

Interim Report Q3

Third quarter, July-September 2021

- The Company signed an OEM agreement with Bruker Daltonics GmbH and Co. KG
- The Company received an order of approximately KSEK 400 from a global biotechnology company.
- Net sales for the period amounted to KSEK 376 (381).
- The loss for the period amounted to KSEK -933.

Year to date, January-September 2021

- Net sales amounted to KSEK 1,802 (1,026), an increase with 76% compared to the same period 2020.
- The operating loss for the period amounted to KSEK -2,347 of which KSEK 691 can be derived from IPO related costs.

Key Figures

(KSEK)	Third quarter		Nine months	
	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020
Net sales	376	381	1,802	1,026
Profit (loss) for the period	-933	-54	-2,532	-402
Total assets	-	-	12,106	3,415
Equity / assets ratio (%)	-	-	94	74
Cash flow for the period	-3,278	-195	6,447	201
Basic earnings per share (SEK)	-0.14	-0.05*	-0.37	-0.40*

*Share volume 2020 is adjusted for a split 1:1000

COMMENTS FROM CEO ELIN MIGNÉRUS

Q3 2021 has been focused on organizational growth – from people and premises to customer projects. Interesting business projects have come in, and the company signing a long-lasting OEM agreement with Bruker Daltonics GmbH and Co. KG for SpheriCal® was a great milestone for Polymer Factory.

“Apart from expanding the team, we have achieved several key milestones for the company that will serve our growth journey”

In Q3, we have made great progress with respect to securing new business opportunities. As reported in August, we received an order of approximately KSEK 400 from a global life science company, which will be delivered during Q4. This order includes customized materials and supports a further development of our dendritic materials portfolio. Related to this, Polymer Factory are planning for launch of a completely new product segment, BowtieD®, in Q4 – these are highly advanced dendrimers with multiple functionalities that have shown great results in previous research and as carriers for therapeutic applications. Stay tuned for more information about the launch!

Closing this quarter, we look back at an eventful three months at Polymer Factory. Apart from expanding the team with a product manager, we have achieved several key milestones for the company that will serve our growth journey; premises have been expanded through the addition of one lab facility for analytical materials, the latter hosting the MALDI-TOF mass spectrometry instrument that was installed at Polymer Factory in August. This is a powerful instrument that will support the acceleration of SpheriCal® in new and existing markets of high throughput detections.

As the team has been strengthened with a new product manager responsible for analytical materials during the period, we now have a better capacity to meet future customer requests and increase both production as well as sales and marketing activities. By growing the organization, Polymer Factory is better equipped to reach the company’s goals in the different business segments.



Elin Mignérus, CEO of Polymer Factory

During this quarter, we have seen customers in different segments, with representation from academia, vaccine developers, big pharma, tests for covid-19, and more. Our portfolio of dendritic materials continues to be utilized for a range of applications, and we are constantly working to intensify and deepen the customer relationships to grow our business further. Moreover, Polymer Factory has a truly international customer base, with representation from four different continents during this quarter. To further our protection in international markets, we have during this quarter applied for extension of our trademark SpheriCal® to also be protected in the USA, Japan, South Korea, and Australia.

We are now approaching the end of 2021 and have completed most of our target milestones during our first half year as a publicly traded company. We look forward to closing this year on a positive note and to continue delivering value to all our customers and shareholders!

ELIN MIGNÉRUS
CEO

ABOUT POLYMER FACTORY

Polymer Factory is a leading developer and provider of dendritic nanomaterials, to be applied over a range of sectors globally.

Polymer Factory is in many ways an accelerator firm for dendritic nanotechnology – generating cutting-edge products desired by customers across different high-demand sectors. From our roots in dendritic materials, we have developed SpheriCal®, a pioneering calibration technology for mass spectrometry (MS), and more recently, our latest addition, DNGs. Our broad portfolio, comprising more than 300 products, has attracted customers from BigPharma, MedTech, BioTech, as well as the chemical and other industries.

Stemming from many years of cutting-edge research, Polymer Factory was founded by a team of well-renowned scientists. This research has evolved into a business that provides products to billion dollar industries.

MISSION

Transform dendritic nanomaterials to mature innovations that fulfill technologically demanding sectors.

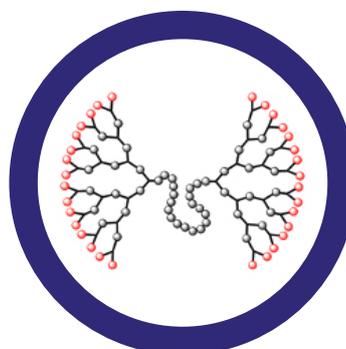
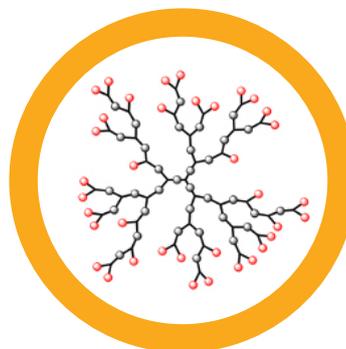
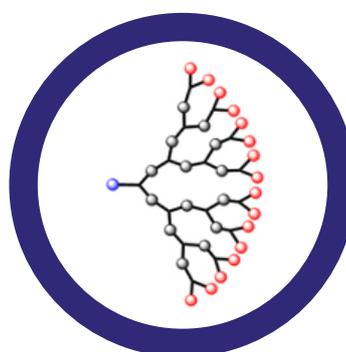
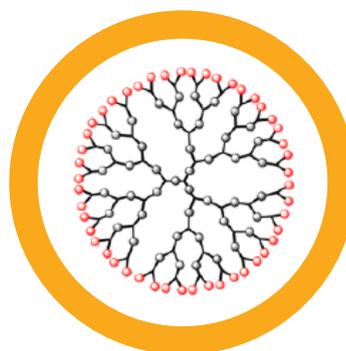
VISION

Global generator of groundbreaking dendritic technologies that accelerate innovations in high performance material and life science sectors.

What makes dendritic materials so special, and in many ways superior, is their flawlessness, multifunctionality and dynamic structure. This makes them ideal for a vast number of applications in an array of industrial uses, from applications within pharmaceuticals and diagnostics as well as the chemistry and material industries. Polymer Factory's dendritic materials have a number of competitive advantages:

- Structural perfection (i.e. they are monodisperse and structurally flawless).
- High scalability and batch-to-batch consistency – an important feature across several high-end sectors e.g. therapeutic and diagnostic applications.
- High loading capacity, enabling the attachment of an exact and large number of drugs while decreasing the drug's toxicity when merged with the dendritic material.
- High level of optimization and flexibility, allowing users to achieve desired targeted complexation and product formulation.
- Biocompatibility and biodegradability; the dendritic carriers degrade under physiological conditions.

For more information about Polymer Factory Sweden AB and our products, visit <http://www.polymerfactory.com>



EVENTS DURING Q3 2021

KEY EVENTS DURING THE PERIOD

In August, the Company signed an OEM agreement with global company Bruker Daltonics GmbH and Co. KG for supply of products from the SpheriCal® platform.

On 20 August, the Company received an order of significant size, amounting to approximately KSEK 400. The order will be delivered during Q4.

The Company received new orders from Merck (Sigma Aldrich), a re-seller of a selection of the Company's products, for re-stocking of their supply. Invoiced orders totaled to approximately KSEK 245 during Q3.

In August, the Company secured new lab space, dedicated to analytical materials. In connection with this, the Company invested in a MALDI-TOF mass spectrometry instrument.

As of September 1st, a new employee joined the Company as Product Manager for the Analytical Materials segment, including SpheriCal®.

The Company has applied for extension of its trademark SpheriCal® and an international trademark for its coming brand, BowtieD®.

KEY EVENTS AFTER THE END OF THE PERIOD

The Company launched a new website in October 2021, as a part of strengthening the brand and profile.

The Company is planning a launch of a new product segment in Q4 2021.

RELATED PARTY TRANSACTIONS

There is a consultancy agreement between the Company and SCEM Consulting AB, which is partly owned by Michael Malkoch, regarding services related to his role as CTO for the Company.

During Q3, a total of KSEK 96 has been invoiced under the agreement. During 2021, a total of KSEK 288 has been invoiced.

There was also a consultancy agreement between the Company and NordicBlue AB, partly owned by Mats Wallnér, member of the board of directors of the Company, regarding services relating to strategy and business development.

During 2021, a total of KSEK 30 has been expensed.

RISKS AND UNCERTAINTY FACTORS

Polymer Factory is exposed to various types of risks, which can be categorized as related to business and operations, industry and market, intellectual property, and financial risks. During the first quarter, it is assessed that no significant changes has occurred in respect of risks and uncertainties.

More details on the Company's risks and uncertainties are described in the Investment Memorandum that was published in connection with the IPO in February, 2021, which can be found on the company's website.

ORGANIZATION

As per September 30, 2021, the number of employees in the company was 3, in addition to above mentioned consultancy agreements.

SHARE

Polymer Factory Sweden AB (publ) is listed on Spotlight Stock Market since April 7, 2021 under ticker POLYMER.

Total number of shares amounts to 6,859,198. In addition, there are a total of 568,066 outstanding warrants of series TO 1. The warrants of TO 1 were attached free warrants, included in the units of the new share issue. More information on the warrants can be found in the Company's Memorandum 2021, available on the website.

Spotlight Stock Market is a secondary name of ATS Finans AB, a securities company under the supervision of the Swedish Financial Supervisory Authority. ATS Finans AB is a subsidiary of Spotlight Group AB, a company listed on Spotlight Stock Market. Spotlight Stock Market operates a so-called MTF platform.

ACCOUNTING PRINCIPLES

The interim report is prepared in accordance with the Swedish Annual Accounts Act and the standards of the Swedish Accounting Standards Board (BFNAR 2012:1) (K3).

This report has not been reviewed by the company's auditor.

OTHER INFORMATION

A warrant program for the CEO and other employees as set by the board in 2020 and mentioned in the previously released Investment Memorandum is to be further developed and is suggested to be presented for decision by the shareholders in Q4 2021.

FINANCIAL OVERVIEW

NET SALES

Net sales for the period amounted to KSEK 376 (381), a decrease with 1.3% compared to Q3 2020. Net sales for year-to-date amounted to KSEK 1,802 (1,026), an increase with 76% compared to the same period 2020.

Out of the four segments (R&D, Dendrimers and dendrons, Hyperbranched materials and SpheriCal®), Dendrimers and dendrons and SpheriCal® have been predominant during Q3. North America has been the predominant market during the period.

OPERATING EXPENSES

Total operating expenses amounted to KSEK 1,160, (473) for Q3 and KSEK 3,769 (1,613) for year-to-date of which KSEK 691 can be derived from IPO related activities.

RESULT

Operating loss before financial items (EBIT) amounted to KSEK -933 (-52) for Q3 and KSEK -2,347 (-398) for year-to-date.

Loss after financial items amounted to KSEK -933 (-54) for the third quarter and KSEK -2,532 (-402) for year-to-date, of which KSEK 691 can be derived from IPO related posts. Year-to-date result includes interest expenses amounting to KSEK 185 relating to the bridge financing.

Earnings per share amounted to SEK -0.14 (-0.05) for Q3 and SEK -0.37 (-0.40) for year-to-date.

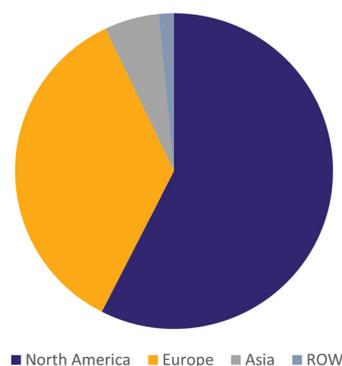
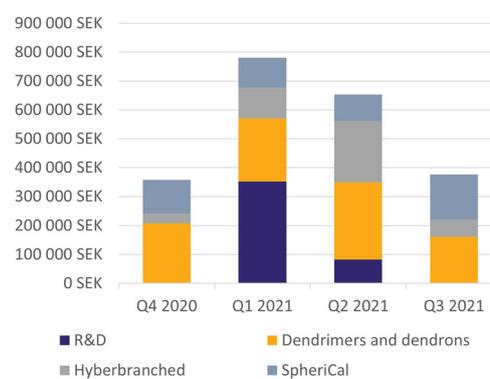
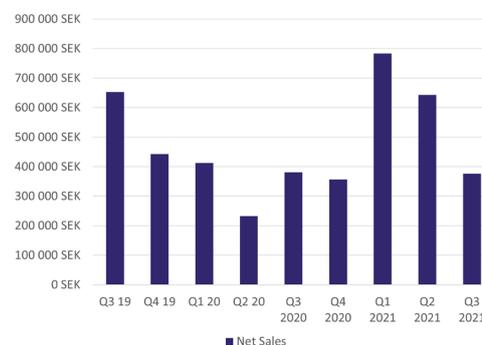
CASH FLOW AND FINANCIAL POSITION

Cash flow from operating activities for the period was KSEK -778 (-1,333). For year-to-date, cash flow from operating activities was KSEK -2,420 (-937).

Cash flow for the period was KSEK -3,278 (-195), of which KSEK -2,500 represents the MALDI instrument investment. Cash flow for year-to-date was KSEK 6,447 (201). Cash flow from financing activities amounts to KSEK 0 (1,138) for Q3 and for KSEK 11,266 (1,138) for year-to-date due to the new share issue.

As per September 30, 2021 Cash and bank amounted to KSEK 6,962 and equity amounted to 11,376

The Board of Directors makes the assessment that the company's current liquidity is sufficient to finance the plans that exist for the next 12 months.



INCOME STATEMENT IN SUMMARY

(KSEK)	Third quarter		Nine months		Full year
	JUL-SEP 2021	JUL-SEP 2020	JAN-SEP 2021	JAN-SEP 2020	2020
Revenue					
Net sales	376	381	1,802	1,026	1,384
Change in inventories of products in progress, finished goods and work in progress	-150	-	-385	-	101
Other revenue	1	40	5	189	265
Total revenue, inventory changes, etc.	227	421	1,422	1,215	1,750
Operating expenses					
Goods for resale	-32	-5	-124	-31	-33
Other external expenses	-445	-316	-2,270	-982	-1,432
Staff costs	-628	-148	-1,252	-577	-715
Depreciation of intangible fixed assets	-54	-	-113	-	-117
Other operating expenses	-1	-4	-10	-23	-30
Total operating expenses	-1,160	-473	-3,769	-1,613	-2,327
Operating profit/loss	-933	-52	-2,347	-398	-577
Financial items					
Interest expenses and similar items	-	-2	-185	-4	-4
Total financial items	-	-2	-185	-4	-4
Total after financial items	-933	-54	-2,532	-402	-581
Year-end appropriations					
Change in tax allocation reserve	-	-	-	-	291
Total year-end appropriations	-	-	-	-	291
Profit/loss before taxes	-933	-54	-2,532	-402	-290
Taxes					
Tax on profit/loss for the period	-	-	-	-	-
Profit/loss for the period	-933	-54	-2,532	-402	-290

BALANCE SHEET

(KSEK)	30 SEPTEMBER 2021	30 SEPTEMBER 2020	31 DECEMBER 2020
ASSETS			
Fixed assets			
Intangible fixed assets	963	29	1,050
Tangible fixed assets	2,475	-	-
Total fixed assets	3,438	29	1,050
Current assets			
Inventory	1,086	1,369	1,471
Current receivables	620	* 1,492	466
Cash and bank	6,962	525	515
Total current assets	8,668	3,386	2,452
TOTAL ASSETS	12,106	3,415	3,502
EQUITY AND LIABILITIES			
Equity			
Equity	13,908	2,932	2,932
Result of the period	-2,532	-402	-290
Total equity	11,376	2,530	2,642
Untaxed reserve			
Untaxed reserves	-	291	-
Total untaxed reserves	-	291	-
Liabilities			
Current liabilities	730	594	860
Total current liabilities	730	594	860
TOTAL EQUITY AND LIABILITIES	12,106	3,415	3,502

* Including KSEK 1,138 funds from new share issue

CASH FLOW STATEMENT

(KSEK)	Third quarter		Nine months		Full year
	JUL-SEP 2021	JUL-SEP 2020	JAN-SEP 2021	JAN-SEP 2020	2020
Operating activities					
Cash flow from operating activities	-778	-1,333	-2,420	-937	191
Cash flow from operating activities	-778	-1,333	-2,420	-937	191
Investing activities					
Cash flow from investing activities	-2,500	-	-2,500	-	-
Cash flow from investing activities	-2,500	-	-2,500	-	-
Financing activities					
Cash flow from financing activities	-	1,138	11,266	1,138	-
Cash flow from financing activities	-	1,138	11,266	1,138	-
Cash flow for the period	-3,278	-195	6,477	201	191
Bank					
Bank opening	10,240	720	515	324	324
Bank closing	6,962	525	6,962	525	515

CHANGES IN EQUITY

	SHARE CAPITAL	NON- REGISTERED SHARE CAPITAL	SHARE PREMIUM RESERVE	PROFIT BROUGHT FORWARD	PROFIT FOR THE PERIOD	TOTAL
2019-12-31	100	-	-	1,411	284	1,795
Allocation according to AGM	-	-	-	284	-284	0
New share issue	-	1,137	-	-	-	1,137
Loss for the period	-	-	-	-	-290	-290
2020-12-31	100	1,137	-	1,695	-290	2,642
Reg new share issue	3	-1,137	1,134	-	-	0
Bonus issue	413	-	-	-413	-	0
New share issue	170	-	11,096	-	-	11,266
Allocation according to AGM	-	-	-	-290	290	0
Loss for the period	-	-	-	-	-2,532	-2,532
2021-09-30	686	-	12,230	992	-2,532	11,376

The Board of Directors and the CEO assure that this interim report gives a true and fair view of the company's operations, position and results and describes significant risks and uncertainties that the company is facing.

This report has not been reviewed by the company's auditor.

This disclosure contains information that Polymer Factory is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact person, on 25 November 2021.

Stockholm 2021-11-25
CEO, Elin Mignérus

COMPANY INFORMATION

Company name
Polymer Factory Sweden AB (PUBL)

Organizational number
556695-9531

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CALENDAR

Current financial year: 2021-01-01 – 2021-12-31

Extra General Meeting: 2021-12-20

Year-end report (Q4) 2021: 2022-02-25

CONTACT

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