



Interim Report Q1

First quarter, January-March 2023

- Net sales increased with close to 40% compared to the same period 2022
- The Board of Directors resolved on a share issue, with subsequent approval by the EGM
- The Company raised approx. SEK 6,1 million* through a rights issue of shares
- The first instalment of the EDF grant was paid, amounting to approx. SEK 1,8 million

*before deduction of transaction related costs

Key Figures

(KSEK)	Jan-Mar 2023	Jan-Mar 2022
Net sales	617	451
Profit (loss) for the period	-1,733	-1,052
Total assets	12,940	10,506
Equity / assets ratio (%)	83	91
Cash flow for the period	5,829	-1,415
Basic earnings per share (SEK)	-0.16*	-0.15

*Adjusted for new share issue

COMMENTS FROM CEO ELIN MIGNÉRUS

Q1 2023 has been largely focusing on financing activities for Polymer Factory; raising capital during a volatile market period while continuing to deliver on our day-to-day operations. We have made progress in both technology development and customer relationships, which we are excited to build on during the rest of the year.

“We are a small company with great ambitions”

The start of 2023 has meant a lot of focus on financing activities for Polymer Factory, both considering the share issue that was conducted in February-March, as well as the announcement of the European Defense Fund (EDF) grant that the Company was approved for in the end of 2022. As communicated in previous reports and updates, the Board of Directors have continuously evaluated options for long-term financing, which led to the resolution on a rights issue in January, which the Extra General Meeting subsequently approved. We are happy to have successfully secured funding in a financially challenging market, and I would like to take this opportunity to welcome all new shareholders to Polymer Factory, and of course also show our appreciation for everyone who has continued to be a part of our journey.

In January, Polymer Factory received the first instalment out of three under the EDF grant for the project Nano-SHIELD. We are excited to be part of this consortium of international partners where we will be working to develop tomorrow's protective equipment against chemical, biological, radiological, and nuclear threats (CBNR). This grant is beneficial to the Company for several reasons, the main being that it can open the door to new application areas for our materials, as well as the financial addition the grant brings, as Polymer Factory will be receiving approximately SEK 5 million over the three years of the project. Furthermore, we look forward to the spill over effects that this project can bring, in terms of learning and development that can be translated to other materials and products.

Net sales increased compared to the same period for the third consecutive quarter, which we attribute to the interest among customer leads who realize the potential of our materials. As always, we continue to work on existing relationships while engaging new leads, and I am proud of the commitment the team is constantly showing. We are a small company with great ambitions – something everyone is constantly working towards.



Elin Mignérus, CEO of Polymer Factory

As we have presented during the share issue earlier this year, increasing our visibility and allocating resources to sales and marketing activities is something we are focusing on in 2023. An important part of this is the participation in conferences and fairs, and I am happy to say that Polymer Factory will be present at a booth and during presentations at this year's American Society for Mass Spectrometry (ASMS) Conference in Houston in June. From previous years at ASMS, as well as during other events we have participated in this and earlier years, we have noticed that this is a great arena for the Company to market itself, both for the calibrants segment but also for our Dendrimers and dendrons segment. There is a clear overlap between the technologies, which also means that we can consolidate marketing efforts for different business areas.

We look forward to now take on the rest of 2023 and continue to develop the company together with customers, partners, and collaborators - and happy to get to share this progress together with all our 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.

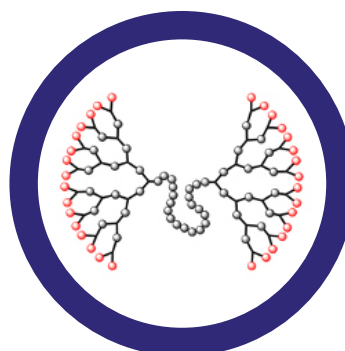
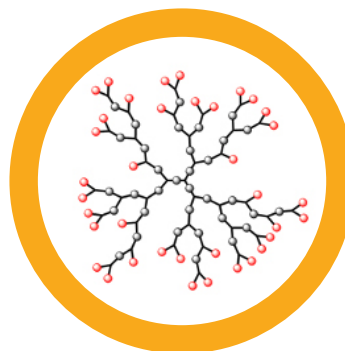
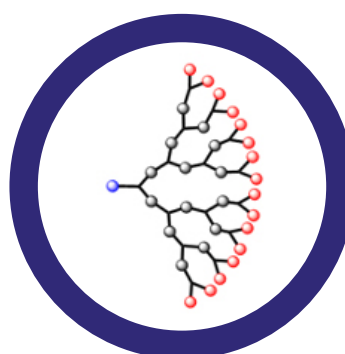
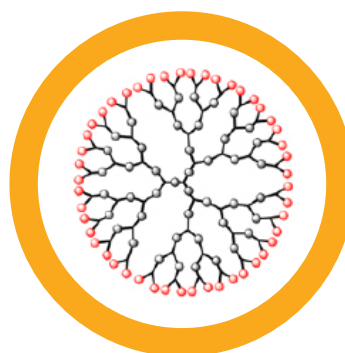
VISION

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 Q1 2023

KEY EVENTS DURING THE PERIOD

On January 17, the Company received its first out of three payments from the European Defence Fund (EDF) under the grant that was announced in December 2022. The first partial payment amounts to approx. SEK 1,8 million, aimed to finance activities for the first 18 months of the project.

On January 27, the Board of Directors resolved on an issue of shares with pre-emptive rights for existing shareholders subject to approval by an Extraordinary General Meeting (EGM). On the same day, the Company invited its shareholders to the EGM.

On February 15, the EGM was held, whereby the EGM resolved to approve the Board of Directors decision to increase the company's share capital by a maximum of SEK 548,831.60 through a new issue of not more than 5,488,316 shares.

On February 28 and March 16, the Company announced the registration of its trademark SpheriCal® in the USA, and its trademark BowtieD® in the USA and Japan, respectively.

On March 13, the Company announced the outcome of the rights issue of shares. The rights issue was subscribed to a total of approx. 70 percent, providing the Company approx. SEK 6.1 million before deduction of transaction related costs.

KEY EVENTS AFTER THE END OF THE PERIOD

On April 5, the Company published its annual report.

In April, the Company employed a new Product Manager to take over the DNG segment. The new employee is due to start in June.

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 5, 2023, which can be found on the company's website.

ORGANIZATION

As per March 31, 2023, the number of employees in the company was 3, 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 10,699,422.

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 2022.

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

OTHER INFORMATION

A warrant program for the CEO and other employees was established on the extra general meeting on 20 December 2021. More information on the program and terms can be found on the Company's website.

FINANCIAL OVERVIEW

REVENUES

Net sales for the period amounted to KSEK 617 (451), an increase with 36,8% compared to Q1 2022.

During the quarter there was a decrease in inventories due to sales of stock products. Other revenue amounted to KSEK 320 (3) for the period, which is derived from work performed under the grant from EDF.

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 2,068 (1,922) for Q1, of which approx. KSEK 194 was related to the new share issue.

RESULT

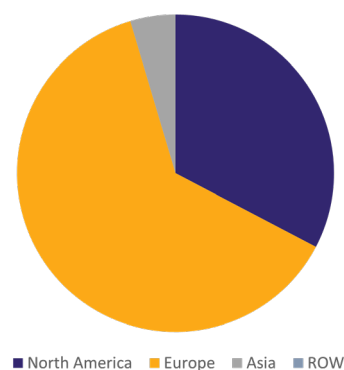
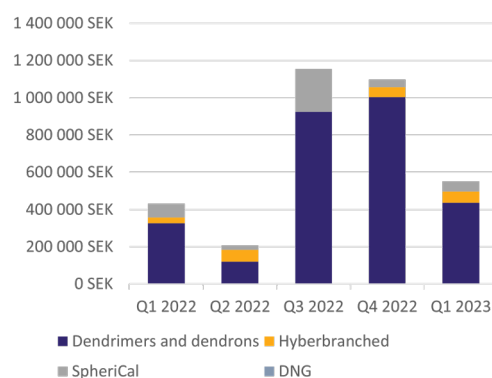
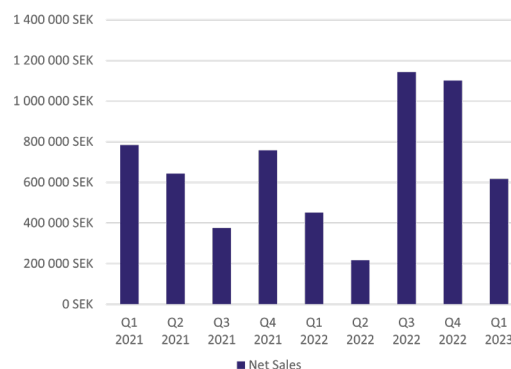
Loss amounted to KSEK -1,733 (-1,052) for the first quarter, of which KSEK 194 can be derived from share issue related posts. Inventories changed with KSEK -601 (416), which decreases the result compared to 2022. Earnings per share amounted to SEK -0.16 (-0.15) for the first quarter, adjusted for the increasing amount of shares due to the new share issue in Q1 2023.

CASH FLOW AND FINANCIAL POSITION

Cash flow from operating activities for the period was KSEK 1,112 (-1,450).

Cash flow for the period was KSEK 5,829 (-1,415), of which KSEK 4,717 is derived from financing activities. As per March 31, 2023 Cash and bank amounted to KSEK 7,984 (5,210) and equity amounted to KSEK 10,650 (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 2023	JAN-MAR 2022	FULL YEAR 2022
Revenue			
Net sales	617	451	2,912
Change in inventories of products in progress, finished goods and work in progress	-601	416	1,013
Other revenue	320	3	20
Total revenue, inventory changes, etc.	336	870	3,945
Operating expenses			
Goods for resale	-54	-76	-417
Other external expenses	-1,098	-1,000	-2,810
Staff costs	-796	-751	-3,187
Depreciation of intangible fixed assets	-92	-92	-369
Other operating expenses	-29	-3	-32
Total operating expenses	-2,069	-1,922	-6,815
Operating profit/loss	-1,733	-1,052	-2,870
Taxes			
Tax on profit/loss for the period	-	-	-
Profit/loss for the period	-1,733	-1,052	-2,870

BALANCE SHEET

(KSEK)	31 MARCH 2023	31 MARCH 2022	31 DECEMBER 2022
ASSETS			
Fixed assets			
Intangible fixed assets	787	904	817
Tangible fixed assets	2,122	2,350	2,185
Total fixed assets	2,909	3,254	3,002
Current assets			
Inventory	1,437	1,442	2,039
Current receivables	610	600	1,287
Cash and bank	7,984	5,210	2,155
Total current assets	10,031	7,252	5,481
TOTAL ASSETS	12,940	10,506	8,483
EQUITY AND LIABILITIES			
Equity			
Equity	12,412	10,566	10,566
Result of the period	-1,733	1,052	-2,870
Total equity	10,679	9,514	7,696
Liabilities			
Current liabilities	2,261	992	787
Total liabilities	2,261	992	787
TOTAL EQUITY AND LIABILITIES	12,940	10,506	8,483

CASH FLOW STATEMENT

(KSEK)	JAN-MAR 2023	JAN-MAR 2022	FULL YEAR 2022
Operating activities			
Cash flow from operating activities	1,112	-1,450	-4,480
Cash flow from operating activities	1,112	-1,450	-4,480
Investing activities			
Cash flow from investing activities	-	-	-25
Cash flow from investing activities	-	-	-25
Financing activities			
Financing activities	4,717	11	35
New warrant program	-	24	-
Cash flow from financing activities	4,717	35	35
Cash flow for the period	5,829	-1,415	-4,470
Bank			
Bank opening	2,155	6,625	6,625
Bank closing	7,987	5,210	2,155

CHANGES IN EQUITY

	SHARE CAPITAL	NON- REGISTERED SHARE CAPITAL	SHARE PREMIUM RESERVE	PROFIT BROUGHT FORWARD	PROFIT FOR THE PERIOD	TOTAL
2021-12-31	686	-	12,230	992	-3,378	10,530
New share issue	0		11			11
New warrant program			24			24
Disposition according to AGM				-3,378	3,378	0
Loss for the period					-2,870	-2,870
2022-12-31	686	-	12,265	-2,386	-2,870	7,695
New share issue	384		5,758			6,142
New share issue expenses			-1,425			-1,425
Loss for the period					-1,733	-1,733
2023-03-31	1,070	-	16,598	-2,386	4,603	10,679

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 2023.

Stockholm 2023-05-10
CEO, Elin Mignérus

COMPANY INFORMATION

Company name

Polymer Factory Sweden AB (PUBL)

Organizational number

556695-9531

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Website

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CALENDAR

Current financial year: 2023-01-01 – 2023-12-31

Quarterly Report (Q1): 2023-05-10

Annual General Meeting: 2022-06-02

Half-year Report (Q2): 2023-08-16

Quarterly Report (Q3): 2023-11-10

Quarterly Report (Q4): 2024-02-16

CONTACT

CEO

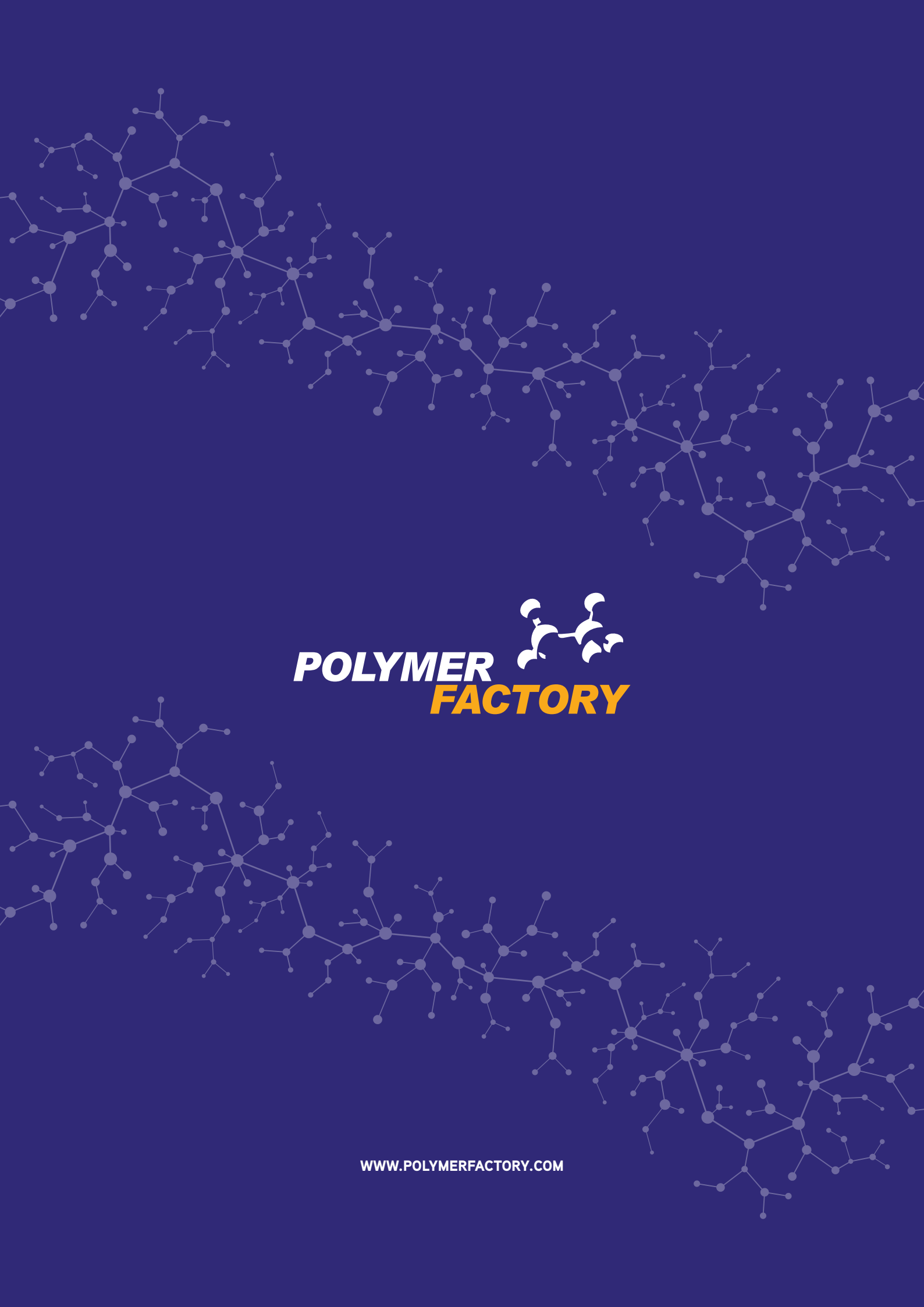
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