

POLYGIENE GROUP AB (PUBL.)

INTERIM REPORT

Q4 2024



polygienegroup.com

POLYGIENE[®]
GROUP
FOR MINDFUL LIVING

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POLYGIENE GROUP IN BRIEF

2006

Founded

44

In the team

13.2

EBITDA %

44.7

Net sales, MSEK

2

$\frac{57\%}{43\%}$ Polygiene
Addmaster

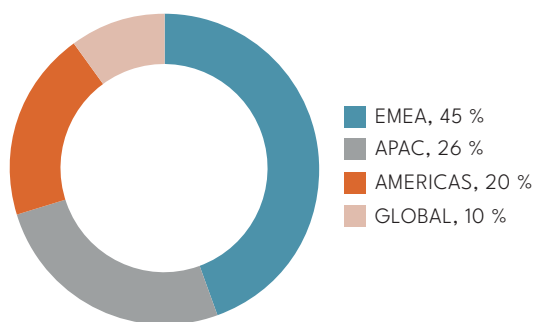
Business-segment, net sales

500+

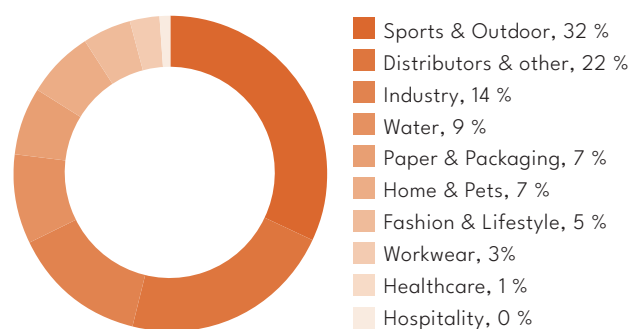
Partners

NET SALES

Quarterly net revenue by **region**:



Quarterly net revenue by **category**:



NUMBERS IN BRIEF

POLYGIENE GROUP SUMMARY

	OCT - DEC 2024	OCT - DEC 2023	FULL YEAR 2024	FULL YEAR 2023	FULL YEAR 2022	FULL YEAR 2021
Net sales, MSEK	44.7	30.9	156.9	113.5	173.6	181.6
Operating profit before depreciation (EBITDA), MSEK	5.9	-6.0	19.0	-12.2	20.3	44.0
Operating margin before depreciation	13.2%	-19.5%	12.1%	-10.7%	11.7%	24.2%
Operating profit (EBIT), MSEK	4.4	-302.4	13.2	-312.6	16.0	40.9
Operating margin	9.9%	-977.7%	8.4%	-275.3%	9.2%	22.5%
Earnings per share, SEK	0.20	-8.68	0.46	-8.31	0.60	1.81
Cash flow, MSEK	9.4	-2.3	21.4	-3.7	-6.2	46.4

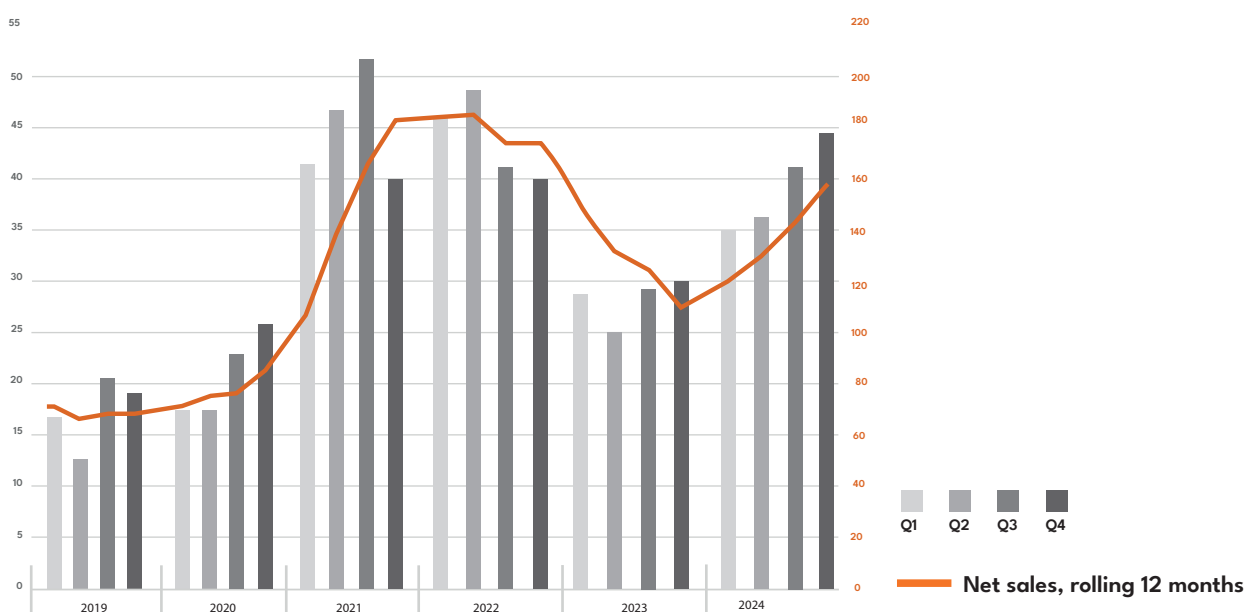
OCTOBER - DECEMBER 2024

- Net sales amounted to MSEK 44.7 (30.9).
- The gross margin was 76.1% (70.6%).
- Operating profit before depreciation and amortization (EBITDA) amounted to MSEK 5.9 (-6.0).
- Operating profit after depreciation (EBIT) amounted to MSEK 4.4 (-302.4).
- Cash flow amounted to MSEK 9.4 (-2.3), or MSEK 10.6 (-4.2) including currency effects. Cash and cash equivalents at the end of the period amounted to MSEK 68.7 (44.1).

FULL YEAR 2024

- Net sales amounted to MSEK 156.9 (113.5).
- The gross margin was 70.8% (73.2%).
- Operating profit before depreciation and amortization (EBITDA) amounted to MSEK 19.0 (-12.2).
- Operating profit after depreciation (EBIT) amounted to MSEK 13.2 (-312.6).
- Cash flow amounted to MSEK 21.4 (-3.7) and MSEK 24.6 (-4.1) including currency effects.
- The Board proposes a dividend of 0.05 SEK per share.

NET SALES, MSEK



EVENTS IN BRIEF

EVENTS DURING OCTOBER - DECEMBER 2024

ISPO AND ISPO AWARD

We were also proud to celebrate the success of our brand partner SERYT, who received a prestigious ISPO Award for their newly developed knee protector.

PERFORMANCE DAYS

In October, Polygiene participated in Performance Days in Munich, highlighting key collaborations established during 2024. At the show, Polygiene showcased partnerships with Officina +39, Storm Care sprays, and Quickdryframe. These collaborations focus on sustainable and innovative solutions, further enhancing Polygiene's global visibility and market reach.

PASSENGER

During the fourth quarter, Polygiene's partner, Passenger, launched a complete apparel collection. Passenger is a UK-based company recognized as one of Europe's leading brands focused on sustainability.

POLYGIENE TEAM UP WITH WEICHERT USA

Based in New York and Los Angeles, Weichert is a well-respected textile agency that will now represent Polygiene on the North American market. This partnership is a great next step for Polygiene's growth, helping us strengthen our presence and offer more personalized support for our partners across the U.S. and Canada.

POLYGIENE GROUP COLLABORATES WITH THE UNIVERSITY OF MANCHESTER ON MICROFIBRE REDUCTION

Polygiene Group's UK division has partnered with The University of Manchester to advance the development of ShedGuard technology, aimed at reducing microfibre shedding in textiles. Supported by the UKRI Impact Acceleration Scheme, the collaboration combines Polygiene's expertise in additive solutions with the university's pioneering research in microfibre identification and quantification. This partnership is a significant step toward creating sustainable textile solutions and setting new global standards for microfibre measurement. ShedGuard technology represents Polygiene's commitment to innovation and environmental responsibility, addressing a key challenge in the textile industry.

PARTICIPATION IN CIIIE CONFERENCE IN CHINA

Addmaster visited China to present at the CIIIE conference (China International Import Expo), focusing on antimicrobial solutions for the transport and healthcare industries.

NEW DISTRIBUTION PARTNER FOR ADDMASTER IN CHINA

Addmaster has entered into a partnership with Helm as its new distribution partner in China. Helm will strengthen Addmaster's presence in the Chinese market and provide local expertise to support growth and customer satisfaction in the region.

CHANGES IN THE MARKETING ORGANIZATION

In December, Paul Willocks, previously Marketing Manager at Addmaster, was appointed Global Marketing Director for Polygiene Group. At the same time, Ellie Brogan joined Addmaster's marketing team as Marketing Executive.

EVENTS AFTER THE QUARTER

NEW BRAND STRATEGY MANAGER IN CHINA

Chen Ding started as Brand Strategy Manager China in January this year. Based in Shanghai, she works closely with the local team to support our brand partners in the region.

ORAL CARE WITH SCENTMASTER TECHNOLOGY

Ki Works Vietnam, part of the Okamura Group, has incorporated Addmaster's Scentmaster technology into its products to elevate the standard of oral care. Through this innovative solution, Ki Works strengthens its position as a leading player in the industry, with a focus on quality and customer satisfaction. This collaboration represents another milestone in Addmaster's journey to deliver unique and value-added products to the market.

A STRONG CONCLUSION TO A SUCCESSFUL YEAR

The Group's net sales for the quarter amounted to MSEK 44.7 (30.9), an increase of 45 %. During the period, a gross margin of 76.1 (70.6) % was reported. The quarter's operating profit before depreciation and tax (EBITDA) amounted to MSEK 5.9 (-6.0). Cash flow was positive at MSEK 9.4 (-2.3), and liquid assets totaled MSEK 68.7 (44.1).

The company continues to grow in line with previous quarters and concluded the year with an impressive growth of 45%. The gross margin reached 76.1 (70.6)%, which is higher than the average for the year. The primary reason is that Polygiene accounted for a larger share (57%) in the fourth quarter. A strong increase in sales, combined with good margins and continued cost control, resulted in an operating profit before depreciation and tax of MSEK 5.9 (-3.4). The result was also affected by a cost of MSEK 1.7 related to a performance-based bonus, which will be paid to all employees during the first quarter of 2025. Adjusted for this provision, the operating margin before depreciation amounts to 17%, in line with the previous quarter. The company reports a positive cash flow of MSEK 9.4 mainly from the working capital, further strengthening the cash position to MSEK 68.7 (44.1).

The Board proposes an updated dividend policy aimed at balancing shareholder payouts while maintaining liquidity to finance long-term growth. The goal is to distribute 40% of net profit after tax, provided it does not compromise the Group's financial position or future investment needs. The final decision will be made at the Annual General Meeting on May 8, 2025.

The past year has been highly positive, demonstrating that a well-executed strategy and increased focus yield results. While part of the growth can be attributed to recovery from 2023, it is clear that we have made significant progress. Through focused efforts, we have strengthened our market position and achieved revenue levels in line with the best quarters in previous years. With the strong foundation we have now built, we look forward to continued growth and development in the coming year. Polygiene Group's financial position remains highly satisfactory, with a debt-free balance sheet, strong liquidity, and an operation that consistently generates positive cash flow.

POLYGIENE CONTINUES TO GAIN MARKET SHARE

The Freshness segment, under the Polygiene® brand, ended the year with strong growth of 55%, in line with the full-year growth rate of 56%. Sales to distributors increased significantly during the period, indicating a growing order intake from our partners and stable inventory turnover. The year 2024 was highly positive for the textile segment, driven both by strong recovery among existing customers and by new partners joining during the year. The customer structure has also evolved favorably, with a higher share of large customers in the total customer base.

The ShedGuard innovation project is progressing as planned, and through our unique collaboration with the University of Manchester, the project has been enhanced

with invaluable knowledge. With financial support from UKRI Impact Acceleration, the company's expertise in textile applications is combined with the university's research on microfibers. While awaiting test results from Phase 2, a thorough analysis of previous results from Phase 1 is being conducted in collaboration with the university. The first preliminary results are expected by the end of Q1 2025.

To accelerate growth in the U.S. market, Polygiene has entered into a strategic partnership with Weichert, a well-established textile agency in the U.S. and Canada. Their extensive network and deep industry knowledge provide us with a unique opportunity to reach new customers and strengthen our market position. By leveraging Weichert's presence on both the East and West coasts, Polygiene achieves greater geographic reach than before. This type of strategic partnership is an essential part of our future growth strategy.

Polygiene now offers a broad portfolio of Freshness technologies, tailored to market needs. The portfolio includes both silver and bio-based antimicrobial technologies, as well as non-biocidal solutions that absorb odor without antimicrobial effects. The Innovation Team is actively working on launching new complementary products that integrate seamlessly with StayFresh solutions or function as stand-alone offerings. Product development is a key focus area for 2025 to ensure continued strong growth in the coming years.

With the strong foundation we have built, we look forward to continued growth and development in the coming year.

ADDMASTER EXPANDS INTO NEW APPLICATION AREAS

Addmaster grew by 32 % during the quarter, compared to a 25 % annual growth rate in the previous quarter. EMEA remains the largest region, accounting for 70 % of total sales, but the U.S. market is advancing rapidly, with 52 % growth for the full year. Alongside China, these are the two regions with the greatest future growth potential. To accelerate growth, a new distributor has been appointed in China. In collaboration with the Polygiene team in Shanghai, we see significant opportunities for synergies as the Addmaster business expands.

While Biomaster remains the largest revenue driver, Addmaster is expanding into new product categories. One example is Scentmaster, which is now integrated into various hygiene products such as toothpicks, dental floss, and razors. Scentmaster adds unique properties to products and enhances consumer value. It is possible to formulate virtually any fragrance and apply it to all types of materials and surfaces, highlighting the vast potential of Scentmaster. Other areas where Scentmaster is applied today include trash bags, packaging, and hair and pet products.

Addmaster will celebrate its 25th anniversary in 2025, a milestone that underscores the company's long-term success and established market presence. The anniversary will be marked by a series of events throughout the year, including a celebration on April 1st in Stafford with the board, employees, and special invited guests.

LOOKING AHEAD

I am pleased to note that we are closing the year on a strong note, with revenue levels returning to those seen before the downturn in spring 2022. Although the first quarter is always affected by Chinese New Year, when production in the APAC region slows, the company's activity level is higher than ever. We are focused on maintaining the momentum we have built, continuing to deliver profitable growth, and creating value for our shareholders.

During the spring, we will intensify our investor relations efforts and embark on a roadshow across Europe in early March to meet with interested funds and institutions. Given the projects in our pipeline and the initiatives launched last year, I am convinced that 2025 will be another successful year for Polygiene Group.



Ulrika Björk

Ulrika Björk CEO Polygiene Group

THIS IS THE POLYGIENE GROUP

Polygiene Group is a global company with over 500 partners across various categories including Sports & Outdoor, Fashion & Lifestyle, Workwear, Hospitality, Home & Pets, Healthcare, Water, Industrial, and Paper & Packaging. The operating entities within the group primarily consist of Polygiene and Addmaster.

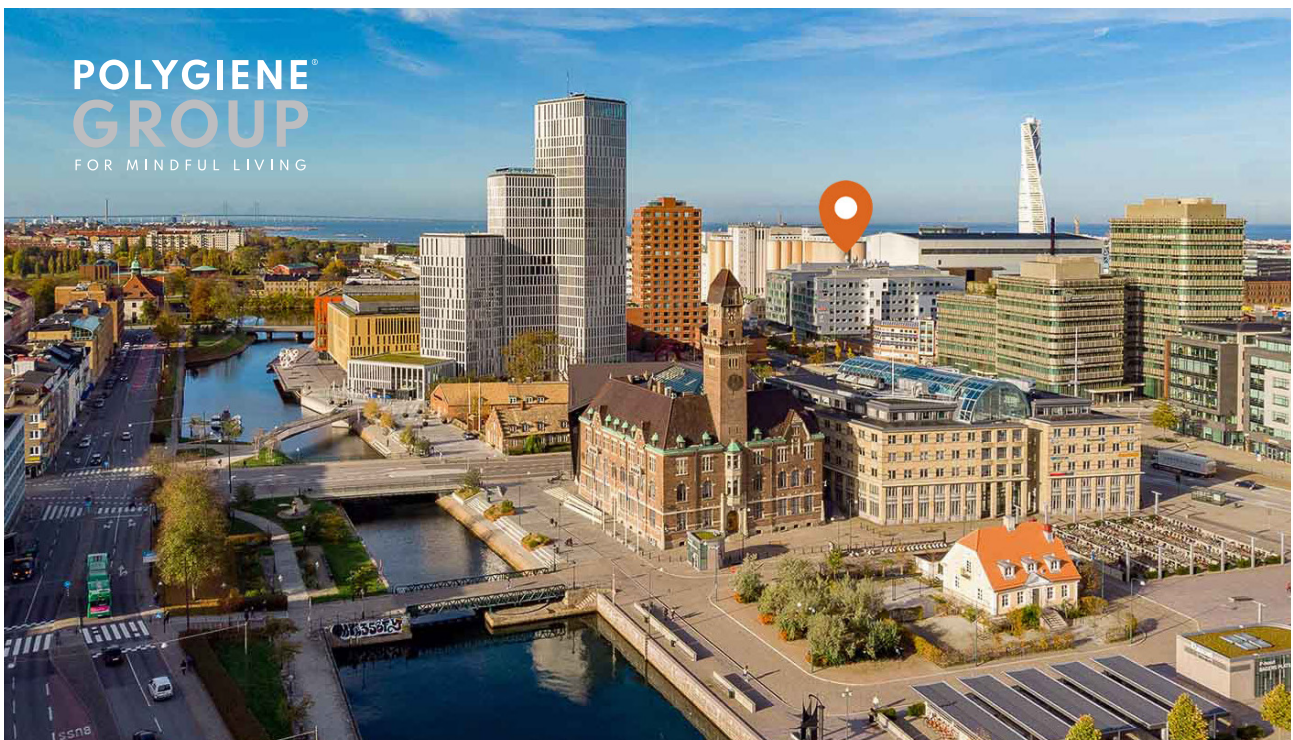
Headquartered in Malmö, Polygiene Group is characterized by a strong Scandinavian corporate culture. This culture forms the foundation of our vision, product development, and how we aim to evolve as a company. Our Swedish roots ensure a simple, inclusive, and enjoyable work environment where sustainability is prioritized.

Polygiene is a leading, global, consumer-focused ingredient brand in Freshness and Product Protection. Polygiene boasts widespread brand recognition and significant brand equity in the industry. Our treatments are seamlessly incorporated into production facilities through close cooperation with partners. Polygiene supports the implementation of our solutions throughout the value chain.

Addmaster Addmaster was founded with a clear focus on addressing the challenges posed by microbes and pathogens in various industries. Specialized antimicrobial technologies are carefully designed to inhibit the growth of microbes on hard surfaces, contributing to a more hygienic environment. Our flagship product, Biomaster, exemplifies our commitment to setting industry standards. Since 2000, we have consistently demonstrated our goal of promoting antimicrobial technology and supporting our partners, earning Addmaster recognition for reliability and effectiveness.

Polygiene Group's treatments provide odor, bacteria, and virus control, and can also offer solutions for protection against counterfeiting. Polygiene Group strives to make it easy and seamless for everyone to benefit from our solutions. The products we offer are simple, effective, safe, and reliable for their intended purpose.

Polygiene Group takes responsibility for the entire value chain, from development and manufacturing to marketing, distribution, and customer support. Manufacturing takes place mainly in Europe, adhering to stringent environmental regulations worldwide. Our technologies are integrated into manufacturers' existing processes, minimizing energy consumption and water usage during application. As an organization, we are extremely proud of our strong environmental focus.



FINANCIAL TRENDS Q4

NET REVENUES AND PROFIT

The Group's net sales for the fourth quarter amounted to MSEK 44.7 (30.9). The quarter had a positive currency effect of approximately 1% compared to the previous year. The gross margin for the quarter was 76.1% (70.6%), also including a positive currency effect of one percentage unit compared to the previous year. The cost of goods sold amounted to MSEK -14.8 (-11.5). In the previous year, MSEK 0.7 was related to inventory adjustments for Add-master.

COSTS

OTHER EXTERNAL EXPENSES

The total expenses for the period amounted to MSEK -14.4 (-16.3). The other external costs consist of:

- Variable sales costs: MSEK -4.8 (-3.0) (commissions to agents and distributors regarding the Polygiene segment)
- Marketing expenses: MSEK -2.0 (-2.1)
- Administrative expenses: MSEK -5.4 (-5.6)
- Contracted consultants: MSEK -2.2 (-5.6)

The previous year included costs for terminated consultant contracts amounting to MSEK -2.5.

COSTS FOR EMPLOYEE COMPENSATION

Employee compensation amounted to MSEK -10.7 (-9.0). The period included bonus costs of MSEK -1.7.

OTHER OPERATING EXPENSES

Costs amounted to MSEK -3.0 (-2.6) for the quarter and were related to exchange rate differences, primarily driven by changes in the exchange rates for USD and GBP during the period.

DEPRECIATION

Depreciation of intangible and tangible fixed assets amounted to MSEK -1.5 (-1.4). Depreciation is expected to increase in upcoming periods due to increased investments in product development.

RESULT

The operating profit (EBIT) for the quarter amounted to MSEK 4.4 (-302.4). The improvement is explained by increased sales and a goodwill impairment of MSEK -295 in the previous year.

RESULT FOR THE PERIOD AND TOTAL COMPREHENSIVE INCOME

Other comprehensive income includes translation differences when translating foreign subsidiaries and goodwill at the year-end exchange rate. The result and total comprehensive income for the year amounted to MSEK 7.4 (-316.9).

FINANCIAL POSITION

INTANGIBLE AND TANGIBLE FIXED ASSETS

The intangible fixed assets mainly consist of goodwill from the acquisition of other businesses, investments in business systems, and product development. The tangible fixed assets primarily comprise right-of-use assets related to lease agreements.

FINANCIAL FIXED ASSETS

The financial fixed assets amounted to MSEK 7.5 (7.5) at the end of the period and refer to a deferred tax asset for tax losses incurred in previous years. The total tax loss carryforward amounted to MSEK 92.5 at the end of the period.

INVENTORY

The inventory has decreased compared to the previous year to MSEK 28.0 (30.2).

CASH FLOW AND LIQUIDITY

Cash flow for the fourth quarter amounted to MSEK 9.4 (-2.3), or MSEK 10.6 (-4.2) including currency effects. The cash flow was driven by improved contributions from operating activities, strengthened working capital, and reduced investments during the period. The Group's cash and cash equivalents amounted to MSEK 68.7 (44.1) at the end of the quarter.

EQUITY

Equity at the end of the period amounted to MSEK 319.6 (291.2). The equity ratio as of December 31, 2024, was 91.1% (92.8%).

PERSONNEL

The Group's operational organization amounted to 44 (43) individuals at the end of the quarter, regardless of working hours, of which 36 (33) are employees and 8 (10) are contracted consultants. Adjusted to a 100% employment rate, the number of individuals would be 42 (41).

FINANCIAL TRENDS FULL YEAR

NET SALES AND RESULTS

The Group's net sales for 2024 amounted to MSEK 156.9 (113.5). The year saw a decreased gross margin of 70.8% (73.2%), primarily driven by distribution sales. The cost of goods sold amounted to MSEK -53.2 (-36.4).

EXPENSES

OTHER EXTERNAL COSTS

Total external costs for the year amounted to MSEK -48.0 (-54.7). The previous year included one-off costs of MSEK -2.5 related to terminated consultancy contracts. A bonus cost of MSEK 0.9 is included in this year's expenses.

EMPLOYEE COMPENSATION

Employee compensation totaled MSEK -37.1 (-33.4), of which MSEK 2.2 was a bonus cost.

OTHER OPERATING COSTS

Other operating costs amounted to MSEK -6.9 (-7.2) for the year, primarily related to exchange rate differences driven by changes in USD and GBP exchange rates.

DEPRECIATION

Depreciation of intangible and tangible fixed assets amounted to MSEK -5.9 (-5.4).

RESULTS

The operating profit (EBIT) for the year amounted to MSEK 13.2 (-312.6). The previous year included a goodwill impairment of MSEK -295.

RESULT FOR THE PERIOD AND TOTAL COMPREHENSIVE INCOME

Other comprehensive income includes translation differences from the revaluation of foreign subsidiaries and goodwill at the year-end exchange rate. The result and total comprehensive income for the year amounted to MSEK 16.8 (-303.6).

CASH FLOW AND LIQUIDITY

Cash flow for 2024 amounted to MSEK 21.4 (-3.7), or MSEK 24.6 (-4.1) including currency effects. Positive contributions from operating activities, driven by increased sales, improved working capital, and reduced investments, supported the cash flow. The Group's cash and cash equivalents amounted to MSEK 68.7 (44.1) at the end of the year.

STATEMENTS OF PROFIT OR LOSS OF THE GROUP

TSEK	NOTE	2024-10-01 2024-12-31	2023-10-01 2023-12-31	2024-01-01 2024-12-31	2023-01-01 2023-12-31
OPERATING REVENUE					
Net sales	7, 8	44,710	30,935	156,948	113,542
Other operating income*		4,087	2,357	7,267	5,917
TOTAL OPERATING REVENUE		48,797	33,292	164,215	119,459
OPERATING EXPENSES					
Cost of goods sold		-14,775	-11,467	-53,166	-36,387
GROSS PROFIT OR LOSS		34,022	21,825	111,049	83,072
Other external expenses		-14,366	-16,284	-48,038	-54,735
Personnel expenses		-10,711	-8,988	-37,062	-33,379
Other operating expenses*		-3,038	-2,577	-6,929	-7,162
OPERATING PROFIT BEFORE DEPRECIATION (EBITDA)		5,907	-6,024	19,020	-12,204
Depreciation and write-downs		-1,496	-1,425	-5,866	-5,385
Impairment of goodwill		-	-295,000	-	-295,000
OPERATING PROFIT/LOSS (EBIT)		4,411	-302,449	13,154	-312,589
PROFIT OR LOSS FROM FINANCIAL ITEMS					
Interest income and similar items		2,352	720	3,769	3,186
Interest expenses and similar items		-654	-1,318	-4,042	-3,672
PROFIT OR LOSSES AFTER FINANCIAL ITEMS		6,109	-303,047	12,881	-313,075
Tax of the period	9	-2,288	-7,409	-8,041	-8,873
PROFIT OF THE PERIOD		3,821	-310,456	4,840	-321,948
Other profit of the period**		3,532	-6,441	11,990	18,319
TOTAL PROFIT OF THE PERIOD		7,353	-316,897	16,830	-303,629
EARNINGS PER SHARE BEFORE AND AFTER DILUTION					
Earnings per share before dilution		0.20	-8.68	0.46	-8.31
Earnings per share after dilution		0.20	-8.68	0.45	-8.31

*Includes exchange rate differences referring to operating business

** Exchange rate difference regarding goodwill and translation of subsidiaries

STATEMENTS OF FINANCIAL POSITION OF THE GROUP

TSEK	NOTE	2024-12-31	2023-12-31
ASSETS			
FIXED ASSETS			
Intangible assets	11	210,603	197,484
Tangible assets		3,749	5,344
Financial assets	12	7,478	7,478
TOTAL FIXED ASSETS		221,830	210,306
CURRENT ASSETS			
Finished items and items for sale		28,014	30,205
Trade receivables		28,707	22,366
Other current assets		3,551	6,757
Cash and cash equivalents		68,738	44,146
TOTAL CURRENT ASSETS		129,010	103,474
TOTAL ASSETS		350,840	313,780
TOTAL EQUITY AND LIABILITIES			
EQUITY			
TOTAL EQUITY		319,607	291,246
PROVISIONS			
Deferred tax liability		202	-
TOTAL PROVISIONS		202	-
LONG-TERM LIABILITIES			
Leasing liabilities		1,482	1,876
TOTAL LONG-TERM LIABILITIES		1,482	1,876
SHORT-TERM LIABILITIES			
Accounts payable		11,870	7,388
Leasing liabilities		1,543	2,014
Other current liabilities		16,136	11,256
TOTAL SHORT-TERM LIABILITIES		29,549	20,658
TOTAL LIABILITIES		31,233	22,534
TOTAL EQUITY AND LIABILITIES		350,840	313,780

STATEMENTS OF CHANGE IN EQUITY OF THE GROUP

TSEK	2024-10-01 2024-12-31	2023-10-01 2023-12-31	2024-01-01 2024-12-31	2023-01-01 2023-12-31
EQUITY AT PERIOD START	309,022	614,379	291,246	592,559
TRANSACTIONS WITH THE OWNERS				
New share issues and warrants	-	-	117	93
TOTAL TRANSACTIONS WITH THE OWNERS	-	-	117	93
Translation difference	3,232	-6,236	11,414	2,223
PROFIT AND OTHER PROFIT OF THE YEAR				
Profit of the period	3,821	-310,456	4,840	-321,948
Other profit of the period	3,532	-6,441	11,990	18,319
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	7,353	-316,897	16,830	-303,629
EQUITY AT PERIOD END	319,607	291,246	319,607	291,246

CASH FLOW OF THE GROUP

TSEK	NOTE	2024-10-01 2024-12-31	2023-10-01 2023-12-31	2024-01-01 2024-12-31	2023-01-01 2023-12-31
CURRENT ACTIVITIES					
Operating profit		4,411	-302,449	13,154	-312,589
Non-cash items	10	-612	295,818	2,079	299,548
Interest income		502	275	967	493
Interest paid		-	-19	-	-90
Paid income tax		-2,830	-402	-4,409	-3,864
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN OPERATING CAPITAL		1,471	-6,777	11,791	-16,502
<i>Changes in working capital:</i>					
Increase/decrease in inventory		-1,067	2,278	4,389	5,853
Increase/decrease in current receivables		4,652	1,791	-1,221	23,193
Increase/decrease in current liabilities		5,302	4,652	9,378	-8,758
NET CASH FLOW FROM OPERATING ACTIVITIES		10,358	1,944	24,337	3,786
INVESTMENT ACTIVITIES					
Acquisition of intangible assets		-423	-1,595	-1,540	-3,190
Acquisition of tangible fixed assets		-28	-3,745	-48	-4,868
Acquisition of financial assets		-	-299	-	-1,363
CASH FLOW FROM INVESTING ACTIVITIES		-451	-5,639	-1,588	-9,421
FINANCING ACTIVITIES					
New shares and warrants		-	-	117	93
New loan leased objects		-	1,703	-	3,119
Amortization of leased objects		-529	-331	-1,496	-1,262
CASH FLOW FROM FINANCIAL ACTIVITIES		-529	1,372	-1,379	1,950
CASH FLOW OF PERIOD		9,378	-2,323	21,370	-3,685
Cash and cash equivalents at period start		58,160	48,297	44,146	48,209
Currency differences, cash and cash equivalents		1,200	-1,828	3,222	-378
CASH AND CASH EQUIVALENTS AT PERIOD END		68,738	44,146	68,738	44,146

MULTI-YEAR OVERVIEW OF THE GROUP

	2024-10-01 2024-12-31	2023-10-01 2023-12-31	FULL YEAR 2024	FULL YEAR 2023	FULL YEAR 2022
Net sales, TSEK	44,710	30,935	156,948	113,542	173,564
Sales growth, %	44.5%	-22.7%	38.2%	-34.6%	-4.4%
Operating profit/loss EBITDA, TSEK	5,907	-6,024	19,020	-12,204	20,345
Operating margin EBITDA, %	13.2%	-19.5%	12.1%	-10.7%	11.7%
Total profit of the period, TSEK	7,353	-316,897	16,830	-303,629	21,841
Total profit margin after tax, %	16.4%	-1024.4%	10.7%	-267.4%	12.6%
Cash flow, TSEK	9,378	-2,323	21,370	-3,685	-6,151
Equity, TSEK	319,607	291,246	319,607	291,246	592,559
Balance sheet total, TSEK	350,840	313,780	350,840	313,780	621,898
Equity/assets ratio, %	91.1%	92.8%	91.1%	92.8%	95.3%
Number of shares at the end of the period, thousands	36,527	36,527	36,527	36,527	36,527
Average number of shares at the end of the period before dilution, thousands	36,527	36,527	36,527	36,527	36,527
Average number of shares at the end of the period after dilution, thousands	37 392	37 427	37 392	37 427	37 427
Earnings per share before dilution, SEK	0.20	-8.68	0.46	-8.31	0.60
Earnings per share after dilution, SEK	0.20	-8.68	0.45	-8.31	0.58
Cash flow per share, SEK	0.26	-0.06	0.59	-0.10	-0.17
Equity per share, SEK	8.75	7.97	8.75	7.97	16.22

STATEMENTS OF PROFIT OR LOSS OF THE PARENT COMPANY

TSEK	2024-10-01 2024-12-31	2023-10-01 2023-12-31	2024-01-01 2024-12-31	2023-01-01 2023-12-31
OPERATING REVENUE				
Net sales	25,922	16,186	82,283	56,148
Other operating income*	2,470	2,278	6,607	5,452
TOTAL OPERATING REVENUE	28,392	18,464	88,890	61,600
OPERATING EXPENSES				
Cost of goods sold	-8,544	-4,289	-27,529	-13,779
GROSS PROFIT OR LOSS	19,848	14,175	61,361	47,821
Other external expenses	-12,799	-15,144	-43,508	-50,345
Personnel expenses	-5,207	-4,582	-17,804	-17,760
Other operating expenses*	-1,233	-2,375	-6,151	-6,617
OPERATING PROFIT BEFORE DEPRECIATION (EBITDA)	609	-7,926	-6,102	-26,901
Depreciation and write-downs	-748	-693	-2,870	-2,751
OPERATING PROFIT/LOSS (EBIT)	-139	-8,619	-8,972	-29,652
PROFIT OR LOSS FROM FINANCIAL ITEMS				
Result shares group companies	41,644	-	41,644	14,321
Write down shares group companies	520	246	1,217	830
Interest income and similar items	-	-162,991	-	-162,991
Interest expenses and similar items	-738	-583	-2,878	-1,616
PROFIT OR LOSSES AFTER FINANCIAL ITEMS	41,287	-171,947	31,011	-179,108
Tax of the period	-512	-8,370	-1,573	-8,370
PROFIT OF THE PERIOD	40,775	-180,317	29,438	-187,478
EARNINGS PER SHARE BEFORE AND AFTER DILUTION				
Earnings per share before dilution	1.12	-4.94	0.81	-5.13
Earnings per share after dilution	1.09	-4.94	0.79	-5.13

*Includes exchange rate differences referring to operating business

STATEMENTS OF FINANCIAL POSITION OF THE PARENT COMPANY

TSEK	2024-12-31	2023-12-31
ASSETS		
FIXED ASSETS		
Intangible fixed assets	7,133	8,372
Tangible fixed assets	127	302
Financial fixed assets	304,106	304,772
TOTAL FIXED ASSETS	311,366	313,446
CURRENT ASSETS		
Inventory	3,363	3,530
Accounts receivable	20,740	16,450
Receivables from group companies	1,557	228
Other receivables	2,690	3,509
Cash and cash equivalents	26,948	3,240
TOTAL CURRENT ASSETS	55,298	26,957
TOTAL ASSETS	366,664	340,403
EQUITY AND LIABILITIES		
EQUITY	333,328	303,890
TOTAL EQUITY	333,328	303,890
LONG-TERM LIABILITIES		
Liabilities to group companies	18,496	11,315
TOTAL LONG-TERM LIABILITIES	18,496	11,315
SHORT-TERM LIABILITIES		
Accounts payable	5,285	3,174
Liabilities to group companies	24	13,435
Other liabilities	9,531	8,589
TOTAL SHORT-TERM LIABILITIES	14,840	25,198
TOTAL LIABILITIES	33,336	36,513
TOTAL EQUITY AND LIABILITIES	366,664	340,403

STATEMENTS OF CHANGE IN EQUITY OF THE PARENT COMPANY

TSEK	2024-10-01 2024-12-31	2023-10-01 2023-12-31	2024-01-01 2024-12-31	2023-01-01 2023-12-31
EQUITY AT PERIOD START	292,553	484,207	303,890	491,369
Profit of the period	40,775	-180,317	29,438	-187,478
EQUITY AT PERIOD END	333,328	303,890	333,328	303,890

CASH FLOW OF THE PARENT COMPANY

TSEK	NOTE	2024-10-01 2024-12-31	2023-10-01 2023-12-31	2024-01-01 2024-12-31	2023-01-01 2023-12-31
CURRENT ACTIVITIES					
Operating profit		-139	-8,619	-8,972	-29,653
Non-cash items	10	66	-2,191	2,353	1,096
Interest income		123	133	125	133
Interest paid		-185	-	-368	-
Paid income tax		-103	-102	-415	-400
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN OPERATING CAPITAL		-238	-10,779	-7,277	-28,824
<i>Changes in working capital:</i>					
Increase/decrease in inventory		-929	1,031	167	2,541
Increase/decrease in current receivables		808	4,487	-4,799	11,435
Increase/decrease in current liabilities		-18,731	2,193	-10,359	-7,740
NET CASH FLOW FROM OPERATING ACTIVITIES		-19,090	-3,068	-22,268	-22,588
INVESTMENT ACTIVITIES					
Capital contribution in subsidiaries		-50	-	-50	-139
Acquisition of intangible fixed assets		-381	-1,277	-1,435	-2,882
Acquisition of tangible fixed assets		-	-31	-21	-31
Acquisition of financial fixed assets		-	-299	-	-1,364
Dividend from group companies		41,644	-	41,644	14,321
Repayment of loans from group companies		-	-405	716	-413
CASH FLOW FROM INVESTING ACTIVITIES		41,213	-2,012	40,854	9,492
FINANCING ACTIVITIES					
Loan group companies		-	-	5,122	-
CASH FLOW FROM FINANCING ACTIVITIES		-	-	5,122	-
CASH FLOW OF PERIOD		22,123	-5,080	23,708	-13,096
Cash and cash equivalents at period start		4,825	8,320	3,240	16,336
CASH AND CASH EQUIVALENTS AT PERIOD END		26,948	3,240	26,948	3,240

MULTI-YEAR OVERVIEW OF THE PARENT COMPANY

	2024-10-01 2024-12-31	2023-10-01 2023-12-31	FULL YEAR 2024	FULL YEAR 2023	FULL YEAR 2022
Net sales, TSEK	25,922	16,186	82,283	56,148	80,021
Sales growth, %	60.2%	-16.1%	46.5%	-29.8%	-14.6%
Operating Profit Before Depreciation (EBITDA), TSEK	609	-7,926	-6,102	-26,901	-13,329
Profit margin before depreciation (EBITDA), %	2.3%	-49.0%	7.4 %	-47.9%	-16.7%
Net profit after tax, TSEK	40,775	-180,317	29,438	-187,478	-4,353
Profit margin after tax, %	157.3%	-1114.0%	35.8 %	-333.9%	-5.4%
Cash flow, TSEK	22.123	-5.080	23.708	-13.096	-52
Equity, TSEK	333,328	303,890	333,328	303,890	491,369
Total assets, TSEK	366,664	340,403	366,664	340,403	532,528
Equity ratio, %	90.9%	89.3%	90.9%	89.3%	92.3%
Number of shares at the end of the period, thousands	36,527	36,527	36,527	36,527	36,527
Average number of shares at the end of the period before dilution, thousands	36,527	36,527	36,527	36,527	36,527
Average number of shares at the end of the period after dilution, thousands	37 392	37 427	37 392	37 427	37 427
Earnings per share before dilution, SEK	1.12	-4.94	0.81	-5.13	-0.12
Earnings per share after dilution, SEK	1.09	-4.94	0.79	-5.13	-0.12
Cash flow per share, SEK	0.61	-0.14	0.65	-0.36	0.00
Equity per share, SEK	9.13	8.32	9.13	8.32	13.45
Share price at the end of the period	12.45	8.35	12.45	8.35	8.17

NOTES

NOTE 1: NATURE OF OPERATIONS

Polygiene Group™ is the global leader in antimicrobial technologies. The company treats hard surfaces and textiles to ensure that products are better protected, more hygienic, and remain fresh and odor-free. As a leading ingredient brand, Polygiene Group collaborates with over 500 top-class global brands through the Polygiene and Addmaster segments. Polygiene Group provides a range of technologies that enhance the value of our customers' products with technologies such as OdorCrunch™, StayFresh™, Scentmaster™, ViralOff™, Biomaster™, and Verimaster™.

Polygiene Group's brands are a significant asset, and the ongoing work to strengthen the brands and their awareness is important for achieving future goals.

NOTE 2: GENERAL INFORMATION AND COMPLIANCE WITH IAS 34 AND ÅRL

This interim report covers the period from October 1st - December 31 2024, 2024, and is prepared in SEK, which is the reporting currency of the parent company and the presentation currency of the Group.

The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act (ÅRL). The interim report does not contain all the information required by IFRS (International Financial Reporting Standards) for financial statements and should therefore be read in conjunction with the annual report of the financial year 2023, except for the description of the fundamental principles. Complete additional disclosures in accordance with IFRS have been provided in the annual and consolidated financial statements of 2023. The interim report has not been subject to a review by the Group's auditors.

The interim report for the period from October 1st - December 31 2024, 2024, was approved for issuance by the board on February 12, 2025. The interim report has been prepared in accordance with IFRS and is consistent with the accounting and valuation principles set forth in the annual and consolidated financial statements of 2023.

NOTE 3: RISKS AND UNCERTAINTIES

The Group's operations are influenced by several factors that pose risks to its business and financial results. For further information, please refer to the 2023 annual and consolidated financial statements. Polygiene Group actively works to maintain strong liquidity and remain a debt-free company. The Group is primarily exposed to USD and

GBP but has currently chosen not to hedge these currency flows due to the difficulty in predicting flows with the short lead times typically applied by customers.

The geopolitical situation in Ukraine and the Middle East affect market conditions and increase uncertainties in the global market. The Group has no operations in Russia, Ukraine, or the Middle East and therefore assesses that these events have no direct impact on the Group's operations, financial results, or financial position. However, we observe an increase in freight costs and lead times and are actively working to mitigate the risk of further cost increases by optimizing freight terms and exploring alternative solutions. Polygiene Group continuously monitors developments.

NOTE 4: SIGNIFICANT ESTIMATES AND ASSESSMENTS

When interim reports are prepared, the Board of Directors and the Chief Executive Officer must, in accordance with the applied accounting and valuation principles, make certain estimates, judgments, and assumptions that affect the accounting and valuation of assets, liabilities, revenues, and expenses. The outcome may deviate from these estimates and judgments and seldom amount to the same as the estimated outcome. The estimates and judgments made in the interim report, including assessment of the key reasons for uncertainty, are the same as those applied in the annual financial statements of 2023.

NOTE 5: SIGNIFICANT EVENTS AND TRANSACTIONS DURING AND AFTER THE INTERIM PERIOD

No significant events or transactions during this period or after have had financial consequences.

NOTE 6: CONTINGENT LIABILITIES

No identified contingent liabilities exists.

NOTE 7: NET SALES

The Group's revenues from contracts with customer can be divided into geographic markets and segments as follows:

PRIMARY GEOGRAPHIC MARKETS:	Q4 2024		
	GOODS	ROYALTY	TOTAL
APAC	9,283	2,264	11,547
EMEA	17,857	2,049	19,906
AMERICAS	6,649	2,220	8,869
GLOBAL	4,385	3	4,388
	38,174	6,536	44,710

PRIMARY GEOGRAPHIC MARKETS:	Q4 2023		
	GOODS	ROYALTY	TOTAL
APAC	10,067	2,337	12,404
EMEA	13,194	1,081	14,275
AMERICAS	5,775	906	6,681
GLOBAL	-2,425	-	-2,425
	26,611	4,324	30,935

SEGMENT:	Q4 2024		
	GOODS	ROYALTY	TOTAL
POLYGIENE	19,168	6,536	25,704
ADDMASTER	19,006	-	19,006
	38,174	6,536	44,710

SEGMENT:	Q4 2023		
	GOODS	ROYALTY	TOTAL
POLYGIENE	12,201	4,324	16,525
ADDMASTER	14,410	-	14,410
	26,611	4,324	30,935

NOTE 8: SEGMENT REPORTING

Group management defines Polygiene Group's operating segments as Polygiene and Addmaster. The gross profit from these segments is monitored by the Group's executive decision-makers and serves as the basis for strategic decisions. No other segment tracking is currently conducted. Starting with the interim report for the second quarter of 2024, the gross margin per segment is shown before the elimination of intra-Group transactions, and the comparative figures have been updated accordingly.

	OCT - DEC 2024	POLYGIENE	ADDMASTER	ELIMINATION	TOTAL
SEGMENT REVENUE					
Net sales		30,101	24,418	-9,809	44,710
Other income		3,812	275	-	4,087
TOTAL OPERATING INCOME		33,913	24,693	-9,809	48,797
SEGMENT EXPENSES					
Cost of goods sold		-8,543	-11,694	5,462	-14,775
GROSS PROFIT		25,370	12,999	-4,347	34,022

	JAN - DEC 2024	POLYGIENE	ADDMASTER	ELIMINATION	TOTAL
SEGMENT REVENUE					
Net sales		98,672	92,969	-34,693	156,948
Other income		6,623	644	-	7,267
TOTAL OPERATING INCOME		105,295	93,613	-34,693	164,215
SEGMENT EXPENSES					
Cost of goods sold		-27,598	-43,751	18,183	-53,166
GROSS PROFIT		77,697	49,862	-16,510	111,049

	OCT - DEC 2023	POLYGIENE	ADDMASTER	ELIMINATION	TOTAL
SEGMENT REVENUE					
Net sales		20,745	16,442	-6,252	30,935
Other income		2,280	77	-	2,357
TOTAL OPERATING INCOME		23,025	16,519	-6,252	33,292
SEGMENT EXPENSES					
Cost of goods sold		-4,289	-9,382	2,204	-11,467
GROSS PROFIT		18,736	7,137	-4,048	21,825

	JAN - DEC 2023	POLYGIENE	ADDMASTER	ELIMINATION	TOTAL
SEGMENT REVENUE					
Net sales		68,286	67,339	-22,083	113,542
Other income		5,459	458	-	5,917
TOTAL OPERATING INCOME		73,745	67,797	-22,083	119,459
SEGMENT EXPENSES					
Cost of goods sold		-13,778	-29,710	7,101	-36,387
GROSS PROFIT		59,967	38,087	-14,982	83,072

Q4 2024

SEGMENT ASSETS	POLYGIENE	ADDMASTER	TOTAL
Intangible fixed assets	7,133	203,470	210,603
Tangible fixed assets	2,733	1,016	3,749
TOTAL	9,866	204,486	214,352

Q4 2023

SEGMENT ASSETS	POLYGIENE	ADDMASTER	TOTAL
Intangible fixed assets	8,372	189,112	197,484
Tangible fixed assets	3,686	1,658	5,344
TOTAL	12,058	190,770	202,828

NOTE 9: TAX

TAX OF THE PERIOD	2024-10-01 2024-12-31	2023-10-01 2023-12-31	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Tax of the period	-1,905	961	-6,158	-1,252
Impairment withholding tax	-512	-8,370	-1,573	-8,370
Adjustment of tax from previous period	-	-	-149	749
Deferred tax	129	-	-161	-
TOTAL TAX	-2,288	-7,409	-8,041	-8,873

NOTE 10: NON-CASH FLOW AFFECTING ITEMS

	2024-10-01 2024-12-31	2023-10-01 2023-12-31	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Depreciation of Tangible and Intangible Fixed Assets	1,495	1,425	5,866	5,384
Impairment of Goodwill	-	295,000	-	295,000
Unrealized Foreign Exchange Gains and Losses	-2,309	-782	-3,989	-709
Other Adjustments	202	175	202	-127
TOTAL	-612	295,818	2,079	299,548

NOTE 11: INTANGIBLE ASSETS

GOODWILL

GROUP TSEK	2024-12-31	2023-12-31
Accumulated cost brought forward from Q3	196,788	489,216
Translation difference Q4	4,254	-8,318
Impairment of goodwill	-	-295,000
ACCUMULATED COST CARRIED FORWARD	201,042	185,898
BOOKED VALUE	201,042	185,898

During the period, the Group conducted an impairment test of goodwill related to the cash-generating unit Addmaster, in accordance with IAS 36. No need for impairment was identified.

The key assumptions in the projected cash flows for the total of five years after 2024 include a post-tax discount rate of 12.80%, an average annual growth rate of 11%, an average increase in gross profit of 11%, and a 7% increase in operating expenses. After the fifth year, a growth rate of 2% is assumed. The Group has not identified any significant changes in external factors that could affect the value of goodwill.

OTHER INTANGIBLE ASSETS

GROUP TSEK	2024-12-31	2023-12-31
ACCUMULATED BOOKED VALUE BROUGHT FORWARD		
Development and similar work	4,734	5,147
Software and licenses	2,846	3,717
Other intangible assets	1,981	2,723
TOTAL BOOKED VALUE	9,561	11,587
TOTAL BOOKED VALUE INTANGIBLE ASSETS	210,603	197,485

NOTE 12: FINANCIAL ASSETS

GROUP TSEK	2024-12-31	2023-12-31
Deferred tax	7,478	7,478
TOTAL BOOKED VALUE	7,478	7,478

SHARE CAPITAL, THE SHARE AND OWNERSHIP STRUCTURE

SHARE CAPITAL

Polygiene Group’s share capital amounts to SEK 3,652,699 divided into 36,526,989 outstanding shares. Polygiene has only one class of shares, and all shares have equal rights to dividends. The nominal value of the shares is SEK 0.10. The following share option programs have been issued by the parent company, which are directed towards employees and contracted consultants:

PROGRAM	YEAR	QUANTITY	PERIOD OF SUBSCRIPTION	EXERCISE PRICE
5	2022	300,000	1-30 June 2025	26.62
6	2023	300,000	1-30 June 2026	11.52
7	2024	265,000	1-30 June 2027	18.00

For more information on the development of share capital, please refer to the Polygiene Group’s Annual Report 2023.

SHARES

The shares of Polygiene Group AB (publ.) have been listed on Nasdaq First North Growth Market, Stockholm, since March 14, 2016. During the fourth quarter, a total of 1,644,909 shares were traded, corresponding to an average of 26,531 shares per trading day. The share price at the end of the period was SEK 12,45, corresponding to a market value of MSEK 455. The highest and lowest prices during the period were SEK 13.90 and 9.20, respectively.

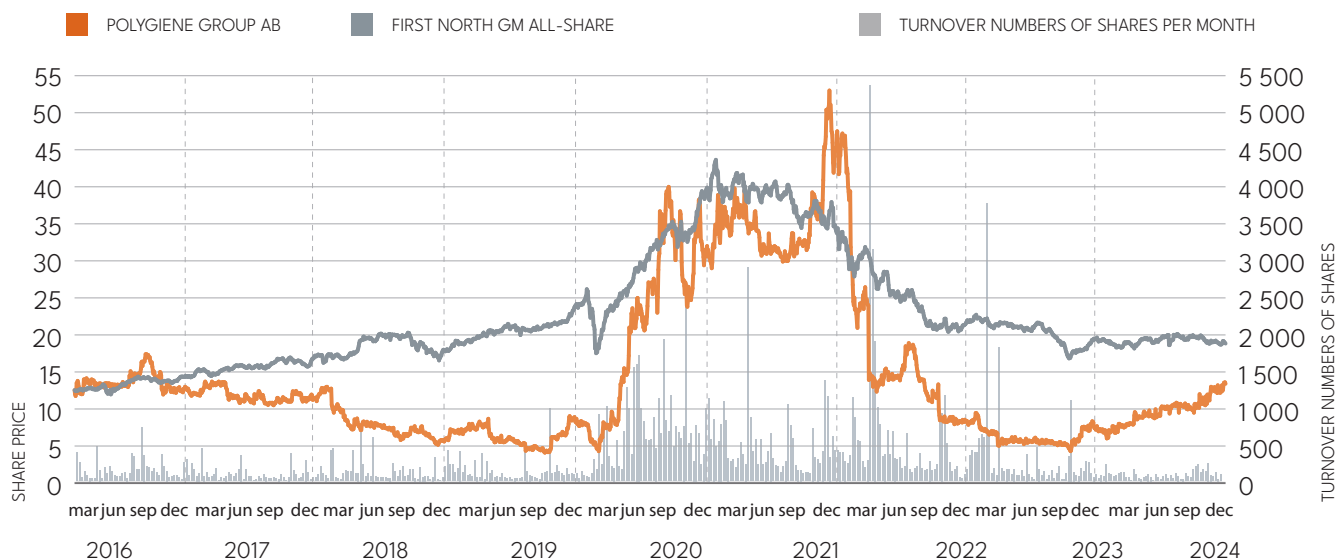
OWNERSHIP STRUCTURE

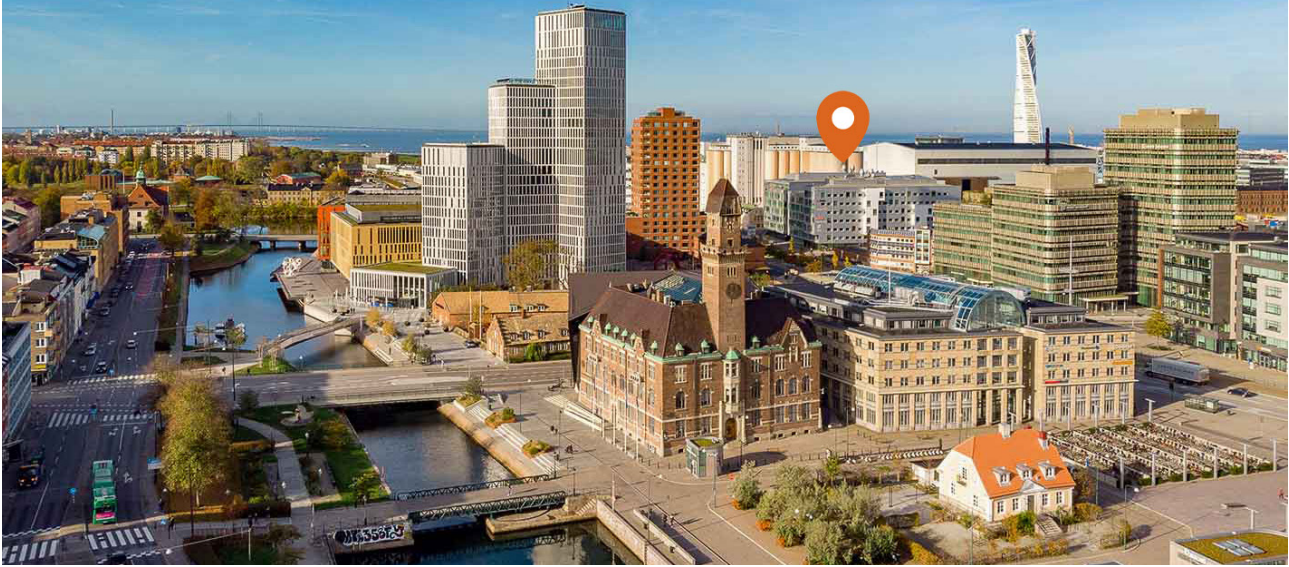
The number of shareholders at the end of the period amounted to 1,931 (2,228). The table below shows the top 10 shareholders as of December 31, 2024.

SHAREHOLDERS	SHARES	PERCENT
Peter Gyllenhammar*	10,871,279	29.8%
Paul Morris*	4,477,056	12.3%
Familjen Eklund	3,750,000	10.3%
Håkan Lagerberg*	2,465,030	6.7%
Familjen Girell	1,445,000	4.0%
Carnegie Fonder	1,426,000	3.9%
Jonas Wollin*	879,000	2.4%
Avanza Pension	553,734	1.5%
Peter Sjösten	423,000	1.2%
Bo Staffan Olsson	414,643	1.1%
Others	9,822,247	26.9%
Total	36,526,989	100.0%

* Refers to personal holdings and those of associated natural persons and legal entities. Source: Data from Monitor, Euroclear and data known to the company.

POLYGIENE GROUP AB MARCH 2016 – DECEMBER 2024





DEFINITIONS

Operating profit before depreciation (EBITDA):

Profit before depreciation, amortization, interest, and taxes.

Operating profit margin before depreciation:

Operating profit before depreciation, amortization, interest, and taxes as a percentage of the period's net sales.

Operating profit (EBIT): Result after depreciation.

Operating profit margin: Profit after depreciation as a percentage of period net sales.

Earnings per share: Earnings after tax divided by the average number of shares.

Equity/assets ratio: Adjusted equity in relation to balance sheet total.

Equity per share: Equity per share divided by the total number of shares outstanding at period end.

Cash flow per share: Cash flow divided by the average total shares outstanding.

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POLYGIENE[®] GROUP

FOR MINDFUL LIVING

FINANCIAL CALENDAR 2025

Annual Report 2024	April 17
Interim Report Q1	April 24
AGM 2024	May 8
Interim Report Q2	July 24
Interim Report Q3	October 23
Interim Report Q4	February 12, 2026

This information is information that Polygiene Group AB (publ.) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 8.00 CET February 13, 2025.