

POLYGIENE GROUP AB (PUBL.)

INTERIM REPORT Q1 2025



polygienegroup.com

POLYGIENE[®]
GROUP
FOR MINDFUL LIVING

CONTENT

Polygiene Group in brief. 3

Numbers in brief. 4

Events in brief. 5

Message from the CEO 6

This is the Polygiene Group. 8

Financial trends, Q1 9

Statements of profit or loss, the Group 10

Statements of financial position, the Group. 11

Statements of change in equity, the Group. 12

Cash flow statements, the Group. 13

Multi-year overview, the Group 14

Notes. 15

Share capital, the share and ownership structure 18

Definitions, contact details and financial calendar 19

POLYGIENE GROUP IN BRIEF

2006
Founded

46
In the team

7.5
EBITDA %

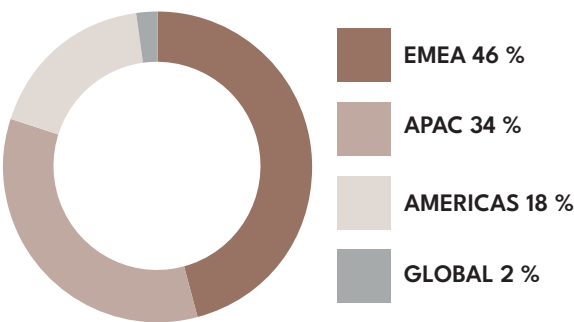
41.5
Net sales, MSEK

2 $\frac{54}{46}$ %
Polygiene
Addmaster
Business segment, net sales

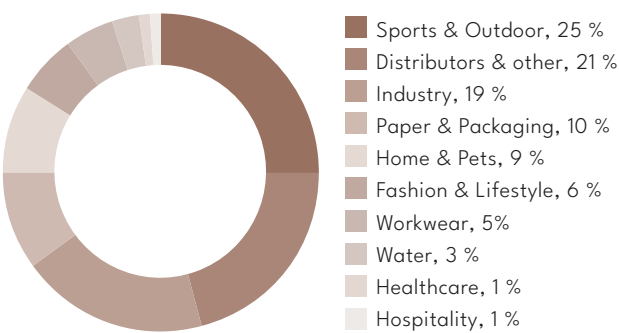
500+
Partners

NET SALES

Quarterly net revenue by **region**:



Quarterly net revenue by **category**:



NUMBERS IN BRIEF

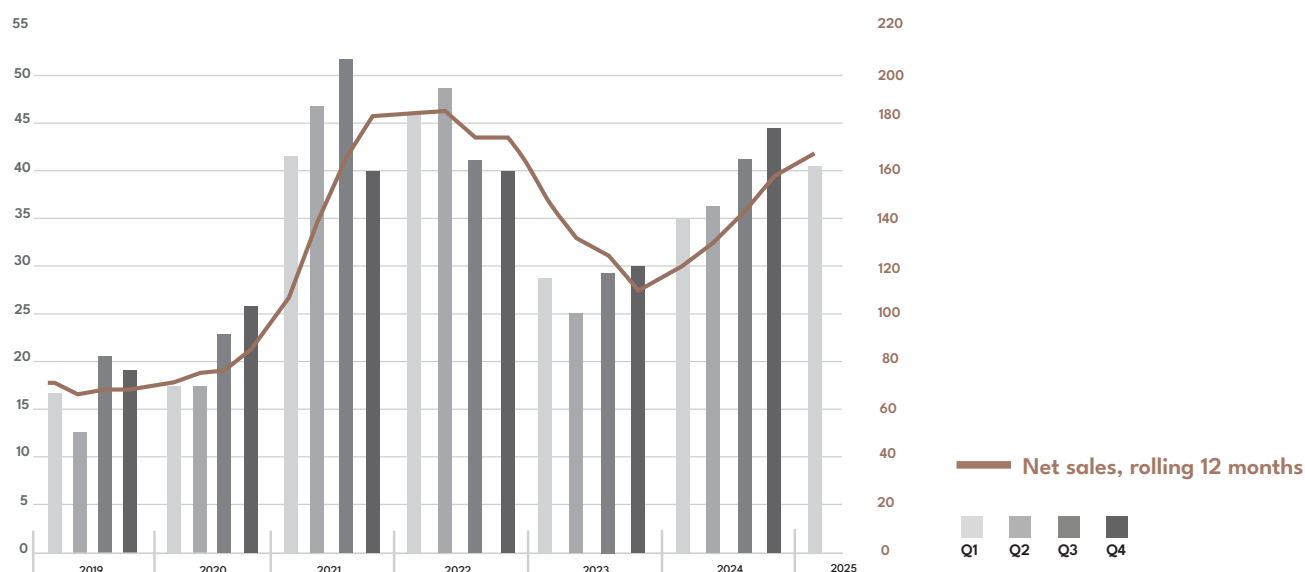
POLYGIENE GROUP SUMMARY

	JAN - MAR 2025	JAN - MAR 2024	FULL YEAR 2024	FULL YEAR 2023	FULL YEAR 2022
Net sales, MSEK	41.5	35.1	156.9	113.5	173.6
Operating profit before depreciation (EBITDA), MSEK	3.1	4.8	19.0	-12.2	20.3
Operating margin before depreciation	7.5%	13.7%	12.1%	-10.7%	11.7%
Operating profit (EBIT), MSEK	1.6	3.3	13.2	-312.6	16.0
Operating margin	3.9%	9.5%	8.4%	-275.3%	9.2%
Earnings per share, SEK	0.00	0.03	0.13	-8.81	0.23
Cash flow, MSEK	-4.1	2.5	21.4	-3.7	-6.2

JANUARY - MARCH 2025

- Net sales amounted to MSEK 41.5 (35.1), an improvement of 18 %. The quarter had a positive currency effect of approximately 2 % compared to the previous year.
- The gross margin amounted to 67.4 % (68.7).
- Operating profit before depreciation (EBITDA) amounted to MSEK 3.1 (4.8), including approximately MSEK -1.4 in negative currency effects.
- Operating profit after depreciation and before tax (EBIT) amounted to MSEK 1.6 (3.3).
- Cash flow amounted to MSEK -4.1 (2.5), or MSEK -6.8 (4.7) including currency effects. Cash and cash equivalents amounted to MSEK 61.9 (48.9). The quarter was impacted by approximately MSEK 3 in bonus payments and customer payments with shorter credit terms at the end of Q4.

NET SALES, MSEK



The graph refers to the group.

EVENTS IN BRIEF

POLYGIENE GROUP'S BOARD PROPOSES ONE-TIME EXTRA DIVIDEND

The Board of Directors of Polygiene Group has previously proposed a dividend of SEK 0.05 per share. In light of a very strong cash position, the Board now also proposes a one-time extra dividend of SEK 0.22 per share. The Board will propose a total dividend of SEK 0.27 per share at the Annual General Meeting on May 8, 2025.

CURRENT BOARD NOMINATED FOR RE-ELECTION 2025/2026

The Nomination Committee proposes the re-election of Jonas Wollin, Paul Morris, Bengt Engström and Sofia Svensson as ordinary board members. Furthermore, the Committee proposes the re-election of Jonas Wollin as Chairman of the Board.

LAUNCH OF STAYCOOL BY POLYGIENE AT PERFORMANCE DAYS

In March, Polygiene launched the new technology StayCool by Polygiene at Performance Days in Munich. The trade fair resulted in fantastic feedback from both new leads and existing customers, leading to many ongoing partner tests.

POLYGIENE X CUBE

Germany's leading bicycle brand CUBE launched a new collection of mountain bike protectors treated with Polygiene StayFresh. The launch was supported by a joint marketing campaign featuring newsletters, interviews, and social media posts targeting CUBE's large audience (396,000 followers on Instagram).

NEW COLLABORATION WITH SITKA

Polygiene Group has initiated a collaboration with Sitka for implementation in selected stores in North America, starting in summer 2025. The partnership includes specially designed in-store displays featuring Polygiene-treated products.

DESCENTE X POLYGIENE – RELAUNCH

Descente and Polygiene reunite for a new collection in 2025, following the successful collaboration first launched in SS21. The new collection features Polygiene StayFresh technology, offering long-lasting odor control and comfort in both performance and lifestyle garments.

PEACEBIRD X POLYGIENE – FIRST LAUNCH

Peacebird, one of China's largest and most influential fashion groups with over 5,000 stores across the country, will launch its first collection with Polygiene in 2025. Known for its bold designs and strong Gen Z focus, Peacebird integrates Polygiene StayFresh technology into trendy everyday wear in selected garments.

ANTA X POLYGIENE – PERFORMANCE COLLECTION

ANTA's Guan Jun (Champion) series – known for premium quality and top-tier athlete ambassadors – will include Polygiene StayFresh technology in its launch during June–July 2025. As ANTA's flagship series, Guan Jun represents innovation, national pride, and professional-level sports-wear. The new collection combines technical performance with odor-controlling technology to meet the demands of both intense training and everyday use.

NEW TEAM MEMBER – CHLOE BIRD

Addmaster welcomed Chloe Bird to the team as new internal sales support. Her role strengthens Addmaster's proactive sales efforts.

ISO 45001

Addmaster is already certified according to ISO 9001 and ISO 14001, and has now officially initiated the certification process for ISO 45001 – Management System for Occupational Health and Safety.

LAUNCH OF NEW HEALTHCARE PRODUCTS

Addmaster has introduced two new products designed for use in the manufacturing of medical devices. One offers unique capabilities by combining antibacterial properties with authentication technology to ensure both authenticity and functionality. The other is a PVC-based product which, thanks to carefully selected components, is suitable for medical technology applications. Together, these products strengthen our offering to the Healthcare market and create new business opportunities in the healthcare sector.

STRONG GROWTH, PROFITABILITY AND INNOVATION CHARACTERISED THE QUARTER

Net sales for the quarter amounted to MSEK 41.5 (35.1), an increase of 18% compared to the previous year. The gross margin for the period was 67.4 (68.7)%. Operating profit before depreciation and tax (EBITDA) was MSEK 3.1 (4.8). Cash flow was negative at MSEK -4.1 (2.5), and cash and cash equivalents amounted to MSEK 61.9 (48.9).

Polygiene Group continues to demonstrate strong growth during the quarter, with an 18% increase in sales compared to the same period last year. The gross margin was 67.4%, slightly lower than the full-year figure for 2024 (70.8%). This is primarily due to a temporary shift in the sales mix, which is expected to normalize over the coming quarters. Fixed costs are higher than in the previous year, largely due to the strict cost control during the early part of 2024. However, expenses are fully in line with planned costs and follow the pace we expect for the full year. The quarter was impacted by expenses for our annual Company Meeting, which this year will take place in spring instead of September. Other one-off costs also affected the result. The negative cash flow during the period is primarily due to the payout of a previously communicated employee bonus and changes in payment terms for air freight deliveries in the fourth quarter, which led to advance payments in December.

Operating profit amounted to MSEK 3.1, compared to MSEK 4.8 for the same period last year. Despite higher sales and lower EBITDA this quarter, the scalability of the business model remains intact. The goal for 2025 is to continue delivering profitable growth with a virtually unchanged cost base and positive full-year cash flow. The Board has therefore proposed an additional dividend of SEK 0.22 per share, on top of the previously proposed SEK 0.05 per share, for a total dividend of SEK 0.27 per share for the financial year 2024. This proposal reflects our ambition to create long-term value for our shareholders while ensuring a continued strong financial foundation for future growth.

The ongoing trade war between the US and China is currently not expected to have a direct impact on Polygiene Group's operations, as only a very limited portion (less than 5%) of our own products are exported to the US.

Products shipped to the American market are mainly sent from the UK and were initially subject to a 10% tariff. However, we are aware of the indirect effects that could arise if our customers' businesses are negatively affected. Since our technology is an integrated part of their products, our development is closely tied to their success. We are therefore monitoring the situation closely and maintaining active dialogue with relevant customers. Our current position is to wait for clearer guidance before taking concrete actions. Polygiene Group's global network of distributors with local inventories gives us the flexibility to adapt if customers choose to relocate production due to the geopolitical situation.

POLYGIENE

Over the past year, Polygiene has focused heavily on developing a new technology long requested by our customers: an effective temperature-regulating solution. The result is StayCool, our new cooling technology, which was globally launched after its debut at Performance Days in Munich in March. StayCool is activated by moisture and heat and can lower textile temperature by up to 3 degrees, providing a noticeable cooling effect, particularly in products used in warm and physically demanding environments. This development is a milestone in our ambition to remain at the forefront of functional textile solutions and to continue creating added value for our customers through innovation. We look forward to the opportunities that StayCool brings, both with existing customers and in attracting new ones. Interest has been overwhelming, and several pilot projects are already underway together with our partners.

Another exciting step forward is our close collaboration with the UK company Storm Care Solution Ltd. They are about to launch a new product that allows end-consumers to treat their garments at home in the washing machine. The product features an updated version of our well-proven and fully organic OdorCrunch™ formula and marks an important phase in our strategy to get closer to the consumer. The first delivery took place during the first quarter, and the market launch is imminent.

The goal for 2025 is to continue delivering profitable growth with a virtually unchanged cost base and positive full-year cash flow

Polygiene continues to develop steadily with a positive outlook for 2025. Growth is seen across all regions, with particularly strong development in EMEA, where sales increased by an impressive 44% during the period. Apart from a few new partnerships, growth is mainly driven by our existing customers. This is a clear testament to the trust our technologies inspire and the added value Polygiene creates through marketing and co-branding. The quarter featured several well-executed campaigns that clearly reflect our partners' commitment to positioning Polygiene as a key competitive advantage.

ADDMASTER

After a relatively calm start to the year, sales accelerated during the latter part of the quarter. Revenue in March equaled the combined total of January and February, resulting in the quarter ending on par with the previous year. A significant portion of Addmaster's sales occurs within the Industrial and Professional category. The subdued development in the construction sector in recent years has impacted demand for products such as flooring and wall panels. Sales to distributors are progressing well, and the new distributor in China has gotten off to a strong start since launching six months ago. EMEA is the largest region, accounting for 67% of total sales, with Industrial and Professional (22%) and Paper and Packaging (22%) being the largest categories after distributor sales (32%). To support sales growth within Addmaster, the organization was strengthened with an internal sales support function, a position filled in early March. The role aims to actively follow up on customer leads generated via the website – a channel that continues to deliver strong KPIs month after month. The position also serves as valuable support to the sales team, allowing them to focus more on direct customer interaction.

During the quarter, Addmaster developed a medically classified PVC product approved for integration into items in the Healthcare category, opening up new business opportunities. Another recent innovation is a combined Verimaster and Biomaster product designed to confirm the presence of Biomaster in a given material. Many of these formulations are developed based on specific customer requests, but they also expand Addmaster's portfolio with new applications.

OUTLOOK

Following a slightly slow start to the year, sales picked up in March with high activity levels. We anticipate that the momentum built during 2024 will continue into 2025, though subject to developments in the geopolitical landscape in the coming months. Our focus on the IR market will persist, and the second leg of our European roadshow will resume after this report release. At the time of writing, results from Phase 2 of the ShedGuard innovation project have not yet been received. With new product launches underway, exciting projects in the pipeline, and a well-defined growth strategy, I am confident that we will reach new heights this year.



A handwritten signature in blue ink that reads "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.

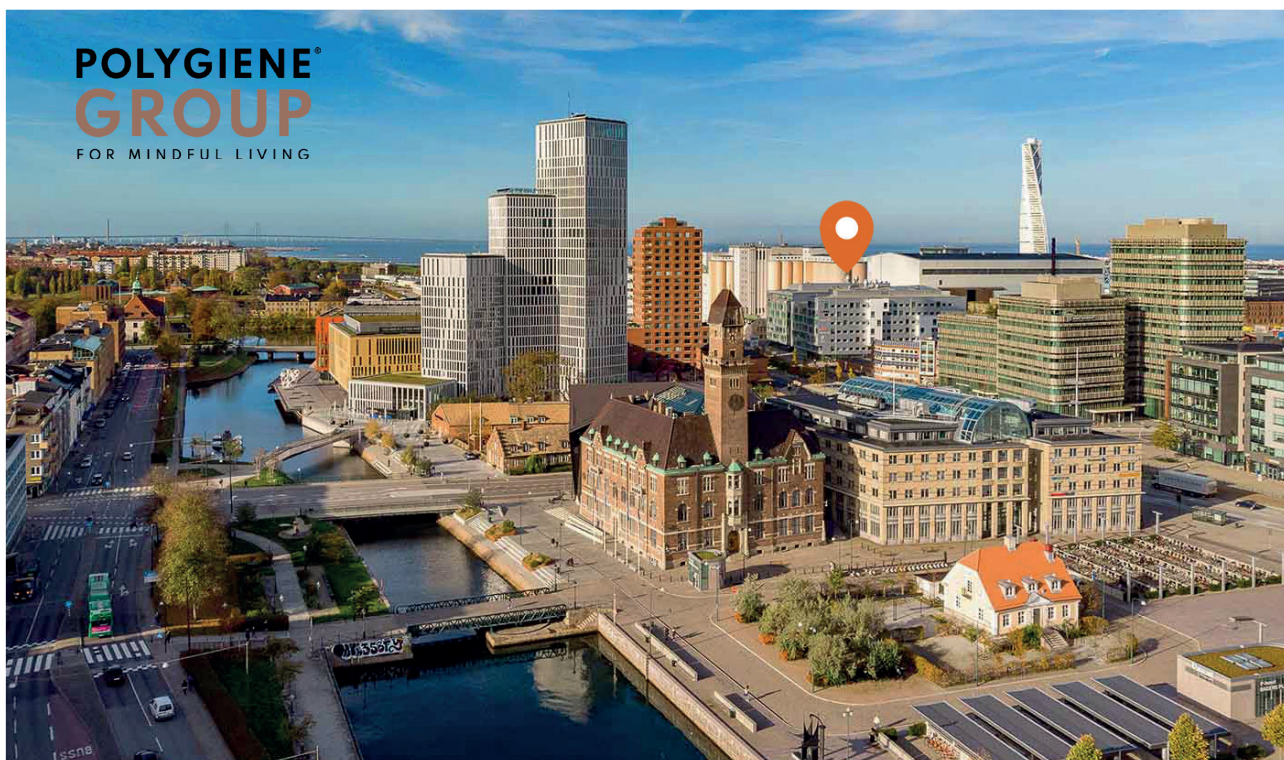
Headquartered in Malmö, Polygiene Group is characterized by a strong Scandinavian corporate culture. This culture forms the foundation of our vision, product development, and how we aim to evolve as a company. Our Swedish roots ensure a simple, inclusive, and enjoyable work environment where sustainability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

Polygiene is a leading, global, consumer-focused ingredient brand in Freshness and additional functions with textiles. 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 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 the ambition to promote antimicrobial technology, 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 to marketing, distribution, and customer support. Manufacturing takes place in Europe, adhering to stringent environmental regulations worldwide. The technologies are integrated into manufacturers' existing processes, minimizing energy consumption and water usage during application. We are highly proud of our strong environmental focus.



FINANCIAL TRENDS Q1

NET REVENUES AND RESULT

The Group's net sales for the first quarter amounted to MSEK 41.5 (35.1), an improvement of 18 %. The quarter had a positive currency effect of approximately 2 % compared to the previous year. Other operating income includes changes in exchange rates during the quarter related to operational receivables and liabilities. The gross margin for the quarter was 67.4 (68.7) %. Cost of goods sold amounted to MSEK -14.5 (-12.1).

COSTS

OTHER EXTERNAL EXPENSES

The total expenses for the period amounted to MSEK -12.6 (-9.6). The other external costs consist of:

- Variable sales expenses: MSEK -3.7 (-3.1), mainly commissions to agents and distributors related to the Polygiene segment
- Marketing expenses: MSEK -1.2 (-1.0)
- Administrative expenses: MSEK -4.9 (-3.2). The increase of MSEK -1.7 is partly explained by one-time costs and timing effects:
 - TSEK -600 relates to travel, half of which is connected to the company event held in Q2 this year
 - TSEK -500 refers to testing and development of new products
 - TSEK -300 relates to legal costs for agreements
 - TSEK -200 relates to investor relations costs
- Contracted consultants: MSEK -2.8 (-2.4). The increase of MSEK -0.4 is due to price increases, one additional consultant, and a Q1 bonus.

COSTS FOR EMPLOYEE COMPENSATION

Employee compensation amounted to MSEK -9.8 (-8.4). The increase is explained by bonus provisions, salary adjustments, and the addition of four new employees.

OTHER OPERATING EXPENSES

Costs amounted to MSEK -2.4 (-1.2) for the quarter and relate to exchange rate differences, primarily due to changes in currency rates linked to operational receivables and liabilities. The USD has declined by 10 % during the quarter.

DEPRECIATION

Depreciation of intangible and tangible fixed assets amounted to MSEK -1.5 (-1.5).

RESULT

The operating profit (EBIT) for the quarter amounted to MSEK 1.6 (3.3). Other comprehensive income includes translation differences arising from the conversion of foreign subsidiaries and goodwill at the closing exchange rate for the period.

The period's profit and total comprehensive income amounted to MSEK -16.9 (9.1). As of January 1, 2025, translation differences resulting from changes in exchange rates on opening equity foreign subsidiaries are reported under other comprehensive income. Previously, these were recognized directly in equity.

FINANCIAL POSITION

INTANGIBLE AND TANGIBLE FIXED ASSETS

The intangible fixed assets mainly consist of goodwill from business acquisitions, investments in business systems, and product development. The tangible fixed assets primarily relate to the right-of-use asset from lease contracts. For details, see note 12.

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 related to tax loss carryforwards from previous years. The total tax loss carryforward amounted to MSEK 94 at the end of the period.

INVENTORY

The inventory has decreased compared to the previous period to MSEK 24.0 (29.8).

CASH FLOW AND LIQUIDITY

Cash flow for the first quarter amounted to MSEK -4.1 (2.5), or MSEK -6.8 (4.7) including currency effects. The negative cash flow is mainly explained by bonus payments and early customer payments in Q4 due to air freight shipments with short payment terms. The Group's cash and cash equivalents amounted to MSEK 61.9 (48.9) at the end of the quarter.

EQUITY

Equity amounted to MSEK 302.7 (308.1) at the end of the period. The equity ratio as of March 31, 2025, was 91.3 % (92.7).

PERSONNEL

The Group's operational organization consisted of 46 (41) individuals at the end of the quarter, regardless of employment rate. Of these, 37 (33) were employees and 9 (8) were contracted consultants. Adjusted to full-time equivalents, this corresponds to 44 (39) individuals.

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
OPERATING REVENUE				
Net sales	7, 8	41,493	35,062	156,948
Other operating income*		985	1,137	7,267
TOTAL OPERATING REVENUE		42,478	36,199	164,215
OPERATING EXPENSES				
Cost of goods sold		-14,532	-12,109	-53,166
BRUTTORESULTAT		27,946	24,090	111,049
Other external expenses		-12,594	-9,642	-48,038
Personnel expenses		-9,813	-8,436	-37,062
Other operating expenses*		-2,438	-1,207	-6,929
OPERATING PROFIT BEFORE DEPRECIATION (EBITDA)		3,101	4,805	19,020
Depreciation and write-downs		-1,466	-1,460	-5,866
OPERATING PROFIT/LOSS (EBIT)		1,635	3,345	13,154
PROFIT OR LOSS FROM FINANCIAL ITEMS				
Interest income and similar items	10	1,546	582	3,769
Interest expenses and similar items	10	-2,545	-1,173	-4,042
PROFIT OR LOSSES AFTER FINANCIAL ITEMS		636	2,754	12,881
Tax of the period	9	-613	-1,666	-8,041
PROFIT OF THE PERIOD		23	1,088	4,840
Other profit of the period**		-16,901	8,004	11,990
TOTAL PROFIT OF THE PERIOD		-16,878	9,092	16,830
EARNINGS PER SHARE (SEK)				
Earnings per share – basic and diluted				
Earnings per share before dilution		0.00	0.03	0.13
Earnings per share after dilution		0.00	0.03	0.13

*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	2025-03-31	2024-03-31	2024-12-31
ASSETS				
FIXED ASSETS				
Intangible assets	12	198,061	207,456	210,603
Tangible assets		3,240	4,904	3,749
Financial assets		7,478	7,478	7,478
TOTAL FIXED ASSETS		208,779	219,838	221,830
CURRENT ASSETS				
Finished items and items for sale		24,006	29,776	28,014
Trade receivables		32,274	28,290	28,707
Other current assets		4,642	4,760	3,551
Cash and cash equivalents		61,915	48,861	68,738
TOTAL CURRENT ASSETS		122,837	111,687	129,010
TOTAL ASSETS		331,616	331,525	350,840
TOTAL EQUITY AND LIABILITIES				
EQUITY		302,729	308,086	319,607
TOTAL EQUITY		302,729	308,086	319,607
PROVISIONS				
Deferred tax assets		189	–	202
TOTAL PROVISIONS		189	–	202
LONG-TERM LIABILITIES				
Leasing liabilities		1,277	2,341	1,482
TOTAL LONG-TERM LIABILITIES		1,277	-12,838	1,482
SHORT-TERM LIABILITIES				
Accounts payable		16,233	10,691	11,870
Leasing liabilities		1,058	1,202	1,543
Other current liabilities		10,130	9,205	16,136
TOTAL SHORT-TERM LIABILITIES		27,421	21,098	29,549
TOTAL LIABILITIES		28,698	23,439	31,031
TOTAL EQUITY AND LIABILITIES		331,616	331,525	350,840

STATEMENTS OF CHANGE IN EQUITY OF THE GROUP

TSEK	2025-01-01 2025-03-31	2024-01-01 2024-03-31	2024-01-01 2024-12-31
EQUITY AT PERIOD START	319,607	291,246	291,246
TRANSACTIONS WITH THE OWNERS			
New share issues and warrants	-	-	117
TOTAL TRANSACTIONS WITH THE OWNERS	-	-	117
Translation difference *	-	7,748	11,414
PROFIT AND OTHER PROFIT OF THE YEAR			
Profit of the period	23	1,088	4,840
Other profit of the period *	-16,901	8,004	11,990
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-16,878	9,092	16,830
EQUITY AT PERIOD END	302,729	308,086	319,607

* As of January 1, 2025, translation differences arising from changes in exchange rates of opening equity foreign subsidiaries are recognized in Other profit of the period. Previously, these were recognized directly in equity.

CASH FLOW OF THE GROUP

TSEK	NOTE	2025-01-01 2025-03-31	2024-01-01 2024-03-31	2024-01-01 2024-12-31
CURRENT ACTIVITIES				
Operating profit		1,635	3,344	13,154
Non-cash items	11	-951	1,821	2,079
Interest income		378	133	967
Paid income tax		-951	-635	-4,409
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN OPERATING CAPITAL		111	4,663	11,791
<i>Changes in working capital:</i>				
Increase/decrease in inventory		2,615	1,848	4,389
Increase/decrease in current receivables		-5,430	-2,536	-1,221
Increase/decrease in current liabilities		-735	-641	9,378
NET CASH FLOW FROM OPERATING ACTIVITIES		-3,439	3,334	24,337
INVESTMENT ACTIVITIES				
Acquisition of intangible assets		-367	-403	-1,540
Acquisition of tangible fixed assets		-12	-20	-48
CASH FLOW FROM INVESTING ACTIVITIES		-379	-423	-1,588
FINANCING ACTIVITIES				
New shares and warrants		-	-	117
Amortization of leased objects		-300	-364	-1,496
CASH FLOW FROM FINANCIAL ACTIVITIES		-300	-364	-1,379
CASH FLOW OF PERIOD		-4,118	2,547	21,370
Cash and cash equivalents at period start		68,738	44,146	44,146
Currency differences, cash and cash equivalents		-2,705	2,168	3,222
CASH AND CASH EQUIVALENTS AT PERIOD END		61,915	48,861	68,738

MULTI-YEAR OVERVIEW OF THE GROUP

	2025-01-01 2025-03-31	2024-01-01 2024-03-31	FULL YEAR 2024	FULL YEAR 2023	FULL YEAR 2022
Net sales, TSEK	41,493	35,062	156,948	113,542	173,564
Sales growth, %	18.3	25.2	38.2	-34.6	-4.4
Operating profit/loss EBITDA, TSEK	3,101	4,805	19,020	-12,204	20,345
Operating margin EBITDA, %	7.5	13.7	12.1	-10.7	11.7
Total profit/loss of the period, TSEK	-16,878	9,092	16,830	-303,629	21,841
Total profit margin after tax, %	-40.7	25.9	10.7	-267.4	12.6
Cash flow, TSEK	-4,118	2,547	21,370	-3,685	-6,151
Equity, TSEK	302,729	308,086	319,607	291,246	592,559
Balance sheet total, TSEK	331,616	331,525	350,638	313,780	621,898
Equity/assets ratio, %	91.3	92.9	91.2	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	0.00	0.03	0.13	-8.81	0.23
Earnings per share after dilution, SEK	0.00	0.03	0.13	-8.81	0.22
Cash flow per share, SEK	-0.11	0.07	0.59	-0.10	-0.17
Equity per share, SEK	8.29	8.43	8.75	7.97	16.22

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, Stay-Cool, Scentmaster, 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 January 1 – March 31, 2025 and is presented in SEK, which is the Parent Company's functional currency and the Group's presentation currency. The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act (ÅRL). It does not contain all the information required by IFRS (International Financial Reporting Standards) for full financial statements and should therefore be read in conjunction with the Annual Report for the financial year 2024, except for the description of the underlying regulatory framework. Complete disclosures under IFRS have been provided in the Annual Financial Statements for 2024. The interim report has not been subject to a review by the Group's auditors.

The interim report for the period January 1 – March 31, 2025 was approved for issue by the Board of Directors on April 23, 2025. The report has been prepared in accordance with IFRS and complies with the accounting and valuation principles presented in the Annual Financial Statements for 2024.

Unless otherwise stated, amounts are reported in TSEK.

NOTE 3: RISKS AND UNCERTAINTIES

The Group's operations are affected by a number of factors that pose a risk to its business and results. For further information, please refer to the Annual Financial Statements for 2024. Polygiene Group actively works to ensure continued strong liquidity and to remain a debt-free company.

The Group is primarily exposed to USD and GBP. Polygiene Group has currently chosen not to hedge these currency flows due to the difficulty in forecasting them, given the short call-off lead times from customers.

The geopolitical situation in Ukraine and the Middle East affects market conditions and increases uncertainty in the global market. Polygiene 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, results, or financial position. However, we note increased freight costs and longer lead times, and are actively working to reduce the risk of further cost increases by optimizing freight terms and exploring alternative solutions. We also monitor the price development of our material purchases. Historically, Polygiene Group has offset increased costs through price increases. We are also monitoring developments regarding trade tariffs between the United States and the rest of the world. The Group's direct sales to the United States are limited, but we may be indirectly affected through our customers' sales to the US.

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 2024.

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:

Q1 2025			
PRIMARY GEOGRAPHIC MARKETS:	GOODS	ROYALTY	TOTAL
APAC	10,240	3,640	13,880
EMEA	17,491	1,595	19,086
AMERICAS	6,314	1,253	7,567
GLOBAL	950	10	960
	34,995	6,498	41,493

Q1 2024			
PRIMARY GEOGRAPHIC MARKETS:	GOODS	ROYALTY	TOTAL
APAC	8,580	2,868	11,448
EMEA	16,883	656	17,539
AMERICAS	4,248	1,382	5,630
GLOBAL	445	–	445
	30,156	4,906	35,062

Q1 2025			
SEGMENT:	GOODS	ROYALTY	TOTAL
Polygiene	16,015	6,498	22,513
Addmaster	18,980	–	18,980
	34,995	6,498	41,493

Q1 2024			
SEGMENT:	GOODS	ROYALTY	TOTAL
Polygiene	10,965	4,906	15,871
Addmaster	19,191	–	19,191
	30,156	4,906	35,062

NOTE 8: SEGMENT REPORTING

The Group management defines Polygiene Group's operating segments as Polygiene and Addmaster. The gross profit from these segments is monitored by the Group's chief operating decision maker and serves as the basis for strategic decisions. No other segment follow-up is currently performed.

Q1 2025				
	POLYGIENE	ADDMASTER	ELIMINATION	TOTAL
SEGMENT REVENUE				
Net sales	27,340	22,273	-8,120	41,493
Other income	486	499	–	985
TOTAL OPERATING INCOME	27,826	22,772	-8,120	42,478
SEGMENT EXPENSES				
Cost of goods sold	-6,361	-11,845	3,674	-14,532
GROSS PROFIT	21,465	10,927	-4,446	27,946

Q1 2024

	POLYGIENE	ADDMASTER	ELIMINATION	TOTAL
SEGMENT REVENUE				
Net sales	19,906	23,969	-8,813	35,062
Other income	1,100	37	–	1,137
TOTAL OPERATING INCOME	21,006	24,006	-8,813	36,199
SEGMENT EXPENSES				
Cost of goods sold	-6,349	-10,553	4,793	-12,109
GROSS PROFIT	14,657	13,453	-4,020	24,090

Q1 2025

SEGMENT ASSETS	POLYGIENE	ADDMASTER	TOTAL
Intangible fixed assets	6,788	191,273	198,061
Tangible fixed assets	2,451	789	3,240
TOTAL	9,239	192,062	201,301

Q1 2024

SEGMENT ASSETS	POLYGIENE	ADDMASTER	TOTAL
Intangible fixed assets	8,104	199,353	207,457
Tangible fixed assets	3,360	1,544	4,904
TOTAL	11,464	200,897	212,361

NOTE 9: TAX

TAX OF THE PERIOD	Q1 2025	Q1 2024	FULL YEAR 2024
Tax of the period	-428	-267	-6,158
Impairment withholding tax	-332	-1,399	-1,573
Adjustment of tax from previous period	147	–	-149
Deferred tax	–	–	-161
TOTAL TAX	-613	-1,666	-8,041

NOTE 10: OTHER INTEREST INCOME AND OTHER INTEREST EXPENSES AND SIMILAR ITEMS

	Q1 2025	Q1 2024	FULL YEAR 2024
Interest income	378	133	957
Foreign exchange differences	1,168	449	2,812
TOTAL	1,546	582	3,769
Interest expenses	-	-	-48
Foreign exchange differences	-2,545	-1,173	-3,994
TOTAL	-2,545	-1,173	-4,042

NOTE 11: NON-CASH ITEMS

	Q1 2025	Q1 2024	FULL YEAR 2024
Depreciation of tangible and intangible fixed assets	1,466	1,460	5,866
Unrealized foreign exchange gains and losses	-2,416	-5	-3,989
Other adjustments	-1	366	202
	-951	1,821	2,079

NOTE 12: FINANCIAL ASSETS

GOODWILL

GROUP TKR	2025-03-31	2024-03-31	2024-12-31
OPENING ACCUMULATED ACQUISITION VALUES FOR THE PERIOD	201 042	185 897	196 788
Translation difference	-11 788	10 281	4 254
CLOSING ACCUMULATED ACQUISITION VALUES	189 254	196 178	201 042
CLOSING CARRYING AMOUNT	189 254	196 178	201 042

OTHER INTANGIBLE ASSETS

GROUP TKR	2025-03-31	2024-03-31	2024-12-31
OPENING ACCUMULATED CARRYING AMOUNT			
Development projects and similar work	4 507	5 095	4 734
Software and licenses	2 666	3 544	2 846
Trademark	1 634	2 639	1 981
CLOSING ACCUMULATED CARRYING AMOUNT	8 807	11 278	9 561
TOTAL INTANGIBLE ASSETS	198 061	207 456	210 603

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	June 1–30, 2025	26.62
6	2023	300,000	June 1–30, 2026	11.52
7	2024	265,000	June 1–30, 2027	18.00

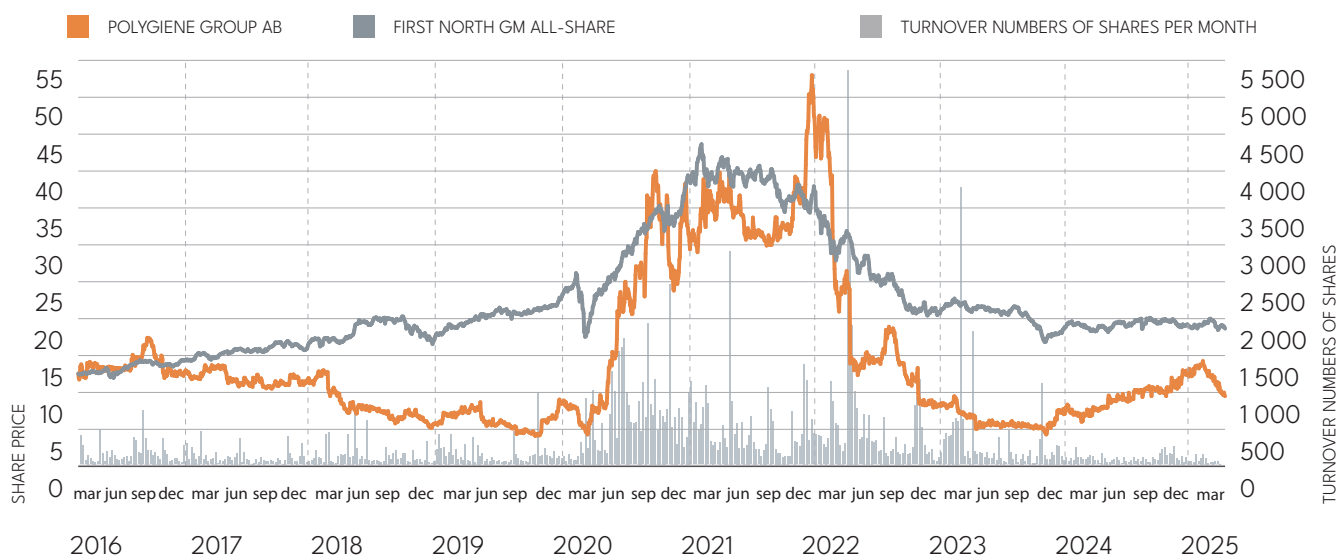
For more information on the development of share capital, please refer to the Polygiene Group's Annual Report 2024.

SHARES

The share in Polygiene Group AB (publ.) has been listed on Nasdaq First North Growth Market, Stockholm, since March 14, 2016. During the first quarter, a total of 775,531 shares were traded, corresponding to an average of 12,508 shares per trading day. The share price at the end of the period was SEK 9.50, corresponding to a market capitalization of MSEK 347.

The highest and lowest prices during the period were SEK 15.60 and SEK 9.16, respectively.

POLYGIENE GROUP AB MARCH 2016 – MARCH 2025

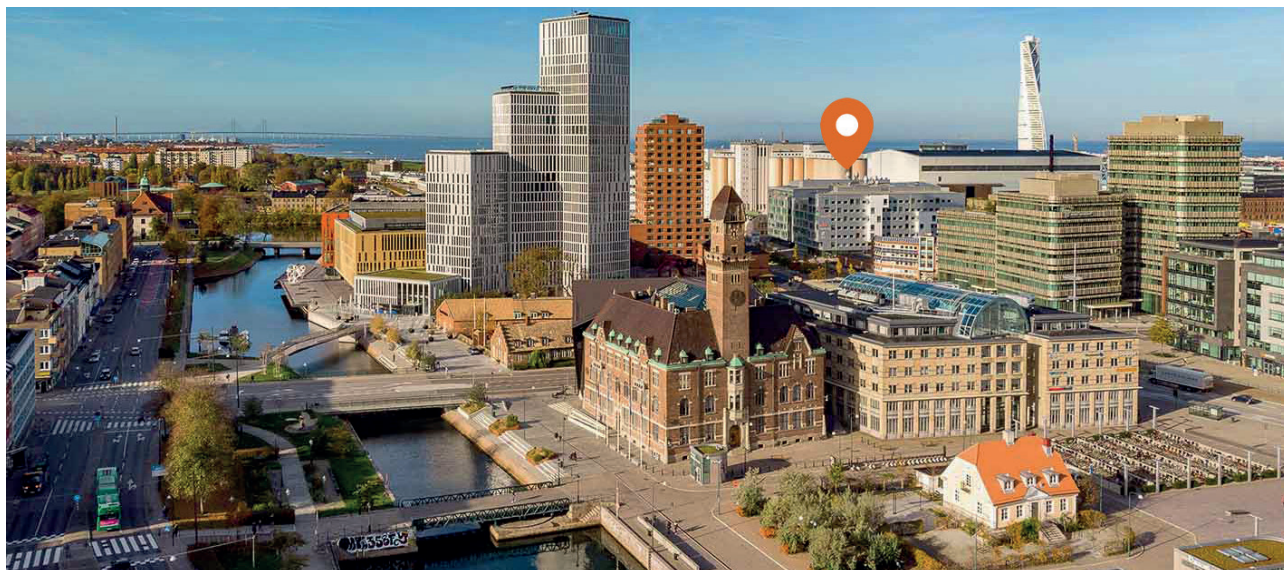


OWNERSHIP STRUCTURE

The number of shareholders at the end of the period amounted to 1,931 (2,101). The table below shows the top 10 shareholders as of March 31, 2025.

SHAREHOLDERS	SHARES	PERCENT
Peter Gyllenhammar*	10,899,939	29.8%
Paul Morris*	4,477,056	12.3%
Familjen Eklund	3,750,000	10.3%
Håkan Lagerberg*	2,465,030	6.7%
Didner & Gerge Small & Microcap	1,445,000	4.0%
Familjen Girell	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%
Other	9,793,587	26.8%
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.



DEFINITIONS

Gross margin:

Result after cost of goods sold divided by the Group's net sales.

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):

Profit 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 divided by the total number of shares outstanding at period end.

Cash flow per share:

Cash flow divided by the average total shares outstanding.

CONTACT INFORMATION

Questions related to the report:

Niklas Blomstedt, CFO

+46 (0) 706 632 126

niklas.blomstedt@polygiene.com

Ulrika Björk, CEO

+46 (0) 709 211 275

ulrika.bjork@polygiene.com

POLYGIENE GROUP AB

Styrmansgatan 2

211 18 Malmö

+46 (0) 40 26 22 22

POLYGIENE[®] GROUP

FOR MINDFUL LIVING

FINANCIAL CALENDAR 2025

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 April 24, 2025.