

# MSAB

Trusted Partner in Digital Forensics



Interim report

Q3 2024

# Interim report – Q3 2024

## July – September 2024

### Summary July – September 2024

- Net sales amounted to SEK 115.2 (108.0) million, an increase of 6.7 percent compared to the same period last year. Adjusted for currency fluctuations, growth amounted to 8.4 percent.
- Operating profit (EBIT) amounted to SEK 31.0 (25.1) million, corresponding to an operating margin of 26.9 (23.2) percent.
- Profit after tax amounted to SEK 23.5 (19.5) million.
- Earnings per share before/after dilution amounted to SEK 1.27 (1.06).
- Cash flow from operating activities amounted to SEK –1.4 (1.9) million.

### Summary January – September 2024

- Net sales amounted to SEK 287.1 (300.1) million, a decrease of –4.3 percent compared to the same period last year. Adjusted for currency fluctuations, growth amounted to –3.9 percent.
- Operating profit (EBIT) amounted to SEK 18.8 (36.0) million, corresponding to an operating margin of 6.6 (12.0) percent.
- Profit after tax amounted to SEK 13.0 (29.1) million.
- Earnings per share before/after dilution amounted to SEK 0.71 (1.57).
- Cash flow from operating activities amounted to SEK 18.6 (47.6) million.

## Significant events during the period

- Peter Gille was appointed permanent CEO on August 1st. Before becoming acting CEO in June 2024, Peter Gille was a member of the Board of Directors since 2020 and Chairman of the Board since 2023.
- A new Chief Marketing Officer (CMO) was appointed to further support the global marketing efforts and sales enablement support globally. Kim Sjölund will assume the permanent position of CMO as from November 1st.

# 115,2 MSEK

Net sales,  
July – September 2024

# 93 %

Gross margin,  
July – September 2024

# 26,9 %

Operating margin (EBIT),  
July – September 2024

	JUL - SEP 2024	JUL - SEP 2023	JAN - SEP 2024	JAN - SEP 2023	OCT 2023 - SEP 2024	JAN - DEC 2023
Net sales, MSEK	115.2	108.0	287.1	300.1	404.0	416.9
EBIT, MSEK	31.0	25.1	18.8	36.0	23.8	40.9
EBIT-margin, %	26.9	23.2	6.6	12.0	5.9	9.8
Earnings per share before/ after dilution, SEK	1.27	1.06	0.71	1.57	0.76	1.62
Cash flow from operating activities, MSEK	–1.4	1.9	18.6	47.6	46.0	75.0
Return on equity 12 months, %	11.5	29.4	11.5	29.4	11.5	26.4
Return on capital employed 12 months, %	24.2	42.0	24.2	42.0	24.2	40.1
Cash flow from operations / per share, SEK	–0.08	0.10	1.01	2.58	2.49	4.06
Equity per share, SEK	6.14	7.02	6.14	7.02	6.14	6.27

# CEO comments

Overall, we delivered a solid third quarter in terms of sales, with some variations across the regions. Net sales for the quarter amounted to SEK 115 million, which corresponds to a currency adjusted sales growth of 8 percent. Order intake was stable during the period.

The EMEA region showed recovery during the third quarter with positive developments in most markets. In France we secured a significant renewals contract from a government agency with further opportunities for the coming two quarters. In both the UK and Germany renewals contracts were secured with national law enforcement agencies and border control. Further uptake of XRY Pro across the region characterized the period. Overall EMEA outpaced other regions in sales of XRY Pro and continued to deliver increasing revenues for training.

Region Americas delivered good sales growth during the period and are on track to reach their sales targets for the full year. Our federal customers continue to renew their licenses for XRY and XRY Pro. An order from a new State & Local customer for XRY Pro and training on all platforms further demonstrates trust in our ability to continue delivering exceptional products. In APAC XRY proved to be the preferred tool in a number of public tenders. In Australia and New Zealand, we secured several wins with government agencies, military and federal law enforcement agencies.

In the next 6–24 months, we will introduce new products. We have already started presenting our new MSAB Unify solution which will be launched during the fourth quarter and be widely available at the beginning of 2025. This solution, which enhances opportunities for collaboration and analysis, is already being tested by some key customers in EMEA whilst interest in the product is growing in the APAC region.

On August 1st I took on the position of CEO on a permanent basis, confirming my full commitment to the growth journey we have already embarked upon. I continue to be impressed by the deep knowledge and competence we have in the organization. Having said that, we need to continue to invest in our current offering and to make the right prioritizations for the



future. Our ambition to strengthen our market position and increase our market shares stands firm.

The digital forensics industry continues to develop and there are many growth opportunities for MSAB. With increased speed in our delivery to the market and the right priorities I feel confident that we will capture those opportunities and see good revenue development over the coming 12–24 months.

*Stockholm, October 2024*

**Peter Gille**  
CEO MSAB



# Financial overview

## July – September 2024

### NET SALES

The Group's net sales for the period amounted to SEK 115.2 (108.0) million, which corresponds to an increase of 6.7 percent and 8.4 percent adjusted for currency fluctuations, compared with the corresponding period last year.

EMEA reported an increase in sales of 19 percent compared to the corresponding period last year. This was partly due to a shift in expected business from the previous quarter, but also new business won in the period. Americas revenue also showed growth despite some delays in budget allocations in several large projects, which are expected to be realized in the coming quarters. Sales in the APAC region were stable in the quarter despite a year-on-year decline in the period, partly explained by a strong first half of the year.

New sales accounted for 58 (46) percent of total revenue while license renewals accounted for 42 (54) percent. XRY extraction software continued to account for the majority of revenue, with sales of the company's premium product XRY Pro increasing.

### OPERATING EXPENSES

Cost of goods sold amounted to SEK 8.4 (7.6) million. No pure hardware sales of a significant nature took place during the period. The gross margin amounted to 93 (93) percent. Cost of goods sold was partly affected by currency effects and generally varies with the product mix.

Other external costs amounted to SEK 21.1 (17.5) million. Other administrative expenses continued to decrease compared with the previous year, while consultancy costs increased during the period, driven by temporary staff vacancies.

Personnel costs amounted to SEK 51.1 (54.0) million. Almost half of the company's salaries are paid in foreign currency, which had a positive impact on the cost level in the quarter as the Swedish krona strengthened slightly against USD, GBP and EUR.

Depreciation amounted to SEK 3.6 (3.8) million.

### EBIT

Operating profit for the quarter amounted to SEK 31.0 (25.1) million, corresponding to an operating margin of 26.9 (23.2) percent.

### NET FINANCIAL INCOME/EXPENSE

Net financial items amounted to SEK -1.1 (-0.1) million for the quarter. Net financial items consist mainly of revaluation of cash and cash equivalents in foreign currency, where USD, EUR and GBP are the Group's largest transaction currencies related to the Group's sales, while SEK is the largest currency for the company's costs.

### PROFIT/LOSS AFTER TAX

Profit after tax for the quarter amounted to SEK 23.5 (19.5) million.

### CASH FLOW

Cash flow from operating activities amounted to SEK -1.4 (1.9) million in the period. Cash flow before changes in working capital amounted to SEK 32.1 (21.0) million, while the change in working capital amounted to SEK -33.5 (-19.1) million.

Investments for the period amounted to SEK 0.2 (0.1) million.

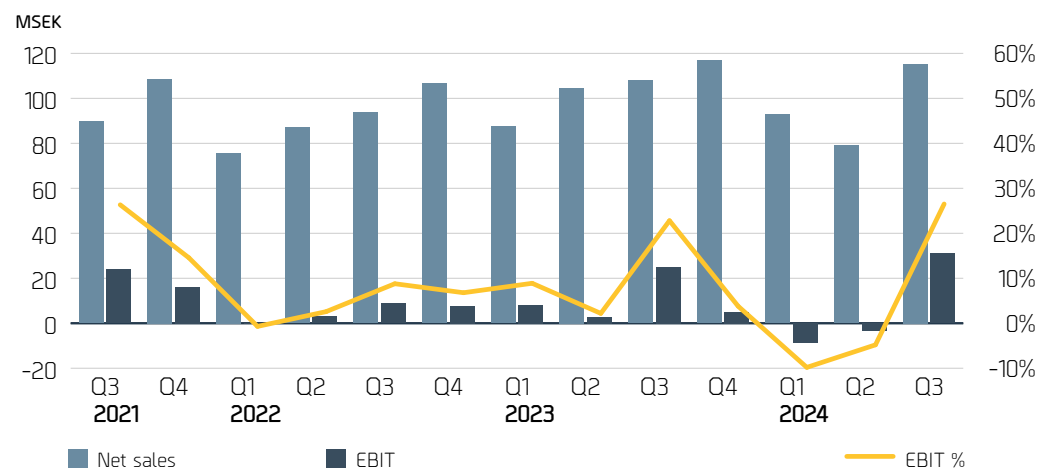
### EMPLOYEES

On September 30, 2024, the number of employees was 191 (207). The average number of employees during the period was 198 (202).

### THE PARENT COMPANY

The parent company's net sales for the period amounted to SEK 89.3 (82.2) million. Operating profit for the period amounted to SEK 27.8 (21.5) million.

## Financial development, quarter



Jul – Sep 2024

Net sales

**115,2 MSEK**

EBIT

**31,0 MSEK**

EBIT

**26,9%**

# Financial overview

## January – September 2024

### NET SALES

The Group's net sales decreased during the period by 4.3 percent to SEK 287.1 (300.1) million. Adjusted for currency fluctuations, the decrease amounted to 3.9 percent.

APAC and Americas showed sales growth of 33 and 6 percent respectively compared with the corresponding period last year, with a continued higher share of software sales, which for all regions resulted in a higher gross margin. EMEA, which accounted for 52 (59) percent of the company's total sales, reported a decrease in sales of 15 percent compared with the previous year.

New sales increased by 10 percent, while license renewals decreased by 17 percent, which is partly explained by upgrades in existing business. These are classified as new sales. Of the new sales, XRY Office still accounted for the largest share.

### OPERATING EXPENSES

The strengthening of the Swedish krona against the USD, EUR and GBP had a positive impact on the cost level in Swedish kronor during the period.

Cost of goods sold amounted to SEK 17.9 (29.8) million. The gross margin amounted to 94 percent compared to 90 percent last year. Cost of goods sold is partly affected by currency effects and varies as a rule with the product mix, which during the period had a lower proportion of hardware compared with the previous year.

Other external costs amounted to SEK 57.6 (52.2) million. Increased costs for consultants to cover temporary staff vacancies during the period, while other administrative costs have decreased compared to the same period last year.

Personnel costs amounted to SEK 182.0 (170.8) million. Restructuring costs and severance payments have resulted in increased personnel costs compared to the previous year, as well as salary revision and new hires.

Depreciation amounted to SEK 10.8 (11.4) million.

### EBIT

Operating profit for the period amounted to SEK 18.8 (36.0) million, corresponding to an operating margin of 6.6 (12.0) percent.

### NET FINANCIAL INCOME/EXPENSE

Net financial items amounted to SEK –2.2 (0.7) million for the period. Net financial items consist mainly of revaluation of cash and cash equivalents in foreign currency and have been negatively affected by the strengthening of the Swedish krona against USD, GBP and EUR, which are the Group's largest transaction currencies.

### PROFIT/LOSS AFTER TAX

Profit after tax for the period amounted to SEK 13.0 (29.1) million.

### CASH FLOW

Cash flow from operating activities amounted to SEK 18.6 (47.6) million. The change in working capital amounted to SEK –1.7 (7.6) million.

Total cash flow for the period amounted to SEK –9.7 (17.2) million, including a dividend of SEK 18.5 (18.5) million paid during the period.

Investments for the period amounted to SEK 0.5 (0.3) million.

### LIQUIDITY AND FINANCIAL POSITION

Cash and cash equivalents amounted to SEK 126.0 (124.8) million at the end of the period.

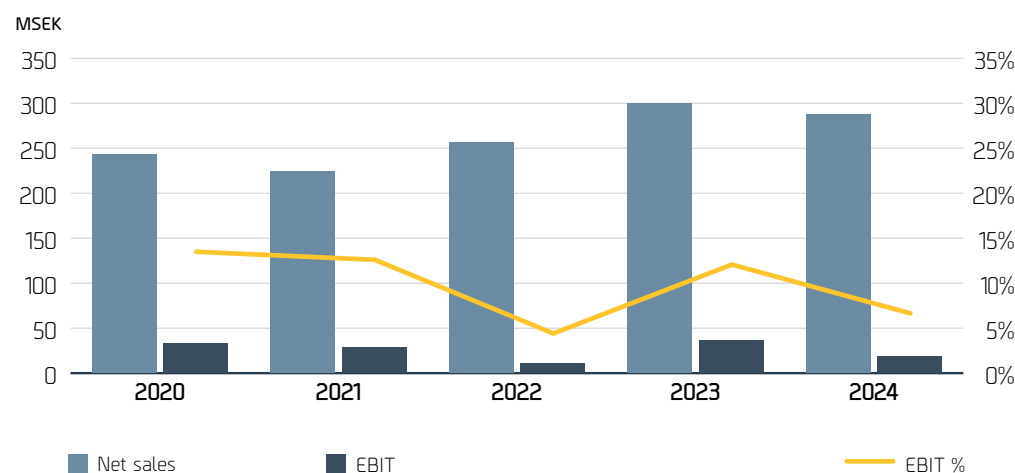
### EMPLOYEES

On September 30, 2024, the number of employees was 191 (207). The average number of employees during the period was 198 (196).

### THE PARENT COMPANY

The parent company's net sales for the period amounted to SEK 219.6 (228.7) million. Operating profit for the period amounted to SEK 10.0 (26.7) million. In the second quarter, SEK 40.6 million was distributed to the parent company from its subsidiaries.

## Financial development, Q1-Q3



Jan - Sep 2024

Net sales

**287,1 MSEK**

EBIT

**18,8 MSEK**

EBIT

**6,6 %**

# Market comments

## MARKET COMMENTS

Order intake was good for regions APAC and Americas during the third quarter. EMEA showed recovery after a disappointing second quarter and exceeded revenue levels for the same period last year. Highlights included significant renewals contracts with a law enforcement agency in the UK and a government border control agency in Germany.

Sales of XRY Pro continued to increase where EMEA lead the way closely followed by region Americas. This demonstrates clearly continued confidence in MSAB's premium product where the Company offers advanced forensic exploit methods for mobile forensics practitioners looking for advanced solutions.

Overall, MSAB continued to see widespread product adoption and good renewal levels in key markets. The Company also saw positive signs for adoption of their 'Frontline' solutions in both the APAC and Americas regions.

## EMEA

Sales in EMEA recovered to some extent during the third quarter with revenue exceeding the same period last year. After a slow start due to the Olympic Games and changes in the newly elected government, France started to see increased sales activity and positive opportunities for the coming quarters. In the Nordics, the Company continued to see renewed interest for MSAB products and sales in Eastern Europe increased during the quarter.

## AMERICAS

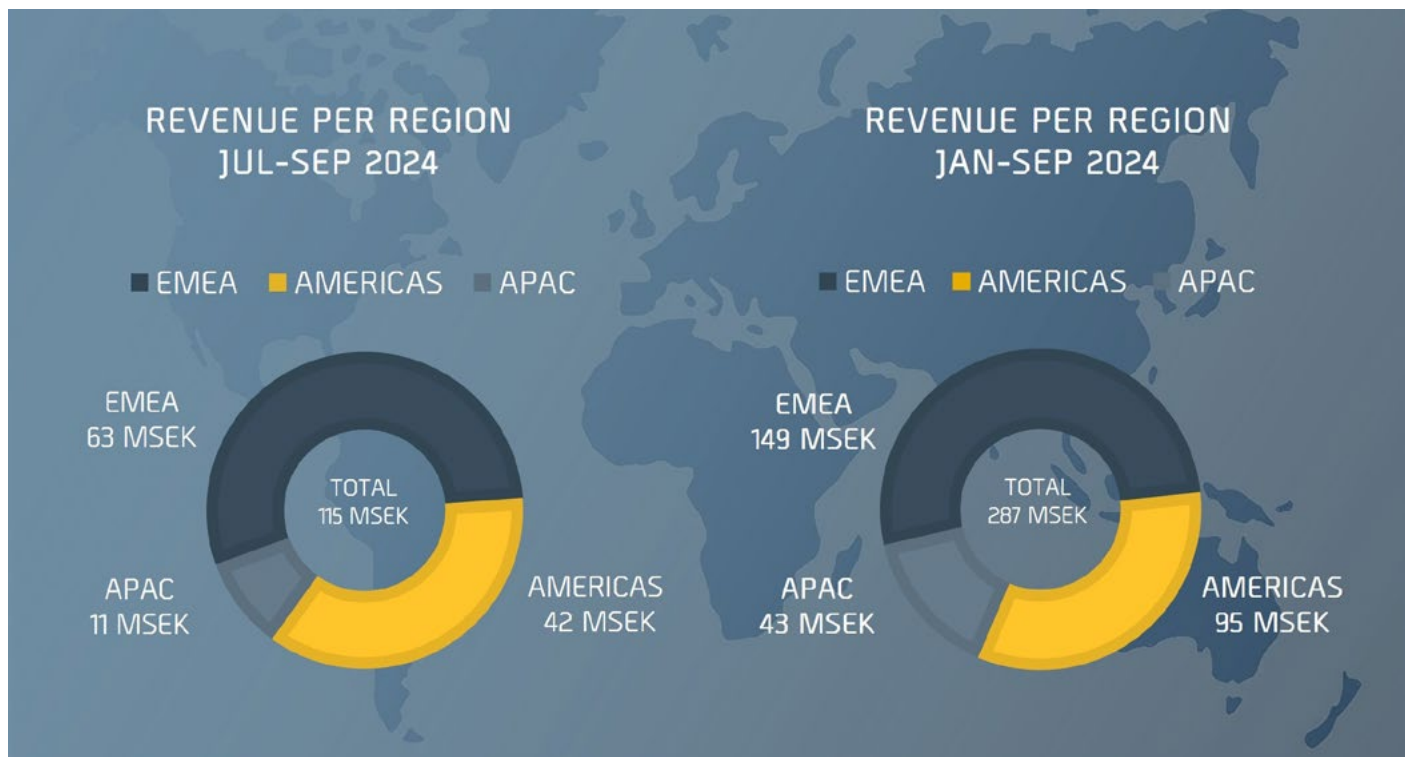
Region Americas experienced solid growth during the period. In the USA, revenue from XRY Pro continued to rise for the third consecutive quarter. This is an indication that customers are adopting more advanced solutions to manage increasing amounts of data and a complex technical environment. There are positive signs of growth in the USA State & Local segment with increased sales to both existing and new customers.

Delays in budget allocation slowed procurement on several large military projects.

## APAC

Sales in APAC were solid in the third quarter. In Japan the Company secured an agreement with a law enforcement agency to migrate from their current solution to the new MSAB Unify product during 2025. Australia and New Zealand remain strong with training for a number of law enforcement agencies planned for the fourth quarter.

Customers in developing markets continue to recognize the value of digital forensics and interest in developing their capacity has increased significantly – this has, among other things, driven increased sales of the primary MSAB extraction tool XRY.



# Other comments

## ACCOUNTING PRINCIPLES

This interim report in brief for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the applicable provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9 of the Annual Accounts Act, Interim Report. Disclosures in accordance with IAS 34 are provided both in notes and elsewhere in the interim report. The accounting policies applied for the Group and the Parent Company are consistent with those used in the preparation of the most recent annual report. For short-term financial assets and liabilities, the carrying amount is a reasonable approximation of fair value.

## SIGNIFICANT RISKS AND UNCERTAINTY FACTORS

The Group's activities expose it to risks and uncertainties. These risks and uncertainties are the same for the parent company and the group. Freight and raw material prices have impacted the company's costs and uncertainties in both prices and delivery times remain. The company has been marginally negatively affected by shortages of certain components.

Significant risks and uncertainties are described in the 2023 Annual Report on page 40 and in Note 4 on pages 56–58.

## SEASONAL EFFECTS

MSAB is not dependent on certain seasons in the usual sense of the term. However, the majority of the Company's customers have a purchasing pattern that follows their budget period. Budget periods differ between countries, but most common in MSAB's largest markets is that they follow the calendar year or end on 30 September. Historically, this is reflected in sales such that the second half-year is stronger than the first.

## RELATED PARTY TRANSACTIONS

Related party transactions mainly refer to transactions between the parent company and its subsidiaries. These are described in the Annual Report 2023 on page 65 note 24.

## AUDITOR REVIEW

This interim report has been reviewed by the auditors.

## ANNUAL GENERAL MEETING

The Annual General Meeting will take place in Stockholm on Wednesday, May 14, 2025. A notice to the Annual General Meeting will be published on MSAB's website in good time before the meeting. Shareholders who wish to have a matter addressed at the Annual General Meeting must submit a written request to the board of directors no later than Wednesday, March 26, 2025.

## SIGNIFICANT EVENTS SINCE THE END OF THE PERIOD

On October 1, 2024, a new incentive program was approved at an Extraordinary General Meeting. The program runs from January 1, 2024 to December 31, 2026. Allocation has not yet taken place.

## FINANCIAL CALENDAR

Year-end report 2024	2025-01-28
Annual report 2024	2025-04-23
Interim report, Q1	2025-04-29
Annual General Meeting 2024	2025-05-14
Half-yearly report, Q2	2025-07-18
Interim report, Q3	2025-10-28
Year-end report 2025	2026-01-27

## QUARTERLY DATA

	2024			2023				2022				2021	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Net sales, MSEK	115.2	79.1	92.8	116.9	108.0	104.7	87.4	106.6	93.7	87.1	75.6	108.5	89.6
Gross margin, %	92.7	95.5	93.7	91.2	93.0	83.8	94.0	69.8	82.5	89.9	90.2	78.6	92.6
EBIT, MSEK	31.0	-3.5	-8.7	4.9	25.1	2.7	8.2	7.7	8.7	2.7	-0.2	16.2	24.0
EBIT-margin, %	26.9	-4.4	-9.4	4.2	23.2	2.6	9.3	7.2	9.2	3.1	-0.3	15.0	26.7
Earnings after tax, MSEK	23.5	-2.8	-7.6	0.9	19.5	2.9	6.7	6.3	6.8	2.7	1.4	12.7	18.6
Earnings per share, SEK	1.27	-0.15	-0.41	0.05	1.06	0.16	0.36	0.34	0.37	0.15	0.07	0.69	1.00
Cash flow from operating activities, MSEK	-1.4	1.2	18.8	27.4	1.9	21.7	24.0	43.3	0.0	1.0	5.5	10.5	-10.8
Return on equity, %	19.3	-2.8	-6.5	0.8	16.2	2.8	6.2	6.1	7.2	3.4	1.4	14.1	21.2
Return on capital employed, %	26.4	-2.5	-5.0	5.1	21.9	4.5	8.9	9.6	11.5	6.0	2.9	20.3	27.7
Equity ratio, %	41.1	36.0	40.2	41.6	45.6	41.4	43.2	40.2	50.7	47.4	45.8	43.9	44.4
Cash flow from operations/per share, SEK	-0.08	0.07	1.02	1.48	0.10	1.17	1.30	2.33	0.00	0.05	0.30	0.60	-0.60
Equity per share, SEK	6.14	4.95	6.07	6.27	7.02	5.99	6.65	6.29	6.02	5.41	5.02	4.90	4.20

## CONSOLIDATED INCOME STATEMENT IN SUMMARY

MSEK	JUL - SEP 2024	JUL - SEP 2023	JAN - SEP 2024	JAN - SEP 2023	OCT 2023 - SEP 2024	JAN - DEC 2023
Net sales	115.2	108.0	287.1	300.1	404.0	416.9
<b>Operating income</b>	<b>115.2</b>	<b>108.0</b>	<b>287.1</b>	<b>300.1</b>	<b>404.0</b>	<b>416.9</b>
Cost of goods sold	-8.4	-7.6	-17.9	-29.8	-28.1	-40.0
Other external costs	-21.1	-17.5	-57.6	-52.2	-81.2	-75.7
Personnel costs	-51.1	-54.0	-182.0	-170.8	-256.4	-245.2
Depreciation of fixed assets	-3.6	-3.9	-10.8	-11.4	-14.6	-15.2
<b>Total operating cost</b>	<b>-84.2</b>	<b>-82.9</b>	<b>-268.3</b>	<b>-264.1</b>	<b>-380.3</b>	<b>-376.1</b>
<b>Operating profit – EBIT</b>	<b>31.0</b>	<b>25.1</b>	<b>18.8</b>	<b>36.0</b>	<b>23.8</b>	<b>40.9</b>
Financial income	1.0	1.3	3.4	4.7	4.3	5.6
Financial expenses	-2.1	-1.4	-5.6	-4.0	-9.4	-7.9
<b>Profit/loss before tax</b>	<b>29.9</b>	<b>25.0</b>	<b>16.6</b>	<b>36.7</b>	<b>18.6</b>	<b>38.7</b>
Tax	-6.4	-5.4	-3.6	-7.6	-4.6	-8.7
<b>Net profit/loss after tax</b>	<b>23.5</b>	<b>19.5</b>	<b>13.0</b>	<b>29.1</b>	<b>14.0</b>	<b>30.0</b>
Attributable to owners of the Parent Company	23.5	19.5	13.0	29.1	14.0	30.0
Earnings per share, SEK	1.27	1.06	0.71	1.57	0.76	1.62

## STATEMENT OF COMPREHENSIVE INCOME

MSEK	JUL - SEP 2024	JUL - SEP 2023	JAN - SEP 2024	JAN - SEP 2023	OCT 2023 - SEP 2024	JAN - DEC 2023
Net profit/loss after tax	23.5	19.5	13.0	29.1	14.0	30.0
Currency translation differences	-1.4	-0.5	3.1	2.9	8.3	-2.5
<b>Total comprehensive income</b>	<b>22.1</b>	<b>19.0</b>	<b>16.1</b>	<b>32.0</b>	<b>22.3</b>	<b>27.5</b>
Comprehensive income for the period attributable to the shareholders of the parent company	22.1	19.0	16.1	32.0	22.3	27.5



## CONSOLIDATED BALANCE SHEET IN SUMMARY

MSEK	30 SEP 2024	30 SEP 2023	31 DEC 2023
<b>ASSETS</b>			
Tangible assets	1.3	1.1	1.3
Assets with right to use	42.6	51.6	47.6
<b>Total non-current assets</b>	<b>43.9</b>	<b>52.7</b>	<b>48.9</b>
Inventories	7.9	11.6	9.1
Accounts receivable – trade	81.5	81.6	72.9
Other current assets	16.7	13.2	14.6
Cash and cash equivalents	126.0	124.8	132.9
<b>Total current assets</b>	<b>232.0</b>	<b>231.2</b>	<b>229.4</b>
<b>TOTAL ASSETS</b>	<b>275.9</b>	<b>284.0</b>	<b>278.3</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	113.5	129.5	115.9
<b>Total equity</b>	<b>113.5</b>	<b>129.5</b>	<b>115.9</b>
Long term leasing liabilities related to assets with right to use	30.0	34.6	32.2
<b>Total long term liabilities</b>	<b>30.0</b>	<b>34.6</b>	<b>32.2</b>
Accounts payable – trade	6.2	4.9	6.7
Current tax liability	2.9	2.5	2.4
Leasing liabilities related to assets with right to use	11.2	13.9	13.3
Other current liabilities	112.1	98.6	107.7
<b>Total current liabilities</b>	<b>132.4</b>	<b>119.9</b>	<b>130.2</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>275.9</b>	<b>284.0</b>	<b>278.3</b>

## CHANGE IN EQUITY IN SUMMARY

MSEK	30 SEP 2024	30 SEP 2023	31 DEC 2023
Opening balance	115.9	116.1	116.1
Profit/loss for the period	16.1	32.0	27.5
Dividend	-18.5	-18.5	-27.7
<b>Equity at the end of the period</b>	<b>113.5</b>	<b>129.5</b>	<b>115.9</b>

## CASH FLOW STATEMENT IN SUMMARY

	JUL - SEP 2024	JUL - SEP 2023	JAN - SEP 2024	JAN - SEP 2023	OCT 2023 - SEP 2024	JAN - DEC 2023
<b>MSEK</b>						
Profit after paid tax and non-cash items	32.1	21.0	20.4	40.0	23.0	42.6
Working capital changes	-33.5	-19.1	-1.7	7.6	23.1	32.4
<b>Cash flow from operating activities</b>	<b>-1.4</b>	<b>1.9</b>	<b>18.6</b>	<b>47.6</b>	<b>46.0</b>	<b>75.0</b>
Investments in fixed assets	-0.2	-0.1	-0.5	-0.3	-0.8	-0.6
<b>Cash flow from investing activities</b>	<b>-0.2</b>	<b>-0.1</b>	<b>-0.5</b>	<b>-0.3</b>	<b>-0.8</b>	<b>-0.6</b>
Dividend paid to shareholders	-	-	-18.5	-18.5	-27.7	-27.7
Amortization of leasing liability	-1.6	-4.1	-9.5	-11.7	-13.2	-15.4
<b>Cash flow from financing activities</b>	<b>-1.6</b>	<b>-4.1</b>	<b>-27.9</b>	<b>-30.2</b>	<b>-40.9</b>	<b>-43.1</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>-3.2</b>	<b>-2.2</b>	<b>-9.7</b>	<b>17.2</b>	<b>4.3</b>	<b>31.2</b>
Cash at the beginning of the period	130.2	127.1	132.9	104.4	124.8	104.4
Exchange rate difference in cash	-1.0	0.0	2.8	3.3	-3.2	-2.7
<b>Cash at the end of the period</b>	<b>126.0</b>	<b>124.8</b>	<b>126.0</b>	<b>124.8</b>	<b>126.0</b>	<b>132.9</b>

## SEGMENT REPORTING

JULI - SEPTEMBER	EMEA		AMERICAS		APAC		TOTAL	
	JUL - SEP 2024	JUL - SEP 2023	JUL - SEP 2024	JUL - SEP 2023	JUL - SEP 2024	JUL - SEP 2023	JUL - SEP 2024	JUL - SEP 2023
<b>MSEK</b>								
Product sales	60.4	43.0	40.9	37.4	9.8	13.7	111.1	94.1
Training & other services	2.2	9.4	.8	3.4	1.1	1.2	4.1	14.0
<b>Total</b>	<b>62.6</b>	<b>52.4</b>	<b>41.7</b>	<b>40.8</b>	<b>10.9</b>	<b>14.9</b>	<b>115.2</b>	<b>108.0</b>
Recognized at a certain point in time	55.2	42.9	37.1	35.9	9.3	13.4	101.6	92.2
Recognized over time	7.4	9.5	4.6	4.9	1.6	1.5	13.6	15.9
<b>Total</b>	<b>62.6</b>	<b>52.4</b>	<b>41.7</b>	<b>40.8</b>	<b>10.9</b>	<b>14.9</b>	<b>115.2</b>	<b>108.0</b>

JANUARY - SEPTEMBER	EMEA		AMERICAS		APAC		TOTAL	
	JAN - SEP 2024	JAN - SEP 2023	JAN - SEP 2024	JAN - SEP 2023	JAN - SEP 2024	JAN - SEP 2023	JAN - SEP 2024	JAN - SEP 2023
<b>MSEK</b>								
Product sales	138.4	156.9	91.4	81.3	40.4	27.8	270.2	266.0
Training & other services	10.7	21.6	3.6	8.0	2.7	4.5	17.0	34.1
<b>Total</b>	<b>149.1</b>	<b>178.5</b>	<b>95.0</b>	<b>89.3</b>	<b>43.1</b>	<b>32.3</b>	<b>287.1</b>	<b>300.1</b>
Recognized at a certain point in time	124.2	151.7	80.0	73.7	38.6	27.8	242.8	253.2
Recognized over time	24.9	26.8	15.0	15.6	4.5	4.5	44.4	46.9
<b>Total</b>	<b>149.1</b>	<b>178.5</b>	<b>95.0</b>	<b>89.3</b>	<b>43.1</b>	<b>32.3</b>	<b>287.1</b>	<b>300.1</b>

## PARENT COMPANY INCOME STATEMENT IN SUMMARY

MSEK	JUL - SEP 2024	JUL - SEP 2023	JAN - SEP 2024	JAN - SEP 2023	JAN - DEC 2023
Net sales	89.3	82.2	219.6	228.7	314.6
<b>Operating income</b>	<b>89.3</b>	<b>82.2</b>	<b>219.6</b>	<b>228.7</b>	<b>314.6</b>
Cost of goods sold	-8.4	-7.6	-17.9	-29.8	-40.0
Other external costs	-16.3	-11.2	-46.1	-34.9	-50.6
Personnel costs	-33.7	-38.6	-136.1	-127.5	-184.8
Depreciation of fixed assets	-3.1	-3.3	-9.5	-9.8	-13.0
<b>Operating cost</b>	<b>-61.5</b>	<b>-60.6</b>	<b>-209.5</b>	<b>-201.9</b>	<b>-288.5</b>
<b>Operating profit – EBIT</b>	<b>27.8</b>	<b>21.5</b>	<b>10.0</b>	<b>26.7</b>	<b>26.2</b>
Dividends from group companies	-	-	40.6	-	-
Net financial items	-1.2	-0.4	-2.9	0.2	-2.8
<b>Profit/loss before tax</b>	<b>26.6</b>	<b>21.2</b>	<b>47.7</b>	<b>27.0</b>	<b>23.3</b>
Tax	-5.7	-4.5	-1.7	-5.7	-5.1
<b>Net profit/loss after tax</b>	<b>21.0</b>	<b>16.7</b>	<b>46.0</b>	<b>21.3</b>	<b>18.3</b>

## STATEMENT OF COMPREHENSIVE INCOME

MSEK	JUL - SEP 2024	JUL - SEP 2023	JAN - SEP 2024	JAN - SEP 2023	JAN - DEC 2023
Net profit/loss after tax	34.5	-0.3	25.1	4.6	18.3
<b>Total comprehensive income</b>	<b>34.5</b>	<b>-0.3</b>	<b>25.1</b>	<b>4.6</b>	<b>18.3</b>

## PARENT COMPANY BALANCE SHEET IN SUMMARY

MSEK	30 SEP 2024	30 SEP 2023	31 DEC 2023
<b>ASSETS</b>			
Tangible assets	0.9	0.7	0.9
Assets with right to use	35.0	47.4	44.2
Shares in group companies	0.4	0.4	0.4
<b>Total fixed assets</b>	<b>36.4</b>	<b>48.5</b>	<b>45.5</b>
Inventories	7.9	11.6	9.1
Accounts receivable – trade	21.2	23.0	31.6
Other current assets	61.2	68.3	37.8
Cash and cash equivalents	59.8	20.0	48.2
<b>Total current assets</b>	<b>150.1</b>	<b>122.7</b>	<b>126.7</b>
<b>TOTAL ASSETS</b>	<b>186.4</b>	<b>171.2</b>	<b>172.1</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	3.8	3.8	3.8
Share premium	20.3	20.3	20.3
<b>Restricted equity</b>	<b>24.1</b>	<b>24.1</b>	<b>24.1</b>
Statutory reserve	7.8	7.8	7.8
Profit brought forward	55.4	40.1	27.9
<b>Non-restricted equity</b>	<b>63.2</b>	<b>47.9</b>	<b>35.7</b>
<b>Total equity</b>	<b>87.3</b>	<b>72.0</b>	<b>59.8</b>
Long term leasing liabilities related to assets with right to use	22.4	32.5	30.9
<b>Total long term liabilities</b>	<b>22.4</b>	<b>32.5</b>	<b>30.9</b>
Accounts payable – trade	5.4	3.7	5.5
Current tax liability	–	0.3	–
Short term leasing liabilities related to assets with right to use	11.2	11.8	11.2
Other current liabilities	60.2	51.0	64.7
<b>Total current liabilities</b>	<b>76.8</b>	<b>66.7</b>	<b>81.4</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>186.4</b>	<b>171.2</b>	<b>172.1</b>

# Definitions

MSAB presents certain financial metrics in the interim report that are not defined under IFRS. The company believes that these metrics provide valuable supplementary information to investors and the company's management as they allow for evaluation of the company's performance. Because not all companies calculate financial measures in the same way, these are not always comparable with metrics used by other companies. These financial metrics should therefore not be regarded as replacements for metrics defined in accordance with IFRS. The table below presents the

alternative key figures that have been deemed relevant.

The key figures are based on reports on earnings, financial position, change in equity and cash flow. In cases where the key figures cannot be directly derived from the above reports, the derivation and calculation of these are shown below.

ALTERNATIVE METRICS	DEFINITIONS AND CALCULATIONS
Cash flow from operating activities per share	Cash flow from operating activities in relation to average outstanding shares before/after dilution.
Capital employed / Average capital employed	Capital employed calculated as total assets less non-interest-bearing liabilities. Average capital employed is calculated as capital employed over a 12 month-period. Capital employed at beginning of period plus capital employed at end of period divided by two.
Earnings per share *	Profit/loss after tax in relation to average number of outstanding shares before/after dilution.
Equity per share	Equity in relation to outstanding shares at the end of the period.
Equity ratio %	Equity in relation to total assets.
Net financial items	Net of financial income and expenses.
Operating margin (EBIT margin) %	EBIT in relation to net sales.
Operating profit (EBIT)	Earnings before interest and taxes.
Return on capital employed 12 months %	EBIT plus financial items in relation to average capital employed.
Return on equity 12 months %	Profit/loss after tax in relation to average adjusted equity. Equity at the beginning of the period plus equity at the end of the period divided by two.
Revenue growth %	Net sales current period in relation to same period previous year.

\* Defined in accordance with IFRS

## RECONCILIATIONS OF MEASUREMENTS THAT ARE NOT DEFINED UNDER IFRS

MSEK	2024			2023				2022				2021	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Total assets, MSEK	275.9	254.2	325.0	278.3	284.0	267.4	284.5	288.8	219.2	210.9	202.2	206.5	174.0
Accounts payables, MSEK	-6.2	-5.4	-1.0	-6.7	-4.9	-8.7	-3.8	-12.3	-7.8	-5.8	-3.9	-11.0	-7.1
Tax liabilities, MSEK	-2.9	-3.3	-3.1	-2.4	-2.5	-1.6	-1.9	-7.4	-9.0	-7.5	-7.5	-9.9	-5.3
Leasing liabilities related to assets with right to use	-41.2	-44.3	-42.7	-45.6	-48.5	-51.9	-52.2	-55.5	-7.9	-10.8	-13.3	-10.0	-10.6
Other liabilities, MSEK	-112.1	-109.8	-166.2	-107.7	-98.6	-94.6	-103.8	-97.4	-83.3	-86.7	-84.8	-85.0	-73.8
Capital employed, MSEK	113.5	91.4	112.0	115.9	129.5	110.6	122.8	116.1	111.1	100.0	75.0	90.6	77.2
Average capital employed, MSEK	121.5	101.0	117.4	116.0	120.3	105.3	98.9	103.3	94.2	78.8	76.6	89.5	87.4



# Signatures of the Board

The Board of Directors and the CEO of Micro Systemation AB (publ) (MSAB) certify that the interim report provides a fair and true view of the parent company's and the Group's operations, financial position and results, and describes the significant risks and uncertainties that the parent company and its subsidiaries are facing.

Stockholm, October 28, 2024

JESPER KÄRRBRINK  
Chairman of the Board

CHARLOTTE STJERNGREN  
Board member

FREDRIK NILSSON  
Board member

HELENA HOLMGREN  
Board member

ANDREAS HEDSKOG  
Board member

PETER GILLE  
CEO

The information in this report is such that MSAB, Corporate ID number 556244-3050, is required to disclose in accordance with the EU's Market Abuse Regulation. The information in this report was submitted for publication on October 29, 2024 at 08:00. This report is published in Swedish and English versions. In the event of discrepancies between the two reports, the Swedish version shall apply.

This report as well as previous financial reports and press releases are available on the Company's website [www.msab.com](http://www.msab.com).

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# Review report

To the Board of Directors of Micro Systemation AB (publ)  
Corp. id. 556244-3050

## INTRODUCTION

We have reviewed the condensed interim financial information (interim report) of Micro Systemation AB (publ) as of 30 September 2024 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, 28 October, 2024

KPMG AB

MATTIAS LÖTBORN  
Authorized Public Accountant

# MSAB in brief

MSAB is a world leader in forensic technology for extracting and analyzing data from seized mobile devices. The Company develops high-quality and user-friendly software that has become a de facto standard for many authorities and organizations aiming to secure evidence in criminal investigations. Products can be supplemented with tools for administration and reporting, as well as a wide range of training programs with certifications in forensic digital technology. The Company develops innovative solutions that make evidence retrieval faster, easier, and more efficient, thereby creating significant value for law enforcement agencies. MSAB has clear growth strategies combined with a business model that provides scalability and a high degree of recurring revenue through license renewals.

MSAB operates in a rapidly evolving market where law enforcement agencies worldwide face significant challenges. By investing long-term in research and product development, marketing, and sales efforts, MSAB can strengthen its market position. The Company believes that the need for professional tools for reading and analyzing data from mobile devices will continue to grow. MSAB is primarily focused on organic growth but also evaluates acquisitions in certain cases.

With its direct sales and distributors, MSAB is represented in over 100 countries globally.

## WHO?

MSAB assists law enforcement agencies such as police, defense, migration authorities, corrections, customs, and others in conducting their investigations and missions. Typical users of MSAB's products include experts in digital forensics, investigators, analysts, and police officers in the field.

## WHERE?

MSAB is represented with its own personnel in 16 countries and serves customers on all continents through its own sales offices and distributors.

## WHAT?

The Company offers systems that extract and analyze data from mobile devices such as cell phones, tablets, and vehicles, as well as products that manage and monitor the software and its usage.

## SUSTAINABILITY

MSAB aims to contribute to sustainable development by actively and responsibly ensuring that its operations are conducted in a manner that upholds the Company's values and respects people, society, and the environment. The Company's most significant impact lies in how it can contribute to reducing crime and enhancing security in society. Since the Company primarily develops software, its environmental impact is limited. MSAB ensures that it complies with environmental requirements in the various markets where it operates.

## MSAB's Offering






Together, MSAB's products and services create mobile forensic solutions that enable law enforcement agencies to secure digital evidence from mobile phones in accordance with a legally sound process.

The solutions collaborate to ensure the best possible working practices and results for users, including field police officers, investigators, digital forensic experts in laboratories, analysts, court officials, and others.

### Software

		
Extracting more data, faster, while maintaining legal integrity	Analyzing data more quickly and easily, with higher precision	Managing and monitoring mobile forensic tools and their usage

### Services

 Strategy	 Implementation	 Training
 Support	 Access Services	

### Platforms

 MSAB Office	 MSAB Field	 MSAB Kiosk
 MSAB Tablet	 MSAB Express	 MSAB Raven