

PRESS RELEASE
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Polygiene AB (publ.) Interim Report 1 January–31 March 2018

Strong end of quarter, reduced costs and a positive cashflow.

Q1 in brief

- In the first quarter, net sales amounted to MSEK 15.5 (15.5), an increase of 0%. When cleared from exchange rate differences, the net sales were MSEK 17.0, an increase of 9.6%.
- The operating profit/loss (EBIT) for the period was MSEK -2.0 (-3.1).
- Cash flow for the first quarter amounted to MSEK 2.7 (0.7).
- The total external operating expenses decreased by 14% compared to the same period last year.
- A late Chinese New Year temporarily reduced sales during the first two months of the year. This was followed by the month of March, which, in terms of net sales, was the second best month in the history of the company.
- The second quarter is off to a strong start with a solid increase in net sales during the month of April.
- By the end of the quarter, there were 18 (18) employees working in the company's operative organization.

Events during Q1 2018 (January–March)

- Adidas launches Polygiene in its Terrex CC Voyager shoe, which is considered to be a breakthrough in the footwear segment. The hope is that this will lead to an increase in volumes from both Adidas and other partners in the future.
- A new collaboration with the premium brand Aigle in Japan began by Polygiene providing odor-control technology to men's and women's logo t-shirts in the Aigle 2018 Spring/Summer collection. Aigle is owned by Lacoste in Japan, which is one of the subsidiary companies of Lacoste in France.
- Polygiene expands in the Asian market with World Group and launches Polygiene in denim for the first time. World Group is one of the dominant Asian house of brands with large-scale production capacities, thousands of retail stores throughout Asia and online shops with a global reach.
- As previously mentioned, as of January 1, 2018, the company has 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, previously the accounting manager at the company.
- Kristian has assumed the role as CFO after Ulrika Björk was appointed as CEO before yearend.

- Hans Bergman and Chiara Galimberti have been employed as part of the Polygiene team as Commercial Directors for North America and Europe, respectively, in order to increase focus on sales and new partners. This is an important element in building a more sales-driven organization to achieve the company's long-term goals for 2022.
- Polygiene appoints Mats Georgson Chief Marketing Officer (CMO). Mats holds a PhD in Marketing Communication and has vast experience in working with Polygiene. He has been a member of the Board for the past decade.
- Polygiene adds two new members to its Advisory Board with a focus on growth strategies. Lars Björk comes from the growth rocket Qlik and Philipp Burgtorft has experience from several market-leading ingredient brands such as GORE-TEX®, among others.
- Polygiene appoints Erik Penser Bank AB as liquidity provider in compliance with the rules of Nasdaq First North.

Significant events after Q1

- Polygiene and Christian von Uthmann have reached an agreement, which terminates his employment with immediate effect.
- Polygiene establishes a new group management team to accelerate growth, profitability and organizational development.

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.