



OrganoClick AB (publ) presents preliminary financial information for the second quarter of 2025 and initiates a savings program for the partly owned subsidiary OrganoWood AB

The Board of Directors of OrganoClick AB (publ) ("OrganoClick" or the "Group") presents preliminary financial information for the second quarter of 2025 due to the fact that OrganoClick's part-owned subsidiary OrganoWood AB has had a larger sales and earnings loss than expected. At the same time, OrganoWood AB is initiating a cost-cutting program to adapt to the lower sales volume.

Preliminary financial information for the second quarter

During the second quarter, the Group had a sales loss of -22.7% (-5.6%) to SEK 30.0 (38.7) million. The sales loss came mainly from the Functional Wood business unit and OrganoClick's part-owned subsidiary OrganoWood AB, which had a sharp sales drop of -34% (-16) % to SEK 10.6 (16.1) million. The drop in sales came mainly from the Swedish market. On the other hand, growth continued for OrganoWood in the German market, which had a total sales growth of 59% during the first half of the year.

Operating profit decreased to SEK -4.7 (-0.1) million, mainly from a result reduction of SEK -3.1 million for OrganoWood AB in comparison with the second quarter 2024. Other business units also had a challenging quarter with continued high inventory levels at OrganoTex's largest customer, a cold spring that affected BIOkleen and fierce price competition from fossil plastic binders in the Nonwoven & Fiber Technologies business unit. Exchange rate effects, with the sharp depreciation of the dollar during the quarter, also had a negative impact on operating profit of SEK -0.5 million compared to the previous year. Cash flow from operating activities for the Group amounted to SEK 7.7 (11.0) million during the quarter.

In order to adapt costs to the new sales volume, a cost-cutting program has been initiated for OrganoWood AB. In a first stage, costs will be reduced by SEK 3 million on an annual basis when it is fully implemented in the fourth quarter. The aim is that the good sales increase in the German market will continue and for the trend in the Swedish market to be gradually reversed.

CEO Mårten Hellberg comments:

"The second quarter was tough. Especially for the Functional Wood business unit, which had a sharp drop in sales and profitability in the Swedish market. Operationally, however, we took steps forward with new important customers for both BIOkleen and OrganoTex, several customer projects in nonwoven that are close to launch and important test results for our new wood protection technologies.

With new financing of SEK 10 million via a shareholder loan, we have now strengthened our financial position and can invest in the future to increase sales and improve profitability. In order to return to sales growth and achieve profitability, we are now prioritizing the following activities

and customer projects where we see great economic potential in the near future.

- Continued sales growth for OrganoTex through launch in France and Canada and continued expansion in the Nordic region for BIOkleen.
- Increase sales of our biobased binders by focusing on prioritized customer projects close to commercialization in:
 - Wipes
 - Food pads (the material under meat, fish and vegetables in food packaging)
 - More economically competitive tabletop binder (napkins and tablecloths)
- License out the production of OrganoWood Nowa timber (but retain the production of the wood preservative) to reduce costs, reduce tied-up capital, get a more efficient organization and a uniform and more scalable business model.

The goal is for these activities to be carried out over the next 12-18 months to drive growth, give us a better cost base and thus take us to profitability."

Second quarter, 1 April – 30 June 2025

Group compared to the second quarter of 2024

- » *Consolidated net sales amounted to SEK 29.96 (38.75) million*
- » *Gross margin amounted to 21.6% (29.1)*
- » *Operating profit (EBIT) amounted to SEK -4.71 million (-0.13)*
- » *Cash flow from operating activities amounted to SEK 7.72 (10.97) million*
- » *Total cash flow amounted to SEK 1.94 (2.19) million*

First half year, 1 January – 30 June 2025

Group compared to the first half of 2024

- » *The Group's net sales amounted to SEK 65.36 (76.92) million*
- » *Gross margin amounted to 23.6% (29.2)*
- » *Operating profit (EBIT) amounted to SEK -6.81 million (0.02)*
- » *Cash flow from operating activities amounted to SEK -2.78 (0.55) million*
- » *Total cash flow amounted to SEK 1.80 (4.96) million*

The figures are preliminary. The full report will be published on July 18 at 8:30 a.m. CET.

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 11-07-2025 08:45 CET.

.....

For more information, please contact:

Mårten Hellberg, CEO

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

.....

About OrganoClick

OrganoClick is a Swedish green chemical company, founded in 2006 replacing hidden plastic and harmful chemicals in fiber-based materials with green chemical solutions based on fossil-free raw materials. Based on the company's patented "OrganoClick" technologies, which are inspired by nature's chemistry, OrganoClick develops, produces and markets a range of products with the aim of enabling a green transition. For example, the biobased binder OC-BioBinder for the nonwoven and paper industry, the biodegradable textile impregnation OrganoTex® for consumers and the textile industry, the biocidal-free wood protection technology OrganoWood® for wood treatment companies and the construction industry, as well as eco-labelled maintenance products for home owners under the BIOkleen brand. OrganoClick was founded as a spin-off from Stockholm University and the Swedish Agricultural University and has received several awards for its green innovations, including being named a "Climate Solver" by the World Wide Fund for Nature - WWF. The company is listed on the Nasdaq First North Growth Market and has its headquarters, production and R&D in Täby, north of Stockholm. OrganoClick's Certified Adviser on the Nasdaq First North Growth Market is Mangold Fondkommission AB, tel: +46 (0)8 503 01 551, email: ca@mangold.se.