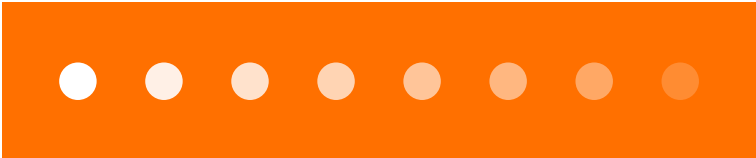


INTERIM REPORT  
**JAN – MAR 2024**





## SLOWER START OF THE YEAR WHILE AMBITION STILL IN LINE WITH FINANCIAL TARGETS.

### SIGNIFICANT EVENTS DURING THE FIRST QUARTER 2024 (JAN – MAR)

- Mentice has received a major repeat order from a world leading medical technology company.
- Mentice performed its first Capital Market Day on March 21 in Stockholm.
- Mentice presented revised Financial Targets during the Capital Markets Day.

### FINANCIAL TARGETS

#### Growth

20-30% annual growth in net sales.

#### Profitability

To reach a 20% EBITDA margin within three years with a longer-term target of 30%.

### FIRST QUARTER 2024 (JAN - MAR)

- Order intake amounted to 38 (58) MSEK, a decrease of -34.2%, of which -0.1% was related to the currency effect.
- The order book by the end of the period was 146.9 (126.2) MSEK, an increase of 16,4%.
- Net sales amounted to 45.3 (65.0) MSEK, a decrease of -30%, whereof -28% organic and -2% currency effect.
- Earnings before interest, tax, depreciation, and amortization (EBITDA) amounted to -18.4 (7.3) MSEK.
- Net income for the period amounted to -24.6 (-1.5) MSEK.
- Earnings per share (EPS) were -0.96 (-0.06) SEK.
- Cash flow from operating activities amounted to 1.9 (1.2) MSEK.

*" We are excited about the opportunities for Mentice and the development of our business. We have experienced another example of the seasonality with a slower start of the year while we are confident with our ambition to continue to deliver performance in line with the financials targets", says Göran Malmberg CEO of Mentice.*

## COMMENTS BY THE CEO GÖRAN MALMBERG

### OVERALL

We have conducted another positive quarter both from a business and an organizational development perspective while the first quarter of 2024 represents a slower start to the year from a financial point of view.

It should be noted that while the level of business in January and February was below expectations, March delivered according to plan and the start of the second quarter continued with business at expected levels and we are comfortable how our opportunities continue to develop.

The slower performance in the quarter is an example of the variability of order intake and reiterates the importance of not just measuring our performance in an individual quarter. The annual performance combined with longer-term trends such as rolling twelve months performance is a more relevant measurement of performance.

During this first quarter, we conducted a highly appreciated Capital Markets Day where updated financial targets were presented, together with a detailed description of our business and strategy.

The updated financial targets, presented at the Capital Markets Day, represent our view of the current market, and are based on the size and position of our business. Our ambition is to continue to grow at a high level of 20-30% for our net sales. For the next three years, while continuing to invest in our development, we will aim to raise the EBITDA level to 20%, while the longer-term ambition remains at 30% for EBITDA.

### BUSINESS DEVELOPMENT

During the Capital Markets Day in March, we presented some further details for our strategy to support our ambition to move closer to the daily clinical practice, providing relevant solutions to assist physicians before, during and after a procedure.

These technology and internally focused initiatives, include further development of our core technology, further enhancing realism, adding on capabilities for content creation while improving and modernizing our core platform and using state of the art technologies such as artificial intelligence and data analytics.

The business and outward focused initiatives included a global structure to support our largest clients strategically, further development of the strategic channel and further investment in specialty focused key-opinion-leader interactions.

### PROFITABILITY AND CASH

Despite the lower business level in the quarter, we have maintained a positive operational cashflow, while on a lower level, and we have improved our cash position compared to last year 57.5 (45.9).

The order book at the end of the quarter was 10 MSEK lower compared to the beginning of the quarter while 20 MSEK above the previous year.



### ORGANIZATION

During the quarter we have continued investment in our organization, including the creation of Strategic Account Management structure for our three largest clients, backed with further increase in the sales organization mainly in the US but as well in Europe.

### FORWARD VIEW

Mentice is the undisputed market leader for productivity solutions for image-guided interventions (endovascular treatments). We foresee a continued strong year for our medical device industry business while we also are hopeful for positive development for the hospital business.

We are excited about 2024 and the opportunities we see ahead of us.

**Gothenburg, May 2024**

**Göran Malmberg, CEO  
Mentice**

## KEY FIGURES

	Jan-Mar 2024	Jan-Mar 2023	Change	RTM	Full year 2023
<b>Order intake, MSEK</b>	37.9	57.7	-34.3%	284.5	304.2
- whereof Medical Device Industry (MDI)	32.1	52.6	-39.0%	219.7	240.2
- whereof Healthcaresystems (HCS)	3.6	4.1	-11.3%	42.7	43.1
- whereof Strategic Alliances (SA)	2.2	0.9	146.8%	22.2	20.9
<b>Order book (end of period), MSEK</b>	146.9	126.2	16.4%	146.9	156.3
<b>Net sales, MSEK</b>	45.4	65.0	-30.1%	254.1	273.6
<b>Sales, MSEK</b>	45.8	65.2	-29.7%	255.8	275.1
<b>Gross margin, %</b>	92.0%	85.6%		86.5%	85.3%
<b>Earnings before interest, tax, depreciation, and amortization (EBITDA), MSEK</b>	-18.4	7.3		-1.5	24.2
<b>EBITDA-margin, %</b>	-40.5%	11.2%		-0.6%	8.8%
<b>Income before tax (EBIT), MSEK</b>	-24.0	-0.6		-23.4	0.0
<b>Income for the period, MSEK</b>	-24.6	-1.5		-26.0	-2.8
<b>Earnings per share, SEK</b>	-0.96	-0.06		-1.02	-0.11
<b>Cash-flow from operations, MSEK</b>	1.9	1.2		39.5	38.7
<b>Cash at the end of the period, MSEK</b>	57.5	45.9		57.5	59.1
<b>Equity/Asset ratio, %</b>	45.4%	53.2%		53.2%	49.3%
<b>FTE for the quarter and full year</b>	127.6	112,1		119.3	113.9

## FINANCIAL PERFORMANCE

### ORDER INTAKE PER BUSINESS AREA

Mentice operates in three different business areas.

#### Healthcare Systems (HCS)

The HCS business area includes direct and indirect sales to hospitals, with the goal of implementing solutions that assist physicians in their daily clinical practice.

Mentice's continuous goal is to offer solutions for the daily clinical practice before, during and after an interventional procedure, thus contributing to an increased quality of patient care.

#### Medical Device Industry (MDI)

The MDI business area includes solutions for the world's leading manufacturers of medical devices. Mentice solutions are used by these customers for training, education, sales and marketing as well as to support medical device research.

#### Strategic Alliances (SA)

Mentice solutions – primarily angiography and other imaging modalities such as ultrasound – are integrated with cath lab solutions sold by world-leading companies such as Philips Healthcare and Siemens Healthineers.

See the Annual Report 2023 for further descriptions of the Business Areas.

#### Q1 ORDER INTAKE

The order intake during the first quarter decreased by -34.2% to 38 (58) MSEK, of which -0.2% was related to the currency effect.

The order intake for Medical Device Industry decreased by -39.1% during the quarter, mainly due to a slower start in the US.

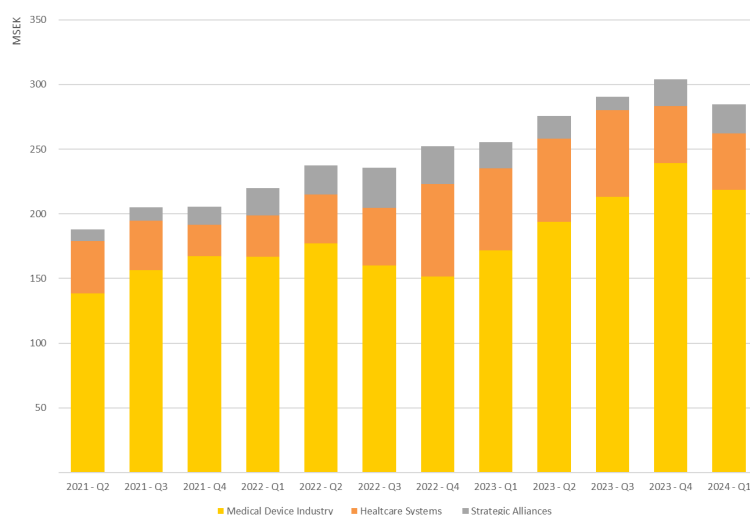
For Healthcare systems, the order intake decreased by -11.1% during the quarter.

Strategic Alliances had a strong order intake in the quarter and increased by 138.3%.

It is important to note that large orders can create a substantial variance in the distribution of order intake between business areas in individual quarters. Therefore, the Company is basing the evaluation of performance on rolling 12 months or full year figures.

Order intake per business area TSEK	Jan-Mar 2024	Jan-Mar 2023	Variance	Full year 2023
Medical Device Industry	32,060	52,627	-39.1%	240,244
Healthcare Systems	3,637	4,092	-11.1%	43,125
Strategic Alliances	2,221	932	138.3%	20,864
<b>Total</b>	<b>37,919</b>	<b>57,651</b>	<b>-34.2%</b>	<b>304,233</b>

### ORDER INTAKE PER BUSINESS AREA ROLLING FOUR QUARTERS (MSEK)



## ORDER INTAKE PER PRODUCT AREA

The Mentice product portfolio consists of four different product areas\*, where Mentice VIST™ accounts for the largest part of the company's turnover. The Mentice Live area is not reported separately but is included below in the Mentice VIST™ area.

### Mentice VIST™ – Immersive VR Simulation

Mentice physics engine and anatomy model together with a haptics-enabled hardware solution creates an optimal environment for procedural training, patient-specific simulation and objective assessment of device knowledge and procedural practical ability. The Mentice VIST™ product area is further divided into three sub-areas: Hardware, License/Software and Development. The Physical Sim area includes only Hardware, and the Ankyras™ area only License/Software. Mentice Live is a cloud-based learning platform aimed at medtech companies and providers wanting to offer a broader and more accessible medical course catalogue, create structured curricula and enable distributed distance learning.

### Physical Sim – physiological flow simulators

With a unique production process and advanced 3D printers, Mentice creates high-quality artificial blood vessels that, together with heart and blood flow pumping platforms, are the perfect complement to VR simulation, especially when developing new medical devices or when training and planning for demanding high-cost and high-risk procedures.

### Ankyras™ – decision support

Ankyras helps doctors determine which size and location of medical device implants for brain aneurysms (flow diverters) will best fit a specific patient's anatomy. The solution is FDA cleared and CE marked medically approved software with high accuracy that also simplifies communication between doctors and manufacturers during planning.

\*The segment reporting according to IFRS 8 was earlier based on type of product and the division is now based on product areas to better reflect how the business in run and followed up.

### Q1 ORDER INTAKE

Product area Mentice VIST™ decreased by -40.2% during the quarter.

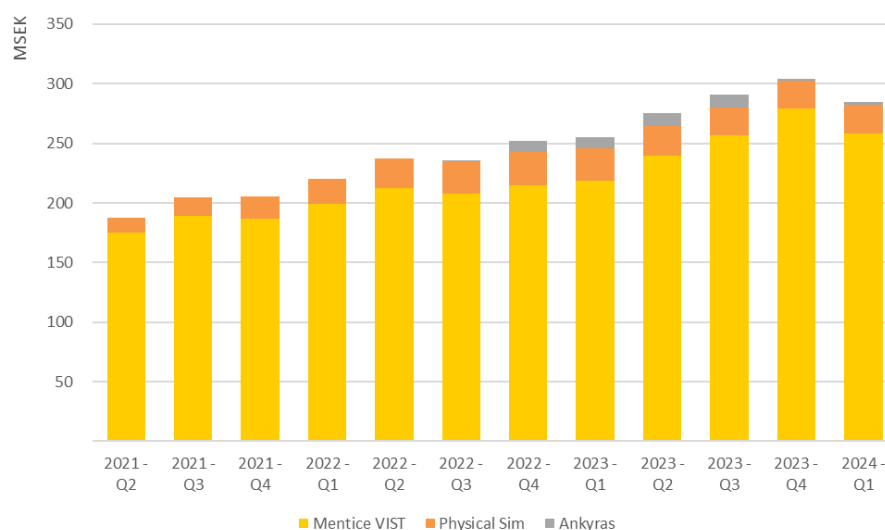
Physical Sim increased by 26.4% during the quarter.

Ankyras had no order intake during the quarter.

It is important to note that large orders can create a substantial variance in the distribution of order intake between business areas in individual quarters.

Order intake per product area TSEK	Jan-Mar 2024	Jan-Mar 2023	Variance	Full year 2023
Mentice VIST™	31,430	52,519	-40.2%	278,979
Physical Sim	6,489	5,132	26.4%	23,657
Ankyras™	0	0	0%	1,597
<b>Total</b>	<b>37,919</b>	<b>57,651</b>	<b>-34.2%</b>	<b>304,233</b>

## ORDER INTAKE PER PRODUCT AREA ROLLING FOUR QUARTERS (MSEK)



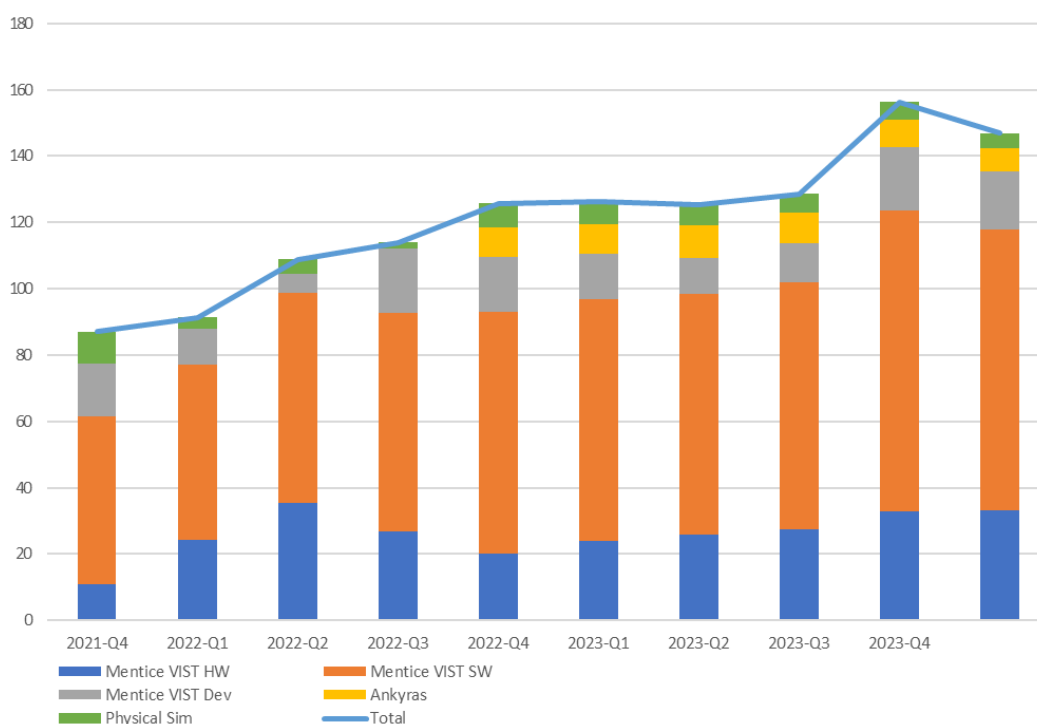
## ORDER BOOK

The order book at the end of the quarter increased by 16.4% and amounted to 147 (126) MSEK, where 91 MSEK is related to future revenue to be recognized in 2024. The order book represents orders received and which will be recognized as net sales in coming periods.

The order book was previously divided by type of product and service, but to have a better view of the business, the division is now presented in product areas.

Order book by product area TSEK	2024	2025-
Mentice VIST™	83,762	51,618
- Hardware	28,067	5,042
- License/software	41,905	42,994
- Development	13,790	3,582
Physical Sim	4,473	124
Ankyras™	2,999	3,906
<b>Total</b>	<b>91,234</b>	<b>55,648</b>

## ORDER BOOK PER QUARTER (MSEK)



## NET SALES

The group's net sales consist of sales from systems and software, service and support and sales from consultancy assignments referred to as development contracts. Software licenses sold as perpetual are recognized as net sales at delivery, together with hardware, while software licenses sold as a subscription model are recognized as net sales over time. Sales in this dimension is referred to as Segments.

Mentice also reports sales figures for the three geographic markets: EMEA (Europe, Middle East and Africa), APAC (Asia and the Asian Pacific Region) and Americas (North, Central and South America) and for three business areas, Medical Device Industry, Healthcare and Strategic Alliances.

## NET SALES PER REGION

The total net sales in the quarter decreased by -30.2%, whereof -2.1% currency impact, 2.3% acquired growth and -30.4% organic.

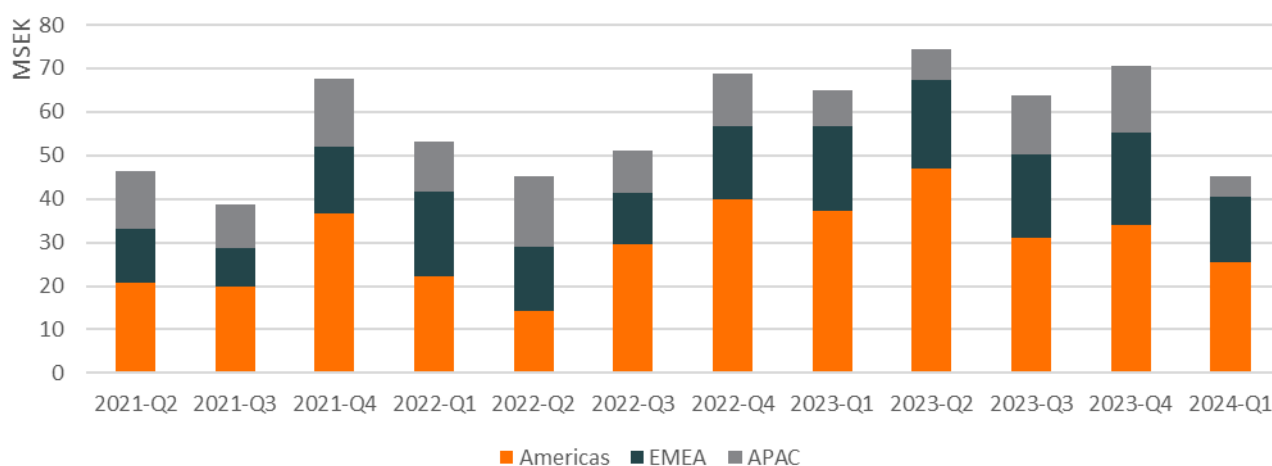
APAC decreased by -45.0% in the quarter.

Net sales decreased in EMEA by -21.3% in the quarter.

Americas decreased by -31.6% in the quarter.

Net sales per region TSEK	Jan-Mar 2024	Jan-Mar 2023	Variance	Full year 2023
EMEA	15,413	19,574	-21.3%	80,286
APAC	4,511	8,205	-45.0%	43,801
Americas	25,422	37,186	-31.6%	149,522
<b>Total</b>	<b>45,345</b>	<b>64,965</b>	<b>-30.1%</b>	<b>273,610</b>

## NET SALES PER QUARTER





## NET SALES PER SEGMENT

Out of the net sales for the quarter 39 (61) MSEK came from product area Mentice VIST™.

Product area Physical Sim had a net sale of 5 (3) MSEK for the quarter.

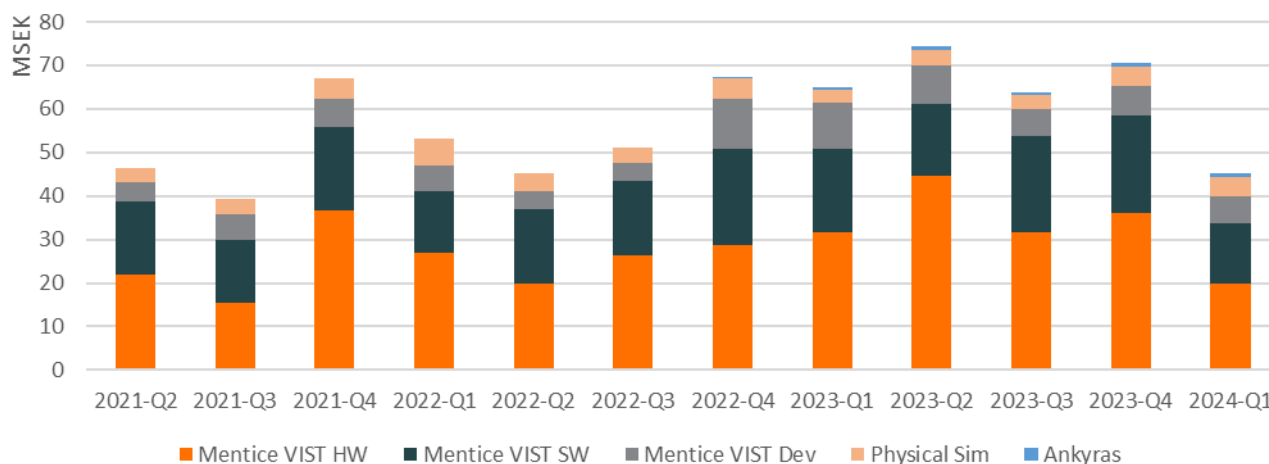
1 (1) MSEK of total net sales came from Ankyras™.

The quarter shows a total decrease of -30.2%, product areas Mentice VIST™ shows a decrease while the other two grew during the period.

The segment reporting according to IFRS 8 was earlier based on type of product and the division is now based on product areas to better reflect how the business in run and followed up.

Net sales per product area TSEK	Jan-Mar 2024	Jan-Mar 2023	Variance	Full year 2023
Mentice VIST™	39,872	61,304	-35.0%	256,369
- Hardware	19,948	31,556	-36.8%	143,885
- License/software	13,700	19,258	-28.9%	80,303
- Development	6,224	10,490	-40.7%	32,181
Physical Sim	4,499	3,150	42.8%	14,291
Ankyras™	974	511	90.6%	2,950
<b>Total</b>	<b>45,345</b>	<b>64,965</b>	<b>-30.1%</b>	<b>273,610</b>

## NET SALES PER QUARTER



## OTHER INCOME

Other income was 0.4 (0.2) MSEK for the quarter.

## GROSS PROFIT AND GROSS MARGIN

The gross profit for the first quarter was 41.8 (55.6) MSEK and gross margin was at 92.0 (85.6) % for the first quarter.

Gross margin is impacted by the mix between products sold and the level of support and service as well as the level of net sales from software licenses versus systems.

The gross margin for the first quarter was unusually high at 92% while being a direct consequence of a lower degree of system sales compared to software sales in the quarter.

## EBITDA AND EBITDA MARGIN

Earnings before interest, tax, depreciation and amortization, EBITDA, amounted to -18.4 (7.3) MSEK. This corresponds to an EBITDA margin of -40.5 (11.2) % for the first quarter.

The reason for the quarter's lower operating profit is the slower start of the year in sales. It is important to note that large orders can create a substantial variance in the distribution of order intake in individual quarters affecting net sales. Therefore, the Company is basing the evaluation of performance on rolling 12 months or full year figures rather than the previous quarter or the same quarter previous year.

## OTHER EXTERNAL COSTS

Other external costs amounted to -21.1 (-12.5) MSEK during the first quarter, which equals an increase of 68.8% compared to the same period last year. The company held a global meeting for all personnel during the beginning of the year and temporary consultants are used during replacement recruitment. Approximately 4 MSEK of Other external costs are related to specific costs in the quarter. During the quarter a cost of 2.1 MSEK for unrealized FX changes due to the policy of hedging is affecting Other External costs.

## PERSONNEL COSTS

Personnel costs during the first quarter were -39.6 (-36.1) MSEK, which equals an increase of 9.7%. The increase for the quarter is mainly due to the increase in the number of employees.

Personnel costs include capitalized costs for development with 2.6 (0.7) MSEK for the quarter.

The number of FTE, full time equivalents average, amounted to 127,6 during the first quarter, which is an increase compared with the same period 2023 which amounted to 112,1. This represents an increase of 13,8%.

## CAPITALIZED EXPENSES FOR DEVELOPMENT COSTS

Capitalized expenses for development costs during the first quarter amounted to 2.8 (1.0) MSEK and are mainly related to several ongoing projects. The capitalization is accounted for as external costs if the original cost is for consultants for development and in personnel costs if the original cost is for our own employees.

## FINANCIAL ITEMS

Net financial items for the first quarter amounted to 0.2 (-0.7) MSEK which are mainly related to more profitable investments.

## INCOME BEFORE TAX. NET RESULT FOR THE PERIOD AND EARNINGS PER SHARE

Tax on income for the first quarter was -0.7 (-0.9) MSEK, mainly due to deferred tax on amortization of goodwill assets in the parent company. Net income for the first quarter was -24.6 (-1.5) MSEK. Earnings per share were -0.96 (-0.06) SEK for the first quarter.

## CASH FLOW

Cash flow from operating activities before changes in working capital was -18.3 (8.9) MSEK for the first quarter. Cash flow from change in working capital for the first quarter was 20.2 MSEK compared to -7.8 MSEK in the same period last year. Cash flow from operating activities amounted to 1.9 (1.2) MSEK.

## CASH AND FINANCIAL POSITION

Cash at the end of the period was 57.5 (45.9) MSEK. The group's total assets amounted to 299.0 (303.4) MSEK. IFRS 16 affected total assets by 7.8 (12.8) MSEK. Accounts receivable decreased marginally during the first quarter compared with the same quarter 2022 and amounted to 85.5 (85.6) MSEK.

Inventories amounted to 16.8 (15.2) MSEK. Current liabilities were 155.4 (127.2) MSEK. The carrying amounts of financial assets and liabilities are considered to correspond essentially to fair value. The company also has an overdraft facility of 20 MSEK.

## INVESTMENTS

Investments during the first quarter amounted to -3.2 (-0.8) MSEK, whereof -2.8 (-0.8) MSEK refers to the capitalization of development costs. The remaining -0.4 (-0.0) MSEK refers to investments in tangible assets mostly in hardware devices for internal use but also for rental.

## PARENT COMPANY

The parent company is an operating company based in Gothenburg, Sweden. Net sales for the first quarter for the parent company amounted to 27.3 (30.1) MSEK. The gross margin amounted to 86.3 (85.8) % for the quarter. The net income for the period was -27.9 (-18.0) MSEK.

## SHARE CAPITAL

The total number of shares as of March 31, 2024, were 25,568,850 (25,568,850) and the share capital was 1,278 MSEK. All shares are ordinary shares with equal voting value. The shares have a quota value of 0.05 SEK.

## DISPUTES

The group has no current disputes.

## TRANSACTIONS WITH RELATED PARTIES

Board member Denis Gestin through related company has on a consulting basis acted as advisor to the company, in connection with customer related activities within the medical device industry and other consultation. During the period January through March 2024, Denis Gestin received 0.26 (0.2) MSEK as fee in addition to board fee.

The above transactions were conducted based on market value.

## THE PURPOSE OF MENTICE

The purpose of Mentice's solutions is to support the health-care professionals in their mission to ensure all patients have an optimal outcome, improve cost-effectiveness, and generally offer opportunities for the healthcare sector to better utilize its resources.

## RISKS

Important risks and uncertainties for the group are primarily related to, commercial with customers and suppliers, operational with regards to competence and security in the implementation of new medical equipment. The financial risks lie in the global operations that the company operates. This affects changes in exchange rates and interest rates, as well as liquidity, financing, and credit. Currency risk also arises when translating foreign net assets and earnings into Swedish kronor. Mentice overall goal is to avoid as far as possible financial risk taking, which can arise through changes in exchange rates, interest rates and market prices, as well as liquidity, financing, and credit risks. Exchange rate risk is divided into translation exposure and transaction exposure. Translation exposure refers to the exposure of net assets for foreign subsidiaries. Transaction exposure refers to the risks associated to purchases and net sales in foreign currency.

The group's external sales are made in the currencies EUR and USD. In the parent company, the external sales are in EUR, and most of the operating costs are in SEK. Net sales and cost in the US subsidiary are exclusively conducted in USD.

For more information about the company's risks, see the board of directors' report in the annual report for 2023.



## THE SHARE AND OWNERSHIP

Mentice AB (publ) shares are traded on Nasdaq First North Growth Market since June 18, 2019 under MNTC. According to Euroclear's official register of shareholders, Mentice had a total of 1,744 shareholders by March 31, 2024. FNCA is the company's certified advisor.

Largest shareholders (source Euroclear 2024-03-31) Name	Number of shares	Shareholding in %
Karin Howell-Bidermann	8 690 980	33.99%
Bure Equity	3 761 659	14.71%
Fjärde AP-fonden	1 768 774	6.92%
Gulf Offshore Limited	1 328 308	5.20%
Medical Simulation Corporation	1 191 074	4.81%
Handelsbanken Fonder	955 303	3.74%
Berenberg Funds	831 798	3.25%
Göran Malmberg	711 670	2.78%
TIN Fonder	562 847	2.20%
Andra AP-fonden	446 620	1.75%
<b>10 largest shareholders total</b>	<b>20 249 033</b>	<b>79.34%</b>
Others	5 319 817	20.66%
<b>Total number of shares</b>	<b>25 568 850</b>	<b>100.00%</b>

## EXAMINATION BY THE AUDITORS

This report has not been reviewed by the company's auditors.

## FINANCIAL REPORTS

Interim reports and other financial reports are available on the company's website. [www.mentice.com](http://www.mentice.com).

## AFFIRMATION

Mentice AB (publ)'s Board of Directors and CEO hereby assure that this interim report gives a true and fair view of the Group's business, financial position and performance and describes the essential risks and uncertainty factors that the company and the companies which are part of the Group are subjected to. In the event of any discrepancies between the English and Swedish versions of the report, the Swedish version shall prevail.

**Gothenburg, May 3, 2024**  
**Mentice AB (publ)**

**Magnus Nilsson**  
Chairman of the Board

**Lawrence D. Howell**  
Board member

**David J. Ballard**  
Board member

**Denis Gestin**  
Board member

**Gösta Johannesson**  
Board member

**Johann Koss**  
Board member

**Eola Änggård Runsten**  
Board member

**Göran Malmberg**  
CEO



## CONSOLIDATED INCOME STATEMENT

TSEK	Jan-Mar 2024	Jan-Mar 2023	Full year 2023
Net sales	45,427	64,965	273,610
Other income	422	,235	1,514
	<b>45,849</b>	<b>65,200</b>	<b>275,124</b>
Raw materials and consumables used	-3,015	-8,658	-37,229
Depreciation of rented assets	-596	-665	-2,856
Other external costs	-21,055	-12,529	-62,633
Personnel costs	-39,572	-36,091	-148,233
Depreciation of tangible assets	-2,311	-2,218	-9,240
Amortization and write-down of intangible assets	-3,497	-4,936	-15,611
	<b>-70,046</b>	<b>-65,097</b>	<b>-275,803</b>
<b>Operating profit (EBIT)</b>	<b>-24,197</b>	<b>103</b>	<b>-679</b>
Financial income	450	20	1,072
Financial expenses	-244	-755	-405
<b>Net financial items</b>	<b>206</b>	<b>-735</b>	<b>667</b>
<b>Earnings before tax (EBT)</b>	<b>-23,991</b>	<b>-632</b>	<b>-13</b>
Tax	-650	-851	-2,805
<b>Net result for the year</b>	<b>-24,641</b>	<b>-1,483</b>	<b>-2,817</b>
Net result for the year attributable to:			
Shareholders parent company	-24,641	-1,483	-2,817
<b>Earnings per share</b>			
Basic (SEK)	-0,96	-0,06	-0.11
Diluted (SEK)	<b>-0,96</b>	<b>-0,06</b>	-0.11

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

TSEK	Jan-Mar 2024	Jan-Mar 2023	Full year 2023
<b>Net result for the year</b>	<b>-24,641</b>	<b>-1,483</b>	<b>-2,817</b>
<b>Other comprehensive income</b>			
Translation difference on translation of foreign operations	1,284	-244	-1,060
<b>Other comprehensive income for the year, net of tax</b>	<b>1,284</b>	<b>-244</b>	<b>-1,060</b>
<b>Total comprehensive income for the year</b>	<b>-23,356</b>	<b>-1,727</b>	<b>-3,878</b>

## CONSOLIDATED BALANCE SHEET

TSEK	31 Mar 2024	31 Mar 2023	Full year 2023
<b>Assets</b>			
Goodwill	48,508	49,567	48,070
Patents	27,374	33,178	32,618
Trademarks	3,326	5 442	5,443
Internally developed intangible assets	37,609	45,368	44,285
Tangible assets	11,369	12,095	11,566
Right-of-use assets	6,987	12,846	8,336
Deferred tax assets	7,767	8,930	8,028
<b>Total non-current assets</b>	<b>142,939</b>	<b>167,426</b>	<b>158,346</b>
Inventories	16,814	15,229	14,104
Accounts receivables	64,293	66,735	85,496
Prepaid costs and accrued income	13,834	11,837	13,488
Other receivables	2,591	385	3,222
Current tax assets	1,009	2,723	1,633
Cash and cash equivalents	57,506	45,873	59,121
<b>Total current assets</b>	<b>156,047</b>	<b>142,782</b>	<b>177,063</b>
<b>Total assets</b>	<b>298,986</b>	<b>310,208</b>	<b>335,409</b>
<b>Equity and liabilities</b>			
Share capital	1,278	1,278	1,278
Other paid in capital	201,385	201,169	201,385
Retained earnings	-67,047	-41,181	-43,690
<b>Total equity attributable to parent company shareholders</b>	<b>135,616</b>	<b>161,266</b>	<b>158,973</b>
<b>Long term liabilities</b>			
Leasing liabilities long-term	1,207	7,062	2,144
<b>Total long-term liabilities</b>	<b>1,207</b>	<b>7,062</b>	<b>2,144</b>
Accounts payable	9,728	8,315	15,582
Other liabilities	4,374	3,215	4,134
Current leasing liability	6,736	7,785	7,413
Accrued expenses and deferred income	141,325	115,625	134,281
<b>Total current liabilities</b>	<b>162,163</b>	<b>134,940</b>	<b>161,410</b>
<b>Total equity and liabilities</b>	<b>298,986</b>	<b>303,268</b>	<b>322,526</b>



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

TSEK	Share Capital	Other Paid in Capital	Translation reserve	Retained Earnings	Total equity
<b>At 1 January 2023</b>	<b>1,278</b>	<b>201,169</b>	<b>-370</b>	<b>-39,442</b>	<b>162,635</b>
Transactions with owners in their capacity as owners					
Issue of shares		315			315
Redemption of share options		-99			-99
Profit for the year				-2,817	-2,817
Other comprehensive income for the year			-1,061		-1,061
<b>Total comprehensive income for the period</b>			<b>-1,061</b>	<b>-2,817</b>	<b>-3,878</b>
<b>Closing balance at 31 December 2023</b>	<b>1,278</b>	<b>201,385</b>	<b>-1,431</b>	<b>-42,259</b>	<b>158,973</b>
<b>At 1 January 2024</b>	<b>1,278</b>	<b>201,385</b>	<b>-1,431</b>	<b>-42,259</b>	<b>158,973</b>
Transactions with owners in their capacity as owners					
Profit for the year				-24,641	-24,641
Other comprehensive income for the year			1,284		-1,284
<b>Total comprehensive income for the year</b>			<b>1,284</b>	<b>-24,641</b>	<b>-23,357</b>
<b>Closing balance at 31 March 2024</b>	<b>1,278</b>	<b>201,385</b>	<b>-147</b>	<b>-66,900</b>	<b>135,616</b>



## CONSOLIDATED STATEMENT OF CASH FLOWS

TSEK	Jan-Mar 2024	Jan-Mar 2023	Full year 2023
<b>Operating activities</b>			
Earnings before tax	-23,991	-632	-13
Adjustment for Non-cash items	7,767	8,979	28,090
Income tax paid	-2,076	582	-632
<b>Cash flow from operating activities before changes in working capital</b>	<b>-18,299</b>	<b>8,929</b>	<b>27,445</b>
Change in trade receivables and other current assets	26,303	17,876	-5,561
Change in inventories	-2,282	1,572	2,569
Change in trade payables and other current liabilities	-3,782	-27,224	12,064
<b>Change in working capital</b>	<b>20,238</b>	<b>-7,776</b>	<b>9,072</b>
<b>Cash flow from operating activities</b>	<b>1,939</b>	<b>1,153</b>	<b>36,517</b>
<b>Investing activities</b>			
Acquisitions of tangible assets	-348	-	-4,330
Capitalisation of internally developed intangible assets and acquired goodwill	-2,836	-754	-2,658
Acquisition of business, net cash effect	-	-	-9,191
<b>Cash flow from investing activities</b>	<b>-3 184</b>	<b>-754</b>	<b>-16,179</b>
<b>Financing activities</b>			
Payment of share options	-	-	-99
Issue of share options	-	-	315
Amortization of lease liability	-1,890	-1,770	-7,271
<b>Cash flow from financing activities</b>	<b>-1,890</b>	<b>-1,770</b>	<b>-7,055</b>
<b>Cash flow for the period</b>	<b>-3,135</b>	<b>-1,371</b>	<b>13,283</b>
Opening cash balance	59,121	47,285	47,285
Translation difference on cash and cash-equivalents	1,521	-41	-1,448
<b>Cash and bank balances at end of period</b>	<b>57,506</b>	<b>45,873</b>	<b>59,121</b>

## PARENT COMPANY INCOME STATEMENT

TSEK	Jan-Mar 2024	Jan-Mar 2023	Full year 2023
Net sales	27,303	30,067	187,166
Capitalised expense for development	2,385	970	2,385
Other income	920	1,116	13,011
	<b>30,608</b>	<b>32,153</b>	<b>202,562</b>
Raw materials and consumables used	-3,739	-4,554	-26,274
Other external costs	-19,096	-12,153	-59,627
Personnel costs	-26,771	-22,157	-94,996
Depreciation of tangible assets	-450	-305	-1,248
Amortization and write-down of intangible	-5,978	-7,460	-25,706
Exchange losses on operating receivables and liabilities	-2,669	-919	-12,380
	<b>-58,703</b>	<b>-47,548</b>	<b>-220,229</b>
<b>Operating profit (EBIT)</b>	<b>-28,095</b>	<b>-15,395</b>	<b>-17,667</b>
Financial income	296	134	1,006
Financial expenses	-110	-2,703	-197
<b>Net financial items</b>	<b>186</b>	<b>-2,569</b>	<b>809</b>
<b>Result after financial items</b>	<b>-27,909</b>	<b>-17,964</b>	<b>-16,859</b>
<b>Earnings before tax (EBT)</b>	<b>-27,909</b>	<b>-17,964</b>	<b>-16,859</b>
Tax	-	-	-41
<b>Net result for the year</b>	<b>-27,909</b>	<b>-17,964</b>	<b>-16,900</b>

## PARENT COMPANY BALANCE SHEET

TSEK	31 Mar 2024	31 Mar 2023	Full year 2023
<b>Assets</b>			
<b>Intangible and tangible assets</b>			
Goodwill	18,378	27,912	20,827
Patents	27,574	31,566	28,522
Trademarks	3,326	4,535	3,628
Internally developed in-tangible assets	37,794	42,848	37,237
Tangible assets	5,295	3,176	5,396
<b>Financial assets</b>			
Shares in group companies	21,886	19,705	21,886
Receivables from group companies	1,041	6,047	1,002
Deferred tax assets	6,615	6,615	6,615
<b>Total non-current assets</b>	<b>121,909</b>	<b>142,404</b>	<b>125,114</b>
Inventories	10,968	11,014	10,304
Accounts receivables	32,580	28,057	52,254
Current receivables from group companies	2,582	1,807	757
Prepaid costs and accrued income	2,146	9,874	24,732
Other receivables	14,821	-	2,661
Current tax assets	1,435	2,889	2,084
Cash and cash equivalents	32,335	33,513	31,341
<b>Total current assets</b>	<b>96,868</b>	<b>87,154</b>	<b>124,134</b>
<b>Total assets</b>	<b>218,777</b>	<b>229,558</b>	<b>249,248</b>
<b>Equity and liabilities</b>			
<b>Restricted equity</b>			
Share capital	1,278	1,278	1,278
Fund for development costs	38,031	46,566	39,563
<b>Non-restricted equity</b>			
Other paid in capital	201,385	201,169	201,385
Retained earnings	-101,443	-93,078	-86,074
Net result for the year	-27,908	-17,964	-16,900
<b>Total equity</b>	<b>111,344</b>	<b>137,971</b>	<b>139,251</b>
<b>Long term liabilities</b>			
Liabilities to group companies	823	909	829
<b>Total long-term liabilities</b>	<b>823</b>	<b>909</b>	<b>829</b>
Accounts payable	8,263	5,492	12,481
Current liabilities to group companies	3,404	3,245	2,450
Other liabilities	1,812	1,559	2,533
Accrued expenses and de-ferred Income	93,132	80,382	91,703
<b>Total current liabilities</b>	<b>106,610</b>	<b>90,677</b>	<b>109,167</b>
<b>Total equity and liabilities</b>	<b>218,777</b>	<b>229,558</b>	<b>249,248</b>

## NOTES

### ACCOUNTING POLICIES

Mentice applies International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The parent company's interim report has been prepared in accordance with the Swedish Annual Accounts Act and RFR 2, Accounting for Legal Entities, issued by the Swedish Financial Reporting Board.

The accounting policies applied correspond to those of the previous financial year, as described in the annual report for 2023.

### BASES OF VALUATION APPLIED IN THE PREPARATION OF THE FINANCIAL STATEMENTS

Assets and liabilities are recognized at historical cost with the exception of currency derivatives, which are measured at fair value. As per March 31, 2024, the total actual value of forward contracts was 79.5 (0.0) MSEK.

### ASSESSMENTS AND ESTIMATES IN THE FINANCIAL STATEMENTS

Preparation of the financial statements in compliance with IFRS requires the company's management to make assessments, estimates and assumptions that affect the application of the accounting policies and the carrying amounts of assets, liabilities, income, and expenses. Actual outcomes may deviate from these estimates and assessments. Assumptions are reviewed on a regular basis. Changes to estimates are recognized in the period.

### FINANCIAL INSTRUMENTS, CURRENCY EXPOSURE AND RISK MANAGEMENT

Mentice uses forward exchange contracts to manage currency risk. Forward exchange contracts are used to hedge risk in accordance with the group financial policy. Mentice operations expose it to credit risk when selling to customers. Only advance payments or letters of credit are accepted for sales to new customers or to customers which are deemed to represent a high-risk exposure.

### ADJUSTMENTS, ROUNDING

Some of the financial information provided in this report has been rounded, which may affect the totals in the tables.

### ABOUT THE PARENT COMPANY

Mentice AB (publ), company registration number 556556-4241, is a Swedish public company with its registered office in Gothenburg, Sweden.

### WARRANT PROGRAM

There is one outstanding warrant program directed at external key opinion leaders in North America and the company's employees. The new warrant program was decided to be introduced during the second quarter of 2023.

Employees who have wished to participate in the first warrants program have paid a premium corresponding to the market value of the warrant calculated pursuant to Black & Scholes' formula. As the market value has been paid, there is no effect on the company's net income for the period or on its financial position.

After the end of the period one of the above programs expired.

## PRODUCT AREAS

Mentice's business is divided into four product areas, which reflect the group's operations, financial management and management structure. These four product areas are Mentice VIST™, Physical Sim, Mentice Online and Ankyras™. The Mentice Live area is not reported separately but is included in the Mentice VIST™ area.

The segment reporting according to IFRS 8 was earlier based on type of product and the division is now based on product areas (see definition earlier in this report regarding product areas and sub-areas) to better reflect how the business is run and followed up.

TSEK	Mentice VIST™			Physical Sim			Ankyras™			Total		
	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Jan-Mar 2024	Jan-Mar 2023	Full year 2023	Jan-Mar 2024	Jan-Mar 2023	Full year 2023
Hardware	19,948	31,556	143,885	4,499	3,150	14,291	-	-	-	24,447	34,706	158,176
License/software	13,700	19,258	80,303	-	-	-	974	511	2,950	14,674	19,769	83,253
Development	6,224	10,490	32,181	-	-	-	-	-	-	6,224	10,490	32,181
<b>Total</b>	<b>39,872</b>	<b>61,304</b>	<b>256,369</b>	<b>4,499</b>	<b>3,150</b>	<b>14,291</b>	<b>974</b>	<b>511</b>	<b>2,950</b>	<b>45,345</b>	<b>64,965</b>	<b>273,610</b>
Raw materials and consumables used	-3,075	-8,726	-36,417	-488	-571	-3,521	-49	-26	-148	-3,611	-9,323	-40,085
Gross profit	36,797	52,578	219,952	4,011	2,579	10,770	925	485	2,802	41,734	55,642	233,525
Gross profit %	92.3%	85.8%	85.8%	89.2%	81.9%	75.4%	95.0%	94.9%	95.0%	92.0%	85.6%	85.3%

## DEFINITION OF KEY PERFORMANCE INDICATORS REPORTED

Alternative performance measures (APM) are financial measurements that cannot be directly discerned or ordered from financial statements. These financial measurements are intended to help the company management and investors to analyze the group's performance. Investors should view these alternative key performance indicators as a complement to the financial statements prepared in accordance with IFRS.

## DEFINITION OF KEY PERFORMANCE INDICATORS REPORTED

<b>Order intake</b>	The value of orders received during the period.
<b>Net sales</b>	Sales of products and services are normally recognized in connection with delivery to customers, depending on the terms of delivery. Services, software, and projects that run over several periods are recognized as net sales over time.
<b>Order book</b>	Amount of not yet delivered products and services.
<b>Order intake rolling 12 months</b>	Mentice has had recurring growth phases, and it is important to view performance over time and not solely for an individual quarter as Mentice historically has had a strong first quarter.
<b>Net sales rolling 12 months</b>	Mentice has had recurring growth phases, and it is important to view performance over time and not solely for an individual quarter as Mentice historically has had a strong first quarter.
<b>Gross profit</b>	Net sales with deduction for raw materials and consumables used and depreciation of rented assets.
<b>Gross profit margin</b>	Gross profit as a part of net sales.
<b>EBITDA</b>	Mentice uses the key performance indicator EBITDA to demonstrate the earning power of the business from operating activities without taking into account the capital structure and tax situation and this is intended to make comparison easier with other companies in the same industry.
<b>EBITDA margin</b>	EBITDA as part of net sales. The measure is used to measure operating profitability, independent of financing, impairment and depreciation.
<b>EBITDA rolling 12 months</b>	Mentice has repeatedly had individual strong quarters, and it is therefore important to continuously see developments over time and not just focus on individual quarters.
<b>FTE</b>	(Full Time Equivalent) Full time employee based on employment per centage and long time sick leave. Includes consultants replacing a permanent position during recruitment.
<b>RTM</b>	Rolling Twelve Months

## FINANCIAL TARGETS, SHORT TO MEDIUM TERM

### REVENUE GROWTH

20-30% annual growth in net sales.

### PROFITABILITY

To reach a 20% EBITDA margin within three years with a longer-term target of 30%.

## ABOUT MENTICE

### BUSINESS OPERATIONS

Mentice is a company that offers high-technology solutions for simulation to the medical sector with a focus on the fast-growing market for endovascular procedures. Mentice's simulators are used to educate, train, and improve the practitioners' skills in different types of interventions and when introducing new clinical instruments. The company offers "flight simulations" for physicians and clinical teams to provide practitioners with experiences as realistic as possible. Headquartered in Gothenburg, Sweden. Mentice has a strong global presence with companies established in the US, Japan, Spain, and China.

### BUSINESS IDEA

Mentice business idea is to assist in the aim to reduce deaths, injuries and costs resulting from medical errors and inefficiencies and ultimately to reduce risk of harm to patients. By developing and providing innovative and realistic training tools, the company will help to improve the clinical skills of doctors and reduce the risk of needless errors. Medical errors are a major problem for society that come at a large cost and are the third most common cause of death in the USA, behind heart disease and cancer. Close integration with health service and the rest of the medical device industry is vital to promote innovative solutions that enhance the simulation experience.

Sustainability, social and environmental issues are a core element of Mentice code of conduct and its operations. Mentice has a strong focus on the continuing innovation of the products offered and on taking simulation to new heights to offer the best possible solutions for customers at hospitals, clinics, universities and in research groups as well as in the medical device industry. The company has clear ambitions and principles to take economic, social, and environmental responsibility.

### PURPOSE

Mentice's purpose is to reduce deaths, injuries and costs resulting from medical errors and inefficiencies by developing innovative and inspirational tools for the improvement of clinical skills.

### VISION

Mentice's vision is to lead endovascular care to the highest standards of patient safety and performance.

### MISSION

We believe medical technology helps to improve patient outcomes and clinical performance. Our mission is to improve operational efficiency and patient outcomes by introducing innovative solutions that eliminate proficiency barriers.

## OUR RESULTS ARE GLOBAL

Proud to be trusted by organizations worldwide

25+

Years of experience pioneering interventional simulation.

140+

Over 140 scientific papers reinforcing the value of simulation skills acquisition. Retention and assessment.

50+

Medical simulation patents across more than 30 different training procedures

>50%

Of global market share in endovascular simulation solutions.

## FINANCIAL CALENDAR

<b>ANNUAL GENERAL MEETING</b>	MAY 23, 2024
<b>INTERIM REPORT APR - JUN 2024</b>	JULY 23, 2024
<b>INTERIM REPORT JUL - SEP 2024</b>	NOVEMBER 7, 2024

Mentice's interim reports and annual reports are available on [www.mentice.com](http://www.mentice.com)

Mentice AB (publ) – Interim report Jan - Mar 2024