

# Mips



Annual and  
Sustainability Report  
**2024**





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### Mips' vision

## Reduce head injuries - Save more lives

## This is Mips

Mips specializes in helmet-based safety and is a global leader in helmet solutions that are designed to add protection against harmful rotational motion. Mips' patented safety system for helmets was born from science and research and is based on more than 25 years of research. Mips' mission is to lead the world towards safer helmets.

Rotational motion is a combination of rotational acceleration and rotational velocity. This motion leads to shearing and/or stretching of the brain tissues and increases the risk of brain injuries from an oblique impact to the head.

The main component in Mips' safety system is the Mips low-friction layer, which is designed to mimic the brain's own protection system and allows a small movement between the head and the helmet.

Mips is an ingredient brand, which means that the company sells its products and licenses the associated technology to helmet brands who manufacture, market, and sell helmets to end users, both directly and indirectly.

The Mips safety system can be fitted in both new and existing helmet models. Many of Mips' customers are leading helmet suppliers. For helmet-industry brands, this

means they can sell a helmet that has been designed to add protection against rotational motion, and thereby create added value and differentiate their brand. Mips' customers market the benefits of Mips' safety system and Mips' brand to end users.

Mips works with many of the leading helmet manufacturers in the Sports helmet and the Motorcycle helmet categories, and also sells solutions to leading brands in the Safety helmet category.



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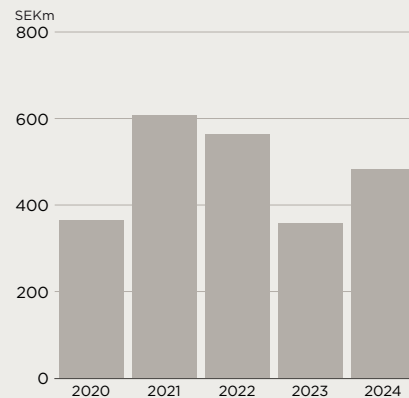
Other information

# The year in brief

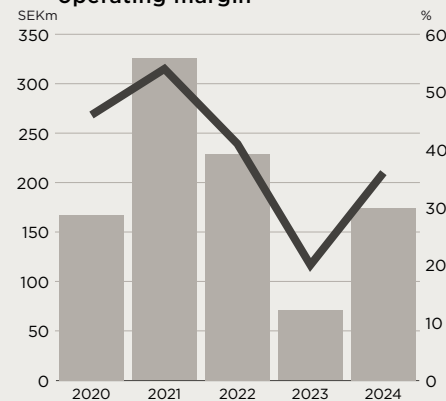
## Five-year overview

SEKm	2024	2023	2022	2021	2020
Net sales	483	357	563	608	365
Net sales growth, %	35	-37	-7	67	36
Gross profit	350	253	406	445	265
Gross margin, %	72.5	70.9	72.1	73.2	72.8
Operating profit/loss	174	70	229	326	167
Operating margin, %	36.1	19.7	40.7	53.6	45.8
Adjusted operating profit (Adjusted EBIT)	174	70	229	326	168
Adjusted operating margin (Adjusted EBIT), %	36.1	19.7	40.7	53.6	46.2
Amortization	19	18	16	12	9
EBITDA	194	89	245	338	176
EBITDA margin, %	40.1	24.8	43.6	55.5	48.2
Profit for the year	141	64	175	255	129

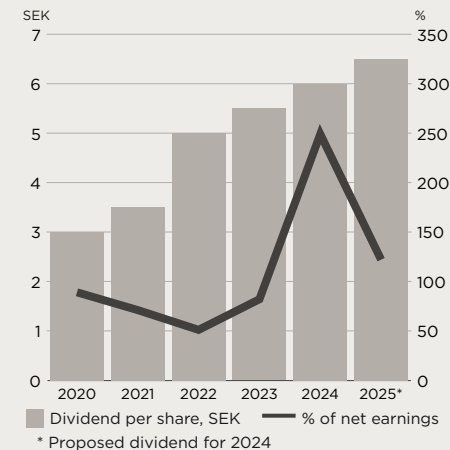
### Net sales



### Operating profit and operating margin



### Dividend



SEK **483**<sub>m</sub>

Net sales 2024

SEK **174**<sub>m</sub>

Operating profit 2024

**36%**

Operating margin 2024

**122%**

Distribution of net earnings 2024\*

**Mips**



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## → Financial performance during the year

Net sales for the year amounted to SEK 483m (357), an increase of 35 percent. The organic growth was at 35 percent, adjusted for exchange rate effects. The increase in net sales is mainly due to higher sales in the bike sub-category.

Gross profit increased by 38 percent to SEK 350m (253). The gross margin amounted to 72.5 percent (70.9) and the increase was primarily an effect of the increase in sales.

Operating profit increased to SEK 174m (70), corresponding to an operating margin of 36.1 percent (19.7). The improvement in the operating profit is mainly explained by the higher sales during the year and lower negative exchange rate effects under other operating costs.

Cash flow from operating activities amounted to SEK 142m (11). This increase can primarily be explained by higher earnings this year and higher income tax paid in the prior year.

Profit for the period was SEK 141m (64). Diluted earnings per share amounted to SEK 5.32 (2.42).

The Board of Directors proposes a dividend of SEK 6.50 (6.00) per share for 2024, corresponding to 122 percent of the net earnings for the year.

## → Updated long-term financial target

Mips is confident in the strategic plan communicated in 2022. After the end of 2024, a summary has been done where the company has seen that it has taken longer time to normalize the inventory levels in the sub-category bike. This, together with a relatively uncertain consumer market and a new administration in the for Mips important US market, means that the company's new assessment is that we will reach our net sales target of >SEK 2 billion no later than 2029 (2027). Mips' profitability target of >50 percent and dividend target of >50 percent remain unchanged.

## → Achieved sustainability targets for 2024

Mips has achieved all three of the main sustainability targets set for 2024.

The company has reduced its greenhouse gas emissions per solution sold by an average of 18 percent compared to last year. Mips' thus exceeded its target for 2024, which was to reduce emissions per solution sold by an average of 8 percent.

Mips has carried out third-party audits of five of the company's strategically important suppliers, which is in line with the target for the year.

The proportion of recycled material used in Mips' solutions increased by 16 percent this year compared to last year. Mips has thus achieved this year's target to increase the proportion of recycled material by at least 10 percent.

# 18%

Reduced emissions per solution sold in 2024

# 5 suppliers

Third-party audits performed in 2024

# 16%

Higher proportion of recycled materials in 2024



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Message from the CEO

# Strong progress in a challenging market

2024 was another challenging year. The geopolitical situation remained unpredictable, the economy has been weak, and many post-effects of the pandemic have lingered for much longer than I think anyone could have foreseen. These circumstances are challenging for most companies. But in spite of this, we have shown strong progress. We grew in all our categories. We grew in all the geographies we sell to. We implemented Mips' technology in more helmets than in any other year. Three different factors make this possible. The first is that we are gaining market share in all the markets we sell to. The second is that we continue to increase Mips' penetration of the market, more products are being equipped with our technology. And the third factor is that our customers' inventory situation has improved significantly.



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We have reviewed our strategy during the year but have made very few revisions to it. We believe our strategy is just as relevant today as when we launched it in 2022. But the consumer market has been much slower than we anticipated then. Since we are still seeing customer demand for our product, and since consumers are still choosing helmets equipped with Mips' technology, we have continued to invest in our strategic initiatives. In 2024 we equipped more helmets with Mips' technology than in any other year.

### Updated long-term financial target

We are still confident in the strategic plan we presented at our Capital Markets Day in June 2022. The plan is built on three strategic pillars:

- 1) grow the existing business,
- 2) open up new channels and markets, and
- 3) capture new opportunities within helmet safety.

We see that we have successfully continued to gain market share. We've also increased our penetration of the number of customer helmet models equipped with Mips' technology via our market-leading safety solution.

After summarizing the year, we have assessed the possibilities of reaching our financial targets by 2027. We have seen that it has taken longer for both the retail chain and helmet manufacturers to normalize their inventory levels than expected in connection with our Capital Markets Day. This, together with a relatively uncertain consumer market, geopolitical uncertainty and a new administration in the important US market, means that our new assessment is that we will reach



Strong progress in a challenging market”

our net sales target of >SEK 2 billion no later than 2029, which is two years later than the target communicated in 2022. Our long-term profitability target and dividend target communicated in 2022 remain unchanged. This means that our financial targets now are:

- Net sales >SEK 2 billion no later than 2029 (previously 2027)
- EBIT margin >50% (no change)
- >50% dividend of annual net earnings (no change)

Our vision to reduce head injuries and save more lives, and our ambition to take a leading position in helmet safety are what drive us to keep investing in raising the awareness of Mips and in researching to be able to develop more solutions that make a difference to as many people as possible.

### Sustainability –

#### continued to focus on achieving our long-term targets

We continued our journey towards our long-term sustainability targets this year. One of our targets this year was to reduce Mips' carbon dioxide emissions by 8 percent per solution sold, and I am delighted to say that we managed to deliver a total reduction of 18 percent. The second target was to expand the third-party auditing of our supply chain, and we have now audited five of our largest manufacturing suppliers. We have thus delivered on this target. Our third target was to increase the use of recycled materials in Mips' solutions by at least 10 percent, and we have successfully achieved an increase of 16 percent.



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## Helmet category Sports – growth every quarter in bike

The helmet category Sports has developed very well this year, despite not having the market with us. We have seen that the European bike helmet market has developed well, but from relatively low levels. We've also seen that the north-American market, an important market for Mips, has been slower with a decrease in sales volumes during the year. In spite of that, Mips has managed to grow in all markets in the category Sports. This means that our customers have started to purchase from us instead of only taking products from their own stocks. All these factors have had a positive effect on our business.

In the snow sub-category, it was a mixed story in the consumer market. The European market started well with a large amount of snow early in the season when many people buy gear, but the conditions were bad at the end of the season. It was the opposite in north America, a slow start but a good end to the season. Overall it was a relatively slow season. However, business developed well for us with a continued increase in market share and greater market penetration of products equipped with Mips' safety system.

In the equestrian sub-category we saw continued progress. Even though this market is not that big, we are seeing very good growth and great interest in implementing Mips' products in new equestrian helmets around the world.



## Helmet category Motorcycle – our activities are having the desired effect

In the Motorcycle category, at the beginning of the year we assumed we would see a return to growth by mid-year, and even though it was small, the growth came a quarter earlier than we had expected. As with the bike sub-category, times have been tough in the Motorcycle category with lower demand, higher inventories after the pandemic, and the introduction of a new helmet standard. Growth accelerated during the year, and it is gratifying to see that many of the activities we implemented have started to have an effect. Many of our new solutions in Motorcycle are now

reaching the market and I'm very happy to see how well these products are being received. We also announced a partnership with MXGP, the organizer of the motocross World Championship. We are seeing that more and more motocross drivers use helmets fitted with Mips' technology, and it makes sense for us to be visible in competition settings.

## Helmet category Safety – good position in this category

We are very happy with developments in the Safety category in terms of the number of brands and products launched. It has taken longer than we had expected to

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“

Looking forward to continue our positive development”

get the products onto the market though. This is nothing to do with Mips, but since we are an ingredient brand we are reliant on a product being fully complete before that helmet can be equipped with our technology. We are through the worst of the bottleneck, and we look forward to seeing how the market receives these helmets. The awareness of Mips is growing quickly in the industrial sector and it will be interesting to see what 2025 brings for our Safety category.

**Looking forward to continue our positive development**  
Bolstered by strong progress and a very strong market position, we are looking forward to continuing our positive trajectory in 2025. I am very satisfied with and grateful for the responsibility taken by all our employees at Mips. We are dealing with a troubling and challenging market, but despite this, we continue to work with our partners to make the world safer by equipping more helmets with the Mips safety system.

Stockholm, March 2025

**Max Strandwitz**  
President and CEO





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# Business model Strategy and targets



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## Mips' strategic foundation

### Vision

Reduce head injuries – Save more lives

### Ambition

Mips' strategic ambition is to increase the safety of everyone who wears a helmet.

### Ingredient brand

The ingredient brand model enables Mips to reach a large number of customers, and gain good exposure to end users through the helmet brands' broad and global marketing resources.

Read more about how Mips' ingredient brand business model works on page 29, and about Mips' research and development on page 33.



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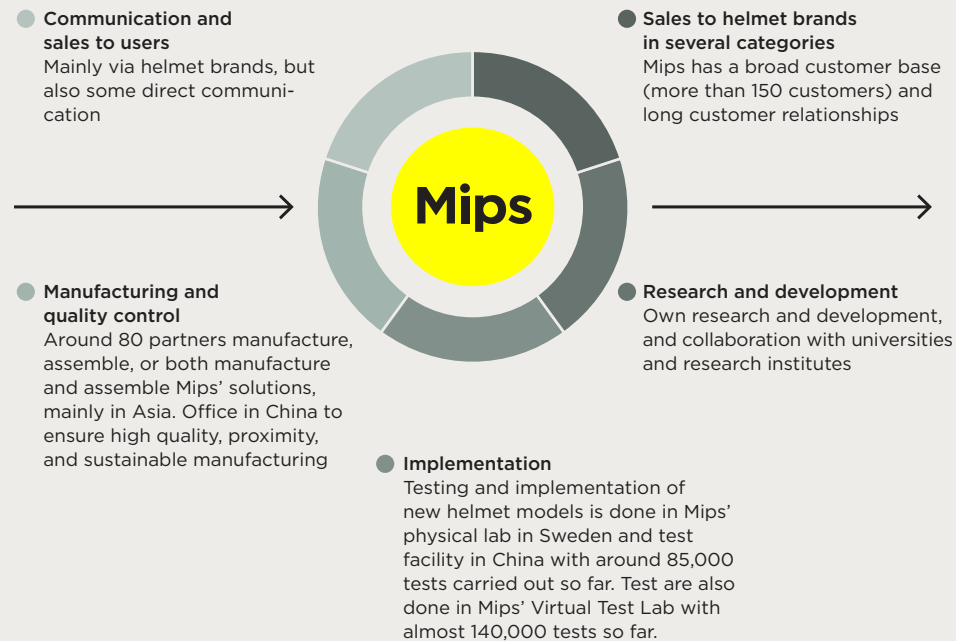
# Business model – how Mips creates value

Mips sells its solutions to helmet brands who implement Mips' technology in helmets that are then, directly and indirectly, sold to end users. Mips' ambition is to invest 5 percent of net sales into research and development every year to ensure that the company is always at the forefront of helmet safety. Furthermore, the company aims to invest 7 percent of net sales in marketing activities every year to strengthen the brand and raise the end users' awareness of Mips.

## Resources

- Operations**
  - Headquarters in Stockholm
  - Office and warehouse in China
- Employees**
  - More than 100 employees with different specialist skills
- Capital**
  - Equity of SEK 641m
- Technology**
  - The company's technology is founded on 25+ years of research
  - A high-tech test lab in Sweden and a test facility in China
  - The Mips Virtual Test Lab
  - 12 unique solutions in our portfolio
- IP portfolio**
  - Broad portfolio of patents including almost 60 patent families and more than 400 granted patents
- Strong brand**
  - Good relationships with customers in different segments of the helmet market
  - High awareness among consumers
  - A vision with meaningful impact: Reduce head injuries – Save more lives

## Mips' ingredient-brand model enables scalability



## Value creation

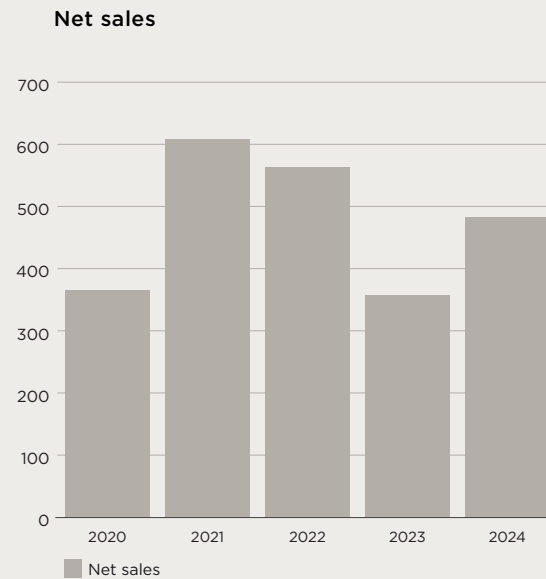
- Helmet users**
  - Safety systems for helmets designed to add protection against injuries caused by rotational motion
- Customers**
  - A product that enables helmet brands to charge a premium price for the end product
  - Long-term collaboration
  - Differentiation
- Society**
  - Helmets designed to add protection against injuries caused by rotational motion
- Shareholders**
  - EBIT margin of 36% in 2024. Long-term target of >50%
  - Low working capital requirement enables a dividend level of >50%
- Sub-contractors**
  - Long-term collaboration
  - Responsible business methods
- Employees**
  - A long-term employer
  - Professional development
  - A good work environment

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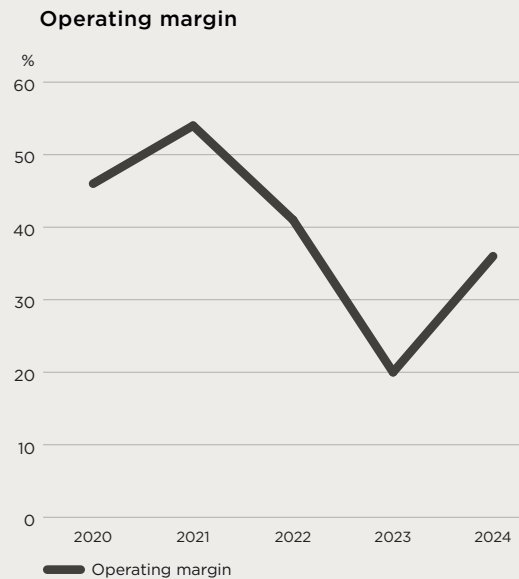
# Financial targets

Mips' long-term financial targets reflect a level of ambition that the Board of Directors and senior management believe to be a reasonable expectation of the company. Mips' long-term financial targets are:



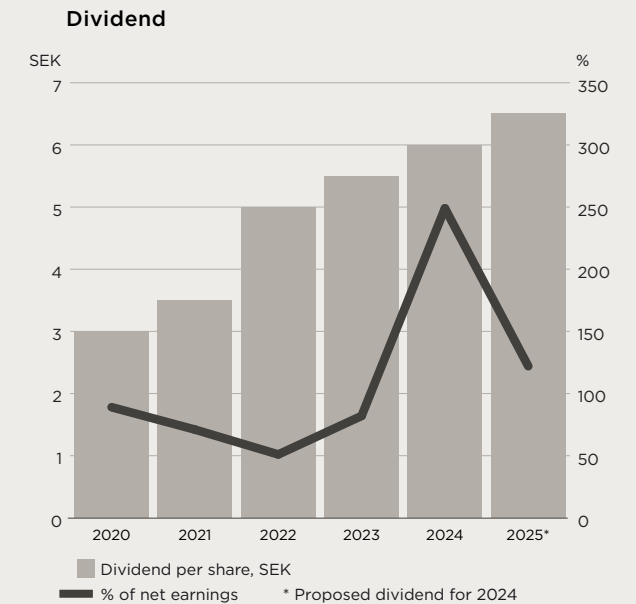
## Growth

Grow net sales to >SEK 2 billion by no later than 2029.



## Profitability

Achieve an operating margin (EBIT) of >50%



## Dividend policy

Distribute >50% of the annual net earnings. Dividends must take into account the company's financial stability, future profits, investment needs, liquidity, and development opportunities, as well as general economic and business conditions. For 2024 the Board of Directors proposes a dividend of SEK 6.50 (6.00) per share, which corresponds to 122% of Mips' net earnings for 2024.





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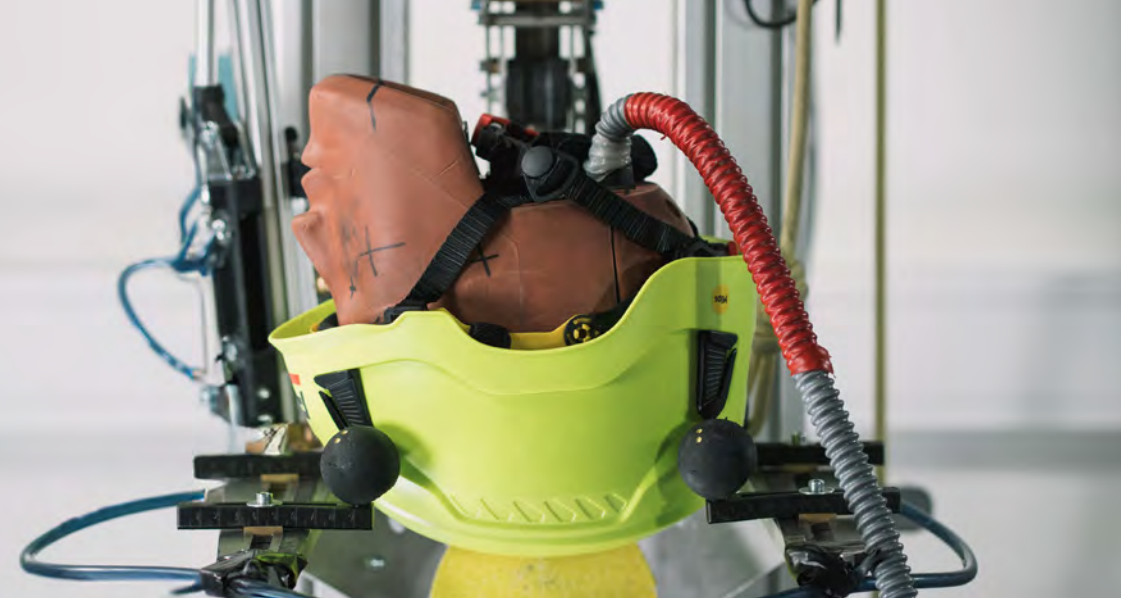
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# Strategy for growth

Mips wants to increase safety for every individual who wears a helmet. To achieve this objective, Mips aims to become the obvious partner to all relevant helmet brands.



## → Raise the awareness of Mips

“If you know Mips you buy Mips”

### What

Strengthen and increase the awareness of the company's brand to ensure that end users understand the added value of Mips' technology and always look for the yellow Mips logo when buying a helmet.

### Why

Mips conducts business according to an ingredient brand model. The company's goal is for its technology to be the safety solution of choice when buying a helmet. Achieving this vision requires increased awareness and understanding of Mips' technology. It also requires end users to recognize the added value of buying a helmet equipped with Mips' technology. To make this happen, Mips' ambition is to invest about seven percent of annual net sales in marketing over the next few years.

Historically, marketing and communications activities have primarily targeted helmet manufacturers and the media. To raise the awareness of the Mips brand, the company has chosen to target more of its communication directly to end users

Mips has eight important focus areas for raising brand awareness:

1. PR - focus on educating journalists about Mips' technology so they can explain the functionality to their readers correctly.
2. Paid media - to reach a broad target group.
3. In-store concept - highlight Mips in stores.
4. E-tail - support the helmet brands in their online marketing.
5. Team Mips - a team of athletes who share the company's beliefs on the importance of helmet safety. They are Mips' ambassadors to raise consumer awareness of Mips as a brand.
6. Trade fairs - meet and educate the helmet brands and end users at the largest industry gatherings.
7. Events - build awareness within the core target groups by participating in events that bring together the most devoted users.
8. Social media - spread knowledge and awareness of Mips' via the company's own channels and use the broad reach offered by the helmet brands' social media accounts.

## → Enable implementation in more types of helmets

### What

Develop solutions that make it possible to include Mips' technology in most types of helmets.

### Why

Mips has a large addressable market with the opportunity to make a difference in a large number of areas in which a helmet is worn. Mips believes it is important to be able to offer a relevant solution to more helmet users. That's why Mips constantly develops new solutions so that its technology can work in as many different types of helmets as possible. Mips currently offers twelve types of solutions, enabling the company to address its focus markets.

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## → Offer a superior product

### What

Offer products and solutions based on Mips' technology and maintain and further develop an intellectual property portfolio that will continue to protect the company's technology.

### Why

Mips currently has a large patent portfolio consisting of almost 60 patent families and more than 400 granted patents. The company continually applies for patents to protect its technology, both in the solutions that Mips markets today and the solutions that will be marketed in the future. Mips has internal expertise in patents, but also uses external specialists when necessary to ensure the strongest possible intellectual property protection.

## → Cost-effective and scalable technology

### What

Offer the best and most cost-effective solution based on science and research.

### Why

Mips is a company that is founded on research. Mips aims to invest about five percent of net sales annually in research and development to ensure that the company continues to have superior technology with scientifically-proven functionality.

Mips is engaged in ongoing dialogue with leading universities and technological institutes around the world to ensure that the company remains at the forefront of development. Mips has access to one of the world's most validated data models on the brain, which was developed by researchers at the Royal Institute of Technology in Sweden. This enables the company to continue to lead the development of solutions in the field of helmet safety.

Mips is a global leader within advanced numeric data simulation, Finite Element Analysis (FEA), of the human brain. This is used within research and development and in the internal product development. FEA is an integrated part of Mips' development process used with customers, and the company has launched the "Mips Virtual Test Lab" where data simulation enables virtual testing of helmets. Through Mips' world leading FEA knowledge, the company can replicate and predict the impact to the head during helmet testing. The brands can now accelerate development and testing processes for helmet manufacturing thanks to the FEA method, which saves time and costs, and reduces the environmental impact.



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# Sustainability targets

Mips is a global leader in its field and aims to be at the forefront of its industry when it comes to sustainability. The company is determined to fulfil the expectations of its stakeholders and lead the way in this important field. This is what enables Mips to continue to grow profitably and sustainably.

**Science-based targets**

**Outcome for 2024**  
Reduced emissions per solution sold by an average of 43% compared with the 2021 base year.

**Target for 2025**  
Reduce emissions per solution sold by an average of 47% compared with the 2021 base year.

The graphic features a large yellow circle on the left containing the text "Science-based targets". To its right, a grey rectangular box contains two sections: "Outcome for 2024" and "Target for 2025", each with a brief description of the emission reduction goal.

### → Climate challenge - Greater insight and transparency supported by the SBTi

Recognising the challenge the world faces in limiting climate impact, Mips has adopted science-based climate targets, approved by the Science Based Targets initiative (SBTi). These targets are in line with the Paris Agreement's aim to limit global warming to 1.5°C. The targets require Mips to reduce its total emissions by 42 percent by 2030 from the base year of 2021. Given that Mips is a growth company, and that the majority of Mips' emissions come from sold solutions, Mips' target is to reduce greenhouse emissions per solution sold by 90 percent by the end of 2030 compared to 2021.

In 2021 Mips carried out an analysis of its total climate impact according to The Greenhouse Gas Protocol Initiative (GHG Protocol). This analysis has been continuously refined since then. The analysis shows that the areas where Mips has the greatest climate impact are

linked to its choice of raw materials and the energy consumed in the manufacturing of Mips' solutions.

In 2024, Mips continued its efforts to replace virgin raw materials with recycled materials and encouraged energy-efficiency improvements and the installation of renewable energy at its manufacturing suppliers. This resulted in a decrease in the average greenhouse gas emissions per solution sold of 18 percent in 2024. Mips thereby exceeded its 2024 target to reduce emissions by 8 percent. In total, Mips has reduced greenhouse gas emissions per solution sold by 43 percent since the 2021 base year.

Mips' target for 2025 is to have reduced emissions per solution sold by 47 percent since the 2021 base year.

More information is available from page 110 onwards.



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## Outcome for 2024

Carried out third-party audits of five suppliers in the supply chain.

## Target for 2025

Achieve at least 88 as an average score from social audits at manufacturing suppliers.

### → Sustainable value chain and manufacturing

Mips has committed to adhere to the UN Global Compact and its ten principles on human rights, labor, the environment and anti-corruption. The company does not manufacture its own products - it uses only external suppliers for manufacturing. Mips believes the company has an important role in ensuring that the UN Compact's ten principles are respected in the supply chain. These ten principles are therefore incorporated in Mips' Code of Conduct for suppliers that all manufacturing suppliers are obliged to sign. Consequently, all of Mips' manufacturing suppliers also agree to respect the ten principles of the UN Global Compact.

To ensure that the suppliers who Mips partners with adhere to Mips' Code of Conduct and share the same core values in terms of working environment, human rights, the environment, and anti-corruption, Mips audits all manufacturing suppliers at least every other year. In 2024 Mips engaged an independent third-party to audit five strategically important suppliers.

The audit process assesses how well each supplier fulfils requirements in social and environmental areas. Points are added up and be a maximum score of 100 points. The suppliers' scores are taken into account when Mips determines which suppliers to give new projects to.

For 2025, the target is for all Mips' manufacturing suppliers to achieve an average score of at least 88. Mips' long-term goal in this area is to achieve an average score at least 90 by 2030. The average takes into account how much of the order volume Mips' places with each supplier. Thus, target fulfilment is affected by the extent to which Mips considers sustainability when choosing suppliers. This is expected to create an even greater incentive for the suppliers to further improve their sustainability performance.

More information on this is available from page 121 onwards.



## Outcome for 2024

Achieve 34% recycled content i Mips' sold solutions.

## Target for 2025

Achieve 37% recycled content i Mips' sold solutions.

### → Supply sustainable solutions with a smaller environmental impact

Mips' ambition is to push for circular solutions that are more resource efficient still, so as to support the climate transition.

The majority of Mips' solutions consist of a low-friction layer that is made of plastic. Plastic is currently the only material that is light, strong, and safe enough for manufacturing several of Mips' technologies. Mips is actively working to improve resource efficiency and reduce the use of virgin plastic.

Mips uses polycarbonate (PC) in the form of wastage from other manufacturing companies, referred to as Post Industrial Recycled plastic (PIR), in its solutions.

In 2024, Mips placed a larger proportion of its new projects with suppliers who use post industrial recycled plastics. Mips has also

started to production with post-consumer recycled plastic at one of the company's largest suppliers. Furthermore, Mips has introduced recycled material into Mips Air Node solution and reduced material consumption for a couple more of its components.

The target for 2024 was to increase the content of recycled material in Mips' solutions by at least 10 percent, compared with the prior year. Mips achieved this target by increasing the content of recycled material by 16 percent.

The target for 2025 is to achieve 37 percent recycled material used in Mips' sold solutions. The long-term goal in this area is to achieve 90 percent recycled material in Mips sold solutions by 2030.

More information is available from page 115 onwards.

# Business model, strategy & targets

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# Mips' sustainability agenda

## Mips' approach and sustainability strategy

While Mips is a small company, it is a global leader in its field. Just as Mips' solutions can make a crucial difference in a helmet, Mips' ambition is to make a difference in influencing the entire helmet industry to become more sustainable.

### A sustainable business model

Mips updated its long-term sustainability strategy during the year. This is based on the company's overarching strategy and builds on Mips' fundamental values.

For Mips and many of Mips' stakeholders, sustainability is an important part of the business. Mips' ability to keep growing while also delivering strong financial and operational results is enhanced by running the business in an economically, environmentally and socially sustainable manner.

### High requirements on business partners

Mips also expects its business partners to act in a sustainable and responsible way. To develop sustainable materials that have less of an environmental impact,

Mips, all its partners, and other stakeholders in the industry have to do their part and inspire each another.

### Results are achieved together

Mips works with suppliers and partners to limit climate and environmental impact as much as possible, to apply the same values throughout Mips' value chain, to embrace social responsibility for all employees, and to respect human rights in every regard.

## Strategic sustainability focus areas

### Environment

The majority of Mips' solutions consist of a low-friction layer that is made of plastic materials. The plastic materials themselves have a large climate footprint and the manufacturing processes are energy intensive. Mips is convinced of the importance of contributing to the achievement of the Paris Agreement and is therefore focused on reducing the climate impact throughout its value chain, especially regarding the climate footprint of products. Using recycled material is beneficial from both a resource and a climate perspective.

### Social responsibility

Mips sees its employees as the single most important success factor. The company depends on employees with the right skills and specialist knowledge to maintain its world-leading position in the helmet safety area. Attracting and retaining employees is therefore particularly important for a company like Mips. Mips provides good working conditions and a healthy and safe working environment, and works to combat discrimination.

As Mips uses external suppliers, mainly in Asia, for all manufacturing of its solutions, it is particularly important to ensure that human rights are respected and that working conditions, safety, the environment and the working environment are of a sufficiently high standard at these suppliers.

Mips believes that the company's technology and solutions lead to a more sustainable society with better helmet protection. Improved helmet protection leads to increased safety and security, while reducing risk for both short-term and long-term sick leave, as well as permanent injury.

### Business conduct

Maintaining its high ethical standards is fundamental to Mips and to the company's continued success. The company works in a structured way to comply with regulations, develop patents, contribute to the development of appropriate standards and to maintain good business ethics.

[Read more from page 126 onwards.](#)

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## Long-term strategy

The long-term strategy is based on the three helmet categories Sports, Motorcycle and Safety, which together represent a total focus market of 195 million helmets, which is expected to grow.

### Mips' strategy builds on three strategic pillars

#### 1. Grow the existing business

Continue to grow, mainly together with existing customers by expanding the range, and collaborate to drive growth in the customers' business.

**Sports:** Bike helmets account for around 80 percent of sales within Sports and are the main focus.

**Motorcycle:** While the greatest growth is expected to come from the on-road sub-category, there are also good growth opportunities in the off-road sub-category.

**Safety:** Increase sales to existing customers and win a few more major customers.

Focus markets are the US and Europe.

#### 2. Open up new channels and markets

**Sports:** Through low-cost solutions, Mips' safety system can be implemented in bike helmets with price-points as low as USD 25, which means Mips' focus market is estimated to be approximately 45 million helmets. Together with selected mass-market players, Mips has an opportunity to expand its offer in the lower-price range.

**Motorcycle:** The majority of all motorcycle helmets are sold in geographic markets where Mips is not currently established. Through new technologies and lower price-points, Mips has now started to expand in markets such as China, India, South-East Asia and South America. In these regions there is also a market for scooter helmets. This means Mips' focus market is estimated to be approximately 40 million helmets.

**Safety:** Within Safety, Mips believes there is an opportunity to address a total of approximately 110 million helmets.

#### 3. Capture new opportunities within helmet safety

Through Mips solid knowledge in helmet development and the company's vision to reduce head injuries and save more lives, it is natural for Mips to expand its focus from only addressing rotational motion protection to also addressing solutions for optimizing helmet performance more broadly.

### Mips' long-term financial targets are:

>SEK **2**bn

Net sales no later than 2029

>**50**%

Operating margin

>**50**%

Distribution of net earnings





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## Mips' focus markets

### Sports

- Bike
- Snow
- Equestrian
- Team sports
- Other

Mips estimates that the market for sports helmets is currently about 65 million helmets annually. Historically, Mips' safety system has mainly been implemented in helmets with higher price points, but the company currently offers products that can be implemented in helmets at price points from USD 25.

### Motorcycle

- On-road
- Off-road

The motorcycle market is a large global market that is fragmented in terms of type and geography. The category can be divided into two different sub-categories consisting of helmets for on-road (including scooter) and helmets for motocross (including snowmobile).

Mips estimates that the market for motorcycle helmets is currently about 85 million helmets annually.

### Safety

- Industrial
- LEAF

Helmets in the Safety category can be divided into two main sub-categories consisting of safety helmets for industrial use (mainly in the construction, manufacturing, mining, and oil industries) and helmets in Law Enforcement and the Armed Forces (LEAF), which include helmets for the police force, the military, and rescue services. The total market for safety helmets is estimated at about 400 million helmets annually.

Mips' focus market

# 45

million helmets

Mips' focus market

# 40

million helmets

Mips' focus market

# 110

million helmets



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# Long-term global macro-trends are favorable for Mips

## → Population growth and urbanization

General population growth and urbanization leads to greater traffic, primarily in cities. Consequently many people are looking for alternative ways to move from A to B, which is why riding bikes, mopeds and motorcycles is becoming more popular.

## → Electric vehicles

The share of electric bikes, mopeds and scooters that are becoming more affordable to more people is increasing. Since these vehicles normally go at faster speeds than bikes, the risk of accidents is increasing.

## → Greater disposable incomes

Long-term higher incomes allow more people to spend money on safety for themselves and their children. This also intensifies the interest in, and possibility to do, sports for which a helmet is a natural part of the safety equipment, such as equestrian sports, climbing or winter sports.

## → Greater focus on safety

Private individuals are becoming more safety-conscious, and the use of helmets is generally rising worldwide. Employee safety is an important issue for companies, and there is a growing interest in improving protection for employees. Helmet usage is standard in certain professions, and more companies are gradually choosing to improve protection for employees.

## → Greater focus on health

There is a growing interest in exercising, which means that more people ride bikes not only to get from A to B, but also to improve their health, for example through road biking or mountain biking. Interest is also growing for other sports and outdoor activities that require helmets.

## → Climate and the environment

Increasing awareness about the climate and the environment is prompting more people to opt for more environmentally friendly and sustainable transportation alternatives. Many cities are promoting commuting by bike as an alternative to driving.

The Mips logo consists of the word "Mips" in a bold, black, sans-serif font, centered within a bright yellow circle.



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# Increased long-term demand

A greater awareness of Mips' products along with global trends are increasing demand. Mips' focus market amounts to approximately 195 million helmets per year.

## A number of strong trends in helmet usage

Helmet usage is growing worldwide, mostly driven by greater safety-consciousness among end users. Since Mips has an ingredient brand business model, and does not sell directly to end users, the company is reliant on end users' helmet usage and thus on sales of helmets generally. Below is a summary of the main trends that affect the company's ability to increase the penetration of Mips' technology into the global market for helmets, which thereby drives the demand for Mips' products.

→ **Awareness of Mips' technology** – Knowledge about the damage that rotational motion can cause to the brain, and that helmets are not traditionally designed to protect against this, is increasing consumer awareness of the advantages of Mips' technology.

→ **Regulatory requirements** – In summer 2024, the European Committee for Standardisation (CEN) adopted a new test method for oblique impacts measuring rotational motion (EN17950). It is a first step towards setting requirements for the helmet's ability to absorb rotational motion in the European market for

sports and safety helmets. With the adoption of the new EN17950 standard, Mips believes that tests for oblique impacts will be introduced in several helmet segments, which will lead to a change in the requirements for these helmets.

The Fédération Internationale de Motocyclisme (FIM), which certifies motorcycle helmets for Grand Prix motorcycle racing, was the first regulatory body to include tests for oblique impacts. Since January 2024, the European standard for motorcycle helmets (ECE22.06), also requires all motorcycle helmets to be certified against oblique impacts before being allowed for sale.

→ **Validating third-party tests** – Several independent, third-party tests have been published validating the functionality and benefit of implementing the Mips safety system in a helmet.

→ **Increased focus on safety** – Focus on safety, especially at workplaces, but also in general, is increasing over time.

The global trends are to some extent also category-specific, and the company has observed the following developments within the different categories:

→ Within the Sports category, there has been a period with less demand for Mips products as a result of the challenges in the bike market. Mips' view is that this is a short-term negative trend in the bicycle industry. In 2024, Mips has experienced that helmet inventory levels have largely normalised, and a lot of Mips' growth is being driven by customers once again starting to order products from Mips, rather than taking from their own stocks. Mips does not consider that the short-term trends in the bicycle industry will affect long-term growth opportunities in the bike sub-category. Mips' assesses that growth in the bike market will be driven by strong trends such as electric bikes, commuting, and people wanting to spend more time outdoors.

→ The market for Motorcycle helmets continues to grow worldwide, mainly driven by Asia and certain developing countries. Mips sees a relatively stable market and price trend in both Europe and the US.

→ The market for Safety helmets is growing worldwide, mainly through increased helmet use. The volume of the type of helmet on which Mips focuses within the category is growing faster than the category overall since both end users and the companies they work for are placing higher demands on safety. It is Mips' assessment that the US can be developed into a key market for the company in the future.



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# The global helmet market

The global helmet market encompasses many areas of use that are constantly evolving.

Although the market for helmets is very large, no aggregated global data are available. Mips has therefore chosen to describe the part of the market for which concrete data are available and where the company also sees an opportunity to integrate the Mips safety system.

### Mips' three categories

Mips estimates that the total market today is 550 million helmets annually. Based on this estimate, the company has chosen to organize its operations into three different categories:

1. Sports helmets
2. Motorcycle helmets
3. Safety helmets

### Mips' safety systems can be integrated into almost all helmets

Mips aims to be able to offer its solution to as many helmet users as possible all over the world. The number of helmet models that can be addressed is limited by the following factors:

1. Mips adheres to the principle that it must be scientifically proven that the company's technology improves the safety of the helmet in which the Mips safety system is implemented.
2. There is a price floor for helmets in which the Mips safety system is offered, which is currently USD 25.

### Historically, Mips' safety system has mainly been implemented in helmets with higher price points.

As demand has increased, and as the company has developed new solutions, Mips now has the opportunity to offer products at lower price points too. Mips' total addressable market is currently made up of 195 million helmets. While Mips is the market leader in solutions that address rotational motion to protect the head, to date the company has only penetrated a small portion of the total market, which means that there is still great potential for growth.

### Competitors

Mips is currently the market-leading provider of helmet-based solutions that are designed to reduce rotational motion. Current competitors on the market offer solutions in only a few helmet models and helmet categories. Increased awareness of the importance of protection against rotational motion is likely to increase demand for rotational protection. One likely consequence is that competition from other players will increase.

Among those competitors that currently market a solution that is presented to protect against rotational motion, there is a distinction between those players who serve as an ingredient brand and helmet brands that have developed their own technologies. Competition from other ingredient brands that market a solution for protection against rotational motion is currently limited to a few players that have a small number of customers as a base. Several helmet brands in the market have developed their own technology, but given that such technology is limited to a single brand, competition from these players is limited. In addition, Mips has a broad patent portfolio that to a certain degree limits the possibility for other players to launch new competing technologies.



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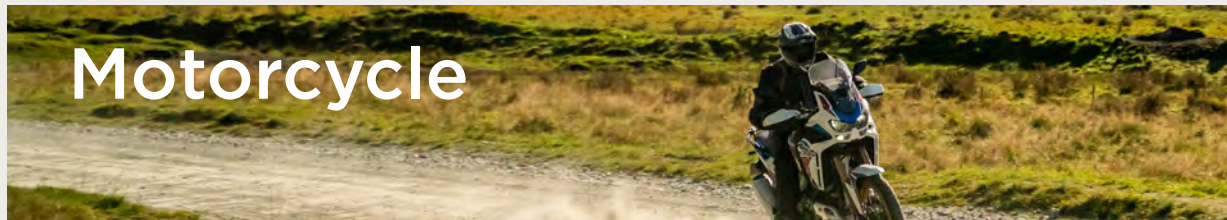


# Mips is active in three helmet categories

## Overview of total market and focus market, 2024



Sub-category	Total market (million units)	Mips' focus market (million units)
Bike	50	35
Snow	6	6
Equestrian	3	2
Team sports	2	1
Other	4	1
<b>Total</b>	<b>65</b>	<b>45</b>



On-road	78	34
Off-road	7	6
<b>Total</b>	<b>85</b>	<b>40</b>



Industrial	390	100
LEAF	10	10
<b>Total</b>	<b>400</b>	<b>110</b>
<b>Total</b>	<b>550</b>	<b>195</b>



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## Sports helmets

The market for different types of Sports helmets is estimated at 65 million helmets sold annually. Bike helmets account for the largest proportion of these helmets, but the category also includes helmets for snow sports, equestrian and various team sports.

It is believed that the market for Sports helmets will continue to grow, mainly driven by strong trends such as electric bikes, commuting, and people wanting to spend more time outdoors. Mips' view is that consumers today are ready to pay more for safety equipment than they were ten years ago.

Historically, Mips' safety system has mainly been implemented in helmets with higher price points, but Mips currently offers products that can be implemented in helmets with price points from USD 25. Replacement cycles for helmet users within Sports helmets were previously estimated to be an average of five to eight years. Although no new data is available regarding how often helmets actually are replaced, there is a trend towards shorter replacement cycles driven by intensive product development which Mips is part of. Below is a summary of the main sub-categories of the Sports helmets category.

### Bike helmets

Bike helmets are the single largest sub-category of Sports helmets, with an estimated annual volume of 50 million helmets. While Mips' safety system can today be implemented in bike helmets with price points starting

at USD 25, Mips deems that the price level is still the greatest limitation within this sub-category. This portion of Mips' addressable market is estimated at 35 million helmets annually.

The bike helmet market is primarily divided into helmets for daily use and commuting, helmets for road biking, helmets for mountain biking and children's helmets, with helmets for daily use representing the largest portion. Helmets for electric bikes is a rapidly growing area, though it still represents only a small portion of the total bike helmet market.

Bike helmets currently comprise Mips' largest sales area by far and this sub-category is the source of the majority of Mips' revenues. Awareness of Mips' technology is relatively high in this market, with the greatest level of awareness in the US market, followed by the European market. In the rest of the world, awareness of Mips' technology is still relatively low. Mips has delivered bike helmet solutions since 2010.

### Snow helmets

The snow helmets category is the second largest sub-category in the Sports helmets category. Snow helmets are used for both skiing and snowboarding. The helmets are usually divided into helmets for recreational use (children/families/novice and intermediate levels) and helmets for advanced use (alpine and freestyle). Awareness of Mips technology is generally high in this sub-category and exceptions from this are mostly

geographic in nature. Mips has delivered snow helmet solutions since 2010.

### Equestrian helmets

Equestrian helmets are currently divided into helmets for equestrian sports and for polo. Interest in Mips' technology from this sub-category has historically been low but has increased substantially in recent years. Awareness of Mips' technology in this sub-category nevertheless remains low. Mips has delivered equestrian helmet solutions since 2007.

### Team sports

The team sports helmet sub-category is divided into a number of different team sports. The major team sports in which helmets are used are primarily American football, ice hockey and lacrosse. Awareness of Mips' technology in team sports is relatively low. Mips has delivered team sports solutions since 2019.

### Other

The sub-category "Other" includes helmets for activities such as climbing and white-water rafting. Awareness of Mips' technology in this sub-category is low. Mips has delivered solutions for helmets in this sub-category since 2018.

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# Motorcycle helmets

The market for the Motorcycle category is estimated at 85 million helmets annually.

The market for Motorcycle helmets continues to grow worldwide, mainly driven by Asia and certain developing countries. Mips sees a relatively stable market and price trend in both Europe and the US.

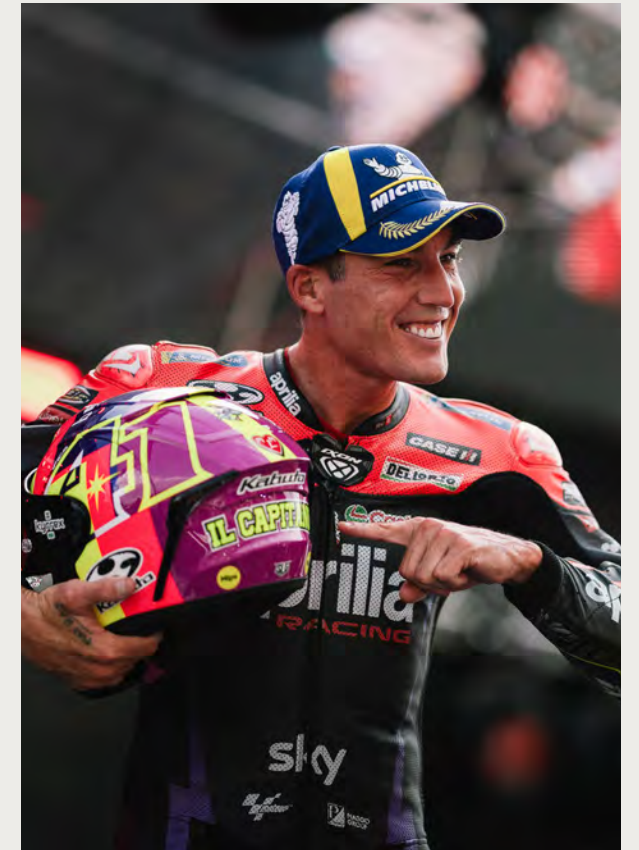
The motorcycle market is a large global market that is fragmented in terms of type and geography. The category can be divided into two sub-categories consisting of helmets for on-road including scooter helmets, and helmets for off-road, including snow-mobiling helmets. Mips believes there is a large addressable market in both on-road and off-road helmets. Mips has delivered solutions for this category since 2013.

### On-road helmets

Mips' focus market in on-road is estimated to be 34 million helmets. This sub-category also includes scooter helmets. Awareness of Mips' technology is relatively low in this sub-category, in all markets, for both on-road helmets and scooter helmets.

### Off-road helmets

Off-road helmets also includes helmets used in snow-mobiling, car driving, and other activities involving travel at high speeds. Mips' focus market in this sub-category is estimated to be six million helmets and awareness of Mips' technology in this sub-category is estimated to be relatively high.



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## Safety helmets

The market in the Safety helmets category is estimated to be 400 million helmets annually.

The market for Safety helmets is growing world-wide, mainly due to increased helmet use. The volume of the type of helmet on which Mips focuses is growing faster than the category overall since end users and the companies they work for are placing higher demands on safety.

Safety helmets also represent an interesting after-market, since the inner liner can be replaced up to twice a year, which means a potential aftermarket for Mips.

Helmets in the Safety category can be divided into two main sub-categories: safety helmets for industrial use (mainly in the construction, manufacturing, mining, and oil industries) and helmets for the military, police force, and rescue services (Law Enforcement and Armed Forces, LEAF).

### Safety helmets for industrial use

The market for the industrial sub-category is large and is estimated to be around 390 million helmets annually. The majority of these helmets are made up of "Type I helmets", which is a simpler form of helmet primarily

intended to protect the wearer against falling objects. This type of helmet is less expensive, costing around USD 10-40. The other type of helmet in the industrial helmets sub-category is "Type II helmets," which have been added in recent years. These helmets originate from climbing helmets and offer more complete protection. There are different types of helmets in the class "Type II helmets" that are intended to have different types of certification. These helmets are priced at USD 40-150. Mips' addressable market encompasses helmets priced at more than USD 25, which includes "Type I helmets" at the higher price points and "Type II helmets". Mips has delivered solutions for helmets in this sub-category since 2019.

### Safety helmets for LEAF

Mips estimates that the market for helmets for the LEAF segment is more than 10 million helmets annually. Mips has launched several solutions in this sub-category, but to date has only delivered a limited number of Mips units for LEAF helmets. The main sub-categories within the helmet market for LEAF are:

**Helmets for military use** The sub-category of helmets for military use is divided into helmets for ground forces and helmets used in the air force. Helmets for ground forces are used by both regular troops and special forces. Mips is initially concentrating on helmets for special units, with the long-term ambition of also providing Mips' solutions for helmets used by regular troops and the air force.

**Helmets for the police** The market for police helmets comprises helmets for riot police and helmets for ballistic protection. The latter consist of helmets that are often the same as those used by military special forces.

**Helmets for rescue services** Helmets for the rescue services encompass fire-fighters' helmets and helmets used in other rescue situations including traffic accidents, forest fires, ambulance emergency response operations, and search and rescue missions at high altitudes and on water. Mips currently delivers solutions used for search and rescue helmets.





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# Corporate culture

Mips culture committee aims to nurture and further develop the company's already strong and unique culture. The group, which consists of six employees from different departments as well as the Head of HR, is tasked with bringing Mips' values to life. These are: We dare, We care and We share. By initiating workshops, team-building activities and social events, the group aims to create an inclusive and engaging work environment. Their work focuses on strengthening the sense of belonging within Mips and ensuring that the company's values and vision are embedded throughout the entire organisation. The culture committee is a key driver in the efforts to make Mips an attractive employer and an inspiring place to work, where innovation, caring and collaboration are at the heart of the organization.

## We dare

Daring means being brave, innovative, and challenging the status quo. We are curious about trying new solutions and are not afraid to make mistakes or ask for help. We challenge ourselves and others to achieve Mips' vision.

## We care

Caring involves creating a sustainable environment where people can perform. We show our colleagues respect. In our desire to achieve the highest quality, we take responsibility for our own wellbeing.

## We share

Sharing is about creating transparency, a sense of belonging, and trust. We continuously share our experiences and knowledge with our colleagues. We support collaboration across functional areas.



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# Mips' business as an ingredient brand

## Customers and helmet brands

Mips works with many of the biggest helmet manufacturers in the world within its categories of Sports, Motorcycle and Safety, and Sports is currently the largest category with the most customers. Mips' customer base is widening all the time, currently at more than 150 customers, a substantial number of which have been Mips customers for many years.

Mips' technology gives a helmet added value which means that a helmet equipped with Mips' safety system allows the helmet manufacturer to charge a higher price. The price of a helmet equipped with Mips' safety system usually starts at around USD 25.

The scope of the company's products means that Mips' safety system can be implemented in many different types of helmets.

The five largest customers accounted for about 40 percent (44 percent in the prior year) of sales.

## Sales process

Mips' sales process can be divided into sales to existing customers and winning new customers. The company has a standardized process for developing Mips' safety system in helmet models.

## Testing and implementation

Mips' technology can be implemented in new and existing helmet models and provides the helmet brands a market differentiator.

The majority of testing and implementation of new helmet models is carried out in Mips' test lab in Stockholm, Sweden. This lab is vital in the development work and testing ahead of implementing Mips' technology in specific helmet models. In 2023, Mips started a test facility in China which reduced the number of helmets sent to Sweden for testing. Mips' test facilities have so far performed around 85,000 helmet tests. Since 2021, Mips has offered its customers virtual testing, in the form of the Mips Virtual Test Lab (VTL), in addition to physical

testing for the creation of new helmet models. Mips has so far performed almost 140,000 virtual helmet tests.

## Manufacturing and quality control

Production of the components for Mips' safety system is outsourced to a variety of manufacturers based primarily in China, either within the same facilities as – or in plants in the immediate vicinity of – the helmet brands' premises. This facilitates the logistics chain, with all work to integrate Mips' safety system into the helmets being handled by the manufacturers of the helmet brands. Mips' low-friction layers are produced after a purchase order is received, thus the company has a limited inventory consisting only of other safety system components.

Mips' office in China controls and supervises the production and quality in the manufacturing of the products.

Since Mips does not carry out production directly but uses sub-contractors, the production model is scalable. This means that Mips can scale up deliveries substantially without major production investments or having to add significantly more resources to the organization.

## Communication and sales to the end user

The ingredient brand model enables Mips to reach a large number of customers with limited costs and gain high exposure to end users through the helmet brands' broad and global marketing resources.

Mips enjoys close working relationships with its customers to ensure a consistent and controlled message to end users and the media. Every year, Mips aims to invest around seven percent of its net sales in marketing activities. This is mainly to provide customers the necessary expertise and marketing material to be able to train their sales personnel and distributors on the benefits of Mips' products, as well as on PR and media campaigns.

In addition to close cooperation with customers, distributors, and the media, Mips spreads its message via Team Mips, which consists of a number of selected ambassadors in the Sports and Motorcycle helmet categories.

To further increase end users' understanding of the benefits of Mips products, some of the marketing resources go into direct communication with end users, for instance through campaigns in the retailers' and brands' own stores.

In 2021 Mips launched product families to make it easier for consumers to understand the differences between Mips' different products. In 2022, Mips launched a new design identity to further strengthen the brand. These updates reached the consumer market in 2023, continued to be rolled out more broadly in 2024, and have thereby diversified the range and strengthened the Mips visual identity.

## A selection of the active helmet brands in 2024

Abus	Fox	Poc
Alpina	Giant	Scorpion
AVA	Giro	Scott
Bell	Guardio	Smith
Bern	Head	Specialized
Black Diamond	IXS	Sweet Protection
Bollé	Kabuto	Thor
BMW	Mammut	Trek
Centurion	Met	Troy Lee Designs
Champion	MSA	Uvex
Charles Owen	Oakley	Uvex Safety
Cube	PIP	Zekler
Ergodyne	Pret	Husqvarna









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## Mips products

All Mips products fulfil the same safety criteria. Mips offers a wide range of solutions to meet the varied needs of the different types of helmet users. Below is a description of Mips' products and the differences between them.

   <b>INTEGRA SPLIT</b>	<h3>A ground-breaking combination of energy absorption and reduced friction</h3> <p>The Mips® Integra Split system was created to allow seamless integration, a comfortable fit and improved ventilation. It allows omnidirectional movement which is designed to reduce rotational motion to the head from certain angled impacts. The system is particularly suitable for helmets with extensive energy-absorbing layers, such as full-face, mountain bike and winter sports helmets.</p>	
   <b>INTEGRA TX</b>	<h3>Extra comfortable safety</h3> <p>Mips® Integra TX takes the conventional fabric-and-foam comfort padding to the next level with an integrated low-friction layer. This allows the inside of the helmet to move, with the aim of reducing the rotational motion to the head in certain angled impacts, without altering the fit, weight or perceived comfort of the helmet. With its extra comfort, Mips Integra TX is ideal for helmets used for different motor, winter, and equestrian sports.</p>	
   <b>INTEGRA FUSE</b>	<h3>A premium solution with complete integration</h3> <p>The Mips® Integra Fuse system is a completely integrated premium solution designed for smooth omnidirectional movement for added safety in certain angled impacts. Its robust design gives the system a sense of high quality and comfort. It is perfect in helmets used for biking, skiing and motor sports.</p>	

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**Mips** | **AIR NODE**

### Low-friction layer for lightweight, well-ventilated helmets


The Mips® Air Node system is specially suitable for highly ventilated lightweight bike helmets, as the system itself adds practically no extra weight or volume. The system has specially-designed fasteners, called nodes, that function as a “brake-off” solution and are designed to release as needed upon impact. The goal is to reduce rotational motion to the head in certain angled impacts.



**Mips** | **EVOLVE CORE**

### Mips leading safety system for helmets


Mips® Evolve Core system is designed for use in a variety of helmets and activities, including skiing, horse riding, bicycling, and motor sports. With its lightweight construction and improved fit, Mips Evolve Core has become Mips' most commonly used safety system, designed to help reduce the rotational motion to the head in certain angled impacts.



**Mips** | **ELEVATE CORE**

### Low-friction layer for construction and safety helmets

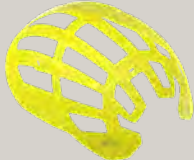
Hard hats, initially developed to prevent injuries from falling objects, are now used to improve general workplace safety throughout the construction industry and many other workplaces. Mips® Elevate Core is a patented solution intended to help reduce rotational motion to the head in certain angled impacts. This universal system is specifically designed for adjustable construction and safety helmets, which guarantees high user comfort and good ventilation.



**Mips** | **ESSENTIAL CORE**

### A basic system for helmet safety

Mips® Essential Core system is a simple, yet efficient solution designed to help reduce rotational motion to the head in certain angled impacts. It is an ideal introduction to the Mips safety systems, it can be applied in helmets used for bicycling, horse riding, winter sports, and motorcycle riding.



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# Mips' product offering to the helmet brands

Mips provides helmet brands an opportunity to differentiate their brand and offer a better product.

### Product offering

The company's product offering primarily consists of three parts:

1. Mips' safety system, which is the physical product that is implemented in the customers' helmets.
2. Development services for implementation of the Mips safety system in new and existing helmet models.
3. Licensing to customers regarding the right to produce, market, and sell helmets with Mips' safety system.

For each new helmet model that includes Mips' safety system, Mips charges the customer a fixed fee for development and implementation services. As part of this process, Mips handles the production of the tools that are necessary for the commercial production of the specific low-friction layer, and then invoices a fee for the production of these tools. Once the helmet is approved for production, Mips usually invoices the helmet brand a licensing fee for the right to use Mips' IP and technology, amongst others, and to use Mips' marketing material.

The components are usually invoiced directly to the helmet manufacturer's factory from Mips' subsidiary in China.



The Mips logo, consisting of the word 'Mips' in a bold, black, sans-serif font, centered within a bright yellow circle.



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# The technology behind Mips, ongoing research and development

## Mips' safety system

Mips' safety system is designed to add protection against rotational motion into helmets. Rotational motion is a combination of rotational energy (angular velocity) and rotational forces (from angular acceleration), which have an effect on the brain and increase the risk of different types of brain injuries.

In connection with certain types of impact, Mips' safety system has proved, during testing in Mips' test lab, to reduce rotational motion when the system is implemented in a helmet. Through a small movement in the low-friction layer in relation to the helmet (10-15 mm) during the short duration of an angled impact (5-10 milliseconds), Mips' safety system is designed to allow the head to continue to move in the direction it was following instead of remaining fixed to the impact surface. It is designed this way to help redirect and absorb some of the rotational motion that might otherwise be transferred to the brain. Absorption is achieved as a result of the friction heat, and by Mips' safety system spreading the load to a larger area of the helmet liner. Mips' safety system is designed to function regardless of the direction of impact.

The development of Mips' safety system is based on many years spent studying the bio-mechanical functions of the human brain. The brain is surrounded by cerebrospinal fluid which protects it by allowing the brain to move slightly when it is subjected to rotational motion that arises as a result of an angled impact. The function of Mips' safety system mimics the function of the cerebrospinal fluid through the low-friction layer, which allows a relative movement between the head and the helmet.

A Mips' safety system unit that is adapted to a specific helmet model usually includes a low-friction layer, an attachment mechanism for the low-friction layer that is adapted to the helmet, snaps, and sometimes a slide device. Mips' safety system kits also include information about the technology and the familiar yellow Mips logo which shows that the helmet is equipped with Mips' safety system.

## Research and development in close collaboration with universities

Mips's ambition is to invest about five percent of its net sales in research and development. This is done to ensure the company remains at the forefront of innovation and development of helmet safety products.

Through its work in international university and research environments, the company actively works to ensure that testing of rotational motion is included as a standard in the tests and certification processes of helmets. In addition, Mips is a member of several testing bodies around the world and also pursues an active dialogue with several universities to ensure research-based development of tests and standards.

## Four development categories

Research and development at Mips are founded on science and proven experimental methods and are divided into four separate development categories:

- 1. Innovation** – founded on science and research with the emphasis on new advancements in the field and concepts for dealing with impact risks, thereby allowing in-roads into new categories. During recent years, Mips has enhanced its virtual testing.
- 2. Product development** – with a short-term perspective of about twelve months into the future, the aim is to improve existing solutions and previously established concepts.
- 3. Development of new helmet models** – based on the customers' product development, with Mips providing customer support for design and technology for new models. Support can also be provided by Mips' Virtual Test Lab where the development of new products can be done virtually first, and thereby save time, money and be more environmentally smart.
- 4. Implementation of the Mips safety system in existing helmet models** – primarily involving assistance to helmet brands with implementation of the Mips safety system in existing helmet models.

## Intellectual property rights

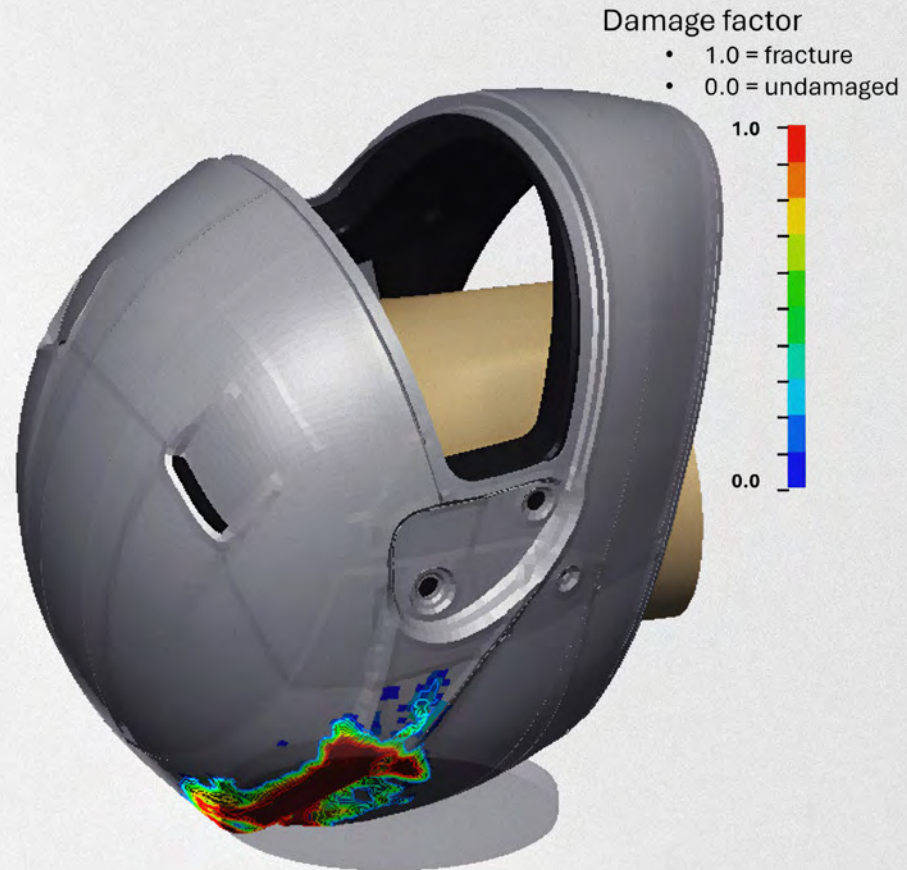
Mips has a broad patent portfolio consisting of almost 60 different patent families, and more than 400 patents granted, intended to protect the company's technology.

Intellectual property rights play a key role in Mips' business and strategy, since they ensure that Mips can maintain its competitive advantage, protect its technology and research and development investments, and foster credibility amongst the company's customers and other stakeholders.

Any infringements are addressed based on a defined IP strategy with the assistance of both internal and external expertise.

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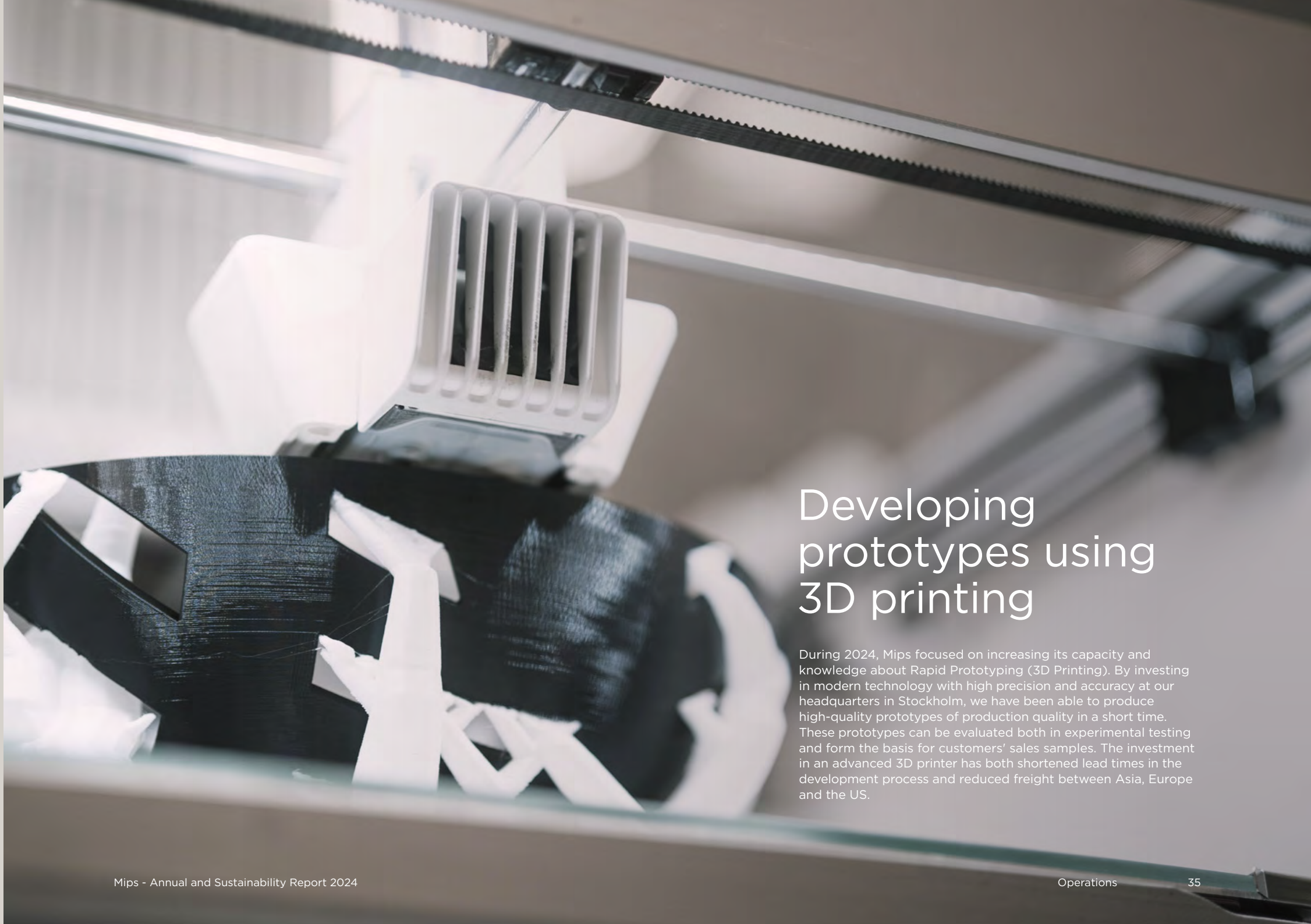
## FEM (Finite Element Method)

Mips continues to use the FEM method in its modelling. There were several steps forward in development during the year and the focus is on improving the quality of the calculation and material models to attain an even greater ability to predict the behavior of a helmet upon impact. Mips' ambition is to use the FEM method together with strategically important customers when developing new helmet models to save Mips and the helmet manufacturers time and money, and to reduce the environmental impact. Virtual testing will help to reduce Mips' climate impact compared to physical testing alone as fewer physical prototypes will be required, which leads to reduced waste in the production process.



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## Developing prototypes using 3D printing

During 2024, Mips focused on increasing its capacity and knowledge about Rapid Prototyping (3D Printing). By investing in modern technology with high precision and accuracy at our headquarters in Stockholm, we have been able to produce high-quality prototypes of production quality in a short time. These prototypes can be evaluated both in experimental testing and form the basis for customers' sales samples. The investment in an advanced 3D printer has both shortened lead times in the development process and reduced freight between Asia, Europe and the US.



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## Research investments

Mips has invested in test headforms for the EN17950 standard and a friction test rig for the test lab.

A new test standard for rotation tests, the EN17950, was accepted in the EU during the year. An important part of the standard is the requirement to use the new headform, the EN17950 head, which is designed to evaluate helmets during oblique impacts. Mips is at the forefront in this regard and during the year has invested in new EN17950 headforms in different sizes that have been implemented in the Mips test lab, to be used both in research and development and for helmet testing.

Mips' technology is based on a low friction layer, and knowledge of how friction varies between different materials is fundamental to developing new products. In the past year, Mips has invested in and constructed a unique friction test rig. The rig is used to study the friction between different materials at high speeds and pressures, equivalent to an impact.

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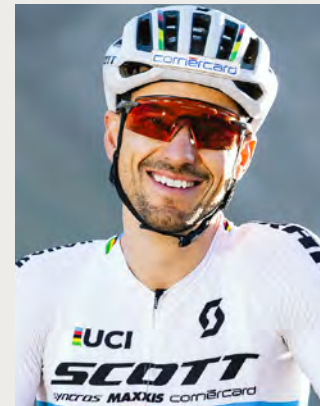


# Team Mips

Team Mips' are world-leading athletes who advocate for helmet safety. The team consists of athletes from all over the world, from a variety of backgrounds and professional sports including biking, skiing, and motor sports. The main task of Team Mips is to raise awareness of head protection and lead the world toward using safer helmets. Team Mips' members mainly draw from their own experiences to encourage everyone, regardless of age, skill level, or sport, to make the right decision when buying a helmet. Several of the athletes have either suffered from head injuries themselves, or have seen it happen to others close up.



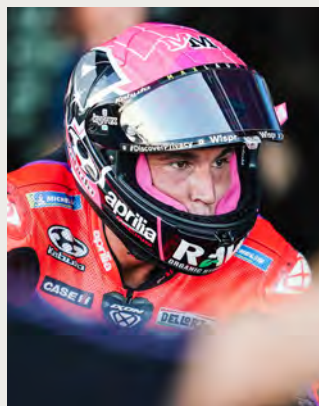
**Brandon Semenuk**  
The best freeride MTB athlete of all time with five wins in the Redbull Rampage, three overall WC wins and X-games gold medallist.



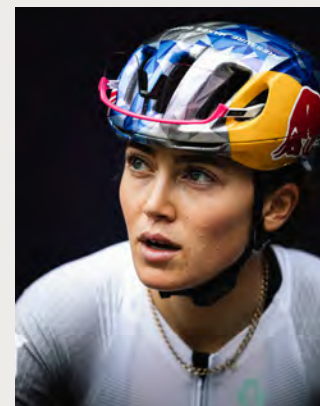
**Nino Schurter/  
Team SCOTT-SRAM**  
The best XC MTB cyclist of all time with ten World Championship titles and nine overall WC wins. Nino also has three Olympic medals, one of each kind.



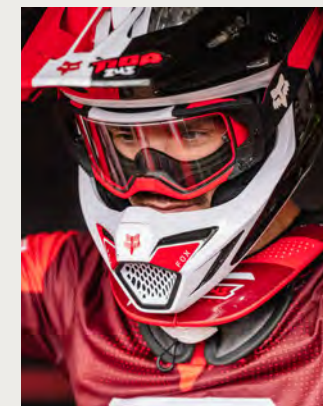
**Marion Haerty**  
The global queen of big mountain snowboard with four Freeride World Tour titles and a win at the Natural Selection Tour 2024.



**Aleix Espargaró**  
Road-racing driver who has made quite an impression in the highly competitive MotoGP series. In 2023, he won two races, and had a total of three medal positions in the prestigious MotoGP races.



**Kate Courtney/  
Team SCOTT-SRAM**  
MTB XC world champion in 2018 and overall UCI World Cup winner in 2019.



**Tim Gajser/Team HRC**  
The best motocross athlete of the last decade with premium world champion titles in 2016, 2019, 2020, and 2022. Made a comeback in 2024 after a serious injury and fought to the end for the 2024 title, and landed a second place.



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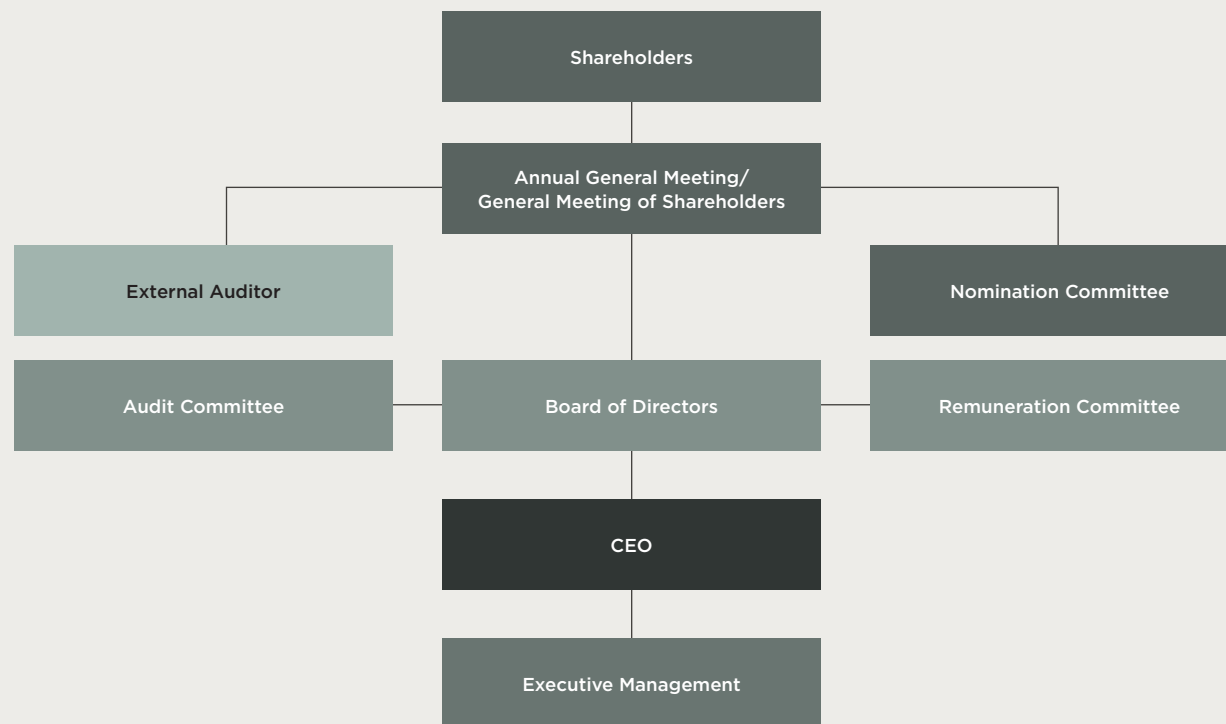
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# Corporate Governance Report

## Overview of governance



Mips AB (publ) is a Swedish public limited liability company. The company's shares have been listed on Nasdaq Stockholm since 2017. Mips complies with the rules and regulations that apply to companies listed on Nasdaq Stockholm and other applicable regulations, including the Swedish Corporate Governance Code (the "Code"), which is based on the "comply or explain" principle. There was no deviation from the Code in 2024.

This corporate governance report describes corporate governance, management, and administration at Mips, as well as its internal control and risk management in connection with financial reporting.

### Shareholders

Mips' shares have been traded on Nasdaq Stockholm since 2017. At the end of 2024, the share capital was SEK 2,649,112 divided among 26,491,122 shares, each with a quotient value of SEK 0.10. All shares are of the same kind and all shares in the company carry equal rights in all regards. On December 31, 2024 Mips had about 17,000 shareholders. Of the total number of shares, approximately 71 percent were held by foreign shareholders. Handelsbanken Fonder was the single largest owner, with a holding of approximately 5.44 percent of the share capital and votes as of December 31, 2024. Baillie Gifford & Co was the second largest shareholder with a holding of approximately 4.95 percent of the share capital and Brown Capital Management, LLC was the third largest with a holding of approximately 4.76 percent of the share capital as of the same date. Additional information about the share and shareholders can be found on page 135, as well as on the company's website, [www.mipscorp.com](http://www.mipscorp.com).

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## General meeting of shareholders

According to the Swedish Companies Act (2005:551), the general meeting of shareholders is the highest decision-making body and the forum in which shareholders can exercise their voting rights. The Companies Act and the Articles of Association stipulate how notice of the Annual General Meeting (AGM) and Extraordinary General Meeting shall be announced, as well as who is entitled to participate and vote at the meeting. The Articles of Association do not contain any restrictions on the number of votes each shareholder may cast at the meeting, nor do they contain any provisions on how amendments to the Articles of Association may be made. All shares carry the right to one vote. According to the Articles of Association, shareholders may vote via postal voting.

At the AGM in 2024, the Board was authorized to resolve upon issuing of new shares and upon acquisition of own shares on one or several occasions before the next AGM.

## 2025 Annual General Meeting

Mips' 2025 Annual General Meeting will be held on Wednesday May 7, 2025 in Täby. For more information, visit [www.mipscorp.com](http://www.mipscorp.com).

## Nomination Committee

The Nomination Committee shall consist of three members who shall consist of representatives of the three largest shareholders in terms of votes, or the largest shareholders that are otherwise known after the end of August, who would like to appoint a member. The Chair of the Board is invited to attend meetings. The Nomination Committee shall appoint one of its members to serve as chairperson of the Nomination Committee.

According to the instructions, the duties of the Nomination Committee include submitting proposals to the AGM on:

- Chairman of the AGM;
- Number of Board members elected by the AGM;
- Candidates for the Board of Directors;
- Chair of the Board;
- Fees for the Board, including the Chair, and for Board members' work on Board committees;
- Election of external auditors;
- Fees to external auditors; and

- Proposals for any updates to the instructions for the composition of the Nomination Committee and its work. The announcement of the composition of the Nomination Committee for the 2025 AGM was published on September 30, 2024. The members of the Nomination Committee and respective nominating shareholders for the 2025 AGM are:

Member	Nominating shareholder
Suzanne Sandler, Chair	Handelsbanken Fonder
Oscar Bergman	Swedbank Robur Fonder
Pär Andersson	Spiltan Fonder

The Nomination Committee has held three formal meetings prior to the date on which this Annual Report was presented. As noted above, one of the main duties of the Nomination Committee is to make recommendations regarding the size and composition of the Board. Normally, the starting point for such recommendations is a survey conducted (see below) by the Chair of the Board to assess the Board's work, composition, qualifications, experience, and efficiency, the results of which are shared and discussed with the Nomination Committee. Based on the survey results and subsequent discussions and interviews, the Nomination Committee has determined whether the existing Board should be strengthened with additional expertise or if there are any other reasons to make changes to the composition of the Board. In making such determinations and (if applicable) evaluating potential new candidates for the Board, the Nomination Committee takes into consideration the goal to retain an even gender balance in the Board.

The Nomination Committee applies rule 4.1 of the Code as its diversity policy in its work. The aim is for the composition of the Board to be appropriate, multifaceted and contribute to diversity in terms of gender, age and nationality, as well as experience, professional background, and market categories. The Nomination Committee also takes into consideration the need to ensure that the independence requirements of the Code are met. The Nomination Committee believes that the composition of the Board is appropriate in terms of multidimensional diversity. The Committee further believes that the composition of expertise and experience is consistent with Mips' priorities. The company's Board has an even gender distribution (50 percent women/men).

For the 2025 AGM, the Nomination Committee will announce its recommendations in the notice convening the AGM, which will be published on or around April 2, 2025.

## Auditors

The 2024 AGM elected KPMG AB as auditor of the company until the end of the 2025 AGM.

In accordance with a resolution adopted at the AGM, the auditor's fee until the 2025 AGM shall be paid on the basis of approved invoices. The auditor's independence is ensured by legislation and professional ethics rules and the audit firm's internal guidelines, as well as by adhering to the Audit Committee's instructions governing the type of assignments that the audit firm may conduct in addition to the audit. KPMG AB has provided limited advice above and beyond the audit assignment for the company, primarily related to sustainability reporting and tax advice regarding the company's subsidiary in China.

For more information, see Note 6.

## Board of Directors

According to the Articles of Association, the Board of Directors is to comprise a minimum of three and a maximum of eight Board members who are elected by the general meeting for the period until the end of the next AGM.

The Articles of Association do not contain any provisions on the appointment and dismissal of Board members.

At the proposal of the Nomination Committee, the 2024 AGM reelected Magnus Welander, Jonas Rahmn, Jenny Rosberg, Thomas Bräutigam, Maria Hedengren, and Anna Hällöv as Board members, and reelected Magnus Welander to serve as the Chairman.

The duties of the Board are regulated by the Swedish Companies Act, the company's Articles of Association and the Code, amongst others. In addition, the Board of Directors' work is regulated by rules of procedure established annually by the Board. The rules of procedure govern such matters as the allocation of work and responsibilities between the members of the Board, the Chairman and the Chief Executive Officer (CEO), and contain procedures regarding financial reporting and other instructions for the CEO. The Board of Directors also establishes instructions for the Board's committees. The work of the

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Board of Directors follows a yearly plan which, in addition to the adoption of interim reports and annual accounts, also includes adoption of the strategy and business plan, budget, sustainability management plan, and proposals for resolution at the AGM (such as appropriation of profit). Board policy documents and guidelines are adopted following the AGM each year. The Board of Directors also monitors financial developments, ensures the quality of financial reporting and internal control, and evaluates the operations based on the established objectives and guidelines adopted by the Board of Directors. Moreover, at least once a year the Board of Directors evaluates the performance of the company's CEO. The Board of Directors also decides on major investments and changes to the Group's organization and operations.

The Chairman of the Board monitors the company's performance, in close collaboration with the CEO, and convenes Board meetings. The Chairman of the Board is also responsible for ensuring that Board members annually evaluate their work and that they continuously receive the information necessary to perform their work effectively.

Important issues specifically addressed by Mips' Board of Directors in 2024 include the company's sustainability work (including the sustainability strategy and double materiality assessment), the company's strategy and long-term plan, challenges on the bike market and other industry trends, relevant macroeconomic trends and external factors such as geopolitical events, and organisational planning and changes. Regular matters such as Mips' financial development, regulatory compliance, and the market's confidence in Mips have also been discussed during the year.

## Evaluation of the Board of Directors

The Board follows an established procedure to annually evaluate the results of the work of the Board and committees, how effective its methods are and how they can be improved. The Chairman of the Board is responsible for distributing and following up a written questionnaire to gather the opinions of all Board members and suggestions for improvement. The survey results were compiled, presented, and discussed by the Board. The results of the evaluation have also been presented to the Nomination Committee by the Chairman of the Board

and the results have also been reported to the Nomination Committee in writing.

## Fees for Board members

Fees for Board members, including remuneration for committee work, are determined by the shareholders at the general meeting. The AGM held on May 7, 2024 resolved that a fee of SEK 700,000 shall be paid to the Chairman of the Board and SEK 315,000 to each of the other members of the Board. For work in the Audit Committee, the Chair is paid SEK 130,000 and the other member receives SEK 75,000. For work in the Remuneration Committee, the Chairman is paid SEK 50,000 and the other member receives SEK 30,000.

## Board meetings

During the year the Board held 12 meetings including six physical meetings, five by video conference, and one meeting held per capsulam. The physical meetings took place in Täby, Sweden.

Mips' CEO, CFO and General Counsel usually participate in the Board meetings. The General Counsel acts as the secretary of the Board and records the minutes at Board meetings. Other members of Executive Management, besides the CEO and CFO, may also be asked to attend to report on important issues.

When relevant and at least quarterly, Executive Management presents forecasts and key performance indicators, providing the Board with an overview of the

company's financial development and also general market developments.

The company's budget is reviewed and approved once per year. The Board also reviews and monitors any legal disputes the company may have. The company's external auditors meet with the Board at least once a year, without the presence of the members of Executive Management.

## Independence of the Board of Directors

In accordance with the Code, the majority of Board members elected by the AGM shall be independent in relation to the company and its management and major shareholders. All Board members have been assessed as independent both in relation to the company and its management, as well as in relation to major shareholders. This assessment is presented in more detail below.

## Board Committees

The Board has two committees: the Audit Committee and the Remuneration Committee. These committees are preparatory bodies for the Board and do not limit the Board's responsibility for the company and for the decisions that are made. Minutes are recorded at the committee meetings. In addition, regular written or verbal reports are provided to the Board regarding committee meeting discussions. The work of each committee is carried out pursuant to written instructions for the committees which are part of the rules of procedure of the Board.

## Composition of the Board of Directors

	Elected year	Total fee, SEK thousand	Independent of the company and its management	Independent in relation to major shareholders	Board meetings	Audit Committee meetings	Remuneration Committee meetings
<b>Chairman</b>							
Magnus Welander*	2019	750	Yes	Yes	12/12		3/3
<b>Members</b>							
Thomas Bräutigam	2021	315	Yes	Yes	12/12		
Maria Hedengren	2022	390	Yes	Yes	11/12	7/7	
Anna Hällöv	2022	315	Yes	Yes	11/12		
Jonas Rahmn	2012	345	Yes	Yes	11/12		3/3
Jenny Rosberg	2018	445	Yes	Yes	12/12	7/7	

\* Elected to serve as Chairman of the Board at the 2019 Annual General Meeting, elected as member of the Board at the 2016 Annual General Meeting.



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## Audit Committee

Mips has an Audit Committee consisting of two members.

The Audit Committee's members are Jenny Rosberg (Chair) and Maria Hedengren. The committee's duties include monitoring the company's financial reporting, sustainability reporting, and the efficiency of the company's internal control and risk management activities. The Audit Committee's work focuses on the quality and accuracy of the Group's financial accounting and the accompanying reporting. Furthermore, the Audit Committee evaluates the auditor's work, qualifications and independence, and

monitors in particular whether the auditor provides the company with services other than audit services. The Audit Committee monitors the development of accounting policies and requirements, discusses other significant issues connected with the company's financial accounting, sustainability reporting and regulatory compliance, and reports its observations to the Board.

The Audit Committee held seven meetings in 2024. Audit Committee meetings are minuted and reported to the Board of Directors at the next Board meeting. The Audit Committee meets all requirements for auditing

and accounting expertise as stipulated in the Swedish Companies Act.

## Remuneration committee

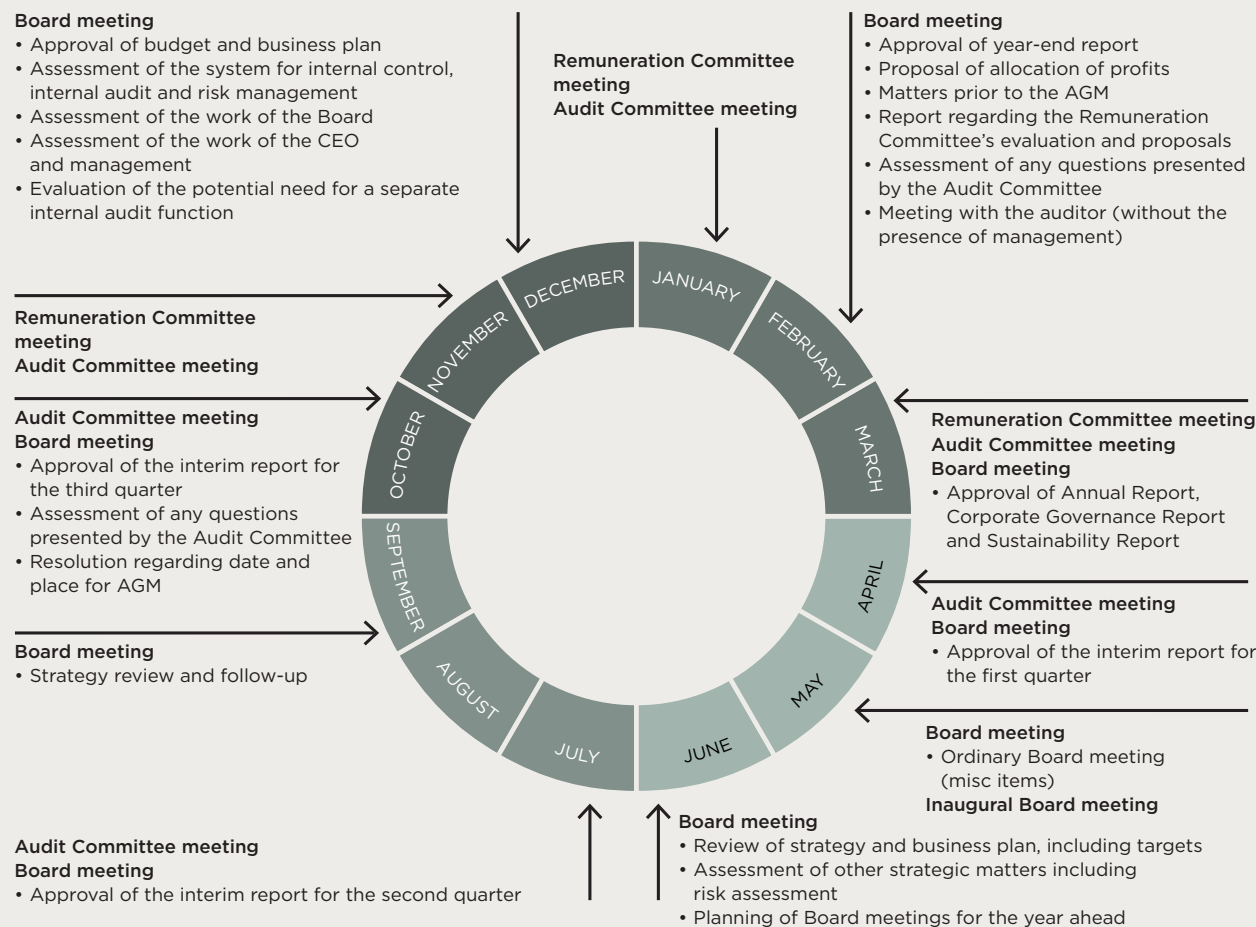
The Remuneration Committee at Mips has two members; Magnus Welander (Chair) and Jonas Rahmn. The duties of the Remuneration Committee include preparing matters regarding remuneration and other terms of employment for the CEO and other senior executives. This work also includes preparing the Board's proposals on guidelines for remuneration to Executive Management, including the relationship between fixed and any variable remuneration, the principal terms of any bonus and incentive programs and the principal terms of non-monetary benefits, pensions, termination, and severance pay. Share-based incentive programs are adopted by the general meeting. The Remuneration Committee's duties also include monitoring and evaluating the outcomes of variable remuneration programs, and Mips' compliance with the guidelines for remuneration to Executive Management adopted by the general meeting.

The Remuneration Committee held three meetings in 2024. The meetings of the Remuneration Committee are minuted and reported to the Board of Directors at the next Board meeting.

## CEO and Executive Management

The CEO is appointed by the Board of Directors and is responsible for the daily management of the company and the Group's activities in accordance with the Board instructions and regulations. The distribution of responsibilities between the CEO and the Board of Directors is defined in the Board's rules of procedure and the instructions for the CEO, adopted by the Board of Directors. The CEO serves as the head of the senior executives and makes decisions in consultation with other members of the Executive Management team. The CEO is also responsible for preparation of reports and compiling information for Board meetings, as well as presenting material at Board meetings.

A description of the guidelines for remuneration to senior executives, share-based incentive programs, and terms of employment for the CEO and senior executives can be found in Notes 4 and 5, as well as on the company's website. [www.mipscorp.com](http://www.mipscorp.com).



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# Internal control

The Board of Directors' responsibility for internal control is governed by, amongst others, the Swedish Companies Act, the Swedish Annual Accounts Act (1995:1554), and the Code. The duties of the Board of Directors include ensuring that the company has formalized procedures to ensure compliance with the principles for financial reporting, sustainability reporting, and internal control, and that the company's financial reporting and sustainability reporting are prepared in compliance with laws, applicable accounting standards and other requirements for listed companies, including ensuring that there is an effective follow-up and control system for the company's operations. The Board also ensures that the internal control is evaluated.

Mips' CEO is responsible for ensuring that the company's internal control is implemented and conducted as necessary to manage significant risks in the day-to-day activities of the company. The company's CEO has overall responsibility for maintaining sound internal control over the financial reporting environment.

To develop a structured approach to working with internal control, Mips applies the COSO framework (published by the Committee of Sponsoring Organisations of the Treadway Commission). Mips' process for internal control has been designed to ensure appropriate risk management, including reliable and accurate financial reporting in accordance with International Financial Reporting Standards (IFRS), and other applicable laws and regulations.

## Control environment

The control environment is the foundation for all other components of the internal control, and includes factors such as organizational culture, integrity, ethical values, expertise, management philosophy, organizational structure, responsibilities and authorities, as well as policies, instructions and procedures.

The Board of Directors has adopted a number of governing documents to communicate a clearly defined internal control environment, also aimed at defining the roles and allocation of responsibilities between the CEO and the Board of Directors. These governing documents include the Board of Directors' rules of procedure, instructions for the CEO, instructions for financial reporting, and the authorization framework. The control environment within Mips thus comprises both individual responsibilities and governing documents, with consideration given to applicable laws and regulations.

## Risk assessment

A risk assessment includes the identification and assessment of risks that may impede or prevent the company from achieving its objectives. Mips has a semi-annual risk process in place, with quarterly updates, wherein risks are identified from a Group perspective to give an overall view of the most significant risks to which Mips is exposed. Each identified key risk is assigned to a senior executive and documented with an action plan to limit and control the risk to the greatest extent possible. The senior executives should, as a rule, review and update the risk matrix at least quarterly. In addition, the

Audit Committee shall annually discuss, together with Executive Management and the external auditors, any significant financial risk exposures and measures taken, or intended to be taken, by Executive Management to mitigate, limit or control the exposures.

The risk assessment, including documentation, should be presented to the Board of Directors at least once per year, usually in conjunction with the proposed budget presentation at the end of the year.

## Control activities

The design of control activities is of particular importance in the company's work to manage risks and safeguard the internal control. In order to prevent, detect, and correct errors and deviations, control activities are established in relation to control targets, which help to ensure that necessary actions are taken to address risks that could prevent the company from achieving its objectives. Such control activities include Mips' governance structure with a number of forums and activities that continually monitor the operations, such as the Board of Directors' review and reconciliation of decisions taken. Well-defined business processes, segregation of duties, and appropriate delegation of authority are also activities that support good corporate governance and internal control within the company. Mips' internal control program focuses on four key processes:

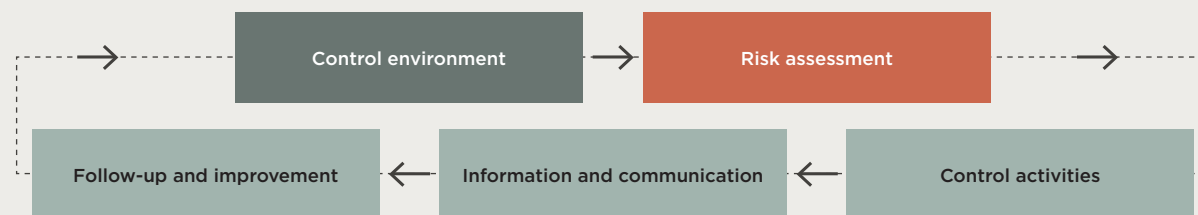
- Order to Cash
- Procure to Pay
- Record to Report
- Salary Process

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## Control environment



These four processes are analyzed in detail, and the steps of the processes are defined in internal documents to ensure that there is a sufficient division of responsibility and that the right control mechanisms are in place. The strength and effectiveness of these control mechanisms are evaluated annually to ensure compliance with the established processes and that the safety measures continue to be relevant. All evaluation results are saved and documented. If any of the processes change during the year, a review of the process must be carried out promptly to ensure that all relevant risks are addressed.

### Information and communication

Mips' internal communication channels and the limited size of the company enable written information relating to the financial reporting and internal control to be quickly and easily communicated to the company's employees. In addition to written information, news, risk management and control results are communicated and discussed at regular meetings. All relevant internal policies and instructions are available to all concerned employees on the company's intranet. In addition, there are both formal and informal information channels for the Executive Management and the Board for essential information from employees. For external communication, guidelines have been compiled in a communications policy, which ensures that the company lives up to applicable standards for correct dissemination of information to the market and other groups such as shareholders, Board members, employees, and customers, in compliance with the applicable regulations.

### IT security

Mips' brand and business information are important assets that Mips is committed to protecting. Proper handling of business information, built on trust and assurance, is a cornerstone of all of the company's business relationships. IT security is thus high on Mips' agenda. The company's IT security work aims to actively protect business information from a wide range of threats and to ensure its confidentiality, integrity and availability, among other things.

Mips' IT policy, which is annually adopted by the Board, establishes the company's principles for information security and cybersecurity at Mips. The company has adopted a systematic and risk-based approach to protect Mips' information and to continuously develop and improve this important work. Together with the company's external IT partner, Mips continuously evaluates the security measures implemented and holds regular training sessions for employees to create awareness of the company's principles for information and IT security and the current threat situation.

### Monitoring

The internal control system is regularly monitored and any deficiencies are reported to Mips' Executive Management and, if necessary, to the Board. In addition, the internal control system is evaluated annually. Mips' CFO is responsible for ensuring that appropriate monitoring processes are in place, including a specific process for monitoring and assessing reported deficiencies. The results of the annual evaluation must be reported to the Audit Committee for review, after which a summary including any identified suggestions for improvements is presented to the Board of Directors. The Board of Directors continually assesses the information and reports provided by Executive Management, and ensures that identified risks are handled appropriately.

### Internal auditing

In accordance with Section 8.1 of the Code, the Board shall evaluate the need for a special audit function (internal audit) during the year to ensure that the company complies with established principles, standards and other applicable laws relating to financial reporting. Given the company's organizational structure, existing procedures and internal control efforts, the Board has assessed that there is no need to establish an internal audit function.



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# Board of Directors

Mips' Board of Directors consists of six board members elected by the general meeting. All board members are independent in relation to the company and its management, as well as to the company's major shareholders.



### Magnus Welander

Chairman of the Board since 2019 and Board member since 2016. Chairman of the Remuneration Committee. Born 1966. MSc in Civil Engineering, Industrial Economics, Institute of Technology at Linköping University.

#### Current assignments:

Chairman of the Board of Embellence Group AB (publ), Eleiko Group AB and Vimian Group AB (publ). Member of the Board of Herenco Holding AB and HESTRA-Handsken AB.

#### Selected past assignments:

CEO of Thule Group AB (publ), CEO of Envirotainer and various management positions within Tetra Pak in Italy and Australia.

#### Holdings including any related parties

50,500 shares, relate to holdings per 31 December 2024.



### Thomas Bräutigam

Board member since 2021. Born 1967. MBA from Stockholm School of Economics.

#### Current assignments:

Chairman of the Boards of AxKid AB, Dcbl Intres-senter AB (Sordin Group) and Swager Bidco AB (Talurit Group).

#### Selected past assignments:

President, Lifting Automation Division, Piab AB. CEO of TAWI, ColArt, BRIO, European Nursery Group and Tretorn.

#### Holdings including any related parties

6,000 shares, relate to holdings per 31 December 2024.



### Maria Hedengren

Board member since 2022. Member of the Audit Committee. Born 1970. Accounting, financing and business administration studies, University of Gothenburg

#### Current assignments:

Chair of the Board of Feminvest Holding AB and other group companies, and Feminvest Ventures AB. Board member of Stillfront Group AB and Scila AB. Advisory member of the Board and senior advisor of STJ Advisors. Venture Partner in Eight Roads Venture.

#### Selected past assignments:

CFO of NetEnt AB (publ), CFO of iZettle AB and CEO of Readly International AB (publ), Board member and member of the Audit Committee of NetEnt AB (publ) and member of the Board and Chair of the Audit Committee of Fishbrain AB.

#### Holdings including any related parties

300 shares, relate to holdings per 31 December 2024.

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## Anna Hällöv

Board member since 2022.

Born 1971. Masters in International Business Administration from Linköping University.

### Current assignments:

General Manager for Swedish Match Sales Sweden AB. Board member of Dagligvaruleverantörerna (DLF) and Spendrup Invest AB.

### Selected past assignments:

Vice President Business Unit Sweden of Swedish Match AB, Nordic Marketing Director at Unilever, Head of Private Labels at Coop Sweden, Head of Sales and Marketing at Stensåkra Charkuteri & Deli AB and Vice President Marketing at Carlsberg Sweden.

### Holdings including any related parties

600 shares, relate to holdings per 31 December 2024.



## Jonas Rahmn

Board member since 2012.

Member of the Remuneration Committee.

Born 1967. MSc in Civil Engineering, Engineering Physics, Chalmers University of Technology.

### Current assignments:

Chairman of the Board of Apica AB. Board member of Knoxville AB, ExOpen Systems Aktiebolag, Ekoligens AB and Relox Robotics AB.

### Selected past assignments:

Partner KTH Chalmers Capital and Board member of Norröna Sport AS.

### Holdings including any related parties

33,500 shares, relate to holdings per 31 December 2024.



## Jenny Rosberg

Board member since 2018.

Chair of the Audit Committee.

Born 1966. MBA from Stockholm School of Economics.

### Current assignments:

CEO and board member for ROPA management AB and ROPA & BOARDA AB. Chair of the Board of Solporten Fastighets AB and Nya Solporten Fastighets AB. Board member at AB Persson Invest, C.A.G Group (publ) and Qualisys Holding AB. Board member and Chair of the Audit Committee at C-RAD AB (publ).

### Selected past assignments:

Board member of NetEnt AB (publ), Nordax Group AB (publ), and Eastnine AB (publ). Board member of Nasdaq Stockholm, Helsinki and Copenhagen, and Senior Vice President of Nasdaq Inc.

### Holdings including any related parties

1,600 shares through company, relate to holdings per 31 December 2024.



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# Executive Management



**Max Strandwitz**  
Born 1975 and Chief Executive Officer since 2019.

**Education**  
MSc in Business, University of Borås. Sweden.

**Current assignments:**  
Board member of Quintessential Design Inc

**Selected past assignments:**  
Previously CFO at Mips AB, CFO Operations at Cloetta AB and Finance Director at Unilever Supply Chain Company and Unilever Nordic.

**Holdings including any related parties**  
78,025 shares  
56,500 warrants, relate to holdings per 31 December 2024.



**Karin Rosenthal**  
Born 1978 and Chief Financial Officer since 2020.

**Education**  
BA in Economics, Stockholm University.

**Current assignments:**  
None.

**Selected past assignments:**  
Previously Finance Manager Volati AB, Manager global accounting services Klarna, Head of Group Accounting, Fabège AB.

**Holdings including any related parties**  
280 shares  
19,000 warrants, relate to holdings per 31 December 2024.





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**Cedric Marmeys**  
Born 1983 and Chief Operating Officer since 2023.

**Education**  
Master of Science in Engineering, Institute of Technology at Linköping University & INP Grenoble.

**Current assignments:**  
None.

**Selected past assignments:**  
Previously Head of Logistics at Daniel Wellington AB, Procurement Manager at Antalis AB and Supply Chain Manager at Groupe FSD.

**Holdings including any related parties**  
7,000 warrants  
relate to holdings per 31 December 2024.



**Pernilla Holmgren**  
Born 1976 and Vice President Brand & Marketing since 2024.

**Education**  
MSc in International Business Administration from Linköping University.

**Current assignments:**  
None.

**Selected past assignments:**  
Previously Global Head of Trade Marketing at Mips AB, Global Marketing Manager Home at Dometic and Senior Brand communications Manager & Retail Space at Adidas.

**Holdings including any related parties**  
2,000 warrants  
relate to holdings per 31 December 2024.



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# Director's report

The Board of Directors and the Chief Executive Officer of Mips AB, Company reg. no. 556609-0162, hereby issue the annual report for the Group and the parent company for 2024.

### General information about operations

Mips is the market leader in helmet solutions designed to help to reduce harmful rotational motion that can be transferred to the head from angled impacts. Mips' patented safety system can be integrated in a variety of different types of helmets for both consumers (e.g. helmets for bicycle, snow, motorcycle, equestrian and team sports) and professional users (e.g. helmets for industry, military, police, search and rescue).

Mips has an "ingredient brand" business model, which means that Mips sells its products and licenses associated technology to other companies that in turn manufacture, market, and sell complete helmets. As an ingredient brand Mips does not sell or market any helmets of its own, and therefore does not sell its products to end users. Several world-leading helmet brands have launched helmets with Mips' safety system, which they market to end-customers globally.

The company's technology and patents are based on more than 25 years of research and development, that started at the Royal Institute of Technology and the Karolinska Institute in Sweden. Several scientific articles validating the company's technology have been published, approximately 85,000 helmet tests have been carried out in Mips' physical lab and almost 140,000 virtual helmet tests have been carried out in Mips' Virtual Test Lab. Furthermore, a number of third-party

tests have also been conducted that have confirmed the efficacy of the Mips safety system.

### Key events during the financial year

2024 has continued to be a challenging year. The geopolitical situation has remained unpredictable, the economy has been weak, and many after-effects of the pandemic have lingered for much longer than could have been foreseen. Despite this, Mips has shown strong progress and grew in all categories and within all the geographies the Group sell to.

### Financial performance: Group operations, earnings and financial position\*

#### *Net sales and profit/loss*

Net sales for the 2024 full year amounted to SEK 483m (357), an increase of 35 percent. Adjusted for exchange rate effects, the increase was also 35 percent. The increase in net sales is mainly explained by increased sales in the bike sub-category. Gross profit increased by 38 percent to SEK 350m (253). Gross margin increased by 1.6 percentage points to 72.5 percent (70.9) mainly as an effect of the increase in sales. Operating profit increased to SEK 174m (70), corresponding to an operating margin of 36.1 percent (19.7). No items affecting comparability have impacted profit during the year or during 2023. The improvement in operating profit is mainly explained by the higher sales during the year and a lower negative impact from currencies under other operating expenses.

Selling expenses amounted to SEK 77m (74), an increase which was mainly due to strategic investments in marketing. Administrative expenses during the year

amounted to SEK 60m (59). Research and development expenses increased to SEK 39m (35), mainly attributable to strengthening the organization. Other operating income and expenses amounted net to SEK 5m (-15), mainly due to lower negative currency impact compared to previous year.

Tax expenses for the year amounted to SEK -42m (-20), corresponding to an effective tax rate of 22.8 percent (23.9).

#### *Liquidity and financial position*

On 31 December 2024, the Group's total assets amounted to SEK 739m (738). Non-current assets amounted to SEK 165m (176) on 31 December 2024. Cash and cash equivalents, including current investments, totaled SEK 382m (408) on 31 December 2024. Short-term investments of SEK 0m (183) were invested in their entirety in interest-bearing funds in the prior year. The equity/assets ratio was 87 percent (89).

During the year the Group saw an increase in accounts receivable to SEK 156m (91), mainly related to the increase in sales during the year. The carrying amounts of assets and liabilities are considered to correspond to their fair values in all material respects. To reduce the Group's short-term currency exposure, certain currency derivatives were previously entered into with a bank. Mips' has discontinued with hedging arrangements during 2024 and the last hedge expired in October 2024. The derivatives were measured at fair value during the year and in the prior year they amounted to a net financial asset of SEK 5m. Hedge accounting has been applied, according to which the unrealized

\*For definitions and alternative performance measures, see pages 133-134.



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change in fair value for the derivatives has primarily been recognized in Other comprehensive income. The strategy is that from 2025 currency fluctuations will fully impact the income statement.

### Cash flow and investments

During the year investments amounted to SEK 10m (89), with last year's investments mainly driven by the investment of SEK 80m in Quin. Investments in intangible assets amounted to SEK 6m (7) mainly related to the acquisition of patent rights and some other intangible assets. Investments in property, plant and equipment totaled SEK 4m (2), mainly attributable to investments in office equipment and office premises.

As of 31 December 2024 the Group had no significant obligations related to investments.

### Shares and share capital

The share capital of Mips AB was SEK 2,649,112 on 31 December, 2024. The number of company shares registered amounted to 26,491,122 as of 31 December, 2024. During the year, Mips has in accordance with the resolution made by the Annual General Meeting reduced the share capital by SEK 215.10 by way of cancellation of 2,151 own shares held by Mips in treasury and previously repurchased by Mips to secure delivery of shares under previous sharebased incentive programs that are no longer outstanding. The reduction was completed in July 2024 following permission from the Swedish Companies Registration Office. As a result, the number of shares and votes have decreased by 2,151. The number of outstanding shares amounted to 26,491,122 as of 31 December, 2024.

All shares are ordinary shares and carry equal voting rights. The shares have a quotient value of SEK 0.10.

### Share-based incentive program

At the 2023 Annual General Meeting, three long-term incentive programs were adopted, Warrant program 2023/2026, Warrant program 2024/2027 and Warrant program 2025/2028 for senior executives and certain key personnel at Mips. In total, 429,000 warrants were issued divided across a maximum of 143,000 warrants per program. For program 2023/2026, 82,100 warrants were allocated to the participants and for program

2024/2027, which started in the first quarter of 2024, 46,070 warrants were allocated to the participants. The total amount of 429,000 issued warrants can lead to dilution of approximately 1.6 percent. The exercise price of the first program amounts to SEK 396.27 per Mips share (before recalculation), and for the second program it amounts to SEK 388.25 per Mips share (before recalculation). Each warrant entitles subscription of one new share in the company. Similar to previous warrant programs, conditions apply regarding a recalculated subscription price and a recalculated number of shares as a result of dividends. After recalculation for dividends paid, the exercise price in the first program is SEK 390.73. After recalculation for dividends paid, the exercise price in the second program is SEK 382.82.

The company has no costs for the warrant programs other than administrative costs regarding advisors etc. in connection with the preparation of the documentation and the resolution to issue the warrants, etc.

### Research and development

Mips' research and development is one of the cornerstones of the company's commercial success. Mips believes the company has market-leading expertise in development and processes in its technology and product area. Mips' ambition is to invest approximately 5 percent of the company's net sales in research and development. The company aims to create an innovative company culture that promotes knowledge growth within the organization to inspire employees to develop new solutions and/or concepts, based on an established and structured development method. Current and planned R&D at the company includes innovation projects for its products, as well as development of better materials and components, and processes such as development of more efficient testing and production processes, and the development of the Virtual Test Lab (VTL). The company has continued its investments in product development and recruited more resources into the organization. Research and development expenses in 2024 were SEK 39m (35). The increase is due to Mips investing strategically in the future by strengthening the organization, which meant that investment in research and development in 2024 amounted to approximately 8 percent of net sales. The company did not capitalize

development costs in 2024. The company expects to increase its investments in research and development during the coming year, in line with Mips' investment ambition.

### Sustainability

Mips is subject to the requirements to prepare a statutory sustainability report according to the Annual Accounts Act, as amended before July 1, and has chosen to publish its sustainability report as a separate report. The statutory sustainability statement can be found in this document on pages 100-130.

### Adjustments

Certain financial information presented in this report has been rounded and thus the tables do not necessarily tally.

### Information on non-financial disclosures

At year-end, the Group had 109 (105) employees. The average number of employees during the year was 103 (101), of which 48 percent (46) were women. More personnel were recruited to the organization, primarily in research and development, to meet the company's growth ambitions and be able to develop new products and solutions.

The company has a code of conduct and actively follows an ethically, socially, and environmentally responsible business strategy, and works to ensure that its products are innovative while providing a safe and healthy work environment.

The company does not engage in any operations that require a permit or notification under the Swedish Environmental Code.

### The Board proposes the following guidelines for remuneration to the senior executives

These guidelines cover the senior executives at Mips and are applicable to remuneration that is to be agreed, and amendments to remuneration already agreed, after the adoption of the guidelines by the 2025 Annual General Meeting. These guidelines do not apply to any remuneration resolved or approved by the General Meeting.

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## *The guidelines' promotion of the company's business strategy, long-term interests, and sustainability*

Mips operates as an ingredient brand with a solution designed to improve helmet safety by reducing rotational motion that can arise in the event of an angled impact to the head. The company's long-term strategy is based on three main helmet categories comprising Sports, Motorcycle and Safety, which together represent a focus market of 195 million helmets.

For more information about the company's business strategy and long-term financial targets, go to [mipscorp.com/sv/om-mips/affarsmodell-och-strategi/](https://mipscorp.com/sv/om-mips/affarsmodell-och-strategi/).

The company's position as a world-leading player in its field is largely a result of the innovation, know-how, and ability to get things done of a number of individuals affiliated with Mips. To continue to implement the company's business strategy successfully and to safeguard the company's long-term interests, including its sustainability, the company must be able to recruit and retain qualified employees. Consequently, the company must be able to offer competitive remuneration, which these guidelines enable.

The company has established long-term share-based incentive programs that are based on warrants. For more information about these programs, go to <https://mipscorp.com/sv/bolagsstyrning/incitament-program/>.

## *Types of remuneration, etc*

Remuneration should be market-based and may comprise the following components: fixed cash salary, variable cash remuneration, pension benefits, and other benefits. Additionally, the General Meeting may – irrespective of these guidelines – resolve on share-related or share price-related incentive programs, among other things.

The fixed salary for senior executives shall be adapted to market conditions, be competitive, and be based on competence, responsibility, and performance.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration may amount to a maximum of 75 percent of the fixed annual cash salary of the Chief Executive Officer and a maximum of 50 percent of the fixed annual cash salary for each of the other senior executives.

The variable cash remuneration shall be linked to predetermined and measurable criteria, which may be financial or non-financial. The criteria may also comprise individually and functionally adapted quantitative or qualitative targets. The criteria shall be designed to promote the company's business strategy and long-term interests, including its sustainability work, for example by being clearly linked to the business strategy or by promoting the senior executive's long-term development. The variable cash remuneration will mainly be dependent on the Group's net sales and operating margin, which is in line with the company's long-term financial goals. Furthermore, the variable cash remuneration shall also be related to one or more of the sustainability goals set by the company, and the Chief Executive Officer must only have company-wide sustainability goals while other senior executives shall have both company-wide sustainability goals and individually set sustainability goals. In addition, the remainder of the variable remuneration may be paid based on individual and function-specific targets.

The Remuneration Committee is responsible for the assessment of outcomes regarding variable cash remuneration to the Chief Executive Officer, and the Chief Executive Officer is responsible for the evaluation regarding variable cash remuneration to the other senior executives. With regards to the financial targets, the assessment shall be based on the financial information made public by the company.

The Board shall have the possibility, under applicable law or contractual provisions, subject to the restrictions that may apply under law or contract, to in whole or in part reclaim variable remuneration paid on incorrect grounds (claw-back).

For all senior executives, pension benefits, including health insurance (Sw. sjukförsäkring), shall be defined-contribution schemes. Variable cash remuneration shall not qualify for pension benefits. The pension premiums to defined-contribution schemes shall amount to a maximum of 30 percent of the fixed annual cash salary. Other benefits may include life insurance, medical insurance (Sw. sjukvårdsförsäkring), and company cars. Such benefits may amount to a maximum of 10 percent of the fixed annual cash salary.

## *Termination of employment*

In the event of termination by the company, the period of notice shall be a maximum of twelve months. Fixed cash salary during the notice period and severance pay may not together exceed an amount corresponding to the fixed cash salary for two years for the Chief Executive Officer and one year for other senior executives. When termination is made by the senior executive, the notice period may not exceed six months, without any right to severance pay.

Remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for any loss of income and shall only be paid insofar as the previously employed executive is not entitled to severance pay. The remuneration shall amount to a maximum of 60 percent of the fixed cash salary at the time of termination of employment, unless otherwise provided by mandatory collective bargaining agreements, and be paid during the time the non-compete undertaking applies, however not for more than nine months following termination of employment.

## *Salary and employment conditions for employees*

In the preparation of the Board's proposal for these guidelines for remuneration, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration, and the increase and rate of increase over time, in the Remuneration Committee's and the Board's basis for decision when evaluating whether the guidelines and the limitations set out herein are reasonable. The development of the gap between the remuneration of the Chief Executive Officer and remuneration of other employees will be disclosed in the company's remuneration report.

## *Decision-making process to determine, review and implement the guidelines*

The Board has established a Remuneration Committee. The Committee's tasks include preparing the Board's decision to propose guidelines for remuneration of the senior executives. The Board shall prepare a proposal for new guidelines whenever the need arises for substantial changes in the guidelines, however at least every four

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years, and submit it to the Annual General Meeting. The guidelines shall apply until new guidelines are adopted by the General Meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration to the senior executives, the application of the guidelines for remuneration to the senior executives, as well as the current remuneration structures and compensation levels in the company.

The Chief Executive Officer and other senior executives do not participate in the Board's processing of and resolutions regarding remuneration-related matters insofar as they are affected by such matters.

### *Derogation from the guidelines*

The Board may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board's resolutions in remuneration-related matters, which includes any resolutions to derogate from the guidelines.

### *Description of significant changes to the guidelines and how shareholder opinions have been taken into account*

The Board of Directors has not received any opinions from the shareholders on the existing guidelines for remuneration to the senior executives. The compa-

ny's long-term financial targets that were presented in the guidelines have been removed and replaced by a reference to the company's website where the targets are presented. Otherwise, no changes have been made to the guidelines, and the Board's proposal essentially corresponds to the existing guidelines.

### **Corporate Governance Report**

For the Corporate Governance Report, see page 38 and the company's website [www.mipscorp.com](http://www.mipscorp.com).

### **Parent company**

Mips AB is the parent company of the Group. The accounts of the parent company are essentially consistent with the accounts of the Group, and for that reason the comments for the Group largely also apply to the parent company. Net sales for the parent company totaled SEK 338m (254) for the full year. The profit during the same period was SEK 144m (63). The parent company had cash and cash equivalents, including current investments, totaling SEK 340m (363) on 31 December 2024.

### **Outlook**

The company has established itself as a leader in helmet solutions that are designed to help reduce harmful rotational motion that can be transmitted to the head from angled impact. Provided that external factors do not significantly change over the next few years, demand for the company's products is expected to be robust.

### **Proposed appropriation of profits**

Available for disposal at the Annual General Meeting:

SEKt	
Share premium reserve	348,493
Retained earnings	64,159
Profit for the year	143,507
<b>Total</b>	<b>556,159</b>

The Board of Directors proposes that the available funds of SEK 556,159t be allocated so that SEK 6.50 (6.00) per share, corresponding to SEK 172,192t based on the number of shares on 31 December, 2024, be distributed to shareholders and the remaining amount of SEK 383,967t be carried forward, including SEK 348,493t to the share premium reserve, and SEK 35,474t to profit brought forward.

Regarding the financial performance and position in general of the Group and the parent company, please refer to the following financial statements and accompanying notes to the accounts.



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# Risks and risk management

Mips' business is associated with various types of risks. Risk identification and risk assessment are a natural part of operations at Mips to ensure that Mips manages and prioritizes measures to limit or minimize the risks satisfactorily.

In order to minimize the risk of unpredictable events having a negative impact on the business, the company works according to a structured and documented procedure to identify and prevent risks in order to create a sustainable business model. The ambition of risk management at Mips is not to completely eliminate risks, but to highlight and prioritize risk management work in order for the company to limit the negative impact of risk. This approach will create sustainable and long-term value for the company, both operationally and strategically. All functions in the company participate in risk management, with the aim of increasing risk awareness throughout the organization, for operational decision-makers and Board members alike.

### Risk management organization

The Board of Directors of Mips has the ultimate responsibility for risk management. The Executive management of the company reviews risk management procedures every quarter, after which the Board of Directors considers proposals for prioritization and management of the main risks.

Executive Management considers risks related to both business development and long-term strategic planning, as well as the Group's work with sustainability and environmental issues and associated risks, and submits a proposal for prioritization to the Board, which

ultimately sets the priorities to be addressed. Executive Management regularly reports to the Board on risk-related issues, such as the Group's financial status and compliance with the Group's policies. The Group's central finance department is responsible for prioritizing and managing financial risks, including exposure to exchange rate fluctuations. Mips' CFO is responsible for and ensures that the Group has the right insurance coverage for risks that can be insured. This procedure is in line with the priorities that Executive Management has proposed and the Board has approved. The Group's code of conduct and a number of more specific policies serve as the foundation for ongoing operational risk management at all levels of the organization.

Mips considers that identifying and assessing risks as part of daily operations is important for building a long-term sustainable business model.

### Risk overview

A number of risk areas have been identified through Mips' risk management procedures and materiality analysis. The tables on pages 56-58 briefly present the most significant risks, as well as how they are managed and measured to limit any impact on the business. A more detailed analysis of the financial risks can be found in Note 21. Mips has divided the identified risks into customer and market-related risks, legal risks including product liability, business and sustainability-related risks, and financial risks.

Mips is also exposed to external factors and geopolitical uncertainty over which the company has no control, but which can have an adverse impact on future

market developments. Mips has no activities in either Russia or Ukraine and the direct business exposure is otherwise very minimal. Mips' financial position, earnings, and cash flow have not been materially affected by Russia's invasion of Ukraine nor the related sanctions implemented. For a period of time, the demand for Mips' products was affected by the challenges facing the bike market. This has adversely impacted the company's financial results. The risk of a potential impact on demand, given higher interest rate levels and lower general purchasing power of consumers, remains elevated. The company still believes that long-term demand for Mips' products is robust. The new American President has now taken office, and it remains to be seen how his administration will affect the business relationships with international companies and the geopolitical landscape. Mips sells all products based on Incoterms Ex Works, which means that the buyer takes responsibility for transport costs, fees, taxes, tariffs and so on. The risks presented on the next few pages are the most important risks.

### Customer and market-related risks

The compilation of the customer and market-related risks includes how external risks are handled, both strategically through business and product development, and operationally through daily sales and marketing activities.

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## Business and sustainability-related risks

Business-related risks are often based on the company's own activities and thus the degree of impact Mips can have on them is greater. Business-related risks are part of daily work and are often managed by the operational units. Business-related risks include risks related to production, insurable risks, and various types of sustainability risks, mainly related to safety and the environment. Business-related and environment-related risks can often be limited through instructions, guidelines, and policies.

## Legal risks and product liability-related risks

Legal risks are primarily attributable to litigation regarding the company's intellectual property rights and technology, primarily patent infringement, but also other types of legal disputes. Product liability-related risks are mainly attributable to various types of claims for damages and related processes linked to the company's products. These types of risks are limited as much as possible through insurances and agreements.

## Environment and climate-related risks

There is a risk that climate change will impact Mips. This may involve transition risks such as changing rules and taxation, as well as physical risks. Physical risks include changes that are both long-term and urgent in nature, such as extreme weather conditions and natural disasters that could impact Mips' access to materials and disrupt business operations directly or indirectly.

Mips is seeing an increased interest in climate-related disclosures and will continue to work towards more comprehensive reporting of climate-related impacts, risks and opportunities, and how these affect Mips' business and operations.

In the climate area, Mips takes into account the risk that insufficient action to reduce the carbon footprint of products may mean that products do not remain relevant to customers and end-users.

## Financial risks

Mips' financial risk management, such as credit risk and foreign exchange risk, is centralized to the Group's finance department, which conducts business within established risk mandates and limits. Risks are managed in accordance with guidelines in the Group's policies and regulations within the specific fields. All policies and regulations in this area are updated and adopted annually by the Group's Board of Directors.

Read more about accounting policies and risk management and risk exposure in Notes 1 and 21.

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## Customer and market-related risks

	Risk	Management
<b>Challenging global conditions may adversely affect demand</b>	Challenging global economic conditions such as those caused by pandemics, downturns in the global economy, political unrest and uncertainty, shortage of manpower and supply, rising inflation and soaring interest rates, or geopolitical risks or trade friction, may have extensive adverse effects on the demand for Mips' products and limit the company's ability to grow.	Mips works actively to understand the underlying demand for its products and offerings and also conducts business intelligence to analyze long-term trends of relevance. This includes everything from analysing NPD data and understanding the end consumers' needs and behaviors, to closely collaborating with customers, factories, and suppliers.
<b>Changed market conditions/assumptions</b>	The size of the total helmet market and Mips' addressable market turn out to be over-stated/less than expected	Mips examines publicly disclosed information from key companies in the industries in which the company operates when such information is available, in order to assess whether the relevant markets are growing or not. This assessment is performed for all of Mips' key sub-categories. There is currently no official global data available and assessments are therefore based on a summary of several different data inputs. Mips also carries out analysis to see whether the range of products that include Mips' safety system is expanding on important e-commerce platforms.
<b>That Mips' offering loses relevance</b>	Fail to remain relevant or fail to expand as expected in all categories (Motorcycle and Safety) Fail to win the largest customers and become a natural partner. Difficult to understand markets outside Scandinavia and the US where safety is a priority, e.g. India and China.	Mips measures both volumes and price premiums in Mips' key markets for helmets fitted with Mips' safety system. This gives Mips a good indication of whether consumers are willing to pay more for a helmet equipped with Mips' safety system, than for one without. Mips also monitors the outcomes of benchmarking tests performed by Virginia Tech and other testing institutes to ensure itself and its customers that Mips' technology achieves good results in these tests. Mips continuously submits new patent applications regarding the company's innovations.  <b>IP strategy</b> Continue to broaden IP portfolio, covering areas that can prevent helmet manufacturers/innovators from inventing in the area where Mips provides protection. Continue to build brand capital and strengthen brand awareness.







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## Customer and market-related risks, continued

	Risk	Management
	 <p><b>The company may miss important steps in bio-mechanical advancements in helmet safety</b></p> <p>Developments in helmet safety and rotational motion change over time and several testing bodies are working on updating their helmet testing standards to include rotational motion in their helmet certification process. The consequence of a different standard than the one that Mips represents could have a negative impact on Mips' sales in the categories that are affected by such standards.</p>	 <p>Incorrect implementation or implementation of a standard according to which Mips' solutions would not show any improvement could affect demand for the company's products. The company works closely with universities and engages in active dialogue with the largest testing bodies around the world to ensure that dialogue concerning this topic is conducted as accurately as possible.</p>
	 <p><b>Dependence on a few large customers</b></p> <p>Some segments of the helmet industry currently consist of a small number of players that account for a large share of total sales in the market. This is also reflected in the concentration of Mips' customers, with a few customers accounting for a large portion of total sales. In 2024 Mips delivered products to more than 150 customers, the five largest of which accounted for 40 percent (44) of total sales.</p>	 <p>Loss of one of the larger customers would have an impact on the company's sales and profitability, as well as its ability to reach its long-term goals. Mips actively works to nurture existing customer relationships, as well as broaden the customer base. As the company expands in other categories, such as Safety, and more geographic markets, dependence on individual customers will decline.</p>

For more information, see Note 2.

## Business and sustainability-related risks

	Risk	Management
	 <p><b>Geopolitical uncertainty in the supply chain</b></p> <p>A large portion of the helmet production chain, especially for the Sports category, is located in China. Disruptions in the global supply chain as a result of geopolitical uncertainty could have a negative impact on Mips.</p>	 <p>Mips conducts active dialogue with the large Chinese helmet manufacturers and with its customers in order to try to assess the likelihood and consequences of trade risks in relation to China. Mips is also actively working on establishing a fully functioning supply chain in other Asian countries and within Europe.</p>
	 <p><b>Risk of non-compliance with rules</b></p> <p>General regulatory compliance risks including conducting business in a listed environment, EU GDPR (and the corresponding rules in China), MAR, cyber security, laws on competition, sustainability regulations, violations of codes of conduct, new Chinese regulations (with no grace periods) import/export regulations, rules on hazardous chemicals, and so on.</p>	 <p>Mips always takes into account the need for competences and relevant experience, and the company invests continuously in the professional development of employees to ensure compliance with rules, requirements and standards. Mips works with external experts in all relevant areas and also has clear policies, procedures, and instructions. The company also has a comprehensive internal control program.</p>

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## Business and sustainability-related risks, continued

	Risk	Management
<b>The ability of the company to attract and retain the right skills</b>	<p>Mips is a company that is dependent on the right skills to be able to keep growing and to develop new products. Mips is active in a field in which there is limited expertise and it is important for the company to find the right talent in order to continue to develop in line with the company's strategy.</p>	<p>As the company grows and with it, the number of employees, dependence on individual employees will decrease. The company also actively works with skills and development plans for current employees to ensure that they can grow together with Mips. The company also works on documentation and process control for key processes to limit the impact of the loss of employees.</p>

## Legal risks and product liability-related risks

	Risk	Management
<b>Product liability and legal risks</b>	<p>Since the company's products are integrated into products sold to consumers, there is a risk, direct or indirect, of damages or lawsuits based on alleged defects or deficiencies in Mips' technology. Claims for damages may also arise due to inaccurate marketing claims. Legal risks also relate to action concerning intellectual property rights and the company's technology. There is also a risk that Mips does not have adequate insurance coverage.</p>	<p>The company currently has a comprehensive set of agreements, a detailed IP strategy, plus extensive insurance coverage to deal with any financial risks related to certain legal risks. The company also works closely with legal specialists, especially in the US market, where the risk of legal disputes and claims for damages is considered to be the greatest. The company has a detailed training program for customers that sell Mips' technology in how to properly market Mips' technology to minimize the risk of any legal disputes.</p>

## Financial risks

	Risk	Management
<b>Dependency on trends relating to foreign currency</b>	<p>Currency fluctuations affect Mips' earnings since sales of the company's products are denominated in foreign currencies, primarily USD and CNY (transaction exposure). There is also an impact when translating the Chinese subsidiary's balance sheet and income statement to SEK from the subsidiary's functional currency CNY (translation exposure). In addition to SEK, USD and CNY, Mips is also somewhat exposed to EUR, GBP and CAD.</p>	<p>To limit the short-term impact of currency risk, the company has previously aimed to hedge 50 percent of the company's forecasted sales in USD, which the company gradually stopped doing during 2024. The company sells and purchases components primarily in CNY, which largely limits exposure to CNY. The company's customer contracts in CNY are linked to the USD, which means that some exposure to USD remains. Fluctuations in these currencies can have a significant impact. For a more detailed description of the impact from foreign currencies, see Note 21.</p>

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# Financial statements

## Consolidated income statement

SEKm	Note	2024	2023
Net sales	2	483	357
Cost of goods sold		-133	-104
<b>Gross profit</b>		<b>350</b>	<b>253</b>
Selling expenses		-77	-74
Administrative expenses		-60	-59
Research and development expenses		-39	-35
Other operating income	3	5	0
Other operating expenses	3	-	-15
Share of profit and loss in associated companies	13	-5	0
<b>Operating profit/loss</b>	4, 5, 6, 7, 23	<b>174</b>	<b>70</b>
Financial income		10	15
Financial expenses		-2	-2
<b>Net financial items</b>	8	<b>8</b>	<b>14</b>
<b>Profit/loss before tax</b>		<b>183</b>	<b>84</b>
Tax	9	-42	-20
<b>Profit for the year</b>		<b>141</b>	<b>64</b>
Earnings per share basic, SEK	10	5.32	2.43
Earnings per share diluted, SEK	10	5.32	2.42

## Consolidated statement of comprehensive income

SEKm	2024	2023
<b>Profit for the year</b>	<b>141</b>	<b>64</b>
<b>Other comprehensive income</b>		
<b>Items that may subsequently be transferred to profit or loss</b>		
Foreign currency translation	4	-4
Changes in fair value for the year, cash flow hedges	-5	14
Change in the fair value of cash flow hedges transferred to profit or loss for the year	0	-5
Tax attributable to items that have been or may subsequently be transferred to profit or loss	1	-2
<b>Items that cannot be transferred to profit or loss for the year</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income for the year</b>	<b>0</b>	<b>4</b>
<b>Comprehensive income for the year</b>	<b>141</b>	<b>68</b>





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## Consolidated balance sheet

SEKm	Note	31 Dec 2024	31 Dec 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible fixed assets	11	69	71
Property, plant and equipment	12	8	10
Right-of-use assets	23	13	15
Participation in associated companies	13	74	80
Deferred tax assets	9	0	0
Financial assets	14	0	0
<b>Total non-current assets</b>		<b>165</b>	<b>176</b>
<b>Current assets</b>			
Inventories		8	4
Tax assets		12	36
Accounts receivable	15, 21	156	91
Prepaid expenses and accrued income	16	11	12
Other current receivables		5	11
Current investments	17, 21	0	183
Cash and cash equivalents	17, 21	382	225
<b>Total current assets</b>		<b>575</b>	<b>562</b>
<b>TOTAL ASSETS</b>	22	<b>739</b>	<b>738</b>

SEKm	Note	31 Dec 2024	31 Dec 2023
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	18	3	3
Other paid-in capital		383	381
Reserves		6	6
Retained earnings including profit for the year		250	268
<b>Total equity attributable to Parent Company shareholders</b>		<b>641</b>	<b>657</b>
<b>Non-current liabilities</b>			
Lease liabilities	23	6	9
Other liabilities	19	10	9
Deferred tax liabilities	9	4	7
<b>Total non-current liabilities</b>		<b>20</b>	<b>25</b>
<b>Current liabilities</b>			
Lease liabilities	23	6	5
Accounts payable		45	30
Tax liabilities		3	3
Other liabilities		3	3
Accrued expenses and deferred income	20	20	14
<b>Total current liabilities</b>		<b>78</b>	<b>56</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	22	<b>739</b>	<b>738</b>



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## Consolidated statement of changes in equity

2023 SEKm	Equity attributable to Parent Company shareholders					Profit brought forward incl. Net profit/loss	Total equity
	Share capital	Other paid-in capital	Reserves				
			Translation reserve	Hedging reserve			
<b>Opening equity, 1 January 2023</b>	3	274	6	-4	348	626	
Profit for the year	-	-	-	-	64	64	
Other comprehensive income for the year	-	-	-4	8	-	4	
<b>Comprehensive income for the year</b>	-	-	-4	8	64	68	
Dividend paid	-	-	-	-	-144	-144	
New share issue	0	103	-	-	-	103	
Premium on issue of warrants	-	4	-	-	-	4	
Share-based remuneration (LTIP)	-	-	-	-	0	0	
<b>Total transactions with Group shareholders</b>	0	107	-	-	-144	-37	
<b>Closing equity, 31 December 2023</b>	3	381	2	4	268	657	

2024 SEKm	Equity attributable to Parent Company shareholders					Profit brought forward incl. Net profit/loss	Total equity
	Share capital	Other paid-in capital	Reserves				
			Translation reserve	Hedging reserve			
<b>Opening equity, 1 January 2024</b>	3	381	2	4	268	657	
Profit for the year	-	-	-	-	141	141	
Other comprehensive income for the year	-	-	4	-4	-	0	
<b>Comprehensive income for the year</b>	-	-	4	-4	141	141	
Dividend paid	-	-	-	-	-159	-159	
Premium on issue of warrants	-	3	-	-	-	3	
<b>Total transactions with Group shareholders</b>	-	3	-	-	-159	-156	
<b>Closing equity, 31 December 2024</b>	3	383	6	-	250	641	

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## Consolidated cash flow statement

SEKm	Note	2024	2023
<b>Operating activities</b>			
Profit/loss before tax		183	84
Adjustment for non-cash items	26	21	17
Income taxes paid		-21	-98
<b>Cash flow from operating activities before changes in working capital</b>		<b>183</b>	<b>4</b>
<b>Cash flow from changes in working capital</b>			
Increase (-)/decrease (+) in inventory		-4	2
Increase (-)/decrease (+) in operating receivables		-56	11
Increase (+)/decrease (-) in operating liabilities		19	-6
<b>Cash flow from operating activities</b>		<b>142</b>	<b>11</b>
<b>Investing activities</b>			
Acquisition of intangible assets		-6	-7
Acquisition of property, plant and equipment		-4	-2
Sale of property, plant and equipment		-	0
Investments in associated companies	13	-	-80
<b>Cash flow from investing activities</b>		<b>-10</b>	<b>-89</b>
<b>Financing activities</b>			
New share issue		-	103
Premium received from issue of warrants		3	4
Dividend paid		-159	-144
Amortization of lease liabilities		-6	-5
<b>Cash flow from financing activities</b>		<b>-162</b>	<b>-42</b>
<b>Cash flow for the year</b>			
Cash and cash equivalents at the beginning of the year	17	408	532
Exchange rate difference, cash and cash equivalents		4	-4
<b>Cash and cash equivalents at end of the year</b>	17	<b>382</b>	<b>408</b>



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# Notes to the consolidated financial statements

All figures are in SEK million unless stated otherwise.

## Note 1 Accounting policies

### Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (IFRS) adopted by the International Accounting Standards Board (IASB) as endorsed by the EU. In addition, the recommendation RFR 1 Supplementary Accounting Rules for Groups, issued by the Swedish Corporate Reporting Board, has been applied.

The annual report and consolidated financial statements were approved for issuance by the Board of Directors and the Chief Executive Officer on 20 March 2025.

### Functional currency and presentation currency

The parent company's functional currency is SEK, which is also the reporting currency of the Group. Accordingly, the financial statements are presented in SEK. All amounts are rounded to the nearest thousand or million, unless otherwise stated.

### Estimates in the financial statements

It is Mips' assessment that the Group does not have any assets or liabilities whose estimated reported value entails a significant risk for a material adjustment during the coming year.

### Significant accounting policies

Other than the exceptions explained in detail, the accounting policies set out below have been applied consistently to all periods presented in the consolidated financial statements.

### New and amended accounting policies from 1 January 2024

New and amended IFRS standards that are effective from 1 January 2024 have not had any effect on Mips.

### New IFRS that have not yet begun to be applied

The new and amended IFRS published by IASB to be applied in future periods are not considered to have any significant effects on Mips, with the exception of IFRS 18, "Presentation and Disclosure in Financial Statements" which will come into effect from 1 January 2027. IFRS 18 will mainly affect the structure of Mips' income statement and it will also mean that additional disclosures related to the income statement will be added. The new standard may also result in more disaggregated information in the primary statements and notes. Furthermore, the starting point for the cash flow statement will be operating profit, and interest and dividends received will be presented under investing activities and interest and dividends paid will be presented under financing activities.

### Operating segment reporting

Mips develops and sells the Mips safety system comprising a low friction layer with different components that are specially designed for each unique helmet model that the company's customers decide to manufacture using the Mips safety system. The helmets are used by consumers, mainly for use in bike, snow and motorcycle. Products have been launched in the professional sector, such as industry, military, firefighters, police, etc., but no major sales have started in this field. The helmet kit is sold to customers all over the world and these customers largely comprise major global helmet manufacturers.

The Group has determined that there is only one operating segment, based on the following assumptions:

- The chief executive decision-maker makes decisions based on the financial results for the Group as a whole.

- The current operations solely comprise sales of the component kit included in consumer products and a more detailed specification of the operations would not increase transparency or improve governance.

### Consolidation policies and business combinations

Subsidiaries are companies over which Mips AB has a controlling influence, and they are recognized according to the purchase method. Transaction costs arising from acquisitions, except for transaction costs attributable to the issue of equity instruments or debt instruments, are recognized directly in profit or loss.

### Participation in associated companies

Holdings in associated companies are recognized in accordance with the equity method. Acquisition-related expenses are included in the acquisition value.

### Revenue

Revenue is recognized when the customer gains control over the goods or services. The Group is the principal for sales since the Group controls the goods or the services before they are transferred to the customer. For implementation services, the customer gains control already in connection with the performance of the service. Revenues from such agreements are recognized as the services are provided over time since the customer receives and consumes the services that the Group provides.

### Goods

The performance obligation is fulfilled when the goods are delivered to the customer and the revenue is recognized upon this delivery. Payment usually occurs 30-60 days after delivery. A receivable is recognized when

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the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. The Group has no fixed or variable discounts aside from the fact that Mips invoices its customers at a predetermined price based on volume. Mips manufactures goods pertaining to a specific order and design, for which no return or cancellation rights apply.

The Group's revenues primarily consist of sales related to components implemented in helmets including a license fee (component kit) and, to a lesser extent, sales of services in connection with the production of the components (implementation), see Note 2.

### Operating expenses

Operating expenses are recognized in their respective functions, as follows.

#### *Cost of goods sold*

Cost of goods sold corresponds to direct and indirect costs related to sold units, and the directly attributable costs for production of the input product, including goods for resale, consumables and subcontracted work. Cost of goods sold also includes costs related to personnel and contracted consultants, premises and depreciation and amortization of non-current assets in the production process.

#### *Selling expenses*

Selling expenses comprise expenses incurred in sales and marketing activities including customer specific product development. Selling expenses also include costs for employees and contracted consultants who work with sales and marketing, depreciation, travel and marketing and PR-related activities.

#### *Administrative expenses*

Administrative expenses comprise expenses that are not directly assignable to sales, production or sourcing. These costs include the CEO, finance function, IT, premises, legal affairs, and depreciation of assets that are not attributable to sales, production or sourcing.

#### *Research and development expenses*

Research and development expenses include costs for research and development of products that are not capitalizable. Costs mainly relate to personnel, but also include depreciation of test equipment, consultants and consumables.

### Financial income and expenses

Financial income comprises interest income and gains on current investments.

Financial expenses comprise interest expense on interest-bearing liabilities and impairment on current investments.

Exchange gains and losses are recognized net.

### Taxes

Income tax comprises current tax and deferred tax. Income tax is recognized in profit or loss, except when the underlying transaction is recognized in other comprehensive income or in equity in which case the associated tax effect is recognized directly in other comprehensive income or equity.

### Earnings per share

The calculation of earnings per share prior to dilution is based on the consolidated profit for the year attributable to parent company shareholders and on the weighted average number of shares outstanding during the year. Outstanding warrants that are part of the Group's incentive program have a dilutive effect during periods when the subscription price has been lower than the share price. Dilution is larger when there is greater difference. Dilution is calculated based on the increased number of shares after dilution.

### Financial instruments

Financial instruments recognized in the statement of financial position primarily include, on the assets side, accounts receivable, accrued income, other receivables (derivatives), current investments and cash and cash equivalents, and, on the liabilities side, other liabilities (non-current), accounts payable, other liabilities (derivatives) and accrued expenses.

#### *Classification and subsequent measurement - Financial assets*

The Group's accounts receivables, accrued income, other receivables (including long-term depositions) and cash and cash equivalents are classified as financial assets measured at amortized cost. The Group's current investments of surplus liquidity in fixed income funds are measured at fair value through profit or loss.

None of the Group's financial assets are classified in either of the two categories for fair value through other comprehensive income.

#### *Financial liabilities*

As a general rule, financial liabilities are measured at amortized cost. Liabilities regarding conditional additional purchase prices linked to the acquisition of patent rights and certain other intellectual property rights are valued at amortized cost using the effective interest method. Initially, these liabilities are recognized at the fair value of future commitments and are determined by probability-weighting and discounting potential future payments. The liability is then reported at amortized cost using the effective interest method, whereby the interest expense is reported as a financial cost in the income statement distributed over the assessed commitment period.

#### *Derivatives and hedge accounting*

Mips' has discontinued with hedging arrangements during the year. The last hedge (derivatives) expired in October 2024. The derivatives have been reported at fair value on the balance sheet during the year. Hedge accounting has been applied until the transaction took place and the account receivable was reported. Changes in fair value have been recognized using hedge accounting in other comprehensive income and have been accumulated in Equity in the hedging reserve. When the hedged transaction has been recognized in profit or loss, the related amount that was accumulated in equity has been reclassified via other comprehensive income to profit or loss. When the derivative matches the recognized account receivable and the hedge accounting is closed, the changes in the fair value of the derivative have been recognized directly in profit or loss. Realized and unrealized exchange rate fluctuations on derivatives

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have been recognized in profit or loss as other operating income or other operating expenses.

### Transactions denominated in foreign currencies

Exchange rate differences are recognized in profit or loss in the period when they arise. Transactions that fulfil the criteria for cash flow hedge accounting are recognized as gains and losses in other comprehensive income.

Exchange rate fluctuations regarding operating receivables and liabilities are recognized in operating profit, while exchange rate fluctuations regarding financial assets and liabilities are recognized in net financial items.

### Intangible assets and Goodwill

Intangible assets are recognized at cost less accumulated amortization and any impairment loss. Amortization is recognized on a straight-line basis if the useful life is determinable. The asset is not amortized if the useful life is indefinite, and useful lives are reviewed at least once a year. Goodwill is not amortized.

Intangible assets with determinable useful lives are amortized as from the date the asset is available for use.

The estimated useful lives are as follows:

- Patents and brand protection..... 10–20 years

### Property, plant and equipment

Property, plant, and equipment are recognized in the Group at cost less accumulated depreciation and any impairment.

Assets are depreciated on a straight-line basis over the estimated useful life of the asset. The Group's leased assets are depreciated on a straight-line basis over the term of the lease. The Group applies component depreciation, whereby the estimated useful lives of the components form the basis of depreciation.

Estimated useful lives:

- Computers and software .....3 years
- Plant and machinery .....5 years
- Equipment, tools, fixtures and fittings .....5 years
- Leasehold improvement..... 5 years\*

\* Depreciated according to terms of the contract

### Leases

Mips Group has some leases (for premises and cars) that are classified as right-of-use assets. The Group presents right-of-use assets and lease liabilities as separate line items in the Group's balance sheet. No right-of-use asset or lease liability is recognized for leases that have a term of 12 months or less or those with an underlying asset of low value, less than SEK 50t. Lease payments for these leases are recognized on a straight-line basis over the term of the lease.

The lease liability for the Group's premises with rent that is indexed is calculated on the rent that applies at the end of each reporting period. When rent is raised due to indexing, the liability is adjusted by the corresponding adjustment of the recognized value of the right-of-use asset. Correspondingly, the value of the liability and the asset is adjusted in connection with reassessment of the lease term.

### Impairment

Goodwill, assets with indeterminable useful lives and intangible assets that are not yet ready for use are subject to impairment testing at least once per year. Other non-current assets are impairment tested whenever there are indications of a decrease in value.

Impairment is recognized when the carrying amount of an asset or cash-generating unit (group of units) exceeds the recoverable amount. Impairment is recognized as an expense in profit or loss.

### Inventories

Inventories are stated at the lower of cost and net realizable value. The cost of inventories is calculated by applying the "first-in, first-out" (FIFO) method and includes expenditures arising during the acquisition of the inventory assets and transportation thereof to their current location and state.

### Employee remuneration

#### Current remuneration

Current remuneration of employees is calculated without discount and recognized as an expense when the related services are received.

An accrued expense is recognized for the anticipated cost of bonus payments when the Group has a valid legal or informal duty to make such payments as a result of services received from employees and the obligation can be reliably calculated.

#### Share-based remuneration

Two outstanding warrant programs that will be settled by shares were issued to individuals in senior management and other key individuals for consideration amounting to the fair value of the warrants. Because program participants paid fair value, no benefit was incurred and no cost is reported for the warrant programs. Remuneration received has been recognized directly in equity.

A share performance program lapsed in 2023. The program consisted mainly of an equity-settled plan that was recognized as a personnel expense, with a contra entry directly in equity. See Note 5 for further information.

#### Defined contribution pension plans

The Group only has defined-contribution pension plans. The company's obligations regarding contributions to defined-contribution plans are recognized as an expense in profit or loss at the rate at which they are earned by employees performing services for the company during a period.

#### Remuneration for termination of employment

A cost for remuneration in connection with termination of employment of personnel is recognized at the earliest point in time at which the company can no longer withdraw the offer to the employees or when the company recognizes expenses for restructuring. Remuneration expected to be paid after 12 months is recognized at its present value. Remuneration not expected to be fully paid within 12 months is recognized in accordance with long-term remuneration.



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## Note 2 Distribution of revenue

The company's revenue primarily comprises sales of component kits for helmet manufacturers. Sales of services (implementation) are attributable to the development of customized Mips' safety systems for a specific customer and model.

Revenue by nature SEKm	2024	2023
Sales of goods	457	334
Sales of services	26	23
<b>Total</b>	<b>483</b>	<b>357</b>

Sales of goods correspond to revenue reported at the time of delivery, sales of services correspond to revenue reported over time and is attributable to the development of Mips' technology for a specific customer and helmet model.

Mips' sales are partly subject to seasonal variations. The Group's net sales and operating profit have historically been weakest during the first quarter of the year and strongest during the fourth quarter. Mips has chosen to divide its business into three main helmet categories, Sports, Motorcycle, and Safety. The largest helmet category, Sports, mainly consists of the bike and snow sub-categories which follow certain seasonable patterns. The majority of Mips' sales in the bike sub-category takes place during the second half of the year when bike helmets are manufactured for the important spring and summer season. In the snow sub-category, the majority of Mips' sales takes place in the first half of the year so that helmets can be delivered for the winter season. Sales in the Motorcycle and Safety categories comprise a smaller proportion of Mips total sales, which is why no clear seasonal patterns are evident in these categories.

### Revenue by helmet category

SEKm	2024	2023
Sports	437	323
Motorcycle	28	22
Safety	18	12
<b>Total</b>	<b>483</b>	<b>357</b>

The company's revenue comes largely from customers in North America and Europe. The high share of sales in North America is due to the large number of helmet manufacturers in this geographic region. Specification by region is based on the customers' domicile, and not distribution.

### Revenue by region

SEKm	2024	2023
North America	256	207
Europe	120	82
Sweden	42	18
Asia and Australia	64	50
<b>Total</b>	<b>483</b>	<b>357</b>

Revenue by customer in the table below is based on customers and sales over 10 percent of the company's net sales for each year. The largest customer accounted for 16 percent (15) of sales in 2024. The five largest customers in 2024 accounted for 40 percent (44) of net sales.

### Revenue by customer

SEKm	2024	2023
Customer 1	79	53
Customer 2	-	50
Other customers	404	255
<b>Total</b>	<b>483</b>	<b>357</b>

### Contract balances

Revenue recognized during the period ending 31 December 2024 from performance obligations that were fulfilled (or partially fulfilled) in prior periods amounts to SEK 2m (2). Revenue is expected to fall due within 90 days. There are no contract liabilities.

## Note 3 Other operating income and other operating expenses

### Other operating income

SEKm	2024	2023
Gain on disposal of non-current assets	-	0
Exchange rate gain on operations	5	-
Other	1	0
<b>Total</b>	<b>5</b>	<b>0</b>

### Other operating expenses

SEKm	2024	2023
Loss on disposal of non-current assets	-	0
Exchange rate loss on operations	-	-14
Other	-	-2
<b>Total</b>	<b>-</b>	<b>-15</b>

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## Note 4 Employees, personnel expenses and remuneration of senior executives

### Costs for employee remuneration

SEKm	2024	2023
Salaries and other remuneration	67	66
- of which the parent company	61	59
Pension costs, defined-contribution plans	8	8
- of which the parent company	8	8
Social security contributions	20	20
- of which the parent company	19	18
<b>Total</b>	<b>95</b>	<b>93</b>
- of which the parent company	87	85

### Average number of employees

	2024		2023	
		of which men, %		of which men, %
<b>Parent company</b>				
Sweden	79	49	77	52
<b>Total parent company</b>	<b>79</b>	<b>49</b>	<b>77</b>	<b>52</b>
<b>Subsidiaries</b>				
Sweden	-	-	-	-
China	24	63	24	63
<b>Total subsidiaries</b>	<b>24</b>	<b>63</b>	<b>24</b>	<b>63</b>
<b>Group, total</b>	<b>103</b>	<b>52</b>	<b>101</b>	<b>54</b>

### Gender distribution in executive management

(% men)	2024	2023
Board of Directors	50	50
Other senior executives	50	80

### Salaries and other remuneration distributed among senior executives and other employees

	2024		2023	
SEKm	Salaries and other remuneration	Social security contributions	Salaries and other remuneration	Social security contributions
<b>Senior executives</b>	15	4	13	4
- of which variable remuneration	2	1	1	0
- of which pension costs	2	1	2	1
<b>Other employees</b>	60	16	60	16
- of which variable remuneration	1	0	1	0
- of which pension costs	5	1	5	1
<b>Total</b>	<b>74</b>	<b>20</b>	<b>73</b>	<b>20</b>

### Benefits to senior executives

#### Principles for remuneration

Board fees are resolved by the Annual General Meeting. The Chairman is tasked by the Board to reach an agreement with the Chief Executive Officer on salary and other benefits. Remuneration to senior executives who report directly to the CEO is decided by the CEO after salary consultation with the Remuneration Committee and the Chairman of the Board. The main principle is to offer senior executives market-based remuneration and employment conditions. Actual remuneration levels are based on such factors as skills, responsibilities, and performance. Remuneration of senior executives comprises basic salary, variable salary, pension benefits in the form of payment of defined-contribution pension premiums, other benefits and long-term incentive programs in the form of warrant programs.

### Remuneration and benefits

For the parent company, Board fees totaled the amounts presented in the table on the following page. Costs were distributed over the mandate period. No other remuneration, apart from out-of-pocket expenses, was paid to the Board. Apart from the exceptions stated above, these amounts relate to the fee decided by the AGM excluding social security contributions.

Remuneration to the CEO Max Strandwitz is shown in the table. Variable remuneration is linked to performance during the year and may not exceed 75 percent of base salary. Variable salary for 2024 was based on the Group's net sales, operating profit and sustainability targets. The CEO has 6 months of mutual notice of termination as well as 6 months of severance pay in the event of termination by the employer.

Remuneration to other senior executives (Group Management) is shown in the table. Variable salary for other senior executives was primarily based on the Group's net sales and operating profit, sustainability targets, individual and function-specific targets. Variable salary is awarded on an individual basis and for 2024 it could not exceed 50 percent of base salary. The period of notice for other senior executives varies, but does not exceed 6 months. Senior executives are not entitled to severance pay. At the end of the fiscal year Executive Management consisted of 4 members (5).

At year-end, senior executives comprised the CEO, Chief Financial Officer, Chief Operating Officer, and the Vice President Brand & Marketing.

The company's outstanding pension obligations to the Board of Directors and CEO total 0 (0).

#### Share-based remuneration

For information regarding share-based remuneration, see Note 5.

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## Note 4 Employees, personnel expenses, and remuneration of senior executives, continued

### Salaries and other remuneration of the Board and senior executives

2024 SEKt	Basic salary Board fee	Variable remunera- tion	Share-based remuneration	Pension costs	Other remunera- tion	Total
Magnus Welander (Chairman)	730	-	-	-	-	730
Jenny Rosberg	435	-	-	-	-	435
Jonas Rahmn	335	-	-	-	-	335
Thomas Bräutigam	305	-	-	-	-	305
Anna Hällöv	305	-	-	-	-	305
Maria Hedengren	380	-	-	-	-	380
<b>Total, Board</b>	<b>2,490</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,490</b>
Max Strandwitz (CEO)	4,595	1,340	-	1,201	-	7,136
Group management (4 individuals)	5,731	541	-	1,219	-	7,490
<b>Total senior executives</b>	<b>10,326</b>	<b>1,881</b>	<b>-</b>	<b>2,420</b>	<b>-</b>	<b>14,626</b>
<b>Total</b>	<b>12,816</b>	<b>1,881</b>	<b>-</b>	<b>2,420</b>	<b>-</b>	<b>17,166</b>
2023 SEKt	Basic salary Board fee	Variable remunera- tion	Share-based remuneration	Pension costs	Other remunera- tion	Total
Magnus Welander (Chairman)	683	-	-	-	-	683
Jenny Rosberg	410	-	-	-	-	410
Jonas Rahmn	312	-	-	-	-	312
Thomas Bräutigam	282	-	-	-	-	282
Anna Hällöv	282	-	-	-	-	282
Maria Hedengren	355	-	-	-	-	355
<b>Total, Board</b>	<b>2,323</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,323</b>
Max Strandwitz (CEO)	4,406	630	-	1,149	-	6,185
Group management (4 individuals)	5,391	469	-	1,256	-	7,116
<b>Total senior executives</b>	<b>9,797</b>	<b>1,099</b>	<b>-</b>	<b>2,405</b>	<b>-</b>	<b>13,301</b>
<b>Total</b>	<b>12,120</b>	<b>1,099</b>	<b>-</b>	<b>2,405</b>	<b>-</b>	<b>15,624</b>

## Note 5 Share-based remuneration

### Long-term incentive programs - Warrant program 2023/2026 (TO series 4), Warrant program 2024/2027 (TO series 5) and Warrant program 2025/2028 (TO series 6)

At the Annual General Meeting held on 10 May 2023, three long-term incentive programs were adopted, Warrant program 2023/2026, Warrant program 2024/2027 and Warrant program 2025/2028 (individually referred to as "Warrant Program" and collectively referred to as the Warrant Programs) for senior executives and certain key persons in Mips, by the issue of warrants with a subsequent transfer to the participants at a price corresponding to market terms.

The Warrant Programs include a maximum of 429,000 warrants encompassing a maximum dilutive effect of approximately 1.6 percent, subject to recalculation pursuant to the full terms and conditions for each Warrant Program. Each warrant entitles the participant to subscription of one new Mips share at a subscription price corresponding to 130 percent of the average volume-weighted price paid for the Mips share, according to Nasdaq Stockholm's official price list during the five days of trading preceding the date when the Mips participants covered by the Warrant Programs acquire the warrants in each Warrant Program.

The company has no costs for the Warrant Programs other than administrative costs regarding advisors etc. in connection with the preparation of the documentation and the resolution to issue the warrants, etc.



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## Note 5 Share-based remuneration, continued

### Warrants TO series 5 (Warrant Program 2024/2027)

Within the Warrant Program TO series 5, 46,070 warrants were issued and transferred to the participants, of which 17,500 were acquired by the CEO. The exercise price (subscription price) was set at SEK 388.25 per share, in accordance with the terms and conditions of the Warrant Program (before recalculation). Similar to previous warrant programs, conditions apply regarding a recalculated subscription price and a recalculated number of shares as a result of dividends. After recalculation for dividends paid in 2024, the exercise price is SEK 382.82. As of 30 December 2024, the last trading day of the year, the closing price for the Mips share on Nasdaq Stockholm was SEK 470.40.

### Warrants TO series 4 (Warrant Program 2023/2026)

Within the Warrant Program TO series 4, 82,100 warrants were issued and transferred to the participants, of which 39,000 were acquired by the CEO. The exercise price (subscription price) was set at SEK 396.27 per share, in accordance with the terms and conditions of the Warrant Program (before recalculation). Similar to previous warrant programs, conditions apply regarding a recalculated subscription price and a recalculated number of shares as a result of dividends. After recalculation for dividends paid in 2024, the exercise price is SEK 390.73. As of 30 December 2024, the last trading day of the year, the closing price for the Mips share on Nasdaq Stockholm was SEK 470.40.

### Warrants TO series 3

The Warrant Program adopted by the General Meeting on 7 May 2020 lapsed in September 2023. The program included 550,000 issued and paid warrants, as well as an additional 25,000 warrants that were issued but not allocated. During 2023, 300,639 warrants were exercised, which led to 309,653 new shares. The remaining 249,361 of the total 550,000 allocated warrants were thereby forfeited. The exercise price (subscription price) was SEK 339.30 per share (before recalculation). Each warrant entitled the holder to acquire one share (before recalculation). Similar to previous warrant programs, conditions applied regarding a recalculated subscription price and a recalculated number of shares as a result of paid dividends. After recalculation for dividends paid, the exercise price was SEK 331.30 and each warrant entitled the holder to acquire 1.03 shares.

Warrants 2024 Number	Outstanding warrants at the start of the year	Issued warrants during the year	Forfeited warrants during the year	Exercised warrants during the year	Number of out- standing warrants at year-end
<b>CEO, senior executives and other employees (TO Series 4, TO Series 5)</b>					
Max Strandwitz (CEO)	39,000	17,500	-	-	56,500
Other senior executives and key personnel	43,100	28,570	-	-	71,670
<b>Total senior executives</b>	<b>82,100</b>	<b>46,070</b>	<b>-</b>	<b>-</b>	<b>128,170</b>
<b>Warrants 2023 Number</b>					
<b>CEO, senior executives and other employees (TO Series 3, TO Series 4)</b>					
Max Strandwitz (CEO)	216,494	39,000	-98,994	-117,500	39,000
Other senior executives and key personnel	333,506	43,100	-150,367	-183,139	43,100
<b>Total senior executives</b>	<b>550,000</b>	<b>82,100</b>	<b>-249,361</b>	<b>-300,639</b>	<b>82,100</b>

#### Market value per series

Warrants Series 5 issued 2024	56.68
Warrants Series 4 issued 2023	50.83
Warrants Series 3 issued 2020	32.10

#### Conditions of valuation, Series 5

Exercise price, SEK	388.25
Volatility, %	35
Risk-free interest, %	2.50
Share price issue date, SEK	298.65
Maturity, years	3

#### Conditions of valuation, Series 4

Exercise price, SEK	396.27
Volatility, %	35
Risk-free interest, %	2.89
Share price issue date, SEK	304.82
Maturity, years	3

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## Note 6 Fees and remuneration of auditors

Fees and remuneration of auditors	2024	2023
SEKm		
<b>KPMG</b>		
Audit assignment	2	1
Fees for audit-related services	0	0
Tax advice	0	-
<b>Other auditors</b>		
Tax advice	0	1
Fees for audit-related services	0	-
<b>Total</b>	<b>2</b>	<b>2</b>

## Note 7 Operating expenses by type of cost

Operating expenses by type of cost	2024	2023
SEKm		
Goods for resale and consumables	115	86
Personnel costs	98	98
Other external costs	74	68
Legal advice costs	3	2
Depreciation/amortization and impairment	19	18
Other operating expenses	-	15
<b>Total</b>	<b>308</b>	<b>287</b>

For more information regarding other operating expenses see Note 3.

## Note 8 Net financial items

Net financial items	2024	2023
SEKm		
<b>Financial income</b>		
Interest income		
- bank balances	6	2
Change in fair value of financial investments	2	13
Other financial income	1	0
Exchange gains, cash and cash equivalents	1	-
<b>Total</b>	<b>10</b>	<b>15</b>
<b>Financial expenses</b>		
Interest expenses		
- lease liabilities	-1	-1
- financial liabilities measured at amortized cost	0	0
Other financial expenses	-1	0
Exchange loss, cash and cash equivalents	0	-1
<b>Total</b>	<b>-2</b>	<b>-2</b>

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## Note 9 Taxes

Taxes	2024	2023
SEKm		
<b>Current tax</b>		
Tax expenses for the year	-44	-17
<b>Deferred tax</b>		
Deferred tax pertaining to temporary differences	2	-3
<b>Total</b>	<b>-42</b>	<b>-20</b>
<b>Reconciliation of effective tax</b>		
SEKt		
Profit/loss before tax	182,762	83,922
Tax in accordance with applicable tax rate for parent company	20.6% -37,649	20.6% -17,288
Non-deductible expenses	-322	-688
Non-taxable income	142	23
Effect of unrecognized temporary differences	-	-
Standard income, shares in investment funds	-151	-314
Result from participations in associated companies	-1,098	-59
Withholding tax on dividend from foreign subsidiary	-1,067	-972
Impact of changed tax rate	-	-
Impact of other tax rates on foreign subsidiaries	-1,560	-956
Impact of adjusted tax prior periods	-	-
Other	-	228
<b>Total</b>	<b>-41,705</b>	<b>-20,026</b>

When preparing the financial statements, an assessment is made of deferred tax assets/liabilities attributable to temporary differences and loss carry-forwards. Deferred tax assets are recognized if the tax assets are expected

to be utilized through the settlement of future taxable profits. As of 31 December 2024 the Group had no unused tax loss carry-forwards.

### Deferred tax assets and liabilities

#### 31 Dec 2024

SEKt	Deferred tax assets	Deferred tax liabilities	Net
Intangible assets	-	-4,898	-4,898
Property, plant and equipment	1,196	-	1,196
Right-of-use assets	-	-2,761	-2,761
Accounts receivable	20	-	20
Other current receivables (Derivatives)	-	-	-
Current investments	-	-	-
Lease liabilities	2,615	-	2,615
Other liabilities (Derivatives)	-	-	-
Other	255	-	255
<b>Total deferred tax assets/liabilities</b>	<b>4,086</b>	<b>-7,659</b>	<b>-3,573</b>
Offsetting	-4,084	4,084	-
<b>Total deferred tax assets/liabilities, net</b>	<b>2</b>	<b>-3,575</b>	<b>-3,573</b>

#### 31 Dec 2023

SEKt	Deferred tax assets	Deferred tax liabilities	Net
Intangible assets	-	-5,403	-5,403
Property, plant and equipment	913	-31	882
Right-of-use assets	-	-3,162	-3,162
Accounts receivable	-	-	-
Other current receivables (Derivatives)	-	-1,124	-1,124
Current investments	-	-1,418	-1,418
Lease liabilities	3,006	-	3,006
Other liabilities (Derivatives)	-	-	-
Other	255	-	255
<b>Total deferred tax assets/liabilities</b>	<b>4,174</b>	<b>-11,137</b>	<b>-6,963</b>
Offsetting	-4,173	4,173	-
<b>Total deferred tax assets/liabilities, net</b>	<b>1</b>	<b>-6,964</b>	<b>-6,963</b>

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## Note 9 Taxes, continued

### Change in deferred tax in temporary differences

SEKt	31 Dec 2023	Recognized in Income statement	Recognized in other comprehen- sive income	Recognized in equity	31 Dec 2024
Intangible assets	-5,403	505	-	-	-4,898
Property, plant and equipment	882	314	-	-	1,196
Right-of-use assets	-3,162	401	-	-	-2,761
Accounts receivable	-	20	-	-	20
Other current receivables (Derivatives)	-1,124	101	1,022	-	-
Current investments	-1,418	1,418	-	-	-
Lease liabilities	3,006	-391	-	-	2,615
Other liabilities (Derivatives)	-	-	-	-	-
Other	255	0	-	-	255
<b>Total</b>	<b>-6,963</b>	<b>2,368</b>	<b>1,022</b>	<b>-</b>	<b>-3,573</b>

SEKt	31 Dec 2022	Recognized in Income statement	Recognized in other comprehen- sive income	Recognized in equity	31 Dec 2023
Intangible assets	-4,186	-1,217	-	-	-5,403
Property, plant and equipment	462	420	-	-	882
Right-of-use assets	-3,743	582	-	-	-3,162
Accounts receivable	47	-47	-	-	-
Other current receivables (Derivatives)	-	-101	-1,022	-	-1,124
Current investments	-	-1,418	-	-	-1,418
Lease liabilities	3,562	-556	-	-	3,006
Other liabilities (Derivatives)	1,797	-846	-950	-	-
Other	382	-127	-	-	255
<b>Total</b>	<b>-1,681</b>	<b>-3,310</b>	<b>-1,973</b>	<b>-</b>	<b>-6,963</b>

## Note 10 Earnings per share

### Earnings per share

SEK	2024	2023
Earnings per share basic	5.32	2.43
Earnings per share diluted	5.32	2.42
	2024	2023
Profit for the year attributable to parent company shareholders	141,056,733	63,895,524
Average number of shares outstanding, basic	26,491,122	26,276,605
Impact of warrants program	11,453	120,947
Effect of long-term share-based incentive program	-	-
<b>Average number of shares - after dilution</b>	<b>26,502,575</b>	<b>26,397,552</b>

When calculating diluted earnings per share, the weighted average number of shares outstanding is adjusted for the dilutive effect of the potential ordinary shares outstanding.

### Instruments with a dilutive effect

Dilution has been calculated for warrants used during the year up to the time of use, and for warrants issued during the year from the time of publication. For the number of warrants and exercise prices see Note 5, Share-based remuneration.

The company has no costs for the warrant programs other than administrative costs regarding advisors etc. in connection with the preparation of the documentation and the resolution to issue the warrants, etc.



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## Note 11 Intangible assets

Intangible assets	31 Dec 2024	31 Dec 2023
SEKm		
<b>Accumulated cost</b>		
Opening balance, 1 Jan	101	94
Acquisitions	6	7
Divestments and disposals	-1	-1
<b>At year-end, 31 Dec</b>	<b>106</b>	<b>101</b>
<b>Accumulated amortization</b>		
Opening balance, 1 Jan	-30	-22
Amortization	-8	-7
Divestments and disposals	0	-
<b>At year-end, 31 Dec</b>	<b>-37</b>	<b>-30</b>
<b>Total</b>	<b>69</b>	<b>71</b>

The intangible assets consist of internally generated intellectual property related to Mips' helmet-based safety technology and acquired intellectual property related to other related technologies. Reported value of patents related to Mips' technology amounts to SEK 36 million. A remaining useful life of between 3–18 years is calculated for these patents.

Other intangible assets mainly relate to the company's acquisition of patents and other intellectual property rights associated with the technologies for Fluid, GlideWear and BiaGuard. Reported value regarding the technologies Fluid and GlideWear amounts to

SEK 19 million and the remaining useful life for these amounts to just over 4 years. In the future Mips may pay an additional purchase consideration of a maximum of USD 2 million based on future net income, up until 21 May 2025, from the acquired intellectual property rights associated with the Fluid technology. Since the acquired technology is marketed and sold as a complement to the existing Mips technology, it is deemed that the contractual conditions for payment of the additional purchase consideration will not be met. Consequently, the potential additional purchase consideration has been measured at SEK 0. Reported value regarding the BiaGuard technology amounts to SEK 12 million and the remaining useful life is 7 years. The purchase price for the BiaGuard technology included a purchase consideration of up to USD 1 million based on Mips' future sales of the BiaGuard technology.

Impairment testing is performed annually for all cash-generating units. A cash-generating unit consists of an operating segment. Since the Group is considered as a unit, impairment testing is performed only at Group level.

### Breakdown of amortization

SEKm	2024	2023
<b>Amortization, by function</b>		
Cost of goods sold	-8	-7
Selling expenses	-	-
<b>Total</b>	<b>-8</b>	<b>-7</b>

## Note 12 Property, plant and equipment

Property, plant and equipment	31 Dec 2024	31 Dec 2023
SEKm		
<b>Accumulated cost</b>		
Opening balance, 1 Jan	28	27
Acquisitions	4	2
Divestments and disposals	0	-1
Exchange rate differences for the year	0	0
<b>At year-end, 31 Dec</b>	<b>32</b>	<b>28</b>
<b>Accumulated depreciation</b>		
Opening balance, 1 Jan	-18	-13
Depreciation	-6	-6
Divestments and disposals	0	0
Exchange rate differences for the year	0	0
<b>At year-end, 31 Dec</b>	<b>-24</b>	<b>-18</b>
<b>Total</b>	<b>8</b>	<b>10</b>

Property, plant and equipment mainly comprise office equipment, computer equipment, equipment for testing helmets, and leasehold improvements. Essentially all non-current assets in the Group are in Sweden.

### Breakdown of depreciation

SEKm	2024	2023
<b>Depreciation, by function</b>		
Cost of goods sold	0	0
Selling expenses	-1	-1
Administrative costs	-3	-3
R&D expenses	-1	-1
<b>Total</b>	<b>-6</b>	<b>-6</b>

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## Note 13 Associated companies in the Group

### Participation in associated companies

SEKm	31 Dec 2024	31 Dec 2023
<b>Carrying amount</b>		
Opening balance, 1 Jan	80	-
Acquisitions	-	80
Divestments	-	-
Dividends	-	-
Participation in associated companies' profit/loss after tax, for the year	-5	0
<b>At year-end, 31 Dec</b>	<b>74</b>	<b>80</b>

On 31 August 2023, Mips AB acquired 25 percent of the shares of the sensor technology company Quintessential Design, Inc. (Quin) for a cash purchase consideration of USD 7.3 million. The company has been included in Mips accounting since 31 August 2023.

Quin is an ingredient brand for event detection technology and has provided specialized sensor fusion and software to helmet brands since 2018. The investment in Quin signifies a strategic move to explore the potential of sensor technology.

New information has emerged about the carrying amount of equity at the acquisition date of the shares of Quin. Due to the new information, a redistribution has been made between the share of equity and goodwill as of 31 December, 2023. After the redistribution, goodwill amounts to SEK 60 million, compared with SEK 80 million previously, and the share of equity amounts to SEK 20 million compared with SEK 0 million previously.

### Summary of participations in associated companies

SEKm	Corporate identity number	Registered office	No. of shares	Holdings, %	31 Dec 2024 Carrying amount	31 Dec 2024 Profit-share
Quintessential Design, Inc.	7619937	Delaware	492,137	25	74	-5
<b>Total</b>					<b>74</b>	<b>-5</b>

SEKm	Corporate identity number	Registered office	No. of shares	Holdings, %	31 Dec 2023 Carrying amount	31 Dec 2023 Profit-share
Quintessential Design, Inc.	7619937	Delaware	492,137	25	80	0
<b>Total</b>					<b>80</b>	<b>0</b>

### Summary of associated companies

SEKm	31 Dec 2024	31 Dec 2023
<b>Reconciliation of carrying amount of profit share</b>		
Profit/loss for the year	-21	-1
Share of profit/loss	-5	0
<b>Carrying amount of profit share</b>	<b>-5</b>	<b>0</b>
	<b>31 Dec 2024</b>	<b>31 Dec 2023</b>
<b>Reconciliation of carrying amount</b>		
Share of equity	16	20
Goodwill	58	60
<b>Carrying amount</b>	<b>74</b>	<b>80</b>

### Condensed income statement and balance sheet

SEKm	2024	2023
Profit/loss for the year	-21	-1
Non-current assets	5	1
Current assets	61	83
<b>Total assets</b>	<b>66</b>	<b>84</b>
Equity	64	79
Non-current liabilities	-	2
Current liabilities	2	2
<b>Total equity and liabilities</b>	<b>66</b>	<b>84</b>

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## Note 14 Financial assets

### Financial assets

SEKm	31 Dec 2024	31 Dec 2023
<b>Accumulated cost</b>		
Opening balance, 1 Jan	0	0
Acquisitions	-	-
Divestments	-	-
Exchange rate differences	0	0
<b>At year-end, 31 Dec</b>	<b>0</b>	<b>0</b>

Relates to deposits for lease contracts.

## Note 15 Accounts receivable

### Accounts receivable

Invoiced receivables are due as follows:

SEKm	31 Dec 2024	31 Dec 2023
Invoiced receivables	155	94
Currency adjustments	2	-2
Reserve, expected credit losses	-1	-1
<b>Total</b>	<b>156</b>	<b>91</b>

### Invoiced receivables are due as follows:

Not yet due	87	56
Overdue by 1-30 days	29	9
Overdue by 31-60 days	8	16
Overdue by 61-90 days	13	5
Overdue by 91 days or more	18	9
<b>Total</b>	<b>155</b>	<b>94</b>

### Change in reserve for expected credit losses

Opening balance, 1 Jan	-1	-1
During the year		
- repaid	-	-
- provisions established	0	0
<b>At year-end, 31 Dec</b>	<b>-1</b>	<b>-1</b>

See Note 21 for a description of the company's credit risks.

## Note 16 Prepaid expenses and accrued income

### Prepaid expenses and accrued income

SEKm	31 Dec 2024	31 Dec 2023
Accrued revenue	2	2
Prepaid system costs	3	4
Other	6	5
<b>Total</b>	<b>11</b>	<b>12</b>

## Note 17 Cash and cash equivalents and current investments

### Cash and cash equivalents and current investments

SEKm	31 Dec 2024	31 Dec 2023
Cash and bank balances	382	225
<b>Total according to statement of financial position</b>	<b>382</b>	<b>225</b>
Current investments equivalent to cash and cash equivalents	0	183
<b>Total according to statement of cash flows</b>	<b>382</b>	<b>408</b>

Cash and bank balances refer to balances of bank accounts in SEK, USD, CNY and EUR. Current investments was prior year related to the company's surplus liquidity being invested in units of fixed income funds at highly reputable credit institutions. The company has been able to convert these former short-term investments into a known amount of cash within two days, with insignificant risk of value fluctuations.

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## Note 18 Equity

Equity		Total no. of shares
Opening balance, 1 Jan 2024		26,493,273
Withdrawal of own shares held		-2,151
<b>Registered number of shares, 31 Dec 2024</b>		<b>26,491,122</b>
Own shares held		-
<b>Outstanding shares at year-end, 31 Dec 2024</b>		<b>26,491,122</b>
Equity		Total no. of shares
Opening balance, 1 Jan 2023		26,183,620
New share issue		309,653
<b>Registered number of shares, 31 Dec 2023</b>		<b>26,493,273</b>
Own shares held		-2,151
<b>Outstanding shares at year-end, 31 Dec 2023</b>		<b>26,491,122</b>

### Share capital

As of 31 December 2024, the total number of shares was 26,491,122 (26,493,273) and share capital was SEK 2,649,112 (2,649,327). All shares are ordinary shares and carry equal voting rights. The shares have a quotient value of SEK 0.10. According to the Articles of Association, share capital shall amount to not less than SEK 2,000,000 and not more than SEK 8,000,000. During the year, Mips has in accordance with the resolution made by the Annual General Meeting reduced the share capital by SEK 215.10 by way of cancellation of 2,151 own shares held by Mips in treasury and previously repurchased by Mips to secure delivery of shares under

previous sharebased incentive programs that are no longer outstanding. The reduction was completed in July 2024 following permission from the Swedish Companies Registration Office. As a result, the number of shares and votes have decreased by 2,151. The number of outstanding shares amounted to 26,491,122 as of 31 December 2024.

### Equity instruments that have a dilutive effect

The company has issued warrants and last year also granted performance share rights, which may increase the number of shares. For more information, see Note 5 Share-based remuneration and Note 10 Earnings per share.

### Other paid-in capital

This refers to equity that has been contributed by shareholders, and includes the premium paid in conjunction with issues.

### Reserves

#### Translation reserve

The translation reserve includes exchange rate differences that arise when consolidating the financial statements when foreign subsidiaries report in currencies other than SEK. The parent company and the Group present their financial reports in Swedish kronor (SEK).

#### Hedging reserve

The hedging reserve includes the effective portion of the accumulated net change in fair value for a cash flow hedging instrument attributable to hedge transactions that have not yet occurred.

### Retained earnings including profit for the year

Retained earnings including profit for the year include earnings in the parent company and its subsidiaries.

## Note 19 Other liabilities

Other liabilities		
SEKm	31 Dec 2024	31 Dec 2023
Conditional purchase price	10	9
<b>Total</b>	<b>10</b>	<b>9</b>
Liabilities due for payment later than five years after the balance sheet date	-	-

The non-current liability amounting to SEK 10 million (9) refers to the discounted present value of a conditional additional purchase price (earn-out payment) of USD 1 million attributable to an asset acquisition in January 2022 regarding patent rights and certain other intellectual property rights. The liability is valued at amortized cost and is dependent on future sales until 2027.

## Note 20 Accrued expenses and deferred income

Accrued expenses and deferred income		
SEKm	31 Dec 2024	31 Dec 2023
Holiday pay liability	3	3
Accrued salaries and remuneration	6	4
Accrued social security expenses	3	2
Prepaid implementation	0	0
Other accrued expenses	8	4
<b>Total</b>	<b>20</b>	<b>14</b>



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## Note 21 Financial risks and risk management

Through its operations, the Group is exposed to various types of financial risks: credit risk, liquidity risk, and currency risk. Since the Group has no non-current loans or other financial derivatives, the Group's risk activities are focused on the risks arising in the business operations.

The Group's financial transactions and risks are managed centrally by the CFO and the CEO and the primary target is to achieve effective liquidity management and ensure that all payment obligations are made at the correct time. The Group's principles for fundamental financial risk management are regulated in the Group's Financial Policy, as adopted by the Board.

### Credit risk

Credit risk is the risk that the Group's counterparty in a financial instrument is unable to fulfil its obligations and thus causes a financial loss for the Group. The Group's standard term of payment is 30-60 days. The age analysis below shows invoices that have fallen due for payment.

The provision for expected bad debt losses shows the provision for doubtful receivables for each year. Historically, Mips AB has not had significant amounts of bad debt losses, and in the Chinese subsidiary, Mips DG they have been almost non-existent. For that reason, Mips has chosen to use the same basis to calculate the expected credit losses (ECL) in the parent company and the Group, i.e. the same calculation basis has been used for the ECL of the parent company as for the Group. Recorded credit losses in the Group during the year amounted to SEK - (-) million. Mips bases the expected loss reserve on historical losses from its accounts receivable and adjusts historical losses to reflect information about current conditions and reasonable projections of future economic conditions. A percentage of 1.00% (1.00%) has been used for the provision for expected credit losses. As the amounts for historical credit losses with adjustment for current conditions and reasonable forecasts of future economic conditions are not material, Mips has not provided detailed information about the assessments in the Annual Report, in accordance with IFRS7.

Mips continuously analyses accounts receivable and takes measures to limit credit risk. Mips has not noted any material impact on the payment ability of their customers. Mips' customers include a number of the global helmet manufacturers and their solvency is deemed to be high. The remaining customer base is divided between a large number of customers, which is why the solvency of any one company has no significant detrimental impact on the Group. Mips can terminate further deliveries in the event of non-payment. All customer agreements are approved and signed by either the CEO or the CFO.

SEKm	31 Dec 2024	31 Dec 2023
Invoiced receivables	155	94
Currency adjustments	2	-2
Reserve, expected credit losses	-1	-1
<b>Total</b>	<b>156</b>	<b>91</b>
<b>Invoiced receivables are due as follows:</b>		
Not yet due	87	56
Overdue by 1-30 days	29	9
Overdue by 31-60 days	8	16
Overdue by 61-90 days	13	5
Overdue by 91 days or more	18	9
<b>Total</b>	<b>155</b>	<b>94</b>
<b>Change in reserve for expected credit losses</b>		
Opening balance, 1 Jan	-1	-1
During the year		
- repaid	-	-
- provisions established	0	0
<b>At year-end, 31 Dec</b>	<b>-1</b>	<b>-1</b>

The reserve for expected credit losses is mainly attributable to receivables that are more than 90 days past due.

### Liquidity risk

Liquidity risk is the risk that the Group encounters difficulties in fulfilling its obligations. To minimize liquidity risk, the liquidity situation is continuously analyzed and forecasted to ensure that the Group has sufficient cash and cash equivalents to cover operational requirements. Liquidity risk is deemed to be limited since the Group does not have any loans and has a positive cash flow from operations. The Group's financial liabilities essentially mature within 3 months or a maximum of one year. Mips has bank accounts only with highly reputable credit institutions.

### Interest rate risk

The Group's interest-rate risk is attributable to the Group's cash and cash equivalents. Mips' Financial Policy stipulates that investments in assets with a negative interest rate may only be made in order to match incoming and outgoing payments. Mips' surplus liquidity is saved in a savings account and has previously been invested in current investments in units of fixed income funds at highly reputable credit institutions in order to avoid negative interest rates. Mips has been able to convert these former short-term investments into a known amount of cash within two days, with insignificant risk of value fluctuations.

### Currency risk

Currency risk refers to the risk that an exchange rate fluctuation adversely impacts the consolidated income statement, balance sheet, or cash flow. The Group's reporting currency is SEK. The main exposure derives from the Group's sales in USD and purchases of goods in USD. This risk is known as transaction exposure.

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## Note 21 Financial risks and risk management, continued

### Transaction exposure, currency (%)

	2024		2023	
	Revenue	Operating expenses	Revenue	Operating expenses
USD	71	10	72	9
CNY	29	36	28	32
SEK	0	47	0	50
EUR	-	3	-	3
CAD	-	0	-	0
GBP	0	4	0	5
Other	-	0	-	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

As the table above shows, the Group's main transaction exposure is in USD. A 10 percent change in the USD against the SEK would impact the 2024 operating profit by approximately SEK 31m (23). Other currencies would have a limited impact on the 2024 operating profit in the event of a 10 percent change.

Translation exposure primarily arises as a result of accounts receivable and accounts payable in currencies other than SEK. Translation exposure is essentially the

same as the specification in the table above. Mips AB has had a subsidiary in China since 2017 and translation exposure also occurs on consolidation. In 2024 the impact has been limited. The Group does not have external borrowings and is financed only by equity in SEK. Mips' cash and cash equivalents are primarily in SEK but according to Mips' Financial Policy, cash and cash equivalents may be held in foreign currencies in order to match inward and outward payments.

In line with the prior Financial Policy, Mips previously aimed to hedge 50 percent of Mips AB's forecast sales in USD for rolling twelve-month periods. This was done using currency futures. During 2024 Mips has discontinued with hedging arrangements and the strategy is that from 2025 currency fluctuations will fully impact the income statement. The last current hedge matured in October 2024.

Mips' safety system and components are sold from the Chinese subsidiary, which means that some of the Group's income and expenses are paid in CNY. To counteract exposure to CNY in the invoicing, a currency adjustment clause against USD has been introduced in customer agreements. This means that the Group's exposure to the USD/SEK exchange rate to a large extent remains.

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## Note 22 Fair value measurement of financial assets and liabilities and category groupings

### Capital management

The Group aims to maintain an effective capital structure taking into account operational and financial risks, thus ensuring the long-term progress of Mips, as well as satisfactory returns for shareholders. Capital is defined as total equity, which largely relates to Mips' external financing. No plans are in place to raise loans in the immediate future. In addition to the level of future profits, the amount of equity is affected by the extent of decisions made to pay dividends. The aspiration is to distribute approximately 50 percent of Mips' annual net profit over time.

### Fair value of financial instruments

The carrying amount of assets and liabilities in the statement of financial position may differ from their fair value due to reasons such as changes in market interest rates. However, Mips does not have any deposits or loans other than its bank balances. The table below presents the Group's financial instruments and Mips believes that the carrying amount is approximately the same as the fair value, given, for example, the limited maturities of the items.

In order to reduce the Group's short-term currency exposure and in line with the Group's prior Financial Policy, a number of derivatives contracts have previously been entered into with banks covering forecast sales in USD. The derivatives were valued at fair value on the balance sheet. Hedge accounting has been applied.

During the year, the Group has held derivative instruments classified under level two in the valuation hierarchy.

- **Level 1:** Listed unadjusted prices on official marketplaces for identical assets or liabilities.
- **Level 2:** Other observable data for assets or liabilities not included in Level 1 either directly, as price quotes, or indirectly: derived from price quotes.
- **Level 3:** Data for the asset or liability in question, which is not based on observable market data: unobservable input data.

In addition to the instruments listed above, Mips has had current investments that were classified under level one in the valuation hierarchy.

### Fair value measurement of financial assets and liabilities and category groupings

31 Dec 2024 SEKm	Note	Financial assets measured at fair value through profit or loss	Hedging instruments	Financial assets measured at amortized cost	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at amortized cost	Carrying amount	Fair value
Financial assets (Depositions)	14	-	-	0	-	-	0	0
Accounts receivable	15	-	-	156	-	-	156	156
Accrued income	16	-	-	2	-	-	2	2
Other current receivables (Derivatives)		-	-	-	-	-	-	-
Other current receivables		-	-	0	-	-	0	0
Current investments	17	0	-	-	-	-	0	0
Cash and cash equivalents	17	-	-	382	-	-	382	382
Other liabilities (non-current)	19	-	-	-	-	-10	-10	-10
Accounts payable		-	-	-	-	-45	-45	-45
Other liabilities (Derivatives)		-	-	-	-	-	-	-
Accrued expenses	20	-	-	-	-	-8	-8	-8
<b>Total financial assets and liabilities by category</b>		<b>0</b>	<b>-</b>	<b>541</b>	<b>-</b>	<b>-63</b>	<b>478</b>	<b>478</b>

31 Dec 2023 SEKm	Note	Financial assets measured at fair value through profit or loss	Hedging instruments	Financial assets measured at amortized cost	Financial liabilities measured at fair value through profit loss	Financial liabilities measured at amortized cost	Carrying amount	Fair value
Financial assets (Depositions)	14	-	-	0	-	-	0	0
Accounts receivable	15	-	-	91	-	-	91	91
Accrued income	16	-	-	2	-	-	2	2
Other current receivables (Derivatives)		-	5	-	-	-	5	5
Other current receivables		-	-	0	-	-	0	0
Current investments	17	183	-	-	-	-	183	183
Cash and cash equivalents	17	-	-	225	-	-	225	225
Other liabilities (non-current)	19	-	-	-	-	-9	-9	-9
Accounts payable		-	-	-	-	-30	-30	-30
Other liabilities (Derivatives)		-	-	-	-	-	-	-
Accrued expenses	20	-	-	-	-	-4	-4	-4
<b>Total financial assets and liabilities by category</b>		<b>183</b>	<b>5</b>	<b>319</b>	<b>-</b>	<b>-44</b>	<b>463</b>	<b>463</b>

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## Note 23 Leases

The Group is a lessee of office space and car leasing in Sweden and China. The lease as recognized refers to the non-cancellable period according to agreement. With the exception of minimum leases and low-value leases, leases are recognized in the balance sheet as a right-of-use asset and a lease liability. As of 31 December 2024 there were no new leases that were signed but had not yet begun.

### Amounts recognized in profit or loss are summarized below

SEKm	2024	2023
Leases of low-value assets	1	0
Depreciation of right-of-use assets relating to leases for office space and car leases	6	5
Interest expense, lease liability	1	1
Variable lease payments not included in the valuation of lease liability	0	0

Future variable leasing fees that are not included in the valuation of the lease liability are essentially expected to remain at the same level.

### Closing balance as of 31 December regarding rented office properties and car leasing

SEKm	2024	2023
Right-of-use assets	13	15
Current lease liability	6	5
Non-current lease liability	6	9

In 2024, right-of-use assets of SEK 3.2m were added.

### Cash flow from lease agreements

SEKm	2024	2023
Right of use of low-value assets	1	0
Total cash outflow for leases	6	5

The maturity structure for the Group's future leasing costs included in the leasing liabilities with a remaining term of one year or more, is distributed as follows:

SEKm	2024	2023
1 year	6	6
2-3 years	8	10
4-5 years	-	0

## Note 24 Investment commitments

The Group has no significant investment commitments as of 31 December 2024 or 2023.

Regarding assumptions pertaining to acquired intangible assets, see Note 11.

## Note 25 Related parties

No material related-party transactions were carried out during 2024 over and above dividends paid.

## Note 26 Specification of statement of cash flows

### Specification of statement of cash flows

SEKm	2024	2023
Depreciation/amortization of non-current assets	19	18
Unrealized exchange rate differences	-4	3
Change in value of financial instruments	0	-5
Other items not affecting liquidity	5	1
<b>Total</b>	<b>21</b>	<b>17</b>

### Interest income and expense

SEKm	2024	2023
Interest income received	7	2
Interest expense paid	0	0



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## Note 27 Pledged assets and contingent liabilities

### Pledged assets and contingent liabilities

SEKm	2024	2023
Pledged assets	None	None
Contingent liabilities	None	None

No patent disputes were initiated or resolved in 2024 or 2023.

There were no costs for patent disputes this year or in the prior year.

## Note 28 Events after the balance sheet date

After the balance sheet date, the Board of Mips AB (publ) decided to update the long-term net sales target that was communicated at the Capital Markets Day in June 2022. The net sales target of SEK 2 billion is retained but now with the ambition to achieve the target no later than 2029 instead of 2027. Mips' financial targets for profitability and dividend remain unchanged. Mips' strategy, as communicated at the Capital Markets Day in June 2022, also remains unchanged and will continue to focus on the three helmet categories of Sports, Motorcycle and Safety.

## Note 29 Information about the parent company

Mips AB (publ) is a public limited liability company registered in Sweden (Corp. Reg. No. 556609-0162) with its registered office in Stockholm, Sweden. The address of the head office is Kemistvägen 1B, 183 79 Täby, Sweden.

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# Parent company financial statements

## Parent company income statement

SEKm	Note	2024	2023
Net sales	P2	338	254
Cost of goods sold		-29	-27
<b>Gross profit</b>		<b>309</b>	<b>227</b>
Selling expenses		-75	-71
Administrative expenses		-58	-58
Research and development expenses		-37	-34
Other operating income	P3	5	0
Other operating expenses	P3	-	-15
<b>Operating profit/loss</b>	P4, P21, 4, 5, 6	<b>144</b>	<b>49</b>
Financial income		31	35
Financial expenses		-1	-1
<b>Profit after financial items</b>	P5	<b>174</b>	<b>82</b>
Appropriations	P6	3	-5
<b>Appropriations</b>		<b>3</b>	<b>-5</b>
<b>Profit/loss before tax</b>		<b>177</b>	<b>77</b>
Tax	P7	-33	-14
<b>Profit for the year</b>		<b>144</b>	<b>63</b>

## Parent company statement of comprehensive income

SEKm	2024	2023
<b>Profit for the year</b>	<b>144</b>	<b>63</b>
<b>Other comprehensive income</b>		
<b>Items that may subsequently be transferred to profit or loss</b>		
Changes in fair value for the year, cash flow hedges	-5	14
Change in the fair value of cash flow hedges transferred to profit or loss for the year	0	-5
Tax attributable to items that have been or may subsequently be transferred to profit or loss	1	-2
<b>Items that cannot be transferred to profit or loss for the year</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income for the year</b>	<b>-4</b>	<b>8</b>
<b>Comprehensive income for the year</b>	<b>140</b>	<b>71</b>



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## Parent company balance sheet

SEKm	Note	31 Dec 2024	31 Dec 2023	SEKm	Note	31 Dec 2024	31 Dec 2023
<b>ASSETS</b>				<b>EQUITY AND LIABILITIES</b>			
<b>Non-current assets</b>				<b>Equity</b>			
Intangible fixed assets	P8	69	71	<b>Restricted equity</b>	P17		
Property, plant and equipment	P9	8	10	Share capital		3	3
Participation in Group companies	P10	1	1	Statutory reserve		2	2
Participation in associated companies	P11	80	80				
Financial assets	P7, P12	1	-	<b>Non-restricted equity</b>			
<b>Total non-current assets</b>		<b>159</b>	<b>161</b>	Share premium reserve		348	348
<b>Current assets</b>				Fair value reserve		-	4
Inventories		0	-	Retained earnings		64	157
Accounts receivable	P13	100	62	Profit for the year		144	63
Receivables from Group companies	P14	-	-	<b>Total equity</b>		<b>560</b>	<b>577</b>
Current tax asset		12	36	Untaxed reserves	P6	24	26
Prepaid expenses and accrued income	P15	12	12	<b>Untaxed reserves</b>		<b>24</b>	<b>26</b>
Other receivables		1	7				
Current investments	P16	0	183	<b>Non-current liabilities</b>			
Cash and cash equivalents	P16	340	180	Other liabilities	P18	10	9
<b>Total current assets</b>		<b>465</b>	<b>480</b>	Deferred tax liabilities	P7	-	2
<b>TOTAL ASSETS</b>	P20	<b>624</b>	<b>641</b>	<b>Total non-current liabilities</b>		<b>10</b>	<b>11</b>
				<b>Current liabilities</b>			
				Accounts payable		9	10
				Liabilities to Group companies	P14	3	3
				Tax liabilities		-	-
				Other liabilities		3	3
				Accrued expenses and deferred income	P19	14	11
				<b>Total current liabilities</b>		<b>29</b>	<b>26</b>
				<b>TOTAL EQUITY AND LIABILITIES</b>	P20	<b>624</b>	<b>641</b>

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## Parent company statement of changes in equity

2023	Restricted equity		Non-restricted equity					Total
	Share capital	Statutory reserve	Share premium reserve	Fair value fund		Earnings brought forward	Profit for the year	
				Hedging reserve				
SEKm								
<b>Opening equity, 1 January 2023</b>	3	2	246	-4	147	150		<b>543</b>
Transfer of preceding year's profit/loss	-	-	-	-	150	-150		-
Profit for the year	-	-	-	-	-	63		63
Other comprehensive income for the year	-	-	-	8	-	-		8
<b>Comprehensive income for the year</b>	-	-	-	8	-	63		<b>71</b>
Dividend paid	-	-	-	-	-144	-		-144
New share issue	0	-	103	-	-	-		103
Premium on issue of warrants	-	-	-	-	4	-		4
Share-based remuneration (LTIP)	-	-	-	-	0	-		0
<b>Total transactions with shareholders</b>	<b>0</b>	<b>-</b>	<b>103</b>	<b>-</b>	<b>-140</b>	<b>-</b>		<b>-37</b>
<b>Closing equity, 31 December 2023</b>	<b>3</b>	<b>2</b>	<b>348</b>	<b>4</b>	<b>157</b>	<b>63</b>		<b>577</b>
2024	Restricted equity		Non-restricted equity					Total
	Share capital	Statutory reserve	Share premium reserve	Fair value fund		Earnings brought forward	Profit for the year	
				Hedging reserve				
SEKm								
<b>Opening equity, 1 January 2024</b>	3	2	348	4	157	63		<b>577</b>
Transfer of preceding year's profit/loss	-	-	-	-	63	-63		-
Profit for the year	-	-	-	-	-	144		144
Other comprehensive income for the year	-	-	-	-4	-	-		-4
<b>Comprehensive income for the year</b>	-	-	-	-4	-	144		<b>140</b>
Dividend paid	-	-	-	-	-159	-		-159
Premium on issue of warrants	-	-	-	-	3	-		3
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-156</b>	<b>-</b>		<b>-156</b>
<b>Closing equity, 31 December 2024</b>	<b>3</b>	<b>2</b>	<b>348</b>	<b>-</b>	<b>64</b>	<b>144</b>		<b>560</b>



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## Parent company cash flow statement

SEKm	Note	2024	2023
<b>Operating activities</b>			
Net financial items		174	82
Adjustments for non-cash items	P24	10	12
Income taxes paid		-11	-95
<b>Cash flow from operating activities before changes in working capital</b>		<b>173</b>	<b>-1</b>
<b>Cash flow from changes in working capital</b>			
Increase (-)/decrease (+) in inventory		0	-
Increase (-)/decrease (+) in operating receivables		-33	8
Increase (+)/decrease (-) in operating liabilities		2	0
<b>Cash flow from operating activities</b>		<b>142</b>	<b>7</b>
<b>Investing activities</b>			
Acquisition of intangible assets		-6	-7
Acquisition of property, plant and equipment		-3	-2
Sale of property, plant and equipment		-	0
Investments in associated companies	P11	-	-80
Acquisition of financial fixed assets		-	1
<b>Cash flow from investing activities</b>		<b>-9</b>	<b>-88</b>
<b>Financing activities</b>			
New share issue		-	103
Premium received from issue of warrants		3	4
Dividend paid		-159	-144
<b>Cash flow from financing activities</b>		<b>-156</b>	<b>-37</b>
<b>Cash flow for the year</b>			
Cash and cash equivalents at the beginning of the year	P16	363	482
Exchange rate difference, cash and cash equivalents		1	-1
<b>Cash and cash equivalents at end of the year</b>	P16	<b>340</b>	<b>363</b>

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# Notes to the financial statements Parent company

All figures are in SEK millions unless stated otherwise.

## Note P1 Accounting policies

The parent company has prepared its annual accounts in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Corporate Reporting Board's RFR 2 Accounting for Legal Entities. Statements published by the Swedish Corporate Reporting Board applicable to listed companies are also observed. RFR 2 recommends that the parent company, in its annual accounts for legal entities, must apply all EU approved IFRS regulations and statements to the greatest extent possible within the framework of the Annual Accounts Act, the Pension Obligations vesting Act and with regard to the link between accounts and taxation. The recommendation states which exceptions from and additions to IFRS should be made.

Notes from the parent company's income statement and balance sheets refer in some cases to the Group's notes and, in other cases, to the parent company's notes.

### Differences between Group and parent company accounting policies

The differences in accounting policies for the Group and parent company are shown below. The accounting policies of the parent company described below have been applied consistently in all periods presented in the parent company's financial statements.

### Amended accounting policies

Unless otherwise stated below, the parent company's accounting policies in 2024 changed in accordance with the amendments described above for the Group.

### Classification and presentation

The income statement and balance sheet for the parent company are prepared in accordance with the Annu-

al Accounts Act, while the statement of income and other comprehensive income, the statement of changes in equity and the cash flow statement are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows. The differences between the Group's statements that arise in the parent company's income statement and balance sheet primarily consist of the statement of equity.

### Subsidiaries and associated companies

Shares in subsidiaries and associated companies are recognized in the parent company according to the cost model. This means that transaction costs are included in the carrying amount of holdings in subsidiaries and associated companies. In the consolidated accounts, transaction costs related to subsidiaries are recognized directly in profit or loss when they arise.

### Leased assets

The parent company does not apply IFRS 16 in accordance with the exception contained in RFR2. As a lessee, lease payments are recognized as a cost on a straight-line basis over the lease period, and thus rights of use and lease liabilities are not recognized in the balance sheet.

## Note P2 Distribution of revenue

Revenue by nature SEKm	2024	2023
Sales of goods	312	231
Sales of services	26	23
<b>Total</b>	<b>338</b>	<b>254</b>

## Note P3 Other operating income and other operating expenses

Other operating income SEKm	2024	2023
Gain on disposal of non-current assets	-	0
Exchange rate gain on operations	5	-
Other	0	0
<b>Total</b>	<b>5</b>	<b>0</b>

Other operating expenses SEKm	2024	2023
Loss on disposal of non-current assets	-	0
Exchange rate loss on operations	-	-14
Other	-	-2
<b>Total</b>	<b>-</b>	<b>-15</b>

## Note P4 Operating expenses by type of cost

Operating expenses by type of cost SEKm	2024	2023
Goods for resale and consumables	17	16
Personnel expenses	91	90
Other external expenses	75	70
Legal advice costs	2	2
Depreciation/amortization and impairment	13	13
Other operating expenses	-	15
<b>Total</b>	<b>199</b>	<b>206</b>

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## Note P5 Net financial items

SEKm	2024	2023
<b>Net financial items</b>		
<b>Financial income</b>		
Dividend from subsidiary	21	19
Interest income		
- bank balances	6	2
Change in fair value of financial investments	2	13
Other financial income	1	0
Exchange gains, cash and cash equivalents	1	-
<b>Total</b>	<b>31</b>	<b>35</b>
<b>Financial expenses</b>		
Interest expenses		
- financial liabilities measured at amortized cost	0	0
Other financial expenses	-1	0
Exchange loss, cash and cash equivalents	-	-1
<b>Total</b>	<b>-1</b>	<b>-1</b>

## Note P6 Appropriations

SEKm	2024	2023
<b>Appropriations</b>		
Appropriations	3	-5
<b>Total</b>	<b>3</b>	<b>-5</b>

## Note P7 Taxes

When preparing the financial statements, an assessment is made of deferred tax assets/liabilities attributable to temporary differences and loss carry-forwards. Deferred tax assets are recognized to the extent that the tax assets are expected to be utilized through the settlement of future taxable profits.

### Taxes

SEKm	2024	2023
<b>Current tax</b>		
Tax expenses for the year	-35	-11
Adjusted tax, prior periods	-	-
<b>Deferred tax</b>		
Deferred tax pertaining to temporary differences	2	-2
<b>Total</b>	<b>-33</b>	<b>-14</b>

### Reconciliation of effective tax

SEKt	2024	2023
Profit/loss before tax	176,964	77,033
Tax in accordance with applicable tax rate for parent company	20.6% -36,454	20.6% -15,869
Non-deductible expenses	-322	-688
Non-taxable income	4,539	4,028
Effect of unrecognized temporary differences	-	-
Standard income, shares in investment funds	-151	-314
Withholding tax on dividend from foreign subsidiary	-1,067	-972
Impact of changed tax rate	-	-
Other	-	228
<b>Total</b>	<b>-33,456</b>	<b>-13,587</b>

### Deferred tax assets and liabilities

31 Dec 2024 SEKt	Deferred tax assets	Deferred tax liabilities	Net
Property, plant and equipment	1,196	-	1,196
Accounts receivable	20	-	20
Other receivables (Derivatives)	-	-	-
Current investments	-	-	-
Other liabilities (Derivatives)	-	-	-
<b>Total deferred tax assets/liabilities</b>	<b>1,216</b>	<b>-</b>	<b>1,216</b>
Offsetting	-	-	-
<b>Total deferred tax assets/liabilities, net</b>	<b>1,216</b>	<b>-</b>	<b>1,216</b>

31 Dec 2023 SEKt	Deferred tax assets	Deferred tax liabilities	Net
Property, plant and equipment	913	-	913
Accounts receivable	-	-	-
Other receivables (Derivatives)	-	-1,124	-1,124
Current investments	-	-1,418	-1,418
Other liabilities (Derivatives)	-	-	-
<b>Total deferred tax assets/liabilities</b>	<b>913</b>	<b>-2,541</b>	<b>-1,628</b>
Offsetting	-913	913	-
<b>Total deferred tax assets/liabilities, net</b>	<b>-</b>	<b>-1,628</b>	<b>-1,628</b>

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## Note P7 Taxes, continued

### Change in deferred tax in temporary differences

SEKt	31 Dec 2023	Recognized in Income statement	Recognized in other comprehensive income	Recognized in equity	31 Dec 2024
Property, plant and equipment	913	282	-	-	1,196
Accounts receivable	-	20	-	-	20
Other receivables (Derivatives)	-1,124	101	1,022	-	-
Current investments	-1,418	1,418	-	-	-
Other liabilities (Derivatives)	-	-	-	-	-
<b>Total</b>	<b>-1,628</b>	<b>1,822</b>	<b>1,022</b>	<b>-</b>	<b>1,216</b>

SEKt	31 Dec 2022	Recognized in Income statement	Recognized in other comprehensive income	Recognized in equity	31 Dec 2023
Property, plant and equipment	633	281	-	-	913
Accounts receivable	47	-47	-	-	-
Other receivables (Derivatives)	-	-101	-1,022	-	-1,124
Current investments	-	-1,418	-	-	-1,418
Other liabilities (Derivatives)	1,797	-846	-950	-	-
<b>Total</b>	<b>2,476</b>	<b>-2,131</b>	<b>-1,973</b>	<b>-</b>	<b>-1,628</b>

## Note P8 Intangible assets

### Intangible assets

SEKm	31 Dec 2024	31 Dec 2023
<b>Accumulated cost</b>		
Opening balance, 1 Jan	101	94
Acquisitions	6	7
Divestments and disposals	-1	-1
<b>At year-end, 31 Dec</b>	<b>106</b>	<b>101</b>
<b>Accumulated amortization</b>		
Opening balance, 1 Jan	-30	-22
Amortization	-8	-7
Divestments and disposals	0	-
<b>At year-end, 31 Dec</b>	<b>-37</b>	<b>-30</b>
<b>Total</b>	<b>69</b>	<b>71</b>

Intangible assets pertain to expenses for patents and brand protection. Remaining economic lives for the patents as of 31 December 2024 are 3-18 years.

### Breakdown of amortization

SEKm	2024	2023
<b>Amortization, by function</b>		
Cost of goods sold	-8	-7
Selling expenses	-	-
<b>Total</b>	<b>-8</b>	<b>-7</b>

Refer to Note 11 in the consolidated financial statements.

## Note P9 Property, plant and equipment

### Property, plant and equipment

SEKm	31 Dec 2024	31 Dec 2023
<b>Accumulated cost</b>		
Opening balance, 1 Jan	27	26
Acquisitions	3	2
Divestments and disposals	0	-1
<b>At year-end, 31 Dec</b>	<b>30</b>	<b>27</b>
<b>Accumulated depreciation</b>		
Opening balance, 1 Jan	-18	-12
Depreciation	-5	-5
Divestments and disposals	0	0
<b>At year-end, 31 Dec</b>	<b>-22</b>	<b>-18</b>
<b>Total</b>	<b>8</b>	<b>10</b>

Property, plant and equipment mainly comprise office equipment, computer equipment, equipment for testing helmets and leasehold improvements.

### Breakdown of depreciation

SEKm	2024	2023
<b>Depreciation, by function</b>		
Cost of goods sold	0	-
Selling expenses	-1	-1
Administrative expenses	-3	-3
R&D expenses	-1	-1
<b>Total</b>	<b>-5</b>	<b>-5</b>



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## Note P10 Participation in Group companies

### Participation in Group companies

SEKm	31 Dec 2024	31 Dec 2023
<b>Accumulated cost</b>		
Opening balance, 1 Jan	1	1
LTIP	-	0
<b>At year-end, 31 Dec</b>	<b>1</b>	<b>1</b>
<b>Total</b>	<b>1</b>	<b>1</b>

### Subsidiaries

SEKm	Corporate identity number	Registered office	No. of shares	Holdings, %	31 Dec 2024 Carrying amount
M-PS Helmet AB	556763-8449	Stockholm, SE	1,000	100	0
MIPS AB (Dongguan) Trading Co., Ltd	91441900MA4W2Y7T9L	Dongguan, CN	1	100	1
<b>Total</b>					<b>1</b>

SEKm	Corporate identity number	Registered office	No. of shares	Holdings, %	31 Dec 2023 Carrying amount
M-PS Helmet AB	556763-8449	Stockholm, SE	1,000	100	0
MIPS AB (Dongguan) Trading Co., Ltd	91441900MA4W2Y7T9L	Dongguan, CN	1	100	1
<b>Total</b>					<b>1</b>

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## Note P11 Participation in associated companies

### Participation in associated companies

SEKm	31 Dec 2024	31 Dec 2023
<b>Acquisition costs</b>		
Opening balance, 1 Jan	80	-
Acquisitions	-	80
<b>At year-end, 31 Dec</b>	<b>80</b>	<b>80</b>
<b>Total</b>	<b>80</b>	<b>80</b>

### Associated companies

SEKm	Corporate identity number	Registered office	No. of shares	Holdings, %	31 Dec 2024 Carrying amount
Quintessential Design, Inc.	7619937	Delaware	492,137	25	80
<b>Total</b>					<b>80</b>

SEKm	Corporate identity number	Registered office	No. of shares	Holdings, %	31 Dec 2023 Carrying amount
Quintessential Design, Inc.	7619937	Delaware	492,137	25	80
<b>Total</b>					<b>80</b>

On 31 August 2023, Mips AB acquired 25 percent of the shares of the sensor technology company Quintessential Design, Inc. (Quin) for a cash purchase consideration of USD 7.3 million. The company has been included in Mips accounting since 31 August 2023.

Quin is an ingredient brand for event detection technology and has provided specialized sensor fusion and software to helmet brands since 2018. The investment in Quin signifies a strategic move to explore the potential of sensor technology.

## Note P12 Other financial assets

### Other financial assets

SEKm	31 Dec 2024	31 Dec 2023
<b>Accumulated cost</b>		
Opening balance, 1 Jan	-	2
Deferred tax assets	1	-2
<b>At year-end, 31 Dec</b>	<b>1</b>	<b>-</b>

Refers to deferred tax assets attributable to temporary differences.

## Note P13 Accounts receivable

### Accounts receivable

SEKm	31 Dec 2024	31 Dec 2023
Invoiced receivables	99	64
Currency adjustments	2	-2
Reserve for expected credit losses	-1	-1
<b>Total</b>	<b>100</b>	<b>62</b>
<b>Invoiced receivables are due as follows:</b>		
Not yet due	48	33
Overdue by 1-30 days	20	6
Overdue by 31-60 days	8	13
Overdue by 61-90 days	7	4
Overdue by 91 days or more	14	8
<b>Total</b>	<b>99</b>	<b>64</b>
<b>Change in reserve for expected credit losses</b>		
Opening balance, 1 Jan	-1	-1
During the year		
- repaid	-	-
- provisions established	0	0
<b>At year-end, 31 Dec</b>	<b>-1</b>	<b>-1</b>

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## Note P14 Group transactions

Group transactions		
SEKm	31 Dec 2024	31 Dec 2023
<b>Receivables and liabilities to subsidiaries</b>		
Receivables	-	-
Liabilities	3	3
<b>Net</b>	<b>3</b>	<b>3</b>
<b>Revenues and costs from subsidiaries</b>		
Revenue	-	-
Costs	-	-
<b>Net</b>	<b>-</b>	<b>-</b>

## Note P15 Prepaid expenses and accrued income

Prepaid expenses and accrued income		
SEKm	31 Dec 2024	31 Dec 2023
Accrued revenue	2	2
Prepaid rental costs	2	1
Prepaid system costs	3	4
Other	6	5
<b>Total</b>	<b>12</b>	<b>12</b>

## Note P16 Cash and bank balances and current investments

Cash and bank balances and current investments		
SEKm	31 Dec 2024	31 Dec 2023
Cash and bank balances	340	180
<b>Total according to statement of financial position</b>	<b>340</b>	<b>180</b>
Current investments equivalent to cash and cash equivalents	0	183
<b>Total according to statement of cash flows</b>	<b>340</b>	<b>363</b>

Cash and bank balances refer to balances of bank accounts in SEK, USD, and EUR. Current investments was last year related to the company's surplus liquidity that has been invested in fixed income funds at highly reputable credit institutions in order to avoid negative interest rates. The company has been able to convert these former short-term investments into a known amount of cash within two days, with insignificant risk of value fluctuations.

## Note P17 Equity

### Restricted reserves

Restricted reserves may not be reduced through profit distribution.

### Statutory reserve

The purpose of the statutory reserve is to tie up part of the net profits that is not needed to cover an accumulated deficit. Amounts that were included in the share premium reserve before 1 January 2006 have been transferred to and are included in the statutory reserve.

### Non-restricted equity

The following funds together with the annual profit/loss constitute unrestricted equity, that is to say, the amount that is available for dividends to shareholders.

### Share premium reserve

When shares are issued at a premium, i.e. when the price of the shares is more than the quotient value, a sum corresponding to the amount above the quotient value is transferred to the share premium reserve. Amounts transferred to the share premium reserve commencing on 1 January 2006 are included in unrestricted equity.

### Fair value reserve

The company uses the Annual Accounts Act rules for measurement of financial instruments at fair value according to chapter 4 section 14, paragraphs a-e. A change in value is recognized in the fair value reserve when it relates to a hedging instrument and the hedge accounting policies allow part or all of the change in value to be recognized in equity.

### Retained earnings

Retained earnings comprise profit brought forward from the preceding year less any dividend paid during the year.

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## Note P17 Equity, continued

### At the disposal of the Annual General Meeting (SEKt):

Share premium reserve	348,493
Retained earnings	64,159
Profit for the year	143,507
<b>Total</b>	<b>556,159</b>

The Board of Directors proposes that the available funds of SEK 556,159t be disposed so that SEK 6.50 (6.00) per share, corresponding to SEK 172,192t based on the number of shares on 31 December 2024, be distributed to shareholders and the remaining amount of SEK 383,967t be carried forward, including SEK 348,493t to the share premium reserve and SEK 35,474t to profit brought.

For information about the number of shares, see Note 18 to the consolidated financial statements.

### *Own shares held*

In accordance with the resolution made by the Annual General Meeting, Mips has reduced the share capital by SEK 215.10 by withdrawing of 2,151 own shares held by Mips in treasury and previously repurchased by Mips to secure delivery of shares under previous sharebased incentive programs that are no longer outstanding. The reduction was completed in July 2024 following permission from the Swedish Companies Registration Office. As a result, the number of shares and votes have decreased by 2,151.

## Note P18 Other liabilities

Refer to Note 19 in the consolidated financial statements.

## Note P19 Accrued expenses and deferred income

### Accrued expenses and deferred income

SEKm	31 Dec 2024	31 Dec 2023
Holiday pay liability	3	3
Accrued salaries and remuneration	6	4
Accrued social security expenses	3	2
Prepaid Implementation	0	0
Other accrued expenses	1	1
<b>Total</b>	<b>14</b>	<b>11</b>



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## Note P20 Financial instruments

### Financial instruments

31 Dec 2024 SEKm	Note	Financial assets measured at fair value through profit or loss	Hedging instruments	Financial assets measured at amortized cost	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at amortized cost	Carrying amount	Fair value
Financial assets (Depositions)	P12	-	-	-	-	-	-	-
Accounts receivable	P13	-	-	100	-	-	100	100
Accrued income	P15	-	-	2	-	-	2	2
Other receivables (Derivatives)		-	-	-	-	-	-	-
Other receivables		-	-	-	-	-	-	-
Current investments	P16	0	-	-	-	-	0	0
Cash and cash equivalents	P16	-	-	340	-	-	340	340
Other liabilities (non-current)	P18	-	-	-	-	-10	-10	-10
Accounts payable		-	-	-	-	-9	-9	-9
Liabilities to Group companies	P14	-	-	-	-	-3	-3	-3
Other liabilities (Derivatives)		-	-	-	-	-	-	-
Accrued expenses	P19	-	-	-	-	-1	-1	-1
<b>Total financial assets and liabilities by category</b>		<b>0</b>	<b>-</b>	<b>442</b>	<b>-</b>	<b>-24</b>	<b>418</b>	<b>418</b>

31 Dec 2023 SEKm	Note	Financial assets measured at fair value through profit or loss	Hedging instruments	Financial assets measured at amortized cost	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at amortized cost	Carrying amount	Fair value
Financial assets (Depositions)	P12	-	-	-	-	-	-	-
Accounts receivable	P13	-	-	62	-	-	62	62
Accrued income	P15	-	-	2	-	-	2	2
Other receivables (Derivatives)		-	5	-	-	-	5	5
Other receivables		-	-	-	-	-	-	-
Current investments	P16	183	-	-	-	-	183	183
Cash and cash equivalents	P16	-	-	180	-	-	180	180
Other liabilities (non-current)	P18	-	-	-	-	-9	-9	-9
Accounts payable		-	-	-	-	-10	-10	-10
Liabilities to Group companies	P14	-	-	-	-	-3	-3	-3
Other liabilities (Derivatives)		-	-	-	-	-	-	-
Accrued expenses	P19	-	-	-	-	-1	-1	-1
<b>Total financial assets and liabilities by category</b>		<b>183</b>	<b>5</b>	<b>243</b>	<b>-</b>	<b>-23</b>	<b>409</b>	<b>409</b>

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## Note P21 Leases

The parent company does not apply IFRS 16 in accordance with the exception contained in RFR2. As a lessee lease payments are recognized on a straight-line basis over the term of the lease.

Lease costs mainly comprise rent for office premises. The contracts extend until January 2027 and SEK 10m of the total future minimum lease payments relate to office premises in Täby.

### Future minimum lease payments

SEKm	31 Dec 2024	31 Dec 2023
Within 1 year	6	5
Between 1-5 years	6	11
More than 5 years	-	-
<b>Total</b>	<b>11</b>	<b>16</b>
<b>Lease costs for the year pertaining to lease payments totaled:</b>	<b>7</b>	<b>6</b>

## Note P22 Investment commitments

The company has no significant investment commitments as of 31 December 2024 or 2023. Refer to Note 11 in the consolidated financial statements.

## Note P23 Related parties

Refer to Note 25 in the consolidated financial statements.

## Note P24 Specification of statement of cash flows

### Specification of statement of cash flows

SEKm	2024	2023
Depreciation/amortization of non-current assets	13	13
Unrealized exchange rate differences	-4	3
Change in value of financial instruments	0	-5
Other items not affecting liquidity	0	1
<b>Total</b>	<b>10</b>	<b>12</b>

### Interest income and expense

SEKm	2024	2023
Interest income received	6	2
Interest expense paid	0	0

## Note P25 Pledged assets and contingent liabilities

### Pledged assets and contingent liabilities

SEKm	2024	2023
Pledged assets	None	None
Contingent liabilities	None	None

## Note P26 Related party transactions

Transactions involving goods and services occur between companies in the Group. Market-based terms and pricing apply for all transactions. All intra-Group transactions are eliminated. Regarding the parent company's dealings with subsidiaries, see Note P14.

## Note P27 Events after the balance sheet date

Refer to Note 28 in the consolidated financial statements.

## Note P28 Information about the Parent Company

Mips AB (publ) is a public limited liability company registered in Sweden (Corp. Reg. No. 556609-0162) with its registered office in Stockholm, Sweden. The address of the head office is Kemistvägen 1B, SE-183 79 Täby, Sweden.

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# Board of Directors assurance

The Board of Directors and the Chief Executive Officer hereby certify that the Annual Report has been prepared in accordance with generally accepted accounting principles in Sweden, and that the consolidated financial statements have been prepared in accordance with the international financial reporting standards referred

to in Regulation (EU) no. 1606/2002 of the European Parliament and Council dated 19 July 2002, pertaining to the application of international accounting standards. The annual accounts and the consolidated accounts give a true and fair view of the financial status and financial results of the Parent Company and the Group. The

Directors' Report pertaining to the Parent Company and the Group provides a true and fair view of the development of the Parent Company's and the Group's operations, financial position and results, and describes the significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

Stockholm, 20 March 2025

**Magnus Welanders**  
Chairman of the Board

**Thomas Bräutigam**

**Maria Hedengren**

**Anna Hällöv**

**Jonas Rahmn**

**Jenny Rosberg**

**Max Strandwitz**  
President and Chief Executive Officer

Our Auditor's Report was submitted on 20 March 2025

KPMG AB

**Christel Caldefors**  
Authorized Public Accountant

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# Auditor's Report

To the general meeting of the shareholders of Mips AB, corp. id 556609-0162

## Report on the annual accounts and consolidated accounts

### Opinions

We have audited the annual accounts and consolidated accounts of Mips AB for the year 2024, except for the corporate governance statement on pages 38–48. The annual accounts and consolidated accounts of the company are included on pages 49–95 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover

the corporate governance statement on pages 38–48. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

### Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have

otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

## Accounting for revenue

See disclosure 2 and accounting principles on pages 63–64 in the annual account and consolidated accounts for detailed information and description of the matter.

### Description of key audit matter

Consolidated net sales is a significant item in the income statement and amounted to SEK 483m for the Group and SEK 338m for the parent entity in 2024. This revenue mainly relates to contracts with customers for the supply of component kits to helmet manufacturers.

The revenue is recognised in the income statement when the customer gains control over the goods and the Group, as well as the parent entity, have fulfilled their performance obligation.

When accounting for revenue, consideration is also made to payments, delivery terms and additional costs that can impact the revenue recognition.

### Response in the audit

In our audit, we assessed the risks in the revenue recognition processes. We evaluated the design and implementation of internal controls related to revenue recognition and reviewed the applicable contractual terms and conditions to assess the Group's and the parent entity's accounting for revenue.

We also assessed the timing of revenue recognition based on the delivery of goods and the terms of delivery, both on a sample basis and by analyses of margins.

We have also reviewed the disclosures relating to revenue included in the annual accounts and the consolidated accounts.



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## *Other Information than the annual accounts and consolidated accounts*

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–37 and 100–136. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## *Responsibilities of the Board of Directors and the Managing Director*

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related

to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

## *Auditor's responsibility*

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies

used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.

- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that

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may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

## Report on other legal and regulatory requirements

### Auditor's audit of the administration and the proposed appropriations of profit or loss *Opinions*

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Mips AB for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

### *Basis for Opinions*

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### *Responsibilities of the Board of Directors and the Managing Director*

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

### *Auditor's responsibility*

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

### **The auditor's examination of the Esef report *Opinion***

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Mips AB for year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

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### *Basis for opinion*

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Mips AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Responsibilities of the Board of Directors and the Managing Director*

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

### *Auditor's responsibility*

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from

fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

### *The auditor's examination of the corporate governance statement*

The Board of Directors is responsible for that the corporate governance statement on pages 38-48 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of Mips AB by the general meeting of the shareholders on the 7 May 2024. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2014.

Stockholm 20 March 2025

KPMG AB

**Christel Caldefors**  
*Authorized Public Accountant*



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# The sustainability year in brief

In 2024, Mips has continued the ambitious journey towards a more sustainable future with a clear goal, governance model, and motivated organization.

Mips' ability to keeping growing while also delivering strong financial results is reinforced by running the business in a sustainable manner. Mips works with suppliers and partners to:

- limit climate and environmental impact as much as possible, in line with Mips' SBTi commitments,
- apply the same values throughout Mips' value chain, and
- embrace social responsibility for all employees, and respect human rights in every regard.

## Development of Mips' work with sustainability

During the year, Mips has continued its dedicated sustainability work in the identified focus areas. The company's structured approach has yielded results in that all the main targets set for the year have been achieved.

During the year, Mips has developed an updated sustainability strategy. The strategy contains short, medium and long-term targets and a plan for the major activities needed to achieve these targets. The strategy, including identification of activities and their expected outcomes, are based on external analysis and extensive internal calculations and analyses.

To further integrate sustainability into the daily operations of the company, Mips has replaced separate sustainability working groups with continuous work within the production and implementation departments during the year. This is followed up at Mips' bi-annual strategy reviews and further integrated with sales and marketing activities.

A major focus during the year has been on preparations for the new European Sustainability Reporting Standards, ESRS. As part of this, Mips has performed a double materiality assessment including the identification and evaluation of impact, financial risks, and financial opportunities in own operations as well as upstream and downstream in the value chain. The double materiality assessment was adopted by the Board of Directors in December. This sustainability report for 2024 is based on the sustainability areas identified in previous materiality assessments, for more information see page 102.

Mips' sustainability report for 2024 covers the Group including the Parent company in Sweden and its subsidiary in China. Minority-owned companies are not included.

## 10 principles

Follow-up of the ten principles of the UN Global Compact and the UN's Sustainable Development Goals within Mips' value chain.

## AAA

Mips obtained the highest grade, AAA, in the internationally renowned ESG index MSCI.

## 48/52

Mips is a gender-balanced workplace with a goal of gender share between 40 and 60 percent. The figure for 2024 for all employees was 48/52 percent women/men.

## 18%

Reduced emissions per solution by an average of 18 percent since previous year.

## 5

Carried out third-party audits of five strategically important suppliers in the supply chain.

## 16%

Percentage of recycled materials in Mips' sold solutions increased by 16 percent in 2024.

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# Stakeholder dialogue and materiality assessment

With the support of its stakeholders, Mips has analyzed which sustainability areas are most material to Mips. This is to focus sustainability efforts on the areas where Mips has the greatest opportunity to contribute to the UN's Sustainable Development Goals.

The sustainability areas that form the basis of this sustainability report were derived from a comprehensive materiality assessment conducted in 2022 based on the GRI reporting standard. As a first step in the analysis, Mips mapped out its value chain and associated activities and stakeholders. Based on this, Mips compiled a gross list of 23 sustainability topics in the areas of environment, social factors, economic aspects, and ethics and governance. The gross list was sent to 36 individuals from identified stakeholder groups to obtain their views and priorities. Mips then ranked these areas based on the stakeholders' feedback and the company's own assessment of the scope and magnitude of Mips' actual and potential impacts in each sustainability area. The most material sustainability areas for Mips to focus on and report on were thus identified.

Mips works closely with many stakeholders including customers, suppliers, board members, shareholders, and research institutes. A continuous and open dialogue in various channels provides information about requirements and expectations, what is important, and

what Mips can contribute with or improve. Managers and employees pursue ongoing, open, and informal dialogues regarding wellbeing and personal development. Mips also conducts weekly pulse surveys that are sent out to all employees and managers in Sweden and China. The pulse surveys provide continuous insight into what is working well and the areas where there is opportunity for improvement. Another important dialogue is the interviews that take place with workers in the supply chain, as part of the audits carried out at all manufacturing suppliers at least every two years. All these types of dialogues and collaboration have served to validate that the sustainability areas identified in 2022 remain the most material. Furthermore, there have been no significant changes in the company's operations or its value chain in 2024 that would require a different assessment or prioritization.

In preparation for the European Sustainability Reporting Standards, ESRS, the company has conducted a so-called double materiality assessment in the latter part of 2024. Financial risks and opportunities from a sustainability perspective were also taken into account as part of the double materiality assessment. The double materiality assessment was adopted by the Board of Directors in December.

## Materiality assessment

The most material sustainability areas for Mips to focus on, according to the materiality assessment, are as follows:

### Environment

- Climate impact – reduce carbon footprint in the entire value chain
- Energy – reduce consumption of non-renewable energy
- Raw materials and circular economy – increase the use of more sustainable raw materials and increase the share of recycled materials.

### Social responsibility

- Health and safety of employees – take care of employees and ensure a healthy working environment
- Prevent child labor in the supply chain
- Prevent forced labor in the supply chain

### Business conduct

- Develop patents and contribute to greater helmet safety
- Good governance – comply with regulations and maintain proper business ethics
- Perform supplier audits

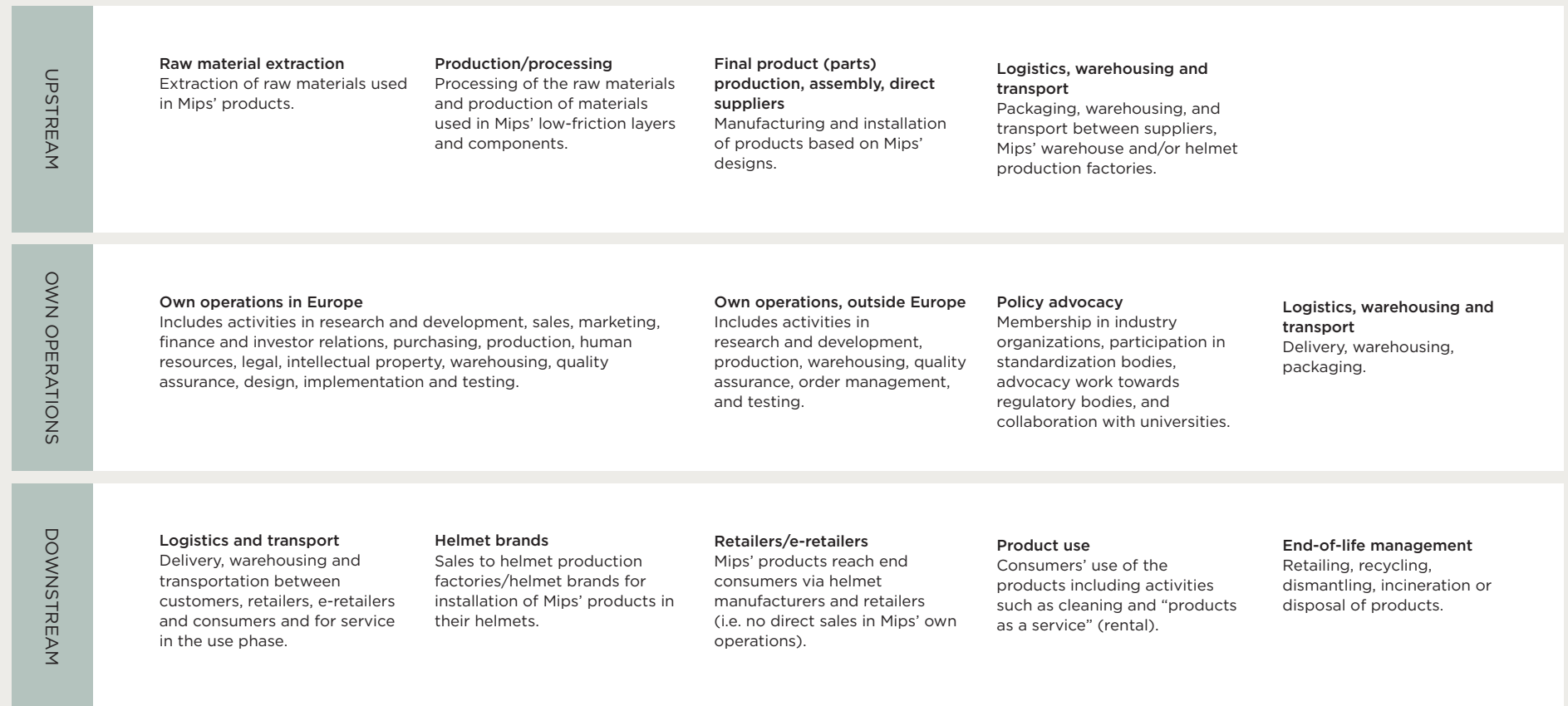
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# Mips' value chain

Mips' value chain is laid out below. Activities in the value chain form the foundation of Mips' materiality assessment.



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# Key policies and frameworks

## Key policies for a sustainable business

Mips' sustainability work is governed by a Code of Conduct and other policies that describe how the company runs its operations. The Code of Conduct is based on international conventions and standards, such as the ten principles of the UN Global Compact, the standards of the International Labour Organization, and the OECD Guidelines for Multinational Enterprises. All employees learn about the Code of Conduct through a briefing at onboarding, and thereafter sign to verify that they have received, read, and understood the content and agrees to comply. Recurrent training in the different focus areas

of the Code of Conduct is provided for all employees. Through Mips' whistleblower system all employees and external stakeholders have the possibility to anonymously report deviations from the Code of Conduct, or other risks of misconduct.

The Code of Conduct, Supplier Code of Conduct, and other policies are adopted by the Board of Directors. Function-specific policies, such as the Financial policy and the Supplier Code of Conduct, are followed up by each function. All policies are available to all employees via the intranet, and employees are informed of all material updates. The Codes and a number of other policies are also available on mipscorp.com.

- Code of Conduct
- Supplier Code of Conduct
- Anti-corruption policy
- Financial policy
- Communication policy
- Insider policy
- IT policy
- Employee Handbook
- Environmental policy
- Whistleblowing instructions
- Workplace environment policy
- Data protection policy
- Trade compliance policy

## UN Global Compact



Mips is a participant of the UN Global Compact and has committed to continuously work to safeguard and respect the ten principles of the UN Global Compact, and to promote the spirit of the principles concerning human rights, working conditions, the environment, and anti-corruption.

## UN's 17 Sustainable Development Goals



Mips aims to contribute to the achievement of the UN's 17 Sustainable Development Goals\* and has chosen to align the company's sustainability targets with the SDGs deemed to be most relevant. The UN Sustainable Development Goals to which Mips can make the greatest contribution are:



## Science Based Targets initiative



Mips supports and works according to the Paris Agreement and the company's emissions targets have been approved by the Science Based Targets initiative (SBTi). Mips was classed as a Small-Medium Enterprise (SME) when the targets were approved and is therefore required to include only Scope 1 and 2 emissions. Mips has nevertheless chosen to include Scope 3 emissions.

Mips' targets for greenhouse gas emissions are in line with the Paris Agreement's limitation of global warming to 1.5 °C.

## GRI (Global Reporting Initiative)

The account of our sustainability work in this report is inspired by the GRI's international standards. The GRI Index can be found on pages 128-130.

Global Reporting Initiative (GRI) is an independent international organization that provides standards for sustainability reporting.

In addition to the above, Mips supports the International Bill of Human Rights, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

\* The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States.



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# Organization and management

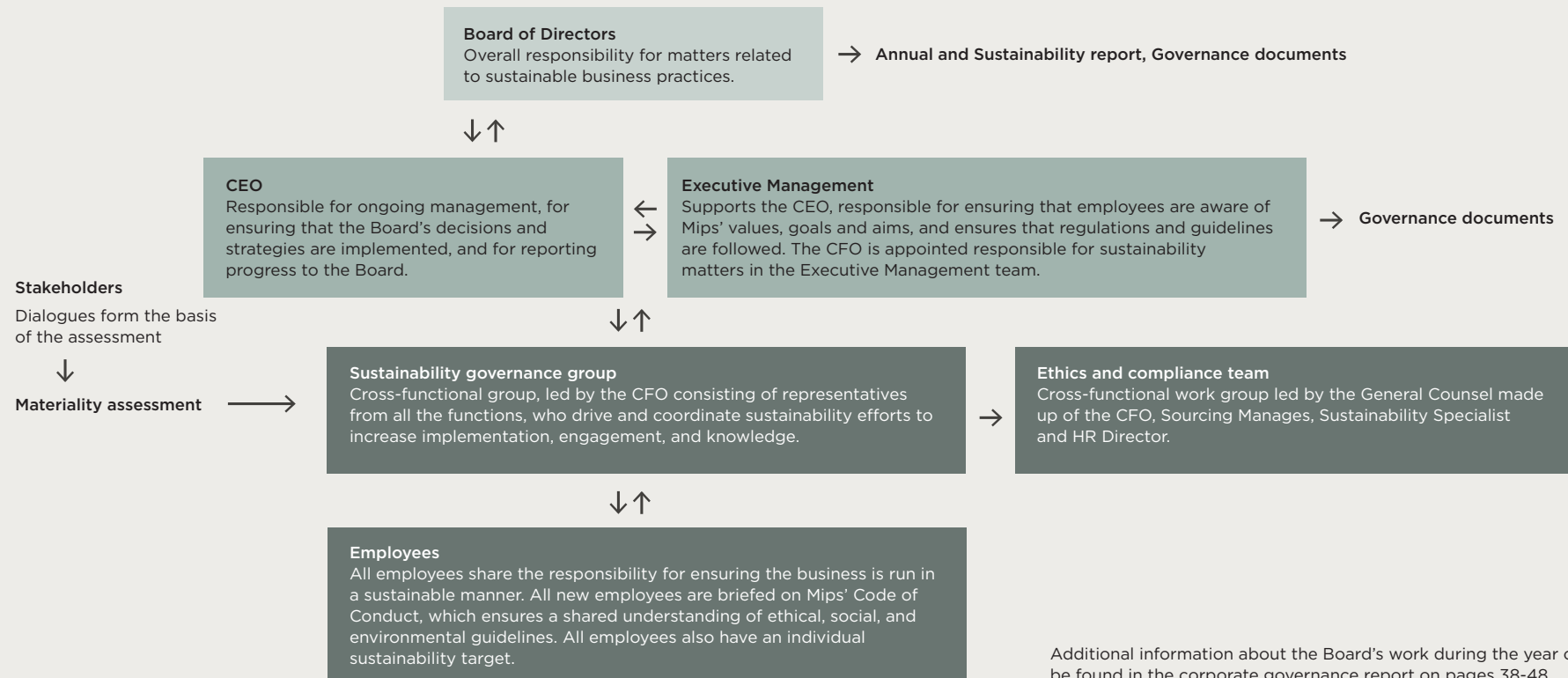
Sustainability is embedded into every part of Mips' business, in corporate governance, and in strategic and operational activities. Mips endeavors to drive the change towards a business model that minimizes climate and environmental impact, takes social responsibility for all employees, ensures the same values

are applied throughout Mips' value chain, and respects human rights in every regard. One important aspect in this involves being transparent in reporting and following up the company's sustainability efforts.

Sustainability-related matters are a fixed item on the Board agenda where impact, management, and

progress are discussed. This maintains the Board's knowledge of sustainability matters and of Mips' role in sustainable development. The Board decides upon policies, targets, and strategies concerning sustainability and approves the Annual report including the Sustainability report.

## Mips' sustainability governance model



Additional information about the Board's work during the year can be found in the corporate governance report on pages 38-48.

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## EU taxonomy

The EU taxonomy for sustainable activities is a classification system that aims to make it easier for investors to identify and compare sustainable investments. Companies covered by the taxonomy include financial market players along with companies of public interest with more than 500 employees in Europe. This means that Mips is not currently subject to the taxonomy nor does the company need to report in accordance with the taxonomy. However, Mips sees the taxonomy as a framework that enables the company to be transparent to stakeholders about the company's activities, as well as a way to proactively understand where in the business Mips can become more

sustainable. Mips works with the taxonomy continuously as more guidelines and instructions are developed about how it should be applied in practice.

After Mips performed a mapping against the taxonomy during the year, similar to last year, the conclusion is that company currently has no revenues or operating expenses that are covered by the taxonomy. Mips has identified that its rental of properties and one leased car are covered by the taxonomy. Mips does not own these properties and an assessment of whether these are compatible with the taxonomy has not been possible during the year due to the company not having access to data regarding, for example, energy class.

### Nuclear and fossil gas related activities

#### Row Nuclear energy related activities

1.	The undertaking carries out, funds or is exposed to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear energy processes with minimal waste from the fuel cycle	NO
2.	The undertaking carries out, funds or is exposed to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes, such as hydrogen production, as well as the safety upgrades of these, supported by best available technologies	NO
3.	The undertaking carries out, funds or is exposed to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as the safety upgrades of these.	NO

#### Fossil gas related activities

4.	The undertaking carries out, funds or is exposed to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or is exposed to construction, refurbishment, and operation of facilities for combined production of heating/cooling and electricity, with the help of fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or is exposed to establishment, refurbishment and operation of heat generation facilities that produce heating/cooling with the help of fossil gaseous fuels.	NO

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## Proportion of turnover from products or services associated with Taxonomy-aligned economic activities - disclosure covering 2024

Financial year 2024	2024		Substantial contribution criteria						DNSH criteria (Do no significant harm)						Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) turnover, 2023	Category, enabling activity	Category, transitional activity	
	Code	Turnover	Proportion of turnover, 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy					Biodiversity
Economic activities		SEKm	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	%	E	T
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>																			
Turnover of the environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	0%		
Of which enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	E	
Of which Transitional		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%		T
<b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)</b>																			
Turnover of the Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	0%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	0%		
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																			
Turnover of Taxonomy-non-eligible activities		483	100%																
<b>Total</b>		<b>483</b>	<b>100%</b>																

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## Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities - disclosure covering 2024

Financial year 2024	2024		Criteria for substantial contribution						DNSH criteria (Do no significant harm)						Proportion of Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) OpEx, 2023		Category enabling activity	Category transitional activity	
	Code	OpEx	Proportion of OpEx, 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safe-guards			%
Economic activities		SEKm	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	%	E	T
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>																			
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	0%		
Of which enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	E	
Of which transitional		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%		T
<b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)</b>																			
OpEx of the Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		0	0%	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	0%		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	0%		
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																			
OpEx of Taxonomy-non-eligible activities		308	100%																
<b>Total</b>		<b>308</b>	<b>100%</b>																



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## Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities - disclosure covering 2024

Financial year 2024	2024		Criteria for substantial contribution							DNSH criteria (Do no significant harm)						Minimum safe-guards	Proportion of Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) CapEx, 2023	Category enabling activity	Category transitional activity	
	Code	CapEx	Proportion of CapEx in 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity					
Economic activities		SEKm	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	%	E	T
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																				
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>																				
CapEx of the environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%		
Of which enabling		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	E	
Of which transitional		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%		T
<b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)</b>																				
Acquisitions and ownership of buildings	CCM7.7	3	24%	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL			
CapEx of the Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		3	24%	24%	-	-	-	-	-	-	-	-	-	-	-	-	-			100%
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		3	24%	24%	-	-	-	-	-	-	-	-	-	-	-	-	-			21%
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																				
CapEx of Taxonomy-non-eligible activities		10	24%																	
<b>Total</b>		<b>13</b>	<b>76%</b>																	

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# Climate

## Impact

Mips develops and designs helmet solutions and tests in-house that the solutions meet defined requirements. The manufacturing of these solutions is carried out exclusively by suppliers, based on design drawings and specifications from Mips. This means that only 1.1 percent of the total greenhouse gas emissions come from Mips' own facilities, mainly related to energy use. 81.1 percent of the total emissions are linked to the raw materials used in Mips' solutions and the energy consumed in their production.

Greenhouse gas emissions from Mips' solutions are impacted by Mips' choices and designs as well as by customers' choices and the suppliers' manufacturing processes and energy sources. Mips therefore works actively with its partners in the value chain to reduce climate impact together.

Mips has chosen to report its emissions in accordance with the GHG Protocol, which divides emissions into three dimensions, Scopes 1, 2, and 3.

### Scope 1 - direct emissions in own operations

Mips does not own any vehicles with internal combustion engines and does not use any fuels in its own operations. Furthermore, Mips has not had any leakage from refrigerant installations in 2024. This means that there were no Scope 1 emissions in 2024 (23.9 ton CO<sub>2</sub>e 2023).

### Scope 2 - Purchased energy for own operations

Mips' Scope 2 emissions relate to electricity consumption and heating of Mips' own operations. Mips has operations in Dongguan, China and in Täby, Sweden. Emissions from electricity and heating account for 1.1 percent of Mips' total emissions location-based and 0.04 percent market-based.

### Scope 3 -

#### Indirect emissions from sources in the value chain

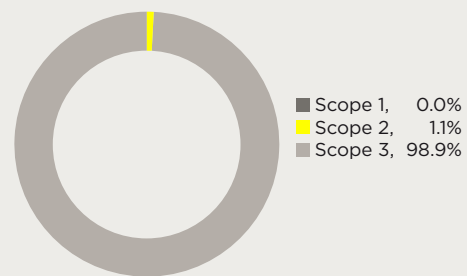
Scope 3 includes emissions that occur in the value chain outside Mips' own operations. The dominant part of Mips' Scope 3 emissions is related to raw materials and energy consumption in the manufacturing of Mips' solutions in the supply chain. A smaller part of Scope 3 emissions comes from freight transportation, business travel and employee commuting to and from work. Scope 3 represents 98.9 percent of Mips' total emissions (location-based).

## Policy and governance

Mips' climate work is guided by the company's climate targets, transition plan, and environmental policy. Mips' science-based climate targets have been approved by the Science Based Targets initiative (SBTi) to ensure that they are in line with the Paris Agreement. In terms of climate aspects, Mips' environmental policy governs areas such as product innovation, reduced energy and raw material use, more sustainable materials, renewable energy, more efficient production processes, and minimized impact from transport and travel. The policy emphasizes that the company must also take responsibility for these issues in the value chain outside its own operations. The environmental policy and climate targets have been adopted by Mips' Board of Directors, and progress towards the targets is followed up regularly by Executive Management and the Board.

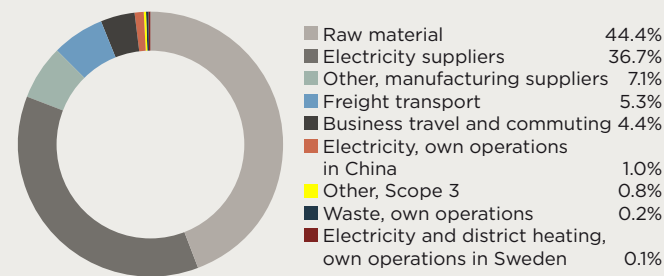
During 2024, Mips has done a more detailed analysis of the measures that need to be taken to achieve the company's climate goals and how much emission reduc-

Emissions by Scope 1, 2 and 3



Mips' total emissions divided into Scope 1, 2, and 3, 2024

Emissions by category



Mips' total emissions per emissions category, 2024

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tion each measure contributes. Based on this, the company has developed a more detailed transition plan with concrete activities and a timetable up to 2030, as well as short-, medium- and long-term targets. The measures that will contribute most to emission reductions in the value chain are an increased share of recycled raw materials and a continued transition to renewable energy by Mips' suppliers.

## Actions

### Supply chain

As the overwhelming majority of Mips' emissions occur in the supply chain, the company focuses its climate efforts there. Mips has a limited number of suppliers and works actively with them in various ways to influence emissions per Mips solution sold.

In 2024, one of Mips' strategic suppliers installed solar panels, with a theoretical capacity to cover around 30 percent of the electricity needs in their production. Another strategic supplier installed solar panels with the potential to cover around 10 percent of the total energy needs and plans to expand capacity in the future to cover 100 percent of the energy needed. A further supplier has implemented energy-saving measures that are estimated to reduce energy use in production by around 7 percent.

Energy consumption and sustainability performance are important factors when Mips selects suppliers for new production projects. During the year, Mips has for example opted to place more manufacturing to suppliers that use post-industrial recycled polycarbonate plastic, and that have lower energy consumption, and/or use renewable energy sources. Mips intends to deepen its collaboration with suppliers, which will include training, collaboration, and/or support. These efforts will help to define and strengthen Mips' strategic and long-term partners, and contribute in achieving the company's long-term SBTi targets.

Most of Mips' suppliers in China are actively looking for sustainable sources of energy. According to various analyses performed by specialists, companies face challenges in direct purchasing of renewable electricity as China is a regulated market. This situation will be evaluated regularly so that possibilities can be identified together with suppliers in the future. Further challenges in this area are that some suppliers do not own, but rent,

their production facilities and are not permitted to install eg. solar panels for a more sustainable production. In addition, space to reach sufficient scale, technical limitations, and costs are some of the further hurdles Mips has identified and will continue to work with in the near and long term.

Mips' continued efforts to replace primary raw materials with recycled raw materials are yielding results in terms of reduced emissions. A number of measures have been taken in this area during the year. For example, Mips has validated and launched a new material for one of its key components, resulting in 58 percent lower greenhouse gas emissions from raw material use in that component. For more information, see the Resource use and circular economy section on page 115-117.

In 2024, Mips continued to support suppliers in the data collection process, and also helped suppliers learn how to get access to information that further underpins their productivity improvements, which can in turn lead to lower carbon emissions per solution produced. In 2024, following dialog with Mips, several suppliers have installed electricity meters on production equipment in order to more accurately measure and validate energy consumption during production per unit produced.

### Energy consumption in own operations

100 percent of Mips' electricity consumption in its own operations in Sweden consists of origin-labeled electricity from renewable sources. For its own operations in China, Mips purchases Green Electricity Certificates (GEC) for 100 percent of its total electricity consumption.

Electricity consumption in Mips' operations in China has increased significantly in 2024. This is because new fatigue-testing equipment has been installed. The purpose of the test equipment is to ensure the performance of products and thus contribute to increased user safety.

In total, there has been a significant reduction in emissions from Mips energy use compared to previous years. This is mainly due to a change in the fuel mix of the district heating used to heat Mips' own premises in Sweden.

### Business travel and commuting

Mips' total climate impact from emissions from business travel amounted to 159 (160) ton in 2024, which equates

to 1.46 (1.55) ton CO<sub>2</sub>e per employee. This is lower than Mips' target of 1.80 ton CO<sub>2</sub>e per employee.

Mips is a global company and for many employees travel is an essential part of work. Mips uses digital communications platforms to the extent possible and appropriate to limit travel as much as possible and thereby reduce the negative climate impact from air travel. In 2024, the share of emissions from business travel and commuting was 4.4 percent.

### Transportation

All transportation to end markets is handled by Mips' customers, who are encouraged to choose sustainable options to the extent possible. Mips continually reviews circumstances with the aim of locating production as close to the end users as possible, but in this regard Mips is dependent on customers and their production logistics. Mips' subsidiary in China is located close to many of the largest helmet factories, partially to minimize climate impact. The products are manufactured as close to the helmet manufacturers' factories as possible, often in the same factories, to minimize product transport. Mips however deems that future inroads into new categories and greater penetration of certain existing categories, may mean that production, at least in part, may be based in both Europe and the US. This would likely reduce the final transport needs of customers, thereby reducing the climate impact of the entire production chain.

All testing of new helmet models with Mips' technology takes place in Mips' test lab in Sweden or in the test facility in China. Last year, Mips' invested in new testing equipment at the site in China for verification of safety requirements. This is to create redundancy in the testing of helmets for new projects, but primarily to reduce the amount of transportation of helmets from the factories in China to the office in Sweden. The shipment of helmets from China to be tested at the test facility in Sweden is coordinated into one delivery of helmets per week to reduce the climate impact. However, emissions from freight transportation have increased between 2023 and 2024, see table on page 114. This can be explained by an increase in volume, that some special transportation occurred in 2024, and that the average distance to suppliers increased.

Mips takes the climate aspect into account as far as possible when choosing transportation.

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## Targets and outcomes

Mips' climate targets have been approved by the Science Based Target initiative. This commitment means that Mips must reduce Scope 1 and 2 greenhouse gas emissions by 42 percent by 2030, compared with the base year, and must measure and reduce Scope 3 emissions. Mips has opted to go further than this though, by also including a reduction of 42 percent of the emissions for material categories within Scope 3. The target means an actual reduction of 42 percent without taking growth into account. Based on the fact that Mips is a growth company, and that the dominant part of Mips emissions comes from solutions sold, Mips aims to reduce greenhouse gas emissions by 90% per sold solution from 2021 to the end of 2030. This has been defined as a company-specific target in the strategy and is continually followed up.

In 2024, Mips' total emissions were 4,770 CO<sub>2</sub>e (location-based). This means that Mips has reduced its total emissions by 64 percent since the 2021 base year. This is partly due to measures taken to reduce emissions, but it is also due to a decrease in sales in 2024 compared to 2021. Scope 1 and 2 emissions have decreased by 95 percent based on market-based values and by 25 percent based on location-based values since the 2021 base year. The reduction in these scopes consists mainly of an improved fuel mix in district heating production and no refrigerant leakage in 2024.

Mips has increased its total emissions between 2023 and 2024. This is because sales have increased year-on-year. Mips sets short-term targets every year for emissions from solutions sold. For 2024, the target was to reduce emissions by an average of 8 percent per solution sold, compared to the prior year. The outcome was a reduction of 18 percent per solution sold. This corresponds to a reduction of 43 percent per solution sold since the 2021 base year. Mips' target for 2025 is to have reduced emissions per solution sold by 47 percent since 2021.

A large proportion of the emissions reduction is due to Mips switching to more recycled raw materials in its solutions. The most common raw material in Mips' solutions is polycarbonate plastic. Virgin polycarbonate has an average emissions factor of 8.21 kgCO<sub>2</sub>e/kg, compared with post industrial polycarbonate which has an average of 0.69 kgCO<sub>2</sub>e/kg.

## Total emissions 2023 and 2024

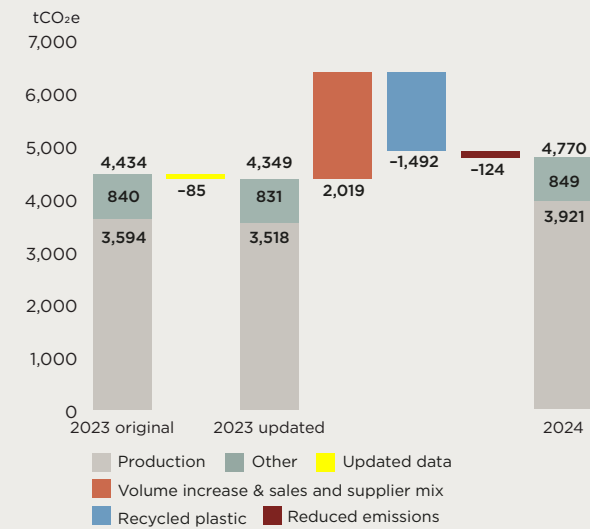


Illustration of Mips' total emissions in 2024, and reasons for the changes between 2023 and 2024.

## Visualization of the relationship between Mips' emission target and volume

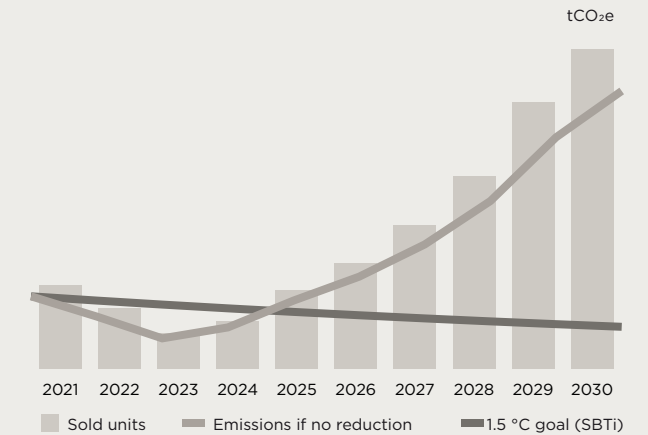
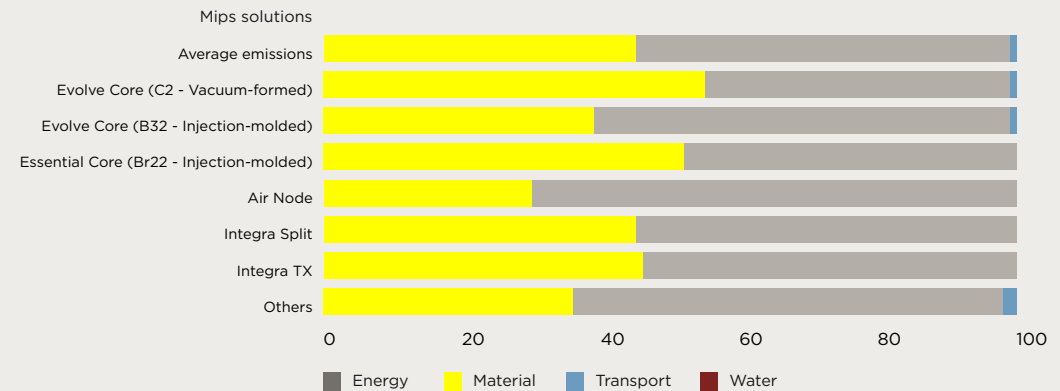


Illustration of the reduction in emissions needed, in comparison to the SBTi-related goals, based on Mips' long-term strategy.

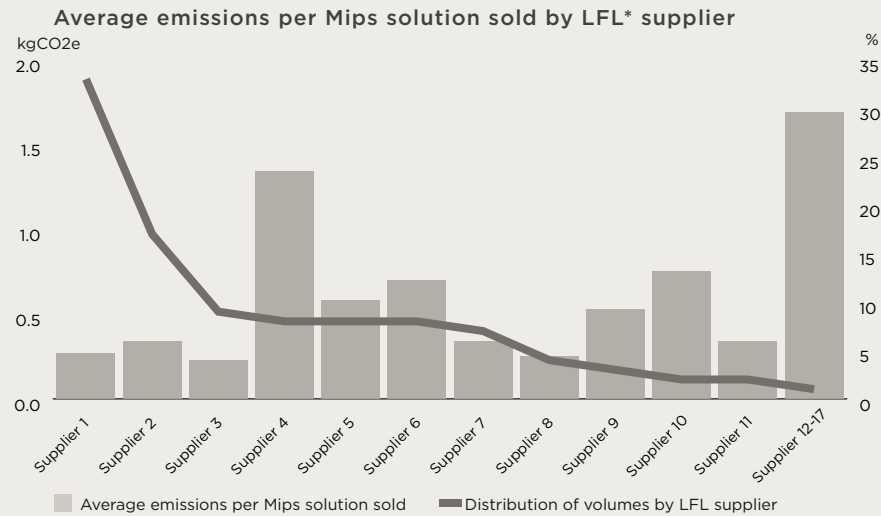
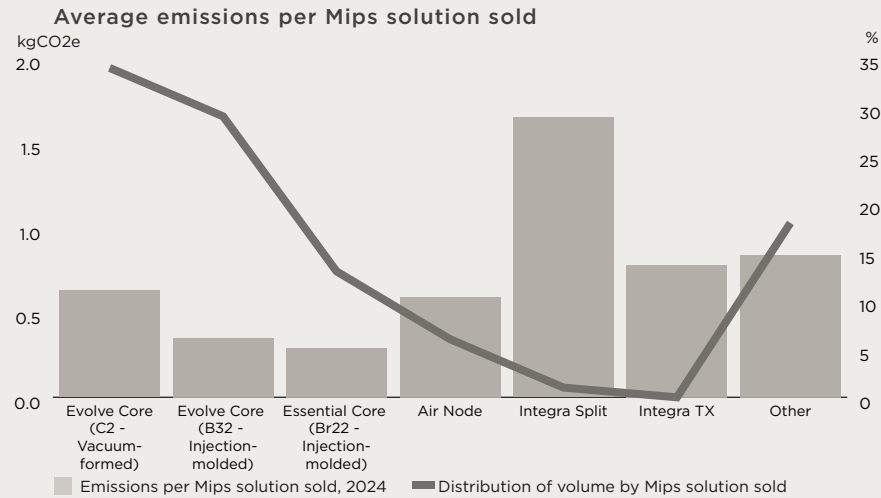
## Distribution of emissions per Mips product





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\* Low-friction layer

### Methods of calculation, data quality and restatements:

Mips calculates greenhouse gas emissions based on the Greenhouse Gas Protocol and includes all relevant greenhouse gases converted to CO<sub>2</sub> equivalents. Conversion factors come from DEFRA (www.gov.uk), IEA (2024), Ecoinvent and others. Mips uses the operational control approach to accounting.

The base year for the calculations is 2021, as this is the base year applied for Mips' science-based climate targets in line with the SBTi guidance, and it is the year that Mips conducted its first analysis of the total climate impact under the GHG Protocol. Since then, Mips has had access to more granular data and been able to refine the analysis of total emissions. This has enabled a subsequent update of the estimations used in 2021 with more exact data, and thus figures in previous reports have been restated.

Every year, Mips collects data from its suppliers on energy consumption, raw material use, sources of energy, water consumption, transportation and waste generation for each solution produced during the year. In addition, information is also collected on, for example, suppliers' future plans to reduce emissions. Thanks to the breadth and detail of the data now received, Mips has greater insight into, for example, the suppliers' raw materials utilization and productivity per solution. This has made it possible to compare raw material use, energy consumption per solution, and

waste management between different suppliers to a greater extent, helping to validate the data collected, which contributes to improved data quality. Furthermore, the suppliers have increasingly separated the data for different Mips solutions, and the majority of suppliers have provided a deeper level of information than previously. This more detailed data collection has given Mips a stronger foundation for future emissions reductions projects.

If a supplier has not provided data, Mips has extrapolated data from other suppliers that have similar processes and products.

The major reason for the revision of emissions for 2021-2023 was better data related to material usage of plastic, both post-industrial recycled and non-recycled plastic, in some of Mips' solutions. Mips' suppliers' manufacturing processes for these solutions has not deteriorated, rather knowledge has increased about the process and material usage. This means that Mips now has knowledge that material usage is higher than shown in the previously collected data. The updated values are therefore higher from 2021 to 2023 than previously reported.

A new type of report for calculating emissions from upstream freight transport has been obtained in 2024. This has been used for this year's reporting, but is not possible to apply for previous years.

Emissions in Mips' own operations have also been restated regarding refrigerants for the years 2021-2023.

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## Greenhouse gas indicators

	2024	2023	2022	2021 (base year)
Scope 1 greenhouse gas emissions (ton CO <sub>2</sub> e)	0	23.9	26.1	26.1
Scope 2 greenhouse gas emissions, market-based (ton CO <sub>2</sub> e)	2.0	9.4	10.0	17.1
Scope 2 greenhouse gas emissions, location-based (ton CO <sub>2</sub> e)	52.4	37.7	36.0	43.7
Scope 3 greenhouse gas emissions, total of the prioritized categories (ton CO <sub>2</sub> e)	4,718	4,288	9,249	13,027
Category 1 Purchased goods and services, location-based (ton CO <sub>2</sub> e)	4,218	3,933	8,674	12,298
Category 4 Upstream freight transportation (ton CO <sub>2</sub> e)	62.4	41.1	55.6	43.8
Category 5 Waste (ton CO <sub>2</sub> e)	8.5	9.0	8.8	7.5
Category 6 Business travel (ton CO <sub>2</sub> e)	158.9	159.9	115.7	40.4
Category 7 Commuting (ton CO <sub>2</sub> e)	49.5	31.6	66.5	67.6
Category 9 Downstream freight transportation (ton CO <sub>2</sub> e)	190.4	104.6	298.7	533.0
Other Scope 3 categories, prioritized for follow-up	30.2	9.3	29.7	36.7
Emissions intensity: Scope 1 and 2 greenhouse gas emissions (location-based) per net sales (ton CO <sub>2</sub> e/SEKm)	0.1			
Emissions intensity: Scope 1 and 2 greenhouse gas emissions (location-based) and Scope 3 per net sales (ton CO <sub>2</sub> e/SEKm)	9.9			
Emissions reduction per solution sold since the 2021 base year	43%			

## Energy indicators

	2024	2023	2022
<b>Total energy consumption in all of Mips' own operations (MWh)</b>	<b>369.2</b>	<b>319.3</b>	<b>298.3</b>
<b>Total energy consumption from fossil sources (MWh)</b>	<b>121.1</b>	<b>108.9</b>	<b>108.9</b>
Consumption of fossil fuels (MWh)	0	0	0
Consumption of purchased electricity, heating and cooling from fossil sources (MWh)	121.1	108.9	108.9
<i>Percentage energy from fossil sources in total energy consumption (%)</i>	32.8	34.1	36.5
<b>Total energy consumption from renewable sources (MWh)</b>	<b>248.1</b>	<b>210.4</b>	<b>189.4</b>
Consumption of renewable fuels (MWh)	0	0	0
Consumption of purchased electricity, heating and cooling from renewable sources (MWh)	248.1	210.4	189.4
Consumption of own-generated renewable electricity (MWh)	0	0	0
<i>Percentage of energy from renewable sources in total energy consumption (%)</i>	67.2	65.9	63.5

The table above is based on location-based values, i.e. no consideration has been given to renewable electricity certificates. Mips purchases Green Electricity Certificates (GECs) for its own operations in China, and its own operations in Sweden are covered by renewable electricity contracts. Electricity consumption for the manufacturing of Mips' solutions by suppliers, i.e. outside of Mips' own operations, amounted to 2,982 MWh for the year.

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# Resource use and circular economy

## Impact

Since Mips designs products and provides manufacturing specifications, the company has an impact on choice of materials, material use, use of chemicals, share of recycled materials, and waste. These aspects are also impacted by the suppliers' production processes and the customers' choice of solution.

The most common raw materials in Mips' solutions are the three plastics polycarbonate, polyketone, and polypropylene. Altogether, these account for 79 percent of the amount of raw materials used in Mips' solutions. Textiles account for 7 percent of the input materials.

Use of virgin raw materials means consumption of the earth's resources, while production processes and waste incineration at the end of life of the products generate greenhouse gas emission. In addition, in many cases, chemicals have to be added to the materials to achieve the desired performance.

## Policy and governance

Mips' environmental policy describes the environmental requirements that are to be followed in internal processes so as to reduce Mips' environmental impact. The environmental policy states that the life span of Mips' solutions should be at least as long as the helmets' in which the product is installed, and that recyclable materials should be used as far as possible. According to the environmental policy, when Mips develops new solutions, environmental aspects should be assessed in the concept phase to minimize negative environmental impact throughout the product life cycle. The environmental policy also states that waste volumes in own op-

erations should be minimized and that recyclable waste should be recycled.

## Actions

Mips actively collaborates with its partners in the value chain to jointly achieve improvements in the areas of resource use and circular economy. Together with its suppliers, Mips is working to increase the proportion of recycled materials and reduce waste. With customers, the company endeavours to present the most suitable, sustainable solution for their particular helmets.

Mips has performed life cycle assessments on all current solutions to focus improvement initiatives where the greatest benefit can be gained. The life cycle analyses have helped the company to better understand which solutions within Mips' portfolio are most environmentally sustainable and which parts of each solution have the greatest impact on the environment. Life cycle analyses are a natural part of Mips' product development projects.

Development of the Mips Virtual Test Lab (VTL) continued during 2024. Virtual testing has the potential to reduce the environmental and climate impact compared to physical testing of the helmets alone, as a reduced need for physical prototypes means less use of resources and less waste.

## Raw material

To ensure high quality in Mips solutions and ensure that suppliers comply with the Mips raw material traceability process, the company obtains an annual test report for all raw materials used by suppliers in the production of

Mips solutions. The majority of Mips' low-friction layers and components are labeled with the type of input raw material used to ultimately facilitate recycling.

During the year Mips has continued to look for more environmentally sustainable alternatives to the material currently used in its solutions. The roll-out of post-industrial recycled plastic in Mips' most sold solution has been successful and the proportion of post-industrial recycled plastic is also growing in other solutions. By using post-industrial recycled plastic, Mips can deliver solutions that offer the same high level of quality and safety as before, but made from a more sustainable material.

In addition to the post-industrial recycled plastic already used in Mips solutions, in 2024 Mips validated and ensured that one supplier started production with post-consumer recycled plastic for Mips' most sold solution.

During the year Mips also introduced and launched new recycled material for the Air Node solution, Mips' lightest and most ventilated model. Mips has also successfully reduced the consumption of textiles per product in the two solutions containing textiles.

The hang tag included with all helmets fitted with Mips' solutions has been updated during the year to simplify the production process and reduce material use. This update has led to a halving of the CO<sub>2</sub> emissions per hang tag produced compared the previous tag.

Currently, Mips is primarily concentrating its resource efficiency and circular economy efforts on replacing virgin plastics with recycled plastics and

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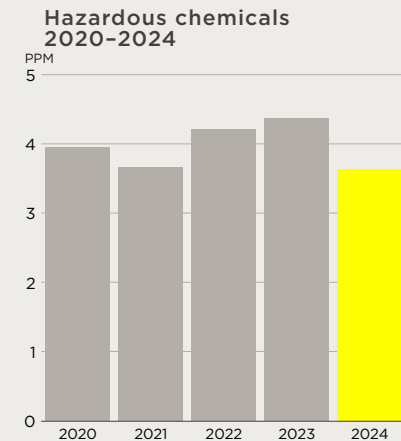


reducing the quantity of materials. Bio-based materials may also be relevant going forward and the company is monitoring developments in this area.

### Waste in own operations

Waste arising from Mips own operations mainly consists of the helmets used for testing. These helmets need to be disposed for safety and confidentiality reasons. Helmet waste is collected by authorized waste transporters and taken to waste incineration plants where the energy generated during incineration is recovered and used for heating via the district heating network.

Another significant part of the waste generated consists of packaging materials. Mips has been working with customers to reduce this form of waste by minimizing packaging in helmet transportation prior to testing and ensuring that customers do not send too many test helmets.



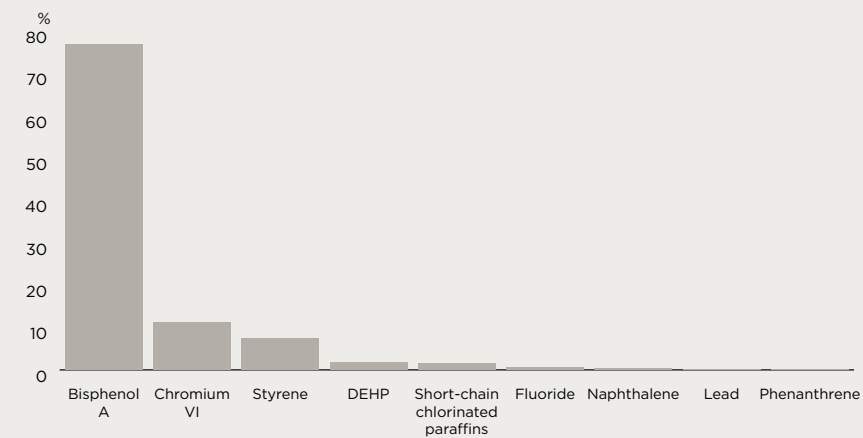
The graph shows the average concentration of all measured hazardous chemicals in all of Mips' solutions. PPM stands for Parts Per Million.

### Hazardous chemicals

In order to give solutions the right properties, Mips and its manufacturing suppliers currently rely on certain chemicals that are classified as hazardous to health or the environment. The levels of these chemicals are low in all Mips' solutions and well below approved limits (EU and US). However, the company is actively working to phase out and find substitutes for these chemicals as far as possible.

The average concentration of hazardous chemicals in the products will increase in the short and medium term though as the proportion of polycarbonate in the total product range increases. This is because two of the three chemicals with the largest total impact on the total amount of hazardous chemicals are important elements of Mips' solutions made of polycarbonate. The upside is that polycarbonate has a relatively low level of carbon emissions, which outweighs the drawbacks of

### Mips' usage and share of hazardous chemicals



Mips' use and share of hazardous chemicals in concentrations exceeding 0.1% of the total quantity of hazardous chemicals.

a small increase in hazardous chemicals. Moreover, the levels of hazardous chemicals in polycarbonate-based solutions is well below the legal limits.

84 percent of Mips' total amount of hazardous chemicals consists of Bisphenol A (BPA) and Styrene. These substances are important constituents in the plastic used in around half of Mips' sold solutions.

These substances cannot currently be excluded without compromising on the safety of the solutions, so Mips is reliant on these chemicals, albeit in small amounts.

Hexavalent chromium, or CrVI, is found in some of Mips' textile solutions. It is a substance used for generating the elasticity of the textiles and achieving the desired performance. Altogether, BPA, Styrene and hexavalent chromium make up 95 percent of the total quantity of hazardous chemicals in Mips' solutions.



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## Targets and outcomes

Mips' target for 2024 was to increase the use of recycled material in Mips' solutions by at least 10 percent, compared with 2023. The outcome was an increase of 16 percent.

Mips' long-term target for 2030 is for at least 90 percent of the material in solutions sold to be recycled

material. This has been broken down into a short-term target of 37 percent recycled material in Mips' solutions sold by the end of 2025.

Since 2020, Mips' has targeted an average concentration of hazardous chemicals in Mips' solutions of no more than 3ppm, i.e. 0.003 parts per thousand.

This value is calculated as the total weight of hazardous

substances in solutions sold during the year divided by the total weight of solutions sold. In 2024 the concentration of hazardous chemicals was an average of 3.9 ppm. This is a decrease compared to the prior years, but it is still slightly above the target.

## Resource inflows

KPI	Target for 2030	2024	2023	2022
Recyclable material in Mips' products (% of material in Mips' products that is recyclable)*	100%	85%	90%	88%
Share of recycled materials in Mips' sold solutions	90%	34%	30%	N/A
Hazardous chemicals	<3 PPM	3.9**	4.4	4.2

\* All hard plastic in Mips' components can be recycled.

\*\* Value not fully comparable with earlier years as more detailed information has been obtained for 2024 than previously. Current data suggests that the reduction is likely to be larger than shown in the table.

## Waste

KPI	2024	2023	2022
<b>Total quantity of waste generated (kg)</b>	<b>12,115</b>	<b>12,232</b>	<b>11,889</b>
Share of waste sent for recycling, including incineration with energy recovery.	100%	100%	100%
- Material recycling (kg)	3,791 (31%)	3,762 (31%)	3,274 (27%)
- Incineration with energy recovery (kg)	8,324 (69%)	8,470 (69%)	8,150 (69%)
- Other recycling processes: composting (kg)	0	0	465 (4%)
Total quantity of waste disposed (kg)	0	0	0

## The raw materials in Mips' products and their share of Mips' total raw material consumption

Raw material	Emissions factors* [kgCO <sub>2</sub> e/kg]	Share of raw materials in sold solutions	Weight by raw material in sold solutions (tons)
Post industrial polycarbonate (PIR PC)	0.7	30.9%	212.2
Polyketone (POK)	2.2	23.7%	162.8
Polycarbonate (PC)	7.7	14.4%	98.9
Polypropylene (PP)	2.2	9.5%	65.2
Polyester	5.2	6.6%	45.2
Polyamide (PA)	8.1	4.6%	31.3
Recycled paper	0.7	4.0%	27.8
Silicone	6.3	3.1%	21.5
ABS**	4.6	2.1%	14.1
Paper	0.9	0.5%	3.7
Recycled polycarbonate from consumer use (PCR PC)	0.9	0.5%	3.5
Polyester	2.5	0.1%	0.6
Ink	1.3	<0.1%	0.1
Ethylenevinylacetate	2.4	<0.1%	0.05
Leather imitation	19.6	<0.1%	0.2
Steel	4.4	<0.1%	0.2
Thermoplastic polyurethane	2.5	<0.1%	0.3

\*The majority of these emission factors are from general sources such as Ecoinvent 2021 etc. In cases where Mips has access to supplier specific emission factors these have been used instead.

\*\*ABS stands for Acrylonitrile, Butadiene, and Styrene monomers.

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## Our employees

### Impact

Part of Mips' vision is to use Mips' technology so that helmets in all categories protect users better than current test standards promote.

Mips is a pioneer in this important field, so it is vital that the company can attract and retain employees with the right skills and passion to always make safer and better solutions.

Mips views its employees as the single most important factor for success and believes that employees create the company's long-term competitiveness. Mips' overarching goal is for all employees in the Group to feel that they have a sound, safe, and secure work environment. Employees' well-being is crucial to Mips' success.

Mips is convinced that a workplace environment that promotes health and enjoyment reduces sick-leave, and also leads to a positive atmosphere and better performance.

An inclusive workplace where differences are welcomed, respected, and valued leads to satisfied and productive employees. A diverse workforce is also better equipped to tackle complex challenges and identify opportunities. A homogeneous workforce, on the other hand, risks missing the potential of diversity and can create a one-sided mindset, increasing the risk of discrimination and limiting the development of the organization.

### Policy and governance

Mips has several policies that govern the business and the company's employees. Key is the Code of Conduct, which describes the company's principles and values in areas such as working conditions, freedom of association, equality, diversity and inclusion, ethics, legal compliance, and health and safety. The company has an employee handbook that clarifies these areas to all employees. The Employee Handbook outlines the company's vision, mission and values as well as employee benefits.

Even though the company is world leader in its field, Mips encourages modesty amongst its employees, as well as the curiosity to constantly learn and develop, and challenge themselves and each other, so that they bring the best of themselves to work every day. This is clearly expressed through Mips' core values, We dare, We care, and We share. More information about this can be found on page 28.

Mips' mission is to lead the world towards safer helmets, but for Mips, safety is not only important for helmets. Safety is the company's highest priority in every area of the organization and it should never be jeopardized, neither in Mips' solutions nor at the workplace. Mips' ambition is to create a sound and safe workplace, which is governed through the company's workplace environment policy.

The workplace environment policy governs the physical, organizational, and social working environment and describes Mips' approaches to risk assessment, training, awareness, actions, monitoring, and assessment of effectiveness.

### Actions

#### *Attract, develop, and retain employees*

Mips believes that a strong corporate culture, characterized by a coaching leadership, good cooperation, and engaged employees, is a crucial prerequisite for being a leader in the field and serves as a foundation for Mips' continued growth journey. To foster and maintain this culture, Mips invests in continuous and clear communication and activities that generate engagement and collaboration at all levels of the organization. Through annual kick-offs and regular team activities that also emphasize sustainability issues and long-term growth, Mips ensures that shared values and targets are put into practice. These initiatives play an important role both in creating a positive working environment and in supporting the company's sustainability goals and long-term vision.

Mips values and rewards talented employees. In order to be an industry leader, it is crucial that Mips continues to be an exciting employer that can attract, develop, and retain dedicated and talented employees. Mips works closely with Swedish and foreign universities, in part to maintain an active dialogue, and in part to ensure long-term access to necessary skills. University students are encouraged to write their thesis at the company, which in several cases has resulted in subsequent employment.

All employees have annual performance and development discussions with their immediate supervisor, during which individual goals and development plans are formulated and then followed up regularly. Appraisals involve discussing matters such as skills important for

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Mips' progress and for the development of individuals. These skills can be gained both through internal learning and external courses. For example, in 2024, six employees attended UGL, Understanding Group and Leadership, a course that aims to strengthen the individual's ability to lead and collaborate effectively in groups.

Several times a year "Lunch and Learn" sessions, breakfasts and other events are arranged when employees can join internal presentations and discussions that help to strengthen the corporate culture and support Mips' and individual development.

The company provides good employment conditions and essentially the same terms of employment apply in Sweden and China, although local labor laws entail some differences. Parental leave is offered in accordance with national legislation, and in Sweden the state allowance is supplemented by additional parental pay to provide employees with better financial support during leave. Employees in Sweden and China are covered by pension contributions and insurance schemes that support their security and well-being. No employees are covered by collective agreements.

### *Gender equality, diversity, and inclusion*

Diversity is a key element of success for Mips. There are employees from many different countries in the company, which is why English is the corporate language. The helmet industry has traditionally been male-dominated and Mips works actively to change this as well as to promote diversity in the entire business. Diversity encompasses not only gender and nationality, but also different skills, experiences, ages, and perspectives. This variety brings about innovation and continuous development. Mips' Code of Conduct emphasizes the equal value of all people and fair relationships between individuals and groups.

Mips conducts annual pay surveys to ensure fair and equal pay. No unjustified gender pay gaps were identified in 2024. At the overall level, the gender pay gap is -1.5 percent, meaning that female employees earn on average 1.5 percent more than their male colleagues. Among engineers, who make up the largest employee category at Mips, the pay gap is -0.8 percent, meaning that female engineers earn 0.8 percent more than male engineers.

To increase transparency in pay setting, new pay

criteria have been introduced as of 2024. These criteria aim to strengthen the link between performance, development, and the company's overall objectives. One of the criteria focuses on the employee's contribution to Mips' sustainability targets. Throughout the year, all employees had individual sustainability targets, which were followed up at the end of the year. The bonus structure for employees in senior positions is also shaped to support the company's sustainability work. For these employees, 10 percent of the bonus is linked to the fulfilment of Mips' overarching sustainability goals. For the Management team, an additional 10 percent of the bonus is based on the achievement of individual sustainability targets. In total, one fifth of the bonus of the management team members is therefore directly linked to Mips' sustainability work.

Mips has zero tolerance for all forms of discrimination, harassment and victimization. The company monitors these issues through employee surveys and encourages employees and other stakeholders to report incidents to their immediate supervisor, HR, the CEO or via an external whistleblower system.

Rules, procedures, and processes in this regard are described in the Code of Conduct and Employee Handbook, to which all employees have access.

### *Work environment and safety*

Mips works systematically to ensure a safe and healthy working environment for all employees. Regular evaluations of the work environment are carried out, and measures are implemented on an ongoing basis to further improve the physical, organizational, and social work environment. Mips complies with national legislation and ensures that the work environment management meets applicable requirements and standards. To promote health and well-being, employees in Sweden are offered wellness allowances, regular massages, and yoga at the workplace, and access to a gym that is available to all employees every day of the week. Mips' subsidiary in China also has a gym as well as health-related initiatives including annual health assessments.

Mips carries out regular employee surveys (called pulse surveys) sent to all employees in Sweden and China. These surveys aim to measure enjoyment, commitment, leadership, and ambassadorship. Coupled with

with ongoing dialogue between employees and their managers, these surveys help Mips to ensure employee wellbeing and a good work-life balance, and understand whether employees are in the risk zone for going on sick leave. Mips provides support, where necessary, to promote both mental and physical wellbeing, and all employees are covered by a health insurance policy that aims to provide early support to employees who may be at risk of ill health and sick leave.

Mips aims for zero work-related injuries. To strengthen workplace safety, courses in cardiopulmonary resuscitation (CPR) and first aid are offered to all employees in Sweden. During the period 2022-2024, around 95 percent of employees participated in these courses. Training will continue on an ongoing basis in 2025 to ensure that employees have basic knowledge in CPR and first aid.

Mips has a health and safety committee with representatives from both management and employees. The committee's task is to continuously monitor and develop the company's work environment management, and to act as a forum for identifying risks and implementing measures. This systematic approach, together with training and safety procedures, is crucial to creating a work environment that enhances both health and engagement. In 2024, no work-related accidents were reported.

Mips offers employees the possibility of some flexibility in working hours and workplace, where compatible with the requirements and responsibilities of the job role. By enabling adaptation of working hours and offering options such as remote working, Mips aims to help employees manage their work-life balance. This initiative is an important element in Mips' efforts to promote employee wellbeing and create a long-term, sustainable working environment.

### **Targets and outcomes**

At the end of 2024, the number of employees was 109 (105), of which 52 were women and 57 were men (including China), corresponding to 48 percent women and 52 percent men. Mips has thus once again achieved its target of having a minimum representation of 40 percent of both women and men. Executive Management consists of 4 (5) people, including 2 (1) women, which corresponds to 50 percent (20) of the total number of people in management. At the end of 2024, the total

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number of managers was 26, 46 percent of which were women. The definition of manager being employees with staff responsibilities for at least one employee. The Board of Directors consists of 6 (6) people, including 3 (3) women, which corresponds to 50 percent (50) of the total number of Board members. Mips' goal is for the Board of Directors, Executive Management and other managers to have a minimum representation of 40 percent of both women and men. At year-end there were

five consultants performing work on behalf of Mips. This compares to ten consultants the year before. These resources are business development consultants and marketers based in Sweden, the UK, and the US, and they are not included in the total number of employees at Mips.

The results of the 2024 employee surveys show a response rate of 96 percent. On a ten-point scale, the company reached an average score of 8.4, exceeding the

target of >8.0. Mips also reports a high Employee Net Promoter Score (eNPS) with an average of 46 in 2024. eNPS, which measures employees' propensity to recommend the company as an employer, is significantly higher than the average of 12 for other companies using the same platform. The eNPS scale ranges from -100 to +100. The results are used to identify strengths and areas for improvement, focusing on enhancing things that work well and developing things that need improvement.

## Number of employees

KPI	Women	Men	Total number	Percent women/men
Number of employees (headcount)	52	57	109	48/52
Sweden	43	42	85	51/49
China	9	15	24	38/62
Number of permanent employees	49	56	105	47/53
Number of temporary employees	0	0	0	
Number of contingent workers	3	1	4	75/25

## Number of managers

KPI	Women	Men	Total number	Percent women/men
Number of managers	12	15	27	44/56
Executive Management	2	2	4	50/50
Board of Directors	3	3	6	50/50

## New hires and employee turnover

KPI	Women	Men	Total number	Turnover as a percent
Number of new hires, entire company	8	4	12	11.7
Number resigned, entire company	4	6	10	9.7

## Compensation

KPI	
Ratio of the annual total remuneration of the company's highest paid individual* to the median of the total remuneration of all employees (excluding the highest paid)	9.8
Ratio of the percentage increase of the annual total remuneration of the company's highest paid individual* to the median of the percentage increase total remuneration of all employees (excluding the highest paid)	4.1

\* Base salary and bonus are included in the annual total compensation for the highest paid individual

## Health, safety, non-discrimination, and enjoyment

KPI	Goal	2024	2023	2022
Employee turnover, total (% of total number of employees)	<10	10%	4%	6%
Employee turnover, voluntary (% of total number of employees)	<10	10%	4%	6%
Number of reported and investigated cases of workplace harassment	0	0	0	1
Skills development and investment in training (% of salary cost)	3.0%	1.0%	2.4%	1.1%
Training hours, average per employee*		20	26	N/A
Training hours, average per employee, women*		18.6	N/A	N/A
Training hours, average per employee, men		21.3	N/A	N/A
Employee survey eNPS*	>40	46	45	N/A
Employee survey, Tempertur*	>8.0	8.4	8.4	N/A
Performance appraisals (% of employees)	100%	100%	100%	100%
Work-related injuries, (no. of accidents)	0	0	0	2
Lost time injury frequency rate (LTIFR)*	0	0	0	N/A
Sick leave (Mips AB only)	<3%	2.87%	1.51%	1.23%

\* New KPI or method of measurement, thus comparative figures not available for all three years.



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## Workers in the value chain

### Impact

Mips does not conduct any manufacturing, and instead uses external suppliers to manufacture the company's products.

The majority of Mips' customers, i.e. the helmet brands, have chosen to use factories mainly in China to make their products. As far as possible, Mips tries to collaborate with suppliers located close to the helmet factories and largely engages the helmet manufacturers to also produce Mips' low-friction layers. This it to minimise transportation, lead times, and complexity in the supply chain.

Mips currently collaborates with 81 different partners, of which 23 are manufacturing suppliers of Mips' components and 58 are helmet factories that assemble Mips' solutions in the customers' helmets. The majority of these suppliers are currently located in China. In relations to the sector and region, there are risks for deficiencies regarding labour rights and human rights.

### Policy and governance

Mips believes that the company has an important role in ensuring that human rights and good working conditions are respected for the people affected by Mips' business activities. This includes the supply chain and workers at manufacturing suppliers. Mips works in a structured way to ensure that suppliers' value chains are sustainable and comply with requirements stipulated by laws and conventions. To be close to the manufacturing suppliers and the customers' helmet factories, Mips has a subsidiary in China since 2017.

### Supplier Code of Conduct

Mips' requirements regarding sustainability are defined in the company's Supplier Code of Conduct. The Supplier Code of Conduct is based on Mips' internal Code of Conduct as well as international conventions and standards such as the ten principles of the UN Global Compact, the standards of the International Labour Organization (ILO), and the OECD guidelines for multinational enterprises. The Code is a complement to applicable laws and external regulations with which the supplier is also required to comply.

The purpose of Mips' Supplier Code of Conduct is to ensure that all companies in the supply chain take responsibility for the environment, and for respecting human rights and employee rights, and for ensuring that work conditions and occupational health and safety are of a sufficiently high standard. The Code also addresses mechanisms for remediation in case negative impacts would occur.

Mips respects the UN Convention on the Rights of the Child and other applicable national and international laws, regulations, and rules related to child labor in the countries where Mips' production or operations take place. Through the Supplier Code of Conduct, the company requires suppliers to prevent all forms of child and forced labor, to have appropriate and reliable documentation and processes in place in this regard, and to initiate or participate in remediation programs if negative impacts do occur.

The Supplier Code of Conduct also states that Mips does not allow suppliers to use subcontractors without Mips' written approval of the subcontractor. In cases

where Mips approves a subcontractor, the requirements of the Code of Conduct must also be met by the subcontractor. This means that no production of Mips solutions may take place in facilities without Mips' approval.

If a supplier does not meet the requirements and expectations set out in the Code, Mips general approach is to push for improvement in the first instance. Critical non-conformities or an unwillingness on the part of the supplier to improve the situation will, however, jeopardize the relationship between the supplier and Mips.

Manufacturing suppliers sign Mips' Supplier Code of Conduct prior to the first production order.

Mips' anonymous whistleblower channel can be used for reporting non-conformance with the Code of Conduct. The whistleblower channel is open to all value chain parties.

### Actions

#### Supply chain audits

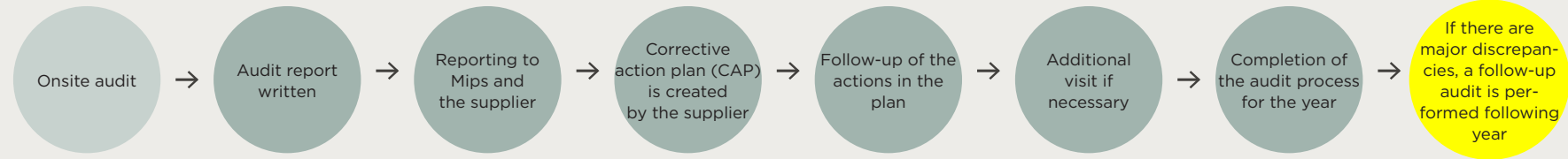
Based on the risks present in regions where Mips' suppliers are active, Mips has chosen to audit all manufacturing suppliers that have more than a negligible volume of deliveries. The audits are carried out by Mips' own staff or by third-party auditors at least every two years. The audit aims to ensure compliance with the requirements of the Code of Conduct and the ten principles of the UN Global Compact. It covers a range of critical aspects in the areas of working hours, wages, child labor, forced labour, discrimination, freedom of association, work environment, health and safety, and environmental impact. As part of the audits, interviews are conducted with workers regarding these aspects. As far as possible,

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## The audit process



these interviews take place in a separate location to create the best possible conditions for an honest and open dialog.

In 2024, Mips has had 12 suppliers audited for social and environmental aspects. Five of these have been audited by third parties, four have been audited by Mips and three suppliers have had a follow-up audit by a third party to ensure that observations from 2023 were addressed.

Through the audit process, suppliers' sustainability performance is graded from A to E based on the proportion of checkpoints fulfilled. An A means that 90-100 percent of the checkpoints have been fulfilled, while an E means that less than 60 percent of the checkpoints have been fulfilled. Of the 12 suppliers audited in 2024, three suppliers received an A grade, eight suppliers a B grade and one supplier a C grade.

All of the audited suppliers had some form of discrepancy, but no supplier had discrepancies or impacts that were classified as serious. For all discrepancies identified during the audits, an action plan is developed by the supplier. The plan is reviewed and followed up by the auditor to ensure that corrective actions are taken. Follow-up audits are carried out as necessary to validate that the actions have been effective.

The supplier audits based on the Code of Conduct, together with the associated actions and follow-up, are a central part of Mips' due diligence process. The audits play a crucial role in the company's efforts to ensure high standards of ethical conduct and sustainability in the supply chain and underline Mips' accountability in the supply chain.

### Targets and outcomes

Mips' target for 2024 was to let a third party perform sustainability audits of five suppliers in the supply chain. This target was achieved during the year.

The target for 2025 is to achieve an average of at least 88 points from the sustainability audits of Mips' manufacturing suppliers. Mips' long-term goal in this area is to achieve an average of at least 90 points by

2030. The maximum amount of points is 100. The average takes into account the size of the volumes Mips' orders from each supplier. Thus, target fulfilment is affected by the extent to which Mips considers sustainability when choosing suppliers. This is expected to create an even greater incentive for the suppliers to further improve their sustainability performance.

### Social and environmental aspects in the value chain

KPI	Goal	2024	2023	2022
Share of manufacturing suppliers* who have signed Mips' Code of Conduct for Suppliers	100%	100%	100%	100%
Supplier audit at least every 2 years (% of manufacturing suppliers*)	100%	100%	100%	100%
New manufacturing suppliers this year that were screened using environmental and social criteria**	100%	100%	N/A	N/A

\* Manufacturing suppliers are defined as direct suppliers with volumes above the threshold (more than a negligible volume).

\*\* New KPI.

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# Product safety

## Impact

Mips is a Swedish company specialized in helmet-based safety. Mips is also a global market leader in helmet-based rotational protection and partners with many of the world's leading helmet brands. This is the context in which Mips and its employees can mostly make a difference in meeting society's many challenges. The company can help create a sustainable society by offering a technology and safety solutions for helmets that improve helmet protection to reduce the risk of short-term and long-term sick leave, and permanent injury. This can help increase the safety and wellbeing of recreational and professional users.

## Policy and governance

Mips' Code of Conduct emphasizes that safety is the company's top priority and that the company is founded on, and will remain committed to, research and science. The Code also emphasizes the importance of meeting all regulatory requirements and providing high quality and safe products.

## Actions

Mips' patented solutions are based on more than 25 years of research in collaboration with the Royal Institute of technology (KTH) and Karolinska Institutet in Stockholm. Traditionally, helmets have only been designed to protect against straight impact that can

lead to skull fractures. Unlike traditional helmets, Mips' low-friction layer mimics the brain's own protection system and is designed to protect the brain from rotational motion, which can cause brain damage.

Mips is also devoted to improving the fundamental configuration and performance of helmets so that advanced helmet protection is available to more people, regardless of financial means. Mips partners with helmet brands to raise awareness of the benefits of helmets equipped with protection against rotational motion. An increased awareness of safety as well as of the risks and consequences of brain damage are driving demand for Mips' products and society's tendency to take preventive measures to mitigate the risks.

Mips is also active in international university and research environments, where it works to ensure that testing of rotational motion is included as a standard in the tests and certification of helmets. In addition, Mips is a member of a number of testing bodies around the world and pursues an active dialogue with several universities to ensure research-based development of tests and standards.

As Mips collaborates with many different partners quality assurance of the products is very important. Mips' quality assurance consists of several stages, both before the product launch and during production.

When Mips' safety system is first implemented in a new helmet Mips' quality process is followed, illustrated

in the diagram on the following page. In steps 2-4, Mips' assembly instructions are created and updated, and these are sent to the factory to enable it to carry out correct implementation of Mips' safety system. After received approval of the helmet from Mips, the factory can start to mass produce the helmet equipped with Mips' safety system. Mips always offers the factories assistance in production if they are new, or if they show they need, or request, support from Mips' quality engineers.

Over and above assistance for first-time installations in new helmets, Mips holds workshops with suppliers and factories to facilitate more efficient and better quality manufacturing and assembly of the products. Mips trains the suppliers in how to perform quality checks of Mips' solutions. The results of these checks are collated and analyzed monthly by Mips' quality engineers to assess the level of quality of each supplier. Mips also ensures a high level of quality in its solutions through Mips' internal quality control, which is done on every incoming delivery to the company's warehouse. This control procedure follows the Acceptable Quality Limit (AQL) standard to assess whether a production order is to be approved or not.

Mips also carries out audits of the manufacturing suppliers' production units at least every other year to help them and ensure that they comply with applicable guidelines and rules.

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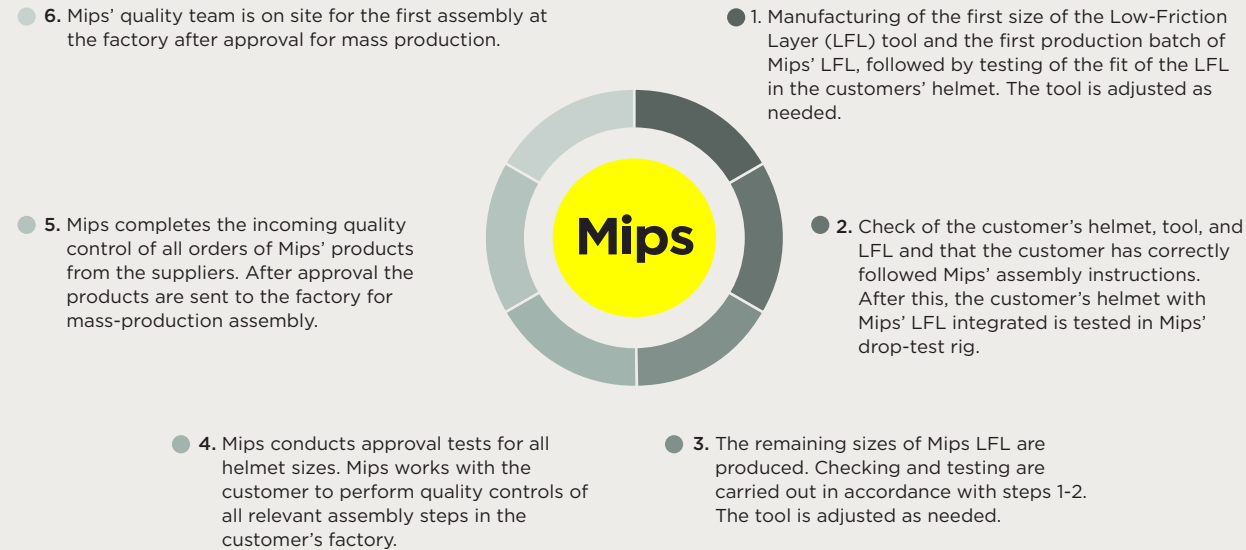
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## Mips' quality assurance process

The diagram illustrates the quality assurance process for first-time installations in new helmets equipped with Mips' safety system.



The diagram illustrates the quality assurance process for first-time installations in new helmets equipped with Mips' safety system.

When new concepts or technologies are launched, the products are put through a number of tests to simulate real-life usage of Mips' solutions. All solutions are subjected to tests that are at least as stringent as those used by the helmet industry, as well as further tests that simulate scenarios and settings that are more representative for Mips' safety system and how it functions. Examples of real-life circumstances that are simulated for the Mips solution tests are heat, cold, wetness, humidity, UV radiation, synthetic sweat, sun

screen, and more. These environmental conditions are simulated in part to see if the solution is affected by longer exposure, and in part, when testing in Mips' drop-test rig, to simulate if performance is affected. The solution must be approved in all tests before going on to the next stage in the development process.

Continuous product development and strong intellectual property protection are important for Mips to retain its competitiveness as a company. It is also important to reduce the company's environmental and climate impact, without compromising on the safety of the solutions Mips delivers. Mips continued to submit new patent applications during the year.

## Memberships and collaborations

Mips is a member of several organizations that primarily work to standardize and certify test standards in the helmet industry. The main reason for membership is to ensure that appropriate test standards are implemented for certification.

Mips is currently a member of:

- SIS TK525 - The Swedish Institute for Standardization - Helmets.
- CEN TC158 - European Committee for Standardization - Head protection.
- ISEA - Safety Equipment Organization
- ASTM - American Society for Testing and Materials

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## Targets and outcomes

In 2024 Mips received 2.7 complaints from end consumers per 1,000,000 helmets sold regarding quality deficiencies in Mips' solutions. The target is to receive fewer than five complaints per 1,000,000 solutions sold, which was thus achieved with good margin.

## Mips solutions

KPI	Goal	2024	2023	2022
Consumer complaints, (number of complaints/1 million units sold)*	Max 5 per million helmets	2.7	2.2	2.8

\* The calculation methodology has been updated in 2024 and the values for 2023 and 2022 have therefore been restated in accordance with the new methodology. The value is based on the number of customer complaints received during the year, categorized as quality deficiencies in the Mips solution. This is calculated by dividing number of complaints with the number of solutions delivered two years back in time, multiplied by 1 million.



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# Business conduct

## Impact

Mips' business activities are characterized by responsibility and a long-term perspective. Stakeholders must be able to trust that Mips fulfils its promises throughout the entire business process. This is how Mips builds trust with customers, employees, suppliers, and other important partners.

It is crucial for Mips to do business correctly. Mips values and promotes sound and fair competition as the power of Mips' range of solutions drives the company's growth. Mips conducts business in Sweden and China and is aware that this involves risks, for instance, related to corruption.

## Policy and governance

### *Organization and culture*

Mips' values, which are included in the Code of Conduct, the manufacturing Supplier Code of Conduct, the Anti-Corruption Policy and the Employee Handbook, amongst others, act as the company's moral compass, providing clear guidance for everyday work at Mips. Mips applies a zero-tolerance principle to corruption and bribery. As part of this Mips has an ongoing process for auditing the manufacturers in its supply chain.

In addition, Mips has several further policies such as the Financial Policy, Communication Policy, IT Policy, and Insider Policy. The Code of Conduct, which applies to the entire value chain, including the manufacturing suppliers for which there is a dedicated Code of Conduct, is based on international conventions and standards such as the ten principles of the UN Global

Compact, International Labour Organization, and the OECD Guidelines for Multinational Enterprises. Mips' own staff regularly visit suppliers' factories to ensure compliance with the Code of Conduct and in both 2023 and 2024, third-party audits were performed of several of Mips' suppliers.

Mips applies a precautionary principle by assessing risks related to organization, products, and sustainability every quarter. Controls and measures are also implemented to handle these risks in the best possible way. Mips' work with sustainability issues and environment-related issues and the associated impacts, risks and opportunities, is managed and prepared by Executive Management and ultimately addressed by the Board of Directors. Read more about risks and risk management in the section on risk on pages 54–58, and about financial risks in Note 21.

Specific risks associated with Mips' focus areas are presented under each area above.

## Actions

### *Laws and regulations*

It is a given that Mips respects the laws and regulations that apply in the countries where the company operates. Mips engages legal advisers when needed to ensure understanding of and compliance with applicable legislation.

### *Whistleblower service*

Mips has established reporting procedures for suspicions of misconduct that should be brought to the attention of the immediate supervisor, the Human

Resources Director, the CFO or the CEO. Since 2021 Mips also has an external whistleblower service through which all employees, suppliers, and other stakeholders can anonymously report any actual or suspected misconduct that is in conflict with the Group's codes of conduct. Whistleblowing cases are handled by a whistleblowing committee that includes the Chairman of the Board.

Mips ensures that internal and external stakeholders are aware of the company's whistleblower function by informing them about it as follows:

- On Mips' websites (mipsprotection.com and mipscorp.com)
- In Mips' Code of Conduct (which is available on mipscorp.com)
- In Mips' Anti-corruption policy (which is available on mipscorp.com)
- In Mips' Supplier Code of Conduct which is intended for – and is provided to and signed by – Mips' manufacturing suppliers

### *Risk analysis and risk management*

Mips' risk analysis forms the basis of the priorities and key areas the company has focused on to ensure business is conducted responsibly. The risk analysis is updated every quarter as part of the company's internal control program and new priorities are set based on potential impact on the business. All functions in the company participate in risk management, with the aim of increasing risk awareness throughout the organization.

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### Training and awareness

During the year, the company held training courses in areas such as the company's Code of Conduct, GDPR, anti-corruption, trade compliance and insider regulations for employees linked to the Swedish office. Furthermore, regular IT and cybersecurity training is e-mailed to Mips' employees by the company's IT partner to raise awareness and train employees in IT threats and security risks. The staff training completion rate was 88 percent in 2024.

### Targets and outcomes

Mips' business conduct targets and outcomes are presented in the table on the right. The targets include, among other things, having an updated Code of Conduct signed by all employees and ensuring that there are no legal breaches in areas such as corruption, discrimination and money laundering.

### Business conduct

KPI	Goal	2024	2023	2022
Code of Conduct updated and approved by the Board	yes	yes	yes	yes
Code of Conduct signed by employees (% of employees)	100%	100%	100%	100%
Anti-bribery and anti-corruption policy updated and approved by the Board	yes	yes	yes	yes
Training regarding bribery and corruption (% of employees invited to participate in the last two years)	100%	100%	100%	100%
Number of detected breaches:*				
- Corruption and bribery	0	0	0	0
- Discrimination	0	0	0	0
- Data breach incidents	0	0	0	0
- Conflicts of interest	0	0	0	0
- Money laundering or insider trading	0	0	0	0
Amounts paid for fines/fees related to violation of environmental regulations (SEK)	0	0	0	0
Accrued environmental liability at year-end (SEK)	0	0	0	0

\*Includes detected breaches reported via Mips' whistleblower system.

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# GRI content index

<b>Statement of use</b>	Mips AB has reported with reference to the GRI Standards for the period January 1, 2024 to December 31, 2024
<b>GRI 1 used</b>	GRI Standards 2021
<b>Applicable GRI Sector Standard(s)</b>	Not applicable

GRI standard	Disclosure	Page number	Deviation/Comments
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	10, 63, 81	
	2-2 Entities included in the organization's sustainability reporting	50, 63, 89, 101	
	2-3 Reporting period, frequency and contact point	50, 63, 128, final page	
	2-4 Restatements of information	113, 125	
	2-5 External assurance	131	
	2-6 Activities, value chain and other business relationships	50, 102-103	
	2-7 Employees	118-120	2-7-b: Breakdown by region only reported for total number of employees, not by employment type. No breakdown into full-time and part-time
	2-8 Workers who are not employees	120	
	2-9 Governance structure and composition	39-46, 105	
	2-10 Nomination and selection of the highest governance body	40-41	
	2-11 Chair of the highest governance body	41, 45	
	2-12 Role of the highest governance body in overseeing the management of impacts	40-41, 102, 104-105, 121-122	
	2-13 Delegation of responsibility for managing the impacts	105	
	2-14 Role of the highest governance body in sustainability reporting	41, 43-44, 105	
	2-15 Conflicts of interest	41, 45-46	
	2-16 Communication of critical concerns	126-127	

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GRI standard	Disclosure	Page number	Deviation/Comments
<b>GRI 2: General Disclosures 2021, Continued</b>	2-17 Collective knowledge of the highest governance body	41, 105	
	2-18 Evaluation of the performance of the highest governance body	40-41	
	2-19 Remuneration policy	42, 67, 119	
	2-20 Process to determine remuneration	42, 67	
	2-21 Annual total compensation ratio	120	
	2-22 Statement on sustainable development strategy	5, 101	
	2-23 Policy commitments	104, 121, 126-127	
	2-24 Embedding policy commitments	104, 121-122, 126-127	
	2-25 Processes to remediate negative impacts	121, 126-127	
	2-26 Mechanisms for seeking advice and raising concerns	104, 121, 126	
	2-27 Compliance with laws and regulations	127	
	2-28 Membership associations	104, 124	
	2-29 Approach to stakeholder engagement	102	
2-30 Collective bargaining agreements	119		
<b>GRI 3: Material topics 2021</b>	3-1 Process to determine material topics	102	
	3-2 List of material topics	102	
	3-3 Management of material topics	110-127	
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	50-51, 66, 68, 70	
	201-2 Financial implications and other risks and opportunities due to climate change	54-58	
	201-3 Defined benefit plan obligations and other retirement plans	52-53, 65, 67	
	201-4 Financial assistance received from government	-	Mips has not received any financial assistance from the government
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	126	
	205-2 Communication and training about anti-corruption policies and procedures	104, 121-122, 126-127	
	205-3 Confirmed incidents of corruption and actions taken	127	
<b>GRI 301: Materials 2016</b>	301-1 Materials used by weight or volume	117	
	301-2 Recycled input materials	117	
	301-3 Reclaimed products and their packaging materials	-	301-3: Mips does not have access to data at this level currently
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	113, 114	Mips has not sold any energy
	302-2 Energy consumption outside of the organization	113, 114	
	302-4 Reduction of energy consumption	111	
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	113, 114	
	305-2 Energy indirect (Scope 2) GHG emissions	113, 114	
	305-3 Other indirect (Scope 3) GHG emissions	113, 114	
	305-4 GHG emissions intensity	113, 114	
	305-5 Reduction of GHG emissions	111-114	

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GRI standard	Disclosure	Page number	Deviation/Comments
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1 New suppliers that were screened using environmental criteria	122	
	308-2 Negative environmental impacts in the supply chain and actions taken	121-122	
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	120	401-1-a-b: Statistics are not reported by age group and region
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	118-120	
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	119	
	403-2 Hazard identification, risk assessment, and incident investigation	118-119, 126	
	403-5 Worker training on occupational health and safety	119-120	
	403-9 Work-related injuries	119-120	
<b>GRI 408: Child labor 2016</b>	408-1 Operations and suppliers at significant risk for incidents of child labor	121-122	
<b>GRI 409: Forced or compulsory labor</b>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	121-122	
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1 New suppliers that were screened using social criteria	122	
	414-2 Negative social impacts in the supply chain and actions taken	121-122	



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## Auditor's Limited Assurance Report on Mips ABs Sustainability Report and statement regarding the Statutory Sustainability Report

To Mips AB, Corp. id. 556609-0162

### Introduction

We have been engaged by the Board of Directors and the Chief Executive Officer of Mips AB to undertake a limited assurance engagement of Mips ABs Sustainability Report for the year 2024. Mips AB has defined the scope of the Sustainability Report and the Statutory Sustainability Report on page 100-130 in this document.

### Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the Sustainability Report including the Statutory Sustainability Report in accordance with applicable criteria and the Annual Accounts Act in accordance with the older wording that applied before 1 July 2024 respectively. The criteria are defined on page 104 in the Sustainability Report, and are part of the Sustainability Reporting Guidelines published by GRI (The Global Reporting Initiative), that are applicable to the Sustainability Report for reporting with reference, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed and to express an opinion regarding the Statutory Sustainability Report. Our responsibility is limited to the historical informa-

tion reported and thus does not include future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 (Revised) *Assurance engagements other than audits or reviews of financial information*. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. Our examination regarding the Statutory Sustainability Report has been conducted in accordance with FAR:s accounting standard RevR12 *The auditor's opinion regarding the Statutory Sustainability Report*. A limited assurance engagement and an examination according to RevR 12 is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The firm applies ISQM 1 (International Standard on Quality Management 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of Mips AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance procedures performed and the examination according to RevR 12 do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit.

The conclusion based on a limited assurance engagement and an examination according to RevR 12 does not provide the same level of assurance as a conclusion based on an audit.

Our procedures are based on the criteria defined by the Board of Directors and the Chief Executive Officer as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusions below.

### Conclusions

Based on the limited assurance procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and the Chief Executive Officer.

A Statutory Sustainability Report has been prepared.

Stockholm, 20 March 2025

KPMG AB

Christel Caldefors  
Authorized Public Accountant

Torbjörn Westman  
Expert member of FAR  
(Swedish Institute of Authorised  
Public Accountants)

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# Financial and alternative performance measures by year

All amounts are in SEKm unless stated otherwise.

Group	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Net sales and Profit/Loss</b>									
Net sales	483	357	563	608	365	268	193	126	87
Net sales growth, %	35	-37	-7	67	36	39	53	45	75
Gross profit	350	253	406	445	265	198	142	93	62
Gross margin, %	72.5	70.9	72.1	73.2	72.8	74.1	73.9	74.3	71.3
Operating profit/loss	174	70	229	326	167	108	73	21	18
Operating margin, %	36.1	19.7	40.7	53.6	45.8	40.3	37.9	16.6	21.2
Adjusted operating profit (Adjusted EBIT)	174	70	229	326	168	111	73	28	24
Adjusted operating margin (Adjusted EBIT), %	36.1	19.7	40.7	53.6	46.2	41.2	37.9	22.1	28.0
Depreciation/Amortization	19	18	16	12	9	7	2	1	1
EBITDA	194	89	245	338	176	115	75	22	19
EBITDA margin, %	40.1	24.8	43.6	55.5	48.2	42.8	38.8	17.4	22.2
Profit for the year	141	64	175	255	129	85	56	16	14
<b>Group statement of cash flows</b>									
Cash flow from operating activities	142	11	236	277	116	63	69	11	16
Cash flow from investing activities	-10	-89	-22	-11	-15	-49	-7	-5	-4
Cash flow from financing activities	-162	-42	-136	-95	-15	-65	-	145	0
<b>Financial standing</b>									
Total assets	739	738	767	756	517	343	319	242	75
Equity	641	657	626	577	426	298	276	221	57
Equity ratio, %	87	89	82	76	82	87	86	91	76
<b>Key figures per share</b>									
Earnings per share basic, SEK	5.32	2.43	6.68	9.75	4.96	3.35	2.23	0.64	0.67
Earnings per share diluted, SEK	5.32	2.42	6.63	9.64	4.93	3.28	2.21	0.64	0.65
Average number of shares outstanding - before dilution	26,491,122	26,276,605	26,183,620	26,183,620	25,996,417	25,229,870	25,229,870	24,520,884	21,478,586
Average number of shares - after dilution	26,502,575	26,397,552	26,411,214	26,495,633	26,167,786	25,837,404	25,544,935	24,559,246	22,013,833
<b>Employees</b>									
Average number of employees	103	101	89	70	55	43	35	29	17



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# Alternative performance measures

Non-IFRS performance measures	Definition	Reason for use of measure
<b>Gross profit</b>	Net sales less cost of goods sold.	Gross profit is the profit measure used by Executive Management to monitor the profitability directly related to net sales.
<b>Gross margin (%)</b>	Gross profit as a percentage of net sales during the period.	The measure is a material complement to the gross profit, which only states the change in absolute figures, and provides an understanding of value creation over time.
<b>Operating profit (EBIT)</b>	Profit before financial items and taxes.	The measure is used to measure the profit generated by the operating activities.
<b>Operating margin (EBIT margin) (%)</b>	Operating profit as a percentage of net sales during the period.	The measure is used to assess profitability generated by the operating activities and provides an understanding of value creation over time.
<b>Adjusted operating profit (Adjusted EBIT)</b>	Operating profit excluding items affecting comparability such as acquisition income and expenses, as well as listing costs.	Adjusted operating profit is a measure used by Mips to maintain comparability between periods and to be able to report a result for operating activities.
<b>Adjusted operating margin (%)</b>	Adjusted operating profit as a percentage of net sales during the period.	See explanation under the description for "Adjusted operating profit."
<b>Equity ratio (%)</b>	Equity in relation to total assets.	The measure states the proportion of total assets composed of equity and provides a greater understanding of Mips' capital structure.
<b>Cash flow from operating activities</b>	Cash flow from the primary income-generating operating activities.	The cash-flow measure is used by Executive Management to monitor the cash flow generated by the operating activities.
<b>Last 12 months rolling comparison (LTM)</b>	Indicates net sales and adjusted operating profit as a 12-month period from the most recent quarter.	Provides Executive Management with an indication of performance over time without having to wait to compare with the next calendar year.
<b>Average number of employees</b>	The average number of employees converted to full-time positions.	Converting the number of employees to full-time positions makes the measure comparable over periods and in the event of differences in working hours.

Mips uses certain performance measures that are not defined in the IFRS rules for financial reporting, which Mips applies. The alternative performance measures presented are a complement to the IFRS-defined measures and are used by Mips' management to monitor and control the operations. Accordingly, these

alternative performance measures, as they are defined, are not fully comparable with other companies' performance measures of the same name. For more information regarding the purpose of each alternative performance measurement and financial derivation, please visit [www.mipscorp.com/investors/](http://www.mipscorp.com/investors/)





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# Share information

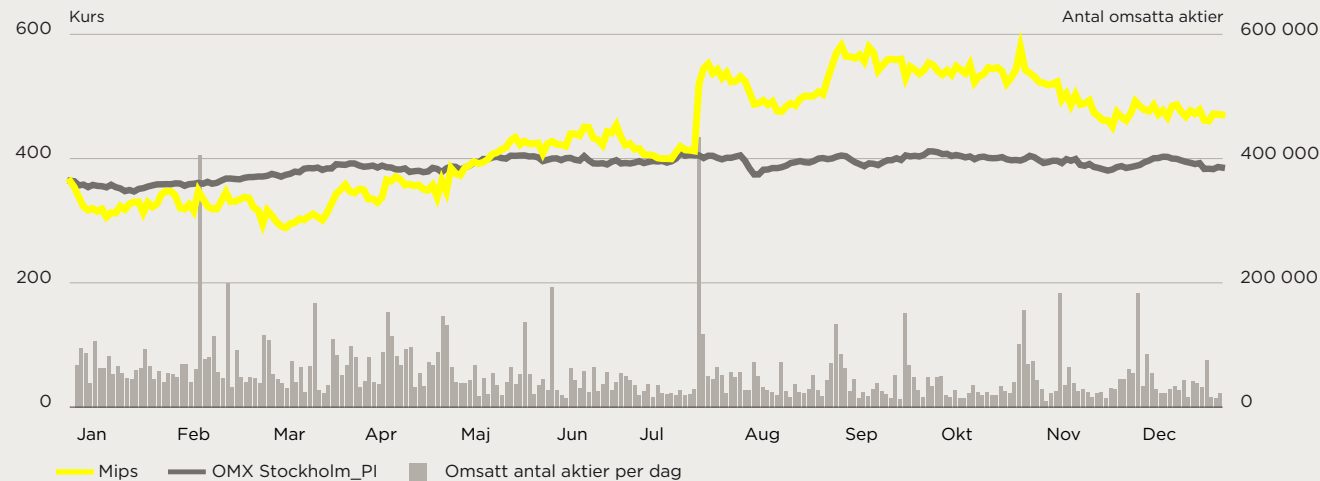
In 2024 the Mips share was listed on Nasdaq Stockholm, Large Cap and as of December 31, 2024 Mips had 16,995 shareholders.

Foreign owners accounted for about 71 percent of the votes and share capital. The ten largest shareholders accounted for approximately 36 percent of the votes and the share capital. The highest price paid in 2024 was SEK 592 and the lowest price paid was SEK 279.

The share capital of Mips amounted to SEK 2,649,112 on December 31, 2024; per the same date, the total number of shares amounted to 26,491,122 shares. According to the company's Articles of Association, the share capital shall amount to a minimum of SEK 2,000,000 and a maximum of SEK 8,000,000 divided between no less than 20,000,000 and no more than 80,000,000 shares. Mips' Articles of Association contain

a central securities depository clause and the company's shares are registered with Euroclear Sweden AB, which means that Euroclear Sweden AB administers the company's share register and registers the shares for individuals. All shares carry equal rights to the company's profits and shares of surpluses in the event of liquidation.

### Aktiens utveckling under 2024



### The ten largest shareholders as of December 31, 2024

Shareholders	Number of shares	Capital	Votes
Handelsbanken Fonder	1,439,956	5.44%	5.44%
Baillie Gifford & Co	1,296,374	4.95%	4.95%
Brown Capital Management, LLC	1,260,449	4.76%	4.76%
Vanguard	1,006,817	3.80%	3.80%
Invesco	996,810	3.76%	3.76%
SEB Investment Management	797,816	3.01%	3.01%
Nissay Asset Management Corporation	763,834	2.88%	2.88%
Swedbank Robur Fonder	729,522	2.75%	2.75%
Spiltan Fonder	681,297	2.57%	2.57%
Capital Group	543,100	2.05%	2.05%
<b>Top 10</b>	<b>9,515,975</b>	<b>35.97%</b>	<b>35.97%</b>
<b>Others</b>	<b>16,975,147</b>	<b>64.03%</b>	<b>64.03%</b>
<b>Total</b>	<b>26,491,122</b>	<b>100%</b>	<b>100.00%</b>





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# Information to shareholders

## Annual General Meeting

The 2025 Annual General Meeting of Mips AB (publ) will take place on Wednesday May 7, 2025 at 10:00, at Mips' headquarters, located at Kemistvägen 1B, Täby. The Board of Directors has resolved that the shareholders may also exercise their voting rights at the AGM through postal voting in advance, in accordance with the regulations of Mips' Articles of Association.

## Right to attend

Shareholders who wish to attend the AGM must:

- Be recorded in the share register kept by Euroclear Sweden AB (the Swedish Central Securities Depository) on Monday April 28, 2025.
- Notify the company of their intention to participate in the AGM by Wednesday April 30, 2025, in accordance with the instructions that will be stated in the notice convening the AGM.

## Nominee-registered shares

Shareholders whose shares are registered in the name of a nominee must have such shares temporarily registered in their own names in the shareholders' register maintained by Euroclear Sweden AB (referred to as voting registration) to be able to participate in the Annual General Meeting. The shareholders' register as of the record date on Monday April 28, 2025 will include voting registrations made no later than Wednesday April 30, 2025. Shareholders should therefore inform their nominees well in advance of this date.

## Financial calendar 2025

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April 24, 2025:	Interim report January–March 2025
May 7, 2025:	2025 Annual General Meeting
July 16, 2025:	Interim report January–June 2025
October 22, 2025:	Interim report January–September 2025

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The Mips logo consists of the word "Mips" in a bold, black, sans-serif font, centered within a bright yellow circle.

**Mips**

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**Mips**

Safety for helmets