



ORGANOCLICK AB (PUBL) PUBLISH INTERIM REPORT FOR Q1 2023

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Translation from CEO Mårten Hellbergs comments to the Interim Report.

Q1, 1 January - 31 March 2023

The Group compared with 2022

» *Net revenue amounted to SEK 43.5 (32.6) million*

» *The gross margin amounted to 25.9 (25.2) %*

» *EBIT amounted to SEK 0.1 (-4.2) million*

» *Cash-flow from operating activities amounted to SEK -15.2 (-16.4) million*

A word from the CEO

2023 started out well. The Group's sales grew by 33 percent to MSEK 43.5 (32.6) despite a weak construction and consumer market. The streamlining measures implemented during the autumn have reduced our operating costs by -10 percent. All in all, this results in us, for the first time ever, recognizing a positive operating profit for the first quarter.

The most significant growth was generated in the Nonwoven & fiber technologies business unit, where sales increased very strongly to MSEK 17.5 (0.8). The increase is mostly attributable to existing customers increasing their volume, but also to new customers placing initial orders during the quarter. At the end of the quarter, Sharpcell, the Finnish manufacturer of nonwoven, announced a launch of products that use our biobased binders. In April, US Glatfelter, one of the world's largest manufacturer of nonwoven, followed with an announcement that it too will launch products incorporating our biobased binders. With these two launches, we are becoming an increasingly established player in the binder market.

The business unit Green coatings & maintenance products has seen a continued challenging market for its consumer products. We continue to have a healthy acquisition of new customers, but the overall market has diminished considerably. Sales during the quarter decreased by -22 percent to MSEK 10.8 (13.9), with negative sales growth across all segments except for Car care. Our promotion of OrganoTex exports is beginning to show results, however. At the end of April, Bever, the largest outdoor chain in the Netherlands, introduced our full OrganoTex range across its more than 40 stores. With this collaboration, together with our other partnerships, OrganoTex is developing in the right direction.

The weak construction market has had a negative impact on the business unit Functional wood, resulting in a decline in sales of -15 percent to MSEK 15.2 (17.9). Sales activities in Germany have been successful, however, and we expect them to drive growth in the German market. The launch of OrganoWood Nowa has also been well received among our customers. This product now represents almost all of our sales. Our assessment for the rest of the year is that the Swedish market will remain weak while some export markets will see growth.

The cash flow for the quarter was burdened by our significant sales growth, which has tied up working capital in trade receivables. This, however, is a temporary effect, which we are counteracting by means of our credit facilities. We keep to our goal of generating a positive cash flow in the year as a whole.

With the continued growth of our binders and a new, lower cost structure in place, we are evolving in the right direction. We have a strong portfolio of customer projects and own development projects that will give rise to additional product launches during the year. Our long-term efforts have now started to give results, on the financial side, but also in that our biobased solutions now are replacing thousands of tonnes of plastics and fossil chemicals!

Sincerely

Mårten Hellberg

CEO, OrganoClick AB

The complete version of the Interim Report 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.

This disclosure contains information that OrganoClick AB is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact person, on 05-05-2023 08:30 CET.

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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.