

Polygiene AB (publ.)

Year-End Release

1 January–31 December 2015



2015 in brief

- Net sales for 2015 increased by 47 percent to SEK 51.5 million (35.0)
- Operating profit (EBIT) for 2015 was SEK 5.6 million (3.7)
- Operating profit after tax for 2015 was SEK 9.2 million (5.4)
- Cash flow for 2015 was SEK 21.5 million (2.2)

Significant events after 31 December 2015

- An extraordinary shareholders' meeting January 14, 2016 voted in favour of changing the company category from private to public company.
- The company's Board of Directors has decided to apply for a market listing on Nasdaq First North.

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KEY RATIOS	Full year 2015	Full year 2014	Full year 2013
Net sales, KSEK	51,511	34,957	27,804
Sales growth, %	47.4	25.7	49.2
Operating profit (EBIT), KSEK	5,599	3,675	1,413
Operating margin, %	10.9	10.5	5.1
Cash and cash equivalents, KSEK	27,545	6,073	3,919
Cash flow for the year, KSEK	21,471	2,155	2,579
Equity, KSEK	40,843	9,351	3,918
Total assets, KSEK	50,468	16,176	9,770
Equity/assets ratio, %	80.9	57.8	40.1
Cash liquidity	4.7	2.1	1.6

Comments on financial development

Revenue

The company's net sales in 2015 amounted to SEK 51.5 million (35.0), which represents a growth of 47 percent (26). The increase comes from both increased sales to existing customers and sales to several new customers.

Costs

Operating costs in 2015 amounted to SEK 47.4 million (32.8), which represents an increase of 44 percent (23). Most of the increase comes from the increased cost of materials, which is directly related to the sales growth. Other cost increases consist mainly of investments in marketing, sales-related costs and personnel costs.

Profit

Operating profit (EBIT) for 2015 was SEK 5.6 million (3.7). This is equivalent to an operating margin of 10.9 percent (10.5). Profit after tax for 2015 amounted to SEK 9.2 million (5.4). At the end of 2015 the company had tax loss carry-forwards of SEK 24.1 million. These are expected to be able to be fully utilised to offset surpluses in future tax assessments. A deferred tax asset of SEK 5.3 million (1.8) has therefore been reported in the balance sheet.

Balance sheet

Total assets on December 31, 2015 amounted to SEK 50.5 million (16.2). The increase consists mainly of increased accounts receivable and cash and cash equivalents. Accounts receivable on December 31, 2015 amounted to SEK 14.0 million (6.6) and are related to the big sales growth in 2015. Cash and cash equivalents on December 31, 2015 amounted to SEK 27.5 million (6.1) and relate mainly to a new issue implemented in December amounting to SEK 22.5 million. The new issue combined with the positive profit for 2015 resulted in an increase in equity from SEK 9.4 million to SEK 37.5 million at the end of 2015. At year-end Polygiene had an equity/assets ratio of 80.9 percent (57.8).

Cash flow

Cash flow from ongoing activities was negative in the amount of SEK 0.8 million, mainly due to a big increase in accounts receivable. The new issue of shares in December provided additional funds from financing activities of around SEK 22.3 million, net of issue costs.

INCOME STATEMENT (KSEK)	Full year 2015	Full year 2014	Full year 2013
Net sales	51,511	34,957	27,804
Other revenue	1,487	1,521	294
Cost of goods sold	-21,982	-13,496	-11,116
Personnel costs	-7,627	-6,101	-4,836
Other operating costs	-17,790	-13,207	-10,733
Depreciation	0	0	0
Operating profit	5,599	3,675	1,413
Financial items, net	42	8	6
Profit before tax	5,641	3,683	1,418
Tax	3,530	1,760	0
Profit for the year	9,171	5,443	1,418

BALANCE SHEET (KSEK)	31 Dec. 2015	31 Dec. 2014	31 Dec. 2013
Assets			
Fixed assets			
Financial fixed assets	5,304	1,774	14
Total fixed assets			
Current assets			
Stock	225	160	295
Short term receivables	17,394	8,169	5,542
Cash and cash equivalents	27,545	6,073	3,919
Total current assets	45,164	14,402	9,756
Total assets	50,468	16,176	9,770
Equity and liabilities			
Equity	40,843	9,351	3,918
Liabilities			
Short term liabilities	9,625	6,825	5,852
Total liabilities			
Total equity and liabilities	50,468	16,176	9,770

CHANGE IN EQUITY (KSEK)	Full year 2015	Full year 2014	Full year 2013
Equity at beginning of period	9,351	3,918	2,299
New share issue and subscription rights	22,321	-10	200
Profit for the period	9,171	5,443	1,418
Equity at end of period	40,843	9,351	3,918

CASH FLOW STATEMENT (KSEK)	Full year 2015	Full year 2014	Full year 2013
Cash flow from operating activities before change in working capital	5,641	3,637	1,418
Change in working capital	-6,491	-1,519	961
Cash flow from operating activities	-849	2,118	2,379
Cash flow from investing activities	0	0	0
Cash flow from financing activities	22,321	37	200
Cash flow for the year	21,471	2,155	2,579
Cash and cash equivalents at beginning of year	6,073	3,918	1,339
Cash and cash equivalents at year-end	27,545	6,073	3,918

Financial calendar

Annual Report 2015	19 April 2016
Interim report Q1 2016	11 May 2016
Annual General Meeting 2016	11 May 2016
Interim report Q2 2016	25 August 2016
Interim report Q3 2016	10 November 2016
Year-End Release 2016	February 2017

The Year-End Release has not been subject to review by the company's auditors.

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Note: This Year-End Release has been translated from Swedish. The Swedish text shall govern for all purposes and prevail in case of any discrepancy with the English version.

About Polygiene AB

The Malmö-based textile technology company Polygiene is a world-leading supplier of the functionality odor control which keeps textiles fresh longer. The functionality called Odor-free, is in demand in the global market for quality clothing and equipment for Sports and Outdoor. More than a hundred well-known, environmentally conscious premium brands, such as Patagonio, Adidas, Arc'teryx, Peak Performance, Dcore, Rab and La Sportiva all use Polygiene today.

