

Polygiene AB (publ.)

Interim Report

1 July–30 September 2017



polygiene.com/ir



Polygiene®
STAYS FRESH

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Q3 in brief

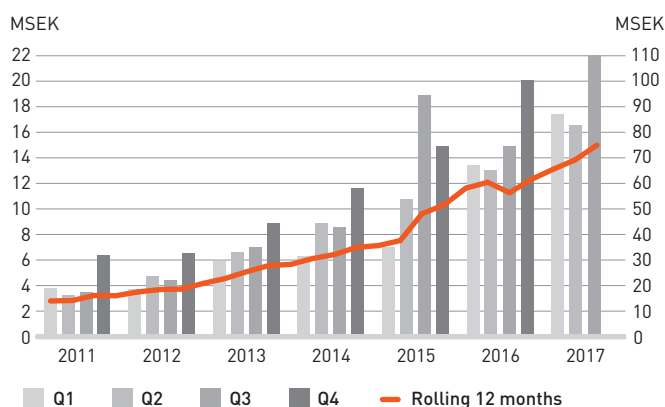
Sales record and a positive result

- Net revenue increased by 46.2% (52.3% after foreign-exchange effects) in Q3, and amounted to MSEK 21.8 (14.9). Net revenue was MSEK 76.1 (56.3) for the rolling 12-month period.
- The operating profit for the period was MSEK 0.7 (-0.4)
- The adjusted operating profit was MSEK 2.5 (-0.3) for the quarter, after unrealized currency effects and withholding tax.
- Costs of marketing activities and administrative costs have decreased by MSEK 0.5 compared to the corresponding quarter last year and decreased MSEK 1.9 compared to the previous quarter.
- The result for the period was affected negatively by unrealized exchange rate losses due to a lower dollar rate, at MSEK -1.0 (2.4)
- The cash flow for Q3 was MSEK -1.9 (2.4) and is affected by an increase in current receivables.
- The company's operative organization at the close of the quarter comprised 18 (14) employees.

Key ratios	July–Sept 2017	July–Sept 2016	Jan–Sept 2017	Jan–Sept 2016	Rolling 12 months	Full year 2016
Net sales, MSEK	21.8	14.9	55.9	41.4	76.1	61.6
Operating profit EBIT, MSEK	0.7	-0.4	-6.1	-4.0	-5.4	-3.4
Operating margin EBIT, %	3.1	-2.8	-10.9	-9.8	-7.1	-5.5
Adjusted operating profit, MSEK	2.5	-0.3	-1.8	-3.6	-1.5	-5.4
Adjusted operating profit, %	11.5	-2.2	-3.3	-8.8	-2.0	-5.4
Profit after tax, MSEK	0.7	-0.4	-6.1	-4.0	-5.2	-3.2
Operating margin after tax, %	3.1	-2.8	-10.9	-9.8	-6.9	-5.1
Earnings per share, SEK	0.03	-0.02	-0.30	-0.21	-0.26	-0.16
Cash flows, MSEK	-1.9	2.4	-2.8	-1.5	-9.1	-7.5

Adjusted operating profit is after foreign exchange effects and withholding tax

Net sales per quarter and rolling 12 months



Significant events during the quarter (July–Sept)

Polygiene increases the financial targets

The Board of Directors increases the financial targets for Polygiene for the period 2017–2022. According to the new targets, Polygiene should have net sales of more than SEK 400 million, through organic growth, and an EBIT margin of more than 20 percent at the latest in year 2022.

Polygiene introduces IFRS accounting standards and prepares for listing on First North Premier during the period 2017–2018

The Board has decided that the company shall replace the current accounting standard K3 with the International Financial Reporting Standards (IFRS) and prepare the company to move its listing from First North to First North Premier during 2017–2018.

Follow Polygiene and market developments in odor control technology through Polygiene News

Polygiene, the global market leader in odor control technology, is now publishing Polygiene News, an in-depth newsletter with regular commercial updates on the latest developments in the company's global operation.

Polygiene permanent Odor Control Technology to debut at iCAST with Orvis and Simms

Polygiene, the world leader in odor control and freshness technologies, announces outdoor and flyfishing brands Orvis and Simms as new adopters of its ingredient odor technology. Polygiene's innovative fabric treatment will be incorporated as an integral part of Orvis' Spring 2018 travel collection as well as with several new technical angling pieces from Simms.

Hanesbrands chooses Polygiene for Champion athletic wear collection

Hanesbrands Japan Inc. is now working with Polygiene to offer consumers in Japan odor-free apparel in its iconic Champion 2017/18 Fall-Winter athletic wear collection – in total 70 different products for basketball, golf, training – as well as practice wear and socks.

Polygiene appoints Commercial Operations Director for North America

Polygiene announces the appointment of Judd Salvas as Commercial Operations Director for North America. Judd Salvas will be based in Park City, Utah, and is responsible for managing the commercial activities within North America for Polygiene.

Polygiene communicates financial guidance for 2017

In conjunction with Polygiene AB releasing its interim report for January–June 2017, the company communicates financial guidance for the second half and full year 2017. The guidance for the full year 2017 is net sales of MSEK, an operating profit of MSEK -5.5 (-6.9 % margin) and an adjusted operating profit (excluding foreign exchange effects and withholding tax) of -0.6 MSEK (-0.7% margin).

TMF and Polygiene offer cycling pads that utilize Polygiene Permanent Odor Control

Italian cycling pad company, TMF Quality Cycling pads, announces the launch of fully-Polygiene-treated cycling pads. The new partnership allows TMF to treat their pads with Polygiene Odor Control Treatment, providing the ultimate in comfort, freshness and odor control in cycling pads.

Significant events after the quarter (July–Sept)

Polygiene enters the world of Yoga with Andar

Andar is the Republic of Korea's leading brand of women's activewear in the athleisure segment in practices such as yoga, pilates and zumba. These are fast growing segments of the market in Korea where the consumer demand for odor-control is growing as well as the fitness and yoga trends.

Agreement with Pareto Securities AB is terminated

Polygiene (POLYG) has terminated the agreement with Pareto Securities AB for liquidity guarantee. The purpose of the guarantee was to promote the share's liquidity and reduce its volatility and thereby facilitate stock trading. Polygiene has today over 770 shareholders and the company believes that the guarantee is no longer needed and was terminated September 29, 2017.

Polygiene appointed as a Gasell Company

Polygiene has been appointed as one of the Gasell companies in the prestigious competition for fast growing companies hosted by *Dagens Industri*. The ceremony is held November 27 in Malmö and the winner of the region qualifies to the big final in Stockholm in December. The criteria for a nomination is demand for growth, positive result and healthy finances.



Comments from the CEO

Continued strong growth, new partners and positive result

Polygiene successfully delivered continued strong growth in the third quarter of 2017. Net sales were MSEK 21.8, an increase of 46.2% compared to the same period last year. Since the beginning of 2017, the company has grown by 35.1 percent and our growth curve continues to climb, which is in line with the targets set by our company. This means that, by 2022, we will achieve a turnover of MSEK 400 with an operating margin (EBIT) of 20 percent.

During Q3, we focused on strengthening our position as the global market leader in odor control technology. To bolster our position, we continue to make investments in our organization, in activities with our partner brands, and in stronger trademark protection.

What's more, we have formed strategic alliances – and conducted marketing activities – with new partner brands to further strengthen sales.

Polygiene made its debut in July at the world's largest sportfishing trade show, ICAST 2017, held in Orlando, Florida, along with the outdoor and flyfishing brands Orvis and Simms. Polygiene is an integral part of Orvis' Spring 2018 travel collection, following the trend where consumers demand odorless solutions as part of their lifestyles.

The travel market is one of the most rapidly growing market segments in North America, and we have a solid collaboration with Toad & Co, a leader in travel wear.

In September, TMF Quality Cycling Pads and Polygiene introduced odor control to the Italian company's cycling pads for bike shorts, pants and tights. We see high growth potential in the bicycle market segment and aim to establish several strategic partnerships in 2018.

Through its partnership with the Korean brand Andar, Polygiene has stepped into the world of yoga this October. Our collaboration was appropriately initiated during a ceremony in the presence of the Ambassador of Sweden to Korea. Andar is the Republic of Korea's leading brand for women's active and everyday wear with apparel for yoga, Pilates and Zumba. Athleisure wear is a rapidly growing segment in Korea because the global yoga, health



and wellness trends have now also gained a foothold in Asia.

In Japan, the iconic Champion brand, which is part of Hanesbrands Japan Inc., introduced Polygiene to its athletic wear collection. More than 70 different Polygiene-treated products are featured in the Champions 2017/18 collections and are sold under the C-ODORLESS by Polygiene® brand.

Our company also keeps interested parties up to date on the latest developments at Polygiene as well as for the odor control technology market through Polygiene News, which is published two to three times a year. News contains commercial updates and the latest happenings within the company's global operations. To subscribe to the newsletter, visit www.ir.polygiene.com.

Looking forward

I expect the growth rate to remain high in the future. This, in combination with good margins and cost control, will provide Polygiene with all the prerequisites necessary for achieving our goals as we move forward.

In November, we will launch the book *Love to Sweat*, written by Per Grankvist, sustainability expert, author and

journalist, together with our scientific adviser, Professor Gunnar Bengtsson. The goal of the book is to spread knowledge about what we as consumers can do to reduce the environmental impact of our clothing, a topic that is now gaining more attention in the media and various forums, and provides a holistic view of how we can take better care of the Earth's resources. It is a subject that lies close to our hearts as well as those of our partners and is completely in line with our message, *Wear More. Wash Less®*.

Finally, I am proud to report that the Polygiene has been nominated by the Swedish financial daily newspaper *Dagens Industri* for its prestigious Di Gasell (Gazelle) awards, which recognizes Sweden's fastest growing and profitable companies. I see the nomination as an acknowledgement that our global organization and the singular focus on odor control that we have provided, and continue to provide, add significant value to our partners and, thereby, strong growth both for the company and for our brand.

Happy reading!

Christian von Uthmann, CEO



Operations

Polygiene has developed and offers products and treatment methods which ensure permanent odor control from first use and throughout the garment's lifetime.

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.

However, a well-known disadvantage of polyester-based fabrics is that they provide an excellent breeding ground for odor-causing bacteria. 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. There are several fundamentally different approaches to avoiding the problem:

- Wash clothing more frequently.
- Reduce the conditions for bacterial growth by choosing a material, for instance wool, which does not promote the growth of bacteria.
- Encapsulate or absorb the odor that arises.
- Treat the material with a solution that reduces bacterial growth.

Polygiene's method is based on the last-mentioned, i.e. treating the material to reduce bacterial growth. To a great extent, Polygiene's solutions are based on naturally occurring silver salt made from recycled silver. The silver salt

effectively inhibits bacterial growth, thereby reducing odor, as well as the need to frequently wash the treated garments. The solutions can be applied to thread as well as fabric, and 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.

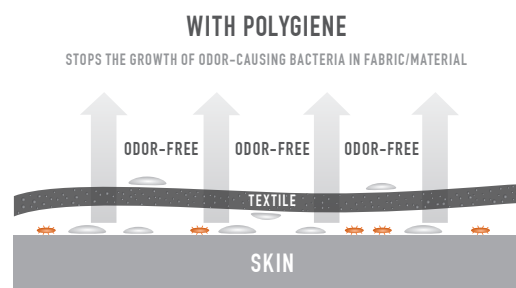
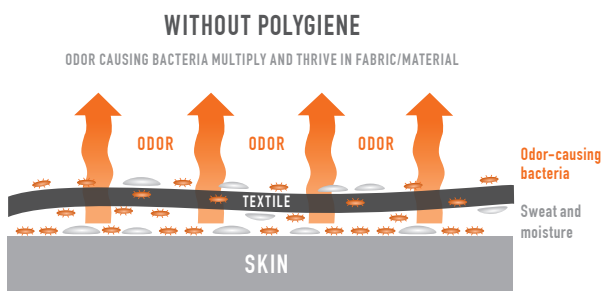
Business model and offering

Polygiene focuses mainly on manufacturers of leading premium clothing brands and their customers and works actively with the entire value chain, from development and manufacture at subcontractor sites, to marketing, distribution and active customer support.

Polygiene currently delivers products and solutions to more than 140 leading clothing brands and is continuously developing the market.

Garments treated with Polygiene can be worn for longer without this affecting their freshness. This reduces washing and increases the garments' lifetime, contributing to a positive environmental impact.

The offering comprises treatment of textile or materials, functional solutions, expertise and active support concerning odor control and Polygiene's STAYS FRESH concept. The business model not only includes sales of the functionality to customers, but also an overall solution which includes a communication and information package for stores and consumers, training of the customer's sales team, ongoing customer support, hardware handling as the application of the actual preparation at the specific customer's textile supplier, all related administration, and quality control and follow-up.



Polygiene is developed in close collaboration with the company's partners and new cooperation within additional segments and geographical markets continues to be established. Significant resources are invested in training customers' employees, and also in marketing in order to continually increase the value of the Polygiene brand and of the partner brands that use Polygiene in their products. Through this co-branding, Polygiene helps both its partners' brands and its partners' retailers with marketing and communicating clear customer value to consumers.

Market and competitors

Today, Polygiene is the market leader in the odor control segment, with regard to technology leadership as well as brand recognition. Polygiene now operates globally, and primarily cooperates with premium brands within six different segments.

- *Sport & Outdoor* (sportswear, protective gear, outdoor, hunting, fishing and more)
- *Lifestyle* (shirts, blouses, trousers, suits, undergarments, socks)
- *Home Textiles* (towels, bedsheets, pillowcases, mattresses, pillows and more)
- *Footwear* (shows and insoles)
- *Work Wear* (workwear for professional use)
- *Other* (paint, flooring, sanitary equipment and more)

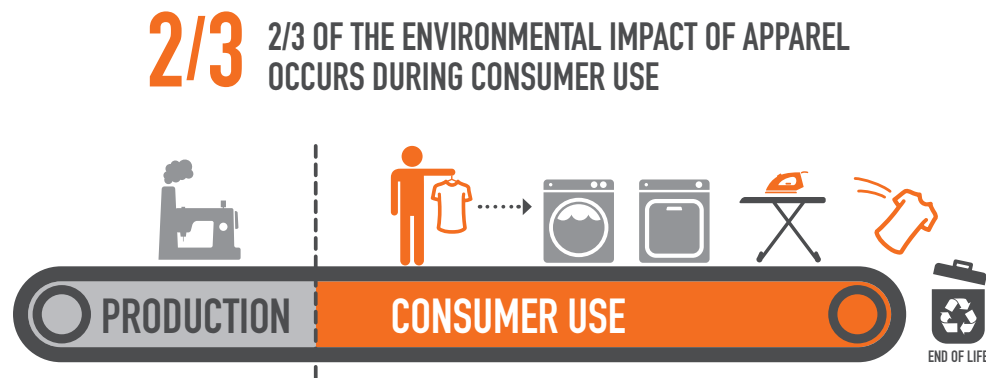
The most successful brand leaders in the textile industry within the "ingredient brands" category (such as Gore-tex® and Lycra®) are characterized by distinct functionality. These brands address a clear and perceived consumer need, thereby creating significant customer value. This customer value can be communicated through co-branding

in a simple and consistent manner in the marketing of consumer products which apply the functionality, such as waterproof shoes or jackets with Gore-Tex membranes. Polygiene offers an overall concept that is based on careful testing throughout the entire value chain, together with quality assurance of the many different applications. 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.

New segments that are now being actively promoted are clothing (fashion wear, sportswear and workwear), shoes, home textiles, etc. For several application areas, market promotion has only commenced to a limited extent, and the level of penetration is still low. It is therefore assessed that significant potential can be expected within these newly-added segments.

Trends and Sustainability

The development is driven by several interacting factors, such as a growing middle class with increased disposable income, and an underlying health trend that, in principle, is increasing throughout the world. Another factor that is increasingly affecting demand is the wish of many consumers to make climate- and resource-smart choices. Garments treated with Polygiene can be used for considerably longer and require far less frequent washing than untreated garments. This reduces the environmental impact from textile manufacture and cleaning, saving both water and energy. This also saves time for consumers, who do not have to wash their clothes so often. Polygiene holds Oeko-Tex® and bluesign® certifications, which are important for environmentally aware companies.



Source: Study conducted in 2006 by Cambridge University, titles "Well dressed?"

Partners

A selection of Polygiene's partners

Due to its unique offering and consistent working methods, Polygiene has continuously built up the odor control market and also won market shares, and is now the leading odor control supplier to the premium brand market. Polygiene currently has over 140 partner brands.

North America



Europe





Asia / Australia / New Zealand



Financial Performance

Net revenue and profit

Net revenue and margin

The company's net revenue for the Q3 totaled 21.8 MSEK (14.9), corresponding to an increase of 46.2 percent compared with the same quarter of 2016 (52.3 percent adjusted for foreign exchange effects). September 2017 generated the highest monthly revenue ever recorded for the company. Polygiene achieved 27% of its third-quarter revenue growth by establishing new partnerships, and the company continues to increase revenues by expanding business with its existing partner brands in all regions. Asia is the fastest growing market at the time.

Other operating income amounted to 0.5 M SEK (0.3) and consists of positive foreign currency effects.

During the quarter, a gross margin of 58.1% (58.9%), which is in line with our forecasts.

Costs

External costs for Q3 increased by MSEK 3.0 and are directly related to the increase in net revenue.

Sales costs, which include expenses such as agent commissions, amounted to MSEK -2.5 (-1.8) and have actually decreased in relationship to revenue.

Marketing expenses amounted to MSEK -2.1 (-2.5) for the quarter and there has been a reduction in the company's participation in various activities and trade fairs compared to previous quarters in accordance to the annual market plan.

Administrative expenses amounted to MSEK -1.3 (-1.5) and have decreased both in comparison to the previous year and to the first half of this year. This is due to the fact that the company has increasingly employed more staff and reduced its reliance on consultants.

The costs associated with personnel have increased since four people have been added to the company's operating organization compared to the same period of last year. During the third quarter, these expenses amounted to MSEK -4.1 (-3.2).

Other operating expenses consist of foreign currency effects and withholding tax (WHT). WHT is a type of withholding tax that Polygiene can recover when previously taxable deficits are activated. These expenses amounted to MSEK -2.4 (-0.4) for the third quarter.

The total fixed costs (marketing, administration and personnel) amounted to MSEK -7.7 (-7.3) for the quarter.

Results

The operating profit (EBIT) for the quarter amounted to MSEK 0.7 (-0.4), representing an operating margin of 3.1 (-2.8) percent. For the sake of comparison, it is important to present the adjusted results after the elimination of foreign currency effects and the withholding tax. For the third quarter, it was adjusted operating income to MSEK 2.5 (-0.3).

Financial position

Financial assets

Financial assets at end of the period were MSEK 5.5 (5.3) and relate to deferred tax assets concerning tax loss carry-forwards arising in previous years. The total tax loss carry-forwards at the end of the quarter amounted to MSEK 25.1.

Intangible assets

An additional MSEK 0.2 was invested in trademark protection during the quarter, and the intangible assets amounted to MSEK 1.5 at the end of the quarter.

Equity

Equity amounted to MSEK 35.2 (40.4) at the end of the quarter. The equity/assets ratio as of September 30, 2017, was 67.3 (78.0) percent.

Cash flow and liquidity

Cash flow from operating activities amounted to MSEK -1.9 (2.4) for the period. The negative cashflow is affected by an increase in the current receivables. Cash and cash equivalents totaled MSEK 15.4 (26.1) at the end of Q3.

Staff

The company's operating organization at the end of the quarter included of 18 (14) staff members, of whom 14 (10) are employed and 4 (4) are consultants. The increase is related to the addition of sales and marketing expertise.

Income Statement

Income Statement in brief, TSEK	July–Sept 2017	July–Sept 2016	Jan–Sept 2017	Jan–Sept 2016	Rolling 12 months	Full year 2016
Operating revenue						
Net sales	21,830	14,930	55,909	41,371	76,095	61,557
Other operating income	524	284	1,057	2,772	1,084	3,574
	22,353	15,214	56,966	44,144	77,179	65,131
Operating expenses						
Costs of sales	–9,155	–6,130	–23,777	–17,320	–32,507	–26,049
Sales costs	–2,486	–1,812	–5,565	–3,965	–6,998	–5,397
Marketing costs	–2,176	–2,527	–8,956	–7,878	–11,680	–10,573
Administrative costs	–1,345	–1,548	–5,787	–6,118	–7,660	–7,991
Contracted employees	–1,006	–948	–3,756	–2,832	–5,275	–4,352
Personnel expenses	–3,139	–2,289	–9,874	–6,902	–13,484	–10,505
Other operating costs	–2,364	–379	–5,299	–3,171	–5,011	–3,656
	–21,672	–15,633	–63,044	–48,185	–82,614	–68,523
Operating profit/loss	682	–419	–6,078	–4,042	–5,435	–3,392
Financial income and expenses						
Interest income	0	0	0	0	0	0
Interest costs	–4	–1	–7	–2	–7	–5
	–4	–1	–7	–2	–7	–5
Profit/loss before tax	678	–420	–6,085	–4,044	–5,442	–3,397
Tax	0	0	0	0	233	233
Profit/loss after tax	678	–420	–6,085	–4,044	–5,209	–3,164
Profit after tax per share, SEK	0.03	–0.02	–0.30	–0.21	–0.03	–0.16
Profit after tax per share after dilution, SEK	0.03	–0.02	–0.30	–0.21	–0.03	–0.16

Balance Sheet

Balance Sheet in brief, TSEK	2017-09-30	2016-09-30	2016-12-31
Assets			
Fixed assets			
Intangible assets	1,535	0	0
Tangible assets	0	0	0
Financial assets	5,537	5,304	5,537
Total fixed assets	7,073	5,304	5,537
Current assets			
Inventories	234	222	218
Trade receivables	27,583	18,707	29,927
Other current assets	1,000	1,548	1,613
Cash and cash equivalents	15,391	26,061	20,023
Total current assets	44,208	46,538	51,781
TOTAL ASSETS	51,281	51,842	57,318
TOTAL EQUITY AND LIABILITIES			
Equity	35,208	40,413	41,293
Liabilities			
Accounts payable	10,050	6,632	9,139
Other current liabilities	6,023	4,797	6,886
Total liabilities	16,073	11,429	16,025
TOTAL EQUITY AND LIABILITIES	51,281	51,842	57,318

Statement of Changes in Equity

Statement of Changes in Equity, TSEK	July–Sept 2017	July–Sept 2016	Jan–Sept 2017	Jan–Sept 2016	Full year 2016
Equity at period start	34,531	37,233	41,293	40,843	40,843
New share issues and warrants	0	3,600	0	3,614	3,614
Earnings for the period	678	–420	–6,085	–4,044	–3,164
Equity at period end	35,208	40,413	35,208	40 413	41,293

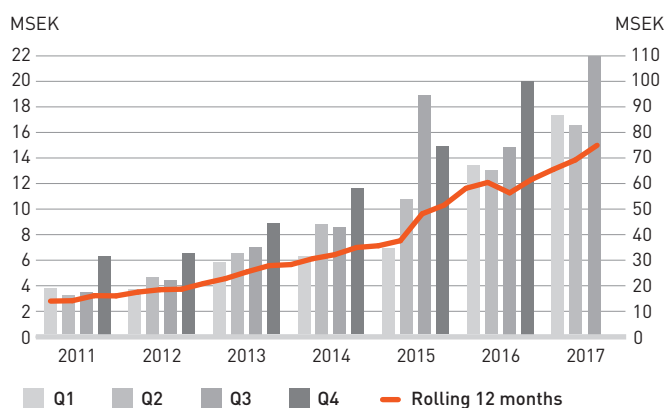
Cash Flow Statement

Cash Flow Statement, TSEK	July–Sept 2017	July–Sept 2016	Jan–Sept 2017	Jan–Sept 2016	Full year 2016
Profit/loss before financial items	682	–419	–6,078	–4,042	–3,392
Interest paid	–4	–1	–7	–2	–5
Cash flow from operating activities before changes in operating capital	678	–420	–6,085	–4,044	–3,397
Increase/decrease in inventory	26	–90	–16	3	7
Increase/decrease in current receivables	–4,136	–2,499	2,957	–2,862	–14,146
Increase/decrease in current liabilities	1,721	1,658	47	1,803	6,400
Cash flow from operating activities	–1,711	–1,171	–3,097	–5,100	–11,136
Investment activities					
Investments in intangible fixed assets	–166	0	–1,535	0	0
Cash flow from investing activities	–166	0	–1,535	0	0
Financing activities					
New share issue	0	3,600	0	3,600	3,600
Option premiums	0	0	0	14	14
Cash flow from financing activities	0	3,600	0	3,614	3,614
Change in cash and cash equivalents	–1,878	2,429	–4,632	–1,485	–7,522
Cash and cash equivalents at the beginning of the year	17,269	23,631	20,023	27,545	27,545
Cash and cash equivalents at the end of the year	15,391	26,060	15,391	26,060	20,023

Multi-year overview

Multi-year overview	July–Sept 2017	July–Sept 2016	Jan–Sept 2017	Jan–Sept 2016	Full year 2016	Full year 2015
Net sales, TSEK	21,830	14,930	55,909	41,371	61,557	51,511
Sales growth, %	46.2	-21.5	35.1	13.2	19.5	47.4
Operating profit EBIT, TSEK	678	-420	-6,085	-4,042	-3,392	5,599
Operating margin EBIT, %	3.1	-2.8	-10.9	-9.8	-5.5	10.9
Adjusted operating profit, TSEK	2,508	-330	-1,853	-3,651	-3,309	6,836
Adjusted operating profit, %	11.5	-2.2	-3.3	-8.8	-5.4	13.3
Profit after tax, TSEK	678	-420	-6,085	-4,044	-3,164	9,171
Operating margin after tax, %	3.1	-2.8	-10.9	-9.8	-5.1	17.8
Cash flows, TSEK	-1,878	2,429	-2,755	-1,485	-7,522	21,471
Equity, TSEK	35,208	40,413	35,208	40,413	41,293	40,843
Balance sheet total, TSEK	51,281	51,842	51,281	51,842	57,318	50,468
Equity/assets ratio, %	67.3	78.0	67.3	78.0	72.0	80.9
Number of shares at period-end, thousands	20,516	20,516	20,516	20,516	20,516	19,316
Average no. of shares at period-end, thousands	20,516	18,916	20,516	18,916	19,716	16,566
Earnings per share, SEK	0.03	-0.02	-0.30	-0.21	-0.16	0.55
Cash flow per share, SEK	-0.09	0.13	-0.23	-0.08	-0.37	1.30
Equity per share, SEK	1.68	1.97	1.68	1.97	2.01	2.11
Share price at period end, SEK	11.50	17.40	11.50	17.40	12.50	—

Net sales per quarter and 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 2015, Polygiene issued 250,000 warrants to staff and members of the board and the board chair, which entitle holders to subscribe for an equivalent 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 2016 Annual Report.

Share

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

Total turnover for the Polygiene share in Q3 was 711,650 shares, corresponding to an average of 11,120 shares per trading day. The share price at the end of the period was SEK 11.50 corresponding to market capitalization of MSEK 235.9. Highest and lowest prices during the period were SEK 12.50 and 10.30, respectively.

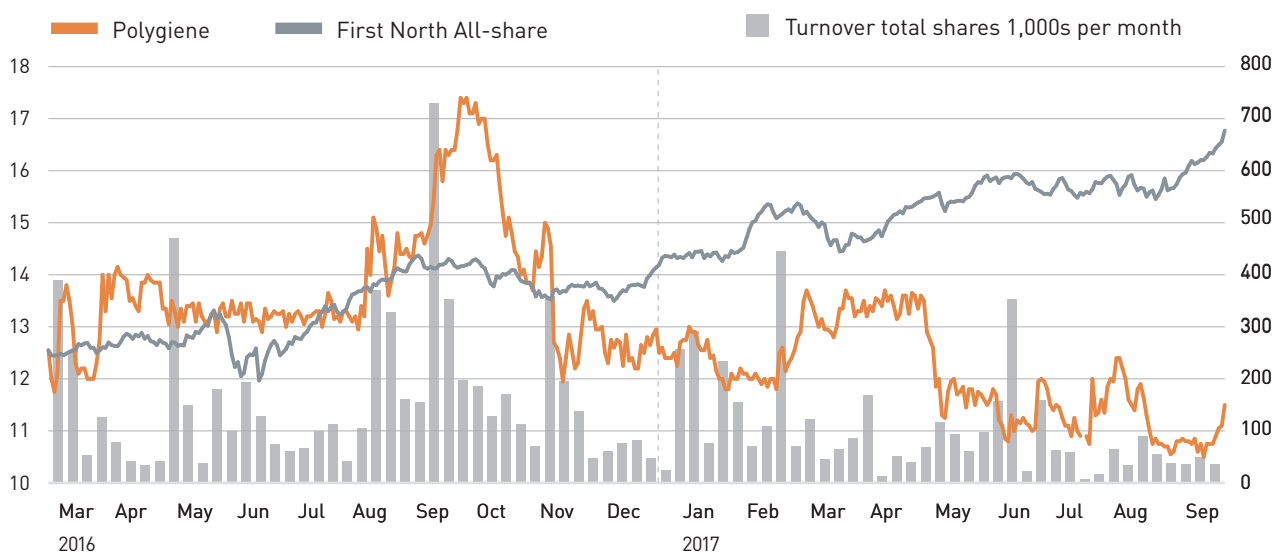
Ownership structure

The company had a total of 774 (757) shareholders at the period end. The table below lists the 10 largest shareholders as of 30 September 2017.

Shareholders	Shares	Percent
Richard Tooby*	2,065,800	10.1%
JP Morgan Bank Luxembourg	1,923,520	9.4%
Erik A i Malmö AB	1,348,800	6.6%
Clearstream Banking S.A. Luxembourg	1,267,714	6.2%
JPM Chase NA	940,000	4.6%
Christian von Uthmann*	898,978	4.4%
Jonas Wollin*	813,500	4.0%
Lennart Holm*	800,220	3.9%
Aktia Fund Management.	800,000	3.9%
Mats Georgson*	707,000	3.4%
Other	8,950,468	43.4%
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 Mars–2017 September





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 2016 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 uncertainty factors

Company operations are affected by several factors which can involve risks to the company's operations and profit. For more information, please refer to the company's 2016 Annual Report.

Definitions

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.

Adjusted operating profit: Adjusted operating profit is after foreign exchange effects and withholding tax.

Earnings per share: Profit for the period after tax divided by the 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 2017

February 2018

Contact details, Addresses

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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 9 November 2017.

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 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.

