



Q1 INTERIM REPORT
JAN—MAR 2023



INCREASED SALES AND POSITIVE EBITDA CONCLUDE A GOOD START FOR 2023.

SIGNIFICANT EVENTS DURING THE QUARTER

- Two orders received from a large medical device company were announced during the quarter. The total value of these two orders together exceeded 13 MSEK.
- Abbott Laboratories, together with Medtronic, were our largest clients in the quarter, with an order volume exceeding 17 MSEK.
- Alex Hussein was announced as our General Manager for the Americas region. Alex has prior to this position held the position as Vice President Sales for Medical Device Industry USA and he has been with Mentice since 2015.

FIRST QUARTER (JAN-MARCH 2023)

- Order intake amounted to 57.7 (54.4) MSEK.
- The orderbook by the end of the period was 126.2 (91.4) MSEK, whereof 66.2 MSEK is revenue expected in 2023.
- Net sales amounted to 65.0 (53.1) MSEK, an increase of 22%, whereof 15% organic.
- Earnings before interest, tax, depreciation and amortization (EBITDA) totaled 7.3 (-1.3) MSEK.
- Net income for the period amounted to -1.5 (-7.4) MSEK.
- Earnings per share (EPS) were -0.06 (-0.30) SEK.
- Cash flow from operating activities totaled 1.2 (11.2) MSEK.

COMMENTS BY THE CEO GÖRAN MALMBERG

OVERALL

Our total order intake for the quarter is historically our best ever, and since 2018 only surpassed by a few of the most recent fourth quarters.

The order intake for our three business areas did not follow our normal distribution where a large majority was related to the medical device industry (MDI). Both the healthcare systems and strategic alliances business areas demonstrated a lower order intake compared to last year which in part can be explained by the Siemens Corindus China order we received for the first quarter in 2022. Generally, we do not see anything indicating a negative trend since the overall demand from the hospital sector is strong in all three regions and we defer this as a temporary effect mainly related to large variations between quarters for the hospital related business.

After a year with increasing orderbook, our orderbook after the first quarter is still at an all-time high where more than half of this is planned for Net Sales during 2023.

Our net sales for the quarter has increased compared to a strong first quarter 2022 and just as for order intake at a historical high, and we have experienced growth across our three business segments for System, Software as well as Service.

NEW BUSINESS

We are continuing to integrate our product portfolio of solutions focusing on image-guided interventional therapies within several specialties and interventions for cardiology, neurology, vascular surgery, and radiology and we see expanding application areas for our products.

Our focus for 2023 is to develop and launch new versions of Ankyras™, our acquired software solution, initially for the European market but as a consequence of our ambition to get FDA approval also for sales at the US market.

PROFITABILITY

EBITDA for the quarter was 7.3 (-1.3) MSEK, an improvement exceeding 8 MSEK. This is primarily a result of increased net sales but also improved gross margin. The costs increased in the quarter with regards to personnel, especially related to increased net sales and salary increases, as we have the same amount of people compared to last year.

Furthermore the first quarter 2022 was a pandemic impacted quarter with lower level of travel and marketing activities compared to a normal level of business.

Our ambition to improve efficiency and limit cost increases has shown a continued positive effect during the quarter and has provided a positive view on the development for profitability for the full year.



FORWARD VIEW

We expect over time to be able to improve our EBITDA margins compared to 2022 combined with an ambition to receive further benefits from our program related to efficiency.

For 2023 we expect strong performance from medical device industry business combined with the expectation that the demand from the hospital related business will continue at least at similar levels to 2022.

Gothenburg April 26 2023

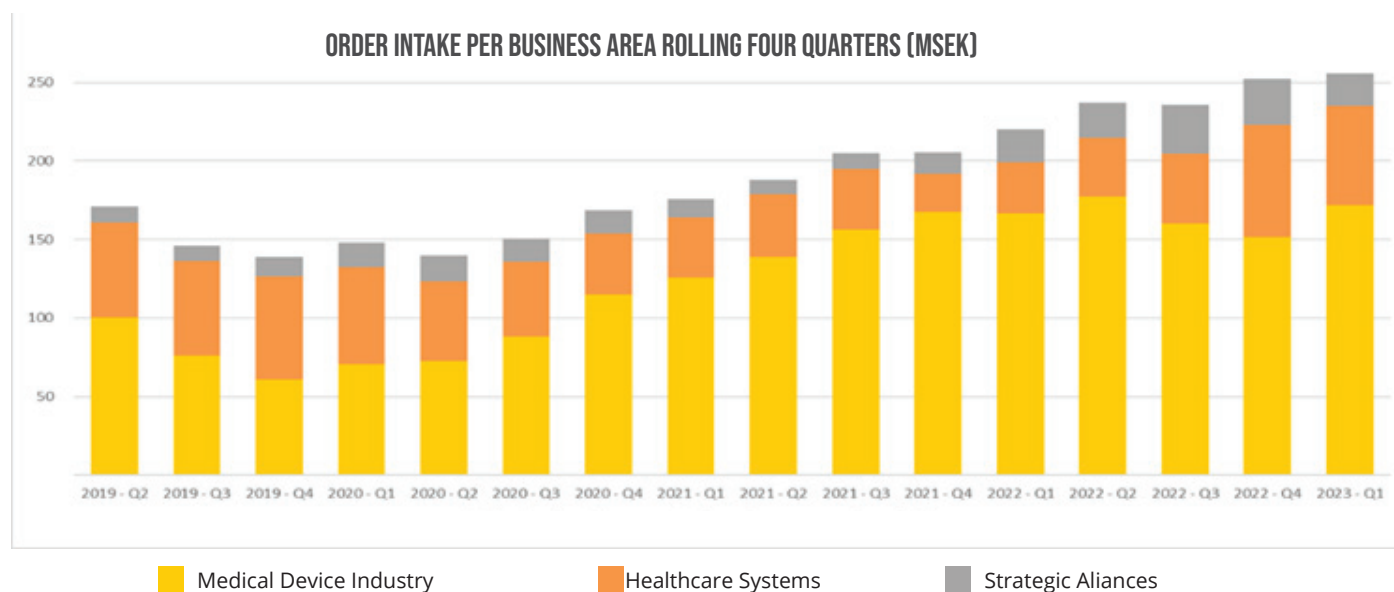
Göran Malmberg, CEO

KEY FIGURES

	Jan-Mar 2023	Jan-Mar 2022	Change	RTM*	Full Year 2022
Order intake, MSEK	57.7	54.4	6.0%	255.5	252.5
- whereof Medical Device Industry (MDI)	52.6	32.2	63.4%	172.0	151.6
- whereof Healthcare systems	4.1	12.3	-66.8%	63.2	71.4
- whereof Strategic Alliances	0.9	9.9	-90.6%	20.3	29.3
Order book (end of period), MSEK	126.2	91.4	38.0%	126.2	126.0
Net sales, MSEK	65.0	53.1	22.4%	229.9	218.0
Sales, MSEK	65.2	54.7	19.2%	230.8	220.3
Gross margin, %	85.6%	80.1%		86.7%	85.4%
Earnings before interest, tax, depreciation and amortization (EBITDA), MSEK	7.3	-1.3		4.7	-3.9
EBITDA-margin, %	11.2%	-2.5%		2.0%	-1.8%
Income before tax (EBIT), MSEK	-0.6	-6.9		-17.7	-24.0
Income for the period, MSEK	-1.5	-7.4		-24.7	-30.7
Earnings per share, SEK	-0.06	-0.30		-0.97	-1.22
Cash-flow from operations, MSEK	1.2	11.2		4.8	14.9
Cash at the end of the period, MSEK	45,9	19.3		45,9	47.3
Equity/Asset ratio, %	53.4%	48.8%		53.4%	48.8%
FTE for the quarter and full year**	117.5	114.5		117.5	118.2

*RTM = rolling twelve months.

** FTE – Full time equivalents, including internal consultants



Order intake for rolling four quarters is still over 250 MSEK and divided into the normal 65% MDI, 25% Healthcare system and 10% Strategic Alliance.

FINANCIAL PERFORMANCE

ORDER INTAKE PER BUSINESS AREA

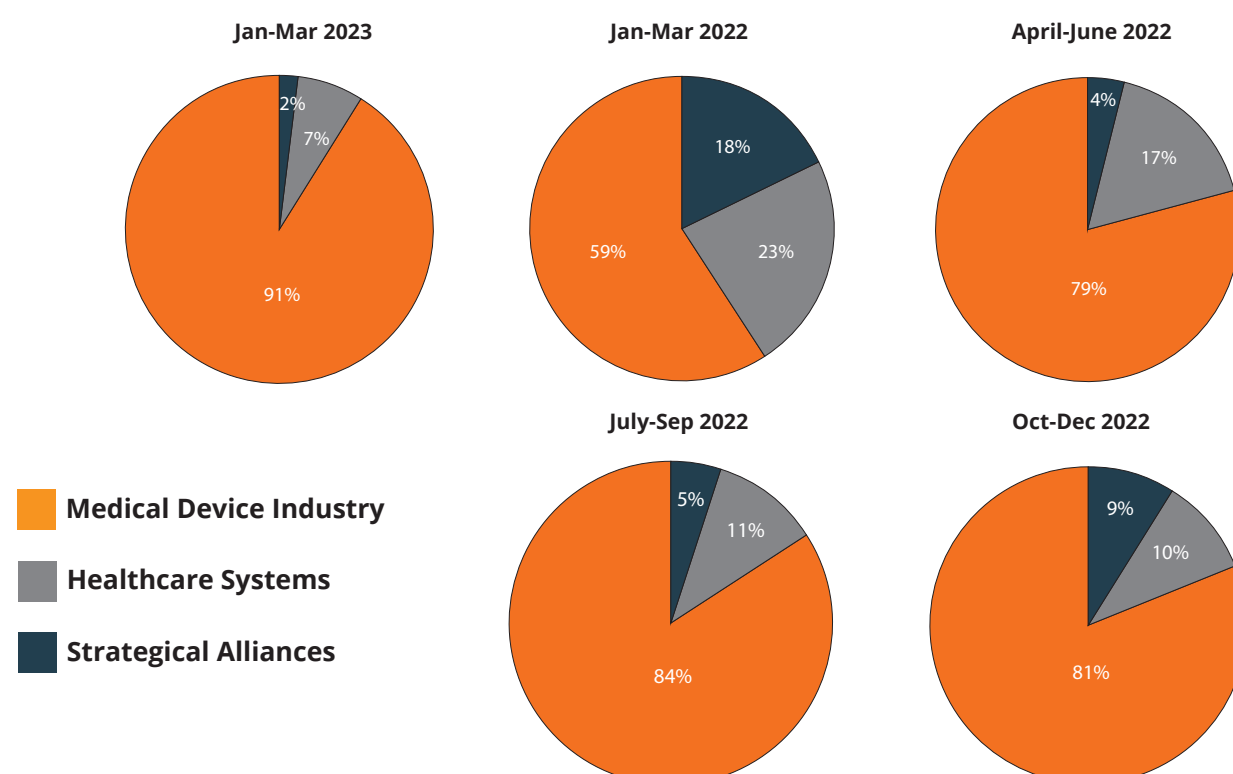
Order intake during the first quarter increased by 6.0% to 57.7 (54.4) MSEK. Of this increase 11% was related to currencies and order intake decreased 5% excluding currency. For the Medical Device Industry, we experience an increase of 63.4% compared to the same quarter last year. This as a result of an inflow of orders from Q4 2022 into 2023. The Medical Device Industry is during the year 79-85% of total order intake.

Actuals for Healthcare Systems decreased by 66.8% compared to last year. This is partly due to a lack of orders from hospitals in the Americas region. In the first quarter of 2022 we received some orders from the United Kingdom because of the shut

down during 2021 due to the pandemic. Healthcare Systems is during the year 10-17% of total order intake.

Strategic alliances decreased by 90.6%, this due to the large Corindus order from Q1 in 2022. In general, the Strategic Alliances is our most volatile business area as some large deals impacts to a great extent, and Strategic Alliances is during the year about 5-9% of total order intake.

Order intake per business area TSEK	Jan-Mar 2023	Jan-Mar 2022	Variance	Full Year 2022
Medical Device Industry	52,627	32,207	63.4%	151,558
Healthcare Systems	4,092	12,317	-66.8%	71,357
Strategic Alliances	932	9,883	-90.6%	29,333
Total	57,651	54,407	6.0%	252,248



FINANCIAL PERFORMANCE. CONT

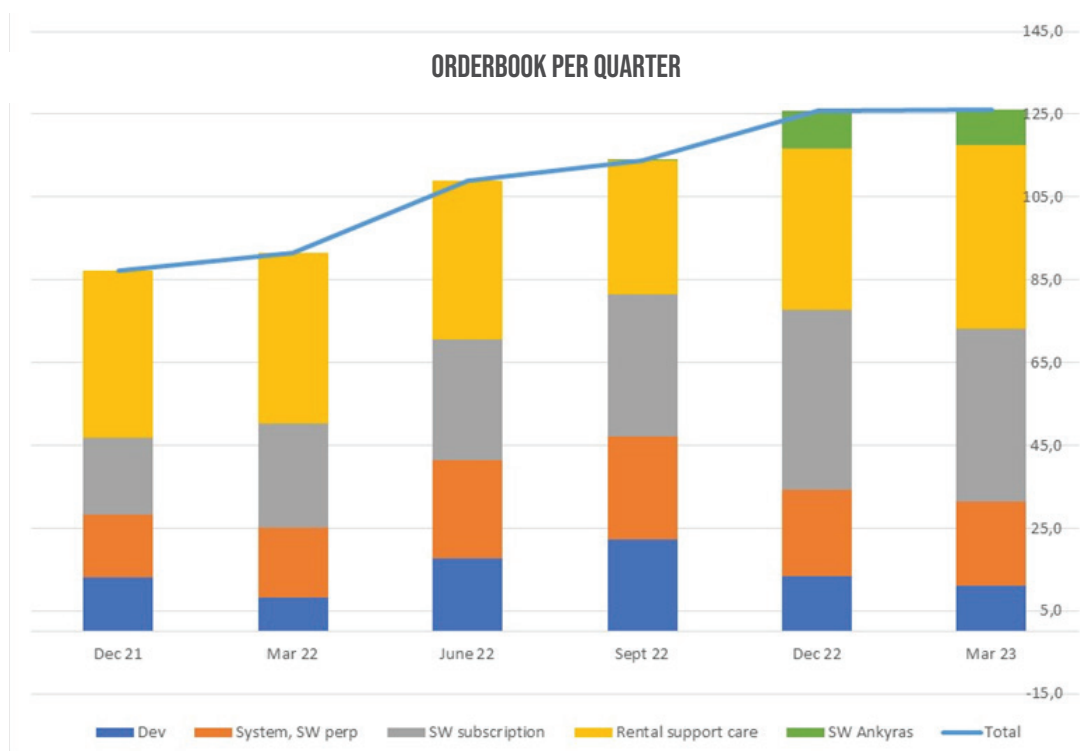
ORDERBOOK

The orderbook closed at 126.2 (91.4) MSEK by the end of the year, which represents growth of 38.1%. The orderbook represents orders received but not yet delivered and was 66.2 MSEK for 2023, 27.5 MSEK for 2024 and 32.5 for years thereafter. Out of the total orderbook per March 31, 37.7 MSEK is for systems and software perpetual, and 11.4 MSEK for software subscription that will be delivered and recognized as net sales in 2023 and 38.9 MSEK for 2024 and onwards. 27.1 MSEK refers to deliveries of rental and support agreements that are to be delivered and recognized as revenue of the coming three years and the remaining 11.1 MSEK is development contracts with customers that will be delivered during 2023.

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, and sales in this dimension are referred to as Segments.

Mentice also reports sales figures for 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.



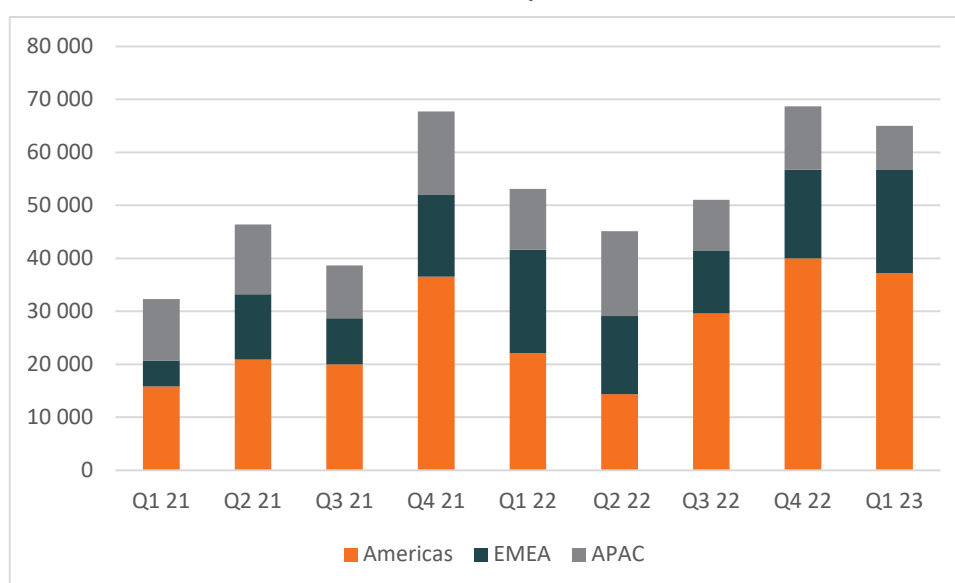
FINANCIAL PERFORMANCE, CONT.

NET SALES PER REGION

The total net sales grew with 22.4%, whereof 5.8% is currency impact and 1.0% is acquired growth from sales of the Ankyras software. Net sales grew in Americas with 68% mainly driven by orders slipping over from 2022 with delivery in the quarter. APAC had a decline as a consequence of that deliveries from the orders in Q4 2022 will have deliveries in the coming quarter (Chinese Medical Education Association, China). EMEA came in at the same level as last year.

Net sales per region TSEK	Jan-Mar 2023	Jan-Mar 2022	Variance	Full year 2022
EMEA	19,574	19,471	0.5%	62,886
APAC	8,205	11,488	-28.6%	48,970
Americas	37,186	22,126	68.1%	106,099
Total	64,965	53,085	22.4%	217,954

NET SALES PER QUARTER



FINANCIAL PERFORMANCE, CONT.

NET SALES PER BUSINESS SEGMENT

Out of the net sales for the first quarter 26.6 (23.0) MSEK came from system sales for capex, where net sales is recognized in full upon delivery of the system.

Another 4.3 (3.4) MSEK came from recurring system sales where net sales are recognized over time for rental period of the systems. 8.0 (4.9) of total net sales came from software licenses sales for capex, where net sales are recognized upon delivery of software together with the system. Furthermore, recurring software licenses amounted to 10.5 (7.2) MSEK and refers to

software licenses sold as subscription model where net sales is recognized over time. Both Accessories & spare parts as well as service net sales are recognized at delivery and came in at 15.6 (14.7) MSEK.

The full year show growth at 22.4% and for all business segments except Accessories & spare parts.

Net sales per business segment TSEK	Jan-Mar 2023	Jan-Mar 2022	Variance	Full year 2022
System sales, Customer's CAPEX	26,641	22,972	16.0%	83,268
System sales, recurring	4,281	3,380	26.7%	17,584
Software licenses, Customer's CAPEX	7,925	4,896	61.9%	28,108
Software licenses, recurring	10,477	7,170	46.1%	34,122
Accessories & spare parts	3,678	5,663	-35.1%	17,498
Service	11,963	9,004	32.9%	37,374
Total	64,965	53,085	22.4%	217,954

OTHER INCOME

Other income was 0.2 (1.6) MSEK for the quarter, all related to exchange rate variances in operating assets and liabilities in foreign currencies.

GROSS PROFIT AND GROSS MARGIN

The gross profit for the first quarter was 55.9 (44.1) MSEK and gross margin was at 86.7 (80.1) % for the first quarter.

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

FINANCIAL PERFORMANCE, CONT.

EBITDA AND OPERATING MARGIN

Earnings before interest, tax, depreciation and amortization, EBITDA, was 7.3 (-1.3) MSEK. This corresponds to an operating margin of 11.2 (-2.5) % for the fourth quarter. The main impact on the operating result for the quarter was the increased gross profit of 11.8 MSEK, partially offset by increased costs of in total -3.1 MSEK.

OTHER EXTERNAL COSTS

Other external costs totaled -12.5 (-14.4) MSEK during the first quarter, which equals a decrease of 13% compared to the same period last year. The decrease is mainly due to lower costs as the impact of efficiency and cost reduction activities in line with our program in the quarter has materialized.

PERSONNEL COSTS

Personnel costs during the first quarter were -36.1 (-31.1) MSEK, which equals an increase of 16%. This increase is mainly driven from increased volume related commission, continuous move of consultants to employees, increased number of personnel compared to the same period last year, salary increase and lower capitalization of salary costs to development.

The number of FTE full time equivalents increased from 114.5 in the first quarter 2022 to 117.5 after the first quarter 2023, but the number at year end was 118.2.

In personnel costs were capitalized expenses included with 0.7 (2.0) MSEK in the first quarter.

CAPITALIZED EXPENSES FOR DEVELOPMENT COSTS

Capitalized expenses for development costs during the first quarter totaled 1.0 (2.5) 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 the standard development and in personnel costs if the original cost is for our own employees.

FINANCIAL ITEMS

Net financial items for the first quarter totaled -0.7 (-0.9) MSEK and are mainly related to exchange rate variances.

The net financial items for the year included -0.2 (-0.1) MSEK of interest expense on lease liabilities. in accordance with IFRS 16.

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

Tax on income for the period was -0.9 (-0.5) MSEK, mainly due to deferred tax on amortization of asset goodwill in the parent company. Net income for the period was -1.5 (-7.4) MSEK. Earnings per share were -0.06 (-0.30) SEK for the first quarter.

CASH FLOW

Cash flow from operations before changes in working capital was 8.9 (-3.9) MSEK for the first quarter, mainly because of better income before tax. Cash flow from changes in working capital for the quarter was -7.8 MSEK compared to 15.1 MSEK in the same quarter last year. The changes in working capital are mainly attributable to a decrease in accounts payable and deferred revenue.

CASH AND FINANCIAL POSITION

Cash at the end of the period was 45.9 (19.3) MSEK. The group's total assets amounted to 303.4 (264.0) MSEK. IFRS 16 affected total assets by 12.8 (18.0) MSEK. Accounts receivable increased during the period to 66.7 (57.2) MSEK, but this is a decrease compared to the year end of 85.6 MSEK. Inventories amounted to 15.2 (9.5) MSEK, which is also a reduction compared to year end. Current liabilities were 127.3 (116.8) MSEK excluding current leasing liability. The carrying amounts of financial assets and liabilities are considered to correspond essentially to fair value.

The company has an overdraft facility of 20 MSEK.

FINANCIAL PERFORMANCE, CONT.

INVESTMENTS

Investments during the first quarter totaled -0.8 (-2.3) MSEK. Of the investments, -0.8 (-2.3) MSEK refers to the capitalization of development costs. No new investments in tangible assets relating to new hardware devices for internal use and customer rentals were made in the quarter.

As at the balance sheet date 31 December 2022, the group carried a payable in the amount of 2.8 MSEK for the remaining purchase price for the assets in Ankyras.

PARENT COMPANY

The parent company is an operating company. Net sales for the parent company amounted to 30.1 (34.5) MSEK for the first quarter. The income for the first quarter corresponds largely to the sales within EMEA and APAC, the development department, and the head office in Sweden. The net income for the period was -18.0 (-0.3) MSEK impacted by the 10.1 MSEK profit liquidating the group company in Switzerland included in the first quarter 2022.

SHARE CAPITAL

The total number of shares as of December 31, 2022 were 25,568,850 (24,764,261) and the share capital was SEK 1,278 million. All shares are ordinary shares with equal voting value. The shares have a quotient value of SEK 0.05.

DISPUTES

The group has no current disputes.

TRANSACTIONS WITH RELATED PARTIES

Board member Denis Gestin has on a consulting basis acted as an advisor to the company in connection with customer related activities within the medical device industry. During the period January through March 2023 Gestin received 0.2 (0.2) MSEK.

Above transaction were conducted based on market value.

THE PURPOSE OF MENTICE

The purpose of Mentice 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 customers and suppliers, related to their supply 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, GBP and USD. In the parent company, 38% (59%) of 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 2021.

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 1,659 shareholders by March 31, 2023. FNCA is the company's certified advisor.

Largest shareholders (source Euroclear 2023-03-31) Name	Number of shares	Shareholding in %
Karin Howell-Bidermann	8,690,980	34.0%
Bure Equity AB (publ)	3,761,659	14.7%
Handelsbanken Microcap Sverige	1,850,000	7.2%
Fjärde AP fonden	1,768,774	6.9%
Medical Simulation Corporation	1,191,074	4.8%
Berenberg Funds	932,391	3.7%
TIN Fonder	812,847	3.2%
Göran Malmberg	711,670	2.8%
Andra AP Fonden	446,620	1.8%
Avanza Pension	373,299	1.5%
10 largest shareholders total	20,539,314	80.5%
Others	5,029,536	19.5%
Total number of shares	25,568,850	

The information regarding shareholders has earlier only been taken from Euroclear and due to this some owners has been clustered into custodians without the correct breakout.

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.

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 describe 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, April 26, 2023

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 2023	Jan-Mar 2022	Full year 2022
Net sales	64,965	53,085	217,954
Other income	235	1,611	2,370
	65,200	54,696	220,324
Raw materials and consumables used	-8,658	-10,559	-29,013
Depreciation of rented assets	-665	-	-2,904
Other external costs	-12,529	-14,372	-52,925
Personnel costs	-36,091	-31,105	-139,405
Depreciation of tangible assets	-2,218	-2,111	-8,952
Amortization and write-down of intangible assets	-4,936	-2,630	-11,077
	-65,097	-60,777	-244,276
Operating profit (EBIT)	103	-6,082	-23,952
Financial income	20	2	1,285
Financial expenses	-755	-855	-1,368
Net financial items	-735	-854	-83
Earnings before tax (EBT)	-632	-6,935	-24,035
Tax	-851	-489	-6,630
Net result for the year	-1,483	-7,425	-30,665
Net result for the year attributable to:			
Shareholders parent company	-1,483	-7,425	-30,665
Earnings per share			
Basic (SEK)	-0.06	-0.30	-1.22
Diluted (SEK)	-0.06	-0.30	-1.22

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

TSEK	Jan-Mar 2023	Jan-Mar 2022	Full year 2022
Net result for the year	-1,483	-7,425	-30,665
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Items that may be reclassified to profit or loss			
Translation difference on translation of foreign operations	-244	-560	-46
Other comprehensive income for the year, net of tax	-244	-560	-46
Total comprehensive income for the year	-1,727	-7,985	-30,711

CONSOLIDATED BALANCE SHEET



TSEK	31 Mar 2023	31 Mar 2022	31 Dec 2022
Assets			
Goodwill	48,235	42,291	48,070
Patents	30,996	17,397	32,618
Trademarks	4,536	-	5,443
Internally developed intangible assets	42,848	46,015	44,285
Tangible assets	12,095	13,536	13,500
Rights-of-use assets	12,846	17,954	14,442
Deferred tax assets	8,930	14,068	9,777
Total non-current assets	160,486	151,260	168,135
Inventories	15,229	9,538	16,861
Accounts receivables	66,735	57,230	85,582
Prepaid costs and accrued income	11,837	22,937	9,858
Other receivables	3,274	3,756	5,255
Cash and cash equivalents	45,873	19,295	47,285
Total current assets	142,948	112,757	164,841
Total assets	303,434	264,017	332,976
Equity and liabilities			
Share capital	1,278	1,238	1,278
Other paid in capital	201,169	144,760	201,169
Retained earnings	-41,181	-17,096	-39,812
Total equity attributable to parent company shareholders	161,266	128,902	162,635
Long term liabilities			
Leasing liabilities long-term	7,062	11,729	8,875
Total long-term liabilities	7,062	11,729	8,875
Accounts payable	8,315	10,967	14,231
Tax liabilities	166	119	99
Other liabilities	3,215	3,982	3,554
Current leasing liability	7,785	6,558	7,800
Accrued expenses and deferred income	115,625	101,759	135,782
Total current liabilities	135,106	123,386	161,466
Total equity and liabilities	303,434	264,017	332,976

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY



TSEK	Share Capital	Other Paid in Capital	Translation reserve	Retained Earnings	Total equity
At 1 January 2022	1,238	144,760	908	-10,019	136,887
Transactions with owners in their capacity as owners					
Profit for the year				-7,425	-7,425
Other comprehensive income for the year			-560		-560
Total comprehensive income for the period			-560	-7,425	-7,985
Closing balance at 31 March 2022	1,238	144,760	348	-17,444	128,902
Transactions with owners in their capacity as owners					
Issue of shares	40	56,460			56,500
Payment of share options		-41			-41
Profit for the year				-23,240	-23,240
Other comprehensive income for the year		-10	-718	1,242	514
Total comprehensive income for the year		-10	-718	-21,998	33,733
Closing balance at 31 December 2022	1,278	201,169	-370	-39,442	162,635
At 1 January 2023	1,278	201,169	-370	-39,442	162,635
Transactions with owners in their capacity as owners					
Goodwill adjustment				358	358
Profit for the year				-1,483	-1,483
Other comprehensive income for the year			-244		-244
Total comprehensive income for the year			-244	-1,125	-1,369
Closing balance at 31 March 2023	1,278	201,169	-614	-40,567	161,266

CONSOLIDATED STATEMENT OF CASH FLOWS



TSEK	Jan-Mar 2023	Jan-Mar 2022	Full year 2022
Operating activities			
Earnings before tax	-632	-6,935	-24,035
Adjustment for non-cash items	8,979	3,272	19,113
Income tax paid	582	-231	-871
Cash flow from operating activities before changes in working capital	8,929	-3,894	-5,793
Change in trade receivables and other current assets	17,876	9,522	-2,279
Change in inventories	1,572	-250	-6,953
Change in trade payables and other current liabilities	-27,224	5,862	29,933
Change in working capital	-7,776	15,134	20,701
Cash flow from operating activities	1,153	11,240	14,908
Investing activities			
Acquisitions of tangible assets	-	-35	-5,526
Capitalisation of internally developed intangible assets	-754	-2,296	-7,528
Acquisition of business, net cash effect	-	-	-19,224
Cash flow from investing activities	-754	-2,331	-32,278
Financing activities			
Payment of share options	-	-	-41
Proceeds from issue of share capital	-	-	60,000
Payment of transaction costs	-	-	-3,500
Amortization of lease liability	-1,770	-1,548	-7,468
Cash flow from financing activities	-1,770	-1,548	48,991
Cash flow for the period	-1,371	7,361	31,621
Opening cash balance	47,285	12,697	12,697
Translation difference on cash and cash-equivalents	-41	-763	2,967
Cash and bank balances at end of period	45,873	19,295	47,285

PARENT COMPANY INCOME STATEMENT



TSEK	Jan-Mar 2023	Jan-Mar 2022	Full year 2022
Net sales	30,067	34,519	135,105
Capitalised expense for development	970	2,296	7,528
Other income	1,116	1,785	11,389
	32,153	38,600	154,022
Raw materials and consumables used	-4,554	-11,136	-40,365
Other external costs	-12,153	-11,171	-40,048
Personnel costs	-22,157	-20,827	-87,432
Depreciation of tangible assets	-305	-239	-1,088
Amortization and write-down of intangible assets	-7,460	-4,897	-20,799
Exchange losses on operating receivables and liabilities	-919	-	-7,219
	-47,548	-48,270	-196,951
Operating profit (EBIT)	-15,395	-9,670	-42,929
Financial income	134	10,341	15,752
Financial expenses	-2,703	-999	-4,269
Net financial items	-2,569	9,342	11,483
Result after financial items	-17,964	-328	-31,446
Earnings before tax (EBT)	-17,964	-328	-31,446
Tax	-	-	-1,389
Net result for the year	-17,964	-328	-32,835

PARENT COMPANY BALANCE SHEET



TSEK	31 Mar 2023	31 Mar 2022	31 Dec 2022
Assets			
Intangible and tangible assets			
Goodwill	27,912	31,939	30,552
Patents	31,566	18,355	33,288
Trademarks	4,535	-	5,442
Internally developed in-tangible assets	42,848	46,015	44,285
Tangible assets	3,176	3,303	3,482
Financial assets			
Shares in group companies	19,705	19,591	19,705
Receivables from group companies	6,047	9,173	10,213
Deferred tax assets	6,615	7,966	6,615
Total non-current assets	142,404	136,341	153,582
Inventories	11,014	6,555	10,104
Accounts receivables	28,057	40,466	50,087
Current receivables from group companies	1,807	1,446	2,701
Prepaid costs and accrued income	9,874	8,763	7,922
Other receivables	2,889	3,387	4,768
Cash and cash equivalents	33,513	7,734	36,419
Total current assets	87,154	68,351	112,001
Total assets	229,558	204,692	265,583
Equity and liabilities			
Restricted equity			
Share capital	1,278	1,238	1,278
Fund for development costs	46,566	53,258	48,468
Non-restricted equity			
Other paid in capital	201,169	144,750	201,169
Retained earnings	-93,078	-66,935	-62,145
Net result for the year	-17,964	-328	-32,835
Total equity	137,971	131,983	155,935
Long term liabilities			
Liabilities to group companies	909	1,832	970
Total long-term liabilities	909	1,832	970
Current liabilities			
Accounts payable	5,492	9,503	9,383
Tax liabilities	-	-	79
Current liabilities to group companies	3,245	1,242	2,068
Other liabilities	1,559	1,979	1,778
Accrued expenses and de-ferred Income	80,382	58,153	95,370
Total current liabilities	90,678	70,876	108,678
Total equity and liabilities	229,558	204,692	265,583

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

TSEK	Restricted equity		Non-restricted equity		Net result for the year	Total equity
	Share capital	Fund for development costs	Share premium reserve	Retained earnings		
At 1 January 2022	1,238	52,914	144,750	-35,316	-31,275	132,311
Proposed appropriation of profits				-31,275	31,275	-
Transactions with owners in their capacity as owners						
Issue of shares						
Payment of share options						
Profit for the year		344		-344	-328	-328
Other comprehensive income for the year						
Total comprehensive income for the year					-328	-328
Closing balance at 31 March 2022	1,238	53,258	144,750	-66,935	-328	131,983
Transactions with owners in their capacity as owners						
Issue of shares	40		56,460			56,500
Payment of share options			-41			-41
Profit for the year		-4,790		4,790	-32,507	-32,507
Other comprehensive income for the year						
Total comprehensive income for the year					-32,507	-32,507
Closing balance at 31 December 2022	1,278	48,468	201,169	-62,145	-32,835	155,935
At 1 January 2023	1,278	48,468	201,169	-62,145	-32,835	155,935
Proposed appropriation of profits				-32,835	32,835	
Transactions with owners in their capacity as owners						
Issue of shares						
Payment of share options						
Profit for the year		-1,902		1,902	-17,964	-17,964
Other comprehensive income for the year						
Total comprehensive income for the year					-17,964	-17,964
Closing balance at 31 March 2022	1,278	46,566	201,169	-93,078	-17,964	137,971

NOTER

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 2022.

BASES OF VALUATION APPLIED IN THE PREPARATION OF THE FINANCIAL STATEMENTS

Assets and liabilities are recognized at historical cost except for currency derivatives, which are measured at fair value. As per March 31, 2023, the total actual value of forward contracts was 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 connection with accounts receivable and are placed at the time of ordering. Other future cash flows are not hedged. 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. When the change is made if the change affects only that period, or in the period when the change is made and future periods if the change affects both the current period and future periods.

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.

BUSINESS SEGMENTS

Mentice's business is divided into three business segments, which reflect the group's operations, financial management and management structure. These three business segments are System, Software licenses and Service and we also added accessories and spare parts separately within the System group

- System - sales and rental revenues including accessories and spare parts from hardware
- Software licenses - sales of licenses both perpetual and subscription model
- Service - sales of support, development, and other service contracts

TSEK	System sales				Software licenses		Service		Total Group	
	System sales		Accessories & spareparts							
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Sales for "customer" capital expenditure	26,641	22,972	3,678	5,663	7,925	4,896	11,963	9,004	50,207	42,535
Recurring revenue	4,281	3,380	-	-	10,477	7,170	-	-	14,758	10,550
Total	30,922	26,352	3,678	5,663	18,402	12,066	11,963	9,004	64,965	53,085
Raw materials and consumables used	-7,452	-8,019	-1,620	-2,383	-	-	-252	-157	-9,323	-10,559
Gross profit	23,471	18,333	2,058	3,280	18,402	12,066	11,711	8,847	55,642	42,526
Gross profit %	75.9%	69.6%	56.0%	57.9%	100%	100%	97.9%	98.3%	85.6%	80.1%

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

Order intake – The value of orders received during the period.

Net sales – sales of products and services are normally recognized in connection with delivery to customer, depending on the terms of delivery. Services, software and projects that run over several periods are recognized as net sales over time.

Order book – Amount of not yet delivered products and services.

Order intake rolling 12 months – 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 fourth quarter.

Net sales rolling 12 months – 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 fourth quarter.

Gross profit – Net sales with deduction for cost of goods sold. The indicator shows profitability before fixed costs.

Gross profit margin – Gross profit as a part of net sales. The measure is used to measure operational profitability before fixed costs.

EBITDA – 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.

EBITDA margin – EBITDA as part of net sales. The measure is used to measure operating profitability, independent of financing, impairment and depreciation.

EBITDA rolling 12 months – 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.



FINANCIAL TARGETS, SHORT TO MEDIUM TERM

REVENUE GROWTH

30 – 40% average annual revenue growth during short to medium term (next 3–5 years).

PROFITABILITY

30% EBITDA margin within short to medium term (3–5 years).

DIVIDEND POLICY

Mentice is a company on a rapidly growing market. In order to capitalise on its market opportunities, the company will prioritise growth, both organic and through acquisitions.

ABOUT MENTICE

BUSINESS OPERATIONS

Mentice is a company that offers high-technology solutions for simulation to the medical sector with 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 it offers 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

20+

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

ANNUAL GENERAL MEETING
INTERIM REPORT APR-JUN 2023
INTERIM REPORT JUL-SEP 2023

MAY 11, 2023
JULY 20, 2023
OCTOBER 26, 2023

MENTICE'S INTERIM REPORTS AND ANNUAL REPORTS ARE AVAILABLE ON WWW.MENTICE.COM

