

25 April 2024



**Mips**



Mips' presentation of the  
Q1 2024 Interim Report



## Key highlights

- Stable start of the year, but a decrease in sales of 6% fully explained by strong prior year comparator in snow. No change to assumption, our outlook for snow remains unchanged.
- We saw a good start of the year in the other categories, with continued good performance in bike. Positive to see Moto back in growth again and continued expansion in Safety.
- Still high interest in implementing Mips' safety system in new helmets, and no change to previous assumption of recovery in 2024.
- We remain confident in our long-term strategy and our financial targets.



## Sport – growth in bike, tough comparators in snow

- Soft sales performance in Sport with -9% fully driven by snow. Bike and equestrian continued to develop well in the quarter.
- We continue to see positive order momentum in bike and our previous assumption of recovery in bike remains.
- We consider the performance in snow to be phasing related and expect normal performance in Q2.
- Great exposure at Gothenburg Horse Show. We experienced a high level of interest in Mips and great interaction with the equestrian industry.
- Long-term positive outlook in the Sport category remains.



## Moto back at growth again

- Great to see growth again in Moto after soft quarters, we do see that implemented initiatives start to work.
- Retail environment is improving especially for the important US market but still softer than normal.
- We have implemented several initiatives to improve sell through, support new partnerships and new model launches.
- Official Safety partnership of Motocross world championship launched in April. Important to continue to drive Mips awareness in category.
- No change in long-term outlook, strong interest for Mips in the category, supported by new partnerships and new models being launched during coming quarters.



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## Continued good development in Safety supported by important launches

- Good momentum in Safety. We will continue to see a gradual improvement of volumes in the category with several new helmet models being launched during H1.
- We continue to see good interest in both the US and the European market.
- All key certifications now done, and we are looking forward to important launches in Q2. Strong customer platform now established in Safety to support delivery of our long-term plan.

CATEGORIES

# Development of net sales in our categories



Sport	Q1
Revenue SEKm	71 (78)
Growth %	-9

Motorcycle	Q1
Revenue SEKm	8 (7)
Growth %	3

Safety	Q1
Revenue SEKm	4 (3)
Growth %	30



# Development in the first quarter

SEKm	Q1 24	Q1 23	▲
Net sales	83	88	-6%
Gross profit	57	62	-8%
Gross margin %	69.4	70.8	-1.4pp
Operating profit (EBIT)	14	15	-12%
Operating margin (EBIT) %	16.5	17.5	-1.0pp
Cash flow from operating activities	-10	-42	77%

- Soft development in the first quarter with a decrease in net sales by 6%, adjusting for FX, net sales decreased 6% organically.
- Gross profit decreased with 8%. Gross margin of 69.4% (70.8), decrease mainly due to higher revenue from customer implementation projects with lower margin, and product mix effect.
- OPEX - continued to invest in strategic priorities.
- EBIT down 12% to SEK 14m (15), EBIT margin 16.5% (17.5).
- Operating cash flow of SEK -10m (-42).

**-6%**

Organic growth

**16%**

EBIT margin

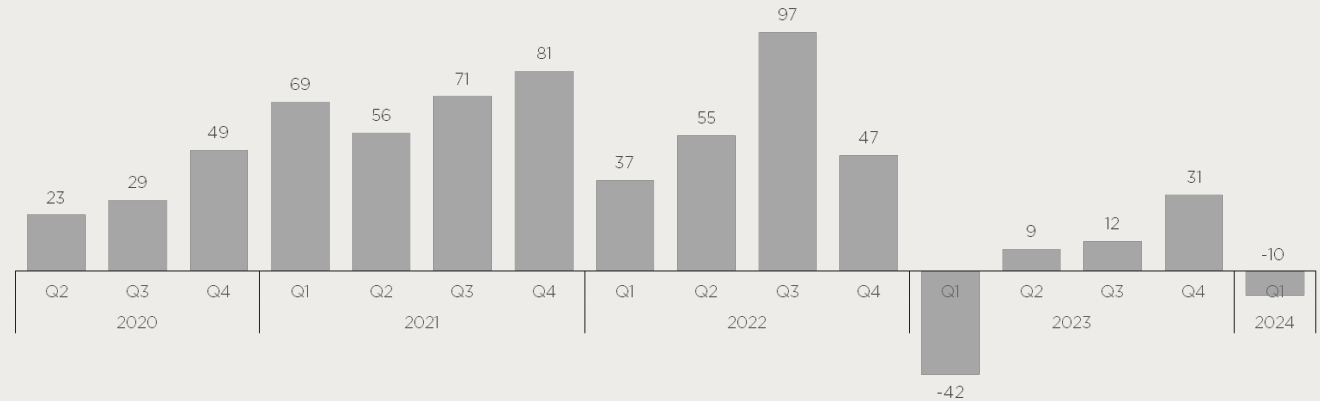
**-10m**

Operating cash flow

# Balance sheet and cash flow

- Cash and Cash Equivalents at SEK 400m (487). Mips does not hold any loans.
- Operating cash flow in the quarter amounted to SEK -10m (-42).
- Dividend of SEK 6.00 (5.50) per share being proposed. Corresponding to 249% of net earnings for 2023.

Cash flow from operating activities (SEKm)

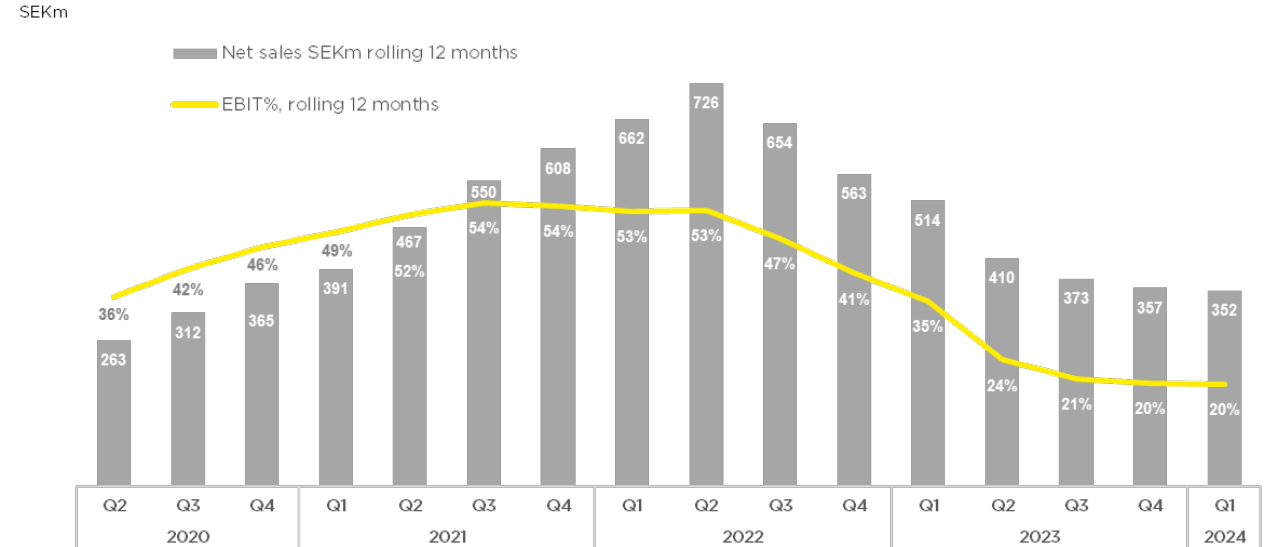


Mips group (SEKm)	Q1 24	Q1 23	FY 23
Total assets	751	733	738
Equity	671	645	657
Equity ratio %	89	88	89
Cash & Equivalents	400	487	408
Cash flow from operating activities	-10	-42	11



# Summary

- Stable start of the year and we are pleased to see that performance is picking up in all our categories.
- Our assumption remains. We do expect recovery throughout 2024. Our view is that our sales will reflect market sell out, rather than our customers de-stocking their own inventory.
- Strong financial position and confidence in our long-term strategy and financial targets.



\*Adjusted for costs relating to acquisitions during second quarter 2020.



# Q&A



Safety for helmets

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