



PRESS RELEASE

Malmö, 1st Match, 2019

New Nordic Healthbrands AB (publ) Full Year Report January - December 2018

TWELVE MONTHS 2018

- Net sales amounted to MSEK 393.7 (344.7), an increase of 14.2 per cent. In local currencies, the increase was 9.8 per cent.
- Gross margin increased to 70.5 percent (67.4).
- EBITDA increased to MSEK 34.9 (28.5).
- Operating profit increased to MSEK 34.2 (27.7).
- Profit after tax for the period increased to MSEK 26.5 (20.3).
- Earnings per share after tax increased to SEK 4.28 (3.28).

Q4 2018

- Net sales amounted to MSEK 97.6 (86.6), an increase of 12.7 percent. In local currencies, the increase was 9.0 percent.
- Gross margin increased to 71.7 percent (68.2).
- EBITDA increased to MSEK 10.0 (9.9).
- Operating profit increased to MSEK 9.8 (9.6).
- Profit after tax for the period increased to MSEK 7.2 (6.6).
- Earnings per share increased to SEK 1.61 (1.07).

COMMENTS BY KARL KRISTIAN BERGMAN JENSEN, CEO

2018 was another good year for New Nordic.

Sales increased by 14 percent. In local currencies, the increase was 10 percent. Earnings per share after tax increased by 31 percent to SEK 4.28.

The development of sales has been satisfactory in all geographical areas and we have taken market shares and increased our international position.

In 2018, we have further increased our distribution, assortment and presence in the US. Our efforts have reduced our positive profit contribution in the US in 2018 but we expect that we will see the effect of our efforts as early as 2019.

In Europe, the major markets such as the UK and Germany have also enjoyed particularly good growth. In Switzerland, we still have challenges in getting the distribution in the individual pharmacies, but sales increase month by month. Our launch at pharmacies in Hong Kong this fall has had a fine start and consumers in Hong Kong respond well to our marketing activities.

Our introduction of New Nordic on T-mall's so-called "cross-border platform" in April 2018 has developed slower than expected but in 2019 we will work to increase distribution to other "cross-border" platforms. In addition, we are working on introducing one or more products for sale in physical pharmacies in China.

During the autumn, we increased our staff to introduce New Nordic to selected markets in southeastern Europe. The preparations are ongoing and we expect to get products in the trade in some of these countries in the first half of 2019.

Our cost control is good. Economies of scale and a favorable product mix have made it possible for us to increase the gross profit. We have increased sales and personnel costs relatively more than the sales increase. This will ensure our expansion in new markets and create a stronger position in important export markets. We are favored by very low depreciation and financial expenses. Overall, I am pleased with the improvement in our results.

We had a positive cash flow from operating activities of SEK 17.9 million. Our financial position and equity ratio is fine. The Group's total assets at December 31, 2018 amounted to SEK 162.6 million. Inventories increased by 27.9 per cent compared with to last year and amounted to SEK 65.1 million. The increased inventory is the result of increased operations in several countries, decisions to purchase raw material in bigger quantities to increase gross profit and the fact that more goods is transported internationally by sea to save freight costs. Our principle of having two manufacturers for our essential products also causes us to have inventory of the same raw material in several places.

Our product development has resulted in several good news during the year. We have strengthened our Blue Berry™ Eye Vitamin range with Blue Berry™ Eye Stress for people who focus many hours on a digital screen. The launch of Prosta Vital™ in Denmark has been a success and we expect a lot from this product in the future. We have also launched Fat Burner™ which has been very well received in several countries. Our good old Apple Cider tablet has been given a renaissance and has come in a new variant - the world's first apple-cider vinegar gummy, which is now on its way to several markets.

On the research side, we have continued to isolate and grow natural lactic acid bacteria from honey and pollen. In addition, at the end of the year, we completed a placebo-controlled study in Paris on Hair Volume™ with good results. The study showed much stronger hair and more new hair for the participants who took a Hair Volume™ tablet daily.

2018 has been an exciting year for New Nordic. All employees have made a phenomenal effort. We are all very committed and work on continuing to increase our internationalisation, sales and earnings per share. I look forward to an eventful and successful year in 2019. A year in which we can create additional value for our consumers, retailers and not least for New Nordic and our shareholders.



Karl Kristian Bergman Jensen, CEO

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The information in this press release is that which New Nordic Healthbrands AB (publ) is required to disclose under Sweden's Securities Market Act. and made public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 8:00 (CET) on March 1st 2019.

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New Nordic Healthbrands AB (publ) was founded in 1990 and is quoted on NASDAQ OMX Stockholm since 2007. The company's business concept is to offer the most effective and safe food supplements and natural medicines for specific health conditions. New Nordic's branded products are now available in 34 countries in pharmacies and health stores. The New Nordic Group has it's own small sales and marketing companies in most European Countries, Canada and the US, to organize local marketing campaigns, serve the pharmacy and health retailers and serve the end consumers. In 2018, sales were 394 MSEK. All New Nordic products sold worldwide are manufactured in Scandinavia. For further information, visit www.newnordic.com.