



chemometec

Interim Report

1 July - 31 December 2024



ChemoMetec A/S
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Solid H1 performance driven by growth in both revenue and earnings

Martin Helbo Behrens, CEO: *The growth continued in the second quarter of 2024/25, and revenue for the first half of the year was up to DKK 251.5 million, a year-on-year increase of 26%. Growth was supported by a few large orders for the new XcytoMatic instruments in the wake of the customer validations initiated in the spring of 2024.*

Concurrently, we maintained our commercial focus in the first half with a view to generating higher add-on sales to existing customers. The availability of capital for companies with projects in the late stages of development generally remained unchanged relative to the latter part of financial year 2023/24, whereas start-ups struggle to raise capital.

The gradual launch of the new XcytoMatic products has proceeded according to plan, and interest in the platform is increasing. ChemoMetec is currently involved in projects with customers to develop the automated product solutions of the future within cell and gene therapy. Following the increase in sales of XcytoMatic instruments in the first half of 2024/25, growth is expected to slow down in the second half of the year. This is due to generally prolonged validation processes, as customers' decisions to buy XcytoMatic instruments are typically part of major investments in automation solutions. We expect to initiate more validations among a wider group of customers in the second half of the year.

In connection with our continuous product development, ChemoMetec has identified a market opportunity for further developing the XcytoMatic product platform and thus offer customers a new instrument called XcytoMatic 50 that allows for improved integration and automation of processes. The development of the XcytoMatic 50, which will be able to handle the so-called microplate format, was initiated in the first half of the year. The project is fully aligned with ChemoMetec's goal of developing automation solutions within cell and gene therapy and bioprocessing.

2024/25	Q2		Q1		H1	
	DKKm	Change, %	DKKm	Change, %	DKKm	Change, %
Revenue	135.9	+26	115.6	+27	251.5	+26
EBITDA	73.1	+42	62.1	+50	135.2	+45

Highlights

- Revenue was up by 26% in Q2 2024/25 to DKK 135.9 million from DKK 108.1 million in the year-earlier period. In the first half of 2024/25, revenue also increased by 26%, to DKK 251.5 million from DKK 199.3 million in the year-earlier period. The picture is the same when assuming constant exchange rates.
- Sales of instruments grew by 42% in the first half of 2024/25, to DKK 87.5 million from DKK 61.8 million in H1 2023/24. The XcytoMatic platform received positive feedback in the first half and generated revenue of DKK 20.3 million. Sales of instruments accounted for 35% of total revenue, compared with 31% in the year-earlier period.

- In the first half, sales of consumables and services were up by 18% and 22%, respectively, compared to the year-earlier period, and accounts for 42% and 22%, respectively, of total revenue, compared with 45% and 23% in the year-earlier period.
- Revenue in ChemoMetec's core business area, LCB (Life science research, Cell and gene therapy and Bioprocessing), was up by 29% in the first half. LCB market revenue accounted for 92% of total H1 revenue.
- EBITDA increased by 45% to DKK 135.2 million in the first half, for an EBITDA margin of 54%, compared with 47% in the year-earlier period.
- In the first half of 2024/25, ChemoMetec began the development of the XcytoMatic 50, which will be able to analyse samples in microplate format.
- On 22 October 2024, ChemoMetec acquired the full ownership of Belgian-based Ovizio Imaging Systems SA ('Ovizio'). The acquisition of Ovizio was primarily a technology acquisition and has enabled ChemoMetec to further develop Ovizio's online-based and label-free cell counter with related consumables and services.
- The H1 2024/25 performance was more positive than anticipated at the beginning of the financial year, and revenue and EBITDA guidance was upgraded three times during the first half of the year. The most recent guidance (announced on 10 January 2025) of revenue in the range of DKK 470-490 million and EBITDA of DKK 250-260 million for the financial year 2024/25 is maintained.

Financial highlights

DKK'000	2024/25 H1	2023/24 H1	2023/24
Income statement			
Revenue	251,471	199,277	407,350
EBITDA	135,198	93,080	186,175
EBIT	126,018	84,646	168,966
Net financials	6,821	4,376	7,620
Net profit for the period	103,353	70,556	136,284
Comprehensive income	102,267	70,103	136,689
Balance sheet			
Assets	730,218	593,508	676,673
Net working capital	143,103	117,256	118,266
Invested capital	376,288	287,348	293,008
Equity	597,983	498,730	565,316
Net interest-bearing debt	-256,958	-226,202	-291,991
Cash flows			
– from operating activities	88,016	40,814	129,002
– from investing activities	-43,738	-18,468	-43,494
– from financing activities	-76,288	-106,009	-105,715
Financial ratios			
EBITDA margin (%)	53.8	46.7	45.7
EBIT margin (%)	50.1	42.5	41.5
Tax rate (%)	22.2	21.4	22.8
Return on invested capital (%)	37.7	30.8	60.7
Revenue/Invested capital	0.7	0.7	1.4
Net interest-bearing debt/EBITDA	-1.9	-2.4	-1.6
Financial gearing	-0.4	-0.5	-0.5
Return on equity (%)	17.6	14.7	24.9
Average number of employees, excluding Ovizio	169	171	173
Average number of employees, Ovizio	15	N/A	N/A
Per share ratios			
Market price per share, end of period (DKK)	486	388	305
Earnings per share (DKK)	5.9	4.1	7.8
Book value per share (DKK)	34.4	28.7	32.5
Dividend paid per share (DKK)	4.0	6.0	6.0

The financial ratios used in the interim report are calculated for the relevant period, which means that figures have not been converted to a full-year basis.

Key figures and financial ratios are defined and calculated in accordance with "Recommendations and Financial Ratios" issued by the Danish Finance Society.

Management's review

Macroeconomics and market conditions

The availability of capital for companies with projects in the late stages of development are assessed to be unchanged relative to the latter part of financial year 2023/24, whereas small start-ups struggle to raise new capital. However, ChemoMetec invests in sales to start-ups, as such companies are considered important for ChemoMetec's future growth – as they have been in the past.

Sales performance

Revenue increased by 26% in Q2 2024/25 to DKK 135.9 million from DKK 108.1 million in the year-earlier period, and H1 revenue was also up by 26%, to DKK 251.5 million from DKK 199.3 million in the year-earlier period. Revenue increased across all three geographical segments and all three product segments. Assuming constant exchange rates, revenue was also up by 26% for the first half of 2024/25.

Sales performance in individual product segments

Instruments

Sales of instruments grew by 29% in Q2 to DKK 48.3 million from DKK 37.5 million in the year-earlier period, while H1 sales were up by 42% to DKK 87.5 million from DKK 61.8 million in the year-earlier period. The increase was driven by higher sales across instrument types. The NC-200 and the NC-202 as well as the new XM30 and XM40 instruments all contributed positively to the revenue growth recorded in H1 2024/25. The NC-202 generated the largest proportion of revenue from instruments, accounting for approximately 36% of total sales of instruments in the first half of the year.

The gradual launch of the XM30 and the XM40 is proceeding according to plan, and customers are showing a good interest in the two new instruments. Combined sales of XM30 and XM40 instruments amounted to DKK 20.3 million in H1 2024/25, of which sales in the North American market accounted for DKK 16.9 million.

Sales of XcytoMatic instruments are not expected to grow in the second half of 2024/25, as the validation processes recently initiated among customers are very comprehensive and time-consuming. If validation outcomes are positive, customers will typically intensify their focus on integrating XcytoMatic instruments into their setups for fully automated production of therapies and their bioprocesses in development. During this process, customers will invest in more instruments and will likely put forward new requests for the product (for additional information about XcytoMatic, see the section on Product development). ChemoMetec will naturally endeavour to accommodate such requests, as this will smooth the way for the ultimate success, i.e. being selected as the global cell counting supplier of the customers in question. When this happens, sales of XcytoMatic products are expected to increase significantly.

ChemoMetec expects to initiate more validations of XcytoMatic products among a wider group of customers in the second half of the year.

Consumables

Sales of consumables, comprising cassettes, glass counting chambers, test kits and reagents, grew by 23% in the second quarter to DKK 57.2 million from DKK 46.4 million in the year-earlier period. For the first half,

sales grew by 18% to DKK 105.9 million compared to the year-earlier period. Sales from consumables accounted for 42% of total revenue for the first half, compared with 45% in the year-earlier period.

Services

Sales of services grew by 25% in the second quarter from DKK 23.3 million to DKK 29.2 million. For the first half, sales grew by 22% to DKK 55.9 million from DKK 46.0 million in the year-earlier period. Sales of services accounted for approximately 22% of total H1 revenue, compared with 23% in the year-earlier period.

Sales performance in individual geographical segments

Revenue breaks down into three geographical segments:

2024/25	Q2		Q1		H1	
	DKKm	Change, %	DKKm	Change, %	DKKm	Change, %
USA/Canada	81.5	+34	68.6	+26	150.1	+30
Europe	42.0	+16	36.4	+29	78.4	+22
RoW	12.4	+11	10.6	+28	23.0	+18
Total revenue	135.9	+26	115.6	+27	251.5	+26

USA/Canada

In the USA/Canada region, Q2 revenue grew to DKK 81.5 million, a year-on-year increase of 34%. For the first half of 2024/25, revenue increased by 30% to DKK 150.1 million. The Q2 revenue performance was driven by a 78% increase in sales of instruments, while sales of consumables and services grew by approximately 17% and 24%, respectively. In the first half, sales of instruments increased by 88%, while sales of consumables and services grew by 9% and 17%, respectively. The USA/Canada region accounted for 60% of ChemoMetec's total revenue for the first half, against 58% in the year-earlier period.

Europe

In Europe, Q2 revenue was up by 16% to DKK 42.0 million, while H1 revenue increased by 22% to DKK 78.4 million. The positive Q2 performance reflected a 9% decline in sales of instruments and growth in sales of consumables and services of 42% and 31%, respectively. In the first half, sales of instruments increased by 5%, while sales of both consumables and services rose by 33%. Revenue in Europe accounted for 31% of total H1 revenue, against 32% in the year-earlier period.

Other (RoW)

In the RoW region, Q2 revenue was up by 11% to DKK 12.4 million, while H1 revenue was up by 18% to DKK 23.0 million. In the first half, RoW revenue accounted for 9% of total revenue, against 10% in the year-earlier period.

In Q2, sales of instruments increased by 5%, while H1 sales were up by 9%. Sales of instruments accounted for 41% of revenue for the first half, compared with 44% in the year-earlier period.

China is the single largest market in the RoW region, accounting for 28% of total RoW revenue. This was unchanged compared with the year-earlier period.

Sales performance in individual business areas

Revenue breaks down into the following business areas:

- Life science research, Cell and gene therapy and Bioprocessing (LCB)
- Production and quality control of animal semen
- Production control of beer and quality control of milk

Life science research, Cell and gene therapy and Bioprocessing (LCB market)

Revenue in the LCB market was up by 28% in Q2 to DKK 125.2 million, while H1 revenue was up by 29% to DKK 232.5 million compared to the year-earlier period. The LCB market is ChemoMetec's most important business area, accounting for 92% of total revenue in the first half, against 91% in the year-earlier period.

Production and quality control of animal semen

Revenue from sales of cell counting products for semen analysis declined by 2% in Q2 to DKK 8.6 million and in H1 by 3% to DKK 14.9 million compared to the year-earlier period. Semen analysis accounts for approximately 6% of total revenue.

Production control of beer and quality control of milk

Revenue from production control of beer and quality control of milk grew by 16% in Q2 and by 28% in the first half compared to the year-earlier period. Combined, the two business areas account for approximately 2% of revenue.

Product development

In the past six months, ChemoMetec's development resources were directed primarily at completion of the XcytoMatic 30, the XcytoMatic 40, the Xcyto 5 and the NC-203, including related software, as well as further development of the hardware for the XM30. The new software platform is scheduled to be launched in February 2025, and the plan is for all ChemoMetec's new products to use this platform going forward.

XcytoMatic 30, 40 and 50 (XM30, XM40 and XM50)

The gradual launch of the XM30 and the XM40 has proceeded according to plan, and employees from ChemoMetec's R&D department have taken part in customers' validation processes with a view to understanding and accommodating their requests in relation to the use of the XcytoMatic products. In this connection, ChemoMetec has identified a range of concrete product improvements for the XcytoMatic product platform, which are primarily intended to facilitate the integration into customers' fully automated systems. The product improvements are related to software features and to customers' request for ChemoMetec to undertake a greater part of the automatic handling of samples. ChemoMetec has begun the work to develop and implement such specific customisation in close collaboration with customers. Moreover, in the first half of 2024/25, ChemoMetec begun the development of the XcytoMatic 50 (XM50), which will be able to analyse samples in microplate format. The product will be developed in close collaboration with major customers and will be described in more detail in the next annual report.

This is fully in line with ChemoMetec's overall goal of developing individual, customised automation solutions within cell and gene therapy and bioprocessing, and substantial resources have therefore been allocated to this purpose.

Xcyto 5

The Xcyto 5 was launched at the end of 2024, and the first sale has already been realised. The initial feedback on the product has been positive, and the plan is for the Xcyto 5 to supplement and eventually replace the NC-3000. The Xcyto 5 addresses both the cell and gene therapy market and the bioprocessing market. The instrument is an image-based cell analyser that can automatically identify and mark the individual cells and provide accurate information about in which cells – and where in the cells – the various fluorescent markers are located. The Xcyto 5 is expected to be used in quality control of cells to be used for therapeutic purposes, among other things.

NC-203

The NC-203 is an upgraded version of the NC-202. Like the NC-202, the instrument applies disposable cassettes, and it has furthermore been upgraded with new technology from the XcytoMatic platform. The main elements of the upgrade are a new analytical module, a new software platform and the use of contrast microscopy combined with AI-based image analysis.

ChemoMetec initiated a gradual launch of the NC-203 in the first half of 2024/25, and the first customer tests have been completed. The product has received positive feedback, and initial sales are expected to be made in the third quarter of financial year 2024/25.

Acquisition of Ovizio

Effective at 22 October 2024, ChemoMetec acquired the Belgian-based company Ovizio.

Ovizio has developed a cell counter based on holographic microscopy. The instrument is primarily used in bioprocessing and in cell and gene therapy. Ovizio's product is connected online to customers' bioreactors via a disposable item, which is supplied sterilised and with a high degree of cleanness. With the cell counter, cells can be continuously extracted from the bioreactor for analysis and subsequently returned to the bioreactor.

The acquisition of Ovizio was primarily a technology acquisition, made in order to identify technological and commercial opportunities in the use of label-free (without staining of cells) and online cell counting.

Since the acquisition in October 2024, ChemoMetec has worked continually to assess the technology's potential and to identify any need for adjustments in connection with potential wider use of the technology. Concurrently, work has been ongoing to organisationally, technologically and commercially integrate parts of Ovizio into ChemoMetec.

Ovizio has contributed revenue of DKK 1.3 million since the acquisition date, primarily through sales to a few large customers. For additional information on the accounting treatment of Ovizio, reference is made to note 9.

Financial review

Revenue and gross profit

ChemoMetec generated revenue of DKK 251.5 million in the first half, compared with DKK 199.3 million in the same period last year. Gross profit amounted to DKK 230.5 million for a gross margin of 92%, compared with 90% in the year-earlier period.

EBITDA

EBITDA for the first half came to DKK 135.2 million, a year-on-year increase of DKK 42.1 million. The 45% EBITDA increase was driven by a higher gross profit that was not accompanied by a corresponding increase in costs, including staff costs. The H1 EBITDA margin was 54%, against 47% in the year-earlier period.

Other external costs amounted to DKK 27.5 million, against DKK 23.1 million in the same period last year. The higher costs in the first half related to increased sales promotion costs, including costs related to travel activity, trade fairs and marketing, as well as transaction costs related to the acquisition of Ovizio and external costs associated with Ovizio since the acquisition date.

Staff costs amounted to DKK 67.9 million for the first half, against DKK 63.5 million in the same period last year. The increase was driven by staff costs at Ovizio since the acquisition date (DKK 2.7 million) and costs related to organisational restructuring.

EBIT for the first half amounted to DKK 126.0 million, and the EBIT margin was 50%, up from 42% in the year-earlier period.

Profit before tax for the first half amounted to DKK 132.8 million, favourably affected by net financial income of DKK 6.8 million. Tax on the profit for the first half amounted to DKK 29.5 million, corresponding to an effective tax rate of 22%.

Comprehensive income for the first half came to DKK 103.4 million, a year-on-year increase of DKK 32.8 million.

Equity and balance sheet

At 31 December 2024, total assets stood at DKK 730.2 million, of which equity amounted to DKK 598.0 million, corresponding to an equity ratio of 82% (2023/24: 84%). ChemoMetec paid out dividend of DKK 69.6 million in the first half.

The balance sheet comprised intangible assets of DKK 133.2 million (2023/24: DKK 94.5 million), which primarily consisted of development projects in progress or completed as well as goodwill and patents. Investments in development projects amounted to DKK 12.6 million against DKK 11.2 million in the first half of 2023/24, while acquisition-related investments amounted to DKK 20.8 million.

Property, plant and equipment amounted to DKK 104.9 million (2023/24: DKK 92.0 million). The increase was primarily driven by the investment in a new production line for cassettes, that is scheduled for completion in H2, combined with additions relating to new leased premises.

At 31 December 2024, funds tied up in inventories and trade receivables amounted to DKK 217.8 million (2023/24: DKK 181.8 million). The increase related to inventory build-up and increased trade receivables. The increased inventory build-up is consistent with ChemoMetec's strategy of delivery assurance for customers, who highly prioritise low downtime.

Cash flows and changes in liquidity

Cash flows from operating activities amounted to an inflow of DKK 88.0 million in the first half, compared with an inflow of DKK 40.8 million in the year-earlier period. The increase was primarily attributable to an improved operating profit (EBITDA).

Investing activities produced a cash outflow of DKK 43.7 million, against an outflow of DKK 18.5 million in the year-earlier period, and consisted mainly in the acquisition of Ovizio, development projects and the investment in a new line of cassettes.

Cash flows from financing activities were an outflow of DKK 76.3 million, primarily due to a dividend payment of DKK 69.6 million.

Risk factors

ChemoMetec's business involves a range of commercial and financial risks that may have an adverse impact on the company's future growth, activities, financial position and results of operations. ChemoMetec consistently seeks to identify these risks and, to the greatest extent possible, to counter and mitigate risks that the company is able to influence through its own actions. There have been no changes to the risk factors relative to the 2023/24 annual report.

For a more detailed description of the company's risk factors, see the relevant sections of the 2023/24 annual report.

Guidance for 2024/25

Over the coming six months, general market conditions, including the geopolitical situation and possible changes to US customs tariffs etc., will remain subject to uncertainty and, as stated, a certain temporary slowdown in the growth in sales of XcytoMatic instruments is to be expected as a result of ongoing validation processes at a number of major customers.

We are closely monitoring the market situation and maintain our high level of sales initiatives with the aim of identifying new customers, generating additional sales and providing effective support to existing customers.

Based on the above, we maintain our full-year 2024/25 guidance of revenue in the range of DKK 470-490 million and EBITDA of DKK 250-260 million.

Statement by Management

The Board of Directors and the Executive Management have today considered and approved the interim report of ChemoMetec A/S for the period 1 July to 31 December 2024. The company's independent auditors have not audited or reviewed the interim report.

The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and additional disclosure requirements of the Danish Financial Statements Act. The accounting policies are consistent with those applied in the latest annual report. In addition, the interim report and the management's review have been prepared in accordance with Danish disclosure requirements for interim reports of listed companies.

In our opinion, the interim report gives a true and fair view of the Group's assets, liabilities and financial position at 31 December 2024 and of the results of the Group's operations and cash flows for the period 1 July to 31 December 2024.

Furthermore, in our opinion, the management's review includes a fair review of the development and performance of the Group's business, the results for the period and the Group's overall financial position together with a description of the principal risks and uncertainties that the Group faces.

Allerød, 5 February 2025

Executive Management:

Martin Helbo Behrens
CEO

Kim Nicolajsen
CFO

Board of Directors:

Niels Thestrup
Chairman

Martin Glensbjerg
Vice Chairman

Kristine Færch

Betina Hagerup

Peter Reich

Consolidated statement of comprehensive income

DKK'000	Note	2024/25 H1	2023/24 H1	2023/24
Revenue	2	251,471	199,277	407,350
Other income		0	520	520
Cost of goods sold		-35,319	-31,064	-68,098
Own work capitalised		14,392	10,897	27,823
Gross profit		230,544	179,630	367,595
Other external costs		-27,457	-23,067	-46,194
Staff costs	3	-67,889	-63,483	-135,226
Depreciation, amortisation and impairment		-9,180	-8,434	-17,209
EBIT		126,018	84,646	168,966
Other financial income		7,161	6,152	8,900
Financial expenses		-340	-1,776	-1,280
Profit before tax		132,839	89,022	176,586
Tax on profit for the period		-29,486	-18,466	-40,302
Net profit for the period		103,353	70,556	136,284
Earnings per share in DKK				
Earnings per share		5.94	4.05	7.83
Diluted earnings per share		5.94	4.05	7.83
Statement of comprehensive income				
Net profit for the period		103,353	70,556	136,284
Other comprehensive income:				
Foreign exchange adjustment of foreign subsidiaries		-1,086	-453	405
Comprehensive income for the year		102,267	70,103	136,689

Consolidated balance sheet

DKK'000	Note	31 De- cember 2024	31 De- cember 2023	30 June 2024
Assets				
Goodwill		7,350	-	-
Completed development projects		16,399	18,437	20,617
Acquired patents and licences		4,223	1,637	1,549
Development projects in progress		105,217	67,095	72,381
Intangible assets	4	133,189	87,169	94,547
Land and buildings		57,423	54,437	54,388
Plant and machinery		5,429	8,280	6,586
Other fixtures and fittings, tools and equipment		6,586	3,223	2,902
Property, plant and equipment in progress		35,430	19,233	28,173
Property, plant and equipment	5	104,868	85,173	92,049
Deferred tax		-	209	-
Deposits		1,238	313	281
Financial assets		1,238	522	281
Non-current assets		239,295	172,864	186,877
Inventories	6	132,715	117,779	119,495
Trade receivables	7	85,095	59,863	62,257
Other receivables		3,789	7,478	6,820
Prepayments		4,588	3,374	5,078
Receivables		93,472	70,715	74,155
Cash		264,736	232,150	296,146
Current assets		490,923	420,644	489,796
Assets		730,218	593,508	676,673

Consolidated balance sheet (continued)

DKK'000	Note	31 De- cember 2024	31 De- cember 2023	30 June 2024
Equity and liabilities				
Share capital		17,402	17,402	17,402
Other reserves		580,581	481,328	547,914
Equity		597,983	498,730	565,316
Deferred tax		427	-	8,454
Other provisions	8	4,445	2,250	3,400
Lease liabilities		4,659	2,609	974
Non-current liabilities		9,531	4,859	12,828
Current lease liabilities		1,900	2,228	1,850
Credit institutions		1,218	1,112	1,331
Trade payables		18,403	11,631	11,085
Income tax		36,502	15,341	19,964
Contractual obligations		52,695	46,770	50,816
Other payables		11,986	12,837	13,483
Current liabilities		122,704	89,919	98,529
Liabilities		132,235	94,778	111,357
Equity and liabilities		730,218	593,508	676,673

Other notes 1, 9, 10, 11, 12.

Consolidated statement of changes in equity

DKK'000	Share capital	Translation reserve	Retained earnings	Proposed dividend	Total
Equity at 1 July 2024	17,402	22	478,292	69,600	565,316
Net profit for the period	-	-	103,353	-	103,353
Foreign exchange adjustments	-	-3	-1,083	-	-1,086
Comprehensive income	-	-3	102,270	-	102,267
Dividend paid	-	-	-	-69,600	-69,600
Equity at 31 December 2024	17,402	19	580,562	-	597,983

DKK'000	Share capital	Translation reserve	Retained earnings	Proposed dividend	Total
Equity at 1 July 2023	17,402	18	411,207	104,415	533,042
Net profit for the period	-	-	70,556	-	70,556
Foreign exchange adjustments	-	-2	-451	-	-453
Comprehensive income	-	-2	70,105	-	70,103
Dividend paid	-	-	-	-104,415	-104,415
Equity at 31 December 2023	17,402	16	481,312	-	498,730

Consolidated statement of cash flows

DKK'000	2024/25 H1	2023/24 H1	2023/24
EBIT	126,018	84,646	168,966
Depreciation, amortisation and impairment	9,180	8,434	17,209
Financial income received	3,608	4,310	8,075
Financial expenses paid	-340	-140	-183
Income tax paid	-22,822	-43,186	-51,955
Changes in working capital	-27,628	-13,250	-13,110
Cash flow from operating activities	88,016	40,814	129,002
Purchase etc. of property, plant and equipment	-10,354	-7,266	-20,947
Sale of property, plant and equipment	-	-	-
Additions of intangible assets	-12,599	-11,207	-22,584
Additions of financial assets	-	5	37
Acquisitions	-20,785	-	-
Cash flow from investing activities	-43,738	-18,468	-43,494
Debt financing:			
Lease payments	-1,564	-1,313	-1,620
Raising/repayment of debt to credit institutions	-5,124	172	320
Shareholders:			
Dividend paid	-69,600	-104,415	-104,415
Other adjustments	-	-453	-
Cash flow from financing activities	-76,288	-106,009	-105,715
Change in cash and cash equivalents	-32,010	-83,663	-20,207
Cash and cash equivalents, beginning of period	296,146	316,571	316,571
Foreign exchange adjustment	599	-758	-218
Cash and cash equivalents, end of period	264,735	232,150	296,146
Cash and cash equivalents comprise:			
Cash	264,735	232,150	296,146
Cash and cash equivalents, end of period	264,735	232,150	296,146

Notes to the consolidated financial statements

1. Accounting policies

The interim report is presented in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and additional disclosure requirements of the Danish Financial Statements Act.

In the period under review, ChemoMetec A/S completed the acquisition of Ovizio Imaging Systems SA.

Acquisitions of businesses are accounted for by using the acquisition method. The cost of an acquisition is measured as the sum of the consideration transferred measured at the date of acquisition. Acquisition-related costs are expensed as they accrue to external costs and staff costs. The identifiable assets acquired and the liabilities assumed, including contingent liabilities, are recognised at fair value at the acquisition date. On initial recognition, goodwill is measured at cost, i.e. the excess of the sum of the consideration transferred over the fair value of the identifiable net assets acquired.

If the initial recognition for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group will report provisional amounts for the items for which the accounting is incomplete. These provisional amounts are adjusted over the following 12 months from the acquisition date if additional assets or liabilities are recognised to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date. The effect of the adjustment is recognised in the opening balance sheet, and the comparative figures are restated accordingly. When the Group's ownership of the entity ceases, the entity is measured at fair value at the date when control ceases, and the change in the carrying amount is recognised in the Group's income statement. The fair value is the original carrying amount for the purpose of subsequent accounting for the retained interest as an associate, joint venture or financial asset. Furthermore, amounts previously recognised in other comprehensive income for the entity in question are recognised as if the Group had disposed directly of the related assets or liabilities. This may imply that amounts previously recognised in other comprehensive income are reclassified to the consolidated income statement. Goodwill arising on acquisition is recognised at cost as determined at the date of acquisition less any accumulated impairment losses. Goodwill is not amortised, but the carrying amount of goodwill is tested annually and if events or changes in assumptions indicate impairment.

Significant accounting estimates

The main assets acquired generally comprise goodwill and development projects. As there is no active market for the majority of the acquired assets, liabilities and contingent liabilities, in particular for acquired intangible assets, Management makes estimates of the fair value. The methods used are based on the present value of future cash flows or other expected cash flows related to the specific asset.

The fair value of development projects acquired through business combinations is based on an assessment of the circumstances of the acquired portfolio. The measurement is based on a discounted cash flow model based on key assumptions about the estimated distribution of acquired and expected revenue and profitability of revenue at the date of the acquisition.

Other than as set out above, the accounting policies are unchanged from those applied in the latest annual report, to which reference is made.

2. Segment information

The segment information has been prepared in accordance with the Group's accounting policies and is based on the Group's internal management reporting.

Based on the internal reporting used by Management to assess the results of operations and allocation of resources, ChemoMetec has identified four segments: Instruments, Consumables, Services and Other, which is consistent with the way the activities are organised and managed.

Segment	Description
Instruments	Sales of instruments, licences and spare parts
Consumables	Sales of disposable cassettes, counting chambers and reagents
Services	Sales of services, including service contracts and installations
Other	Sales of measuring modules and accessories etc.

Revenue by product segment and geography

DKK'000	USA/Canada	Europe	RoW	2024/25 H1 Total	2023/24 H1 Total	Change %
Instruments	50,782	27,413	9,352	87,547	61,793	+42
Consumables	58,929	33,541	13,383	105,853	89,554	+18
Services	38,802	16,862	203	55,867	45,973	+22
Other	1,596	539	69	2,204	1,957	+13
Total	150,109	78,355	23,007	251,471	199,277	+26

Revenue by product segment and business area

DKK'000	LCB market	Animal semen*	Beer and milk**	2024/25 H1 Total	2023/24 H1 Total	Change %
Instruments	84,300	1,085	2,162	87,547	61,793	+42
Consumables	90,394	13,686	1,773	105,853	89,554	+18
Services	55,867	-	-	55,867	45,973	+22
Other	1,981	170	53	2,204	1,957	+13
Total	232,542	14,941	3,988	251,471	199,277	+26

* Production and quality control of animal semen

** Production control of beer and quality control of milk

ChemoMetec’s products are sold within various business areas. The breakdown of revenue by business area is among other things based on allocation keys as customers within the various business areas may use the same consumables. Thus, the breakdown of revenue by business area is subject to uncertainty. The three most important business areas are the following:

Business area 1

LCB market: Life science research, Cell and gene therapy and Bioprocessing (Instruments: NC-200, NC-202, NC-250, NC-3000, NC-100 family, Xcyto 5 and 10 as well as XcytoMatic 30 and XcytoMatic 40 and the iLine series (Ovizio)).

Business area 2

Production and quality control of animal semen (Instrument: SP-100).

Business area 3

Production control of beer (Instrument: YC-100) and quality control of milk (Instruments: SCC-100 and SCC-400).

Information on significant customers

In the period, no single customer accounted for more than 5% of total revenue.

3. Staff costs

DKK'000	H1 2024	H1 2023	2023/24
Payroll costs	61,719	58,125	123,971
Pensions	3,194	2,879	6,089
Other social security costs	2,976	2,479	5,166
Total staff costs	67,889	63,483	135,226
Average number of employees, excluding Ovizio	169	171	173
Average number of employees, Ovizio	15	N/A	N/A

4. Intangible assets

DKK'000	Goodwill	Completed development projects	Acquired patents and licences	Development projects in progress
Cost at 1 July 2024	-	98,764	21,397	72,646
Foreign exchange adjustment	90	-	12	158
Additions	-	-	2,388	11,433
Addition from acquisition	7,260	-	631	21,245
Disposals	-	-	-	-
Cost at 31 December 2024	7,350	98,764	24,428	105,482
Amortisation and impairment at 1 July 2024	-	-78,147	-19,848	-265
Foreign exchange adjustment	-	-	-	-
Amortisation and impairment for the year	-	-4,218	-357	-
Disposals	-	-	-	-
Amortisation at 31 December 2024	-	82,365	-20,205	-265
Carrying amount at 31 December 2024	7,350	16,399	4,223	105,217

DKK'000	Goodwill	Completed development projects	Acquired patents and licences	Development projects in progress
Cost at 1 July 2023	-	92,943	20,839	56,441
Additions	-	-	288	10,919
Cost at 31 December 2023	-	92,943	21,127	67,360
Amortisation and impairment at 1 July 2023	-	-71,221	-19,084	-265
Amortisation and impairment for the year	-	-3,295	-406	-
Amortisation at 31 December 2023	-	-74,506	-19,490	-265
Carrying amount at 31 December 2023	-	18,437	1,637	67,095

The capitalised completed development projects relate to Xcyto products, including the NC-202 and the Xcyto 5 and 10.

The capitalised development projects in progress relate to XcytoMatic product upgrades and new applications. In the first half, development projects – related to iLine product upgrades and applications – were added as a result of the acquisition of Ovizio.

5. Property, plant and equipment

DKK'000	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress
Cost at 1 July 2024	72,036	47,388	24,848	28,173
Foreign exchange adjustment	409	25	78	-
Additions	2,745	71	2,525	7,257
Addition from acquisition	2,241	150	2,136	-
Disposals	-	-	-	-
Cost at 31 December 2024	77,431	47,634	29,587	35,430
Depreciation and impairment at 1 July 2024	-17,648	-40,802	-21,946	-
Foreign exchange adjustment	-199	-10	-4	-
Depreciation and impairment for the year	-2,161	-1,393	-1,051	-
Disposals	-	-	-	-
Depreciation at 31 December 2024	-20,008	-42,205	-23,001	-
Carrying amount at 31 December 2024	57,423	5,429	6,586	35,430

Land and buildings include right of use of leased assets in the amount of DKK 6.7 million.

DKK'000	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress
Cost at 1 July 2023	69,364	48,903	23,255	13,537
Foreign exchange adjustment	-155	-	-14	-
Additions	356	64	1,150	5,696
Disposals	-	-	-	-
Cost at 31 December 2023	69,565	48,967	24,391	19,233
Depreciation and impairment at 1 July 2023	-13,361	-39,127	-19,886	-
Foreign exchange adjustment	89	3	11	-
Depreciation and impairment for the year	-1,856	-1,563	-1,293	-
Disposals	-	-	-	-
Depreciation at 31 December 2023	-15,128	-40,687	-21,168	-
Carrying amount at 31 December 2023	54,437	8,280	3,223	19,233

Land and buildings include right of use of leased assets in the amount of DKK 6.3 million.

6. Inventories

DKK'000	31 December 2024	31 December 2023	30 June 2024
Raw materials and consumables	99,951	80,911	82,221
Finished goods	32,764	36,868	37,274
	132,715	117,779	119,495
Indirect production costs included	2,250	3,950	3,800
Write-down of inventories for the period recognised in costs of raw materials and consumables	-150	600	-2,040

Of the carrying amount, DKK 70 million is expected to be realised after more than 12 months.

7. Trade receivables

DKK'000	31 December 2024	31 December 2023	30 June 2024
Trade receivables, gross	86,633	60,267	62,733
Change in expected credit loss provision:			
Provision, beginning of period	476	415	415
Realised loss	-	-25	-280
Addition from acquisition	746	-	-
Change in provision	316	14	341
Provision, end of period	1,538	404	476
Trade receivables, net	85,095	59,863	62,257

Trade receivables are measured at amortised cost, usually corresponding to nominal value less expected credit losses.

Expected credit losses on trade receivables are recognised on the basis of an expected credit loss model. Expected losses are measured on the basis of historical losses and Management's expectations. Expected losses are recognised upon initial recognition of the receivable. Expected credit losses for the year are recognised in other external costs in the income statement.

8. Provisions

DKK'000	31 December 2024	31 December 2023	30 June 2024
Warranty provisions, beginning of period	3,400	2,100	2,100
Used during the period	-340	-475	-825
Addition from acquisition	745	-	-
Provisions for the period	640	625	2,125
Warranty provisions, end of period	4,445	2,250	3,400

Provisions comprise expected expenses relating to warranty obligations.

9. Business acquisitions

On 22 October 2024, ChemoMetec signed an agreement to acquire 100% of the shares in Belgian company Ovizio Imaging Systems SA ('Ovizio') for a purchase price of EUR 2.8 million (DKK 21.1 million). No portion of the consideration was contingent.

By the acquisition of Ovizio, ChemoMetec has obtained ownership of Ovizio's proprietary cell counter based on holographic microscopy. The instrument is primarily used in bioprocessing and in cell and gene therapy. Ovizio had 15 employees at the acquisition date.

Identified development projects comprise proprietary features for Ovizio's instruments, and goodwill represents identified employee knowhow and expectations for future growth.

Ovizio's revenue since the acquisition date has been recognised in the interim financial statements at DKK 1.3 million. Ovizio's pro forma revenue for the period 1 July - 31 December 2024 was DKK 2.9 million.

Transaction costs related to the acquisition were DKK 1.2 million.

The purchase price allocation provided below is provisional.

DKK'000	Ovizio
Cash consideration	21,084
Fair value at acquisition date:	
Intangible assets	21,876
Property, plant and equipment	4,527
Deferred tax asset	466
Inventories	7,830
Other current assets	1,490
Cash	299
Total assets	36,488
Provisions	745
Financial liabilities	7,896
Deferred tax	1,612
Trade payables	5,215
Other current liabilities	7,196
Total liabilities	22,664
Net identified assets acquired	13,824
Goodwill arising on acquisition	7,260
Total	21,084

10. Contingent liabilities

The Group was not aware of any significant claims or threats of claims made against the Group at the balance sheet date.

11. Related parties

Related parties with significant influence comprise Management and shareholders holding an ownership interest of more than 20% of the share capital.

At the balance sheet date, no shareholders held an ownership interest of more than 20%.

In the first half of 2024/25, ChemoMetec had the same type and scope of related party transactions as described in the 2023/24 annual report. The transactions did not have any material impact on the interim report.

12. Events after the balance sheet date

No significant events have occurred after 31 December 2024 that affect the interim report.

About ChemoMetec A/S

ChemoMetec develops, manufactures and markets instruments for cell counting and a wide range of other measurements. ChemoMetec's instruments are marketed to the pharmaceutical, biotech and agricultural industries worldwide. ChemoMetec's customers include some of the world's leading pharmaceutical companies.

ChemoMetec was founded in 1997 and is listed on Nasdaq OMX Copenhagen.

For more information, go to www.chemometec.com.