

PRESS RELEASE
February 28, 2017

Polygiene AB (publ.) Year-End Release 1 January–31 December 2016

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

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®.

This information is information that Polygiene AB (publ.) is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out below, at 08.00 CET on 28 February 2017.

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

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About Polygiene

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