

PRESS RELEASE

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ZINZINO
INSPIRE **CHANGE** IN LIFE

FAO: News Editor

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ZINZINO AB (PUBL): Q1; CONTINUED SOUND GROWTH AND STRONG PROFITABILITY IMPROVEMENT, EBITDA RISING BY 45%

INTERIM REPORT Q1 – 2018

A work-intensive first quarter ended in a positive manner. EBITDA amounted to MSEK 8.4 (5.8), a 45% rise compared to the same period the previous year. A number of processes which were initiated during the first quarter have now provided a foundation for continued efficiency improvement and growth, according to prior prognosis.

In terms of sales, the Nordics' strong rise continues. Sweden increased by 18%, Norway by 12% and Finland by 10%. Most of the newly-established European markets in Europe showed growth during the quarter, with Hungary seeing the largest increase in sales.

The upcoming quarter will see an intensified focus on the North American market, with the aim of improving profitability by increased administrative efficiency. Q1 also saw the initiation of an establishment in Australia, an important market for continued growth and globalization.

"In recent years, we have launched several new health products in a large number of new countries. We will continue to better ourselves and will remain hungry for growth. Our business model is very scalable, and we will work hard to double our sales from today's just over half a billion SEK to a billion during the coming years", says Dag Bergheim Pettersen (CEO), commenting on this report.

PREVIOUS QUARTER IN BRIEF

- Total revenue increased by 7% to 137.5 (128.2) MSEK.
- Gross profit increased by 19.7%, amounting to 46.7 (39.0) MSEK.
- Gross profit margin increased by 3.5 percentage points to 33.9% (30.4).
- EBITDA increased by 44.8%, amounting to 8.4 (5.8) MSEK.
- EBITDA margin increased by 2.6 percentage points to 6.1% (4.5%).
- Cash flow from ongoing operations amounted to 10.9 (7.7) MSEK.
- Launch of the healthy, tasty and 100% vegan certified Energy Bar.
- Strategic North American market effort focusing on IT.
- Establishment in Australia initiated.

For more information:

Dag Bergheim Pettersen, CEO Zinzino, Mobile: +47 (0) 93 22 57 00
www.zinzino.com

Pictures for publication free of charge:

Marcus Tollbom, Mobile: +46 (0) 70 190 03 12

Certified Adviser: Erik Penser Bank Aktiebolag

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 15th of May, 2018.

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 33 markets across Europe and North America. Zinzino is based in Gothenburg, with additional offices in Helsinki, Riga, Oslo, and in Florida, USA. Zinzino is a public company and its shares are listed on Nasdaq First North. In 2016, Zinzino was recognized with the award "Superföretag 2015" by Veckans Affärer and the "Gazelle" award by Dagens Industri.