

NEW WAVE GROUP AB (PUBL) ACQUIRES B.T.C. ACTIVEWEAR LIMITED

New Wave Group has today acquired 100 % of the shares in the UK promotional, corporate and teamwear apparel company B.T.C. Activewear Limited. The consideration for the purchase of the shares is £33 million on a cash and debt free basis and is paid in cash.

B.T.C. Activewear was founded in 2000 through a merger of three regional businesses and has its distribution center and head office in Birmingham. The company is the UK's third largest wholesale distributor within its sector, offering ca. 50 leading international apparel brands. B.T.C. Activewear's sales model showcases the potential of e-commerce for B2B sales, as ca. 90 % of orders are placed via the company's webshop www.btcactivewear.co.uk (where you may also find further information about the company).

In 2021, B.T.C. Activewear's revenue was £53.0 million. The acquisition will have a positive impact on New Wave Group's result already this current year but will have a negative impact on the group's gross and operating margin, as these are lower in B.T.C. Activewear than in New Wave Group. The introduction of New Wave Group's own brands to the company's portfolio will however allow for a considerable increase in both the gross and operating margin of B.T.C. Activewear in the coming years.

The UK is one of Europe's biggest markets for promotional products, with a clear trend towards increased focus on own-brand products. Together with B.T.C. Activewear, who has a broad and well-established customer base, New Wave Group will have a strong platform for the distribution of the group's brands in the UK.

CEO and co-founder of B.T.C. Activewear, Stephen Pope, who will continue as CEO for the company comments New Wave Group's acquisition: "I am delighted to have a strong financial owner, that is known for its long-term commitment and deep industry knowledge. B.T.C. Activewear will be able to grow and take further steps together with New Wave Group, where the mix between our understanding of and position in the UK market and New Wave Group's experience and brands will be an unmatched combination."

Stephen Pope sees big opportunities for B.T.C. Activewear through the addition of New Wave Group's own brands: "With a more comprehensive and improved customer offer, we will be able to reach new customers and compete in new areas. Of course this will be beneficial to the business and also allows us to grow sales of our existing portfolio of brands."

Torsten Jansson, CEO and founder of New Wave Group, also has a bright view of the future: "Through this acquisition, we establish New Wave Group as one of the main players on the UK market, which of course feels great. In addition, we will add a very attractive and well-run company to our company group, as well as invaluable industry knowledge that will benefit all New Wave Group companies."

B.T.C. Activewear will be a part of the Corporate operating segment with its primary focus on the promo sales channel.

FOR MORE INFORMATION, PLEASE CONTACT:

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