

INTERIM REPORT Q1 / 2024



VITROLIFE GROUP™

EXCELLENCE IN REPRODUCTIVE HEALTH

WELCOME TO

欢迎来到

VÄLKOMMEN TILL

Vitrolife Group

We contribute to successful treatment outcomes by providing assisted reproductive technologies.

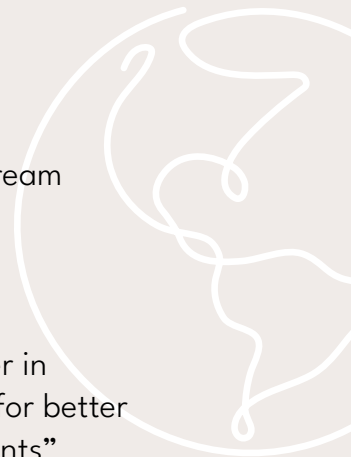
Specialising in IVF since 1994, we have grown and increased our market share through our well-executed product development programmes, groundbreaking research, consistent quality control and acquisitions of other innovative companies in the industry. We support customers worldwide – always with sustainability in mind. Based on science and advanced research capabilities, our aim is to deliver products and services for the entire reproductive health journey, providing consistent performance and guaranteed quality.

Vision with a purpose

”Enable people to fulfil the dream of having a healthy baby”

Mission

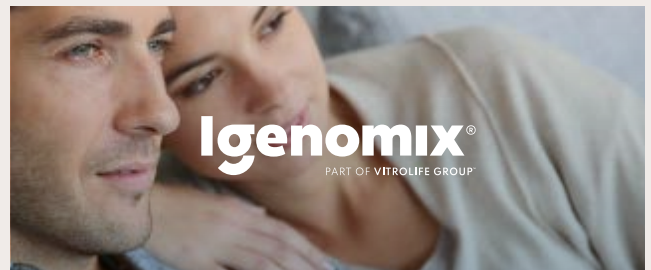
”Be the leading global partner in reproductive health, striving for better treatment outcomes for patients”



Our brands



Vitrolife’s products and services include most of what a clinic needs to secure improved results throughout the IVF journey – the handling of sperm and oocytes, as well as fertilisation, evaluation and transfer of embryos.



Igenomix products and services include pioneering genetic tests to help reproductive-health professionals to diagnose and treat their patients before, during and after their reproductive journey.

The Vitrolife Group in figures

Employees
~1,100

Sales in Q1 2024
841 MSEK

Global presence in
~125 markets

The Vitrolife Group refers to Vitrolife AB (publ) and all its subsidiaries and the share is listed on NASDAQ Stockholm.

Interim Report Q1 / 2024 Vitrolife AB (publ), corp. id. no. 556354-3452

First quarter

Strong growth in APAC and solid margins

First quarter

- Sales of SEK 841 (854) million, a flat growth in local currencies and a decrease of 2% in SEK.
- Sales per region, in local currencies was +19% in APAC, -2% in EMEA and -14% in Americas.
- Sales per business area, in local currencies was +12% in Consumables, +8% in Technologies and -12% in Genetics.
- Gross margin increased to 57.1% (56.8).
- Operating income before depreciation and amortisation (EBITDA) increased to SEK 272 (262) million, giving an EBITDA margin of 32.4% (30.6).
- Operating cash flow increased to SEK 198 million (160).
- Net income was SEK 115 (99) million, resulting in earnings per share of SEK 0.85 (0.74).
- The product area Genomics was previously reported in Consumables business area but is now part of Genetic Services business area, renamed to Genetics business area. All comparable numbers are adjusted accordingly.

Events after the period

Effective from 5 April 2024 the Vitrolife Group acquired the distribution activities of medical devices in Spain and Portugal. The transaction will increase the gross margin as the Vitrolife Group will account for the full price to the end customer. The acquisition price was EUR 5 million. This acquisition has no effect on this interim report.

The Group's key figures

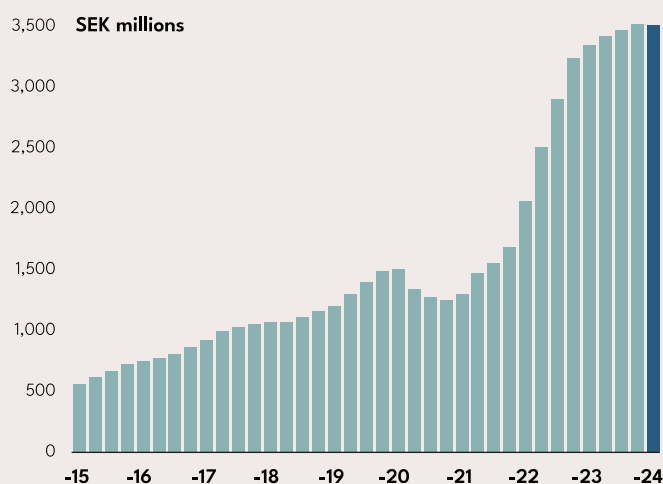
SEK millions*	January - March		Full year
	2024	2023	2023
Net sales	841	854	3,512
Gross margin, %	57.1	56.8	56.3
Adjusted gross margin, %	62.2	61.9	61.6
Operating income before depreciation and amortisation (EBITDA)	272	262	1,136
EBITDA margin, %	32.4	30.6	32.3
Other operating expenses	0	-6	-4,328
Net income	115	99	-3,851
Net debt/EBITDA Rolling 12 month	0.9	1.3	1.0
Earnings per share ¹ , SEK	0.85	0.74	-28.44
Earnings per share ¹ , adjusted for impairment SEK	-	-	3.31
Share price on closing date, SEK	201.00	215.20	194.70
Market cap at closing date	27,225	29,148	26,372
Changes in net sales			
Organic growth in local currency, %	0	6	4
Currency effects, %	-2	8	4
Total growth, %	-2	14	9

* Unless otherwise indicated.

¹ Before and after dilution.

For definitions, motivations and reconciliations, see pages 21-23.

Net sales (rolling 12 months)



Long-term financial objectives

Updated December 2023

Annual organic growth*

>10%

EBITDA margin

>33%

Net debt/EBITDA

<3

* in local currencies

Strong growth in APAC and solid margins

CEO comments

Sales in the Vitrolife Group during the first quarter were SEK 841 million (854), a decrease of 2% in SEK and 0% in local currencies. Gross margin increased to 57.1% (56.8) driven by positive product and market mix. Operating income before depreciation and amortization (EBITDA) was SEK 272 million (262) giving an EBITDA margin of 32.4% (30.6).

The product area Genomics, comprising genomic kits and previously reported in Business Area Consumables, is now part of Business Area Genetic Services, renamed to Business Area Genetics. The purpose of this change is to allow us to better segment the market between those clinics that outsource genetic testing to a third party and those who perform the test in house. The Vitrolife Group can provide a solution for both types of customers and this opportunity is better coordinated and leveraged with the teams working together.

When comparing overall sales versus the same period last year there are several factors that impacted Business Area Genetics that made it challenging to deliver growth. Q1 2023 was a record quarter with strong sales of PGT-A, ERA and genomic kits. However, at the end of the quarter last year we were impacted by PGT-A insourcing, a sharp decline in ERA and customer stocking of our genomic kits as we prepared them to transition to our new EmbryoMap solution. Across the rest of the portfolio, we continued to deliver strong growth in Business Area Consumables taking share in all regions in media and in Business Area Technologies we continue to drive penetration and utilisation of EmbryoScope®.

In the EMEA region we delivered above market growth across the entire Consumables portfolio, with genetic

testing also performing well however genomic kits were significantly down due to the previously mentioned stocking factor leading to an overall decline in sales of 2% in local currencies. The Middle East and Turkey again delivered double-digit growth and we continue to expand our presence in this high potential region from both a penetration and market share perspective.

Sales in the Americas declined by 14% in local currencies, impacted by a decline in Business Area Genetics. As previously mentioned, this was a result of a challenging comparable quarter last year in the three core areas of our Genetics Business, (PGT-A, ERA, genomic kits) in North America. We delivered double digit growth in media and EmbryoScope® in the U.S., as customers increasingly see the improvements to workflow and efficiency in their clinics from the time-lapse technology. We expect the strong momentum to continue and have signed a number of agreements with clinic chains.

Sales in APAC increased by 19% in local currencies with China and Southeast Asia delivering an outstanding quarter. In both China and Southeast Asia, we delivered high double-digit growth on media and genetic services and triple digit growth on EmbryoScope! We are continuing to invest in the Chinese market as we see significant potential to grow and strengthen our position through increased penetration and share gain. The underlying growth trends on consumables, EmbryoScope and genetics look positive across the entire region.

From a business area perspective, we had robust growth across the MedTech (Consumables and Technologies) portfolio driven by share gains on media and increased penetration of EmbryoScope®. The consumables and ser-

“We continue to make progress on the execution of our corporate strategy which is our blueprint to return the Vitrolife Group to double digit growth in the long term”

vice revenue from EmbryoScope is also increasing month on month. We expect to see these trends continue as we have a robust capital pipeline most notably in our two focus markets of the U.S. and China. In media we have opportunities across all regions to take market share due to our global reputation for quality and service. We continue to scale up our manufacturing capabilities to meet the growing demand. Sales in Business Area Genetics declined with North America being most impacted due to insourcing, ERA, and genomics kits. We are actively addressing each of these challenges to minimise the impact and return the region to growth. By combining our genetic services and genomic kitted business, we can go to the market in a more structured and coordinated way. We also have an opportunity to increase our revenue in other tests like carrier screening (CGT) which is being increasingly used by those embarking on the IVF journey.

We continue to make progress on the execution of our corporate strategy which is our blueprint to return the Vitrolife Group to double digit growth in the long term. We are expanding our commercial footprint in the key markets of the U.S. and China. We have increased our investment in innovation both as expensed R&D and capitalised expenditure. In terms of our go-to-market model we continue to invest in patient and clinic portals making it easier to do business with the Vitrolife Group. As we have previously communicated, we have now acquired the distribution rights for medical devices in Spain and Portugal enabling us to sell directly to our customers.

During the quarter, we increased our operating cash flow to SEK 198 million (160) and continue to strengthen our financial position and the financial capabilities of the Vitrolife Group. This will enable us to fund organic and inorganic strategic initiatives as part of corporate strategy.



We have made a number of changes to our organisational structure to support strategy execution and to increase commercial focus and intensity. In January we appointed a new Senior Vice President, Sales & Marketing with a wealth of industry knowledge and experience. Additionally, we have recently appointed a Senior Vice President, North America, who will form part of the executive management team of the Vitrolife Group. Our former SVP Sales & Marketing is now leading our Consumables business area where he brings high level of fertility market and customer knowledge.

Our sustainability commitments are being recognised and we are now part of OMX Sweden Small Cap 30 ESG Responsible Index at Nasdaq Stockholm stock exchange.

Looking forward to the rest of the year, we aim to continue our strong momentum across our Consumables business, accelerate our growth in Technologies and leverage the breadth of our portfolio in our Genetics business to optimise the way we segment and target the market, thereby enabling it to become a growth contributor in the second half of the year.

Bronwyn Brophy O'Connor
CEO

Highlights of first quarter

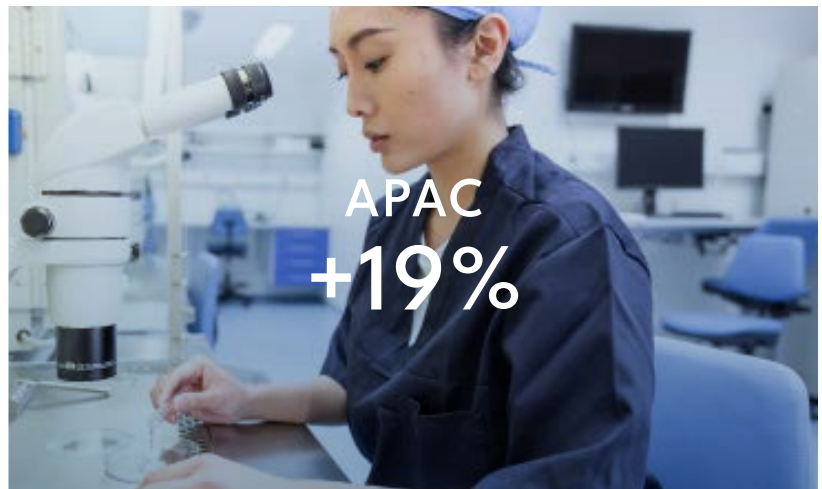


Stable margins

Gross margin was 57.1% (56.8) and EBITDA margin 32.4 (30.6). Product/service mix, and market mix is favourable.

Strong growth in APAC

Sales in APAC grew by 19% in local currencies driven by China and Southeast Asia.



Genetics business area

Product area Genomics is now part of Genetic Services business area renamed to Genetics business area.

2024
January - March

First quarter

Net sales

Sales in the Vitrolife Group during the first quarter were SEK 841 million (854), 0% growth in local currencies and a decrease of 2% in SEK.

Sales per business area was in SEK million with growth in local currencies, Consumables 329 (297) +12%, Technologies 166 (157) +8% and Genetics 346 (401) -12%. Regions specified below.

Gross income were SEK 481 million (485) giving a margin of 57.1% (56.8%). Gross income is positively impacted by product/service and market mix.

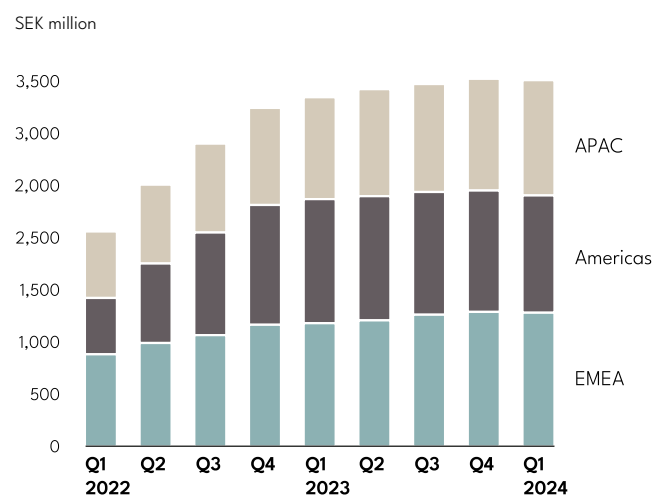
The market contribution amounted to SEK 311 (320) million, corresponding to a margin of 37.0% (37.5).

EMEA

Sales decreased by 2% in local currencies and 3% in SEK. In SEK sales were SEK 310 (319) million. Within the region there are high growth in the Southern and Middle East part of Europe whilst other parts declined slightly. In the business areas, Consumables grew while both Genetics and Technologies had a decline in sales.

In Consumables sales increased across the portfolio by 8% in local currencies and 9% in SEK. In Technologies sales declined by 21% in local currencies and 20% in SEK. A temporary decline in the region partly relating to the quarter cut-off in the Easter holiday. In Genetics business area sales decreased by 3% in local currencies and 5% in SEK. The Genetic testing portfolio grew in mid-single digit and the decline relates to the Genomics product area.

Net sales by geographical segments (rolling 12 months)



Gross income amounted to SEK 170 (183) million, with a gross margin of 54.7% (57.6%). The market contribution amounted to SEK 100 (121) million, corresponding to a margin of 32.4% (38.1).

Americas

Sales declined by 14% in local currencies and 14% in SEK. In SEK sales were SEK 248 (287) million where the decline is predominantly in North America and within Genetics business area.

In Consumables sales growth was 5% in local currencies and 6% in SEK and to SEK 70 (66) million. Media grew double digit, offset by a decline in disposable devices. In Technologies sales change was flat in local currencies and 1% in SEK. North America was stronger than South

America with a small decline. Also in this region the Easter holiday had an impact in deliveries and income recognition. In Genetics business area sales decreased by 21% in local currencies and 21% in SEK. This was primarily a result of a challenging comparable quarter last year in the three core areas of our Genetics business, (PGT-A, ERA, Genomic kits).

Gross income amounted to SEK 141 (149) million, with a margin of 56.8% (51.9). The market contribution amounted to SEK 83 (90) million, corresponding to a margin of 33.4% (31.3).

APAC

Sales increased by 19% in local currencies and 14% in SEK. In SEK sales were 283 (249) million. China was the largest growth driver followed by Southeast Asia.

In Consumables sales increased by 22% in local currencies and 17% in SEK. In Technologies sales grew by 37% in local currencies and 31% in SEK. China and Southeast Asia were the strongest markets while Japan and Pacific showed a small decline. In Genetics business area sales decreased by 5% in local currencies and 9% in SEK. Genetics business area, excluding Genomics, grew by double digits. The decline relates to Genomics product area.

Gross income amounted to SEK 170 (153) million, with a margin of 60.0% (61.4). The market contribution amounted to SEK 128 (109) million, corresponding to a margin of 45.2% (43.9).

Operating income (EBITDA)

Operating income (EBITDA) was 272 (262) with an EBITDA margin of 32.4% (30.6). Improvement in gross margin compensates for the lower business volume and operation expenses amount to the same SEK 320 million as previous year. In the previous year, a one-off expense was included which also have a favourable impact in the comparison.

Other operating income which mainly derives from operational conversions of foreign currencies leveraged positively in 2024 also contribution to a higher EBITDA margin.

Financial net

In the first quarter, financial net amounted to SEK -24 (-29) million. Interest expense was SEK -18 million (-18).

Taxes

In the first quarter, taxes amounted to SEK -28 (-31) million, and the effective tax rate was 19.6 % (23.7).

Net income and earnings per share (EPS)

Net income for the first quarter amounted to SEK 115 (99) million. Earnings per share (EPS), before and after dilution, amounted to SEK 0.85 (0.74).

Cash flow

Operating cash flow for the quarter contributed SEK 198 (160) million. Cash flow from investing activities was SEK -38 (-24) million, including net investments in non-current assets. Cash flow from financing activities amounted to SEK -100 (-100) million.

Financial position

As of 31 March, net debt was SEK 1,028 million, and cash and cash equivalents amounted to SEK 947 million. In the first quarter, total assets amounted to SEK 16,873 million compared with SEK 16,329 million at the end of December 2023. Equity amounted to SEK 13,233 million at the end of March, compared with SEK 12,723 million at the end of December 2023. The available undrawn revolving credit facility amounted to EUR 100 million.

Parent Company

Business activities focus on Group-wide management. Income included invoicing of management fees and other costs of SEK 7 (31) million to subsidiaries. Financial items amounted to SEK -25 (-17) million. Cash and cash equivalents amounted to SEK 433 (223) million.

Prospects

In the long term, the number of IVF cycles is expected to continue to grow 5-7%, driven by increased maternal age, expanding public and private insurance coverage, and supportive legislation. For clinic partners like the Vitrolife Group, there is an additional opportunity to increase the adoption of genetic testing and EmbryoScope®, as well as market share opportunities for consumable products.

An uncertain macroeconomic environment may pose challenges as fertility treatment costs are comparatively high in parts of the world, most notably the U.S. However as coverage and reimbursement continues to increase this will lessen the out-of-pocket expenses over time, making the industry less exposed to macroeconomic fluctuations.

In the shorter term perspective, the market conditions for the Vitrolife Group may be impacted by general market conditions such as regulations, trade barriers, sanctions, customer perception, etcetera that may impact parts of our product and services portfolio.



The company in brief

Vision

The Vitrolife Group's vision is to enable people to fulfil the dream of having a healthy baby.

Mission

The Vitrolife Group's mission is to be the leading global partner in reproductive health, striving for better treatment outcomes for patients.

Corporate Strategy

We will focus on five strategic priorities to drive sustainable profitable growth:

- Own the platform
- Innovate to expand leadership
- Accelerate growth in key markets
- Optimise go-to-market model
- Drive operational excellence

See additional information on www.vitrolifegroup.com.

Other information

Lawsuit regarding alleged patent infringement

In 2021, Vitrolife received information that a civil lawsuit had been filed against Vitrolife in Germany regarding alleged infringement of three patents in the Time-lapse area. This was later reduced to two patents.

A decision in 2023 by the District Court in Düsseldorf stated that there is an infringement concerning the German part of one of the patents, whereas the court found that there was no infringement of the other patent.

Vitrolife have appealed the judgment of the indirect infringement and the counter party have appealed the other court decision. The appeal process is ongoing. No impact on the financial statements in this report.

Organisation and personnel

During the period, the average number of employees was 1,103 (1,072), of whom 661 (645) were women and 442 (427) were men. Of these, 171 (162) persons were employed in Sweden, 226 (212) in Spain, 66 (67) in Brazil, 193 (199) in the US, 105 (97) in Denmark, 54 (55) in Japan, and 288 (280) in the rest of the world. The number of persons employed in the Group at the end of the period was 1,132 (1,091).

Information on transactions with related parties

At the Annual General Meeting in 2023 it was resolved to issue a long-term share based incentive program to some members of the group included in related parties which have been cost accounted for. Otherwise no transactions substantially affecting the results and financial position were conducted with related parties in the period.

Risk management

The most important strategic and operational risks regarding the Vitrolife Group's business are described in the Management Report in the Annual Report for 2023. These are primarily macroeconomic risks, operational risks and financial risks. The management of risks is also described in the Corporate Governance Report in the same Annual Report. The risks, as described in the 2023 Annual Report, are deemed to be essentially unchanged.

Seasonal effects

Seasonal effects have an impact on the Vitrolife Group's sales. Before and during holiday periods there is often a reduction in orders for some of Consumables short shelf life products. Technologies sales are dependent on installations and also impacted by holidays. The sales in Genetic Services are also impacted by holidays. Quarterly cut-off in weekends and holidays can impact sales in a specific quarter.

For the Vitrolife Group, sales in the first quarter are negatively impacted by New-Year holidays, with the largest impact in APAC. Easter holiday can appear in either first or second quarter. The third quarter is impacted by the European summer holiday period. The fourth quarter is normally the strongest quarter for the Vitrolife Group in all regions. In all, total sales are relatively even between the first and second halves of the year, with sales in the second half somewhat higher due to the impact of strong sales in the fourth quarter and a larger number of working days in the second half of the year.

Annual General Meeting

The Annual General Meeting will be held on 25 April 2024 in Gothenburg, Sweden.



Events after the end of the period

Effective from 5 April 2024 the Vitrolife Group acquired the distribution activities of medical devices in Spain and Portugal. The transaction will increase the gross margin as the Vitrolife Group will account for the full price to the end customer. The acquisition price was EUR 5 million. This acquisition has no effect on this interim report.

18 April 2024
Gothenburg, Sweden

Bronwyn Brophy O'Connor
CEO

Consolidated income statements

SEK millions	Note	January - March		Full year
		2024	2023	2023
Net sales	4,5	841	854	3,512
Cost of sales		-361	-369	-1,534
Gross income		481	485	1,977
Comprising				
Adjusted gross income		523	528	2,162
Amortisation and depreciations		-43	-43	-185
Gross income		481	485	1,977
Selling expenses		-169	-165	-684
Administrative expenses		-118	-121	-433
Research and development costs		-33	-34	-127
Other operating income		7	0	5
Other operating expenses		0	-6	-4,328
Operating income		167	159	-3,589
Comprising				
Adjusted operating income *		272	262	1,136
Impairment charge		-	-	-4,300
Amortisation and depreciations		-105	-103	-425
Operating income		167	159	-3,589
Financial income and expenses		-24	-29	-123
Income after financial items		143	130	-3,712
Income taxes		-28	-31	-139
Net income		115	99	-3,851
Attributable to				
Parent Company shareholders		115	100	-3,851
Non-controlling interests		0	-1	0
Earnings per share**, SEK		0.85	0.74	-28.44
Average number of shares outstanding		135,394,622	135,394,622	135,394,622
Number of shares at closing date		135,447,190	135,447,190	135,447,190

* Equivalent to EBITDA

** Before and after dilution.

Statements of comprehensive income

SEK millions	January - March		Full year
	2024	2023	2023
Net income	115	99	-3,851
Other comprehensive income			
Items that may be reclassified to the income statement			
Exchange differences	397	177	-20
Total other comprehensive income	397	177	-20
Comprehensive income	512	277	-3,872
Attributable to			
Parent Company shareholders	512	278	-3,871
Non-controlling interests	0	-1	-1

Consolidated statements of financial position

SEK millions	Note	31 Mar 2024	31 Mar 2023	31 Dec 2023
Assets				
Non-current assets	2			
Goodwill		9,867	14,025	9,591
Other intangible assets		4,403	4,629	4,314
Property, plant and equipment		368	307	349
Other financial assets		56	38	52
Deferred tax assets		131	109	111
Total non-current assets		14,825	19,109	14,415
Current assets				
Inventories		393	418	413
Trade receivables		575	495	503
Current tax assets		31	35	45
Other receivables		39	43	34
Prepaid expenses and accrued income		63	45	57
Cash and cash equivalents		947	618	861
Total current assets		2,048	1,653	1,914
Total assets		16,873	20,762	16,329
Equity				
Equity attributable to Parent Company shareholders		13,231	17,013	12,722
Non-controlling interests		2	2	1
Total equity		13,233	17,015	12,723
Liabilities				
Non-current liabilities	2			
Provisions		73	35	72
Deferred tax liabilities		1,060	1,097	1,035
Borrowings		1,891	1,959	1,875
Lease liabilities		60	48	67
Other liabilities		0	12	0
Total non-current liabilities		3,085	3,151	3,049
Current liabilities				
Borrowings		84	119	114
Lease liabilities		35	29	33
Trade payables		164	174	171
Current tax liabilities		38	34	19
Other liabilities		56	56	56
Accrued expenses and deferred income		178	185	165
Total current liabilities		556	596	557
Total liabilities		3,640	3,747	3,606
Total equity and liabilities		16,873	20,762	16,329

Consolidated changes in equity

	Attributable to Parent Company shareholders				Non-controlling interests	Total equity
	Share capital	Other contributed capital	Reserves	Retained earnings		
SEK millions						
Opening balance 1 January 2023	28	13,544	1,164	2,000	4	16,740
Comprehensive income for the year	-	-	-20	-3,851	-1	-3,872
Currency effect from devaluation	-	-	-	-35	-	-35
Equity compensation benefits	-	-	-	17	-	17
Dividend (SEK 0.85 per share)	-	-	-	-115	-	-115
Acquisition of non-controlling interest	-	-	-	-8	-2	-10
Closing balance 31 December 2023	28	13,544	1,144	-1,993	1	12,723
Opening balance 1 January 2024	28	13,544	1,144	-1,993	1	12,723
Comprehensive income for the year	-	-	397	115	0	512
Equity compensation benefits	-	-	-	4	-	4
Acquisition of non-controlling interest*	-	-	-	-6	-1	-7
Closing balance 31 March 2024	28	13,544	1,541	-1,881	1	13,233

* During the period, the Group acquired the remaining shares (0.2%) of Igenomix Brasil Laboratorio de medicina genética, LTDA.

Consolidated cash flow statements

SEK millions	January - March		Full year
	2024	2023	2023
Income after financial items	143	130	-3,712
Adjustment for non-cash items	118	120	4,801
Tax paid	-25	-36	-213
Change in inventories	30	-13	-15
Change in operating receivables	-62	-43	-95
Change in operating payables	-7	1	-9
Cash flow from operating activities	198	160	757
Net investments in non-current assets	-38	-17	-113
Acquisition of non-controlling interests	0	-7	-10
Cash flow from investing activities	-38	-24	-124
Repayment of borrowings	-58	-61	-126
Change in overdraft facility/credit line	-33	-31	-27
Repayment of lease liabilities	-9	-7	-31
Dividends paid	-	-	-115
Cash flow from financing activities	-100	-100	-300
Cash flow for the period	60	36	333
Opening cash and cash equivalents	861	578	578
Exchange difference in cash and cash equivalents	26	4	-50
Closing cash and cash equivalents	947	618	861

Key ratios

	January - March		Full year
	2024	2023	2023
Gross margin, %	57.1	56.8	56.3
Adjusted gross margin, %	62.2	61.9	61.6
Operating margin before depreciation and amortisation (EBITDA), %	32.4	30.6	32.3
Operating margin (EBIT), %	19.8	18.6	-102.2
Net margin, %	13.7	11.6	-109.2
Equity/assets ratio, %	78.4	82.0	77.9
Equity per share, SEK	97.69	125.61	93.93
Return on equity, %	-25.1	2.5	-23.8
Cash flow from operating activities per share, SEK	1.46	1.18	5.59
Net debt*, SEK million	1,028.2	1,459.1	1,127.8

* Negative amount implies net claim.
For definitions, motivations and reconciliations, see pages xx-xx.

Income statements for the Parent Company

SEK millions	January - March		Full year
	2024	2023	2023
Net sales	7	31	47
Administrative expenses	-9	-32	-64
Other operating expenses	1	0	-1
Operating income	-2	0	-17
Dividends from Group companies	-	-	219
Result from participations in Group companies	-	-	-3,000
Financial income and expenses	-25	-17	-39
Income after financial items	-27	-17	-2,837
Group contribution received	-	-	130
Income taxes	6	3	-15
Net income	-21	-13	-2,723

Depreciation and amortisation had a negative effect of SEK - (-) million on income for the fourth quarter, and SEK - (-) million on income for the period.

Balance sheets for the Parent Company

SEK millions	31 Mar 2024	31 Mar 2023	31 Dec 2023
ASSETS			
Property, plant and equipment	0	0	0
Participations in Group companies	12,640	15,633	12,637
Other financial assets	18	11	17
Receivables from Group companies, non-current	1,484	1,402	1,374
Deferred tax assets	10	6	5
Receivables from Group companies, current	144	88	119
Other current receivables	1	1	0
Prepaid expenses and accrued income	5	3	1
Cash and cash equivalents	433	223	412
Total assets	14,735	17,367	14,566
EQUITY AND LIABILITIES			
Equity	11,928	14,761	11,946
Provisions	23	15	22
Borrowings, non-current	1,891	1,959	1,875
Current tax liabilities	8	10	10
Trade payables	1	1	2
Borrowings, current	115	113	111
Liabilities to Group companies, current	764	481	594
Other current liabilities	0	1	0
Accrued expenses and deferred income	4	26	5
Total equity and liabilities	14,735	17,367	14,566

Note 1. Accounting Principles

This interim report has been prepared for the Group in accordance with the Annual Accounts Act and IAS 34, Interim Financial Reporting, and for the Parent Company in accordance with the Annual Accounts Act and recommendation RFR 2 of the Swedish Financial Reporting Board, Accounting for Legal Entities.

Unless otherwise stated below, the accounting principles applied to the Group and the Parent Company are consistent with the accounting principles used in the presentation of the most recent Annual Report with the exception of that impairment valuation is now made on five years individual growth and thereafter Gordon eternal growth model. No standards, amendments or interpretations that have come into force in 2024 are expected to have any material impact on the Group.

Note 2. Financial instruments - Fair value

Fair value has been calculated for all financial assets and liabilities in accordance with IFRS 13. The fair value of other financial assets, other receivables, trade and other current receivables, cash and

cash equivalents, trade and other payables and interest-bearing borrowings is estimated to correspond with their carrying amounts (amortised cost). As the Vitrolife Group has loans with variable interest rates, the fair value is estimated to correspond with the carrying amount. Financial assets and liabilities measured at amortised cost amount to SEK 1,552 (1,133) million and SEK 2,252 (2,358) million.

Note 3. Pledged assets and contingent liabilities

SEK millions	31 Mar 2024	31 Mar 2023	31 Dec 2023
Group			
Pledged assets	51	42	50
Contingent liabilities	19	16	18
Parent Company			
Pledged assets	18	11	17
Contingent liabilities	4	3	4

Pledged assets pertain to floating charges for own commitments and collateral pledged for endowment insurance plans (cost). Contingent liabilities refer to guarantees to external parties and the difference between market value and carrying amount of endowment insurance plans.

Note 4. Sales and segment reporting

The Vitrolife Group reports its segments in three geographical regions with net sales and market contribution per geographical segment. Market contribution is defined as gross income less selling expenses for each market. Administrative expenses, research and development expenses, other operating income and expenses and net financial items are not distributed by segment. The balance sheet is not monitored by segment. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM is the function that is responsible for allocating resources and assessing the performance of the operating segments. For the Group, this function has been identified as the CEO. Sales is also monitored in the three business areas whose products and services are sold by the three geographical market organisations.

Sales per segment, products and services

The Vitrolife Group's sales consist of products and services, which clearly represent separate performance obligations. Sales of products are recognised as revenue when the risk is transferred to the customer. Services are recognised as revenue on delivery of the test results to the customer. Services are mainly services for genetic testing but also in the form of after-market servicing of products, primarily in the Technologies business area.

The product area Genomics was previously reported in Business Area Consumables but is now in Business Area Genetic Service, renamed to Genetics. All comparable numbers are adjusted accordingly.

Net sales, products and services

SEK millions	Jan-Mar 2024	Jan-Mar 2023	Full year 2023
Products	493	488	2,016
Services	348	366	1,495
Total	841	854	3,512

Note 4. Continued

Net sales per geographical segment and business area

SEK millions	EMEA		Americas		APAC		Total	
	Jan-Mar 2024	Jan-Mar 2023	Jan-Mar 2024	Jan-Mar 2023	Jan-Mar 2024	Jan-Mar 2023	Jan-Mar 2024	Jan-Mar 2023
Consumables	136	124	70	66	123	106	329	297
Technologies	57	71	13	13	96	73	166	157
Genetics	117	123	165	208	63	69	346	401
Total	310	319	248	287	283	249	841	854
Whereof Sweden	7	5					7	5

SEK millions	EMEA		Americas		APAC		Total	
	Full year 2023		Full year 2023		Full year 2023		Full year 2023	
Consumables	502		265		502		1,269	
Technologies	285		69		285		640	
Genetics	499		825		279		1,603	
Total	1,286		1,159		1,066		3,512	
Whereof Sweden	21						21	

SEK millions	EMEA		Americas		APAC		Total	
	Jan-Mar 2024	Jan-Mar 2023	Jan-Mar 2024	Jan-Mar 2023	Jan-Mar 2024	Jan-Mar 2023	Jan-Mar 2024	Jan-Mar 2023
Net sales	310	319	248	287	283	249	841	854
Gross income	170	183	141	149	170	153	481	485
Selling expenses	-69	-62	-58	-59	-42	-44	-169	-165
Market contribution	100	121	83	90	128	109	311	320
Administrative expenses							-118	-121
Research and development expenses							-33	-34
Other operating income and expenses							6	-6
Operating income							167	159
Net financial items							-24	-29
Income after financial items							143	130

SEK millions	EMEA		Americas		APAC		Total	
	Full year 2023		Full year 2023		Full year 2023		Full year 2023	
Net sales	1,286		1,159		1,066		3,512	
Gross income	734		562		681		1,977	
Selling expenses	-258		-266		-161		-684	
Market contribution	477		297		520		1,293	
Administrative expenses							-433	
Research and development expenses							-127	
Other operating income and expenses							-4,322	
Operating income							-3,589	
Net financial items							-123	
Income after financial items							-3,712	

Note 4. Continued

Net sales growth in local currency

Consumables	EMEA	Americas	APAC	Total
	Jan-Mar 2024	Jan-Mar 2024	Jan-Mar 2024	Jan-Mar 2024
Organic growth in local currency, SEK millions	10	3	23	37
<i>Organic growth in local currency, %</i>	8%	5%	22%	12%
Currency effects, SEK millions	1	1	-6	-4
<i>Currency effects, %</i>	1%	1%	-5%	-1%
Total growth, SEK millions	12	4	18	33
Total growth, %	9%	6%	17%	11%

Technologies	EMEA	Americas	APAC	Total
	Jan-Mar 2024	Jan-Mar 2024	Jan-Mar 2024	Jan-Mar 2024
Organic growth in local currency, SEK millions	-15	0	27	13
<i>Organic growth in local currency, %</i>	-21%	0%	37%	8%
Currency effects, SEK millions	1	0	-5	-4
<i>Currency effects, %</i>	1%	1%	-6%	-2%
Total growth, SEK millions	-14	0	23	9
Total growth, %	-20%	1%	31%	6%

Genetics	EMEA	Americas	APAC	Total
	Jan-Mar 2024	Jan-Mar 2024	Jan-Mar 2024	Jan-Mar 2024
Organic growth in local currency, SEK millions	-3	-43	-3	-50
<i>Organic growth in local currency, %</i>	-3%	-21%	-5%	-12%
Currency effects, SEK millions	-3	0	-3	-5
<i>Currency effects, %</i>	-2%	0%	-4%	-1%
Total growth, SEK millions	-6	-43	-6	-55
Total growth, %	-5%	-21%	-9%	-14%

Total Vitrolife Group	EMEA	Americas	APAC	Total
	Jan-Mar 2024	Jan-Mar 2024	Jan-Mar 2024	Jan-Mar 2024
Organic growth in local currency, SEK millions	-8	-40	47	-1
<i>Organic growth in local currency, %</i>	-2%	-14%	19%	0%
Currency effects, SEK millions	0	1	-13	-13
<i>Currency effects, %</i>	0%	0%	-5%	-2%
Total growth, SEK millions	-8	-39	34	-13
Total growth, %	-3%	-14%	14%	-2%

Note 5. Amortisations and depreciations

SEK millions	Jan-Mar 2024	Jan-Mar 2023	Full year 2023
Cost of sales	43	43	184
Selling expenses	46	45	189
Administrative expenses	15	11	47
R&D	1	3	5
Total	105	103	425
whereof acquisition related amortisations			
Cost of sales	21	20	84
Selling expenses	44	44	181
Total	65	64	265

Consolidated income statements per quarter

	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
SEK millions	2024	2023	2023	2023	2023	2022	2022	2022
Net sales	841	904	848	905	854	855	798	829
Cost of sales	-361	-390	-375	-400	-369	-392	-371	-358
Gross income	481	514	473	505	485	463	428	470
Selling expenses	-169	-182	-162	-175	-165	-162	-145	-152
Administrative expenses	-118	-109	-96	-107	-121	-103	-96	-102
Research and development expenses	-33	-28	-31	-33	-34	-23	-33	-43
Other operating income and expenses	7	-4,309	-4	-3	-6	-6	24	2
Operating income	167	-4,115	179	188	159	168	177	175
Financial income and expenses	-24	-15	-26	-53	-29	-63	-29	-6
Income after financial items	143	-4,130	152	135	130	106	149	169
Income taxes	-28	-49	-30	-29	-31	-32	-41	-39
Net income	115	-4,179	122	106	99	73	108	130
Attributable to								
Parent Company shareholders	115	-4,179	122	106	100	74	108	130
Non-controlling interests	0	0	0	0	-1	-1	0	0
Depreciation and amortisation	-105	-109	-109	-105	-103	-105	-98	-98
EBITDA income	272	294	287	293	262	273	276	273
EBITDA margin	32.4%	32.5%	33.9%	32.3%	30.6%	31.9%	34.5%	32.9%

Key ratios per quarter

	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
	2024	2023	2023	2023	2023	2022	2022	2022
Equity attributable to Parent Company shareholders, SEK million	13,231	12,722	17,430	17,677	17,013	16,736	16,386	15,977
Equity per share, SEK	97.69	93.93	128.69	130.51	125.61	123.56	120.98	117.96
Return on equity, %	-25.1	-23.8	2.3	2.3	2.5	2.4	2.2	2.7
Cash flow from operating activities per share, SEK	1.46	1.26	1.58	1.56	1.18	1.22	1.48	1.33

Alternative performance measures

This report includes certain performance measures not defined in IFRS, but they are included in the report as company management considers that this information makes it easier for investors to analyse the Group's financial performance and position. Investors should regard these alternative performance measures as complementing rather than replacing financial information in accordance with the IFRS. Please note that the Vitrolife Group's definitions of these performance measures may differ from other companies' definitions of the same terms.

The following definitions describe the performance measures that are used, referred to and presented in the financial reports. Measures that can be found directly in the financial reports and can be calculated on the basis of the definitions below have not been included in the tables on the following pages.

Profit and return measurements

Gross income

Definition: Net sales minus the cost of sales.

Purpose: This measure shows the Group's result before the effects of costs such as selling and administrative expenses.

Gross margin, %

Definition: Gross income in relation to net sales for the period.

Operating income (EBIT)

Definition: Net sales minus all costs attributable to operations including depreciation and amortisation of property, plant and equipment and intangible assets but excluding net financial items and tax.

Purpose: This is used to measure operational profitability and the Group's target achievement.

Operating margin (EBIT), %

Definition: Operating income (EBIT) in relation to net sales for the period.

Operating income before depreciation and amortisation (EBITDA)

Definition: Operating income before depreciation and amortisation of property, plant and equipment and intangible assets.

Purpose: This is used to measure result from operating activities independent of depreciation and amortisation. The company aims to achieve growth while maintaining profitability, where profitability is followed up through operating income before depreciation and amortisation (EBITDA).

Operating margin before depreciation and amortisation (EBITDA), %

Definition: Operating income before depreciation and amortisation of property, plant and equipment and intangible assets in relation to net sales for the period.

Adjusted gross and operating income

Definition: Gross and operating income before amortisation and depreciation.

Purpose: To extract non-cash impact on income levels and for operating income see the EBITDA income.

Capital measures

Net debt

Definition: Current and non-current interest-bearing liabilities, adjusted for IFRS 16 effect, minus interest-bearing receivables minus cash and cash equivalents.

Purpose: One of the Vitrolife Group's financial objectives is to have a strong financial capital base to enable continued high growth, both organic and through acquisitions. The definition of this measure has been reworded to reflect the introduction of IFRS 16 on 1 January 2019, as financial liabilities related to leases are not included in the net debt calculation.

Net debt/EBITDA rolling 12 months

Definition: Net debt in relation to EBITDA over a rolling-12 month period.

Purpose: One of the Vitrolife Group's financial objectives is to have a strong financial capital base to enable continued high growth, both organic and through acquisitions. In relation to this, the Group management monitors the ratio of net debt to rolling 12-month operating income before depreciation and amortisation (EBITDA). According to the Vitrolife Group's financial objectives, this ratio should normally not exceed three times. It is management's assessment that this ratio gives creditors and investors important information concerning the Group's approach to debt.

Equity/assets ratio, %

Definition: Equity and minority interest in relation to total assets.

Purpose: The ratio shows the proportion of the Company's total assets financed by equity. A high equity/assets ratio is a measure of financial strength and is used to measure target achievement.

Working capital

Definition: Current assets excluding cash and cash equivalents minus current non-interest-bearing liabilities.

Purpose: This measure is used to show how much capital is needed to finance current business operations.

Share-related measures

Cash flow from operating activities per share

Definition: Cash flow for the period from current business operations divided by the average number of shares for the period.

Purpose: This measure is used to show the cash flow generated by the company's current business operations per share.

Equity per share

Definition: Equity divided by the number of shares outstanding on the closing date.

Purpose: This measure shows the company's net value per share and determines whether a company increases shareholders' net worth over time.

Earnings per share (Defined by IFRS)

Definition: Income for the period attributable to the Vitrolife Group's shareholders divided by the average number of shares outstanding for the period.

EBITDA per share

Definition: EBITDA divided by the average number of shares outstanding for the period.

Purpose: Measures operating earnings per share generated by the business.

Return on equity

Definition: Net income, rolling 12 months, in relation to average equity.

Purpose: It is the Vitrolife Group's assessment that return on equity is an appropriate measure to illustrate to stakeholders how effectively the Group invests its equity.

SEK millions	31 Mar 2024	31 Mar 2023	31 Dec 2023
Average equity last four quarters	15,265	16,528	16,211
Net income, rolling 12 month	-3,836	413	-3,851
Return on equity, %	-25.1	2.5	-23.8

Financial instruments

SEK millions	31 Mar 2024	31 Mar 2023	31 Dec 2023
Borrowings, non-current	1,891	1,959	1,875
Lease liabilities, non-current	60	48	67
Borrowings, current	84	119	114
Lease liabilities, current	35	29	33
Adjustment of lease liabilities	-95	-76	-100
Cash and cash equivalents	-947	-618	-861
Net debt	1,028	1,459	1,128
Operating income, rolling 12 month	-3,581	680	-3,589
Impairment charge	4,300	-	4,300
Depreciation and amortisation, rolling 12 month	428	403	425
Rolling 12 month EBITDA	1,146	1,083	1,136
Net debt/EBITDA rolling 12 month	0.9	1.3	1.0

Other measures

Rolling 12 months

Definition: Key ratios calculated from rolling 12-month values are based on the four most recent interim reports and sets of accounts.

Purpose: Rolling 12 months gives a clearer picture of sales or profitability and a fairer picture of a key ratio's development.

Organic growth

Definition: Organic growth is sales growth from existing business operations adjusted for acquisitions and divestments. An acquisition or a sale is only included in the calculation of organic growth when it is included for an equal number of months in the current period and the corresponding period the previous year. Otherwise it is included in the calculation of acquired growth.

Purpose: Organic growth excludes the effects of changes in the Group's structure, thus enabling a comparison of net sales over time.

Net sales growth in local currency

Definition: Growth in local currencies is sales growth adjusted for currency effects. This is calculated as sales for the period in local currencies, translated using a predetermined exchange rate, in relation to sales for the corresponding period the previous year in local currencies, translated using the same exchange rate.

Purpose: As the Vitrolife Group has a large proportion of sales in currencies other than its reporting currency, SEK, sales are not only impacted by actual growth, but also by currency effects. This measure is used to analyse sales adjusted for currency effects. The percentage effects in the following tables are calculated as each amount in SEK millions in relation to net sales in the same period previous year (as shown in Note 4).

Glossary

The following explanations are intended to help the reader to understand certain specific terms and expressions in the Vitrolife Group's reports:

Biological quality tests

Using biological systems (living cells, organs or animals) to test how well a product or input material functions in relation to a requirement specification.

Biopsy

Removal of one or several cells from living tissue for evaluation.

Biotechnology

Combination of biology and technology, which primarily means using cells or components from cells (such as enzymes or DNA) in technical applications.

Blastocyst

An embryo at days 5-7 after fertilisation. Cell division has progressed to the point where the cells have started to differentiate and the embryo now has two distinct cell types.

Clinical study/trial

An investigation in healthy or sick people aimed at studying the effect of a pharmaceutical or treatment method.

Embryo

A fertilised egg that has become multicellular.

EmbryoScope®

An innovative incubator that incorporates time-lapse technology. EmbryoScope+ acquires images of all embryos in multiple focal planes while the embryos are safely in an undisturbed stable environment. The image sequence allows for comprehensive embryo evaluation e.g. by AI-based decision support tool, iDAScore.

Endometrium

Endometrium is the inner lining of the uterus. During the menstrual cycle it changes to provide an environment that may allow implantation and subsequent development of an embryo.

ERA

Genetic diagnostic test that determines each woman's unique personalised embryo transfer timing, therefore synchronising the embryo transfer with the individualised window of implantation.

ICSI

Intracytoplasmic sperm injection is the method of injecting a single sperm into a mature oocyte to achieve fertilisation.

In vitro (Latin "in glass")

A biological process that is performed outside of a living organism and in an artificial environment, for example, in a test tube.

In vivo (Latin "in the living")

Biological processes occurring in cells and tissues within a living organism.

Incubator

Equipment for culture of embryos in a controlled environment.

IUI

Intra-uterine insemination, "artificial insemination". A high concentration of active sperm are placed in the uterus to increase the chance of fertilisation.

IVF, In vitro fertilisation

The combination of the male and female sex cells and subsequent cultivation of the embryos, outside of the body.

Media

Liquids used within the IVF laboratory to handle sperm, oocytes and/or grow embryos.

Medical devices

Comprise devices used to make a diagnosis of a disease, treat a disease and as rehabilitation.

Oocyte pick-up/egg collection

The procedure to aspirate oocytes from the follicles within the ovary.

PGT-A

Preimplantation genetic testing for aneuploidy (PGT-A), also called preimplantation genetic screening (PGS), is a test for chromosome copy number that can be used during IVF to help predict the chromosomal status of an embryo from a biopsy of one or more cells. The results of PGT-A aid in selecting embryos more likely to have a normal number of chromosomes (euploid) over those with an abnormal number (aneuploid), which may result in implantation failure or miscarriage.

PGT-M

Preimplantation genetic testing for monogenic defects (PGT-M), also called preimplantation genetic diagnosis (PGD), is a test to find specific hereditary genetic diseases that are caused by a single defective gene. This test can be used to determine which embryo lacks the genetic disease to ensure that the child will not be impacted.

Preclinical study

Research conducted before a pharmaceutical or a treatment method is sufficiently documented to be studied in humans, for example, testing of substances on tissue samples and subsequent testing on experimental animals.

Time-lapse

Technology for embryo monitoring. Images of the developing embryo are taken at frequent time intervals, then played as a film and analysed.

Vitrification

Process for converting a material to a glass-like solid state, in this case the rapid cooling of eggs and embryos to cryopreserve them for future IVF cycles.

Financial reports

The Vitrolife Group's interim reports are published on the company's website, vitrolifegroup.com, and are sent to shareholders who have registered their interest in receiving this information.

25/04/2024

Annual General Meeting 2024

17/07/2024

Interim report Q2, 2024

24/10/2024

Interim report Q3, 2024

30/01/2025

Fourth quarter and full year report 2024

This report has not been reviewed by the Group's auditor.

There is a Swedish version of this interim report. When in doubt, the Swedish wording prevails.

The Vitrolife Group refers to Vitrolife AB (publ) and all its subsidiaries.

Forward Looking Statements

This report may contain forward-looking statements, which reflect the Board of Directors and the management's current views with respect to the market, certain future events and financial performance. Although the statements are based upon estimates, the management believes that the expectations reflected in these forward-looking statements are based on reasonable assumptions, and no assurance can be given that the expectations will prove to be correct. Forward-looking statements are based on the circumstances at the date of publication and actual outcome could be materially different. Vitrolife Group disclaims any intention or obligation to update these forward-looking statements. The most important strategic and operative risks regarding Vitrolife Group's business and field are described in the Management report, in the Annual Report. These are primarily constituted by macro-economic risks, operational risks and financial risks.

Queries should be addressed to

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This information is such that Vitrolife AB (publ) is obliged to publish according to the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, at 8.00 am CET on 18 April 2024.

VITROLIFE GROUP™

EXCELLENCE IN REPRODUCTIVE HEALTH

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