



**Q2**

## HALF YEAR REPORT, 1 JANUARY – 30 JUNE 2022

Serstech Group  
Second Quarter 2022

Net sales: KSEK 8 444 (2 765)  
Profit for the period: KSEK -1 986 (-5 299)  
Earnings per share SEK -0.02 (-0.06)  
Earnings per average number of shares: SEK -0.02 (-0.07)

Serstech Group  
Half Year 2022

Net sales: KSEK 10 498 (14 224)  
Profit for the period: KSEK -8 594 (-2 270)  
Earnings per share SEK -0.10 (-0.03)  
Earnings per average number of shares: SEK -0.10 (-0.03)

## MESSAGE FROM THE CEO

During the second quarter the activity among our customers was almost at a pre-pandemic level in Europe and the United States, and it has been possible to have customer meetings again. Many tenders have been published in the first half of the year and we have received notifications from our partners about imminent tenders that likely will close over the coming nine months. We have seen that the Ukraine war has caused some delays in purchase decisions and the increased likelihood of a recession could potentially cause further delays over the next twelve months. The security industry is, generally speaking, less affected than other industries by a downturn in the economy, but a downturn could cause the lead times in the sales cycles to increase.

*‘We estimate that the US market constitutes somewhere between a third and half of the total world market and we see significant opportunities there, despite it being the home market for most of our competitors.’*

— Stefan Sandor, Serstech CEO.

For almost two years, we have focused on developing the important US market and in May, we received the first major order. The order of 7.8 MSEK was delivered in June and we expect payment by mid-August. We now have a first customer reference in this important market, which will further support our fast progress. We estimate that the US market constitutes somewhere between a third and half of the total world market and we see significant opportunities there, despite it being the home market for most of our competitors.

Based on the many tenders currently open for bids and our historical hit-rate, we expect to get some additional large orders over the next 12 months. Due to the payment terms in most tenders, we will however need to pay for production costs (COGS) before we get paid from our partners, which has created a need for a cash buffer. In June, we secured a loan and an increased overdraft credit to be used to temporarily cover the production costs for the expected orders.

For the last 18 months our production partner has been working on securing components for our instruments and the work has been rather successful. Some components are however permanently out of stock, which has required us to do some product redesigns to enable production. We expect to continue to spend most of our R&D resources on such adaptations for the rest of the year. We have also seen a 10-15% increase in production cost, especially driven by increased component prices. Despite the component shortage, we expect to be able to produce enough instruments to meet the demand in 2022.

The two-year absence of new sales opportunities in our industry is coming to an end and we expect 2022 to get us back to growth. Many tenders were published in the first half of the year, and we expect several of these to come to completion in the second half.



Stefan Sandor, CEO



# SUMMARY OF HALF A YEAR REPORT

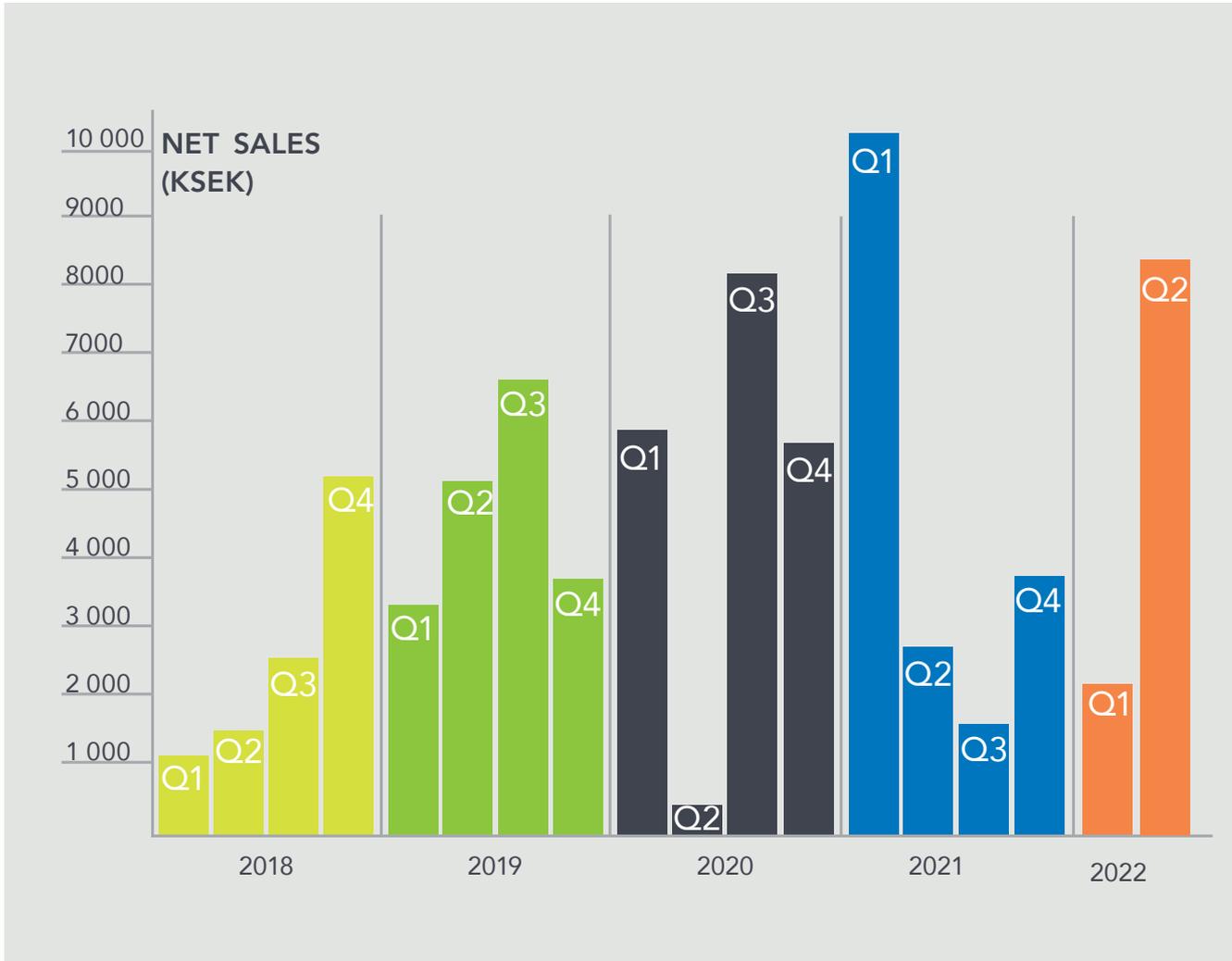
## SERSTECH GROUP NET SALES AND INCOME FOR THE PERIOD 1 JANUARY – 30 JUNE 2022

Net sales amounted to KSEK 10 498 (KSEK 14 224).

Net income amounted to KSEK -8 594 (KSEK -2 270).

Earnings per share SEK -0.10 (SEK -0.03).

Cash flow during the period amounted to KSEK -18 232 (KSEK 18 430).



## SIGNIFICANT EVENTS DURING THE PERIOD

Serstech won an order of 7.8 MSEK together with its US partner Field Forensics. The order includes both hardware and software components and has been delivered and invoiced during Q2 2022.

Less than two year ago, Serstech increased its focus on the US market, adding local staff working with partners and potential end-customers. With a significant reference customer now in place, the first and most important stage in the US strategy has been completed.

Serstech has applied for Conversion aid for December 2021 and February 2022 amounting to 1.0 MSEK in total, due to Covid effects on sales compared to December 2019 and February 2019. The aid is approved and has been paid in cash.



## SIGNIFICANT EVENTS AFTER THE PERIOD

By the end of June, Serstech secured a loan of KSEK 4 000 and an increased overdraft credit of KSEK 1 000 to be used to temporarily cover the gap between production costs and payment for corresponding orders. The loan has been distributed on July 5.

# FINANCIAL COMMENTS SERSTECH GROUP

## FIRST QUARTER

### SALES AND RESULTS

Net sales during the first half year 2022 amounted to KSEK 10 498 (14 224), which showed a decrease of 26% compared to the first half year last year mainly due to Covid-19 effects. However, multiple indications show that large customer groups are starting to move back towards normal operations and that they therefore soon are more likely to invest in Serstech solutions and equipment.

In the first half year 2022, Serstech applied for government grants related to the Covid-19 pandemic, of 1.0 MSEK, got the application approved and paid in cash in April 2022.



The overall expenses increased compared to last year, by 23% due to an increase in expenses mainly related to development expenses, and partly to rebuild sales resources in major geographic markets now that markets are opening again post Covid pandemic.

The development expenses have increased compared to last year due to intensified software development efforts and update efforts on chemical libraries. The capitalized work on own account is less than last year due to the hardware development of Arx is entering final stage and launch.

Compared to the first half year of 2021, Serstech showed lower revenue and higher expenses, KSEK -16 592 (-13 467) which led to net earnings of KSEK -8 594 (-2 270), amounted to SEK -0.10 per share (-0.03). Earnings per average number of shares, amounted to -0.10 (-0.03).

### DEPRECIATION AND AMORTIZATION

The result, net earnings, has been affected by KSEK 3 358 (3 442) for depreciation, of which KSEK 75 (142) refers to depreciation of equipment, tools and installations, whereas KSEK 3 283 (3 300) refers to depreciation of previous years' capitalized patents and development costs.

### INVESTMENTS

Total investments amounted to KSEK 4 459 (6 161) and relate fully to intangible fixed assets, such as capitalized expenditure for development work.

### PERSONNEL

On June 30, 2022, Serstech Group had 22 (18) employees.

	TOTAL	Men	Women
Lund, Sweden	13	10	3
Cluj, Romania	9	7	2
Group	22	17	5

## LIQUIDITY AND FINANCING

At the end of the first half year, the group had KSEK 1 053 (29 684) in cash and cash equivalents and KSEK 2 000 (1 000) in unutilized overdraft credit. The cashflow was negative during the first half year 2022, KSEK -18 189 (18 378) mainly related to an increase in accounts receivables as per June 30, 2022, of 8 MSEK related to one sales order and that the cash balance was strengthened by 22.5 MSEK with new rights issued in 2021.

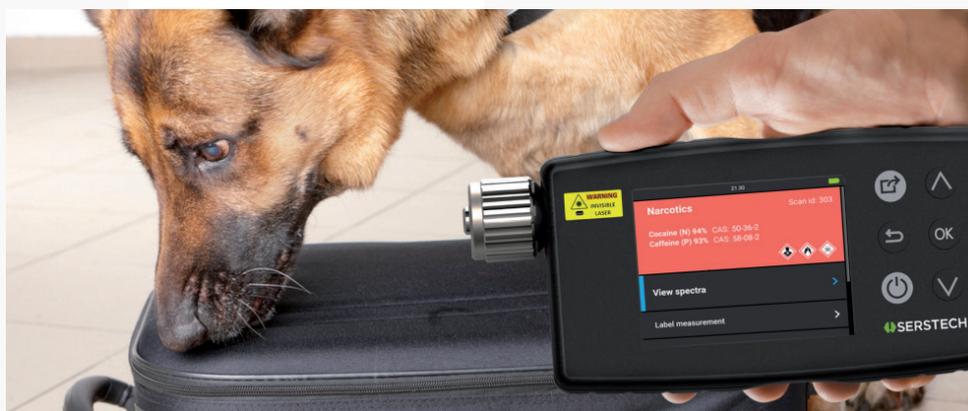
At the end of the first half year Serstech had no long-term interest-bearing liabilities of KSEK 0 (259) and short-term interest-bearing liabilities of KSEK 1 219 (1 920). Total liabilities to credit institutions, however, remains constant since the Q4 2021 report.

## EQUITY, SHARE CAPITAL AND NUMBER OF SHARES

As of June 30, 2022, the equity of Serstech Group amounted to KSEK 49 512 (46 898) and the equity ratio amounted to 85 percent (82). The share capital was on June 30 divided into 83 816 085 shares with a quota value of SEK 0.59. All shares belong to the same series and have the same voting and profit rights in the company.

## ACCOUNTING PRINCIPLES

The report has been prepared in accordance with BFNAR 2012: 1 Annual Report and Consolidated Financial Statements, K3. The company's assets and liabilities are stated at cost or nominal value, respectively, unless otherwise stated. This is a consolidated report that refers to the Serstech Group, which consists of Serstech AB and its subsidiaries Serstech Förvaltning AB and Serstech Development SRL. This report has not been subject to review by the company's auditor.)



# SERSTECH GROUP INCOME STATEMENT

Amounts in KSEK	2022-04-01 2022-06-30	2021-04-01 2021-06-30	2022-01-01 2022-06-30	2021-01-01 2021-06-30	2021-01-01 2021-12-31
<b>REVENUE</b>					
Net sales	8 444	2 765	10 498	14 224	18 650
Capitalized work for own account	437	1 224	819	2 414	3 321
Other operating income	1 220	-343	1 394	-328	2 308
<b>Total revenue</b>	<b>10 101</b>	<b>3 646</b>	<b>12 711</b>	<b>16 310</b>	<b>24 279</b>
<b>EXPENSES</b>					
Raw materials and consumables	-3 833	-1 965	-4 606	-5 034	-6 442
Other external costs	-3 176	-1 175	-5 720	-3 097	-6 813
Payroll expenses	-3 732	-3 858	-7 928	-7 015	-14 431
Depreciation of tangible and intangible assets	-1 679	-1 721	-3 358	-3 442	-6 853
Exchange gains and losses, net	410	-193	413	87	148
<b>Total expenses</b>	<b>-12 011</b>	<b>-8 912</b>	<b>-21 198</b>	<b>-18 501</b>	<b>-34 391</b>
<b>EBIT</b>	<b>-1 910</b>	<b>-5 266</b>	<b>-8 488</b>	<b>-2 191</b>	<b>-10 110</b>
Interest and similar, net	-30	-42	-58	-87	-147
<b>EBT</b>	<b>-1 940</b>	<b>-5 308</b>	<b>-8 546</b>	<b>-2 278</b>	<b>-10 257</b>
Taxes	-46	9	-49	8	6
<b>Net Earnings</b>	<b>-1 986</b>	<b>-5 299</b>	<b>-8 594</b>	<b>-2 270</b>	<b>-10 251</b>

# SERSTECH GROUP

## BALANCE SHEET — ASSETS

Amounts in KSEK	2022-06-30	2021-06-30	2021-12-31
<b>Intangible assets</b>			
Intangible assets	42 184	38 156	41 054
<b>Total intangible assets</b>	<b>42 184</b>	<b>38 156</b>	<b>41 054</b>
<b>Tangible assets</b>			
Equipment, tools, fixtures and fittings	261	212	337
<b>Total tangible assets</b>	<b>261</b>	<b>212</b>	<b>337</b>
<b>Financial assets</b>			
Deferred tax assets	64	31	52
<b>Total financial assets</b>	<b>64</b>	<b>31</b>	<b>52</b>
<b>Total fixed assets</b>	<b>42 510</b>	<b>38 399</b>	<b>41 444</b>
<b>Current assets</b>			
<b>Inventories etc.</b>			
Inventories	1 985	2 192	3 008
<b>Total Inventories</b>	<b>1 985</b>	<b>2 192</b>	<b>3 008</b>
<b>Current receivables</b>			
Accounts receivable - trade	10 133	1 140	800
Current tax assets	303	0	129
Other receivables	1 676	853	1 145
Prepaid expenses and accrued income	683	402	459
<b>Total Current receivables</b>	<b>12 795</b>	<b>2 395</b>	<b>2 532</b>
Cash and bank balances	1 342	29 826	19 574
<b>Total current assets</b>	<b>16 122</b>	<b>34 413</b>	<b>25 114</b>
<b>TOTAL ASSETS</b>	<b>58 632</b>	<b>72 813</b>	<b>66 558</b>

# SERSTECH GROUP

## BALANCE SHEET — EQUITY AND LIABILITIES

Amounts in KSEK	2022-06-30	2021-06-30	2021-12-31
<b>Equity</b>			
Equity	47 539	64 078	56 110
<b>Total equity</b>	<b>47 539</b>	<b>64 078</b>	<b>56 110</b>
Provisions	118	122	118
<b>Total provision</b>	<b>118</b>	<b>122</b>	<b>118</b>
<b>Non-current liabilities</b>			
Liabilities to credit institutions	0	259	0
<b>Total non-current liabilities</b>	<b>0</b>	<b>259</b>	<b>0</b>
<b>Current liabilities</b>			
Liabilities to credit institutions	1 219	1 920	1 699
Work in progress on behalf of others	0	0	66
Accounts payable	4 639	1 004	3 759
Current tax liabilities	158	126	311
Other current liabilities	367	471	610
Accrued expenses and deferred income	4 592	4 833	3 885
<b>Total current liabilities</b>	<b>10 975</b>	<b>8 354</b>	<b>10 330</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>58 632</b>	<b>72 813</b>	<b>66 558</b>

# SERSTECH GROUP

## CHANGE IN EQUITY

Amounts in KSEK	2022-04-01 2022-06-30	2021-04-01 2021-06-30	2022-01-01 2022-06-30	2021-01-01 2021-06-30	2021-01-01 2021-12-31
Equity brought forward	49 512	46 898	56 110	43 872	43 872
Rights issue	0	24 516	0	24 516	24 516
Issue costs	0	-2 035	0	-2 035	-2 035
Translation difference on consolidation	13	-1	23	-4	8
Profit/loss for the period	-1 986	-5 299	-8 594	-2 270	-10 251
<b>Amount at end of period</b>	<b>47 539</b>	<b>64 078</b>	<b>47 539</b>	<b>64 078</b>	<b>56 110</b>

# SERSTECH GROUP

## CASH FLOW ANALYSIS

Amounts in KSEK	2022-04-01 2022-06-30	2021-04-01 2021-06-30	2022-01-01 2022-06-30	2021-01-01 2021-06-30	2021-01-01 2021-12-31
<b>OPERATING ACTIVITIES</b>					
Operating profit	-1 910	-5 266	-8 488	-2 191	-10 110
Adjustment for items not included in cash flow	1 679	1 715	3 359	3 432	6 824
Interest paid	-30	-42	-58	-87	-147
<b>CASHFLOW FROM OPERATING ACTIVITIES BEFORE CHANGES TO WORKING CAPITAL</b>	<b>-261</b>	<b>-3 593</b>	<b>-5 187</b>	<b>1 154</b>	<b>-3 433</b>
<b>CASHFLOW FROM CHANGES IN OPERATING PROFIT</b>					
increase (-)/decrease (+) inventory	1 609	217	1 023	3	-813
increase (-)/decrease (+) account receivables	-8 415	8 053	-9 333	2 478	2 818
increase (-)/decrease (+) other short-term receivables	-419	707	-930	2 077	1 605
increase (+)/decrease (-) account payables	2 483	-2 259	880	-2 981	-226
increase (+)/decrease (-) other short-term liabilities	538	1 329	207	-21	-579
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>	<b>-4 465</b>	<b>4 453</b>	<b>-13 340</b>	<b>2 710</b>	<b>-628</b>
<b>INVESTMENT ACTIVITIES</b>					
Acquisition of property, plant and equipment	-13	0	-13	-9	-278
Sale of property, plant and equipment	0	7	0	7	7
Acquisition of intangible fixed assets	-2 645	-3 345	-4 399	-6 119	-12 284
Acquisition of subsidiaries	0	0	0	0	0
<b>CASHFLOW FROM INVESTMENT ACTIVITIES</b>	<b>-2 658</b>	<b>-3 338</b>	<b>-4 412</b>	<b>-6 121</b>	<b>-12 555</b>
<b>FINANCING ACTIVITIES</b>					
Loans	-480	-485	-480	-640	-1 120
Share issue costs paid	0	-2 035	0	-2 035	-2 035
Rights issue	0	24 516	0	24 516	24 516
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>	<b>-480</b>	<b>21 996</b>	<b>-480</b>	<b>21 841</b>	<b>21 361</b>
<b>CASHFLOW FOR THIS PERIOD</b>	<b>-7 603</b>	<b>23 111</b>	<b>-18 232</b>	<b>18 430</b>	<b>8 178</b>
Cash and cash equivalents at beginning of period	8 945	6 716	19 574	11 396	11 396
Cash and cash equivalents at end of period	1 342	29 826	1 342	29 826	19 574

# SERSTECH GROUP

## KEY FIGURES

Amounts in KSEK	2022-04-01/ 2022-06-30	2021-04-01/ 2021-06-30	2022-01-01/ 2022-06-30	2021-01-01/ 2021-06-30	2021-01-01/ 2021-12-31
<b>PROFITABILITY AND RETURN</b>					
Revenue change (%)	205%	798%	-26%	125%	-9%
Operating margin (%)	neg	neg	neg	neg	neg
Profit margin (%)	neg	neg	neg	neg	neg
Return on equity (%)	neg	neg	neg	neg	neg
<b>CAPITAL STRUCTURE</b>					
Equity	47 539	64 078	47 539	64 078	56 110
Balance sheet	58 632	72 813	58 632	72 813	66 558
Capital employed	48 758	66 257	48 758	66 257	57 809
Interest-bearing net debt	-123	-27 647	-123	-27 647	-17 875
Capital turnover rate (times)	0,14	0,04	0,17	0,22	0,30
Equity ratio (%)	81%	88%	81%	88%	84%
Gearing ratio (%)	3%	3%	3%	3%	3%
Interest coverage	neg	neg	neg	neg	neg
<b>CASH FLOW AND LIQUIDITY</b>					
Cash flow before investments	-4 465	4 453	-13 340	2 710	-628
Cash flow after investments	-7 123	1 115	-17 752	-3 411	-13 183
Liquid funds	1 342	29 826	1 342	29 826	19 574
<b>INVESTMENTS</b>					
Acquisition of property, plant and equipment	-13	0	-13	-9	-278
Sale of property, plant and equipment	0	7	0	7	7
Acquisition of intangible fixed assets	-2 645	-3 345	-4 399	-6 119	-12 284
<b>PERSONNEL</b>					
Average number of employees	20	19	22	19	22
Revenue per employee	494	192	573	858	1 104
Number of employees	19	18	19	18	28
<b>DATA PER SHARE</b>					
Number of shares	83 816 085	83 816 085	83 816 085	83 816 085	83 816 085
Earnings per share (SEK)	-0,02	-0,06	-0,10	-0,03	-0,12
Equity per share (SEK)	0,57	0,76	0,57	0,76	0,67
Average number of shares	83 816 085	77 529 879	83 816 085	77 529 879	77 529 879
Earnings per average number of shares	-0,02	-0,07	-0,10	-0,03	-0,13

# SERSTECH AB, PARENT COMPANY

## INCOME STATEMENT

Amounts in KSEK	2022-04-01 2022-06-30	2021-04-01 2021-06-30	2022-01-01 2022-06-30	2021-01-01 2021-06-30	2021-01-01 2021-12-31
<b>REVENUE</b>					
Net sales	8 444	2 765	10 498	14 224	18 650
Capitalized work for own account	468	1 224	879	2 414	3 475
Other operating income	1 220	-345	1 393	-330	2 291
<b>Total revenue</b>	<b>10 132</b>	<b>3 644</b>	<b>12 770</b>	<b>16 308</b>	<b>24 415</b>
<b>EXPENSES</b>					
Raw materials and consumables	-3 833	-1 965	-4 606	-5 034	-6 442
Other external costs	-4 376	-1 749	-7 779	-4 262	-9 739
Payroll expenses	-2 880	-3 225	-6 259	-5 786	-11 739
Depreciation of tangible and intangible assets	-1 671	-1 720	-3 342	-3 440	-6 842
Exchange gains and losses, net	410	-173	413	95	181
<b>Total Expenses</b>	<b>-12 350</b>	<b>-8 832</b>	<b>-21 573</b>	<b>-18 427</b>	<b>-34 581</b>
<b>EBIT</b>	<b>-2 218</b>	<b>-5 188</b>	<b>-8 803</b>	<b>-2 119</b>	<b>-10 165</b>
Interest and similar, net	-30	-42	-58	-87	-147
<b>EBT</b>	<b>-2 248</b>	<b>-5 230</b>	<b>-8 861</b>	<b>-2 206</b>	<b>-10 312</b>
Taxes	0	0	0	0	0
<b>Net Earnings</b>	<b>-2 248</b>	<b>-5 230</b>	<b>-8 861</b>	<b>-2 206</b>	<b>-10 312</b>

# SERSTECH AB, PARENT COMPANY

## BALANCE SHEET — ASSETS

Amounts in KSEK	2022-06-30	2021-06-30	2021-12-31
<b>Intangible assets</b>			
Intangible assets	42 491	38 298	41 299
<b>Total intangible assets</b>	<b>42 491</b>	<b>38 298</b>	<b>41 299</b>
<b>Tangible assets</b>			
Equipment, tools, fixtures and fittings	190	204	266
<b>Total tangible assets</b>	<b>190</b>	<b>204</b>	<b>266</b>
<b>Financial assets</b>			
Shares in subsidiaries	143	143	143
<b>Total financial assets</b>	<b>143</b>	<b>143</b>	<b>143</b>
<b>Total fixed assets</b>	<b>42 824</b>	<b>38 645</b>	<b>41 708</b>
<b>Current assets</b>			
<b>Inventories etc.</b>			
Inventories	1 985	2 192	3 008
<b>Total</b>	<b>1 985</b>	<b>2 192</b>	<b>3 008</b>
<b>Current receivables</b>			
Accounts receivable- trade	10 008	1 021	680
Other receivables from Group companies	29	29	29
Current tax assets	303	22	129
Other receivables	1 585	848	1 081
Prepaid expenses and accrued income	655	402	459
<b>Total Current receivables</b>	<b>12 580</b>	<b>2 322</b>	<b>2 378</b>
Cash and bank balances	1 053	29 684	19 242
<b>Total current assets</b>	<b>15 618</b>	<b>34 198</b>	<b>24 628</b>
<b>TOTAL ASSETS</b>	<b>58 442</b>	<b>72 843</b>	<b>66 336</b>

## SERSTECH AB, PARENT COMPANY

### BALANCE SHEET — EQUITY AND LIABILITIES

Amounts in KSEK	2022-06-30	2021-06-30	2021-12-31
<b>Equity</b>			
Equity	47 106	64 073	55 967
<b>Total equity</b>	<b>47 106</b>	<b>64 073</b>	<b>55 967</b>
Provisions	118	122	118
<b>Total provisions</b>	<b>118</b>	<b>122</b>	<b>118</b>
<b>Non-current liabilities</b>			
Liabilities to credit institutions	0	259	0
<b>Total non-current liabilities</b>	<b>0</b>	<b>259</b>	<b>0</b>
<b>Current liabilities</b>			
Liabilities to credit institutions	1 219	1 920	1 699
Work in progress on behalf of others	0	0	66
Accounts payable	4 639	1 004	3 759
Liabilities to Group companies	592	266	396
Other current liabilities	176	366	446
Accrued expenses and deferred income	4 592	4 833	3 885
<b>Total current liabilities</b>	<b>11 218</b>	<b>8 389</b>	<b>10 251</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>58 442</b>	<b>72 843</b>	<b>66 336</b>

## SERSTECH AB, PARENT COMPANY

### CHANGE IN EQUITY

Amounts in KSEK	2022-04-01 2022-06-30	2021-04-01 2021-06-30	2022-01-01 2022-06-30	2021-01-01 2021-06-30	2021-01-01 2021-12-31
Equity brought forward	49 355	46 822	55 967	43 798	43 798
Rights issue	0	24 516	0	24 516	24 516
Issue costs	0	-2 035	0	-2 035	-2 035
Profit for the period	-2 248	-5 230	-8 861	-2 206	-10 312
<b>Amount at end of period</b>	<b>47 106</b>	<b>64 073</b>	<b>47 106</b>	<b>64 073</b>	<b>55 967</b>

# SERSTECH AB, PARENT COMPANY

## CASH FLOW ANALYSIS

Amounts in KSEK	2022-04-01 2022-06-30	2021-04-01 2021-06-30	2022-01-01 2022-06-30	2021-01-01 2021-06-30	2021-01-01 2021-12-31
<b>OPERATING ACTIVITIES</b>					
Operating profit	-2 218	-5 188	-8 803	-2 119	-10 165
Adjustment for items not included in cash flow	1 671	1 715	3 343	3 435	6 833
Interest paid	-30	-42	-58	-87	-147
<b>CASHFLOW FROM OPERATING ACTIVITIES BEFORE CHANGES TO WORKING CAPITAL</b>	<b>-577</b>	<b>-3 515</b>	<b>-5 518</b>	<b>1 229</b>	<b>-3 479</b>
<b>CASHFLOW FROM CHANGES IN OPERATING PROFIT</b>					
increase (-)/decrease (+) inventory	1 609	217	1 023	3	-813
increase (-)/decrease (+) account receivables	-8 412	8 052	-9 328	2 478	2 819
increase (-)/decrease (+) other short-term receivables	-391	687	-874	2 066	1 669
increase (+)/decrease (-) account payables	2 483	-2 259	880	-2 981	-226
increase (+)/decrease (-) other short-term liabilities	826	1 325	567	-104	-776
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>	<b>-4 462</b>	<b>4 507</b>	<b>-13 250</b>	<b>2 691</b>	<b>-806</b>
<b>INVESTMENT ACTIVITIES</b>					
Acquisition of property, plant and equipment	0	0	0	0	-197
Sale of property, plant and equipment	0	7	0	7	7
Acquisition of intangible fixed assets	-2 676	-3 383	-4 459	-6 161	-12 429
Acquisition of subsidiaries	0	0	0	0	0
<b>CASHFLOW FROM INVESTMENT ACTIVITIES</b>	<b>-2 676</b>	<b>-3 376</b>	<b>-4 459</b>	<b>-6 154</b>	<b>-12 619</b>
<b>FINANCING ACTIVITIES</b>					
Loans	-480	-480	-480	-640	-1 120
Share issue costs paid	0	-2 035	0	-2 035	-2 035
Rights issue	0	24 516	0	24 516	24 516
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>	<b>-480</b>	<b>22 001</b>	<b>-480</b>	<b>21 841</b>	<b>21 361</b>
<b>CASHFLOW FOR THIS PERIOD</b>	<b>-7 618</b>	<b>23 132</b>	<b>-18 189</b>	<b>18 378</b>	<b>7 936</b>
Cash and cash equivalents at beginning of period	8 671	6 553	19 242	11 307	11 307
Cash and cash equivalents at end of period	1 053	29 684	1 053	29 684	19 242

# DEFINITIONS

## PROFITABILITY AND RETURN

Revenue growth (%)  
Operating margin (%)  
Profit margin (%)  
Return on equity (%)

Change in revenue as a percentage of previous period revenue  
Operating profit as a percentage of turnover  
Profit for the period as a percentage of turnover  
Profit for the period as a percentage of average equity

## CAPITAL STRUCTURE

Equity (KSEK)  
Balance sheet (KSEK)  
Capital employed (KSEK)  
Interest-bearing net debt (KSEK)

Equity at the end of the period  
Total assets or total liabilities and equity  
Balance sheet total less non-interest-bearing liabilities, including deferred tax  
Net interest-bearing provisions and liabilities less financial assets including liquid assets  
Capital turnover rate (times)  
Net sales for the year divided by average balance sheet total  
Equity as a percentage of total assets  
Interest-bearing liabilities divided by equity  
Profit after financial items plus financial expenses divided by financial expenses

## CASH FLOW AND LIQUIDITY

Liquid funds (KSEK)  
Cash flow before investments (KSEK)  
Cash flow after investments (KSEK)

Bank balances and cash  
Profit before financial items plus items that do not affect cash flow less change in working capital  
Profit after financial items plus items that do not affect cash flow less changes in working capital and investments

## PERSONNEL

Average number of employees  
Revenue per employee (KSEK)  
Number of employees

Average number of employees during the period  
Turnover divided by the average number of employees  
Number of employees at the end of the period

## DATA PER SHARE

Number of shares  
Earnings per share (SEK)  
Equity per share (SEK)

Number of outstanding shares at the end of the period  
Profit for the period divided by the number of shares  
Equity divided by the number of shares

**Auditor's review**

This report has not been subject to review by the Company's auditor.

**Future reports**

The company will provide continuing financial information according to the following schedule:

2022-11-10  
Interim report Q3 2022  
(Jan-Sept)

2023-02-24  
Year-end report

## FOR FURTHER INFORMATION, PLEASE CONTACT:

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## ABOUT SERSTECH

Serstech delivers solutions for chemical identification and has customers around the world, mainly in the safety and security industry. Typical customers are customs, police authorities, security organizations and first responders. The solutions and technology are however not limited to security applications and potentially any industry using chemicals of some kind could be addressed by Serstech's solution. Serstech's head office is in Sweden and all production is done in Sweden.

Serstech is traded at Nasdaq First North Growth Market and more information about the company can be found at [www.serstech.com](http://www.serstech.com)