



PRESS RELEASE

Malmö October 31, 2017

New Nordic Healthbrands AB

Nine month report January - September 2017

NINE MONTHS 2017

- Net sales amounted to MSEK 258.1 (235.3), an increase of 9.7 percent. In local currencies, the increase was 7.9 percent.
- Gross margin increased to 67.1 percent (65.2).
- EBITDA increased to MSEK 18.6 (12.7).
- Operating profit increased to MSEK 18.0 (11.0).
- Profit after tax for the period increased to MSEK 13.7 (9.3).
- Earnings per share after tax increased to SEK 2.20 (1.50).

Q3 2017

- Net sales amounted to MSEK 88.3 (84.7), an increase of 5.0 percent. In local currencies, the increase was 4.2 percent.
- Gross margin increased to 66.8 percent (65.4).
- EBITDA increased to MSEK 9.2 (7.4).
- Operating profit increased to MSEK 9.0 (7.2).
- Profit after tax for the period increased to MSEK 7.0 (5.5).
- Earnings per share increased to SEK 1.13 (0.88).

COMMENTS BY KARL KRISTIAN BERGMAN JENSEN, CEO

We had a fine quarter with continued growth and record profit. During the first nine months of the year sales grew organically with nearly 10 per cent equal to 8 per cent in local currencies. We have had growth in each of our big regions; the Nordic area, the rest of Europe and North America. The increase in sales is fueled by a fine pace of innovation and effective marketing. The internationalization of New Nordic is going well according to our plan and earnings are increasing as a result of economy of scale with increased activity and sales.

Our costs are well under control. The focus on reducing our cost of goods has led to an increased gross margin which amounted to 67 percent during the nine month period. General selling and administrative expenses increased with 10 per cent. EBITDA increased 47 percent during the first nine months and reached 18 million SEK and earnings per share increased likewise to 2.20 SEK per share.

Our balance is well trimmed and I am particularly satisfied with the fact that our non-current assets are valued at less than 6 million SEK. Inventory of raw materials and finished goods amounted to 42 million SEK.

Our return of capital employed amounted to 24 per cent and the return on equity 25 per cent during the nine months period.

We have now started to sell products in Switzerland through our own Swiss subsidiary. The first reactions from Swiss pharmacies and consumers are very positive. We also work hard to launch in Hong Kong. We work with both western pharmacy style retail chains and online retailers such as T-mall owned by the Alibaba Group. We hope to get started in Hong Kong beginning 2018.

In the last quarter of 2017 we are proud to launch the world first "wild probiotic"; microorganisms that are believed to provide health benefits when consumed. A capsule with 100 different types of live microorganisms concentrated from natural foods against typically 5 to 15 strains in the factory grown probiotics in the market today. Wild Biotic transplant an already balanced ecosystem of microorganism to the gut rather than providing an artificially engineered composition of strains. We expect a lot from Wild Biotic and we have started to build a highly valuable cutting edge know-how in the field of wild probiotics from plants and bees.

To satisfy the need of our potential customers who like our products but have difficulties in swallowing tablets we will soon introduce gummy versions of our bestsellers. Food supplements gummies in general are rapidly gaining market share in the US and is expected to replicate their success in Europe soon. We will be first movers here. Our pipeline is full of exciting new products.

Our staff has done a tremendous job to reach the good results during the first nine months of the year and everybody are well aware of our goals and passionate about the continuation of our growth and increase in earnings per share. I am full of optimism for the last part of the year and we have made good plans to further take market share in this growing industry next year.



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 9.00 (CET) on October 31st 2017.

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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 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 2016, sales were 306 MSEK. All New Nordic products sold worldwide are manufactured in Scandinavia. For further information, visit www.newnordic.com.