

ORGANOCLICK

Interim Report January-March 2020

Corporate identity number: 556704-6908

January to March

- Net sales SEK 22,248 (22,149) thousands
- Revenue growth 0.4 (20.4) percent
- EBITDA SEK -1,368 (802) thousand
- Cash flow from operating activities SEK -3,286 (2,006) thousand
- Earnings per share before and after dilution SEK -0.06 (-0.04)
- OrganoClick launched OrganoTex® Textile Waterproofing in Norway and Denmark with Norsk Fjellsport as distribution partner.

KEY RATIOS (for definitions, please refer to page 20)	3 months		12 months	
	Jan-Mar 2020	Jan-Mar 2019	LTM 31 Mar 2020	Jan-Dec 2019
Net sales	22,248	22,149	85,578	85,480
EBIT	-4,462	-2,091	-17,502	-15,131
Cash flow from operating activities	-3,286	-2,006	-12,296	-11,013
Gross margin after variable costs, %	43.1	46.0	40.3	41.0

A WORD FROM THE CEO

The first quarter of the year can be divided into two periods: before and after the COVID-19 outbreak in Europe. The year 2020 started well, with a strong order intake on the Swedish market as well as on our export markets - but since the corona virus hit us with force in the beginning of March, our export markets have stalled. The Swedish sales of ORGANOWOOD® timber and BIOkleen® maintenance products through retailers in the building and paint trade are still doing relatively well, while we are seeing increasing impact on the sales of OrganoTex® through sports and outdoor retailers. What is positive during the quarter is the good contribution to growth by our biocomposites, which mostly is due to increased sales of coffin materials to Fredahl Rydén.

Our total sales remained virtually unchanged compared with the preceding year, totaling MSEK 22.2 (22.1) for the quarter. However, the product mix changed to the worse from our perspective, with a greater proportion of sales relating to wood. As a result, our gross margin (after variable costs) decreased to 43.1 (46.0) percent. Our investments in export marketing and a second production shift have increased our fixed costs by MSEK 1.8 in total during the quarter, to MSEK 14.1 (12.3). Altogether, this resulted in an EBITDA of MSEK -1.4 (0.8).

Within the Functional wood business unit, the first deliveries were dispatched to our new distributors in Germany and Italy in February. Since early March, these markets are basically shut down, and we are not expecting to see any material sales there until the market restrictions are lifted. In Sweden, the wood sales have remained stable and virtually unchanged compared with the preceding year. In total, the sales of the business unit grew by 5.8 percent during the quarter. The same trend has continued into the second quarter, and we believe sales will maintain a robust pace.

In the Green surface coatings & maintenance products business unit, the sales of BIOkleen® maintenance products for homes and private houses increased significantly during the quarter, as did the sales of OrganoTex®. Sales of our wood protection products dropped this quarter as our customers had remaining stocks since the preceding year. It is our assessment that the sales of these products will increase during the year, since we have resumed delivery to these customers since the end of March and early April. The total

sales of the business unit were lower than the year before, which is attributable to reduced deliveries of wood protection products and amounted to MSEK 9.9 (11.1). Nevertheless, we are seeing solid sales figures from most product areas during the second quarter, with the exception of OrganoTex®. At the end of March, we started to deliver on our new agreements with customers in the paint trade. This leads us to expect solid growth for the year as a whole.

The Biocomposites business unit has increased the sales of coffin materials to the customer Fredahl Rydén. The sales of sound absorbers to our customer Baux have increased as well, albeit at a slightly lower rate. Total sales for the quarter amounted to MSEK 0.6 (0.1), and we are seeing the positive trend continue into the second quarter.

Within the Nonwoven & technical textiles business unit, demand from existing customers has increased steadily. We consider that the demand will continue to rise during the year as our existing customers are planning new product launches. Our other customer projects are proceeding according to plan and we are aiming for some of them to result in finished products during 2020.

We believe that 2020 as a whole will generate growth, if somewhat less than we had hoped for due to COVID-19. Thanks to our strong financial position, we are able to continue to work in accordance with our growth plan even though some marketing activities will have to be postponed. Our efforts are now focused on looking after our existing customers and growing with them, and on producing results in our industrial customer projects – all in order to achieve a nature free from plastic and chemical pollutants, by way of profitable business!

Sincerely,



Mårten Hellberg
Mårten Hellberg
CEO, OrganoClick AB

BUSINESS SUMMARY

Every year, more than 8 million tonnes of plastic and hundreds of thousands tonnes of toxic chemicals are released to the world's oceans and into nature. Many of these are not degradable, but accumulate in the form of microplastics or persistent pollutants. Plastics and environmental contaminants have thus become one of the major global challenges of our time. The result is visible along the seashores as well as in the alarm reports about poisoned watercourses. OrganoClick AB (publ) is a Swedish cleantech company that develops, produces and markets functional materials based on environmentally friendly fiber chemistry, which addresses several of the aforementioned problems. The products marketed by OrganoClick include: the durable water repellent technology for textiles OrganoTex®, which can substitute hormone-disruptive fluorocarbons (PFAS); the flame and rot-resistant timber ORGANOWOOD®, which can substitute heavy metals used in traditional wood protection; eco-labelled surface treatment and maintenance products for homes and properties, under the brand BIOkleen®, and the biobased binder OC-BioBinder™ which, together with the company's biocomposite OrganoComp® can substitute fossil-based plastic. OrganoClick was founded in 2006 as a commercial spin-off company based on research performed at Stockholm University and the Swedish University of Agricultural Sciences. OrganoClick has won a number of prizes, such as "Sweden's Most Promising Start-up" and "Sweden's Best Environmental Innovation", and has also received a number of awards, such as the WWF "Climate Solver" award, and has also appeared for two years on the Affärsvärldens and NyTekniks list of Sweden's top 33 hottest technology companies. OrganoClick is listed on Nasdaq First North Growth Market and has its head office, production and R&D located in Täby, north of Stockholm.

TECHNOLOGY

OrganoClick's core technology is based on so-called 'biomimetics', where the company's products are developed with inspiration from natural chemical processes. By attaching organic molecules to the surface of cellulose fibers in materials such as wood, textile, paper or nonwoven, new features such as fire resistance, rot protection, water resistance and changed mechanical properties can be achieved. This technology opens up for renewable materials that for example can replace oil-based plastics and traditional, toxic wood protection methods.

THE GROUP'S STRUCTURE, BUSINESS UNITS AND CUSTOMERS

The Group's products are marketed and delivered to a number of application areas. On the basis of this, the Group is divided into four business units that market and sell the products within their respective area. The most substantial customer segment is currently within the Nordic building and paint trade, which results in significant seasonal variations in the Group's sales (see graph p. 4). Production, R&D, finance & administration and environment & quality work is conducted centrally for the whole Group, with major synergies achieved across the business units.

Within the largest business unit, Functional wood, the Group sells ORGANOWOOD® timber through hardware retailers to both major construction companies and end consumers. The retailers of ORGANOWOOD® timber include, among others, Beijer byggmaterial, K-rauta, XL-BYGG, Optimera, Bygma, Woody and Derome in Sweden. The product is also sold in the rest of Northern Europe, Germany and Italy. OrganoClick manufactures and supplies the

technology and the wood protection agent that is used to treat the wood, which then is sold by the sales and marketing company OrganoWood AB, part-owned by OrganoClick (60 percent) together with a partner.

Within the second largest business unit, Green surface coatings & maintenance products, additional wood protection and maintenance products for maintenance of homes and properties are sold through hardware and paint retailers such as Happy Homes, Colorama, Bolist, Nordsjö Färg & design, Caparol, Granngården and Ahlsell. The business unit also offers OrganoTex® Textile waterproofing, a biodegradable impregnation that is sold through more than 170 Nordic sports and outdoor retailers, including Naturkompaniet and its Finnish sister company Partioaitta.

The Biocomposites business unit manufactures and sells the Group's 3D-moulded biocomposite OrganoComp® which is used as a replacement for plastic materials. Fredahl Rydén's, the leading Nordic burial coffin producer, and Baux, supplier of sound-absorbing acoustic panels, were the first customers. Projects are also underway together with companies and partners operating in the healthcare sector or with furniture production with the aim of replacing different plastic products with OrganoComp®.

Within the business unit Nonwoven & technical textiles, bio-based binders that replace plastic bonding agents and water repellent products (PFAS substitutes) are sold to customers that manufacture nonwovens or technical textiles. End applications include napkins and table cloths for restaurants, medical textiles such as surgical coats, hair covers and masks, agricultural mulch films and personal hygiene products such as diapers, sanitary towels and incontinence articles.

THE GROUP'S DEVELOPMENT AND OBJECTIVES

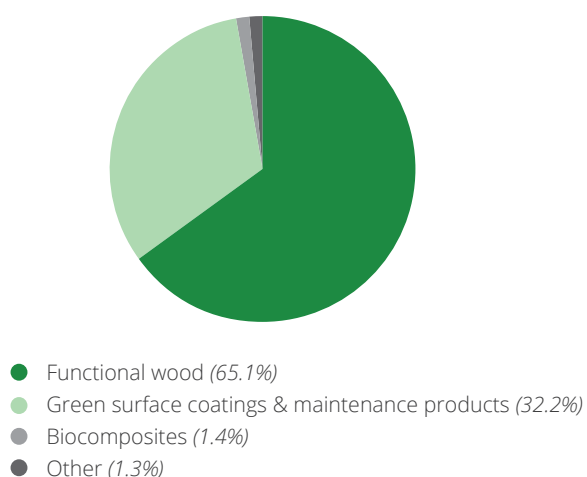
The Group has made fast progress since the first product was launched in 2012. Net sales has grown from MSEK 20.9 in 2014 to MSEK 85.5 in 2019, corresponding to an average annual growth rate of 32.5 percent. The Group has built up a sales and marketing organization and its production facility to be able to continue to grow operations rapidly with only minor increases of fixed costs, which makes the business model highly scalable. With increasing volumes, improved productivity in its factory and a gradually changed product mix, margins have improved as well. The gross margin (after variable costs) has increased year by year, from 32.7 percent in 2014 to 41.0 percent in 2019. The Group has continuously made heavy investments in product and production development, and this effort is bearing fruit in the form of a product family with sales within a large number of application areas.

The long-term goal of the Group is to continue to show double-digit growth and reach a gross margin (after variable costs) of 50 percent and an operating margin (EBIT) of 20 percent. At the same time, the Group shall become climate neutral by 2023 at the latest, which means zero emissions of greenhouse gases and 100 percent use of bio-based raw materials and packaging.

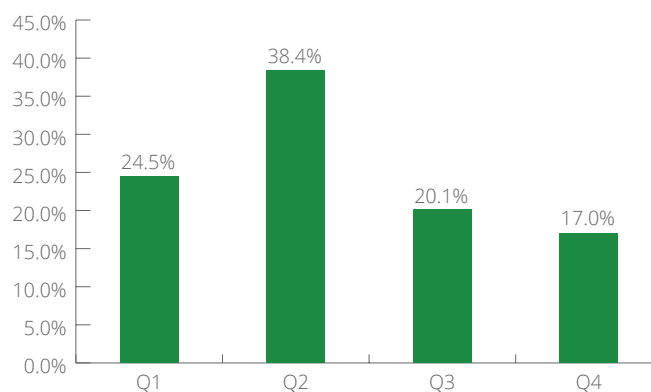
FINANCIAL DEVELOPMENT ORGANOCLICK GROUP 2015-2019 MSEK

	2015	2016	2017	2018	2019
Net sales	30,462	38,847	74,682	78,395	85,480
Operating profit/loss	-20,793	-29,041	-23,456	-17,822	-15,131
Total assets	82,313	81,201	101,778	88,103	173,199
Total equity	59,481	41,671	54,286	34,798	102,470
Total liabilities	22,832	39,530	47,491	53,306	70,729
Cash flow from operating activities	-24,416	-15,549	-22,556	-18,970	-11,013
Revenue growth, %	45.8%	27.5%	92.2%	5.0%	9.0%
Gross margin after variable costs, %	32.6%	32.1%	36.2%	39.5%	41.0%

NET SALES / OPERATING SEGMENTS



GROUP SALES/QUARTER



COMMENTS ON THE FINANCIAL DEVELOPMENT

As of 2020, the Group has chosen to report sales divided on four business units: the former three business units Functional wood, Green surface coatings & maintenance products and Biocomposites, and the new business unit Nonwoven & technical textiles. A reclassification of sales has also been made regarding wood protection products, from the Functional wood business unit to Green surface coatings & maintenance products.

THE GROUP, JANUARY – MARCH

Profit/loss

Sales amounted to kSEK 22,248 (22,149) during the quarter, with a slight sales growth of 0.4 (20.4) percent. Sales within the Functional wood business unit amounted to kSEK 11,429 (10,799) with a growth of 5.8 (1.6) percent compared with the previous year. The growth was driven by our new export markets, Germany and Italy, even though the reduced trade in the wake of COVID-19 made it lower than expected. Sales within the business unit Green surface coatings & maintenance products amounted to kSEK 9,947 (11,135). The -10.7 (47.2) percent decrease on the previous year is explained by lower purchasing by the Group's most important wood protection products distributor which held a remaining stock when the year began, unlike previous year when the Group instead received a major order from that distributor in advance of the season. Sales within the Biocomposites business unit increased to kSEK 642 (72) with sales of both coffin materials and sound absorbents, and sales within the business unit Nonwoven & technical textiles amounted to kSEK 214 (143).

Gross margin (after variable costs) amounted to 43.1 (46.0) percent and was negatively impacted by changes in the product mix to an increased proportion of timber and a reduced proportion of wood protection products. The lower margins on products combined with higher fixed costs related to a second production shift, explain that the gross result is lower despite sales remaining at the same level, kSEK 4,653 (5,882). Fixed sales costs have increased due to initiatives (with new personnel) that the Group has undertaken, primarily in the new export markets. R&D expenses have risen as a result of additional personnel assignments to customer projects and increased patent amortizations. Operating profit/loss, EBIT, amounted to kSEK -4,462 (-2,091) and EBITDA to kSEK -1,368 (802). Lower financial expenses, kSEK -625 (-920) are attributable to reduced borrowings within the Group. Profit/loss for the period amounted to kSEK -5,053 (-2,952).

As the Group reports negative earnings, the effective tax will be zero. Deficit deductions increase and the Group does not capitalize deferred tax on deficit deductions. In the income statement, deferred tax is recognized for temporary differences.

Cash flow and investments

Cash flow from operating activities amounted to kSEK -3,286 (-2,006) due to a weaker result. Cash flow from working capital amounted to kSEK -1,607 (-1,921) which is in parity with the previous year. Liquid funds were tied up in trade receivables, which was to be expected as the Group is entering high season and sales are growing, kSEK -3,957 (-5,927). The lower amount tied up in trade receivables compared with the previous year was due to the Group having higher trade receivables at the beginning of the year than at the beginning of the previous year. Considerable raw material purchases in view

of the Group's high season (Q2) resulted in liquidity being tied up in inventory, kSEK -2,371 (-2,600), and in a kSEK 3,987 (5,539) increase in trade payables.

During the quarter, kSEK -1,820 (-1,039) was invested in intangible fixed assets in the Group's development projects, patents and trademarks, with an increase in the investments in patents compared to the previous year. In property, plant and equipment, kSEK -671 (-63) was invested primarily in production equipment.

In financing activities, the Group decreased its utilization of its bank overdraft facility by kSEK -5,032 (5,253) and increased its invoice factoring credit by kSEK 663 (5,551). The utilization of invoice factoring credit is lower than the increase in trade payables, since trade payables increased in group companies that do not use invoice factoring credits while the previous year's increase of trade payables took place in group companies that do. The subsidiary OrganoWood used new credits of kSEK 1,000 (0) during the period; the previous year, credits of kSEK -3,000 were amortized. The Group amortized kSEK -2,406 (-2,221) during the period for loans and leases. The total cash flow from financing activities amounted to kSEK -5,475 (5,363).

Total cash flow for the period was kSEK -11,252 (2,257).

Financial position

Cash and cash equivalents in the Group amounted to kSEK 49,898 (8,379) at the end of the period with a quick ratio of 144.4 (40.7) percent. Net indebtedness amounted to kSEK -231 (65,554). The strengthened financial position is attributable to a new share issue netting kSEK 86,030 which was carried out in the fall of 2019 and made it possible to repay most of the parent company's credits. At the end of the quarter, a bank overdraft facility of kSEK 7,922 (13,947) was utilized in OrganoWood AB from a total facility of kSEK 15,000 (14,000). The bank overdraft facility changes depending on the requirement for the season.

THE PARENT COMPANY, JANUARY – MARCH

Profit/loss

The Parent Company's revenue amounted to kSEK 8,831 (8,695) with increased sales of coffin materials and sound absorbents in OrganoComp® as well as of OrganoTex® products. Sales to subsidiaries decreased somewhat. Gross profit amounted to kSEK -1,295 (-315) after increased fixed production costs for a second production shift. Operating profit/loss (EBIT) amounted to kSEK -6,155 (-3,821) after increased fixed costs, mostly relating to different sales initiatives. EBITDA amounted to kSEK -4,858 (-2,789). Profit/loss for the period amounted to kSEK -6,074 (-3,932).

Financial position and cash flow

Cash and cash equivalents in the Parent Company at period-end amounted to kSEK 49,512 (1,736) and equity to kSEK 107,799 (43,598). The strengthened financial position is attributable to kSEK 86,030 in proceeds after issuance costs from a new share issue which was carried out by OrganoClick in the fall of 2019. The issue proceeds were used to repay loans and credits of kSEK 19,063. During the year, the Parent Company invested kSEK 1,581 (711) in intangible fixed assets in the form of development projects and patents and kSEK 671 (63) in property, plant and equipment in the form of production equipment.

OTHER INFORMATION

SIGNIFICANT EVENTS DURING THE PERIOD

- OrganoClick launched OrganoTex® Textile Waterproofing in Norway and Denmark with Norsk Fjellsport as distribution partner.
- The Nomination committee nominated new board members to the 2020 Annual General Meeting. The Nomination committee proposes new election of Charlotte Karlberg and Malin Bugge and re-election of Jan Johansson (chair), Håkan Gustavson and Claes-Göran Beckeman.
- The beginning of 2020 saw the outbreak of the COVID-19 pandemic. OrganoClick sees a risk of a global recession which would impact Swedish companies. OrganoClick is monitoring the development carefully, and the management is continuously evaluating the effects of the measures taken by local authorities to limit the spread of the virus on the Group's operations in the short and long term. It is not possible today to estimate how big the impact could be on the operations, but the management body has identified a number of risks that have increased due to the pandemic, see the sections about Risks and uncertainties in the following text. In response to this development, a number of measures have been taken to protect the Group's operations and to limit the spread of the virus. Among other things, all business travels and non-essential meetings have been postponed, The public health authority's recommendations to stay at home when being are sick is followed and work from home is encouraged. Other activities in the Group, such as production and distribution, is conducted as usual.

The effects we have seen so far have an impact on sales, suppliers and production. The effects on sales within Sweden are so far less, while the effects on export markets are more negative as a result of the closure of trade in several of our exporting countries. We will also see effects at the supplier level where some European suppliers have flagged for extended delivery times. This together with some problems with increased sickness absence in our production has resulted in somewhat longer delivery times to our customers.

Our assessment is that our markets will not be hit hard in the short term but the risk is high that our sales will be adversely affected as well as customer projects will be delayed for the next six months.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- Internetstores initiates sales of OrganoTex® Textile Waterproofing through their European Outdoor shop CAMPZ.com

RISKS AND UNCERTAINTIES

The Group's significant risks are primarily attributable to the market development for the Group's various product areas, financial risks as the Group may need additional capital injection to conduct its operations in its current form, production risks related to its own production and partners' production capacity and risks with intangible assets and product development. For a more detailed description of significant risks and uncertainties, refer to OrganoClick's Annual report for 2019, pages 48-49.

Risks related to the Coronavirus pandemic (COVID-19)

The outbreak of the COVID-19 pandemic has had negative impact on the world's financial markets, companies and industries and will most likely affect the Group's operations. It is difficult to predict at the present time how and to what extent COVID-19 will impact the Group, but the Group's assessment is that a global recession will increase the probability of many of the risks presented on pages 48-49 of the Annual report for 2019. The Group identifies increased risks of production disruptions, both in our own facilities and in those of our collaboration partners, due to disruptions in the supply chains of raw materials and/or lack of personnel as a consequence of rules and recommendations issued by public authorities. The Group further sees an increased risk of price fluctuations for input goods. The sales-related risk would increase in the event of a global recession, and, together with knock-on effects from other industries, this could result in lower demand for the Group's products and delayed export efforts. The Group currently conducts a number of development projects together with industrial operators within nonwoven & technical textile; the Group sees a risk that these customer projects may come to a halt or be delayed when the industrial operators' operations are negatively affected by COVID-19 and thus are accorded less priority. The Group further sees increased credit risk, in particular the customer-related credit risk that the Group will fail to receive payments from its customers. The Group considers financing risk and liquidity risk to be less of an issue over the coming two years thanks to the new share issue carried out in the fall of 2019.

PERSONNEL

At the end of the period, the number of employees in the Group was 41 (34). Of these, 26 (19) were employed in the parent company, 11 (11) employed in the subsidiary OrganoWood AB and 4 (4) employed in the subsidiary Biokleen Miljökemi AB. Of the employees, 15 (11) were women and 26 (23) men.

SHARE INFORMATION

OrganoClick AB's share capital at the beginning of 2020 amounted to SEK 921,128, distributed on 92,112,789 shares. The quota value of all shares is 0.01 and they are equally entitled to share the company's assets and earnings. There has been no change in the share capital during the year.

OrganoClick AB's share has been listed on Nasdaq First North Growth Market since 2015. The number of shareholders at March 31 was 1,744 (1,405) and the closing price of the share at March 31 was 4.66 (4.80), giving a market capitalisation of SEK 429 (357) million.

The largest shareholders in OrganoClick AB as at 31 March 2020¹.

Namn	No. of shares	Share of votes and capital %
Anders Wall with companies and related foundations ²	12,197,407	13.24
Bertil Hagman	7,829,447	8.50
Mårten Hellberg with company	7,376,969	8.01
Armando Córdova with company	5,286,069	5.74
Jonas Hafrén	5,123,006	5.56
Credit Suisse (Switzerland) Ltd	3,723,300	4.04
Länsförsäkringar fondförvaltning AB	3,400,000	3.69
Handelsbanken Microcap Sverige	3,239,978	3.52
Öhman Bank S.A.	2,790,000	3.03
Fjärde AP Fonden	2,695,423	2.93
Subtotal	50,966,176	55.33
Other shareholders	41,146,613	44.67
Total shares	92,112,789	100.00

1) Based on a full list of owners including direct registered and nominee shareholders.

2) Shareholdings through Beijer Ventures AB, Kjell and Märta Beijers Foundation and Kjell Beijers 80-year foundation.

FINANCIAL CALENDAR 2020

Annual General Meeting 2020 on 7 May 2020

Interim report January-June 2020 on 21 August 2020

Interim report January-September 2020 on 10 November 2020

Interim report January-December 2020 on 17 February 2021

ANNUAL GENERAL MEETING

The Annual General Meeting will be held on May 7 at 5 pm at the company's head office in Arninge, Täby.

CERTIFIED ADVISER

OrganoClick's Certified Adviser on Nasdaq First North Growth Market is Mangold Fondkommission AB. Contact; Phone: 08-503 01 550, E-mail: ca@mangold.se.

FINANCIAL REPORTS

CONSOLIDATED INCOME STATEMENT IN SUMMARY

SEK 000 ^s	Note	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Net sales	2,3	22,248	22,149	85,480
Cost of goods sold		-17,595	-16,267	-67,717
Gross profit		4,653	5,882	17,763
Selling expenses		-5,490	-4,737	-18,915
Administrative expenses		-2,788	-2,612	-10,572
Research and development costs		-1,203	-975	-4,295
Other operating income	4	366	350	889
Operating profit/loss		-4,462	-2,091	-15,131
Financial income		30	0	29
Financial expenses		-625	-920	-3,709
Net financial items		-594	-920	-3,680
Profit/loss before tax		-5,056	-3,010	-18,811
Income tax	5	4	59	455
Profit/loss for the period		-5,053	-2,952	-18,356
Profit/loss for the period attributable to:				
Shareholders' of Parent Company		-5,813	-3,157	-20,391
Non-controlling interests		761	206	2,035
Earnings per share before and after dilution SEK		-0.06	-0.04	-0.26
Average number of shares before and after dilution ¹		92,112,789	75,761,668	79,927,844

1) Earnings per share have been adjusted due to a bonus issue factor in a directed share issue 2019.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME IN SUMMARY

SEK 000 ^s	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Profit/loss for the period	-5,053	-2,952	-18,356
Other comprehensive income for the period:			
<i>Items that can later be reclassified into profit or loss</i>			
This period's translation differences when translating foreign operations	-2	2	-1
Other comprehensive income for the period, net after tax	-2	2	-1
Comprehensive income for the period	-5,054	-2,950	-18,358
Comprehensive income for the period attributable to:			
Shareholders' of Parent Company	-5,814	-3,156	-20,392
Non-controlling interests	760	206	2,034

CONSOLIDATED STATEMENT OF FINANCIAL POSITION IN SUMMARY

SEK 000 ^s	Note	2020-03-31	2019-03-31	2019-12-31
ASSETS				
Non-current assets				
<i>Intangible fixed assets</i>				
Capitalized development expenditures		13,285	12,271	12,971
Patents, trademarks		5,993	3,889	5,455
Licences		317	341	173
Goodwill		16,794	16,794	16,794
		36,390	33,296	35,393
<i>Property, plant and equipment</i>				
Buildings		23,109	27,564	24,338
Improvement expense of other property		314	187	330
Machinery		13,320	15,066	13,250
Equipment, tools, fixtures and fittings		4,146	4,754	4,085
Ongoing new facilities		123	-	416
		41,012	47,571	42,419
<i>Other non-current assets</i>				
Other non-current receivables		3,140	3,440	3,440
Deferred tax assets	5	801	343	787
Total non-current assets		81,342	84,650	82,040
Current Assets				
Inventories		17,492	17,053	15,121
Trade receivables		16,056	12,909	12,099
Income tax receivables		202	160	468
Other receivables		699	245	1,033
Prepaid expenses and accrued income		1,545	2,498	1,289
Cash and cash equivalents		49,898	8,379	61,150
Total current assets		85,892	41,244	91,159
TOTAL ASSETS		167,234	125,894	173,199

CONSOLIDATED STATEMENT OF FINANCIAL POSITION IN SUMMARY (CONT.)

SEK 000 ^s	Note	2020-03-31	2019-03-31	2019-12-31
EQUITY				
Share capital		921	745	921
Other contributed capital		243,764	157,910	243,764
Reserves		35	38	36
Accumulated loss including profit/loss for the period		-172,804	-149,757	-166,991
Equity attributable to shareholders' of Parent Company	6	71,915	8,935	77,730
Non-controlling interests	7	25,501	22,913	24,741
Total equity		97,416	31,848	102,470
LIABILITIES				
Non-current liabilities				
Borrowings from credit institutions		3,287	9,611	3,352
Lease liabilities		18,853	24,823	20,340
Deferred tax liabilities	5	303	237	285
Total non-current liabilities		22,443	34,671	23,977
Current liabilities				
Liabilities to credit institutions	8	11,375	21,377	16,133
Lease liabilities		7,655	7,401	7,516
Trade payables		9,975	10,332	5,988
Income tax liabilities		7	75	75
Other liabilities		10,528	13,135	9,568
Accrued expenses and deferred income		7,836	7,054	7,471
Total current liabilities		47,375	59,374	46,751
TOTAL EQUITY AND LIABILITIES		167,234	125,894	173,199

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK 000 ^s	Attributable to shareholders' of Parent Company				Total	Non-control- ling interests	Total equity
	Share capital	Other contributed capital	Reserves	Accumulated loss			
Equity at 1 January 2020	921	243,764	36	-166,991	77,730	24,741	102,470
Comprehensive income							
Profit/loss for the period	-	-	-	-5,813	-5,813	761	-5,053
Other comprehensive income							
Translation differences	-	-	-1	-	-1	-1	-2
Total comprehensive income	-	-	-1	-5,813	-5,814	760	-5,054
Shareholder transactions							
Total shareholder transactions	-	-	-	-	-	-	-
Equity at 31 March 2020	921	243,764	35	-172,804	71,915	25,501	97,416
Equity at 1 January 2019	745	157,910	37	-146,600	12,092	22,706	34,798
Comprehensive income							
Profit/loss for the period	-	-	-	-3,157	-3,157	206	-2,952
Other comprehensive income							
Translation differences	-	-	1	-	1	1	2
Total comprehensive income	-	-	1	-3,157	-3,156	206	-2,950
Shareholder transactions							
Total shareholder transactions	-	-	-	-	-	-	-
Equity at 31 March 2019	745	157,910	38	-149,757	8,935	22,913	31,848
Equity at 1 January 2019	745	157,910	37	-146,600	12,092	22,706	34,798
Comprehensive income							
Profit/loss for the period	-	-	-	-20,391	-20,391	2,035	-18,356
Other comprehensive income							
Translation differences	-	-	-1	-	-1	0	-1
Total comprehensive income	-	-	-1	-20,391	-20,392	2,034	-18,358
Shareholder transactions							
New share issue	176	85,854	-	-	86,030	-	86,030
Total shareholder transactions	176	85,854	-	-	86,030	-	86,030
Equity at 31 December 2019	921	243,764	36	-166,991	77,730	24,741	102,470

CONSOLIDATED CASH FLOW STATEMENT IN SUMMARY

SEK 000 ^s	Note	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Cash flow from operating activities				
Operating profit/loss		-4,462	-2,091	-15,131
Adjustment for non-cash items	9	3,180	2,894	12,225
Interest received		30	0	29
Interest paid		-625	-920	-3,709
Income tax paid		197	31	-276
Cash flow from operating activities before changes in working capital		-1,679	-86	-6,862
Changes in working capital				
Changes in inventories and work in progress		-2,371	-2,600	-668
Changes in trade receivables		-3,957	-5,927	-5,117
Changes in other operating receivables		72	-826	-440
Changes in trade payables		3,987	5,539	1,195
Changes in other operating liabilities		662	1,894	880
Cash flow from changes in working capital		-1,607	-1,921	-4,151
Cash flow from operating activities		-3,286	-2,006	-11,013
Cash flow from investing activities				
Investments in intangible assets		-1,820	-1,039	-5,973
Investments in property, plant and equipment		-671	-63	-1,034
Cash flow from investing activities		-2,491	-1,101	-7,007
Cash flow from financing activities				
New share issue		-	-	90,000
Share issue expenses		-	-	-3,970
Net change bank overdraft facility		-5,032	5,253	4,259
Net change invoice factoring debt		663	5,551	3,414
Depositions		300	-219	-219
Borrowings		1,000	-	10,000
Repayment of debt		-	-3,000	-20,063
Amortization of debt		-2,406	-2,221	-10,374
Cash flow from financing activities		-5,475	5,363	73,048
Cash flow for the period		-11,252	2,257	55,028
Cash and cash equivalents at beginning of period		61,150	6,122	6,122
Cash and cash equivalents at end of period		49,898	8,379	61,150
Change in cash and cash equivalents		-11,252	2,257	55,028

KEY FIGURES, THE GROUP

SEK 000 ^s	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Net sales	22,248	22,149	85,480
Revenue growth, %	0.4	20.4	9.0
Gross profit	4,653	5,882	17,763
Gross margin, %	20.9	26.6	20.8
EBIT	-4,462	-2,091	-15,131
EBIT, %	-20.1	-9.4	-17.7
EBITDA	-1,368	802	-3,117
Profit/loss for the period	-5,053	-2,952	-18,356
Profit margin, %	-22.7	-13.3	-21.5
Equity ratio, %	58.3	25.3	59.2
Quick ratio, %	144.4	40.7	162.6
Net debt/equity ratio,%	-0.2	205.8	-5.8
Return on shareholders' equity, %	neg.	neg.	neg.
Return on capital employed,%	neg.	neg.	neg.
Average number of employees	40	35	35
Average number of shares before and after dilution ¹	92,112,789	75,761,668	79,927,844
Number of shares issued at end of period	92,112,789	74,465,731	92,112,789
Turnover per share before and after dilution SEK	0.24	0.29	1.07
Earnings per share before and after dilution SEK ¹	-0.06	-0.04	-0.26
Shareholders equity per share before and after dilution SEK	0.78	0.12	0.84

1) Average number of shares and earnings per share have been adjusted due to a bonus issue factor in a directed share issue 2019.

PARENT COMPANY INCOME STATEMENT IN SUMMARY

SEK 000 ^s	Note	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Net sales		8,831	8,695	26,515
Cost of goods sold		-10,126	-9,010	-30,078
Gross profit		-1,295	-315	-3,563
Selling expenses		-1,574	-693	-3,557
Administrative expenses		-2,123	-1,951	-7,816
Research and development costs		-1,209	-1,011	-4,305
Other operating income	4	46	149	242
Operating profit/loss		-6,155	-3,821	-18,999
Interest income and similar items		138	80	322
Interest expenses and similar items		-57	-191	-1,010
Net financial items		81	-111	-688
Profit/loss before tax		-6,074	-3,932	-19,687
Income tax		-	-	-
Profit/loss for the period		-6,074	-3,932	-19,687

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME IN SUMMARY

SEK 000 ^s	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Profit/loss for the period	-6,074	-3,932	-19,687
Other comprehensive income for the period:	-	-	-
Comprehensive income for the period	-6,074	-3,932	-19,687

PARENT COMPANY BALANCE SHEET IN SUMMARY

SEK 000 ^s	Note	2020-03-31	2019-03-31	2019-12-31
ASSETS				
Non-current assets				
<i>Intangible fixed assets</i>				
Capitalized development expenditures		9,897	9,245	9,659
Patents, trademarks		5,343	3,688	4,837
Licences		222	103	68
		15,463	13,036	14,565
<i>Property, plant and equipment</i>				
Improvement expense of other property		314	187	330
Machinery		9,008	9,822	8,704
Equipment, tools, fixtures and fittings		2,837	2,913	2,860
Ongoing new facilities		123	-	416
		12,281	12,922	12,311
<i>Financial assets</i>				
Shares in group companies		30,610	30,610	30,610
Due from group companies		1,651	1,651	1,651
		32,261	32,261	32,261
Total non-current assets		60,005	58,219	59,137
Current assets				
Raw materials, supplies and finished inventories		8,393	8,027	7,258
		8,393	8,027	7,258
Short-term receivables				
Trade receivables		1,877	234	615
Due from group companies		4,201	1,432	3,623
Income tax receivables		53	64	248
Other receivables		599	97	841
Prepaid expenses and accrued income		2,028	2,960	1,892
		8,758	4,787	7,219
Cash and cash equivalents		49,512	1,736	56,136
Total current assets		66,663	14,550	70,613
TOTAL ASSETS		126,668	72,768	129,750

PARENT COMPANY BALANCE SHEET IN SUMMARY (CONT.)

SEK 000 ^s	Note	2020-03-31	2019-03-31	2019-12-31
EQUITY AND LIABILITIES				
Restricted equity				
Share capital		921	745	921
Fund for development expenditures		5,267	4,631	5,029
Total restricted equity		6,188	5,375	5,950
Non-restricted equity				
Share premium reserve		243,764	157,910	243,764
Retained earnings		-136,079	-115,756	-116,154
Profit/loss for the period		-6,074	-3,932	-19,687
Total non-restricted equity		101,611	38,223	107,923
Total equity		107,799	43,598	113,873
LIABILITIES				
Non-current liabilities				
Liabilities to credit institutions		1,325	6,988	1,770
Liabilities to group companies		4,710	4,710	4,710
Total non-current liabilities		6,035	11,698	6,480
Current liabilities				
Liabilities to credit institutions		1,780	6,030	1,780
Trade payables		4,960	5,517	2,738
Tax liabilities		-	-	-
Liabilities to group companies		1,048	1,385	26
Other short-term liabilities		1,053	741	1,021
Accrued expenses and deferred income		3,993	3,800	3,832
Total current liabilities		12,834	17,473	9,397
TOTAL EQUITY AND LIABILITIES		126,668	72,768	129,750

NOTES

ACCOUNTING PRINCIPLES

This interim report has been prepared for the Group in accordance with IAS 34, Interim Financial Reporting, and the Swedish Annual Accounts Act. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and RFR 1 Supplementary Accounting Rules for Groups. The parent company applies the Annual Accounts Act and RFR 2 Accounting for Legal Entities. The same accounting principles and valuation methods have been used in the interim report as in the annual report 2019.

NOTE 1 CORRECTIONS OF ERRORS IN PREVIOUS PERIODS

A correction has been made in the Group's report on cash flows as of 2019-03-31 attributable to leasing, where SEK 287 thousand was transferred from Cash flow from financing activities and Amortization of debt to Cash flow from operating activities and Interest paid.

NOTE 2 OPERATING SEGMENTS AND BREAKDOWN OF REVENUE

Operating segments are reported in a manner consistent with the internal reporting provided to the highest executive decision maker.

The Group's business units utilise common resources in terms of sales, production, research and development and administration, which is why a division of the Group's costs is only possible by allocating the costs. The same applies to the Group's assets and liabilities. The Group management does not consider that allocation of profit and loss and balance sheet items contributes to a more accurate picture of the business and therefore follows up the outcome for the group as a whole. The Group has thus identified one operating segment.

The follow-up of the Group's net sales is done from 2020 for four business areas, the former three business units Functional wood, Green surface coatings & maintenance products and Biocomposites as well as the new business unit Nonwoven & technical textiles. The outcome per business unit consists of a combination of net sales of goods and services sold from different parts of the Group's operations, which, however, do not consist of separate income statements and balance sheets.

Group Net sales per business unit	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Functional Wood ¹	11,429	10,799	55,664
Green surface coatings & maintenance products ¹	9,947	11,135	27,507
Biocomposites	642	72	1,201
Nonwoven & technical textil	214	143	883
Other	14	-	224
Total	22,248	22,149	85,480

1) A reclassification of sales has been made from the Functional Wood business unit to Green surface coatings and maintenance products concerning wood protection products. The reclassified amount for Jan-Mar 2019 amounts to SEK 2,724 thousand and for Jan-Dec 2019 to SEK 3,032 thousand.

Group Net sales per geographic market	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Sweden	17,768	19,313	76,193
Other Nordics	3,492	2,756	7,834
The rest of Europe	972	-	375
Asia	-	80	1,034
North America	16	-	43
Total	22,248	22,149	85,480

Net revenue by revenue type

Products	22,234	22,149	85,255
Equipment and services	-	-	95
Services	14	-	129
Total	22,248	22,149	85,480

Product sales consist of sales of products within the Group's various business units, that is ORGANOWOOD® timber, BIOkleen® cleaning and maintenance products, OrganoTex® Textile Waterproofing, OrganoComp® biocomposites and binders for nonwoven, where revenue is reported at the time the control of the products is transferred to the customer, generally upon delivery.

The sale of equipment and services includes short-term project work that combines the delivery of equipment and services in the development of new customised products. Revenue is recognized at the time the equipment is provided to the customer.

Sales of services refer to various forms of development services that are recognized as revenue only when OrganoClick has delivered the development that the customer has ordered.

All sales are reported at a specific time, no revenue is recognized over time.

NOTE 3 SEASONAL VARIATIONS

The business units Functional wood and Green surface coatings & maintenance products are strongly characterised by seasonal variations depending on the weather and when in the year it is building and DIY season. For the Group, this means that the strongest sales quarter is normally the second quarter, followed by the first and third, while the fourth quarter is weaker.

NOTE 4 OTHER OPERATING INCOME

Group	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Exchange gains on receivables of an operating nature	86	65	142
Commission income	101	138	403
Rental income	135	-	102
Government grants received for R&D	45	147	232
Profits, sale of fixed assets	-	-	10
Total	366	350	889

Parent Company

Exchange gains on receivables of an operating nature	2	2	10
Government grants received for R&D	45	147	232
Total	46	149	242

NOTE 5 INCOME TAX

The Group's income tax consists of deferred tax. The Group reports deferred tax on internal gains in inventories and capitalized development and impaired trade receivables (deferred tax assets) and leasing (deferred tax assets and deferred tax liabilities).

NOTE 6 EQUITY

The Group's equity is calculated by consolidating the equity of the parent company and its subsidiaries. In the subsidiary OrganoWood AB there are two types of shares, ordinary shares and preference shares. For conditions regarding the preference shares, see Note 7. The preference shares, owned by 81 minority shareholders, represent SEK 20,000 thousand of OrganoWood AB's equity. An amount corresponding to a potential redemption price of the preference shares is also regularly allocated to a free fund. As of 31 March 2020, this amount was SEK 20,656 thousand.

OrganoClick AB's share capital at the beginning of 2020 amounted to SEK 921,128, distributed on 92,112,789 shares and remained unchanged at the end of the quarter.

NOTE 7 ORGANOWOOD AB'S PREFERENCE SHARES

OrganoWood AB's preference shares are part of non-controlling interest. In 2013, OrganoWood AB issued 200,000 preference shares at a nominal amount of SEK 100, giving a total issue amount of SEK 20,000 thousand. The terms of the preference shares are set out in OrganoWood AB's Articles of Association and the following text is an extract from this.

The preference shares do not entail the right to dividend, but the holder must only be entitled to receive a redemption amount stated at each time. The redemption amount per preference share amounts for the period up to 31 May 2015, to an amount of 137.40

for the time up to and as of 31 May 2016, to an amount of SEK 151.50, for the time up to and as of 31 May 2017, for an amount of SEK 167.30, for the time up to and as of 31 May 2018, for an amount of SEK 185.00, for the time up to and as of 31 May 2019, for an amount of SEK 184.80, and from 1 June 2019 and for the period thereafter, the redemption amount shall be increased by twelve (12) percent annually.

Before deciding on the transfer of value to the ordinary shareholders, the Annual General Meeting shall, for each outstanding preference share, to a free fund (which may not be used for value transfers to the ordinary shares) allocate a reserved amount.

Reduction of the share capital, however not below the minimum capital, can be affected by the redemption of a certain number or all preference shares upon resolution of the Annual General Meeting. Only the Board of Directors has the right to request that redemption be dealt with by the Annual General Meeting. Decisions to reduce can only be made in May each year as the preference shares are outstanding. When a reduction decision is made, an amount corresponding to the reduction amount shall be allocated to the reserve fund if the necessary funds are available. The redemption procedure shall begin immediately when a reduction decision has been made.

At OrganoWood AB's Annual General Meeting on 15 May 2019, it was decided to allow the preference shares to run in accordance with the terms of the Articles of Association (12 per cent annual adjustment of the value) when there was no non-restricted equity to redeem them. The aim is of redeeming the preference shares when non-restricted equity so permits.

NOTE 8 CURRENT LIABILITIES TO CREDIT INSTITUTIONS

Group	2020-03-31	2019-03-31	2019-12-31
Short-term portion of non-current liabilities to credit institutions	3,453	4,430	3,180
Current liabilities to credit institutions	-	3,000	-
Bank overdraft facility	7,922	13,947	12,953
Total	11,375	21,377	16,133

NOTE 9. ADJUSTMENT FOR NON-CASH ITEMS

Group	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Depreciation/amortization of intangible fixed assets	807	692	3,216
Depreciation/amortization of property, plant and equipment	2,287	2,200	8,799
Disposal of intangible fixed assets	-	-	212
Disposal of property, plant and equipment	87	-	-
Unrealized exchange rate differences	-2	2	-1
Total	3,180	2,894	12,225

NOTE 10 FINANCIAL LIABILITIES AND ASSETS AT FAIR VALUE

All the Group's financial instruments are recognized at amortized cost; trade receivables, cash and cash equivalents, trade payables and other short and long-term liabilities. For these assets and liabilities, the fair value is assessed to be consistent with the carrying amount. All of the Group's items are attributable to Level 2 of the fair value hierarchy. No transfers were made between the levels during the year.

The Group does not apply net accounting for any of its assets or liabilities.

NOTE 11 PLEDGED ASSETS AND CONTINGENT LIABILITIES

Group	2020-03-31	2019-03-31	2019-12-31
Guarantee liability for debts in group companies	9,956	8,401	8,889
Floating charges	30,126	30,126	30,126
Total	40,082	38,527	39,015

Parent Company	2020-03-31	2019-03-31	2019-12-31
Guarantee liability for debts in group companies	9,956	8,401	8,889
Total	9,956	8,401	8,889

NOTE 12 RELATED PARTIES

The Parent Company has a close relationship with its subsidiaries. Transactions between OrganoClick AB and its subsidiaries have been eliminated in the consolidated financial statements. Of the Parent Company's invoiced sales during the quarter, SEK 7,042 (8,287) thousand were sales to group companies. From the Parent Company to OrganoWood AB, there are also invoiced interest and guarantee fees of SEK 108 (80) thousand. Invoicing of SEK 771 (0) thousand has been made from OrganoWood AB to the Parent Company. When selling raw materials and finished products from OrganoClick to its subsidiaries, internal gains arise in inventories, which are eliminated in the consolidated financial statements. The transactions between group companies take place at prices at arm's length.

There are also invoiced and accrued interest and guarantee fees of SEK 44 (51) thousand from the board member and also shareholders Robert Charpentier, through own company Kvigos AB.

NOTE 13 ESTIMATES AND ASSESSMENTS

The preparation of the interim report requires the management to make assessments and estimates and to make assumptions that affect the application of the accounting principles and the reported amounts of assets, liabilities, income and expenses. The actual outcome may differ from these estimates and assessments. The critical estimates and sources of uncertainty in estimates can be found in the Group's annual report for 2019, page 74.

The Group has large intangible assets in the form of capitalized development expenditures SEK 13,285 (12,271) thousand, patents SEK 5,536 (3,577) thousand and trademarks SEK 457 (313) thousand. Impairment testing is done annually, or when required, for each individual development project and patent where the management looks at expected future cash flows for the products the development projects have produced and for the products the patents protect. Based on this, any impairment needs are assessed. The company management's assessment is that there is no need for impairment loss.

The Group has a goodwill item of SEK 16,794 (16,794) thousand which comes from the acquisition of Biokleen Miljökemi AB. Company management conducts impairment test with discounted future cash flows annually, or when necessary, and the outcome of this justifies the goodwill item's size. The company management's assessment is that there is no need for impairment loss.

At the end of the period, the Group has inventories valued at SEK 17,492 (17,053) thousand. Company management estimates that existing inventories will be used in sales in the coming year.

At the end of the period, the Group's use-of-rights for leasing amounted to SEK 28,603 (34,323). In assessing the size of the lease debt, assumptions about estimating the length of the lease period are material. No changes have been made in the assessment of the length of the leasing periods compared with the annual report for 2019.

ALTERNATIVE PERFORMANCE MEASURES

DEFINITIONS ALTERNATIVE PERFORMANCE MEASURES

OrganoClick presents alternative performance measures in addition to the conventional financial key ratios established by IFRS, with the aim of giving investors and management the opportunity to evaluate and understand the development of the operational operations and financial status and to facilitate comparisons between different periods. Alternative performance measures adjusted for the effect of IFRS 16 have been removed as there is a comparative year for 2020 according to IFRS 16.

Non-IFRS key ratios	Definition/Calculation	Purpose
<i>Income measures</i>		
Gross margin	Net sales for the period minus the cost of goods sold in relation to net sales for the period.	The gross margin is used to measure and evaluate whether manufacturing processes, raw materials and procurement are cost-effective, that is the profitability of production.
Gross margin after variable costs	Net sales for the period less variable costs for goods sold, in relation to net sales for the period.	The gross margin after variable costs is used to show the profitability of the products, excluding fixed production expenses.
EBIT margin	Operating profit/loss for the period in relation to net sales for the period.	The operating margin is used to measure operational profitability.
EBITDA	Operating profit/loss excluding depreciation and write-downs of intangible assets and property, plant and equipment.	EBITDA is used to measure cash flow from operating activities, excluding the effects of previously made investments and accounting decisions.
Profit margin	Profit/loss for the period in relation to net sales for the period.	The profit margin shows the profit per turnover (SEK), which gives an indication of how efficient a company is.
Revenue growth	The percentage increase in sales for the past period compared to the corresponding previous period.	The change in net sales reflects the company's realized sales growth over time.
Organic growth	Changes in net sales, excluding acquisition-driven growth and changes in exchange rates.	Organic growth excludes the effects of changes in the Group's structure and exchange rates, enabling a comparison of net sales over time.
<i>Capital structure</i>		
Equity ratio	Equity in relation to total assets. Equity includes non-controlling interests.	The key figure reflects the company's financial position. Good financial position gives a readiness to handle periods of weak economic activity and financial preparedness for growth. At the same time, it provides a minor advantage in the form of financial leverage.
Quick ratio	Current assets, excluding inventories, in relation to current liabilities, without adjustment for proposed dividend.	Quick ratio shows short term solvency. If quick ratio is greater than 100 per cent, current liabilities can be paid immediately, provided that the current receivables can be converted immediately.
Net debt	Interest-bearing non-current and current liabilities minus interest-bearing assets including cash and cash equivalents.	Net debt show the ability to pay off all interest-bearing liabilities with available cash and shows the possibility of living up to financial commitments.
Net debt/equity ratio	Net debt in relation to shareholders' equity. Equity includes non-controlling interests.	The debt/equity ratio shows the relationship between debt equity and measures the extent to which the company is financed by loans.

Non-IFRS key ratios	Definition/Calculation	Purpose
<i>Return ratios</i>		
Return on shareholders' equity	Profit/loss for the period, as a percentage of average shareholders' equity. Equity includes non-controlling interests.	Return on equity reflects the effects of both the profitability of the business and the financial leverage. The measure is mainly used to analyse ownership profitability over time and can be compared with current bank interest rates or returns from alternative investments.
Capital employed	Total assets minus interest-free liabilities.	Capital employed measures the company's ability, in addition to cash and cash equivalents, to meet the needs of the business.
Return on capital employed	Operating profit/loss plus financial income as a percentage of capital employed.	Return on capital employed shows the return on externally financed capital, such as borrowings and equity and is used to analyse profitability, based on how much capital is used.
<i>Share data</i>		
Turnover per share	Net sales divided by the average number of shares for the period.	The key figure is to describe the size of the company's turnover per share.
Shareholders' equity per share	Equity in the Group (attributable to the Parent Company's shareholders) divided by the number of shares at the end of the period.	The key figure is to describe the size of the company's net value per share.

ALTERNATIVE PERFORMANCE MEASURES

OrganoClick presents alternative performance measures in addition to the conventional financial key ratios established by IFRS, with the aim of giving investors and management the opportunity to evaluate and understand the development of the operational operations and financial status and to facilitate comparisons between different periods. Alternative performance measures adjusted for the effect of IFRS 16 have been removed as there is a comparative year for 2020 according to IFRS 16.

SEK 000 ⁵	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019	SEK 000 ⁵	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Gross margin, %				Net debt/equity ratio, %			
Gross profit	4,653	5,882	17,763	Interest-bearing liabilities	49,667	73,933	55,176
Net sales	22,248	22,149	85,480	Less: Cash and cash equivalents	-49,898	-8,379	-61,150
Gross margin, %	20.9	26.6	20.8	Net debt	-231	65,554	-5,974
Gross margin after variable costs, %				Equity	97,416	31,848	102,470
Net sales	22,248	22,149	85,480	Net debt/equity ratio, %	-0.2	205.8	-5.8
Cost of goods sold, variable costs	-12,654	-11,955	-50,416	Return on shareholders' equity, %			
Gross profit after variable costs	9,593	10,194	35,064	Equity	97,416	31,848	102,470
Gross margin after variable costs, %	43.1	46.0	41.0	Equity corresponding period last year	31,848	49,403	34,798
EBIT, %				Average equity	64,632	40,626	68,634
Operating profit/loss	-4,462	-2,091	-15,131	Profit/loss for the period	-5,053	-2,952	-18,356
Net sales	22,248	22,149	85,480	Average equity	64,632	40,626	68,634
EBIT, %	-20.1	-9.4	-17.7	Return on equity, %	-7.8	-7.3	-26.7
EBITDA				Capital employed			
Operating profit/loss	-4,462	-2,091	-15,131	Total assets	167,234	125,894	173,199
Plus: Depreciation	3,094	2,892	12,014	Less: Deferred tax liabilities	-303	-237	-285
EBITDA	-1,368	802	-3,117	Less: Other current liabilities	-19,841	-19,875	-15,192
Profit margin, %				Capital employed	147,090	105,782	157,722
Profit/loss for the period	-5,053	-2,952	-18,356	Capital employed corresponding period last year	105,782	85,779	75,256
Net sales	22,248	22,149	85,480	Average capital employed	126,436	95,781	116,489
Profit margin, %	-22.7	-13.3	-21.5	Return on capital employed, %			
Net sales, change				Operating profit/loss	-4,462	-2,091	-15,131
Net sales	22,248	22,149	85,480	Plus: Financial income	30	0	29
Net sales corresponding period prior year	22,149	18,401	78,395	Operating profit/loss plus financial income	4,432	-2,090	-15,102
Net sales, change	99	3,747	7,085	Average capital employed	126,436	95,781	116,489
Revenue growth, organic, %	0.4	20.4	9.0	Return on capital employed, %	-3.5	-2.2	-13.0
Equity ratio, %				Turnover per share before and after dilution SEK			
Equity	97,416	31,848	102,470	Net sales	22,248	22,149	85,480
Total assets	167,234	125,894	173,199	Average number of shares before and after dilution ¹	92,112,789	75,761,668	79,927,844
Equity ratio, %	58.3	25.3	59.2	Turnover per share before and after dilution SEK	0.24	0.29	1.07
Quick ratio, %				Shareholders equity per share before and after dilution SEK			
Current assets, excluding inventories	68,400	24,191	76,038	Equity attributable to shareholders' of Parent Company	71,915	8,935	77,730
Current liabilities	47,375	59,374	46,751	Number of shares at end of period	92,112,789	74,465,731	92,112,789
Quick ratio, %	144.4	40.7	162.6	Shareholder equity per share before and after dilution SEK	0.78	0.12	0.84

1) Average number of shares have been adjusted due to a bonus issue factor in a directed share issue 2019.

SIGNATURES

The Board of Directors and the CEO hereby declare that the interim report provides a true and fair view of the Parent Company's and the Group's operations, financial position and earnings, and describes significant risks and uncertainties that the Parent Company and the companies that are part of the Group are deemed to be facing.

OrganoClick AB (publ.)
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Review of auditors

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

Stockholm, 6 May 2020

Jan Johansson
Chairman of the Board

Claes-Göran Beckeman
Board member

Armando Córdova
Board member

Mårten Hellberg
CEO

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