

INTERIM REPORT JANUARY – DECEMBER 2023

We are working to replace plastics and fossil chemicals with biobased and biodegradable solutions.



OCTOBER TO DECEMBER

- Net sales SEK 27,909 (21,631) thousand.
- Revenue growth 29.0 (20.5) percent.
- EBIT SEK -6,130 (-19,677) thousand.
- Cash flow from operating activities SEK 6,658 (110) thousand.
- Earnings per share before and after dilution SEK -0.08 (-0.21).

JANUARY TO DECEMBER

- Net sales SEK 145,871 (115,047) thousand.
- Revenue growth 26.8 (4.5) percent.
- EBIT SEK -9,230 (-38,509) thousand.
- Cash flow from operating activities SEK 533 (-21,223) thousand.
- Earnings per share before and after dilution SEK -0.16 (-0.45).
- The Board of Directors proposes to the Annual General Meeting that no dividend be paid for the financial year 2023.

Financial overview, SEK 000s	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022 ¹
Net sales	27,909	21,631	145,871	115,047
Revenue growth, %	29.0	20.5	26.8	4.5
Gross margin, %	18.4	-21.9	24.3	11.2
EBIT	-6,130	-19,677	-9,230	-38,509
Cash flow from operating activities	6,658	110	533	-21,223

1. Gross profit and operating profit/loss, EBIT, were charged with non-recurring restructuring costs of SEK 5.3 million and SEK 10.0 million, respectively.



In 2023, our new wood protection technology OrganoWood Nowa was launched with a very positive reception both in Sweden and in our export markets. The beautiful house in the picture is located in Kopparnäs, Finland (pictures & design: COLLABORATORIO). Front page Lapland View Lodge, Övertorneå.

A word from the CEO

During the last quarter of the year, sales remained strong with growth across all business units. Overall, sales grew by 29 percent to MSEK 27.9 (21.6). Our operating profit/loss improved to MSEK -6.1 (-19.7) thanks to the increasing sales and lower costs. Cash flow from operating activities strengthened significantly to MSEK 6.7 (0.1).

The Nonwoven & fiber technologies business unit showed continued healthy growth of 44.5 percent, to MSEK 9.0 (6.2). Growth was driven by increased supplies to both existing and new customers. Our portfolio of customer projects remain strong and we have a couple of projects which are near product launches.

The Green coatings & maintenance products business unit performed very well during the quarter, with a sales growth of 58.6 percent and sales totaling MSEK 7.2 (4.5). The OrganoTex and BIOkleen brands showed solid growth, as did our car care products. The quarter saw strong customer growth, with several new customers gained for both OrganoTex and BIOkleen and the start to 2024 has been strong.

Fortunately, the declining sales in the Functional wood business unit reversed to positive growth of 7.8 percent, with sales totaling MSEK 11.7 (10.9). Increased sales to our most important export markets Germany and Finland contributed, as did a more stable sales development in Sweden.

In conclusion, 2023 was a very strong year for us. We grew sales by 26.8 percent to MSEK 145.9 (115.0) and improved our operating profit/loss to MSEK -9.2 (-38.5). Cash flow from operating

activities turned positive for the year as a whole, amounting to MSEK 0.5 (-21.2). In addition, we have increased the biobased content of our products from 80 percent to 93 percent.

During the first quarter 2024, we will come up against strong sales figures from the first quarter 2023. This applies in particular to the Nonwoven & fiber technologies business unit, which experienced very strong sales, partly on account of stock build-up among our customers. We have however gained many new customers within several product areas. We now look forward to a green 2024, in which even greater volumes of fossil chemicals and plastics will be replaced by our biobased products!



Sincerely

A handwritten signature in blue ink that reads "Mårten Hellberg". The signature is fluid and cursive.

Mårten Hellberg
VD, OrganoClick AB

“In conclusion, 2023 was a very strong year for us. We grew sales by 26.8 percent ...”

Business overview

Unimaginable 11 million tonnes of plastic and hundreds of thousands tonnes of toxic chemicals are released into the world's oceans and nature every year. That is one of the biggest environmental challenges of our time and a problem that we at OrganoClick want to play a role in solving. With our green chemical innovations, we are replacing hidden plastics and fossil chemicals in cellulose-based materials with biobased and biodegradable alternatives. We call it Made Green Inside by OrganoClick.

OrganoClick AB (publ) is a Swedish green-tech company that develops and markets green chemical products and material technologies. The company was founded in 2006 as a spin-off from Stockholm University and the Swedish University of Agricultural Science, based on biomimetic research into natural chemical processes.

OrganoClick has won a number of awards, including the WWF "Climate Solver" award, and has been ranked among the 50 fastest-growing technology companies in Sweden and recognized by Affärsvärlden and NyTeknik in their listing 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 centre in Täby, north of Stockholm. In 2022, net sales amounted to MSEK 115 with about 50 employees.

NOBEL PRIZE WINNING CHEMISTRY

OrganoClick's core technology was developed with inspiration from nature's own chemistry.

By attaching organic molecules to the surface of cellulose fibers in materials such as wood, textile, paper or nonwoven, new features such as flame retardance, rot protection, water resistance and changed mechanical properties can be achieved.

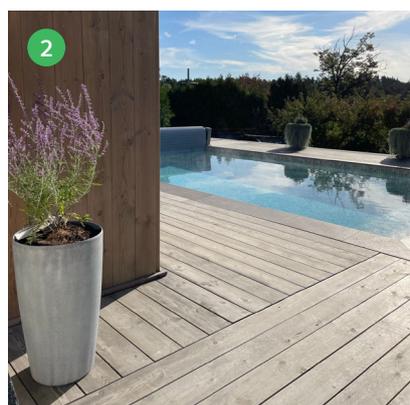
Our name is composed of the words "Organo" for organocatalysis and "Click" for click-chemistry. The discovery of organocatalysis was awarded the Nobel Prize in Chemistry 2021, and the discovery of click-chemistry was awarded the Nobel Prize in Chemistry 2022.

We are very proud that OrganoClick in 2006 was one of the first companies in the world to begin developing products based on these groundbreaking green chemical technologies.



DURING THE QUARTER

- ① Our brand OrganoTex presented its new biobased and biodegradable textile impregnations at the world's largest sports and outdoor trade fair ISPO in Munich.
- ② Several new projects have been completed with our new wood protection technology OrganoWood Nowa.
- ③ Our R&D Director Maria Wennman defended and presented her doctoral thesis with the title "Biobased and biodegradable binders for paper and nonwoven" performed in a collaboration with KTH.



THE FUTURE LOOKS GREEN. IT HAS TO!

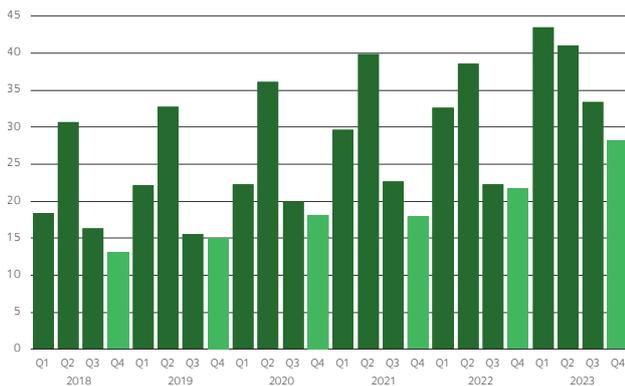
The Group has made steady progress since the first product was launched in 2012. Over the past five years, the Group's net sales have grown from MSEK 75 in 2017 to MSEK 115 in 2022. In the last year, the Group has expanded its factory in Täby to a doubled production capacity of more than 20,000 tonnes per year.

Our goal is to continue to grow organically at a rapid pace and continue to improve our cash flow—and in the process, build a sustainable business while we simultaneously replace thousands of tonnes of plastic and fossil chemicals with biobased solutions.



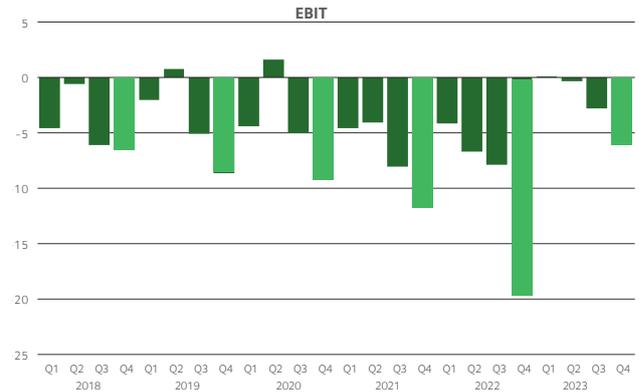
Net sales by quarter, MSEK

Historically, the Group has been characterized by seasonal variations with higher sales in Q2, followed by Q1, while Q3 and Q4 have been weaker.



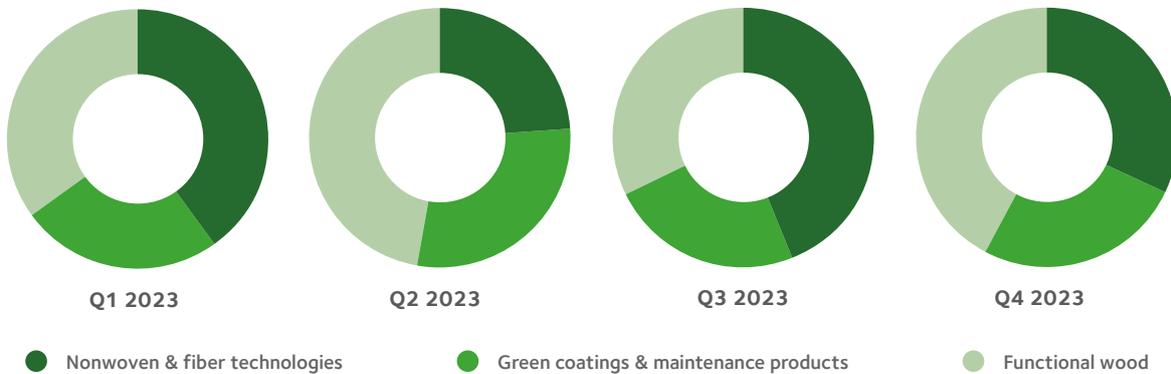
Operating profit/loss, EBIT, by quarter, MSEK

Historically, operating profit/loss has mainly been negative, following seasonal variations. With increased sales and a reduced cost base, operating profit/loss has improved significantly in 2023. Q4 2022 was impacted by non-recurring restructuring costs of SEK 10 million.



Net sales/business unit

During the past twelve months, a shift has taken place in the business, where the Nonwoven & fiber technologies business unit has experienced strong growth. The business units Green coatings and maintenance products and Functional wood are characterized by seasonal variations, with Q2 normally being the strongest quarter, followed by Q1.



Net sales SEK

27.9 MSEK

Sales growth

29%

EBIT SEK

-6.1 MSEK

Comments on the financial development

THE GROUP

Profit/Loss October–December

Revenue for the fourth quarter amounted to KSEK 27,909 (21,631), corresponding to a growth of 29.0 (20.5) percent, with growth across all business units. Revenue in the business unit Nonwoven & fiber technologies grew by 44.5 (288.8) percent to KSEK 9,006 (6,233), and revenue in the business unit Green coatings & maintenance products grew by 58.6 (-21.3) percent to KSEK 7,183 (4,528), mainly driven by OrganoTex. For the Functional woods business unit, the fourth quarter showed growth over previous quarters and revenue increased by 7.8 (3.1) percent to KSEK 11,720 (10,871).

Gross margin amounted to 18.4 (-21.9) percent, and gross profit amounted to KSEK 5,141 (-4,733). The negative gross margin of last year was due in part to clearance of stock of existing OrganoWood timber in view of the launch of OrganoWood Nowa, in part to an impairment loss on the Group's fiber moulding machine of KSEK -5,251 in connection with restructurings of the operations. Costs of sales decreased as a result of last year's restructuring, and the decrease in research and development costs is also related to the restructuring. During the previous year, these were burdened by impairments totaling KSEK -4,074 for patents and development projects associated with the production of biocomposites. Operating profit/loss, EBIT, amounted to KSEK -6,130 (-19,677), and profit/loss for the period amounted to KSEK -7,658 (-20,421).

Cash flow and investments October–December

Cash flow from operating activities amounted to KSEK 6,658 (110) of which KSEK -3,912 (-6,376) was cash flow from profit and KSEK 10,570 (6,486) was cash flow from working capital. In working capital, liquidity was freed up partly through a reduced tie-up in inventory, but chiefly through a decrease in trade receivables on account of lower sales during the fourth quarter than during the third.

During the quarter, investments of KSEK 2,177 (1,092) and KSEK 978 (892) were made in intangible and tangible fixed assets, respectively. In financing activities, bank overdraft facility utilization increased by KSEK 7,419 (4,746) while factoring loans utilization decreased by KSEK -7,552 (-1,179), attributable to a decrease in trade receivables. Credits of KSEK 583 (530) were raised, loans of KSEK -450 (-3,219) were repaid, and loans and leases of KSEK -2,418 (-3,448) were amortized. Total cash flow amounted to KSEK 1,086 (2,235).

Profit/loss January–December

Revenue for the year grew by 26.8 (4.5) percent and sales amounted to KSEK 145,871 (115,047). Growth was driven by sales in the Nonwoven & fiber technologies business unit. Sharply increasing supplies of binders to both existing and new customers led to a rise in revenue of 332.5 (120.2) percent, to KSEK 51,175 (11,832). The economic downturn and the decline in household

purchasing power notwithstanding, revenue in the Green coatings & maintenance products business unit increased by 10.1 (-10.3) percent to KSEK 37,938 (34,446), with growth attributable to the second half of the year. Revenue in the Functional wood business unit was adversely affected by the economic conditions in the construction sector and decreased by -17.5 (4.7) percent to KSEK 56,758 (68,770).

Gross margin strengthened to 24.3 (11.2) percent and gross profit to KSEK 35,390 (12,934). This was mainly driven by the increased sales, but the product mix and lower fixed production costs after the restructuring carried out at the end of 2022 contributed as well. The restructuring of the previous year then burdened the gross profit with an impairment of KSEK -5,251 of the Group's fiber moulding machine. Sales costs and research and development costs for the year also decreased as a result of the restructuring. During the previous year, research and development costs were burdened by impairment charges totaling KSEK -4,074 for patents and development projects associated with the production of biocomposites. A faulty raw material resulted in the production of defective products, incurring a cost of KSEK -3,080. Insurance compensation covered a large part of the cost and resulted in an income of KSEK 1,989. All in all, the outcome was a one-off net cost of KSEK -1,091. The increase in revenue and the lower cost base resulted in a greatly improved profit/loss, EBIT, of KSEK -9,230 (-38,509). The profit/loss for the year amounted to KSEK -14,157 (-41,621). The previous year's result was burdened by impairments totaling KSEK -9,325.

As the Group reports negative earnings, the effective tax is zero. Unused tax losses increase, and the Group does not capitalize deferred tax on loss carryforwards. 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–December

Cash flow from operating activities for the year amounted to KSEK 533 (-21,223) with positive cash flow from profit, KSEK 713 (-13,282), and slightly negative cash flow from working capital, KSEK -181 (-7,941). The main change in working capital during the year and year-on-year is that liquidity was released from inventories, KSEK 4,836 (-9,133).

During the year, investments of KSEK 6,845 (6,202) were made in intangible assets and of KSEK 1,765 (7,926) in tangible fixed assets in the form of production equipment. In financing activities, the Group increased both its utilization of the bank overdraft facility and its factoring loans, by KSEK 7,242 (7,223) and KSEK 1,778 (5,778) respectively, due to increased trade receivables. New credits of KSEK 6,704 (8,868) were raised, loans of KSEK -2,825 (-3,219) were repaid, and loans and leases of KSEK -9,296 (-10,472) were amortized. The total cash flow for the Group amounted to KSEK -4,474 (-19,046).

Financial position

Cash and cash equivalents in the Group amounted to KSEK 10,737 (15,204) at the end of the year, with a quick ratio of 38.1 (45.6) percent. Net debt/equity ratio amounted to 110.0 (72.9) percent. At the end of the year, KSEK 26,978 (19,737) of bank overdraft facilities totaling KSEK 30,000 (20,000) were utilized. During October, a KSEK 10,000 increase of OrganoClick's bank overdraft facility was granted. After the end of the year, the parent company was granted additional credit facilities of KSEK 10,000.

PARENT COMPANY**Profit/Loss October–December**

Revenue for the fourth quarter amounted to KSEK 15,947 (12,816) after an increase in sales of binders and OrganoTex, and gross profit amounted to KSEK 765 (-5,449). In the previous year, the gross profit was burdened by restructuring costs in the form of a KSEK -4,594 impairment loss on the Group's fiber moulding machine. During the year, the restructuring resulted in lower costs of sales and research and development. During the previous year, research and development costs were burdened by impairment charges of KSEK -4,074 for patents and development projects associated with the production of biocomposites. Operating profit/loss, EBIT, amounted to KSEK -6,535 (-18,102), and profit/loss for the period amounted to KSEK -6,426 (-17,227).

Profit/loss January–December

The parent company's revenue for the year amounted to KSEK 93,881 (44,696), mainly attributable to sharply increased sales of binders but also to an increase in OrganoTex sales and internal sales. The sales growth combined with lower fixed production costs after the restructuring carried out at the end of 2022 strengthened both the gross margin and the gross profit, which amounted to KSEK 13,322 (-10,586). In the previous year, the gross profit was burdened by a KSEK -4,594 impairment loss on the Group's fiber moulding machine. The year's costs of sales and research and development have been lower as a result of the restructuring. During the previous year, research and development costs were burdened by impairment charges of KSEK -4,074 for patents and development projects associated with the Group's production of biocomposites. Faulty raw material resulted in the production of defective products, incurring a cost of KSEK -3,080. This cost was largely covered by the company's insurance, which gave rise to an income of KSEK 1,989. All in all, the outcome was a one-off net cost of KSEK -1,091. Operating profit/loss, EBIT, amounted to KSEK -14,166 (-45,494), and the loss for the year amounted to KSEK -14,521 (-44,245).

Financial position and investments

Cash and cash equivalents in the parent company at year-end amounted to KSEK 4,455 (6,341) and equity to KSEK 63,445 (77,966). During the year, the parent company invested KSEK 5,318 (4,729) in intangible fixed assets in the form of development projects and patents and KSEK 1,726 (7,560) in tangible fixed assets.

Other information

SIGNIFICANT EVENTS DURING THE PERIOD

No significant events during the period.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

No significant events after the end of the period.

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 2022, pages 44-46.

Risks related to the Russian invasion of Ukraine

The Group has no direct exposure to the countries that are parties to the war and is thus not impacted by, for example, the consequences of trade restrictions. Moving forward, the risks identified by the Group are that shortages or energy supply disruptions may occur, which would have a potential impact on the prices on the European energy market. Higher electricity costs would entail higher production costs for the Group as well as a risk of price rises on input materials from our suppliers. The Group further sees a risk that increased fuel prices result in higher freight costs, and that the weakening of the SEK results in more expensive raw material imports. Ultimately, this may lead to price increases for our customers, which may have a negative impact on the Group's sales.

PERSONNEL

At the end of the period, the number of employees in the Group was 46 (46). Of these, 35 (32) were employed in the parent company, 9 (11) employed in the subsidiary OrganoWood AB and 2 (3) employed in the subsidiary Biokleen Miljökemi AB. Of the employees, 16 (17) were women and 30 (29) men.

SHARE INFORMATION

OrganoClick AB's share capital at the beginning of 2023 amounted to SEK 979,500 distributed on 97,950,000 shares. The quota value of all shares is 0.01 and they are equally entitled to share the company's assets and earnings. No change has taken place in the share capital during the year.

OrganoClick AB's share has been listed on Nasdaq First North Growth Market since 2015. The number of shareholders on December 31 was 3,926 (4,296) and the closing price of the share on December 31 was 3.18 (3.00), giving a market capitalization of SEK 311 (294) million.

The largest shareholders as at 31 December 2023¹

Name	No. of shares	Share of votes and capital %
Peter Lindell with company	13,239,107	13.52
Mårten Hellberg with company	7,701,695	7.86
Beijer Ventures AB	7,107,180	7.26
Anders Wall Foundations	5,358,227	5.47
UBS Switzerland AG, W8IMY	3,862,033	3.94
CBLDN-EQ Nordic small cap fund	3,738,722	3.82
Nordnet pensionsförsäkring AB	3,272,049	3.34
Avanza Pension	3,131,865	3.20
Sijotusrahasto Aktia Nordic	3,100,000	3.16
Handelsbanken Microcap Norden	2,389,003	2.44
Subtotal	52,899,881	54.01
Other shareholders	45,050,119	45.99
Total shares	97,950,000	100.00

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

WARRANT PROGRAM

During 2022, a warrant-based incentive scheme was implemented through the issue of 979,500 warrants to senior executives of the company, which corresponds to a dilution of approximately one (1) percent of the number of outstanding shares and votes in the company. Exercise of warrants to subscribe for shares, in accordance with the warrant terms, shall be possible during the period between 12 January 2025 and 12 July 2025, inclusive. The exercise price is SEK 10.23 per share. Each warrant gives the right to acquire one share.

FINANCIAL CALENDAR 2024

2024-04-04	Annual report 2023
2024-04-30	Interim report: January-March
2024-05-15	Annual General Meeting
2024-07-19	Interim report: January-June
2024-11-06	Interim report: January-September
2025-02-13	Year-end report 2024

ANNUAL GENERAL MEETING AND ANNUAL REPORT 2023

The Annual General Meeting of OrganoClick AB is planned to be held on Wednesday, May 15, 2024. The annual report will be available on the Company's website (www.organoclick.com) from 4 April 2024.

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.

This year-end report is a translation from the Swedish original.

Financial information

CONSOLIDATED INCOME STATEMENT

SEK 000s	Note	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Net sales	1.2	27,909	21,631	145,871	115,047
Cost of goods sold		-22,768	-26,364	-110,481	-102,113
Gross profit		5,141	-4,733	35,390	12,934
Selling expenses		-5,651	-7,209	-23,428	-28,842
Administrative expenses		-3,724	-4,170	-13,799	-14,020
Research and development costs		-1,935	-6,224	-6,651	-12,202
Other operating income	3	1,558	3,636	4,952	5,245
Other operating expenses	3	-1,520	-977	-5,694	-1,624
Operating profit/loss		-6,130	-19,677	-9,230	-38,509
Financial income		12	0	103	15
Financial expenses		-1,398	-984	-4,960	-3,226
Net financial items		-1,386	-984	-4,857	-3,211
Profit/loss before tax		-7,517	-20,661	-14,087	-41,720
Income tax		-141	240	-69	99
Profit/loss for the period		-7,658	-20,421	-14,157	-41,621
Profit/loss for the period attributable to:					
Shareholders' of Parent Company		-7,978	-20,574	-15,772	-44,399
Non-controlling interests		320	153	1,615	2,778
Earnings per share before and after dilution SEK ¹		-0.08	-0.21	-0.16	-0.45
Average number of shares before and after dilution ¹		97,950,000	97,950,000	97,950,000	97,950,000

1) There is no dilution effect for the period when the subscription price is higher than the share price.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK 000s	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Profit/loss for the period	-7,658	-20,421	-14,157	-41,621
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	1	7	2
Other comprehensive income for the period, net after tax	1	1	7	2
Comprehensive income for the period	-7,657	-20,420	-14,150	-41,619
Comprehensive income for the period attributable to:				
Shareholders' of Parent Company	-7,978	-20,574	-15,768	-44,398
Non-controlling interests	321	154	1,618	2,779

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEK 000s	Note	31 Dec 2023	31 Dec 2022
ASSETS			
Non-current assets			
<i>Intangible fixed assets</i>			
Capitalized development expenditures		18,634	16,598
Patents, trademarks		6,147	5,399
Licences		140	258
Goodwill		16,794	16,794
		41,715	39,050
<i>Property, plant and equipment</i>			
Buildings		13,074	18,115
Improvement expense of other property		224	335
Machinery		19,624	21,294
Equipment, tools, fixtures and fittings		3,233	3,889
		36,155	43,634
<i>Other non-current assets</i>			
Other non-current receivables		3,140	3,140
Deferred tax assets		847	833
Total non-current assets		81,857	86,657
Current assets			
Inventories		36,688	41,524
Trade receivables		18,022	16,196
Income tax receivables		532	447
Other receivables		376	598
Prepaid expenses and accrued income		2,536	1,974
Cash and cash equivalents		10,737	15,204
Total current assets		68,892	75,943
TOTAL ASSETS		150,749	162,600

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT.)

SEK 000s	Note	31 Dec 2023	31 Dec 2022
EQUITY			
Share capital		980	980
Other contributed capital		307,059	307,059
Reserves		37	33
Accumulated loss including profit/loss for the period		-263,495	-249,295
Equity attributable to shareholders of Parent Company		44,581	58,777
Non-controlling interests	4	8,825	8,779
Total equity		53,407	67,556
LIABILITIES			
Non-current liabilities			
Borrowings from credit institutions		3,018	3,722
Lease liabilities		8,495	14,813
Other non-current liabilities		975	1,000
Deferred tax liabilities		170	86
Total non-current liabilities		12,658	19,622
Current liabilities			
Liabilities to credit institutions		28,258	20,833
Lease liabilities		8,666	9,137
Trade payables		14,559	15,478
Other liabilities		22,981	19,358
Accrued expenses and deferred income		10,220	10,616
Total current liabilities		84,684	75,422
TOTAL EQUITY AND LIABILITIES		150,749	162,600

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 2023	980	307,059	33	-249,295	58,777	8,779	67,556
<i>Comprehensive income</i>							
Profit/loss for the period	-	-	-	-15,772	-15,772	1,615	-14,157
Transfer enumeration preference shares	-	-	-	1,572	1,572	-1,572	0
<i>Other comprehensive income</i>							
Translation differences	-	-	4	-	4	3	7
Total comprehensive income	-	-	4	-14,200	-14,196	46	-14,150
<i>Shareholder transactions</i>							
Total shareholder transactions	-	-	-	-	-	-	-
Equity at 31 December 2023	980	307,059	37	-263,495	44,581	8,825	53,407
Equity at 1 January 2022	980	307,059	32	-207,746	100,325	7,404	107,729
<i>Comprehensive income</i>							
Profit/loss for the period	-	-	-	-44,399	-44,399	2,778	-41,621
Transfer enumeration preference shares	-	-	-	1,403	1,403	-1,403	0
<i>Other comprehensive income</i>							
Translation differences	-	-	1	-	1	1	2
Total comprehensive income	-	-	1	-42,996	-42,995	1,375	-41,619
<i>Shareholder transactions</i>							
Transfer warrants	-	-	-	1,446	1,446	-	1,446
Total shareholder transactions	-	-	-	1,446	1,446	-	1,446
Equity at 31 December 2022	980	307,059	33	-249,295	58,777	8,779	67,556

CONSOLIDATED CASH FLOW STATEMENT

SEK 000s	Note	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Cash flow from operating activities					
Operating profit/loss		-6,130	-19,677	-9,230	-38,509
Adjustment for non-cash items ¹	5	3,676	14,363	14,886	28,316
Interest received		12	0	103	15
Interest paid		-1,398	-984	-4,960	-3,226
Income tax paid		-71	-77	-85	122
Cash flow from operating activities before changes in working capital		-3,912	-6,376	713	-13,282
Changes in working capital					
Changes in inventories and work in progress		826	-5,862	4,836	-9,133
Changes in trade receivables		9,787	3,233	-1,826	-4,214
Changes in other operating receivables		1,328	648	-425	624
Changes in trade payables		247	3,970	-918	2,113
Changes in other operating liabilities		-1,619	4,497	-1,848	2,670
Cash flow from changes in working capital		10,570	6,486	-181	-7,941
Cash flow from operating activities		6,658	110	533	-21,223
Cash flow from investing activities					
Investments in intangible assets		-2,177	-1,092	-6,845	-6,202
Investments in property, plant and equipment		-978	-892	-1,765	-7,926
Sale of property, plant and equipment ¹		-	6,680	-	6,680
Cash flow from investing activities		-3,155	4,695	-8,610	-7,448
Cash flow from financing activities					
Transfer warrants		-	-	-	1,446
Net change bank overdraft facility		7,419	4,746	7,242	7,223
Net change invoice factoring debt		-7,552	-1,179	1,778	5,778
Borrowings		583	530	6,704	8,868
Repayment of debt		-450	-3,219	-2,825	-3,219
Amortization of debt		-2,418	-3,448	-9,296	-10,472
Cash flow from financing activities		-2,418	-2,570	3,603	9,625
Cash flow for the period		1,086	2,235	-4,474	-19,046
Cash and cash equivalents at beginning of period		9,650	12,968	15,204	34,248
Exchange rate differences in cash and cash equivalents		1	1	7	2
Cash and cash equivalents at end of period		10,737	15,204	10,737	15,204

1) A reclassification has been made against the reported cash flow in the Year-end report 2022. From Adjustment for non-cash items/Cash flow from operating activities, SEK 6,680 thousand has been reclassified as the item Sales of property, plant and equipment/Cash flow from investing activities.

KEY FIGURES, THE GROUP

SEK 000s	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Net sales	27,909	21,631	145,871	115,047
Revenue growth, %	29.0	20.5	26.8	4.5
Gross profit	5,141	-4,733	35,390	12,934 ¹
Gross margin, %	18.4	-21.9	24.3	11.2
Operating profit/loss, EBIT	-6,130	-19,677	-9,230	-38,509 ²
Operating margin, EBIT, %	-22.0	-91.0	-6.3	-33.5
EBITDA	-2,257	-6,038	5,850	-11,882
Profit/loss for the period	-7,658	-20,421	-14,157	-41,621 ³
Profit margin, %	-27.4	-94.4	-9.7	-36.2
Equity ratio, %	35.4	41.5	35.4	41.5
Quick ratio, %	38.1	45.6	38.1	45.6
Net debt/equity ratio,%	110.0	72.9	110.0	72.9
Average number of employees	41	47	42	49
Average number of shares before and after dilution ⁴	97,950,000	97,950,000	97,950,000	97,950,000
Number of shares issued at end of period	97,950,000	97,950,000	97,950,000	97,950,000
Earnings per share before and after dilution SEK ⁴	-0.08	-0.21	-0.16	-0.45

1) SEK 18,2 million excluding non-recurring costs of SEK 5,3 million.

2) SEK -28,5 million excluding non-recurring costs of SEK 10.0 million.

3) SEK -31,6 million excluding non-recurring costs of SEK 10.0 million.

4) There is no dilution effect for the period when the subscription price is higher than the share price.

PARENT COMPANY INCOME STATEMENT

SEK 000s	Note	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Net sales	2	15,947	12,816	93,881	44,696
Cost of goods sold		-15,182	-18,265	-80,559	-55,281
Gross profit		765	-5,449	13,322	-10,586
Selling expenses		-2,831	-3,810	-10,606	-13,897
Administrative expenses		-3,036	-3,011	-10,994	-10,754
Research and development costs		-1,371	-5,980	-4,768	-10,950
Other operating income		1,165	514	3,821	1,230
Other operating expenses		-1,227	-365	-4,939	-538
Operating profit/loss		-6,535	-18,102	-14,166	-45,494
Interest income and similar items		-58	113	425	550
Interest expenses and similar items		-620	-177	-1,567	-240
Net financial items		-677	-64	-1,142	310
Profit/loss before tax		-7,212	-18,166	-15,308	-45,184
Appropriations		787	939	787	939
Income tax		-	-	-	-
Profit/loss for the period		-6,426	-17,227	-14,521	-44,245

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

SEK 000s	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Profit/loss for the period	-6,426	-17,227	-14,521	-44,245
Other comprehensive income for the period	-	-	-	-
Other comprehensive income for the period	-6,426	-17,227	-14,521	-44,245

PARENT COMPANY BALANCE SHEET

SEK 000s	Note	31 Dec 2023	31 Dec 2022
ASSETS			
Non-current assets			
<i>Intangible fixed assets</i>			
Capitalized development expenditures		13,446	11,224
Patents, trademarks		5,541	4,615
Licences		137	238
		19,123	16,077
<i>Property, plant and equipment</i>			
Improvement expense of other property		224	335
Machinery		13,116	13,691
Equipment, tools, fixtures and fittings		2,007	2,242
		15,346	16,268
<i>Financial assets</i>			
Shares in group companies		35,878	37,788
Due from group companies		1,651	1,651
Other non-current receivables		838	1,175
		38,367	40,614
Total non-current assets		72,837	72,960
Current assets			
Raw materials, supplies and finished inventories		24,280	23,492
		24,280	23,492
<i>Short-term receivables</i>			
Trade receivables		7,434	7,981
Due from group companies		131	7,324
Income tax receivables		326	172
Other receivables		311	418
Prepaid expenses and accrued income		3,707	3,366
		11,908	19,261
Cash and cash equivalents		4,455	6,341
Total current assets		40,644	49,093
TOTAL ASSETS		113,481	122,053

PARENT COMPANY BALANCE SHEET (CONT.)

SEK 000s	Note	31 Dec 2023	31 Dec 2022
EQUITY AND LIABILITIES			
Restricted equity			
Share capital		980	980
Fund for development expenditures		8,794	6,573
Total restricted equity		9,774	7,552
Non-restricted equity			
Share premium reserve		310,701	310,701
Retained earnings		-242,510	-196,043
Profit/loss for the period		-14,521	-44,245
Total non-restricted equity		53,671	70,413
Total equity		63,445	77,966
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions		3,018	3,722
Liabilities to group companies		4,710	4,710
Total non-current liabilities		7,728	8,432
Current liabilities			
Liabilities to credit institutions		13,317	5,994
Trade payables		13,092	12,415
Liabilities to group companies		1,718	3,415
Other short-term liabilities		7,673	7,689
Accrued expenses and deferred income		6,508	6,142
Total current liabilities		42,308	35,655
TOTAL EQUITY AND LIABILITIES		113,481	122,053

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 calculation methods have been applied in the interim report as in the annual report 2022.

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 & 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 from 2023 done for the three business units Nonwoven & fiber technologies, Green coatings & maintenance products and Functional wood. 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	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Net sales per business unit				
Nonwoven & fiber technologies	9,006	6,233	51,175	11,832
Green coatings & maintenance products	7,183	4,528	37,938	34,446
Functional wood	11,720	10,871	56,758	68,770
Total	27,909	21,631	145,871	115,047

Net sales per geographic market

Sweden	23,985	19,434	121,809	91,223
Other Nordics	1,480	1,027	10,558	11,805
The rest of Europe	2,265	984	12,492	10,897
Asia	170	87	745	892
North America	9	100	267	231
Total	27,909	21,631	145,871	115,047

Net sales consist of sales of products within the Group's various business units.

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 Green coatings & maintenance products and Functional wood 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 has historically meant that the strongest sales quarter has normally been the second quarter, followed by the first while the third and the fourth quarters have been weaker.

NOTE 3 OTHER OPERATING INCOME AND OTHER OPERATING EXPENSES

Group	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Exchange gains on receivables/payables of an operating nature	397	312	1,637	1,235
Commission income	-	-	-	77
Government grants received for R&D	96	467	223	1,048
Profits, disposal/sale of property, plant and equipment	-	2,820	-	2,834
Insurance compensation	754	-	2,743	-
Other operating income	311	36	350	51
Total	1,558	3,636	4,952	5,245

Exchange losses on receivables/payables of an operating nature	-752	-604	-1,839	-1,226
Losses, disposal/sale of property, plant and equipment	-14	-373	-20	-398
Other product costs	-754	-	-3,834	-
Total	-1,520	-977	-5,694	-1,624

NOTE 4 ORGANOWOOD AB'S PREFERENCE SHARES

In the subsidiary OrganoWood AB there are two types of shares, ordinary shares and 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 SEK 20,000 thousand. The terms of the preference shares are established in OrganoWood AB's Articles of Association. As of the balance sheet date, OrganoClick owned 36.4% of the preference shares, other ordinary shareholder in OrganoWood AB 27.0% and the remaining 36.6% was owned by 26 preference shareholders.

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 31 December 2023, the redemption value per preference share was SEK 311.1 (277.8).

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 17 May 2023, 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 8 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 2022, page 72.

NOTE 5 ADJUSTMENT FOR NON-CASH ITEMS

Group	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Impairment intangible fixed assets	-	4,074	-	4,074
Depreciation/amortization of intangible fixed assets	1,187	1,176	4,166	4,911
Disposal of intangible fixed assets	-	353	-	1,293
Impairment property, plant and equipment	-	5,251	-	5,251
Depreciation/amortization of property, plant and equipment	2,686	3,137	10,914	12,392
Disposal of property, plant and equipment	-198	373	-195	396
Total	3,676	14,363	14,886	28,316

NOTE 6 FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

For the Group's financial assets and liabilities, the fair value is assessed to be consistent with the carrying amount.

NOTE 7 RELATED PARTIES

OrganoWood AB has transactions with related parties. Invoiced and accrued interest and guarantee fees for loans and guarantees provided by board member and shareholder Robert Charpentier, via his own company Kvigos AB, amount to KSEK 103 (180). In addition to guarantee liabilities, Kvigos AB has outstanding interest-bearing loans to OrganoWood of KSEK 550 (1,000). Invoiced and accrued interest on loans provided by shareholder Ilija Batljan, via his own company Ilija Batljan Invest AB, amount to KSEK 128 (112). Outstanding interest-bearing loans from Ilija Batljan Invest AB to OrganoWood AB amount to KSEK 425 (2,800). The transactions between OrganoWood AB and the shareholders take place at prices at arm's length.

Alternative performance measure

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 page, 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.
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 impairments of intangible assets and property, plant and equipment.	EBITDA is used to measure operational profitability, 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.	Organic growth excludes the effects of changes in the Group's structure, 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 equity ratio 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 percent, 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 show the ability to pay off all interest-bearing liabilities with available cash and shows the possibility of living up to financial commitments.
Net debt/equity ratio	Net debt in relation to shareholders' equity. Equity includes non-controlling interests.	The net debt/equity ratio shows the relationship between net debt and equity and measures the extent to which the company is financed by loans.

RECONCILIATION ALTERNATIVE PERFORMANCE MEASURES

SEK 000s	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
<i>Gross margin, %</i>				
Gross profit	5,141	-4,733	35,390	12,934
Net sales	27,909	21,631	145,871	115,047
Gross margin, %	18.4	-21.9	24.3	11.2
<i>Operating margin, EBIT, %</i>				
Operating profit/loss	-6,130	-19,677	-9,230	-38,509
Net sales	27,909	21,631	145,871	115,047
Operating margin, EBIT, %	-22.0	-91.0	-6.3	-33.5
<i>EBITDA</i>				
Operating profit/loss	-6,130	-19,677	-9,230	-38,509
Plus: Depreciations/impairments	3,873	13,639	15,080	26,627
EBITDA	-2,257	-6,038	5,850	-11,882
<i>Profit margin, %</i>				
Profit/loss for the period	-7,658	-20,421	-14,157	-41,621
Net sales	27,909	21,631	145,871	115,047
Profit margin, %	-27.4	-94.4	-9.7	-36.2
<i>Net sales, change</i>				
Net sales	27,909	21,631	145,871	115,047
Net sales corresponding period prior year	21,631	17,951	115,047	110,064
Net sales, change	6,278	3,680	30,824	4,982
Revenue growth, organic, %	29.0	20.5	26.8	4.5
<i>Equity ratio, %</i>				
Equity	53,407	67,556	53,407	67,556
Total assets	150,749	162,856	150,749	162,856
Equity ratio, %	35.4	41.5	35.4	41.5
<i>Quick ratio, %</i>				
Current assets, excluding inventories	32,204	34,419	32,204	34,419
Current liabilities	84,531	75,422	84,531	75,422
Quick ratio, %	38.1	45.6	38.1	45.6
<i>Net debt/equity ratio, %</i>				
Interest-bearing liabilities	69,485	64,478	69,485	64,478
Less: Cash and cash equivalents	-10,737	-15,204	-10,737	-15,204
Net debt	58,748	49,275	58,748	49,275
Equity	53,407	67,556	53,407	67,556
Net debt/equity ratio, %	110.0	72.9	110.0	72.9

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, 15 February 2024

Jan Johansson
Chairman of the Board

Chatarina Schneider
Board member

Charlotte Karlberg
Board member

Malin Bugge
Board member

Håkan Gustavson
Board member

Mårten Hellberg
CEO

and free from harmful chemicals and plastics, we call it Made Green Inside, and it is our business concept that all products we develop must be manufactured from biobased raw materials, be biodegradable



OrganoClick®

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