

REGULATORY PRESS RELEASE

Malmö, Sweden, April 16, 2019

The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.

Notice of annual shareholders' meeting in Polygiene AB (publ)

The shareholders of Polygiene AB (publ), Reg. No. 556692-4287, are hereby invited to attend the annual shareholders' meeting to be held on Friday 17 May 2019, at 12.00 p.m., at Malmö Börshus, Skeppsbron 2, in Malmö.

Right to participate and notification

Shareholders wishing to participate in the meeting must

- *partly* be listed in the company's share register kept by Euroclear Sweden AB as of Saturday 11 May 2019; and
- *partly* have given a notice of their intent to participate to the company no later than on Monday 13 May 2019 by mail to Polygiene AB, Att. Emilié Fredriksson, Styrmansgatan 2, SE-211 18 Malmö, Sweden, by e-mail to emilie@polygiene.com or by telephone to +46(0)72 395 71 25. The notification should specify the shareholder's complete name, personal identity number or company registration number, the number of shares held by the shareholder, address, telephone number during work hours and, when applicable, information on the number of advisors (2 at the most).

Trustee registered shares

Shareholders, whose shares are trustee-registered through a bank or other trustee must, in order to be entitled to participate in the shareholders' meeting, temporarily register their shares in their own name in the company's share register kept by Euroclear Sweden AB. Such re-registration of ownership must be implemented no later than as of Saturday 11 May 2019. Accordingly, shareholders must well in advance before Friday 10 May 2019 request the trustee thereof, as the record date occurs on a Saturday.

Proxy etc.

In case the shareholder should be represented by a proxy, the proxy must bring a written power of attorney, which is dated and duly signed by the shareholder, to the meeting. The validity term of the power of attorney may not be more than one year, unless a longer validity term is specifically stated in the power of attorney (however at the longest five years). If the power of attorney is issued by a legal entity, the representing proxy must also present a valid registration certificate or equivalent document for the legal entity. In order to facilitate the entrance at the meeting, a copy of the power of attorney and other authorization documents should preferably be attached to the shareholder's notification to participate in the meeting. A template power of attorney is available at the company website (www.polygiene.com/ir), and will be sent to shareholders who requests it and that states their address.

Proposed agenda

1. Opening of the meeting.
2. Election of Chairman of the meeting.
3. Preparation and approval of the register of voters.
4. Approval of the agenda.

5. Election of one or two persons to confirm the minutes.
6. Determination as to whether the meeting has been duly convened.
7. Address by the CEO.
8. Presentation of the Annual Report and Audit Report.
9. Resolution on:
 - a) adoption on the profit and loss statement and balance sheet;
 - b) distribution of the company's profit according to the adopted balance sheet; and
 - c) discharge from liability for the members of the board and the CEO.
10. Determination of the number of board members, deputies, auditors and deputy auditors.
11. Determination of remuneration for the board members and the auditor.
12. Election of board members and auditor.
13. Instruction and charter for the Nomination Committee.
14. Resolution on authorization regarding new share issues.
15. Resolution on implementation of a warrant program by way of (A) directed issue of warrants; and (B) approval of transfer of warrants.
16. Closing of the meeting.

Proposed resolutions

Item 2: Election of Chairman of the meeting

The Nomination Committee, consisting of Mats Jacobsson (Chairman) representing Jonas Wollin, Markus Lindqvist, representing Aktia Fund Management, Mette Gross, representing Lennart Holm, and the Chairman of the board, Jonas Wollin, proposes that lawyer Ola Grahn is elected as Chairman of the meeting.

Item 9 (b): Resolution on distribution of the company's profit according to the adopted balance sheet

Available for the annual shareholders' meeting is the following

loss brought forward	-20,927,759
share premium reserve	54,761,163
result of the year	<u>5,916,918</u>
	39,750,322

The board proposes that no dividends are paid and that available funds of SEK 39,750,322 are carried forward.

Item 10: Determination of the number of board members, deputies, auditors and deputy auditors

The Nomination Committee proposes that five ordinary board members, without deputies, are elected until the end of the next annual shareholders' meeting. Further, the Nomination Committee proposes that one registered public audit firm, without deputy, is elected as the audit firm until the end of the next annual shareholders' meeting.

Item 11: Determination of remuneration for the board members and the auditor

The Nomination Committee proposes that remuneration to the board shall be paid with SEK 225,000 to the Chairman of the board (unchanged since previous year) and with SEK 125,000 to each of the other board members (unchanged since previous year). The Nomination Committee proposes that remuneration to the auditor shall be paid in accordance with customary norms and approved invoice.

Item 12: Election of board members and auditor

The Nomination Committee proposes that Jonas Wollin, Martin Kössler and Daniel Röme are re-elected as ordinary board members and that Ebba Fåhraeus and Håkan Lagerberg are elected as new ordinary board members. The Nomination Committee proposes re-election of Jonas Wollin as Chairman of the board.

The present board members Lennart Holm, Jonas Sjögren and Daniel Oelker have declined re-election.

Ebba Fåhraeus, born 1963, is an analytical and pro-active business developer with international experience in the areas of marketing and business development at a strategic level in listed companies. With a degree in Business Administration from Stockholm School of Economics as a foundation, Ebba Fåhraeus has extensive experience from B2B as well as B2C. She is a board member of a number of small and medium-sized companies, of which the majority are within the Life Science sector, where she contributes with her competence within growth strategies, business development and communication. Ebba Fåhraeus is also a member of the Faculty of Medicine's board at Lund University. Ebba Fåhraeus holds no shares in the company. Ebba Fåhraeus is considered to be independent in relation to the company and its senior management as well as in relation to major shareholders.

Håkan Lagerberg, born 1968, has extensive experience from leading positions in private and public companies, inter alia within international sales, marketing and negotiation, both operationally and strategically. Håkan Lagerberg also has reputable market and investor contacts. Håkan Lagerberg's education include international Master of Laws degree (LLM) from Lund University and International Trade Law from the University of Torino in Italy. Håkan Lagerberg is currently CEO and board member of Swedencare AB (publ), listed on Nasdaq First North since 2016. Håkan Lagerberg is inter alia chairman of the board of One CC AB and board member of HAOLAG AB and Mastan AB. Håkan Lagerberg holds indirectly through company 1,485,098 shares in the company. Håkan Lagerberg is considered to be independent in relation to the company and its senior management as well as in relation to major shareholders.

Information on the board members who are proposed for re-election can be found in the Annual Report and at www.polygiene.com/ir.

The Nomination Committee proposes that Grant Thornton Sweden AB is re-elected as auditor. Grant Thornton Sweden AB has informed that Per Kjellander will continue to be appointed as the responsible auditor.

Item 13: Instruction and charter for the Nomination Committee

The Nomination Committee proposes that a Nomination Committee shall be appointed before coming election and remuneration and that an instruction and charter shall be adopted in accordance with the following substantial terms.

The Nomination Committee shall comprise four members, one representative for each of the three largest shareholders on the last banking day in September who wish to appoint a member and the Chairman of the board. The three largest shareholders in these instructions are the ownership grouped registered shareholders or in another way known shareholders as per the last banking day in September.

As soon as possible after the details of the largest shareholders on the final banking day in September are known, the Chairman of the board shall contact the three largest shareholders to find out whether they wish to appoint members of the Nomination Committee. If one or more of the three largest shareholders declines to appoint a member of the Nomination Committee, the Chairman of the board shall offer other major shareholders the opportunity to appoint a member of the Nomination Committee. If such an offer is made, it should be made to the largest shareholders in order (i.e. first to the fourth largest shareholder, then the fifth largest shareholder, and so on). This procedure shall continue until the Nomination Committee comprises four members including the Chairman of the board.

At its first meeting, the Nomination Committee shall appoint a Chairman among its members.

Information regarding the appointed Nomination Committee shall include the names of the three appointed members, together with the names of the shareholders who have appointed the members, and the information shall be announced no later than six months before the proposed annual shareholders' meeting.

The Nomination Committee's term shall run until such time as a new Nomination Committee has been elected.

If there is a change in ownership among the largest shareholders and a shareholder not previously entitled to appoint a member of the Nomination Committee thereby becomes a larger shareholder than one or more of the shareholders who have already appointed a Nomination Committee member, ("a new major owner"), the Nomination Committee shall, if the new major owner makes a request to appoint a member of the Nomination Committee, decide that the Nomination Committee member who represents the smallest shareholding after the shift should be dismissed and replaced by the member appointed by the new major owner. Should a new major owner wish to appoint a member of the Nomination Committee, the new major owner should notify the Chairman of the Nomination Committee. The notification should contain the name of the person the new major owner appoints as a member of the Nomination Committee. Notwithstanding what has been stated in the foregoing, unless special reasons exists, no changes of the composition of the Nomination Committee shall be made if only marginal changes in voting power has occurred or if the change occurs later than two months before the annual shareholders' meeting.

If a member who represents a shareholder in the Nomination Committee should leave its assignment prematurely, the Nomination Committee shall without delay request that the shareholder who appointed the member appoint a new member. If no new member is appointed by the shareholder, the Nomination Committee shall offer other major shareholders the opportunity to appoint a member of the Nomination Committee. Such an offer shall be made to the largest shareholders in order (i.e. first to the largest shareholder who has not already appointed a member of the Nomination Committee or who has previously foregone that right, and then to the next largest shareholder who has not already appointed a member of the Nomination Committee or who has previously foregone that right, and so on). This procedure shall continue until the Nomination Committee is complete.

The Nomination Committee's main responsibility is to submit proposals regarding election of Chairman at the annual shareholders' meeting, election of and remuneration for the members of the board, election of and remuneration for the auditor, as well as principles for the appointment of the Nomination Committee and instructions for the Nomination Committee.

These principles for the Nomination Committee's appointment and instructions for the Nomination Committee shall be valid until further notice until a resolution on amendment is passed by a shareholders' meeting.

Item 14: Resolution on authorization regarding new share issues

The board of directors proposes that the annual shareholders' meeting resolves to authorize the board of directors, up until the next annual shareholders' meeting, at one or several occasions, with or without deviation from the shareholders' preferential rights and with or without provisions regarding contribution in kind, set-off or other conditions, to issue shares. The reason for why a deviation from the shareholders' preferential rights should be possible is to enable the company to source working capital, to be able to execute acquisitions of companies or operating assets as well as to enable new issues to industrial partners within the framework of partnerships and alliances. The total number of shares that may be issued shall not exceed 2,279,556 shares, which corresponds to a dilution of approximately 10 per cent calculated on the current number of shares.

In case the authorization is used for a new issue with deviation from the shareholders' preferential rights, the issue shall be made on market terms.

Item 15: Resolution on implementation of a warrant program by way of (A) directed issue of warrants; and (B) approval of transfer of warrants

The board of directors proposes that the annual shareholders' meeting resolves to implement a warrant program for employees and consultants in the company based on issue and transfer of warrants (the "Warrants Program 2019/2022").

To implement the Warrants Program 2019/2022, the board of directors proposes that the annual shareholders' meeting resolves on (A) directed issue of warrants; and (B) approval of transfer of warrants, on the following terms and conditions:

A. Directed issue of warrants

A maximum of 300,000 warrants shall be issued for the Warrants Program 2019/2022.

With deviation from the shareholders' preferential rights, the right to subscribe for the warrants shall only vest in a wholly owned subsidiary to the company (the "Subsidiary"). The reason for the deviation from the shareholders' preferential rights is that the warrants shall be used within the Warrants Program 2019/2022.

The Subsidiary's subscription shall be made at the latest on 30 June 2019, with a right for the board of directors to prolong the subscription period.

Over subscription cannot occur.

The warrants shall be issued to the Subsidiary against cash consideration which shall correspond to the warrant's fair market value calculated in accordance with the Black Scholes formula. The calculation of the fair market value of the warrants shall be established by ÖhrlingsPricewaterhouseCoopers AB in connection with the expiration of the measurement period on 27 May 2019. Payment shall be made in connection with subscription.

Each warrant shall entitle to subscription of one share in the company. Subscription of shares by virtue of the warrants may be effected as from 1 June 2022 up to and including 30 June 2022.

The subscription price per share shall correspond to 200 per cent of the volume weighted average price according to Nasdaq First North's official price list for shares in the company during the period as from and including 20 May 2019 to and including 27 May 2019. The subscription price and the number of shares that each warrant entitles right to subscribe for are subject to customary recalculation in the event of a split-up or consolidation of shares, rights issue etc.

The shares issued upon utilization of a warrant shall confer right to dividends the first time on the record date for dividends that occurs immediately following effectuation of subscription to such extent that the share has been recorded in the company's share ledger as interim share.

In case all warrants are utilized for subscription of new shares, the share capital will increase with SEK 30,000.

B. Transfer of warrants

The Warrants Program 2019/2022 shall principally be carried out in accordance with what is stated below.

The Subsidiary shall have the right, on one or several occasions, to transfer the warrants to employees and consultants in the company in accordance with the terms and guidelines set forth below. Transfer to participants under the Warrants Program 2019/2022 shall be made against cash consideration which shall correspond to the fair market value of the warrant calculated in accordance with the above.

The board of directors of the company shall resolve upon allotment to participants in the Warrants Program 2019/2022, whereby participants in each category listed below can be offered up to the maximum of the number of warrants listed below:

- (a) CEO a maximum of 100,000 warrants
- (b) Other senior executives a maximum of 40,000 warrants per person
(5 persons)

- (c) Other employees/consultants (approximately 15 persons) a maximum of 20,000 warrants per person



Allotment shall take place on 15 June 2019 at the latest.

A participant can subscribe for a lower number of warrants compared to what is offered to the participant. Over subscription cannot occur.

Right to allotment in the Warrants Program 2019/2022 requires that the participant at the relevant time of allotment at the latest, holds a position in the company or has signed an agreement regarding it and has not, at such time, informed or been informed that the employment or assignment will be terminated.

For participants in other jurisdictions than Sweden, it is implied that transfer of warrants is legally possible and that transfer, in the board of director's opinion, can be carried out with reasonable administrative and financial efforts at their established fair market value. The board of directors shall be authorized to adjust the terms and conditions of the Warrants Program 2019/2022 to the extent required in order for allotment of warrants to participants in other jurisdictions, to the extent practically possible, to be carried out under the same conditions imposed by the Warrants Program 2019/2022.

Other information regarding the Warrants Program 2019/2022

The reasons for the implementation of the Warrants Program 2019/2022 and the deviation from the shareholders' preferential rights are to be able to create possibilities for the company to retain competent staff through the offering of a long term ownership engagement for the employees and consultants in the company. Such ownership engagement is expected to stimulate the employees and consultants in the company to an increased interest for the business and the earnings trend as well as to increase the feeling of connectedness with the company.

Since the warrants in the Warrants Program 2019/2022 will be transferred to the participants at the fair market value, the company's assessment is that the company will not incur any social costs in relation to Warrants Program 2019/2022. The costs related to Warrants Program 2019/2022 will hence only be composed of limited costs for implementation and administration of the program.

In case all warrants issued within the Warrants Program 2019/2022 are utilized for subscription of new shares, a total of 300,000 new shares will be issued, which corresponds to a dilution of approximately 1.4 per cent of the company's share capital and votes after full dilution, calculated on the number of shares that will be added upon full utilization of all warrants issued under the Warrants Program 2019/2022. The key figure earnings per share before taxes for the full year 2018 had thus been changed in such a way that the result per share had been changed from SEK 0.29 to SEK 0.28.

There is currently one warrant program outstanding for employees and consultants (the "Warrants Program 2018/2021"), which was implemented on the annual shareholders' meeting 2018. A total of 228,000 warrants have been issued under the program and each warrant entitles subscription of one share. The warrants can be utilized during the period of 1–30 June 2021 at a subscription price of SEK 16.50 per share. In case all warrants in this program are utilized for subscription of shares, the company will issue a total of 228,000 new shares, which corresponds to a dilution of approximately 1.1 per cent of the company's share capital and votes after full dilution, calculated on the number of shares that will be added upon full utilization of all warrants issued under the Warrants Program 2018/2021.

In case all outstanding warrants as well as the warrants proposed to be issued upon resolution by the annual general meeting are utilized, a total of 528,000 shares will be issued, which corresponds to a dilution of approximately 2.5 per cent of the company's share capital and votes after full dilution, calculated on the number of shares that will be added upon full utilization of all outstanding warrants and proposed warrants.

The above calculations regarding dilution are subject to re-calculation of the warrants in accordance with the customary recalculation terms included in the applicable warrant terms.



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The proposal of the Warrants Program 2019/2022 has been prepared by the board of directors together with external consultants.

Particular majority requirements

For a valid resolution on the proposal pursuant to item 14, the proposal has to be supported by shareholders representing at least two-thirds of the votes cast as well as of all shares represented at the meeting. For a valid resolution on the proposal pursuant to item 15, the proposal has to be supported by shareholders representing at least nine-tenths of the votes cast as well as of all shares represented at the meeting.

Duty of disclosure at the annual shareholders' meeting

The shareholders are reminded of their right to request information at the shareholders' meeting pursuant to chapter 7 section 32 of the Swedish Companies Act (Sw. aktiebolagslagen (2005:551)).

Accounting documents and complete proposals

The Annual Report and the Audit Report and the complete proposals pursuant to items 13-15 will be available at the company's office at Styrmansgatan 2, SE-211 18 Malmö, Sweden and at the company's website (www.polygiene.com/ir) as from no later than three weeks before the annual shareholders' meeting, and will also be sent to shareholders who request it and state their address. Copies of the documents will also be available at the annual shareholders' meeting.

Processing of personal data

For information on how your personal data is processed, see

<https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Number of shares and votes in the company

As of the date of this notice to attend the annual shareholders' meeting, the total number of shares and votes in the company amounts to 20,516,000. The company does not hold any own shares.

Malmö in April 2019
Polygiene AB (publ)
The Board of Directors

This information was submitted for publication, through the agency of the contact person set out below, at April 16, 2019, at 08:10 CET.

For more information, visit www.ir.polygiene.com or contact:

The Company's IR at e-mail: ir@polygiene.com

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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 140 global premium brands have chosen to use Polygiene Stays Fresh Technology in their products. Polygiene was established in 2006 and is listed on Nasdaq First North in Stockholm, Sweden. Erik Penser Bank AB acts as its Certified Advisor.