

18 July 2024

A skier wearing a teal helmet and an orange jacket is skiing down a steep, snowy slope. The skier is positioned in the upper right quadrant of the image, leaving a trail of snow behind them. To the left of the skier is a dark, craggy rock face. The background is a vast, white snowy expanse.

**Mips**

## Mips' presentation of the Q2 2024 Interim Report





## Key highlights

- Strong quarter with +31% organic growth, YTD organic growth now at +14%
- Good development in all categories and in all regions
- The interest in implementing Mips' safety system in new helmets remains high and market share and penetration of Mips continue to increase
- No change of previous assumption of gradual recovery of growth in 2024
- We remain confident in our long-term strategy and our financial targets



## Sports – strong development in bike and snow

- Good performance in Sports with +33% with good performance in bike, snow and EQ
- We continue to see positive order momentum in bike and our previous assumption of recovery in bike remains
- Inventory levels have returned to more healthier levels, but market conditions still challenging
- The long-term positive outlook in the Sports category remains





## Positive momentum in Moto continues

- Good performance with 14% growth in the quarter
- Retail environment has improved, especially for the important US market, but still softer than normal
- Implemented initiatives start to have effect, through new launches, improved sell through and new partnerships
- Safety Symposium together with MXGP and FIM held in end of May with great interest from both media and brands. Important to improve awareness in category
- No change in long-term outlook, strong interest for Mips in the category



## Good development in Safety with important launches

- Important launches with MSA and Husqvarna in the quarter, strong platform to build volumes established
- Volume development somewhat slower than expected despite good interest from both the US and the European market
- Volumes expected to increase coming quarters and we remain positive on the outlook for this category

CATEGORIES

# Development of net sales in our categories

SPORTS



Sports	Q2	YTD
Revenue SEKm	122 (91)	193 (169)
Growth %	33	14

MOTO



Motorcycle	Q2	YTD
Revenue SEKm	8 (7)	15 (14)
Growth %	14	8

SAFETY



Safety	Q2	YTD
Revenue SEKm	4 (4)	8 (6)
Growth %	10	23



# Development in the second quarter

SEKm	Q2 24	Q2 23	▲
Net sales	133	102	31%
Gross profit	97	71	37%
Gross margin %	72.9	70.0	3.0pp
Operating profit (EBIT)	52	23	125%
Operating margin (EBIT) %	38.9	22.6	16.3pp
Cash flow from operating activities	29	9	224%

- Great development in the second quarter with increase in net sales of 31%, adjusting for FX, net sales increased 31% organically.
- Gross profit increased with 37%. Gross margin of 72.9% (70.0), increase mainly due to lower share of fixed costs and positive product mix effect.
- OPEX – continued to invest in strategic priorities.
- EBIT up 125% to SEK 52m (23), EBIT margin increased with 16.3 percentage points to 38.9% (22.6).
- Good operating cash flow of SEK 29m (9).

31%

Organic growth

39%

EBIT margin

29m

Operating cash flow



# Development first six months

SEKm	YTD 24	YTD 23	▲
Net sales	216	190	14%
Gross profit	154	134	16%
Gross margin %	71.6	70.4	1.2pp
Operating profit (EBIT)	65	38	70%
Operating margin (EBIT) %	30.3	20.2	10.1pp
Cash flow from operating activities	20	-33	-

- Net sales during the first six months increased with 14%, adjusting for FX sales increased 14% organically.
- OPEX – continue to invest in strategic priorities.
- EBIT up 70% to SEK 65m (38), EBIT margin improved by 10.1 percentage points 30.3% (20.2).
- Operating cash flow of SEK 20m (-33).

14%  
Organic growth

30%  
EBIT margin

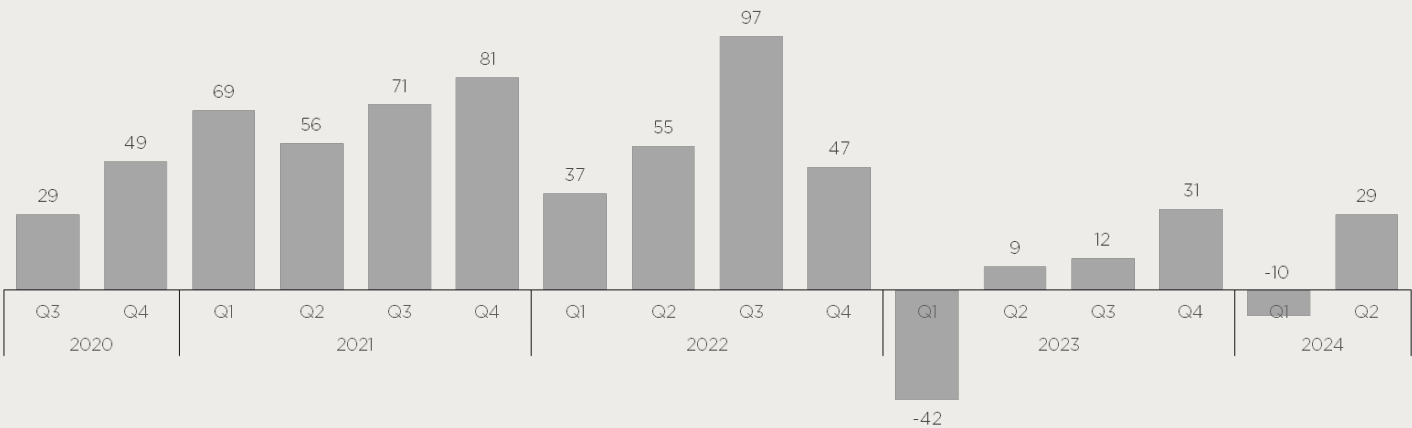
20m  
Operating Cash flow



# Balance sheet and cash flow

- Cash and Cash Equivalents at SEK 266m (356). Dividend payout of SEK 159m in May (SEK 6.00 per share). Mips does not hold any loans.
- Operating cash flow in the quarter amounted to SEK 29m (9).

Cash flow from operating activities (SEKm)



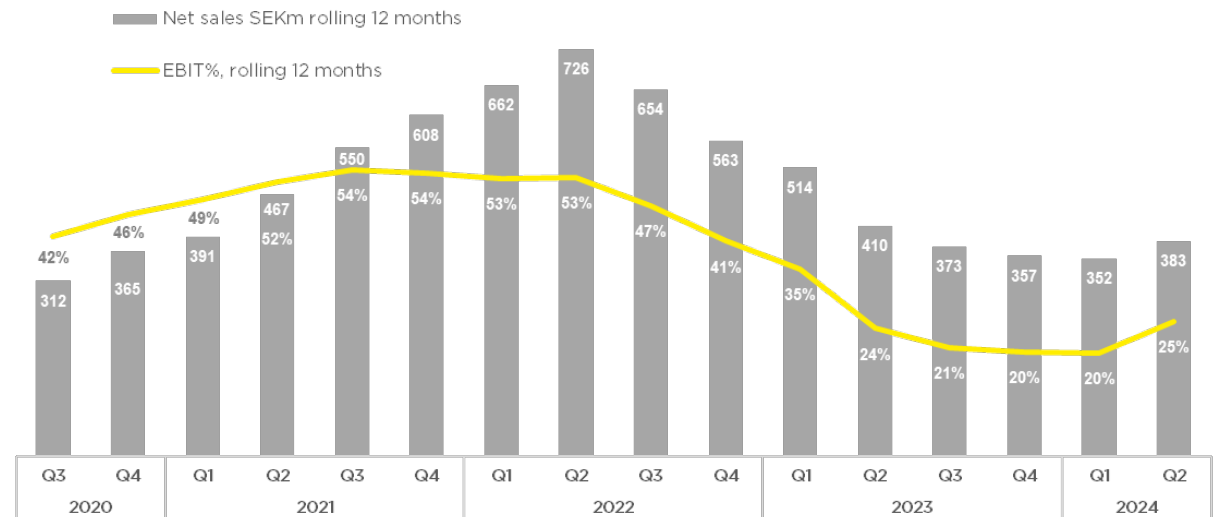
Mips group (SEKm)	Q2 24	Q2 23	FY 23
Total assets	647	617	738
Equity	551	525	657
Equity ratio %	85	85	89
Cash & Equivalents	266	356	408
Cash flow from operating activities	29	9	11

# Summary

- Good quarter with growth in all categories and all geographies. YTD sales now in positive territory.
- Our assumption remains the same as previous quarter. We expect gradual recovery of growth throughout 2024. Our view is that our sales will reflect market sell out, with less impact from our customers de-stocking their own inventory.
- Strong financial position and confidence in our long-term strategy and financial targets

**Mips**

SEKm





# Q&A



Safety for helmets



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