

Press release – 8.00 a.m.

October 29th, 2024

Interim Report Q3, July to 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.

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

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 29th, 2024, at 08:00 CEST.

For further information, please contact:

Peter Gille, CEO MSAB, peter.gille@msab.com

Tony Forsgren, CFO MSAB, tony.forsgren@msab.com

About MSAB:

MSAB is a world leader in forensic technology for extracting and analyzing data in seized mobile devices. The company develops high-quality and easy-to-use software for law enforcement organizations, such as police, defence, and customs. The products, which have become a de facto standard for securing evidence in criminal investigations, can be supplemented with reporting tools and a large range of training with certifications within a holistic method for forensic science. The company serves customers in more than 100 countries worldwide, through its own sales offices and through distributors. MSAB is listed on Nasdaq Stockholm under the ticker name: MSAB B. www.msab.com