

Update: Report Q1 2024

2024-05-06

## Serstech: Improved products to support the trend

- Orders continue to grow in Q1
- Launch of Serstech Arx mkll during Q2
- We maintain our fair value of SEK 1.79 per share

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Stock ticker: SERT  
Industry: Security  
Listed on: Nasdaq First North  
Latest share price (SEK): 1.16  
Market cap (MSEK): 239.8  
Enterprise Value (MSEK): 221.8  
Total number of shares (M): 206.7  
- of which free float (M): 180.4

**VHCF fair value per share**  
DCF model SEK 1.79

**Serstech**  
Address: Åldermansgatan 13  
227 64 Lund  
Webpage: serstech.com  
CEO: Stefan Sandor

**Main owners (26 April 2024) Capital (%)**

|                            |     |
|----------------------------|-----|
| Avanza Pension             | 9.5 |
| Jens Munch                 | 4.1 |
| Stefan Sandor              | 4.1 |
| Nordnet Pensionsförsäkring | 3.9 |
| Agne Johansson             | 2.7 |

### Share price history (SEK)



|                            | -1m  | -3m         | -12m  |
|----------------------------|------|-------------|-------|
| Change (%)                 | 15.3 | 70.6        | 222.2 |
| 52 wk range (Low/Hi) - SEK |      | 0.35 / 1.26 |       |

Source: Västra Hamnen Corporate Finance

**Serstech** has continued to show its ability to convert business opportunities into actual deals. In Q1, the order intake amounted to MSEK 25.6, of which MSEK 14.2 was invoiced. We estimated net revenues of MSEK 19.9 for the quarter. The variations between quarters remain, but the trend is positive.

A main feature of the report was the introduction of *Serstech Arx mkll* – a significant upgrade of the previous version. The company has updated most of the electronics and added new functionality. Together with the launch of a mobile version of its software solution *ChemDash*, Serstech has strengthened its offering.

At the [Q1 web conference](#), CEO **Stefan Sandor** talked about progress in several markets. The customer perception of Serstech is changing, from a small company with new products to a more established player with a reliable solution. For instance, Serstech has now been invited to tender for larger business opportunities in India. The only way to access larger these processes in India is to be invited by customers.

Financially, Serstech reported an EBITDA of MSEK 1.37, implying an EBITDA margin of 10 per cent. The figures are broadly in line with our expectations. The company has the ambition to lower the COGS in the near term, to improve its gross margins and ultimately profitability.

In summary, we will await the outcome of the launch of the Serstech Arx mkll and an improvement in the gross margin before raising our expectations further. Hence, we maintain our fair value of SEK 1.79 per share.

**Table 1: Financial Overview**

| MSEK              | 2022  | 2023   | 2024e | 2025e | 2026e |
|-------------------|-------|--------|-------|-------|-------|
| Total revenues    | 22.4  | 68.3   | 93.9  | 121.8 | 156.4 |
| Growth (%)        | -9.8% | 204.8% | 37.4% | 29.7% | 28.4% |
| EBITDA            | -21.2 | 12.9   | 28.8  | 44.5  | 61.4  |
| EBITDA margin (%) | neg   | 18.5%  | 30.9% | 36.6% | 39.2% |
| EBT               | -29.5 | 0.8    | 17.7  | 33.4  | 50.8  |
| Cash holdings     | 1.9   | 18.5   | 31.7  | 64.1  | 112.6 |
| Total assets      | 52.5  | 59.7   | 78.7  | 114.1 | 167.1 |
| Total equity      | 26.6  | 48.0   | 66.0  | 99.4  | 150.2 |
| Solidity (%)      | 50.7% | 80.3%  | 83.8% | 87.1% | 89.9% |
| P/E               | neg   | 335.3  | 13.6  | 7.2   | 4.7   |
| ROE               | neg   | 1.0%   | 27.1% | 33.6% | 33.8% |
| EV/EBIT (x)       | neg   | 232.3  | 12.5  | 6.6   | 4.4   |
| EV/Sales (x)      | 9.9   | 3.2    | 2.4   | 1.8   | 1.4   |

Source: Västra Hamnen Corporate Finance

Backlog orders of MSEK 11.5 in Q2

Order updates

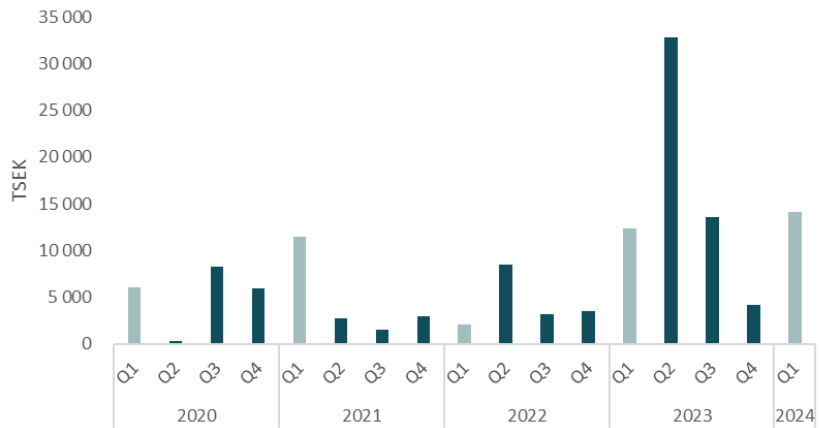
In the beginning of 2024, Serstech received an order of MSEK 5.5 from its partner **Safe-ware** in the US, consisting of the *Serstech Arx*, the patented *SERS kit* and the Serstech ChemDash software. The customer, **Colorado State Patrol**, is a distinguished law enforcement organisation. The order was delivered and invoiced during Q1.

Serstech received its second order from the Chilean law enforcement **Carabineros**. The order was received from its partner **Aerotech** in Chile. The order was for the Serstech 100 Indicator and the SERS kit. In total, the order amounted to MSEK 2.8 and was delivered and invoiced in the first quarter of 2024.

Serstech's partner in Singapore, **Kaiser-SGI**, placed an order regarding the Serstech Arx, the SERS Kit and the Serstech ChemDash software. The order value amounted to MSEK 10.5, and they will be delivered and invoiced in April this year.

By the end of the quarter, the total order intake was above MSEK 25.6. Serstech invoiced MSEK 14.1 in Q1 and the remaining MSEK 11.5 will be delivered and invoiced in Q2 2024.

Figure 1 –Serstech's quarterly revenues 2020-2024



Source: Västra Hamnen Corporate Finance

The latest-generation electronics

Launch of Serstech Arx mkII

In April, Serstech launched a significantly updated version of its handheld Raman spectrometer, Serstech Arx mkII. It has intentionally the same appearance as the previous Serstech Arx. However, the new instrument contains new optics and algorithms which will improve its ability to obtain chemical spectra and matching with the library.

Also, the device contains the latest-generation electronics, which considerably accelerates the substance-matching speed. The device contains a biotoxins reference library, communication protocols for military networks and Bluetooth for connection to peripheral devices.

The military communication module has become a factor in deciding in favour of Serstech's solution and it will have the opportunity to strengthen the company's position

in the US and with **NATO**. Serstech Arx mkll will be the first and only Raman spectrometer that can operate in US military networks and with military infrastructure.

In the last two years, the company has analysed all its business opportunities that have passed through the procurements. Serstech has used this data as input in its product development, which resulted in the new product.

#### Launch of a mobile version of ChemDash

In addition to the hardware upgrades, Serstech launched a mobile version of its software solution, ChemDash.

#### Converted 16 per cent in 2023

There are significant time lags in the market and the pent-up demand from the pandemic is still driving demand. According to Sandor, this effect will drive the market another three to four years. The rate of converting business opportunities to actual deals amounted to 16 per cent in 2023. With the new product, Serstech hopes to improve the conversion rate during 2024.

The perception of Serstech is changing among clients - from being a small, relatively unknown company, to an established provider. Repeated orders are evidence of this.

#### Invited to tender for larger business opportunities in India

Another example is Serstech's business in India. The company has been doing business in the country for the last three years, mainly with smaller organisations. This year, Serstech has been invited to tender for larger business opportunities. In India, to gain access to these processes, the tenders must be invited by the client, which Serstech now has. We will follow the development in the Indian market with great attention.

In the US, Serstech is gaining further traction. The deal two years ago with the **Ohio State Penitentiary Department** for approximately 8 MSEK has created interest from other larger states and other authorities.

In Europe, the EU is running a project *RescEU* which is driving a part of the chemical warfare agent detection demand. The project has been established to increase preparedness for potential chemical agent attacks.

Serstech is well-positioned in Southeast Asia and has recently made several deals in Indonesia. In the conference call, Sandor mentioned a framework agreement with the **Vietnamese Coast Guard** and emphasised the importance of building a network in the region. The company expects orders from the Vietnamese authorities, the timing, extent and value of the orders are yet to be disclosed.

### Financial update

#### Some orders will be invoiced in Q2

The financials reported in *Table 2* show the differences between the reported numbers and our estimates. We were off by a significant amount for the net revenues due to some orders being invoiced in Q2. As usual, we do not incorporate other revenues as it includes capitalised work for its own account and grants for the SERsing project.

Cost of goods sold, and other operating expenses came in as expected. R&D costs increased slightly during the period; however, some parts were capitalised.

#### No need to expand the team in 2024

We note a difference in the personnel expenses, mainly due to over-optimistic projections since the last quarter. Serstech added a European Sales Director and a Senior Optics Specialist that joins the R&D team in Sweden and with these in place, the company does not need to expand the team further in 2024.

Amortisation and depreciation came in lower than our estimates. This was mainly because older capitalised development costs were fully depreciated during the period.

**Table 2: Estimates vs actual, Q1 2024**

| TSEK                          | Q1 '23        | Q1 '24e        | Q1'24 act     | Diff          |
|-------------------------------|---------------|----------------|---------------|---------------|
| Net Revenues                  | 12 337        | 19 946         | 14 174        | -5 772        |
| Other Revenues                | 786           | 0              | 1 660         | 1 660         |
| <b>Total Revenues</b>         | <b>13 123</b> | <b>19 946</b>  | <b>15 834</b> | <b>-4 112</b> |
| Cost of Goods Sold            | -3 293        | -5 224         | -4 945        | 279           |
| <b>Gross Profit</b>           | <b>9 830</b>  | <b>14 722</b>  | <b>10 889</b> | <b>-3 833</b> |
| Personnel Expenses            | -4 010        | -6 180         | -5 015        | 1 165         |
| Other Operating Expenses      | -4 515        | -4 025         | -4 506        | -481          |
| <b>Total OPEX</b>             | <b>-8 525</b> | <b>-10 205</b> | <b>-9 521</b> | <b>684</b>    |
| <b>EBITDA</b>                 | <b>1 305</b>  | <b>4 517</b>   | <b>1 368</b>  | <b>-3 149</b> |
| Amortisation and Depreciation | -2 947        | -3 198         | -1 890        | 1 308         |
| <b>EBIT</b>                   | <b>-1 642</b> | <b>1 319</b>   | <b>-522</b>   | <b>-1 841</b> |
| Net Financial Items           | -85           | -36            | -34           | 2             |
| <b>EBT</b>                    | <b>-1 727</b> | <b>1 283</b>   | <b>-556</b>   | <b>-1 839</b> |
| <b>Net Profit</b>             | <b>-1 727</b> | <b>1 283</b>   | <b>-564</b>   | <b>-1 847</b> |
| Cash and Equivalents          | 18 423        | 6 677          | 17 942        | 11 265        |
| Total Equity                  | 45 543        | 49 255         | 47 539        | -1 716        |

Source: Västra Hamnen Corporate Finance

Serstech reported a larger cash amount than we had estimated which improved the cash flow considerably. The company reported better management of working capital, especially accounts receivable and inventory.

### Expect large variations between quarters

In summary, the Q1 figures led to minor short-term model adjustments while keeping our long-term scenario intact. We still expect large variations in revenue between quarters and a compounded annual growth rate of 50 per cent per year for the following five-year period, which is in line with Serstech's guidance.

### Where do we go from here?

### Improved margins for 2024

The new Serstech Arx mkll contains more expensive components than the previous version. However, Serstech intends to keep the total manufacturing cost at previous levels by implementing an optimised and more efficient production process.

One of the targets for the production unit this year is to lower the COGS by 13–14 per cent. This will be achieved by a more efficient sourcing and production. However, ChemDash libraries are largely built in-house, which implies higher gross margins. We will monitor this closely as the new products are implemented.

Our model suggests further revenue growth, for 2024, we expect net revenues of MSEK 92. The company will achieve this by gaining traction with the new product, accessing larger tenders, and clients repeating orders.

Minor changes in our model prompted us to keep the fair value at SEK 1.79 per share.

## Income Statement - Annual Data

| kSEK                             | 2020          | 2021           | 2022           | 2023          | 2024e         | 2025e          | 2026e          | 2027e          |
|----------------------------------|---------------|----------------|----------------|---------------|---------------|----------------|----------------|----------------|
| Net revenues                     | 20 488        | 18 651         | 17 112         | 62 914        | 92 202        | 121 759        | 156 356        | 184 414        |
| Capitalized work for own account | 5 914         | 3 321          | 3 615          | 3 102         | 865           | 0              | 0              | 0              |
| Other revenues                   | 5 513         | 2 873          | 1 684          | 2 285         | 795           | 0              | 0              | 0              |
| <b>Total revenues</b>            | <b>31 915</b> | <b>24 845</b>  | <b>22 411</b>  | <b>68 301</b> | <b>93 862</b> | <b>121 759</b> | <b>156 356</b> | <b>184 414</b> |
| Cost of goods sold               | -8 181        | -6 442         | -7 795         | -17 423       | -23 867       | -26 497        | -32 045        | -36 883        |
| Personnel costs                  | -15 415       | -14 431        | -13 739        | -18 797       | -20 981       | -26 786        | -33 740        | -43 246        |
| Other external costs             | -5 159        | -6 813         | -16 671        | -19 181       | -20 246       | -23 962        | -29 211        | -34 725        |
| Other operating expenses         | 0             | -417           | -5 450         | 0             | 0             | 0              | 0              | 0              |
| <b>EBITDA</b>                    | <b>3 160</b>  | <b>-3 258</b>  | <b>-21 245</b> | <b>12 900</b> | <b>28 768</b> | <b>44 515</b>  | <b>61 360</b>  | <b>69 560</b>  |
| Amortisation & depreciation      | -8 782        | -6 853         | -8 033         | -11 946       | -11 035       | -11 107        | -10 600        | -10 685        |
| <b>EBIT</b>                      | <b>-5 622</b> | <b>-10 111</b> | <b>-29 278</b> | <b>955</b>    | <b>17 734</b> | <b>33 408</b>  | <b>50 760</b>  | <b>58 875</b>  |
| Financials, net                  | -190          | -147           | -209           | -203          | -70           | 0              | 0              | 0              |
| <b>EBT</b>                       | <b>-5 812</b> | <b>-10 258</b> | <b>-29 487</b> | <b>752</b>    | <b>17 664</b> | <b>33 408</b>  | <b>50 760</b>  | <b>58 875</b>  |
| Taxes                            | -4            | 6              | -80            | -37           | -8            | 0              | 0              | -10 621        |
| <b>Net profit</b>                | <b>-5 816</b> | <b>-10 252</b> | <b>-29 566</b> | <b>715</b>    | <b>17 656</b> | <b>33 408</b>  | <b>50 760</b>  | <b>48 254</b>  |
| <b>Earnings per share (SEK)</b>  | <b>-0.10</b>  | <b>-0.12</b>   | <b>-0.35</b>   | <b>0.00</b>   | <b>0.09</b>   | <b>0.16</b>    | <b>0.25</b>    | <b>0.23</b>    |
| <b>Growth (%)</b>                |               |                |                |               |               |                |                |                |
| Net revenues                     | na            | -22.2%         | -9.8%          | 204.8%        | 37.4%         | 29.7%          | 28.4%          | 17.9%          |
| EBITDA                           | na            | na             | na             | na            | 129.1%        | 53.5%          | 37.8%          | 13.4%          |
| EBIT                             | na            | na             | na             | na            | 2433.1%       | 86.0%          | 51.9%          | 16.0%          |
| Net profit                       | na            | na             | na             | na            | 3648.8%       | 86.8%          | 51.9%          | -4.9%          |
| <b>% of revenues (%)</b>         |               |                |                |               |               |                |                |                |
| EBITDA margin                    | 7.0%          | neg            | neg            | 18.5%         | 30.9%         | 36.6%          | 39.2%          | 37.7%          |
| EBIT margin                      | neg           | neg            | neg            | 1.0%          | 19.1%         | 27.4%          | 32.5%          | 31.9%          |
| EBT margin                       | neg           | neg            | neg            | 0.7%          | 19.1%         | 27.4%          | 32.5%          | 31.9%          |
| Profit margin                    | neg           | neg            | neg            | 0.7%          | 19.1%         | 27.4%          | 32.5%          | 26.2%          |
| Personnel costs                  | 75.2%         | 77.4%          | 80.3%          | 29.9%         | 22.8%         | 22.0%          | 21.6%          | 23.5%          |
| Total OPEX                       | 100.4%        | 116.1%         | 209.6%         | 60.4%         | 44.7%         | 41.7%          | 40.3%          | 42.3%          |
| <b>Profitability (%)</b>         |               |                |                |               |               |                |                |                |
| ROE                              | neg           | neg            | neg            | 1.0%          | 27.1%         | 33.6%          | 33.8%          | 24.3%          |
| ROIC                             | neg           | neg            | neg            | 2.5%          | 39.9%         | 73.1%          | 104.6%         | 113.7%         |

Source: Västra Hamnen Corporate Finance

**Balance Sheet - Annual Data**

| kSEK                                | 2020          | 2021          | 2022          | 2023          | 2024e         | 2025e          | 2026e          | 2027e          |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|----------------|
| Inventories                         | 2 195         | 3 008         | 1 868         | 3 491         | 3 453         | 3 227          | 3 744          | 4 318          |
| Receivables                         | 3 618         | 800           | 11 478        | 3 611         | 9 198         | 11 483         | 14 042         | 16 192         |
| Current tax assets                  | 0             | 129           | 196           | 0             | 250           | 250            | 250            | 250            |
| Other short-term receivables        | 1 271         | 1 145         | 1 707         | 1 425         | 4 197         | 6 985          | 8 542          | 9 850          |
| Prepaid costs & accrued income      | 2 067         | 459           | 818           | 1 031         | 1 296         | 1 342          | 1 397          | 1 462          |
| Cash and cash equivalents           | 11 396        | 19 574        | 1 866         | 18 472        | 31 661        | 64 083         | 112 623        | 158 276        |
| <b>Total current assets</b>         | <b>20 547</b> | <b>25 115</b> | <b>17 933</b> | <b>28 030</b> | <b>50 055</b> | <b>87 370</b>  | <b>140 598</b> | <b>190 348</b> |
| Tangible assets                     | 377           | 337           | 192           | 379           | 66            | 58             | 58             | 63             |
| Intangible assets                   | 35 305        | 41 054        | 34 351        | 31 220        | 28 515        | 26 594         | 26 324         | 27 261         |
| Financial assets                    | 20            | 52            | 69            | 81            | 84            | 84             | 84             | 84             |
| <b>Total fixed assets</b>           | <b>35 702</b> | <b>41 443</b> | <b>34 612</b> | <b>31 680</b> | <b>28 665</b> | <b>26 736</b>  | <b>26 466</b>  | <b>27 407</b>  |
| <b>Total assets</b>                 | <b>56 249</b> | <b>66 558</b> | <b>52 546</b> | <b>59 709</b> | <b>78 719</b> | <b>114 105</b> | <b>167 063</b> | <b>217 754</b> |
| Advance payments from customers     | 306           | 66            | 10 064        | 61            | 0             | 0              | 0              | 0              |
| Liabilities to credit institutions  | 1 600         | 1 699         | 739           | 1 800         | 0             | 0              | 0              | 0              |
| Accounts payable                    | 3 985         | 3 759         | 4 957         | 3 134         | 3 453         | 4 034          | 4 681          | 5 397          |
| Accrued cost & prepaid income       | 4 541         | 3 885         | 5 295         | 4 943         | 6 905         | 8 069          | 9 361          | 10 795         |
| Other short term liabilities        | 402           | 610           | 464           | 873           | 1 036         | 1 210          | 1 404          | 1 619          |
| Short term tax liabilities          | 202           | 311           | 195           | 124           | 345           | 403            | 468            | 540            |
| <b>Total current liabilities</b>    | <b>11 036</b> | <b>10 330</b> | <b>21 714</b> | <b>10 935</b> | <b>11 739</b> | <b>13 717</b>  | <b>15 914</b>  | <b>18 351</b>  |
| <b>Provisions</b>                   | <b>122</b>    | <b>118</b>    | <b>216</b>    | <b>802</b>    | <b>996</b>    | <b>996</b>     | <b>996</b>     | <b>996</b>     |
| <b>Long term liabilities</b>        | <b>1 219</b>  | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>       | <b>0</b>       | <b>0</b>       |
| <b>Total equity</b>                 | <b>43 872</b> | <b>56 110</b> | <b>26 616</b> | <b>47 972</b> | <b>65 985</b> | <b>99 393</b>  | <b>150 153</b> | <b>198 407</b> |
| <b>Total equity and liabilities</b> | <b>56 249</b> | <b>66 558</b> | <b>48 546</b> | <b>59 709</b> | <b>78 719</b> | <b>114 105</b> | <b>167 063</b> | <b>217 754</b> |

Source: Västra Hamnen Corporate Finance

**Cash flow statement**

| kSEK                            | 2020          | 2021          | 2022           | 2023          | 2024e         | 2025e         | 2026e          | 2027e          |
|---------------------------------|---------------|---------------|----------------|---------------|---------------|---------------|----------------|----------------|
| Operating activities            | 1 935         | -3 433        | -14 950        | 13 286        | 28 922        | 44 515        | 61 360         | 58 939         |
| Changes in working capital      | 9 273         | 2 803         | 1 792          | -5 654        | -6 112        | -2 915        | -2 490         | -1 660         |
| Investing activities            | -14 306       | -12 560       | -7 590         | -9 003        | -7 822        | -9 178        | -10 330        | -11 626        |
| Financing activities            | -17           | 21 357        | 3 040          | 17 977        | -1 800        | 0             | 0              | 0              |
| <b>Cash flow for the period</b> | <b>-3 115</b> | <b>13 956</b> | <b>-17 708</b> | <b>16 606</b> | <b>13 189</b> | <b>32 422</b> | <b>48 540</b>  | <b>45 653</b>  |
| Beginning cash balance          | 15 159        | 11 396        | 19 574         | 1 866         | 18 472        | 31 661        | 64 083         | 112 623        |
| <b>Ending cash balance</b>      | <b>11 396</b> | <b>19 574</b> | <b>1 866</b>   | <b>18 472</b> | <b>31 661</b> | <b>64 083</b> | <b>112 623</b> | <b>158 276</b> |

Source: Västra Hamnen Corporate Finance

## Income Statement - Quarterly Data

| kSEK                             | Q1 2023       | Q2 2023       | Q3 2023       | Q4 2023       | Q1 2024       | Q2 2024e      | Q3 2024e      | Q4 2024e      |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Net revenues                     | 12 337        | 32 775        | 13 593        | 4 209         | 14 174        | 22 540        | 27 509        | 27 979        |
| Capitalized work for own account | 674           | 609           | 631           | 1 188         | 865           | 0             | 0             | 0             |
| Other revenues                   | 112           | 166           | 85            | 1 917         | 795           | 0             | 0             | 0             |
| <b>Total revenues</b>            | <b>13 123</b> | <b>33 550</b> | <b>14 309</b> | <b>7 314</b>  | <b>15 834</b> | <b>22 540</b> | <b>27 509</b> | <b>27 979</b> |
| Cost of goods sold               | -3 293        | -8 586        | -3 761        | -1 783        | -4 945        | -5 903        | -6 718        | -6 301        |
| Personnel costs                  | -4 010        | -4 128        | -4 695        | -5 994        | -5 015        | -5 165        | -5 320        | -5 480        |
| Other external costs             | -4 621        | -5 674        | -5 150        | -3 870        | -4 732        | -4 921        | -5 167        | -5 426        |
| Other operating expenses         | 0             | 0             | 0             | -57           | 0             | 0             | 0             | 0             |
| <b>EBITDA</b>                    | <b>1 199</b>  | <b>15 162</b> | <b>703</b>    | <b>-4 390</b> | <b>1 142</b>  | <b>6 550</b>  | <b>10 304</b> | <b>10 772</b> |
| Amortisation & depreciation      | -2 947        | -2 980        | -3 004        | -3 015        | -1 890        | -3 155        | -3 043        | -2 947        |
| <b>EBIT</b>                      | <b>-1 748</b> | <b>12 182</b> | <b>-2 301</b> | <b>-7 405</b> | <b>-748</b>   | <b>3 395</b>  | <b>7 261</b>  | <b>7 825</b>  |
| Financials, net                  | -85           | -127          | -86           | 94            | -34           | -24           | -12           | 0             |
| <b>EBT</b>                       | <b>-1 833</b> | <b>12 055</b> | <b>-2 387</b> | <b>-7 311</b> | <b>-782</b>   | <b>3 371</b>  | <b>7 249</b>  | <b>7 825</b>  |
| Taxes                            | -14           | 2             | -8            | -8            | -8            | 0             | 0             | 0             |
| <b>Net profit</b>                | <b>-1 847</b> | <b>12 057</b> | <b>-2 395</b> | <b>-7 319</b> | <b>-790</b>   | <b>3 371</b>  | <b>7 249</b>  | <b>7 825</b>  |
| <b>Earnings per share (SEK)</b>  | <b>-0.01</b>  | <b>0.06</b>   | <b>-0.02</b>  | <b>-0.04</b>  | <b>-0.00</b>  | <b>0.02</b>   | <b>0.04</b>   | <b>0.04</b>   |
| <b>Y-o-Y Growth (%)</b>          |               |               |               |               |               |               |               |               |
| Net revenues                     | 500.6%        | 288.1%        | 335.0%        | 20.7%         | 14.9%         | -31.2%        | 102.4%        | 564.7%        |
| EBITDA                           | na            | na            | na            | na            | 4.8%          | -59.2%        | na            | na            |
| EBIT                             | na            | na            | na            | na            | na            | -74.0%        | na            | na            |
| Net profit                       | na            | na            | na            | na            | na            | -74.0%        | na            | na            |
| <b>% of revenues (%)</b>         |               |               |               |               |               |               |               |               |
| EBITDA margin                    | 9.9%          | 47.9%         | neg           | neg           | 8.6%          | 29.1%         | 37.5%         | 38.5%         |
| EBIT margin                      | neg           | 39.0%         | neg           | neg           | neg           | 15.1%         | 26.4%         | 28.0%         |
| EBT margin                       | neg           | 38.6%         | neg           | neg           | neg           | 15.0%         | 26.4%         | 28.0%         |
| Profit margin                    | neg           | 38.6%         | neg           | neg           | neg           | 15.0%         | 26.4%         | 28.0%         |
| Personnel costs                  | 30.6%         | 12.3%         | 32.8%         | 82.0%         | 31.7%         | 22.9%         | 19.3%         | 19.6%         |
| Total OPEX                       | 65.8%         | 29.2%         | 68.8%         | 135.6%        | 61.6%         | 44.8%         | 38.1%         | 39.0%         |
| <b>Profitability (%)</b>         |               |               |               |               |               |               |               |               |
| ROE                              | neg           | 20.6%         | neg           | neg           | neg           | 6.6%          | 12.5%         | 11.9%         |
| ROIC                             | neg           | 18.5%         | neg           | neg           | neg           | 7.9%          | 16.4%         | 17.6%         |

Source: Västra Hamnen Corporate Finance

## Balance Sheet - Quarterly Data

| kSEK                                | Q1 2023       | Q2 2023       | Q3 2023       | Q4 2023       | Q1 2024       | Q2 2024e      | Q3 2024e      | Q4 2024e      |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Inventories                         | 2 775         | 3 457         | 3 238         | 3 491         | 4 073         | 3 235         | 3 681         | 3 453         |
| Receivables                         | 4 069         | 31 149        | 16 553        | 3 611         | 6 456         | 7 410         | 9 044         | 9 198         |
| Current tax assets                  | 249           | 303           | 356           | 0             | 249           | 250           | 250           | 250           |
| Other short-term receivables        | 2 531         | 3 163         | 1 809         | 1 425         | 2 188         | 3 381         | 4 126         | 4 197         |
| Accrued cost & prepaid income       | 501           | 460           | 533           | 1 031         | 1 809         | 1 054         | 1 140         | 1 296         |
| Cash and cash equivalents           | 18 423        | 7 850         | 17 844        | 18 472        | 17 942        | 17 738        | 23 948        | 31 661        |
| <b>Total current assets</b>         | <b>28 548</b> | <b>46 382</b> | <b>40 333</b> | <b>28 030</b> | <b>32 717</b> | <b>33 068</b> | <b>42 189</b> | <b>50 055</b> |
| Tangible assets                     | 153           | 139           | 126           | 379           | 85            | 77            | 71            | 66            |
| Finacial assets                     | 73            | 75            | 78            | 81            | 84            | 84            | 84            | 84            |
| Intangible assets                   | 32 928        | 31 858        | 31 050        | 31 220        | 31 376        | 30 276        | 29 327        | 28 515        |
| <b>Total fixed assets</b>           | <b>33 154</b> | <b>32 072</b> | <b>31 254</b> | <b>31 680</b> | <b>31 545</b> | <b>30 438</b> | <b>29 483</b> | <b>28 665</b> |
| <b>Total assets</b>                 | <b>61 703</b> | <b>78 454</b> | <b>71 588</b> | <b>59 709</b> | <b>64 261</b> | <b>63 504</b> | <b>71 671</b> | <b>78 719</b> |
| Advance payments from customers     | 2 094         | 1 020         | 1 229         | 61            | 5 388         | 0             | 0             | 0             |
| Liabilities to credit institutions  | 2 400         | 2 400         | 2 400         | 1 800         | 1 200         | 600           | 0             | 0             |
| Accounts payable                    | 3 129         | 5 565         | 5 455         | 3 134         | 3 931         | 3 235         | 3 681         | 3 453         |
| Accrued cost & prepaid income       | 6 462         | 4 292         | 5 412         | 4 943         | 2 724         | 6 469         | 7 362         | 6 905         |
| Other short term liabilities        | 541           | 5 043         | 784           | 873           | 2 337         | 970           | 1 104         | 1 036         |
| Short term tax liabilities          | 118           | 134           | 121           | 124           | 146           | 323           | 368           | 345           |
| <b>Total current liabilities</b>    | <b>14 744</b> | <b>18 454</b> | <b>15 401</b> | <b>10 935</b> | <b>15 726</b> | <b>11 598</b> | <b>12 515</b> | <b>11 739</b> |
| <b>Provisions</b>                   | <b>216</b>    | <b>761</b>    | <b>920</b>    | <b>802</b>    | <b>996</b>    | <b>996</b>    | <b>996</b>    | <b>996</b>    |
| <b>Long term liabilities</b>        | <b>1 200</b>  | <b>600</b>    | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      | <b>0</b>      |
| <b>Total equity</b>                 | <b>45 543</b> | <b>58 639</b> | <b>55 267</b> | <b>47 972</b> | <b>47 539</b> | <b>50 910</b> | <b>58 159</b> | <b>65 985</b> |
| <b>Total equity and liabilities</b> | <b>61 703</b> | <b>78 454</b> | <b>71 588</b> | <b>59 709</b> | <b>64 261</b> | <b>63 504</b> | <b>71 671</b> | <b>78 719</b> |

Source: Västra Hamnen Corporate Finance

## Cash flow statement

| kSEK                            | Q1 2023       | Q2 2023        | Q3 2023       | Q4 2023       | Q1 2024       | Q2 2024e      | Q3 2024e      | Q4 2024e      |
|---------------------------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Operating activities            | 1 192         | 15 939         | -423          | -4 430        | 1 332         | 6 526         | 10 292        | 10 772        |
| Changes in working capital      | -2 790        | -24 697        | 12 990        | 9 097         | 295           | -4 083        | -1 394        | -929          |
| Investing activities            | -1 485        | -1 886         | -2 186        | -3 439        | -1 557        | -2 047        | -2 088        | -2 130        |
| Financing activities            | 20 373        | -600           | -539          | -600          | -600          | -600          | -600          | 0             |
| <b>Cash flow for the period</b> | <b>17 290</b> | <b>-11 244</b> | <b>9 842</b>  | <b>628</b>    | <b>-530</b>   | <b>-204</b>   | <b>6 210</b>  | <b>7 713</b>  |
| Beginning cash balance          | 1 866         | 18 423         | 7 850         | 17 844        | 18 472        | 17 942        | 17 738        | 23 948        |
| <b>Ending cash balance</b>      | <b>18 423</b> | <b>7 850</b>   | <b>17 844</b> | <b>18 472</b> | <b>17 942</b> | <b>17 738</b> | <b>23 948</b> | <b>31 661</b> |

Source: Västra Hamnen Corporate Finance

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