



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

JULY TO SEPTEMBER

Net sales SEK 22,635 (19,946) thousand
Revenue growth 13.5 (27.7) percent
EBITDA SEK -4,216 (-1,829) thousand
Cash flow from operating activities SEK -169 (3,396) thousand
Earnings per share before and after dilution SEK -0.10 (-0.07)

- Duni group announced the upcoming launch of fossil free premium napkins using OrganoClick's binders.
- OrganoWood AB signed a five-year distribution agreement with Bergs timber UK regarding distribution of OrganoWood® timber in the British market.
- XXL Sweden became new reseller for OrganoTex® textile impregnation and shoe care products.

JANUARY TO SEPTEMBER

Net sales SEK 92,113 (78,258) thousand
Revenue growth 17.7 (11.0) percent
EBITDA SEK -5,341 (1,572) thousand
Cash flow from operating activities SEK -25,927 (232) thousand
Earnings per share before and after dilution SEK -0.24 (-0.15)

KEY RATIOS (for definitions, please refer to page 20)	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	LTM 30 Sep 2021	Jan-Dec 2020
Net sales	22,635	19,946	92,113	78,258	110,313	96,458
EBIT	-8,105	-4,992	-16,763	-7,846	-26,016	-17,100
Cash flow from operating activities	-169	3,396	-25,927	232	-20,688	5,471
Gross margin after variable costs, %	35.1	40.5	38.8	42.0	39.1	41.8

CEO COMMENT

During the third quarter, we saw clear operational improvements. Not only did sales increase by 13.5 (27.7) percent to MSEK 22.6 (19.9), but we also concluded new agreements with both XXL Sverige for OrganoTex® and with Bergs timber UK for OrganoWood® timber. We were also able to reduce our high costs of production gradually over the quarter, which arose as a consequence of capacity shortages during the second quarter. At the end of the quarter, our new fully automated filling machine became operational. This will increase our productivity and capacity for 2022. During 2021, our sales have now increased by 17.7 (11.0) percent, to MSEK 92.1 (78.3).

Our operations remain burdened with very high raw material costs of timber and freight costs due to the global container shortage. Our gross margin on variable costs therefore amounts to 35.1 (40.5) percent. We have started to establish price increases for our customers, but some agreements cannot be adjusted until the end of the year. Our assessment is that our price increases will result in a gradual restoration of our previous gross margins on existing products during 2022. We now also see that the wood prices are beginning to stabilize.

In the Functional wood business unit, sales grew by 10.4 (13.4) percent to MSEK 14.3 (13.0) during the third quarter. For the period January to September 2021, sales increased by 13.4 (6.7) percent to MSEK 55.2 (48.6). Growth is primarily attributable to a very strong development in the German market. In early October, we could also announce the launch of our new generation of OrganoWood® technology. The technology has been developed and tested for more than 7 years and improves both the durability, life span and simplified its maintenance. During 2022, this technology will gradually make its way into regular production, but we will showcase our new products to the world already in November, as the official partner of the Swedish Pavilion at the World Exhibition in Dubai.

The Green coatings & maintenance products business unit increased its sales by 12.4 (78.7) percent to SEK 7.4 (6.6) million. The total growth for 2021 is now 19.5 (16.0) percent, totaling MSEK 32.6 (27.3). The sales growth during the quarter is mostly attributable to the continued very strong performance of our OrganoTex® brand, which grew by three-digit numbers over the first nine months of 2021. During the quarter, XXL also decided to expand the sales from its Norwegian shop network to include the entire Swedish shop network as well. Our new line of shoe care has been very well received, and most of our retailers have opted to include these products in their offering.

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**THE SALES GROWTH
DURING THE
QUARTER IS MOSTLY
ATTRIBUTABLE
TO THE CONTINUED
VERY STRONG
PERFORMANCE OF
OUR ORGANOTEX®
BRAND, WHICH GREW
BY THREE-DIGIT
NUMBERS OVER THE
FIRST NINE MONTHS
OF 2021.**



In the Biocomposites business unit, sales of both coffin material and sound absorbers grew by 67.0 (42.0) percent in total, to MSEK 0.6 (0.3). As in previous years, sales are lower in the third quarter than in other quarters, due to our coffin customer Fredahl Rydén's holiday closure. Overall, sales increased by 40.0 (121.7) percent to MSEK 2.2 (1.6) during 2021.

Within Nonwoven & technical textiles, Duni announced its launch of fossil-free premium napkins with OrganoClick's bio-based binders at the beginning of

the quarter. The first line of products was finalized during the quarter and will be marketed to Duni's customers during the fourth quarter. On the other hand, deliveries during the quarter were less than expected on account of a brief delay in Duni's roll out plan, but deliveries are now on the rise in the fourth quarter. Hence, sales for the quarter totaled only MSEK 0.2 (0), while sales for the period January to September grew to MSEK 1.5 (0.6). The objective for 2022 is to gradually achieve the full volume of the agreement.

Our development tests and production tests with other industrial customers are continuing to develop in a positive direction. In order to achieve the forecast future deliveries, we are currently expanding our production capacity. The first parts for our new fully automatic production line for binders, with capacity of 10,000 tonnes per year, were ordered in June. The line is expected to be fully constructed at the end of the first quarter 2022 and become operational in the second quarter. This will both double our total capacity and reduce our production costs in relation to sales.

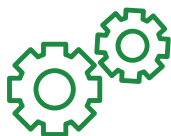
For the remainder of 2021, we will continue the effort to streamline production and build solid output stocks in preparation of the peak season 2022. Our aim for 2022 is to maintain our good sales performance and improve profit. We will continue our market development across all business units, with a focus on international expansion in Europe with regard to both OrganoTex® and OrganoWood®. As regards our nonwoven business, we will both work to scale up production and to support our customers as much as we can to enable them to launch fossil-free, non-plastic, and biodegradable nonwoven products for consumers and industry, as soon as possible!

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

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 water-proofing and shoe care products, biodegradable impregnation products and detergents for clothing and shoes 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®.

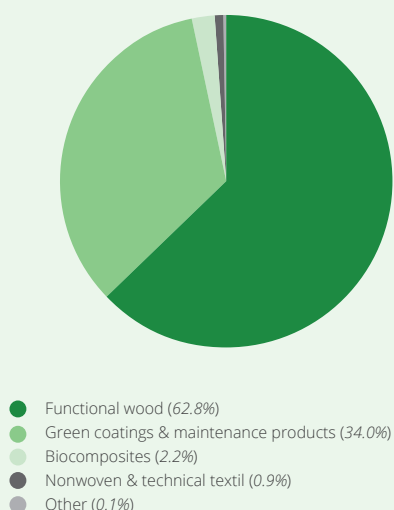
Within the business unit Nonwoven & technical textiles, bio-based binders that replace plastic bonding agents and water repellent products (PFAS substitutes) are sold to customers that manufacture nonwovens or technical textiles. End applications include napkins and table cloths for restaurants, medical 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

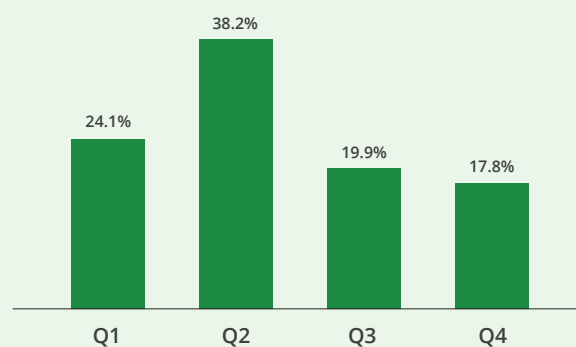
The Group has made fast progress since the first product was launched in 2012. Net sales has grown over the last five years from MSEK 30.5 in 2015 to MSEK 96.5 in 2020, corresponding to an average annual growth rate of 25.9 percent. The Group has built up a sales and marketing organization and its own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

Revenue for the third quarter amounted to KSEK 22,635 (19,946), corresponding to a sales growth of 13.5 (27.7) percent. Revenue in the Functional wood business unit amounted to KSEK 14,295 (12,953) corresponding to a growth of 10.4 (13.4) percent over the previous year, driven by sales in the German market. Revenue in the Green coatings & maintenance products business unit amounted to KSEK 7,440 (6,616), where the growth of 12.4 (78.7) percent was driven by OrganoTex® products and car care products. Revenue within the Biocomposites business unit increased to KSEK 581 (348), and revenue within the business unit Nonwoven & technical textiles increased to KSEK 164 (27).

Gross margin (after variable costs) amounted to 35.1 (40.5) percent, where the deterioration primarily is attributable to the considerable price increases on raw materials, in particular timber but also raw materials for the Group's chemical products. An increase of customers' prices has been initiated, but as it is not yet fully established it has not been able to fully counter the raw material price rises. In addition to raw material prices, the product mix also contributes to the lower margin. The lower gross margin in combination with increased fixed production costs for new premises and personnel resulted in a deterioration of the gross profit in comparison with the previous year, KSEK 2,043 (3,362). The Group's growth investments have also increased costs related to sales and R&D. During the third quarter 2021, the Group received state aid for sickleave payments totaling KSEK 11 (44). Operating profit/loss, EBIT, amounted to KSEK -8,105 (-4,992) and EBITDA amounted to KSEK -4,216 (-1,829). Profit/loss for the period amounted to KSEK -8,773 (-5,576).

Cash flow and investments July–September

Cash flow from operating activities amounted to KSEK -169 (3,396), negatively impacted by the deteriorated profit/loss, KSEK -5,075 (-2,421), and positively impacted by working capital, KSEK 4,906 (5,817). Liquidity was tied up in inventories, KSEK -3,686 (1,964), largely as an effect of stock building of the new generation of OrganoWood® timber, Silicium HT, which was introduced in the fourth quarter, and due to weaker sales than anticipated in Q3. The liquidity effect from trade receivables was positive, KSEK 12,296 (11,459), due to lower sales in the third quarter than in the second because of seasonal variations. The liquidity effect from trade payables turned negative as trade payables decreased, KSEK -4,759 (-4,841).

During the quarter, investments of KSEK -1,937 (-1,927) were made in intangible fixed assets related to the Group's development projects, patents and trademarks, and KSEK -1,419 (-8,787) in tangible assets, mostly in production equipment. During the previous year, the Group invested in a high-temperature dryer for timber. During the quarter, OrganoClick acquired preference shares in the subsidiary OrganoWood AB for KSEK -11,178, the Group decreased its utilization of the bank overdraft facility by KSEK -1,150 (-8,447) and of its factoring loans by KSEK -6,971 (-7,022) due to lower receivables. The Group amortized loans and leases of KSEK -2,329 (-2,552) during the quarter. Cash flow for the period was KSEK -25,154 (-20,028).

Profit/loss January–September

The cumulative revenue amounted to KSEK 92,113 (78,258) corresponding to a growth of 17.7 (11.0) percent compared with the previous year. Revenue in the business unit Functional wood grew by 13.4 (6.7) percent to KSEK 55,166 (48,633). The year began

with strong sales growth, which subsequently was impacted negatively by raw material shortages and substantial increases in the price of wood raw materials. Revenue in the business unit Green coatings & maintenance products grew by 19.5 (16.0) percent, amounting to KSEK 32,649 (27,329). Growth mainly derived from increased sales of OrganoTex® products and car care products. Revenue in the Biocomposites business unit amounted to KSEK 2,241 (1,601) with growing sales of both coffin materials and sound absorbents. Revenue in the business unit Nonwoven & technical textiles amounted to KSEK 1,530 (565), with increased sales to both existing customers and our new customer Duni.

Gross margin (after variable costs) amounted to 38.8 (42.0) percent and above all was negatively affected by a sharp rise in raw material prices, particularly of timber as a direct effect of the global shortage, but also of other raw materials and freight costs. Product mix changes and increased subcontracting costs are also contributing factors to the lower margin. Gross profit decreased, despite higher growth, totaling KSEK 17,120 (18,451), which is attributable to the lower gross margin and increased fixed costs for production. The fixed production costs increased due to expanded premises and additional staff brought in during the peak season to counter the capacity shortage that occurred in our bottle and can filling when the delivery of a new filling line was severely delayed from the supplier. The Group's growth efforts also drove increased personnel costs in sales and R&D. During the year, the group received COVID-19-related state aid for sickleave payments totaling KSEK 109 (197). 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. Operating profit/loss, EBIT, amounted to KSEK -16,763 (-7,846) and EBITDA amounted to KSEK -5,341 (1,572). Profit/loss for the period amounted to KSEK -18,854 (-9,751).

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–September

Cash flow from operating activities amounted to KSEK -25,927 (232) of which KSEK -7,295 (-178) was cash flow from profit/loss and KSEK -18,633 (410) was cash flow from working capital. Liquid funds of KSEK -11,553 (2,533) were tied up in inventories, in part in stock building of the new generation of OrganoWood® timber, Silicium HT, which was launched in the fourth quarter, and in part to be able to deliver the Group's new products in accordance with the new agreements concluded over the year, primarily within nonwoven. The increase in trade receivables of KSEK -5,715 (-712) is in line with the Group's seasonal variations, which entail stronger sales in the third quarter than in the fourth quarter.

Cumulative investments of KSEK -6,051 (-5,381) were made in intangible fixed assets in the form of development projects, patents, trademarks and licenses. Cumulative investments of KSEK -5,535 (-9,729) were made in tangible assets and included a pilot machine for nonwoven for the Group's laboratory and the ongoing construction of a new production line for binders. As of January 2021, the Group has added right-of-use assets of KSEK 7,300 relating to production premises, for a period of 6 years as of 2021-01-01 and with an extension clause of 3 years. Cash flow from financing activities strengthened by means of a new share issue during the second quarter, which raised KSEK 66,996 in proceeds after issuance

expenses. A part of the issue proceeds was used to acquire preference shares in OrganoWood AB for KSEK -11,178 during the third quarter. The Group increased the utilization of its bank overdraft facility by KSEK 4,578 (-6,631) and of its factoring loans by KSEK 2,342 (-710). OrganoClick repaid investment credits of KSEK -1,770 early, and the Group amortized loans and leases of KSEK -6,923 (-7,463). The cumulative cash flow amounted to KSEK 16,531 (-23,069).

Financial position

Cash and cash equivalents in the Group amounted to KSEK 48,560 (38,076) at the end of the period with a quick ratio of 135.2 (130.3) percent. Net debt/equity ratio amounted to 1.4 (13.1) percent. At the end of the quarter, OrganoWood AB utilized KSEK 8,585 (6,322) of a total bank overdraft facility of KSEK 15,000 (10,000). The bank overdraft facility changes depending on the requirement for the season. The Group's financial position strengthened by means of a new share issue carried out during the second quarter, which raised KSEK 66,996 in proceeds after issuance expenses.

PARENT COMPANY

Profit/loss July–September

The parent company's revenue for the third quarter amounted to KSEK 7,569 (6,362) after increased internal sales and higher sales of OrganoTex® products in particular. Gross profit deteriorated, the sales growth notwithstanding, to KSEK -3,118 (-2,235) due to a reduced gross margin following changes in the product mix, higher raw material prices, and increased production costs for personnel and premises. Growth investments pushed up the fixed costs of sales and R&D. Operating profit/loss, EBIT, amounted to KSEK -8,921 (-6,913) and EBITDA to KSEK -7,423 (-5,579). Profit/loss for the period amounted to KSEK -8,822 (-6,857).

Profit/loss January–September

Cumulative revenue amounted to KSEK 31,499 (24,893) due to increased internal sales and increased sales of OrganoTex® products and binders for nonwoven. Lower gross margins after changes in the product mix and higher raw material prices, in combination with increased fixed costs for production attributable to new premises and additional staff to counter the impact of a delayed filling line, resulted in a deterioration of the gross profit to KSEK -6,992 (-3,877). Fixed costs of sales and R&D increased as a result of the Group's growth efforts, which caused operating profit/loss, EBIT, to deteriorate further to KSEK -25,368 (-18,151), EBITDA to KSEK -21,054 (-14,176), and the loss for the period to KSEK -25,152 (-17,967).

Financial position and cash flow

Cash and cash equivalents in the parent company amounted to KSEK 44,048 (34,382) and equity to KSEK 129,882 (95,906) at the end of the period. During the second quarter, a new share issue was carried out, which strengthened the financial position of the parent company by KSEK 66,996 after issuance expenses. During the year, the parent company invested KSEK -3,705 (-4,498) in intangible fixed assets in the form of development projects and patents and KSEK -4,791 (-2,906) in tangible fixed assets, mainly in the form of a pilot machine for nonwoven and the construction of a new production line for binders.

OTHER INFORMATION

SIGNIFICANT EVENTS DURING 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.
- Duni group announced the upcoming launch of fossil free premium napkins using OrganoClick's binders.
- OrganoWood AB signed a five-year distribution agreement with Bergs timber UK regarding distribution of OrganoWood® timber in the British market.
- XXL Sweden became new reseller for OrganoTex® textile impregnation and shoe care products.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- OrganoWood launched Silicium HT, a completely new generation of wood that is sustainable and eco-labeled.
- OrganoClick's biobased binders in a new nonwoven application for hygienic wipes.

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 years 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 53 (42). Of these, 36 (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, 19 (16) were women and 34 (26) 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 second 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 September 30 was 4,750 (2,085) and the closing price of the share on September 30 was 8.90 (6.48), giving a market capitalization of SEK 872 (597) million.

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

Name	No. of shares	Share of votes and capital %
Mårten Hellberg with company	7,401,169	7.56
Beijer Ventures AB	7,107,180	7.26
Handelsbanken fonder	7,055,641	7.20
Mediuminvest AS	5,595,831	5.71
Anders Wall Foundations	5,090,227	5.20
Enter fonder	3,878,000	3.96
Länsförsäkringar fondförvaltning AB	3,859,896	3.94
CS (CH) CLIENT OMNIBUS ACC Credit Suisse (Switzerland) Ltd	3,723,300	3.80
Fjärde AP Fonden	3,190 000	3.26
CBLDN-EQ NORDIC SMALL CAP FUND	2,953 302	3.02
Subtotal	49,854,546	50.90
Other shareholders	48,095,454	49.10
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–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	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Net sales	1.2	22,635	19,946	92,113	78,258	96,458
Cost of goods sold		-20,592	-16,584	-74,994	-59,807	-76,260
Gross profit		2,043	3,362	17,120	18,451	20,198
Selling expenses		-5,717	-4,896	-20,821	-15,559	-22,078
Administrative expenses		-2,614	-2,536	-8,131	-7,656	-10,651
Research and development costs		-1,860	-1,168	-5,592	-3,788	-5,451
Other operating income	3	199	491	999	1,308	1,681
Other operating expenses	3	-155	-245	-337	-601	-799
Operating profit/loss		-8,105	-4,992	-16,763	-7,846	-17,100
Financial income		28	24	47	82	103
Financial expenses		-763	-574	-2,031	-1,880	-2,534
Net financial items		-735	-550	-1,984	-1,798	-2,431
Profit/loss before tax		-8,840	-5,542	-18,747	-9,644	-19,531
Income tax	4	67	-34	-107	-106	10
Profit/loss for the period		-8,773	-5,576	-18,854	-9,751	-19,520
Profit/loss for the period attributable to:						
Shareholders' of Parent Company		-9,686	-6,638	-22,401	-13,799	-23,646
Non-controlling interests		913	1,062	3,547	4,048	4,126
Earnings per share before and after dilution SEK ¹		-0.10	-0.07	-0.24	-0.15	-0.26
Average number of shares before and after dilution ¹		97,950,000	92,477,335	95,163,551	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	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Profit/loss for the period	-8,773	-5,576	-18,854	-9,751	-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	0	1	2	-5	-7
Other comprehensive income for the period, net after tax	0	1	2	-5	-7
Comprehensive income for the period	-8,773	-5,575	-18,853	-9,756	-19,527
Comprehensive income for the period attributable to:					
Shareholders' of Parent Company	-9,686	-6,637	-22,400	-13,802	-23,650
Non-controlling interests	913	1,062	3,548	4,046	4,123

CONSOLIDATED STATEMENT OF FINANCIAL POSITION IN SUMMARY

SEK 000s	Note	30 Sep 2021	30 Sep 2020	31 Dec 2020
ASSETS				
Non-current assets				
<i>Intangible fixed assets</i>				
Capitalized development expenditures		17,809	14,187	15,532
Patents, trademarks		8,411	6,868	7,298
Licences		370	330	359
Goodwill		16,794	16,794	16,794
		43,384	38,179	39,984
<i>Property, plant and equipment</i>				
Buildings		23,888	21,473	20,510
Improvement expense of other property		429	281	265
Machinery		23,113	20,508	13,640
Equipment, tools, fixtures and fittings		5,827	5,100	5,941
Ongoing new facilities		1,162	2,173	9,519
		54,419	49,535	49,875
<i>Other non-current assets</i>				
Other non-current receivables		3,143	3,152	3,153
Deferred tax assets	4	979	715	869
Total non-current assets		101,926	91,582	93,881
Current assets				
Inventories		25,884	12,587	14,331
Trade receivables		14,694	12,811	8,979
Income tax receivables		510	422	578
Other receivables		1,256	2,124	1,421
Prepaid expenses and accrued income		1,813	3,244	1,585
Cash and cash equivalents		48,560	38,076	32,028
Total current assets		92,716	69,265	58,922
TOTAL ASSETS		194,642	160,847	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		307,059	243,764	243,764
Reserves		33	33	32
Accumulated loss including profit/loss for the period		-196,218	-166,959	-176,061
Equity attributable to shareholders of Parent Company	5	111,852	77,758	68,655
Non-controlling interests	6	8,056	14,956	14,288
Total equity		119,909	92,715	82,943
LIABILITIES				
Non-current liabilities				
Borrowings from credit institutions		3,556	5,171	4,645
Lease liabilities		20,171	18,131	18,700
Other non-current liabilities		1,000	1,000	1,000
Deferred tax liabilities	4	574	319	356
Total non-current liabilities		25,301	24,622	24,701
Current liabilities				
Liabilities to credit institutions	7	10,106	11,467	7,481
Lease liabilities		7,838	7,342	7,307
Trade payables		12,696	8,450	13,854
Income tax liabilities		-	62	62
Other liabilities		9,859	8,572	6,894
Accrued expenses and deferred income		8,934	7,618	9,560
Total current liabilities		49,432	43,510	45,158
TOTAL EQUITY AND LIABILITIES		194,642	160,847	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	-176,061	68,655	14,288	82,943
Comprehensive income							
Profit/loss for the period	-	-	-	-22,401	-22,401	3,547	-18,854
Transfer listing preference shares	-	-	-	2,495	2,495	-2,495	0
Other comprehensive income							
Translation differences	-	-	1	-	1	1	2
Total comprehensive income	-	-	1	-19,907	-19,906	1,053	-18,853
Shareholder transactions							
New share issue	58	66,938	-	-	66,996	-	66,996
Acquisition of preference shares in OrganoWood AB	-	-3,643	-	-251	-3,893	-7,285	-11,178
Total shareholder transactions	58	63,295	-	-251	63,103	-7,285	55,818
Equity at 30 September 2021	980	307,059	33	-196,218	111,852	8,056	119,909
Equity at 1 January 2020	921	243,764	36	-155,263	89,458	13,012	102,470
Comprehensive income							
Profit/loss for the period	-	-	-	-13,799	-13,799	4,048	-9,751
Transfer listing preference shares	-	-	-	2,102	2,102	-2,102	0
Other comprehensive income							
Translation differences	-	-	-3	-	-3	-2	-5
Total comprehensive income	-	-	-3	-11,697	-11,700	1,944	-9,756
Shareholder transactions							
Total shareholder transactions	-	-	-	-	-	-	-
Equity at 30 September 2020	921	243,764	33	-166,959	77,758	14,956	92,715
Equity at 1 January 2020	921	243,764	36	-155,263	89,458	13,012	102,470
Comprehensive income							
Profit/loss for the period	-	-	-	-23,646	-23,646	4,126	-19,520
Transfer listing preference shares	-	-	-	2,847	2,847	-2,847	0
Other comprehensive income							
Translation differences	-	-	-4	-	-4	-3	-7
Total comprehensive income	-	-	-4	-20,799	-20,803	1,276	-19,527
Shareholder transactions							
Total shareholder transactions	-	-	-	-	-	-	-
Equity at 31 December 2020	921	243,764	32	-176,061	68,655	14,288	82,943

CONSOLIDATED CASH FLOW STATEMENT IN SUMMARY

SEK 000s	Note	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Cash flow from operating activities						
Operating profit/loss		-8,105	-4,992	-16,763	-7,846	-17,100
Adjustment for non-cash items	8	3,920	3,131	11,447	9,434	12,722
Interest received		28	24	47	82	103
Interest paid		-763	-574	-2,031	-1,880	-2,534
Income tax paid		-155	-10	6	32	-123
Cash flow from operating activities before changes in working capital		-5,075	-2,421	-7,295	-178	-6,932
Changes in working capital						
Changes in inventories and work in progress		-3,686	1,964	-11,553	2,533	789
Changes in trade receivables		12,296	11,459	-5,715	-712	3,120
Changes in other operating receivables		1,776	-1,707	-205	-3,734	-1,394
Changes in trade payables		-4,759	-4,841	-1,158	2,462	7,866
Changes in other operating liabilities		-720	-1,058	-3	-139	2,021
Cash flow from changes in working capital		4,906	5,817	-18,633	410	12,403
Cash flow from operating activities		-169	3,396	-25,927	232	5,471
Cash flow from investing activities						
Investments in intangible assets		-1,937	-1,927	-6,051	-5,381	-8,161
Investments in property, plant and equipment		-1,419	-8,787	-5,535	-9,729	-11,237
Cash flow from investing activities		-3,356	-10,714	-11,586	-15,110	-19,398
Cash flow from financing activities						
New share issue		-	-	70,047	-	-
Share issue expenses		-	-	-3,051	-	-
Acquisition of preference shares in OrganoWood AB		-11,178	-	-11,178	-	-
Net change bank overdraft facility		-1,150	-8,447	4,578	-6,631	-8,946
Net change invoice factoring debt		-6,971	-7,022	2,342	-710	-2,607
Depositions		-	-	-	300	300
Borrowings		-	5,313	-	6,313	7,463
Repayment of debt		-	-	-1,770	-	-
Amortization of debt		-2,329	-2,552	-6,923	-7,463	-11,398
Cash flow from financing activities		-21,629	-12,710	54,044	-8,191	-15,189
Cash flow for the period		-25,154	-20,028	16,531	-23,069	-29,115
Cash and cash equivalents at beginning of period		73,714	58,103	32,028	61,150	61,150
Exchange rate differences in cash and cash equivalents		0	1	2	-5	-7
Cash and cash equivalents at end of period		48,560	38,076	48,560	38,076	32,028

KEY FIGURES, THE GROUP

SEK 000s	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Net sales	22,635	19,946	92,113	78,258	96,458
Revenue growth, %	13.5	27.7	17.7	11.0	12.8
Gross profit	2,043	3,362	17,120	18,451	20,198
Gross margin, %	9.0	16.9	18.6	23.6	20.9
EBIT	-8,105	-4,992	-16,763	-7,846	-17,100
EBIT, %	-35.8	-25.0	-18.2	-10.0	-17.7
EBITDA	-4,216	-1,829	-5,341	1,572	-4,457
Profit/loss for the period	-8,773	-5,576	-18,854	-9,751	-19,520
Profit margin, %	-38.8	-28.0	-20.5	-12.5	-20.2
Equity ratio, %	61.6	57.6	61.6	57.6	54.3
Quick ratio, %	135.2	130.3	135.2	130.3	98.7
Net debt/equity ratio,%	1.4	13.1	1.4	13.1	14.9
Return on shareholders' equity, %	neg.	neg.	neg.	neg.	neg.
Return on capital employed,%	neg.	neg.	neg.	neg.	neg.
Average number of employees	50	44	51	43	43
Average number of shares before and after dilution ¹	97,950,000	92,477,335	95,163,551	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	0.23	0.22	0.97	0.85	1.04
Earnings per share before and after dilution SEK ¹	-0.10	-0.07	-0.24	-0.15	-0.26
Shareholders equity per share before and after dilution SEK	1.14	0.84	1.14	0.84	0.75

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	Note	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Net sales		7,569	6,362	31,499	24,893	32,035
Cost of goods sold		-10,687	-8,597	-38,491	-28,770	-37,926
Gross profit		-3,118	-2,235	-6,992	-3,877	-5,892
Selling expenses		-2,257	-1,536	-7,408	-4,590	-6,792
Administrative expenses		-2,043	-1,957	-6,324	-5,824	-8,071
Research and development costs		-1,553	-1,140	-5,183	-3,822	-5,349
Other operating income	3	147	5	704	148	314
Other operating expenses	3	-97	-50	-164	-187	-285
Operating profit/loss		-8,921	-6,913	-25,368	-18,151	-26,073
Interest income and similar items		125	97	279	335	429
Interest expenses and similar items		-25	-40	-63	-151	-191
Net financial items		99	56	216	184	238
Profit/loss before tax		-8,822	-6,857	-25,152	-17,967	-25,835
Income tax		-	-	-	-	-
Profit/loss for the period		-8,822	-6,857	-25,152	-17,967	-25,835

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME IN SUMMARY

SEK 000s	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Profit/loss for the period	-8,822	-6,857	-25,152	-17,967	-25,835
Other comprehensive income for the period:	-	-	-	-	-
Comprehensive income for the period	-8,822	-6,857	-25,152	-17,967	-25,835

PARENT COMPANY BALANCE SHEET IN SUMMARY

SEK 000s	Note	30 Sep 2021	30 Sep 2020	31 Dec 2020
ASSETS				
Non-current assets				
<i>Intangible fixed assets</i>				
Capitalized development expenditures		11,813	10,549	11,000
Patents, trademarks		7,265	6,090	6,411
Licences		286	254	292
		19,363	16,893	17,703
<i>Property, plant and equipment</i>				
Improvement expense of other property		429	281	265
Machinery		11,525	8,283	8,144
Equipment, tools, fixtures and fittings		3,125	2,587	2,825
Ongoing new facilities		1,162	2,173	2,485
		16,241	13,324	13,719
<i>Financial assets</i>				
Shares in group companies		39,788	30,610	30,610
Due from group companies		1,651	1,651	1,651
Other non-current receivables		227	355	323
		41,667	32,616	32,584
Total non-current assets		77,271	62,833	64,007
Current assets				
Raw materials, supplies and finished inventories		11,956	7,189	7,225
		11,956	7,189	7,225
<i>Short-term receivables</i>				
Trade receivables		1,692	551	801
Due from group companies		6,090	1,730	1,533
Income tax receivables		216	214	294
Other receivables		651	848	279
Prepaid expenses and accrued income		2,673	3,866	2,280
		11,322	7,210	5,187
Cash and cash equivalents		44,048	34,382	28,427
Total current assets		67,326	48,781	40,840
TOTAL ASSETS		144,597	111,614	104,846

PARENT COMPANY BALANCE SHEET IN SUMMARY (cont.)

SEK 000s	Note	30 Sep 2021	30 Sep 2020	31 Dec 2020
EQUITY AND LIABILITIES				
Restricted equity				
Share capital		980	921	921
Fund for development expenditures		7,162	5,919	6,348
Total restricted equity		8,141	6,840	7,269
Non-restricted equity				
Share premium reserve		310,701	243,764	243,764
Retained earnings		-163,809	-136,731	-137,160
Profit/loss for the period		-25,152	-17,967	-25,835
Total non-restricted equity		121,740	89,066	80,769
Total equity		129,882	95,906	88,038
LIABILITIES				
Non-current liabilities				
Liabilities to credit institutions		-	435	-
Liabilities to group companies		4,710	4,710	4,710
Total non-current liabilities		4,710	5,145	4,710
Current liabilities				
Liabilities to credit institutions		-	1,780	1,770
Trade payables		3,984	4,341	3,938
Other short-term liabilities		1,302	695	696
Accrued expenses and deferred income		4,720	3,747	5,694
Total current liabilities		10,006	10,564	12,099
TOTAL EQUITY AND LIABILITIES		144,597	111,614	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.

In addition, the accounting principle for preference shares has been changed. The Group allocates profits between the shareholders of the parent company and non-controlling interests holding preference shares. As of September 30, 2021, a transfer is carried out within equity, a transaction with non-controlling interests, when the value adjustment of the preference shares results in negative equity for the holders of ordinary shares. This transfer is carried out because the holders of preference shares are not able to benefit beyond what the equity amounts to. This entails that all profit/loss that was allocated to non-controlling interests holding preference shares during the period between 2014 and 2021 has been transferred retroactively, as the value adjustment of the preference shares has resulted in negative equity for holders of ordinary shares. In equity, equity attributable to shareholders of parent company has thus increased and non-controlling interests has decreased, compared with previous 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	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Functional wood	14,295	12,953	55,166	48,633	60,562
Green coatings & maintenance products	7,440	6,616	32,649	27,329	32,797
Biocomposites	581	348	2,241	1,601	2,129
Nonwoven & technical textile	164	27	1,530	565	839
Other	156	0	527	130	130
Total	22,635	19,946	92,113	78,258	96,458

Net sales per geographic market

Sweden	18,560	16,838	74,955	64,577	79,748
Other Nordics	1,289	1,974	8,195	9,517	11,591
The rest of Europe	2,707	936	8,271	3,612	4,447
Asia	67	198	173	535	638
North America	10	-	521	16	35
Total	22,635	19,946	92,113	78,258	96,458

Net sales by revenue type

Products	22,528	19,946	91,586	78,128	96,328
Equipment and services	-	-	50	100	100
Services	106	-	477	30	30
Total	22,635	19,946	92,113	78,258	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	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Exchange gains on receivables/payables of an operating nature	45	248	125	384	454
Commission income	16	99	182	337	447
Rental income	-	101	-	371	371
Government grants received for R&D	134	-	680	134	283
Profits, disposal/sale of property, plant and equipment	4	43	12	82	126
	199	491	999	1,308	1,681
Exchange losses on receivables/payables of an operating nature	-121	-237	-300	-506	-597
Losses, disposal/sale of property, plant and equipment	-35	-8	-37	-95	-201
Total	-155	-245	-337	-601	-799

Parent Company

Exchange gains on receivables/payables of an operating nature	12	5	24	15	31
Government grants received for R&D	134	-	680	134	283
	147	5	704	148	314
Exchange losses on receivables/payables of an operating nature	-97	-50	-164	-99	-134
Losses, disposal/sale of property, plant and equipment	-	-	-	-87	-151
Total	-97	-50	-164	-187	-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 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 September 2021, the redemption value per preference share is SEK 241.1 (215.3). 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.

During the third quarter, OrganoClick together with another holder of common shares in OrganoWood AB, launched 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. As a result, OrganoClick acquired 70,350 preference shares and a further 2,500 at a later date. Following the transactions, OrganoClick thus owns 72,850 preference shares, corresponding to 36.43%. Other preference shares are owned by another holder of common shares in OrganoWood AB (23.45%) and 29 preference shareholders (40.12%).

NOTE 7 CURRENT LIABILITIES TO CREDIT INSTITUTIONS

Group	Sep 30 2021	Sep 30 2020	Dec 31 2020
Short-term portion of non-current liabilities to credit institutions	1,521	5,144	3,474
Bank overdraft facility	8,585	6,322	4,007
Total	10,106	11,467	7,481

NOTE 8 ADJUSTMENT FOR NON-CASH ITEMS

Group	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Depreciation/amortization of intangible fixed assets	918	875	2,647	2,537	3,498
Depreciation/amortization of property, plant and equipment	2,971	2,248	8,775	6,841	9,092
Impairment intangible fixed assets	-	39	-	39	54
Disposal of property, plant and equipment	31	-33	25	16	78
Total	3,920	3,131	11,447	9,434	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	Sep 30 2021	Sep 30 2020	Dec 31 2020
Guarantee liability for debts in group companies	8,700	6,564	8,700
Floating charges	19,000	31,126	19,000
Total	27,700	37,690	27,700
Parent Company			
Guarantee liability for debts in group companies	8,700	6,564	8,700
Floating charges	-	9,000	-
Total	8,700	15,564	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 year, SEK 21,868 (19,402) 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 232 (253) thousand. In addition to guarantee liabilities, see Note 10, OrganoClick has outstanding interest-bearing loans to OrganoWood of SEK 5,650 (1,650) thousand. Invoicing of SEK 500 (750) 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 131 (146) 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 17,809 (14,187) thousand, patents SEK 7,241 (6,211) thousand and trademarks SEK 1,170 (656) 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 25,884 (12,587) 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 29,364 (29,366) 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 and 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	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Gross margin, %					
Gross profit	2,043	3,362	17,120	18,451	20,198
Net sales	22,635	19,946	92,113	78,258	96,458
Gross margin, %	9.0	16.9	18.6	23.6	20.9
Gross margin after variable costs, %					
Net sales	22,635	19,946	92,113	78,258	96,458
Cost of goods sold, variable costs	-14,691	-11,864	-56,406	-45,393	-56,156
Gross profit after variable costs	7,944	8,081	35,707	32,865	40,302
Gross margin after variable costs, %	35.1	40.5	38.8	42.0	41.8
EBIT, %					
Operating profit/loss	-8,105	-4,992	-16,763	-7,846	-17,100
Net sales	22,635	19,946	92,113	78,258	96,458
EBIT, %	-35.8	-25.0	-18.2	-10.0	-17.7
EBITDA					
Operating profit/loss	-8,105	-4,992	-16,763	-7,846	-17,100
Plus: Depreciation	3,889	3,163	11,422	9,418	12,643
EBITDA	-4,216	-1,829	-5,341	1,572	-4,457
Profit margin, %					
Profit/loss for the period	-8,773	-5,576	-18,854	-9,751	-19,520
Net sales	22,635	19,946	92,113	78,258	96,458
Profit margin, %	-38.8	-28.0	-20.5	-12.5	-20.2
Net sales, change					
Net sales	22,635	19,946	92,113	78,258	96,458
Net sales corresponding period prior year	19,946	15,622	78,258	70,480	85,480
Net sales, change	2,689	4,323	13,855	7,778	10,978
Revenue growth, organic, %	13.5	27.7	17.7	11.0	12.8
Equity ratio, %					
Equity	119,909	92,715	119,909	92,715	82,943
Total assets	194,642	160,847	194,642	160,847	152,802
Equity ratio, %	61.6	57.6	61.6	57.6	54.3
Quick ratio, %					
Current assets, excluding inventories	66,832	56,678	66,832	56,678	44,590
Current liabilities	49,432	43,510	49,432	43,510	45,158
Quick ratio, %	135.2	130.3	135.2	130.3	98.7

SEK 000s	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Jan-Dec 2020
Net debt/equity ratio, %					
Interest-bearing liabilities	50,241	50,237	50,241	50,237	44,361
Less: Cash and cash equivalents	-48,560	-38,076	-48,560	-38,076	-32,028
Net debt	1,681	12,161	1,681	12,161	12,334
Equity	119,909	92,715	119,909	92,715	82,943
Net debt/equity ratio, %	1.4	13.1	1.4	13.1	14.9
Return on equity, %					
Equity	119,909	92,715	119,909	92,715	82,943
Equity corresponding period last year	92,715	111,890	92,715	111,890	102,470
Average equity	106,312	102,302	106,312	102,303	92,707
Profit/loss for the period	-8,773	-5,576	-18,854	-9,751	-19,520
Average equity	106,312	102,302	106,312	102,303	92,707
Return on equity, %	-8.3	-5.5	-17.7	-9.5	-21.1
Capital employed					
Total assets	194,642	160,847	194,642	160,847	152,802
Less: Deferred tax liabilities	-574	-319	-574	-319	-356
Less: Other current liabilities	-23,919	-17,515	-23,919	-17,515	-25,079
Capital employed	170,149	143,013	170,149	143,013	127,367
Capital employed corresponding period last year	143,013	185,241	143,013	185,241	157,722
Average capital employed	156,581	164,127	156,581	164,127	142,544
Return on capital employed, %					
Operating profit/loss	-8,105	-4,992	-16,763	-7,846	-17,100
Plus: Financial income	28	24	47	82	103
Operating profit/loss plus financial income	-8,077	-4,968	-16,716	-7,764	-16,997
Average capital employed	156,581	164,127	156,581	164,127	142,544
Return on capital employed, %	-5.2	-3.0	-10.7	-4.7	-11.9
Turnover per share before and after dilution SEK					
Net sales	22,635	19,946	92,113	78,258	96,458
Average number of shares before and after dilution ¹	97,950,000	92,477,335	95,163,551	92,477,335	92,477,335
Turnover per share before and after dilution SEK	0.23	0.22	0.97	0.85	1.04
Shareholders equity per share before and after dilution SEK					
Equity attributable to shareholders ' of parent company	111,852	77,758	111,852	77,758	68,655
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	1.14	0.84	1.14	0.84	0.75

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

Stockholm, 16 November 2021

Jan Johansson
Chairman of the Board

Claes-Göran Beckeman
Board member

Charlotte Karlberg
Board member

Malin Bugge
Board member

Håkan Gustavson
Board member

Mårten Hellberg
CEO

AUDITOR'S REPORT

OrganoClick AB (publ), reg. no. 556704-6908

INTRODUCTION

We have reviewed the condensed interim financial information (interim report) of OrganoClick AB (publ) as of 30 September 2021 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm 16 November 2021

PricewaterhouseCoopers AB

Sebastian Ionescu

Authorized Public Accountant



OrganoClick®

MORE INFORMATION

QUESTIONS

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