

MSAB

Trusted Partner in Digital Forensics



Interim report Q1 2022

Interim report Q1 2022

January – March 2022

Summary January – March 2022

- Net sales amounted to SEK 75.6 (70.4) million, an increase of 7.4 percent. In local currencies growth was 1.2 percent.
- EBIT was SEK –0.2 (6.0) million, with an EBIT margin of –0.3 (8.5) percent.
- Profit/loss after tax amounted to SEK 1.4 (6.5) million.
- Earnings per share before/after dilution amounted to SEK 0.07 (0.35).
- Cash flow from operating activities decreased to SEK 5.5 (9.4) million.

Significant events during the period

- MSAB announced its first major product launch for 2022. The updated mobile forensic solutions come with full support for Windows 11. In addition, the Company is introducing a range of new and improved features designed to help specialists and investigators in mobile forensics speed up their investigations and resolve cases more quickly.

7.4 %

Growth in net sales
Q1 2022 compared to Q1 2021

–0.3 %

EBIT margin Q1 2022

53 %

Percentage recurring
revenues Q1 2022

	2022 JAN – MAR	2021 JAN – MAR	APR 21 – MAR 22	2021 JAN–DEC
Net sales, MSEK	75.6	70.4	338.2	333.0
EBIT, MSEK	–0.2	6.0	38.1	44.3
EBIT–margin, %	–0.3%	8.5	11.3	13.3
Earnings per share before/ after dilution, SEK	0.07	0.35	1.61	1.89
Cash flow from operating activities, MSEK	5.5	9.4	6.2	10.2
Return on equity 12 months, %	1.4	7.8	31.1	38.9
Return on capital employed 12 months, %	2.9	10.8	45.3	59.5
Cash flow from operations / per share, SEK	0.30	0.51	0.34	0.55
Equity per share, SEK	5.02	5.30	5.16	4.85

CEO's comments

We notice an increased activity in the market and during the first quarter, MSAB has signed several strategically important contracts which entail a deepened engagement with our customers. Our solutions are becoming a strategically important part of their way of handling the chain of evidence.

The first quarter of 2022 saw record high sales amounting to SEK 75.6 million compared to SEK 70.4 million last year, an increase of 7.3 percent. Profit/loss after tax came in at SEK 1.4 million compared with SEK 6.5 million the previous year. This result is a consequence of the product mix sold and an increase in other expenses. Activity increased significantly during the quarter attributable to fairs, training and travel together with non-recurring expenses for market investments, consulting services and lower contributions from the Formobile project, resulted in other expenses being higher than the corresponding period in 2021. Cash flow from operating activities amounted to SEK 5.5 million compared to SEK 9.4 million for the corresponding period in 2021.

This first quarter sales result follows immediately after a strong fourth quarter and record sales for 2021 in total. The reorganisation we implemented during the second half of 2020 plays an important part in the Company's continued growth. To operate within the mobile forensics industry is to operate within one of the most rapidly changing branches in the world. Our organisation has what it takes to stay on top and continue delivering the best solutions to our customers.

Demand for our solutions is strong; the first quarter is normally the weakest for sales relative to the full year. We have succeeded relatively well at managing our deliveries considering the current uncertainties in the logistics supply chain. If we had not had the uncertainty that we now have, sales would have been higher. My view is that the delivery situation will continue to remain uncertain but that this will not affect us significantly.

Sales were evenly distributed and it was particularly gratifying that North America continued to grow. Europe is still our largest market, with a strong quarter in 2021 and continuing strong in 2022.

MSAB's solutions are becoming increasingly important to our customers. Customer assignments are deepening as the solutions we deliver truly impact the efficiency of their efforts to investigate and resolve suspected crimes.

MSAB's work is becoming increasingly critical for our societies. As we have described earlier, we have been deeply engaged for several years in an EU financed project Formobile. The purpose of Formobile is to establish a standard for how law enforcement agencies in Europe should work with the end-to-end mobile forensic investigation chain in general and specifically for mobile phones. The work is in its final phase and the results will be presented this spring.



During the first quarter, the tragic conflict playing out in Ukraine impacted the whole world. MSAB was of course also affected by the conflict – partly in that it is generally harder to predict the delivery of goods. MSAB has not had any sales in Russia or Ukraine so we see no direct impact on sales thus far.

As a direct consequence of the conflict, EU lands and many authorities have understood the value of having access to technology developed by a company that is subject to EU law. MSAB is the only mobile forensic company with its development and headquarters located within the EU. I am convinced that the value MSAB provides law enforcement agencies in trusted countries will continue to increase.

As an investor in MSAB, it is important to value the Company in the long-term, and moving forward we will continue to see variations in profit between quarters.

Stockholm, April 2022

Joel Bollö
CEO MSAB

Financial overview

January – March 2022

NET SALES

Consolidated net sales increased 7.4 percent for the period to SEK 75.6 (70.4) million. In local currencies, growth was 1.2 percent.

New sales in Europe, North America and Australia, and license renewals in the UK and Australia accounted for growth during the period. License renewals in Europe came in lower than the previous period which is attributable to a number of major, multi-year renewals occurring during the first quarter of 2021. Compared with last year, North America grew 19 percent, the UK 4 percent, and Australia 355 percent, but from a relatively low level, while Europe backed -5 percent.

OPERATING EXPENSES

Expenses for goods for resale amounted to SEK -7.4 (-4.8) million. These expenses vary as a rule depending on the product mix sold and during the period a larger proportion of hardware was sold than for the previous year. Other external expenses were SEK -15.8 (-10.7) million. This increase was primarily caused by a higher level of activity within sales and marketing, including travel, training and conferences reflecting the opening of societies and countries after the pandemic, as well as certain non-recurring costs for market investments and consulting services.

Personnel costs were SEK -49.5 (-45.7) million. Both personnel costs and other external costs were impacted by lower contribution for the Formobile project, which is in its final phase. The weakening of the Swedish krona against the USD and GBP during the period has also affected the cost level in Swedish kronor.

Depreciation was SEK -3.1 (-3.1) million.

EBIT

EBIT for the quarter was SEK -0.2 (6.0) million, which corresponds to an EBIT margin of -0.3 (8.5) percent.

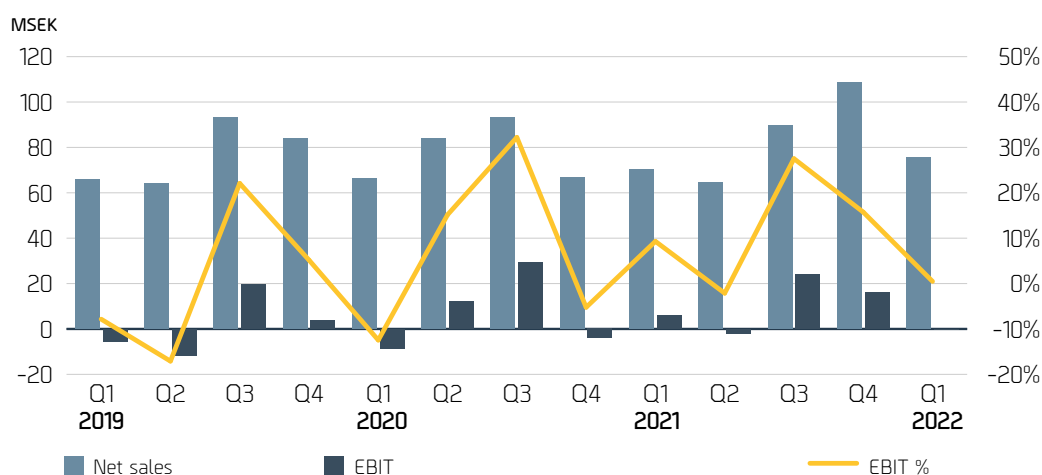
NET FINANCIAL INCOME/EXPENSE

Net financial income/expense was SEK 1.6 (2.2) million for the quarter. Net financial income/expense is comprised primarily of revaluation of cash and cash equivalents in foreign currencies, and was positively impacted by the weakening of the Swedish krona, especially vis-à-vis USD and EUR, which are the Group's two largest transaction currencies together with GBP.

PROFIT/LOSS AFTER TAX

Profit/loss after tax for the quarter amounted to SEK 1.4 (6.5) million.

Financial development



Q1 2022

Net sales

75,6 MSEK

EBIT

-0,2 MSEK

EBIT %

-0,3 %

Financial overview

January – March 2022

CASH FLOW

Cash flow from operating activities was SEK 5.5 (9.4) million. The change in operating capital amounted to SEK 3.1 (–4.2) million and is primarily attributable to the large volume of customer payments which led to a decrease in accounts receivable. At the end of the period, operating capital was positive compared with the corresponding period last year, when operating capital was negative, which was primarily attributable to a large amount of invoicing and higher customer receivables. Total cash flow for the period amounted to SEK 2.3 (6.7) million.

LIQUIDITY AND FINANCIAL POSITION

Cash and cash equivalents at the end of the period amounted to SEK 68.9 (111.1) million. In addition to cash and cash equivalents, there was an unutilised bank overdraft of SEK 15 million at the end of the period.

NUMBER OF EMPLOYEES

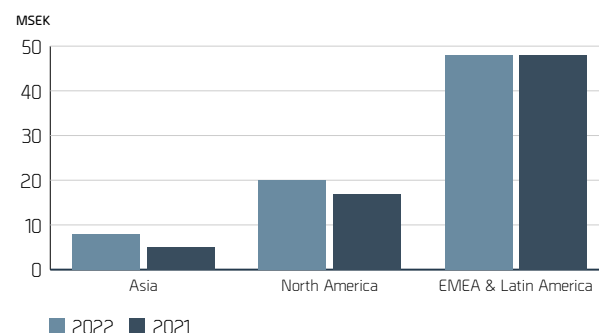
On March 31, 2022, the number of employees was 190 (188). The average number of employees during the period was 189 (190).

PARENT COMPANY

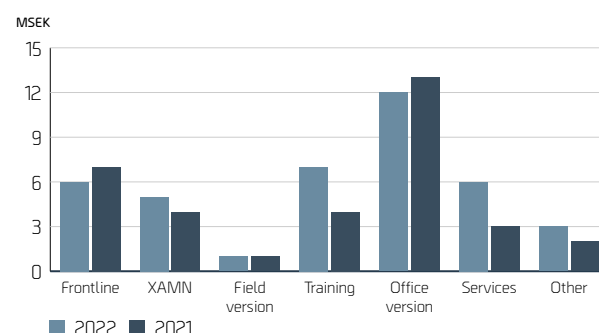
The parent company's net sales for the period amounted to SEK 53.8 (54.1) million.

Operating profit for the period amounted to SEK –2.9 (5.0) million. Investments for the period amounted to SEK 0.3 (0.0) million.

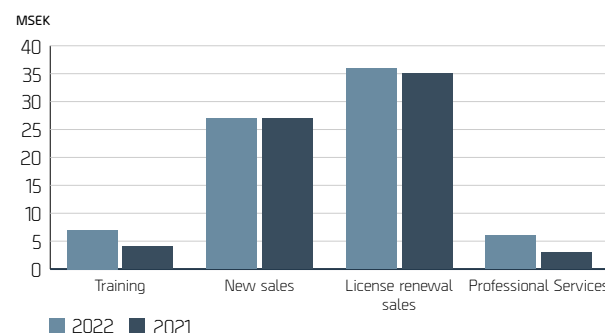
Turnover by region Jan-Mar 2022



Distribution of new sales Jan-Mar 2022



Net sales per type of revenue Jan-Mar 2022



Market comments

The order intake developed well during the quarter, increasing 7 percent compared with last year, despite the pandemic and the war in Ukraine affecting business conditions in Europe and globally. British operations continue to expand with several interesting orders, primarily within Frontline Forensic*. An increase in the need to streamline mobile forensic operations, manage personal integrity, and cyber threats have led to MSAB's products and solutions receiving more and more attention. The solutions that MSAB develops together with authorities in the UK to meet the need for Frontline Forensics are now being requested in other countries in Europe and Asia. Continual development of the extraction product XRY is winning ever greater confidence from customers globally, leading to an increase in sales to new customers. It also means a high level of license renewals from our existing customers. During the quarter, the Company continued to build confidence for delivery of the powerful analysis tool XAMN to thousands of investigators at a national police authority. The investments made in Asia – and especially in India and Japan, but also in Latin America – are creating interest and the potential to develop and expand in these countries in the coming years will be interesting.

The first quarter is normally not the strongest quarter for the North American market, but growth during the quarter continued strong with new sales and several license renewals. Planning of exhibitions and conferences is now in full swing for the American market after the reopening of societies after the pandemic.

Our premium product, Advanced Acquisition Lab (AAL), where the very latest extraction methods are available, strengthens the quality of our offering to selected authorities, and several AAL deals were concluded during the quarter.

There are still some challenges regarding the delivery of hardware components, which is a global challenge for many companies. However, the ability to find alternatives and a balanced inventory build-up has meant that the quarter has not been affected to any great extent.

PRODUCTS

During the first quarter, a significant number of key functions and improvements have been added to MSAB's product portfolio. The XRY extraction solution has been upgraded to support more than 41,900 mobile device profiles, including many of the very latest and most popular mobile phones. XRY has also been formally expanded to cover the latest operating system Windows 11, together with a number of minor improvements in add-ons for data decryption.

Overall support for presentation of geographical information via a map solution through the use of geolocation filters has been reviewed and significantly improved within the XAMN product. Analysts can now use geolocalisation filtering and map presentation together with other data views while simultaneously filtering which improves key analysis functions significantly.

XAMN has been further developed to directly support the fight against exploitation of children in the UK. The development supports the UK standard which allows all UK law enforcement authorities to collaborate on CSAM (Child Sex Abuse Material) –related operations nationally. XAMN has also been developed to offer direct import of extracted data through a range of established tools and solutions for the market sector. This means that XAMN users can cover a broad spectrum of data, regardless of which tool is used to extract data.

Frontline solution XEC Kiosk has been given a significant increase in overall security, which means it meets all independently important security guidelines and policies. A special digital consent form has also been included to enable the secure collection of data from victims and witnesses while ensuring privacy.

TRAINING

Since the beginning of the pandemic, the number of courses delivered in physical settings has fluctuated sharply. There are still variants of COVID that continue to affect countries to different extents, thereby affecting the delivery of physical training. The number of training days during the quarter approached the pre-pandemic level, but there are still customers who cannot meet in person due to regional restrictions. This meant that the expected increase in the number of training courses delivered in the first quarter did not occur. Online education has been an option for some, but many customers prefer delivery in person because it provides the practical experience and contact missing from online training.

* Frontline forensic is a term often used for decentralisation of mobile forensics outside forensic laboratories. Since 2014, MSAB has – together with customers – implemented solutions for front-line forensics from small, independent implementations to national and centrally-managed mobile forensic networks.

Other comments

ACCOUNTING PRINCIPLES

This report has been prepared for the Group in accordance with the Swedish Annual Accounts Act and IAS 34 Interim Financial Reporting, and for the Parent Company in accordance with the Swedish Annual Accounts Act and Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. Information as per IAS 34 is reported in notes and in other places throughout the report. The accounting principles adopted by the Group and the Parent Company are consistent with the accounting principles used to prepare the most recent annual report. For current financial assets and liabilities, the reported value is a reasonable estimate of fair value.

The basic principle is that the Group reports revenue in the way that best reflects the transfer of control of the promised service to the customer. Through a five-step model, the Group's agreements with customers can include various performance commitments identified as service revenue and subscription revenue.

SIGNIFICANT RISKS AND UNCERTAINTY FACTORS

Through its operations, the Group is exposed to risks and uncertainty factors. These risks and uncertainties are the same for the Parent Company and the Group. At the time of the preparation of the quarterly report, and based on the industry in which the Group operates, the conflict in Ukraine has not affected sales and order intake. Neither have there been any serious supply problems or any major increases in raw material prices or transportation expenses. Ukraine has not affected sales and order intake. However, it cannot be ruled out that a long and drawn-out conflict in Ukraine could impact Group sales and order intake, the ability to obtain deliveries, or that prices of raw materials and transportation may increase. During the first quarter, the pandemic had a marginal impact on the Group's net sales and earnings.

Significant risks and uncertainties are described in the Annual Report for 2021 on page 34 and in Note 4 on pages 46–47.

SEASONAL EFFECTS

MSAB is not dependent on certain seasons in the sense that is normally referred to by the term seasonal effects. 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 has been reflected in sales in such a way that the second half of the year is stronger than the first.

RELATED PARTY TRANSACTIONS

Related party transactions of an ongoing nature that exist in the Company are almost exclusively intra-Group transactions. The same applies to the Parent Company. These are described in the 2021 Annual Report on page 56, Note 25.

REVIEW

This interim report has not been reviewed by auditors.

SIGNIFICANT EVENTS SINCE END OF PERIOD

No significant events have occurred since the end of the period.

FINANCIAL CALENDER

AGM	2022-05-11
Interim report Q2	2022-07-22
Interim report Q3	2022-10-26
Year-end report	2023-01-31

QUARTERLY DATA

	2022	2021				2020				2019			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales, MSEK	75.6	108.5	89.6	64.6	70.4	66.7	93.3	83.9	66.2	84.0	93.3	64.1	66.3
EBIT, MSEK	-0.2	16.2	24.0	-1.9	6.0	-4.0	29.4	12.1	-8.8	3.7	19.9	-11.5	-5.6
EBIT-margin, %	-0.3	15.0	26.7	-2.9	8.5	-6.0	31.5	14.4	-13.2	4.4	21.2	-17.9	-8.6
Earnings after tax, KSEK	1.4	12.7	18.6	-2.9	6.5	-7.0	21.4	10.4	-8.5	1.4	19.1	-10.8	-4.4
Earnings per share, SEK	0.07	0.70	1.00	-0.20	0.40	-0.38	1.16	0.56	-0.46	0.07	1.03	-0.58	-0.23
Cash flow from operating activities, MSEK	5.5	10.5	-10.8	1.1	9.4	47.2	-10.8	1.1	9.2	10.5	13.5	0.7	-6.9
Return on equity, %	1.4	14.1	21.2	-4.3	7.8	-8.5	24.6	15.7	-9.7	1.5	21.2	-15.4	-3.9
Return on capital employed, %	2.9	20.3	27.7	-2.1	10.8	-4.3	34.5	21.7	-8.1	4.8	23.2	-14.0	-3.2
Equity ratio, %	45.8	43.9	44.4	38.5	49.7	46.8	47.5	41.2	38.2	40.0	40.3	33.7	49.2
Cash flow from operations/per share, SEK	0.30	0.60	-0.60	0.10	0.50	2.56	-0.15	-0.08	0.36	0.57	0.73	0.04	-0.38
Equity per share, SEK	5.02	4.90	4.20	3.10	5.30	4.78	5.29	4.19	3.78	4.12	4.14	2.98	5.79

CONSOLIDATED INCOME STATEMENT IN SUMMARY

MSEK	2022 JAN-MAR	2021 JAN-MAR	APR 2021- MAR 2022	2021 JAN-DEC
Net sales	75.6	70.4	338.2	333.0
Cost of goods sold	-7.4	-4.8	-43.5	-40.9
Other external costs	-15.8	-10.7	-56.4	-51.3
Personnel costs	-49.5	-45.7	-187.9	-184.1
Depreciation of fixed assets	-3.1	-3.1	-12.4	-12.4
Total operating cost	-75.8	-64.4	-300.1	-288.6
Operating profit – EBIT	-0.2	6.0	38.1	44.3
Financial income	3.0	3.0	5.7	5.7
Financial expenses	-1.4	-0.8	-6.4	-5.8
Profit/loss before tax	1.4	8.2	37.4	44.2
Tax	–	-1.7	-7.7	-9.4
Net profit/loss after tax	1.4	6.5	29.7	34.8
Attributable to: Owners of the Parent Company	1.4	6.5	29.7	34.8
Earnings per share before/after dilution SEK	0.07	0.35	1.61	1.89

STATEMENT OF COMPREHENSIVE INCOME

MSEK	2022 JAN-MAR	2021 JAN - MAR	APR 2021- MAR 2022	2021 JAN-DEC
Net profit/loss after tax	1.4	6.5	29.7	34.8
Currency translation differences	0.5	3.0	2.1	4.6
Total comprehensive income	1.8	9.5	31.8	39.4
Comprehensive income for the period attributable to the shareholders of the parent company	1.8	9.6	31.8	39.4

CONSOLIDATED BALANCE SHEET IN SUMMARY

MSEK	31 MAR 2022	31 MAR 2021	31 DEC 2021
ASSETS			
Tangible assets	1.5	1.9	1.5
Assets with right to use	16.2	18.0	12.3
Total non-current assets	17.7	19.9	13.8
Inventories	9.0	7.7	7.8
Accounts receivable – trade	91.3	48.9	103.7
Current tax asset	4.9	0.4	3.2
Other current assets	10.4	9.3	12.0
Cash and cash equivalents	68.9	111.1	66.0
Total current assets	184.5	177.4	192.7
TOTAL ASSETS	202.2	197.3	206.5
EQUITY AND LIABILITIES			
Equity	92.7	98.0	90.8
Long term leasing liabilities related to assets with right to use	5.7	5.7	1.2
Accounts payable – trade	3.9	5.2	11.0
Current tax liability	7.5	2.0	9.9
Leasing liabilities related to assets with right to use	7.6	10.6	8.8
Other current liabilities	14.1	10.5	12.0
Accrued expenses and prepaid income	70.7	65.3	72.9
Total current liabilities	103.8	93.7	114.6
TOTAL EQUITY AND LIABILITIES	202.2	197.3	206.5

CHANGE IN EQUITY IN SUMMARY

MSEK	31 MAR 2022	31 MAR 2021	31 DEC 2021
Opening balance	90.8	88.4	88.3
Profit/loss for the period	1.8	9.6	39.4
Dividend	–	–	–36.9
Equity at the end of the period	92.6	98.0	90.8

CASH FLOW STATEMENT IN SUMMARY

MSEK	2022 JAN-MAR	2021 JAN - MAR	APR 2021- MAR 2022	2021 JAN-DEC
Profit after paid tax and non-cash items	2.3	13.7	48.5	59.8
Working capital changes	3.1	-4.2	-42.2	-49.6
Cash flow from operating activities	5.5	9.4	6.2	10.2
Investments in fixed assets	-0.3	0.0	-0.6	-0.2
Cash flow from investing activities	-0.3	0.0	-0.6	-0.2
Dividend paid to shareholders	-	-	-36.9	-36.9
Amortization of leasing liability	-2.8	-2.8	-11.5	-11.5
Cash flow from financing activities	-2.8	-2.8	-48.4	-48.4
CASH FLOW FOR THE PERIOD	2.3	6.7	-42.8	-38.3
Cash at the beginning of the period	66.0	101.2	111.1	101.2
Exchange rate difference in cash	0.5	3.2	0.3	3.0
Cash at the end of the period	68.9	111.1	68.7	66.0

SEGMENT REPORTING

MSEK, JAN-MAR 2021	Asia	EMEA & Latin America	North America	Total
Product sales	6.9	38.3	17.6	62.8
Training & other services	0.8	9.4	2.6	12.8
Total	7.8	47.7	20.1	75.6
Recognized at a certain point in time	6.4	41.2	15.3	62.9
Recognized over time	1.4	6.5	4.8	12.7
Total	7.8	47.7	20.1	75.6

MSEK, JAN-MAR 2020	Asia	EMEA & Latin America	North America	Total
Product sales	5.1	41.8	15.9	62.8
Training & other services	0.2	6.4	0.9	7.5
Total	5.3	48.2	16.8	70.4
Recognized at a certain point in time	3.8	41.7	13.4	58.9
Recognized over time	1.5	6.5	3.4	11.4
Total	5.3	48.2	16.8	70.4

PARENT COMPANY INCOME STATEMENT IN SUMMARY

MSEK	2022 JAN-MAR	2021 JAN - MAR
Net sales	53.8	54.1
Cost of goods sold	-7.4	-4.8
Other external costs	-11.1	-7.3
Personnel costs	-35.5	-34.1
Depreciation of fixed assets	-2.8	-2.9
Total operating cost	-56.8	-49.1
Operating profit – EBIT	-3.0	5.0
Net financial items	1.7	2.3
Profit/loss before tax	-1.3	7.3
Tax	-	-
Net profit/loss after tax	-1.3	7.3

STATEMENT OF COMPREHENSIVE INCOME

MSEK	2022 JAN-MAR	2021 JAN - MAR
Net profit/loss after tax	-1.3	7.3
Total comprehensive income	-1.3	7.3

PARENT COMPANY BALANCE SHEET IN SUMMARY

MSEK	31 MAR	
	2022	2021
ASSETS		
Tangible assets	1.5	1.9
Assets with right to use	9.7	17.5
Shares in group companies	0.4	0.4
Total fixed assets	11.6	19.9
Inventories	9.1	7.7
Accounts receivable – trade	23.1	14.0
Other current assets	46.5	44.4
Cash and cash equivalents	25.3	47.1
Total current assets	104.0	113.2
TOTAL ASSETS	115.6	133.1
EQUITY AND LIABILITIES		
Share capital	3.8	3.8
Share premium	20.3	20.3
Restricted equity	24.1	24.1
Statutory reserve		
Profit brought forward	7.8	7.8
Non-restricted equity	23.3	39.1
Total equity	31.1	46.9
	55.2	70.9
Long term leasing liabilities related to assets with right to use		
	1.2	5.1
Accounts payable – trade		
Current tax liability	2.8	3.5
Short term leasing liabilities related to assets with right to use	6.3	–
Other current liabilities	5.8	10.6
Total current liabilities	44.3	42.9
TOTAL EQUITY AND LIABILITIES	59.2	57.1
SUMMA EGET KAPITAL OCH SKULDER	115.6	133.1

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 months-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.

	2022	2021				2020				2019			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total assets, MSEK	184.5	206.5	174.0	149.1	177.4	188.7	205.8	188.0	182.8	190.1	189.7	163.2	217.4
Accounts payables, MSEK	-3.9	-11.0	-7.1	-5.5	-5.2	-6.0	-3.4	-4.3	-4.5	-4.6	-5.5	-3.1	-3.9
Tax liabilities, MSEK	-7.5	-9.9	-5.3	-1.1	-2.0	-1.1	-5.8	-1.1	-1.9	-1.2	-0.8	-1.3	-0.9
Leasing liabilities related to assets with right to use	-13.3	-10.0	-10.6	-13.3	-16.3	-27.0	-21.7	-24.3	-25.7	-28.3	-30.8	-33.1	-32.8
Other liabilities, MSEK	-84.8	-85.0	-73.8	-71.8	-75.8	-66.3	-77.1	-80.9	-78.4	-79.9	-76.2	-70.5	-72.8
Capital employed, MSEK	75.0	90.6	77.2	57.5	78.2	88.3	97.7	77.4	72.3	76.1	76.5	55.2	107.0
Average capital employed, MSEK	76.6	89.5	87.4	67.4	75.2	82.2	87.1	66.3	89.6	93.1	89.8	85.5	113.5



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. This report is published in Swedish and English versions. In the event of discrepancies between the two reports, the Swedish version shall apply. The information in this report was submitted for publication on 28 April, 2022 at 08:00 CEST.

The report as well as previous financial reports and press releases are available on the company's website www.msab.com.

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MSAB in brief

MSAB is a world leader within digital forensics for extraction and analysis of data from seized mobile devices. The Company develops high quality, intuitive software that has become the de facto standard for many customers for the purpose of securing evidence in criminal investigations. The products can be complemented with tools for reporting and a wide variety of training with certification for legally secure mobile forensics. The Company develops innovative approaches that facilitate faster, simpler and more efficient ways to secure evidence and in ways that create a high degree of value for the Company's customers. MSAB has clear growth strategies combined with a business model that entails scalability and a high degree of recurring revenue.

MSAB operates within a market that is developing rapidly. Through long-term investment in product development, market presence and organic strength, MSAB is able to consolidate its market position. The Company's belief is that the need for professional tools for reading and analysing data from digital devices will continue to increase. MSAB is mainly focused on organic growth but in some cases evaluates acquisitions.

WHO?

MSAB assists law enforcement authorities – the police, military, migration, corrections, and customs – carry out their missions. Typical users of MSAB's products are experts within digital forensics, investigators, analysts, and police officers in the field.

WHERE?

MSAB is represented in 15 countries and serves customers on all continents through its sales offices and via distributors.

WHAT?

The Company offers systems that extract and analyse data from devices such as mobile phones, tablets and drones, and products that can unlock digital devices, extract and decrypt information.

SUSTAINABILITY

The Company's business concept is to supply solutions that help law enforcement agencies streamline their work to secure evidence from digital devices. Hence the Company through its solutions strives to create a more legally secure society where more crimes are solved and prevented, which in turn means that the Company's entire existence is a major contribution to a sustainable society. Because the Company essentially develops software, its impact on the environment is limited, but the Board strives to ensure that the Company complies with environmental requirements in the different markets where the Company operates.

XRY

Extract

- ✔ Solutions for extracting data from mobile devices.
- ✔ Based on Windows operating system.
- ✔ Also extracts data from cloud-based storage.

XAMN

Analyse

- ✔ Software for reviewing, visualising and analysing data from mobile devices.
- ✔ After data is extracted via XRY solutions, XAMN analyses the data and identifies important information.

XEC

Manage

- ✔ Management and administrative tools designed to support managers and IT departments.
- ✔ XEC supports XAMN and XRY in large-scale administration, e.g. bulk export of digital data to new formats.



XRY Logical



XRY Physical



XRY Express



XRY Cloud



XRY PinPoint



XRY Camera



XAMN Viewer



XAMN Elements



XAMN Spotlight



XAMN Horizon



XEC Director



XEC Export