

ZINZINO AB

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Zinzino AB (publ) acquires further 13.8 per cent of Faun Pharma AS – safeguarding continued research and expanded product range

Zinzino AB (publ), which last week reported growth of over 40% in 2014, has acquired a further 13.8 per cent of Faun Pharma AS of Norway and now owns 98.8 per cent of the company

“By further increasing our majority holding in Faun Pharma we are able to safeguard continued rapid growth through self-directed research and an expanded product range. The acquisition will also generate large cost-side synergies for us, as well as better margins. Since we also acquired BioActive Foods in December 2014, we now control the entire chain, from research and development to sales and customer service,” said Dag Bergheim Pettersen, CEO of Zinzino AB.

Faun Pharma is a manufacturer of cosmetics, health and dietary supplements products. In addition to Zinzino’s current range of health products, Faun Pharma will enable the company to not only continue to develop existing products, but also to develop completely new ones.

“Faun Pharma is a very modern research and production facility. The plant moved into new premises in Vestby in Norway just three years ago. The new facility has given Zinzino the opportunity to research, develop and produce new high-quality products in an efficient way,” said Dag Bergheim Pettersen.

The ambitious goals outlined by Zinzino, including growth of 25 per cent a year over the next three years and geographical expansion into new markets such as Germany and Canada in 2015, presuppose that the company has a solid foundation from which to grow.

“It is important to always find new, more efficient ways. The fact that we are now increasing control over all aspects of our product range is of course a step on the way to achieving our goals of expanding into new markets and growing our customer base. It also means that we are able to offer our customers a better and broader product range at a better price,” said Dag Bergheim Pettersen.

Zinzino paid NOK 1.52m in cash for the acquisition of 13.8 of Faun Pharma.

Faun Pharma AS was founded in 2001 and is based in Vestby, 30 minutes south of Oslo. Its most important customers are the retail chain Life and Proteinfabrikken, as well as several players in the health and dietary supplements sector. See www.faunpharma.no.

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Zinzino AB (publ.) is a leading direct sales company with a presence in Sweden, Norway, Denmark, Finland, Estonia, Latvia, Lithuania, Iceland, the Faroe Islands, Poland, the Netherlands and the USA. Zinzino markets and sells functional food and coffee. The functional food product line comprises the Balance products oils, shakes, tests and capsules. The coffee product line comprises espresso machines, coffee, tea and accessories. Activities are characterised by high quality, proximity to customers and focus on active product development. The products are marketed via direct sales. Zinzino is a public limited company whose shares are listed on Nasdaq First North. The company has some 80 employees, and as well as the head office in Gothenburg the company has an office in Florida in the USA. The company also owns a production company, Faun Pharma AS, which employs 30 staff and is located in Vestby, outside Oslo in Norway.