7	-18.5	17.6	-9.1	8.5	1.5	7.0
Liquid assets at the end of the period	327.9	311.0	405.8	344.8	325.1	226.8	277.8	257.6	351.3	238.4	182.5	265.0
Quarter	2018				2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Cash flow from operating activities before changes in working wcapital	184.1	116.1	128.3	1.2	154.9	153.3	105.0	37.8	132.0	116.2	89.4	-4.2
Increase/decrease of stock	44.6	-310.4	-110.8	-117.4	129.5	-200.4	-63.7	-73.9	151.2	-109.6	62.4	-49.7
Increase/decrease of current receivables	-3.6	-128.6	-36.2	140.9	-78.5	-113.8	-40.4	113.0	31.9	-106.8	-76.9	85.3
Increase/decrease of current liabilities	-50.7	239.9	143.2	-18.1	-71.4	150.5	49.2	-43.3	-34.2	115.7	13.7	32.5
Changes in working capital	-9.7	-199.1	-3.7	5.4	-20.4	-163.7	-54.9	-4.2	148.9	-100.7	-0.8	68.1
Cash flow from operating activities	174.4	-83.0	124.6	6.6	134.5	-10.4	50.1	33.6	280.9	15.5	88.6	63.9
Investing activities	-39.7	-42.1	-41.6	-39.8	-37.7	-36.9	-16.0	-19.9	-26.3	-25.8	-21.2	-16.3
Cash flow after investing activities	134.7	-125.1	83.0	-33.2	96.8	-47.3	34.1	13.7	254.6	-10.3	67.4	47.6
Increase/decrease of interest-bearing liabilities	-15.9	104.9	58.0	5.1	-54.6	30.2	47.1	-39.4	-211.4	22.9	16.1	-74.6
Transactions with owners	0.0	0.0	-112.8	0.0	0.0	0.0	-89.6	0.0	0.0	0.0	-66.3	0.0
Cash flow from financial activities	-15.9	104.9	-54.8	5.1	-54.6	30.2	-42.5	-39.4	-211.4	22.9	-50.2	-74.6
Cash flow for the period	118.8	-20.2	28.2	-28.1	42.2	-17.1	-8.4	-25.7	43.2	12.6	17.2	-27.0
Liquid assets at the beginning of the period	192.6	215.4	180.5	202.4	155.6	178.9	191.9	218.9	172.9	157.1	136.3	165.5
Translation differences in liquid assets	0.8	-2.6	6.7	6.2	4.6	-6.2	-4.6	-1.3	2.8	3.2	3.6	-2.2
Liquid assets at the end of the period	312.2	192.6	215.4	180.5	202.4	155.6	178.9	191.9	218.9	172.9	157.1	136.3

Definitions of alternative performance measures

Guidelines concerning non-IFRS performance measures for companies with securities listed on a regulated market in the EU have been issued by ESMA (The European Securities and Markets Authority). These guidelines are to be applied to alternative performance measures (APM) applied as of July 3, 2016. The Interim Report refers to a number of non-IFRS performance measures used to assist investors and company management to analyze the company's operations. Because not all companies calculate the financial measures in the same way, these are not

always comparable to measures used by other companies. These financial measures should not be seen as a substitute for measures defined under IFRS. A description of the various non-IFRS performance measures used as a complement to the financial information reported according to IFRS and how they are used, is presented below. A reconciliation of alternative performance measures is available on www.nwg.se/en/investor-relations/financial-reports/key-numbers.

PERFORMANCE MEASURES	DEFINITION/CALCULATION	PURPOSE
GROSS PROFIT MARGIN	Net sales less goods for resale in percent of net sales.	The measure is used for showing the Group's margins before the effect of costs such as selling and administrative costs.
OPERATING MARGIN	Operating result as a percentage of the period's net sales.	The measure is used to show operating profitability and how the Group meets its targets.
PROFIT MARGIN	Result before tax as a percentage of the period's net sales.	The measure enables the profitability to be compared across locations where corporate taxes differ.
NET MARGIN	Result after tax as a percentage of the period's net sales.	The measure is used to show net earnings in relation to income.
NET SALES GROWTH	Sales growth including currency effects.	The measure is used to show growth in the Group and to measure how the Group meets its targets.
ORGANIC GROWTH	Organic growth refers to sales growth from existing operations cleared from currency effects. The currency effect is calculated by recalculating this year's sales in local currencies to last year's rates and compared to previous year's sales.	The measure is used to show growth in existing business since currency effects are beyond the Group's control and to measure how the Group meets its targets.
OPERATING MARGIN BEFORE DEPRECIATIONS	Operating result before depreciation as a percentage of the period's net sales.	The measure is used to show operating profitability and how the Group meets its targets, regardless of depreciation, amortization and write-downs.
NET FINANCIAL ITEMS	The total of interest income, interest expenses, currency differences on borrowings and cash equivalents in foreign currencies, other financial income and other financial expenses.	The measure reflects the Group's total costs of the external financing.

RETURN MEASURES	DEFINITION/CALCULATION	PURPOSE
RETURN ON CAPITAL EMPLOYED	Rolling 12 month's result before tax plus financial expenses as a percentage of average capital employed. The average capital employed is calculated by taking the capital employed per period end and the capital employed at year-end for the previous year divided by two.	The measure is used to analyze profitability by putting result in relation to the capital needed to operate the business.
RETURN ON EQUITY	Rolling 12 month's result for the period according to the income statement as a percentage of average equity. The average equity is calculated by taking the equity per period end and the equity at year-end for the previous year divided by two. For the Parent company it is calculated as result after tax as a percentage of average adjusted equity. In adjusted equity, the equity part of untaxed reserves is included.	The measure is used to analyze profitability over time, given the resources available to the Parent company's owners.

DATA PER SHARE	DEFINITION/CALCULATION	PURPOSE
EQUITY PER SHARE	Equity at the end of the period divided by number of shares at the end of the period.	Equity per share measures the net asset value per share and determines if a company is increasing shareholder value over time.
CAPITAL MEASURES	DEFINITION/CALCULATION	PURPOSE
EQUITY	The equity reported in the consolidated balance sheet consists of taxed equity increased by the equity portion of the Group's untaxed reserves and non-controlling interests. Deferred tax liability in untaxed reserves has been calculated at the applicable tax rates for the companies in each country, as decided and communicated at the balance sheet date.	The measure is the difference between the Group's assets and liabilities, which corresponds to the Group's equity contributed by owners and the Group's accumulated profits.
CAPITAL EMPLOYED	Total assets less provisions and non-interest bearing liabilities, which consist of accounts payable, current tax liabilities, other liabilities and accrued expenses and prepaid income.	The measure indicates how much capital is needed to run the business, regardless of type of financing (borrowed or equity).
WORKING CAPITAL	Total current assets, excluding liquid assets and current tax receivables, less short-term non-interest bearing liabilities excluding current tax liabilities.	The measure is used to show how much capital is needed to finance operating activities.
NET DEBT	Interest-bearing liabilities (current and non-current) less cash and cash equivalents.	The measure shows financing from borrowings.
NET DEBT TO CREDIT INSTITUTES	Interest-bearing liabilities (current and non-current) less lease liabilities and less cash and cash equivalents.	The measure shows financing from borrowings excluding lease liabilities
CAPITAL TURNOVER	Rolling 12 month's net sales divided by average total assets. The average total assets is calculated by taking the total assets per period end and the total assets at year-end for the previous year divided by two.	The measure shows how efficiently the Group uses its total capital.
INVENTORY TURNOVER	Rolling 12 month's goods for resale in the income statement divided by average inventory. The average inventory is calculated by taking the inventory per period end and the inventory at year-end for the previous year divided by two.	The measure is used to show the inventory's turnover per year, since the stock is central for the Group to keep a good service level, i.e. to be able to deliver goods fast.
NET DEBT TO EQUITY RATIO	Net debt as a percentage of equity.	The measure helps show financial risk and is useful for management to monitor the level of the indebtedness.
NET DEBT IN RELATION TO WORKING CAPITAL	Net debt divided by working capital.	The measure is used to show how much of the working capital is financed through net debt.
INTEREST COVERAGE RATIO	Result before tax plus financial costs divided by financial costs.	The measure is used to calculate the Group's ability to pay interest costs.
EQUITY RATIO	Total equity as a percentage of total assets.	The measure shows how much of the Group's assets are financed by the shareholders through equity. An equity ratio is a measure of financial strength and how the Group meets its targets.
OTHER MEASURES	DEFINITION/CALCULATION	PURPOSE
EFFECTIVE TAX RATE	Tax on profit for the period as a percentage of result before tax.	This measure enables comparison of income tax across locations where corporate taxes differ.
EFFECTIVE INTEREST RATE	Net financial items in relation to average net debt.	The measure enables comparison of cost for the net debt.
CASH FLOW FROM OPERATIONS	Cash flow from operating activities including changes in working capital and before cash flows from investing and financing activities.	The measure is used to show the cash flow generated by the company's operations.
NET INVESTMENTS	Cash flow from investing activities according to the cash flow analysis which includes investments and divestments of buildings, acquisitions, investments in tangible and intangible assets and raised long-term debt.	The measure is used to regularly estimate how much cash is used for investments in operations and for expansion.

NewWave
G R O U P

New Wave Group is a growth group that designs, acquires and develops brands and products in the corporate, sports, gifts and home furnishings sectors. The Group shall achieve synergies by coordinating design, purchasing, marketing, warehousing and distribution of the assortment. The Group shall offer its products to the promo market and the retail market in order to achieve good risk diversification.

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