

INTERIM REPORT JANUARY – JUNE 2024

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



APRIL TO JUNE

- Net sales SEK 38,746 (41,028) thousand.
- Revenue growth -5.6 (6.5) percent.
- EBIT SEK -133 (-382) thousand.
- Cash flow from operating activities SEK 10,973 (8,043) thousand.
- Earnings per share before and after dilution SEK -0.03 (-0.03).

EVENTS DURING THE QUARTER

- Italy's leading outdoor retailer SPORTLER new reseller of OrganoTex.
- Three-year result from field study of OrganoWood Nowa in Malaysia and Denmark showed excellent result.
- OrganoClick was granted EU-funding of SEK 7 million for further development of its biobased binders and hydrophobization products within the project PENGUIN.

JANUARY TO JUNE

- Net sales SEK 76,916 (84,512) thousand.
- Revenue growth -9.0 (18.8) percent.
- EBIT SEK 20 (-294) thousand.
- Cash flow from operating activities SEK 554 (-7,176) thousand.
- Earnings per share before and after dilution SEK -0.05 (-0.04).

Financial overview, SEK 000s	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	LTM 30 Jun 2024	Jan-Dec 2023
Net sales	38,746	41,028	76,916	84,512	138,274	145,871
Revenue growth, %	-5.6	6.5	-9.0	18.8	7.7	26.8
Gross margin, %	29.1	26.9	29.2	26.4	25.7	24.3
EBIT	-133	-382	20	-294	-8,916	-9,230
Cash flow from operating activities	10,973	8,043	554	-7,176	8,263	533



OrganoClick's R&D Director Maria Wennman presents our biobased binders at the conference World of Wipes in Minneapolis, USA, where we came second in the award for Innovation of the year.

A word from the CEO

During the second quarter, our operating profit/loss continued to improve to MSEK -0.1 (-0.4) despite the fact that sales decreased by -6 percent to MSEK 38.7 (41.0). The earnings improvement was driven partly by the continued strong sales development of our consumer brands and partly from lower raw material prices within the Functional wood business unit. Overall, this has led to an improved gross margin of 29.1 (26.9) percent. For the first time ever, the Group thus showed a positive operating result in the first six months of the year. Cash flow from operating activities also strengthened during the quarter to MSEK 11.0 (8.0).

The biggest decrease in sales came in the Nonwoven & fiber technologies business unit, where sales decreased by -19 (336) percent to MSEK 8.1 (10.0). The restaurant and hotel industry, to which the business unit is heavily exposed, has weakened significantly compared to last year's post-pandemic record year. The weak consumer market has also meant that sales development for our new customers has been slower than expected. In the long term, however, our expectations have not changed. We and our customers believe that biobased and biodegradable nonwoven materials will eventually become the standard. This is also demonstrated by our second place in the World of Wipes Innovation Award presented at the world's largest wipes conference in Minneapolis. During the quarter, we were also awarded an EU R&D grant of MSEK 7 to develop our binders and water-repellent products further.

For the Green coatings & maintenance products business unit, the positive development continued with a sales increase of 24 (23) percent to MSEK 14.6 (11.8), where all our product segments grew. Our BIOkleen brand had a very strong sales development with the sales to Bauhaus going strong. OrganoTex also grew in line with our expectations and gained, among others, the leading Italian outdoor retailer SPORTLER as a new reseller.

The Functional wood business unit continued to have a weak sales development but with a slightly smaller decrease than in the previous quarter. Sales decreased by -16 (-28) percent to MSEK 16.1 (19.2). However, gross margins improved thanks to lower raw material prices, which helped to maintain the business unit's profitability. The Swedish market accounts for the biggest decrease, while sales in both Germany and Finland are growing. As expected, we received excellent test results during the quarter from our long-term field studies in Malaysia and Denmark of our new product, OrganoWood Nowa. These results are very important for our sales, especially to new manufacturing partners.

During the quarter, our CFO of 11 years, Jessica Sundborg, chose to move on in her career. With dedication and hard work, she has contributed immensely to the Group's development. Many thanks, Jessica, and all the best in the future! I would also like to welcome our new Chief Financial Officer, Carin Eklund.

At the beginning of the third quarter, our consumer products have continued to perform strongly. Among other things, we have started an expansion on the Swiss market for OrganoTex, where we have signed an

agreement with a leading distributor. In Nonwoven & fiber technologies, our work continues with customer projects where we plan for new product launches during the year. For Functional wood, our focus is mainly to grow on the German

market, but we are also seeking to expand into other European markets. We continue to focus on sales growth and to improve our gross margins to achieve profitable growth as quickly as possible. So that we can build both an economically and sustainability leading company and continue replacing plastics and harmful chemicals with our biobased solutions!

“For the first time ever, the Group thus showed a positive operating result in the first six months of the year.”



Sincerely

A handwritten signature in dark ink that reads "Mårten Hellberg". The signature is written in a cursive, flowing style.

Mårten Hellberg
CEO, OrganoClick AB

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 greentech 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.

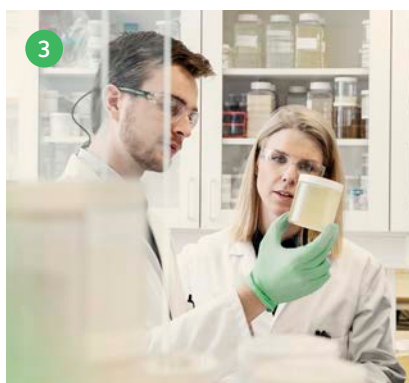
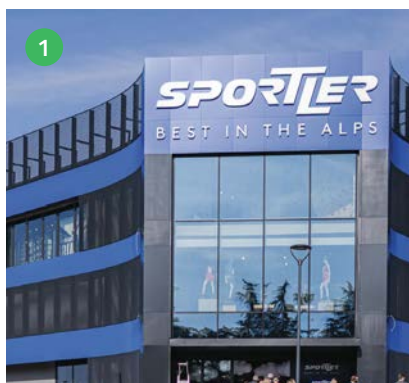
OrganoClick is listed on NASDAQ First North Growth Market and has its head office, production and R&D centre in Täby, north of Stockholm. In 2023, net sales amounted to MSEK 146 with about 45 employees.

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 Italy's leading outdoor retailer SPORTLER new reseller of OrganoTex. With this agreement, OrganoTex enters the Italian market. Sportler has 27 stores, mainly in the Italian alps.

② OrganoWood's new wood protection technology, OrganoWood Nowa has since 2021 undergone the EN 12037 field test in Malaysia and Denmark. The three-year result showed very good durability even in the extremely tough tropical environment in Malaysia, where apart from rot fungi there are also termites that have eaten the untreated wood.

③ OrganoClick has been granted EU funding of SEK 7 million to further develop its biobased and biodegradable binders and hydrophobization products. The support comes within the framework of the PENGUIN project, which aims to develop more sustainable textile materials for sports and outdoor use.

THE FUTURE LOOKS GREEN. IT HAS TO!

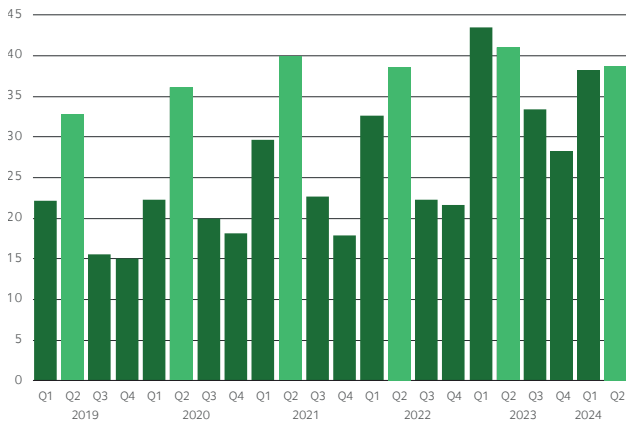
The Group has made steady progress since the first product was launched in 2012. Over the past five years, the Group's net sales have grown from MSEK 78 in 2018 to MSEK 146 in 2023.

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.

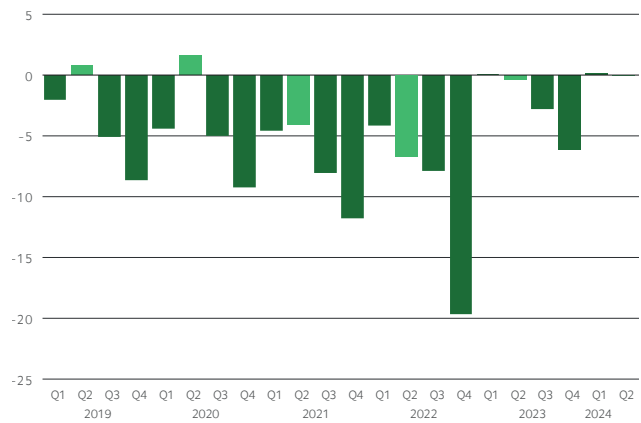
Net sales by quarter, MSEK

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.



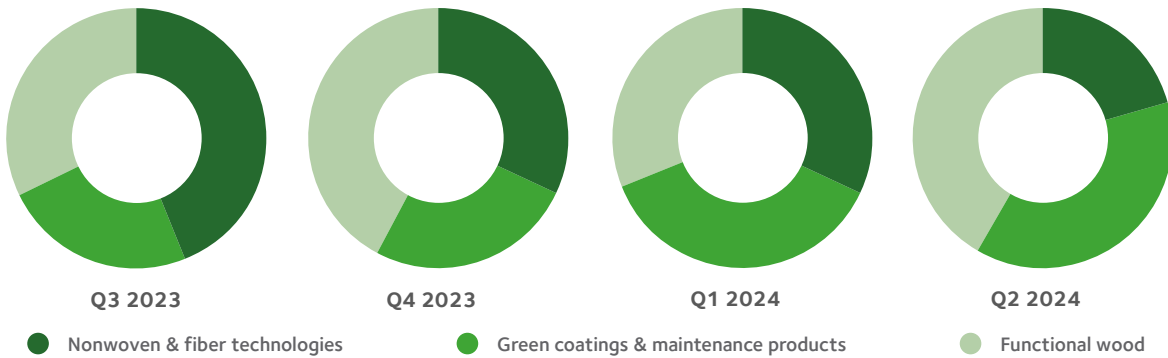
Operating profit/loss, EBIT, by quarter, MSEK

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

38.7 MSEK

Sales growth

-6%

EBIT

-0.1 MSEK

Comments on the financial development

THE GROUP

Profit/Loss April–June

Revenue for the quarter amounted to KSEK 38,746 (41,028), a sales decrease of -5.6 (6.5) percent. Sales in the Nonwoven & fiber technologies business unit decreased by -19.3 (335.5) percent compared to the previous year and revenue amounted to KSEK 8,081 (10,013). The decrease is explained by a weaker market for the business unit's primary end customers in the hotel and restaurant industry. Sales in the Green coatings & maintenance products business unit had a good growth of 23.9 (23.5) percent and amounted to KSEK 14,581 (11,770), with positive sales development in all product segments. Sales in the Functional wood business unit decreased by -16.4 (-27.9) percent in a continued challenging construction sector and revenue amounted to KSEK 16,084 (19,245).

Gross margin strengthened to 29.1 (26.9) percent, which, despite the lower sales, resulted in gross profit being just above the previous year, KSEK 11,287 (11,021). The gross margin improvement came from product mix changes with good growth of our consumer products and lower raw material prices in the Functional Wood business unit. The cost base was in line with the previous year, resulting in an operating profit/loss just above the previous year, KSEK -133 (-382). Profit/loss for the period amounted to KSEK -1,747 (-1,689).

Cash flow and investments April–June

Cash flow from operating activities amounted to KSEK 10,973 (8,043), with a positive cash flow from both profit, KSEK 1,881 (1,844), and working capital, KSEK 9,093 (6,199). Following the lower sales development, cash was tied up in inventories, KSEK -1,660 (2,134), but was freed up from trade receivables, KSEK 4,744 (6,267). This is explained by the fact that sales at the end of the second quarter were weaker than at the end of the first quarter. A positive liquidity effect also came from accounts payable, KSEK 3,269 (-1,880), and a payment of an R&D grant of KSEK 3,391.

Investments of KSEK 1,585 (1,769) were made in intangible assets in the form of development projects and patents, and investments of KSEK 1,136 (368) were made in tangible fixed assets in the form of laboratory instruments. In financing activities, the Group's utilization of bank overdraft facilities increased by KSEK 1,288 (-195), while factoring loans utilization decreased by KSEK -4,159 (-4,954) as a result of decreased trade receivables. In the previous year, a loan of KSEK 3,237 was raised. Loans of KSEK -763 (0) were repaid and loans and leases of KSEK -2,431 (-2,344) were amortized. Total cash flow for the Group amounted to KSEK 2,188 (1,650).

Profit/Loss January–June

Accumulated revenue decreased by -9.0 (18.8) percent and amounted to KSEK 76,916 (84,512). Sales in the Nonwoven & fiber technologies business unit decreased by -25.6 (788.6) percent compared to the previous year and revenue amounted to KSEK 20,450 (27,502). The decrease is partly explained by a large stock build-up by a customer in the first quarter of last year, and partly by a weaker market in the hotel and restaurant industry, to which the business unit is strongly exposed. Sales in the Green coatings & maintenance products business unit grew by 26.9 (-3.6) percent to KSEK 28,659 (22,591) thanks to both good new customer sales and increased sales to existing customers. Sales in the Functional wood business unit continued to be adversely affected by the economic downturn in the construction sector and sales decreased by -19.2 (-22.9) percent to KSEK 27,806 (34,420).

Gross profit was on a par with the previous year and amounted to KSEK 22,466 (22,296), despite lower sales. This is explained by a strengthened gross margin, 29.2 (26.4) percent, due to positive product mix changes and lower raw material prices in the Functional wood business unit. Expenses were in line with the previous year and the operating profit/loss was positive for the first time in the first half of the year, at KSEK 20 (-294). Financial expenses increased compared with the previous year following higher borrowing and the profit/loss for the period amounted to KSEK -3,270 (-2,454).

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 and intangible assets as well as regarding leases.

Cash flow and investments January–June

Accumulated cash flow from operating activities amounted to KSEK 554 (-7,176) with a positive cash flow from profit, KSEK 4,693 (4,925), and a negative cash flow from working capital, KSEK -4,139 (-12,101). Following a weaker sales development, cash was tied up in inventories, KSEK -2,248 (2,553), and in trade receivables, KSEK -6,827 (-13,987), as a result of the fourth quarter being the Group's weakest in terms of sales, while the second quarter is strong in terms of sales. The Group also received payment of an R&D grant of KSEK 3,391.

KSEK 3,406 (3,369) was invested in intangible assets in the form of development projects and patents, and KSEK 1,255 (656) was invested in tangible fixed assets, mainly in the form of laboratory instruments. In financing activities, the Group's utilization of bank overdraft facilities decreased marginally, KSEK -245 (-309), while factoring loans utilization increased by KSEK 4,814 (11,515) with increased trade receivables. A new credit of KSEK 10,000 (3,237) was raised, loans of KSEK -763 (-1,400) were repaid, and loans and leases of KSEK -4,739 (-4,745) were amortized. Total cash flow for the Group amounted to KSEK 4,961 (-2,905).

Financial position

Cash and cash equivalents in the Group at the end of the period amounted to KSEK 15,697 (12,307) with a quick ratio of 42.3 (51.5) percent. Net debt/equity ratio amounted to 126.2 (94.8) percent. At the end of the period, KSEK 26,733 (19,427) of bank overdraft facilities totaling KSEK 30,000 (20,000) were utilized.

PARENT COMPANY**Profit/Loss April–June**

Revenue for the quarter amounted to KSEK 21,053 (23,517). The decline is explained by a weaker market for the company's binder end customers in the hotel and restaurant industry and lower internal sales. The gross margin was on a par with the previous year, giving a gross profit of KSEK 2,652 (2,990). Operating profit/loss amounted to KSEK -4,316 (-3,878) and profit/loss for the period amounted to KSEK -4,998 (-4,021) with increased financial expenses following higher borrowing.

Profit/Loss January–June

The accumulated revenue amounted to KSEK 49,013 (55,563), where the decrease came from lower sales of binders, partly after a larger stock build-up by a customer in the previous year and partly from a weaker market in the hotel and restaurant industry. Internal sales were also lower. The decrease in sales was partly offset by a higher gross margin due to changes in the product mix, and gross profit amounted to KSEK 8,140 (8,801). A slightly higher cost base resulted in an operating profit/loss of KSEK -5,588 (-4,395). Profit/loss for the period amounted to KSEK -7,120 (-4,678), where financial expenses increased with higher borrowing.

Financial position and investments

Cash and cash equivalents in the parent company at the end of the period amounted to KSEK 8,933 (6,336) and equity to KSEK 56,822 (73,287). During the period, the parent company invested KSEK 2,528 (2,609) in intangible fixed assets in the form of development projects and patents and KSEK 1,255 (617) in tangible fixed assets, mainly in the form of laboratory instruments.

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 40 (45). Of these, 29 (32) were employed in the parent company, 9 (11) employed in the subsidiary OrganoWood AB and 2 (2) employed in the subsidiary Biokleen Miljökemi AB. Of the employees, 13 (15) were women and 27 (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. During June, a set-off issue of 167,967 shares was carried out at a quota value of 0.01, as compensation for cash board fees, which increased the number of shares to 98,117,967 and the share capital to SEK 981,180.

OrganoClick AB's share has been listed on Nasdaq First North Growth Market since 2015. The number of shareholders on June 30 was 3,619 (4,157) and the closing price of the share on June 30 was 3.84 (4.65), giving a market capitalization of SEK 377 (455) million.

The largest shareholders as at 30 June 2024¹.

Name	No. of shares	Share of votes and capital %
Peter Lindell with company	18,063,121	18.41
Mårten Hellberg with company	7,701,695	7.85
Beijer Ventures AB	7,107,180	7.24
Anders Wall Foundations	5,358,227	5.46
UBS Switzerland AG, W8IMY	3,939,313	4.01
CBLDN-EQ Nordic small cap fund	3,738,722	3.81
Avanza Pension	3,339,942	3.40
Sijotusrahasto Aktia Nordic Micro Cap	3,100,000	3.16
Jonas Hafrén	2,123,006	2.16
Nordnet Pensionsförsäkring AB	2,088,169	2.13
Subtotal	56,559,375	57.64
Other shareholders	41,558,592	42.36
Total shares	98,117,967	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

2024-11-06 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: +46 8 503 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	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023
Net sales	1,2	38,746	41,028	76,916	84,512	145,871
Cost of goods sold		-27,460	-30,007	-54,450	-62,216	-110,481
Gross profit		11,287	11,021	22,466	22,296	35,390
Selling expenses		-6,259	-6,768	-12,108	-13,055	-23,428
Administrative expenses		-3,807	-3,359	-7,628	-6,896	-13,799
Research and development costs		-1,592	-1,522	-3,322	-2,828	-6,651
Other operating income	3	622	501	1,248	798	4,952
Other operating expenses	3	-385	-255	-635	-609	-5,694
Operating profit/loss		-133	-382	20	-294	-9,230
Financial income		9	29	26	31	103
Financial expenses		-1,567	-1,361	-3,272	-2,409	-4,960
Net financial items		-1,558	-1,332	-3,246	-2,378	-4,857
Profit/loss before tax		-1,692	-1,714	-3,226	-2,672	-14,087
Income tax		-55	25	-43	219	-69
Profit/loss for the period		-1,747	-1,689	-3,270	-2,454	-14,157
Profit/loss for the period attributable to:						
Shareholders' of Parent Company		-2,848	-2,671	-4,958	-3,668	-15,772
Non-controlling interests		1,101	983	1,688	1,215	1,615
Earnings per share before and after dilution SEK ¹		-0.03	-0.03	-0.05	-0.04	-0.16
Average number of shares before and after dilution ¹		97,983,224	97,950,000	97,966,704	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	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023
Profit/loss for the period	-1,747	-1,689	-3,270	-2,454	-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	-1	1	-1	8	7
Other comprehensive income for the period, net after tax	-1	1	-1	8	7
Comprehensive income for the period	-1,748	-1,688	-3,271	-2,446	-14,150
Comprehensive income for the period attributable to:					
Shareholders' of Parent Company	-2,849	-2,671	-4,959	-3,663	-15,768
Non-controlling interests	1,100	983	1,688	1,218	1,618

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEK 000s	Note	30 Jun 2024	30 Jun 2023	31 Dec 2023
ASSETS				
Non-current assets				
<i>Intangible fixed assets</i>				
Capitalized development expenditures		19,272	17,756	18,634
Patents		6,587	5,778	6,147
Licences		86	199	140
Goodwill		16,794	16,794	16,794
		42,740	40,528	41,715
<i>Property, plant and equipment</i>				
Buildings		10,405	16,336	13,074
Improvement expense of other property		176	277	224
Machinery		18,297	20,378	19,624
Equipment, tools, fixtures and fittings		3,420	3,046	3,233
Ongoing new facilities		575	-	-
		32,873	40,038	36,155
<i>Other non-current assets</i>				
Other non-current receivables		3,140	3,140	3,140
Deferred tax assets		893	1,093	847
Total non-current assets		79,645	84,799	81,857
Current assets				
Inventories		38,936	38,971	36,688
Trade receivables		24,849	30,183	18,022
Income tax receivables		409	286	532
Other receivables		258	294	376
Prepaid expenses and accrued income		2,444	1,854	2,536
Cash and cash equivalents		15,697	12,307	10,737
Total current assets		82,594	83,895	68,892
TOTAL ASSETS		162,239	168,695	150,749

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT.)

SEK 000s	Note	30 Jun 2024	30 Jun 2023	31 Dec 2023
EQUITY				
Share capital		981	980	980
Other contributed capital		307,555	307,059	307,059
Reserves		36	38	37
Accumulated loss including profit/loss for the period		-267,613	-252,214	-263,495
Equity attributable to shareholders of Parent Company		40,959	55,862	44,581
Non-controlling interests	4	9,675	9,248	8,825
Total equity		50,633	65,110	53,407
LIABILITIES				
Non-current liabilities				
Borrowings from credit institutions		2,605	3,202	3,018
Lease liabilities		5,351	11,977	8,495
Other non-current liabilities		213	1,000	975
Deferred tax liabilities		259	129	170
Total non-current liabilities		8,428	16,307	12,658
Current liabilities				
Liabilities to credit institutions		37,860	20,468	28,258
Lease liabilities		8,679	9,027	8,666
Trade payables		15,682	14,593	14,559
Other liabilities		28,026	33,200	22,981
Accrued expenses and deferred income		12,931	9,988	10,220
Total current liabilities		103,178	87,277	84,684
TOTAL EQUITY AND LIABILITIES		162,239	168,695	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	-	-	-	-4,958	-4,958	1,688	-3,270
Transfer enumeration preference shares	-	-	-	839	839	-839	0
<i>Other comprehensive income</i>							
Translation differences	-	-	-1	-	-1	0	-1
Total comprehensive income	-	-	-1	-4,118	-4,119	849	-3,271
<i>Shareholder transactions</i>							
Set-off issue	2	496	-	-	498	-	498
Total shareholder transactions	2	496	-	-	498	-	498
Equity at 30 June 2024	981	307,555	36	-267,613	40,959	9,675	50,633
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	-	-	-	-3,668	-3,668	1,215	-2,454
Transfer enumeration preference shares	-	-	-	749	749	-749	0
<i>Other comprehensive income</i>							
Translation differences	-	-	5	-	5	3	8
Total comprehensive income	-	-	5	-2,919	-2,914	469	-2,446
<i>Shareholder transactions</i>							
Total shareholder transactions	-	-	-	-	-	-	-
Equity at 30 June 2023	980	307,059	38	-252,214	55,862	9,248	65,110
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	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023
Cash flow from operating activities						
Operating profit/loss		-133	-382	20	-294	-9,230
Adjustment for non-cash items	5	3,736	3,742	7,796	7,436	14,886
Interest received		9	29	26	31	103
Interest paid		-1,567	-1,361	-3,272	-2,409	-4,960
Income tax paid		-163	-184	123	161	-85
Cash flow from operating activities before changes in working capital		1,881	1,844	4,693	4,925	713
Changes in working capital						
Changes in inventories and work in progress		-1,660	2,134	-2,248	2,553	4,836
Changes in trade receivables		4,744	6,267	-6,827	-13,987	-1,826
Changes in other operating receivables		789	1,268	375	355	-425
Changes in trade payables		3,269	-1,880	1,123	-884	-918
Changes in other operating liabilities		1,950	-1,590	3,439	-138	-1,848
Cash flow from changes in working capital		9,093	6,199	-4,139	-12,101	-181
Cash flow from operating activities		10,973	8,043	554	-7,176	533
Cash flow from investing activities						
Investments in intangible assets		-1,585	-1,769	-3,406	-3,369	-6,845
Investments in property, plant and equipment		-1,136	-368	-1,255	-656	-1,765
Cash flow from investing activities		-2,721	-2,137	-4,661	-4,025	-8,610
Cash flow from financing activities						
Net change bank overdraft facility		1,288	-195	-245	-309	7,242
Net change invoice factoring debt		-4,159	-4,954	4,814	11,515	1,778
Borrowings		-	3,237	10,000	3,237	6,704
Repayment of debt		-763	-	-763	-1,400	-2,825
Amortization of debt		-2,431	-2,344	-4,739	-4,745	-9,296
Cash flow from financing activities		-6,065	-4,256	9,068	8,297	3,603
Cash flow for the period		2,188	1,650	4,961	-2,905	-4,474
Cash and cash equivalents at beginning of period		13,510	10,656	10,737	15,204	15,204
Exchange rate differences in cash and cash equivalents		-1	1	-1	8	7
Cash and cash equivalents at end of period		15,697	12,307	15,697	12,307	10,737

KEY FIGURES, THE GROUP

SEK 000s	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023
Net sales	38,746	41,028	76,916	84,512	145,871
Revenue growth, %	-5.6	6.5	-9.0	18.8	26.8
Gross profit	11,287	11,021	22,466	22,296	35,390
Gross margin, %	29.1	26.9	29.2	26.4	24.3
Operating profit/loss, EBIT	-133	-382	20	-294	-9,230
Operating margin, EBIT, %	-0.3	-0.9	0.0	-0.3	-6.3
EBITDA	3,768	3,362	7,982	7,137	5,850
Profit/loss for the period	-1,747	-1,689	-3,270	-2,454	-14,157
Profit margin, %	-4.5	-4.1	-4.3	-2.9	-9.7
Equity ratio, %	31.2	38.6	31.2	38.6	35.4
Quick ratio, %	42.3	51.5	42.3	51.5	38.0
Net debt/equity ratio,%	126.2	94.8	126.2	94.8	110.0
Average number of employees	40	44	40	43	42
Average number of shares before and after dilution ¹	97,983,224	97,950,000	97,966,704	97,950,000	97,950,000
Number of shares issued at end of period	98,117,967	97,950,000	98,117,967	97,950,000	97,950,000
Earnings per share before and after dilution SEK ¹	-0.03	-0.03	-0.05	-0.04	-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	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023
Net sales	2	21,053	23,517	49,013	55,563	93,881
Cost of goods sold		-18,400	-20,527	-40,873	-46,763	-80,559
Gross profit		2,652	2,990	8,140	8,801	13,322
Selling expenses		-2,750	-3,065	-5,416	-5,530	-10,606
Administrative expenses		-3,079	-2,666	-5,950	-5,438	-10,994
Research and development costs		-1,342	-1,136	-2,752	-2,169	-4,768
Other operating income		324	226	752	408	3,821
Other operating expenses		-122	-226	-361	-468	-4,939
Operating profit/loss		-4,316	-3,878	-5,588	-4,395	-14,166
Interest income and similar items		71	193	163	335	425
Interest expenses and similar items		-753	-336	-1,696	-618	-1,567
Net financial items		-682	-143	-1,532	-283	-1,142
Profit/loss before tax		-4,998	-4,021	-7,120	-4,678	-15,308
Appropriations		-	-	-	-	787
Income tax		-	-	-	-	-
Profit/loss for the period		-4,998	-4,021	-7,120	-4,678	-14,521

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

SEK 000s	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023
Profit/loss for the period	-4,998	-4,021	-7,120	-4,678	-14,521
Other comprehensive income for the period	-	-	-	-	-
Comprehensive income for the period	-4,998	-4,021	-7,120	-4,678	-14,521

PARENT COMPANY BALANCE SHEET

SEK 000s	Note	30 Jun 2024	30 Jun 2023	31 Dec 2023
ASSETS				
Non-current assets				
<i>Intangible fixed assets</i>				
Capitalized development expenditures		14,241	12,475	13,446
Patents		5,914	5,029	5,541
Licences		86	187	137
		20,241	17,691	19,123
<i>Property, plant and equipment</i>				
Improvement expense of other property		176	277	224
Machinery		12,452	13,298	13,116
Equipment, tools, fixtures and fittings		1,976	1,993	2,007
Ongoing new facilities		575	-	-
		15,179	15,568	15,346
<i>Financial assets</i>				
Shares in group companies		35,878	35,878	35,878
Due from group companies		825	1,651	1,651
Other non-current receivables		529	1,007	838
		37,232	38,536	38,367
Total non-current assets		72,652	71,796	72,837
Current assets				
Raw materials, supplies and finished inventories		24,792	20,492	24,280
		24,792	20,492	24,280
<i>Short-term receivables</i>				
Trade receivables		7,115	12,978	7,434
Due from group companies		124	5,067	131
Income tax receivables		274	74	326
Other receivables		64	28	311
Prepaid expenses and accrued income		3,546	2,910	3,707
		11,124	21,057	11,908
Cash and cash equivalents		8,933	6,336	4,455
Total current assets		44,849	47,885	40,644
TOTAL ASSETS		117,501	119,680	113,481

PARENT COMPANY BALANCE SHEET (CONT.)

SEK 000s	Note	30 Jun 2024	30 Jun 2023	31 Dec 2023
EQUITY AND LIABILITIES				
Restricted equity				
Share capital		981	980	980
Fund for development expenditures		9,590	7,824	8,794
Total restricted equity		10,571	8,803	9,774
Non-restricted equity				
Share premium reserve		311,197	310,701	310,701
Retained earnings		-257,826	-241,539	-242,510
Profit/loss for the period		-7,120	-4,678	-14,521
Total non-restricted equity		46,251	64,484	53,671
Total equity		56,822	73,287	63,445
LIABILITIES				
Non-current liabilities				
Liabilities to credit institutions		2,605	3,202	3,018
Liabilities to group companies		4,710	4,710	4,710
Total non-current liabilities		7,315	7,912	7,728
Current liabilities				
Liabilities to credit institutions		23,303	5,531	13,317
Trade payables		11,499	10,776	13,092
Liabilities to group companies		2,141	3,304	1,718
Other short-term liabilities		7,334	13,668	7,673
Accrued expenses and deferred income		9,088	5,203	6,508
Total current liabilities		53,364	38,481	42,308
TOTAL EQUITY AND LIABILITIES		117,501	119,680	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	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023
Net sales per business unit					
Nonwoven & fiber technologies	8,081	10,013	20,450	27,502	51,175
Green coatings & maintenance products	14,581	11,770	28,659	22,591	37,938
Functional wood	16,084	19,245	27,806	34,420	56,758
Total	38,746	41,028	76,916	84,512	145,871

Net sales per geographic market

Sweden	29,232	32,285	58,729	70,201	121,809
Other Nordics	3,259	3,621	6,513	6,343	10,558
The rest of Europe	6,236	4,921	11,592	7,234	12,492
Asia	14	138	77	475	745
North America	5	64	5	258	267
Total	38,746	41,028	76,916	84,512	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	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023
Exchange gains on receivables/payables of an operating nature	373	451	963	633	1,637
Government grants received for R&D	33	17	68	127	223
Profits, disposal/sale of property, plant and equipment	216	-	216	-	-
Insurance compensation	-	-	-	-	2,743
Other operating income	-	34	1	38	350
Total	622	501	1,248	798	4,952
Exchange losses on receivables/payables of an operating nature	-385	-255	-635	-603	-1,839
Losses, disposal/sale of property, plant and equipment	-	-	-	-7	-20
Other operating expenses	-	-	-	-	-3,834
Total	-385	-255	-635	-609	-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 30 June 2024, the redemption value per preference share was SEK 328.9 (293.7).

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 13 May 2024, 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	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023
Depreciation/amortization of intangible fixed assets	1,091	983	2,382	1,892	4,166
Depreciation/amortization of property, plant and equipment	2,810	2,760	5,580	5,539	10,914
Disposal of property, plant and equipment	-165	-2	-165	5	-195
Total	3,736	3,742	7,796	7,436	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 74 (105) and invoiced consultancy fees of KSEK 100 (0). In addition to guarantee liabilities, Kvigos AB has outstanding interest-bearing loans to OrganoWood of KSEK 0 (1,000). Invoiced and accrued interest on loans provided by shareholder Ilija Batljan, via his own company Ilija Batljan Invest AB, amount to KSEK 18 (81). Outstanding interest-bearing loans from Ilija Batljan Invest AB to OrganoWood AB amount to KSEK 213 (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 debet) 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	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023
<i>Gross margin, %</i>					
Gross profit	11,287	11,021	22,466	22,296	35,390
Net sales	38,746	41,028	76,916	84,512	145,871
Gross margin, %	29.1	26.9	29.2	26.4	24.3
<i>Operating margin, EBIT, %</i>					
Operating profit/loss, EBIT	-133	-382	20	-294	-9,230
Net sales	38,746	41,028	76,916	84,512	145,871
Operating margin, EBIT, %	-0.3	-0.9	0.0	-0.3	-6.3
<i>EBITDA</i>					
Operating profit/loss	-133	-382	20	-294	-9,230
Plus: Depreciations/impairments	3,901	3,744	7,962	7,431	15,080
EBITDA	3,768	3,362	7,982	7,137	5,850
<i>Profit margin, %</i>					
Profit/loss for the period	-1,747	-1,689	-3,270	-2,454	-14,157
Net sales	38,746	41,028	76,916	84,512	145,871
Profit margin, %	-4.5	-4.1	-4.3	-2.9	-9.7
<i>Net sales, change</i>					
Net sales	38,746	41,028	76,916	84,512	145,871
Net sales corresponding period prior year	41,028	38,526	84,512	71,160	115,047
Net sales, change	-2,282	2,502	-7,596	13,352	30,824
Revenue growth, organic, %	-5.6	6.5	-9.0	18.8	26.8
<i>Equity ratio, %</i>					
Equity	50,633	65,110	50,633	65,110	53,407
Total assets	162,239	168,695	162,239	168,695	150,749
Equity ratio, %	31.2	38.6	31.2	38.6	35.4
<i>Quick ratio, %</i>					
Current assets, excluding inventories	43,658	44,924	43,658	44,924	32,204
Current liabilities	103,178	87,277	103,178	87,277	84,684
Quick ratio, %	42.3	51.5	42.3	51.5	38.0
<i>Net debt/equity ratio, %</i>					
Interest-bearing liabilities	79,595	73,999	79,595	73,999	69,485
Less: Cash and cash equivalents	-15,697	-12,307	-15,697	-12,307	-10,737
Net debt	63,897	61,692	63,897	61,692	58,748
Equity	50,633	65,110	50,633	65,110	53,407
Net debt/equity ratio, %	126.2	94.8	126.2	94.8	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, 19 July 2024

Jan Johansson
Chairman of the Board

Chatarina Schneider
Board member

Charlotte Karlberg
Board member

Johan Magnusson
Board member

Håkan Gustavson
Board member

Mårten Hellberg
CEO

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



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