

Year-end report 2024

Summary October - December 2024

- Net sales amounted to SEK 117.6 (116.9) million, an increase of 0.6 percent compared to the same period last year. Currency-adjusted growth amounted to 0.3 percent.
- Operating profit (EBIT) amounted to SEK 27.5 (4.9) million, corresponding to an operating margin of 23.4 (4.2) percent.
- Profit after tax amounted to SEK 24.4 (0.9) million.
- Earnings per share before/after dilution amounted to SEK 1.32 (0.05).
- Cash flow from operating activities amounted to SEK 24.4 (27.4) million.

Summary January - December 2024

- Net sales amounted to SEK 404.7 (416.9) million, a decrease of -2.9 percent compared to the same period last year. Currency-adjusted growth amounted to -2.7 percent.
- Operating profit (EBIT) amounted to SEK 46.3 (40.9) million, corresponding to an operating margin of 11.4 (9.8) percent.
- Profit after tax amounted to SEK 37.4 (30.0) million.
- Earnings per share before/after dilution amounted to SEK 2.03 (1.62).
- Cash flow from operating activities amounted to SEK 43.0 (75.0) million.
- The Board of Directors proposes a total dividend of SEK 1,50 (1.50) per share, divided into two payments. The proposed dividend represents 74 percent (92) of the profit for the year.

CEO comments

In 2024, we laid the foundations for a new and stronger MSAB with a new management team, an updated strategy and several major investments in our products. We are already seeing the positive effects of these changes and will continue to increase investments in new products during 2025.

Net sales for the full year amounted to SEK 405 million, which was lower than for the previous year. Adjusted for a negative accrual effect of SEK 11 million, invoiced sales were in line with 2023. Gross margin increased to 94 (91) percent due to a lower share of hardware in the product mix, which in combination with lower operating expenses increased operating profit to SEK 46 (41) million and profit after tax to SEK 37 (30) million.

In the fourth quarter, net sales amounted to SEK 118 (117) million. We saw positive organic growth in several of our geographic regions. The APAC region continued to show good market development, with significant interest in our Frontline solutions in Australia. In the Americas region, Canada delivered strong sales results where Frontline is also generating high interest from law enforcement agencies.

The year was characterized by increased engagement by federal authorities in the justice and public sectors in USA. Eastern Europe delivered revenues above expectations, and this positive trend is expected to continue. In the rest of EMEA, revenue was lower than expected, mainly due to some major project delays. However, these projects are not lost, and we see an improved situation for 2025. In addition, we saw continued sales growth for our premium extraction tool XRY Pro, indicating market appreciation of the investments we have made.

In 2024, we developed our strategy with the aim of returning to a market-leading position through an improved and broadened product offering. The strategy is based partly on our own analysis of where the market is heading, and partly on in-depth interviews with both existing and potential customers. UNIFY Collaborate, which we launched at the beginning of January 2025, is an example of this.

UNIFY Collaborate is a new solution that meets the needs of growing digital investigations by improving both efficiency and security. The platform enables real-time collaboration allowing multiple investigators to work on the same case simultaneously. By centralizing evidence and securing the chain of custody, it eliminates the potential security issues that can arise when storing evidence on removable media. UNIFY Collaborate is an important complement to our current offering of analysis and data management products.

In February, we launch the next generation of Frontline, MK 4.0, which is the new and improved platform for distributed data collection. The upgrade includes several enhancements that have been developed based on user interaction and deep customer insights. We see the Frontline platform and its distributed forensic data collection capabilities as groundbreaking for many police forces and other law enforcement agencies. MSAB is the market leader in this area, and we will continue to invest to maintain that position.

In conclusion, 2024 was an eventful year with many important changes. I look forward to the year ahead and am confident that strategic investments and improvements in our product offering will have a positive impact on sales, both in 2025 and in the longer term. As always, a customer-centric approach is a key success factor in achieving and maintaining a strong market position. During the year, we have received very positive feedback from our customers regarding the support and services we offer. This is something I am very proud of and clearly demonstrates MSAB's commitment throughout the customer journey. I look forward to making 2025 a successful year together with the entire MSAB team.

Stockholm, January 2025

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 January 28th, 2025, at 08:00 CEST.

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About MSAB:

MSAB is a world leader in forensic technology for extracting and analysing 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