

24 October 2024

Mips

Mips' presentation of the
Q3 2024 Interim Report



Safety for helmets



Key highlights

Mips

- Another strong quarter with +61% growth in net sales. Organic growth in the quarter was +69%. YTD we have delivered +29% organic growth
- Good development with growth in all three categories
- Consumer market remains a challenge and buying behaviour is still erratic
- The interest in implementing Mips' safety system in new helmets remains high, and market share and penetration of Mips continue to increase throughout the world
- Confident in our long-term strategy and financial targets



Sports – continued strong development in all sub-categories

- Strong performance in Sports with +61% net sales growth. Good performance in all sub-categories in Sports. YTD net sales increased with +27%
- Inventory levels at more healthier levels, but market conditions still challenging due to weaker consumer sentiment and higher emphasis on working capital
- The long-term positive outlook in the Sports category remains



Strong growth in Moto

- Good performance with +55% growth in the quarter and YTD growth now at +20%
- Situation more normalized, with customers buying from us again, but still challenging market conditions
- No change in long-term outlook, strong interest for Mips in the category



Good development in Safety with largest quarter ever

- Good momentum in Safety with the largest quarter since entry in the category
- Roll-out of all the new helmet models equipped with our technology is starting to generate the expected market demand
- Intense quarter with the two largest fairs of the year in the category, ASSP and NSC, in the US taking place
- We remain positive on the outlook for this category





CATEGORIES

Development of net sales in our categories



SPORTS



MOTO



SAFETY

	Sports		Motorcycle			Safety		
	Q3	YTD	Q3	YTD	Q3	YTD	Q3	YTD
Revenue SEKm	111 (69)	304 (239)	7 (5)	23 (19)	5 (3)	13 (9)		
Growth %	61	27	55	20	92	45		



Development in the third quarter

SEKm	Q3 24	Q3 23	▲
Net sales	123	77	61%
Gross profit	91	56	62%
Gross margin %	73.4	73.1	0.3pp
Operating profit (EBIT)	48	15	219%
Operating margin (EBIT) %	38.5	19.5	19.0pp
Cash flow from operating activities	36	12	196%

- Strong development in the third quarter with increase in net sales of 61%, adjusting for FX, net sales increased 69% organically
- Gross profit increased with 62%. Gross margin of 73.4% (73.1), increase mainly due to increase in net sales and product mix effect
- OPEX - continued to invest in strategic priorities
- EBIT up 219% to SEK 48m (15), EBIT margin increased with 19 percentage points to 38.5% (19.5)
- Good operating cash flow of SEK 36m (12)

69%

Organic growth

39%

EBIT margin

36m

Operating cash flow



Development first nine months

SEKm	YTD 24	YTD 23	▲
Net sales	339	266	27%
Gross profit	245	190	29%
Gross margin %	72.3	71.1	1.1pp
Operating profit (EBIT)	113	53	112%
Operating margin (EBIT) %	33.3	20.0	13.3pp
Cash flow from operating activities	56	-21	-

- Net sales during the first nine months increased with 27%, adjusting for FX, net sales increased 29% organically
- Gross profit increased with 29%. Gross margin of 72.3% (71.1), increase mainly due to increase in net sales
- OPEX - continue to invest in strategic priorities
- EBIT up 112% to SEK 113m (53), EBIT margin improved by 13.3 percentage points to 33.3% (20.0)
- Operating cash flow of SEK 56m (-21)

29%

Organic growth

33%

EBIT margin

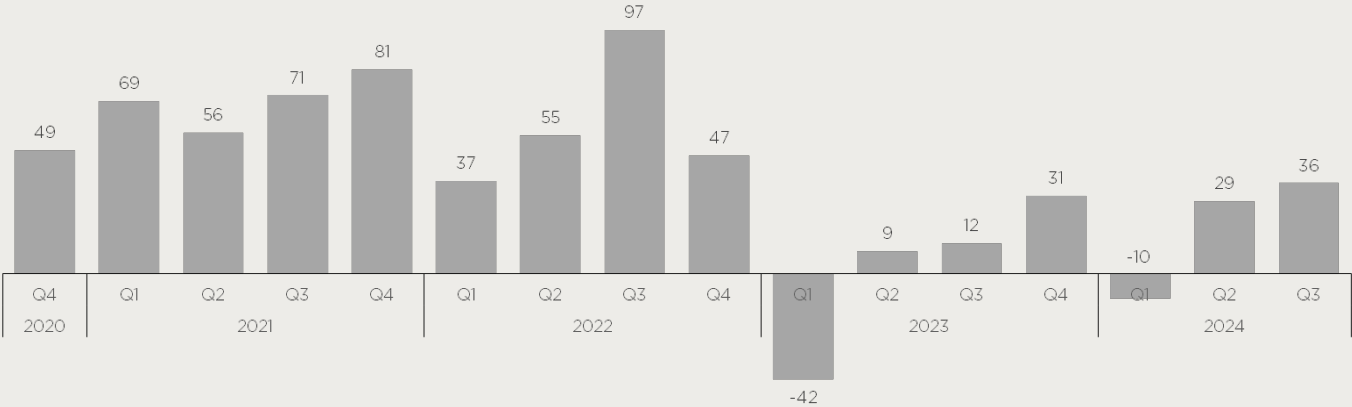
56m

Operating Cash flow

Balance sheet and cash flow

- Cash and Cash Equivalents at SEK 296m (371)
- 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 36m (12)

Cash flow from operating activities (SEKm)



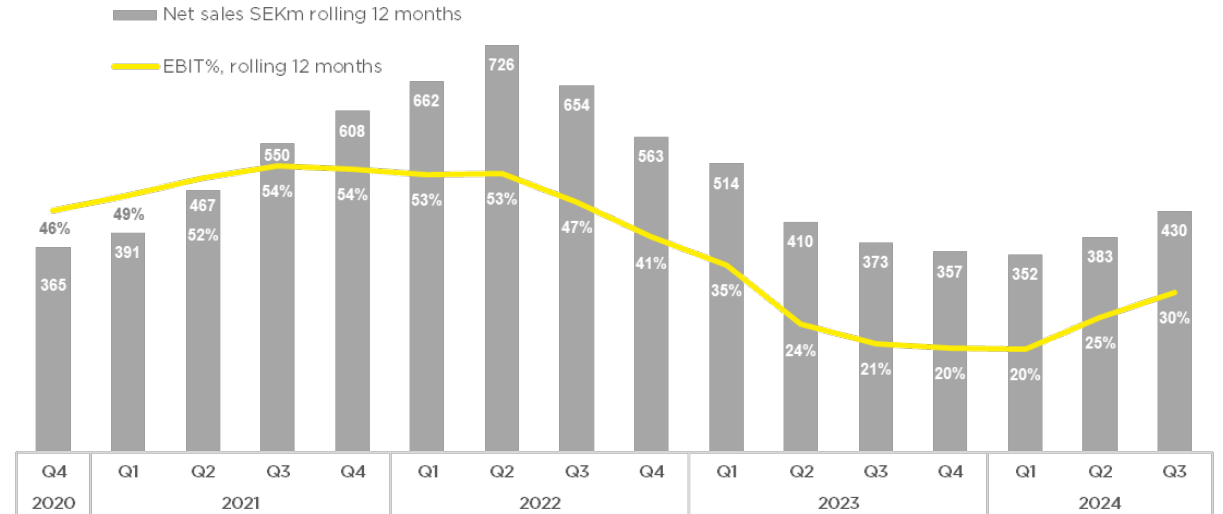
Mips group (SEKm)	Q3 24	Q3 23	FY 23
Total assets	675	703	738
Equity	585	624	657
Equity ratio %	87	89	89
Cash & Equivalents	296	371	408
Cash flow from operating activities	36	12	11



Summary

- Strong quarter with +69% organic growth. YTD performance now at +29% organic growth
- Good performance in all our three categories and we see YTD growth in all regions
- We are experiencing positive development, but it is important to remember that the market situation is neither fully normalized nor particularly stable
- Our sales have started to 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

SEKm





Q&A



Safety for helmets

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