

## Quarterly report October-December 2014

**Continued weak development in Sweden, while the profitability in the international markets improved.**

### Fourth Quarter

- Volume decreased by 9.2 % in the fourth quarter, explained by lower sales in the Swedish market. Net sales decreased by 4.7 % to MSEK 448.0 (470.0). Measured in constant currency the decrease was 7.0 %
- The underlying EBIT amounted to MSEK 21.5 (28.3), a decrease explained by lower sales in the Swedish market
- Decreasing sales in Sweden was partly compensated by continued positive development primarily in Denmark, Norway and UK
- Net cash flow amounted to MSEK 25,0 (-2,0) which decreased the net debt to the lowest level during 2014
- The cooperation with Rema 1000 continues and a new three year contract was agreed. The agreement includes the chains Rema 1000 and Bunnpris which together account for approximately 27 % of the Norwegian grocery market.

### Full year

- Volume decreased by 2.8 % during 2014. International sales continue to develop favourably, mainly driven by strong growth in Denmark, but also in Norway and the UK. Excluding Sweden, where sales development has been weak, volume increased by 3.2 %
- The net sales was in the same level as last year and amounted to MSEK 1,768.6 (1 760,9). Measured in constant currency the net sales decreased by 1.8 %.
- The underlying EBIT amounted to MSEK 69.3 (99.6), a decrease which is mainly explained by increased cost of goods sold related to adverse currency movement and lower sales in Sweden.

### CEO comment

*"It is encouraging that our international markets make its strongest year ever. The market situation in Sweden has been very tough in 2014 with a weakened Swedish krona that greatly affects our margins. Our focus now is to raise prices to restore profitability in Sweden, as well as invest in continued category development."* says Fredrik von Oelreich, President & CEO at Candyking

### For more information, please contact

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### About Candyking

Candyking was founded in 1984 and is the leading supplier of pick & mix in the Nordic region, the UK & Ireland and Poland. Candyking currently has more than 9,000 retail outlets and offers stores a turnkey concept that includes products, displays and accompanying store and logistic services. Candyking's confectionery concept and brands are Candyking, Karamellkungen, Premiyum and Candyking Favourites. In addition, Candyking is the leading pick & mix supplier of natural snacks in Sweden and Finland under the Parrot's brand. In 2014, the company had about 1,000 employees and sales of about SEK 1.8 billion. More information is available at [www.candyking.com](http://www.candyking.com)