



ORGANOCLICK AB (PUBL) PUBLISHES ITS INTERIM REPORT FOR Q3 2019

The sales during the quarter did not meet our expectations, but decreased by 4 % at Group level, to a total of SEK 15.6 (16.3) million. The Group's sales loss occurred at our business unit Functional wood during August, when the suppliers to our partly owned subsidiary OrganoWood received a raw material shortage of our most important raw material for our timber decking. As a result, ORGANOWOOD®-decking could not be delivered, resulting in a sales loss for the business unit of 40 % compared with August 2018. The sales loss was partially recovered in September (sales +28 % compared with September 2018) but overall, the business unit's sales during the quarter decreased by 8 %. By contrast, the sales of the Group's high margin products increased, which improved the Group's gross margin with 2.2 % (after variable costs and excluding an inventory write-down effect from 2018). The strengthened gross margin, together with slightly lower fixed operating costs, improved the Group's EBIT with SEK 1 million during the quarter. Cash flow from operating activities (excl. effect of IFRS 16) improved by SEK 1 million to SEK 0.5 (-0.5) million.

Translation from CEO Mårten Hellbergs comments to the Interim Report.

Q2, 1 April - 30 June 2019

The Group compared with 2018

- » Net revenue amounted to SEK 15.62 (16.29) million
- » The gross margin (after variable costs) amounted to 35.6 (28.5) %
- » EBITDA amounted to SEK -2.07 (-4.49) million
- » Cash-flow from operating activities amounted to SEK 1.76 (-0.50) million
- » Earnings before tax amounted to SEK -6.20 (-6.57) million

First nine months, 1 January – 30 September 2019

The Group compared with 2018

- » Net revenue amounted to SEK 70.48 (65.33) million
- » The gross margin (after variable costs) amounted to 42.3 (39.4) %
- » EBITDA amounted to SEK 2.46 (-6.50) million
- » Cash-flow from operating activities amounted to SEK -1.33 (-15.14) million
- » Earnings before tax amounted to SEK -9.48 (-12.59) miljoner kr

The complete version of the Interim Report (in Swedish) is attached in this press release and is available on the company's homepage. The information in this Interim Report is according to the rules of Nasdaq First North Growth Market.

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For more information, please contact:

Mårten Hellberg, CEO

0707 - 16 48 90, marten.hellberg@organoclick.com
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About OrganoClick

OrganoClick AB (publ) is a public Swedish cleantech company listed on Nasdaq First North Growth Market. The company develops, produces and markets functional materials based on environmentally friendly fiber chemistry. Examples of products that are marketed by OrganoClick are the durable water repellent technology for textiles OrganoTex®, the biocomposite material OrganoComp®, surface treatment and maintenance products for villa and property owners under the brand BIOkleen®, biobased binder under the trade name OC-BioBinder™ and the flame and rot-resistant timber OrganoWood® (through the joint-venture OrganoWood AB). OrganoClick was founded in 2006 as a commercial spin-off company based on research performed at Stockholm University and the Swedish University of Agricultural Sciences within

environmentally friendly fiber chemistry. OrganoClick has won a number of prizes, such as "Sweden's Most Promising Start -up" and "Sweden's Best Environmental Innovation", and has also received a number of awards, such as the WWF "Climate Solver" award, listed as a SUSTAINIA100 company and has also appeared for two years on the Affärsvärldens and NyTekniks list of Sweden's top 33 hottest technology companies. OrganoClick has its head office, production and R&D located in Täby, north of Stockholm. OrganoClick's Certified Adviser on Nasdaq First North Growth Market is Mangold Fondkommission AB, tel: +46 (0)8 503 01 551, email: ca@mangold.se.

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