

INTERIM REPORT JANUARY – MARCH 2024

We support our customers with their green transition by replacing hidden plastics and harmful chemicals with biobased solutions.



OrganoClick®

JANUARY TO MARCH

- Net sales SEK 38,170 (43,484) thousand.
- Revenue growth -12.2 (33.2) percent.
- EBIT SEK 154 (88) thousand.
- Cash flow from operating activities SEK -10,419 (-15,220) thousand.
- Earnings per share before and after dilution SEK -0.02 (-0.01).

EVENTS DURING THE QUARTER

- Burdock outdoor group (Jaktia, Interjakt and Interfiske), Danish Friluftslund and Belgian A.S.Adventures became new retailers of OrganoTex.
- Swedish Bauhaus became a new retailer of BIOkleen.
- PulPac launched 100% biobased and biodegradable coffee lids made of dry molded fiber and OrganoClick's biobased binder.

EVENTS AFTER THE QUARTER

- Italy's leading outdoor retail chain SPORTLER became new retailer of OrganoTex.

Financial overview, SEK 000s	Jan-Mar 2024	Jan-Mar 2023	LTM 31 Mar 2024	Jan-Dec 2023
Net sales	38,170	43,484	140,556	145,871
Revenue growth, %	-12.2	33.2	11.6	26.8
Gross margin, %	29.3	25.9	25.1	24.3
EBIT	154	88	-9,164	-9,230
Cash flow from operating activities	-10,419	-15,220	5,333	533



Above: During the quarter, the shoe care impregnation for our brand OrganoTex became eco-labelled. ShoeCare Leather Wax is now certified with USDA Certified Biobased Product 100%, and ShoeCare Waterproofing spray is eco-labeled with Oeko-Tex Eco Passport.

Frontpage: OrganoClick and the technology innovation company PulPac have collaborated for several years to develop 100% biobased and biodegradable dry molded paper products, which were now launched during the quarter. *Photo: PulPac.*

A word from the CEO

For the second year in a row, we show a positive operating profit for the first quarter. This despite weak construction and consumer markets that resulted in a negative sales development of -12% to MSEK 38.2 (43.5). Thanks to a positive change in product mix and good sales of our own consumer brands, the Group's gross margin strengthened to 29 (26) %. This, in combination with sound cost control, resulted in a slightly improved operating profit of MSEK 0.2 (0.1).

Cash flow from operating activities strengthened during the quarter as a result of a lower tied-up working capital, where we seasonally tie up working capital in both inventories and accounts receivable during the first quarter. Accumulated for the rolling twelve months, cash flow from operating activities strengthened sharply to MSEK 5.3 (-20.1).

The biggest decrease in sales came in the business unit Nonwoven & fiber technologies where sales decreased by -29 (2,097) % to MSEK 12.4 (17.5). The decrease was due to a large stock build-up by a customer last year, while the restaurant industry, an important end-customer market for the business unit, showed weak development during the quarter. Our new customers in the segment continue with their market introduction, and we assess that we will have gradually increasing volumes during the year. Positive news during the quarter was that our partner PulPac is now launching coffee lids made of dry molded fiber with our binders. The production at their customers is expected to start during the fall.

The Green coatings & maintenance products business unit had a very solid quarter with a sales increase of 30 (-22) % to MSEK 14.1 (10.8). New customer sales were very good for OrganoTex with several new retailers, including Swedish Jaktia, Danish Friluftsland and Belgian A.S.Adventures. Our BIOkleen brand also had strong new customer sales where an agreement was signed with Swedish Bauhaus, the leading DIY chain in Sweden.

The Functional wood business unit continues to be adversely affected by the weak construction market. Sales decreased by -23 (-15) % to MSEK 11.7 (15.2). The Swedish sales accounts for the largest decrease, while sales in Germany and Finland are doing better

Our consumer products have continued to perform strongly in the beginning of the second quarter. Our positive product mix change continues. We have three business units that are equivalent in terms of sales, which provides both an improved gross margin and better risk diversification. We focus on supporting our new customers and put great effort into new customer sales with the ambition to regain positive sales growth. All in line with our mission to help our customers with their green transition by replacing hidden plastics and harmful chemicals with our biobased solutions.



Sincerely



Mårten Hellberg
CEO, OrganoClick AB

“New customer sales were very good for OrganoTex with several new retailers, including Swedish Jaktia, Danish Friluftsland and Belgian A.S.Adventures.”

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 2023, net sales amounted to MSEK 146 with about 45 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 OrganoTex continued its growth journey with Burdock outdoor group (Jaktia, Interjakt and Interfiske), Danish Friluftsland and Belgian A.S.Adventures as new retailers.
- ② Sweden's leading DIY chain Bauhaus became a new retailer of BIOklean.
- ③ After many years of development cooperation, PulPac launched 100% biobased and biodegradable coffee lids made of dry molded fiber and OrganoClick's biobased binder.

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 78 in 2018 to MSEK 146 in 2023.

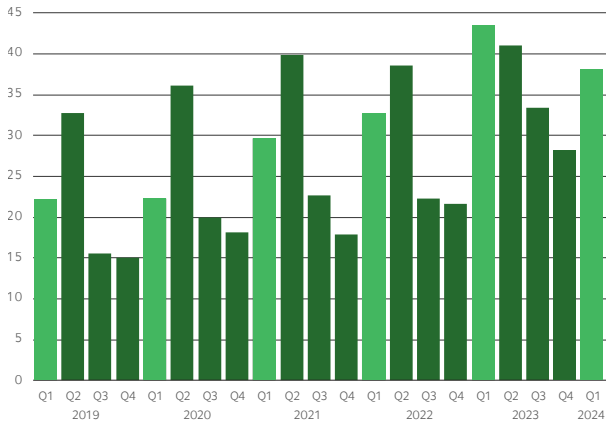
In the last years, the Group has expanded its factory in Täby to a doubled production capacity of more than 20,000 tonnes per year and the group has a license to manufacture 30,000 m³ of its chemical products per year.

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.



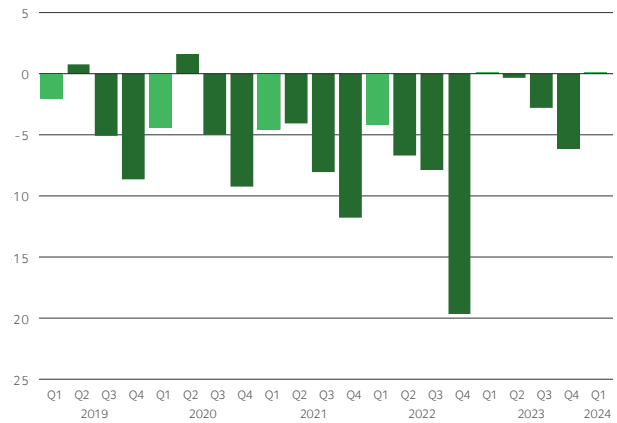
Net sales by quarter, MSEK

Historically, the Group has been characterized by seasonal variations with higher sales in Q2, followed by Q1, while Q3 and Q4 have been weaker. The previous year deviated from the trend where Q1 became the strongest quarter.



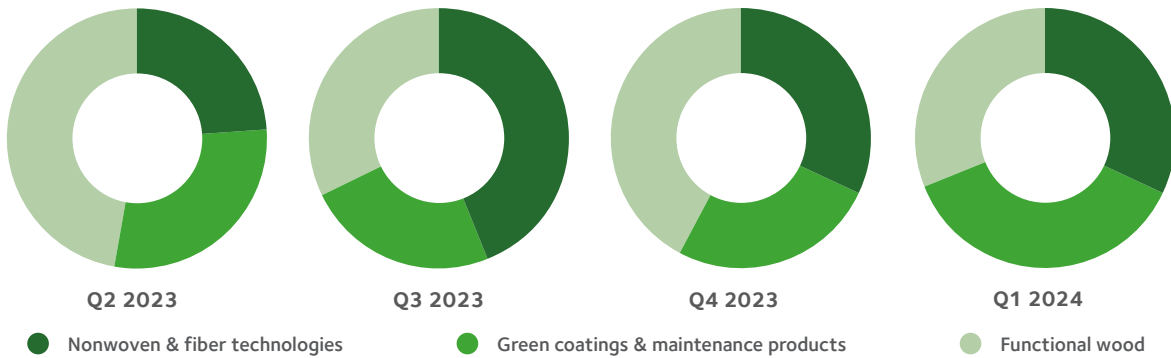
Operating profit/loss, EBIT, by quarter, MSEK

Historically, operating profit/loss has mainly been negative, following seasonal variations. Clear profit improvements were made in 2023 with increased sales and reduced cost base.



Net sales/business unit

The group's net sales are divided into three business units. The business units Green coatings & maintenance products and Functional wood are characterized by seasonal variations, with Q2 normally being the strongest quarter, followed by Q1.



Net sales

38.2 MSEK

Sales growth

12%

EBIT

0.2 MSEK

Comments on the financial development

THE GROUP

Profit/Loss January–March

Revenue for the quarter amounted to KSEK 38,170 (43,484), a sales decrease of -12.2 (33.2) percent. Sales in the business unit Nonwoven & fiber technologies decreased by -29.3 (2,097.1) percent compared to the previous year and revenues amounted to KSEK 12,369 (17,489). The decrease compared to the previous year is explained by the large stock build-up by a customer in the first quarter of the previous year and the weakened market in the hotel and restaurant industry, which are major end customers for the business unit. Sales in the business unit Green coatings & maintenance products had a good growth of 30.1 (-22.2) percent, and sales amounted to 14,079 (10,820) thanks to good new customer sales. Sales in the Functional wood business unit continue to be adversely affected by the economic downturn in the construction sector and decreased by -22.8 (-15.4) percent and revenues amounted to KSEK 11,722 (15,175).

Gross margin strengthened to 29.3 (25.9) percent, which resulted in gross profit, despite the lower sales, being on a par with the previous year, KSEK 11,179 (11,275). The gross margin improvement came from product mix changes with considerable growth in our consumer products. The cost base was in line with the previous year, resulting in an operating profit of KSEK 154 (88), which was also in line with the year before. Financial expenses increased compared with the previous year following higher borrowing and the loss for the period amounted to KSEK -1,522 (-765).

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–March

Cash flow from operating activities for the quarter amounted to KSEK -10,419 (-15,220) with a positive cash flow from profit, KSEK 2,812 (3,080), and a negative cash flow from working capital, KSEK -13,231 (-18,300). The main change in working capital came from cash being tied up in trade receivables, KSEK -11,571 (-20,254), which is a result of the fourth quarter being the Group's weakest in terms of sales while the first quarter is strong in terms of sales.

Investments of KSEK 1,821 (1,601) were made in intangible assets in the form of development projects and patents and investments of KSEK 120 (288) were made in tangible fixed assets. In financing activities, the Group's utilization of bank overdraft facilities decreased by KSEK -1,533 (-114), while factoring loans utilization increased by KSEK 8,974 (16,469) as a result of increased trade receivables. A new credit of KSEK 10,000 (0) was raised and loans and leases of KSEK -2,308 (-2,401) were amortized. Total cash flow for the Group amounted to KSEK 2,773 (-4,555).

Financial position

Cash and cash equivalents in the Group at the end of the period amounted to KSEK 13,510 (10,656) with a quick ratio of 45.9 (54.6) percent. Net debt/equity ratio amounted to 138.6 (101.0) percent. At the end of the period, KSEK 25,446 (19,622) of bank overdraft facilities totaling KSEK 30,000 (20,000) were utilized. During the quarter, OrganoClick was granted a new credit of KSEK 10,000.

PARENT COMPANY

Profit/Loss January–March

The parent company's revenue for the quarter amounted to KSEK 27,961 (32,047), where the decrease came mainly from lower sales of binders after a larger stock build-up by a customer last year and a weaker market in the hotel and restaurant industry. Higher gross margin due to changes in the product mix counteracted the drop in sales somewhat and resulted in a gross profit of KSEK 5,488 (5,811). Operating profit/loss amounted to KSEK -1,272 (-517) and profit/loss for the period amounted to KSEK -2,122 (-657) with increased financial expenses.

Financial position and investments

Cash and cash equivalents in the parent company at the end of the period amounted to KSEK 6,895 (7,696) and equity to KSEK 61,323 (77,308). During the period, the parent company invested KSEK 1,314 (1,284) in intangible fixed assets in the form of development projects and patents and KSEK 120 (288) in tangible fixed assets. During the quarter, the parent company raised a new credit of KSEK 10,000.

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 2023, pages 42-43.

PERSONNEL

At the end of the period, the number of employees in the Group was 42 (45). Of these, 31 (31) were employed in the parent company, 9 (12) employed in the subsidiary OrganoWood AB and 2 (2) employed in the subsidiary Biokleen Miljökemi AB. Of the employees, 14 (15) were women and 28 (30) men.

SHARE INFORMATION

OrganoClick AB's share capital at the beginning of 2024 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 March 31 was 3,727 (4,228) and the closing price of the share on March 31 was 3.25 (3.95), giving a market capitalization of SEK 318 (386) million.

The largest shareholders as at 31 March 2024¹.

Name	No. of shares	Share of votes and capital %
Peter Lindell with compay	15,541,534	15.87
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	3,927,540	4.01
CBLDN-EQ Nordic small cap fund	3,738,722	3.82
Avanza Pension	3,174,721	3.24
Aktia Nordic Micro Cap	3,100,000	3.16
Nordnet pensionsförsäkring AB	2,425,102	2.48
Jonas Hafrén	2,123,006	2.17
Subtotal	54,197,727	55.33
Other shareholders	43,752,273	44.67
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

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

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	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Net sales	1.2	38,170	43,484	145,871
Cost of goods sold		-26,991	-32,208	-110,481
Gross profit		11,179	11,275	35,390
Selling expenses		-5,848	-6,286	-23,428
Administrative expenses		-3,822	-3,537	-13,799
Research and development costs		-1,731	-1,306	-6,651
Other operating income	3	626	297	4,952
Other operating expenses	3	-250	-354	-5,694
Operating profit/loss		154	88	-9,230
Financial income		17	2	103
Financial expenses		-1,705	-1,048	-4,960
Net financial items		-1,688	-1,046	-4,857
Profit/loss before tax		-1,534	-958	-14,087
Income tax		12	193	-69
Profit/loss for the period		-1,522	-765	-14,157
Profit/loss for the period attributable to:				
Shareholders' of Parent Company		-2,110	-997	-15,772
Non-controlling interests		588	232	1,615
Earnings per share before and after dilution SEK ¹		-0.02	-0.01	-0.16
Average number of shares before and after dilution ¹		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	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Profit/loss for the period	-1,522	-765	-14,157
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	7	7
Other comprehensive income for the period, net after tax	0	7	7
Comprehensive income for the period	-1,522	-758	-14,150
Comprehensive income for the period attributable to:			
Shareholders' of Parent Company	-2,110	-993	-15,768
Non-controlling interests	588	235	1,618

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEK 000s	Note	31 Mar 2024	31 Mar 2023	31 Dec 2023
ASSETS				
Non-current assets				
<i>Intangible fixed assets</i>				
Capitalized development expenditures		19,067	17,155	18,634
Patents		6,272	5,564	6,147
Licences		112	229	140
Goodwill		16,794	16,794	16,794
		42,246	39,742	41,715
<i>Property, plant and equipment</i>				
Buildings		11,937	17,695	13,074
Improvement expense of other property		200	306	224
Machinery		18,998	20,703	19,624
Equipment, tools, fixtures and fittings		3,209	3,445	3,233
Ongoing new facilities		-	132	-
		34,344	42,282	36,155
<i>Other non-current assets</i>				
Other non-current receivables		3,140	3,140	3,140
Deferred tax assets		916	1,003	847
Total non-current assets		80,646	86,167	81,857
Current assets				
Inventories		37,275	41,105	36,688
Trade receivables		29,593	36,450	18,022
Income tax receivables		246	154	532
Other receivables		260	439	376
Prepaid expenses and accrued income		3,036	2,998	2,536
Cash and cash equivalents		13,510	10,656	10,737
Total current assets		83,922	91,803	68,892
TOTAL ASSETS		164,568	177,970	150,749

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT.)

SEK 000s	Note	31 Mar 2024	31 Mar 2023	31 Dec 2023
EQUITY				
Share capital		980	980	980
Other contributed capital		307,059	307,059	307,059
Reserves		37	38	37
Accumulated loss including profit/loss for the period		-265,193	-249,924	-263,495
Equity attributable to shareholders of Parent Company		42,882	58,151	44,581
Non-controlling interests	4	9,002	8,647	8,825
Total equity		51,884	66,798	53,407
LIABILITIES				
Non-current liabilities				
Borrowings from credit institutions		2,930	3,462	3,018
Lease liabilities		6,970	13,716	8,495
Other non-current liabilities		975	1,000	975
Deferred tax liabilities		227	64	170
Total non-current liabilities		11,102	18,242	12,658
Current liabilities				
Liabilities to credit institutions		36,572	20,663	28,258
Lease liabilities		8,933	9,247	8,666
Trade payables		12,413	16,474	14,559
Income tax liabilities		-	51	-
Other liabilities		33,452	35,872	22,981
Accrued expenses and deferred income		10,211	10,622	10,220
Total current liabilities		101,581	92,929	84,684
TOTAL EQUITY AND LIABILITIES		164,568	177,970	150,749

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Attributable to shareholders of Parent Company

SEK 000s	Share capital	Other contributed capital	Reserves	Accumulated loss	Total	Non-controlling interests	Total equity
Equity at 1 January 2024	980	307,059	37	-263,495	44,581	8,825	53,407
<i>Comprehensive income</i>							
Profit/loss for the period	-	-	-	-2,110	-2,110	588	-1,522
Transfer enumeration preference shares	-	-	-	411	411	-411	0
<i>Other comprehensive income</i>							
Translation differences	-	-	0	-	0	0	0
Total comprehensive income	-	-	0	-1,699	-1,699	176	-1,522
<i>Shareholder transactions</i>							
Total shareholder transactions	-	-	-	-	-	-	-
Equity at 31 March 2024	980	307,059	37	-265,193	42,882	9,002	51,884
Equity at 1 January 2023							
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	-	-	-	-997	-997	232	-765
Transfer enumeration preference shares	-	-	-	367	367	-367	0
<i>Other comprehensive income</i>							
Translation differences	-	-	4	-	4	3	7
Total comprehensive income	-	-	4	-630	-625	-133	-758
<i>Shareholder transactions</i>							
Total shareholder transactions	-	-	-	-	-	-	-
Equity at 31 March 2023	980	307,059	38	-249,924	58,151	8,647	66,798
Equity at 1 January 2023							
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

CONSOLIDATED CASH FLOW STATEMENT

SEK 000s	Note	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Cash flow from operating activities				
Operating profit/loss		154	88	-9,230
Adjustment for non-cash items	5	4,060	3,694	14,886
Interest received		17	2	103
Interest paid		-1,705	-1,048	-4,960
Income tax paid		286	344	-85
Cash flow from operating activities before changes in working capital		2,812	3,080	713
Changes in working capital				
Changes in inventories and work in progress		-587	419	4,836
Changes in trade receivables		-11,571	-20,254	-1,826
Changes in other operating receivables		-415	-913	-425
Changes in trade payables		-2,146	996	-918
Changes in other operating liabilities		1,488	1,452	-1,848
Cash flow from changes in working capital		-13,231	-18,300	-181
Cash flow from operating activities		-10,419	-15,220	533
Cash flow from investing activities				
Investments in intangible assets		-1,821	-1,601	-6,845
Investments in property, plant and equipment		-120	-288	-1,765
Cash flow from investing activities		-1,941	-1,888	-8,610
Cash flow from financing activities				
Net change bank overdraft facility		-1,533	-114	7,242
Net change invoice factoring debt		8,974	16,469	1,778
Borrowings		10,000	-	6,704
Repayment of debt		-	-1,400	-2,825
Amortization of debt		-2,308	-2,401	-9,296
Cash flow from financing activities		15,133	12,553	3,603
Cash flow for the period		2,773	-4,555	-4,474
Cash and cash equivalents at beginning of period		10,737	15,204	15,204
Exchange rate differences in cash and cash equivalents		0	7	7
Cash and cash equivalents at end of period		13,510	10,656	10,737

KEY FIGURES, THE GROUP

SEK 000s	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Net sales	38,170	43,484	145,871
Revenue growth, %	-12.2	33.2	26.8
Gross profit	11,179	11,275	35,390
Gross margin, %	29.3	25.9	24.3
Operating profit/loss, EBIT	154	88	-9,230
Operating margin, EBIT, %	0.4	0.2	-6.3
EBITDA	4,214	3,776	5,850
Profit/loss for the period	-1,522	-765	-14,157
Profit margin, %	-4.0	-1.8	-9.7
Equity ratio, %	31.5	37.5	35.4
Quick ratio, %	45.9	54.6	38.0
Net debt/equity ratio,%	138.6	101.0	110.0
Average number of employees	41	43	42
Average number of shares before and after dilution ¹	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
Earnings per share before and after dilution SEK ¹	-0.02	-0.01	-0.16

1) 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	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Net sales	2	27,961	32,047	93,881
Cost of goods sold		-22,473	-26,235	-80,559
Gross profit		5,488	5,811	13,322
Selling expenses		-2,666	-2,464	-10,606
Administrative expenses		-2,872	-2,771	-10,994
Research and development costs		-1,410	-1,033	-4,768
Other operating income		428	182	3,821
Other operating expenses		-240	-242	-4,939
Operating profit/loss		-1,272	-517	-14,166
Interest income and similar items		92	142	425
Interest expenses and similar items		-942	-282	-1,567
Net financial items		-850	-140	-1,142
Profit/loss before tax		-2,122	-657	-15,308
Appropriations		-	-	787
Income tax		-	-	-
Profit/loss for the period		-2,122	-657	-14,521

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

SEK 000s	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Profit/loss for the period	-2,122	-657	-14,521
Other comprehensive income for the period	-	-	-
Comprehensive income for the period	-2,122	-657	-14,521

PARENT COMPANY BALANCE SHEET

SEK 000s	Note	31 Mar 2024	31 Mar 2023	31 Dec 2023
ASSETS				
Non-current assets				
<i>Intangible fixed assets</i>				
Capitalized development expenditures		13,897	11,808	13,446
Patents		5,714	4,858	5,541
Licences		111	212	137
		19,722	16,879	19,123
<i>Property, plant and equipment</i>				
Improvement expense of other property		200	306	224
Machinery		12,691	13,362	13,116
Equipment, tools, fixtures and fittings		1,880	2,102	2,007
Ongoing new facilities		-	132	-
		14,770	15,902	15,346
<i>Financial assets</i>				
Shares in group companies		35,878	37,788	35,878
Due from group companies		1,651	1,651	1,651
Other non-current receivables		754	1,091	838
		38,283	40,530	38,367
Total non-current assets		72,776	73,311	72,837
Current assets				
Raw materials, supplies and finished inventories		23,468	20,873	24,280
		23,468	20,873	24,280
<i>Short-term receivables</i>				
Trade receivables		13,141	15,561	7,434
Due from group companies		342	7,560	131
Income tax receivables		167	-	326
Other receivables		62	415	311
Prepaid expenses and accrued income		3,991	4,096	3,707
		17,703	27,632	11,908
Cash and cash equivalents		6,895	7,696	4,455
Total current assets		48,067	56,202	40,644
TOTAL ASSETS		120,842	129,513	113,481

PARENT COMPANY BALANCE SHEET (CONT.)

SEK 000s	Note	31 Mar 2024	31 Mar 2023	31 Dec 2023
EQUITY AND LIABILITIES				
Restricted equity				
Share capital		980	980	980
Fund for development expenditures		9,245	7,157	8,794
Total restricted equity		10,225	8,136	9,774
Non-restricted equity				
Share premium reserve		310,701	310,701	310,701
Retained earnings		-257,482	-240,872	-242,510
Profit/loss for the period		-2,122	-657	-14,521
Total non-restricted equity		51,098	69,172	53,671
Total equity		61,323	77,308	63,445
LIABILITIES				
Non-current liabilities				
Liabilities to credit institutions		2,930	3,462	3,018
Liabilities to group companies		4,710	4,710	4,710
Total non-current liabilities		7,640	8,172	7,728
Current liabilities				
Liabilities to credit institutions		22,030	5,808	13,317
Trade payables		9,147	11,417	13,092
Tax liabilities		-	51	-
Liabilities to group companies		878	4,286	1,718
Other short-term liabilities		13,305	16,397	7,673
Accrued expenses and deferred income		6,519	6,074	6,508
Total current liabilities		51,879	44,033	42,308
TOTAL EQUITY AND LIABILITIES		120,842	129,513	113,481

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 2023.

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 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 sold from different parts of the Group's operations, which, however, do not consist of separate income statements and balance sheets.

Group	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Net sales per business unit			
Nonwoven & fiber technologies	12,369	17,489	51,175
Green coatings & maintenance products	14,079	10,820	37,938
Functional wood	11,722	15,175	56,758
Total	38,170	43,484	145,871

Net sales per geographic market

Sweden	29,496	37,916	121,809
Other Nordics	3,253	2,723	10,558
The rest of Europe	5,357	2,313	12,492
Asia	64	337	745
North America	-	194	267
Total	38,170	43,484	145,871

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	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Exchange gains on receivables/payables of an operating nature	590	182	1,637
Government grants received for R&D	36	110	223
Insurance compensation	-	-	2,743
Other operating income	-	5	350
Total	626	297	4,952
Exchange losses on receivables/payables of an operating nature	-250	-348	-1,839
Losses, disposal/sale of property, plant and equipment	-	-7	-20
Other operating expenses	-	-	-3,834
Total	-250	-354	-5,694

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 March 2024, the redemption value per preference share was SEK 319.9 (285.6).

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 5 ADJUSTMENT FOR NON-CASH ITEMS

Group	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Depreciation/amortization of intangible fixed assets	1,290	909	4,166
Depreciation/amortization of property, plant and equipment	2,770	2,779	10,914
Disposal of property, plant and equipment	-	7	-195
Total	4,060	3,694	14,886

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. Board member and shareholder Robert Charpentier has, from his own company Kvigos AB, invoiced and accrued interest and guarantee fees, for loans and guarantee liability, of KSEK 40 (53) and invoiced consultancy fees of KSEK 100 (0). 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 12 (43). Outstanding interest-bearing loans from Ilija Batljan Invest AB to OrganoWood AB amount to KSEK 425 (1,400). The transactions between OrganoWood AB and the shareholders take place at prices at arm's length.

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 2023, page 70.

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 group'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 group'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	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
<i>Gross margin, %</i>			
Gross profit	11,179	11,275	35,390
Net sales	38,170	43,484	145,871
Gross margin, %	29.3	25.9	24.3
<i>Operating margin, EBIT, %</i>			
Operating profit/loss, EBIT	154	88	-9,230
Net sales	38,170	43,484	145,871
Operating margin, EBIT, %	0.4	0.2	-6.3
<i>EBITDA</i>			
Operating profit/loss	154	88	-9,230
Plus: Depreciations/impairments	4,060	3,688	15,080
EBITDA	4,214	3,776	5,850
<i>Profit margin, %</i>			
Profit/loss for the period	-1,522	-765	-14,157
Net sales	38,170	43,484	145,871
Profit margin, %	-4.0	-1.8	-9.7
<i>Net sales, change</i>			
Net sales	38,170	43,484	145,871
Net sales corresponding period prior year	43,484	32,634	115,047
Net sales, change	-5,314	10,849	30,824
Revenue growth, organic, %	-12.2	33.2	26.8
<i>Equity ratio, %</i>			
Equity	51,884	66,798	53,407
Total assets	164,568	177,970	150,749
Equity ratio, %	31.5	37.5	35.4
<i>Quick ratio, %</i>			
Current assets, excluding inventories	46,646	50,697	32,204
Current liabilities	101,581	92,929	84,684
Quick ratio, %	45.9	54.6	38.0
<i>Net debt/equity ratio, %</i>			
Interest-bearing liabilities	85,427	78,130	69,485
Less: Cash and cash equivalents	-13,510	-10,656	-10,737
Net debt	71,917	67,474	58,748
Equity	51,884	66,798	53,407
Net debt/equity ratio, %	138.6	101.0	110.0

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, 30 April 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 biomass raw materials, be biodegradable



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