



# 2020

*Annual report*

New Nordic Healthbrands AB (publ)  
Org. nr. 556698-0453

# CONTENT

## *01 The big picture*

Natural Magic	3
New Nordic at a glance	4
Record sales	6
Financial highlights	8
2020 Key events	9

## *02 Our business*

New Nordic in the supplement industry	15
Distribution channels	17
The New Nordic business model	20
Our products	27
Our international presence and sales by geographical area	28
Our strategy	30

## *03 The board*

Board of directors	33
--------------------	----

## *04 Shareholder Information*

The share	34
Shareholder information	35
Invitation to General Meeting 2021	37

## *05 Management report*

Financial review	41
Risk factors	44
Group	53
Parent	56
Accounting and valuation principles	60
Notes	63
Audit Report	80



## NATURAL MAGIC

### *healing power of nature*

The healing power of nature is a magical concept. In Scandinavia, we live close to nature, so we have great respect for natural elements. From delicious berries, to the extraordinary herbs that Mother Nature has to offer, New Nordic develops an endless list of remedies for everyday health and beauty needs. We specialise in food supplements and beauty products based on extensive scientific proof, resulting in pure and clean products which work in harmony with your body. This healthy and innovative approach is what natural magic is all about.

# NEW NORDIC *at a glance*

New Nordic develop herbal food supplements and beauty products to satisfy specific health and beauty needs and market these under characteristic brands to a growing number of consumers all over the world. All with care for people and nature.

In 2020 New Nordic operated on the global dietary supplement market which is growing and predicted to continue to grow nearly 10% annually towards 2024. Around 40% of New Nordic's business comes from its range of inner beauty products. In 2020 New Nordic launched Beauty In & Out™ taking inner beauty to the next level, combining food supplements with skincare and hair care products. New Nordic is now operating in three markets that are all buoyant.

There are strong underlying trends driving the acceleration of the food supplement, the skincare, and the hair care markets. The first, and probably

most important factor is the insatiable desire for health and beauty across all countries and cultures. There is a fundamental evolution in the middle and upper class and an ageing population. Second, consumers are getting richer and they are ready to pay more and trade up for products with new benefits, better performance, and superior quality. Third, digitalisation, as health supplements, beauty, and digital is a perfect match. It has never been easier to discover health and beauty, share it and buy products online, even in the most remote corners of the world. Digital is and will remain a terrific booster for health and beauty. Finally, New Nordic's market is also fuelled by increased penetration of food supplements and beauty products all over the world. First, because of e-commerce, which is extending New Nordic's reach far beyond the limits of traditional distribution, especially in emerging economies. Also because of many white spaces

---

NEW NORDIC DIETARY SUPPLEMENTS ARE SOLD IN MORE THAN 50.000 STORES IN 40 COUNTRIES

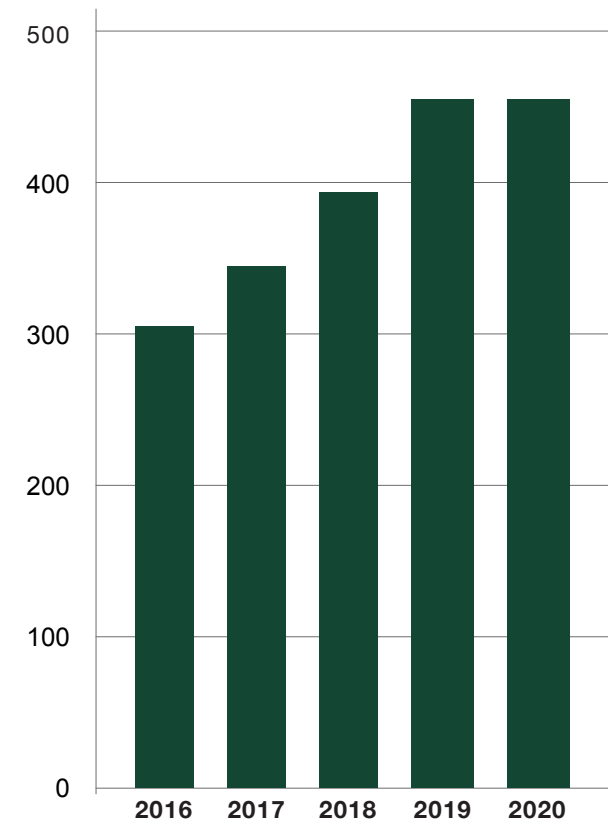


in terms of categories and countries. And finally, because there are always new consumer targets.

The New Nordic brand has a strong Scandinavian identity. Today, New Nordic supplements are sold in 40 countries in North America, Europe, and Asia. New Nordic products are regularly available from more than 50,000 pharmacies, department stores, health stores, travel retailer and online stores.

New Nordic listed on Nasdaq First North Growth Market in Stockholm since 2007 and now planning to apply for listing at the Nasdaq main market.

The New Nordic share is a rare opportunity to invest in a listed business focusing on building a truly global health and beauty brand based on three categories: food supplements, skincare, and hair care distributed by traditional and digital retailers. A 30 year old brand with a strong Scandinavian heritage deeply rooted in Scandinavian values and healthy living close to nature.



New Nordic group revenue in SEK millions 2016 - 2020

# STRONG *in difficult times*

OUR FINANCIAL SITUATION IS STRONG AND  
WE PROPOSE TO PAY 52 PERCENT OF OUR PROFIT  
IN DIVIDEND TO OUR OWNERS

---

2020 was a different year in which the Covid pandemic became a serious health crisis worldwide with different national handling and hence different market conditions from country to country. Of course, we gave priority to protecting the health and safety of our employees, our partners, and our customers. At the same time, we had to face the crisis and act from country to country in a way that we considered best without prior experience.

I am proud of all New Nordic employees' agility, energy, and the ability for quick transition and improvisation to also protect our company's continued operations and prepare us for continued expansion as the pandemic is over.

After a fantastic 2019 with 15% organic growth, we had to change our growth plans for 2020 and focus on getting through the year without losing too much momentum and revenue. I am very pleased that we reached a turnover of SEK 450 million, which is the same as the year before.

We have not reduced our team but on the contrary, hired to make our organisation even more ready for the continued expansion and growth once the pandemic has subsided. I am convinced that the need for dietary supplements and our products will increase further in the wake of the pandemic, where many have opened their eyes to the importance of staying healthy and vital.

On a daily basis, we are very aware that the continued success is based on us taking care of our old best-sellers while at the same time expanding our customer offering with meaningful new products. Blue Berry™ Eye Vitamin, which is one of the old products in our range, celebrated its 20th anniversary. After 20 years, more and more people are experiencing the good properties of the tablet and the product is in constant growth. This is how it is with most of our products and I look forward to celebrating the 10th anniversary with Hair Volume™ in 2021. Our most important task is to offer customers products that they demand and make sure they get a



Karl Kristian Bergman Jensen, CEO

good experience and a relationship to New Nordic and what we stand for.

Unfortunately, our introduction of Beauty In & Out™ and our skincare and haircare products and the events we had planned in that connection could not be carried out as planned due to the pandemic. However, the products have been very well received by retailers and consumers so I am convinced that year after year we will increase the number of loyal customers and that our skincare and haircare business will become significant in the future.

We go our own way in product development and we are proud of the products we bring to market. It's great to see that our customers are happy with the new products and it's pleasant to get the recognition that our efforts are making a difference. Therefore, I am pleased that again in 2020 we have won countless awards for our products. Not least for our Beauty In & Out™ products which have only been on the market for a very

\*At the Annual General Meeting on the 29th of april New Nordic will propose a dividend of 1.50 SEK per share.

short time. For example, Intense Marine™ Mask that won the prestigious ASOS award in England as the best new skincare treatment 2020, and our Hyaluron Shot™ that won the Danish Beauty Award 2020.

2020 was a year of important milestones. It was 30 years ago since I started New Nordic. The lockdown circumstances did not allow celebration gatherings but we managed to have a toast at the yearly Management Meeting in Copenhagen. Another milestone was the fact that the Board of Directors decided to prepare for an application to be listed at Nasdaq Stockholm's Main Market after having been 13 years on First North Growth Markets. A step that gives additional trust to our business and places us in an even better financial position in the future. The third milestone was that my long-term business partner Marinus Blaabjerg decided to step down as CFO as he turns 70 years in 2021. board since 2006 was re-elected as chairman at the Annual General Meeting 2020. Ivan Ruscic, who is an experienced and highly appreciated member of the management team and Finance Manager at New Nordic since 2007 accepted the role of the company's new Chief Financial

Officer as of 1 May 2020. We even strengthened our financial team by the appointment of Claes Libell as Group Financial Controller in a newly established position in December.

I am glad that New Nordic does not have any loans and that our company is in good financial shape. This has led to that the Board of Directors has decided to propose a dividend of 50 percent of our profit in 2020 amounting to 1,50 SEK per share.

In February 2020, we announced that New Nordic had decided to apply for listing on Nasdaq Stockholm's Main Market. Preparations for this are in progress. The application will be submitted in 2021 but the timing of the listing will be postponed to 2022 provided the application is accepted. The reason for the postponement is that we believe it would be most sensible to send out prospectus material after the Annual Report for 2021.

With a continued focus on "Bigger Products and Bigger Markets", we will do our best so that our good products can reach more and more people all over the world.

Our country offices constantly actively drive our most coveted products forward with our retailers of pharmacies, drugstores, and health stores. At the same time, our effective product development continues and this effort, which creates new effective quality products, will form the basis for the company's continued success for many years to come. Our entire team worldwide works towards our goal of growth and increased earnings.

In a world that remains uncertain, the hope of vaccination gives us a glimpse of an end to the pandemic. We are convinced that New Nordic is in an excellent position and I look forward to a successful 2021 where we increase the value of our brand and increase earnings per share.



**KARL KRISTIAN BERGMAN JENSEN**  
**CHIEF EXECUTIVE OFFICER**

# FINANCIAL *highlights*

(kSEK)	2020	2019	2018	2017	2016	(kSEK)	2020	2019	2018	2017	2016
<b>The Share</b>						<b>Effectiveness</b>					
Number of shares by end of the year*	6 195 200	6 195 200	6 195 200	6 195 200	6 195 200	Return on capital employed, %	22.8	31.9	40.7	39.8	17.7
Own shares by 31st December*	0	0	0	0	0	Return on equity, %	17.0	27.5	33.1	33.4	22.3
Market price 31st December, SEK	56.80	81	68	40	27.5	Sales per employee	7 827	8 540	8 467	8 307	7 113
Earnings per share, SEK*	2.87	4.53	4.28	3.28	1.55	Gross profit per employee	5 375	5 954	5 968	5 597	4 641
Equity per share, SEK*	16.92	16.45	12.95	9.8	6.9	Profit per employee after tax	296	510	520	495	228
Dividend per share, SEK**	1.50	1.75	1.50	1.15	0.40	<b>Financial position</b>					
<b>Company size</b>						Debt-equity ratio, times	0.83	0.93	1.03	1.28	1.97
Number of employees by end of year	60	55	51	41	42	Interest coverage, times	43.4	93.6	100.7	44.7	15.8
Market Cap 31st December	351 887	501 811	421 274	247 808	170 368	Equity ratio, %	54.7	51.7	49.3	43.8	33.7
<b>Operations</b>						<b>Cash flow</b>					
Sales	450 064	452 613	393 708	344 739	305 842	Cash flow from operating activities	19 680	-667	17 852	26 420	-9 252
EBITDA	24 594	36 865	34 891	28 455	14 096	Cash flow from financing activities	-18 393	-1 249	-11 973	-24 162	9 077
Operating profit	23 841	36 305	34 223	27 654	13 007	Investments	1 882	1 684	880	202	597
Profit after financial items	23 293	36 068	34 119	27 115	12 523						
Profit after tax	17 765	28 074	26 523	20 297	9 574						
<b>Margins</b>											
Gross margin, %	68.7	69.7	70.5	67.4	65.3						
EBITDA margin, %	5.5	8.1	8.9	8.3	4.6						
Operating margin, %	5.3	8.0	8.7	8.0	4.3						
Profit margin after tax, %	5.2	8.0	6.7	5.9	3.1						
<b>Growth</b>											
Sales growth, %	0	15.0	14.2	12.7	2.5						
Growth in earnings per share,%	-36.7	5.8	30.5	111.6	-15.3						
<b>Balance sheet data</b>											
Total assets	191 491	197 187	162 647	138 818	127 592						
Equity	104 808	101 917	80 213	60 810	42 979						
Share capital	6 195	6 195	6 195	6 195	6 195						

\* There are no dilutive effects.

\*\* The Board proposes that the dividend for the financial year 2020 is set at SEK 1.50 (1.75) per share.

**Gross profit:** Gross margin as a percentage of net sales. **EBITDA margin:** Operating income before depreciation and amortization as a percentage of net sales. **Operating margin:** Operating profit after depreciation and amortization as a percentage of net sales. **Profit margin:** Profit after financial items as a percentage of net sales. **Equity ratio:** Equity as a percentage of total assets. **Return on capital employed:** Profit after financial items plus financial expenses divided by capital employed. **Return on equity:** Net income as a percentage of shareholders' equity at period end. **Debt-equity ratio:** Total liabilities divided by shareholders equity. **Interest coverage ratio:** Operating income divided with interest expenses.



# KEY EVENTS 2020

## EVENTS CANCELED

7 out of 9 launch events for our new Beauty In & Out™ were canceled just as the “show” was starting. Instead, the new products got a slow start but nevertheless reactions from the trade and consumers are tremendous.



## DECISION TO LIST ON NASDAQ MAIN MARKET STOCKHOLM

In February 2020 New Nordic decided to apply for listing on Nasdaq Main Market Stockholm. New Nordic is growing and expanding internationally. A listing on Nasdaq Main Market will attract more interest to the New Nordic share from international investors. New Nordic is currently not planning to issue more shares in the company in combination with the listing. Preparation for listing application is ongoing.

## Q1

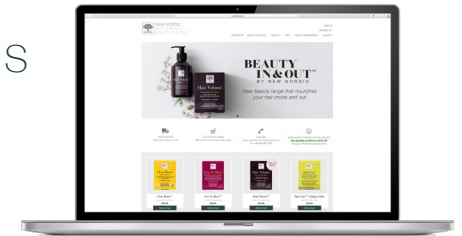


## 20 YEARS AND STILL GOING STRONG

Our iconic products Blue Berry™ Eyevitamin and Apple Cider™ tablets are still going strong 20 years after they were launched. In fact, they continue to grow year after year and they are both important contributors to our business. Blue Berry™ was one of the first products developed to provide natural lutein in a tablet. Lutein is found in the macula lutea. The spot in our eyes where light is gathered. Both products now have a gummy version and they are sold in various pack sizes around the world. Apple Cider™ Gummies was the first gummy with apple cider in the world.

## COVID-19 LOCKDOWNS

Suddenly we were faced with the situation of national lockdowns. Quickly we responded with a change in marketing with an extended focus on digital marketing and increased sales via e-commerce platforms. In periods of 2020, 50% of our products were purchased by our consumers in web stores.





## NEW IMMUNE FAMILY

The Covid-19 pandemic increased the demand for immune products. A product category New Nordic has not been active in before. Luckily, we have worked for years to develop products in this category and we launched Active Immune™ followed by a family of other immune products: Elderberry™ Immune Gummies, C-immune™, D-immune™ and Turmeric Mega™.

## Q2



### NEW CFO

Chief Financial Officer and chairman of the board, Marinus Blaabjerg, turned 69 years 2020 and decided to step down as CFO 30 April 2020. Ivan Ruscic, who is an experienced and highly appreciated member of the management team and Finance Manager at New Nordic since 2007 accepted the role of the company's new Chief Financial Officer as of 1 May 2020. Marinus, who has been an essential driving force of New Nordic's international success for 28 years and chairman of the board since 2006 was re-elected as chairman at the Annual General Meeting 2020.



### TERI HATCHER

Teri Hatcher, ambassador for Hair Volume™ international marketing campaign.



## 30 YEARS ANNIVERSARY

5th October 2020 it was 30 years since I registered the first New Nordic company in Bond Street, London. Soon after all activities moved to Scandinavia. Unfortunately, the lockdown did not allow big celebration gatherings but at the Management Meeting in Copenhagen we managed a toast.

## Q3



## NEW NORDIC FRUTIN® BACK IN AUSTRALIA

New Nordic's Frutin® was a successful product against heartburn in Australia already in the '90s. Now Frutin is re-launched in Australia.



## EXPANDING IN THE USA

In the USA we are working with all major pharmacy retailers like Walgreens and CVS plus health store retailers like GNC. Amazon is also an important business partner for us. In October 2020 we started to do business with Albertsons who is one of the biggest grocery chains in the US.



## NO.1 HERBAL HEALTH BRAND AWARD

The distribution of selected New Nordic products is now expanded in Hong Kong and we now cooperate with both Watsons and Mannings pharmacy chains. New Nordic is awarded the No.1 Herbal Health Brand Award in Hong Kong by Headline Newspaper.

## ASOS BEAUTY AWARDS 2020



The Intense Marine™ Mask was named Best New Skincare Treatment in the ASOS Beauty Awards. Launched in 2001, these awards celebrates the latest and greatest products in UK retail beauty. They are firmly established as the leading beauty event of the year - and a must attend for the celebrity world too! Each product undergo rigorous testing by expert judges which creates the shortlist and then it's all down to the public vote!

# Q4



## WINNER OF DANISH BEAUTY AWARD INNER BEAUTY 2020

New Nordic, Skin Care™ Hyaluron Shots  
The judge's reason: "The moisturizing supplement that we look forward to taking in the fridge every morning. A synergistic composition that supports the skin from within. Hyaluronic acid, omega-7 (sea buckthorn), and lutein (tagetes) that is quickly absorbed by the body. Vitamin C for the collagen and deep layers of the skin. We are fans."

# AWARDS RECEIVED *in 2020*

 <p><b>BRAND OF THE YEAR</b> THE BEAUTY SHORTLIST AWARDS THE HEALTHY AWARDS HEADLINE HONG KONG</p>	<p><b>WINNER</b> BEST HAIR SUPPLEMENT</p>  <p><b>BEST IN TEST</b> 2020</p> <p><b>Hair Volume GUMMIES</b> Biotin and zinc help to maintain normal hair APPLE, BEES &amp; BERRY Contains with apple, honey and natural ingredients</p> <p>GOOD HOUSEKEEPING UK</p>	<p><b>WINNER</b> BEST HAIR SUPPLEMENT</p>  <p><b>Beauty Shortlist Awards 2020</b> <b>WINNER</b></p> <p><b>Hair Volume GUMMIES</b> Biotin and zinc help to maintain normal hair APPLE, BEES &amp; BERRY Contains with apple, honey and natural ingredients</p> <p>THE BEAUTY SHORTLIST AWARDS UK</p>	<p><b>WINNER</b> BEST BEAUTY SUPPLEMENT</p>  <p><b>2020</b> <b>BEST BEAUTY SUPPLEMENT</b></p> <p><b>Hair Volume GUMMIES</b> Biotin and zinc help to maintain normal hair APPLE, BEES &amp; BERRY Contains with apple, honey and natural ingredients</p> <p>YOUR HEALTHY LIVING UK</p>	<p><b>Winner</b> <b>HAIR VOLUME GUMMIES</b></p>  <p><b>Beauty Shortlist Awards 2021</b></p> <p><b>Hair Volume GUMMIES</b> Biotin and zinc help to maintain normal hair APPLE, BEES &amp; BERRY Contains with apple, honey and natural ingredients</p> <p>BEST NUTRITION COSMETIC ESTONIA 2021</p>	<p><b>Winner</b> <b>APPLE CIDER GUMMIES</b></p>  <p><b>Beauty Shortlist Awards 2021</b></p> <p><b>Apple Cider GUMMIES</b> Easy convenient way to take your daily dosage APPLE CIDER VINEGAR Contains with apple, honey and natural ingredients</p> <p>BEST NUTRITION COSMETIC ESTONIA 2021</p>	<p><b>WINNER</b> BEST HEALTH PRODUCT</p>  <p><b>Beauty Shortlist Awards 2020</b> <b>WINNER</b></p> <p><b>Apple Cider GUMMIES</b> Easy convenient way to take your daily dosage APPLE CIDER VINEGAR Contains with apple, honey and natural ingredients</p> <p>THE BEAUTY SHORTLIST AWARDS UK</p>
<p><b>WINNER</b> WELLBEING EDITOR'S CHOICE</p>  <p><b>Beauty Shortlist Awards 2020</b> <b>WELLBEING EDITOR'S CHOICE</b></p> <p><b>Hair Volume™</b> <b>Nail Strong</b> Hair growth and volume plus nail strength Food supplement - 60 tablets APPLE EXTRACT &amp; ORTHOSILICIC ACID Made with the highest quality ingredients</p> <p>THE BEAUTY SHORTLIST AWARDS UK</p>	<p><b>WINNER</b> INNER BEAUTY</p>  <p><b>VINDER</b> <b>INNER BEAUTY AWARDS 2020</b></p> <p><b>Skin Care Hydrating Serum</b> Hydrates, soothes and brightens skin SLE CURE Food supplement - 30 tablets</p> <p>DANISH BEAUTY AWARDS DENMARK</p>	<p><b>WINNER</b> MOISTURE BOMB</p>  <p><b>COSTUME JOURNALISTS AWARDS 2020</b></p> <p><b>Skin Care Hydrating Serum</b> Hydrates, soothes and brightens skin SLE CURE Food supplement - 30 tablets</p> <p>COSTUME BEAUTY FAVORITES NORWAY</p>	<p><b>WINNER</b> BEST DETOX PRODUCT</p>  <p><b>5 BEST TEST</b> <b>RECOMMENDATIONS</b></p> <p><b>DANISH DETOX PLAN BioFirm™</b> Cleansing</p> <p>Food supplement - 16 tablets Natural extracts and heavy metal chelators with white clay</p> <p>HARD WORKOUT NORWAY</p>	<p><b>Winner</b> <b>NATURAL MAGIC ANTI-AGEING CREAM</b></p>  <p><b>BEAUTY AWARDS LONDON 2021</b> <b>Gold Winner</b></p> <p><b>Natural Magic™ Anti-Ageing Cream</b> Anti-ageing cream with natural ingredients for better collagen building</p> <p>BEST NEW PREMIUM ANTI-AGEING PRODUCT UK 2020</p>	<p><b>Winner</b> <b>AMAZING EYE CREAM</b></p>  <p><b>Beauty Shortlist Awards 2021</b></p> <p><b>Amazing Eye™ Cream</b> A nourishing, hydrating and anti-wrinkle cream for the delicate eye area</p> <p>BEST EYE CREAM ESTONIA 2021</p>	<p><b>Winner</b> <b>INTENSE MARINE MASK</b></p>  <p><b>THE BEAUTY AWARDS 2020</b> <b>OSOS</b> <b>WINNER</b></p> <p><b>Intense Marine™ Mask</b> Moisturising and hydrating mask for dry and sensitive skin</p> <p>NEW SKINCARE TREATMENT UK 2020</p>



**2020**  
*Our business*

# NEW NORDIC *in the supplement industry*

The total value of the supplement industry 2020 was around SEK 1.600 billion (USD 185 billion)<sub>1</sub>. However, the market remains fragmented and divided between multi level and direct selling companies on one hand and companies selling and distributing through traditional pharmacy, health, grocery and online retailers. The top 3 multi level players have around 10% market share and the top 3 retail distribution players have a single-digit global market share when combined. In addition to market fragmentation, a few large players focus on specific regions rather than global presence. As a result, there are some brands that are widely known and well positioned in one part of the world, but have no or few points of sale in other regions.

Asia Pacific represents close to 50% of the global market value, North America represents around 28% and Europe

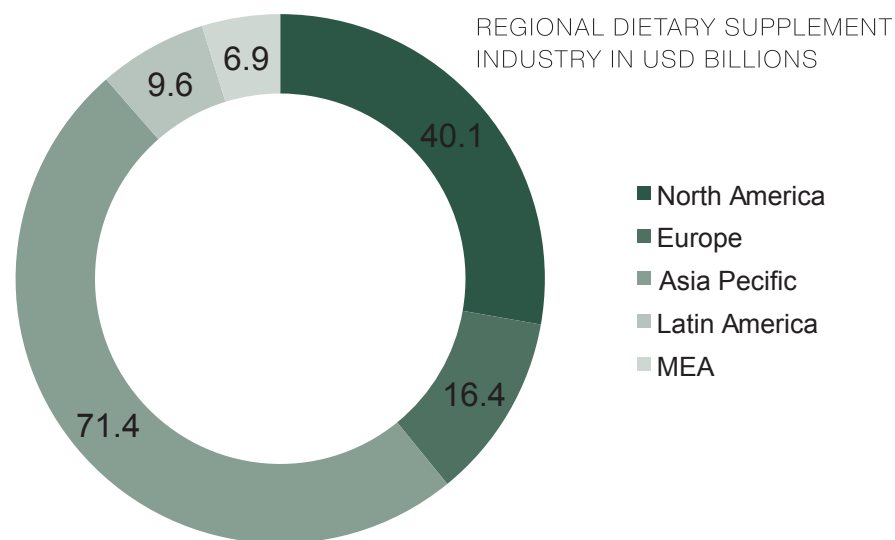
around 11%. Unites States and China are the two most important single markets.

The total global markets is expected to continue to grow by a compound annual growth rate, CAGR, of 9.7% up to 2024. Asia Pacific will be the biggest growth driver with a CAGR of 11.2% and Europe the slowest growth driver but anyway with an expected CAGR of 7.2%.

The various distribution channels that are most frequently used for purchasing dietary supplements can vary significantly from market to market. In most markets traditional retail distribution is most important, however, some players in the industry have great success with multi level and direct sales distribution. In North America and Europe, pharmacies, health stores and groceries are the main sales channels; however, online retailing has almost doubled in five years, resulting in online retailers

generating up to 35% share in these markets and the trend is expected to continue. In China where infrastructure and traditional western retail distribution is pure, consumers jump to online platforms to buy. In China the online

market place is the starting point for many international brands. This distribution trend is expected to follow in other emerging markets with poor retail infrastructure such as India and South American countries.



There are a number of different dietary supplement categories. A common view is to divide the categories in relation to the basic ingredient type such as vitamins, minerals, amino acids, fatty acids, herbs, enzymes etc. Dietary supplements based on vitamins are the biggest sub-group of supplements accounting for 47% of sales while dietary supplements based on herbs account for around 12% amounting to a value of SEK 190 billion (USD 22) in 2020. The expected CAGR for herbs is 9.7% until 2024.

Another way to look at the market is to take the view of retail chain buyers that typically divide the market in two main categories VMS which stands for vitamins, minerals and supplements and Diet, which includes both dietary supplements and meal replacements. The VMS section again contains sub-sections like sports nutrition, beauty from within, sleep etc. From a manufacturers point of view there are another two ways to look at

the market. Some players sell ingredients in a range under one brand. A range can easily consist of 50 single ingredient products. Others sell multi ingredient products in a formulation that target a specific health or beauty concern.

At New Nordic we focus on the consumer need and sell solution to their health or beauty concern. Our products typically contain multi-ingredients formulated to solve the consumer need in the most effective way. Our key ingredients are very often based on natural herbal extracts. Our distribution is focused on what we call the specialty trade, ie. pharmacies, health stores and specialty retailers. In North America we also sell through the mass market with include groceries with a special section of dietary supplements plus typical online dietary supplement retailers.

<sup>1</sup>Source: Nutraceuticals World, Nutraingredients, Food Navigator, Hoovers, Primary Interviews, Grand View Research





# DISTRIBUTION *channels*

## THE PHYSICAL STORE EXPERIENCE

While it is estimated that online shopping generates an increasing share of sales and already today accounts for more than a third of sales in some markets, the physical retailers remains very important for New Nordic. Particularly pharmacies, department stores, travel retailers and health stores offers social interaction and is more local and convenient. In addition, it enables a higher level of personal service and provides a stronger emotional connection with the product.

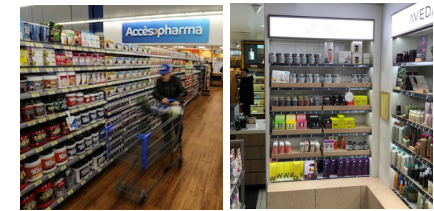
However, consumers need a reason to go to the store and the physical retail space must adapt to this by offering an interactive, visual and dynamic space that attracts consumers. New Nordic educate retailers on herbs, the function of their products and the unique selling points. New Nordic's Herbal School and New Nordic's Universe e-Learning platform are cornerstones in this education. New Nordic also offer high

class in-store material to make the store an exciting place to visit and they offer campaigns and activities that create "buzz" in the store.

## E-COMMERCE REVOLUTION

Empowered by digital technology, consumers have more access to information and choices than ever before, leading to a change in shopping behavior and expectations. Consumers see brands, not channels, and they want a seamless, convenient and personalised shopping experience that combines online and offline as they desire. Contrary to offline shopping where consumers often have to trust the advice of a single staff, many e-commerce retailers offer reviews from other consumers which can help in decision making. While physical stores remain an important cornerstone for dietary supplements, skin care, and hair care shopping, e-commerce is rapidly growing in importance. New Nordic

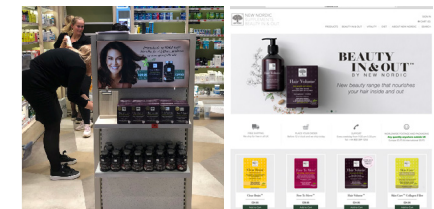
strives to offer excellent information and value for our consumers across channels. New Nordic take an active role in providing digital images, information, and campaigns for e-commerce retailers as well as an active role in connecting with consumers directly via own social media. In fact, digital is doing much more than generating additional business. Digital is boosting New Nordic's brand power. Digital is also strengthening the Company's power to connect with consumers.



Mass retail Department stores

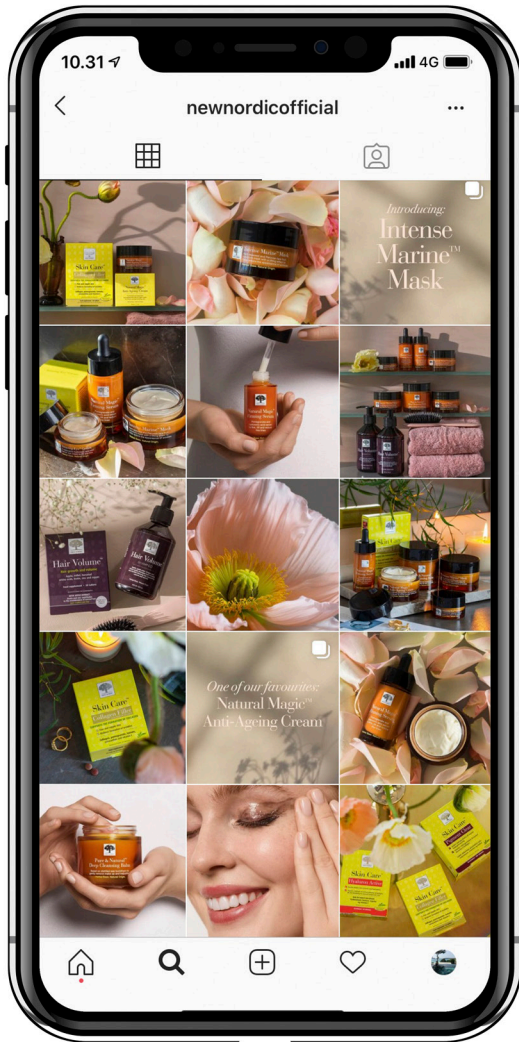


Travel retail Healthstores



Pharmacies Drugstores E-commerce

IN SOME COUNTRIES MORE  
THAN **A THIRD** OF NEW NORDIC  
PRODUCTS ARE **SOLD ONLINE**



## THE NEW NORDIC DIGITAL RELATION

Particularly younger consumers increasingly shop online on their mobile. And they like to connect and relate directly with the manufacturer. They want to be part of the New Nordic "universe". At New Nordic they experience this trend. In the Company's digital and traditional print advertising they encourage consumers to connect with them via chat, social media, and phone. New Nordic daily increases the number of consumers that they are regularly in connection with and they value these relations highly. Sales directly from the Company's official online store to consumers is below 3% of their total sales but it is increasing faster than their general increase in sales.



## BUILDING A GLOBAL BRAND

Competition in the supplement is fragmented and, while multiple smaller supplement companies continuously enter the market, the bigger players have established their names and significant market positions. However, even the

bigger players have only in very limited cases created brands that you will find across the world. There is room for building international brands. In the skin care and hair care market it is different. Here you will find that a small number of companies dominate the global market. However, many of small brands are currently entering the market. Particularly new brands with a natural story to tell.

Brands are built by offering consumers meaningful substance and not just through advertising slogans. New Nordic focuses on building a globally recognised brand with a Scandinavian, effective and herbal image. Their slim but effective organisation and business structure make it possible for them to allocate a higher amount of resources in marketing and relations with the consumers. New Nordic's constant innovation keeps their brand newsworthy and the Company's focus on effectiveness builds trust in their brand over time. Day by day the New Nordic brand grows stronger.



## FRANÇOIS GÉRARD

*the creator*

François Gerard is the creator of many of New Nordic's remarkable health and inner beauty products. With more than 30 years of international herb and beauty experience, he is a true resource. François spends as much time travelling to distant places in the world investigating rare botanicals in their natural unspoiled environment as he spends in the laboratory. He is a unique person who lives and breathes "Natural Magic."

# THE NEW NORDIC *business model*

OUR BUSINESS MODEL IS GEARED SO THAT WE CAN FOCUS ON THE TWO MOST VALUE CREATING DISCIPLINES: **INNOVATION AND MARKETING**

---

As a company, and brand, we have many competitive strengths already structured in a platform that can easily be scaled. Even without the need to bring in more money to capitalise on the opportunities that lies ahead. We have an extraordinary raw material know-how, a really effective new product development set-up, a flexible and fast adjustable operation and manufacturing sourcing with our own strict quality procedures and an international set-up with an extraordinary international network and personal contacts to wholesalers and retailers around the world. We have everything in place for expansion. In addition we have a very effective structure and organisation with

our own developed steering tools exactly fitting the needs for our operation.

New Nordic is a company run according to modern management principles with a family-like working environment that stimulates creativity and excellence. We value our expertise and heritage highly. Simplicity is key for the way we work at New Nordic. Excessive planning and bureaucratic reporting is avoided. By routinely asking ourselves why we are doing what we do, we often find new ways of doing things better. A revenue of SEK 7.8 million and a profit of more than SEK 296 thousand per employee in 2020 is a proof of our effectiveness.

REVENUE PER EMPLOYEE  
**SEK 7.8 MIO**  
PROFIT AFTER TAX  
PER EMPLOYEE  
**SEK 296 THOUSAND**

## RESEARCH IS THE DIFFERENCE BETWEEN **KNEW-HOW AND KNOW-HOW**

New Nordic's business strategy leverages its unique ability to develop its own innovative formulations to provide its customers new products and solutions with superior effectiveness and ease-of-use in strongly branded packaging. We continue to broaden our assortment with the long term goal to cover all health and beauty related needs the individual has. The weight in our assortment shall always favourite our basic assortment, i.e. the assortment that is "typical New Nordic" and reflects our Nordic value creating profile which again makes life easier and better for everyone.

We believe continual investment in research and development, marketing and advertising is critical to the development and sale of innovative products. We also believe in building at close and long term relation with suppliers as close to the original

supply source as possible to control quality from fields and forrest to the finished product.

We strive to control our brand in all aspects of its business and believes in adding experience of consumer understanding, marketing, advertising and media buying to it's in-house know-how.

We are convinced that great concepts are global and selling is local. Our strategy includes expanding our geographical distribution network to effectively reach more customers. Either through own national sales and marketing companies or through highly reputable distributors. Our products are distributed in pharmacies, drugstore and health stores and through our own on-line store. In North America to some extend also in groceries.

## HOW WE DO IT

New Nordic's own research and development of innovative new products is a key driver of profitable growth. We try build and maintain superior know-how and expertise in herbal ingredients and it's ability to bring vitality to humans. We are focused on insight-innovation that provides value-added new products. New Nordic strives that each brand should at all times have the most effective and convenient product formulation and presentation in the health concern category under the condition that the price-value ratio appeal to the broad population.

Beyond new products, innovation is embedded into our company culture to encourage new ideas and improved processes throughout every aspect of the organisation. This is to be more effecient and work smarter and faster with less bureaucracy and better

planning and reporting. We strongly believe that the key to success lies in making life better and easier for end consumers and for the retail partners. We encourage our personnel to "go the extra mile" that competitors are not willing to go to surpass consumer and customer expectations.

New Nordic has an international "in-house" concept and marketing set-up and each product is branded with a compelling story build to create the consumer loyalty, that will make our products the first choice in every health concern market segment they operate in. We also handle advertising, media buying and the press internally on an international and national scale.

We manage our business primarily on a geographic national basis through our daughter companies or through

reputable national distributors. Planning and reporting is made both on a country level and on brand level.

At New Nordic we are convinced that driving growth and building brands, requires a strong engagement on a national local level. Engagement with retail customers, with the health care profession and with the end consumers. We seek to develop a deep and relevant consumer insight used to strengthen product development, packaging and the communications they deliver through internationally arranged marketing campaigns. The campaigns are primarily build on advertising directly to the end consumer with addition of shopper marketing programs that customise communications for different retail outlets and shoppers. The Company is also locally driving engagement, education and building leadership with health



The New Nordic Herbal School has become a traditional event for retailer education.

care professionals to strengthen their endorsement of the brands, which in turn build market share and brand loyalty. We engage with our retail partners to share expertise and provide shoppers with the best value and to educate and train the retailers personnel to enhance their knowledge of the New Nordic products. Additio-

nally we have national in-house customer call centers and digital chat service to provide end consumers with a high-quality sales and post-sales support experience. Consumers are encouraged to call for advice through our advertising.

## TEAM OF EXCELLENCE

At New Nordic we try to attract and retain the best and most talented people and develop their personalities and skills. We strive to obtain an informal, professional and fast acting international working environment.



Personnel at all levels learn to take responsibility for being leaders, and they commit to conducting business with the highest integrity. Leadership means the ability to take and execute decisions, being able to motivate others, to plan for success and being able to improvise when the environment change. Leadership also extends to being a leader in caring and showing respect for nature and the communities where our employees live and work and where the we sells our products.

## NEW PRODUCT INNOVATION

The management is deeply involved in the innovation processes led by our head of new product development. New product development, NPD, work is a continuous process with a prioritised pipeline reviewed quarterly. Each individual NPD project draws on ad-hoc involvement of world-wide specialist persons, institutions and consultants. Often a NPD project is done in collaboration with raw material suppliers. Particularly when new process technologies and new specifications are required. Over nearly two decades New Nordic has developed one of the most comprehensive electronic herbal databases in the world including rare botanical information gathered from institutions around the globe. Inspiration for new product ideas basically comes from two angles. The first being new discoveries of herbal and biological constituents which can benefit man health. The second being consumer research identifying new needs, wishes and trends that pave the

ground for function and in use target for the development. New Nordic's international presence and daily meetings with many cultures gives a unique insight in up and coming trends and possibilities. Married with a highly up to date understanding of the latest discovered benefits of natural food ingredients it present a unique ability to react very fast in our NPD work.

In total we have spent less than one percent of our revenue in research and new product development in 2020. Some of these costs have been activated and some have been charged under other operating expenses.



Metagenomic studies of New Nordic plant material.

## RAW MATERIAL SOURCING

We source our raw material as close to the farmer or manufacturer as possible. Behind the scenes New Nordic allocate many resources to do this in-house. In the natural trade there exist an enormous amount of middlemen trading raw materials. We try to buy direct from farmers, extractors and manufacturers. During the last two decades we have build a relationship with a great number of suppliers. They understand our quality requirements and we understand the critical risk factors in their farming and production processes. That is a real advantage. Our relation also makes us understand new qualities and raw material variants and improvement that are under development. We take this into account in our new product development process at an early stage. Some raw materials are particularly developed and manufactured for New Nordic only and in special occasions we arrange the farming or wild collection before the season to secure steady supply.

## MANUFACTURING

New Nordic focus resources on innovation and marketing. New Nordic have a long term cooperation with several third party manufacturers. For key products New Nordic has a policy to have at least two manufacturers in order to secure steady supply. To secure consistent standardized quality, we source all key raw materials from around the world and we coordinate a successful extraordinary quality test programme of raw materials used by our manufacturers. Today, nearly nearly all manufacturing is done in Scandinavia. This is changing somewhat as we look world wide for new technology and manufacturing of new

dosage forms. We have made concrete investigations and analysis of pros and cons of establishing our own manufacturing in Scandinavia. So far our conclusion is that allocation of resources and focus towards continued innovation and marketing is more favorable for the company. However, we will keep an eye on further developments and evaluate the situation with regular intervals.

AT NEW NORDIC  
WE HANDLE  
MORE THAN 700  
STOCK KEEPING UNITS

## REGULATORY AFFAIRS

Before you actually try to operate in the dietary supplement industry it is difficult to grasp how complex the regulatory situation is. Particularly when you operate internationally and especially when you are dealing with herbs. It is a regulatory challenge that we do our best master to perfection. Our in-house quality and regulatory department coordinate the tasks of our national regulatory consultant and quality laboratories that we work with in all countries that we operate in. Basically we operate under 3 major groups of different jurisdictional principles: EU with its food authorities supervision, USA with FDA supervision and China with its food and health authorities supervision. There in between, there are many variations. For example in Canada where supplements need to be registered and approved under Health Canada before marketing. Even in EU where the European Food Safety Authorities work towards harmonisation, every

single country still has its special rules and guidelines that we need to adhere to. A good understanding of the variety of national rules and regulations and the local authorities administration of the rules plus its ever changing situation can indeed be a competitive advantage in the supplement industry.

In EU the European Union's Food Supplements Directive of 2002 - requires that supplements be demonstrated to be safe, both in dosages and in purity. Only those supplements that have been proven to be safe may be sold in the bloc without prescription.

As a category of food, food supplements cannot be labeled with drug claims but can bear health claims and nutrition claims. 2012 saw the implementation of the European Health



Claim Directive EC 1924/2006, which is currently having a significant impact on the market. In June 2013, the European Commission published a positive list of permitted generic health claims, which, broadly speaking, makes all claims not on this list illegal unless a manufacturer has received permission to use a product-specific, proprietary health claim.

In the United States, a dietary supplement is defined under the Dietary Supplement Health and Education Act of 1994[9] (DSHEA) as a product that is intended to supplement the diet. If a dietary supplement claims to cure, mitigate, or treat a disease, it would be considered an un-authorized new drug and in violation of the applicable regulations and statutes.

As the FDA states, in a response to this question, Companies that market dietary supplements are permitted to make structure/ function claims about a given supplement in the marketing

material. These are broad claims that the product can support the structure or function of the body. The FDA must be noticed of these claims within 30 days of their first use, and there is a requirement that these claims be substantiated.

In Canada all natural health products (NHPs) are subject to the Natural Health Products Regulations and must have a product licence before they can be sold. To get a licence, applicants must give detailed information about the product to Health Canada, including: medicinal ingredients, source, dose, potency, non-medicinal ingredients and recommended use(s). Once Health Canada has assessed a product and decided it is safe, effective and of high quality, it issues a product licence along with an eight-digit Natural Product Number (NPN).

Australia is similar to Canada, here we must apply for listing as therapeutic

goods from The Therapeutic Goods Administration (TGA), which is a Division of the Australian Department of Health.

For our Beauty In & Out we will also operate under cosmetic laws. In the United States, the cosmetics industry is regulated by the U.S. Food and Drug Administration (FDA), which has broad regulatory authority under the Food, Drug and Cosmetic Act. Under the EU Commission, Regulation (EC) No. 1223/2009 is the key European legislation governing finished cosmetics products in the EU. The European Union's framework of chemical and cosmetics regulations are binding on all Member States Regulations and are enforced at the national level. Each country in the EU has a competent authority that is responsible for upholding compliance.

For the marketing of our products we have made a commitment to implement the International Chamber of

Commerce Consolidated Code of Advertising and Marketing Communication Practice and the Cosmetics Europe Charter and Guiding Principles on responsible advertising and marketing communication to which the key global cosmetics industry players adhere.



# THE POWER *of recognition*

We must inform the world of our fine products and how they are the solution to individual needs. Health and beauty matters are serious matters for our consumers. We take that seriously and our marketing effectiveness is crucial to our business model. We want to keep the marketing know-how in-house. Therefore, we have build an effective in-house creative and marketing and advertising department able to master all relevant marketing disciplines. We also handle all media purchase in-house. Thereby, we save the middlemen and build a know-how with a unique fingerspitz-gefühl of media effectiveness. Our marketing includes all facets of modern marketing and brand building. Our global focus on one single brand definite help us keep on track.



**NEW NORDIC**

**NATURAL MAGIC**  
Using tablets and hair care products that contain the same active herbal ingredients is a great way to care for your hair both from the inside and out. This is a new and holistic beauty method.  
By using the Hair Volume™ products, you will experience fantastic results!

**BEAUTY IN**  
The Hair Volume™ tablet works from the inside in harmony with your body, and adds nutrients to the scalp and hair follicle, where the actual hair is formed.

**BEAUTY OUT**  
The Hair Volume™ Shampoo is herbal based and contains the same herbal ingredients as the tablet. It repairs the hair as well as makes it thicker by providing volume, fullness and moisture.  
For all hair types.

**BEAUTY IN & OUT™**  
BY NEW NORDIC

**THINNING HAIR?  
DO NOT PANIC**

WANT STRONGER, THICKER & FULLER HAIR?  
Try the award-winning and clinically proven Hair Volume™ tablet together with shampoo, and notice that your hair becomes stronger, thicker, and fuller.

**the healthy awards 2020 WINNER**

**AVAILABLE AT**  
Selected Holland & Barrett stores or online at [hollandandbarrett.com](http://hollandandbarrett.com). For an information leaflet call New Nordic 0800 389 1255.

**Holland&Barrett**

**hair Volume™**  
SHAMPOO

**hair Volume™**  
Hair growth and volume  
Herbal, vitamin, mineral, amino acids, biotin, zinc and copper  
Food supplement - 50 tablets  
WITH SPICE EXTRACT  
Herbal and spice extracts to the development of natural hair  
100% natural and safe

**THE NEW NORDIC CLINICALLY PROVEN TABLET**



VITALITY  
FOOD SUPPLEMENTS



BEAUTY IN & OUT  
HAIR CARE



BEAUTY IN & OUT  
SKIN CARE

## NEW NORDIC *products*

Our product assortment target more than 40 different health and beauty needs. The products might look different but they all carry the characteristic New Nordic Silvertree mark.

To satisfy national legal requirements we have more than 150 different product formulations. These formulations are

packed for different languages making the total number of SKUs close to 700.

We categories our products in 3 categories. Vitality Supplements, Beauty In & Out Skin Care and Beauty In & Out Hair Care.

# INTERNATIONAL *sales*

## MARKETING COMPANIES

New Nordic has its own subsidiaries which market the New Nordic brand in the following countries:

- Australia
- Belgium\*
- Canada
- China
- Denmark
- Estonia
- Finland
- France\*\*
- Germany & Austria
- Holland\*
- Hong Kong
- Italy
- Kazakhstan
- Latvia
- Lithuania
- Luxembourg\*
- Norway
- Poland
- Romania
- Slovakia
- Spain
- Sweden
- Switzerland
- UK
- USA

\*New Nordic BV, in Holland is responsible for marketing in Benelux

\*\* Together with distributor in France

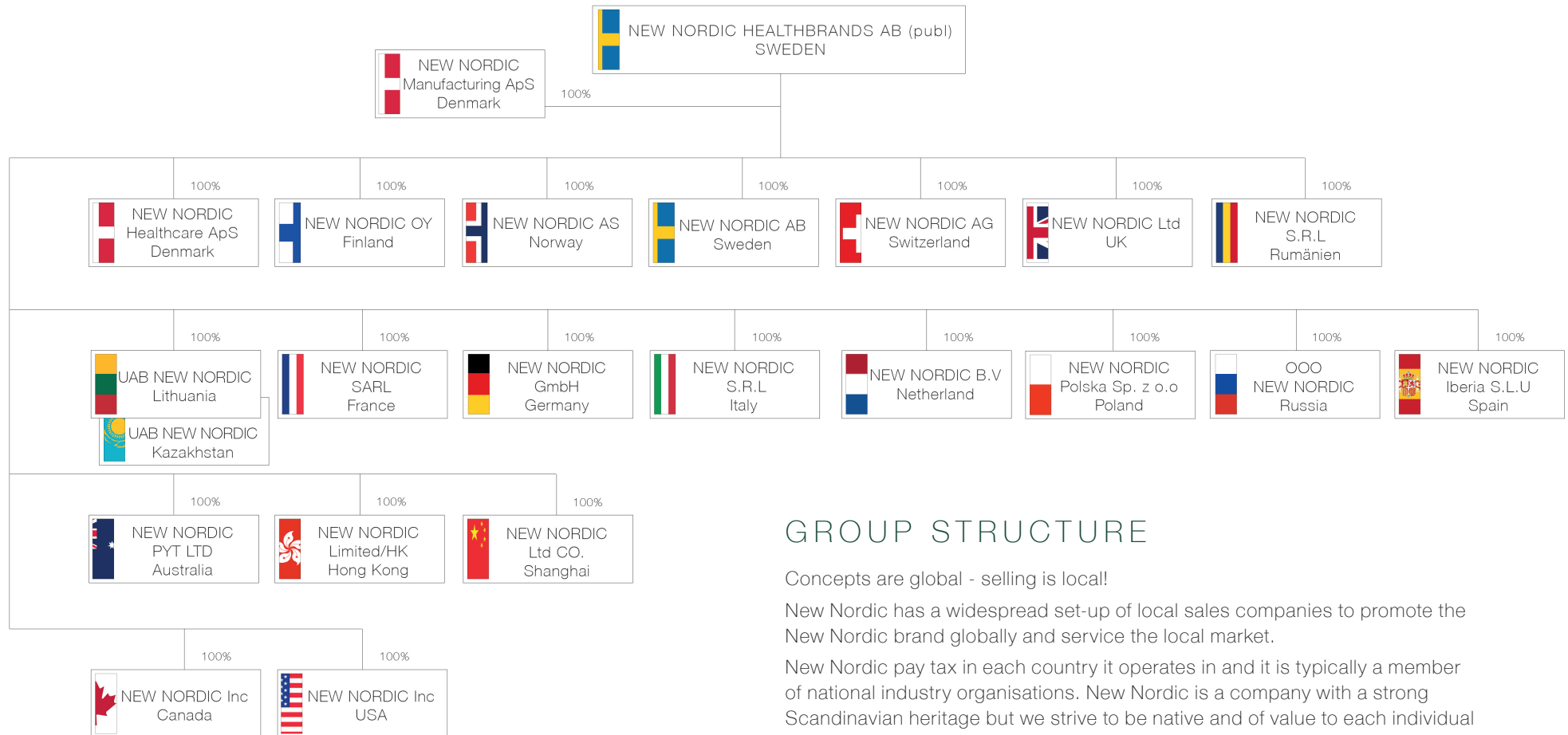
## DISTRIBUTORS

New Nordic works with reputable distributors in:

- Armenia
- Belarus
- Bosnia
- China
- Cyprus
- France & Monaco
- Georgia
- Iceland
- Ireland
- Jordan
- Lebanon
- Luxembourg
- Romania
- Slovenia
- Taiwan
- Vietnam

Sales by geographical area converted to Swedish kronor	2020		2019	
	MSEK	Percent	MSEK	Percent
Nordic	156	34	166	36
Other Europe	175	39	175	39
North America	107	24	105	23
Other World	12	3	7	2

NEW NORDIC HEALTHBRANDS AB (publ)  
GROUP STRUCTURE OF ACTIVE COMPANIES  
DECEMBER 2020



## GROUP STRUCTURE

Concepts are global - selling is local!

New Nordic has a widespread set-up of local sales companies to promote the New Nordic brand globally and service the local market.

New Nordic pay tax in each country it operates in and it is typically a member of national industry organisations. New Nordic is a company with a strong Scandinavian heritage but we strive to be native and of value to each individual country we operate in.

On December 31, 2020, New Nordic also has the following passive companies: New Nordic S.L (Spain), New Nordic S de R.L de C.V (Mexico) and New Nordic Vitamin (Turkiet).

# NEW NORDIC *strategy*

DEVELOP HERBAL DIETARY SUPPLEMENTS AND BEAUTY PRODUCTS TO SATISFY SPECIFIC HEALTH & BEAUTY NEEDS. AND MARKET THESE UNDER CHARACTERISTIC BRANDS TO A GROWING NUMBER OF CONSUMERS ALL OVER THE WORLD, ALL WITH CARE FOR PEOPLE AND NATURE.

---

## OUR PLAN

We have a plan for how to deliver strong results in the future. The plan includes:

- Driving Growth Internationally
- Building Market Leadership
- Growing Profitability

The plan goes on to define how we will connect our brand to the consumers and make them loyal. The plan is based on the following steps:

1. offer the most effective products and the best product experience at the right price
2. continue high focus on marketing
3. engage further with national and international retailers both online and offline

## OUR FINANCIAL STRATEGY

Our financial strategy is simple.

### 1. Keep high gross margin

At New Nordic will strive to defend our high gross margin through product innovations, improved sourcing and increased economy of scale, which will reduce cost of goods. Simultaneously we will ensure to increase pricing without jeopardising the price-value advantage.

### 2. Overheads down

Economy of scale and a focus of simplifying procedures will bring our overheads down. Overheads will be kept stable with growing sales which will bring over-

head expense per cent down. Additionally the employees are encouraged to save costs where possible.

### 3. Marketing investments

We will continue to invest the current percentage of sales in advertising and other marketing activities. The most awarding way for both the company and its retail partners is to allocate spendings as much as possible to direct end consumer advertising and only a smaller part to trade advertising. This increase brand awareness, increase category news and increase traffic in store.

### Operating profit

Managing these means will result in an increased operating profit and generate funds to invest in further business growth.



# GROWTH *engines*

At New Nordic we expect the business in all countries to grow, fuelled by innovation and increased marketing managed with great discipline and excellence by our Country and Area Managers. We all work towards a common goal adding value to our brand and making it a truly global health and beauty brand. We have clear internal financial targets to reach.

## THE CURRENT GROWTH ENGINES FOR NEW NORDIC ARE

- Growth in the USA business
- Growth in the UK business
- Growth in the business in Germany
- Beauty In & Out™

## WINNING *assets*

- Cutting edge research and innovation
- NEW NORDIC, a strong brand
- Manufacturing in Scandinavia
- Flat Scandinavian management model
- A strong culture with a talented and dedicated team
- Powerful international marketing set-up
- International distribution network targeting 6 channels

When the culture is strong, you can trust everyone to do the right thing. People can be independent and autonomous. They can be entrepreneurial. With a company that is entrepreneurial in spirit, we will be able to grow and be successful together. The success of the team is more important than individual achievement.



## BOARD *of directors*



KARL KRISTIAN  
BERGMAN JENSEN  
BORN 1962

Board member since 2006 and CEO of New Nordic Healthbrands AB. Karl Kristian Bergman Jensen is a founder and a principal owner of New Nordic since 1990. Prior to that Karl Kristian Bergman Jensen was the International Marketing Manager, Director and member of the Board of Chartex International PLC in England, now known as The Female Health Company, USA. Before that, Mr. Jensen was the International Marketing Manager at Farma Food A/S. Mr. Jensen is also Chairman of Vaccinium Holdings ApS, Denmark and Ripamonti Finanz AG, Switzerland. Additionally, he is the initiator and Fund Manager of the global equity investment fund Verbier Fund® Health & Beauty Brands SICAV PLC, Malta.

For full holding of shares in New Nordic, see page 36



LENNART  
SJÖLUND  
BORN 1949

Board member since 2012. Besides his appointment as a director of the board of New Nordic, Mr. Sjölund is a business entrepreneur in the medical technology industry as well as a director of Lagercrantz Group AB, Östanbäck Timmerhus AB, Zarismo AB, QuickCool Erysave AB, EL Invest AB, Kinna EL och Tele AB, Fässbergs EL AB and Parkallen Invest. Lennart Sjölund has previously been CEO of Jolife and Jostra AB and Vice President of Åkerlund & Rausing.

10.000 shares held in New Nordic via company



MARINUS  
BLÅBJERG SØRENSEN  
BORN 1951

Chairman since 2006 and CEO of the New Nordic Manufacturing ApS. Marinus Blåbjerg Sørensen is a founder and principal owner of the New Nordic. Before that Marinus Blåbjerg Sørensen was CEO of Danish Natural Foods A/S. Prior to that Mr. Sørensen was Area Manager at Farma Foods A/S, Marinus Blåbjerg Sørensen is also Chairman and owner of Fjord Capital A/S and Blåbjerg-Have ApS.

For full holding of shares in New Nordic, see page 36

Directors and management team's business address is New Nordic, Södra Förstadsgratan 3, 211 43 Malmö

Chartered accountant  
Ernst & Young AB.

Chartered accountant Martin Henriksson  
Nordenskiöldsgatan 24, 203 14 Malmö. Ernst & Young AB, Martin Henriksson, is New Nordic's chartered accountant since the annual General Meeting 2016. Martin Henriksson is a member of the trade association for accountants, "FAR SRS".



JESSICA  
TYREMAN  
BORN 1969

Director of the board since 2006. Jessica Tyreman's principal activities in addition to the appointment as a director of the New Nordic is the executive chairman of LEARN in Värmdö AB. Jessica Tyreman is also Chairman of RW Bostad AB. Jessica has over the past five years completed assignments as a director of New Teq AB.



# THE SHARE

## NEW NORDIC - ONE OF A KIND

The supplement market is forecasted to grow with an compounded annual growth rate of nearly 10% globally. An extraordinary investment opportunity in itself.

For investors looking to take advantage of this growing market opportunity through investment in listed equities of companies in the dietary supplement industry, the choice of investment is very limited.

Most players in the industry are based on multi level marketing and distribution or their dietary supplement business is just a minor part of their total business.

Nearly all players where they main business is in the supplement industry is owned by equity companies or are privately owned. Only a very few dietary supplement companies world wide are listed on a stock exchange and available for investors to buy into. **One of these rare companies is New Nordic.**

# SHAREHOLDER *information*

The shares of New Nordic were listed on First North Growth Market, NASDAQ, Stockholm in January 2007.

Exchange: FN STOCKHOLM

Currency: SEK

Trade name: NNH

ISIS: SE0001838038

Bloomberg ticker: NNH:SS

## NUMBER OF SHARES

Total number of shares 6,195,200

Share Capital SEK 6,195,200

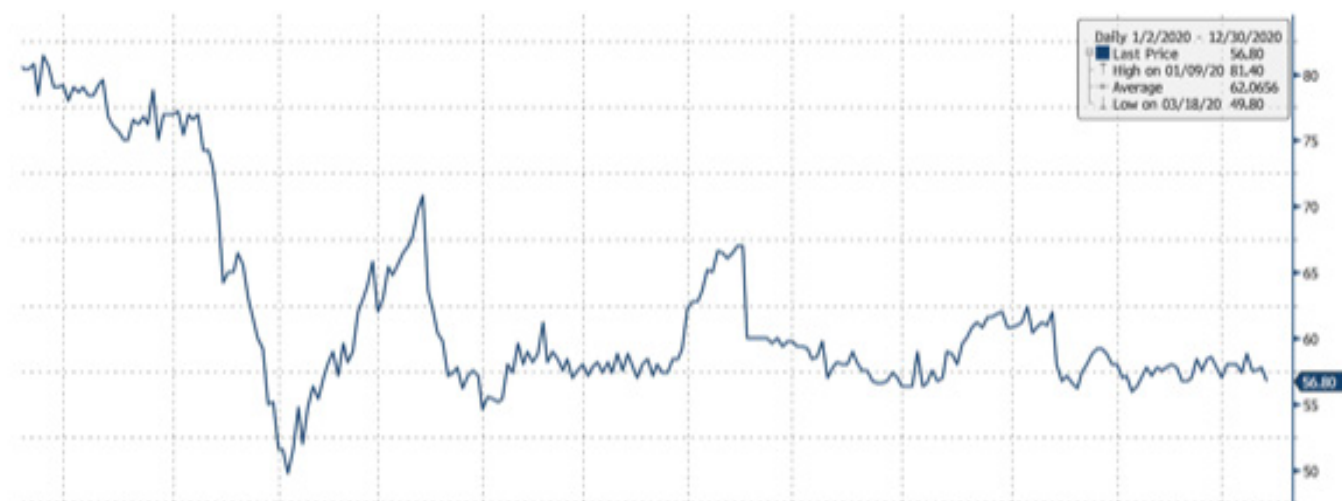
## SHARE DEVELOPMENT

The share price has decreased with 30 percent from 81.00 SEK to 56.80 SEK during 2020. Relative to the OMX Stockholm Total (OMXSPI) the share has decreased with 36% in 2020.

## MARKET CAPITALISATION

Market cap 30. December 2019: 502 mSEK

Market cap 30. December 2020: 352 mSEK



DAILY TRADED SHARE PRICE FOR THE NEW NORDIC HEALTHBRANDS AB SHARE AT FIRST NORTH, NASDAQ, STOCKHOLM

# SHAREHOLDERS

## *ownership structure*

As of 31 December 2020, the number of unique shareholders holding shares with a value of at least EUR 500 was 104 plus 640 non-public shareholders, compared to 122 unique and 615 non-public shareholders at the beginning of the financial year.

The combined shareholding of the ten largest shareholders was 92.87 percent (93.8) of the shares outstanding and of the votes. New Nordic Healthbrands AB. New Nordic Healthbrands AB also retain the service of Mangold AB as liquidity provider.

The table is reproduced from New Nordic share register as per 30 December 2020. The data in the table is based on information from Euroclear Sweden AB.

### SHAREHOLDERS AS PER 30th DECEMBER 2020

Shareholders	Shares	Ownership
Fjord Capital APS	2 318 684	37.43 %
UBS Switzerland AG	1 565 910	25.28 %
Credit Suisse AG, Zurich	937 280	15.13 %
Six Sis AG, W8IMY	292 466	4.72 %
BFCM P/C CIC Sweden OPCVM LT	201 995	3.26 %
Knock, Christian	141 998	2.29 %
Nordnet Pensionsförsäkring AB	114 583	1.85 %
Johansson, Lars	70 000	1.13 %
Lin, Emelie	58 742	0.95 %
JPM Chase NA	51 546	0.83 %
<b>Sum 10 largest owners</b>	<b>5 753 204</b>	<b>92.87 %</b>
<b>Sum other</b>	<b>441 996</b>	<b>7.13 %</b>
<b>Total number of shares</b>	<b>6 195 200</b>	<b>100 %</b>

Marinus Blåbjerg Sørensen and family members are together the end beneficial owners of 100% of Fjord Capital ApS.

Vaccinium Holding ApS, Denmark owns 2,485,000 shares (40.16%). Karl Kristian Bergman Jensen is the end beneficial owner of 62.4% of Vaccinium Holding ApS, while The Bergman Jensen Family Foundation, Liechtenstein owns 37.6%.

# INVITATION TO ANNUAL GENERAL MEETING OF NEW NORDIC HEALTHBRANDS AB (PUBL)

Shareholders of New Nordic Health Brands AB (publ) are hereby invited to attend the Annual General Meeting 2021.

**PLACE:** Quality Hotel View

**ADDRESS:** Hyllie Stationstorg 29,  
215 32 Malmö, Sverige

**TIME:** Thursday 29 April 2021 at 10.00

## REGISTRATION

Shareholders who wish to attend the AGM shall both be entered in the company's register of shareholders kept by Euroclear Sweden AB in their own name (not nominee-registered) by Wednesday 21 April 2021 and notify their intention to attend the Annual General Meeting by 21 April 2021 16.00 at the latest, in writing to the address New

Nordic Healthbrands AB, Ivan Ruscic, Södra Förstadsgatan 3, 211 43 Malmö or by e-mail to, [ivan@newnordic.se](mailto:ivan@newnordic.se).

Registration by e-mail will only be valid if confirmed by New Nordic. The attendance of any assistants is to be notified to the same addresses by the same date.

Shareholders must state in the notice their name, civil identity number or corporate registration number, telephone number (daytime) as well as the number of shares held. In order to attend the meeting shareholders whose shares are nominee-registered must have their shares temporarily re-registered with Euroclear Sweden AB in their own name. Such re-registration must be effected by Wednesday 21 April 2021.

In order to re-register shares in time, shareholders should make the request via their custodian in good time before this date.

## AGENDA

1. Opening of the AGM.
2. Election of Chairman of the AGM.
3. Establishment and approval of voting list.
4. Approval of the Agenda.
5. Election of one or two verifiers of the minutes.
6. Confirmation of whether the

Meeting has been duly convened.

7. Address by CEO Karl Kristian Bergman Jensen.
8. Presentation of the annual accounts, the auditors' report and consolidated financial statements and the audit report.
9. Resolution to adopt the income statement, balance sheet, consolidated income statement and consolidated balance sheet.
10. Resolution on the appropriation of profit according to the adopted balance sheet.

11. Resolution to discharge the Board and Chief Executive Officer from liabilities to the company.	18. Closing of the AGM.	Re-election of board members Jessica Tyreman, Lennart Sjölund, Marinus Blaabjerg Sörensen samt Karl Kristian Bergman Jensen. Marinus Blaabjerg Sörensen is proposed as Bord Chairman.	Jensen, in his capacity as representative of the main shareholder, Vaccinium Holding ApS, is the natural choice to be chairman of New Nordic's nomination committee. This differs from section 2.4 of the Swedish Code of Corporate Governance
12. Determination of remuneration for the Board and the auditor.	<p><b>PROPOSED RESOLUTIONS</b></p> <p><b>Item 10 - Proposed dividend</b></p> <p>The board of directors and the CEO propose the Annual General Meeting to decide a dividend of SEK 1.50 per share to be paid for 2020. May 3, 2021 was decided as record date. With this record day, Euroclear Sweden AB is expected to pay the dividend on 6 May 2021.</p>	It is proposed to re-elect Ernst & Young as auditor.	· to decide the following on the Nomination Committee's principles
13. Election of Board Directors.	<p><b>Items 12, 13 and 14 - Fees to directors and auditors and election of directors and auditor</b></p> <p>The board fee is proposed to be SEK 437 500 to dispense with 187 500 paid to the Chairman, SEK 0 to Karl Kristian Bergman Jensen and with SEK 125 000 each to the other two directors and remuneration to the auditor shall be paid in a reasonable amount of approved invoices.</p>	<p><b>Item 15 - Decisions regarding the Nomination Committee</b></p> <p>It is proposed that the 2021 Annual General Meeting make a decision</p>	It is up to the Nomination Committee to decide before the Annual General Meeting whether the Nomination Committee finds it necessary to propose to the Annual General Meeting a change in the principles in question.
16. Authorization for the Board to decide to increase share capital by issuing new shares , issuance of convertible bonds and the issuance of warrants.	Board is to consist of four members with no deputies.	· to establish a Nomination Committee where the Chairman of the Board will be tasked with contacting the 5 largest voting shareholders and asking these shareholders to appoint members to form a nomination committee together with the CEO, Karl Kristian Bergman Jensen. The Nomination Committee consists of three members	The Nomination Committee shall consist of representatives of the five largest shareholders in terms of votes at the turn of the year (grouped by owners as of 31 December) and the Chairman of the Board, who shall also be instructed to convene the Nomination Committee for its first meeting. The Nomination
17. Authorization for the Board or persons appointed by the Board to make the formal changes to decisions in point 15 that may prove necessary in connection with registration of the Issue to Bolagsverket.		· that given New Nordic's ownership structure, Karl Kristian Bergman	

Committee appoints a chairman from among its members. The composition of the Nomination Committee shall be announced no later than six months before the Annual General Meeting. The Nomination Committee's term of office shall extend until a new Nomination Committee has been appointed. The company is responsible for costs associated with the performance of the Nomination Committee's assignment. The members of the Nomination Committee do not receive any remuneration from the company.

In the event that a member of the Nomination Committee resigns, is prevented from performing his or her duties or if the owner who appointed the member makes his or her seat available, the remaining members shall, if the Nomination Committee so decides, appoint a suitable replacement from among the company's shareholders for the remaining term.

The Nomination Committee's assignment shall include evaluating the composition and work of the Board and submitting proposals to the Annual General

Meeting on:

- Chairman of the Annual General Meeting
- number and proposals for members of the Board of Directors elected by the Annual General Meeting
- Chairman of the Board
- remuneration to non-employed board members
- where applicable, election of auditors and audit fees
- where applicable, principles for the election of members to the Nomination Committee and the Nomination Committee's assignments
- The Nomination Committee's proposals shall be presented in the notice convening the Annual General Meeting where board or auditor elections shall take place and on the company's website

The Nomination Committee shall report to the Annual General Meeting on how its work has been conducted and present

and justify its proposals.

#### **Item 16 - Resolution of authorisation**

The Board proposed to authorize, for the period until the next AGM, on one or more occasions, to issue new shares, or issue convertible bonds or issue of warrants. Acting by virtue of the authorization, the number of shares could be increased by a maximum of 1,500,000 pieces, representing an overall increase of the share capital by a maximum of SEK 1,500,000. Authorization shall also include the right to issue new shares or issue of convertible bonds or issue warrants in kind or set-off or otherwise with conditions referred to in Chapter 13.5 § first paragraph 6 or 14 Ch. 5 § first paragraph 6, or Chapter 15.5 § first paragraph 4 of the Companies Act. The emissions may pursuant to Board decision be made with deviation from the shareholders' preferential rights. This deviation shall enable capital procurement in connection with the continued efforts in the Company's business including acquisitions. The issue price shall be based on market conditions generally applicable to similar types of issues.

#### **Available documents**

The financial statements, auditor's report and the complete proposals for decisions and other documents required under the Companies Act will be published on newnordic.se and will be available at the Company's offices in Malmö from 1 April 2021 and sent to shareholders who so request and state their address.

*Malmö, March 2021*  
*The Board*  
*New Nordic Healthbrands AB (publ)*



# 2020

## *Annual and management report*

New Nordic Healthbrands AB (publ)  
Org. nr. 556698-0453



# FINANCIAL *review*

The Board of Directors and the CEO of New Nordic Healthbrands AB (publ) hereby submit the annual report and consolidated accounts for the financial year 2020. New Nordic Healthbrands AB is a public limited company, with its registered office in Malmö, Sweden. The head office has a visiting address, Södra Förstadsgatan 3, 211 43 Malmö. The company's share is listed on First North Growth Market, NASDAQ, Stockholm.

## THE BUSINESS

New Nordic conducts operations in dietary supplements, herbal medicines and cosmetic products such as skin care and hair care. The sales take place internationally. Either through own national sales and marketing companies or through reputable distributors. New Nordic's products are mainly distributed in pharmacies, health stores and via the company's own online store in 40 countries around the world. The group structure is shown in Note 18.

## EVENTS DURING THE YEAR

In 2020 New Nordic focused on implementing its strategy under strong influence from Covid-19 pandemic. The year was marked by lock-downs. Pharmacy, health practices and supermarkets where the company's products are sold worldwide has generally not suffered from shutdowns, but many of these stores are located in shopping centers that have had great reduction in customer traffic. The company's assortment is largely aimed at older people who have been cautious about leaving their home to shop. Simultaneously older people are more reluctant to shop online. The company held marketing costs at the same level as in 2019. The company has not reduced the number of employees. During the closure, the focus was on securing sales through increased collaboration with online stores.

Sales decreased by half a percent to SEK 450 million. Sales decreased in the Nordic

region while unchanged or increased in the rest of Europe, North America and Asia. The company began selling in Australia at the end of the year. Geographical sales were distributed with 34 percent of sales in the Nordic region, 39 percent in the rest of Europe, 24 percent in North America and 3 percent in Australasia.

The gross margin decreased to 68.7 percent from 69.7 percent. The decline is justified by a combination of shifts in product mix, higher shipping costs and a slightly stronger Swedish krona. Sales and administration costs increased by 1.7 percent, the largest cost increase was related to higher staff and administration costs, whereas marketing costs were kept stable.

The EBITDA margin decreased to 5.5 percent and amounted to SEK 24.6 million. The company has a low book value of tangible and intangible assets and has a relatively small debt, which results in low costs for depreciation and

interest. Operating profit amounted to SEK 23.8 million. The company's profit after tax amounted to SEK 17.8 million, which is 5.2 percent of sales. The return on equity was 17.0 percent. Earnings per share amounted to SEK 2.87.

Sales in the parent company decreased by 2.3 percent and amounted to SEK 166.2 million. The parent company's profit after tax amounted to SEK 25.4 million. The parent company's equity at the end of the year amounted to SEK 86.2 million.

## OWNERSHIP

The number of shares in New Nordic Healthcare AB (publ) at the turn of the year amounted to 6,195,200 shares. The company has no own shares. The Articles of Association do not contain any restrictions on the transferability of the shares. Owners with more than 10% of the company's share capital as of December 31, 2020: Vaccinium Holding ApS, Denmark, 40.16%. Karl Kristian Bergman Jensen owns 62.4%

of Vaccinium Holding ApS, while Bergman Jensen Family Foundation, Liechtenstein owns 37.6%. Fjord Capital ApS, Denmark 37.43%. Marius Blåbjerg Sørensen and family members together own 100% of Fjord Capital ApS.

## SALES AND MARKETING

At the turn of the year, New Nordic had its own sales companies in Australia, Denmark, England, Estonia, Finland, France, the Netherlands, Hong Kong, Italy, Canada, Kazakhstan, Latvia, Lithuania,

Norway, Poland, Sweden, Switzerland, Germany and the USA. The sales companies in Estonia, Latvia and Kazakhstan are branches of UAB New Nordic in Lithuania. In addition, New Nordic controls and finances marketing in Belgium, Georgia, the Netherlands, Luxembourg and partly in France. In addition, the company has distributors in Armenia, Azerbaijan, Belgium, France, Georgia, the Netherlands, Hong Kong, Ireland, Iceland, Jordan, China, Lebanon, Luxembourg, Moldova, Slovakia, Slovenia, Taiwan, Vietnam and Belarus.

## MARKETING

New Nordic markets the company's brands to consumers and so-called "health care professionals". In marketing, all relevant media are used in combination, (Weekly and daily press advertising, television, radio, outdoor advertising, store materials and electronic advertising on social media).

## FINANCIAL POSITION

At the end of the year, New Nordic had SEK 10.4 million in cash and cash equivalents and an equity /

assets ratio of 54.7%. Cash flow from operating activities amounted to SEK 19.7 million, from investing operations to SEK -1.2 million and from financing operations to SEK -18.4 million.

## ORGANISATION

At the end of the year, the company had 60 employees including management (55), of which 13 are men (13) and 47 are women (42). There are 24 (24) nationalities employed within the Group.

## NEW PRODUCT DEVELOPMENT

New Nordic's product development includes literature research, raw material research, bioavailability studies, analyzes, clinical studies, market research, design and packaging development, as well as registration of products in new markets. During the year, the Group invested less than 1 percent of sales in research and product development. Expenditure on product development attributable to major projects estimated at more than EUR 75,000 is capitalized. (see page 61, accounting principles Fixed assets).

## OUTLOOK FOR 2021

New Nordic expects growth in sales and

<b>ANNUAL KEY FIGURES</b>					
<b>Group</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Net sales	450.064	452.613	393.708	344.739	305.842
Profit after financial items	23.293	36.068	34.119	27.115	12.523
Total assets	191.491	197.187	162.647	138.818	127.592
Equity	54.7%	51.7%	49.3%	43.8%	33.7%
The number of employees at the end of the period	60	55	51	41	42
<b>Parent</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Net sales	166.157	170.086	148.586	122.027	111.165
Profit after financial items	24.145	17.715	17.077	4.988	- 229
Total assets	134.256	120.911	107.764	104.390	116.922
Equity	69.0%	65.9%	69.1%	64.4%	57.2%
The number of employees at the end of the period	4	3	3	3	3

earnings in all markets where the company has its own organization or collaborates with distributors. However, the COVID-19 pandemic continues to create challenging and turbulent global market conditions for New Nordic, although market conditions are expected to normalize by the end of 2021 as a result of vaccination programs worldwide. The company works purposefully to handle the situation and all activities in the company are carefully evaluated and adjusted. New Nordic has already taken several initiatives that especially include adjusting marketing activities and increased focus on sales via online stores. More initiatives may be needed. There is no doubt that this extraordinary situation may affect revenues and earnings negatively in 2021, even though New Nordic expects an increase in revenues and earnings during the year.

New Nordic has clearly prioritised product categories and markets where the company will focus on driving growth most in 2021. The company also expects to enter into distribution agreements in new markets during the year. The company plans for all growth to take place organically and does not plan any acquisitions in 2021 but cannot rule it out. Launches in new health catego-

ries and beauty categories are also planned for 2021.

## DIVIDEND

The Board of Directors proposes that the Annual General Meeting on April 29, 2021 decide on a dividend of SEK 1.50 per share corresponding to a total amount of SEK 9,292,800. The Board of Directors proposes that the dividend date for receipt of dividends be 3 May 2021. The dividend is expected to be paid through Euroclear Sweden AB on 6 May 2021.

The Board's opinion on the proposed dividend has been prepared in accordance with ch. Section 4 of the Swedish Companies Act and what is stated in Chapter 17 Chapter 3 3 second paragraph of the Swedish Companies Act.

In addition to what has been stated above, the Board has considered other factors that may affect the company and the Group's financial position, including the spread of Covid-19 and its potential effects. The Board's assessment is that the company's financial position is sufficiently robust to handle the risks that Covid-19 may entail for the company in the worst case, which is why the proposed dividend is considered justified.

## PROPOSAL FOR DISPOSITION OF EARNINGS

### Parent

To the Annual General Meeting the following

Share premium account	49 847 516 SEK
Retained earnings	4 604 942 SEK
Profit for the year	25 420 009 SEK
<b>Total</b>	<b>79 872 467 SEK</b>
The board proposes	
to pay out 1,50 SEK per share	9 292 800 SEK
and carry forward	70 579 667 SEK
<b>Total</b>	<b>79 872 467 SEK</b>

This Annual Report has been approved by the Board on 26th March 2021. The annual report shall be submitted to the Annual General Meeting in Malmö on 29th April 2021.

*Concerning the parent company's and the Group's results and financial position, refer to the following results and balance sheets, cash flow statements and disclosures. All amounts are expressed in thousands of Swedish kronor unless otherwise stated.*

# RISK *management*

New Nordic is a business operating internationally in a changing world, in highly dynamic, high growth health and beauty markets. In order to ensure the sustainability of its development and the achievement of its objectives, New Nordic strives to anticipate and manage the risks to which it is exposed in its different areas of activity.

Risk management consists of identifying, assessing and controlling risks that may affect the smooth running of the Company. At New Nordic, it is understood that poor risk management can result in a deteriorating business.

New Nordic's sales are expected to grow and the Company can not grow without taking new risks. New business of any kind implies increased risks, and these risks has to be dealt with Ad Hoc on at the highest level in the organization, at the board of directors and the executive management.

New Nordic's internal control procedures, planning and reporting is the basic tools for the internal risk management. The internal control and risk management is dealt with by the executive management and management team on an ongoing basis.

There are other risk and opportunity factors that occurs in the changing environment in which New Nordic operate. The external risk factors are also dealt with on an ongoing basis. Such risks can occur suddenly, or they can develop slowly without anybody noticing them. Covid-19 is a god example of a major change in external factors. Changes in consumer behavior like increasing preference for vegan products and sustainable brands are other examples. Changes in import taxation, regulatory requirements, marketing laws etc are yet other examples. These more and more dynamic risk factors are increasingly becoming a part of the daily work.

For the risks identified and listed below, New Nordic is doing their best to manage the risks and many employees are involved in this process. New Nordic employees are urged be observant to spot when these risks emerge and take action to deal with them immediately, to avoid that they rise to bigger risk problems.

The objective of risk management is to identify, assess and prioritise risks with all those concerned, and keep the risk mapping analysis up-to-date. The aim is to promote optimal use of resources to minimise and control the impact of negative events and maximise the realisation of opportunities.

## HOW NEW NORDIC HANDLE RISKS

To detect risks and to manage them and mitigate the consequences, New Nordic have procedures and responsibilities in place. The risks related to business growth and progress actions, the risks threatening the Company's existing business and adapting the business model to the changing world around New Nordic has been identified and prioritised. Methods of control has been put in place to minimise any impact of the risks and responsibilities has been clearly defined.

Some risks are analysed and controlled on a daily basis and they are part of regular reporting. Other risks are controlled and evaluated yearly and compiled at group level with a view to getting an overall picture of the group's main risks – and thereby shedding light on the mitigation plans that are in place to manage these risks.

Internal risks, arising from within the New Nordic organisation, are controllable and ought to be eliminated or avoided. Examples are the risks from employees' and managers' unauthorised or inappropriate actions and the risks from not following routine operational processes.

New Nordic seek to eliminate these risks through the way they perform their daily work by following New Nordic's Financial policy, procedures and authorisation manual. Achieving complete avoidance of risks would be too costly, bureaucratic and against the New Nordic management style. New Nordic have a zone of tolerance of making defects and errors that will not have severe consequences and the Company focus on reducing risks by having a passionate team of employees with high integrity who care and do their job with excellence and precision.

### PERSONNEL WITH AN ACTIVE ROLE IN RISK MANAGEMENT

The Board of Directors and the Audit Committee have the ultimate responsibility for the risk management. They will secure that effective systems for risk management has been adopted in the organisation. Together with the Executive Management Team, consisting of the CEO, CFO and COO, they will also be responsible for risk management in relation to acquisitions and new business ventures. On the day-to-day level, The Executive Management Team is responsible to ensure that all New Nordic companies have access to tools and methodologies for the identification and evaluation of risks.

The Executive Management Team is responsible for the implementation of action plans for the management of the major risks they identify. The Executive Management Team defines and definition and implements evaluation methods and processes for handling certain major or large-scale risks, and they promote

effective loss prevention practices, and advises on risk coverage, transfer and financing.

The Management Team consisting of the Functional, Country and Area Managers, are responsible for the risks inherent to their businesses and the companies that they run. Area and Country Managers are closer to the markets where risks initiate. Sometimes on a national basis and sometimes on regional or international shifts in consumer retailers or end consumers behaviours. It is important that the Area and Country Managers are observant on emerging risks and report and discuss these risks with the Executive Team. New Nordic encourage that all Managers on all levels encourage an open and transparent culture where every individual employee is observant and report emerging risks and opportunities immediately. This is a part of the internal education and company culture.

### RISK EVALUATION CYCLUS

New business and acquisition risks are analysed ad hoc by the Execute Team and the Board of Directors when needed prior to decisions. Risk connected with preserving the existing business is done thoroughly by the Management Team continuously during the operations during the year including monthly reporting and as a more in dept Risk Analysis and Management during each year. The analysis is updated in respect of the main operational risks – in the short and long term – and also the risks within financial reporting. This is carried out in a group-wide risk analysis, based on the probability and impact of each risk. Risk to New Nordic's business model from changes

in the world around the Company is done immediately if a substantial risk seems to build up and discussed yearly in connection with the summer Management Meeting by the management and the executive management and then at the October Audit Committee and Board Meeting by the Audit Committee and the Board of Directors.

### WHEN A RISK BECOMES A REALITY

If internal and external risks, as described later, occur, this will be reflected in the accounts and / or the conditions that the management and the rest of the company measure on a daily basis.

In summary, the most important issues that New Nordic must be aware of can be prioritized and listed as follows:

**Brand attractiveness:** The New Nordic's brand or their products are no longer attractive, or more attractive than competitors, to their consumers.

**Marketing effectiveness:** New Nordic lose the high effectiveness of their marketing and the ability to convince customers to buy their products in a cost-effective way.

**Decrease in gross margin:** New Nordic's profitability in terms of gross margin is decreasing due to that they sell at a lower net price because of giving to high discounts, because of increasing cost price or because of developing too expensive products.

**In-effective and costly administration:** Personnel, administration and other costs are increasing as a percentage of sales and New Nordic is becoming less profitable because of these fixed costs.

**Poor cashflow:** New Nordic run out of cash because they are giving to long credit, receiving too short credit, having too much inventory, investing in an acquisition or other not liquid assets or paying out to high.

**High debt:** New Nordic take on too much debt in connection with investments in assets.

**Staff without passion:** New Nordic's staff and in particular their management is "getting tired" or loose their New Nordic spirit, integrity, creativeness, and entrepreneurial mood or that New Nordic as a company introduce to much hierarchy and bureaucracy to run efficiently.

For each point, New Nordic has defined which people are responsible for being aware that the situation is not deteriorating and from which sources they must collect the information in order to be able to assess it. In this way, the company can react quickly and efficiently if one or more risks become a reality.



## ABOUT NEW NORDIC AS A BRAND

New Nordic is a beloved international health and beauty brand deeply rooted in the Scandinavian heritage of integrity, quality, and

naturalness. The New Nordic brand will be durable beyond any cyclical technical or manufacturing advantage, beyond any patent or design that is due to run out and beyond any brilliant manager that is momentarily lifting the company to extraordinary performances. It is a heritage brand that goes more than 30 years back in time and if managed well the robust New Nordic brand can be durable for generations.

The New Nordic brand has not been created quickly by fancy advertising slogans. The New Nordic brand is built over years by offering meaningful substance to the consumers. The Company continue to add value to the New Nordic brand through product innovation, quality, the values and the way that all employees behave towards New Nordic consumers and all the people the employees meet in their daily business lives, and the way they communicate.

The New Nordic brands lives deeply in the minds of consumers. It is a story that travel across geographical borders and cultures A brand like New Nordic, that consumers like, trust and support is the best and most durable asset a company can have, and New Nordic is very observant not to put the brand at risk.

The business that can be carried out in the name of the New Nordic brand is the Company's biggest opportunity and the damage that can be done to the New Nordic brand is the Companys biggest risk. Employees have to have the highest integrity, the right

attitude and the right energy to continue to build the New Nordic brand.

The Company's reputation and its brand image may be compromised at any time in a globalised world where information is disseminated rapidly. New Nordic is not safe from an undesirable event, whether this involves the use or misuse of a product or reprehensible individual conduct. Circulation of detrimental information in the media, regardless of whether or not such information is founded, has been facilitated by the introduction of new technologies and the development of social networks, and could also affect the New Nordic's reputation and brand image. The development of collaboration with influencers whose behaviours, actions and positions may not be in line with New Nordic's ethical principles may adversely affect New Nordic's reputation given their position as opinion leaders for a significant subscriber community.

## CORONAVIRUS

The Covid-19 pandemic has resulted in a challenging and turbulent global market situation for New Nordic. The changing consumer behavior of consumers, the changing operating conditions for wholesalers and retailers and an uncertain supply chain affect New Nordic's daily operations. New Nordic has implemented changes in the purchase of raw materials, production and media to prepare for the coming period. New Nordic has also taken steps to focus on continuing to be able to service and deliver to consumers through e-commerce. New Nordic is financially stable and the

company does not expect Covid-19 to have effects in the medium and longer term. In the near future, the company will have a strong focus on the development of the risks caused by the pandemic and the management of these risks.

### CYCLICAL ECONOMY

Demand for New Nordic's products are affected, as are most consumer goods, by changes in the general economic situation. Sales of personal care products are traditionally considered to have a low sensitivity to economic fluctuations.

### BRAND

The Company's reputation and its brand image may be compromised at any time in a globalised world where information is disseminated rapidly. New Nordic is not safe from an undesirable event, whether this involves the use or misuse of a product or reprehensible individual conduct. Circulation of detrimental information in the media, regardless of whether or not such information is founded, has been facilitated by the introduction of new technologies and the development of social networks, and could also affect the Company's reputation and brand image. The development of collaboration with influencers whose behaviours, actions and positions may not be in line with New Nordic's ethical principles may adversely affect New Nordic's reputation given their position as opinion leaders for a significant subscriber community.

### PRODUCT QUALITY AND SAFETY

Consumer safety is an absolute priority for New Nordic: safety assessment is at the heart of the development of new products and a prerequisite before a product is launched on the market. The principles governing New Nordic's quality and safety policy are:

- satisfaction of customer needs
- compliance with safety requirements and legislation
- product quality and conformity across the supply chain

### RESPONSIBLE PRODUCT COMMUNICATION

New Nordic provides consumers with innovative products whose success is based on their quality and performance. The benefits of these products are highlighted in New Nordic's communications. Despite all due care taken to guarantee the accuracy and fairness of the claims made in these communications, there is always a possibility that they may be challenged by the authorities, organisations or consumers.

### SEASONAL NATURE OF BUSINESS

In certain cases and for specific products, the timing of sales can be linked to climate conditions, such as for example cosmetic sun care products or diet products. Products sought after by consumers as gifts see particularly strong sales at year-end and during holiday periods. This is the case for special

gift packs. A major disruption in any of these factors could affect New Nordic's sales.

### GEOGRAPHIC PRESENCE AND ECONOMIC AND POLITICAL ENVIRONMENT

New Nordic has subsidiaries in 21 countries and the majority of its sales are generated outside Scandinavia. Global growth in the cosmetics market has led New Nordic to develop its activities in countries within the "New Markets" Zone, which represents a growing part of New Nordic's business.

Besides the currency risks, political or economic disturbances in countries where New Nordic generates a significant portion of its sales could have an impact on its business activities

### DISTRIBUTION NETWORK

Due to its innovative and effective products, extensive marketing and brand positioning, New Nordic is subject to constant pressure from local and international competitors across the globe. **Competition is healthy:** it drives New Nordic's teams around the world to always do their utmost to serve the interests of consumers and the New Nordic brand. Winning market share, improving operating profitability and thereby ensuring growth are a permanent challenge in a context of the increased digitisation of consumer relationships, where companies constantly strive to obtain the best positions for their products and launch the most attractive and effective product ranges offering an optimal price/quality ratio.

## INNOVATION AND CONSUMER EXPECTATIONS

The development of innovative products and their adaptation to market requirements is an ongoing priority for New Nordic. If New Nordic fails to anticipate or interpret changes in consumer expectations, especially with regard to environmental issues, and new trends, notably digital solutions and connected tools, its sales could be affected.

## EXTERNAL GROWTH TRANSACTIONS

No acquisition is planned currently. However, as part of its growth strategy, it is not inconceivable that New Nordic may have occasion to make No acquisition is planned currently. However, as part of its growth strategy, it is not inconceivable that New Nordic may have occasion to make acquisitions of companies or intellectual property rights or sign license agreements. However, implementation of this strategy depends on New Nordic identifying development opportunities at an acceptable cost and under acceptable conditions.

These operations may have a negative impact on New Nordic's results if New Nordic fails to successfully integrate the activities of the acquired companies and their personnel, products, and technologies under the expected conditions and in compliance with New Nordic's standards, or if it fails to achieve the expected synergies or to successfully handle liabilities not anticipated when the transaction was completed and for which New Nordic has little or no protection from the seller.

Within the normal framework of its activities, New Nordic has conducted and may conduct disposal operations for which the execution conditions may significantly affect its results.

## HUMAN RESOURCES MANAGEMENT

One of the keys to New Nordic's success lies in the talent of its staff. The New Nordic's ability to attract and retain qualified personnel is crucial to its future success. If New Nordic fails to identify, attract, retain and train competent employees who behave responsibly, particularly within the context of digital transformation, the development of its activities and its results could be affected.

## SECURITY RISKS

New Nordic's presence in 40 countries exposes it to a variety of risks inherent to the environments it works in (geopolitical, economic and social, malicious acts, climate and natural disasters). The direct and indirect consequences of these risks may adversely affect New Nordic's resources: namely, people and tangible and intangible assets.

## EMPLOYEE HEALTH AND SAFETY RISKS

The protection of employees' health and safety is one of New Nordic's priorities and is an integral part of New Nordic's human and social relations policy. It is rooted in the evaluation and prevention of professional risks in the Company. Nevertheless, the risk of accidents at the workplace or occupational diseases

cannot be entirely ruled out. Currently, New Nordic does not have any manufacturing sites and New Nordic only have one warehouse run by the Company. The rest of the staff is working in office environments. As New Nordic is an international company many employees travel regularly.

## INFORMATION SYSTEMS

The day-to-day management of activities such as purchasing, production planning and distribution, invoicing, reporting and consolidation, as well as internal data exchange and access, relies on the proper functioning of all technical infrastructure and IT applications.

As part of the digital transformation and ongoing development of information technologies and their applications, which are also factors of acceleration and mobility, New Nordic's business activities, expertise and, more generally, its relations with all stakeholders in its social and economic environment, depend on being able to function in an increasingly virtual and digital environment.

The malfunction or breakdown of these systems or the loss of data for exogenous or endogenous reasons (including intrusions, malicious acts, etc.) could have a significant impact on New Nordic's business activities.

## DATA

The data collected and processed by New Nordic and its partners, with a volume that increases along



with the development of digital activities, may be used fraudulently, or be lost or degraded.

Furthermore, personal data protection regulations are being reinforced throughout the world. Specifically, the European General Data Protection Regulation (GDPR) which entered into force in May 2018, provides for significant sanctions.

Any breach of data integrity or confidentiality, notably personal data processed by New Nordic or its partners, for exogenous or endogenous reasons (including intrusions, malicious acts, etc.) could have a significant impact on reputation and consumer confidence and, ultimately, on New Nordic's business activities.

### RISK OF AN INTERNAL CONTROL FAILURE

However effective New Nordic's internal control may be, it can only provide reasonable and not absolute assurance that the Company's objectives can be achieved due to the inherent limitations of any control system. Thus, New Nordic cannot exclude the risk of an internal control failure likely to expose it notably to acts of fraud or corruption, that may have an impact on its activities, reputation and results.

### INTELLECTUAL PROPERTY: TRADEMARKS, DESIGNS & MODELS, DOMAIN NAMES

The trademarks, designs & models and domain names, and particularly the major international New Nordic brand and the characteristic Silvertree Mark,

are strategic intangible assets of New Nordic, primarily owned by New Nordic Healthbrands AB.

A few brands, primarily marketed by New Nordic in Sweden, Norway and Canada, including eye q® and Lyprinol, have been licensed to New Nordic. New Nordic does not have, however, a significant dependency situation with regard to these licences.

In light of the large number of countries in which its products are sold and the multiple potential prior rights that may exist in each of these countries, it is impossible to rule out the possibility that third parties may initiate legal action to contest the registration and or use of New Nordic intellectual property rights. This potential risk has to be mentioned in order to provide a comprehensive account of risk. However, the likelihood of it occurring is low.

The trademarks, packaging and the products themselves may be counterfeited by third parties wanting to illegally claim the benefits of their reputation and earn illicit profits from the work and investments of New Nordic.

### INDUSTRIAL PROPERTY: PATENTS

Research and innovation are the historic pillars of New Nordic's development. The dedication of New Nordic's research team has made resulted in some patents. In addition to protecting the inventions of New Nordic, the goal is to check the free use of a technology prior to the launch of products and services, in a highly competitive environment in which an increasing number of patents are filed by

an increasing number of different players.

### REGULATORY CHANGES

The diversity of applicable local laws and regulations and their constant evolution expose New Nordic to a risk of non-compliance or increased compliance costs. New Nordic operate under 3 major groups of different jurisdictional principles: EU with its food authorities supervision, USA with FDA supervision and China with its food and health authorities supervision. There in between, there are many variations. For example in Australia and Canada where supplements need to be registered and approved under Australian Department of Health and Health Canada respectively, before marketing. In addition, we will also operate under legislation governing finished cosmetics products such as the European Cosmetics Directive. These regulations are amended regularly and can result in un-intentional non-compliance. Certain countries are, moreover, subject to export restrictions, embargoes, economic sanctions or other forms of trade restrictions levied by the European Union, the United States and other countries or organisations.

### OTHER LEGAL RISKS AND LITIGATION

In the ordinary course of its business, New Nordic will potentially be involved in legal actions and is subject to tax, customs and administrative audits.

### PRODUCTION AND SUPPLY CHAIN

Products must be made available on the market on

the scheduled dates to meet time-to-market and customer demands, in order to enable new product ranges to be referenced by distributors in a cosmetics market that requires companies to be increasingly responsive.

New Nordic is dependent on its external manufacturers. A major stoppage of activity at a plant or distribution centre could therefore have an adverse effect on the achievement of commercial objectives.

## SOURCING

New Nordic's products consist of raw materials and ingredients from several different suppliers (raw materials and packaging items). New Nordic is dependent on deliveries from third parties live up to agreed requirements with respect to quantity, quality and delivery. Incorrect or missing deliveries from suppliers might mean that New Nordic deliveries will in turn be delayed, which in the short term may result in reduced sales. Although New Nordic is thus not able to exercise full control over these goods, it is the Group's opinion that no single supplier is unique, so a disruption in supplies need not involve long-term implications for the business.

## ENVIRONMENT AND EMPLOYEE SAFETY

The food supplement and cosmetics industry has a limited environmental risk profile. New Nordic does not have any manufacturing sites of its own. However, as with any production, distribution, research and general administration activity, New Nordic is exposed to safety and environmental

issues: fire, explosion, technical failure of facilities, information systems, or even human failure in the operation of existing facilities or works management. These industrial risks can result in human damage and/or accidental pollution (surface and groundwater, air, soil), within or outside New Nordic's sites, particularly if these are located in inhabited zones. Insufficient consideration of these impacts related to the use phase during the design of products could represent a risk for sales in certain areas of the world where access to water is difficult (water stress, quality of drinking water, etc.). Similarly, the use of predominantly plastic containers may represent an environmental risk resulting from the disposal of plastic waste, depending largely on the collection and treatment channels available.

## COUNTERPARTY RISK

New Nordic is exposed to the counterparty risk of financial institutions which it uses within the scope of its business activities. However, New Nordic considers that its exposure to this risk is low.

## CUSTOMER RISK

Customer risk may result from a failure to collect receivables due to cash problems encountered by customers or to customers no longer being in business.

## LIQUIDITY RISK

New Nordic's liquidity risk is managed with the primary aim of ensuring continued financing and optimising the financial cost of debt.

## FUNDING RISK

New Nordic operations might in the future need additional financial resources to achieve strategic goals. This may lead to additional capital has be required to New Nordic in order to develop its business in an appropriate way. New Nordic's ability to meet future capital requirements are highly dependent on successful sales of their products. There is no guarantee that New Nordic will be able to raise the necessary capital even if progress is positive. In this regard, the general market for the supply of capital are highly significant.

## FINANCIAL AND MARKET RISKS INTEREST RATE RISK

For the requirements of its development and its capital expenditure policy, New Nordic uses borrowings and the interest rates might fluctuate.

## CURRENCY RISK

Most of New Nordic's products are marketed and sold in different geographic markets with sales and purchases in local currencies. New Nordic is naturally exposed to currency fluctuations. Fluctuations between these currencies may in the future lead to a negative impact on New Nordic's results and financial position. Currently the company does not hedge this type of currency risks. Fluctuations between the main currencies may have an impact on New Nordic's results when translating the foreign currency financial statements of subsidiaries into Swedish Crowns, and may therefore make it difficult to compare performances between two financial years. In addition, commercial flows resulting

from purchases and sales of items, products, and services arise between subsidiaries in different countries. Procurement by subsidiaries is mainly in the currency of the subsidiaries country.

Significant changes in the monetary environment could have an impact on New Nordic's results and shareholders' equity.

### RISK RELATING TO THE IMPAIRMENT OF INTANGIBLE ASSETS

As stated in the section on legal risks, New Nordic's brands are a strategic asset for New Nordic and may be subject to impairment.

### EQUITY RISK

New Nordic does currently not invest its cash in shares. However, New Nordic expects that cash flow from operations will increase liquidity and the Company might invest in equities in the future.

### RISK RELATING TO TAX REGULATIONS

Due its global presence, New Nordic is subject to different tax regulations.

New Nordic follow the OECD guidelines and have implemented a transfer pricing policy. The procurement company New Nordic Manufacturing ApS operate under a cost plus principle whereas all subsidiaries operate under a guaranteed profit principle.

New Nordic is exposed to risks arising from the multiplication and complexity of tax standards and changes in tax regulations or their interpretation.

An increase in existing taxes, the introduction of new taxes, or double taxation concerning in particular corporate income tax, customs duties, import taxes, the repatriation of dividends or social levies, could have an adverse impact on the Company's results.

The tax authorities in the countries in which New Nordic is present carry out tax audits that may lead to tax adjustments if there is a disagreement over the interpretation of the regulations.

These audits may become disputes, and in certain countries, be subject to media coverage that may affect New Nordic's reputation.

### CORE COMMODITY RISK

The production of food supplements and cosmetics depends on the purchase of raw materials whose prices vary. These raw materials or components are used in the manufacture of products or in their packaging. An exceptionally sharp increase in the price of these raw materials or energy prices on the world market could have a direct effect on the manufacturing cost of the supplements and/or cosmetics. This might impact the gross margin.



## GROUP INCOME STATEMENT

(kSEK)	Note	2020	2019
<b>Group income</b>			
Net sales	1	450 064	452 613
		450 064	452 613
<b>Group costs</b>			
Cost of goods sold		-140 984	-137 028
Other external costs	2	-237 708	-232 973
Employee costs	3	-46 778	-45 747
Depreciation of tangible and intangible assets	4	-753	-560
		<b>-426 233</b>	<b>-416 308</b>
<b>Operating profit</b>	5	<b>23 841</b>	<b>36 305</b>
<b>Result from financial investments</b>			
Interest income	6	1	151
Interest expense	7	-549	-388
		<b>-548</b>	<b>-237</b>
<b>Profit after financial items</b>		<b>23 293</b>	<b>36 068</b>
Tax	8	-5 528	-7 994
<b>Profit for the year</b>		<b>17 765</b>	<b>28 074</b>
Earnings per share*	9	2.87	4.53
Numbers per share		6 195 200	6 195 200

\* No dilution

## GROUP BALANCE SHEET

(kSEK)	Note	2020	2019
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible fixed assets</b>			
Brands	10	0	0
Licenses	10	917	0
Capitalised product development costs	10	797	745
		<b>1 714</b>	<b>745</b>
<b>Tangible fixed assets</b>			
Equipment and tools	11	1 782	1 672
		<b>1 782</b>	<b>1 672</b>
<b>Financial assets</b>			
Deferred tax	12	3 338	4 191
Long-term receivables	13	321	938
		<b>3 659</b>	<b>5 129</b>
<b>Total fixed assets</b>		<b>7 155</b>	<b>7 546</b>
<b>Current assets</b>			
<b>Inventories</b>			
Raw materials		29 987	24 967
Finished goods		50 681	55 421
		<b>80 668</b>	<b>80 388</b>
<b>Current receivables</b>			
Accounts receivables		75 984	79 788
Other receivables		13 000	10 695
Prepaid expenses	14	4 280	7 951
		<b>93 264</b>	<b>98 434</b>
<b>Liquid funds</b>		<b>10 404</b>	<b>10 819</b>
<b>Total current assets</b>		<b>184 336</b>	<b>189 641</b>
<b>TOTAL ASSETS</b>		<b>191 491</b>	<b>197 187</b>

## GROUP CHANGES IN EQUITY

(kSEK)	Note	2020	2019	Group 2019 (kSEK)	Share capital	Other equity incl. profit for the year	Total equity
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>	15			<b>Balance at the beginning of the year</b>	<b>6 195</b>	<b>74 018</b>	<b>80 213</b>
Share capital		6 195	6 195	Dividend	0	-9 293	-9 293
Other equity including net profit		98 613	95 722	Currency translation difference	0	2 923	2 923
<b>Equity attributable to parent company shareholders</b>		<b>104 808</b>	<b>101 917</b>	Profit of the year	0	28 074	28 074
				<b>Balance at the end of the year</b>	<b>6 195</b>	<b>95 722</b>	<b>101 917</b>
<b>Liabilities</b>							
Deferred tax liabilities	12	2 304	2 865				
		<b>2 304</b>	<b>2 865</b>				
<b>Long-term liabilities</b>							
Other long-term debts		2 736	1 878				
		<b>2 736</b>	<b>1 878</b>				
<b>Current liabilities</b>							
Bank overdraft	16	1 563	9 972				
Accounts payable		55 965	54 334	Dividend	0	-10 842	-10 842
Tax liabilities		2 691	5 469	Currency translation difference	0	- 4 032	-4 032
Other liabilities		15 734	13 034	Profit of the year	0	17 765	17 765
Accrued expenses	17	5 690	7 718	<b>Balance at the end of the year</b>	<b>6 195</b>	<b>98 613</b>	<b>104 808</b>
		<b>81 643</b>	<b>90 527</b>				
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>191 491</b>	<b>197 187</b>				

## CONSOLIDATED CASH FLOW STATEMENT

(kSEK)	2020	2019
Current operations		
Operating profit	23 841	36 305
<b>Adjustments for items not included in cash flows</b>		
Depreciations	753	560
Other provisions	-96	-292
	<b>24 498</b>	<b>36 573</b>
Interest received	1	3
Interest expense	-549	-388
Taxation paid	-8 856	-5 727
<b>Cash flow from current operations before changes in working capital</b>	<b>15 094</b>	<b>30 461</b>
<b>Cash flow from changes in working capital</b>		
Inventories	-280	-15 262
Current receivables	6 101	-21 190
Current liabilities	-1 235	5 324
<b>Cash flow from current operations</b>	<b>19 680</b>	<b>-667</b>
INVESTMENT ACTIVITIES		
Acquisition of intangible fixed assets	-1 130	-743
Investments in tangible fixed assets	-752	-941
Divestment	96	292
Changes in liabilities	617	-351
<b>Cash flow from investment activities</b>	<b>-1 169</b>	<b>-1 743</b>
FINANCING ACTIVITIES		
Dividend	-10 842	-9 293
Changes in long term debt	858	729
Changes in credit line facilities	-8 409	7 315
<b>Cash flow from financing activities</b>	<b>-18 393</b>	<b>-1 249</b>
<b>Changes in liquid funds</b>	<b>118</b>	<b>-3 659</b>
<b>Liquid funds at the beginning of the period</b>	<b>10 819</b>	<b>14 386</b>
<b>Exchange rate effect</b>	<b>-533</b>	<b>92</b>
<b>Liquid funds at the end of the period</b>	<b>10 404</b>	<b>10 819</b>

# PARENT COMPANY INCOME STATEMENT

(kSEK)	Note	2020	2019
<b>Operating revenue</b>			
Net sales	1	166 157	170 086
Other revenues		82	110
		<b>166 239</b>	<b>170 196</b>
<b>Operating costs</b>			
Cost of goods		-115 042	-112 253
Other external expenses	2	-45 689	-42 579
Employee expenses	3	-4 422	-3 911
Depreciation of tangible and intangible assets	4	-161	-9
		<b>-164 342</b>	<b>-158 752</b>
<b>Operating profit</b>	5	<b>897</b>	<b>11 444</b>
<b>Result from financial items</b>			
Income from participations in Group companies	6	23 503	6 306
Interest income and similar income items	6	17	172
Profit from receivables as fixed assets	7	0	0
Interest expense and similar expense items		-272	-207
		<b>23 248</b>	<b>6 271</b>
<b>Profit after financial items</b>		<b>24 145</b>	<b>17 715</b>
<b>Allocations</b>			
Change in accrual fund	8	2 055	-2 273
Tax on profit for the year		-780	-2 733
<b>PROFIT FOR THE YEAR</b>		<b>25 420</b>	<b>12 709</b>



# PARENT COMPANY BALANCE SHEET

(kSEK)	Note	2020	2019	(kSEK)	Note	2020	2019
<b>ASSETS</b>				<b>EQUITY AND LIABILITIES</b>			
<b>Fixed assets</b>				<b>Equity</b>	15		
<b>Intangible assets</b>				<b>Restricted equity</b>		6 195	6 195
Trademarks	10	0	0	Share capital		<b>6 195</b>	<b>6 195</b>
Licenser	10	917	0	Fund for development expenditures		160	0
Capitalised development expenditure	10	797	745				
		<b>1 714</b>	<b>745</b>	<b>Unrestricted equity</b>			
<b>Tangible fixed assets</b>	11			Share premium reserve		49 848	49 848
Equipment		0	0	Retained earnings		4 605	2 898
		<b>0</b>	<b>0</b>	Profit of the year		25 420	12 709
<b>Financial assets</b>	18			<b>79 873</b>		<b>65 455</b>	<b>65 455</b>
Holdings in Group companies	19	31 100	29 213	<b>Total equity</b>		<b>86 228</b>	<b>71 650</b>
Receivables from Group companies	13	4 492	945				
Other long-term receivables		538	771	<b>Untaxed reserves</b>		<b>8 200</b>	<b>10 255</b>
		<b>36 130</b>	<b>30 929</b>				
<b>Total fixed assets</b>		<b>37 844</b>	<b>31 674</b>	<b>Current liabilities</b>	16		
<b>Current assets</b>				Current part of long-term debt to credit institutions		0	6 206
<b>Inventories</b>				Accounts payable		27 234	21 465
Raw materials		29 363	24 833	Liabilities to Group companies		10 917	7 379
Finished goods		18 437	18 187	Current tax liabilities		0	1 660
		<b>47 800</b>	<b>43 020</b>	Other liabilities	17	474	667
<b>Current receivables</b>				Accrued expenses and deferred income		1 203	1 629
Receivables		3 838	3 870	<b>39 828</b>		<b>39 006</b>	<b>39 006</b>
Receivables from Group companies		40 962	39 931	<b>Total equity and liabilities</b>		<b>134 256</b>	<b>120 911</b>
Current tax receivables		617	0				
Other receivables		581	1 186				
Prepayments and accrued income	14	824	1 226				
		<b>46 822</b>	<b>46 213</b>				
<b>Cash and bank balances</b>		<b>1 790</b>	<b>4</b>				
<b>Total current assets and receivables</b>		<b>96 412</b>	<b>89 237</b>				
<b>TOTAL ASSETS</b>		<b>134 256</b>	<b>120 911</b>				

## PARENT COMPANY CHANGE IN EQUITY

Parent company 2019 (kSEK)	Share capital	Fund for development expenditures	Premium reserve fund	Balanced profit	The year's profit	Total
Balance at the beginning of the year	6 195	0	49 848	155	12 036	68 234
Previous year's result	0	0	0	12 036	-12 036	0
Dividend	0	0	0	-9 293	0	-9 293
Profit for the year	0	0	0	0	12 709	12 709
<b>Balance at the end of the year</b>	<b>6 195</b>	<b>0</b>	<b>49 848</b>	<b>2 898</b>	<b>12 709</b>	<b>71 650</b>

Parent company 2020 (kSEK)	Share capital	Fund for development expenditures	Premium reserve fund	Balanced profit	The year's profit	Total
Previous year's result	0	0	0	12 709	-12 709	0
Transfer to fund for development expenditures	0	160	0	-160	0	0
Dividend	0	0	0	-10 842	0	-10 842
Profit for the year	0	0	0	0	25 420	25 420
<b>Balance at the end of the year</b>	<b>6 195</b>	<b>160</b>	<b>49 848</b>	<b>4 605</b>	<b>25 420</b>	<b>86 228</b>

# PARENT COMPANY CASH FLOW STATEMENT

(kSEK)	Note	2020	2019
<b>Current operations</b>			
Operating profit		897	11 444
<b>Adjustments for items not included in cash flow</b>			
Depreciation and amortization		161	9
		<b>1 058</b>	<b>11 453</b>
Dividends from subsidiaries		23 249	6 306
Interest received		17	172
Interest paid		-272	-207
Income tax paid		-3 057	-1 763
<b>Cash flow from operations before changes in working capital</b>		<b>21 878</b>	<b>15 961</b>
<b>Changes in working capital:</b>			
Changes in inventories		-4 780	-5 109
Change in receivables		7	-11 825
Change in current liabilities		8 688	1 113
<b>Cash flow from operations</b>		<b>25 164</b>	<b>140</b>
<b>Investment activities</b>			
Acquisition of subsidiaries		-1 887	-52
Acquisition of intangible fixed assets		-1 130	-743
Acquisition of tangible assets		0	0
<b>Cash flow from investing activities</b>		<b>-3 017</b>	<b>-795</b>
<b>Financing activities</b>			
Dividend		-10 842	-9 293
Change in long-term receivables		-3 313	4 573
Change in bank overdraft		-6 206	5 375
<b>Cash flow from financing activities</b>		<b>-20 361</b>	<b>655</b>
<b>Cash flow for the year</b>		<b>1 786</b>	<b>0</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>4</b>	<b>4</b>
<b>Cash and cash equivalents at end of year</b>		<b>1 790</b>	<b>4</b>

# ACCOUNTING AND *valuation principles*

## GENERAL

The accounting policies applied by the Group and the Parent Company complies with the Årsredovisningslagen (19995:1554) and BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

## CONSOLIDATED GROUP SCOPE

The consolidated Group financial statements include the Parent company, subsidiaries in which the parent company directly or indirectly owns more than 50 per cent of the voting rights or has a controlling interest.

## ACCOUNTING METHOD

The consolidated financial statements have been prepared using the purchase method. This means that a subsidiary's assets and liabilities are carried at market value, which formed the basis for the valuation of the shares at the issue in kind which was conducted in February 2006. The difference between the purchase price and the acquired

companies' equity is reported as the value of the brand BioDrain®. Consolidated shareholders' equity includes the parent company's equity and the portion of the subsidiaries' equity arising after the acquisition of these companies.

Parent Company was registered 2006-02-03 and 2006-02-15 Group was formed in kind. Contribution in kind, liabilities and assets of the subsidiaries to the parent company conducted with economic effect from 2006-01-01.

## TRANSLATION OF FOREIGN SUBSIDIARIES

Translation of foreign subsidiaries' financial statements according to the current method. This means that assets and liabilities are translated at year end rates and income statement are translated at average exchange rates during the financial year. Any translation difference is recognized directly in equity of the Group.

## REVENUES

New Nordic's revenue is essentially the sale of products. Revenues are recognized at fair value of the consideration received or receivable. Revenue recognition is made as the significant risks and rewards associated with the company's goods are transferred to the buyer.

**Interest:** Interest income is recognized as it is earned.

**Dividends:** Revenue is recognized when the shareholders' right to receive payment has been established.

## SEGMENT REPORTING

New Nordic conducts all its operations in one business segment, sales of dietary supplements, herbal remedies and related personal care products. This is therefore the group's single primary segment. The secondary reporting format is geographical segments. See Note 1.

## CLASSIFICATION

Non-current liabilities and provisions consist entirely of amounts expected to be recovered or settled after more than twelve months from the balance sheet date. Current assets and current liabilities consist essentially of amounts expected to be recovered or settled within twelve months from the balance sheet date.

## RECEIVABLES AND PAYABLES

Receivables are stated at the lower of the face value and the amount likely to be received. Liabilities are stated at their nominal value, unless otherwise indicated.

## INVENTORIES

Group inventories have been reported after the deduction of internal profits. Inventories are valued at the lower of cost and first in - first out (FIFO) method. This means that inventories are stated at the lower of cost using the FIFO method and fair value.

## RECEIVABLES AND LIABILITIES IN FOREIGN CURRENCIES

Receivables and liabilities in foreign currencies are translated at the closing rate. Exchange gains and losses on operating receivables and liabilities are included in operating profit. Gains and losses on financial assets and liabilities are reported as financial items.

## FIXED ASSETS

Tangible and intangible assets are carried at cost less accumulated depreciation.

## COST AND FAIR VALUE

Product development expenses, which include literature research, commodity research, bioavailability studies, analyzes, clinical studies, market research, design and packaging development, consumer research and development of marketing concepts are expensed when incurred. Development costs that are attributable to an individual project is recognized as an asset (Retained development costs) when there is reason to believe that the amount will be recovered in the future. Expenses on product development to major projects is estimated at more than 75 000 EURO is activated. The carrying value of capitalized

development costs recognized as assets in the balance sheet, are tested annually for possible impairment, asset has not yet been put into use and then when events or changes in circumstances indicate that the carrying amount may not be recoverable.

Amortization is applied systematically over the fixed assets expected useful life and commences when the asset is taken into commercial use.

Capitalised development costs are amortized over the period of the sales associated with the project expected to take place. Trademarks are amortized over ten years. It is New Nordic belief that the economic life of the Group's brands in any case not less than ten years.

## DEPRECIATION RATES

Trademark 10 years  
Capitalised development costs 5 years  
Licenses 5 years  
Equipment and vehicles 3-7 years  
Depreciation commences when the asset is taken into commercial use.

## TAX INCLUDING DEFERRED TAX

Taxes are recognized in the income

statement except when the underlying transaction is recognized directly in equity, in which it is recognized in equity. Current tax is the tax payable or refundable for the current year. This includes adjustment of current tax attributable to previous periods. Deferred tax is recognized using the balance sheet method, which deferred skatteslud calculated, except as specified below, for all identified temporary differences between assets and liabilities for tax purposes and, on the other hand, their reported values. Temporary differences in the form of untaxed reserves including deferred tax liability under untaxed reserves. In the consolidated accounts, untaxed reserves are divided into deferred tax liability and equity.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, to the extent that it is probable that future taxable profits will be available against which the temporary differences or tax loss carry forwards can be utilized.

The deferred tax assets are tested at each reporting date. In case you do not with sufficient certainty determined that

deficits can be offset against future profits in the foreseeable future, do not have these enabled.

Loss carryforwards arising in Russia, Switzerland, Spain, Turkey, Australia and Mexico have not been activated. Deferred tax assets and liabilities are measured using the tax rates expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws ) that is pending or in force, at the balance sheet date.

## LEASING

Leases where, in essence, all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments for operating leases are expensed in the income statement on a linear basis over the contract term.

Finance leases for company cars etc. are recognized as an operating lease when they are of minor nature.

## COMPENSATION TO EMPLOYEES

Employees' benefits have been reported with salaries. Full provisions have been made for accrued vacation, bonuses,

social security contributions and other commitments.

## PENSIONS

Payment of pensions has been made under various retirement plans under generally applicable rules for each country. In Sweden, the employees are covered by the ITP plan.

## GROUP CONTRIBUTION

Group contributions are recognized in equity, net of tax attributable to Group contribution.

## CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand and demand deposits with banks.

## FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities in the balance sheet include cash and cash equivalents, receivables and on the liabilities side, trade payables and borrowings. Financial assets and liabilities are recognized initially at cost, representing the fair value plus transaction costs for all financial instruments

except regarding those classified as financial assets that are recognized at fair value through profit or loss.

A financial asset or liability is recognized in the balance sheet when the Company becomes party to the contractual terms. Trade receivables are recognized when invoiced. Liabilities are recognized when the counterparty has performed and there is a contractual obligation to pay, even if the invoice has not been received.

Trade receivables are recognized initially at cost, and subsequently at amortized cost, less provision for impairment. Any impairment of trade receivables is recognized in profit or loss. Accounts payable are recognized when the invoice is received.

A financial asset is derecognised when the rights are realized, expire or the company loses control over them. A financial liability is derecognised when the rights in the contract is discharged or otherwise extinguished. The Group has not used any derivative financial instruments for hedging.

## IMPAIRMENT

When there are indications that an asset has declined substantially in value, an

assessment of the carrying value to the higher of the estimated net realizable value and value in use. If this value is less than the carrying amount, an impairment loss. Reversal is made if there are no longer grounds for impairment. Impairment losses and reversals are recognized in the income statement.

## ESTIMATES AND ASSESSMENTS

The following of the board's assessments may have an effect on reported amounts in the annual report: When valuing deferred tax assets, assessments are made based on 5-year forecasts / budgets according to the best reliable estimate at any given time, on future taxable surpluses for each company and thus the possibilities of utilizing the loss carryforwards. A longer time horizon than 5 years is not considered reliable. The report is based on assessments and estimates of the company's management and the board. The inventory consists of raw materials, packaging and finished goods. Almost all finished goods are in stock in the respective countries where they are sold. Both raw materials, packaging and finished goods are assessed monthly as part of the production planning and they

are regularly evaluated by the management. It is estimated that all goods that are in stock as raw materials, packaging and finished goods are courteous.

Accounts receivable are assessed on an ongoing basis and the vast majority of customers are credit insured as part of the company's policy. There is no provision for losses on creditors, as the customers are considered creditworthy and since the history of these customers has for a long time shown that these customers pay on time. If there is uncertainty about creditworthiness and willingness, the company requires advance payment.

# NOTES

All amounts are kSEK unless otherwise stated.

Group refers to the consolidated group and Parent refers to the parent company.

## Note 1. Revenues and intra-group purchases and sales

The group conducts all of its business within one business segment, sales of dietary supplements, herbal remedies and related personal care products.

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Group 2020</b>	<b>Group 2019</b>
External sales	450 064	452 613	14 571	13 200
Internal sales	224 986	236 697	151 586	156 886
<b>Sum</b>	<b>675 050</b>	<b>689 310</b>	<b>166 157</b>	<b>170 086</b>
Elimination	-224 986	-236 697	-151 586	-156 886
<b>Net sales</b>	<b>450 064</b>	<b>452 613</b>	<b>14 571</b>	<b>13 200</b>

<b>Geographical areas</b>	<b>Net sales 2020</b>	<b>Net sales 2019</b>
Nordic region	156 223	165 648
Other Europe	174 732	174 727
North America	107 356	105 049
Other world	11 753	7 189
	<b>450 064</b>	<b>452 613</b>

19.3% (24.3%) of purchases in the parent company are related to the purchases of subsidiaries.

**Note 2. Information about the remuneration of the auditor**

<b>Fees and expenses</b>	<b>Group 2020</b>	<b>Group 2019</b>	<b>Parent 2020</b>	<b>Parent 2019</b>
<b>Ernst &amp; Young</b>				
Auditing	680	573	314	250
Auditing outside assignment	0	0	0	0
Tax advice	75	0	75	0
Other services	182	49	182	25
<b>RSM Richter Chamberland</b>				
Auditing	376	315	0	0
Auditing outside assignment	0	0	0	0
Tax advice	0	0	0	0
Other services	42	16	0	0
<b>Total Revisjon DA</b>				
Auditing	76	58	0	0
Auditing outside assignment	0	0	0	0
Tax advice	0	0	0	0
Other services	0	16	0	0
<b>Harmer Slater</b>				
Auditing	65	0	0	0
Auditing outside assignment	0	0	0	0
Tax advice	0	0	0	0
Other services	0	0	0	0
<b>Total</b>	<b>1 496</b>	<b>1 027</b>	<b>571</b>	<b>275</b>



**Note 3. Personal**

<b>Average number of employees</b>	<b>2020 Employees</b>	<b>2020 Whereof men</b>	<b>2019 Employees</b>	<b>2019 Whereof men</b>
Parent company in Sweden	3	67%	3	67%
<b>Subsidiaries</b>				
Sweden	4	0%	4	0%
Denmark	18	11%	19	11%
Norway	3	0%	3	0%
Finland	1	0%	1	0%
Lithuania	11	27%	9	44%
Germany	3	33%	3	33%
Poland	2	50%	0	50%
Romania	0	0%	2	0%
Great Britain	3	33%	3	33%
Canada and United States of America	7	14%	5	20%
Hong Kong	0	0%	0	0%
China	0	0%	0	0%
Turkey	0	0%	0	0%
Russia	0	0%	0	0%
Italy	2	50%	2	50%
Spain	0	0%	0	0%
Holland	0	0%	0	0%
France	0	0%	0	0%
Mexico	0	0%	0	0%
Switzerland	0	0%	0	0%
Australia	1	0%	1	0%
<b>Total subsidiaries</b>	<b>55</b>	<b>18%</b>	<b>52</b>	<b>21%</b>
<b>Total for the group</b>	<b>58</b>	<b>21%</b>	<b>55</b>	<b>24%</b>

<b>Gender breakdown among the senior executives</b>	<b>Group 2020</b>	<b>Group 2019</b>	<b>Parent 2020</b>	<b>Parent 2019</b>
Distribution of women and men on company boards:				
Women	7%	4%	25%	25%
Men	93%	96%	75%	75%
Distribution of women and men in senior management:				
Women	9%	6%	25%	25%
Men	91%	94%	75%	75%

NEW NORDIC ANNUAL REPORT 2020

	2020	2020	2019	2019
	Salaries and other	Social	Salaries and other	Social
Salaries and benefits	remunerations	expenses	remunerations	expenses
<b>Salaries and other remunerations</b>				
Parent company (of which pension costs)	3 008	1 265 721	2 789	1 112 604
Subsidiaries (of which pension costs)	36 149	5 446 3 390	34 870	5 734 3 534
<b>Total group</b> (of which pension costs)	<b>39 157</b>	<b>6 711</b> 4 111	<b>37 659</b>	<b>6 846</b> 4 138

	2020			2019		
Salaries and benefits (excluding pension costs) by country	CEO, Board and other leading executives	Other employees	Total	CEO, Board and other leading executives	Other employees	Total
<b>Sweden</b>						
Parent company	2 009	999	3 008	1 845	944	2 789
Subsidiaries	0	2 989	2 989	0	2 887	2 887
Sweden total	<b>2 009</b>	<b>3 988</b>	<b>5 997</b>	<b>1 845</b>	<b>3 831</b>	<b>5 676</b>
<b>Subsidiaries abroad</b>						
Denmark	1 524	15 306	16 830	1 493	15 222	16 715
Norway	0	2 030	2 030	0	1 882	1 882
Finland	0	815	815	0	829	829
Baltics	0	3 634	3 634	0	3 089	3 089
Germany	0	1 245	1 245	0	1 238	1 238
England	0	2 019	2 019	0	2 183	2 183
Switzerland	0	176	176	0	171	171
Poland	0	1 007	1 007	0	948	948
Canada and USA	0	3 168	3 168	0	3 282	3 282
Italy	0	1 534	1 534	0	1 557	1 557
Australia	0	702	702	0	89	89
<b>Subsidiaries abroad total</b>	<b>1 524</b>	<b>31 636</b>	<b>33 160</b>	<b>1 493</b>	<b>30 490</b>	<b>31 983</b>
<b>Total salaries and allowances</b>	<b>3 553</b>	<b>35 624</b>	<b>39 157</b>	<b>3 338</b>	<b>34 321</b>	<b>37 659</b>

**Salaries and remuneration of senior management**

<b>Group 2020</b>	<b>Salary</b>	<b>Directors' fees</b>	<b>Pension</b>	<b>Total</b>
Chariman of the board	1 524	0	153	1 677
Board directors	0	250	0	250
Chief Executive Officer	1 759	0	0	1 759
<b>Group total</b>	<b>3 283</b>	<b>250</b>	<b>153</b>	<b>3 686</b>

<b>Group 2019</b>	<b>Salary</b>	<b>Directors' fees</b>	<b>Pension</b>	<b>Total</b>
Chariman of the board	1 493	0	149	1 642
Board directors	0	240	0	240
Chief Executive Officer	1 605	0	0	1 605
<b>Group total</b>	<b>3 098</b>	<b>240</b>	<b>149</b>	<b>3 487</b>

<b>Parent company 2020</b>	<b>Salary</b>	<b>Directors' fees</b>	<b>Pension</b>	<b>Total</b>
Chariman of the board	0	0	0	0
Board directors	0	250	0	250
Chief Executive Officer	1 759	0	0	1 759
<b>Parent company total</b>	<b>1 759</b>	<b>250</b>	<b>0</b>	<b>2 009</b>

<b>Parent company 2019</b>	<b>Salary</b>	<b>Directors' fees</b>	<b>Pension</b>	<b>Total</b>
Chariman of the board	0	0	0	0
Board directors	0	240	0	240
Chief Executive Officer	1 605	0	0	1 605
<b>Parent company total</b>	<b>1 605</b>	<b>240</b>	<b>0</b>	<b>1 845</b>

The group's senior management, who is also the company's board, made up a total of 4 people (4 pcs). For the two extern directors' fees are paid by 120 thousand (115 thousand) each. Remuneration to the CEO of the parent company was invoiced by a company wholly owned by the CEO. No bonuses were paid to the CEO or board members. The CEO has reached agreement on six months' notice by the Company, and three months from the CEO's side.

**Note 4. Distribution depreciation**

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Parent 2020</b>	<b>Parent 2019</b>
<b>Depreciation according to plan</b>				
Licenses	-32	0	-32	0
Product development	-129	-7	-129	-7
Equipment	-592	-553	0	-2
<b>Sum</b>	<b>-753</b>	<b>-560</b>	<b>-161</b>	<b>-9</b>

**Note 5. Operationell leasing**

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Parent 2020</b>	<b>Parent 2019</b>
Expensed leasing fees concerning operating lease agreements	3 562	3 118	189	127
Future lease fees concerning non cancellable operating leases agreements				
Shall be paid within 1 year	3 454	3 265	220	196
Shall be paid within 1-5 years	15 368	13 118	1 140	629
Shall be paid later than 5 years	421	749	0	0
<b>Sum</b>	<b>19 243</b>	<b>17 132</b>	<b>1 360</b>	<b>825</b>

The Group's and the Parent Company leases relate primarily to commercial leases and leasing of cars.

**Note 6. Interest receivable and similar income items**

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Parent 2020</b>	<b>Parent 2019</b>
Interest income	1	3	0	3
Interest income from group companies	0	0	17	20
Foreign exchange gains	0	148	0	149
<b>Sum</b>	<b>1</b>	<b>151</b>	<b>17</b>	<b>172</b>
<b>Income from participations in group companies</b>				
Dividends from subsidiaries	0	0	23 503	6 306
<b>Sum</b>	<b>0</b>	<b>0</b>	<b>23 503</b>	<b>6 306</b>
<b>Impairment</b>				
Impairment of receivables subsidiaries such as are non-current assets	0	0	0	0
<b>Amount</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Note 7. Interest expense and similar expense items**

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Parent 2020</b>	<b>Parent 2019</b>
Interest expenses	-549	-388	-272	-207
Interest expenses, group companies	0	0	0	0
Foreign exchange losses	0	0	0	0
<b>Sum</b>	<b>-549</b>	<b>-388</b>	<b>-272</b>	<b>-207</b>

**Note 8. Tax on profit for the year**

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Parent 2020</b>	<b>Parent 2019</b>
Current tax expense	-5 147	-7 912	-780	-2 733
Deferred tax	-381	-82	0	0
<b>Reported tax expense</b>	<b>-5 528</b>	<b>-7 994</b>	<b>-780</b>	<b>-2 733</b>

The difference between the group's tax expense and tax expense based on current tax rate consists of the following components:

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Parent 2020</b>	<b>Parent 2019</b>
Reported profit before tax	23 293	36 068	26 200	15 442
Tax at applicable tax rate	-4 985	-7 719	-5 607	-3 305
Tax effect of: non-deductible expenses	-241	-260	-172	-757
Non-taxable income	8	14	5 029	1 349
Change in temporary differences	-259	898	0	0
Change loss carry forwards	-333	-461	0	0
Adjustment for tax rates in foreign group companies	162	-265	0	0
Others	120	-201	-30	-20
<b>Reported tax expense</b>	<b>-5 528</b>	<b>-7 994</b>	<b>-780</b>	<b>-2 733</b>

The current tax rate in the group varies between 3% - 30% and 21.4% of the parent company. Loss carryforwards arising in Russia, Romania, Spain, Switzerland, Turkey, Australia and Mexico have not been activated

**Note 9. Earnings per share**

The Board proposes a dividend of SEK 1.50 per share (1.75) for 2020, equivalent to SEK 9 292 800 (10 841 600). The share capital amounts to 6 195 200 shares of said par value 1 SEK. All shares have the same rights and equal voting rights.

	2020	2019
<b>Earnings and dividend per share</b>		
<b>Group</b>		
Earnings used in calculating earnings per share	17 765	28 074
Average number of shares, in thousands	6 195	6 195
<b>Earnings per share*</b>	<b>2,87</b>	<b>4.53</b>
<b>Parent company</b>		
Earnings used in calculating earnings per share	25 420	12 709
Average number of shares, in thousands	6 195	6 195
<b>Earnings per share*</b>	<b>4,10</b>	<b>2.05</b>

\* There is no dilution.

**Note 10. Intangible assets**

	Group 2020	Group 2019	Parent 2020	Parent 2019
<b>Trademark</b>				
<b>Opening accumulated acquisition values</b>	<b>30 007</b>	<b>35 507</b>	<b>470</b>	<b>470</b>
Purchases for the year	0	0	0	0
Sales / disposals	0	-5 500	0	0
<b>Closing accumulated acquisition values</b>	<b>30 007</b>	<b>30 007</b>	<b>470</b>	<b>470</b>
<b>Opening accumulated depreciations</b>	<b>-30 007</b>	<b>-35 507</b>	<b>-470</b>	<b>-470</b>
Depreciations of the year	0	0	0	0
Sales / disposals	0	5 500	0	0
<b>Closing accumulated depreciations</b>	<b>-30 007</b>	<b>-30 007</b>	<b>-470</b>	<b>-470</b>
<b>Closing residual value</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capitalized product development costs</b>				
<b>Opening accumulated acquisition values</b>	<b>5 000</b>	<b>4 251</b>	<b>3 434</b>	<b>2 691</b>
Translation difference	0	6	0	0
Purchases for the year	181	743	181	743
Sales / disposals	0	0	0	0
<b>Closing accumulated acquisition values</b>	<b>5 181</b>	<b>5 000</b>	<b>3 615</b>	<b>3 434</b>
<b>Opening accumulated depreciations</b>	<b>-4 255</b>	<b>-4 242</b>	<b>-2 689</b>	<b>-2 682</b>
Translation difference	0	-6	0	0
Sales / disposals	0	0	0	0
Depreciations of the year	-129	-7	-129	-7
<b>Closing accumulated depreciations</b>	<b>-4 384</b>	<b>-4 255</b>	<b>-2 818</b>	<b>-2 689</b>
<b>Closing residual value</b>	<b>797</b>	<b>745</b>	<b>797</b>	<b>745</b>
<b>Licenses</b>				
<b>Opening accumulated acquisition values</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Translation difference	0	0	0	0
Purchases for the year	949	0	949	0
Sales / disposals	0	0	0	0
<b>Closing accumulated acquisition values</b>	<b>949</b>	<b>0</b>	<b>949</b>	<b>0</b>
<b>Opening accumulated depreciations</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Translation difference	0	0	0	0
Sales / disposals	0	0	0	0
Depreciations of the year	-32	0	-32	0
<b>Closing accumulated depreciations</b>	<b>-32</b>	<b>0</b>	<b>-32</b>	<b>0</b>
<b>Closing residual value</b>	<b>917</b>	<b>0</b>	<b>917</b>	<b>0</b>

**Note 11. Tangible fixed assets**

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Parent 2020</b>	<b>Parent 2019</b>
<b>Opening accumulated acquisition values</b>	<b>6 200</b>	<b>5 705</b>	<b>512</b>	<b>544</b>
Translation difference	-275	103	0	0
Purchases for the year	752	941	0	0
Sales / disposals	-455	-549	-52	-32
<b>Closing accumulated values</b>	<b>6 222</b>	<b>6 200</b>	<b>460</b>	<b>512</b>
<b>Opening accumulated depreciations</b>	<b>-4 528</b>	<b>-4 423</b>	<b>-512</b>	<b>-542</b>
Translation difference	226	-101	0	0
Sales / disposals	455	549	52	32
Depreciations of the year	-593	-553	0	-2
<b>Closing accumulated depreciations</b>	<b>-4 440</b>	<b>-4 528</b>	<b>-460</b>	<b>-512</b>
<b>Closing residual value</b>	<b>1 782</b>	<b>1 672</b>	<b>0</b>	<b>0</b>

**Note 12. Deferred tax**

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Parent 2020</b>	<b>Parent 2019</b>
Deferred tax assets relating to:				
loss carry forwards	1 258	1 853	0	0
deductible temporary differences	2 080	2 338	0	0
<b>Sum</b>	<b>3 338</b>	<b>4 191</b>	<b>0</b>	<b>0</b>
Deferred tax liability relating to:				
Untaxed reserves	2 304	2 865	0	0
Taxable temporary differences	0	0	0	0
<b>Sum</b>	<b>2 304</b>	<b>2 865</b>	<b>0</b>	<b>0</b>



**Note 13. Other long-term receivables**

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Parent 2020</b>	<b>Parent 2019</b>
Opening acquisition	938	587	771	477
Additional receivables	265	568	183	511
Amortisation, outgoing claims	-882	-217	-416	-217
Reclassifications	0	0	0	0
<b>Outgoing accumulated acquisition</b>	<b>321</b>	<b>938</b>	<b>538</b>	<b>771</b>
Conclusion impairments	0	0	0	0
Debt service, leaving debts	0	0	0	0
Reversal of impairment losses	0	0	0	0
Reclassifications	0	0	0	0
Year impairments	0	0	0	0
Outgoing accumulated impairments	0	0	0	0
<b>Total carrying value</b>	<b>321</b>	<b>938</b>	<b>538</b>	<b>771</b>

**Note 14. Prepayments and accrued income**

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Parent 2020</b>	<b>Parent 2019</b>
Prepaid rent	544	437	28	28
Prepaid insurance	271	328	0	0
Prepaid sales and marketing costs	1 805	4 774	566	296
Other	1 660	2 412	230	902
<b>Total</b>	<b>4 280</b>	<b>7 951</b>	<b>824</b>	<b>1 226</b>

**Note 15. number of shares**

	<b>Quotient 2020</b>	<b>Quotient 2019</b>	<b>Quantity 2020</b>	<b>Quantity 2019</b>
A-shares	1	1	6 195 200 <b>6 195 200</b>	6 195 200 <b>6 195 200</b>

**Note 16. Overdrafts**

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Parent 2020</b>	<b>Parent 2019</b>
Amount granted	28 485	29 436	25 635	26 539
Utilized amount	1 431	9 972	0	6 206

**Note 17. Accrued expenses and deferred income**

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Parent 2020</b>	<b>Parent 2019</b>
Holiday pay and accrued wages	2 891	4 188	717	632
Social security contributions	708	567	199	180
Accrued sales and market costs	1 003	2 051	0	492
Other items	1 088	912	287	325
<b>Sum</b>	<b>5 690</b>	<b>7 718</b>	<b>1 203</b>	<b>1 629</b>

**Note 18. Holdings in group companies**

	<b>Group 2020</b>	<b>Group 2019</b>
Opening accumulated holdings	29 213	29 161
Acquisition of subsidiaries (New Nordic Iberia S.L.U)	1 887	52
<b>Closing accumulated acquisition costs</b>	<b>31 100</b>	<b>29 213</b>

	<b>Share of equity</b>	<b>Share of votes</b>	<b>Book value</b>	<b>Net result</b>	<b>Total equity</b>
New Nordic AB	100%	100%	18 202	1 179	3 389
New Nordic Manufacturing ApS	100%	100%	7 000	654	3 363
New Nordic Healthcare ApS	100%	100%	300	1 226	4 814
New Nordic AS	100%	100%	2 800	330	3 553
New Nordic OY	100%	100%	2	110	-6 627
UAB New Nordic	100%	100%	2	381	2 911
New Nordic Deutschland GmbH	100%	100%	2	633	-6 866
New Nordic AG	100%	100%	421	27	173
New Nordic Healthbrands Polska Sp. z.o.o	100%	100%	67	256	1 629
New Nordic Limited	100%	100%	2	9 631	22 270
New Nordic Inc (Canada)	100%	100%	1	716	7 310
New Nordic US Inc (USA)	100%	100%	0	930	-513
New Nordic Ltd (Hong Kong)	100%	100%	12	20	31
New Nordic Vitamin	99,8%	99,8%	0	0	-2 342
OOO New Nordic	100%	100%	0	-44	-1 596
New Nordic S.R.L.	100%	100%	91	165	2 103
New Nordic S.L.	100%	100%	0	0	-712
New Nordic B.V.	100%	100%	167	182	-1 269
New Nordic SARL	100%	100%	92	422	1 995
New Nordic S de R.L. de C.V.	100%	100%	0	0	-1 214
New Nordic PTY Ltd	100%	100%	0	-59	-273
New Nordic Iberia S.L.U	100%	100%	52	-1	45
New Nordic Healthcare S.R.L	100%	100%	1	-51	-51
New Nordic Shanghai Ltd Co.	100%	100%	1 886	3	1 782
<b>Sum</b>			<b>31 100</b>	<b>16 710</b>	<b>33 905</b>

**Information about the subsidiaries corporate registration number and registered office**

	<b>Org. No.:</b>	<b>Registered office:</b>	
New Nordic AB	556546-0150	Malmö	Sweden
New Nordic Manufacturing ApS	14728708	Roskilde	Denmark
New Nordic Healthcare ApS	15679735	Roskilde	Denmark
New Nordic AS	982754437	Moss	Norway
New Nordic OY	218826046	Espoo	Finland
UAB New Nordic	300065428	Kaunas	Lithuania
New Nordic Deutschland GmbH	HAB 97256	Hamburg	Germany
New Nordic AG	CHE 323998168	Zug	Switzerland
New Nordic Healthbrands Polska Sp. z.o.o	0000517243	Warszawa	Poland
New Nordic Limited	3142365	West Farleigh, Kent	England
New Nordic Inc	653483-0	Montreal	Canada
New Nordic US Inc	26-3122812	New Castle, Delaware	USA
New Nordic Ltd	2455046	Hong Kong	Hong Kong
New Nordic Vitamin	606649/554231	Istanbul	Turkey
OOO New Nordic	1067760351009	Moskva	Russia
New Nordic S.R.L.	MI-1838101	Milano	Italy
New Nordic S.L.	B64523384	Madrid	Spain
New Nordic B.V.	817613705	Leiden	Holland
New Nordic SARL	500489794	Paris	France
New Nordic S de R.L. de C.V.	NEW0708221E3	Mexico City	Mexico
New Nordic PTY LTD	ACN 125 151 091	Sydney	Australia
New Nordic Iberia S.L.U	B67402651	Barcelona	Spain
New Nordic Healthcare S.R.L	42246893	Bucarest	Romania
New Nordic Shanghai Ltd. Co.	91310000MA1FRGJT15	Shanghai	China

**Note 19. Holdings in group companies**

	<b>Group 2020</b>	<b>Group 2019</b>
Opening acquisitions	9 253	10 812
Additional receivables	1 309	423
Amortisation, outgoing claims	-522	-2 143
Reclassifications	2 760	161
<b>Closing accumulated cost</b>	<b>12 800</b>	<b>9 253</b>
Conclusion impairments	-8 308	-5 000
This year impairments	0	-3 308
<b>Accumulated impairments</b>	<b>-8 308</b>	<b>-8 308</b>
<b>Total carrying value</b>	<b>4 492</b>	<b>945</b>

**Note 20. Pledged collateral**

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Parent 2020</b>	<b>Parent 2019</b>
Collateral pledged for own liabilities to credit institutions				
Business mortgages	21 738	22 452	13 492	13 968
<b>Total collateral</b>	<b>21 738</b>	<b>22 452</b>	<b>13 492</b>	<b>13 968</b>

**Note 21. Contingent**

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Parent 2020</b>	<b>Parent 2019</b>
Guarantee for the benefit of	0	0	26 985	27 936
-Check Credit Group companies	<b>0</b>	<b>0</b>	<b>26 985</b>	<b>27 936</b>

**Note 22. Appropriation of profits**

	<b>Group 2020</b>	<b>Group 2019</b>
Proposal for profit distribution		
The Board proposes that the unappropriated funds		
Share premium reserve	49 848	49 848
Retained earnings	4 605	2 898
Profit for the year	25 420	12 709
	<b>79 873</b>	<b>65 455</b>
Proposal for disposition		
to pay out to shareholders 1.75 SEK per share (1.50)	9 293	10 842
To carry forward	70 580	54 613
	<b>79 873</b>	<b>65 455</b>

**Note 23. Significant events after the financial year end**

The Covid-19 pandemic has resulted in a continued challenging and turbulent global market situation for New Nordic in 2021. Consumers' are changing purchasing behavior, changing operating conditions for wholesalers and retailers and an uncertain supply chain and higher prices affect New Nordic's daily operations. New Nordic adapts. New Nordic has implemented changes in the purchase of raw materials, production and media. New Nordic has also taken steps to focus on being able to continue to serve and deliver to consumers through e-commerce, which already accounts for almost 40% of the company's sales in the US, 30-35% in Europe and more than 80% in China. The Covid-19 situation may lead to a reduction in sales and profits in 2021, but it is still uncertain whether this will happen.

No events of a material nature have occurred after the end of the financial year.

**Note 24. Transactions with related parties**

In 2020 New Nordic Healthcare ApS in Denmark sold a total of 2 004 kSEK (790 kSEK) products of the Danish New Nordic range to Dansk Detail ApS, which is owned by Marinus Blåbjerg Sørensen and Karl Kristian Bergman Jensen. The products are sold on the same terms and prices as they are sold to like-minded customers. Dansk Detail ApS operates four health shops (Helsehuset Strædet, Helsehuset Helsingør, Helsehuset Frederiksberg and Køge Helsekost) and an online store under the name [www.helsegrossisten.dk](http://www.helsegrossisten.dk). Apart from regular price agreements, there are no special marketing agreements or similar between the companies.

## ANNUAL REPORT AND CONSOLIDATED ACCOUNTS FOR NEW NORDIC HEALTHBRANDS AB (PUBL)

The Board of Directors and the CEO certify that the consolidated and annual accounts have been prepared in accordance with the international accounting standards referred to in the European Parliament and Council Regulation (EC) No 1606/2002 of 19 July 2002 on the application of international accounting standards and generally accepted accounting principles, and give a true and fair view of the financial position and results of the Group and the Parent Company. The Directors' Report for the Group and Parent Company gives a true and fair view of the Group and Parent Company's financial position and results, and describes material risks and uncertainties facing the Parent Company and the companies included in the Group.

*Marinus Blåbjerg Sørensen*  
*Chairman of the Board*

*Lennart Sjölund*  
*Member of the Board*

*Jessica Tyreman*  
*Member of the Board*

*Karl Kristian Bergman Jensen*  
*CEO*

The annual and consolidated accounts were, as stated above, approved for issue by the Board of Directors on 26th of March 2021. The consolidated income statement and balance sheet, and the Parent Company's income statement and balance sheet will be submitted for approval at the Annual General Meeting on 29th of April 2021.

Our audit report was submitted on 26th of March 2021.

Ernst & Young AB

**Martin Henriksson**  
*Authorised Public Accountant*

## Revisionsberättelse

Till bolagsstämman i New Nordic Healthbrands AB (publ), org.nr 556698-0453

### Rapport om årsredovisningen och koncernredovisningen

#### Uttalanden

Vi har utfört en revision av årsredovisningen och koncernredovisningen för New Nordic Healthbrands AB (publ) för räkenskapsåret 2020. Bolagets årsredovisning och koncernredovisning ingår på sidorna 40-78 i detta dokument.

Enligt vår uppfattning har årsredovisningen och koncernredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av moderbolagets och koncernens finansiella ställning per den 31 december 2020 och av dessas finansiella resultat och kassaflöden för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens och koncernredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen för moderbolaget och koncernen.

#### Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till moderbolaget och koncernen enligt god revisionssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

#### Annan information än årsredovisningen och koncernredovisningen

Det är styrelsen och verkställande direktören som har ansvaret för den andra informationen. Den andra informationen återfinns på sidorna 1-39 (men innefattar inte årsredovisningen, koncernredovisningen och vår revisionsberättelse avseende dessa).

Vårt uttalande avseende årsredovisningen och koncernredovisningen omfattar inte denna information och vi gör inget uttalande med bestyrkande avseende denna andra information.

I samband med vår revision av årsredovisningen och koncernredovisningen är det vårt ansvar att läsa den information som identifieras ovan och överväga om informationen i väsentlig utsträckning är oförenlig med årsredovisningen och koncernredovisningen. Vid denna genomgång beaktar vi även den kunskap vi i övrigt inhämtat under revisionen samt bedömer om informationen i övrigt verkar innehålla väsentliga felaktigheter.

Om vi, baserat på det arbete som har utförts avseende denna information, drar slutsatsen att den andra informationen innehåller en väsentlig felaktighet, är vi skyldiga att rapportera detta. Vi har inget att rapportera i det avseendet.

#### Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen och koncernredovisningen upprättas och att de ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning och koncernredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen och koncernredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets och koncernens förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

#### Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om att årsredovisningen och koncernredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen och koncernredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen och koncernredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.



- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen och koncernredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets och koncernens förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen och koncernredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen och koncernredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag och en koncern inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen och koncernredovisningen, däribland upplysningarna, och om årsredovisningen och koncernredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.
- inhämtar vi tillräckliga och ändamålsenliga revisionsbevis avseende den finansiella informationen för enheterna eller affärsaktiviteterna inom koncernen för att göra ett uttalande avseende koncernredovisningen. Vi ansvarar för styrning, övervakning och utförande av koncernrevisionen. Vi är ensamt ansvariga för våra uttalanden.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

## Rapport om andra krav enligt lagar och andra författningar

### Uttalanden

Utöver vår revision av årsredovisningen och koncernredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för New Nordic Healthbrands AB (publ) för räkenskapsåret 2020 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

### Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till moderbolaget och koncernen enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

### Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets och koncernens verksamhetsart, omfattning och risker ställer på storleken av moderbolagets och koncernens egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets och koncernens ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

### Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat styrelsens motiverade yttrande samt ett urval av underlagen för detta för att kunna bedöma om förslaget är förenligt med aktiebolagslagen.

Malmö den 26 mars 2021

Ernst & Young AB

Martin Henriksson  
Auktoriserad revisor