

PRESS RELEASE

ZINZINO

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ZINZINO AB (PUBL): PRELIMINARY SALES REPORT SECOND QUARTER 2020

ANOTHER RECORD-SETTING QUARTER FOR ZINZINO – THE COMPANY IS INCREASING THE FORECAST FOR 2020

Strong growth in Central Europe combined with good development on most other markets contributed to total revenues increasing by 53% to SEK 274.3 (179.5) million during the second quarter. During the quarter, Zinzino continued to adapt and optimize operations to maintain the good sales growth during the pandemic outbreak. The outcome has been favorable, which means that the company adjusts the sales forecast for 2020 by SEK 100 million to SEK 1,100 million.

To achieve more efficient shipments to Central and Eastern Europe, Zinzino opened a new logistics center in Poland during the quarter. In the UK, sales have started for the new, local subsidiary and in Asia, work continued on the acquisition of VMA Life, and the opening of Zinzino in Hong Kong is getting closer. In early July 2020, Zinzino launched a new version of www.zinzinotest.com, the site where over 500,000 blood test analyses have been made – now with updated functionality, design and layout.

APRIL - JUNE

- Total revenue increased by 53% to SEK 274.3 (179.5) million
- Gross profit amounted to SEK 73.5 (55.0) million and the gross profit margin was 26.8% (30.6%)
- EBITDA amounted to SEK 16.0 (11.0) million and the EBITDA margin to 5.8% (6.1%)
- Cash flow from operating activities totalled SEK 19.9 (2.9) million

JANUARY – JUNE

- Total revenue increased by 48% to SEK 516.4 (347.8) million
- Gross profit amounted to SEK 157.2 (106.3) million, of which items affecting comparability regarding reporting of sales commissions amounted to SEK 22.2 million. Gross profit margin amounted to 30.4% (30.6%)
- EBITDA amounted to SEK 42.3 (22.8) million and the EBITDA margin to 8.2% (6.6%)
- Adjusted EBITDA amounted to SEK 20.1 million and the adjusted EBITDA margin to 3.9%
- Cash flow from operating activities totalled SEK 52.5 (17.8) million
- Liquid assets on the balance sheet date were SEK 107.2 (30.8) million

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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 research unit BioActive Foods AS 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 Growth Market.