

6 February 2025



Mips' presentation of the
Q4 Year-end report 2024





Key highlights



- Another strong quarter with +58% growth in net sales. Organic growth in the quarter was +52%. YTD, we have delivered +35% organic growth.
- Good development in all categories and all regions.
- Consumer market remains challenging and buying behaviour is still erratic, but we see positive trends in recent US retail data.
- The interest in implementing Mips' safety system in new helmets remains high. Market share and penetration of Mips continue to increase throughout the world.
- Proposed dividend of SEK 6.50 (6.00) per share, corresponding to 122% of net earnings.
- Update regarding our long-term financial target communicated.

Update of long-term financial target

- We remain confident in the strategy communicated at our latest Capital Markets day in 2022.
- Despite good progress and market share gains, the overall consumer market has taken longer to return to normal purchasing patterns. Additionally, a restrained consumer spending and geopolitical situation have resulted in a decision to retain our net sales target but now with the ambition to reach the target no later than 2029 instead of 2027.
- Remaining two targets remain unchanged:
 - EBIT margin >50%
 - >50% dividend of annual net earnings
- Our three strategic pillars remain intact:
 - Grow the existing business
 - Open up new channels and markets
 - Capture new opportunities within helmet safety

>SEK 2bn
net sales
2029

>50%
EBIT
margin

>50%
dividend of
net
earnings

Sports – strong development in all sub-categories

- Strong performance in Sports with +56% net sales growth. Good performance in all sub-categories in Sports. YTD net sales increased with +35%.
- Inventory levels at more healthier levels, but market conditions still challenging due to weaker consumer sentiment and higher emphasis on working capital.
- Short term market trends showing that both Europe and US bike markets are growing again.
- The long-term positive outlook in the Sports category remains.

Strong growth in Moto

- Good performance with +57% growth in the quarter and YTD growth now at +25%.
- Situation more normalized with customers buying from us again, but still challenging market conditions.
- Great interest in the new solutions launched in Moto, especially, Mips Integra TX. Good attention at the EICMA motorcycle show in November.
- No change in long-term outlook, good opportunity to continue to grow in the category.

Industry leading
expertise

The original.

Welcome to a safe space.



Good development in Safety with largest quarter ever

- Good momentum in Safety with the largest quarter since entry in the category, with +119% net sales growth. YTD net sales increased with +55%.
- 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.

Supply chain - tariffs

- In conjunction with the installation of the new American president, tariffs of 10% have been communicated for goods imported from China.
- Mips sells all products based on Incoterms Ex Works (delivered at Mips' warehouse), which means that the buyer takes responsibility for transport cost, fees, taxes, tariffs etc.
- No further updates regarding tariffs since last communication, but we expect world trade to be volatile coming months.

Great delivery meeting our sustainability targets

All key sustainability targets for 2024 were met:

- Emission reduction of 18% during the year, significantly ahead of our SBTi ambition. Including 2024 we have now delivered 43% of our 2030 ambition.
- Third party audit plans delivered in full.
- Increased the usage of recycled material used in Mips' products by 16% vs. target of 10%.

CATEGORIES

Development of net sales in our categories



	Sports		Motorcycle		Safety	
	Q4	YTD	Q4	YTD	Q4	YTD
Revenue SEKm	133 (85)	437 (323)	5 (3)	28 (22)	6 (3)	18 (12)
Growth %	56	35	57	25	119	55



Development in the fourth quarter

SEKm	Q4 24	Q4 23	▲
Net sales	144	91	58%
Gross profit	105	64	64%
Gross margin %	72.9	70.2	2.7pp
Operating profit (EBIT)	62	17	260%
Operating margin (EBIT) %	42.9	18.8	24.1pp
Cash flow from operating activities	87	31	176%

- Strong development in the fourth quarter with increase in net sales of 58%, adjusting for FX, net sales increased 52% organically
- Gross profit increased with 64%. Gross margin of 72.9% (70.2), increase mainly due to increase in net sales
- OPEX - continued to invest in strategic priorities
- EBIT up 260% to SEK 62m (17), EBIT margin improved by 24.1 percentage points to 42.9% (18.8)
- Good operating cash flow of SEK 87m (31)

52%

Organic growth

43%

EBIT margin

87m

Operating cash flow



FINANCIAL PERFORMANCE

Development for the full year

SEKm	YTD 24	YTD 23	▲
Net sales	483	357	35%
Gross profit	350	253	38%
Gross margin %	72.5	70.9	1.5pp
Operating profit (EBIT)	174	70	148%
Operating margin (EBIT) %	36.1	19.7	16.4pp
Cash flow from operating activities	142	11	1230

- Net sales during the full year increased with 35%, adjusting for FX, net sales increased 35% organically
- Gross profit increased with 38%. Gross margin of 72.5% (70.9), increase mainly due to increase in net sales
- OPEX - continue to invest in strategic priorities
- EBIT up 148% to SEK 174m (70), EBIT margin improved by 16.4 percentage points to 36.1% (19.7)
- Operating cash flow of SEK 142m (11)

35%

Organic growth

36%

EBIT margin

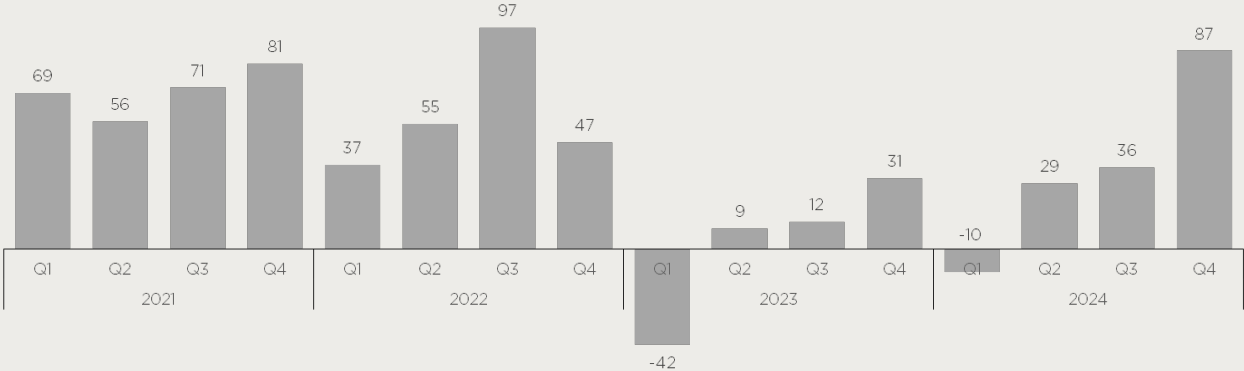
142m

Operating Cash flow

Balance sheet and cash flow

- Cash and Cash Equivalents at SEK 382m (408)
- Dividend of SEK 6.50 (6.00) per share, being proposed. Corresponding to 122% of net earnings
- Operating cash flow in the quarter amounted to SEK 87m (31)

Cash flow from operating activities (SEKm)

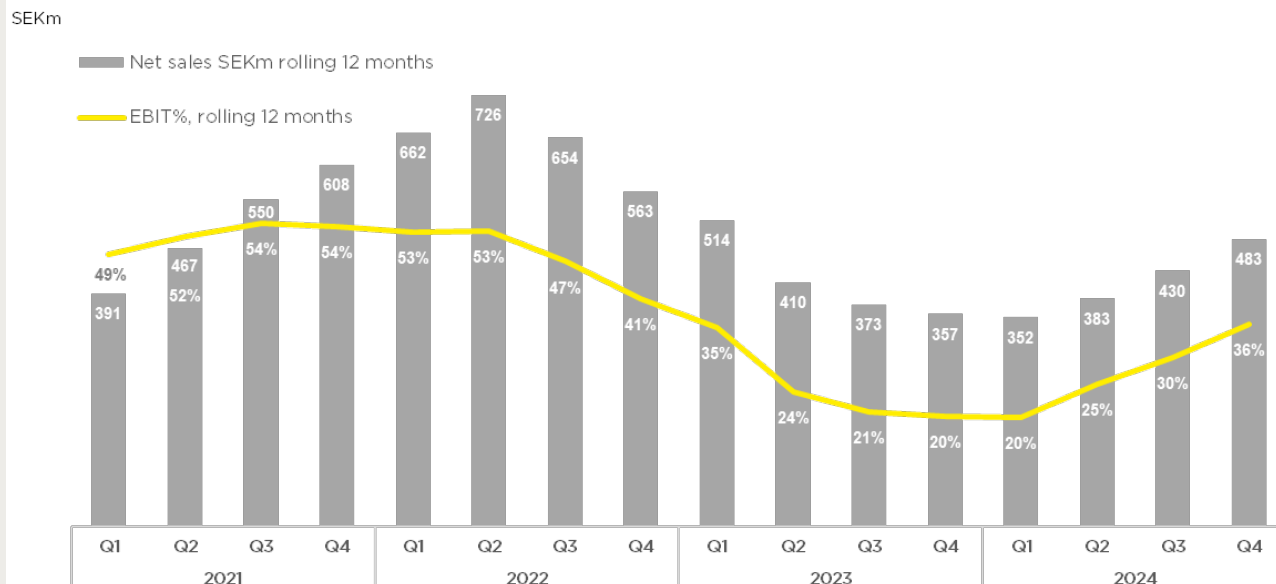


Mips group (SEKm)	Q4 24	Q4 23	YTD 24	YTD 23
Total assets	739	738	739	738
Equity	641	657	641	657
Equity ratio %	87	89	87	89
Cash & Equivalents	382	408	382	408
Cash flow from operating activities	87	31	142	11

Summary



- Strong delivery in the last quarter of the year with +52% organic growth. YTD performance at +35% organic growth.
- Good performance in all our three categories and we see growth in all regions. Good increase in market shares and penetration of the market.
- Inventory situation much more balanced and positive to see improvement in consumer confidence during the last quarters.
- 1 of our financial targets has been updated, with the ambition now to reach net sales of SEK >2bn by 2029. The other two financial targets remain unchanged.





Safety for helmets

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