



PRESS RELEASE

Malmö 28 February 2025

New Nordic Healthbrands AB (publ) Full Year Report Q₄ January - December 2024

The fourth quarter (1 October 2024 - 31 December 2024)

- The Group's net sales in SEK increased by 4.9 percent during the quarter to SEK 149.6 million (142.6). In local currencies, the increase was 4.6 percent.
- The gross margin decreased to 62.8 percent (64.6) percent and gross profit amounted to SEK 93.9 million (92.1).
- Operating profit improved to SEK 1.0 million (-5.9) and was affected by SEK 0 million (-0.8) in ems affecting comparability.
- Profit after tax for the period improved to SEK +1.9 million (-5.7) and corresponded to SEK 0.31 (-0.92) per share*.
- Cashflow from operating activities amounted to SEK 11.2 million (9.9).

Twelve months (1 January 2024 - 31 December 2024)

- The Group's net sales in SEK increased by 3.1 percent during the full year to SEK 550.3 million (533.8). In local currencies, the increase was 3.4 percent.
- The gross margin decreased to 64.5 percent (65.2) percent and gross profit amounted to SEK 354.7 million (348.2).
- The operating profit decreased to SEK -4.4 million (-3.2) and was affected by SEK 0 million (-3.0) in non-recurring costs.
- The profit after tax for the period decreased to SEK -7.7 million (-6.2) and corresponded to SEK -1.24 (-1.0) per share*.
- Cashflow from operating activities amounted to SEK -5.4 million (28.0).

* *There are no dilution effects*

CEO COMMENTS BY KARL KRISTIAN BERGMAN JENSEN

We had a good end to the year. The trend during the year has also been that we have been moving in the right direction quarter after quarter in 2024. We have had growth during the year in all geographical areas except in the Nordics, which however showed growth again in the fourth quarter. Innovation and marketing have driven growth in 2024.

North America

After suffering significant losses in the US for several years in a row following the Covid pandemic, and the difficult situations faced by our retail partners, I am pleased that we have now resolved the problems and turned the situation around. A greater focus on online sales and the use of new advertising media is bearing fruit and I look forward to a good and profitable year in the US in 2025. Revenue growth in the US was double-digit. Canada has also performed well in 2024, and Canada remains our largest market.

Nordics

We were surprised by the weak start to 2024 in the Nordics. During the first half of the year, our main retailers in both Denmark and Sweden reduced their inventories. Markets such as Sweden and Denmark, where New Nordic is well established, normally contribute significant profits to the Group. It became smaller in 2024, and this negatively affected our results. We do not expect inventory reductions at our major retailers in Denmark and Sweden to continue in 2025, as we feel that store-to-consumer sales are going well. In Norway, we had good growth, although in the fourth quarter we experienced a large decrease in orders from one of our retail partners, while other of our retail partners increased their purchases.

Rest of Europe

In England and Ireland, we have had significant growth thanks to successful new product launches and a very good and close collaboration with our retail partners. In Germany, we also had strong growth despite challenging market conditions with a slowdown in the German economy. England, Germany, Italy, Spain and Switzerland all had double-digit growth rates. The remaining countries in Europe were more or less status quo compared to 2023.

In Central Asia and especially in Kazakhstan, we have moved from our own sales company to a distributor partnership with a strong and reputable distribution partner. The restructuring has resulted in a loss in 2024, where as part of the restructuring we have had to withdraw many products from the market to make room for our distributor to handle sales in the future. This is of course a one-off event that we expect to benefit us in 2025 and in the longer term.

In Benelux, we also had an unsatisfactory year in 2024. This is mainly because that in Belgium and Luxembourg we discontinued the cooperation with our distributor to take over the distribution ourselves. Our sales company in the Netherlands will take care of Belgium and Luxembourg.

Rest of the world

We started with our distributor for "cross border" sales to China in 2023. Here we also had a large inflow to their warehouse. In 2024, the sales to them were a follow-up sale, so this meant that sales to our distributor were smaller in 2024 than in 2023. Our distributor is making a great effort to establish sales of New Nordic's products in China. Our cooperation is good and we expect sales to increase in the coming years.

In Vietnam, our distributor has had good success with New Nordic's products. Vietnam is now our largest distributor market.

Results and financial situation

Our negative result in 2024 is unsatisfactory. The declining sales at the beginning of the year in Denmark and Sweden as well as costs related to structural changes in Kazakhstan and Belgium are the main reasons for the poor result. There has been a positive development throughout the year and the result in the fourth quarter is positive.

The gross margin has decreased. This is partly because that a large part of our revenue goes to distributors. Here we have a lower gross margin, as the distributors themselves are responsible for marketing in the current markets and not New Nordic. But it is also due to temporary changes in the product mix. We will try to increase the gross margin in 2025 with the tools we have.

We have good control over our costs in general and we can finance our planned growth ourselves.

Great efforts and exciting plans

Everyone at New Nordic has a passion for our company and herbal products. I would like to thank our entire international team for their great efforts in 2024.

We will consolidate in all the markets where we operate. New Nordic has a sales and marketing network in almost all of Europe, North America, China, Hong Kong and Australia. It is an enormously strong platform for further development of the company and

our brand. We also have our own online “flagship stores” in 23 countries.

We have had great success with our recent product launches and we have many great products in the pipeline within what we call “Power Categories”. This includes “longevity” anti-aging products. I look forward to all planned activities in 2025 and will make an extra effort to create further organic growth and positive earnings per share.



Karl Kristian Bergman Jensen, CEO

The information in this press release is that which New Nordic Healthbrands AB (publ) is required to disclose pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 8:00 (CET) on 28 February 2025.

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 44 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, China, Hong Kong, and Australia to organise local marketing campaigns, serve retailers and serve end customers. In 2024, revenues were SEK 550 million. Most New Nordic products sold worldwide are manufactured in Scandinavia. For more information, visit www.newnordicinvestor.com og www.newnordic.com.

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