



INTERIM REPORT JANUARY - JUNE 2021
CORPORATE IDENTITY NUMBER: 556704-6908

APRIL TO JUNE

Net sales SEK 39,823 (36,064) thousand
Revenue growth 10.4 (10.3) percent
EBITDA SEK -286 (4,769) thousand
Cash flow from operating activities SEK -7,566 (120) thousand
Earnings per share before and after dilution SEK -0.07 (-0.01)

- OrganoClick signed reseller agreements with Stadium, Høöks and XXL Norway for both OrganoTex® textile impregnation and washing detergent as well as OrganoTex® shoe care.
- OrganoClick carried out a directed share issue raising kSEK 70,047 in gross proceeds and kSEK 66,996 after issuance expenses.

JANUARY TO JUNE

Net sales SEK 69,479 (58,312) thousand
Revenue growth 19.1 (6.3) percent
EBITDA SEK -1,125 (-3,401) thousand
Cash flow from operating activities SEK -25,758 (-3,164) thousand
Earnings per share before and after dilution SEK -0.14 (-0.08)

KEY RATIOS (for definitions, please refer to page 20)	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	LTM 30 June 2021	Jan-Dec 2020
Net sales	39,823	36,064	69,479	58,312	107,623	96,458
EBIT	-4,095	1,608	-8,658	-2,854	-22,903	-17,100
Cash flow from operating activities	-7,566	120	-25,758	-3,164	-17,123	5,471
Gross margin after variable costs, %	38.2	42.1	40.0	42.5	40.2	41.8

CEO COMMENT

During the second quarter, we recorded our highest quarterly sales ever of a total of SEK 39.8 (36.1) million, which resulted in growth of 10.4 (10.3) %. We also signed agreements with the new customers Stadium, Hööks and XXL Norway for OrganoTex where we continue our expansion. At the end of the quarter, we also delivered our first bulk delivery of our biobased binders to Duni, which is now preparing its launch of fossil-free napkins.

During the quarter, the global disruptions in raw material supply had a negative effect on our operations in the form of sharply increased costs for freight and raw materials. The delivery of our new filling machine was also delayed, which created a temporary capacity shortage and production disruptions. All in all, this had a non-recurring effect in the form of lost sales and deteriorating gross margins.

In the quarter, the Functional wood business unit has been subject to growing supply chain challenges, with shortages of several qualities of timber. As a consequence, sales growth was modest at 3.1 (3.8) percent to SEK 25.0 (24.2) million despite continued high demand. In the coming quarters we see continued increased raw material prices, but are now also increasing prices for customers. The raw material shortage led us to postpone our planned launch of the next generation of ORGANOWOOD® technology to the fall. Our focus in the short term is now on finding new raw material suppliers and launching our new technology.

The Green coatings & maintenance products business unit increased its sales by 18.6 (23.4) percent to SEK 12.8 (10.8) million. The increase derives from the good performance of our own brands OrganoTex® and ORGANOWOOD®, and from car care. The business unit did have a much higher demand, but because we reached our maximum bottle and can filling capacity, we missed out on a great deal of sales. Supply capacity will, however, increase threefold when our new fully-automated filling line becomes operational in the third quarter. We are going to need it, considering the continuous growth in demand from existing customers across all product areas. This quarter also saw the launch of OrganoTex® shoe care, which we now start to offer both through existing customers and the new customers acquired during the quarter: Stadium, Hööks and XXL! In addition, we carried out the first deliveries of ORGANOWOOD® wood protection to North America.

” WITHIN NONWOVEN & TECHNICAL TEXTILES, DUNI ANNOUNCED ITS UPCOMING LAUNCH OF FOSSIL-FREE PREMIUM NAPKINS WITH ORGANOCCLICK'S BIO-BASED BINDERS



In the Biocomposites business unit, sales grew by 64.6 (50.8) percent to SEK 1.0 (0.6) million. Sales of both coffin material for Fredahl Rydén's and sound absorbents for Baux increased. We are seeing continued strong demand in the third quarter.

Within Nonwoven & technical textiles, Duni announced its upcoming launch of fossil-free premium napkins with OrganoClick's bio-based binders. Alongside Duni, we have worked on this project for a number of years, and we are very

proud that the market leader in premium napkins has chosen to cooperate with us to take the lead in the phasing-out of fossil plastic polymers. Our first bulk delivery to Duni was carried out at the end of the quarter, which, together with increasing demand from existing industrial customers, increased our sales by 151.9 percent to SEK 0.8 (0.3) million. Development projects and production tests with other industrial customers have also continued, and we still adhere to our ambition to conclude at least one more major agreement during the year. Our project to set up a new fully automatic production line for binders, with capacity of 10,000 tonnes per year, is also continuing according to plan. This will both double our total capacity and reduce our production costs in relation to sales.

We have also carried out a directed issue during the quarter, which raised SEK 67 million for the company. This capital will mainly be used to expand capacity and automate production further. Some of the capital was also used to acquire 37 percent of the outstanding preference shares in OrganoWood AB, which will give us an increased share of the value creation and positive performance development that OrganoWood AB is generating. Following the acquisition of preference shares, OrganoClick holds 58 percent of the shares and 60 percent of the voting rights in OrganoWood AB.

For the remainder of 2021, we will maintain a strong focus on costs, but we will also continue our growth efforts and investments in increased production capacity and automation. The ambition is to as quickly as possible establish continued profitable growth for our renewable products that replace fossil plastics and toxic chemicals!

A handwritten signature in blue ink, reading "Mårten Hellberg". The signature is fluid and stylized, with the first name clearly legible.

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

The company'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. 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, 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 partners.

Within the second largest business unit, Green 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 Partioaita.

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.

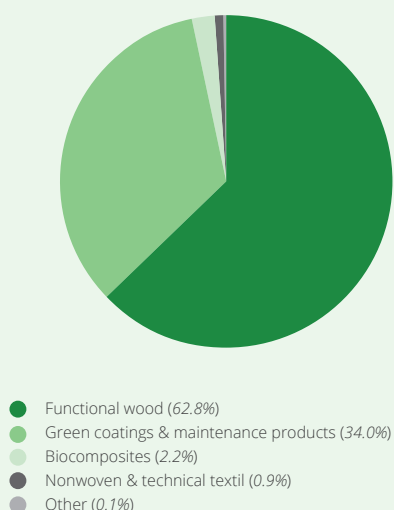
THE GROUP'S DEVELOPMENT AND OBJECTIVES

The Group has made fast progress since the first product was launched in 2012. Net sales has grown over the last five years from MSEK 30.5 in 2015 to MSEK 96.5 in 2020, corresponding to an average annual growth rate of 25.9 percent. The Group has built up a sales and marketing organization and its own 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 32.6 percent in 2015 to 41.8 percent in 2020. The Group has over the past five years made heavy investments in product and

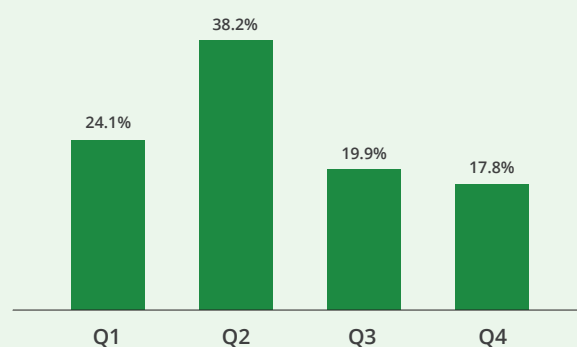
production development, and this effort is bearing fruit in the form of a product family with sales within a large number of application areas.

The focus and goal of the Group is to become a "Gasell"-company (at least double sales during a three year period with accumulated positive EBIT), continue to improve gross margin (after variable costs), and, with good cost control, continue to improve the result. 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.

Net sales / operating segments 2020



Group sales / quarter¹



1) Refers to average sales 2018-2020 as a percentage of total sales.

COMMENTS ON THE FINANCIAL DEVELOPMENT

THE GROUP

Profit/loss April-June

Revenue for the second quarter amounted to KSEK 39,823 (36,064), corresponding to a sales growth of 10.4 (10.3) percent. Revenue in the Functional wood business unit grew by only 3.1 (3.8) percent compared to the previous year and totaled KSEK 24,922 (24,249), a strong demand for the products notwithstanding. This was due to disruptions to the supply of raw materials, induced by the global shortage of timber, which led to delays in deliveries of raw material and, in turn, belated production and delivery of ORGANOWOOD® timber. Large amounts of timber raw materials did not arrive until the end of the second quarter, and will thus be produced and delivered during the third quarter. Revenue in the business unit Green coatings & maintenance products grew by 18.6 (23.4) percent to KSEK 12,769 (10,765) following increased deliveries of OrganoTex® products and car care products. Revenue within the Biocomposites business unit increased to KSEK 1,005 (611), and revenue within the business unit Nonwoven & technical textiles grew to KSEK 813 (323) from the first volume delivery to our new customer Duni.

Gross margin (after variable costs) amounted to 38.2 (42.1) percent and was negatively impacted by the ongoing raw material shortage in the wood industry, which drove up raw material prices significantly over the quarter. At the same time, certain raw materials for the Group's chemical products also saw price increases. The gross margin was also affected by changes in the product mix and increased costs related to contract manufacturing. Gross profit deteriorated compared with the previous year and amounted to KSEK 8,304 (10,348) as a result of the gross margin deterioration and increased fixed production costs for new premises and auxiliary staff working additional shifts to maintain production when the ordered filling line of triple the current capacity was severely delayed. The growth investments have also pushed up the costs related to sales and R&D. During the second quarter 2021, the Group received state aid for sick leave payments totaling KSEK 35 (153). In the previous year, the Group also received COVID-19-related tax relief of KSEK 615 on social security contributions. Operating profit/loss, EBIT, amounted to KSEK -4,095 (1,608) and EBITDA to KSEK -286 (4,769). Profit/loss for the period amounted to KSEK -4,876 (878).

Cash flow and investments April-June

Cash flow from operating activities amounted to KSEK -7,566 (120), attributable in part to the deteriorated profit/loss, KSEK -1,187 (3,921), and in part to liquidity tied up in working capital, KSEK -6,380 (-3,800). The fact that liquidity was tied up in inventories, KSEK -2,294 (2,940), is attributable to delays in the delivery of timber caused by the raw material shortage in the wood industry, where timber was delivered only at the end of the second quarter, but also to inventory build-ups of chemical raw materials to ensure capacity to deliver on the Group's new business within nonwoven. Liquidity was also tied up in trade receivables, KSEK -3,426 (-8,214). The lower amount compared with the previous year is due to the fact that the month of March saw very strong sales in 2021 compared with 2020.

During the quarter, investments of KSEK -2,305 (-1,634) were made in intangible fixed assets related to the Group's development projects, patents and trademarks, and KSEK -1,509 (-271) in tangible assets, mostly related to the ongoing construction of a new production line for binders. During the quarter, a directed share issue was carried out, which raised proceeds of KSEK 66,996 after issuance expenses. The Group increased the utilization of its bank overdraft facility by

KSEK 768 (6,848), and the higher trade receivables increased factoring loans utilization by KSEK 2,498 (5,650). The Group amortized loans and leases of KSEK -2,320 (-2,504) during the quarter. Cash flow for the period was KSEK 56,561 (8,209).

Profit/loss January-June

The cumulative revenue amounted to KSEK 69,479 (58,312) corresponding to a growth of 19.1 (6.3) percent compared with the previous year. Revenue in the business unit Functional wood grew by 14.6 (4.4) percent to KSEK 40,872 (35,679). The growth manifested in the first quarter of the year, which saw very strong sales, followed by a slowdown in the second quarter due to delays in the supply of raw materials caused by the global shortage of timber. Revenue within the Green coatings & maintenance products business unit amounted to KSEK 25,210 (20,713), a growth of 21.7 (4.3) percent. Growth derived from the increased sales of OrganoTex® products, wood protection products and car care products. Revenue in the Biocomposites business unit amounted to KSEK 1,660 (1,253) with growing sales of both coffin materials and sound absorbents. Revenue in the business unit Nonwoven & technical textiles amounted to KSEK 1,366 (537), where the volumes of binders increased both with existing customers and the delivery to our new customer Duni.

Gross margin (after variable costs) decreased to 40.0 (42.5) percent, mostly attributable to a sharp rise in raw material prices, particularly of timber as a direct effect of the global shortage of timber, but also of several other raw materials. Changes in the product mix and higher subcontracting costs also burdened the margin. Gross profit was on par with the previous year, KSEK 15,077 (15,090), despite the higher growth. This was due to the lower gross margin and increased costs for production attributable to new premises and additional staff brought in during the peak season to counter the impact when the Group's new filling line with triple the current capacity was severely delayed from the supplier. The Group's growth efforts drove increased personnel costs in sales and marketing and R&D, which had an additional negative effect on the performance, and the operating profit/loss amounted to KSEK -8,658 (-2,854) while EBITDA amounted to KSEK -1,125 (3,401). During the year, the group received COVID-19-related state aid for sick leave payments totaling KSEK 98 (153). The Group has neither applied for nor received any other COVID-19-related state aids. In the previous year, the Group received COVID-19-related tax relief of KSEK 828 on social security contributions. Net financial items amounted to KSEK -1,249 (-1,248) and profit/loss for the period amounted to KSEK -10,081 (-4,175).

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 in internal gains in inventories, intangible assets and leases.

Cash flow and investments January-June

Cash flow from operating activities amounted to KSEK -25,758 (-3,164) of which KSEK -2,220 (2,243) was cash flow from profit/loss and KSEK -23,539 (-5,407) was cash flow from working capital. Inventories and trade receivables represented the major negative impact on working capital. Liquid funds of KSEK -7,866 (569) were tied up in inventories where delayed raw material deliveries of timber were responsible for a large proportion. This will be produced and delivered during the third quarter. In addition, the inventory was built up to be able to deliver the Group's new products in accor-

dance with the new agreements concluded over the year, primarily within nonwoven. The increase of trade receivables of KSEK -18,010 (-12,171) is in line with expectations considering the Group's considerable seasonal variations in sales, where the fourth quarter is the weakest and the second quarter the strongest. Due to the growth gain over the year, more liquidity is tied up in trade receivables compared to the previous year.

Cumulative investments of KSEK -4,114 (-3,454) were made in intangible fixed assets in the form of development projects, patents, trademarks and licenses. Cumulative investments in tangible assets amounted to KSEK -4,116 (-941) and included a pilot machine for nonwoven for the Group's laboratory, the ongoing construction of a new production line for binders, and fittings for a new warehouse brought into use by the Group. The contract for the newly accessed warehouse is for a period of six years from 2021-01-01, with a three-year extension clause, and has provided right-of-use assets of approximately KSEK 7,300. The cash flow from financing activities strengthened after the completed new share issue, which raised KSEK 66,996 in proceeds after issuance expenses. In addition, the Group increased the utilization of its bank overdraft facility by KSEK 5,728 (1,816), and the higher trade receivables increased factoring loans utilization by KSEK 9,314 (6,313). OrganoClick repaid investment credits of KSEK -1,770 early, and the Group amortized loans of KSEK -4,595 (-4,910). The cumulative cash flow amounted to KSEK 41,685 (-3,041).

Financial position

Cash and cash equivalents in the Group amounted to KSEK 73,714 (58,103) at the end of the period with a quick ratio of 167.0 (136.9) percent. Net debt/equity ratio amounted to -9.5 (1.9) percent. At the end of the quarter, OrganoWood AB utilized KSEK 9,735 (14,770) of a total bank overdraft facility of KSEK 15,000 (15,000). The bank overdraft facility changes depending on the requirement for the season.

PARENT COMPANY

Profit/loss April-June

The parent company's revenue for the quarter amounted to KSEK 13,078 (9,700) after increased internal sales and higher sales of OrganoTex® products, ORGANOWOOD® wood protection, binders for nonwoven and biocomposites. Gross profit deteriorated, the sales growth notwithstanding, to KSEK -1,751 (-435) due to reduced gross margin following changes in the product mix and increased production costs for personnel and premises. Growth investments drove up fixed sales and R&D costs, causing operating profit/loss (EBIT) to deteriorate further to KSEK -8,350 (-5,083). EBITDA amounted to KSEK -6,929 (-3,739), and the loss for the period amounted to KSEK -8,302 (-5,036).

Profit/loss January-June

Cumulative revenue amounted to KSEK 23,931 (18,531) after increased internal sales as well as increased sales of OrganoTex® products and binders for nonwoven. Increased costs for production attributable to new premises and additional production staff to counter the impact of a delayed filling line resulted in a deterioration of the gross profit, which totaled KSEK -3,874 (-1,642). Fixed sales and R&D costs increased as a result of more employees, causing operating profit/loss (EBIT) to deteriorate further to KSEK -16,447 (-11,238). EBITDA amounted to KSEK -13,631 (-8,596), and the loss for the period amounted to KSEK -16,331 (-11,110).

Financial position and cash flow

Cash and cash equivalents in the parent company at the end of the period amounted to KSEK 71,176 (44,227) and equity to KSEK 138,703 (102,763). During the year, the parent company invested KSEK -2,585 (-3,010) in intangible fixed assets in the form of development projects and patents and KSEK -3,640 (-941) in tangible fixed assets in the form of a pilot machine for nonwoven, fittings for a new warehouse, and the construction of a new production line for binders.

OTHER INFORMATION

SIGNIFICANT EVENTS DURING THE PERIOD

- OrganoClick launched OrganoTex® shoe care for the treatment and impregnation of shoes.
- OrganoClick signed a reseller agreement with Stadium for both OrganoTex® textile impregnation and washing detergent as well as OrganoTex® shoe care.
- Hööks, Scandinavia's leading chain in the equestrian sport industry, became new reseller of OrganoTex® textile impregnation and washing detergent and OrganoTex® shoe care.
- OrganoClick carried out a directed share issue of 5,837,211 shares at a price of SEK 12 per share, to institutional owners, raising kSEK 70,047 in gross proceeds and kSEK 66,996 after issuance expenses.
- OrganoClick launched, together with another holder of common shares in OrganoWood AB, an offer to all holders of preference shares in OrganoWood to tender their preference shares against a cash consideration of SEK 150 per preference share.
- OrganoClick signed, through its Norwegian distributor Norsk Fjellsport, a reseller agreement with XXL Norway for OrganoTex® garment and shoe care products.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- The offer made by OrganoClick and another holder of common shares in OrganoWood AB, was accepted by shareholders representing 117,250 preference shares, corresponding to approximately 58.63 percent of the total number of preference shares in OrganoWood and approximately 5.33 percent of the total number of shares in OrganoWood. Following the transaction, OrganoClick holds 70,350 preference shares in OrganoWood, corresponding to approximately 35.18 percent of the total number of preference shares.
- OrganoWood AB signed a five-year distribution agreement with Bergrs timber UK regarding distribution of ORGANOWOOD® timber in the British market.

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 2020, pages 41-43.

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. OrganoClick has been relatively spared from the negative effects of the pandemic even if the group was affected and had challenges as a result of it during the past year. The risks the Group predicted at the outset of the pandemic are also the same as are relevant for the group today and it is from these that the challenges of the past year can be identified. 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 because 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 several 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 year thanks to the new share issue carried out in the second quarter of 2021.

PERSONNEL

At the end of the period, the number of employees in the Group was 52 (42). Of these, 35 (27) were employed in the parent company, 13 (11) employed in the subsidiary OrganoWood AB and 4 (4) employed in the subsidiary Biokleen Miljökemi AB. Of the employees, 18 (15) were women and 34 (27) men.

SHARE INFORMATION

OrganoClick AB's share capital at the beginning of 2021 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. During the quarter, a directed share issue of 5,837,211 shares was carried out at a quota value of 0.01, which increased the number of shares to 97,950,000 and the share capital to SEK 979,500.

OrganoClick AB's share has been listed on Nasdaq First North Growth Market since 2015. The number of shareholders on June 30 was 4,436 (1,912) and the closing price of the share on June 30 was 12.20 (5.70), giving a market capitalization of SEK 1,195 (525) million.

The largest shareholders in OrganoClick AB as at 30 June 2021¹.

Name	No. of shares	Share of votes and capital %
Handelsbanken fonder	7,975,353	8.14
Mårten Hellberg with company	7,401,169	7.56
Beijer Ventures AB	7,107,180	7.26
Anders Wall Foundations	5,505,628	5.62
Mediuminvest AS	5,354,431	5.47
Länsförsäkringar fondförvaltning AB	3,992,896	4.08
Enter fonder	3,878,000	3.96
Credit Suisse (Switzerland) Ltd	3,723,300	3.80
Armando Córdova with company	3,686,069	3.76
Fjärde AP Fonden	3,190,000	3.26
Subtotal	51,814,026	52.90
Other shareholders	46,135,974	47.10
Total shares	97,950,000	100.00

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

FINANCIAL CALENDAR 2021

Interim report January-September 2021 on 16 November 2021
Interim report January-December 2021 on 18 February 2022

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 INFORMATION

CONSOLIDATED INCOME STATEMENT IN SUMMARY

SEK 000s	Note	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Net sales	1,2	39,823	36,064	69,479	58,312	96,458
Cost of goods sold		-31,519	-25,716	-54,402	-43,223	-76,260
Gross profit		8,304	10,348	15,077	15,090	20,198
Selling expenses		-8,054	-5,297	-15,104	-10,663	-22,078
Administrative expenses		-2,849	-2,369	-5,516	-5,120	-10,651
Research and development costs		-1,849	-1,417	-3,732	-2,620	-5,451
Other operating income	3	398	450	800	817	1,681
Other operating expenses	3	-44	-107	-182	-357	-799
Operating profit/loss		-4,095	1,608	-8,658	-2,854	-17,100
Financial income		6	27	19	58	103
Financial expenses		-751	-681	-1,268	-1,306	-2,534
Net financial items		-745	-654	-1,249	-1,248	-2,431
Profit/loss before tax		-4,840	954	-9,907	-4,102	-19,531
Income tax	4	-36	-76	-174	-72	10
Profit/loss for the period		-4,876	878	-10,081	-4,175	-19,520
Profit/loss for the period attributable to:						
Shareholders' of Parent Company		-6,389	-1,348	-12,715	-7,161	-23,646
Non-controlling interests		1,513	2,226	2,634	2,986	4,126
Earnings per share before and after dilution SEK ¹		-0.07	-0.01	-0.14	-0.08	-0.26
Average number of shares before and after dilution ¹		95,003,180	92,477,335	93,747,235	92,477,335	92,477,335

1) Average number of shares and earnings per share have been adjusted due to a bonus issue factor in a directed share issue 2021.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME IN SUMMARY

SEK 000s	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Profit/loss for the period	-4,876	878	-10,081	-4,175	-19,520
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	-1	-4	2	-6	-7
Other comprehensive income for the period, net after tax	-1	-4	2	-6	-7
Comprehensive income for the period	-4,877	-873	-10,079	-4,181	-19,527
Comprehensive income for the period attributable to:					
Shareholders' of Parent Company	-6,389	-1,350	-12,714	-7,165	-23,650
Non-controlling interests	1,512	2,224	2,635	2,984	4,123

CONSOLIDATED STATEMENT OF FINANCIAL POSITION IN SUMMARY

SEK 000s	Note	30 Jun 2021	30 Jun 2020	31 Dec 2020
ASSETS				
Non-current assets				
<i>Intangible fixed assets</i>				
Capitalized development expenditures		17,117	13,815	15,532
Patents, trademarks		8,056	6,226	7,298
Licences		402	334	359
Goodwill		16,794	16,794	16,794
		42,369	37,169	39,984
<i>Property, plant and equipment</i>				
Buildings		25,154	22,063	20,510
Improvement expense of other property		455	298	265
Machinery		23,248	12,734	13,640
Equipment, tools, fixtures and fittings		5,831	4,012	5,941
Ongoing new facilities		992	215	9,519
		55,680	39,323	49,875
<i>Other non-current assets</i>				
Other non-current receivables		3,142	3,192	3,153
Deferred tax assets	4	922	743	869
Total non-current assets		102,113	80,427	93,881
Current assets				
Inventories		22,198	14,552	14,331
Trade receivables		26,989	24,271	8,979
Income tax receivables		354	357	578
Other receivables		2,334	589	1,421
Prepaid expenses and accrued income		2,531	3,684	1,585
Cash and cash equivalents		73,714	58,103	32,028
Total current assets		128,120	101,555	58,922
TOTAL ASSETS		230,233	181,981	152,802

CONSOLIDATED STATEMENT OF FINANCIAL POSITION IN SUMMARY (cont.)

SEK 000s	Note	30 Jun 2021	30 Jun 2020	31 Dec 2020
Equity				
Share capital		980	921	921
Other contributed capital		310,701	243,764	243,764
Reserves		33	32	32
Accumulated loss including profit/loss for the period		-203,352	-174,152	-190,637
Equity attributable to shareholders of Parent Company	5	108,361	70,565	54,080
Non-controlling interests	6	31,499	27,725	28,864
Total equity		139,860	98,290	82,943
Liabilities				
Non-current liabilities				
Borrowings from credit institutions		3,889	2,434	4,645
Lease liabilities		21,469	16,393	18,700
Other non-current liabilities		1,000	1,000	1,000
Deferred tax liabilities	4	584	321	356
Total non-current liabilities		26,942	20,148	24,701
Current liabilities				
Liabilities to credit institutions	7	11,356	18,222	7,481
Lease liabilities		8,136	7,753	7,307
Trade payables		17,455	13,291	13,854
Income tax liabilities		-	7	62
Other liabilities		16,426	16,106	6,894
Accrued expenses and deferred income		10,058	8,165	9,560
Total current liabilities		63,431	63,543	45,158
TOTAL EQUITY AND LIABILITIES		230,233	181,981	152,802

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK 000s	Attributable to shareholders' of Parent Company				Total	Non-controlling interests	Total equity
	Share capital	Other contributed capital	Reserves	Accumulated loss			
Equity at 1 January 2021	921	243,764	32	-190,637	54,080	28,864	82,943
Comprehensive income							
Profit/loss for the period	-	-	-	-12,715	-12,715	2,634	-10,081
Other comprehensive income							
Translation differences	-	-	1	-	1	1	2
Total comprehensive income	-	-	1	-12,715	-12,714	2,635	-10,079
Shareholder transactions							
New share issue	58	66,938	-	-	66,996	-	66,996
Total shareholder transactions	58	66,938	-	-	66,996	-	66,996
Equity at 30 June 2021	980	310,701	33	-203,352	108,361	31,499	139,860
Equity at 1 January 2020	921	243,764	36	-166,991	77,730	24,741	102,470
Comprehensive income							
Profit/loss for the period	-	-	-	-7,161	-7,161	2,986	-4,175
Other comprehensive income							
Translation differences	-	-	-4	-	-4	-2	-6
Total comprehensive income	-	-	-4	-7,161	-7,165	2,984	-4,181
Shareholder transactions							
Total shareholder transactions	-	-	-	-	-	-	-
Equity at 30 June 2020	921	243,764	32	-174,152	70,565	27,725	98,290
Equity at 1 January 2020	921	243,764	36	-166,991	77,730	24,741	102,470
Comprehensive income							
Profit/loss for the period	-	-	-	-23,646	-23,646	4,126	-19,520
Other comprehensive income							
Translation differences	-	-	-4	-	-4	-3	-7
Total comprehensive income	-	-	-4	-23,646	-23,650	4,123	-19,527
Shareholder transactions							
Total shareholder transactions	-	-	-	-	-	-	-
Equity at 31 December 2020	921	243,764	32	-190,637	54,080	28,864	82,943

CONSOLIDATED CASH FLOW STATEMENT IN SUMMARY

SEK 000s	Note	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Cash flow from operating activities						
Operating profit/loss		-4,095	1,608	-8,658	-2,854	-17,100
Adjustment for non-cash items	8	3,809	3,122	7,526	6,303	12,722
Interest received		6	27	19	58	103
Interest paid		-751	-681	-1,268	-1,306	-2,534
Income tax paid		-155	-155	161	42	-123
Cash flow from operating activities before changes in working capital		-1,187	3,921	-2,220	2,243	-6,932
Changes in working capital						
Changes in inventories and work in progress		-2,294	2,940	-7,866	569	789
Changes in trade receivables		-3,426	-8,214	-18,010	-12,171	3,120
Changes in other operating receivables		-1,715	-2,099	-1,981	-2,027	-1,394
Changes in trade payables		1,795	3,316	3,601	7,303	7,866
Changes in other operating liabilities		-741	257	718	919	2,021
Cash flow from changes in working capital		-6,380	-3,800	-23,539	-5,407	12,403
Cash flow from operating activities		-7,566	120	-25,758	-3,164	5,471
Cash flow from investing activities						
Investments in intangible assets		-2,305	-1,634	-4,114	-3,454	-8,161
Investments in property, plant and equipment		-1,509	-271	-4,116	-941	-11,237
Cash flow from investing activities		-3,814	-1,905	-8,230	-4,396	-19,398
Cash flow from financing activities						
New share issue		70,047	-	70,047	-	-
Share issue expenses		-3,051	-	-3,051	-	-
Net change bank overdraft facility		768	6,848	5,728	1,816	-8,946
Net change invoice factoring debt		2,498	5,650	9,314	6,313	-2,607
Depositions		-	-	-	300	300
Borrowings		-	-	-	1,000	7,463
Repayment of debt		-	-	-1,770	-	-
Amortization of debt		-2,320	-2,504	-4,595	-4,910	-11,398
Cash flow from financing activities		67,942	9,994	75,673	4,519	-15,189
Cash flow for the period		56,561	8,209	41,685	-3,041	-29,115
Cash and cash equivalents at beginning of period		17,153	49,898	32,028	61,150	61,150
Exchange rate differences in cash and cash equivalents		-1	-4	2	-6	-7
Cash and cash equivalents at end of period		73,714	58,103	73,714	58,103	32,028

KEY FIGURES, THE GROUP

SEK 000s	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Net sales	39,823	36,064	69,479	58,312	96,458
Revenue growth, %	10.4	10.3	19.1	6.3	12.8
Gross profit	8,304	10,348	15,077	15,090	20,198
Gross margin, %	20.9	28.7	21.7	25.9	20.9
EBIT	-4,095	1,608	-8,658	-2,854	-17,100
EBIT, %	-10.3	4.5	-12.5	-4.9	-17.7
EBITDA	-286	4,769	-1,125	3,401	-4,457
Profit/loss for the period	-4,876	878	-10,081	-4,175	-19,520
Profit margin, %	-12.2	2.4	-14.5	-7.2	-20.2
Equity ratio, %	60.7	54.0	60.7	54.0	54.3
Quick ratio, %	167.0	136.9	167.0	136.9	98.7
Net debt/equity ratio, %	-9.5	1.9	-9.5	1.9	14.9
Return on shareholders' equity, %	neg.	1.4	neg.	neg.	neg.
Return on capital employed, %	neg.	1.2	neg.	neg.	neg.
Average number of employees	55	45	52	43	43
Average number of shares before and after dilution ¹	95,003,180	92,477,335	93,747,235	92,477,335	92,477,335
Number of shares issued at end of period	97,950,000	92,112,789	97,950,000	92,112,789	92,112,789
Turnover per share before and after dilution SEK	0.42	0.39	0.74	0.63	1.04
Earnings per share before and after dilution SEK ¹	-0.07	-0.01	-0.14	-0.08	-0.26
Shareholders equity per share before and after dilution SEK	1.11	0.77	1.11	0.77	0.59

1. Average number of shares and earnings per share have been adjusted due to a bonus issue factor in a directed share issue 2021.

PARENT COMPANY INCOME STATEMENT IN SUMMARY

SEK 000s	Not	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Net sales		13,078	9,700	23,931	18,531	32,035
Cost of goods sold		-14,828	-10,135	-27,805	-20,173	-37,926
Gross profit		-1,751	-435	-3,874	-1,642	-5,892
Selling expenses		-2,868	-1,479	-5,151	-3,053	-6,792
Administrative expenses		-2,155	-1,764	-4,281	-3,866	-8,071
Research and development costs		-1,770	-1,473	-3,630	-2,682	-5,349
Other operating income	3	229	97	557	143	314
Other operating expenses	3	-35	-29	-67	-137	-285
Operating profit/loss		-8,350	-5,083	-16,447	-11,238	-26,073
Interest income and similar items		74	100	155	238	429
Interest expenses and similar items		-27	-54	-38	-111	-191
Net financial items		47	46	117	127	238
Profit/loss before tax		-8,302	-5,036	-16,331	-11,110	-25,835
Income tax		-	-	-	-	-
Profit/loss for the period		-8,302	-5,036	-16,331	-11,110	-25,835

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME IN SUMMARY

SEK 000s	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Profit/loss for the period	-8,302	-5,036	-16,331	-11,110	-25,835
Other comprehensive income for the period:	-	-	-	-	-
Comprehensive income for the period	-8,302	-5,036	-16,331	-11,110	-25,835

PARENT COMPANY BALANCE SHEET IN SUMMARY

SEK 000s	Note	30 Jun 2021	30 Jun 2020	31 Dec 2020
ASSETS				
Non-current assets				
<i>Intangible fixed assets</i>				
Capitalized development expenditures		11,542	10,343	11,000
Patents, trademarks		7,071	5,586	6,411
Licences		307	248	292
		18,919	16,177	17,703
<i>Property, plant and equipment</i>				
Improvement expense of other property		455	298	265
Machinery		11,279	8,655	8,144
Equipment, tools, fixtures and fittings		3,186	2,754	2,825
Ongoing new facilities		992	215	2,485
		15,911	11,922	13,719
<i>Financial assets</i>				
Shares in group companies		28,610	30,610	30,610
Due from group companies		1,651	1,651	1,651
Other non-current receivables		259	-	323
		30,520	32,261	32,584
Total non-current assets		65,351	60,359	64,007
Current assets				
Raw materials, supplies and finished inventories		10,894	7,687	7,225
		10,894	7,687	7,225
<i>Short-term receivables</i>				
Trade receivables		2,382	1,158	801
Due from group companies		2,348	2,605	1,533
Income tax receivables		136	133	294
Other receivables		905	234	279
Prepaid expenses and accrued income		3,250	3,874	2,280
		9,020	8,003	5,187
Cash and cash equivalents		71,176	44,227	28,427
Total current assets		91,091	59,917	40,840
TOTAL ASSETS		156,442	120,276	104,846

PARENT COMPANY BALANCE SHEET IN SUMMARY (cont.)

SEK 000s	Note	30 Jun 2021	30 Jun 2020	31 Dec 2020
EQUITY AND LIABILITIES				
Restricted equity				
Share capital		980	921	921
Fund for development expenditures		6,890	5,712	6,348
Total restricted equity		7,870	6,634	7,269
Non-restricted equity				
Share premium reserve		310,701	243,764	243,764
Retained earnings		-163,537	-136,524	-137,160
Profit/loss for the period		-16,331	-11,110	-25,835
Total non-restricted equity		130,833	96,129	80,769
Total equity		138,703	102,763	88,038
LIABILITIES				
Non-current liabilities				
Liabilities to credit institutions		-	880	-
Liabilities to group companies		4,710	4,710	4,710
Total non-current liabilities		4,710	5,590	4,710
Current liabilities				
Liabilities to credit institutions		-	1,780	1,770
Trade payables		6,915	5,172	3,938
Other short-term liabilities		1,109	1,031	696
Accrued expenses and deferred income		5,004	3,941	5,694
Total current liabilities		13,029	11,924	12,099
TOTAL EQUITY AND LIABILITIES		156,442	120,276	104,846

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 2020, except for Inventories where the acquisition value for finished goods and work in progress now also consists of direct production costs in addition to previous raw materials. The effect of the change is insignificant for the financial statements.

NOTE 1 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 utilize 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 for the four business units Functional wood, Green coatings & maintenance products, Biocomposites and 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	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Functional wood	24,992	24,249	40,872	35,679	60,562
Green coatings & maintenance products	12,769	10,765	25,210	20,713	32,797
Biocomposites	1,005	611	1,660	1,253	2,129
Nonwoven & technical textile	813	323	1,366	537	839
Other	243	117	371	130	130
Total	39,823	36,064	69,479	58,312	96,458

Net sales per geographic market

Sweden	32,322	29,971	56,394	47,739	79,748
Other Nordics	4,458	4,051	6,905	7,543	11,591
The rest of Europe	2,427	1,704	5,563	2,676	4,447
Asia	105	337	105	337	638
North America	510	-	510	16	35
Total	39,823	36,064	69,479	58,312	96,458

Net sales by revenue type

Products	39,580	35,947	69,108	58,182	96,328
Equipment and services	-	100	-	100	100
Services	243	17	371	30	30
Total	39,823	36,064	69,479	58,312	96,458

Product sales consist of sales of products within the Group's various business units, that is ORGANOWOOD® timber, ORGANOWOOD® wood protection, BIOkleen® cleaning and maintenance products, OrganoTex® textile impregnation, washing detergent and shoe care, OrganoComp® biocomposites and binders and hydrophobing products for nonwoven and technical textile. Revenue is reported at the time the control of the products is transferred to the customer, generally upon delivery. All sales are reported at a specific time, no revenue is recognized over time.

NOTE 2 SEASONAL VARIATIONS

The business units Functional wood and Green coatings & maintenance products are strongly characterized 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 3 OTHER OPERATING INCOME AND OTHER OPERATING EXPENSE

Group	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Exchange gains on receivables/payables of an operating nature	52	50	80	136	454
Commission income	126	137	166	238	447
Rental income	-	135	-	270	371
Government grants received for R&D	219	89	545	134	283
Profits, disposal/sale of property, plant and equipment	-	39	9	39	126
Total	398	450	800	817	1,681
Exchange losses on receivables/payables of an operating nature	-43	-107	-179	-269	-597
Losses, disposal/sale of property, plant and equipment	0	0	-2	-87	-201
Total	-44	-107	-182	-357	-799
Parent Company					
Exchange gains on receivables/payables of an operating nature	9	8	11	10	31
Government grants received for R&D	219	89	545	134	283
Total	229	97	557	143	314
Exchange losses on receivables/payables of an operating nature	-35	58	-67	-50	-134
Losses, disposal/sale of property, plant and equipment	-	-87	-	-87	-151
Total	-35	-29	-67	-137	-285

NOTE 4 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 5 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 6. The preference shares, owned by 81 minority shareholders, represent SEK 20,000 thousand of OrganoWood AB's equity.

OrganoClick AB's share capital at the beginning of 2021 amounted to SEK 921,128, distributed on 92,112,789 shares. During the second quarter, a directed share issue of 5,837,211 shares was carried out, which increased the number of shares to 97,950,000 and the share capital to SEK 979,500.

NOTE 6 ORGANOWOOD AB'S PREFERENCE SHARES

In 2013, OrganoWood AB issued 200,000 preference shares with a nominal amount of SEK 100 per share, corresponding to a total amount of the issue of MSEK 20. The terms of the preference shares are established in OrganoWood AB's Articles of Association.

The preference shares do not carry dividend rights, but holders are only entitled to a redemption value. The redemption value was SEK 184.80 as of 31 May 2019 and the amount increases by 12 percent per annum as of 1 June 2019. As of 30 June 2021, the redemption value per preference share is SEK 234.1 (209.0).

No dividend may be paid to the holders of ordinary shares until there is enough non-restricted equity to redeem the preference shares.

At OrganoWood AB's Annual General Meeting on 10 May 2021, it was decided to allow the preference shares to run in accordance with the prescribed conditions as there was not enough non-restricted equity to redeem them. The aim is to redeem the preference shares when non-restricted equity so permits.

NOTE 7 CURRENT LIABILITIES TO CREDIT INSTITUTIONS

Group	Jun 30 2021	Jun 30 2020	Dec 31 2020
Short-term portion of non-current liabilities to credit institutions	1,621	3,453	3,474
Bank overdraft facility	9,735	14,770	4,007
Total	11,356	18,222	7,481

NOTE 8. ADJUSTMENT FOR NON-CASH ITEMS

Group	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Depreciation/amortization of intangible fixed assets	830	855	1,729	1,662	3,498
Depreciation/amortization of property, plant and equipment	2,978	2,306	5,804	4,593	9,092
Impairment intangible fixed assets	-	-	-	-	54
Disposal of property, plant and equipment	-	-38	-7	49	78
Total	3,809	3,122	7,526	6,303	12,722

NOTE 9 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 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 10 PLEDGED ASSETS AND CONTINGENT LIABILITIES

Group	Jun 30 2021	Jun 30 2020	Dec 31 2020
Guarantee liability for debts in group companies	8,700	9,772	8,700
Floating charges	19,000	30,126	19,000
Total	27,700	39,898	27,700

Parent Company	Jun 30 2021	Jun 30 2020	Dec 31 2020
Guarantee liability for debts in group companies	8,700	9,772	8,700
Floating charges	-	9,000	-
Total	8,700	18,772	8,700

Floating charges in OrganoClick AB and Biokleen Miljökemi AB are in their own custody which explains the differences between the years.

NOTE 11 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 16,765 (14,279) thousand were sales to group companies. From the Parent Company to OrganoWood AB, there are also invoiced interest and guarantee fees for loans and guarantee liabilities of SEK 136 (181) thousand. In addition to guarantee liabilities, see Note 10, OrganoClick has outstanding interest-bearing loans to OrganoWood of SEK 1,650 (1,650) thousand. Invoicing of SEK 461 (630) 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.

OrganoWood AB has invoiced interest and guarantee fees, for loans and guarantee liabilities, of SEK 88 (62) thousand from board member and shareholder Robert Charpentier, from own company Kvigos AB. In addition to guarantee liabilities, Kvigos AB has outstanding interest-bearing loans to OrganoWood of SEK 1,000 (1,000) thousand. The transactions between OrganoWood AB and the board member and shareholder take place at prices at arm's length.

NOTE 12 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 2020, page 66.

The Group has large intangible assets in the form of capitalized development expenditures SEK 17,117 (13,815) thousand, patents SEK 6,971 (5,707) thousand and trademarks SEK 1,085 (519) 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 22,198 (14,552) 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 32,475 (27,313) thousand. The Group holds leases for properties, production equipment and vehicles. The amount of the lease liability is measured based on the agreed rent. Leases for properties have variable leasing fees in the form of property taxes that are not included in the amount of the lease liability. Assumptions regarding the estimated lease period have a significant impact on the valuation of the amount of a lease liability. The Group has two (three) lease agreements for properties that contain extension clauses, none of which have been taken into account in the estimation of the duration of lease periods. The reason is that it currently is impossible to determine with any degree of certainty if the Group will exercise its options to extend the agreements due to the relatively long remaining lease period and the uncertainty surrounding the future accommodation needs, as the Group is anticipating rapid growth over the next five-year period. No changes have been made in assessing the length of the leasing periods compared with the annual report for 2020.

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. Below, and on the following pages, are definitions and calculations for components that are included in alternative performance measures used in this report.

NON-IFRS KEY RATIOS	DEFINITION/CALCULATION	PURPOSE
Performance measures		
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.
Operating margin, EBIT	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.
Capital structure		
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 (incl. leasing and invoice factoring debt) minus interest-bearing assets including cash and cash equivalents.	Net debt shows 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
Return ratios		
Return on equity	Profit/loss for the period, as a percentage of average equity. Equity includes non-controlling interests.	Return on equity shows the return on owners' invested capital and 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 how much of the company's assets are financed by interest-bearing capital.
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.
Share data		
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.

RECONCILIATION ALTERNATIVE PERFORMANCE MEASURES

SEK 000s	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Gross margin, %					
Gross profit	8,304	10,348	15,077	15,090	20,198
Net sales	39,823	36,064	69,479	58,312	96,458
Gross margin, %	20.9	28.7	21.7	25.9	20.9
Gross margin after variable costs, %					
Net sales	39,823	36,064	69,479	58,312	96,458
Cost of goods sold, variable costs	-24,605	-20,874	-41,715	-33,528	-56,156
Gross profit after variable costs	15,218	15,190	27,764	24,784	40,302
Gross margin after variable costs, %	38.2	42.1	40.0	42.5	41.8
EBIT, %					
Operating profit/loss	-4,095	1,608	-8,658	-2,854	-17,100
Net sales	39,823	36,064	69,479	58,312	96,458
EBIT, %	-10.3	4.5	-12.5	-4.9	-17.7
EBITDA					
Operating profit/loss	-4,095	1,608	-8,658	-2,854	-17,100
Plus: Depreciation	3,809	3,161	7,533	6,255	12,643
EBITDA	-286	4,769	-1,125	3,401	-4,457
Profit margin, %					
Profit/loss for the period	-4,876	878	-10,081	-4,175	-19,520
Net sales	39,823	36,064	69,479	58,312	96,458
Profit margin, %	-12.2	2.4	-14.5	-7.2	-20.2
Net sales, change					
Net sales	39,823	36,064	69,479	58,312	96,458
Net sales corresponding period prior year	36,064	32,709	58,312	54,858	85,480
Net sales, change	3,759	3,355	11,166	3,454	10,978
Revenue growth, organic, %	10.4	10.3	19.1	6.3	12.8
Equity ratio, %					
Equity	139,860	98,290	139,860	98,290	82,943
Total assets	230,233	181,981	230,233	181,981	152,802
Equity ratio, %	60.7	54.0	60.7	54.0	54.3
Quick ratio, %					
Current assets, excluding inventories	105,922	87,003	105,922	87,003	44,590
Current liabilities	63,431	63,543	63,431	63,543	45,158
Quick ratio, %	167.0	136.9	167.0	136.9	98.7

SEK 000s	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Net debt/equity ratio, %					
Interest-bearing liabilities	60,392	59,950	60,392	59,950	44,361
Less: Cash and cash equivalents	-73,714	-58,103	-73,714	-58,103	-32,028
Net debt	-13,322	1,847	-13,322	1,847	12,334
Equity	139,860	98,290	139,860	98,290	82,943
Net debt/equity ratio, %	-9.5	1.9	-9.5	1.9	14.9
Return on equity, %					
Equity	139,860	98,290	139,860	98,290	82,943
Equity corresponding period last year	98,290	31,562	98,290	31,562	102,470
Average equity	119,075	64,926	119,075	64,926	92,707
Profit/loss for the period	-4,876	878	-10,081	-4,175	-19,520
Average equity	119,075	64,926	119,075	64,926	92,707
Return on equity, %	-4.1	1.4	-8.5	-6.4	-21.1
Capital employed					
Total assets	230,233	181,981	230,233	181,981	152,802
Less: Deferred tax liabilities	-584	-321	-584	-321	-356
Less: Other current liabilities	-29,398	-23,414	-29,398	-23,414	-25,079
Capital employed	200,252	158,246	200,252	158,246	127,367
Capital employed corresponding period last year	158,246	108,573	158,246	108,573	157,722
Average capital employed	179,249	133,410	179,249	133,410	142,544
Return on capital employed, %					
Operating profit/loss	-4,095	1,608	-8,658	-2,854	-17,100
Plus: Financial income	6	27	19	58	103
Operating profit/loss plus financial income	-4,089	1,636	-8,639	-2,796	-16,997
Average capital employed	179,249	133,410	179,249	133,410	142,544
Return on capital employed, %	-2.3	1.2	-4.8	-2.1	-11.9
Turnover per share before and after dilution SEK					
Net sales	39,823	36,064	69,479	58,312	96,458
Average number of shares before and after dilution ¹	95,003,180	92,477,335	93,747,235	92,477,335	92,477,335
Turnover per share before and after dilution SEK	0.42	0.39	0.74	0.63	1.04
Shareholders equity per share before and after dilution SEK					
Equity attributable to shareholders ' of Parent Company	108,361	70,565	108,361	70,565	54,080
Number of shares at end of period	97,950,000	92,112,789	97,950,000	92,112,789	92,112,789
Shareholder equity per share before and after dilution SEK	1.11	0.77	1.11	0.77	0.59

1. Average number of shares have been adjusted due to a bonus issue factor in a directed share issue 2021.

SIGNATURES

CERTIFICATION

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.)
Corporate identity number: 556704-6908

Review of auditors

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

Stockholm, 20 August 2021

Jan Johansson
Chairman of the Board

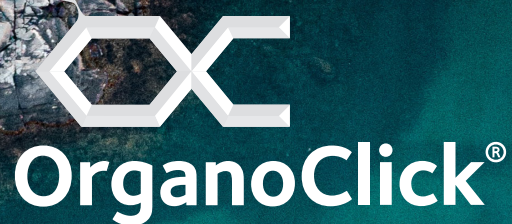
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