



PRESS RELEASE

Malmö 31st October, 2013

New Nordic Healthbrands AB Nine Month Report, January - September, 2013

FIRST NINE MONTHS 2013

- Net sales amounted to MSEK 168,3 (157,1), an increase of 7,1 percent. In local currencies, the increase was 9,7 percent.
- Gross margin improved to 66,4 percent (62,5).
- EBITDA increased to MSEK 11,0 (8,1).
- Operating profit improved to MSEK 8,8 (2,4).
- Profit for the period improved to MSEK 4,6 (-1,1).
- Earnings per share increased to SEK 0.75 (-0.17).

THIRD QUARTER 2013

- Net sales amounted to MSEK 58,3 (49,4), an increase of 18,3 percent. In local currencies, the increase was 18,3 percent as well.
- Gross margin improved to 61,8 percent (60,6).
- EBITDA improved to MSEK 3,9 (2,9).
- Operating profit improved to MSEK 3,2 (1,0).
- Profit for the period improved to MSEK 1,1 (-0,8).
- Earnings per share increased to SEK 0.18 (-0.14).

COMMENTS BY KARL KRISTIAN BERGMAN JENSEN, CEO

Both revenue and earnings have grown in the first nine months. We have further more increased the number of loyal customers and increased the value of the New Nordic brand internationally. Earnings per share increased to 0.75 SEK, which is record earnings per share for New Nordic

In the Nordic region sales have grown by 4 %, in other European countries by 6 % and in North America by 16 %. Our strong focus on building brand leaders in condition specific market segments is bearing fruit. Every brand possesses a unique story and has a brand marketing business model that makes us attractive as partners for pharmacy and health chains world wide. Through innovation which has both benefitted our consumers and our cost prices, we have been able to increase our gross margin in the first nine months to 66.4 percent compared to 62.5 percent over the same period last year. During the nine month period, we have increased marketing costs as a percentage of sales which reflects our plan to invest in the markets where we are currently establishing New Nordic.

From the moment a consumer engages with one of our brands a connection is born. We nurture this connection and stay with her through the length of her journey, ultimately fostering her long-term loyalty to our brands. What makes our brands desirable and distinctive are the details surrounding our research, our heritage and our innovation. We allocate extensive resources to communicating what goes into our aspirational brands and products. Short- and medium-term, the allocated marketing resources is about right for our ambitions. However, we have an infinite striving to improve the efficiency and return of the resources we use. Long-term, when New Nordic and our individual condition specific brands are more geographical diffused and established, we can reduce the marketing allocations slightly. The general costs, including staff costs has been kept at the same percentage of sales.

The gross margin per employee is record high. We can grow further with little extra fixed costs and there is room for improvement of fixed costs as a percentage of sales. Compared to the same period last year, we now have significantly less depreciation, which also benefits our profit.

In the coming period, we will pursue our strategy to develop and market products that can provide our consumers with an unbeatable product experience and connect with her. This will be done through continued development and innovation of our existing range plus new introductions in economically interesting segments, where a consumer need that we can satisfy better than our competitors occurs. In september we launched Free-To-Move™ for test marketing in Denmark. A herbal and vitamin tablet based on new technology and an innovative composition. Free-To-Move™ is aimed at people who wants to stay active and needs nutritional support to help maintain healthy joint cartilage, muscles and bones. Today, we have a good portfolio of successful condition specific brands. We will continue to obtain further international penetration of these profit proven brands. We are also devoted to pursue our great opportunities in the US and European countries where we are still under establishment.

Additionally, we will make an effort to develop our geographic expansion through national distributors who can market our brands on their own account and risk in their own country. New Nordic employees are determined to make our strategy a success. I see many nearby opportunities for the company. I am very optimistic that the initiatives can offer better products to more consumers and that they will increase our revenue and results for the company as a whole and per share.



Karl Kristian Bergman Jensen, CEO

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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 28 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 2012, sales were 204 MSEK. All New Nordic products sold worldwide are manufactured in Scandinavia. For further information, visit www.newnordic.com.