

A person wearing a dark, heavy-duty hazmat suit, a black knit beanie, and a respirator mask with a filter. They are holding a clear plastic sample vial with a white cap. The background is a blurred, outdoor setting with a blue tint.

SERSTECH

Second quarter

1 APRIL - 30 JUNE 2024

Simplicity. Speed. Precision.

1 April – 30 June 2024

Serstech Group

- Net sales amounted to KSEK 21 369 (32 775).
- EBITDA amounted to KSEK 5 595 (16 064), corresponding to an EBITDA margin of 26%.
- EBIT amounted to KSEK 3 715 (13 084), corresponding to an EBIT margin of 17%.
- Cash flow from operating activities amounted to KSEK -1 112 (-8 191).
- Earnings per share amounted to SEK 0.02 (0.06).
- Earnings per average number of shares amounted to SEK SEK 0.02 (0.06).

1 January – 30 June 2024

Serstech Group

- Net sales amounted to KSEK 35 543 (45 111).
- EBITDA amounted to KSEK 6 963 (17 371), corresponding to an EBITDA margin of 20%.
- EBIT amounted to KSEK 3 194 (11 444), corresponding to an EBIT margin of 9%.
- Cash flow from operating activities amounted to KSEK 515 (-9 762).
- Earnings per share amounted to SEK 0.01 (0.05).
- Earnings per average number of shares amounted to SEK 0.01 (0.08).

Serstech group – key figures

Amounts in KSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Net sales	21 369	32 775	35 543	45 111	62 913
EBITDA	5 595	16 064	6 963	17 371	12 900
EBIT	3 715	13 084	3 194	11 444	955
Earnings per share (SEK)	0.02	0.06	0.01	0.05	0.00
Earnings per average number of shares (SEK)	0.02	0.06	0.01	0.08	0.00
Cash flow from Operating activities	-1 112	-8 191	515	-9 762	7 632
Equity ratio (%)	81%	75%	81%	75%	80%

Message from the CEO

Revenue amounted to approximately 36 MSEK for the first six months of 2024, with profitability in both the second quarter and the first six months of 2024. Two significant differences in 2024 compared to 2023 are that the sales are coming from more customers and countries than before and that several are repetitive orders.

We have two significant orders in Q2 2024 – one from our partner Proengin Inc and one from the US military. The US military order is the smaller of the two, but potentially with higher importance. The US military will evaluate the newly launched Serstech Arx mkII and its unique capabilities, such as communication over military networks and identification of biotoxins. The potential with the US military could be large over the coming years, and the feedback as of now is positive. The Serstech Arx mkII was launched in May 2024 and the first deliveries were made the following month. Production is still in its ramp-up phase and when the quarter closed, we had a backlog of orders to be delivered over the summer. By August, we expect the current backlog to have been delivered and that the production capacity will be able to fully meet the demand.

We have been working on securing deliveries of components for some time and will accelerate the efforts further. We do not experience any component shortage at the moment, but we see a risk of shortage being created by ongoing and potential conflicts in Europe and Asia. We have therefore also started to build an inventory of components and will continue to source larger volumes than we would otherwise need. Given the industry we are in, we expect a further increase in demand if the geopolitical uncertainty increases. At the same time, we would expect component shortage to limit our production capacity in such a case, and we therefore are increasing our inventory of components, despite our somewhat limited cash balance.

In April, we filled our last open vacancy in the team, and for the first time in quite a while, we do not have any vacancies at all. We recreated the team in 2022 and 2023 after the pandemic team size reduction, and we now expect to be able to maintain a fairly constant fixed cost level as we continue to solidify and grow the business. The fixed cost increase in 2024 will solely be from the effects of new team members joining in the middle of the year in 2023.

We continue to see a strong demand in the market from our main segments and we do not see any indications that the positive demand trend should shift downwards the coming years. As mentioned repeatedly, we do however expect large variations from quarter to quarter, due to the nature of our tender-driven business. We remain optimistic about the coming years and are confident in our long-term growth targets.

Stefan Sandor, CEO
July 2024



Significant events

During the period

Serstech received 5.6 MSEK order from US partner Proengin Inc

In May 2024, Serstech received an order of 5.6 MSEK from its US partner Proengin Inc, consisting of Serstech Arx, the patented SERS kit, ChemDash software and substance libraries. This was the second order from the same end-customer within one year. The order was delivered and invoiced during the second quarter of 2024.

Serstech Launched New Product – Serstech Arx mkII

In May 2024, Serstech announced its latest addition to its product portfolio – the Serstech Arx mkII. Shipments of the new product started in May 2024.

Serstech Arx mkII is launched with a companion mobile application, which enables law enforcement and first responders to access online resources and integrates Serstech Arx mkII into existing customer workflows. Serstech Arx mkII is also the first and only Raman device that can communicate over military networks and seamlessly integrate with military infrastructure.

Serstech received 1.9 MSEK order from US partner Field Forensics

In May 2024, Serstech received an order of 1.9 MSEK from its US partner Field Forensics, consisting of Serstech Arx mkII, the patented SERS kit and ChemDash software. The order was delivered and invoiced during the second quarter of 2024.

Serstech held its annual general meeting

On April 29, 2024, the Annual General Meeting of Serstech AB (publ) was held.

The decisions were made with the required majority. The meeting resolved to adopt the income statement and balance sheet. The meeting resolved, in accordance with the board's proposal, that no dividend would be distributed. The meeting resolved to grant discharge from liability for the board members and the CEO. The meeting further resolved that the board should consist of five members without deputies.

The meeting resolved to re-elect Sverker Göranson, Arve Nilsson, Märta Lewander Xu, and Thomas Pileby, and to elect Christer Kjellkvist as a new board member for the period until the end of the next Annual General Meeting. Thomas Pileby was appointed as the chairman of the board.

The meeting resolved that the total remuneration for the board members would amount to SEK 916 800, to be distributed as 4 PBA to the chairman and 3 PBA each to the other members.

The meeting further resolved to re-elect the company's auditor, PricewaterhouseCoopers AB, with Cecilia Andrén Dorselius as the principal auditor, until the end of the Annual General Meeting held next fiscal year.

About Serstech

Serstech develops and markets optical instruments and software that are used by law enforcement, border control and first responders to identify dangerous or hazardous chemicals. Each instrument contains a Raman spectrometer, which is used to analyze the optical fingerprint of more than 17 000 different chemicals, such as narcotics, explosives, toxic industrial chemicals, and chemical warfare agents. Since the instruments emit and receive optical signals, the chemicals of interest can often be analyzed through packaging materials. By not opening the packaging, the operator is not exposed to the dangerous chemicals inside, and the potential evidence is not affected or consumed by the analysis.

Serstech entered its commercial phase in 2018 and has since built a sales channel that spans the globe. Serstech today has sales partners in 66 countries and serves customers on all continents. The main competitive advantages of Serstech's products are usability, speed, small size, low weight, and best-in-class price/performance ratio.

The customer groups are almost exclusively public organizations such as police, bomb squads, HazMat teams (Hazardous Materials), fire departments and border control organizations. Due to the nature of the customers, almost all sales are through public tenders. Local presence through the sales partner network is essential, since many of the tenders are classified and well-established local connections and relationships are necessary to gain access to them. The sales cycles are long, and the time from first customer contact to first sale is almost always several years.

Research and development is done at sites in Sweden and Romania, all production is in Sweden and the head office is in Lund, Sweden. Having both R&D and production in Sweden is often a distinct advantage, since customers in the security sector are very conscious about the origin of the technologies they deploy. Serstech is the only company in the European Union developing and manufacturing handheld Raman instruments.





Products



Serstech Arx mkII

Serstech Arx mkII identifies unknown substances quickly and easily with high precision. The patented autofocus functionality removes the need for accessories and adapters. With 12 hours battery time, all you need to carry is the instrument itself, which fits easily in a pocket or small bag.

Serstech SERS kit

The Serstech SERS kit is used together with Serstech Arx or Serstech 100 Indicator to enhance the capability to identify dark coloured substances or mixtures with very low concentrations. The device is capable of detecting very low amounts of “street quality” narcotics samples, including heroin and many fentanyl variants. The Serstech SERS kit is based on patented technology used together with disposable SERS surfaces.

Serstech ChemDash

Serstech’s ChemDash software solution allows for integrated management of multiple instruments, libraries and user groups. ChemDash also allows for quick updates of libraries and firmware of all instruments.

Established application area

Narcotics

Customs, police and prison authorities and United Nations are using Serstech’s solutions to identify illicit drugs. The database of substances is based on the UN lists of controlled substances and has been produced together with the Swedish Defense Research Agency (FOI) and others.



Explosives

Government agencies are the main customer group in this area. The database of substances covers commercially available explosives, improvised explosive devices (IED), home-made explosives and precursors, used in manufacturing of explosives.



Hazardous chemicals

The number of hazardous chemicals is large and growing. Typically, first responders need to quickly and safely identify these chemicals at accident or spill sites. Serstech’s database of thousands of hazardous chemicals also includes information that helps the hazmat team to make life-saving decisions on site.



Chemical warfare agents

This library contains chemicals such as Sarin and VX, and has been extended with the latest generation substances such as the Russian Novichok agents, which were used by Russia in Salisbury, UK in 2018. The demand for the library has increased significantly since Russia’s invasion of Ukraine.



Pharmaceuticals

Serstech’s solutions are used to verify incoming goods of pharmaceutical manufacturers. The handheld instrument makes it quick and easy to verify chemicals without contaminating or destroying the sample.



Financial comments, Serstech group

Revenue

April - June 2024

The net sales for the second quarter amounted to KSEK 21 369 (32 775). Revenue was slightly lower than in the corresponding period last year. However, during the period in 2023, we delivered a large order to our US partner, Proengin Inc., which amounted to KSEK 27 500.

During the quarter, we received two large orders. The revenue was driven by increased sales from a greater number of customers across multiple geography markets. This diversification of income streams is a positive development, showcasing our ability to attract and retain a wide range of customers in different regions.

Capitalized work for own account amounted to KSEK 1 143 (609). Other operating income amounted to KSEK 619 (166) and comprised development grants for the SERSing project, aimed at facilitating swift and precise identification of chemical threats in low concentrations, from liquids and gases, utilizing SERS.

Due to the nature of the industry, with almost entirely tender-based business, we expect to see continued large variation between quarters.

January - June 2024

The net sales for the first six months of 2024 amounted to KSEK 35 543 (45 111). Capitalized work for own account amounted to KSEK 2 009 (1 283). Other operating income amounted to KSEK 1 415 (278).

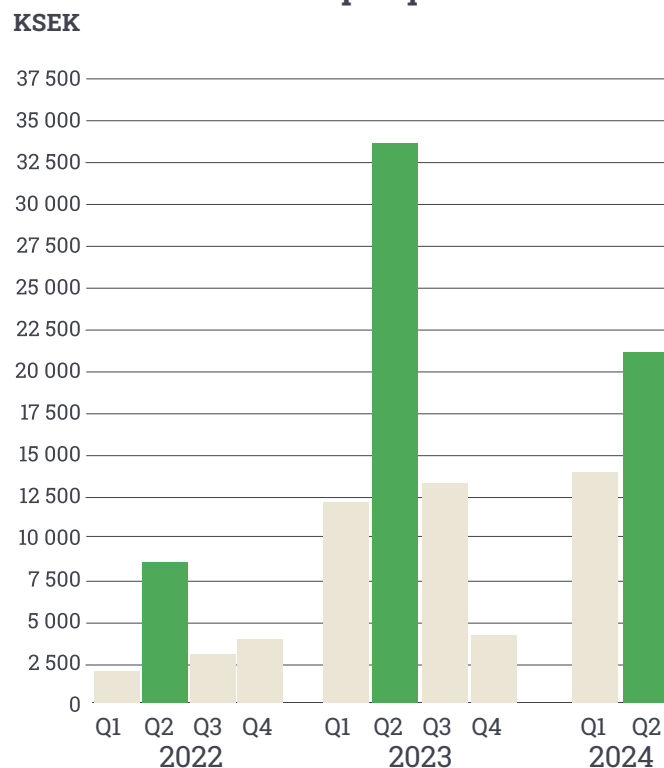
Net Earnings

April - June 2024

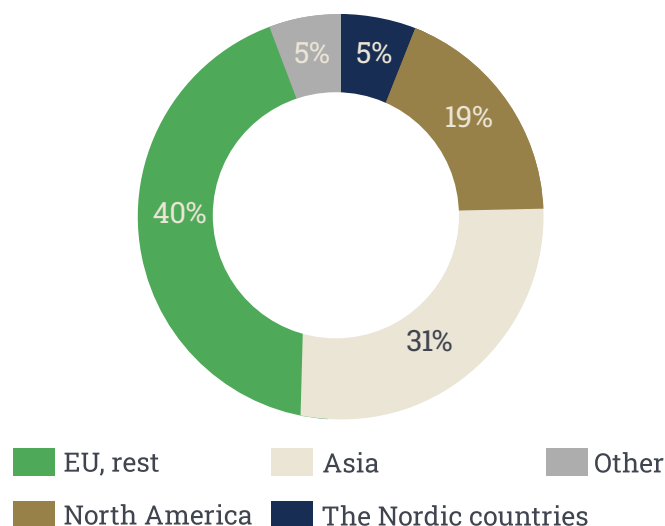
For the second quarter, EBITDA amounted to KSEK 5 595 (16 064), corresponding to an EBITDA margin of 26%. Other external costs amounted to KSEK -5 975 (-5 674). The increase was primarily driven by slightly higher sales and R&D costs. Parts of the R&D costs were capitalized. Payroll expenses amounted to KSEK -5 479 (-4 128). The increase was primarily due to the expansion of our workforce. The average number of employees amounted to 22 (19).

Depreciation of assets amounted to KSEK -1 880 (-2 980). KSEK -39 (-28) refers to depreciation of equipment, tools and installations. KSEK -1 841 (-2 952) refers to depreciation of capitalized development costs and patents. The decrease was due to older capitalized development costs being fully depreciated during Q1 2024.

Net Sales per quarter



Geographical division of Serstech's net sales (2018-2024)



EBIT amounted to KSEK 3 715 (13 084), corresponding to an EBIT margin of 17%. Net earnings amounted to KSEK 3 614 (12 959). Earnings per share amounted to SEK 0.02 per share (0.06), and earnings per average number of shares amounted to SEK 0.02 (0.06).

January - June 2024

For the first six months of 2024, EBITDA amounted to KSEK 6 963 (17 371), corresponding to an EBITDA margin of 20%. Other external costs amounted to KSEK -10 712 (-10 277). The increase was primarily driven by slightly higher sales and R&D costs. Parts of the R&D costs were capitalized. Payroll expenses amounted to KSEK -10 488 (-8 154). The increase was primarily due to the expansion of our workforce. The average number of employees amounted to 22 (18).

Depreciation of assets amounted to KSEK -3 770 (-5 927). KSEK -87 (-68) refers to depreciation of equipment, tools and installations. KSEK -3 683 (-5 859) refers to depreciation of capitalized development costs and patents. The decrease was due to older capitalized development costs being fully depreciated during Q1 2024.

EBIT amounted to KSEK 3 194 (11 444), corresponding to an EBIT margin of 9%. Net earnings amounted to KSEK 3 051 (11 199). Earnings per share amounted to SEK 0.01 per share (0.05), and earnings per average number of shares amounted to SEK 0.01 (0.08)

Cash Flow & Investments

April - June 2024

The cash flow during the second quarter amounted to KSEK -5 466 (-10 573). The cash flow from operating activities amounted to KSEK -1 112 (-8 191). The change was primarily attributed to a reduction in account receivables. The cash flow from investment activities amounted to KSEK -3 154 (-1 886), and relates to intangible fixed assets, capitalized expenditure for development work and patents. The cash flow from financing activities amounted to KSEK -1 200 (-496), The change was due to the full repayment of our debt to Almi during the period.

January - June 2024

The cash flow during the first six months amounted to KSEK -5 996 (5 984). The cash flow from operating activities amounted to KSEK 515 (-9 762). The change was primarily attributed to a reduction in account receivables. The cash flow from investment activities amounted to KSEK -4 711 (-3 370), and relates to intangible fixed assets, capitalized expenditure for development work and patents. The cash flow from financing activities amounted to KSEK -1 800 (19 116), the change was mainly due to a right issue, which added KSEK 20 751 to the cash balance the first quarter of 2023.

Financial Position and Liquidity

As of 30 June 2024, the group had KSEK 12 476 (7 850) in cash and bank balances. The group had KSEK 7 000 (2 000) in unutilized overdraft credit. During the quarter, in connection with a bank change, we increased the overdraft facility from KSEK 2000 to KSEK 7000. The group had longterm interest-bearing liabilities of KSEK 0 (600) and short-term interest-bearing liabilities of KSEK 0 (2 400). As of 30 June 2024, Serstech Group are debt-free.

Equity & Share Capital

As of 30 June 2024, the equity of Serstech Group amounted to KSEK 51 097 (58 639) and the equity ratio amounted to 81 percent (75). All shares belong to the same series and have the same voting and profit rights in the company.

Personnel

As of 30 June 2024, Serstech Group had 24 (20) employees.

	TOTAL	Men	Women
Lund, Sweden	18	12	6
Cluj, Romania	6	4	2
Group	24	16	8

Accounting Principles

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

Serstech Group

Income Statement

Amounts in KSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Revenue					
Net sales	21 369	32 775	35 543	45 111	62 913
Capitalized work for own account	1 143	609	2 009	1 283	3 103
Other operating income	619	166	1 415	278	2 285
Total revenue	23 132	33 550	38 966	46 672	68 301
Expenses					
Raw materials, consumables & goods for resale	-5 768	-8 586	-10 713	-11 879	-17 423
Other external costs	-5 975	-5 674	-10 712	-10 277	-19 100
Payroll expenses	-5 479	-4 128	-10 488	-8 154	-18 797
Exchange gains and losses, net	-315	902	-89	1 009	-81
Total expenses	-17 537	-17 487	-32 003	-29 301	-55 401
EBITDA	5 595	16 064	6 963	17 371	12 900
Depreciation of tangible and intangible assets	-1 880	-2 980	-3 770	-5 927	-11 945
EBIT	3 715	13 084	3 194	11 444	955
Interest and similar, net	-74	-127	-108	-212	-203
EBT	3 641	12 957	3 086	11 232	752
Taxes	-26	2	-35	-33	-37
Net Earnings	3 614	12 959	3 051	11 199	715

Serstech Group

Balance Sheet – Assets

Amounts in KSEK	2024 June	2023 June	2023 December
Assets			
Intangible assets			
Intangible assets	32 448	31 858	31 220
Total intangible assets	32 448	31 858	31 220
Tangible assets			
Equipment, tools, fixtures and fittings	288	139	379
Total tangible assets	288	139	379
Financial assets			
Deferred tax assets	88	75	81
Total financial assets	88	75	81
Total fixed assets	32 825	32 072	31 680
Current assets			
Inventories	4 745	3 457	3 491
Total	4 745	3 457	3 491
Current receivables			
Accounts receivable - trade	8 803	31 149	3 611
Current tax assets	0	303	0
Other receivables	2 893	3 163	1 425
Prepaid expenses and accrued income	1 439	460	1 031
Total Current receivables	13 136	35 075	6 067
Cash and bank balances	12 476	7 850	18 472
Total current assets	30 356	46 382	28 030
Total assets	63 181	78 454	59 710

Serstech Group

Balance Sheet – Equity and liabilities

Amounts in KSEK	2024 June	2023 June	2023 December
Equity			
Equity	51 097	58 639	47 972
Total equity	51 097	58 639	47 972
Provisions	1 128	761	802
Total provisions	1 128	761	802
Non-current liabilities			
Liabilities to credit institutions	0	600	0
Total non-current liabilities	0	600	0
Current liabilities			
Liabilities to credit institutions	0	2 400	1 800
Advance payments from customers	281	1 020	61
Accounts payable	5 737	5 565	3 134
Current tax liabilities	137	134	124
Other current liabilities	937	5 043	873
Accrued expenses and deferred income	3 863	4 292	4 943
Total current liabilities	10 956	18 454	10 936
TOTAL EQUITY AND LIABILITIES	63 181	78 454	59 710

Serstech Group

Change in equity

Amounts in KSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Equity brought forward	47 539	45 543	47 972	26 616	26 616
Warrants	0	104	0	104	165
Rights issue	0	0	0	24 578	24 578
Issue costs	0	0	0	-3 827	-3 827
Translation difference on consolidation	-57	33	73	-31	-276
Profit for the period	3 614	12 959	3 051	11 199	715
Amount at end of period	51 097	58 639	51 097	58 639	47 972

Serstech Group

Cash flow analysis

Amounts in KSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Operating activities					
Operating profit	3 715	13 084	3 194	11 444	955
Adjustment for items not included in cash flow	2 002	3 526	3 889	6 466	12 534
Interest paid/received	-74	-127	-108	-212	-203
Cashflow from operating activities before changes to working capital	5 643	16 483	6 975	17 698	13 286
Cashflow from changes in operating profit					
increase (-)/decrease (+) inventory	-672	-682	-1 254	-1 589	-1 623
increase (-)/decrease (+) account receivables	-2 347	-27 080	-5 192	-19 671	7 867
increase (-)/decrease (+) other short-term receivables	-87	-645	-1 876	-1 204	266
increase (+)/decrease (-) account payables	1 806	2 436	2 603	608	-1 823
increase (+)/decrease (-) other short-term liabilities	-5 455	1 297	-741	-5 604	-10 341
Cashflow from operating activities	-1 112	-8 191	515	-9 762	7 632
Investment activities					
Acquisition of property, plant and equipment	-240	-3	-249	-3	-318
Sale of property, plant and equipment	0	0	450	0	0
Acquisition of intangible fixed assets	-2 914	-1 883	-4 912	-3 367	-8 685
Cashflow from investment activities	-3 154	-1 886	-4 711	-3 370	-9 003
Financing activities					
Loans	-1 200	-600	-1 800	-1 739	-2 939
Warrant issue	0	104	0	104	165
Share issue costs paid	0	0	0	-3 827	-3 827
Rights issue	0	0	0	24 578	24 578
Cashflow from financing activities	-1 200	-496	-1 800	19 116	17 977
Cashflow for this period	-5 466	-10 573	-5 996	5 984	16 606
Cash and cash equivalents at beginning of period	17 942	18 423	18 472	1 866	1 866
Cash and cash equivalents at end of period	12 476	7 850	12 476	7 850	18 472

Serstech Group

Key figures

Amounts in KSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Profitability and return					
Revenue change (%)	-35%	288%	-21%	330%	268%
EBITDA margin (%)	26%	49%	20%	39%	21%
EBIT margin (%)	17%	40%	9%	25%	2%
Capital structure					
Equity	51 097	58 639	51 097	58 639	47 972
Balance sheet	63 181	78 454	63 181	78 454	59 710
Capital employed	51 097	61 639	51 097	61 639	49 772
Equity ratio (%)	81%	75%	81%	75%	80%
Cash flow and liquidity					
Cash flow before investments	-1 112	-8 191	515	-9 762	7 632
Cash flow after investments	-4 266	-10 077	-4 196	-13 132	-1 371
Liquid funds	12 476	7 850	12 476	7 850	18 472
Investments					
Acquisition of property, plant and equipment	-240	-3	-249	-3	-318
Sale of property, plant and equipment	0	0	450	0	0
Acquisition of intangible fixed assets	-2 914	-1 883	-4 912	-3 367	-8 685
Personnel					
Number of employees	24	20	25	20	25
Data per share					
Number of shares	206 700 000	206 700 000	206 700 000	206 700 000	206 700 000
Earnings per share (SEK)	0.02	0.06	0.01	0.05	0.00
Equity per share (SEK)	0.25	0.28	0.25	0.28	0.23
Average number of shares	206 700 000	206 700 000	206 700 000	145 258 043	145 258 043
Earnings per average number of shares (SEK)	0.02	0.06	0.01	0.08	0.00

Serstech AB, parent company

Income Statement

Amounts in KSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Revenue					
Net sales	21 369	32 775	35 543	45 111	62 913
Capitalized work for own account	791	393	1 371	660	1 995
Other operating income	619	163	1 414	275	2 277
Total revenue	22 779	33 331	38 328	46 046	67 185
Expenses					
Raw materials, consumables & goods for resale	-5 767	-8 586	-10 712	-11 879	-17 423
Other external costs	-6 744	-6 412	-12 133	-11 543	-21 657
Payroll expenses	-4 567	-3 295	-8 720	-6 509	-15 690
Exchange gains and losses, net	-315	902	-89	1009	-81
Total expenses	-17 393	-17 391	-31 653	-28 922	-54 851
EBITDA	5 387	15 940	6 674	17 124	12 334
Depreciation of tangible and intangible assets	-1 862	-2 969	-3 741	-5 905	-11 899
EBIT	3 524	12 971	2 934	11 219	435
Interest and similar, net	-74	-127	-108	-212	-203
EBT	3 450	12 844	2 826	11 007	232
Taxes	0	0	0	0	0
Net Earnings	3 450	12 844	2 826	11 007	232

Serstech AB, parent company

Balance Sheet – Assets

Amounts in KSEK	2024 June	2023 June	2023 December
Assets			
Intangible assets			
Intangible assets	32 880	32 226	31 617
Total intangible assets	32 880	32 226	31 617
Tangible assets			
Equipment, tools, fixtures and fittings	240	70	312
Total tangible assets	240	70	312
Financial assets			
Shares in subsidiaries	143	143	143
Total financial assets	143	143	143
Total fixed assets	33 263	32 439	32 072
Current assets			
Inventories	4 745	3 457	3 491
Total	4 745	3 457	3 491
Current receivables			
Accounts receivable - trade	8 671	31 012	3 482
Other receivables from Group companies	194	133	194
Current tax assets	0	303	0
Other receivables	2 729	2 944	1 269
Prepaid expenses and accrued income	1 427	447	1 019
Total Current receivables	13 021	34 839	5 964
Cash and bank balances	11 778	6 592	17 037
Total current assets	29 544	44 888	26 492
Total assets	62 807	77 327	58 564

Serstech AB, parent company

Balance Sheet – Equity and liabilities

Amounts in KSEK	2024 June	2023 June	2023 December
Equity			
Equity	50 030	57 918	47 204
Total equity	50 030	57 918	47 204
Provisions	1 128	761	802
Total provisions	1 128	761	802
Non-current liabilities			
Liabilities to credit institutions	0	600	0
Total non-current liabilities	0	600	0
Current liabilities			
Liabilities to credit institutions	0	2 400	1 800
Advance payments from customers	281	1 020	61
Accounts payable	5 737	5 565	3 134
Liabilities to Group companies	840	0	0
Other current liabilities	929	4 878	722
Accrued expenses and deferred income	3 862	4 184	4 841
Total current liabilities	11 649	18 048	10 558
Total equity and liabilities	62 807	77 327	58 564

Serstech AB, parent company

Change in equity

Amounts in KSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Equity brought forward	46 579	44 970	47 204	26 056	26 056
Warrants	0	104	0	104	165
Rights issue	0	0	0	24 578	24 578
Issue costs	0	0	0	-3 827	-3 827
Profit for the period	3 450	12 844	2 826	11 007	232
Amount at end of period	50 030	57 918	50 030	57 918	47 204

Serstech AB, parent company

Cash flow analysis

Amounts in KSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	2023 Full year
Operating activities					
Operating profit	3 524	12 971	2 934	11 219	435
Adjustment for items not included in cash flow	1 994	3 514	3 871	6 449	12 485
Interest paid/received	-74	-127	-108	-212	-203
Cashflow from operating activities before changes to working capital	5 444	16 358	6 697	17 456	12 717
Cashflow from changes in operating profit					
increase (-)/decrease (+) inventory	-672	-682	-1 254	-1 589	-1 623
increase (-)/decrease (+) account receivables	-2 349	-27 074	-5 189	-19 663	7 866
increase (-)/decrease (+) other short-term receivables	-78	-675	-1 868	-1 300	45
increase (+)/decrease (-) account payables	1 806	2 436	2 603	607	-1 823
increase (+)/decrease (-) other short-term liabilities	-4 775	1 245	288	-5 843	-10 302
Cashflow from operating activities	-624	-8 392	1 277	-10 332	6 880
Investment activities					
Acquisition of property, plant and equipment	-240	0	-240	0	-284
Sale of property, plant and equipment	0	0	450	0	0
Acquisition of intangible fixed assets	-2 933	-1 895	-4 947	-3 399	-8 743
Cashflow from investment activities	-3 173	-1 895	-4 736	-3 399	-9 027
Financing activities					
Loans	-1 200	-600	-1 800	-1 739	-2 939
Warrant issue	0	104	0	104	165
Share issue costs paid	0	0	0	-3 827	-3 827
Rights issue	0	0	0	24 578	24 578
Cashflow from financing activities	-1 200	-496	-1 800	19 116	17 977
Cashflow for this period	-4 997	-10 783	-5 259	5 385	15 830
Cash and cash equivalents at beginning of period	16 775	17 375	17 037	1 207	1 207
Cash and cash equivalents at end of period	11 778	6 592	11 778	6 592	17 037

Definitions

Profitability and return

Revenue growth	Change in revenue as a percentage of previous period revenue.
EBIT margin	Operating profit (EBIT) in relation to Net Sales.
EBIT	Operations profit (EBIT).
EBITDA	Operating profit before depreciation and amortization.
EBITDA margin	EBITDA in relation to net sales.

Capital structure

Equity	Equity at the end of the period.
Balance sheet	Total assets or total liabilities and equity.
Capital employed	Balance sheet total less non-interest-bearing liabilities, including deferred tax.
Equity ratio	Equity as a percentage of total assets.

Cash flow and liquidity

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

Personnel

Number of employees	Number of employees at the end of the period.
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Data per share

Number of shares	Number of outstanding shares at the end of the period.
Earnings per share	Profit for the period divided by the number of shares.
Equity per share	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:

2024-11-08

Quarterly report (Jan-Sep)

2025-02-27

Year-end report 2024 (Jan-Dec)

Interim reports and annual reports are available on www.serstech.com

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Serstech is traded at Nasdaq First North Growth Market and more information about the company can be found at www.serstech.com