

MIPS PREDICTS A SHORT-TERM WEAKER DEVELOPMENT OF THE BIKE MARKET THAN PREVIOUSLY COMMUNICATED

Mips AB communicated in the half-year report 2022 that the inventory levels in the bike retail sector at the time continued to be unbalanced and that the situation could impact the short-term demand for Mips' products. Mips assessment is that the continuing challenging market situation in the bike sector where retailers in most markets have substantially reduced their purchases will have a negative impact on Mips' sales and profitability for the rest of the year.

"The uncertain market situation in the bike sector has continued during the third quarter which has resulted in too high inventory levels of bikes and bike accessories at retailers. We see a wait-and-see approach among retailers that together with a generally decreased purchasing power among consumers has had a greater impact on Mips' sales than predicted, which should also be seen in the light of a very strong previous year with strong comparators. We assess that this is a short-term negative trend in the bike sector that may continue throughout the year and the first part of 2023 until inventory levels are balanced again. As Mips' sales to helmet brands in the bike sector in previous years mainly took place in the third and fourth quarter, we assess that the market situation will have a negative impact on Mips' sales and profitability the rest of the year," says Max Strandwitz, CEO and President of Mips.

"We continue to gain market shares and advance our position within all our categories. We remain convinced that the positive long-term trends remain and that demand will continue to be good in all our categories going forward. We feel confident with our long-term strategy communicated at our Capital Markets Day in June 2022, that remains unchanged, which together with Mips' very good financial position, makes us well prepared for the opportunities and challenges that lie ahead," says Max Strandwitz.

Mips will present its interim report for the third quarter 2022 on 26 October 2022.

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Press Release

12 September 2022 21:54:00 CEST

**About Mips**

Mips specializes in helmet-based safety and is a world-leader in this area. Based on an ingredient brand business-model, Mips' safety system is sold to the global helmet industry. The technology is based on over 25 years of research and development together with the Royal Institute of Technology and the Karolinska Institute, both located in Stockholm, Sweden. Mips' headquarter with 68 employees engaged in research and development, sales, marketing and administration is in Stockholm, where its product and technology test facility also is located. The Mips share is listed on Nasdaq Stockholm. For more information: www.mipscorp.com

This information is information that Mips AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2022-09-12 21:54 CEST.

Attachments

[Mips predicts a short-term weaker development of the bike market than previously communicated](#)