

Polygiene AB (publ.)

Year-End Release 1 January–31 December 2016



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STAY FRESH

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Financial trends in brief

Key ratios	Oct–Dec 2016	Oct–Dec 2015	Full year 2016	Full year 2015
Net sales, MSEK	20.2	15.0	61.6	51.5
Operating profit EBIT, MSEK	0.6	1.2	–3.4	5.6
Profit after tax, MSEK	0.9	4.8	–3.2	9.2
Operating margin EBIT, %	3.2	8.0	–5.5	10.9
Operating margin after tax, %	4.4	31.8	–5.1	17.8
Earnings per share, SEK	0.04	0.29	–0.16	0.55
Cash flows, MSEK	–6.0	22.2	–7.5	21.5

Net revenue for Q4 increased by 35% from Q4 of the previous year (29% adjusted for foreign exchange effects).

For the full year, net revenue increased by 20% in SEK (18% adjusted for foreign exchange effects).

Q4 profits were impacted by planned increased marketing activities and hiring, plus expenses related to the share listing

on Nasdaq First North. Q4 investment in PR and marketing activities increased by MSEK 2.4 compared to the same period of the previous year. These investments increased by MSEK 8.0 for the full year.

Significant events during the period (October–December)

Polygiene strengthens its position within workwear through a new partnership with Belgian Post

Polygiene has signed a new partnership agreement with Belgian Post Group, bpost, which will begin providing odorless workwear to its employees. Polygiene's odor treatment will enable bpost's employees to feel fresh and safe in their workwear throughout their shift. The first Polygiene-treated odorless polo shirts for bpost are planned to be delivered from the manufacturer at the turn of the year.

Bpost is Belgium's leading supplier of post and logistics services to, from and within Belgium. Polygiene's partnership with bpost is further promoting Polygiene's position in the workwear market.

Polygiene and 2XU are collaborating on odorless compression garments for elite athletes and joggers

Polygiene and the global sportswear brand 2XU (two times you) have established cooperation concerning Polygiene treatment of the compression garments to be launched in 2XU's coming collections during 2017. The compression garments made from compression material include leggings, T-shirts, shorts, socks and sleeves.

All teams in the National Basketball Association (NBA) purchase and use compression garments from 2XU to increase their performance. The active material PWX produces medical, graduated pressure which increases

blood circulation, reduces muscle vibration, enhances stamina and speeds up restitution, and prevents injuries. Polygiene's odor control keeps garments fresh for longer, reducing the laundry requirement. This significantly increases the garment's lifetime, and the compression effect is retained for longer.

2XU is known all over the world for its high quality and is used by Swedish athletes such as the elite runner Mustafa "Musse" Mohamed and the triathletes Annie Thorén and Gabriel Sandör. The collection will be launched in the Swedish market in the second half of 2017.

Haymo Strubel new Director of Commercial Operations for Europe at Polygiene

Polygiene AB has appointed Haymo Strubel as new Director of Commercial Operations for Europe. Haymo is heading Polygiene's commercial activities in Europe from our offices in Munich.

Haymo comes from a senior management role in Sympatex Technologies GmbH's division for functional clothing, where he was responsible for brand development and headed the international commercial activities within functional textiles for the fashion, sports and outdoor industry. Before this, he was key account manager at YKK Group, the world's largest manufacturer of high-tech zippers, where he focused on building and developing the European customer base.

New Technical Director appointed for Polygiene

Polygiene has appointed Paul Middleton as Technical Director for textile applications. Paul will be responsible for working closely with the company's brand partners to ensure proper application of Polygiene Odor Control Technology to partner fabrics and thereby increase the consumers' perceived value of partner garments and gear.

Prior to joining Polygiene, Paul worked as development manager for Courtaulds, the UK's largest hosiery manufacturer and retailer. For more than a decade, he was involved in developing new yarns, garment structures, processing routing, special well-being effects on products – such as antibacterial odor control – and new finishing techniques. Before that, Paul worked as a dye house manager and technical manager in the textile finishing industry.

Significant events after the end of the period

Polygiene and RYU Apparel form a partnership for odorless garments for urban athletes

RYU (Respect Your Universe) is a tailored urban athletic apparel brand based in Vancouver, Canada, that engages in the development, marketing, and distribution of apparel, bags and accessories. RYU now include Polygiene in their new Vapor collection for men and women. The garments are Polygiene-treated and ensure the customer the benefits of odor control, while helping to protect the environment with Wear More. Wash Less®.



Comments from the CEO

A strong conclusion to the year, as our growth continues at full speed

The result for Q4, which in revenue terms was the best in the Company's history, is very satisfactory. Net revenue for the quarter was MSEK 20.1, which represents an increase of 35% (29% adjusted for foreign exchange effects) compared to the same period of the previous year.

This means that in the coming spring and summer seasons we can look forward to many exciting new Polygiene garments in both physical stores and e-stores.

In Q4 we saw continued strong demand from both existing customers and new brand partners. We initiated several exciting partnerships with new brand partners, while focusing on many potential new customers. There is sustained strong interest in Polygiene as the leading odor control system in the market. We can also see that Polygiene is quickly achieving a stronger position with the brands that sell directly to consumers, via e-commerce solutions. This is a channel that requires adjustment of market material, but also offers new opportunities.

We continued to invest in resources and expertise during Q4, which included local PR and market activities in our key markets in the USA, Europe and Asia. This will ensure continued growth and build an even stronger Polygiene brand within our focus segments.

Haymo Strubel came on board during the autumn as new Director of Commercial Operations for Europe, and Paul Middleton was appointed as Technical Director for textile applications. They both have relevant experience from the industry and we can already see that they are contributing to our continued growth. During the quarter we also strengthened the organization by recruiting Nick Brosnan as Operational Marketing Manager for Europe. Nick comes from the American PR agency, Backbone, with which we cooperate on marketing activities for the American market. Nick contributes valuable experience in our close collaboration with brand partners and directly with stores, consumers, and opinion leaders, such as writers and journalists; as well as with the industry at fairs and exhibitions in Europe.

Our increased focus on market activities will continue during 2017. Among other things, we plan to strengthen our sales organization in the USA. A local presence, with sales and marketing resources, is a key component in strengthening opportunities for a continued strong growth rate.



Sports & Outdoor

We can see continued strong growth in our largest segment, Sports & Outdoor. We initiated promising new cooperation with the global sportswear brand 2XU (two times you) for Polygiene treatment of the compression garments launched in 2XU's coming collections during 2017. Besides ordinary consumers, these types of garments are also used by many elite athletes. All teams in the National Basketball Association (NBA) in the USA use compression garments from 2XU to increase their performance.

Polygiene odor control keeps garments fresh for longer, reducing the laundry requirement. This significantly increases the garment's lifetime, and the compression effect is retained for longer.

There is now also a growing interest in sport and exercise in Asia. This is a positive trend for Polygiene and we can currently see that a number of local brands and licensees will introduce our technology in their products. This interest is driven by the coming major sports events: the Winter

Olympics in South Korea in 2018, the Summer Olympics in Tokyo in 2020 and the Winter Olympics in Beijing in 2022, and also by the health trends which are clearly spreading to Asia from the USA and Europe. During the spring, we will see several new partners and activities in this segment.

Lifestyle

Athleisure, the sector overlap between Athletic and Leisure, has now become an established trend. We work with several brands in this niche market, such as Athleta and Mondetta, where we see a positive trend for both. We are working actively for Polygiene to be established as an obvious functionality for garments "from the gym to the street" as Athleta puts it.

Travel is a similar segment in which we have grown with such brands as Toad&Co, QOR, Pack Towel, Lifeventure, etc. Garments of this type are becoming more and more customary for traditional sportswear brands, and we foresee exciting development of this segment.

We are also continuing to expand with more traditional Lifestyle products such as undergarments and socks. This includes Wacoal in Japan, which is the largest and the leading brand for women's undergarments in the Japanese market, and also has extensive exports to Asia, Europe and the USA.

Footwear

Testing of various leading footwear brands is continuing, and some new ones have also been added. The development cycles are long and the material tests are extensive, so that establishment in this segment takes more time.

We already cooperate with e.g. Converse Japan, SOLE and ASTRAL. Our experience and the fact that we can process every part of the shoe, such as textile lining, foam and molded soles, gives us a clear advantage over our competitors.

There is very strong interest from consumers and brands in treated shoes, so that we consider this segment to be a large and important future development area.

Home textiles

Based on our previous success and successful penetration of this segment in Japan and South Korea, we see significant further potential within the segment, primarily in Asia. In this region too, "consumer direct" is a rapidly growing business model, and Polygiene has been proved to serve as a good differentiator for the new brands.

This segment has increased rapidly for Polygiene and today accounts for approximately 15% of our textile revenue.

We believe that this share can increase further in the future, based on the progress made in Asia. In addition, through active work in the USA during the spring, together with Business Sweden and our agents, we have good expectations of a breakthrough in this market too.

Workwear

During the quarter, a partnership agreement was established with Belgian Post Group (bpost), which is now beginning to provide its employees with odorless workwear. Bpost is Belgium's leading supplier of domestic and international post and logistics services. Our partnership with bpost is further promoting Polygiene's position in the workwear market.

Protective & Other

This segment mainly comprises floor, plastic and paint solutions, and shows sustained growth in step with other business activities. The number of customers is limited, yet they dominate their respective segments. We can also see that Polygiene serves as a good door-opener for our partners in new markets, primarily in Asia and South America. This is naturally also opening up these markets for the Polygiene brand.

Summary of 2016 and future outlook

To conclude, here is a summary of the past year:

- Continued strong growth at 20%.
- Exciting new brands have been added to the customer portfolio in our most important markets and focus segments.
- We have invested successfully in our organization (expertise and resources) and in building up and strengthening our brand together with our partner brands.
- The resource and market initiatives achieved in 2016 and continuing into 2017 are aimed to take us to an annual growth rate exceeding 30%, going forward. Profitability is expected to increase in the next few years towards our stated goal, since costs are not expected to increase at the same rate as the gross margin from increased sales.

Overall, this makes us very well-prepared for an exciting 2017, and we can see great opportunities in our markets. I am convinced that this will result in continued strong growth and an even stronger brand (Polygiene) at the end of the year.

Christian von Uthmann, CEO

Operations

Why clothing stinks and what you can do about it

“Stinky polyester” is a well-known phenomenon that occurs when bacteria grow on textiles. There are a few fundamentally different approaches to avoiding the problem:

- Wash clothing more frequently – but even after laundering, clothing can still smell bad, which does not solve the problem entirely.
- Reduce the conditions for bacterial growth by choosing a material that does not promote the growth of bacteria, like wool.
- Treat the material with a solution like Polygiene that reduces bacterial growth in a skin-friendly and environmentally friendly way.
- Encapsulate the odor that arises.

Polygiene works with the best solutions for any given application and user segment. Capable of being applied to thread as well as fabric, the Company’s solutions are so effective that the application of only a small amount of solution is sufficient to provide lasting odor control that remains effective throughout the garment’s lifetime

The Company’s solutions are largely based on naturally occurring silver salt made from recycled silver. The silver salt efficiently inhibits bacterial growth, thereby reducing odor and the need to frequently wash treated garments.

Polygiene’s textiles and applications expertise

Polygiene has developed and offers products and treatment methods, with the minimal application of Polygiene’s products, which ensure permanent odor control from the first use and throughout the product’s lifetime.

One of Polygiene’s strengths is the Company’s unique textile and applications expertise, which means that we can offer the best solution for each manufacturing process and area of use.

How does Polygiene stack up against competitors?

Today, Polygiene is the market leader in the odor control segment, with regard to technology leadership as well as brand recognition. The Company has taken on the task of establishing and developing the odor control/Polygiene Stay Fresh® category for textiles in many segments. Polygiene is the global category leader within the Sport & Outdoor segment and has taken advantage of this position to expand its category leadership to other segments.

The Company has demonstrated that it can deliver a safe, comprehensive solution to the apparel and premium brands that contain Polygiene, something that no competitor has yet been able to duplicate. However, there are other chemical suppliers who, purely on a technical level, can deliver viable preparations, but so far, no competitor has succeeded in building a comprehensive concept. The Polygiene concept is based on careful testing throughout the entire value chain, along with quality assurance of the many different applications. In the odor control segment, Polygiene is considered by its partners – both upstream and downstream – to be the market leader in both its odor control technology and its co-branding appeal.

In addition, Polygiene is safe to use next to the skin. Treated garments do not cause any skin irritation and do not interfere with the skin’s natural bacteria. No competitor in the industry has succeeded in building a co-brand in the

2/3 2/3 OF THE ENVIRONMENTAL IMPACT OF APPAREL OCCURS DURING CONSUMER USE



Source: Study conducted in 2006 by Cambridge University, entitled “Well dressed?”

odor control category like Polygiene has. The Company's consistent and systematic approach in offering its customers value-added co-branding is also unique. Significant resources are invested in training customer employees and in marketing in order to continually increase the value of the Polygiene brand and the value of partner brands that use Polygiene in their products. Through co-branding, Polygiene helps both its partners' brands and its partners' retailers with marketing and with communicating clear customer benefit to consumers.

Polygiene provides its partner brands with peace of mind and added value.

Market potential

Synthetic materials – especially polyester – represent a growing share of global textile production. Polyester is used to manufacture sportswear, lifestyle and functional clothing, shoes, accessories, protective gear and home textiles*.

Textile materials based on polyester fibers have many advantages in terms of good, flexible characteristics, as well as cost and resource efficiency. Polyester and other synthetic fibers can also be recycled, which holds true even if they are treated with Polygiene. However, a well-known disadvantage of polyester-based fabrics is that they provide an excellent breeding ground for odor-causing bacteria. "Stinky polyester" is a well-known phenomenon, and Polygiene offers an effective, environmentally friendly solution that keeps clothing, shoes, protective gear such as helmets and knee pads, and other garments and articles odor-free.

Polygiene now operates globally, mainly in the premium brand segment, within four different segments:

- *Sport & Outdoor* (sportswear, protective gear, outdoor, hunting, fishing and more).
- *Lifestyle* (shirts, blouses, trousers, suits, undergarments, socks, shoes and more).

- *Home textiles* (towels, bedsheets, pillowcases, mattresses, pillows and more)
- *Other* (paint, flooring, sanitary equipment and more)

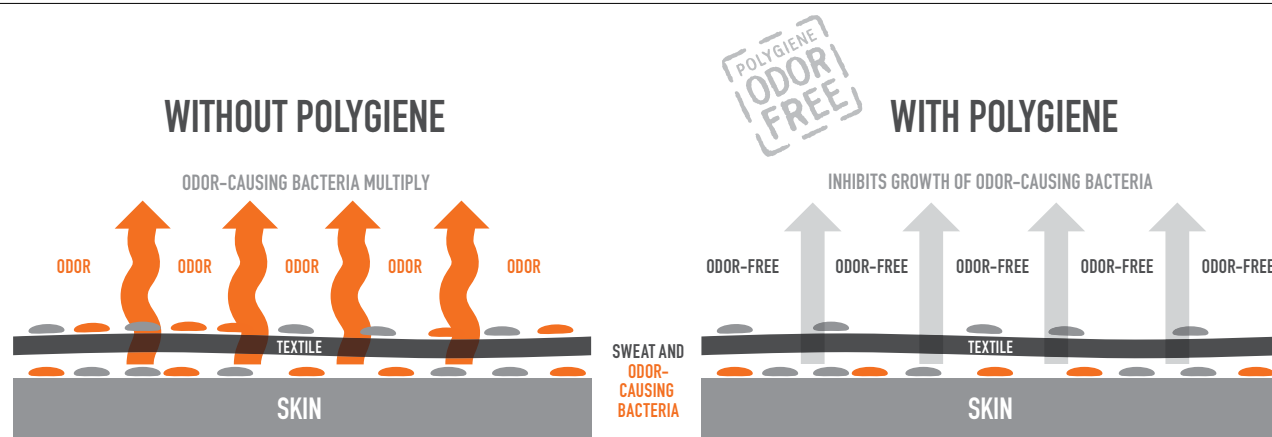
In 2016, approximately 20 million meters of fabric were treated with Polygiene products. This represents less than five percent of the long-term global sales potential of the Company, according to Polygiene's own assessment of the relevant market potential.

Primary growth engines during the next 3–5 years

- Increase penetration rate with current partners. Extend to more product lines. We see strong growth opportunities with our existing customers.
- Continue growth in the Sport & Outdoor segment. Establish partnerships with new brands/customers in the USA and Asia.
- Expansion within the Lifestyle segment (including men's and women's suits, shirts, blouses, trousers, socks, undergarments and shoes) and establish a leading market position.
- Expansion within the Home Textiles segment, especially in Asia, and establish market leadership.
- Promote overall growth in Asia (including South Korea, Japan and China) in all segments.

A notable trend that can be discerned is the convergence of various market segments, for instance Sport and Lifestyle, where fitness and fashion are merging. This development is advantageous to Polygiene.

* <http://www.textileworld.com/textile-world/fiber-world/2015/02/man-made-fibers-continue-to-grow/>



Partners

A sample of partners. For a complete list of partners, see www.polygiene.com

Financial trends

Net revenue and profit

Net revenue

The company's net revenue for Q4 totaled MSEK 20.2 (15.0), corresponding to an increase of 35% compared to the same quarter of 2015 (29% adjusted for foreign exchange effects).

Net revenue for the 2016 full year increased by 20% to MSEK 61.6 (51.5). Adjusted for foreign exchange effects, the increase was 18%. This growth came in all geographical markets and mainly from existing customers.

Costs

Expenses for Q4 totaled MSEK –20.3 (–14.3), which included the cost of goods purchased at MSEK –8.7 (–6.4), other external expenses of MSEK –7.5 (–4.6), staff costs of MSEK –3.6 (–2.5), and other operating expenses of MSEK –0.5 (–0.8). Expenses for the 216 full year totaled MSEK –68.5 (–47.4), which included the cost of goods purchased of MSEK –26.0 (–22.0), other external expenses of MSEK –28.3 (–15.8), staff costs of MSEK –10.5 (–7.6), and other operating expenses of MSEK –3.7 (–2.0).

The increase in the cost of goods purchased for both the quarter and for the full year is entirely related to the increased net revenue. The increase in other external expenses primarily consists of expenses for increased investment in PR and marketing activities. Additionally, there are new regular expenses related to the share listing on Nasdaq First North. In conjunction with the listing in Q1, non-recurring expenses totaling MSEK 0.9 were also charged for the share listing. The increase in staff costs is due to employing additional staff during the year. Other operating expenses consist largely of negative exchange rate differences.

Profit

Operating profit EBIT for the quarter totaled MSEK 0.6 (1.2), and profit after tax was MSEK 0.9 (4.8). Operating profit EBIT for the full year totaled MSEK –3.4 (5.6), and profit after tax was MSEK –3.2 (9.2). The profit for the full year was impacted by non-recurring expenses totaling MSEK –0.9 related to our listing on Nasdaq First North. Profit after tax for the previous year includes tax income of MSEK 3.5 attributable to a change in the deferred tax asset as it is estimated that the Company's total tax loss carry forwards can be set off in full against any future taxable profit.

Financial position

Financial non-current assets

Financial non-current assets at the period end were MSEK 5.5 (5.3) and concern deferred tax assets related to tax loss carry forwards. The total tax loss carry forwards at the period end were MSEK 25.1.

Equity

Cash and cash equivalents totaled MSEK 41.3 (40.8) at the period end. The equity/assets ratio as of 31 December 2016 was 72.0 (80.9)%.

By exercising 1,200,000 warrants to subscribe for as many shares, the share capital was increased by MSEK 0.12, and equity increased by MSEK 3.6 during the year.

Cash flow and liquidity

Cash flow from operating activities amounted to MSEK –6.0 (–0.1) for Q4 2016. Cash flow from operating activities for the full year was MSEK –11.1 (–0.8). The negative cash flow from operating activities is due to an increase in trade receivables as a consequence of the increase in sales. The cash flow for the full year was also affected by the negative result for the year.

Cash and cash equivalents totaled MSEK 20.0 (27.5) at the end of Q4.

Staff

The company's operating organization at the end of the quarter included 18 staff members, of whom 14 are employed and 4 are contracted consultants.

Income Statement

Income Statement in brief, TSEK	Oct-Dec 2016	Oct-Dec 2015	Full year 2016	Full year 2015
Operating revenue				
Net revenue	20,186	14,961	61,557	51,511
Other operating income	802	523	3,574	1,487
	20,988	15,484	65,131	52,998
Operating expenses				
Merchandise	-8,730	-6,402	-26,049	-21,981
Other external services	-7,519	-4,614	-28,313	-15,758
Staff expenses	-3,604	-2,463	-10,505	-7,627
Other operating expenses	-486	-812	-3,656	-2,033
	-20,339	-14,291	-68,523	-47,399
Operating profit/loss	649	1,193	-3,392	5,599
Financial income and expenses				
Interest income	0	41	0	42
Interest costs	-2	0	-5	0
	-2	41	-5	42
Profit/loss before tax	647	1,234	-3,397	5,641
Tax	233	3,530	233	3,530
Profit/loss after tax	880	4,764	-3,164	9,171
Profit after tax per share, SEK	0.04	0.29	-0.16	0.55
Profit after tax per share after dilution, SEK	0.04	0.27	-0.16	0.52

Statement of Financial Position

Statement of Financial Position in brief, TSEK	2016-12-31	2015-12-31
Assets		
Non-current assets		
Intangible non-current assets	0	0
Property, plant and equipment	0	0
Financial assets	5,537	5,304
Total non-current assets	5,537	5,304
Current assets		
Inventories	218	225
Trade and other receivables	29,927	13,968
Other current assets	1,613	3,426
Cash and cash equivalents	20,023	27,545
Total current assets	51,781	45,164
TOTAL ASSETS	57,318	50,468
TOTAL EQUITY AND LIABILITIES		
Equity	41,293	40,843
Liabilities		
Trade and other payables	9,139	5,242
Other current liabilities	6,886	4,383
Total liabilities	16,025	9,625
TOTAL EQUITY AND LIABILITIES	57,318	50,468

Statement of Changes in Equity

Statement of Changes in Equity, TSEK	Oct-Dec 2016	Oct-Dec 2015	Full year 2016	Full year 2015
Equity at period start	40,413	13,758	40,843	9,351
New share issues and warrants	0	22,500	3,614	22,500
Issue expenses	0	-179	0	-179
Earnings for the period	880	4,764	-3,164	9,171
Equity at period end	41,293	40,843	41,293	40,843

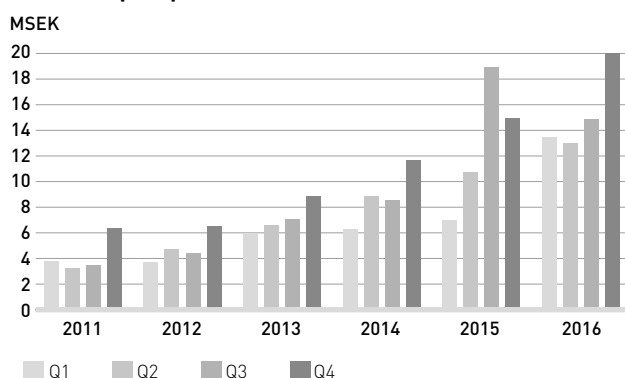
Statement of Cash Flows

Statement of Cash Flows, TSEK	Oct-Dec 2016	Oct-Dec 2015	Full year 2016	Full year 2015
Cash flows from operating activities before changes in working capital	647	1,234	-3,397	5,641
Changes in working capital	-6,684	-1,310	-7,739	-6,490
Cash flows from operating activities	-6,037	-76	-11,136	-849
Cash flows from investing activities	0	0	0	0
Cash flows from financial activities	0	22,321	3,614	22,321
Cash flows for the period	-6,037	22,245	-7,522	21,472
Cash and cash equivalents opening balance	26,060	5,300	27,545	6,073
Cash and cash equivalents at period end	20,023	27,545	20,023	27,545

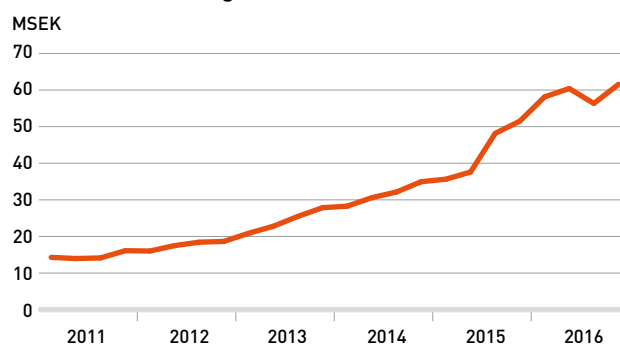
Financial trends in brief

Multi-year overview	Oct–Dec 2016	Oct–Dec 2015	Full year 2016	Full year 2015	Full year 2014
Net sales, TSEK	20,186	14,961	61,557	51,511	34,957
Sales growth, %	34.9	29.0	19.5	47.4	25.7
Operating profit EBIT, TSEK	649	1,193	–3,392	5,599	3,675
Profit after tax, TSEK	880	4,764	–3,164	9,171	5,443
Operating margin EBIT, %	3.2	8.0	–5.5	10.9	10.5
Operating margin after tax, %	4.4	31.8	–5.1	17.8	15.6
Cash flows, TSEK	–6,037	22,244	–7,522	21,471	2,155
Equity, TSEK	41,293	40,843	41,293	40,843	9,351
Debt/equity ratio, %	72.0	80.9	72.0	80.9	57.8
Total shares at period-end, thousands	20,516	19,316	20,516	19,316	16,316
Average no. of shares, thousands	19,716	16,566	19,716	16,566	16,316
Earnings per share, SEK	0.04	0.29	–0.16	0.55	0.33
Cash flow per share, SEK	–0.29	1.34	–0.37	1.30	0.13
Equity per share, SEK	2.01	2.11	2.01	2.11	0.57
Share price at period end, SEK	12.50	–	12.50	–	–

Net sales per quarter



Net sales for rolling 12 months



Share capital, the share and ownership structure

Share capital

Equity in Polygiene totals SEK 2,051,600 allocated to 20,516,000 outstanding shares. The company has a single class of share and each share carries an equal right to dividend. Par value for each share is SEK 0.10.

In 2014, Polygiene issued 1,200,000 warrants to staff and members of the board and the board chair, which entitle holders to subscribe for an equal number of shares. These warrants could be exercised during the period from 1 May to 1 August 2016 and had an exercise price of SEK 3.00 per share. All of the warrants were exercised during Q3, which increased the share capital by SEK 120,000 and the number of shares by 1,200,000.

In 2015, Polygiene issued 250,000 warrants to staff and members of the board and the board chair, which entitle holders to subscribe for an equal number of shares. These warrants may be exercised during the period from 1 to 31 December 2018 and have an exercise price of SEK 15.00 per share.

For more information regarding changes in equity, see the company's 2015 Annual Report.

The share

The Polygiene AB (publ.) share was listed on the Nasdaq First North Stockholm Exchange on 14 March 2016.

Total turnover for the Polygiene share in Q4 was 1,691,323 shares, corresponding to an average of 26,427 shares per trading day. The share price at period end was SEK 12.50, corresponding to a market capitalization of MSEK 256. Highest and lowest prices for the period were SEK 17.70 and 11.75, respectively.

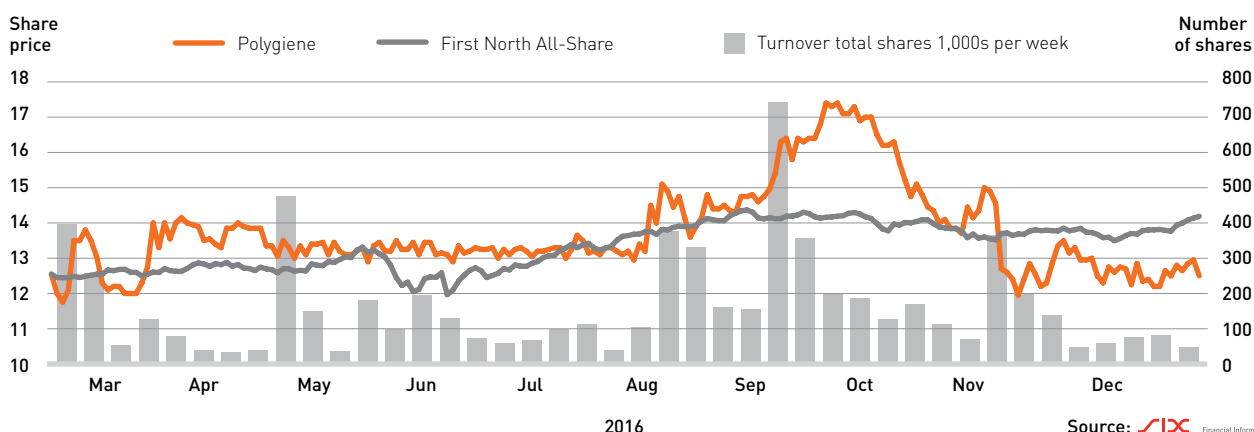
Ownership structure

The company had a total of 767 shareholders at the period end. The table below lists the 10 largest shareholders as of 31 December 2016.

Shareholders	Shares	Per cent
JP Morgan Bank Luxembourg	2,810,061	13.7%
Richard Tooby*	2,065,800	10.1%
Nomura Securities Co Ltd Japan	1,500,000	7.3%
Erik A i Malmö AB	1,348,800	6.6%
Clearstream Banking S.A. Luxembourg	980,223	4.8%
Christian von Uthmann*	898,978	4.4%
Jonas Wollin*	813,500	4.0%
Lennart Holm*	800,220	3.9%
Mats Georgson*	707,000	3.4%
Peter Sjösten*	603,000	2.9%
Other	7,988,418	38.9%
Total	20,516,000	100.0%

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

Polygiene 2016-03-14–2016-12-31





Accounting policies

This interim report was prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Accounting Standards Board General Recommendations BFNAR 2012:1 Annual reporting and consolidated financial statements (K3). The accounting policies used in preparing these financial statements match the accounting policies used in preparing the 2015 Annual Accounts and Financial Statements

Amounts are expressed in TSEK (thousands of Swedish kronor) unless otherwise stated. Figures in parenthesis refer to corresponding amounts for the previous year.

This report has not been audited by the Company's auditors.

Risks and uncertainties

Company operations are affected by several factors which involve risks to the company's operations and profit. For more information, please refer to the company's 2015 Annual Report.

Definitions

Average number of shares: Average number of shares for the last 12 months.

Operating profit EBIT: Profit before interest and tax.

Operating margin EBIT: Profit for the period before interest and tax as a percentage of net revenues for the period.

Operating margin after tax: Profit for the period after tax as a percentage of net revenues for the period.

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

Equity/assets ratio: 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 flows per share: Cash flows for the period divided by the average total shares outstanding.



Financial Calendar

Year-End Release 2016	28 February 2017
Interim financial statements Q1 2017	10 May 2017
Annual General Meeting 2017	17 May 2017
Interim financial statements Q2 2017	24 August 2017
Interim financial statements Q3 2017	9 November 2017

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About Polygiene

Polygiene is the world-leading provider of odor control technology and Stay 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.

