



Interim Report Q1

First quarter, January-March 2022

- The Company received a strategically important order in January 2022 from a global life science company
- A new Product Manager joined Polymer Factory on February 1, 2022
- An incentive program for key personnel was implemented

Key Figures

(KSEK)	Jan-Mar 2022	Jan-Mar 2021
Net sales	451	783
Profit (loss) for the period	-1,052	-677
Total assets	10,506	15,410
Equity / assets ratio (%)	91	83
Cash flow for the period	-1,415	662
Basic earnings per share (SEK)	-0.15	-0.10

COMMENTS FROM CEO ELIN MIGNÉRUS

Q1 2022 has been an intense quarter from several perspectives. While the world has seen drastic happenings, ranging from ups and downs in Covid to an unstable security situation, Polymer Factory has continued to build the company by expanding the team and building customer relationships. We are enthusiastic about the rest of 2022 and our ongoing and future collaborations.

"Each new product for evaluation can be a potential long-term relationship"

The start of 2022 has been minted by the ongoing situation in the world. I cannot start this CEO comment in any other way but by mentioning the invasion of Ukraine, both to extend our outmost support for all individuals affected by the war, but also because the effects of the war reach us all. 2022 has so far been a challenging time on the stock market for all small companies, but I want to ensure all our owners that me and the Board have a strong belief in our company – our people work hard every day to make it a success!

During this quarter, we have welcomed a new Product Manager who have taken over responsibility for the segments Hyperbranched polymers and Dendritic Nanogels (DNGs). Development and commercial launch of DNGs is one of Polymer Factory's goals for 2022, and we look forward to keeping the market updated on the availability of this exciting technology that have great potential! DNGs are a great addition to Polymer Factory's current technology platforms and is a natural extension in our drug delivery technology offering, as we are adding an encapsulation technology that can be used in additional drug delivery applications.

In January, the Company received an order of significant size, when a global life science company placed a customized order from Polymer Factory's dendrimer platform. The order was successfully delivered in March and will be evaluated by the customer in Q2. Orders like this are of strategic importance for Polymer Factory; since we work in industries with long lead times and many evaluation steps, each new product for evaluation can be a potential long-term relationship. as the customers evaluate the technology for their unique application, but it is the final success of the technology implementation that will bring the most valuable business to Polymer Factory.

In Q1 2022, we have continued to build the organization and engaged in activities all from a long-term perspective.



Elin Mignérus, CEO of Polymer Factory

As previously mentioned, we know that building the right relationships and engaging in the right projects are key to success in our industry, and a lot of focus has been put on approaching attractive prospects as well as nourishing our existing customer relationships. Revenues from different accounts and pipelines may vary from quarter to quarter as the customers evaluate the technology for their unique application, but Polymer Factory are ready to support all our customers as they approach the next steps.

During this quarter, we have seen returning customers across different industries; pharma, biotech, and mass spectrometry among others. Examples of applications of returning customers include vaccine development, mass spectrometry assays, biotechnology analysis and sequencing, pharmaceuticals and more.

The fact that we see global, world-class businesses returning to Polymer Factory and our products confirms the value of our core technology and its potential - this is what we are building on in 2022!

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.

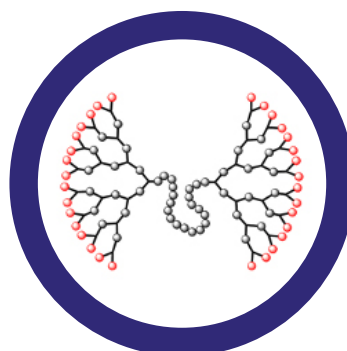
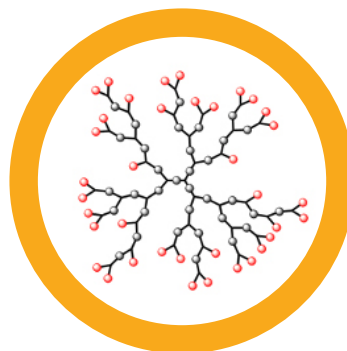
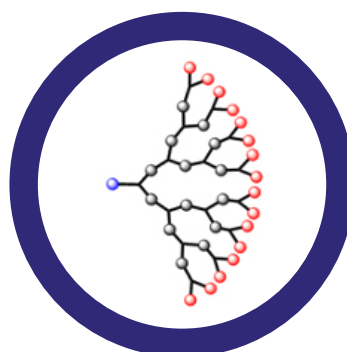
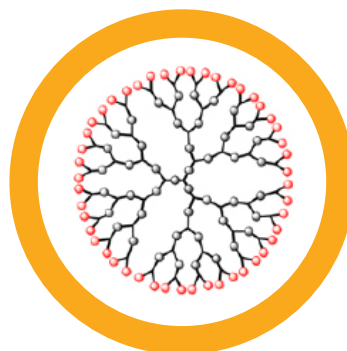
VISION

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 Q1 2021

KEY EVENTS DURING THE PERIOD

On January 31, the Company reported on an order of approx. SEK 160 by a global life science company. The order was of strategic value for Polymer Factory.

On February 1, a new Product Manager joined Polymer Factory. She is heading the Hyperbranched Polymers and Dendritic Nanogels (DNGs) segments.

On February 24, the exercise period for warrants of series TO1 began, and was open to March 15. In total, 1,200 warrants of series TO 1 were exercised, from which the Company received SEK 11,000 before deduction of transaction related costs.

On March 11, analysis company Kalqyl published an independent analysis on Polymer Factory.

During Q1, an incentive program for key personnel was offered, as decided by the Extra General Meeting on December 20, 2021. A total of 65,000 warrants of series 2021/2026 were offered to key personnel, of which 100 percent were subscribed for.

KEY EVENTS AFTER THE END OF THE PERIOD

On April 6, the Company published its annual report.

The Company signed an authorization letter, thereby authorizing a distributor in China, on April 8. The purpose is to increase the exposure towards the Chinese market, and the distributor has the right to market Polymer Factory's products to the Chinese market.

On April 19, the Company signed a material transfer agreement with University of Massachusetts Amherst (UMass). The collaboration means that UMass will perform research including products from Polymer Factory's newest platform BowtieD®. The research is in the field of oncology and immunotherapy.

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 Q1, a total of SEK 96,000 has been invoiced under the agreement.

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 Annual Report that was published on April 6, 2022, which can be found on the company's website.

ORGANIZATION

As per March 31, 2022, the number of employees in the company was 4, in addition to above mentioned consultancy agreement.

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 6,860,398.

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). Accounting principles are unchanged compared with 2021.

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

INCENTIVE PROGRAM

A warrant program for the CEO and other employees was established on the extra general meeting on 20 December 2021.

Under the program, a total of 65,000 warrants were subscribed for, each of which gives the right to subscribe for one share. The option right may be exercised during the period 15 January 2026 to 31 January 2026. The subscription price amounts to SEK 20.94. The full terms of the warrants can be found on the Company's website.

FINANCIAL OVERVIEW

REVENUES

Net sales for the period amounted to KSEK 451 (783), a decrease with 42,4% compared to Q1 2021. The decrease in net sales is judged to be relating to lead times for evaluation for customer projects started in Q4, as well as a reflection on unstable market circumstances.

During the quarter there was an increase in inventories of products in progress, finished goods and work in progress, as a result of production of new, advanced materials. The production prepares Polymer Factory for new projects and expands the product offering.

Out of the four segments (Dendrimers and dendrons, Hyperbranched materials, SpheriCal® and DNG), Dendrimers and Dendrons was predominant in Q1. Europe has been the predominant market during the period.

OPERATING EXPENSES

Total operating expenses amounted to KSEK 1,922 (1,279) for Q1.

Operating expenses for the first quarter 2022 has primarily increased because of the employment of new personnel - 4 employees during Q1 2022 compared to 1 employee during Q1 2021. Furthermore, investments in growth activities has been made. Compared to the same period 2021, depreciation of assets has increased significantly due to the purchase of the MALDI-TOF instrument.

RESULT

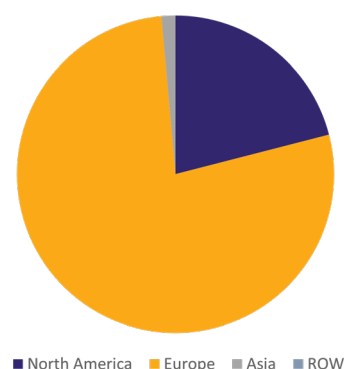
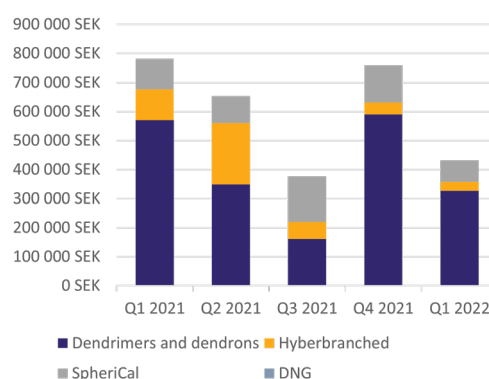
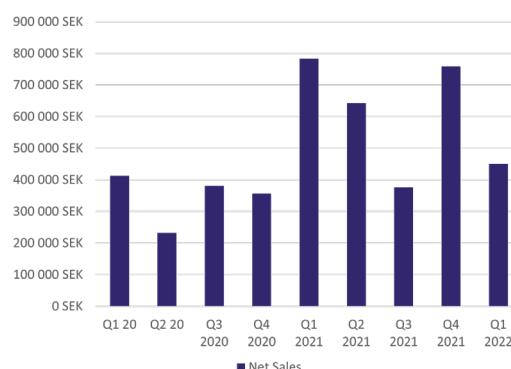
Loss amounted to KSEK -1,052 (-677) for the first quarter, of which KSEK 675 can be derived from IPO related posts. Earnings per share amounted to SEK -0.15 (-0.10) for the first quarter.

CASH FLOW AND FINANCIAL POSITION

Cash flow from operating activities for the period was KSEK -1,450 (-12,032).

Cash flow for the period was KSEK -1,415 (662). As per March 31, 2022 Cash and bank amounted to KSEK 5,210 and equity amounted to 9,514.

The Board of Directors makes the assessment that the company's current liquidity is set based on existing business plans, is sufficient to finance the company for the next 12 months.



INCOME STATEMENT IN SUMMARY

(KSEK)	JAN-MAR 2022	JAN-MAR 2021	FULL YEAR 2021
Revenue			
Net sales	451	783	2,561
Change in inventories of products in progress, finished goods and work in progress	416		-445
Other revenue	3	3	13
Total revenue, inventory changes, etc.	870	786	2,129
Operating expenses			
Goods for resale	-76	-14	-216
Other external expenses	-1,000	-1,039	-2,905
Staff costs	-751	-192	-1,980
Depreciation of intangible fixed assets	-92	-29	-204
Other operating expenses	-3	-5	-17
Total operating expenses	-1,922	-1,279	-5,322
Operating profit/loss	-1,052	-493	-3,193
Financial items			
Interest expenses and similar items	-	-184	-185
Total financial items	-	-184	-185
Total after financial items	-1,052	-677	-3,378
Profit/loss before taxes	-1,052	-677	-3,378
Taxes			
Tax on profit/loss for the period	-	-	-
Profit/loss for the period	-1,052	-677	-3,378

BALANCE SHEET

(KSEK)	31 MARCH 2022	31 MARCH 2021	31 DECEMBER 2021
ASSETS			
Fixed assets			
Intangible fixed assets	904	1,021	933
Tangible fixed assets	2,350	-	2,412
Total fixed assets	3,254	1,021	3,345
Current assets			
Inventory	1,442	1,491	1,026
Current receivables	600	11,721*	415
Cash and bank	5,210	1,177	6,625
Total current assets	7,252	14,389	8,066
TOTAL ASSETS	10,506	15,410	11,411
EQUITY AND LIABILITIES			
Equity			
Equity	10,566	13,503	13,908
Result of the period	-1,052	-677	-3,378
Total equity	9,514	12,826	10,530
Liabilities			
Liabilities to credit institutions	-	1,833	-
Current liabilities	992	751	881
Total liabilities	992	2,584	881
TOTAL EQUITY AND LIABILITIES	10,506	15,410	11,411

* Including KSEK 11,280, funds from new share issue

CASH FLOW STATEMENT

(KSEK)	JAN-MAR 2022	JAN-MAR 2021	FULL YEAR 2021
Operating activities			
Cash flow from operating activities	-1,450	-12,032*	-2,656
Cash flow from operating activities	-1,450	-12,032	-2,656
Investing activities			
Cash flow from investing activities	-	-	-2,500
Cash flow from investing activities	-	-	-2,500
Financing activities			
Cash flow from financing activities	35	12,694	11,266
Cash flow from financing activities	35	12,694	11,266
Cash flow for the period	-1,415	662	6,110
Bank			
Bank opening	6,625	515	515
Bank closing	5,210	1,177	6,625

* Including KSEK 11,280, funds from new share issue

CHANGES IN EQUITY

	SHARE CAPITAL	NON- REGISTERED SHARE CAPITAL	SHARE PREMIUM RESERVE	PROFIT BROUGHT FORWARD	PROFIT FOR THE PERIOD	TOTAL
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		12,782			12,952
New share issue expenses			-1,686			-1,686
Disposition according to AGM				-290	290	0
Loss for the period					-3,378	-3,378
2021-12-31	686	-	12,230	992	-3,378	10,530
New share issue	0		11			11
New warrant program			24			24
Loss for the period					-1,052	-1,052
2022-03-31	686	-	12,265	992	-4,430	9,513

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 10 May 2022.

Stockholm 2022-05-10
CEO, Elin Mignérus



COMPANY INFORMATION

Company name

Polymer Factory Sweden AB (PUBL)

Organizational number

556695-9531

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Phone

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Website

www.polymerfactory.com



CALENDAR

Current financial year: 2022-01-01 – 2022-12-31

Quarterly Report (Q1): 2022-05-10

Annual General Meeting: 2022-06-08

Half-year Report (Q2): 2022-08-10

Quarterly Report (Q3): 2022-11-10

Quarterly Report (Q4): 2023-02-10



CONTACT

CEO

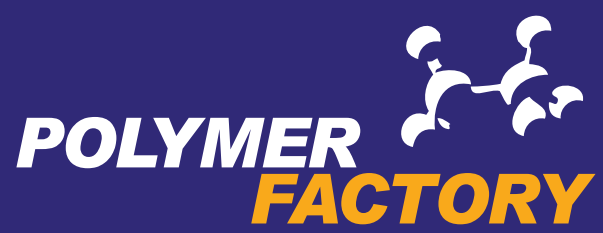
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