

Interim Report Q2

Summary April – June 2025

- Net sales amounted to SEK 80.5 (79.1) million, an increase of 1.8 percent compared with the same period last year. Currency-adjusted growth amounted to 8.0 percent.
- Operating profit amounted to SEK -17.4 (-3.5) million, corresponding to an operating margin of -21.6 (-4.4) percent.
- Profit after tax amounted to SEK -14.4 (-2.8) million.
- Earnings per share before/after dilution amounted to SEK -0.78 (-0.15).
- Cash flow from operating activities amounted to SEK 10.5 (1.2) million.

Summary January – June 2025

- Net sales amounted to SEK 174.6 (171.9) million, an increase of 1.6 percent compared with the same period last year. Currency-adjusted growth amounted to 3.7 percent.
- Operating profit amounted to SEK -18.6 (-12.2) million, corresponding to an operating margin of -10.6 (-7.1) percent.
- Profit after tax amounted to SEK -17.2 (-10.4) million.
- Earnings per share before/after dilution amounted to SEK -0.93 (-0.57).
- Cash flow from operating activities amounted to SEK 7.6 (20.0) million.

CEO Comments

A stable second quarter

Overall, we delivered a stable second quarter while navigating a complex and changing market landscape. We continued to implement our strategy of investing in and improving MSAB's products. Customer feedback on our premium extraction tool, XRY Pro, is consistently positive in all three regions, where industry-leading Android support provides a clear competitive advantage. Our primary focus remains on providing customers with the tools they need to solve investigations – this is the most important driver for long-term revenue growth.

Net sales for the quarter amounted to SEK 80.5 million, which is slightly higher than the same period last year. However, this figure does not fully reflect our underlying development, as the currency-adjusted revenue increase amounted to 8 percent and a significant order in the EMEA region, worth more than SEK 10 million, was postponed due to external delays in the supply chain. The order is now scheduled for delivery and revenue recognition in the third quarter. Cost levels are on track with planned increases

linked to investments in product development and marketing activities. We have invested in strengthening MSAB's position in the market and have also focused our attention on the APAC region and other countries where we previously had a low presence but now see significant potential.

Market situation

We continue to operate in a somewhat unstable macroeconomic environment, where budget cuts in the public sector have led to some delays in procurement processes. In the US, the changing political landscape has contributed to short-term uncertainty and extensive cuts in public administration budgets. While many law enforcement agencies are adapting to these financial constraints, we believe that increased defence budgets in both EMEA and the Americas are likely. Our strategic focus on defence and national security means that we are well positioned for future growth in these areas.

Regionally, APAC delivered strong growth in the second quarter compared to the previous year, which strengthens our confidence in the region's long-term potential. EMEA underperformed relative to expectations which is partly explained by an external supply chain issue that delayed delivery of an order for a European law enforcement agency, now planned for Q3. In the Americas region, our pipeline remains robust and customer interest in our solutions is strong, despite delays in decision-making due to budget reallocations.

Strategy execution and product development

We remain fully committed to our strategy of innovation and delivery of market-leading products to our customers. Our latest investment to improve iOS capabilities in XRY Pro – with a Full File System (FFS) solution that enables full extractions – is now starting to deliver results and represents an important strategic advancement that brings us in line with other leading solutions on the market for iOS-based devices. Combined with our industry-leading support for Android, we are stronger than ever.

Another important milestone reached during the quarter was the commercial breakthrough of UNIFY Collaborate. After several successful pilot projects, we secured our first contract in Canada – an important confirmation of both the product's relevance and customer demand. We plan to launch additional features in the UNIFY suite during the second half of the year.

At the same time, we have further strengthened our support for Android devices, ensuring that our offering remains among the most advanced in the industry. XRY Pro, our flagship extraction product, continues to exceed expectations and is now our best-selling solution in all three regions.

Market outlook

Although we are aware of the continued uncertainty in the market, we are entering the second half of 2025 on a solid footing. Our financial position is strong, and our product portfolio is more competitive than ever.

When I took over as CEO of MSAB just over twelve months ago, I concluded that with the right investments and focus, we would begin to see revenue growth within 12–24 months. I remain convinced that MSAB will experience revenue improvements over the coming year. Global demand for digital forensic tools is growing, and our mission to protect society by developing advanced mobile forensic products is more relevant now than ever.

Stockholm, July 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 July 18th, 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