

A circular view through a tunnel looking out at a sunset over the ocean. The tunnel's interior is metallic and shows some rivets. The view outside shows a calm sea, a dark pier or breakwater, and distant land under a sky with soft, colorful clouds.

Nicoccino

# Q3 INTERIM REPORT

JANUARY – SEPTEMBER 2016  
NICOCCINO HOLDING AB (publ)  
org.nr 556942-1604

# Nicoccino Holding Development

## THIRD QUARTER SUMMARY

### JULY – SEPTEMBER 2016

- Net sales for the third quarter amounted to 0.1 MSEK (0.1 MSEK).
- Net income amounted to -3.8 MSEK (-7.3 MSEK) or -0.27 SEK per share (-0.53 SEK).
- Cash flow from operating activities amounted to -1.4 MSEK (-7.0 MSEK) or -0.10 SEK per share (-0.38 SEK).
- Liquid assets amounted to 25.9 MSEK (44.6 MSEK) by the end of the period.
- In September Anders Ulfhielm was appointed as new CEO. Anders has extended experience from the pharmaceutical industry, most recently from a position as partner at Avanticon networks.
- New Zealand has as the second country approved the Company's nicotine patent.

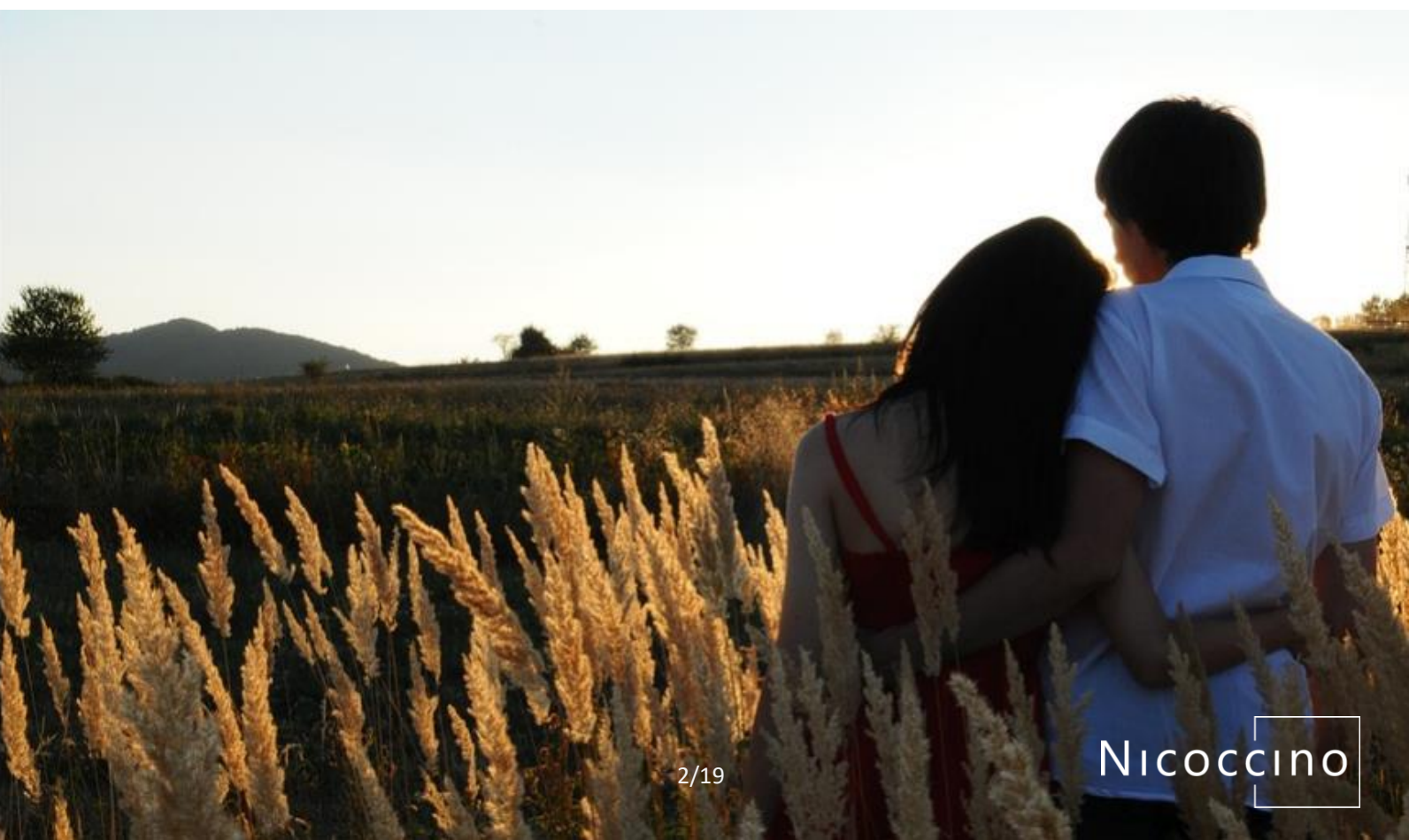
## PERIOD SUMMARY

### JANUARY – SEPTEMBER 2016

- Net sales amounted to 0.4 MSEK (0.6 MSEK).
- Net income amounted to -17.7 MSEK (-23.5 MSEK) or -1.28 SEK per share (-1.85 SEK).
- Cash flow from operating activities amounted to -9.5 MSEK (-20.5 MSEK) or -0.69 SEK per share (-1.61 SEK).

## EVENTS AFTER THE END OF THE REPORTING PERIOD

- In October, Nicoccino signed an agreement with an American manufacturer who will produce the Company's nicotine strip according to the regulatory requirements needed for a licensed product.



## Comments from CEO

Today everyone knows that smoking is dangerous, but despite this, smoking cause 5 million deaths per year and by 2030, this figure will increase to 8 million. And for every person who dies, 20 people suffer from at least one serious illness.

Most people believe that smoking rates goes down, which it does in the West, but globally the figure is slowly increasing with 3 % a year, foremost in the Middle East, India and China. It is with legislations, restrictions and tax pressures the number of smokers can be pushed down, in combination with aids.

The market for smoking cessation products is enormous, and that Nicoccino with its unique product can provide an effective aid is fantastic. The company has during the past years gone through some different phases, however with one clear goal - that in 2016 begin the journey in getting the nicotine strip registered and approved as a smoking cessation drug.

The results of the recent period are that we have a strong patent protection; this year we received approval for our own nicotine patent in two markets, Singapore and New Zealand, which extends the platform protection to 2033. The product works from a user perspective, as it is being sold online in the UK where we have a loyal customer group. Finally, we have reports showing a 24-month shelf life and that the nicotine in a quick and efficient manner is released in the bloodstream. This we will now build on!

I have 30 years of experience within the pharmaceutical industry. During my years I have worked in various senior positions which given me in-depth knowledge of details such as active substances, of process- and documentation requirements and how to register and launch medicines.

The last few years I have supported pharmaceutical companies similar to Nicoccino to develop products and conduct clinical trials. It is with this background I am very motivated to take over and lead the Company to a registered and approved smoking cessation drug.

We now have three important phases in front of us which needs to be closely monitored and controlled. First, we need to develop a GMP approved product for clinical trials. Then conduct a clinical study to demonstrate the effect. Finally, prepare and submit a registration application to the MPA [Medical Products Agency].

Currently we are in the first phase and are excited about just having signed a contract with an American producer who will manufacture the nicotine strip. After the initial technical transfer and relevant tests, a batch will be manufactured for clinical trials.

My main objective is clear, to get the nicotine strip approved as a smoking cessation drug. This accomplishment adds value to the company as a drug approval is attractive to global players active in the smoking cessation industry.



**Anders Ulfhielm,**  
CEO, Nicoccino Holding AB



# About Nicoccino and our product

## ABOUT THE COMPANY

Nicoccino has developed an innovative and patented nicotine product that after completion of a clinical study will be classified as a medicine for smoking cessation (Nicotine Replacement Therapy – NRT). With a clear classification, regulatory uncertainty will be reduced and new markets will open up that would otherwise not be accessible. Sales to consumers will be managed indirectly through a license model with international partners who are more financially equipped to reach out globally.

In 2014/2015 a commercial test launch was conducted in the UK where Nicoccino™ was sold as a consumer product online, and in retail. This introduction confirmed that the concept works and that there is a great potential for this new type of nicotine product.

In early 2016 a new strategy was formed with an increased focus on creating a product platform that can be used by partners who wish to establish themselves in the market of Nicotine Replacement Therapy (NRT) or want to expand their existing product portfolio. This new strategy has resulted in the prioritization of achieving a drugs classification for when entering partnerships.

Nicoccino has its office located in Täby, outside of Stockholm. The company's shares are listed on Nasdaq Stockholm First North since June 2014 and can be found under the abbreviation NICO.

Remium Nordic AB is the Nicoccino's certified adviser.

For more information: [www.nicoccino.se/en](http://www.nicoccino.se/en)

## ABOUT THE PRODUCT

Nicoccino has developed a patented, innovative and discrete strip that through its unique delivery method instantly provides the user with nicotine without the detrimental side effects of smoking.

The product is designed to offer smokers an attractive alternative when they want to quit smoking. After a pharmaceutical approval, the product will be sold as a smoking cessation drug (Nicotine Replacement Therapy – NRT).

Once the strip is placed under the lip and onto the gum, it delivers a quick and potent nicotine effect. Within a couple of minutes the nicotine has been expended and the film dissolves without leaving any residue in your mouth.

The platform is formulated in Sweden and is the result of over ten years of research and development.

The strip itself is leaf thin and alginate based, about half the size of a stamp. Each dose contains 1 mg of medically classified nicotine, an alginate base (extracted from brown seaweed), as well as natural flavorings and aromas. All additional substances are medically approved.



# Vision, Mission and Strategic Goals

## VISION

To offer a unique and attractive nicotine product that is the most effective on the market.

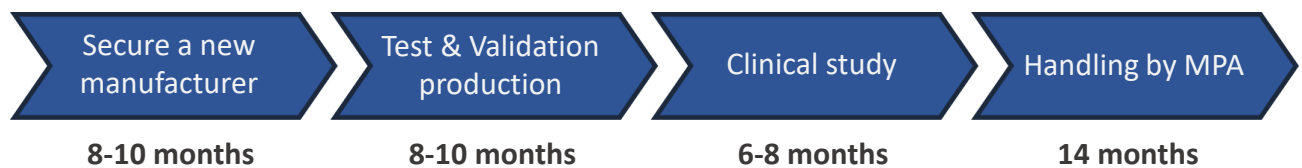
## MISSION

Offer consumers an effective aid to quit smoking.

## STRATEGIC GOALS

1. Secure a new pharmaceutical manufacturer.
2. Carry out test, validation and clinical production.
3. Completion of a clinical study.
4. Receive a pharmaceutical approval from the Medical Products Agency [MPA].

## TIME LINE



# Business Idea and Business Model

## BUSINESS IDEA

Nicoccino will, through its patented product platform, offer an attractive Nicotine Replacement Therapy product which is the most effective on the market.

## BUSINESS MODEL

The business model is based on introducing the product platform to international partners that wish to establish themselves in the market of Nicotine Replacement Therapy (NRT) alternative nicotine products or want to expand their existing product portfolio, and to launch the product themselves globally or in different regions.

The licensing model could mean that the strategy is adapted to the conditions for each respective geographical market. Partnerships can also be established at earlier stages of the clinical approval process.

The business model can also mean sales of patent and licensing of patents.

Production and logistics are outsourced to external partners.

# Patent and Intellectual Property Rights

## PLATFORM PATENT

Nicoccino is licensing the platform patent from Uppsalagruppen Medical AB.

The Platform patent aims to protect the production of a strip that dissolves in the mouth when attached to a mucous membrane, releasing an active substance into the bloodstream via the membrane in the process.

The patent is exclusive and licensed to the Company during the patent's period of validity for products containing nicotine. This is a royalty free lifetime license agreement and The Company will cover any costs related to retaining the patent.

The Patent Application (PCT-application) is so far approved and protected by twelve countries (Sweden, USA, China, Russia, Japan, Australia, New Zealand, South Africa, Israel, South Korea and Canada and Mexico) until 2026.

## NICOTINE PATENT

The Nicotine patent is owned by Nicoccino.

The Nicotine patent aims to protect the capability of quickly supplying nicotine via mucous membranes in the mouth using a product that can be stored in room temperature without breaking down the nicotine.

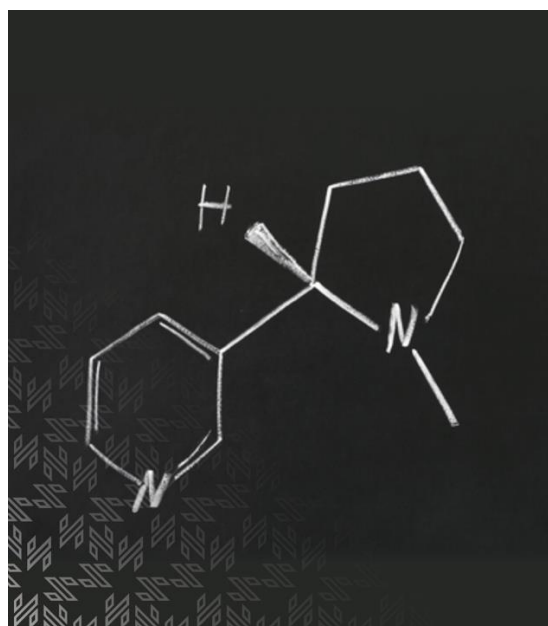
Singapore was the first market to approve the nicotine patent (in March 2016) which enhances and extends the protection of the platform until 2033.

New Zealand has as the second country (September 2016) approved the Company's nicotine patent.

The Patent application is filed in additionally fourteen countries as well as the EU.

## TRADEMARK

Nicoccino™ is a trademark owned by Nicoccino AB, with approval in all EU member states. Logotype, symbols and graphic design was approved in October 2014. Nicoccino™ has been approved in Canada, China, Monaco, Norway, South Korea, Turkey and the United States. Approval for Israel, Kazakhstan, Russia and Switzerland is pending.



## Operations third quarter

### SALES AND MARKETING

- The sales online continues in the same pace as during previous quarters. Different campaigns have been conducted in order to drive sales of the existing stock.
- The products now available for sales has a shelf life until January 2017. Thereafter all sales activities of Nicoccino™ in its current form – *a consumer product* – will end. Instead, the nicotine strip can be sold as a NRT (Nicotine Replacement Therapy) after completed study and approval from the MPA (Medical Products Agency).

### MANUFACTURING AND DEVELOPMENT

- As the Company is focused on developing a licensed drug, Nicoccino has sought new collaborations to secure an optimal production partner that fulfils all regulatory requirements but also has the flexibility and capacity suitable for the Company's new business model.
- In October, Nicoccino signed an agreement with an American manufacturer that has long and extensive experience of the industry.
- In order to manage the drug registration in best possible way, Nicoccino has hired consultant companies that are experts in this area and are responsible for both study and communication with the MPA.



## Sales and Net Income

### THIRD QUARTER

#### JULY – SEPTEMBER 2016

- Net revenue for the third quarter of 2016 increased to 0.1 MSEK (0.1 MSEK) compared to the previous quarter of 0.1 MSEK.
- A write-down of inventories has been made during the quarter amounting to 0.6 MSEK.
- Cash flow from operating activities amounted to -1.4 MSEK (-7.0 MSEK) or- 0.10 SEK per share (-0.38 SEK).
- Earnings before interest and taxes (EBIT) amounted to -3.3 MSEK (-8.3 MSEK).
- Financial expenses equaled -0.5 MSEK (-0.3 MSEK) and is mainly related to currency losses on intercompany trade receivables.
- Net income for the quarter amounted to -5.0 MSEK (-7.3 MSEK).

### NINE MONTH PERIOD

#### JANUARY – SEPTEMBER 2016

- Net sales for the for the nine month period amounted to 0.4 MSEK (0.6 MSEK).
- The cost development has been stable for the period, and has decreased some during the last two months thanks to personnel turnover. A write-down of inventories has been made amounting to 0.6 SEK.
- Cash flow from operating activities amounted to -9.5 MSEK (-20.5 MSEK) or -0.69 SEK per share (-1.61 SEK).
- Earnings before interest and taxes (EBIT) amounted to -15.9 MSEK (-24.5 MSEK).
- Financial expenses equaled to -2.2 MSEK (0.8 MSEK) and earning before taxes (EBT) amounted to -17.7 MSEK (-23.5 MSEK).
- Net income for the period amounted to -17.7 MSEK (-23.5 MSEK).

# Financial Overview and Cash Flow

Nicoccino Holding's balance sheet total amounted to 135 MSEK compared to 162 MSEK at the end of the third quarter 2016. Equity amounted to 133.4 MSEK compared to 156.0 MSEK in the corresponding period previous year which presents us with an equity/asset ratio of 98 % (96) at the end of the third quarter.

Cash flow from operating activities equaled -9.5 MSEK (-20.5 MSEK) for the period.

Current cash amounted to 25.9 MSEK at the end of the third quarter, compared to 44.6 MSEK in the corresponding period previous year.

## EMPLOYEES

Average amount of employees in the company was calculated to 3 (10).

In September, Anders Ulfhielm was appointed as new CEO for the Company.

## INVESTMENTS AND DEPRECIATIONS

Investments for the period amounted to 0.8 MSEK (0.0 MSEK). Depreciation and write-offs reached -1.2 MSEK (-0.8 MSEK).

## TAXES

The company has paid 0 SEK in taxes for the period, due to existing tax loss carryforwards. For further information, please find the Annual Report for 2015, note 8, page 27.

## TRANSACTIONS WITH ASSOCIATES

No transactions have occurred between Nicoccino AB and associates that has substantially affected its position or income.

## PARENT COMPANY

The parent company Nicoccino Holdings net income amounted to 0.1 MSEK (-3.0 MSEK) for the third quarter.

The parent companies liquid assets at the end of the period equaled 21.3 MSEK (43.1 MSEK).

## SHARE CAPITAL AND THE STOCK

The share capital at the end of the period amounted to 0.69 MSEK divided into 13.830.000 shares.

There are 4,431 registered share holders in Nicoccino Holding AB by September 30, 2016.

Remium Nordic AB is Certified Adviser.

## SHARE OPTION PLAN

Nicoccino Holding has one stock option scheme in place. The scheme contains 500,000 share options where each option holder is entitled to subscribe to a new share in Nicoccino Holding at strike price 36 SEK per share. 150,000 of these shares have been issued and the remaining options are in the possession of one of the group's subsidiaries.

## RISKS AND INSECURITIES

Nicoccino is through its operations exposed to risk and uncertainties. Information about the company risks and uncertainties can be found on pages 7-9 in the 2015 Annual Report, which is available on the webpage ([www.nicoccino.se/en](http://www.nicoccino.se/en)).

# Accounting principles and Notes

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act and IFRS, endorsed by EU. The parent company applies the Swedish Annual Accounts Act and RFR2, Reporting For Legal Entities.

## Definitions and Key Performance Indicators

### *Earnings per share*

Net income divided with average amount of shares.

### *Average amount of shares*

The average amount of shares in Nicoccino Holding AB are calculated based on the weighted historical amount of outstanding shares in Nicoccino Holding AB after every new share issue, multiplied with the number of days the shares been outstanding.

### *Equity/Asset Ratio*

Equity in relation the company's assets.

### *Return on Equity*

Earnings before taxes (EBT) in relation to equity.

### *Return on capital employed*

Earnings before taxes in relation to employed capital

### *Capital Employed*

Equity plus loans which are not subject to interest

### *Equity per share*

Equity divided by number of share on the closing date.

### *Cash flow from operating activities per share*

Cash flow from operating activities divided with average amount of shares

### *Cash flow per share*

The cash flow at the end of the period divided with average amount of shares.

## FINANCIAL CALENDER

**Feb 24<sup>th</sup>, 2017** Year-end report Jan - Dec 2016  
**April 27<sup>th</sup>, 2017** Interim report Jan - March 2017  
**April 27<sup>th</sup>, 2017** Annual general meeting 2017

## CONTACT

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+46 70 594 7618  
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This report has not been reviewed by the company auditor.

This information is information that Nicoccino Holding AB (publ) (org.nr 556942-1604) is obliged to make public pursuant to the Securities Markets Act. The information was submitted for publication at 08:00 CET on 28th Oct. 2016. The report has to be communicated in Swedish and English. If differences between the versions exist, the Swedish version is pertained.

## Financial summary in brief

<b>GROUP</b>	<b>July-Sept</b>	<b>July-Sept</b>	<b>Jan-Sept</b>	<b>Jan-Sept</b>	<b>Full Year</b>
<i>in thousands (unless otherwise specified)</i>	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2015</b>
Operating income	140	123	375	645	868
Operating expenses	-4 620	-8 322	-17 081	-24 547	-32 368
Earnings before interest and taxes	-4 480	-6 997	-16 706	-22 700	-29 981
Earnings before taxes	-4 997	-7 293	-18 904	-23 478	-31 237
Net income	-4 997	-7 293	-18 904	-23 478	-31 237
Cash flow from operating activities	-1 360	-7 022	-9 507	-20 474	-28 838
Liquid assets end of period	25 947	44 640	25 947	44 640	36 285
Equity end of period	131 180	156 021	131 180	156 021	148 541
<b>Key performance indicators</b>					
Return on equity, %	neg	neg	neg	neg	neg
Return on capital employed, %	neg	neg	neg	neg	neg
Equity/asset ratio	97%	96%	97%	96%	96%
Investments in financial assets		-21	-826		-39
	-817			-42	-
Employees at end of period	3	10	3	10	9
Earning per share, before dilution, SEK	-0,36	-0,53	-1,37	-1,85	-2,41
Earning per share, after dilution, SEK	-0,36	-0,53	-1,37	-1,85	-2,41
Equity per share, SEK	9,49	11,28	9,49	11,28	10,74

# Consolidated Statement of Comprehensive income

<b>GROUP</b> <i>in thousands (unless otherwise specified)</i>	<b>July-Sept</b> <b>2016</b>	<b>July-Sept</b> <b>2015</b>	<b>Jan-Sept</b> <b>2016</b>	<b>Jan-Sept</b> <b>2015</b>	<b>Full Year</b> <b>2015</b>
<b>OPERATING SALES</b>					
Net sales	140	123	375	645	868
Other revenues		1 202		1 202	1 519
<b>Total revenues</b>	<b>140</b>	<b>1 325</b>	<b>375</b>	<b>1 847</b>	<b>2 387</b>
<b>OPERATING EXPENSES</b>					
Purchased goods	-21	-118	-243	-413	-625
External expenses	-1 494	-3 082	-8 815	-14 091	-19 036
Personnel expenses	-2 399	-4 851	-6 780	-9 235	-11 628
Depreciation and revaluations	-706	-271	-1 243	-808	-1 079
<b>Total expenses</b>	<b>-4 620</b>	<b>-8 322</b>	<b>-17 081</b>	<b>-24 547</b>	<b>-32 368</b>
<b>Earning before interest and tax (EBIT)</b>	<b>-4 480</b>	<b>-6 997</b>	<b>-16 706</b>	<b>-22 700</b>	<b>-29 981</b>
<b>FINANCIAL INCOME AND EXPENSES</b>					
<b>Financial net</b>	<b>-517</b>	<b>-296</b>	<b>-2 198</b>	<b>-778</b>	<b>-1 256</b>
<b>Earnings before tax (EBT)</b>	<b>-4 997</b>	<b>-7 293</b>	<b>-2 198</b>	<b>-23 478</b>	<b>-31 237</b>
Income tax					-
<b>Net income</b>	<b>-4 997</b>	<b>-7 293</b>	<b>-18 904</b>	<b>-23 478</b>	<b>-31 237</b>
Attributable to shareholders of the parent company	-4 997	-7 293	-18 904	-23 478	-31 237
Minority interest	-	-	-	-	-
Average amount of shares, before dilution	13 830	13 766	13 830	12 691	12 986
Average amount of shares, after dilution	14 728	14 514	14 728	13 200	13 779
The number of shares on closing date	13 830	13 830	13 830	13 830	13 830
Earnings per share, SEK	-0,36	-0,53	-1,37	-1,85	-2,41
<b>OTHER COMPREHENSIVE INCOME</b>					
Net income	-4 997	-7 293	-18 904	-23 478	-31 237
Other comprehensive income, before taxes	1 143	11	1 186	192	470
<b>Total comprehensive income</b>	<b>-3 854</b>	<b>-7 282</b>	<b>-17 718</b>	<b>-23 286</b>	<b>-30 767</b>
Attributable to shareholders	-3 854	-7 282	-17 718	-23 286	-30 767

## Consolidated Statement of Financial Position

<b>GROUP</b>	<b>Sept 30</b>	<b>Sept 30</b>	<b>Dec 31</b>
<i>in thousands (unless otherwise specified)</i>	<b>2016</b>	<b>2015</b>	<b>2015</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<i>Tangible assets</i>			
Machinery & equipment	359	75	66
Installations in properties	140	176	165
<i>Intangible Assets</i>			
Development funding	3 297	4 100	3 859
Goodwill & Intangible property rights	105 095	105 140	105 127
<i>Financial Assests</i>			
<b>Total non-current assets</b>	<b>108 891</b>	<b>109 491</b>	<b>109 217</b>
<b>Current Assets</b>			
Inventories	136	6 000	5 670
Accounts receivable	366	2 351	2 916
Short-term financial investments		24 296	-
Cash and bank	25 947	20 344	36 285
<b>Total current assets</b>	<b>26 449</b>	<b>52 991</b>	<b>44 871</b>
<b>TOTAL ASSETS</b>	<b>135 340</b>	<b>162 482</b>	<b>154 088</b>
<b>Equity and liabilities</b>			
Total equity	<b>131 180</b>	<b>156 021</b>	<b>148 541</b>
<i>Liabilities</i>			
Current liabilities	4 160	6 461	5 547
<b>Total liabilities</b>	<b>4 160</b>	<b>6 461</b>	<b>5 547</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>135 340</b>	<b>162 482</b>	<b>154 088</b>

## Consolidated Statement of Changes in Equity

<b>GROUP</b> <i>in thousands (unless otherwise specified)</i>	<b>Share capital</b>	<b>Other capital contributions</b>	<b>Translation reserves</b>	<b>Retained earnings</b>	<b>Total shareholder's equity</b>
<b>Opening balance 2015-01-01</b>	<b>556</b>	<b>145 158</b>	<b>-174</b>	<b>-17 428</b>	<b>128 112</b>
<i>Total changes in equity</i>					
Income for the period				-31 237	-31 237
Total comprehensive income for the period			470		470
translation gain/losses					
<i>Transactions with shareholders</i>					
Issue of shares	136	51 062		-2	51 196
<b>Closing balance 2015-12-31</b>	<b>692</b>	<b>196 220</b>	<b>296</b>	<b>-48 667</b>	<b>148 541</b>
<b>Opening balance 2016-01-01</b>	<b>692</b>	<b>196 220</b>	<b>296</b>	<b>-48 667</b>	<b>148 541</b>
<i>Total changes in equity</i>					
Income for the period				-18 904	-18 904
Total comprehensive income for the period			1 543		1 543
translation gain/losses					
<i>Transactions with shareholders</i>					
Issue of shares					
<b>Closing balance 2016-09-30</b>	<b>692</b>	<b>196 220</b>	<b>1 360</b>	<b>-57 694</b>	<b>131 180</b>

## Consolidated Statement of Cash Flow

<b>GROUP</b> <i>in thousands (unless otherwise specified)</i>	<b>July-Sept 2016</b>	<b>July-Sept 2015</b>	<b>Jan-Sept 2016</b>	<b>Jan-Sept 2015</b>	<b>Full Year 2015</b>
<b>OPERATING ACTIVITIES</b>					
Income after financial items	-4 997	-7 293	-18 904	-23 478	-31 237
Depreciation	706	271	1 243	808	1 079
Other non-cash items	517		2 198		
<b>Cash flow from operating activities before change in working capital</b>	<b>-3 774</b>	<b>-7 022</b>	<b>-15 463</b>	<b>-22 670</b>	<b>-30 158</b>
Change in working capital	2 414	1 757	5 956	2 196	1 320
<b>Cash flow from operating activities</b>	<b>-1 360</b>	<b>-5 265</b>	<b>-9 507</b>	<b>-20 474</b>	<b>-28 838</b>
<b>INVESTMENT ACTIVITIES</b>					
Investments in intangible fixed assets					-
Investments in tangible fixed assets	-817	-21	-826	-42	-39
Investments in financial assets					-
<b>Cash flow from investing activities</b>	<b>-817</b>	<b>-21</b>	<b>-826</b>	<b>-42</b>	<b>-39</b>
<b>Cash flow after net investment</b>	<b>-2 177</b>	<b>-5 286</b>	<b>-10 333</b>	<b>-20 516</b>	<b>-28 877</b>
<b>FINANCING ACTIVITIES</b>					
Contributed equity		-28		51 196	51 196
<b>Cash flow from financing activities</b>		<b>-28</b>		<b>51 196</b>	<b>51 196</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>-2 177</b>	<b>-5 314</b>	<b>-10 333</b>	<b>30 680</b>	<b>22 319</b>
Liquid assets beginning of period	28 124	49 955	36 285	13 966	13 966
Exchange rate differences in liquid assets			5	5	-
Liquid assets at end of period	25 947	44 641	25 947	44 641	36 285



## Parent Company Income Statement

<b>PARENT COMPANY</b> <i>in thousands (unless otherwise specified)</i>	July-Sept 2016	July-Sept 2015	July-Sept 2016	July-Sept 2015	Full Year 2015
<b>OPERATING SALES</b>					
<b>Net sales</b>					
Revenues	750	750	2 250	2 250	3 000
<b>OPERATING EXPENSES</b>					
External expenses	-195	-205	-1 087	-915	-1 474
Personnel expenses	-1 662	-3 226	-3 188	-4 205	-4 674
Depreciation and revaluations					-
<b>Total expenses</b>	<b>-1 857</b>	<b>-3 431</b>	<b>-4 275</b>	<b>-5 120</b>	<b>-6 148</b>
<b>Earning before interest and tax (EBIT)</b>	<b>-1 107</b>	<b>-2 681</b>	<b>-2 025</b>	<b>-2 870</b>	<b>-3 148</b>
<b>FINANCIAL INCOME AND EXPENSES</b>					
Financial net	-2	-314	-2	-704	-746
<b>Earnings before tax (EBT)</b>	<b>-1 109</b>	<b>-2 995</b>	<b>-2 027</b>	<b>-3 574</b>	<b>-3 894</b>
Income tax					-
<b>Net income</b>	<b>-1 109</b>	<b>-2 995</b>	<b>-2 027</b>	<b>-3 574</b>	<b>-3 894</b>

## Parent Company Balance Sheet

<b>PARENT COMPANY</b>	<b>Sept 30</b>	<b>Sept 30</b>	<b>Dec 31</b>
<i>in thousands (unless otherwise specified)</i>	<b>2016</b>	<b>2015</b>	<b>2015</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<i>Financial assets</i>			
Shares in subsidiaries	163 099	118 099	163 099
Financial assets			
<b>Total non-current assets</b>	<b>163 099</b>	<b>118 099</b>	<b>163 099</b>
<b>Current assets</b>			
intercompany receivables	8 561	34 937	-
Accounts receivable	72	76	94
Short-term financial investments		24 296	-
Cash and bank	21 257	18 760	34 962
<b>Total current assets</b>	<b>29 890</b>	<b>78 069</b>	<b>35 056</b>
<b>TOTAL ASSETS</b>	<b>192 989</b>	<b>196 168</b>	<b>198 155</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Restricted equity	692	692	692
Nonrestricted equity	189 737	192 083	191 764
<b>Total equity</b>	<b>190 429</b>	<b>192 775</b>	<b>192 456</b>
<b>Liabilities</b>			
Intercompany payables			2 652
Current liabilities	2 560	3 393	3 047
<b>Total liabilities</b>	<b>2 560</b>	<b>3 393</b>	<b>5 699</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>192 989</b>	<b>196 168</b>	<b>198 155</b>

*The Group management and the CEO certify that the interim financial report gives a fair view of the performance of the business, position and income of Nicoccino Holding AB. It aims to describe the principal risks and uncertainties that the company and its subsidiaries face.*

Stockholm, October 28th 2016

The Board of Directors and the CEO for  
NICOCCINO HOLDING AB (publ)

Jonas Nordquist  
*Chairman of Board*

Johan Thorell  
*Director of Board*

Anders Ulfhielm  
*CEO*

Johan Cram  
*Director of Board*

Erik Nerpin  
*Director of Board*