

PRESS RELEASE

ZINZINO

Corporate ID no. 556733-1045

FAO: News Editor

Gothenburg 2019-05-16

ZINZINO AB (PUBL): INTERIM REPORT Q1 – 2019

STRONG SALES GROWTH COMBINED WITH GOOD PROFITABILITY

With the support of a new efficient sales-stimulating campaign for the distributor organization, sales growth accelerated during the quarter, which resulted in total revenues increasing by 21% to SEK 168.3 (139.3) million. Strongest growth was found in Central Europe combined with good development in most other markets.

The company's digital development continued during the first quarter by fully activating the first part of the new communication platform. Zinzino's investments in IT systems and marketing tools continue to be fundamental to distributor activity, which drives sales in the various markets.

At the beginning of the second quarter, a new chapter in Zinzino's history when the sales in Australia started the 4th of April, 2019.

JANUARY - MARCH

- Total revenues increased 21% to 168.3 (139.3) MSEK
- Gross profit amounted to 51.3 (48.4) MSEK and the gross profit margin to 30.5% (34.8%)
- EBITDA amounted to 11.8 (12.7) MSEK and the EBITDA margin to 7.0% (9.1%)
- Cash flow from operating activities amounted to 14.9 (13.3) MSEK
- Cash and cash equivalents on the balance sheet date amounted to 55.8 (58.7) MSEK
- New powerful sales campaign stimulates growth
- Start of sales in Australia

During the period, the Company changed regulations from "K3" to IFRS with the transition date on January 1st, 2018. The effect of the change means that the comparative figures for each quarter 2018 and the full year 2018 are converted to IFRS. Description and quantification are described in the interim report.

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Zinzino AB (publ) is obliged to publish this information in compliance with current EU regulations governing market abuse. The information was provided by the above contact person for publication at 08:00 the 16th of May, 2019.

Zinzino AB (publ.) is a direct sales company that operates throughout Europe and North America. Zinzino markets and sells products in two product lines: Zinzino Health, with a focus on long-term health, and Zinzino Coffee, consisting of espresso machines, coffee and tea. Zinzino owns the Norwegian company BioActive Foods AS and the research and production unit Faun Pharma AS. Zinzino has more than 120 employees and currently trades in 34 markets across Europe, North America and Australia. Zinzino is based in Gothenburg, with additional offices in Helsinki, Riga, Oslo, USA and Australia. Zinzino is a public company and its shares are listed on Nasdaq First North.