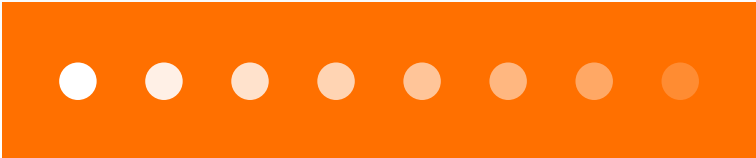




YEAR END REPORT
JAN – DEC 2024





STRONG CLOSING QUARTER

SIGNIFICANT EVENTS DURING THE FOURTH QUARTER 2024 (OCT – DEC)

- Mentice announced the recruitment of Frans Venker as new CEO, starting Jan 1, 2025.
- The order intake during the quarter increased due to large orders received and announced:
 - A significant order from a top 20 global Med Tech company of 630,000 USD.
 - A significant order from a top 20 global Med Tech company of 1,062,750 EUR.
 - A significant order from a top 20 global Med Tech company of 912,200 USD.
- Mentice launched a patient specific simulation product, the VIST®/Ankyras® integration, allowing physicians to rehearse a procedure based on the results of an Ankyras® simulation.

SIGNIFICANT EVENTS AFTER END OF PERIOD

- Mentice announced a significant order from a top 20 global Med Tech company of 648,410 USD.

FOURTH QUARTER 2024 (OCT – DEC)

- Order intake amounted to 108.7 (103.9) MSEK, an increase of 5%.
- Net sales amounted to 86.2 (70.4) MSEK, an increase of 22.4%, whereof 21.4% organic, 1.2% acquired and -0.2% currency effect.
- Earnings before interest, tax, depreciation, and amortization (EBITDA) amounted to 16.6 (2.3) MSEK.
- EBITDA adjusted for one-time costs amounts to 24.1 (2.3) MSEK.
- Net income for the period amounted to 2.0 (-2.8) MSEK.
- Earnings per share (EPS) were 0.08 (-0.11) SEK.
- Cash flow from operating activities amounted to 13.4 (-8.3) MSEK.

FULL YEAR 2024 (JAN - DEC)

- Order intake amounted to 278.9 (304.2) MSEK, a decrease of -8%.
- The order book by the end of the period was 138 (156) MSEK, a decrease of -12%.
- Net sales amounted to 290.3 (273.6) MSEK, an increase of 6.1%, whereof 5.3% organic, 1.4% acquired and -0.6% currency effect.
- Earnings before interest, tax, depreciation, and amortization (EBITDA) amounted to 16.6 (24.2) MSEK.
- EBITDA adjusted for one-time costs amounts to 24.1 (24.2) MSEK.
- Net income for the period amounted to -18.4 (-2.8) MSEK.
- Earnings per share (EPS) were -0.72 (-0.11) SEK.
- Cash flow from operating activities amounted to 17.9 (36.5) MSEK.

COMMENTS BY THE CEO FRANS VENKER



I am honored to join this innovative company with a strong history of driving advancements in the field of image-guided therapy (IGT) and with a focus on improving patient outcomes and lowering medical costs, through advanced medical simulation. In this letter, I'll provide an overview of the company's Q4 2024 performance and share my perspective on Mentice's future potential and the direction we'll pursue to unlock it.

Q4 AND FULL-YEAR FINANCIAL PERFORMANCE

Q4 marked a strong quarter to finishing the year, delivering solid performance across the board, with strong cash flow in the quarter. Order intake increased 5% year-over-year to 109 MSEK, while revenue grew 22% to 86 MSEK. EBITDA showed significant improvement, reaching 17 MSEK compared to 2 MSEK in Q4 2023.

For the full year 2024, we achieved 6% revenue growth to 290 MSEK, with organic growth of 5%. Full-year order intake declined 8% to 279 MSEK (304). While our full-year EBITDA remained below target due to the challenging first and third quarter, our Q4 recovery demonstrated the fundamental strength of our business model and the effectiveness of our cost control measures.

Regional performance showed variations. The Americas region, while maintaining its position as our largest market contributing over 50% of revenue, delivered only 1% growth for the year – well below our expectations. EMEA showed modest improvement with 5% growth, while APAC demonstrated strong momentum with 28% growth. The performance in our US business, our largest and most strategic market, is receiving our full attention. We have identified key areas for improvement. We are implementing specific measures for both Medical Device Industry opportunities and for Hospitals networks to strengthen our commercial execution during 2025.

BUSINESS AND PRODUCT DEVELOPMENT

The significant orders announced at the start of Q4 from two medical device companies contributed to our improved Q4 performance. Our pipeline development has been particularly encouraging, with growing interest in our expanded portfolio.

For the full year 2024, Medical Device Industry order intake was 224 MSEK, down 7% from the previous year. Healthcare Systems reached 47 MSEK, up 9%, and Strategic Alliances amounted to 8 MSEK (21). As the business naturally sees quarterly variations due to the size and timing of project-based orders, we focus on twelve-month rolling performance to evaluate our development, particularly in North America, where returning to order intake growth is our key priority.

We made progress on our strategic initiatives in Q4, including the launch of our next-generation Neurovascular (NV) simulation platform NV Connect and the VIST Ankyras integration. The Ankyras integration is critical for us to accelerate growth while also unlocking synergies across our product portfolio. These new solutions enhance our ability to support physician training and improve clinical workflows. We also expanded our remote training capabilities to better serve evolving customer needs, while advancing the integration of our recent acquisitions in physical simulation and therapy support.

STRATEGIC PRIORITIES AND FOCUS

We are maintaining our overall strategy while putting efforts into operational and commercial execution. Our primary focus remains on both the Medical Device Industry and on strengthening our position in Healthcare Systems. Through our Strategic Alliances, we continue leveraging our unique interface with Image Guided Therapy lab providers to drive growth.

Key near-term priorities include completing the integration of our acquisitions in physical simulation and therapy support to maximize their value contribution. We are also strengthening our commercial organization, particularly in the US market, to capitalize on our pipeline of opportunities.

Our R&D investments continue to focus on maintaining our technology leadership position, while we optimize operations across the organization to improve efficiency and financial performance. With a strong organization, we will continue developing our talent base to support our growth ambitions. In my first months, I will conduct a thorough review of our organization and operations to identify additional opportunities for growth and value creation.

A PROMISING FUTURE BUILT ON A STRONG FOUNDATION

I am excited about Mentice's future. We have a solid foundation to build upon, with innovative technologies, deep customer relationships, and a talented team. Mentice has a unique position at the intersection of imaging, device therapy, and clinical care. The combination of Mentice's established excellence in simulation technology with targeted improvements in our commercial execution creates a compelling platform for future growth.

I want to thank Göran Malmberg for his 17 years of leadership and dedication to Mentice. He has positioned the company for a bright future, and it's a privilege to build upon his legacy.

With the right strategies and a relentless focus on execution, Mentice will reach new heights in the years ahead. I am honored to lead Mentice into its next chapter and will work tirelessly to create value for our customers, shareholders, employees, and patients.

Gothenburg, February 2025

Frans Venker, CEO
Mentice

KEY FIGURES

	Oct-Dec 2024	Oct-Dec 2023	Change	Jan-Dec 2024	Jan-Dec 2023	Change
Order intake, MSEK	108.7	103.9	4.7%	278.9	304.2	-8.3%
- whereof Medical Device Industry (MDI)	97.1	78.2	24.2%	224.2	240.2	-6.7%
- whereof Healthcaresystems (HCS)	10.7	10.2	4.3%	47.2	43.1	9.3%
- whereof Strategic Alliances (SA)	1.0	15.5	-93.7%	7.6	20.9	-63.7%
Order book (end of period), MSEK	137.6	156.3	-12.3%	137.6	156.3	-12.3%
Net sales, MSEK	86.2	70.4	22.4%	290.3	273.6	6.1%
Sales, MSEK	87.0	69.7	25.8%	291.8	275.1	6.3%
Gross margin, %	88.8%	85.8%		88.7%	85.3%	
Earnings before interest, tax, depreciation, and amortization (EBITDA), MSEK	16.6	2.3		16.6	24.2	
EBITDA-margin, %	19.1%	3.3%		5.7%	8.8%	
Income before tax (EBT), MSEK	5.1	-2.5		-13.5	0.0	
Income for the period, MSEK	2.0	-2.8		-18.4	-2.8	
Earnings per share, SEK	0.08	-0.11		-0.72	-0.11	
Cash-flow from operations, MSEK	13.4	-8.3		17.9	36.5	
Cash at the end of the period, MSEK	53.6	59.1		53.6	59.1	
Equity/Asset ratio, %	44.4%	49.3%		44.4%	49.3%	
Average FTE for the quarter and full year	134.8	122.5		131.8	115.0	

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. The continuous goal for Mentice 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.

Q4 ORDER INTAKE

The order intake during the fourth quarter increased by 4.7% to 109 (104) MSEK. Total order intake for the full year decreased by -8.3% and amounted to 279 (304) MSEK.

The order intake for the Medical Device Industry increased by 24.2% during the quarter since Mentice received several larger orders during the quarter. The order intake for the full year decreased by -6.7% and amounted to 224 (240) MSEK.

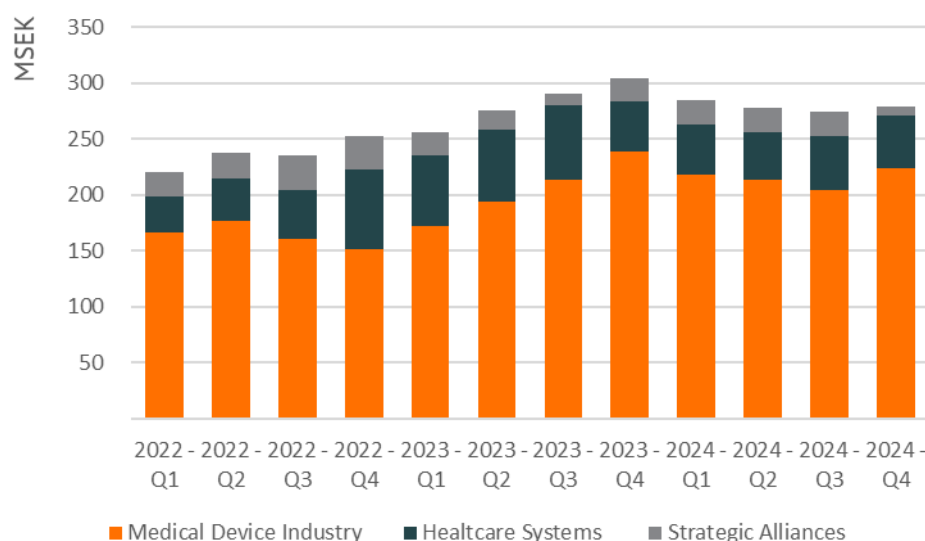
Healthcare Systems had a good order intake in the fourth quarter and increased by 4.3%. The order intake for the full year increased by 9.3% and amounted to 47 (43) MSEK.

For Strategic Alliances, the order intake decreased by -93.7% in the fourth quarter. The order intake for the full year decreased by -63.7% and amounted to 7.6 (20.9) MSEK.

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 areas TSEK	Oct-Dec 2024	Oct-Dec 2023	Change	Jan-Dec 2024	Jan-Dec 2023	Change
Medical Device Industry (MDI)	97,093	78,167	24.2%	224,156	240,244	-6.7%
Healthcare Systems (HCS)	10,674	10,236	4.3%	47,151	43,125	9.3%
Strategic Alliances (SA)	968	15,469	-93.7%	7,574	20,864	-63.7%
Total	108,735	103,871	4.7%	278,881	304,233	-8.3%

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. 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 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. 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 is run and followed up.*

Q4 ORDER INTAKE

Product area Mentice VIST® increased by 5.5% during the quarter due to strong order intake within the Medical Device Industry (MDI) business area. Order intake for the full year decreased by -9.6% to 252 (279) MSEK.

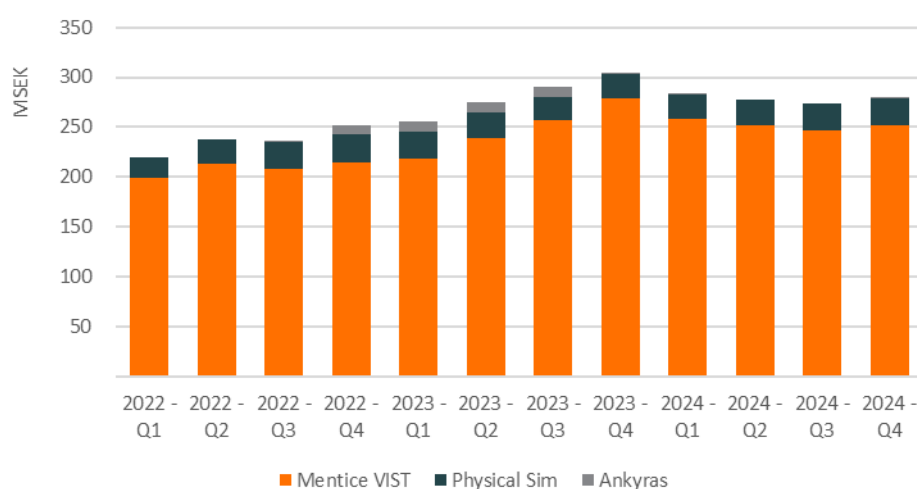
Physical Sim decreased by -6.5% during the quarter. Order intake for the full year increased by 11.6% to 26 (24) MSEK.

Order intake for Product area Ankyras® decreased for the full year by -89.2% to 0.2 (1.6) MSEK.

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	Oct-Dec 2024	Oct-Dec 2023	Change	Jan-Dec 2024	Jan-Dec 2023	Change
Mentice VIST®	100,699	95,462	5.5%	252,317	278,979	-9.6%
Physical Sim	7,863	8,409	-6.5%	26,391	23,657	11.6%
Ankyras®	173	0	-	173	1,597	-89.2%
Total	108,735	103,871	4.7%	278,881	304,233	-8.3%

ORDER INTAKE PER PRODUCT AREA ROLLING FOUR QUARTERS (MSEK)



ORDER BOOK

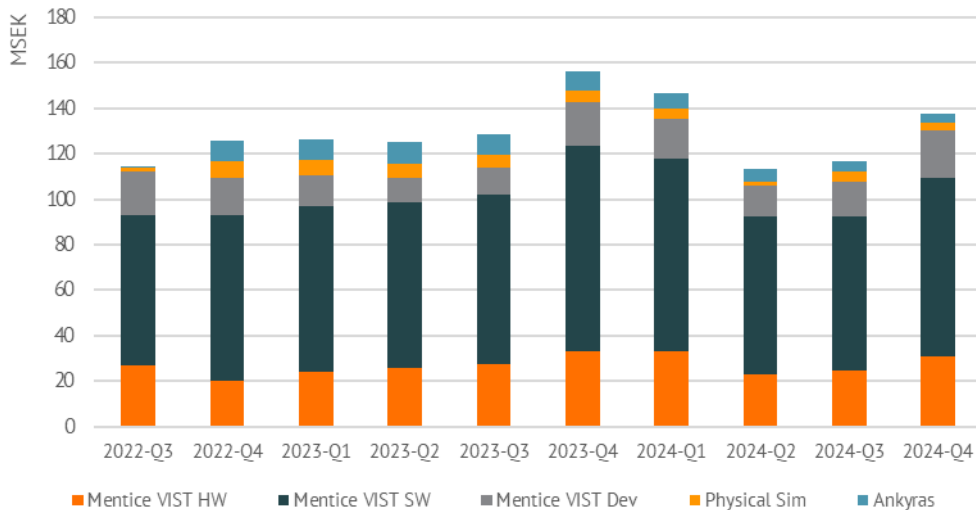
The order book at the end of the quarter decreased by -12% and amounted to 138 (156) MSEK, where 96 MSEK is related to future revenue to be recognized in 2025. The order book represents orders received and which will be recognized as net sales in the coming periods.

The orderbook has been adjusted with 12 MSEK during the period, due to an order placed before 2023 with an undefined delivery date.

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	2025	2026-
Mentice VIST®	89,126	41,355
- Hardware	22,615	8,106
- License/software	45,456	33,249
- Development	21,055	0
Physical Sim	3,018	65
Ankyras®	4,002	52
Total	96,146	41,472

ORDER BOOK PER QUARTER (MSEK)



NET SALES

The group's net sales consist of sales of 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.

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 product areas, Mentice VIST® (including Mentice Live), Physical Sim and Ankyras®.

NET SALES PER REGION

The total net sales in the quarter increased by 22.4%, whereof 21.4% organic, 1.2% acquired growth and -0.2% currency impact.

The total net sales for the full year increased by 6.1%, whereof 5.3% organic, 1.4% acquired growth and -0.6% currency impact.

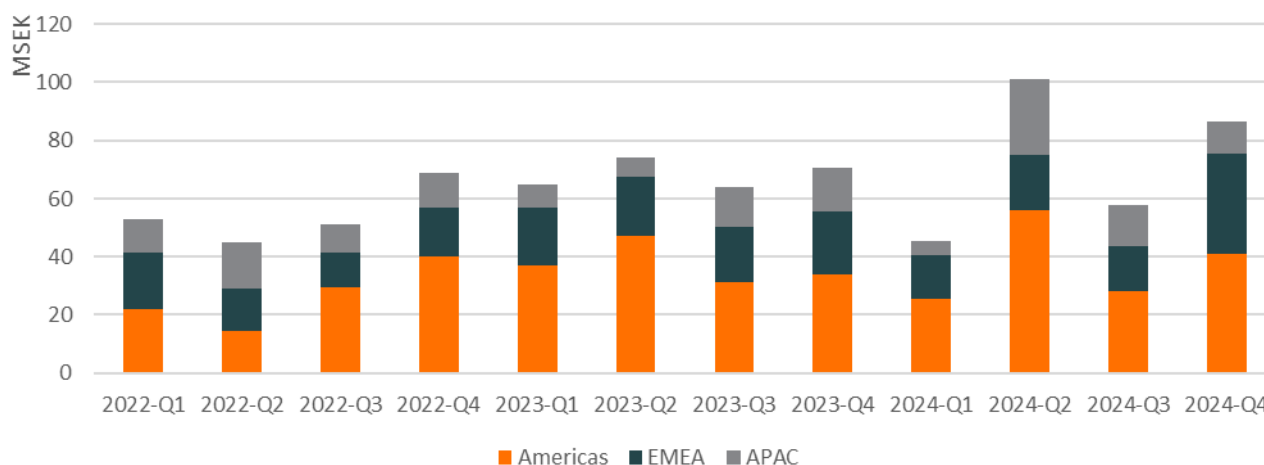
Net sales increased in EMEA by 61.5% in the quarter. For the full year the region increased by 4.8%. The increase during the quarter and the full year is related to growth in the Medical Device Industry segment.

APAC decreased by -26.4% in the quarter. For the full year the region increased by 27.6%. The decrease in the quarter is related to the Medical Device Industry segment. For the full year the Medical Device Industry accounts for a major part of the growth.

Americas increased by 19.6% in the quarter. For the full year the region increased by 0.5%. The increase in the quarter is related to the growth in the Medical Device Industry segment.

Net sales per region TSEK	Oct-Dec 2024	Oct-Dec 2023	Change	Jan-Dec 2024	Jan-Dec 2023	Change
EMEA	34,420	21,318	61.5%	84,161	80,286	4.8%
APAC	11,093	15,076	-26.4%	55,911	43,801	27.6%
Americas	40,703	34,040	19.6%	150,257	149,522	0.5%
Total	86,216	70,434	22.4%	290,329	273,610	6.1%

NET SALES PER QUARTER



NET SALES PER SEGMENT*

Out of the net sales for the quarter 78 (65) MSEK came from product area Mentice VIST®. For the full year the segment increased by 2.3%.

Product area Physical Sim had net sales of 7.4 (4.4) MSEK for the quarter. For the full year the segment increased by 68.8%.

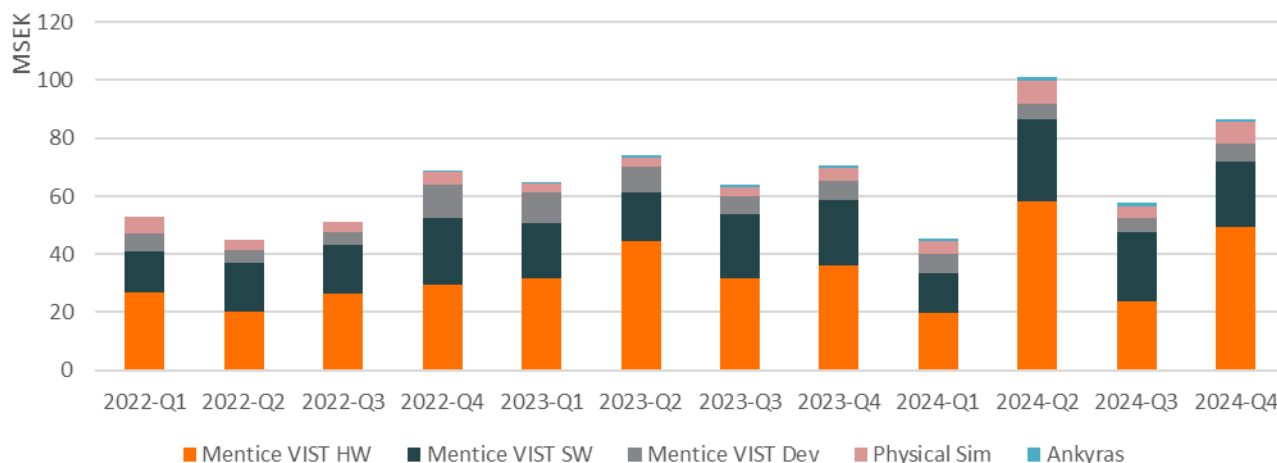
1.0 (0.8) MSEK of net sales for the quarter came from Ankyras®. For the full year the segment increased by 34.6%.

The quarter showed a total increase of 22.4%. The full year showed a total increase of 6.1%.

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

Net sales per product segment TSEK	Oct-Dec 2024	Oct-Dec 2023	Change	Jan-Dec 2024	Jan-Dec 2023	Change
Mentice VIST®	77,823	65,199	19.4%	262,239	256,369	2.3%
- Hardware	49,355	36,093	36.7%	151,313	143,885	5.2%
- License/software	22,360	22,368	0.0%	88,494	80,303	10.2%
- Development	6,108	6,738	-9.3%	22,432	32,181	-30.3%
Physical Sim	7,394	4,444	66.4%	24,119	14,291	68.8%
Ankyras®	999	792	26.1%	3,971	2,950	34.6%
Total	86,216	70,434	22.4%	290,329	273,610	6.1%

NET SALES PER QUARTER



OTHER INCOME

Other income was 0.8 (-0.7) MSEK for the quarter. For the full year other income amounted to 1.5 (1.5) MSEK. This is contribution from Vinnova for R&D projects.

GROSS PROFIT AND GROSS MARGIN

The gross profit for the fourth quarter was 77.2 (60.4) MSEK and gross margin was at 88.8 (85.8) %. For the full year the gross profit was 257.1 (233.5) MSEK and the gross margin was 88.7 (85.3) %.

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 is also affected by the mix of regions for net sales.

EBITDA AND EBITDA MARGIN

Earnings before interest, tax, depreciation and amortization, EBITDA, amounted to 16.6 (2.3) MSEK for the quarter. This corresponds to an EBITDA margin of 19.1 (3.3) % for the fourth quarter.

Earnings before interest, tax, depreciation and amortization, EBITDA, amounted to 16.6 (24.2) MSEK for the full year. This corresponds to an EBITDA margin of 5.7 (8.8) %.

Adjusted for one-time costs, amounting to 7.5 MSEK related to change of CEO, earnings before interest, tax, depreciation and amortization, EBITDA, amounted to 24.1 (2.3) MSEK for the quarter and 24.1 (24.2) MSEK for the full year. This corresponds to an EBITDA margin of 8.3 (8.8) %.

OTHER EXTERNAL COSTS

Other external costs amounted to -14.8 (-20.2) MSEK during the fourth quarter, which equals a decrease of 26.9% compared to the same period last year. While actively managing the cost base the company invests in the future through the Strategic initiatives presented at the Capital Markets Day in March 2024, as well as in selectively investing in the global sales force and in actions to improve efficiency and performance management to enable scaling of the business. In addition, to some extent the increase in costs compared to last year is related to consultants holding vacant employee positions and non-recurring recruitment costs of approx. 1.4 MSEK.

Other external costs amounted to -75.9 (-62.6) MSEK during the full year, which equals an increase of 21.2% compared to the last year.

PERSONNEL COSTS

Personnel costs during the fourth quarter were -45.8 (-37.2) MSEK, which equals an increase of 23.2%. The increase for the quarter is related to the increase in the number of employees compared to last year, also with a cost of 7.5 MSEK related to change of CEO.

Personnel costs during the full year were -164.6 (-148.2) MSEK, which equals an increase of 11.1%. Recruitments have been made mainly in the Americas and EMEA regions within Sales and Development.

Personnel costs include capitalized costs for development with 1.9 (0.4) MSEK for the quarter and with 10.0 (2.0) MSEK for the full year.

The number of FTE, full-time equivalents average, amounted to 134.8 during the quarter, which is an increase compared with the same period 2023 which amounted to 122.5. This represents an increase of 10.0%.

CAPITALIZED EXPENSES FOR DEVELOPMENT COSTS

Capitalized expenses for development costs during the fourth quarter amounted to 3.5 (0.5) MSEK and for the full year 15.2 (2.4) 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 own employees.

FINANCIAL ITEMS

Net financial items for the quarter amounted to -0.9 (1.1) MSEK. Net financial items for the full year amounted to -1.1 (0.7) MSEK.

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

Tax on income for the fourth quarter was -3.1 (-0.4) MSEK. Net income for the fourth quarter was 2.0 (-2.8) MSEK. Earnings per share were 0.1 (-0.1) SEK for the fourth quarter.

Tax on income for the full year was -4.9 (-2.8) MSEK. Net income for the full year was -18.4 (-2.8) MSEK and Earnings per share were -0.7 (-0.1) SEK.

CASH FLOW

Cash flow from operating activities before changes in working capital was 12.7 (4.3) MSEK for the fourth quarter. Cash flow from change in working capital was 0.7 MSEK compared to -12.6 MSEK in the same period last year. Cash flow from operating activities amounted to 13.4 (-8.3) MSEK.

For the full year Cash flow from operating activities amounted to 17.9 (36.5) MSEK.

CASH AND FINANCIAL POSITION

Cash at the end of the period was 53.6 (59.1) MSEK. The group's total assets amounted to 323.9 (322.5) MSEK. IFRS 16 affected total assets by 8.0 (8.3) MSEK. Accounts receivable increased compared to the same quarter last year and amounted to 97.5 (85.5) MSEK.

Inventories amounted to 17.4 (14.1) MSEK. Current liabilities were 175.5 (163.6) 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 fourth quarter amounted to 3.8 (3.4) MSEK, whereof 3.5 (0.5) MSEK refers to the capitalization of development

costs. The remaining 0.3 (2.9) MSEK refers to investments in tangible assets, mostly in hardware devices for internal use but also for rental.

Investments during the full year amounted to 16.4 (7.9) MSEK.

PARENT COMPANY

The parent company is an operating company based in Gothenburg, Sweden. Net sales for the fourth quarter for the parent company amounted to 67.7 (53.0) MSEK. The gross margin amounted to 84.8 (84.9) % for the quarter. The net income for the period was 2.5 (-1.3) MSEK.

For the full year net sales amounted to 200.6 (187.2) MSEK with a gross margin of 83.9 (86.0) % and the net income for the period was -33.7 (-16.9) MSEK.

SHARE CAPITAL

The total number of shares as of December 31, 2024, was 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 December 2024, Denis Gestin received 1.1 (1.0) 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 healthcare 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 risks with customers and suppliers, operational risks 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. Net sales and costs in the other subsidiaries are mainly in EURO or USD.

After the end of the period the new administration in the US announced the intentions to introduce measures, which needs to be evaluated regarding effect on the company.

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 1 608 shareholders by December 31, 2024. FNCA is the company's certified advisor.

Largest shareholders (source Euroclear 2024-12-31) Name	Number of shares	Shareholding in %
Karin Howell-Bidermann	8,690,980	33.99%
Bure Equity	3,761,659	14.71%
Fjärde AP-fonden	1,971,000	7.71%
Gulf Offshore Limited	1,842,052	7.20%
Medical Simulation Corporation	1,191,074	4.81%
Avanza Pension	1,175,240	4.60%
Göran Malmberg	711,670	2.78%
Andra AP-fonden	446,620	1.75%
Schroders	400,000	1.56%
Handelsbanken Liv Försäkring AB	388,913	1.52%
10 largest shareholders total	20,579,208	80.64%
Others	4,989,642	19.36%
Total number of shares	25,568,850	100.00%

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 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, February 12, 2025
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

Frans Venker
CEO



CONSOLIDATED INCOME STATEMENT

TSEK	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Net sales	86,216	70,434	290,329	273,610
Other income	824	-745	1,483	1,514
Operating income	87,040	69,690	291,811	275,124
Raw materials and consumables used	-9,735	-9,378	-33,084	-37,229
Depreciation of rented assets	-63	-620	-1,627	-2,856
Other external costs	-14,787	-20,227	-75,916	-62,633
Personnel costs	-45,827	-37,193	-164,625	-148,233
Depreciation of tangible assets	-6,832	-2,274	-13,714	-9,240
Amortization and write-down of intangible assets	-3,838	-3,558	-15,242	-15,611
Operating cost	-81,081	-73,251	-304,208	-275,803
Operating profit (EBIT)	5,959	-3,561	-12,397	-679
Financial income	236	603	1,562	1,072
Financial expenses	-1,111	503	-2,668	-405
Net financial items	-876	1,106	-1,106	667
Earnings before tax (EBT)	5,083	-2,455	-13,502	-13
Tax	-3,047	-368	-4,918	-2,805
Net result for the year	2,037	-2,823	-18,420	-2,817
Net result for the year attributable to:				
Shareholders parent company	2,037	-2,823	-18,420	-2,817
Earnings per share				
Basic (SEK)	0.08	-0.11	-0.72	-0.11
Diluted (SEK)	0.08	-0.11	-0.72	-0.11

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

TSEK	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Net result for the year	2,037	-2,823	-18,420	-2,817
Other comprehensive income				
Translation difference on translation of foreign operations	2,108	-1,614	2,094	-1,060
Other comprehensive income for the year, net of tax	673		673	
Total comprehensive income for the year	4,818	-4,437	-15,653	-3,878

CONSOLIDATED BALANCE SHEET

TSEK	31 Dec 2024	31 Dec 2023
Assets		
Goodwill	48,508	48,508
Patents	24,648	28,253
Trademarks	2,419	3,628
Internally developed intangible assets	41,527	37,144
Tangible assets	8,637	11,566
Right-of-use assets	7,727	8,336
Deferred tax assets	5,421	8,028
Total non-current assets	138,886	145,464
Inventories	17,419	14,104
Accounts receivables	97,492	85,496
Prepaid costs and accrued income	11,851	13,488
Other receivables	3,620	3,222
Current tax assets	1,045	1,633
Cash and cash equivalents	53,586	59,121
Total current assets	185,012	177,063
Total assets	323,899	322,526
Equity and liabilities		
Share capital	1,278	1,278
Other paid in capital	201,728	201,385
Retained earnings	-59,344	-43,690
Total equity attributable to parent company shareholders	143,663	158,973
Long term liabilities		
Leasing liabilities long-term	4,727	2,144
Total long-term liabilities	4,727	2,144
Accounts payable	12,940	15,582
Other liabilities	5,120	4,134
Current leasing liability	4,409	7,413
Accrued expenses and deferred income	153,041	134,281
Total current liabilities	175,510	161,410
Total equity and liabilities	323,899	322,526

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

TSEK	Share Capital	Other Paid in Capital	Translation reserve	Retained Earnings	Total equity
At 1 January 2023	1,278	201,169	-370	-39,442	162,635
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
Total comprehensive income for the period			-1,061	-2,817	-3,878
Closing balance at 31 December 2023	1,278	201,385	-1,431	-42,259	158,973
At 1 January 2024	1,278	201,385	-1,431	-42,259	158,973
Transactions with owners in their capacity as owners					
Other, share premium reserve		343			343
Profit for the year				-18,420	-18,420
Other comprehensive income for the year			2,094	673	2,767
Total comprehensive income for the year			2,094	-17,747	-15,653
Closing balance at 31 December 2024	1,278	201,728	663	-60,006	143,663

CONSOLIDATED STATEMENT OF CASH FLOWS

TSEK	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Operating activities				
Earnings before tax	5,083	-2,455	-13,502	-13
Adjustment for Non-cash items	9,366	7,135	30,456	28,090
Income tax paid	-1,722	-397	-4195	-632
Cash flow from operating activities before changes in working capital	12,727	4,283	12,758	27,445
Change in trade receivables and other current assets	-17,783	-39,463	-3,881	-5,561
Change in inventories	-1,783	-1,606	-2,662	2,569
Change in trade payables and other current liabilities	20,225	28,472	11,705	12,064
Change in working capital	659	-12,597	5,161	9,072
Cash flow from operating activities	13,386	-8,314	17,919	36,517
Investing activities				
Acquisitions of tangible assets	-327	-2,370	-1,283	-4,330
Capitalization of internally developed intangible assets and acquired goodwill	-3,481	-941	-15,155	-2,658
Acquisition of business, net cash effect	0	0	0	-9,191
Cash flow from investing activities	-3,808	-3,311	-16,438	-16,179
Financing activities				
Payment of share options	0	0	0	-99
Issue of share options	0	0	0	315
Amortization of lease liability	-3,707	-1,874	-9,312	-7,271
Cash flow from financing activities	-3,707	-1,874	-9,312	-7,055
Cash flow for the period	5,870	-13,499	-7,830	13,283
Opening cash balance	45,994	74,746	59,121	47,285
Translation difference on cash and cash-equivalents	1,722	-2,126	2,295	-1,448
Cash and bank balances at end of period	53,586	59,121	53,586	59,121

PARENT COMPANY INCOME STATEMENT

TSEK	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Net sales	67,729	52,951	200,639	187,166
Capitalised expense for development	2,656	451	12,344	2,385
Other income	11,451	5,656	17,308	13,011
Operating income	81,836	59,058	230,291	202,562
Raw materials and consumables used	-10,328	-7,994	-32,361	-26,274
Other external costs	-17,598	-17,749	-75,049	-59,627
Personnel costs	-33,914	-24,653	-112,047	-94,996
Depreciation of tangible assets	-438	-331	-1,790	-1,248
Amortization and write-down of intangible	-6,320	-6,082	-25,169	-25,706
Exchange losses on operating receivables and liabilities	-9,978	-6,439	-16,636	-12,380
Operating cost	-78,576	-63,248	-263,052	-220,229
Operating profit (EBIT)	3,261	-4,190	-32,762	-17,667
Financial income	227	651	1,447	1,006
Financial expenses	-922	2,256	-2,397	-197
Net financial items	-696	2,907	-951	809
Result after financial items	2,565	-1,284	-33,712	-16,859
Earnings before tax (EBT)	2,565	-1,284	-33,712	-16,859
Tax	-36	-41	-36	-41
Net result for the year	2,529	-1,325	-33,748	-16,900

PARENT COMPANY BALANCE SHEET

TSEK	31 Dec 2024	31 Dec 2023
Assets		
Intangible and tangible assets		
Goodwill	11,034	20,827
Patents	24,731	28,522
Trademarks	2,419	3,628
Internally developed in-tangible assets	40,333	37,237
Tangible assets	4,958	5,396
Financial assets		
Shares in group companies	21,886	21,886
Receivables from group companies	1,037	1,002
Deferred tax assets	6,615	6,615
Total non-current assets	113,013	125,113
Inventories	9,633	10,304
Accounts receivables	50,868	52,254
Current receivables from group companies	-	757
Prepaid costs and accrued income	23,711	24,733
Other receivables	2,892	2,661
Current tax assets	2,486	2,084
Cash and cash equivalents	27,462	31,341
Total current assets	117,052	124,135
Total assets	230,065	249,248
Equity and liabilities		
Restricted equity		
Share capital	1,278	1,278
Fund for development costs	41,047	39,563
Non-restricted equity		
Other paid in capital	201,728	201,385
Retained earnings	-104,458	-86,074
Net result for the year	-33,748	-16,900
Total equity	105,846	139,252
Long term liabilities		
Liabilities to group companies	815	829
Total long-term liabilities	815	829
Accounts payable	11,619	12,481
Current liabilities to group companies	9,069	2,450
Other liabilities	1,623	2,533
Accrued expenses and de-ferred Income	101,092	91,703
Total current liabilities	123,403	109,167
Total equity and liabilities	230,065	249,248

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 except for currency derivatives, which are measured at fair value. As per December 31, 2024, the total actual value of forward contracts was 0.0 (106.3) 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, initiated in 2023.

The annual general meeting 2024 resolved to implement an incentive program in the form of performance based share option rights directed at the group management and key individuals at the Mentice group.

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 Live 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 the type of product and the division is now based on product areas to better reflect how the business is run and followed up.

OUTCOME PER PRODUCT AREA Q4

TSEK	Mentice VIST®		Physical Sim		Ankyras®		Total	
	Oct-Dec 2024	Oct-Dec 2023	Oct-Dec 2024	Oct-Dec 2023	Oct-Dec 2024	Oct-Dec 2023	Oct-Dec 2024	Oct-Dec 2023
Hardware	49,355	36,093	6,555	3,903	0	0	55,910	39,996
License/software	22,360	22,368	350	139	999	792	23,709	23,299
Development	6,108	6,738	489	402	0	0	6,597	7,140
Total	77,823	65,199	7,394	4,444	999	792	86,216	70,434
Raw materials and consumables used	-7,757	-9,228	-1,391	-731	-50	-40	-9,198	-9,998
Gross profit	70,066	55,971	6,003	3,713	949	752	77,018	60,436
Gross profit %	90.0%	85.8%	81.2%	83.6%	95.0%	95.0%	89.3%	85.8%

OUTCOME PER PRODUCT AREA YTD

TSEK	Mentice VIST®			Physical Sim			Ankyras®			Total		
	Jan-Dec 2024	Jan-Dec 2023	Full year 2023	Jan-Dec 2024	Jan-Dec 2023	Full year 2023	Jan-Dec 2024	Jan-Dec 2023	Full year 2023	Jan-Dec 2024	Jan-Dec 2023	Full year 2023
Hardware	151,313	143,885	143,885	20,710	13,333	13,333	0	0	0	172,023	157,218	157,218
License/software	88,494	80,303	80,303	1,450	186	186	3,971	2,950	2,950	93,914	83,439	83,439
Development	22,432	32,181	32,181	1,958	772	772	0	0	0	24,390	32,953	32,953
Total	262,239	256,369	256,369	24,119	14,291	14,291	3,971	2,950	2,950	290,329	273,610	273,610
Raw materials and consumables used	-29,856	-36,408	-36,408	-4,058	-3,530	-3,530	-199	-148	-148	-34,112	-40,085	-40,085
Gross profit	232,383	219,961	219,961	20,061	10,761	10,761	3,772	2,802	2,802	256,217	233,525	233,525
Gross profit %	88.6%	85.8%	85.8%	83.2%	75.3%	75.3%	95.0%	95.0%	95.0%	88.3%	85.3%	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

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 customers, 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 first 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 first quarter.
Gross profit	Net sales with deduction for raw materials and consumables used and depreciation of rented assets.
Gross profit margin	Gross profit as a part of net sales.
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.
FTE	(Full-time Equivalent) Full-time employee based on employment percentage and long-time sick leave. Includes consultants replacing a permanent position during recruitment.
RTM	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

ANNUAL REPORT 2024	APRIL 17, 2025
INTERIM REPORT JAN - MAR 2025	MAY 8, 2025
ANNUAL GENERAL MEETING 2025	MAY 27, 2025
INTERIM REPORT APR - JUN 2025	JULY 24, 2025
INTERIM REPORT JUL - SEP 2025	NOVEMBER 6, 2025

Mentice's interim reports and annual reports are available on www.mentice.com

Mentice AB (publ) – Year end report Jan - Dec 2024

