

Press release –April 29th, 2025 kl 08.00

Interim Report Q1, January to March 2025

Summary January - March 2025

- Net sales amounted to SEK 94.1 (92.8) million, an increase of 1.3 percent compared to the same period last year. Currency-adjusted growth amounted to 0.2 percent.
- Operating profit amounted to SEK -1.2 (-8.7) million, corresponding to an operating margin of -1.3 (-9.4) percent.
- Profit after tax amounted to SEK -2.7 (-7.6) million.
- Earnings per share before/after dilution amounted to SEK -0.15 (-0.41).
- Cash flow from operating activities amounted to SEK -3.0 (18.8) million.

CEO comments

Positive start to the year

I am pleased with how the year started with several important contract wins, active participation in international industry events and a wide range of customer activities - including some in collaboration with our partners.

Overall, we delivered a solid first quarter with net sales amounting to SEK 94 (93) million, corresponding to a currency-adjusted growth of 0.2 percent. Our gross margins remain good due to a lower share of hardware in the product mix.

In APAC, we saw continued growth, despite a large contract from last year affecting the comparative figures. In India and Malaysia, we are well positioned with our offerings in advanced digital forensic solutions. In EMEA, we saw positive effects from our product improvements, especially with the launch of our new Frontline solution and with an increasing sales trend for XRY Pro. The market potential remains strong in the Americas region, but ongoing changes in the US administration have caused delays in some projects during the quarter. In terms of sales through our partners, cooperation has been intensified in both EMEA and Latin America, where we have increased training efforts and joint customer focused activities.

New product launches during the quarter

In January, we launched UNIFY Collaborate, a new solution with improved efficiency and security, designed to meet the growing demand for digital investigations. The platform enables real-time collaboration, allowing multiple investigators to work on the same case simultaneously. Interest in this new addition to our offering is growing and several reference customers are already testing the product. UNIFY Collaborate is an important complement to our existing product range in analysis and data management.

In February, we launched the next generation Frontline Mk4 kiosk, an upgrade to our distributed data collection platform. The new version includes several improvements developed in collaboration with users and customers. The Mk4 kiosk has been well received, with many early orders from the UK and customers continuing to upgrade existing solutions. The Frontline platform and its distributed forensic data collection capabilities are changing the way police and other law enforcement agencies work. MSAB is already the market leader in Frontline solutions, and we will continue to make significant investments to maintain this leading position.

Sales of XRY Pro continue to grow in all regions. Since the launch in April 2023, our premium extraction tool has received a very positive market response; primarily due to its extensive support for Android, giving us a clear competitive advantage. We see a global trend of existing customers upgrading to XRY Pro, a shift that is happening in all regions. XRY Pro has outperformed the competition, leading to a strengthened market position. In just two years, the product has become our bestseller and now accounts for around 30% of our total sales.

We are also actively working to strengthen the MSAB brand, differentiate our products from those of our competitors and execute even more targeted marketing activities across all three regions.

That said, we recognise that some challenges remain. One of the biggest barriers for customers to change products in our more mature markets is the inertia of existing systems and the training and process adjustments required. Change is gradual, especially in our largest customer segment, law enforcement - where it takes time to implement new procedures. The transition from other solutions to XRY Pro will be a gradual process, but we are confident that the conversion will continue.

New and improved corporate strategy

In 2024, we conducted a thorough review of our strategy, with the overall goal of strengthening MSAB's position as the preferred partner in digital forensics. Going forward, we are focusing on innovation and increased investment in our products, continuing to deliver market-leading solutions for Android and iOS extraction, further developing our Frontline offering and maintaining high standards of customer support and expertise.

I am confident that our continued strategic investments and product improvements will drive sales growth in the coming quarters. MSAB is today a more robust and resilient company. With technologically advanced products, we continue to lead the way and offer law enforcement and government organisations access to cutting-edge solutions. Our customer-centric approach and knowledgeable employees remain central to our success, enabling us to further strengthen and expand our market presence.

Stockholm, April 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 April 29th, 2025, at 08:00 CEST.

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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