INTERIM REPORT FOR THE THIRD QUARTER 2026

NEW WAVE GROUP AB

PERIOD 1 JULY – 30 SEPTEMBER 2026

- Net sales increased by 11.3% and amounted to SEK 2,661 million (2,390). In local currencies, net sales increased by 10.2%.
- Operating profit amounted to SEK 352 million (253).
- Profit for the period amounted to SEK 253 million (166).
- Earnings per share amounted to SEK 1.77 (1.25).
- Cash flow from operating activities amounted to SEK 126 million (-249).

PERIOD 1 JANUARY – 30 SEPTEMBER 2026

- Net sales increased by 10.6% and amounted to SEK 7,601 million (6,874). In local currencies, net sales increased by 12.6%.
- Operating profit amounted to SEK 846 million (706).
- Profit for the period amounted to SEK 566 million (477).
- Earnings per share amounted to SEK 4.26 (3.59).
- Cash flow from operating activities amounted to SEK 430 million (119).

CEO COMMENTS

Growth in both sales and earnings

I am pleased with the third quarter. Although demand did not increase as much as I had hoped, this is now the second consecutive quarter in which we have seen continued rising sentiment among our customers, something we have not experienced for many years. However, given all the uncertainty around the world, conditions can change quickly again, in either direction.

Q3 performance

Sales for the quarter increased by 11.3% to SEK 2,661 million, marking a new all-time high for a third quarter. Organic growth was 3%. I had hoped for slightly more, but the development nevertheless represents a continued improvement compared with the second quarter.

The gross profit margin remained both stable and strong at 50.1%, compared with 50.0% in the previous year, despite Cotton Classics being included for all three months of the quarter, compared with the same quarter last year.

Operating profit improved significantly, increasing by SEK 99 million from SEK 253 million to SEK 352 million. At the same time, the operating margin increased to 13.2% from 10.6%. Considering that our three most recent acquisitions are still weighing on the operating margin, while we continue to invest in future growth, I am very pleased with the improvement in earnings.

Performance for the year to date

Sales increased by 10.6% to SEK 7,601 million, also representing a new record level. At the same time, operating profit improved by SEK 140 million to SEK 846 million, while the operating margin increased to 11.1%, compared with 10.3% in the previous year.

Cash flow and balance sheet

Cash flow from operating activities improved by SEK 375 million during the quarter to SEK 126 million, and by SEK 311 million during the first nine months of the year to SEK 430 million. I am very pleased with this development, particularly considering all the investments and establishments we have made during the year.

The balance sheet remains strong, with an equity ratio of 50.9% and equity of SEK 7,380 million.

The future

We will continue to invest going forward, although at a somewhat more moderate pace. While these investments may put pressure on earnings in individual periods in the short term, I see no reason to change our long-term direction. At the beginning of October, our new warehouse in Dallas became operational. I am convinced that this investment will create better conditions for continued growth in the US, although it will probably take a few quarters before we see the full effect. It always takes some time for customers to adapt to and fully benefit from a new arrangement.

During the third quarter, we also worked intensively on the acquisition of Uhlsport, which we completed after the end of the quarter on October 1st. This is undoubtedly one of the Group's most strategically important acquisitions to date and makes us a complete supplier in the club and teamwear segment. Initially, the business will put pressure on both the gross profit margin and the operating margin just as Craft has done in the past. Strategically, Uhlsport is a perfect fit.

As usual, I have strong confidence in the future. We will continue our expansion through both organic growth and further establishments. Right now, a great deal of our energy is focused on Uhlsport, however I believe we have both the financial and organizational capacity to make further acquisitions in the near future, if the right opportunity arises.

A sincere thank you to all our consumers, customers, employees, shareholders and the Board of Directors for another successful quarter!

Torsten Jansson, CEO

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