

# PRESS RELEASE

# ZINZINO

Corporate ID no. 556733-1045

FAO: News Editor

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## ZINZINO AB (PUBL): YEAR-END REPORT 2019

### SALES RECORDS AND INCREASED PROFITABILITY

**Strong growth in Central Europe combined with good development in most other markets contributed to total revenue increasing by 34% to SEK 770.6 (576.6) million in 2019. At the same time, EBITDA rose with 42% to SEK 33.5 (23.7) million and cash flow increased to SEK 71.3 (29.8) million. The dividend for the past financial year is proposed to SEK 0.70 (0.70) through SEK 0.55 (0.50) in ordinary dividend and SEK 0.15 (0.20) extra dividend on the same period.**

During the last quarter of 2019, total revenues increased by 52% to SEK 236.3 (155.7) million. The strong sales growth was mainly due to good development in Central Europe and Australia driven by high distributor activity.

During the quarter, a letter of intent was signed with VMA Life in Singapore. Through the collaboration, Zinzino are expected to increase sales in Asia Pacific in 2020. During 2019, Zinzino also initiated a collaboration with the US Life Leadership Community. Through the collaboration, customers from Life Leadership will have the opportunity to buy products from Zinzino. The development was good during the fourth quarter and Zinzino now has high expectations that the collaboration will generate a significant revenue increase in the North American market during 2020.

During the quarter, expansion also continued as Hungary, the Czech Republic and Slovakia became fully fledged markets with locally adapted digital tools, payment solutions and market materials. In parallel, the establishment processes have continued, focusing on the UK, India, Russia, South Africa, Greece and Hong Kong. According to the current forecast, Zinzino will open the UK in the second quarter and then Hong Kong in the third quarter.

### OCTOBER - DECEMBER

- Total revenue increased 52% to SEK 236.3 (155.7) million
- Gross profit amounted to SEK 75.0 (44.6) million and gross profit margin to 31.7% (28.6%).
- EBITDA amounted to SEK 6.3 (-3.6) million and EBITDA margin to 2.7% (-2.3%)
- Cash flow from operating activities amounted to SEK 18.1 (10.2) million

### JANUARY - DECEMBER

- Total revenues increased 34% to SEK 770.6 (576.6) million
- Gross profit amounted to SEK 232.3 (182.8) million and gross profit margin to 30.1% (31.7%).
- EBITDA amounted to SEK 33.5 (23.7) million and EBITDA margin to 4.4% (4.1%)
- Cash flow from operating activities amounted to SEK 71.3 (29.8) million
- Liquid Assets at the balance sheet date were SEK 76.8 (45.5) million
- The Board proposes a dividend for 2019 to shareholders of SEK 0.70 per share through an ordinary dividend of SEK 0.55 (SEK 0.50) and an additional dividend of SEK 0.15 (SEK 0.20) on the same dividend period

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Zinzino AB (publ.) is a global Direct Sales company that markets and sells test-based nutrition, skincare and life-style products. Zinzino owns the Norwegian company BioActive Foods AS and the research and production unit Faun Pharma AS. Zinzino is based in Gothenburg, with additional offices in Helsinki, Riga, Oslo, Florida and Adelaide. Zinzino is a public company and its shares are listed on Nasdaq First North.