

24 April 2025



Mips' presentation of the
Q1 2025 Interim Report



Mips

Key highlights

- Strong performance with +42% organic growth in the first quarter. Good development in all three categories and good growth in most geographies.
- Strong sales to European customers fueled by improving consumer market. Good growth also in US, despite a more careful consumer spending.
- Our current assessment is that near term sales development to our customers will be more uncertain due to lack of full understanding of the effects and implications from the implementation of tariffs.
- Strong improvement of EBIT in the quarter with +78%, mainly driven by the net sales improvement, partly offset by legal costs relating to a customer's legal IP dispute. Mips' IP are not part of process but decided to step in since Mips has interest in IP related areas.
- We remain confident in our long-term strategy and our financial targets.



Current situation and expected impact from tariffs

- The rapid implementation of tariffs have brought uncertainty to the short-term outlook in all our three categories in the US market.
- Our customers main uncertainty is; short-term sourcing, levels of pricing with impact both on competitive positioning and consumer demand.
- In 2024, 53% of Mips' net sales was to US based brands. These products are then sold all over the world. Brands from other parts of the world are also exporting to US. Our assessment is that a bit more than 50% of the Mips' volume lands in the US market.
- We do expect short-term demand swings from the implementation of tariffs.



Sports – progress continues

- Strong performance in Sports with +40% net sales growth.
- Inventory back at healthy levels, market conditions in Europe improving but US consumer market more uncertain. Uncertainty fueled by the implementation of tariffs.
- The long-term positive outlook in the Sports category remains.



Strong growth in Moto

- Good performance with +32% net sales growth in the quarter.
- Situation more normalized with customers buying from us again, but challenging market conditions remain.
- Successful roll-out of Integra TX and retail activation program.
- No change in long-term outlook, good opportunity to continue to grow in the category.



Good development in Safety

- Good momentum in Safety with the largest quarter since entry in the category, with +60% net sales growth.
- Roll-out of all the new helmet models equipped with our technology is starting to generate the expected market demand.
- We remain positive on the outlook for this category, but short-term demand could be impacted by implementation of tariffs.

CATEGORIES

Development of net sales in our categories



Sports	Q1
Revenue SEKm	100 (71)
Growth %	40

Motorcycle	Q1
Revenue SEKm	10 (8)
Growth %	32

Safety	Q1
Revenue SEKm	6 (4)
Growth %	60



Development in the first quarter

SEKm	Q1 25	Q1 24	▲
Net sales	116	83	40%
Gross profit	83	57	46%
Gross margin %	72.1	69.4	2.7pp
Operating profit (EBIT)	24	14	78%
Operating margin (EBIT) %	20.9	16.5	4.5pp
Cash flow from operating activities	36	-10	-

- Strong development in the first quarter with increase in net sales of 40%, adjusting for FX, net sales increased 42% organically.
- Gross profit increased with 46%. Gross margin of 72.1% (69.4), increase mainly due to increase in net sales.
- OPEX - negatively impacted by legal costs. Continued to invest in strategic priorities.
- EBIT up 78% to SEK 24m (14), EBIT margin improved by 4.5 percentage points to 20.9% (16.5).
- Good operating cash flow of SEK 36m (-10).

42%

Organic growth

21%

EBIT margin

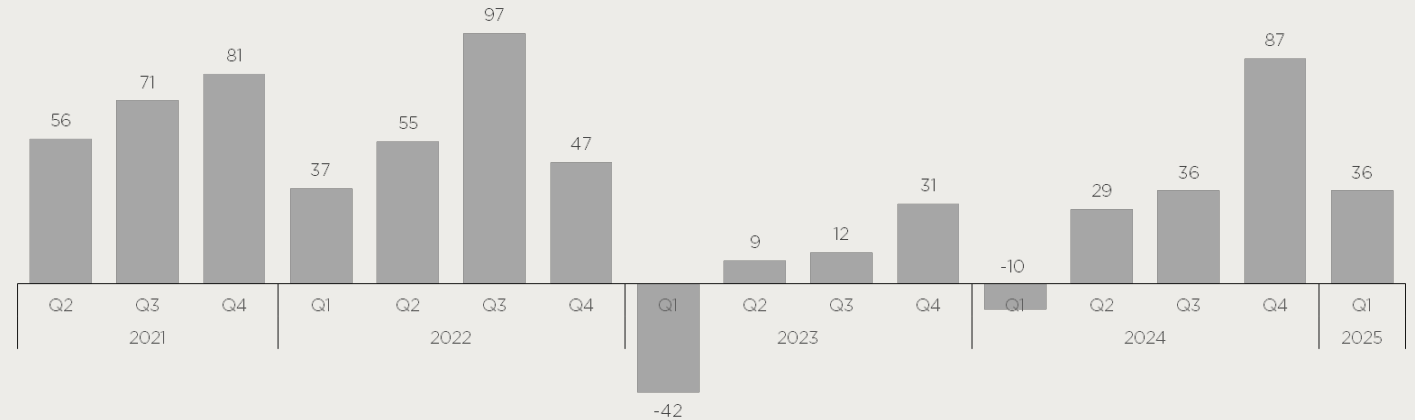
36m

Operating cash flow

Balance sheet and cash flow

- Cash and Cash Equivalents at SEK 408m (400).
- Dividend of SEK 6.50 (6.00) per share being proposed. Corresponding to 122% of the Group's net earnings for 2024.
- Operating cash flow in the quarter amounted to SEK 36m (-10).

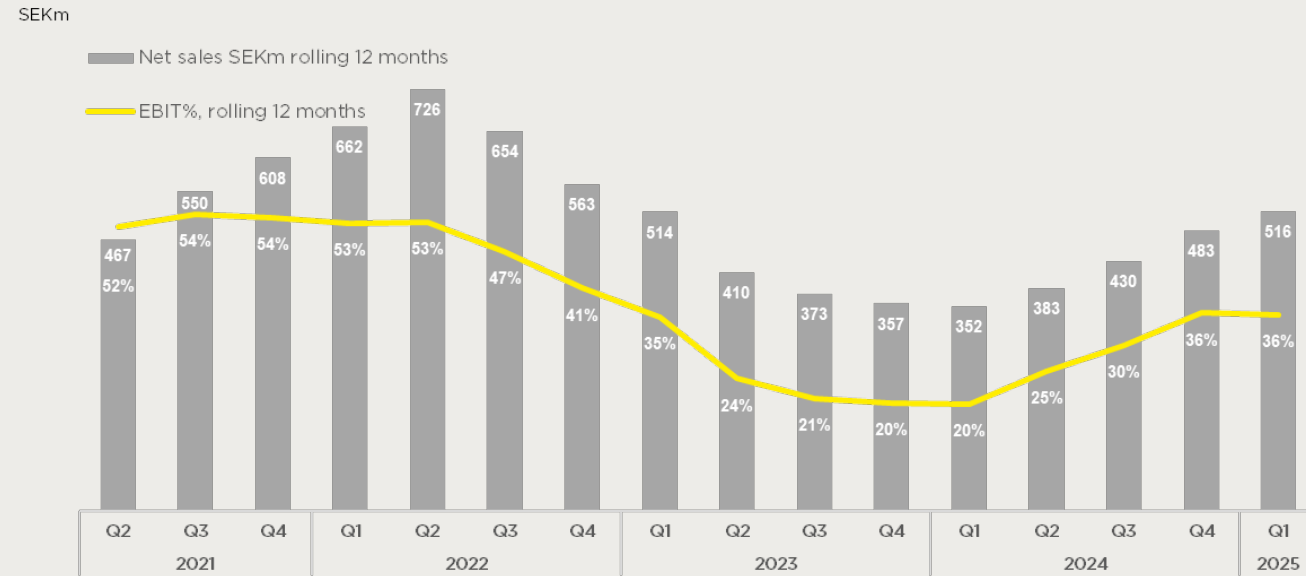
Cash flow from operating activities (SEKm)



Mips group (SEKm)	Q1 25	Q1 24	FY 24
Total assets	742	751	739
Equity	647	671	641
Equity ratio %	87	89	87
Cash & Equivalents	408	400	382
Cash flow from operating activities	36	-10	142

Summary

- Good start of the year with +42% organic growth in the first quarter.
- Good performance in all our three categories. Strong increase in market share and penetration of the market. Inventory situation fully normalized.
- Our current assessment is that near term sales development to our customers will be uncertain due to lack of full understanding of the effects and implications of the implementation of tariffs.
- We remain positive on our long-term outlook and the delivery of our financial targets.





Safety for helmets

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