

PRESS RELEASE

ZINZINO
INSPIRE **CHANGE** IN LIFE

Corporate ID no. 556733-1045

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ZINZINO AB (PUBL): INTERIM REPORT FOR THE THIRD QUARTER 2018

STRONG GROWTH IN COMBINATION WITH A GOOD PROFITABILITY DRIVEN BY POSITIVE DEVELOPMENT IN CENTRAL EUROPE.

Launch of a new digital tool during the third quarter, in combination with Zinzino's effort of engaging distributors in different markets resulted in a 16% growth in sales compared to the same period last year. The Nordic countries accounted for 70% of the turnover but Germany, Switzerland, Austria, Spain, Rumania and Hungary continue to increase strongly during the third quarter. In addition to investing in the new digital sales tools Zinzino has expanded the activities in Hungary and Rumania for handling the fast-growing customer mass in the region. During the third quarter Zinzino has also launched a Brand book with the purpose to increase awareness of Zinzino's brand and company.

"We look back on a more overall positive quarter that is in line with our goals. We are satisfied with a 16% growth in combination with a high profitability – which meets our expectations" writes Dag Bergheim Pettersen, CEO, in his comments on the Interim Report.

JULY-SEPTEMBER

- Total revenue increased by 16% to SEK 139.8 (120.1) million
- Gross profit increased by 20% and amounted to SEK 46.0 (38.3) million
- Gross profit margin amounted to 32.9% (31.9%).
- EBITDA amounted to SEK 6.2 (5.8) million
- EBITDA-margin amounted to 4.4% (4.8%)
- Zinzino expands operations in Hungary and Romania after substantial sales growth in the region
- Launch of Zinzino Hub – a powerful digital sales tool

JANUARY-SEPTEMBER

- Total revenue increased by 9 % to SEK 421.7 (385.6) million
- Gross profit increased by 21% and amounted to SEK 139.0 (114.5) million
- Gross profit margin increased by 3.3 percentage units to 33.0% (29.7%).
- EBITDA increased by 53% and amounted to SEK 20.1 (13.1) million
- EBITDA-margin increased by 1.4 percentage units to 4.8% (3.4%)
- Cash flow from operating activities amounted to SEK 19.8 (27.4) million
- On the balance sheet date, cash and cash equivalents amounted to SEK 49.9 (38.3) million

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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 8am on November 15th.

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.