

PRESS RELEASE
Malmö, 31 July, 2023



NEW NORDIC HEALTHBRANDS AB (PUBL) SIX-MONTH REPORT JANUARY – JUNE 2023

First half of the year (January 1, 2023 - June 30, 2023)

- New Nordic's net sales in SEK increased by 0.8 percent during the first half of the year to SEK 256.2 (254.0) million. In local currencies, the reduction was 4.8 percent.
- The gross margin decreased to 64.8 (66.0) percent. Operating profit improved to -0.4 (-4.9) MSEK.
- The period's result after tax improved to -2.5 (-6.5) MSEK, corresponding to -0.40 (-1.05) SEK per share. *
- Cash flow from current operations amounted to SEK 18.4 (-14.9) million.

Second quarter (1 April 2023 - 30 June 2023)

- Net sales in SEK decreased by 0.6 percent during the quarter to SEK 129.9 (130.7) million. In local currencies, the reduction was 5.1 percent.
- The gross margin increased to 66.5 (64.8) percent.
- Operating profit improved to -2.6 (-6.6) MSEK.
- The period's result after tax improved to -3.1 (-7.5) MSEK, corresponding to -0.50 (-1.21) SEK per share. *
- Cash flow from current operations amounted to SEK 11.6 (-11.5) million.

* *Det finns inga utspädnings effekter*

COMMENTS BY KARL KRISTIAN BERGMAN JENSEN

We entered the year with humility and caution in our marketing activities. The first quarter was not satisfactory and our sales in April were poor in many of the countries we operate in. As a result of taking a more positive and aggressive approach to the market in the second quarter and increasing our activities and marketing, sales and results in May and June improved in many countries.

When we look at the half year as a whole, we have only achieved a minimal increase in our turnover of barely one percent measured in Swedish kronor. We have advanced in the Nordics and North America, but lost sales in the rest of Europe and the rest of the world. We feel that several countries in Europe have been hit harder by the economic situation and that it has been more difficult to navigate these markets.

We will continue to do our best in the second half of 2023 to get back on the growth curve we previously had. The opportunities for New Nordic are great in all markets and we will aim to increase our business and the value of our international brand in all markets where we operate.

We will not actively try to launch New Nordic in more markets right now, but we also cover almost all European markets, North America, Hong Kong, China and Australia. We will invest both in our older and established products and in our new and promising products with international potential.

After an extended period of "cleaning up" and taking back products from our US retailers, we can now focus on increasing sales of our best-selling products there. Products that have relatively low sales compared to their full potential. In China, we have entered into a distribution agreement with a local

"cross border selling" company that will market New Nordic. We expect good growth in sales to China from the third quarter of 2023.

During the second quarter of 2023, we were able to strengthen our gross margin as planned. Unfortunately, the turnover has not been high enough, resulting in a loss. This is not satisfactory.

The economic environment remains challenging, but we are confident that we can grow in these market conditions while working to improve our profitability. Our costs are under control and the organisation is ready for growth.

The inventory level is at the right level. Our financial situation is good and we can finance our future growth plans ourselves.

I thank our entire international team for their continued efforts and the passion for our business that I experience among all employees.

I am excited about our pipeline of exciting new products and the introduction plans we have planned with several key retailers later this year. Innovation, improved distribution in the markets where we operate and increased effective marketing efforts are the keys to success.

I am convinced that we are on the right path back to growth in sales and earnings, and I am focused on adding value to the New Nordic brand and on increasing earnings per share.



Karl Kristian Bergman Jensen

The information in this press release is that which New Nordic Healthbrands AB (publ) is obliged to make public according to the EU's market abuse regulation. The information was submitted for publication, through the above contact person, on July 31, 2023 at 8:00 (CET).

Link to report on New Nordic's investor relation web page: <https://newnordicinvestor.com/reports-and-presentations>

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New Nordic Healthbrands AB (publ) was founded in 1990 and is listed on Nasdaq First North Growth Market Sweden since 2007. The company's business concept is to offer the most effective and safe dietary supplements, natural medicines and cosmetic products for specific health and beauty needs. All with care for people and nature. New Nordic products are now available in 41 countries in pharmacies, health stores, beauty shops, and travel retail. New Nordic has its own small sales and marketing companies in most European countries, Canada and the United States, to organise local marketing campaigns, serve retailers and serve end customers. In 2022, revenues were SEK 488 million. Almost all New Nordic products sold worldwide are manufactured in Scandinavia. For more information, visit www.newnordic.com.

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