



PRESS RELEASE

Malmö April 27, 2017

## New Nordic Healthbrands AB (publ) Three-month report January - March 2017

### Q1 2017

- Net sales amounted to MSEK 80.9 (74.6), an increase of 8 percent. In local currencies, the increase was 6 percent.
- Gross margin increased to 67.4 percent (63.8).
- EBITDA increased to MSEK 5.1 (4.3).
- Operating profit increased to MSEK 4.0 (2.8).
- Profit after tax for the period increased to MSEK 2.9 (2.3).
- Earnings per share increased to SEK 0.67 (0.52).

### COMMENTS BY KARL KRISTIAN BERGMAN JENSEN, CEO

We had a flying start of the year.

Revenue increased 6 percent in local currencies. After converting to Swedish kronor, revenue increased by more than 8 percent and amounted to SEK 80.9 million. The organic growth in revenue is a result of effective marketing and successful product innovations.

We increased sales in the Nordic region and the rest of Europe, while we in North America had a decrease in sales. The decline in North America does not reflect a decrease in consumer sales but rather to changes in inventory levels of at major wholesalers. The comparison with last year's sales in North America is also significantly affected by last year's high sale to Costco Canada - a chain of membership warehouses.

We had a good growth in vitality, beauty and diet products, but we have challenges in our new Sport Nutrition series.

The gross margin rose satisfactorily to 67.4 percent. Sales and general expenses increased by 6 million, most of which were attributable to increased marketing costs. With low financing and depreciation costs, we achieved a profit after tax of SEK 2.9 million corresponding to SEK 0.47 per share.

The high sales and gross margin per employee is evidence of an effective organization and business structure. Our costs are well under control. Our financial position is good and we can finance our planned growth ourselves.

We will continue to focus on marketing and innovation to drive organic growth. Our innovation will be focused on strengthening our major product brands and satisfying both European and North American consumer needs. We plan to launch New Nordic via pharmacies in Switzerland and Hong Kong within the next 3 to 6 months and introduce our online store to Chinese consumers during the summer.

All employees are motivated and work focused on implementing our growth plans. I am convinced that 2017 will be a good year for New Nordic and its shareholders.



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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 33 countries in pharmacies and health stores. The New Nordic Group has its 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 2016, sales were 306 MSEK. All New Nordic products sold worldwide are manufactured in Scandinavia. For further information, visit [www.newnordic.com](http://www.newnordic.com).