



INTERIM REPORT

1 APRIL – 30 JUNE 2015
NICOCCINO HOLDING AB (publ)

Nicoccino Holding Development

SECOND QUARTER 1 APRIL – 30 JUNI 2015 SUMMARY

- Net sales for the second quarter amounted to 397 TSEK (0).
- Net income amounted to -7,4 MSEK (-5,6) or -0,56 SEK per share (-0,52).
- Cash flow from operating activities amounted to -7,4 MSEK (-10,3) or -0,56 SEK per share (-0,96).
- Nicoccino Holding's liquid assets were by the end of the period valued at 50 MSEK (24,7).
- During the second quarter distribution to the pharmacy market in the UK was initiated through a sales agreement with Skills In Healthcare, a contract sales arm of Walgreens Boots Alliance, and through an agreement with one of Europe's leading pharmaceutical distributors, AAH. The agreement today includes over 150 pharmacies in the UK.
- In May, a distribution agreement was signed with Fall Consulting regarding sales and distribution for Czech Republic and Poland.
- During the second quarter an agreement was also signed with Quantus GmbH regarding distribution sales of Nicoccino in Germany.
- During the period both a rights issue and a share issue was completed, contributing 54,4 MSEK excluding expenses. After the registration of the two new issues, the share capital amounted to 691 500 SEK divided between 13 830 000 shares.





EVENTS AFTER THE END OF THE REPORTING PERIOD

- Authorities in the Czech Republic have approved Nicoccino™ to be marketed and sold as a consumer product. The approval clarifies the categorization of Nicoccino within the European Union and paves the way for further sales in other EU countries.
- The United States Patent and Trademark Office has approved Nicoccino™ as a trademark in the US market.
- The shareholders of Nicoccino Holding AB have called an Extraordinary General Meeting on September 9, 2015, where the nomination of Jonas Nordquist as the new chairman will be presented along with a proposition for a share option plan for senior executives and key employees.

Comments from CEO

ACCELERATED SALES

The sales in the second quarter of 2015 increased more than threefold compared to the previous quarter, from 125 to 397 TSEK. The positive development is mainly due to increased sales to our distributors. According to our estimations the next six months of 2015 will surpass the past six months. With that said, I would like to highlight that the sales might be a subject to volatility between quarters, but the long term trend, is undoubtedly positive.

CLEAR STRATEGY

The accelerated sales of the past quarter is an effect of the clear strategy that we've cemented in our organization. In summary, the strategy focuses on increasing sales to distributors in order to reach more distribution channels. Our online sales, which is growing at a stable pace, is important to us in a sense that it expands our customer base. The larger the customer base, the more opportunities we'll have to reach new distribution channels. Even if online sales and sales to distributors are closely tied, my assessment is that the future of Nicoccino will rely on sales to distributors. We are offering our customers a consumer product that they want to use on a daily basis. Our mission is therefore to secure that our product is accessible to our customers without having to plan ahead.

CZECH REPUBLIC – AN IMPORTANT BREAKTHROUGH

The decision made by the agricultural ministry of the Czech Republic to approve our product is very pleasing. This means that our product - Nicoccino™ – is not to be classified as food, tobacco or a pharmaceutical





product which allows us to market and sell the product as a consumer product. The approval is advantageous because, not only does it open the door to the Czech Republic but also for the entire European Union. We'll have access to a tobacco market with an estimated worth of 136 billion EUR.

In our industry, the regulatory assessment of the product is vital. The fact that the Czech Republic has approved Nicoccino as a consumer product is decreasing the company's risks involving regulations. The approval paves the way for continued offensive expansions.

A GROWING MARKET

Nicoccino acts on a market for alternative nicotine products, a market with strong growth. Some experts claim that within ten years, the global market for alternative nicotine products will grow larger than the market for cigarettes.

Summarizing the development in the past quarter, Nicoccino has acquired a platform for growth and gained substantial leverage on a market with strong underlying growth.



Michel Bracké
CEO
Nicoccino Holding AB





About Nicoccino and our product

ABOUT THE COMPANY

Nicoccino AB develops and markets a patented, innovative and discrete nicotine product that instantly provides the user with nicotine without the detrimental side effects of traditional tobacco products. The product has the same name as the company - Nicoccino™ – and is manufactured through partners. Nicoccino is currently sold in the UK, Germany, Czech Republic, Poland and through our online platform (purenicoccino.com)

Nicoccino`s head quarter is located in Täby outside of Stockholm and a sales office in London. The company's shares have been listed on Nasdaq Stockholm First North since June 2014 and can be found under the abbreviation NICO.

Remium Nordic AB is Nicocino Holding's Certified Adviser.

ABOUT THE PRODUCT

Nicoccino™ patented, innovative and discrete nicotine product that instantly provides the user with nicotine without the detrimental side effects of traditional tobacco products. Nicoccino™ is a consumer product that contains nicotine. The purpose of the product is primarily to offer smokers an attractive alternative when they do not want or have the possibility to smoke.

The product itself is a wafer thin and alginate based film about the size of half a stamp. Every Nicoccino film contains 1 milligram of nicotine. The product contains medically classified nicotine and alginate, extracted from brown seaweed, as well as natural flavourings and aromas. All additional substances are medically approved.

Nicoccino is easily applied discretely under the lip or any other mucous membrane in the mouth. Within just a few minutes, the nicotine has been expended and the film has been dissolved and disappeared without leaving any residue.



NICOCINO™

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