

PRESS RELEASE, REGULATORY INFORMATION

9th of November, 2017

Polygiene AB (publ.) 1 July–30 September 2017

Q3 in brief

Sales record and a positive result

- Net revenue increased by 46.2% (52.3% after foreign exchange effects) in Q3, and amounted to MSEK 21.8 (14.9). Net revenue was MSEK 76.1 (56.3) for the rolling 12-month period.
- The operating profit for the period was MSEK 0.7 (–0.4)
- The adjusted operating profit was MSEK 2.5 (–0.3) for the quarter, after unrealized currency effects and withholding tax.
- Costs of marketing activities and administrative costs have decreased by MSEK 0.5 compared to the corresponding quarter last year and decreased MSEK 1.9 compared to the previous quarter.
- The result for the period was affected negatively by unrealized exchange rate losses due to a lower dollar rate, at MSEK –1.0 (2.4)
- The cash flow for Q3 was MSEK –1.9 (2.4) and is affected by an increase in current receivables.
- The company's operative organization at the close of the quarter comprised 18 (14) employees.

Significant events during the quarter (July–Sept)

Polygiene increases the financial targets

The Board of Directors increases the financial targets for Polygiene for the period 2017–2022. According to the new targets, Polygiene should have net sales of more than SEK 400 million, through organic growth, and an EBIT margin of more than 20 percent at the latest in year 2022.

Polygiene introduces IFRS accounting standards and prepares for listing on First North Premier during the period 2017–2018

The Board has decided that the company shall replace the current accounting standard K3 with the International Financial Reporting Standards (IFRS) and prepare the company to move its listing from First North to First North Premier during 2017–2018.

Follow Polygiene and market developments in odor control technology through Polygiene News

Polygiene, the global market leader in odor control technology, is now publishing Polygiene News, an in-depth newsletter with regular commercial updates on the latest developments in the company's global operation.

Polygiene permanent Odor Control Technology to debut at iCAST with Orvis and Simms

Polygiene, the world leader in odor control and freshness technologies, announces outdoor and flyfishing brands Orvis and Simms as new adopters of its ingredient odor technology. Polygiene's innovative fabric treatment will be incorporated as an integral part of Orvis' Spring 2018 travel collection as well as with several new technical angling pieces from Simms.

Hanesbrands chooses Polygiene for Champion athletic wear collection

Hanesbrands Japan Inc. is now working with Polygiene to offer consumers in Japan odor-free apparel in its iconic Champion 2017/18 Fall-Winter athletic wear collection – in total 70 different products for basketball, golf, training – as well as practice wear and socks.

Polygiene appoints Commercial Operations Director for North America

Polygiene announces the appointment of Judd Salvas as Commercial Operations Director for North America. Judd Salvas will be based in Park City, Utah, and is responsible for managing the commercial activities within North America for Polygiene.

Polygiene communicates financial guidance for 2017

In conjunction with Polygiene AB releasing its interim report for January–June 2017, the company communicates financial guidance for the second half and full year 2017. The guidance for the full year 2017 is net sales of MSEK, an operating profit of MSEK –5.5 (–6.9 % margin) and an adjusted operating profit (excluding foreign exchange effects and withholding tax) of –0.6 MSEK (–0.7% margin).

TMF and Polygiene offer cycling pads that utilize Polygiene Permanent Odor Control

Italian cycling pad company, TMF Quality Cycling pads, announces the launch of fully-Polygiene-treated cycling pads. The new partnership allows TMF to treat their pads with Polygiene Odor Control Treatment, providing the ultimate in comfort, freshness and odor control in cycling pads.

Significant events after the quarter (July-Sept)

Polygiene enters the world of Yoga with Andar

Andar is the Republic of Korea's leading brand of women's activewear in the athleisure segment in practices such as yoga, pilates and zumba. These are fast growing segments of the market in Korea where the consumer demand for odor-control is growing as well as the fitness and yoga trends.

Agreement with Pareto Securities AB is terminated

Polygiene (POLYG) has terminated the agreement with Pareto Securities AB for liquidity guarantee. The purpose of the guarantee was to promote the share's liquidity and reduce its volatility and thereby facilitate stock trading. Polygiene has today over 770 shareholders and the company believes that the guarantee is no longer needed and was terminated September 29, 2017.

Polygiene appointed as a Gasell Company

Polygiene has been appointed as one of the Gasell companies in the prestigious competition for fast growing companies hosted by Dagens Industri. The ceremony is held November 27 in Malmö and the winner of the region qualifies to the big final in Stockholm in December. The criteria for a nomination is demand for growth, positive result and healthy finances.

Malmö, 9th of November – 2017

The Board

This information is information that Polygiene AB (publ.) is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out below, at 08.00 CET on 9th of November 2017.

For the full report, please read the attached PDF. For more information, contact:

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About Polygiene

Polygiene is the world-leading provider of odor control technology and Stays Fresh solutions for clothing, sports equipment, lifestyle textiles and other materials to help people stay fresh and confident. Polygiene brings the Scandinavian values of quality and care for the environment to life through its products and services. More than 100 global premium brands have chosen to use Polygiene Odor Control Technology in their products. Polygiene was established in 2006 and is listed on Nasdaq First North in Stockholm, Sweden. Remium Nordic AB acts as its Certified Adviser.