

PRESS RELEASE

February 28, 2018

Polygiene AB (publ.) Year-End Release

1 January–31 December 2017

Tough end of the year but with zero earnings in the quarter

Q4 in brief

- Net revenue decreased by 2.1% (7.5% after foreign exchange effects) in Q4, and amounted to MSEK 19.8 (20.2). Net revenue was MSEK 75.7 (61.6) for the full year.
- The operating profit before taxes for the period was MSEK 0.0 (0.6)
- The adjusted operating profit was MSEK 0.6 (1.1) for the quarter, after unrealized currency effects and with-holding tax.
- The fixed costs have decreased by 11% compared to the corresponding quarter last year.
- The cash flow for Q4 was MSEK -4.5 (-6.0).
- The company's operative organization at the close of the quarter comprised 18 (14) employees.

Significant events during Q4 2017 (Oct–Dec)

- Polygiene takes the step into the world of yoga together with Andar, Korea's leading brand in sports and athleisure clothing for women.
- Polygiene terminates its liquidity agreement with Pareto Securities AB on September 29, 2017.
- Polygiene is recognized by the Swedish business daily Dagens Industri as a Gasell (Gazelle) company, one of Sweden's fastest growing companies.
- Electronics giant Olympus manufactures hygienic dictaphones using Polygiene technology.
- Polygiene appoints Erik Penser Bank AB as its new Certified Advisor.
- Polygiene begins collaboration with Chinese luxury athleisurewear brand Particle Fever supported by partially owned by Alibaba.
- Changes in the management group to increase focus on growth, profitability and organization. New CEO is appointed at yearend and the business area New Ventures & Strategies becomes a separate functional entity.
- A new book on the topic Wear More. Wash Less® with the title: "Love to Sweat" is launched by Polygiene. The aim of this book is to give a general view on sustainability in the textile and garment industries, as well as raise awareness on what we as consumers can do to act in a sustainable way on a daily basis.

Significant events after Q4

- Adidas launches Polygiene in its Terrex CC Voyager shoe which is considered as a breakthrough in the footwear segment. This hopefully will lead to an increase in volumes from both Adidas and other partners in the future.
- As previously mentioned, the company has as of January 1, 2018, transitioned to IFRS. Beginning with the first quarter, Polygiene is preparing its financial statements according to new accounting principles as dictated by the new standards.
- Polygiene has appointed a new CFO, Kristian Populin, formerly accounting manager at the company. Kristian has assumed the role as CFO after Ulrika Björk who was appointed as CEO before yearend.
- Hans Bergman and Chiara Galimberti have been employed as part of the Polygiene team as Commercial Directors for Europa and North America, respectively, to increase focus on sales and new partners. This is an important element in building a more sales-driven organization in order to achieve the company's long-term goals for 2022
- A new collaboration with the premium brand Aigle in Japan starts out by Polygiene providing odor-control technology to men's and women's logo t-shirts in Aigle's spring summer collection 2018. Aigle is owned by Lacoste in Japan who is one of the subsidiary companies of Lacoste in France.

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 above, at 08.00 CET on 28 February 2018.

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

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About Polygiene

Polygiene is the world-leading provider of odor control technology and Stays Fresh solutions for clothing, sports equipment, lifestyle, textiles and other materials to help people stay fresh and confident. Polygiene brings the Scandinavian values of quality and care for the environment to life through its products and services. More than 140 global premium brands have chosen to use Polygiene Stays Fresh Technology in their products. Polygiene was established in 2006 and is listed on Nasdaq First North in Stockholm, Sweden. Erik Penser Bank AB acts as its Certified Advisor.