

PRESS RELEASE

ZINZINO
INSPIRE **CHANGE** IN LIFE

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ZINZINO AB (PUBL): INTERIM REPORT APRIL - JUNE 2018

STRONG QUARTER OF ZINZINO WITH STABLE GROWTH AND GREATLY IMPROVED PROFITABILITY.

Investments in digital platforms, new e-commerce solutions and sales tools have begun to impact our gross profit in a positive way. The past quarter saw an increase of 25% compared to the same period last year. The Nordic countries continue to generate in excess of 70% of profits, but Germany, Switzerland, Austria, Spain and also Romania and Hungary have seen substantial increases during the quarter. Beyond IT and sales tools investments, the establishment of a new Central European warehouse will streamline operations and increase the growth rate during the remainder of the year.

"In all, the second quarter of the year unfolded in a positive way and according to our planned goals. The 5% growth was slightly lower than expected, but was offset by strong growth in terms of gross profit compared to the previous year. We fully expect strong growth to increase during the coming six-month period" writes CEO Dag Bergheim Pettersen in his commentary to this report.

APRIL-JUNE

- Total revenue increased by 5% to 144.3 (137.3) MSEK
- Gross profit increased by 25%, amounting to 46.4 (37.2) MSEK
- Gross profit margin increased by 5.0 percentage points to 32.1% (27.1%)
- EDBITA increased by 244%, amounting to 5.5 (1.6) MSEK
- EDBITA margin increased by 2.6 percentage points to 3.8% (1.2%)
- Social media marketing cooperation with US company Naxum initiated
- A warehouse in France contributes to increased sales in Central Europe

JANUARY-JUNE

- Total revenue increased by 6% to 281.9 (265.5) MSEK
- Gross profit increased by 22%, amounting to 93.0 (76.2) MSEK
- Gross profit margin increased by 4.3 percentage points to 33.0% (28.7)
- EDBITA increased by 90%, amounting to 13.9 (7.3) MSEK
- EDBITA margin increased by 2.1 percentage points to 4.9% (2.8%)
- Cash flow from ongoing operations amounted to 10.1 (15.3) MSEK
- Liquid funds at closing amounted to 42.9 (26.6) MSEK

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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 30th of August, 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.