2025 | Annual and Sustainability Report

Mips

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Mips' vision

Reduce head injuries - Save more lives

This is Mips

The Mips Group is a global safety company, based in science, operating with an ingredient brand business model that includes the brands Koroyd and Mips. The Group develops innovative safety solutions that are integrated into helmets and other protective products by renowned brands worldwide.

Koroyd specializes in advanced impact protection technology for head and body safety. Koroyd's technology is today implemented in helmets, body protection and gloves.

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, directly or 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 the end user.

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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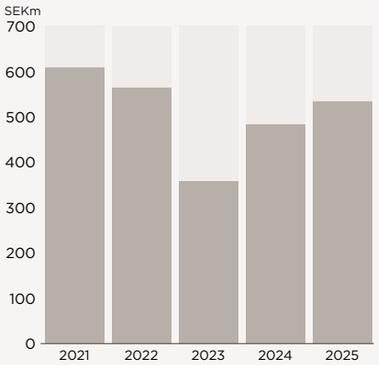
The year in brief

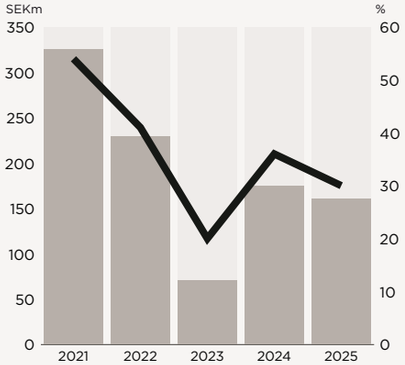
Five-year overview

SEKm	2025	2024	2023	2022	2021
Net sales	533	483	357	563	608
Net sales growth, %	10	35	–37	–7	67
Organic net sales growth, %*	21	35	–39	–19	72
Gross profit	391	350	253	406	445
Gross margin, %	73.4	72.5	70.9	72.1	73.2
Operating profit/loss	156	174	70	229	326
Operating margin, %	29.2	36.1	19.7	40.7	53.6
Operating profit adjusted for items affecting comparability*	160	174	70	229	326
Operating margin adjusted for items affecting comparability, %*	30.1	36.1	19.7	40.7	53.6
Amortization	19	19	18	16	12
EBITDA	175	194	89	245	338
EBITDA margin, %	32.8	40.1	24.8	43.6	55.5
Profit for the year	120	141	64	175	255
Net debt/adjusted EBITDA LTM, x*	0.5	–	–	–	–

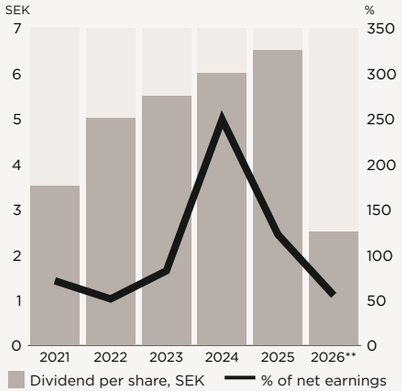
Net sales



Operating profit and operating margin, adjusted for items affecting comparability*



Dividend



* For more information and derivation of adjusted items, please see pages 137-141.

** Proposed dividend for 2025

SEK 533m
Net sales 2025

SEK 156m
Operating profit 2025

29%
Operating margin 2025

55%
Distribution of net earnings 2025**

Mips acquired Koroyd in December 2025 and strengthened its world-leading portfolio in helmet safety. As of 31 December 2025, the acquisition has been consolidated.

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→ Financial performance during the year
Net sales for the year amounted to SEK 533m (483), an increase of 10 percent. Organic growth was at 21 percent after adjustments for exchange rate effects. The increase in net sales is mainly due to higher sales in the bike sub-category.

Gross profit increased by 12 percent to SEK 391m (350). Gross margin amounted to 73.4 percent (72.5) where the increase mainly is an effect of increase in net sales.

Operating profit decreased to SEK 156m (174), corresponding to an operating margin of 29.2 percent (36.1). The decrease in operating profit is mainly explained by legal costs and the negative exchange rate effects. Operating profit adjusted for items affecting comparability amounted to SEK 160m (174) and the operating margin adjusted for items affecting comparability was 30.1 percent (36.1). Items affecting comparability consist of costs related to the acquisition of Koroyd amounting to SEK 5m.

Profit for the period was SEK 120m (141). Diluted earnings per share amounted to SEK 4.53 (5.32).

Cash flow from operating activities amounted to SEK 148m (142).
Cash flow from investing activities amounted to SEK –429m (–10), where the change mainly is attributable to the acquisition of the subsidiaries Koroyd SARL and SCP George TFE of SEK –412m. Cash flow from financing activities amounted to SEK 124m (–162), mainly attributable to obtained loan of SEK 300m (–) and dividend payment of SEK –172m (–159).

The Board of Directors proposes a dividend of SEK 2.50 (6.50) per share for 2025, corresponding to 55 percent of the net earnings for the year.

→ Good progress in sustainability
During 2025 Mips took further important strategic steps towards a more sustainable business.

The company has reduced its greenhouse gas emissions per product sold by 49 percent compared to the base year 2021.

Mips has also continued the transition to recycled materials in its products and the percentage of recycled material in Mips' sold products was an average of 34 percent in 2025.

During the year, the company continued to conduct audits of its manufacturing suppliers which show a high level of compliance with the Code of Conduct and a further improvement compared to previous year. In 2025, Mips achieved an average score of 94 out of 100 possible in sustainability audits, meaning that Mips not only exceeded its 2025 target, which was 88, but also its 2030 target of an average score of at least 90.

→ Mips acquired Koroyd
On 18 December, Mips acquired all the shares of Koroyd SARL and SCP George TFE (collectively referred to as "Koroyd"). Koroyd, based in Monaco, is a pioneer in the development of advanced impact protection technologies for head and body safety. In 2025, Koroyd had sales of approximately SEK 120m and an adjusted EBITDA of about SEK 55m.

The purchase price was EUR 40m on a cash and debt free basis, with an additional purchase consideration of up to EUR 25m if certain performance targets are met, corresponding to a multiple of 8x EBITDA and 13x EBITDA respectively. The acquisition was financed through existing cash and a new credit facility.

The acquisition of Koroyd marks another important step in Mips' long-term strategy to strengthen our position as the leader in helmet safety. This acquisition positions the group uniquely in the market and enables interesting entries into other adjacent product areas. The acquisition is in line with our strategy and also serves as a springboard into adjacent product safety areas. Koroyd was founded in 2010 around the mission of engineering a safer tomorrow. Today its technology portfolio has diversified into a multi-dimensional energy management platform that spans head protection, body and hand protection in verticals that include sport, motorsport, defence, industrial safety and child restraint systems. Koroyd will be operated as a separate brand.

As of 31 December 2025, Koroyd has been consolidated. An integration of Koroyd into the strategy will be carried out in 2026.

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Message from the CEO

Good performance in a challenging year

I am proud that we delivered a solid organic growth of 21 percent in 2025. We continue to show strong momentum in Europe, continue to win market share in the European market and our European helmet brands are equipping more and more helmet models with Mips' safety system. On our large US market, the market dynamics were challenging. Sales to our customers was volatile due to the US tariff uncertainties during the year. Despite this, we succeeded in delivering organic growth even on the US market. When we summarize the year globally, we saw continued healthy progress in all our categories.

I am very excited about the prospects that the acquisition of Koroyd, finalized in December, as it opens the door to new strategic long-term opportunities for us. Koroyd's main business is currently in helmets, but has recently also launched products in related categories such as body protection, protective gloves and footwear. Koroyd shares many similarities with Mips, particularly in terms of its business model, organization and culture and, like Mips, has historically invested heavily in research and development to ensure that it is at the forefront of its business areas.

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The underlying performance of the group remains strong, but the Swedish krona has had a major negative impact on earnings during the year, compared with the prior year.

We are continuing our proactive long-term marketing efforts centered on working with our customers and ambassadors to raise awareness of helmet safety and what Mips' solutions entail and were delighted to welcome the most successful Alpine skier in history, Mikaela Shiffrin, as a Mips ambassador in the beginning of 2026. Mikaela will be an important part of our continued efforts to raise global awareness of Mips.

The geopolitical situation throughout the year remained unpredictable, and we saw a clear impact from the US tariffs, which resulted in volatile sales development. This was because US customers were at times cautious in placing orders, mainly because they were uncertain whether the announced tariffs would become permanent or were only of temporary nature. Toward the end of the year, however, we saw that our North American customers had implemented the necessary price increases to offset the cost increases caused by the tariffs, and they returned to more historical purchasing patterns.

During the year, Mips has incurred significant costs due to a patent-related dispute which one of Mips' US customers is a party to. As previously communicated, Mips is not a party to the lawsuit, but since the suit concerns areas where Mips has intellectual property rights, being an important cornerstone of our brand strength, Mips has chosen to engage. Mips will therefore continue to support its customer in this lawsuit in 2026, similar to how Mips have acted in 2025, to best serve its customers' interests, as well as its own. Mips' own intellectual property rights are not part of this suit.

Strong position on the European market
During the year, we saw continued strong momentum in Europe where we have gained market share. We grew organically in Europe by more than 50 percent in 2025, and the European share of total Group sales amounted to 43 percent. It is encouraging to see that the Mips safety system has now become such an essential part of many helmet brands' safety efforts in Europe too.

Koroyd – exciting acquisition in line with our strategic plan
In December we acquired all the shares of Koroyd. The company offers solutions for improved impact absorption in various types of protective products and had a turnover of approximately SEK 120m in the last financial year. Koroyd is a good complement to Mips' offering and reinforces two of Mips' three strategic pillars, namely open up new channels and markets and capture new opportunities within helmet safety. We are confident that Koroyd and the 30 new colleagues we are welcoming to the Group will contribute to a continued increase in both net sales and profits for the Group.

The Mips and Koroyd brands will continue to be run separately, under their respective strong management teams, but together we see exciting synergies, especially in product development and marketing, as well as strength in combining knowledge from two innovation-driven companies. This acquisition expands our range in advanced protection solutions and helps us to further advance towards safer products for consumers and professional users. It is a key part of realizing our vision to reduce head injuries and save more lives, as well as our ambition to position Mips as a leader in helmet safety that makes a difference for as many people as possible.

> Koroyd – exciting acquisition in line with our strategic plan"

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Sustainability – we have taken additional steps towards our long-term targets
During the year, we have continued to make good progress towards achieving our long-term targets in our sustainability work.

One of our targets for the year was to reduce Mips' carbon dioxide emissions by 47 percent per product sold compared to the base year 2021, and I am delighted to see that we managed to reduce emissions per product sold by 49 percent in total.

We have also continued our effort to increase the usage of recycled materials in our products, and in 2025 the share of recycled materials in the company's sold products averaged 34 percent.

In 2025, we continued to carry out audits of our manufacturing suppliers. The results are showing a high level of compliance with our Code of Conduct and a continued improvement compared to previous years. During the year, an average score of 94 out of 100 possible was achieved in sustainability audits, meaning that Mips not only exceeded its 2025 target, which was 88, but also its 2030 target of an average score of at least 90.

Helmet category Sports - continued stable growth in bike
The Sports helmet category progressed very well during the year with organic growth of 20 percent, mainly driven by the European market, where the bike-helmet market in particular developed well.

The positive trend in the bike sub-category persisted throughout the year and we have now shown growth for nine consecutive quarters in this important market for Mips.

Helmet category Motorcycle - good end to the year and positive developments ahead
Organic sales in the Motorcycle category increased by 22 percent during the year and the category performed well, despite the significant impact of US tariffs, particularly in the second quarter. Looking ahead, we see great opportunities for continued positive developments in this category both through innovation and through a further rise in the awareness of Mips within the category.

Helmet category Safety - well positioned for ongoing growth
In the Safety category, we achieved organic growth of 42 percent during the year. The US tariffs had a significant impact on sales development in 2025 but now that the tariff situation seems to have normalized, our assessment is that the share of customer's helmet models equipped with Mips' safety system will once again increase, and that our solid growth rate in this category will continue going forward.

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> We continue to grow in all our categories and gaining market share”

Looking forward to continuing our journey
I am very pleased and grateful for the commitment and passion shown by Mips employees during the year. We are facing an erratic and challenging market, but despite this, we collaborate, both internally and with our partners, to make the world safer by equipping more helmets with the Mips safety system.

Bolstered by solid progress and a strong market position, I am looking forward to continuing our positive trajectory in 2026. We continue to grow in all our categories, gaining market share and strengthening our market position. Our innovation pipeline is bigger than ever, and with the acquisition of Koroyd we have the opportunity to become even more relevant to our customers, as well as enter completely new areas for Mips. With this in mind, I look forward to what 2026 has to offer, even in these still uncertain times.

Stockholm, March 2026

Max Strandwitz
President and CEO

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Mips' strategic foundation

Vision

Reduce head injuries – Save more lives

Ambition

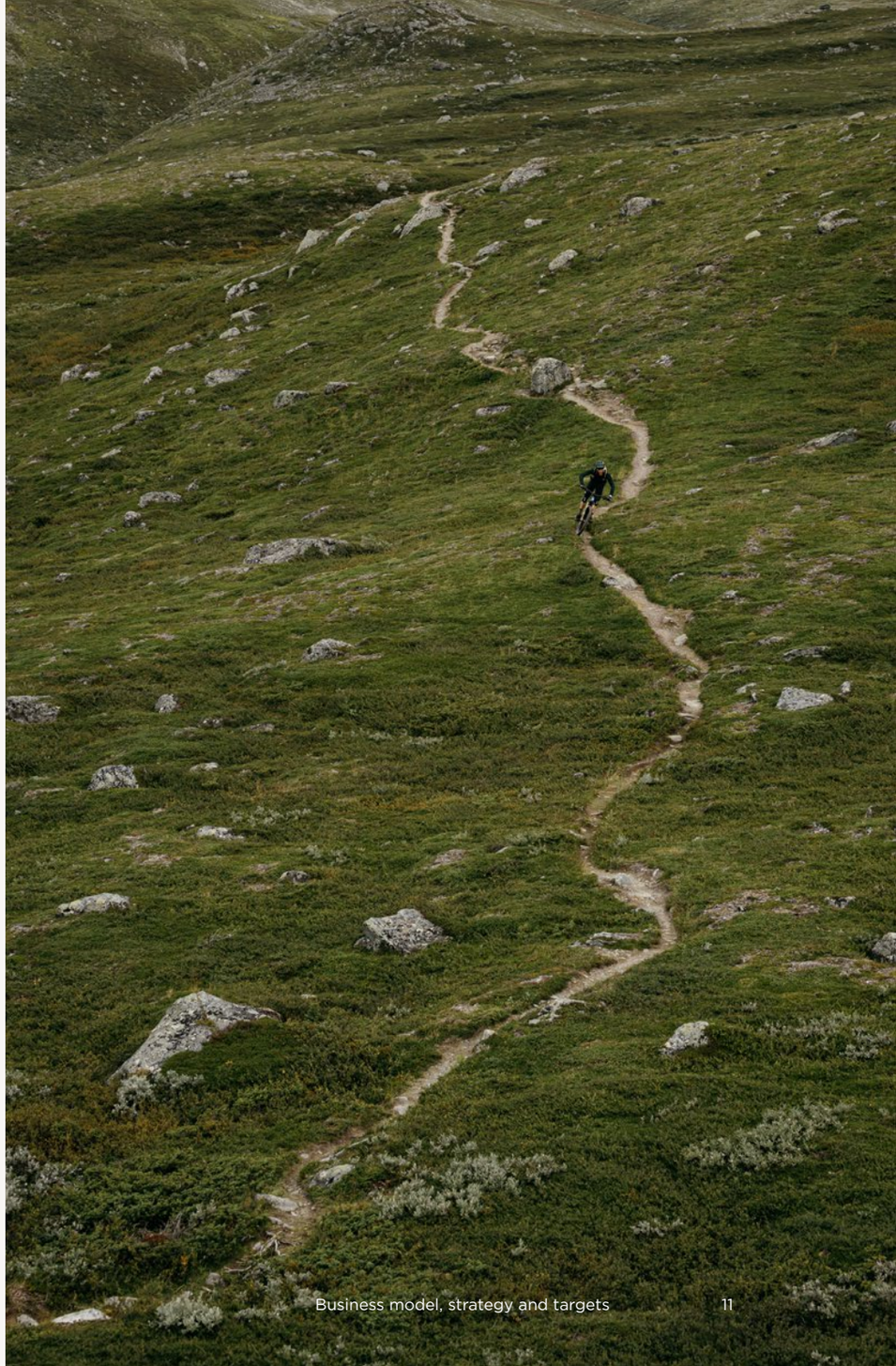
Mips' strategic ambition is to increase the safety of everyone who wears a helmet.

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 31, and about Mips' research and development on page 36.

The acquisition of Koroyd marks another important step in Mips' long-term strategy to strengthen our position as the leader in helmet safety. This acquisition positions the group uniquely in the market and enables interesting entries into other adjacent product areas. The acquisition is in line with our strategy and also serves as a springboard into adjacent product safety areas. Koroyd was founded in 2010 around the mission of engineering a safer tomorrow. Today its technology portfolio has diversified into a multi-dimensional energy management platform that spans head protection, body and hand protection in verticals that include sport, motorsport, defence, industrial safety and child restraint systems. Koroyd will be operated as a separate brand.



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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
- Around 110 employees with different specialist skills

Capital
- Equity of SEK 562m

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
- Wide range of products to meet the needs of different types of helmet users.

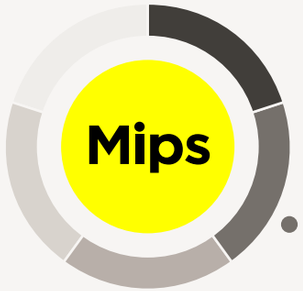
IP portfolio
- Broad portfolio of patents including around 60 patent families and more than 400 granted patents

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

Communication and sales to users
Mainly via helmet brands, but also some direct communication

Manufacturing and quality control
Around 90 partners manufacture, assemble, or both manufacture and assemble Mips' solutions, mainly in Asia. Office in China to ensure high quality, proximity, and sustainable manufacturing



Sales to helmet brands in several categories
Mips has a broad customer base (more than 150 customers) and long customer relationships

Research and development
Own research and development, and collaboration with universities and research institutes

Implementation
Testing and implementation of new helmet models is done in Mips' physical lab in Sweden and test facility in China with around 100,000 tests carried out so far. Testing is also done in Mips' Virtual Test Lab with around 150,000 tests so far.

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 29% in 2025. 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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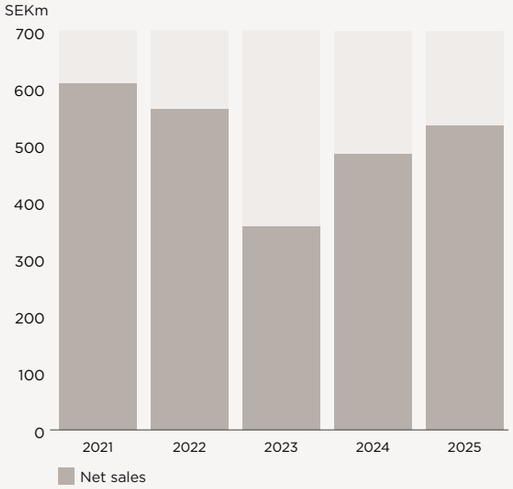
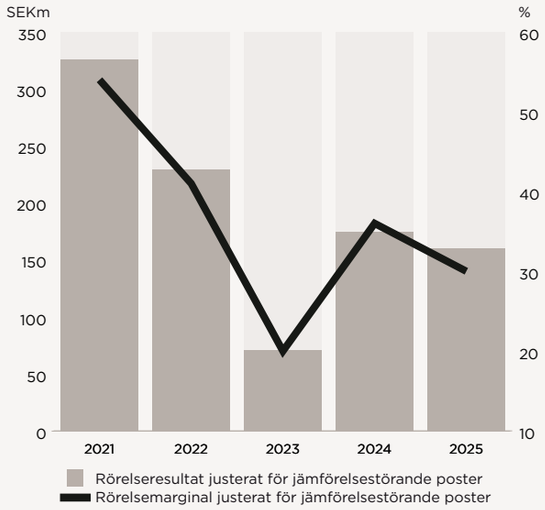
Financial targets

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:

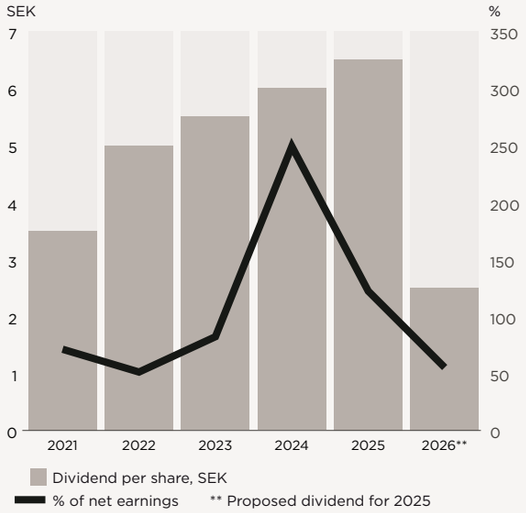
Net sales



Operating profit and operating margin, adjusted for items affecting comparability*



Dividend



Growth

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

Profitability

Achieve an operating margin (EBIT) of >50%

* For information and derivation of adjusted items, please see pages 137-141.

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 2025 the Board of Directors proposes a dividend of SEK 2.50 (6.50) per share, which corresponds to 55 percent of Mips' net earnings for 2025.

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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 products 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' products are divided into three solution types: Mounted Solutions, Padding Solutions and Integrated Solutions. This shows that Mips has a wide range of products to address its focus markets.

More information is available on page 32 onwards.

Business model, strategy and targets

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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 around 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.

More information is available on page 36 onwards.

→ 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 continuous 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 also used to model the enitre helmet against applicable helmet standards. 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.

More information is available on page 36 onwards.

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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.

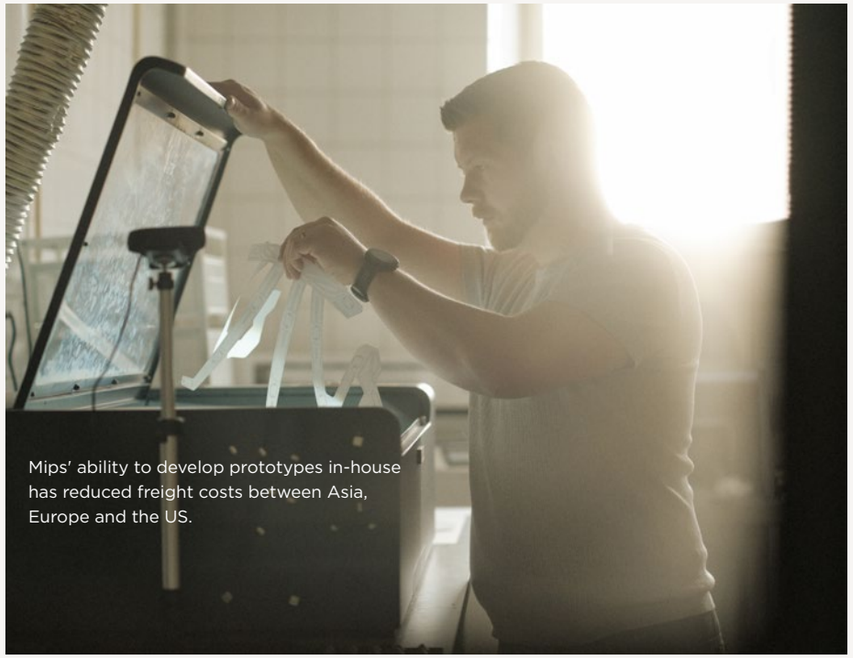
Science-based targets

Outcome for 2025

Reduced emissions per product sold by an average of 49% compared with the 2021 base year.

Target 2026

Reduce emissions per product sold by an average of 55% compared with the 2021 base year.



Mips' ability to develop prototypes in-house has reduced freight costs between Asia, Europe and the US.

→ Boost growth and reduce climate impact

Recognizing the challenge the world faces in limiting climate impacts, 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 compared to the base year of 2021. As the company's financial targets require a significant increase in sales volume over the same period, this reduction can only be achieved if emissions per unit sold are drastically reduced. Mips has thus set a target to reduce emissions per unit sold by 90% by 2030 compared to the base year of 2021. 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' products.

In 2025, Mips followed its plan to replace virgin raw materials with recycled materials, and encouraged energy-efficiency improvements and the installation of renewable energy at its manufacturing suppliers. This has resulted in a decrease in the average greenhouse gas emissions per product sold of 49 percent since 2021. Mips thereby exceeded its 2025 target to reduce emissions by 47 percent. Mips' target for 2026 is to have reduced emissions per product sold by 55 percent since the 2021 base year. In total, Mips has reduced Scope 1, 2 and 3 greenhouse gas emissions by 61 percent since the 2021 base year.

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UN Global Compact

Outcome for 2025

Achieved an average score of 94 out of 100 possible in sustainability audits of manufacturing suppliers.

Target 2026

Maintain at least 90 as an average score in sustainability audits of manufacturing suppliers.

→Sustainable value chain and manufacturing

Mips has committed to adhere to the UN Global Compact and its ten principles on human rights, labour, the environment and anti-corruption. The company does not manufacture its own products, it uses only external suppliers for manufacturing. Mips believes it has an important role in ensuring that the ten principles of the UN Global Compact are respected in the company's 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 live up to the same core values in terms of working environment, human rights, the environment, and anti-corruption, Mips audits all manufacturing suppliers least every other year. These audits are carried out partly by our own staff and partly by independent external audit firms.

The audit process assesses and scores how well each supplier fulfils requirements in social and environmental areas. The total score is added up and can be a maximum of 100 points. The average takes into account the extent of the order volume Mips' places with each supplier. Thus, target fulfilment is affected by the extent to which Mips takes sustainability into account when selecting suppliers, which also creates an incentive for suppliers to achieve good sustainability performance.

In 2025, Mips achieved an average score of 94 out of 100 possible in sustainability audits, meaning that Mips not only exceeded its 2025 target, which was 88, but also its 2030 target of an average score of at least 90. The target for 2026 and beyond is to maintain a score above 90.

More information on this is available from page 125 onwards.

Circular product offering

Outcome for 2025

Achieved 34% recycled content in Mips' sold products.

Target 2026

Achieve 44% recycled content in Mips' sold products.

→ Supply sustainable products with a smaller environmental impact

Mips' ambition is that its products are resource-efficient, circular and have a low carbon footprint.

The majority of Mips' products 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 several of Mips' technologies. Mips is actively working to improve resource efficiency and reduce the use of virgin plastic.

During the year, Mips continued its efforts to switch to using post-industrial recycled polycarbonate, which resulted in all large manufacturers of Mips polycarbonate products now using post-industrial recycled polycarbonate. In close collaboration with the company's suppliers, several initiatives have been carried out during the year, resulting in waste from the production of Mips' products being collected, recycled, and used as raw material in new Mips products.

During the year, development and testing has also been carried out that has resulted in materials being replaced with materials that have a lower carbon footprint and that can be recycled.

Before material replacement takes place, extensive testing is carried out to ensure the same level of functionality, longevity, durability and product safety are retained.

The target for 2025 was to increase the content of recycled material in Mips' products by at least 37 percent, compared with the prior year. This objective was not achieved despite extensive measures being implemented. The share of recycled material for the year as a whole was 34 percent.

The measures implemented will have an impact, in particular in 2026 and beyond. For 2026, the target is to achieve 44 percent recycled material in Mips' sold products. The long-term target in this area is to achieve 90 percent recycled material by 2030.

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Mips' sustainability agenda

Mips' approach and sustainability strategy

By providing responsibly produced products that protect against head injuries and enable active and healthy lifestyles, Mips wants to do its part to bring about thriving communities, healthy cities and a sustainable planet. For Mips, safety and sustainability are not separate priorities - they are both central to the company's strategy and to the daily work of its employees.

While Mips is a small company, it is a global leader in its field. Just as Mips' products 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
For Mips and many of Mips' stakeholders, sustainability is an important part of the business. Mips' ability to keeping 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 research institutions, suppliers, customers and partners to save lives, to limit climate and environmental impact as far 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' products 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 products, it is particularly important to ensure that human rights are respected and that work 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 products lead to a more sustainable and healthy society through improved 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 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 129 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 is built 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 focus from only addressing rotational motion protection to also addressing solutions for optimizing helmet performance more broadly.

The acquisition of Koroyd marks another important step in Mips' long-term strategy to strengthen our position as the leader in helmet safety. This acquisition positions the group uniquely in the market and enables interesting entries into other adjacent product areas. The acquisition is in line with our strategy and also serves as a spring-board into adjacent product safety areas. Koroyd was founded in 2010 around the mission of engineering a safer tomorrow. Today its technology portfolio has diversified into a multi-dimensional energy management platform that spans head protection, body and hand protection in verticals that include sport, motorsport, defence, industrial safety and child restraint systems. Koroyd will be operated as a separate brand.

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.

Mips' focus market

45

million helmets

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.

Mips' focus market

40

million helmets

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

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 are riding 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 acquisition of Koroyd marks another important step in Mips' long-term strategy to strengthen our position as the leader in helmet safety. This acquisition positions the group uniquely in the market and enables interesting entries into other adjacent product areas. The acquisition is in line with our strategy and also serves as a springboard into adjacent product safety areas.

As of 31 December 2025, Koroyd has been consolidated and has therefore not been included in this section. An integration of Koroyd into the strategy will be carried out in 2026.

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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 within several helmet segments, which will lead to a change in the requirements for these helmets.

A new version of the European standard for industrial helmets, EN397, was published in 2025. The introduction to the standard mentions the importance of rotation as an injury mechanism and the possibility of including oblique impact testing in future revisions.

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 (ECE 22.06), 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.

Theses 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. Helmet inventory levels have normalised and customers are once again starting to order products from Mips, rather than taking from their own stocks. There is an evolving global trade landscape and a volatile macroeconomic situation. Despite this, Mips has shown strong performance, mainly driven by the European market. Mips assesses that the long-term growth opportunities in the bike sub-category are solid. 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, 2025

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
Total	**65**	**45**
On-road	78	34
Off-road	7	6
Total	**85**	**40**
Industrial	390	100
LEAF	10	10
Total	**400**	**110**
Total	**550**	**195**

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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
Snow helmets 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 worldwide, 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 aftermarket, 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

Creating the conditions for a strong and sustainable culture

The task of Mips' culture committee is to nurture and further develop the company's strong and unique culture. The group, which consists of employees from different parts of the organization as well as the HR Manager, is tasked with bringing Mips' values to life. These are: We dare, We care and We share.

In 2025, the culture committee focused on further deepening our cultural efforts and creating concrete ways for staff to live our values in everyday life. This included encouraging being brave and learning by creating an environment where it is okay to try new things and learn from mistakes, as well as strengthening collaboration and knowledge sharing between teams.

Through its work, the Culture Committee contributes to Mips achieving its social sustainability goal - to create a workplace where people enjoy being, grow and feel involved. A strong culture, built on courage, caring and collaboration, is a prerequisite for Mips to continue to be an attractive employer and an innovative and responsible player in our industry.

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 ourself 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 collaborate 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 43 percent (40 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. A couple of years ago, 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 100,000 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 around 150,000 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 June 2025, Mips introduced a new event concept for the European market to enhance brand awareness and deepen brand engagement among helmet users. In 2025, Mips also launched "Spot the Difference", a long-term creative concept developed to strengthen the brand's position in helmet safety and to further emphasize the value of the yellow Mips logo. Read more about these two initiatives on pages 38 and 39.

A selection of the active helmet brands in 2025

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

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Mips products

All Mips products fulfil the same safety criteria. Mips offers a wide range of products to meet the needs of different types of helmet users. Mips products are divided into three solution types: Mounted Solutions, Padding Solutions and Integrated Solutions.

Mounted Solutions

These Mips solutions consist of a separate low friction layer that is mounted inside the helmet. The low friction layer allows for controlled movement between the helmet and the head during certain angled impacts, while maintaining the original fit and design of the helmet.

Mips | EVOLVE CORE

Mips leading safety system for helmets

Mips® Evolve Core system 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 | 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.

NEW

Mips | EVOLVE PRO

Innovative design and increased comfort for demanding work environments

With the Mips® Evolve Pro system, Mips is enhancing its offering for helmets used in construction, works facilities and industry. Through innovative materials and design solutions for improved comfort and ventilation in the helmet, Mips helps increase safety in many situations and create a better working environment while enhancing the company's offering in personal protective equipment.

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.

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Padding Solutions

In these Mips solutions, the low-friction layer is incorporated into the padding. The integrated design combines comfort, ventilation and rotational protection, allowing for smooth implementation in a wide range of helmets.

INTEGRA TX

Extra comfortable safety

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.

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 purpose of this is to reduce rotational motion to the head in certain angled impacts.

NEW

AIR NODE PRO

Advanced design for optimal comfort

Mips® Air Node Pro is designed to meet the highest demands in cycling. The product provides increased comfort through effective moisture management. It is made from new materials and innovative solutions, such as channels that remove moisture and replaceable comfort inserts.

Integrated Solutions

Mips low-friction layers are incorporated into the helmet design in the following solutions. This provides a completely seamless form of rotational protection for optimised performance, with minimal impact on helmet fit and appearance.

INTEGRA SPLIT

A ground-breaking combination of energy absorption and reduced friction.

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.

INTEGRA FUSE

A premium solution with complete integration

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.

SPHERICAL

Two-piece design using a ball-and-socket principle

Mips® Spherical is a two-piece energy-absorbing liner. It consists of a spherical piece and a pseudo-spherical piece that are layered on top of each other and can move independently of each other. The design allows integration of the Mips system between different EPS layers in a helmet, making the Mips system almost invisible in the helmet.

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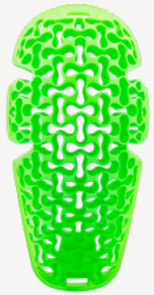
Koroyds products

Koroyd has a technology portfolio which is diversified into a multi-dimensional energy management platform that spans head, body and hand protection in verticals that include areas such as sport, motorsport, defence and industrial safety.



LOW IMPACT ENERGY → HIGH IMPACT ENERGY

Hand protection

Engineered for applications that demand both flexibility and reliable multi-impact protection, supporting ergonomic, lightweight designs that minimise fatigue and maximise freedom of movement.

Applications: Gloves, hand and joint protection and PPE requiring impact performance and flexibility.

Body protection

Patented auxetic structure and custom TPE formulation each guard flexes and stretches in sync with your joints as they extend and contract, delivering a new benchmark for mobility and wearability.

Applications: Mountain biking, skiing, motorsports, tactical gear, and action sports requiring movement-first impact protection.

Head protection

High-performance impact protection by absorbing energy in a controlled, manner – reducing peak forces and reducing the risk of injury. Open-cell construction enhances ventilation and enables lightweight, low-profile designs.

Applications: Helmets, child restraint systems, and ballistic vests where low weight, breathability, and peak performance are essential.

KOROYD

View Koroyd's product portfolio at koroyd.com/products

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Mips' product and service 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.

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The research behind Mips, ongoing research and development

Mips' safety system
Mips' safety system is designed to add safety in many impacts with focus on rotational motion. The brain is sensitive to rotational motion. Therefore, rotational motion increase the risk of different types of brain injuries.

In connection with certain types of impact, Mips' safety system has shown, during testing in Mips' test lab, a reduction of rotational motion to the head 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 some of the rotational motion that might otherwise be transferred to the head. 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 biomechanical 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' 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 develop new products and implement improved production methods, as well as improve existing solutions and established concepts.
3. **Development of new helmet models –** based on the customers' product development, with Mips providing customer support for design and technology for the development of the entire helmet. 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 around 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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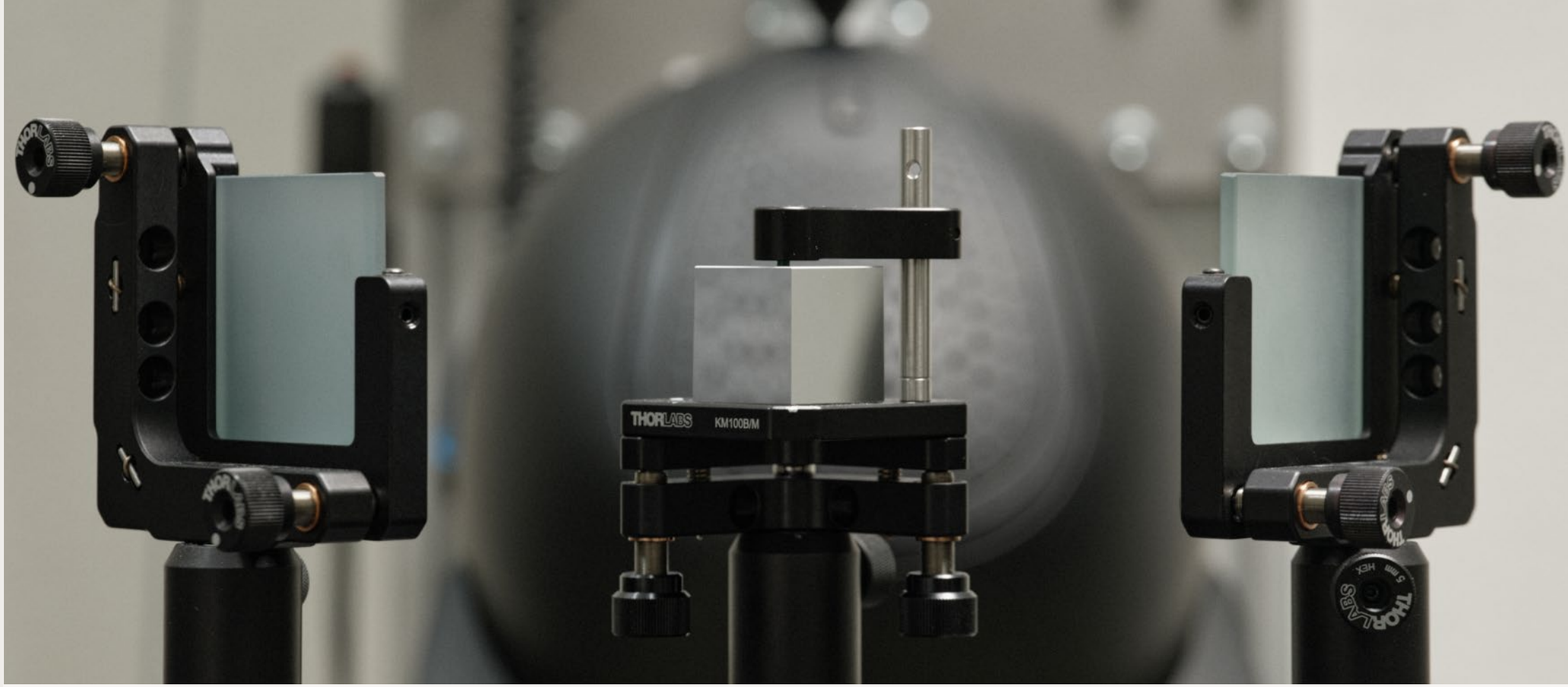

Virtual Test Lab

FEM (Finite Element Method)

Mips continues to use the FEM method in its modelling. There were several steps forward in development during the year with a focus on improving the quality of the calculation and material models to gain an even greater ability to predict the behavior of a helmet upon impact. Further, FEM is used to model the entire helmet against applicable helmet standards. 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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Consumer focus

Close collaboration with our customers and our consumers

In 2025, Mips introduced a new event concept for the European market to enhance brand awareness and deepen brand engagement among helmet users. The initiative marks a significant step in the company's strategy to become more consumer-focused and to increase brand visibility. The new mobile event approach makes it possible to take the brand experience directly to the events and locations where consumers are already present. This allows for more specific consumer targeting and direct interaction with helmet users through practical demonstrations of the Mips safety system. The concept was launched during the MXGP race in Lommel, Belgium, during summer 2025, where it received a very positive reception from both partners and helmet users.

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Creative concept

Spot the Difference

In 2025, Mips launched "Spot the Difference", a long-term creative concept developed to strengthen the brand's position in helmet safety and to further emphasize the value of the yellow Mips logo. The concept emphasizes Mips' authenticity as an innovative, science-based brand while clearly demonstrating its relevance to helmet users in their everyday lives.

The concept has been developed as an overarching, cross-category initiative and is integrated into both B2B and B2C communications. In the Safety category, Spot the Difference was launched as a paid media campaign in the US to increase brand awareness in the construction industry. For the Sports and Motorcycle categories, the concept was used in 2025 on social media as well as at events and trade shows, which boosted brand visibility and engagement among customers and helmet users in the key markets of the US and Europe.

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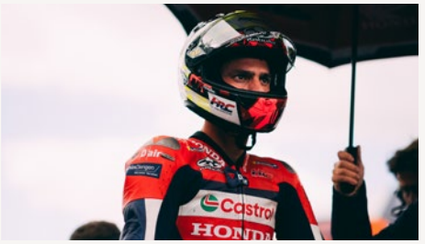
Team Mips

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.

Marion Haerty
Marion Haerty is a leading figure in the freeride discipline of snowboarding, with four Freeride World Tour titles. She has redefined women's big mountain snowboarding by combining style, strength, and consistent performance in some of the world's most demanding mountain environments.



Joan Mir
Joan Mir is one of the most accomplished drivers in her sport. With one World Champion title from Moto3 and one from MotoGP, Mir continues to show her capabilities and inspire fans, proof that a true champion never stops evolving.

Jorge Prado
Jorge Prado is one of today's most celebrated motocross drivers, known for explosive starts and a relentless drive. After winning the World Champion title in both MX2 and MXGP, Prado made the leap to the demanding American Supercross and Pro Motocross scene in 2025.

Brandon Semenuk
Brandon Semenuk is an icon of freeride mountain biking, with five Red Bull Rampage victories, three overall FMB World Tour wins and a X-Games gold. In recent years, he has also established himself as a successful rally driver.

Team Honda HRC MXGP
Honda HRC MXGP is one of the most iconic names in mototcross. Over the years, the team has produced some of the best and most high-profile drivers in history, with team members including Tim Gajser, Rubén Fernández, Valerio Lata, and Ferruccio Zanchi. From world titles to podium breakthroughs, the team reflects a tradition of winner mentality and innovation that continues to inspire drivers and fans around the world.

Team SCOTT-SRAM
Team SCOTT-SRAM combines heritage and future within XC cycling. Nino Schurter – one of the sport's most prominent cyclists – ended his World Cup career in 2025, but will remain active in cycling. With Filippo Colombo, Andri Frischknecht, Emilly Johnston, Bjorn Riley and Fabio Püntener, the team represents a unique combination of talent that continues to shape the future of mountain biking.

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New ambassador

Mikaela Shiffrin

Mikaela is the world's most successful alpine athlete of all time, with more World Cup victories than any other skier in history. She is one of the strongest voices in sport, an inspiration to current and future athletes at all levels. As a renowned advocate for health and safety, she personifies Mips' mission to lead the world towards safer helmets.

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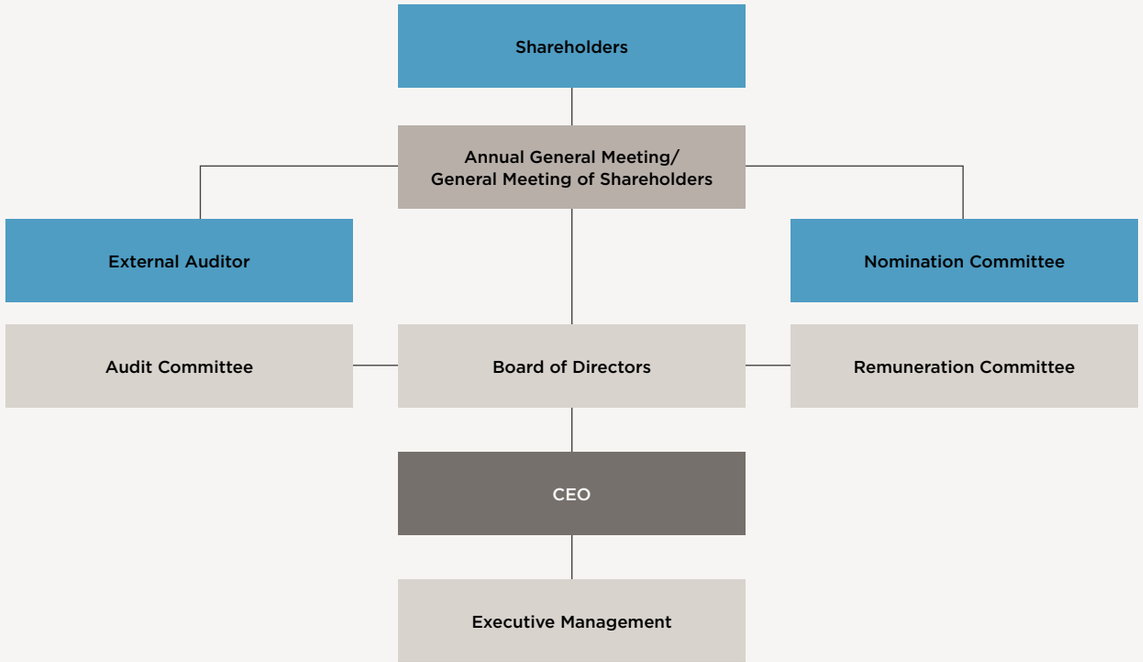
Corporate Governance Report

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 2025.

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 2025, 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 31 December 2025 Mips had about 17,500 shareholders. Of the total number of shares, approximately 60 percent were held by foreign shareholders. Handelsbanken Fonder was the single largest owner, with a holding of approximately 7.01 percent of the share capital and votes as of December 31, 2025. Brown Capital Management, LLC was the second largest shareholder with a holding of approximately 5.62 percent of the share capital and Vanguard was the third largest with a holding of approximately 4.05 percent of the share capital as of the same date. Additional information about the share and shareholders can be found on page 142, as well as on the company's website, 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 2025, 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.

2026 Annual General Meeting
Mips' 2026 AGM will be held on Thursday April 23, 2026 in Täby. For more information, visit 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 chair of the Nomination Committee.

According to the instructions, the duties of the Nomination Committee include submitting proposals to the AGM on:
- Chair 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 2026 AGM was published on September 29, 2025. The members of the Nomination Committee and respective nominating shareholders for the 2026 AGM are:

Member	Nominating shareholder
Suzanne Sandler, Chair	Handelsbanken Fonder
Gustaf Runius	SEB Fonder
Celia Grip	Swedbank Robur 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 2026 AGM, the Nomination Committee will announce its recommendations in the notice convening the AGM, which will be published on or around March 20, 2026.

Auditors
The 2025 AGM elected KPMG AB as auditors of the company until the end of the 2026 AGM.

In accordance with a resolution adopted at the AGM, the auditor's fee until the 2026 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 VAT and tax questions concerning supply chain in Vietnam.

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 does not contain any provisions on the appointment and dismissal of Board members.

At the proposal of the Nomination Committee, the 2025 AGM re-elected Magnus Welander, Jonas Rahmn, Jenny Rosberg, Thomas Bräutigam, Maria Hedengren, and Anna Hällövas as Board members, and Magnus Welander was reelected to serve as the Chair.

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 Chair 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 Board of Directors follows a yearly plan which, in addition

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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 Mips' CEO. The Board of Directors also decides on major investments and changes to the Group's organization and operations.

The Chair of the Board monitors the company's performance, in close collaboration with the CEO, and convenes Board meetings. The Chair 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 2025 include the company's sustainability work (including the sustainability strategy and double materiality assessment), the company's strategy and long-term plan, industry trends, the US Administration's communications about tariffs, relevant macroeconomic trends and other external factors such as geopolitical events, organisational planning, legal matters (including disputes) and acquisitions, particularly regarding the acquisition of Koroyd that was completed by the company in December 2025. 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 Chair 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 Chair 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, 2025 resolved that a fee of SEK 850,000 shall be paid to the Chair of the Board and SEK 350,000 to each of the other members of the Board. For work in the Audit Committee, the Chair is paid SEK 160,000 and the other member receives SEK 80,000. For work in the Remuneration Committee, the Chair is paid SEK 60,000 and the other member receives SEK 30,000.

Board meetings

During the year the Board held 15 meetings including five physical meetings, nine 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 Mips' 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 auditor 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

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
Chair							
Magnus Welander*	2019	910	Yes	Yes	13/15		3/3
Members							
Thomas Bräutigam	2021	350	Yes	Yes	15/15		
Maria Hedengren	2022	430	Yes	Yes	14/15	7/7	
Anna Hällöv	2022	380	Yes	Yes	14/15		2/3**
Jonas Rahmn	2012	350	Yes	Yes	15/15		1/3**
Jenny Rosberg	2018	510	Yes	Yes	15/15	7/7	

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

** At the 2025 AGM, Jonas Rahmn stepped down from his role as member of the Remuneration Committee and Anna Hällöv took over as member of the Remuneration Committee.

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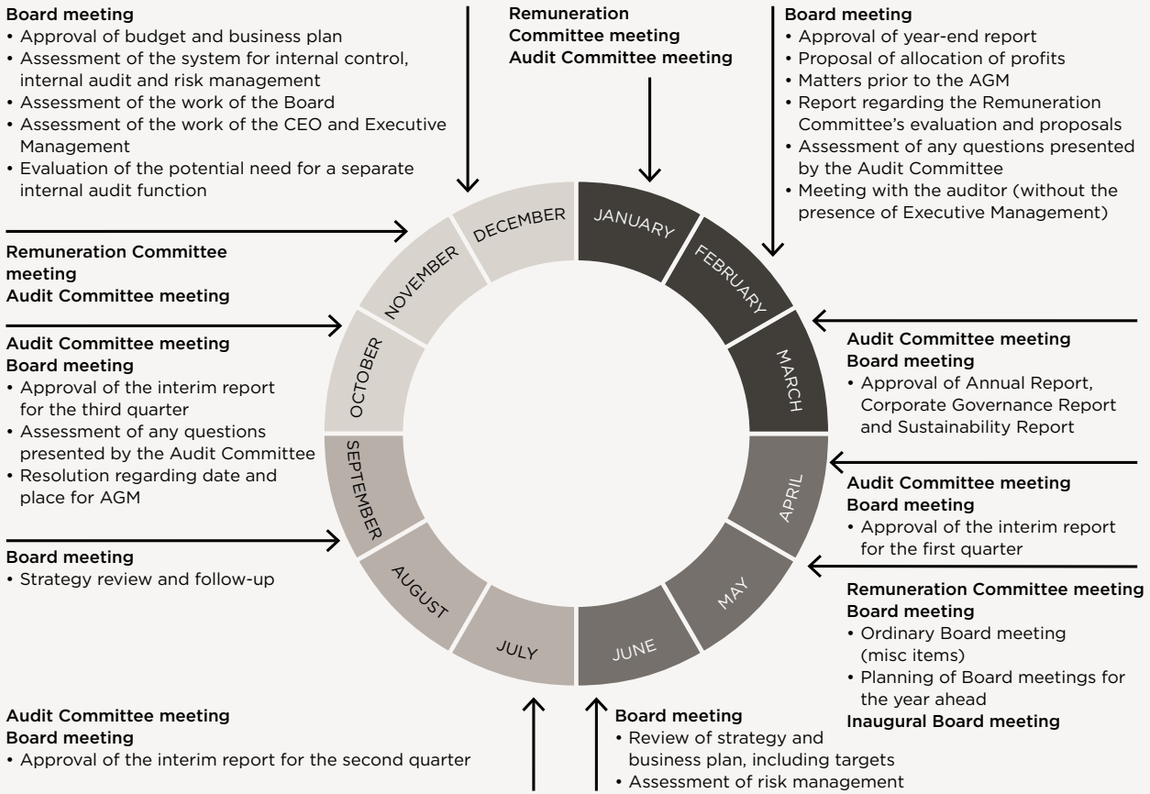
pursuant to written instructions for the committees which are part of the rules of procedure of the Board.

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, regulatory compliance, and legal matters such as any material disputes, and reports its observations to the Board.

In 2025, the Audit Committee held seven meetings, including one meeting per capsulam. 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: Until the 2025 AGM, the Committee consisted of Magnus Welander (Chair) and Jonas Rahmn, and after the 2025 AGM Jonas Rahmn was replaced by Anna Hällöv. 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 senior executives adopted by the general meeting.

The Remuneration Committee held three meetings in 2025. 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.

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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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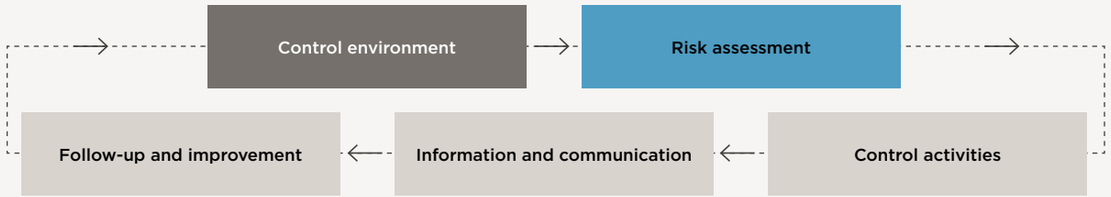
Control environment



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 Group'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 and information security are 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. Given this, Mips has implemented governance and monitoring structures and other measures to be able to identify and manage IT and information security risks including the reporting of any breaches.

Mips' IT policy, which is annually adopted by the Board, establishes the company's principles for internal IT security and information security. Mips has adopted a systematic and risk-based approach to protect the Group's 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 Group's principles for IT security and information 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 Group'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 Executive Management, as well as to the company's major shareholders.

Magnus Welander
Chair of the Board since 2019 and Board member since 2016. Chair of the Remuneration Committee.

Born 1966. MSc in Civil Engineering, Industrial Economics, Institute of Technology at Linköping University.

Current assignments:
Chair of the Board of Embellence Group AB (publ), Vimian Group AB (publ), and Eleiko Group AB.
Member of the Board of YETI Holdings, Inc, 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 2025.

Thomas Bräutigam
Board member since 2021.

Born 1967. MBA from Stockholm School of Economics.

Current assignments:
Chair of the Boards of AxKid AB, BabyBjörn AB, Dcbl Intressenter 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 2025.

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.
Board member of Hemnet Group AB (publ), Smart Eye Aktiebolag (publ), 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), and Board member of NetEnt AB (publ) and Fishbrain AB.

Holdings including any related parties
500 shares relate to holdings per 31 December 2025.

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Anna Hällöv
Board member since 2022.
Member of the Remuneration Committee.

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

Current assignments:
General Manager for Swedish Match Sales Sweden AB. Board member of Daglig-varuleverantörerna (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 2025.

Jonas Rahmn
Board member since 2012.

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

Current assignments:
Chair 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 2025.

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 of ROPA Management AB and ROPA & BOARDA AB.
Chair of the Board of Solporten Fastighets AB and Nya Solporten Fastighets AB.
Board member of C.A.G Group AB och Qualisys Holding AB. Board member and Chair of the Audit Committee of C-RAD AB.

Selected past assignments:
Board member of AB Persson Invest, 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 2025.

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Executive Management

Max Strandwitz
Born 1975 and Chief Executive Officer since 2019.

Education
MSc in Business, University of Borås.

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
69,000 warrants,
relate to holdings per 31 December 2025.

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, Fabege AB.

Holdings including any related parties
280 shares
23,000 warrants,
relate to holdings per 31 December 2025.

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 2025.

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
3,200 warrants,
relate to holdings per 31 December 2025.

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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 2025.

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 30 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 100,000 helmet tests have been carried out in Mips' physical lab and approximately 150,000 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
In early 2025, the Board of Directors 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 bn has been retained but now with the ambition to achieve the target by 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.

In December, Mips acquired all the shares of Koroyd SARL and SCP George TFE (collectively referred to as "Koroyd"). Koroyd offers solutions for improved shock absorption in various types of protective products for head and body safety. In the 2024/2025 financial year Koroyd had sales of approximately EUR 11m with an adjusted EBITDA of approximately EUR 5m. The purchase price for the acquisition amounted to SEK 682m. For more information, see Note 29. An integration of Koroyd into the strategy will be carried out in 2026.

2025 has continued to be a challenging year. The geopolitical situation and the imposition of tariffs have been unpredictable. Nevertheless, Mips has shown a strong performance and has grown in all helmet categories it sells to.

Financial performance: Group operations, earnings and financial position*
Net sales and profit/loss
Net sales for the 2025 full year amounted to SEK 533m (483), an increase of 10 percent. Organic sales growth amounted to 21 percent. The increase in net sales is mainly explained by increased sales in the bike subcategory. Gross profit increased by 12 percent to SEK 391m (350). Gross margin amounted to 73.4 percent (72.5) and the increase was mainly as an effect of the increase in sales. Operating profit amounted to SEK 156m (174), corresponding to an operating margin of 29.2 percent (36.1). The decrease in operating profit is mainly explained by legal costs. Operating profit adjusted for items affecting comparability amounted to SEK 160m (174) and the operating margin adjusted for items affecting comparability was 30.1 percent (36.1). Items affecting comparability consist of acquisition costs of SEK 5m.

Selling expenses amounted to SEK 83m (77), an increase which was mainly due to strategic investments in marketing. Administrative expenses amounted to SEK 104m (60), where the increase is mainly explained by legal costs of SEK 43m for a patent dispute which one of Mips' customers in the US is a party. Mips is not a party to the lawsuit, but since the lawsuit concerns areas where Mips has intellectual property rights that are an important cornerstone of Mips' brand strength, Mips has chosen to get involved. Mips will therefore continue to support its customer in this dispute in 2026, similar to how Mips has acted in 2025, to best serve Mips

* For definitions and alternative performance measures, see pages 137-141.

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customers' interests, as well as its own. Mips' intellectual property rights are not part of this lawsuit. Research and development expenses amounted to SEK 41m (39). Other operating income and expenses amounted net to SEK 1m (5) and were positively affected by a revalued non-current liability of SEK 9m, which was mainly offset by negative currency impacts.

Tax expenses for the year amounted to SEK –38m (–42), corresponding to an effective tax rate of 23.9 percent (22.8).

Liquidity and financial position

The Group's total assets as of 31 December 2025 amounted to SEK 1,307m (739). Non-current assets as of 31 December 2025 amounted to SEK 874m (165), of which surplus value in terms of goodwill of SEK 564m and trademark of SEK 119m are attributable to the acquisition of Koroyd. Assets held for sale amounted to SEK 5m (–) and refer to a lease agreement at the acquired subsidiary Koroyd. Cash and cash equivalents amounted to SEK 214m (382) as at 31 December 2025. During 2025, Mips obtained a loan of SEK 300m to finance the acquisition of Koroyd, non-current liabilities to credit institutions therefore amounted to SEK 303 million (–) including acquired debts to credit institutions. Other non-current liabilities amounted to SEK 250m (10) and refer to the contingent additional purchase price for the acquisition of Koroyd. Total liabilities amounted to SEK 745m (98). Current liabilities to credit institutions amounted to SEK 1m (–).

As of 31 December 2025, the Group had a net debt of SEK 90m compared to net cash of SEK 382m as of 31 December 2024. The change in net debt is mainly attributable to acquisitions. Net debt/adjusted EBITDA LTM amounted to 0.5x at the end of the year. Total liabilities amounted to SEK 745m (98) as of 31 December 2025, of which liabilities to credit institutions amounted to SEK 305m (-). The acquisition of Koroyd increased Other non-current liabilities by SEK 250m, which relates to the unpaid contingent additional purchase price for Koroyd. The equity ratio was 43 percent (87).

The Group's accounts receivable amounted to SEK 167m (156) as of 31 December 2025, an increase which is mainly due to accounts receivable attributable to the acquired subsidiary Koroyd. 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 discontinued with currency hedging arrangements in 2024 and the last hedge expired in October 2024. Hedge accounting has been applied, according to which the unrealized change in fair value for the derivatives has primarily been recognized in Other comprehensive income. From 2025 currency fluctuations have fully impacted the income statement.

Cash flow and investments

During the year, cash flow from operating activities amounted to SEK 148m (142). Investments amounted to SEK 429m (10), mainly driven by the acquisition of the subsidiaries Koroyd SARL and SCP George TGE, which amounted to SEK 412m (–). Investments in intangible assets amounted to SEK 6m (6) mainly related to acquisition of patent rights and some other intangible assets. Investments in tangible assets amounted to SEK 10m (4), mainly driven by an investment in a new trade fair and event concept. Cash flow from financing activities was SEK 124m (–162) mainly attributable to obtained loan of SEK 300m (–) and dividend payment of SEK –172m (–159). Cash flow for the full year 2025 amounted to SEK –157m (–29).

As of 31 December 2025 the Group had no significant commitments related to investments.

Shares and share capital

The share capital of Mips AB was SEK 2,649,112 on 31 December 2025. The number of company shares registered amounted to 26,491,122 as of 31 December, 2025. All shares are ordinary shares and carry equal voting rights. The shares have a quotient value of SEK 0.10.

The number of outstanding shares amounted to 26,491,122 as of 31 December, 2025.

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 persons in Mips. In total, 429,000 warrants have been issued divided across a maximum of 143,000 warrants per program. In the 2023/2026 program, 82,100 warrants were allocated to the participants, in the 2024/2027 program, 46,070 warrants were allocated to the participants and in the 2025/2028 program, which was launched in the second quarter of 2025, 23,000 warrants were allocated to the participants. The total number of 429,000 issued warrants can lead to a dilution of approximately 1.6 percent. The exercise price in the first program amounts to SEK 396.27 per Mips share (before recalculation), in the second program it amounts to SEK 388.25 per Mips share (before recalculation), and in the third program it amounts to SEK 538.23 per Mips share. 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 dividend paid, the exercise price in the first program is SEK 384.67. After recalculation for dividend paid, the exercise price in the second program is SEK 376.88. As the third program started after the dividend was paid in 2025, there is no recalculation of the exercise price this year.

The company has no other costs for the warrant programs other than administrative costs for 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 such as by using Finite Element Method (FEM), and processes such as development of

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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 2025 were SEK 41m (39). The increase is due to Mips investing strategically in the future by strengthening the organization, which meant that investment in research and development in both 2025 and 2024 amounted to approximately 8 percent of net sales. The company did not capitalize development costs in 2025. The company expects to continue its investments in research and development during the coming year in line with Mips' 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 105-133.

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 124 employees (109), of which 24 (24) are employed in the subsidiary China and 13 (-) in the subsidiary Koroyd SARL. The subsidiary SCP George TFE has no employees. The average number of employees during the year was 107 (103), of which 47 percent (48) 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 2026 Annual General Meeting. These guidelines do not apply to any remuneration resolved or approved by the General Meeting.

The guidelines' promotion of the company's business strategy, long-term interests, and sustainability
Mips has a clear strategy focused on driving profitable growth and creating shareholder value. For information on the company's business strategy and long-term financial targets, see the company's website and the latest Annual and Sustainability Report, www.mipscorp.com.

To implement the company's business strategy successfully and to safeguard the company's long-term interests, including its work with sustainability, the company must be able to recruit and retain qualified employees. Consequently, the company must be able to offer competitive remuneration, based on local market conditions, 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 www.mipscorp.com/corporate-governance/incentive-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 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 of outcomes 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, shall be defined contribution schemes, unless otherwise required by local market practice. Variable cash remuneration shall not qualify for pension benefits. The pension premiums to defined-contribution schemes, or other type of pension contribution according to local market practice, shall amount to a maximum of 30 percent of the fixed annual cash salary. Other benefits may include life insurance, medical insurance

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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 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 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 Group.

The Chief Executive Officer and other members of the Executive Management 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. In addition to some editorial adjustments, the guidelines have been updated with regard to the description of Mips' business strategy and long-term interests, and reference is now made to Mips' website, and to allow for further flexibility in relation to local remuneration schemes in other countries. Otherwise, no significant 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 pages 42–51 and the company's website 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 amounted to SEK 364m (338) for the year. The profit during the same period was SEK 114m (144). The Parent Company had cash and cash equivalents totaling SEK 147m (340) on 31 December 2025.

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. Mips' innovation pipeline is now even bigger with the acquisition of Koroyd. Provided that external factors do not significantly change over the next few years, demand for the Group'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	37,345
Profit for the year	114,368
Total	**500,206**

The Board of Directors proposes that the available funds of SEK 500,206t be allocated so that SEK 2.50 (6.50) per share, corresponding to SEK 66,288t based on the number of shares on 31 December, 2025, be distributed to shareholders and the remaining amount of SEK 433,978t be carried forward, including SEK 348,493t to the share premium reserve and SEK 85,485t to retained earnings.

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 59–61 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 23. Mips has divided the identified risks into customer and market-related risks, legal risks including product liability, business and sustainability-related risks, environment and climate-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. There is an evolving global trade landscape and a volatile macroeconomic situation. However, Mips sells all products on the basis of Incoterms Ex Works, which means that the buyer takes responsibility for transport costs, fees, taxes, tariffs etc. 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 risks presented on the following 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 legal processes linked to the company's products. The latter 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 23.

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Customer and market-related risks

	Risk	Management
Challenging global conditions may adversely affect demand	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 such as tariffs, 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.
Changed market conditions/assumptions	The size of the total helmet market and Mips' addressable market turn out to be over-stated/less than expected.	Mips reviews 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 analyses to see whether the range of products that include Mips' safety system is expanding on important e-commerce platforms.
That Mips' offering loses relevance	Fail to remain relevant or fail to expand as expected in all categories (Motocycle and Safety). Fail to win the largest customers and become a natural partner. Difficulties in 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. **IP strategy** Continue to broaden the IP portfolio – as Mips expands its technological scope, the company is working to protect new solutions/inventions also in areas beyond rotational protection. Continue building brand equity and strengthening brand awareness.

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Customer and market-related risks, continued

	Risk	Management
The company may miss important steps in biomechanical advancements in helmet safety	Developments in helmet safety and rotational motion change over time and several testing bodies are working on updating their helmet testing standards to also include rotational motion in their helmet certification process. The consequence of a different standard than the one that Mips advocates could have a negative impact on Mips' sales in the categories that are affected by such standards.	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 all over the world and engages in active dialogue with the largest testing bodies in the world to ensure that dialogue concerning this topic is conducted as accurately as possible.
Dependence on a few large customers	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 2025 Mips delivered products to more than 150 customers, the five largest of which accounted for 43 percent (40) of total sales. For more information, see Note 2.	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 targets. 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.

Business and sustainability-related risks

	Risk	Management
Geopolitical uncertainty in the supply chain	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.	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.
Risk of non-compliance with rules	General regulatory compliance risks including conducting business in a listed environment, EU GDPR (and the corresponding rules in China and Monaco), MAR, cyber security, laws on competition, sustainability regulations, violations of codes of conduct, new Chinese regulations (with no grace periods) import/export, sanctions regulation, rules on hazardous chemicals, and so on.	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.

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Business and sustainability-related risks, continued

	Risk	Management
The ability of the company to attract and retain the right skills	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.	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.

Legal risks and product liability-related risks

	Risk	Management
Product liability and legal risks	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, such as alleged infringements, concerning intellectual property rights and the company's technology. There is also a risk that Mips does not have adequate insurance coverage.	The company currently has a comprehensive set of agreements with customers and suppliers, 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 greatest. The company has a detailed training program both internally and for customers that sell Mips' technology in how to properly market Mips' technology to minimize the risk of any legal disputes.

Financial risks

	Risk	Management
Dependency on trends relating to foreign currency	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.	Mips' sales are mainly in USD and CNY. The company purchases components primarily in CNY, which largely limits exposure to CNY. The company's customer contracts in CNY are linked to 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 23.

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Consolidated income statement

SEKm	Note	2025	2024
Net sales	2	533	483
Cost of goods sold		–142	–133
Gross profit		**391**	**350**
Selling expenses		–83	–77
Administrative expenses		–104	–60
Research and development expenses		–41	–39
Other operating income	3	10	5
Other operating expenses	3	–11	–
Share of profit and loss in associated companies	13	–7	–5
Operating profit/loss	4, 5, 6, 7, 25	**156**	**174**
Financial income		8	10
Financial expenses		–6	–2
Net financial items	8	**2**	**8**
Profit/loss before tax		**158**	**183**
Tax	9	–38	–42
Profit for the year		**120**	**141**
Earnings per share basic, SEK	10	4.53	5.32
Earnings per share diluted, SEK	10	4.53	5.32

Consolidated statement of comprehensive income

SEKm	2025	2024
Profit for the year	**120**	**141**
Other comprehensive income		
Items that may subsequently be transferred to profit or loss		
Foreign currency translation	–29	4
Changes in fair value for the year, cash flow hedges	–	–5
Change in the fair value of cash flow hedges transferred to profit or loss for the year	–	0
Tax attributable to items that have been or may subsequently be transferred to profit or loss	–	1
Items that cannot be transferred to profit or loss for the year	**–**	**–**
Other comprehensive income for the year	**–29**	**0**
Comprehensive income for the year	**91**	**141**

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Consolidated balance sheet

SEKm	Note	31 Dec 2025	31 Dec 2024
ASSETS			
Non-current assets			
Intangible fixed assets	11	752	69
Property, plant and equipment	12	35	8
Right-of-use assets	25	24	13
Participation in associated companies	13	56	74
Deferred tax assets	9	5	0
Other financial assets	14	2	0
Total non-current assets		**874**	**165**
Current assets			
Inventories		15	8
Tax assets		11	12
Accounts receivable	15, 23	167	156
Prepaid expenses and accrued income	16	13	11
Other current receivables		7	5
Assets held for sale	17	5	–
Cash and cash equivalents	18, 23	214	382
Total current assets		**432**	**575**
TOTAL ASSETS	24	**1,307**	**739**

SEKm	Note	31 Dec 2025	31 Dec 2024
EQUITY AND LIABILITIES			
Equity			
Share capital	19	3	3
Other paid-in capital		385	383
Reserves		–23	6
Retained earnings including profit for the year		197	250
Total equity attributable to Parent Company shareholders		**562**	**641**
Non-current liabilities			
Liabilities to credit institutions	20	303	–
Lease liabilities	25	16	6
Other liabilities	21	250	10
Deferred tax liabilities	9	28	4
Total non-current liabilities		**597**	**20**
Current liabilities			
Liabilities to credit institutions	20	1	–
Lease liabilities	25	7	6
Accounts payable		51	45
Tax liabilities		4	3
Other liabilities		5	3
Accrued expenses and deferred income	22	80	20
Total current liabilities		**148**	**78**
TOTAL EQUITY AND LIABILITIES	24	**1,307**	**739**

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Consolidated statement of changes in equity

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

2025 SEKm	Equity attributable to Parent Company shareholders					
			Reserves			
	Share capital	Other paid-in capital	Translation reserve	Hedging reserve	Retained earnings incl. profit for the year	Total equity
Opening equity, 1 January 2025	**3**	**383**	**6**	**–**	**250**	**641**
Profit for the year	–	–	–	–	120	120
Other comprehensive income for the year	–	–	–29	–	–	–29
Comprehensive income for the year	**–**	**–**	**–29**	**–**	**120**	**91**
Dividend paid	–	–	–	–	–172	–172
Premium on issue of warrants	–	2	–	–	–	2
Total transactions with Group shareholders	**–**	**2**	**–**	**–**	**–172**	**–170**
Closing equity, 31 December 2025	**3**	**385**	**–23**	**–**	**197**	**562**

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Consolidated cash flow statement

SEKm	Note	2025	2024
Operating activities			
Profit/loss before tax		158	183
Adjustments for non-cash items	28	21	21
Income taxes paid		–36	–21
Cash flow from operating activities before changes in working capital		**143**	**183**
Cash flow from changes in working capital			
Increase (–)/decrease (+) in inventory		3	–4
Increase (–)/decrease (+) in operating receivables		–10	–56
Increase (+)/decrease (–) in operating liabilities		13	19
Cash flow from operating activities		**148**	**142**
Investing activities			
Acquisition of intangible assets		–6	–6
Acquisition of property, plant and equipment		–10	–4
Acquisition of subsidiary, net cash impact	29	–412	–
Other financial assets		–1	–
Cash flow from investing activities		**–429**	**–10**
Financing activities			
Premium received from issue of warrants		2	3
Dividend paid		–172	–159
Loans	20	300	–
Amortization of lease liabilities		–6	–6
Cash flow from financing activities		**124**	**–162**
Cash flow for the year		**–157**	**–29**
Cash and cash equivalents at the beginning of the year	18	382	408
Exchange rate difference, cash and cash equivalents		–10	4
Cash and cash equivalents at end of the year	18	**214**	**382**

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Notes to the consolidated financial statements

All figures are in SEKm unless stated otherwise

Note 1 Accounting policies

Statement of compliance
The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (IFRS) issued 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 19 March 2026.

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 2025
New and amended IFRS Accounting Standards standards that are effective from January 1, 2025 have not had any effect on Mips.

New IFRS that have not yet been applied
The new and amended IFRS Accounting Standards 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 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, motorcycle and in the professional sector for safety. 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 acquisitions
Subsidiaries are companies over which Mips AB has a controlling influence. All business acquisitions are recognized using the purchase accounting method, which means that the acquisition of a subsidiary is considered to be a transaction whereby the Group indirectly acquires the subsidiary's assets and assumes its liabilities. The acquisition analysis determines the acquisition-date fair value of the identifiable assets acquired and liabilities assumed, which includes assets and liabilities that were not recognized in the balance sheet of the acquired company, such as intangible assets like trademarks, customer relationships, patents and financial liabilities.

For business acquisitions in which the consideration transferred, any non-controlling interests and the fair value of previously held equity interests (for step acqui-

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sitions) exceed the fair value of separately recognized acquired assets and assumed liabilities, the difference is recognized as goodwill. When the difference is negative, known as a bargain acquisition, this is recognized directly in profit or loss for the year.

Conditional purchase consideration is measured at fair value on the acquisition date. Conditional purchase consideration is based on the future performance of the acquired companies over a predetermined period. The fair value of the amounts recognized as liabilities for an additional purchase consideration is assessed regularly and includes company executive team's assessment of the future performance of the acquisition. Gains or losses from revaluation of an additional purchase consideration are recognized net as other operating expenses or other operating income. Gains or losses arising from the discounting and foreign currency translation of an additional purchase consideration are recognized as financial expenses or financial income.

Acquisition-related costs are expensed as incurred and recognized as an operating expense.

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 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 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, liabilities to credit institutions (non-current and current), other liabilities (non-current), accounts payable, other liabilities (derivatives) and accrued expenses.

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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 valuation is based on the fact that the assets are held within the framework of a business model whose objective is to hold financial assets for the purpose of obtaining contractual cash flows. The contractual terms of the financial asset result in cash flows occurring on specified dates and consist solely of payments of principal and interest on the principal amount outstanding. The Group's previous investments of surplus liquidity in fixed income funds have been 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 purchase consideration linked to the acquisition of businesses, or to 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' discontinued with hedging arrangements in 2024. The last hedge (derivatives) expired in October 2024. and the derivatives were reported at fair value on the balance sheet that year. Hedge accounting was 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 accounts 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 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 measured at acquisition value less any accumulated impairment losses. Goodwill is distributed to cash-generating units and is not amortized but tested annually for impairment.

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
• Other intangible assets	3-5 years
• Goodwill and acquisition-related brands	Indefinite

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	3-5 years
• Plant and machinery	5-10 years
• Equipment, tools, fixtures and fittings	3-10 years
• Leasehold improvement - Group	5-10 years
• Leasehold improvement - Parent Company	5 years*

* Depreciated according to terms of the lease 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.

Since the implicit interest rate in the lease is not normally determinable for the Group's lease agreement, lease payments are discounted by the Group's incremental borrowing rate, which, in addition to the Group's credit risk, reflects the respective lease term, currency and quality of the underlying asset as intended collateral.

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.

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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.

Assets held for sale
This refers to assets held for sale if they are available for immediate sale, there is a decision to sell them, and it is highly probable that a sale will be completed within 12 months. No depreciation is recognized from the date the asset is classified as held for sale.

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
Three 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. 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	2025	2024
Sales of goods	515	457
Sales of services	18	26
Total	**533**	**483**

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 fluctuations. 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 Motorcyle and Safety categories comprise a smaller proportion of Mips total sales, which is why no clear seasonal patters are evident in these categories.

Revenue by helmet category

SEKm	2025	2024
Sports	478	437
Motorcycle	31	28
Safety	23	18
Total	**533**	**483**

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	2025	2024
North America	269	256
Europe	169	120
Sweden	59	42
Asia and Australia	36	64
Total	**533**	**483**

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 17 percent (16) of sales in 2025. The five largest customers in 2025 accounted for 43 percent (40) of net sales.

Revenue by customer

SEKm	2025	2024
Customer 1	90	79
Other customers	443	404
Total	**533**	**483**

Contract balances

Revenue recognized during the period ending 31 December 2025 from performance obligations that were fulfilled (or partially fulfilled) in prior periods amounts to SEK 1m (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	2025	2024
Revaluation of conditional purchase price	9	–
Exchange rate gain on operations	–	5
Other	1	1
Total	**10**	**5**

Other operating expenses

SEKm	2025	2024
Loss on disposal of non-current assets	–1	–
Exchange rate loss on operations	–11	–
Other	0	–
Total	**–11**	**–**

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Note 4 Employees, personnel expenses and remuneration of senior executives

Costs for employee remuneration

SEKm	2025	2024
Salaries and other remuneration	70	67
– of which the Parent Company	65	61
Pension costs, defined-contribution plans	8	8
– of which the Parent Company	8	8
Social security contributions	22	20
– of which the Parent Company	20	19
Total	**100**	**95**
– of which the Parent Company	92	87

Average number of employees

	2025	of which men, %	2024	of which men, %
Parent Company				
Sweden	83	51	79	49
Total Parent Company	**83**	**51**	**79**	**49**
Subsidiaries*				
Sweden	–	–	–	–
China	24	63	24	63
Total subsidiaries	**24**	**63**	**24**	**63**
Group, total	**107**	**53**	**103**	**52**

* Koroyd has been consolidated as of December 31, 2025, and is therefore not included in the average number of employees.

Gender distribution in Board and executive management**

(% women)	2025	2024
Board of Directors	50	50
Other senior executives	50	50

** All members of the Board and executive management work in the Parent Company Mips AB.

Salaries and other remuneration distributed among senior executives and other employees

	2025		2024	
SEKm	Salaries and other remuneration	Social security contributions	Salaries and other remuneration	Social security contributions
Senior executives	13	4	15	4
– of which variable remuneration	2	1	2	1
– of which pension costs	2	1	2	1
Other employees	65	18	60	16
– of which variable remuneration	1	0	1	0
– of which pension costs	5	1	5	1
Total	**78**	**22**	**74**	**20**

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 guiding 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 2025 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 2025 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 (4).

At year-end, senior executives comprised the CEO, Chief Financial Officer, Chief Operations Officer, and the Chief Marketing Officer.

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

2025 SEKt	Basic salary Board fee	Variable remuneration	Share-based remuneration	Pension costs	Other remuneration	Total
Magnus Welander (Chairman)	857	–	–	–	–	857
Jenny Rosberg	488	–	–	–	–	488
Jonas Rahmn	368	–	–	–	–	368
Thomas Bräutigam	338	–	–	–	–	338
Anna Hällöv	338	–	–	–	–	338
Maria Hedengren	417	–	–	–	–	417
Total, Board	**2,807**	**–**	**–**	**–**	**–**	**2,807**
Max Strandwitz (CEO)	4,716	1,111	–	1,231	–	7,058
Group management (3 individuals)	4,569	533	–	968	–	6,070
Total senior executives	**9,285**	**1,644**	**–**	**2,199**	**–**	**13,128**
Total	**12,092**	**1,644**	**–**	**2,199**	**–**	**15,935**

2024 SEKt	Basic salary Board fee	Variable remuneration	Share-based remuneration	Pension costs	Other remuneration	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
Total, Board	**2,490**	**–**	**–**	**–**	**–**	**2,490**
Max Strandwitz (CEO)	4,595	1,340	–	1,201	–	7,136
Group management (4 individuals)	5,731	541	–	1,219	–	7,490
Total senior executives	**10,326**	**1,881**	**–**	**2,420**	**–**	**14,626**
Total	**12,816**	**1,881**	**–**	**2,420**	**–**	**17,116**

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 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 2025, the exercise price is SEK 384.67. As of 30 December 2025, the last trading day of the year, the closing price for the Mips share on Nasdaq Stockholm was SEK 353.40.

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 2025, the exercise price is SEK 376.88. As of 30 December 2025, the last trading day of the year, the closing price for the Mips share on Nasdaq Stockholm was SEK 353.40.

Warrants TO series 6 (Warrant Program 2025/2028)
Within the Warrant Program TO series 6, which was launched in May 2025, 23,000 warrants were issued and transferred to the participants, of which 12,500 were acquired by the CEO. The exercise price (subscription price) was set at SEK 538.23 per share, in accordance with the terms and conditions of the Warrant Program. Similar to previous warrant programs, conditions apply regarding a recalculated subscription price and a recalculated number of shares as a result of dividends. As the Warrant Program TO series 6 started after the dividend was paid in 2025, there is no recalculation of the exercise price this year. As of 30 December 2025, the last trading day of the year, the closing price for the Mips share on Nasdaq Stockholm was SEK 353.40.

Warrants 2025 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 outstanding warrants at year-end**
CEO, senior executives and other employees (TO Series 4, TO Series 5, TO Series 6)					
Max Strandwitz (CEO)	56,500	12,500	–	–	69,000
Other senior executives and key personnel	71,670	10,500	–	–	82,170
Total senior executives	**128,170**	**23,000**	**–**	**–**	**151,170**

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 outstanding warrants at year-end**
CEO, senior executives and other employees (TO Series 4, TO Series 5)					
Max Strandwitz (CEO)	39,000	17,500	–	–	56,500
Other senior executives and key personnel	43,100	28,570	–	–	71,670
Total senior executives	**82,100**	**46,070**	**–**	**–**	**128,170**

Market value per series	
Warrants Series 4 issued 2023	50.83
Warrants Series 5 issued 2024	56.68
Warrants Series 6 issued 2025	81.35

Conditions of valuation, Series 4	
Exercise price	396.27
Volatility, %	35
Risk-free interest, %	2.89
Share price issue date, SEK	304.82
Maturity, years	3
Remaining vesting period, years	0.5

Conditions of valuation, Series 5	
Exercise price	388.25
Volatility, %	35
Risk-free interest, %	2.50
Share price issue date, SEK	298.65
Maturity, years	3
Remaining vesting period, years	1.5

Conditions of valuation, Series 6	
Exercise price	538.23
Volatility, %	35
Risk-free interest, %	2.05
Share price issue date, SEK	414.02
Maturity, years	3
Remaining vesting period, years	2.5

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Note 6 Fees and remuneration of auditors

Fees and remuneration of auditors

SEKm	2025	2024
KPMG		
Audit assignment	2	2
Fees for audit-related services	0	0
Tax advice	0	0
Other auditors		
Tax advice	0	0
Fees for audit-related services	–	0
Total	**2**	**2**

Audit assignment encompasses the statutory annual and consolidated financial statements and accounts as well as the Board of Directors' and the CEO's administration of the company, as well as auditing and other reviews performed as agreed. This includes other duties that the company's auditor performs as well as providing advice or other counsel that arise through the observations of such audits, or the performance of other such duties.

Note 7 Operating expenses by type of cost

Operating expenses by type of cost

SEKm	2025	2024
Goods for resale and consumables	122	115
Personnel costs	104	98
Other external costs	81	74
Legal advice costs	43	3
Depreciation/amortization and impairment	19	19
Other operating expenses	11	–
Total	**380**	**308**

For more information regarding other operating expenses see Note 3.

Note 8 Net financial items

Net financial items

SEKm	2025	2024
Financial income		
Interest income		
– bank balances	4	6
Change in fair value of financial investments	–	2
Other financial income	4	1
Exchange gains, cash and cash equivalents	–	1
Total	**8**	**10**
Financial expenses		
Interest expenses		
– loans	0	–
– lease liabilities	0	–1
– financial liabilities measured at fair value through profit or loss	0	–
– financial liabilities measured at amortized cost	0	0
Loan arrangement fee	–1	–
Other financial expenses	0	–1
Exchange loss, cash and cash equivalents	–3	0
Total	**–6**	**–2**

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Note 9 Taxes

Taxes

SEKm	2025	2024
Current tax		
Tax expenses for the year	–38	–44
Deferred tax		
Deferred tax pertaining to temporary differences	0	2
Total	**–38**	**–42**

Reconciliation of effective tax

SEKt		2025		2024
Profit/loss before tax		157,800		182,762
Tax in accordance with applicable tax rate for Parent Company	20.6%	–32,507	20.6%	–37,649
Non-deductible expenses		–444		–322
Non-taxable income		22		142
Standard income, shares in investment funds		–		–151
Result from participations in associated companies		–1,362		–1,098
Transaction costs for acquisitions		–938		–
Withholding tax on dividend from foreign subsidiary		–690		–1,067
Impact of other tax rates on foreign subsidiaries		–1,863		–1,560
Other		3		–
Total		**–37,778**		**–41,705**

The Group's effective tax rate for the year was 23.9 per cent (22.8). Of the effective tax, SEK 27m (33) is attributable to the Parent Company Mips AB and SEK 11m (9) to the subsidiary Mips AB (Dongguan) Trading Co., Ltd whose registered office is in China.

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 2025 the Group had no unused tax loss carry-forwards.

Deferred tax assets and liabilities

31 Dec 2025

SEKt	Deferred tax assets	Deferred tax liabilities	Net
Intangible assets	–	–28,824	–28,824
Property, plant and equipment	1,267	–196	1,071
Right-of-use assets	–	–5,121	–5,121
Deferred tax credits, Monaco	5,326	–	5,326
Accounts receivable	36	–	36
Lease liabilities	4,951	–	4,951
Other	255	–	255
Total deferred tax assets/liabilities	**11,836**	**–34,141**	**–22,306**
Offsetting	–6,501	6,501	–
Total deferred tax assets/liabilities, net	**5,335**	**–27,641**	**–22,306**

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 receivables (Derivatives)	–	–	–
Current investments	–	–	–
Lease liabilities	2,615	–	2,615
Other liabilities (Derivatives)	–	–	–
Other	255	–	255
Total deferred tax assets/liabilities	**4,086**	**–7,659**	**–3,573**
Offsetting	–4,084	4,084	–
Total deferred tax assets/liabilities, net	**2**	**–3,575**	**–3,573**

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Note 9 Taxes, continued

Change in deferred tax in temporary differences

SEKt	31 Dec 2024	Recognized in Income statement	Recognized in other comprehensive income	Recognized in equity	Business acquisitions	31 Dec 2025
Intangible assets	–4,898	505	–	–	–24,430	–28,824
Property, plant and equipment	1,196	–125	–	–	–	1,071
Right-of-use assets	–2,761	1,306	–	–	–3,667	–5,121
Deferred tax credits, Monaco	–	–	–	–	5,326	5,326
Accounts receivable	20	16	–	–	–	36
Lease liabilities	2,615	–1,331	–	–	3,667	4,951
Other	255	0	–	–	–	255
Total	**–3,573**	**371**	**–**	**–**	**–19,104**	**–22,306**

SEKt	31 Dec 2023	Recognized in Income statement	Recognized in other comprehensive income	Recognized in equity	Business acquisitions	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 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
Total	**–6,963**	**2,368**	**1,022**	**–**	**–**	**–3,573**

Note 10 Earnings per share

Earnings per share

SEK	2025	2024
Earnings per share basic	4.53	5.32
Earnings per share diluted	4.53	5.32

	2025	2024
Profit for the year attributable to Parent Company shareholders	120,022,268	141,056,733
Average number of shares outstanding, basic	26,491,122	26,491,122
Impact of warrant program	5,967	11,453
Effect of long-term share-based incentive program	–	–
Average number of shares – after dilution	**26,497,089**	**26,502,575**

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

SEKm	Goodwill 31 Dec 2025	Goodwill 31 Dec 2024	Patents 31 Dec 2025	Patents 31 Dec 2024	Trademarks 31 Dec 2025	Trademarks 31 Dec 2024	Other intangible assets 31 Dec 2025	Other intangible assets 31 Dec 2024	Total 31 Dec 2025	Total 31 Dec 2024
Accumulated cost										
Opening balance, 1 Jan	–	–	102	97	4	3	1	1	106	101
Business acquisitions	569	–	4	–	120	–	9	–	702	–
Acquisitions	–	–	6	6	0	0	–	–	6	6
Divestments and disposals	–	–	–1	–1	–	–	–	–	–1	–1
Exchange rate differences	–6	–	0	–	–1	–	0	–	–7	–
At year-end, 31 Dec	**564**	**–**	**110**	**102**	**122**	**4**	**10**	**1**	**806**	**106**
Accumulated amortization										
Opening balance, 1 Jan	–	–	–35	–27	–2	–1	–1	–1	–37	–30
Business acquisitions	–	–	–2	–	–	–	–8	–	–9	–
Amortization	–	–	–8	–8	0	0	–	–	–8	–8
Divestments and disposals	–	–	0	0	–	–	–	–	0	0
Exchange rate differences	–	–	0	–	–	–	0	–	0	–
At year-end, 31 Dec	**–**	**–**	**–44**	**–35**	**–2**	**–2**	**–8**	**–1**	**–54**	**–37**
Total	**564**	**–**	**66**	**67**	**120**	**2**	**2**	**0**	**752**	**69**

Intangible assets as of 31 December 2025 mainly consisted of surplus value in terms of goodwill of SEK 564m and trademarks of SEK 119m attributable to the acquisition of Koroyd in December 2025.

The intangible assets in the form of patents consist of internally generated intellectual property related to Mips' helmet-based safety technology and acquired intellectual property related to other related technologies. As of 31 December 2025, reported value of patents related to Mips' technology amounted to SEK 40m.

A remaining useful life of between 5-18 years is calculated for these patents. Other patents mainly relate to the company's acquisition of patents and other intellectual property rights associated with the Fluid, GlideWear and BiaGuard technologies with a reported value of SEK 25m, as well as for acquired patents from Koroyd amounting to SEK 2m. The purchase price for the BiaGuard technology included a purchase consideration of a maximum of USD 1 million based on Mips' future sales of the BiaGuard technology. In June 2025, Executive Management assessed that the criteria for the additional purchase consideration liability have not been fully met and therefore the liability has been revalued in its entirety.

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 one unit, impairment testing is performed only at Group level. The business acquisition that contributed to goodwill, see Note 29, was completed on 18 December 2025, and the Group's assessment is that the fair value as of 31 December 2025 corresponds to the carrying amount.

Breakdown of amortization

SEKm	2025	2024
Amortization, by function		
Cost of goods sold	–8	–8
Total	**–8**	**–8**

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Note 12 Property, plant and equipment

Property, plant and equipment

SEKm	31 Dec 2025	31 Dec 2024
Accumulated cost		
Opening balance, 1 Jan	32	28
Business acquisitions	33	–
Acquisitions	10	4
Divestments and disposals	0	0
Exchange rate differences	–1	0
At year-end, 31 Dec	**74**	**32**
Accumulated depreciation		
Opening balance, 1 Jan	–24	–18
Business acquisitions	–11	–
Depreciation	–5	–6
Divestments and disposals	0	0
Exchange rate differences	0	0
At year-end, 31 Dec	**–39**	**–24**
Total	**35**	**8**

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 and, since December, also in Monaco.

Breakdown of depreciation

SEKm	2025	2024
Depreciation, by function		
Cost of goods sold	–1	0
Selling expenses	–2	–1
Administrative expenses	–2	–3
R&D expenses	–1	–1
Total	**–5**	**–6**

Note 13 Associated companies in the Group

Participation in associated companies

SEKm	31 Dec 2025	31 Dec 2024
Carrying amount		
Opening balance, 1 Jan	74	80
Acquisitions	–	–
Divestments	–	–
Dividends	–	–
Participation in associated companies' profit/loss after tax, for the year	–7	–5
Exchange rate differences	–12	–
At year-end, 31 Dec	**56**	**74**

During 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 7.3m.

Quin is an ingredient brand for event detection technology and has provided specialized sensor fusion and software to helmet brands since 2018.

Summary of participations in associated companies

SEKm	Corporate identity number	Registered office	No. of shares	Holdings, %	31 Dec 2025 Carrying amount	31 Dec 2025 Profit-share
Quintessential Design, Inc.	7619937	Delaware	492,137	25	56	–7
Total					**56**	**–7**

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
Total					**74**	**–5**

Summary of associated companies

SEKm	31 Dec 2025	31 Dec 2024
Reconciliation of carrying amount of profit share		
Profit/loss for the year	–26	–21
Share of profit/loss	–7	–5
Carrying amount of profit share	**–7**	**–5**

SEKm	31 Dec 2025	31 Dec 2024
Reconciliation of carrying amount		
Share of equity	7	16
Goodwill	49	58
Carrying amount	**56**	**74**

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Note 13 Associated companies in the Group, continued

Condensed income statement and balance sheet

SEKm	2025	2024
Revenue	7	5
Profit/loss for the year	**–26**	**–21**
Non-current assets	3	5
Current assets	27	61
Total assets	**30**	**66**
Equity	28	64
Non-current liabilities	–	–
Current liabilities	2	2
Total equity and liabilities	**30**	**66**

Note 14 Other financial assets

Other financial assets

SEKm	31 Dec 2025	31 Dec 2024
Accumulated cost		
Opening balance, 1 Jan	0	0
Business acquisitions	1	–
Acquisitions	1	–
Exchange rate differences	0	0
At year-end, 31 Dec	**2**	**0**

Relates to deposits for lease contracts and Employer of Record (EOR) employees.

Note 15 Accounts receivable

Accounts receivable
Invoiced receivables are due as follows:

SEKm	31 Dec 2025	31 Dec 2024
Invoiced receivables	171	155
Currency adjustments	–2	2
Reserve, expected credit losses	–2	–1
Total	**167**	**156**
Invoiced receivables are due as follows:		
Not yet due	96	87
Overdue by 1-30 days	34	29
Overdue by 31-60 days	6	8
Overdue by 61-90 days	19	13
Overdue by 91 days or more	16	18
Total	**171**	**155**
Change in reserve for expected credit losses		
Opening balance, 1 Jan	–1	–1
During the year		
– repaid	–	–
– provisions established	–1	0
At year-end, 31 Dec	**–2**	**–1**

See Note 23 for a description of the company's credit risks.

Note 16 Prepaid expenses and accrued income

Prepaid expenses and accrued income

SEKm	31 Dec 2025	31 Dec 2024
Accrued income	1	2
Prepaid system costs	3	3
Other	9	6
Total	**13**	**11**

Note 17 Assets held for sale

Refers to a lease agreement in the acquired subsidiary Koroyd SARL.

Note 18 Cash and cash equivalents

Cash and cash equivalents

SEKm	31 Dec 2025	31 Dec 2024
Cash and bank balances	214	382
Total according to statement of financial position and cash flow	**214**	**382**

Cash and bank balances refer to balances of bank accounts in SEK, USD, CNY, EUR and GBP.

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Note 19 Equity

Equity

	Total no. of shares
Opening balance, 1 Jan 2025	26,491,122
Registered number of shares, 31 Dec 2025	**26,491,122**
Outstanding shares at year-end, 31 Dec 2025	**26,491,122**

	Total no. of shares
Opening balance, 1 Jan 2024	26,493,273
Withdrawal of own shares held	-2,151
Registered number of shares, 31 Dec 2024	**26,491,122**
Outstanding shares at year-end, 31 Dec 2024	**26,491,122**

Share capital

As of 31 December 2025, the total number of shares was 26,491,122 (26,491,122) and share capital was SEK 2,649,112 (2,649,122). 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. The number of outstanding shares amounted to 26,491,122 as of 31 December 2025.

Equity instruments that have a dilutive effect

The company has issued warrants, 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 Swedish kronor (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.

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Note 20 Liabilities to credit institutions

Non-current liabilities

SEKm	31 Dec 2025	31 Dec 2024
Revolving credit facility (utilized portion)	300	–
Bank loan	3	–
Total	**303**	**–**

Current liabilities

SEKm	31 Dec 2025	31 Dec 2024
Current portion of revolving credit facility (utilized portion)	–	–
Current portion of bank loans	1	–
Total	**1**	**–**

At the end of 2025, the non-utilized portion of the revolving credit facility amounted to SEK 140m (–) and the non-utilized portion of other bank loans amounted to SEK 12m (–). The revolving credit facility, which was raised in December 2025 in connection with the acquisitions of Koroyd SARL and SCP George TFE, is held in the Parent Company Mips AB, while other bank loans are held in the acquired subsidiary Koroyd SARL.

SEKm	Currency	Nominal amount	Interest rate	Due date	31 Dec 2025	31 Dec 2024
Revolving credit facility (utilized portion)	SEK	300	STIBOR + 1%	15 December 2028	300	–
Bank loan 1	EUR	0	1.30%	5 March 2026	0	–
Bank loan 2	EUR	0	1.38%	5 May 2028	2	–
Bank loan 3	EUR	0	1.22%	5 August 2026	0	–
Bank loan 4	EUR	1	3.99%	5 February 2033	3	–
Total					**305**	**–**

The carrying amount of the non-current portion of the revolving credit facility with covenant that needs to be met in the coming year amounts to SEK 300m (–). The covenant, that requires that net debt in relation to EBITDA does not exceed 2.0, is reviewed at the end of each quarter. At the end of the current year, the ratio was 0.5 (–). At present, the Group has no indication that it will encounter difficulties in meeting the covenant in the coming year.

Note 21 Other liabilities

Other liabilities

SEKm	31 Dec 2025	31 Dec 2024
Conditional purchase consideration	250	10
Total	**250**	**10**
Liabilities due for payment later than five years after the balance sheet date	–	–

The non-current liability of SEK 250m refers to the discounted value of a conditional additional purchase consideration of EUR 25m attributable to the acquisition of all shares in Koroyd SARL and SCP George TFE in December 2025. The purchase consideration is conditional to certain performance targets being met in 2026 and 2027 with payment in 2027 at the earliest.

At the beginning of the year, Mips had a conditional additional purchase consideration of SEK 10m attributable to an asset acquisition in January 2022 relating to patent rights and certain other intellectual property rights that had been valued at amortized cost. In June 2025, Executive Management assessed that the criteria for the conditional purchase consideration liability have not been fully met, thus the liability has been valued at zero. The revaluation of SEK 9m (the discounted present value as of 31 May) has been recognized as other operating income.

Note 22 Accrued expenses and deferred income

Accrued expenses and deferred income

SEKm	31 Dec 2025	31 Dec 2024
Holiday pay liability	4	3
Accrued salaries and remuneration	54	6
Accrued social security expenses	3	3
Prepaid income	2	0
Other accrued expenses	18	8
Total	**80**	**20**

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Note 23 Financial risks and risk management

Through its operations, the Group is exposed to various types of financial risks: financing risk, credit risk, liquidity risk, interest rate risk and currency risk.

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.

Financing risk

The Group deems it important to have a robust financial position, low indebtedness, and good liquidity. This provides financial flexibility and independence to operate and manage variations in working capital requirements and to capitalize on business opportunities. The overall capital structure of the Group must support the financial targets. The Group's credit facilities are used to create more room for manoeuvre to deal with unforeseen financing needs. The Group aims to deliver a strong free cash flow.

Since 15 December 2025, Mips AB has borrowings from credit institutions consisting of a loan with a revolving credit facility of SEK 440m, each tranche of which can have different maturities. Mips AB's borrowings from credit institutions have been denominated in Swedish kronor and carry variable interest rates. As of 31 December 2025, the amount utilized is SEK 300m.

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 1m (–). 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 0.50% (1.00%) has been used for the provision for expected credit losses. The decrease in the provision is due to the fact that a previously expected credit loss was recognized in 2025, after which a new ECL assessment was made. 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 IFRS 7.

The estimated total credit risk exposure is deemed to be equal to the total carrying amount of the financial assets.

Mips continuously analyses accounts receivable and takes measures to limit credit risk. Mips has not noted any major material impact on the payment ability of its customers. Mips' customers include a number of the global helmet manufacturers and their solvency is deemed to be high. The remaining customer base is spread across 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.

Invoiced receivables are due as follows:

SEKm	31 Dec 2025	31 Dec 2024
Invoiced receivables	171	155
Currency adjustments	–2	2
Reserve, expected credit losses	–2	–1
Total	**167**	**156**
Invoiced receivables are due as follows:		
Not yet due	96	87
Overdue by 1–30 days	34	29
Overdue by 31–60 days	6	8
Overdue by 61–90 days	19	13
Overdue by 91 days or more	16	18
Total	**171**	**155**
Change in reserve for expected credit losses		
Opening balance, 1 Jan	–1	–1
During the year		
– repaid	–	–
– provisions established	–1	0
At year-end, 31 Dec	**–2**	**–1**

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, and sufficient binding credit commitments to cover potential financing requirements for the business.

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Note 23 Financial risks and risk management, continued

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 been 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.

Going forward, the Group will be exposed to interest rate risks due to changes in interest income and interest expense. Interest rate risks refers to the risk of changes in the market rate impacting the Group's net interest income. The impact on interest expenses during the coming twelve-month period of a 1 percent increase/decrease in interest rates at the reporting date amounts to +/– SEK 3m, based on the interest-bearing liabilities per reporting date.

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.

Transaction exposure, currency (%)

	2025		2024	
	Revenue	Operating expenses	Revenue	Operating expenses
USD	70	20	71	10
CNY	29	34	29	36
SEK	1	39	0	47
EUR	–	4	–	3
CAD	–	0	–	0
GBP	0	3	0	4
Other	–	0	–	0
Total	**100**	**100**	**100**	**100**

As the table above shows, the Group's main transactions are in USD. A 10 percent change in the USD against the Swedish krona would impact the 2025 operating profit by approximately SEK 30m (31). Other currencies would have a limited impact on the 2025 operating profit in the event of a 10 percent change.

A 10 percent change in the Swedish krona against the USD as of 31 December 2025 would affect the valuation of financial instruments denominated in USD and the impact on equity and profit after tax would be SEK 7m (8). This sensitivity analysis assumes that other factors (eg. interest rates) remain the same. The same conditions were applied for 2024. Transaction exposure primarily arises as a result of accounts receivable and accounts payable in currencies other than SEK. Transaction 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 occurs on consolidation. In 2025 the impact has been limited. On 18 December, Mips acquired Koroyd, which has EUR as its operating currency. This means that the translation exposure of the Group will increase going forward. 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 discontinued with hedging arrangements and the strategy has been that from 2025, currency fluctuations 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 24 Fair value measurement of financial assets and liabilities and category groupings

Capital management

The Group aims to maintain an effective capital structure and a robust financial position, taking into account operational and financial risks, thus ensuring the long-term progress of Mips, as well as satisfactory returns for shareholders. In addition to the level of future profits, the amount of equity is affected by the decision on the extent of dividends to be paid. The Group's aspiration is to distribute approximately 50 percent of Mips' 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.

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. Regarding liabilities to credit institutions, the carrying amount is approximately the same as fair value as they have variable interest rates.

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 forecasted sales/accounts receivable in USD. The derivatives were valued at fair value on the balance sheet. Hedge accounting has been applied.

In 2024, the Group held derivative instruments classified under level two in the valuation hierarchy.

As of 31 December 2025, the Group has a conditional purchase consideration which is recognized as other non-current liabilities classified under level three 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 2025 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
Other financial assets	14	–	–	2	–	–	2	2
Accounts receivable	15	–	–	167	–	–	167	167
Accrued income	16	–	–	1	–	–	1	1
Other current receivables		–	–	1	–	–	1	1
Cash and cash equivalents	18	–	–	214	–	–	214	214
Liabilities to credit institutions (non-current)	20	–	–	–	–	–303	–303	–303
Other liabilities (non-current)	21	–	–	–	–250	–	–250	–250
Liabilities to credit institutions (current)	20	–	–	–	–	–1	–1	–1
Accounts payable		–	–	–	–	–51	–51	–51
Accrued expenses	22	–	–	–	–	–18	–18	–18
Total financial assets and liabilities by category		**–**	**–**	**386**	**–250**	**–373**	**–237**	**–237**

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
Other financial assets	14	–	–	0	–	–	0	0
Accounts receivable	15	–	–	156	–	–	156	156
Accrued income	16	–	–	2	–	–	2	2
Other current receivables		–	–	0	–	–	0	0
Cash and cash equivalents	18	–	–	382	–	–	382	382
Other liabilities (non-current)	21	–	–	–	–	–10	–10	–10
Accounts payable		–	–	–	–	–45	–45	–45
Accrued expenses	22	–	–	–	–	–8	–8	–8
Total financial assets and liabilities by category		**–**	**–**	**541**	**–**	**–63**	**478**	**478**

* Refer to Note 29 for further information regarding the contingent consideration.

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Note 25 Leases

The Group is a lessee of office premises and car leases in Sweden and China, the majority of which are for office premises. As of 18 December 2025, the Group is also a lessee for office premises in Monaco. Leasing recognized refers to the non-cancellable period under agreement. With the exception of short-term leases and lower-value leases, leases are recognized in the balance sheet as a right-of-use asset and a lease liability. As of 31 December 2025 there were no new leases that were signed but had not yet begun.

Amounts recognized in profit or loss are summarized below

SEKm	2025	2024
Leases of lower-value assets	1	1
Depreciation of right-of-use assets relating to leases for office space and car leases	6	6
Interest expense, lease liability	0	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	2025	2024
Right-of-use assets	24	13
Current lease liability	7	6
Non-current lease liability	16	6

In December, an acquired right-of-use of approximately SEK 18m was added, relating to a lease agreement in Monaco.

Cash flow from lease agreements

SEKm	2025	2024
Right of use of lower-value assets	1	1
Total cash outflow for leases	6	6

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	2025	2024
1 year	9	6
2–3 years	7	8
4–5 years	6	–
More than 5 years	5	–

Note 26 Investment commitments

The Group has no significant investment commitments as of 31 December 2025 or 2024.

Note 27 Related parties

No material related-party transactions were carried out during 2025 over and above dividends paid.

Note 28 Specification of statement of cash flows

Specification of statement of cash flows

SEKm	2025	2024
Depreciation/amortization of non-current assets	19	19
Unrealized exchange rate differences	4	–4
Change in value of financial instruments	–	0
Other items not affecting liquidity	–1	5
Total	**21**	**21**

Interest income and expenses

SEKm	2025	2024
Interest income received	4	7
Interest expenses paid	0	0

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Note 29 Business acquisitions

On 18 December, all shares in Koroyd SARL and SCP George TFE (collectively referred to as "Koroyd") were acquired. Koroyd is a pioneer in the development of advanced impact protection technology for head and body safety. Koroyd had sales of approximately EUR 11 million with an adjusted EBITDA of approximately EUR 5 million during the 2024/2025 financial year.

The purchase price for the acquisition amounted to SEK 682m (excluding transaction costs), of which SEK 569m were allocated to goodwill, SEK 120m to trademark and SEK 25m to deferred tax liability. The purchase price consists of a cash payment of SEK 430m and a contingent consideration of SEK 273m (discounted value SEK 252m). Payment of the contingent consideration is dependent on the achievement of performance targets, such as growth in revenue and earnings, by the acquired companies and has a fixed maximum level. At the acquisition date, the contingent consideration was valued at 100 percent.

Transaction costs for the acquisition have affected the Group's results by an amount of SEK 5m, and have been recognized as part of Administrative expenses in the income statement. The goodwill of SEK 569m that arose from the transactions is underpinned by several factors, which are largely related to expected future sales development and profitability as well as the personnel that are part of the acquired entities. The goodwill will be subject to impairment testing annually.

The preliminary impact of the acquisitions on Mips Group's balance sheet on the acquisition date of 18 December 2025 is set out below.

Acquisitions' impact on the balance sheet (SEKm), 18 December 2025

	Total
Intangible assets	124
Property, plant and equipment	22
Deferred tax asset	5
Other financial assets	1
Inventories	10
Accounts receivable	13
Other current receivables	5
Assets held for sale	5
Cash and cash equivalents	18
Deferred tax liability	–25
Liabilities to credit institutions	–5
Accounts payable	–9
Other liabilities, current	–52
Net assets acquired	**113**
Goodwill	569
Purchase price	682
Less: Cash and cash equivalents in acquired companies on the date of acquisition	–18
Less: Conditional purchase consideration not yet paid	–252
Impact on consolidated cash and cash equivalents	**412**

Koroyd has been consolidated as part of Mips' balance sheet as of 31 December 2025 and has not contributed any profit to Mips in 2025. As of 1 January 2026, full consolidation will be reflected in the Group's results. If the acquisitions had been consolidated from 1 January 2025, the contribution to the consolidated income statement, excluding transaction costs, for the period 1 January to 31 December would have amounted to net sales of approximately SEK 120m and an operating profit of approximately SEK 35m. Adjusted EBITDA amounted to about SEK 55m during the year. The operating profit has been affected by additional remuneration to the former owners which is not to be considered as costs of operating activities.

Note 30 Pledged assets and contingent liabilities

Pledged assets and contingent liabilities

SEKm	2025	2024
Pledged assets	None	None
Contingent liabilities	None	None

No patent disputes were initiated or resolved in 2025 or 2024.

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

Note 31 Events after the balance sheet date

No significant events have occurred after the balance sheet date.

Note 32 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	2025	2024
Net sales	P2	364	338
Cost of goods sold		–22	–29
Gross profit		**342**	**309**
Selling expenses		–80	–75
Administrative expenses		–98	–58
Research and development expenses		–39	–37
Other operating income	P3	10	5
Other operating expenses	P3	–11	–
Operating profit/loss	P4, P22, 4, 5, 6	**124**	**144**
Profit/loss from participations in Group companies	P5	14	21
Interest income and similar income items	P5	8	10
Interest expenses and similar expense items	P5	–5	–1
Profit after financial items		**140**	**174**
Appropriations	P6	1	3
Appropriations		**1**	**3**
Profit/loss before tax		**142**	**177**
Tax	P7	–27	–33
Profit for the year		**114**	**144**

Parent Company statement of comprehensive income

SEKm	2025	2024
Profit for the year	**114**	**144**
Other comprehensive income		
Items that may subsequently be transferred to profit or loss		
Changes in fair value for the year, cash flow hedges	–	–5
Change in the fair value of cash flow hedges transferred to profit or loss for the year	–	0
Tax attributable to items that have been or may subsequently be transferred to profit or loss	–	1
Items that cannot be transferred to profit or loss for the year	**–**	**–**
Other comprehensive income for the year	**–**	**–4**
Comprehensive income for the year	**114**	**140**

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Parent Company balance sheet

SEKm	Note	31 Dec 2025	31 Dec 2024
ASSETS			
Non-current assets			
Intangible fixed assets	P8	66	69
Property, plant and equipment	P9	13	8
Financial assets			
Participation in Group companies	P10	688	1
Participation in associated companies	P11	80	80
Deferred tax assets	P7	1	1
Other financial assets	P12	1	–
Total non-current assets		**848**	**159**
Current assets			
Inventories		0	0
Accounts receivable	P13	91	100
Current tax asset		11	12
Other receivables		1	1
Prepaid expenses and accrued income	P15	13	12
Cash and cash equivalents	P16	147	340
Total current assets		**263**	**465**
TOTAL ASSETS	P21	**1,111**	**624**

SEKm	Note	31 Dec 2025	31 Dec 2024
EQUITY AND LIABILITIES			
Equity			
Restricted equity	P17		
Share capital		3	3
Statutory reserve		2	2
Non-restricted equity			
Share premium reserve		348	348
Retained earnings		37	64
Profit for the year		114	144
Total equity		**505**	**560**
Untaxed reserves	P6	22	24
Untaxed reserves		**22**	**24**
Non-current liabilities			
Liabilities to credit institutions	P18	300	–
Other liabilities	P19	250	10
Total non-current liabilities		**550**	**10**
Current liabilities			
Liabilities to credit institutions	P18	–	–
Accounts payable		9	9
Liabilities to Group companies	P14	3	3
Other liabilities		3	3
Accrued expenses and deferred income	P20	21	14
Total current liabilities		**35**	**29**
TOTAL EQUITY AND LIABILITIES	P21	**1,111**	**624**

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Parent Company statement of changes in equity

2024	Restricted equity		Non-restricted equity				
				Fair value fund			
SEKm	Share capital	Statutory reserve	Share premium reserve	Hedging reserve	Retained earnings	Profit for the year	Total
Opening equity, 1 January 2024	**3**	**2**	**348**	**4**	**157**	**63**	**577**
Transfer of preceding year's profit/loss	–	–	–	–	63	–63	–
Profit for the year	–	–	–	–	–	144	144
Other comprehensive income for the year	–	–	–	–4	–	–	–4
Comprehensive income for the year	**–**	**–**	**–**	**–4**	**–**	**144**	**140**
Dividend paid	–	–	–	–	–159	–	–159
Premium on issue of warrants	–	–	–	–	3	–	3
Total transactions with shareholders	**–**	**–**	**–**	**–**	**–156**	**–**	**–156**
Closing equity, 31 December 2024	**3**	**2**	**348**	**–**	**64**	**144**	**560**

2025	Restricted equity		Non-restricted equity				
				Fair value fund			
SEKm	Share capital	Statutory reserve	Share premium reserve	Hedging reserve	Retained earnings	Profit for the year	Total
Opening equity, 1 January 2025	**3**	**2**	**348**	**–**	**64**	**144**	**560**
Transfer of preceding year's profit/loss	–	–	–	–	144	–144	–
Profit for the year	–	–	–	–	–	114	114
Other comprehensive income for the year	–	–	–	–	–	–	–
Comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**114**	**114**
Dividend paid	–	–	–	–	–172	–	–172
Premium on issue of warrants	–	–	–	–	2	–	2
Total transactions with shareholders	**–**	**–**	**–**	**–**	**–170**	**–**	**–170**
Closing equity, 31 December 2025	**3**	**2**	**348**	**–**	**37**	**114**	**505**

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Parent Company cash flow statement

SEKm	Note	2025	2024
Operating activities			
Profit after financial items		140	174
Adjustments for non-cash items	P25	9	10
Income taxes paid		–26	–11
Cash flow from operating activities before changes in working capital		**123**	**173**
Cash flow from changes in working capital			
Increase (-)/decrease (+) in inventory		–	0
Increase (-)/decrease (+) in operating receivables		3	–33
Increase (+)/decrease (-) in operating liabilities		6	2
Cash flow from operating activities		**132**	**142**
Investing activities			
Acquisition of intangible assets		–6	–6
Acquisition of property, plant and equipment		–10	–3
Acquisition of subsidiary	29	–435	–
Other financial assets		–1	–
Cash flow from investing activities		**–451**	**–9**
Financing activities			
Premium received from issue of warrants		2	3
Loans	P18	300	–
Dividend paid		–172	–159
Cash flow from financing activities		**130**	**–156**
Cash flow for the year		**–190**	**–24**
Cash and cash equivalents at the beginning of the year	P16	340	363
Exchange rate difference, cash and cash equivalents		–3	1
Cash and cash equivalents at end of the year	P16	**147**	**340**

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Notes to the financial statements Parent Company

All figures are in SEKm 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 Accounting Standards 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 Accounting Standards 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 2025 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 Annual 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.

Taxes
In the Parent Company, untaxed reserves are recognized in the balance sheet without a break-down between equity and deferred tax liabilities, which differs from the Group's accounting. Similarly, there is no allocation of appropriations to deferred tax expense in the Parent Company income statement.

Note P2 Distribution of revenue

Revenue by nature

SEKm	2025	2024
Sales of goods	347	312
Sales of services	18	26
Total	**364**	**338**

Note P3 Other operating income and other operating expenses

Other operating income

SEKm	2025	2024
Revaluation of conditional additional purchase consideration	9	–
Exchange rate gain on operations	–	5
Other	1	0
Total	**10**	**5**

Other operating expenses

SEKm	2025	2024
Loss on disposal of non-current assets	–1	–
Exchange rate loss on operations	–11	–
Total	**–11**	**–**

Note P4 Operating expenses by type of cost

Operating expenses by type of cost

SEKm	2025	2024
Goods for resale and consumables	9	17
Personnel costs	96	91
Other external costs	78	75
Legal advice costs	43	2
Depreciation/amortization and impairment	13	13
Other operating expenses	11	–
Total	**251**	**199**

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Note P5 Net financial items

Net financial items

SEKm	2025	2024
Profit/loss from participations in Group companies		
Dividend from subsidiary	14	21
Total	**14**	**21**
Interest income and similar income items		
Interest income		
– bank balances	4	6
Change in fair value of financial investments	–	2
Other financial income	4	1
Exchange gains, cash and cash equivalents	–	1
Total	**8**	**10**
Interest expense and similar expense items		
Interest expenses		
– loans	0	–
– financial liabilities measured at fair value through profit or loss	0	–
– financial liabilities measured at amortized cost	0	0
Loan arrangement fee	–1	–
Other financial expenses	0	–1
Exchange loss, cash and cash equivalents	–3	–
Total	**–5**	**–1**

Note P6 Appropriations

Appropriations

SEKm	2025	2024
Appropriations	1	3
Total	**1**	**3**

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	2025	2024
Current tax		
Tax expenses for the year	–27	–35
Adjusted tax, prior periods	–	–
Deferred tax		
Deferred tax pertaining to temporary differences	0	2
Total	**–27**	**–33**

Reconciliation of effective tax

SEKt		2025		2024
Profit/loss before tax		141,702		176,964
Tax in accordance with applicable tax rate for Parent Company	20.6%	–29,191	20.6%	–36,454
Non-deductible expenses		–319		–322
Non-taxable income		2,863		4,539
Standard income, shares in investment funds		–		–151
Withholding tax on dividend from foreign subsidiary		–690		–1,067
Other		1		–
Total		**–27,334**		**–33,456**

Deferred tax assets and liabilities

31 Dec 2025 SEKt	Deferred tax assets	Deferred tax liabilities	Net
Property, plant and equipment	1,267	–	1,267
Accounts receivable	36	–	36
Total deferred tax assets/liabilities	**1,303**	**–**	**1,303**
Offsetting	–	–	–
Total deferred tax assets/liabilities, net	**1,303**	**–**	**1,303**

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)	–	–	–
Total deferred tax assets/liabilities	**1,216**	**–**	**1,216**
Offsetting	–	–	–
Total deferred tax assets/liabilities, net	**1,216**	**–**	**1,216**

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Note P7 Taxes, continued

Change in deferred tax in temporary differences

SEKt	31 Dec 2024	Recognized in Income statement	Recognized in other comprehensive income	Recognized in equity	31 Dec 2025
Property, plant and equipment	1,196	72	–	–	1,267
Accounts receivable	20	16	–	–	36
Total	**1,216**	**87**	**–**	**–**	**1,303**

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)	–	–	–	–	–
Total	**–1,628**	**1,822**	**1,022**	**–**	**1,216**

Note P8 Intangible assets

Intangible assets

SEKm	31 Dec 2025	31 Dec 2024
Accumulated cost		
Opening balance, 1 Jan	106	101
Acquisitions	6	6
Divestments and disposals	–1	–1
At year-end, 31 Dec	**111**	**106**
Accumulated amortization		
Opening balance, 1 Jan	–37	–30
Amortization	–8	–8
Divestments and disposals	0	0
At year-end, 31 Dec	**–45**	**–37**
Total	**66**	**69**

Intangible assets pertain to expenses for patents and brand protection. Remaining economic lives for the patents as of 31 December 2025 are 5-18 years.

Breakdown of amortization

SEKm	2025	2024
Amortization, by function		
Cost of goods sold	–8	–8
Selling expenses	–	–
Total	**–8**	**–8**

Refer to Note 11 in the consolidated financial statements.

Note P9 Property, plant and equipment

Property, plant and equipment

SEKm	31 Dec 2025	31 Dec 2024
Accumulated cost		
Opening balance, 1 Jan	30	27
Acquisitions	10	3
Divestments and disposals	0	0
At year-end, 31 Dec	**40**	**30**
Accumulated depreciation		
Opening balance, 1 Jan	–22	–18
Depreciation	–5	–5
Divestments and disposals	0	0
At year-end, 31 Dec	**–27**	**–22**
Total	**13**	**8**

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

Breakdown of depreciation

SEKm	2025	2024
Depreciation, by function		
Cost of goods sold	0	0
Selling expenses	–2	–1
Administrative expenses	–2	–3
R&D expenses	–1	–1
Total	**–5**	**–5**

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Note P10 Participation in Group companies

Participation in Group companies

SEKm	31 Dec 2025	31 Dec 2024
Accumulated cost		
Opening balance, 1 Jan	1	1
Acquisitions	687	–
At year-end, 31 Dec	**688**	**1**
Total	**688**	**1**

Subsidiaries

SEKm	Corporate identity number	Registered office	No. of shares	Holdings, %	31 Dec 2025 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
Koroyd SARL	10S05195	Monaco, MC	100	100	685
SCP George TFE	16SC18301	Monaco, MC	100	100	2
Total					**688**

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
Total					**1**

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Note P11 Participation in associated companies

Participation in associated companies

SEKm	31 Dec 2025	31 Dec 2024
Acquisition costs		
Opening balance, 1 Jan	80	80
At year-end, 31 Dec	**80**	**80**
Total	**80**	**80**

Associated companies

SEKm	Corporate identity number	Registered office	No. of shares	Holdings, %	31 Dec 2025 Carrying amount
Quintessential Design, Inc.	7619937	Delaware	492,137	25	80
Total					**80**

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

During 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.

Quin is an ingredient brand for event detection technology and has provided specialized sensor fusion and software to helmet brands since 2018.

Note P12 Other financial assets

Other financial assets

SEKm	31 Dec 2025	31 Dec 2024
Accumulated cost		
Opening balance, 1 Jan	–	–
Acquisitions	1	–
At year-end, 31 Dec	**1**	**–**

Refers to deposits for Employer of Record (EOR) employees.

Note P13 Accounts receivable

Accounts receivable

SEKm	31 Dec 2025	31 Dec 2024
Invoiced receivables	95	99
Currency adjustments	–2	2
Reserve for expected credit losses	–2	–1
Total	**91**	**100**
Invoiced receivables are due as follows:		
Not yet due	52	48
Overdue by 1-30 days	20	20
Overdue by 31-60 days	4	8
Overdue by 61-90 days	5	7
Overdue by 91 days or more	14	14
Total	**95**	**99**
Change in reserve for expected credit losses		
Opening balance, 1 Jan	–1	–1
During the year		
– repaid	–	–
– provisions established	–1	0
At year-end, 31 Dec	**–2**	**–1**

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Note P14 Group transactions

Group transactions

SEKm	31 Dec 2025	31 Dec 2024
Receivables and liabilities to subsidiaries		
Receivables	–	–
Liabilities	3	3
Net	**3**	**3**
Revenues and costs from subsidiaries		
Revenues	–	–
Costs	–	–
Net	**–**	**–**

Note P15 Prepaid expenses and accrued income

Prepaid expenses and accrued income

SEKm	31 Dec 2025	31 Dec 2024
Accrued income	1	2
Prepaid rental costs	2	2
Prepaid system costs	2	3
Other	8	6
Total	**13**	**12**

Note P16 Cash and cash equivalents

Cash and cash equivalents

SEKm	31 Dec 2025	31 Dec 2024
Cash and bank balances	147	340
Total according to statement of financial position and cash flow	**147**	**340**

Cash and bank balances refer to balances of bank accounts in SEK, USD, and EUR.

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	37,345
Profit for the year	114,368
Total	**500,206**

The Board of Directors proposes that the available funds of SEK 500,206t be disposed so that SEK 2.50 (6.50) per share, corresponding to SEK 66,228t based on the number of shares on December 31, 2025, be distributed to shareholders and the remaining amount of SEK 433,978t be carried forward, including SEK 348,493t to the share premium reserve and SEK 85,485t to retained earnings.

For information about the number of shares, see Note 19 to the consolidated financial statements.

Note P18 Liabilities to credit institutions

Refer to Note 20 in the consolidated financial statements.

Note P19 Other liabilities

Refer to Note 21 in the consolidated financial statements.

Note P20 Accrued expenses and deferred income

Accrued expenses and deferred income

SEKm	31 Dec 2025	31 Dec 2024
Holiday pay liability	4	3
Accrued salaries and remuneration	6	6
Accrued social security expenses	3	3
Prepaid Implementation	1	0
Other accrued expenses	8	1
Total	**21**	**14**

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Note P21 Financial instruments

Financial instruments

31 Dec 2025 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
Other financial assets	P12	–	–	1	–	–	1	1
Accounts receivable	P13	–	–	91	–	–	91	91
Accrued income	P15	–	–	1	–	–	1	1
Cash and cash equivalents	P16	–	–	147	–	–	147	147
Liabilities to credit institutions (non-current)	P18	–	–	–	–	–300	–300	–300
Other liabilities (non-current)	P19	–	–	–	–250	–	–250	–250
Accounts payable		–	–	–	–	–9	–9	–9
Liabilities to Group companies	P14	–	–	–	–	–3	–3	–3
Accrued expenses	P20	–	–	–	–	–8	–8	–8
Total financial assets and liabilities by category		**–**	**–**	**240**	**–250**	**–319**	**–329**	**–329**

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
Accounts receivable	P13	–	–	100	–	–	100	100
Accrued income	P15	–	–	2	–	–	2	2
Cash and cash equivalents	P16	–	–	340	–	–	340	340
Other liabilities (non-current)	P19	–	–	–	–	–10	–10	–10
Accounts payable		–	–	–	–	–9	–9	–9
Liabilities to Group companies	P14	–	–	–	–	–3	–3	–3
Accrued expenses	P20	–	–	–	–	–1	–1	–1
Total financial assets and liabilities by category		**–**	**–**	**442**	**–**	**–24**	**418**	**418**

Refer to Note 24 in the consolidated financial statements for more information.

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Note P22 Leases

The Parent Company does not apply IFRS 16 in accordance with the exception contained in RFR 2. 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 6m of the total future minimum lease payments relate to office premises in Täby.

Future minimum lease payments

SEKm	31 Dec 2025	31 Dec 2024
Within 1 year	6	6
Between 1-5 years	1	6
More than 5 years	–	–
Total	**6**	**11**
Lease costs for the year pertaining to lease payments totaled	**7**	**7**

Note P23 Investment commitments

The company has no significant investment commitments as of 31 December 2025 or 2024.

Note P24 Related parties

Refer to Note 27 in the consolidated financial statements.

Note P25 Specification of statement of cash flows

Specification of statement of cash flows

SEKm	2025	2024
Depreciation/amortization of non-current assets	13	13
Unrealized exchange rate differences	4	–4
Change in value of financial instruments	–	0
Other items not affecting liquidity	–8	0
Total	**9**	**10**

Interest income and expenses

SEKm	2025	2024
Interest income received	4	6
Interest expenses paid	0	0

Note P26 Pledged assets and contingent liabilities

Pledged assets and contingent liabilities

SEKm	2025	2024
Pledged assets	None	None
Contingent liabilities	None	None

Note P27 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 P28 Events after the balance sheet date

Refer to Note 31 in the consolidated financial statements.

Note P29 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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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.

The annual report and consolidated financial statements were approved for issuance by the Board of Directors and the Chief Executive Officer on 19 March 2026.

Stockholm, 19 March 2026

Magnus Welander
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 19 March 2026

KPMG AB

Christel Caldefors
Authorized Public Accountant

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Auditor's Report

To the general meeting of the shareholders of Mips AB (publ.), 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 (publ.) for the year 2025. The annual accounts and consolidated accounts of the company are included on pages 52–100 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 2025 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 2025 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 42–51 and sustainability report on pages 105–133. 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 page 67 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 533m for the Group and SEK 364m for the parent entity in 2025. 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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Acquisition of Koroyd
See disclosure 29 and accounting principles on pages 66-67 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter
On December 18, 2025 all the shares in Koroyd SARL and SCP George TFE (Koroyd) were acquired for a total purchase price of SEK 682 million. Following a business combination, the acquired operation should be accounted for in the consolidated accounts which require acquired assets and liabilities to be identified and measured at its fair value at the acquisition date. The difference between the purchase price and the identified assets and liabilities is goodwill. The purchase price allocation requires judgments to be made regarding which assets to account for in the consolidated accounts – in particular intangible assets may be difficult to assess – including the assigned fair values in the consolidated accounts. These judgments will affect the group's future profits, partly depending on whether the identified assets are to be amortized or not in the consolidated accounts.

Of the total purchase price, SEK 252 million relates to contingent consideration which is based on the profitability development in 2026–2028. The discounted value is calculated based on the terms in the agreement including estimates of future revenue growth and operating margin. The calculation of the value therefore includes significant judgements which could be influenced by management bias.

Response in the audit
We have analysed the purchase price allocation in order to assess whether it has been prepared in accordance with commonly prescribed methods and that all assets, in particular intangible assets, and liabilities have been identified. We have received and assessed the documentation management has prepared.

Furthermore, we have focused on whether the techniques used to measure the acquired assets and liabilities to fair value are in accordance with the prescribed framework and established valuation techniques. In the purchase price allocation, intangible assets amounting to SEK 120 million have been identified. They relate to trademark. Goodwill amounts to SEK 569 million.

We have obtained and considered the group's calculation of the contingent considerations and evaluated the forecasts for revenue growth and operating margin as well as the discount rates used.

We have also considered the completeness of the disclosures in the Financial Statements and assessed whether they are consistent with the information used as a basis for the purchase price allocation, as well as whether the information is sufficiently comprehensive to understand the judgements made by management.

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 1-41 and 105-144. 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,

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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 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 (publ.) for the year 2025 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

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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 (publ.) for year 2025.

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.

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 (publ.) 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 42–51 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 (publ.) by the general meeting of the shareholders on the 7 May 2025. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2014.

Stockholm March 19 2026

KPMG AB

Christel Caldefors
Authorized Public Accountant

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The sustainability year in brief

By integrating sustainability as a natural part of business operations and collaborating with partners across the value chain, Mips has in 2025 taken further steps towards the company's ambitious sustainability goals.

Mips aims to be at the forefront of its industry when it comes to sustainability. For Mips, sustainability is not just about risk mitigation and compliance. It is also seen as a lever for innovation and as a way to strengthen Mips' ability to keep growing while delivering strong financial results in the short and long term. Mips works with suppliers and partners to:

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

Progress of Mips' work with sustainability

Mips was founded on a vision to save lives. Safety is Mips' most important sustainability topic and the very core of its business model. During the year, Mips continued to invest in research and development and collaborated with universities and research institutes to develop test methods to ensure that the company is always at the forefront of helmet safety.

When Mips adopted science-based climate targets as a growth company in 2021, it embarked on an ambitious journey to reduce greenhouse gas emissions per product sold by 90 per cent by 2030. Four years later, the company has reduced emissions per product sold by 49%, well on track to meet its 2030 target.

In collaboration with suppliers, Mips continued the transition to recycled materials in its products during the year. Meticulous testing is always carried out before the adoption of recycled or new materials to ensure product safety, functionality and durability are maintained.

Mips continues to conduct audits of its manufacturing suppliers based on the company's Code of Conduct, with the aim of ensuring good working conditions and a safe and secure working environment, preventing negative environmental impact and ensuring that human rights are respected. This year's audits show a high level of compliance with the Code of Conduct and a further improvement compared to previous years.

Mips' sustainability report for 2025 covers the Group including the Parent company in Sweden and its subsidiary in China. Minority-owned companies are not included. The subsidiary Koroyd, consolidated as of 31 December 2025, is not included in the sustainability report unless explicitly stated.

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 MSCI, the internationally renowned ESG index.

47/53

Mips is a gender-balanced workplace, within its target range of between 40 and 60 percent. The figure for 2025 for all employees was 47/53 percent women/men.

49%

Greenhouse gas emissions per product sold have decreased by an average of 49% since the base year of 2021.

94

Sustainability audits of suppliers resulted in an average score of 94 out of 100 possible.

34%

The proportion of recycled material in Mips' sold products averaged 34 percent in 2025.

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Stakeholder dialogue and materiality assessment

Mips maintains continuous dialogue and interaction with many of its stakeholders, including customers, suppliers, board members, owners, investors, and research institutes. Managers and employees have ongoing, open, and informal dialogues regarding wellbeing and personal development, over and above the structured employee appraisals. Mips conducts weekly pulse surveys with all employees and managers in Sweden and China to evaluate what is working well and to identify areas for improvement. Interviews held with workers in the supply chain as part of the audits carried out at manufacturing suppliers at least every two years are also important forms of dialogue. All these dialogues provide information on stakeholders' needs, requirements and expectations, and on what Mips can contribute or improve.

In addition to the continuous dialogues, Mips conducted a stakeholder survey among customers and end users in 2025, with a particular focus on defining the customer value of Mips' sustainability work. The survey covered how these stakeholders view sustainability, which areas are most relevant to them and how external trends influence their perspectives. Although stakeholders' views on sustainability vary, safety clearly emerges as the most material area of sustainability for Mips from both customers and end users. The survey also shows that Mips' products are considered to promote a more active and healthy lifestyle and that Mips customers value resource-efficient products with a low carbon footprint.

Materiality assessment

In 2025, Mips reviewed and revised the double materiality assessment carried out by the company at the end of 2024. The revised materiality assessment was adopted by the Board of Directors in December 2025. The purpose of the materiality assessment was to identify the company's most significant impacts, risks and opportunities in order to focus sustainability efforts and sustainability reporting on the most material topics.

The double materiality assessment process started with analyzing activities in Mips' own operations and in the upstream and downstream value chain. The analysis covered business relationships, dependencies, stakeholders concerned, and geographical spread.

Mips then assessed the actual and potential, positive and negative impacts as well as the risks and opportunities that these activities cause or could cause in the value chain in the short, medium or long term. The assessment was based on a combination of quantitative evidence and qualitative evaluations by internal subject matter experts. As part of the assessment, the company has taken into account outcomes from stakeholder dialogues/surveys and sustainability audits of manufacturing suppliers. Mips has also used external experts for advice and additional validation of the assessment.

Impacts were assessed on the basis of defined criteria for scale, scope, irremediability, and likelihood. Financial risks and opportunities were assessed on the basis of defined criteria relating to the magnitude and likelihood of effects on financial position, financial performance, cash flow, and/or access to capital. Impacts, risks and opportunities with an overall value greater than a defined quantitative threshold, were assessed as being material. This year's revision and validation of the double materiality assessment involved a review and adjustment based on upcoming regulatory changes regarding sustainability reporting, and an even greater focus on what is material information. Mips has also compared the results with how different sustainability indices rate the different areas for the industry as a whole.

Results of the double materiality assessment

	Actual/potential, positive/negative impact	Financial risks	Financial opportunities	More information is available in these sections:
Environment				
• Climate impact and energy	●	●	●	Climate
• Substances of concern	●	●		Resource use and circular economy
• Resource use and circular economy	●		●	Resource use and circular economy
Social responsibility				
• Own workforce: working conditions and equal treatment and opportunities	●	●	●	Own employees
• Workers in the value chain: working conditions and labor rights	●	●		Workers in the value chain
• Product safety for consumers and end users	●	●	●	Product safety
Business conduct				
• Corporate culture and whistleblower protection		●		Business conduct
• Corruption and bribery	●	●		Business conduct

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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.

UPSTREAM	**Raw material extraction** Extraction of raw materials used in Mips' products.	**Product/processing** Processing of the raw materials and production of materials used in Mips' low-friction layers and components.	**Final manufacturing and installation of products, direct suppliers** Manufacturing and installation of products based on Mips' designs.	**Logistics, warehousing and transport** Packing, warehousing, and transport between suppliers, Mips' warehouse, and/or helmet production factories.	
OWN OPERATIONS	**Own operations in Europe** Includes activities in research and development, sales, marketing, finance and investor relations, purchasing, sourcing and operations management, human resources, legal, intellectual property, warehousing, quality assurance, design, implementation, and testing.		**Own operations, outside Europe** Includes activities in research and development, production, warehousing, quality assurance, order management, and testing.	**Policy advocacy** Membership in industry organizations, participation in standardization bodies, advocacy work towards regulatory bodies, and collaboration with universities.	**Logistics, warehousing and transport** Delivery, warehousing, packing.
DOWNSTREAM	**Logistics and transport** Delivery, warehousing and transportation between customers, retailers, e-retailers and consumers, and for service in the use phase.	**Helmet brands** Sales to helmet production factories/helmet brands for installation of Mips' products in their helmets	**Retailers/e-retailers** Mips products reach end consumers via helmet manufacturers and retailers (i.e. no direct sales in Mips' own operations)	**Product use** Consumers' use of the products including activities such as cleaning and "products as a service" (rental).	**End-of-life management of the product** Retailing, recycling, dismantling, incineration, or disposal of products.

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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, regardless of country, learn about the Code of Conduct through a briefing during onboarding, and thereafter sign to verify that they have received, read, and understood the content and agree to comply with it. Regular 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
- Tax 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 help achieve the UNs 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' science-based 2030 climate targets have been validated and approved by the Science Based Target initiative (SBTi) as being in line with the Paris Agreement's goal of limiting global warming to 1.5°C. 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 also Scope 3 emissions.

GRI (Global Reporting Initiative)

The account of the sustainability work presented in this report is inspired by the GRI's international standards. The GRI Index can be found on pages 132–133.

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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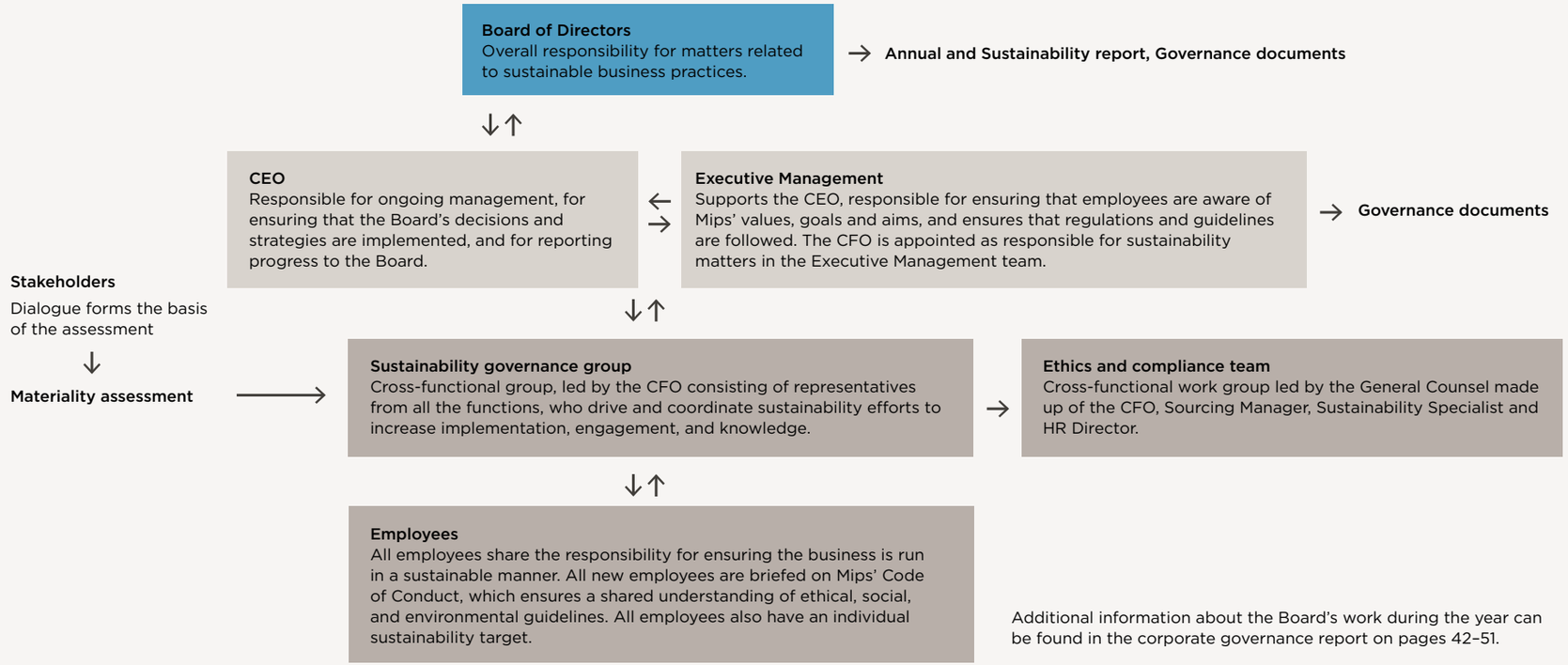
Organization and management

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 when 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.

Targets are set at an overall level within the sustainability topics that are material to Mips. These are broken down into sustainability targets for each department and for each individual employee. The individual sustainability targets are followed up by line managers as part of employee appraisals and performance reviews.

Mips' sustainability governance model



Additional information about the Board's work during the year can be found in the corporate governance report on pages 42–51.

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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 2025

Financial year 2025	2025			Substantial contribution criteria						DNSH criteria (Do no significant harm)									
Economic activities	Code	Turnover	Proportion of turnover, 2025	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity	Minimum safe-guards	Proportion of Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) turnover, 2024	Category, enabling activity	Category, transitional activity
		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	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of the environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	–	–	–	–	–	–	–		–	–	–	–	–	0%		
Of which enabling			–	–						–	–	–	–	–	–	–	0%	E	
Of which transitional			–	–						–	–	–	–	–	–	–	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
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. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		533	100%																
Total		**533**	**100%**																

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Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities - disclosure covering 2025

Financial year 2025	2025			Substantial contribution criteria						DNSH criteria (Do no significant harm)									
Economic activities	Code	OpEx	Proportion of OpEx, 2025	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity	Minimum safe-guards	Proportion of Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) OpEx, 2024	Category, enabling activity	Category, transitional activity
		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	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%	–	–	–	–	–	–	–	–	–	–	–	–	–	0%		
Of which enabling			–	–						–	–	–	–	–	–	–	0%	E	
Of which transitional			–	–						–	–	–	–	–	–	–	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
OpEx of the Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		0	0%	–	–	–	–	–	–								0%		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		0	0%	–	–	–	–	–	–								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		380	100%																
Total		**380**	**100%**																

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Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities - disclosure covering 2025

Financial year 2025		2025		Substantial contribution criteria						DNSH criteria (Do no significant harm)									
Economic activities	Code	CapEx	Proportion of CapEx in 2025	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity	Minimum safe-guards	Proportion of Taxonomy-aligned (A.1) or Taxono-my-eligible (A.2) CapEx, 2024	Category enabling activity	Category transitional activity
		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	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of the environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%	–	–	–	–	–	–	–	–	–	–	–	–	–	0%		
Of which enabling			–	–						–	–	–	–	–	–	–	0%	E	
Of which transitional			–	–						–	–	–	–	–	–	–	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Acquisitions and ownership of buildings	CCM7.7	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								100%		
CapEx of the Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		0	0%	0%	–	–	–	–	–								24%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		0	0%	0%	–	–	–	–	–								24%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		16	100%																
Total		16	**100%**																

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Climate

Impacts, risks and opportunities
Mips develops and designs products and tests in-house that these products meet defined requirements. The manufacturing of these products is carried out exclusively by suppliers, based on design drawings and specifications from Mips. This means that only 1 percent of the total greenhouse gas emissions come from Mips' own facilities, mainly related to energy use. 84 percent of the total emissions are linked to the raw materials used in Mips' products and the energy consumed in their production.

Greenhouse gas emissions from Mips' products 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 sells its products exclusively to helmet companies. Many of these companies have their own climate targets and are actively working to reduce the climate impact of their products. Mips' products add safety, but they also add emissions to customers' calculations. Continuing to work on reducing the climate impact of products is important in order for Mips' products to remain relevant as customer demands in this area increase.

Although Mips' products generate a certain level of emissions, the overall contribution remains very limited. The emissions associated with one unit of the Mips safety system are equivalent to a car journey of about 3 kilometres in a diesel-powered passenger car. This means that a user of a bicycle helmet has already saved the emissions generated by the Mips safety system on

Distribution of emissions per scope

Scope 1: 0.0%
Mips does not own any vehicles with internal combustion engines, does not use any fuels in its own operations, and has not generated any other direct emissions from its own operations.

Scope 3: 98.8%
4,881 ton CO_2e
Indirect emissions that occur in Mips' value chain, see distribution below.

Scope 2: 1.2%
60 ton CO_2e
Pertains to electricity consumption and heating of Mips' own operations (location-based).

Scope 3 distribution

Raw materials used in Mips' products
Electricity for manufacturing of products
Other manufacturing of products
Other purchased goods and services
Upstream freight transportation
Business travel
Commuting
Downstream freight transportation
Other

Mips total emissions 2025 in scope 1, 2 and 3 and a breakdown of scope 3 emissions.

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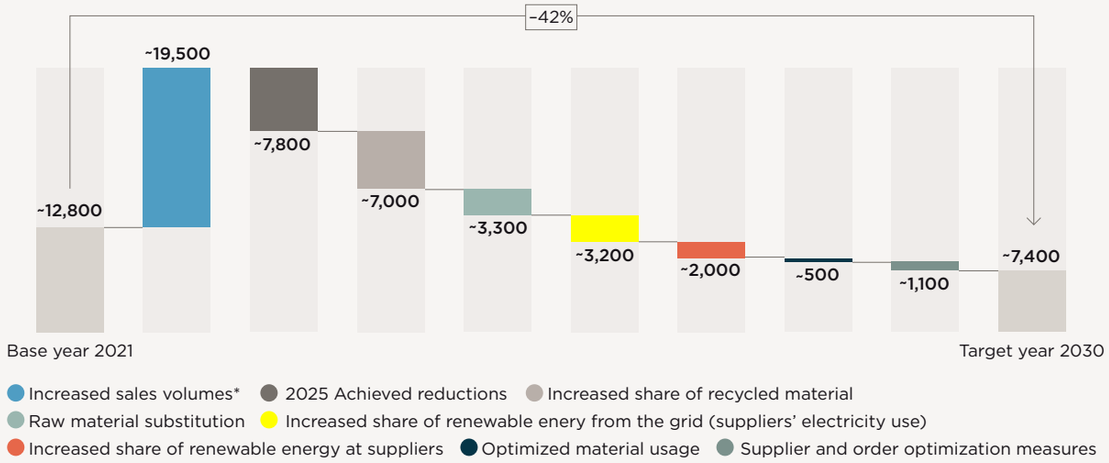
Transition plan, decarbonization levers (ton CO_2e)



Transition plan with key actions to reduce emissions in order to reach the 2030 climate target, including estimated outcomes.
* Projected emissions increase based on Mips' growth strategy and financial targets through 2029, if no further actions are taken.

the first ride, if it replaces a car journey of more than 3 kilometres.

Part of Mips' business strategy involves expanding the focus beyond rotational protection to also address solutions to optimise helmet performance from a broader perspective. As part of this, Mips sees an opportunity to offer more innovative and climate-smart solutions as the product portfolio increases.

A description of financial climate-related risks can also be found in the Risk section on page 57–61.

Policy and governance

Mips' climate work is guided by the company's environmental policy, climate targets, and transition plan. 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. Mips' science-based climate targets for 2030 have been approved by the Science Based Targets initiative (SBTi) as being in line with the Paris Agreement and its 1.5°C target.

Transition plan

Mips' 2030 climate target is to reduce Scope 1, 2 and 3 emissions by 42 per cent compared to 2021. At the same time, Mips' financial targets mean a significant increase in sales volume in the coming years. This means that although Mips has already achieved a 61 percent reduction, significant further action is needed to reach the 2030 climate target. Breaking the link between increased sales volume and increased emissions by significantly reducing emissions per product sold is crucial. This, together with the fact that Mips has already almost eliminated its Scope 1 and scope 2 emissions (market-based), means that Mips' transition plan focuses primarily on activities that reduce emissions associated with the company's products.

Mips has analyzed the key measures that need to be taken to achieve the company's climate goals and how much emission reduction each measure contributes. Based on this, the company has developed a transition plan with concrete activities and a timetable up to 2030, as well as short- 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. Other measures contained in the plan include replacing raw materials associated with high emissions, reducing material consumption and waste, and optimizing the location of production based on the sustainability performance of suppliers.

Actions

Mips continuously works on measures that deliver both immediate emissions reductions, as well as with development and innovation initiatives that will generate impact over the longer term.

Raw materials and energy in manufacturing

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 reduce emissions per product sold, in accordance with the transition plan.

In 2025, two more of Mips' largest suppliers have switched to using post-industrial recycled polycarbonate. This means that all suppliers with significant volumes of polycarbonate products now use recycled polycarbonate. This, together with other measures implemented to replace primary materials with recycled ones, will have a significant effect in terms of reduced emissions.

Mips has also continued its efforts to replace materials with a high climate impact with materials that are better from a climate perspective. Several projects including extensive testing in this area have been carried

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out during the year. For more information, see the Resource use and circular economy section, page 120–121.

The share of renewable energy used in the production of Mips' products has increased during the year. Several factories have installed solar panels and a number of suppliers have obtained renewable energy certificates for the electricity they buy from the grid. In addition, several suppliers have introduced energy-saving measures, which have had a positive effect.

Energy consumption and sustainability performance are important factors when Mips selects suppliers for new production projects. During the year, Mips continued to place more manufacturing to suppliers with lower energy consumption, higher share of renewable electricity, and better performance where possible.

Mips works together with its customers to jointly find new innovative solutions that reduce emissions and material use and promote recycling. One example with a clear sustainability agenda is a collaborative project that has been running during the year, where one of the project targets is to halve greenhouse gas emissions per produced reference unit. This project is continuing in 2026.

Energy consumption in own operations

100 percent of Mips' electricity consumption in its own operations in Sweden is covered by renewable energy certificate. Similarly, 100 percent of the electricity consumed by the company's own operations in China is covered by Green Electricity Certificates (GECs).

Premises are heated by district heating based mainly on residues from the forestry and sawmill industries, i.e. renewable energy sources.

Business travel

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. Mips' total climate impact from emissions from business travel amounted to 135 (159) ton in 2025, which equates to 1.22 (1.46) ton CO_2e per employee. This means that Mips' target of a maximum of 1.80 tonnes of CO_2e per employee was achieved.

Transportation

Mips is working in various ways to reduce the climate impact of transportation. One way to do this is by choosing the logistics provider's climate option GoGreen Plus whenever possible. 75 percent of the transportation ordered by Mips in 2025 was of this type, measured in ton-kilometres.

All testing of new helmet models with Mips' technology takes place in Mips' testing laboratory in Sweden or China. In 2025, the percentage of tests that took place in the Mips testing laboratory in China increased significantly. As the absolute majority of all helmets in the Mips value chain are manufactured in China, this change results in a reduction of shipments of helmets from factories in China to the testing laboratory in Sweden, while simultaneously increasing efficiency. The shipment of helmets from China that are still tested in Sweden is coordinated into one delivery of helmets per week.

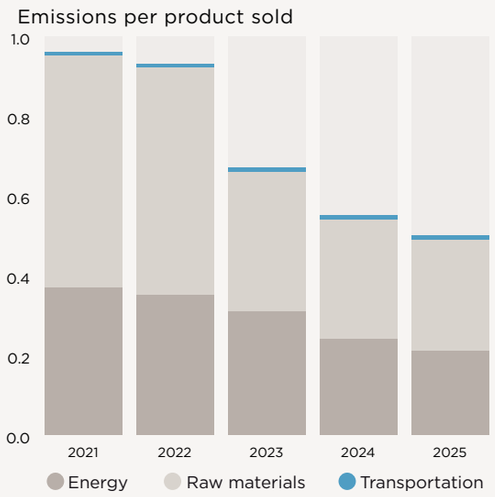
Mips safety systems are produced as close as possible to the helmet manufacturers' factories, often in the same facilities, which minimizes transportation needs. Mips' own operations in China, which include warehousing, are strategically located close to several of the largest helmet factories, which helps to limit the climate impact of transport.

A small portion of Mips' customers' helmet production will soon be moved from China to other countries, and this shift is expected to increase over time. Mips' production is keeping pace with this change, which to some extent may mean increased upstream transportation and thus a risk of higher climate impact. To address these changes, Mips has identified solutions that limit transportation needs and thus climate impact, including through optimised logistics and skills transfer. At the same time, customers' downstream transport is expected to decrease as a result of this move, which could have a positive effect from a life-cycle perspective.

All transportation to end markets is handled by Mips' customers. As the Mips system is lightweight and integrated into the customers' helmet, it does not add significantly to the impact of this transportation.

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 of 2021, and that the company 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. In 2025, Mips achieved a total reduction of 61 percent compared with the 2021 base year. Although the target appears to have already been reached, substantial efforts will still be required to meet the 2030 goal. This is because, according to the company's financial targets, sales volumes are expected to increase significantly in the coming years. To decouple volume growth from increased emissions, Mips has set a specific target to reduce emissions per product sold by 90 percent by the end of 2030 compared with the base year. This target is broken down into short-term annual goals. For 2025, the goal was to reduce emissions by an average of 47 percent per product sold compared with 2021. The outcome was a 49 percent reduction. A large share of the emissions reductions achieved to date can be attributed to Mips' increasing transition to recycled raw materials. For 2026, the goal is to reduce emissions per product sold by 55 percent compared with 2021.

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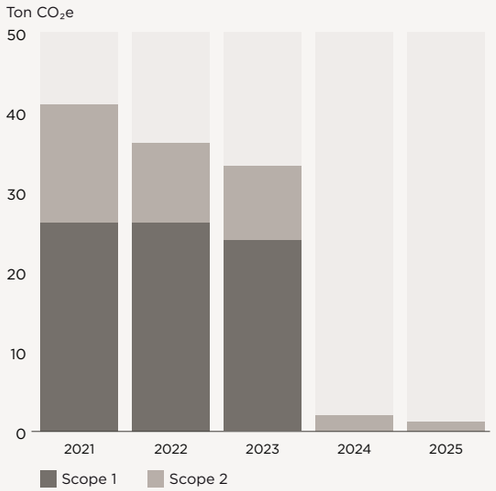
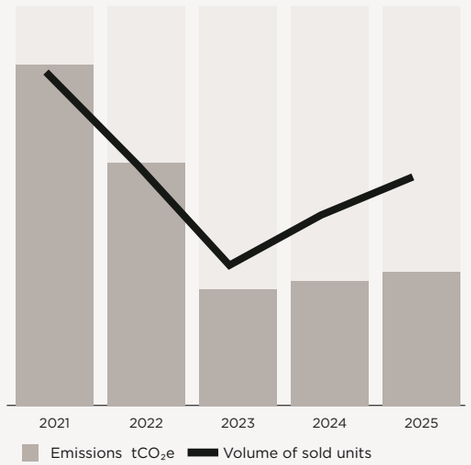
Scope 1 and 2 (market-based)



Scope 3



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_2 equivalents. If supplier-specific conversion factors exist, these are used. Otherwise, conversion factors from DEFRA (www.gov.uk), IEA (2024), Ecoinvent and others are used. For raw materials, base year emission factors are normally used to avoid fluctuations in emissions solely due to the different versions of emission databases. Mips uses the operational control method for 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 allowed an update of the estimations used in 2021 with more exact data, and thus figures in previous reports have been restated over the years.

Every year, Mips collects data from its manufacturing suppliers on energy consumption, raw material use, sources of energy, water consumption, transportation and production waste for each product produced during the year. In addition, information is collected on suppliers' implemented and planned activities 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 between different suppliers to a greater extent, helping to validate the data collected, and thereby improve 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 has a good basis for prioritising and planning emission reduction projects and activities.

In cases where actual data is missing from a supplier, Mips extrapolates data from other suppliers with similar processes and products, or uses previous years' data per unit produced as the basis for calculations. This pertains to two suppliers in 2025, one with a very low volume and the other due to the ending of the business partnership.

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Greenhouse gas indicators

	2025	2024	2023	2021 (base year)
Scope 1 greenhouse gas emissions (ton CO_2e)	0	0	23.9	26.1
Scope 2 greenhouse gas emissions, market-based (ton CO_2e)	1.2	2.0	9.4	14.9
Scope 2 greenhouse gas emissions, location-based (ton CO_2e)	60.4	52.4	37.7	43.7
Scope 3 greenhouse gas emissions, total of the prioritized categories (ton CO_2e)	4,881	4,625	4,288	12,748
Category 1 Purchased goods and services (ton CO_2e)	4,524	4,218	3,933	12,298
Category 2 Capital goods (ton CO_2e)	16.1	17.9	1.8	3.0
Category 3 Fuel and energy-related activities (ton CO_2e)	14.4	12.3	7.5	9.3
Category 4 Upstream transportation and distribution (ton CO_2e)	38.2	62.4	40.8	43.8
Category 5 Waste generated in operations (ton CO_2e)	7.3	8.5	9.0	7.8
Category 6 Business travel (ton CO_2e)	134.8	158.9	159.9	40.4
Category 7 Employee Commuting (ton CO_2e)	49.3	49.5	31.6	67.6
Category 8 Upstream leased assets (ton CO_2e)	0	0	0	24.4
Category 9 Downstream transportation and distribution (ton CO_2e)	96.5	97.1	104.6	254.3
Emissions intensity: Scope 1 and 2 greenhouse gas emissions (location-based) per net sales (ton CO_2e/SEKm)	0.1			
Emissions intensity: Scope 1 and 2 greenhouse gas emissions (location-based) and Scope 3 per net sales (ton CO_2e/SEKm)	9.3			
Emissions reduction per product sold since the 2021 base year	49%			

* Downstream transportation and distribution has been corrected for 2021, 2022 and 2024, resulting in lower emissions for these years than previously reported.

Energy indicators

	2025	2024	2023
Total energy consumption in all of Mips' own operations (MWh)	**454.9**	**369.2**	**319.3**
Total energy consumption from fossil sources (MWh)	**129.1**	**121.1**	**108.9**
Consumption of fossil fuels (MWh)	0	0	0
Consumption of purchased electricity, heating and cooling from fossil sources (MWh)	129.1	121.1	108.9
Percentage energy from fossil sources in total energy consumption (%)	*28.4*	*32.8*	*34.1*
Total energy consumption from renewable sources (MWh)	**325.5**	**248.1**	**210.4**
Consumption of renewable fuels (MWh)	0	0	0
Consumption of purchased electricity, heating and cooling from renewable sources (MWh)	325.5	248.1	210.4
Consumption of own-generated renewable electricity (MWh)	0	0	0
Percentage of energy from renewable sources in total energy consumption (%)	*71.6*	*67.2*	*65.9*

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 manufacture of Mips' products by suppliers, i.e. outside of Mips' own operations, amounted to 3,289 MWh during the year.

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Resource use and circular economy

Impacts, risks and opportunities
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, upstream and downstream in the value chain.

Mips currently relies on plastic for the low-friction layer designed to protect the brain from damage. The most common raw materials in Mips' products are the three plastics polycarbonate, polyketone, and polypropylene. Altogether, these account for 78 percent of the amount of raw materials used in Mips' products. Use of virgin plastic means consumption of the earth's resources, risks and potential impacts linked to oil extraction, and climate impacts along the value chain.

Mips' products are designed specifically to fit each helmet model. They are installed into the customer's helmet before being released on the market by the customer. This somewhat limits Mips' ability to work on the circular economy elements of reuse, upgrading, and longevity.

Preventing and limiting the presence of chemicals classified as harmful to the environment and health is a priority area for Mips, both from an impact and financial perspective. In addition to the fundamental purpose of ensuring safe products, this area is strongly regulated by law and is also a common customer requirement.

Policy and governance
Mips' environmental policy is the basis for the company's environmental management work and it governs areas such as resource use and circular economy. The environmental policy states that the lifespan of Mips' products 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 products, environmental aspects should be assessed already in the concept phase to minimize negative environmental impact throughout the product life cycle. The policy also states that the packaging used must be made from recycled materials. Furthermore, the policy states that waste volumes in own operations should be minimized and that all recyclable waste should be recycled.

Actions
In addition to a clear strategy to integrate sustainability within each department of its own business, Mips actively collaborates with partners in the value chain to drive improvements in resource use and circular economy. The company is working with suppliers to increase the proportion of recycled materials and reduce material consumption and waste. In projects carried out together with customers, new innovative solutions are developed to improve environmental performance.

Life cycle analyses are a natural part of Mips' product development. These analyses have given the company a deeper understanding of which products are the most environmentally sustainable and which measures should be prioritized to achieve the greatest impact.

Raw materials and resource use
During the year, Mips continued to replace materials with more environmentally sustainable alternatives. This has resulted in products that maintain the same high level of quality and safety as before, but with a lower climate and environmental impact. One important step has been the roll-out of post-industrial polycarbonate, in that 74 percent of the polycarbonate used for Mips' products during the year was post-industrial or post-consumer recycled. This has been made possible through three-way agreements between Mips, the recycled polycarbonate supplier and manufacturing partners.

To reduce production waste and material consumption in manufacturing, Mips has conducted studies on the impact of design work and how improvements can be achieved through updated design criteria. Production methods have also been studied with the aim of reducing waste. In 2026, work will continue to achieve this potential for improvement.

Mips has also driven initiatives that have led to production waste at suppliers being circulated and used as input material for some of Mips' products, which has led to a reduction in the need for virgin material by around 10-25 percent in these applications. Another supplier collaboration has enabled the material of one component to be switched to a material with a lower carbon footprint and better recyclability.

Through product development, it has been possible to halve the consumption of coating in one product type. New recycled fabrics have been approved and launched for several of Mips' textile-based products and tests have been carried out on the possibility of blending recycled material into polymers where this is not yet used. All changes in material are preceded by rigorous testing to ensure that quality and performance are maintained.

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During the year, Mips continued to develop and improve the material models in its Virtual Test Lab, including through research in collaboration with the Royal Institute of Technology, KTH. The aim is to be able to simulate helmet tests that are as close to reality as possible, thereby reducing the number of physical tests needed to approve a helmet model. This has the potential to reduce resource use and waste while creating savings in cost and time. A new research project being conducted with the Royal Institute of Technology (KTH) that began during the year is investigating how manufacturing simulation can reduce the number of design iterations and thus reduce material consumption.

The company is currently concentrating mainly on replacing virgin plastic with recycled plastic and reducing material consumption. Bio-based materials are also being evaluated on a small scale, but tests conducted during the year have not yet yielded satisfactory results. Mips continues to monitor the development of bio-based materials.

Lifespan and recycling of products

During the year, Mips has enabled users to remove the padding in certain products, which makes washing easier and thereby potentially increases the helmet's lifespan. Another new development this year is that customers can purchase an add-on safety system from Mips for a certain type of existing helmet. This allows the helmet to be upgraded, reducing the need to discard it and replace it with a new one.

The majority of Mips' products are labeled with the type of input raw material used to ultimately facilitate recycling. In terms of measures to promote recycling, during the year Mips developed a product that has no added coloring agents and provided information via social media on how best to dismantle Mips' products. The proportion of recyclable material in Mips products in 2025 was 78 percent.

Chemical substances of concern

To identify any presence of potentially harmful substances and verify compliance with customer and legal requirements, Mips ensures that materials and articles in the company's product range undergo chemical tests according to Mips' test matrix. This includes carrying out testing in the light of restrictions in for example the EU REACH Regulation, California's Proposition 65 and the EU Persistent Organic Pollutants (POPs) Regulation. Chemical testing is carried out by accredited laboratories both prior to the introduction of new materials and periodically for existing materials and components. Mips does not import chemical products or articles into the EU and does not release any products on the market and is therefore not directly affected by REACH registration. However, the company is committed to ensuring compliance in the value chain and to providing the information that meets customers' needs.

Mips' products made of polycarbonate contain the substance Bisphenol A, as it is one of the components of that polymer. However, the concentration of the substance is only 0.0012 percent, i.e. well below the threshold for reporting it as a candidate substance under REACH. Mips commissioned a toxicological risk assessment which shows that there are no adverse health effects associated with its use.

Low levels of hexavalent chromium have previously been found in some of Mips' textile products, but recent tests have not detected any hexavalent chromium in existing textiles.

Targets and outcomes

Mips' target for 2025 was to achieve at least 37% recycled material in the company's product as an average. The result was 34 percent, which means that the target was not achieved despite important measures being implemented during the year to increase the proportion. One explanation for this is that an error in the input data from a supplier in 2024 meant that the outcome of planned measures in 2025 was projected based on an incorrect base value. The long-term target in this area is to achieve 90% recycled materials by 2030. Mips estimates that it will be on track to meet this long-term target in 2027.

Raw material consumption for the manufacturing of Mips' products and percentage of recycled material

Raw material	Weight by raw material (tons)	Of which recycled
Polycarbonate (PC)	308.5	74%
Polyketone (PK)	220.8	0%
Polypropylene (PP)	73.6	17%
Polyester	44.2	11%
Polyamide (PA)	43.7	1%
Silicone rubber	27.3	0%
Polyurethane foam	23.7	0%
Paper	18.9	78%
Acrylonitrile, Butadiene, and Styrene monomers (ABS)	5.1	7%
Other materials	9.1	7%
Total	**774.8**	**34%**

The above refers to total material consumption in manufacturing, including production waste. The data is calculated based on material consumption data from Mips' manufacturing suppliers.

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Our employees

Impacts, risks and opportunities
Mips specializes in helmet-based safety and is a global leader in helmet solutions that are designed to add protection against harmful rotational motion. It is therefore vital that the company can attract and retain employees with the right skills and passion to always make safer and better products.

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 wellbeing 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. The Code of Conduct is a key policy. It 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 clearly describes these areas to all employees. The Employee Handbook also outlines the company's vision, mission and values, as well as a employee benefits.

Even though the company is a global 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 30.

Mips' mission is to lead the world towards safer helmets, but for Mips, safety is not only important for helmets. It is the company's highest priority in every area of the organisation. Safety should never be jeopardized, neither in Mips' products 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 targets and long-term vision.

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 theses 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 thereafter followed up regularly. Appraisals involve discussing matters such as skills important for Mips' progress and for the development of the individual. These skills can be gained both through internal learning and external courses.

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 the development of Mips and individual employees.

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Mips values and rewards talented employees. To increase transparency in pay setting, new pay criteria were introduced in 2024 and were applied through 2025. Pay criteria strengthen the link between performance, development, and the company's overall objectives. One of the criteria focuses on the employee's achievement of their individual sustainability targets. The bonus structure for employees in senior positions is also shaped to support the company's sustainability work. Ten percent of the bonus is linked to the fulfilment of sustainability targets. 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.

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 wellbeing. No employees are covered by collective agreements.

Gender equality, diversity, and inclusion

Mips sees diversity as a key element of a successful organisation. 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 2025. At the overall level, the gender pay gap is -4 percent, meaning that female employees earn on average 4 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 less than male engineers.

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 maintain 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, yoga at the workplace, and 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 2023-2025, around 95 percent of employees participated in these courses. Training will continue on an ongoing basis 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 2025, two work-related incidents were reported, but no serious accidents.

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 2025, the number of employees was 111 (109), of which 52 were women and 59 were men (including China), corresponding to 47 percent women and 53 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 (4) people, including 2 (2) women, which corresponds to 50 percent (50) of the total number of people in management. At the end of 2025, the total number of managers was 27, 52 percent of which were women (46), 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 sex consultants performing work on behalf of Mips, compared with five at the end of the previous year In addition to the company's employees and consultants, Mips engages two employees abroad via Employer of Record (EOR) solutions. These

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individuals are formally employed by an external employer but work operationally and exclusively for Mips. Consultants and EOR staff are based in Sweden, the UK, and the US and are not included in the data for total number of employees at Mips.

The results of the 2025 employee surveys show a response rate of 94 percent. On a ten-point scale, the company reached an average score of 8.4, exceeding the target of >8.0. The Employee Net Promoter Score (eNPS) was 38 (46) in 2025, which is a decline compared to the previous year and is slightly below the company's target of >40. Mips has analysed the results and identified areas where further focus is needed, including on communication and leadership. Despite the decline, Mips' eNPS is significantly higher than the average of 14 for other companies using the same platform. The eNPS scale ranges from –100 to +100. The results of the employee survey are used to identify both strengths and areas for improvement, aiming to enhance things that work well and develop things that need improvement.

Number of employees Dec 31, 2025

KPI	Women	Men	Total number	Percent women/men
Number of employees (headcount)	52	59	111	47/53
Sweden	43	44	87	51/49
China	9	15	24	38/62
Number of permanent employees	51	56	107	48/52
Number of temporary employees	0	2	2	0/100
Number of contingent workers	1	1	2	50/50
Number of employees Koroyd SARL (headcount), not included above.	6	7	13	46/54

Number of managers

KPI	Women	Men	Total number	Percent women/men
Number of managers	14	13	27	48/52
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	3	5	8	7.2
Number resigned, entire company	1	3	4	3.6

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)	9.5
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)	-0.56

* Base salary and bonus are included in the annual total compensation for the highest paid individual

Health, safety, non-discrimination, and wellbeing

KPI	Target	2025	2024	2023
Employee turnover, total (% of total number of employees)	<10%	4%	10%	4%
Employee turnover, voluntary (% of total number of employees)	<10%	4%	10%	4%
Number of reported and investigated cases of workplace harassment	0	0	0	0
Skills development and investment in training (% of salary cost)	3.0%	1.0%	1.0%	2.4%
Training hours, average per employee*		11	20	26
Training hours, average per employee, women*		13	18.6	N/A
Training hours, average per employee, men*		9	21.3	N/A
Employee survey eNPS*	>40	38	46	45
Employee survey, Tempertur*	>8,0	8.4	8.4	8.4
Performance appraisals (% of employees)	100%	100%	100%	100%
Work-related injuries, (no. of accidents)	0	2	0	0
Lost time injury frequency rate (LTIFR)	0	4.5	0	0
Sick leave (Mips AB only)	<3%	3.56%	2.87%	1.51%

* New KPI or method of measurement, thus comparative figures not available for all three years.

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Workers in the value chain

Impacts, risks, and opportunities
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 also largely engages the helmet manufacturers to produce Mips' products. This it to minimize transportation, lead times, and complexity in the supply chain.

Mips currently collaborates with 89 different partners, of which 19 are manufacturing suppliers of Mips' products and 70 are helmet factories that only assemble Mips' products in the customers' helmets. The majority of the company's suppliers are currently located in China. In general, there are risks of forced labor, child labor, and poor working conditions in the countries that are part of Mips' supply chain and in the industry in which the company operates. Through responsible procurement, Mips can mitigate such risks and contribute to better conditions for workers in its supply chain.

Policy and governance
Mips believes that the company has an important role in ensuring that human rights and good work conditions are respected for the people affected by Mips' business activities. This includes the supply chain and workers at manufacturing suppliers. To prevent negative impacts, the company has established a policy in the form of a Supplier Code of Conduct. Mips conducts regular audits to monitor compliance with the Code and to identify and assess impacts. Any non-conformities found are managed based on their severity in order to mitigate or stop negative impacts. To be close to the manufacturing suppliers and the customers' helmet factories, Mips has had 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 protecting the environment, 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 do 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 outsource manufacturing without Mips' written approval. In cases where Mips approves outsourcing, the requirements of the Code of Conduct must also be met by the subcontractor. This means that no manufacturing of Mips products may take place in facilities without Mips' approval.

Mips' supplier agreement stipulates that suppliers must sign and comply with Mips' Supplier Code of Conduct and ensure that their suppliers also comply with it.

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 discrepancies or an unwillingness on the part of the supplier to improve the situation will, however, jeopardize the relationship between the supplier and Mips.

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 countries where Mips' suppliers are active, Mips ensures that all manufacturing suppliers that have more than a negligible volume of deliveries are audited at least every second year. The audits are carried out by Mips' own staff or by third-party auditors. The audit aims to ensure compliance with the

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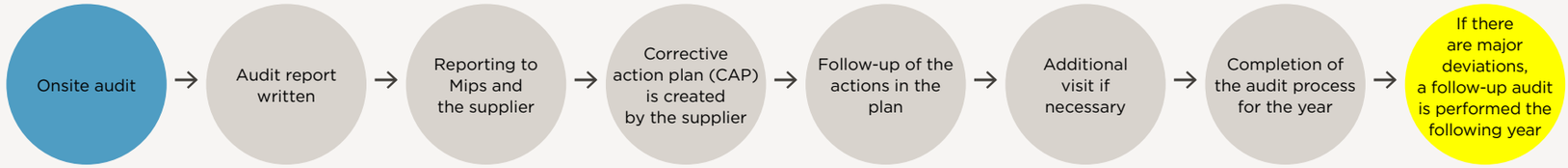
The audit process



requirements of the Code of Conduct and the ten principles of the UN Global Compact, and to identify potential negative impacts. It covers a range of critical aspects in the areas of working hours, wages, child labor, forced labor, 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, these interviews take place in a separate location to create the best possible conditions for an honest and open dialogue.

In 2025, Mips has had 10 of its current suppliers audited for social and environmental aspects. Three of these have been audited by third parties. Mips intends to locate production in Vietnam and is in close dialogue with a number of factories to start the process. Among other things, Mips has obtained reports from sustainability audits of these factories to assess compliance with the requirements of Mips' Code of Conduct.

Through the audit process, suppliers' sustainability performance is graded from A to E based on the proportion of checkpoints fulfilled. The grades are defined as follows: A = 90-100 points, i.e. 90-100% of the checkpoints are fulfilled, B = 80-90 points, i.e. 80-90% of the checkpoints are fulfilled, C = 70-80 points, i.e. 70-80% of the checkpoints are fulfilled, and so on. Of the ten suppliers audited in 2025, eight suppliers received an A grade and two suppliers received a B grade. This is a significant improvement compared to the previous year and indicates that Mips' push for improvements has paid off.

Mips has zero tolerance for non-compliance in the areas of child labor and forced labor. All of the audited suppliers had some form of discrepancy, but no supplier had discrepancies within these serious areas. 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 value chain.

During the year, a new audit checklist was developed in co-operation with external experts. The new checklist started to be used in the fourth quarter of 2025 and involves different issues being weighted differently depending on the severity of the potential effect of a non-compliance.

Targets and outcomes

Mips' target for 2025 was to achieve at least 88 points as the average score from supplier audits conducted in the last two years, out of a maximum of 100 points. The result exceeded this at 94 points*. 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 creates an incentive for suppliers to ensure a good level of sustainability performance.

For 2026, the new checklist and methodology will be fully utilised with weighting based on the potential impact of issues. The aim is to achieve at least an average score of 90 with this new calculation method.

Social and environmental aspects in the value chain

KPI	Target	2025	2024	2023
Share of manufacturing suppliers** who have signed Mips' Supplier Code of Conduct	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%	No new	100%	N/A
Average score in sustainability audits of manufacturing suppliers	90	94	87	N/A

* A translation has been made so that all audits have been calculated using the methodology on which the target was set, i.e. without the weighting in the new checklist.
** Manufacturing suppliers are defined as direct suppliers with volumes above the threshold (more than negligible volume).
*** New CPI from 2024. There were no new manufacturing suppliers in 2025.

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Product safety

Impacts, risks and opportunities
Mips is a global market leader in helmet-based rotational protection and partners with many of the world's leading helmet brands. By offering technologies and safety solutions for helmets, which are designed to improve protection and thus reduce the risk of permanent injuries and short- and long-term sick leave, safety is Mips' most important sustainability topic. Mips' products 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 applicable 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 cause skull fractures. Mips' safety system is designed to mimic the brain's own protection system and reduce the risk of brain injury from angled impacts that create rotational motion, which traditional helmets do not protect against.

To ensure that the company continues to have leading technology and scientifically verified solutions, Mips invested approximately 8 per cent of net sales in research and development during the year. The company has for many years maintained an active dialogue with leading universities and technology institutes globally to promote research-based development of tests and standards. Mips is pushing for rotational motion to be part of the standard protocol for testing and certifying helmets, which strengthens the protection of the helmet user. Furthermore, Mips is a member of a number of testing bodies around the world.

In 2025, Mips has carried out a series of activities to raise awareness of the benefits of equipping helmets with protection against rotational motion, both on its own and together with its partners. Increased safety awareness and understanding of the risks and consequences of brain injury is driving demand for Mips' products, which in turn leads to increased protection for users. In order to offer Mips' technology to more helmet users, Mips constantly develops new products that can work in as many different types of helmets as possible.

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 products Mips delivers. Mips continued to submit new patent applications during the year.

As part of Mips' efforts to improve the protective performance of helmets in general, Mips presented the "Mips standard" during the year aimed at strengthening the requirements for approving the integration of the Mips safety system into helmets. The Mips standard sets requirements for the absolute protective capacity of the helmet, which therefore also includes linear forces, in addition to the relative improvement in terms of rotational movements. The standard will come into effect in 2026.

As Mips collaborates with many different partners, robust quality assurance is important to ensure the quality of the products. Mips' quality assurance consists of several stages, both before the product launch and during production. When Mips' safety system is first implemented in a helmet, the Mips' quality process is followed, illustrated in the diagram on page 128. Assembly instructions are created and sent to the factory to ensure correct assembly of Mips' safety system. Once Mips grants approval of the helmet equipped with the Mips safety system, the factory can start mass-producing the helmet. Mips always offers the factories assistance in production if they are new, or if they show they need, and/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' products. 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 satisfactory level of quality in its products 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.

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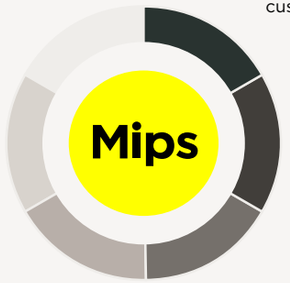
Mips' quality assurance process

The diagram illustrates the quality assurance process for first-time installations in new helmets equipped with Mips' safety system.



1. Manufacturing of the first size of the Low-Friction Layer (LFL) and the first production batch of Mips' LFL, followed by testing of the fit of the LFL in the customers' helmet. The tool is adjusted as needed.

2. Check of the customer's helmet, tool, and LFL and that the customer has correctly followed Mips' assembly instructions. After this, the customer's helmet with Mips' LFL integrated is tested in Mips' drop-test rig.

3. The remaining sizes of Mips LFL are produced. Checking and testing are carried out in accordance with steps 1-2. The tool is adjusted as needed.

4. Mips conducts approval tests for all helmet sizes. Quality checks of assembly are carried out together with the customer in the customer's factory or by validation of samples.

5. Mips completes the incoming quality control of all orders of Mips' products from the suppliers. After approval the products are sent to the factory for mass-production assembly.

6. A golden sample is archived for future reference during mass production.

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.

When new concepts or technologies are launched, the products are put through a number of tests to simulate real-life usage of Mips' products. All products are subjected to tests that are at least as stringent as those used by the helmet industry generally, as well as further tests that simulate scenarios and settings that are more representative for Mips' safety system and how it functions. For example, Mips' products undergo tests that simulate hot, wet and cold conditions as well as UV radiation, synthetic sweat, sun cream, and more. These environmental conditions are simulated to see if the durability of the product is affected by prolonged exposure and to simulate if function and performance are affected. The product must be approved in all tests before going on to the next stage in the development process.

Targets and outcomes

In 2025 Mips received 4.9 claims from end consumers per 1,000,000 helmets sold regarding quality deficiencies in Mips' products. The target is to receive fewer than five claims per 1,000,000 solutions sold, which was thus achieved.

Mips products

KPI	Target	2025	2024	2023
Consumer claims, (number of complaints/1 million units sold)*	Max 5 per million helmets	4.9	2.7	2.2

* The value is based on the number of consumer claims received during the year, which were categorized as a quality defect in the Mips product. This is calculated by dividing the number of consumer claims by the number of products delivered two years back in time, multiplied by 1 million.

Memberships and collaborations

Mips is a participant in several organizations that primarily work to develop standards in the helmet industry. The main reason for participation is to ensure that appropriate test standards are implemented for certification.

Mips is currently a participant in:
- 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

Mips also collaborates with several universities around the world to be at the forefront of developments in helmet safety. In 2025, Mips conducted several collaborative projects with various universities including the Royal Institute of Technology, Loughborough University, Imperial College and the University of Ottawa.

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Business conduct

Impacts, risks and opportunities
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.

Mips believes it is crucial to do business correctly and with a high level of business ethics. Mips values and promotes sound and fair competition as the strength in Mips' range of products drives the company's growth. As Mips operates in both Sweden and China, there is an underlying risk of corruption, which the company takes very seriously. Among other things, Mips has implemented an anti-corruption policy and holds regular anti-corruption training for its staff in both countries.

Policy and governance
Organization and culture
Mips' values, which are provided in the Code of Conduct, the manufacturing Supplier Code of Conduct, the Anti-Corruption and Anti-Bribery 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 factories in its supply chain.

In addition, Mips has several further policies within the Group, such as the Financial Policy, Communication Policy, IT Policy, and Insider Policy. The Code of Conduct, which applies to the entire value chain and is based on international conventions and standards such as the ten principles of the UN Global Compact's ten principles, 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 since 2023, third-party audits have also been performed at 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 the risks identified 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 57-61, and about financial risks in Note 21.

Specific risks associated with Mips' focus areas are presented in each section of this sustainability report.

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 and other experts when needed to ensure understanding of and compliance with applicable legislation, including tax-related matters. The company reports key information regarding its operations, financial standing and tax data for each relevant tax jurisdiction in accordance with applicable law.

Whistleblower service
Mips has established reporting procedures for reporting actual or suspected misconduct that should first be brought to the attention of the immediate supervisor, the Human Resources Manager, the CFO or the CEO of the company. Since 2021, Mips also has an external whistleblowing service, provided and managed by an independent third-party provider, which allows anonymous reporting of suspected or actual misconduct of a serious nature. Such whistleblowing cases are handled by a whistleblowing committee, which includes the Chairman of the Board together with external counsels. Mips has a zero-tolerance policy against all forms of retaliation against individuals who have reported actual or suspected misconduct in the company.

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 & Anti-bribery 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

The whistleblowing function is available in English, Swedish and Chinese.

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Risk analysis and risk management
Mips' risk analysis forms the basis for the company's priorities and key focus areas to ensure responsible business conduct. The risk analysis is updated quarterly as part of the company' internal control program, which is reviewed annually by the company's auditor. Priorities are set based on potential impact of the risks on the business. All functions in the company participate in risk management, which also aims to increase risk awareness throughout the organization.

Training and awareness
During the year, Mips held training courses for employees at the Swedish office in areas such as the Code of Conduct, anti-corruption, and whistleblowing. An anti-corruption training course was also held for the company's employees in China. Furthermore, Mips' employees regularly receive IT and cybersecurity training via email from the company's IT partner to increase awareness and knowledge of digital threats and security risks.

Targets and outcomes
Mips' business conduct targets and outcomes are presented in the table on the right. The targets include, amongst other things, having a 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	Target	2025	2024	2023
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
Implementation of internal training for company employees on bribery and corruption	yes	yes	yes	yes
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
Contributions made for political purposes (SEK)	0	0	0	0
Contributions made for lobbying purposes (SEK)	0	0	0	0

* Includes detected breaches reported via Mips' whistleblower system

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Other sustainabillity information

This section includes sustainability information that is often requested by external stakeholders, but is not included in Mips' material areas because it does not fulfil materiality criteria.

Packaging

Packaging material	Quantity used (ton)	Comments
Cardboard and corrugated board	3.1	As Mips' products are an integral part of customers' helmets, the company's use of packaging materials is limited. The products are manufactured by external suppliers who are responsible for packing and delivery to the Mips warehouse. The products are thin and space-efficient, allowing many units to be packed into each box. From Mips warehouse, the products are sent on to customers' factories in the same packaging in which they arrived. In some cases, production of Mips' products takes place directly in the customer's factory, eliminating the need for packaging altogether. In all cases, customers install Mips' safety systems into the helmets in their factories. The customer subsequently packs the finished product, as required, for distribution to retailers and end consumers. Mips' product therefore does not involve any additional packaging material at this stage. The figure provided is an estimate based on the number of cartons purchased and the estimated average weight per carton.
Metal, wood, glass	0	

Waste

KPI	2025	2024	2023	Comments
Total quantity of waste generated (tons)	**11.1**	**12.2**	**12.2**	A significant portion of the waste generated in Mips own operations consists of helmets used in testing. These helmets need to be disposed for safety and confidentiality reasons. Helmet waste is collected by waste transporters and taken to waste incineration plants where the energy generated during incineration is recovered. Packaging materials from incoming parcels are reused as far as possible for new parcels. The remaining packaging waste is recycled. Mips has been working with customers to prevent packaging waste by minimizing packaging in helmet transportation prior to testing and ensuring that customers do not send too many test helmets. Hazardous waste is rarely generated and when it is, it is in small quantities. In 2025, 23kg or 0.023 tons of hazardous waste were generated.
Share of non-hazardous waste sent for recycling, including incineration with energy recovery:	100%	100%	100%	
– Material recycling, including packaging waste (tons)	3.9 (35%)	3.8 (31%)	3.7 (31%)	
– Incineration with energy recovery (ton)	6.8 61%)	8.4 (69%)	8.5 (69%)	
– Other recovery processes: anaerobic digestion (tons)	0.4 (4%)	0.0	0.0	
Total quantity of waste disposed (tons)	0.0	0.0	0.0	

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Statement of use	Mips AB has reported with reference to the GRI Standards for the period January 1, 2025 to December 31, 2025
GRI 1 used	GRI Standards 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI standard	Disclosure	Page number	Deviation/Comments
GRI 2: General Disclosures 2021	2-1 Organizational details	86, 94	
	2-2 Entities included in the organization's sustainability reporting	63, 106	
	2-3 Reporting period, frequency and contact point	66, 106, 132, last page	
	2-4 Restatements of information	119	
	2-5 External assurance	135	
	2-6 Activities, value chain and other business relationships	3, 12, 107–108	
	2-7 Employees	123–124	27-b: Breakdown by region only reported for total number of employees, not by type of employment. No breakdown into full-time and part-time.
	2-8 Workers who are not employees	123–124	
	2-9 Governance structure and composition	44–46, 49–50, 110	
	2-10 Nomination and selection of the highest governance body	44	
	2-11 Chair of the highest governance body	44–45, 51	
	2-12 Role of the highest governance body in overseeing the management of impacts	44–45, 107, 109–110, 129	
	2-13 Delegation of responsibility for managing impacts	110	
	2-14 Role of the highest governance body in sustainability reporting	44–45, 107, 110	
	2-15 Conflicts of interest	45, 49–50	
	2-16 Communication of critical concerns	129–130	

GRI standard	Disclosure	Page number	Deviation/Comments
GRI 2: General disclosures 2021, Continued	2-17 Collective knowledge of the highest governance body	44, 110	
	2-18 Evaluation of the performance of the highest governance body	44–45	
	2-19 Remuneration policy	45, 71–73, 123	
	2-20 Process to determine remuneration	45–46	
	2-21 Annual total compensation ratio	124	
	2-22 Statement on sustainable development strategy	7, 18	
	2-23 Policy commitments	109, 125–126, 129–130	
	2-24 Embedding policy commitments	109, 125–126, 129–130	
	2-25 Processes to remediate negative impacts	125–126, 129–130	
	2-26 Mechanisms for seeking advice and raising concerns	109, 125, 129–130	
	2-27 Compliance with laws and regulations	130	
	2-28 Membership associations	109, 128	
	2-29 Approach to stakeholder engagement	107	
	2-30 Collective bargaining agreements	123	
GRI 3: Material topics 2021	3-1 Process to determine material topics	107	
	3-2 List of material topics	107	
	3-3 Management of material topics	115–130	

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GRI standard	Disclosure	Page number	Deviation/Comments
GRI 201: Economic performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	57–61, 115	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	129–130	
	205-2 Communication and training about anti-corruption policies and procedures	109, 129–130	
	205-3 Confirmed incidents of corruption and actions taken	130	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	121, 131	
	301-2 Recycled input materials	121	
	301-3 Recycled products and their packaging materials	–	301-3 Mips does not have access to data at this level currently
GRI 302: Energy 2016	302-1 Energy consumption within the organization	118–119	302-1: Mips has not sold any energy
	302-2 Energy consumption outside of the organization	119	
	302-4 Reduction of energy consumption	116–119	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	118–119	
	305-2 Energy indirect (Scope 2) GHG emissions	118–119	
	305-3 Other indirect (Scope 3) GHG emissions	118–119	
	305-4 GHG emissions intensity	118–119	
	305-5 Reduction of GHG emissions	116–119	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	126	
	308-2 Negative environmental impacts in the supply chain and actions taken	125–126	

GRI standard	Disclosure	Page number	Deviation/Comments
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	124	401-1 a-b: No breakdown of statistics by age group and region is provided
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	122–123	
	403-2 Hazard identification, risk assessment, and incident investigation	122–124, 130	
	403-5 Worker training on occupational health and safety	122–124	
	403-9 Work-related injuries	123–124	
GRI 408: Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	125–126	
GRI 409: Forced or compulsory labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	125–126	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	126	
	414-2 Negative social impacts in the supply chain and actions taken	125–126	

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Auditor's limited assurance report on Mips AB's sustainability report

To Mips AB, corporate identity number 556609-0162

Conclusion
We have been appointed by the Board of Directors and the Chief Executive Officer to conduct a limited assurance engagement of the sustainability report of Mips AB for the financial year 2025. The sustainability report is included on page 105–133 in this document.

Based on our limited assurance engagement as described in the section Auditor's responsibility, nothing has come to our attention that causes us to believe that the sustainability report is not, in all material respects, prepared in accordance with the applicable parts of the sustainability reporting framework issued by GRI (Global Reporting Initiative) for the preparation of sustainability information as required for reporting with reference, as well as with the company's own accounting and calculation principles.

Basis for conclusion
We have conducted the limited assurance engagement in accordance with ISAE 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. Our responsibility under this standard is further described in the section Auditor's responsibility.

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

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 in accordance with the applicable criteria, as described on page 110 of the sustainability report. The applicable criteria consist of the applicable parts of the sustainability reporting framework issued by GRI (Global Reporting Initiative) for the preparation of sustainability information as required for reporting with reference, and the company's own accounting and calculation principles. This responsibility also includes such internal control as the Board of Directors and the Chief Executive Officer determine is necessary to enable 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 our review. The limited assurance engagement has been conducted in accordance with ISAE 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform our procedures to obtain limited assurance that the sustainability report is prepared in accordance with the criteria described in the section Responsibilities of the Board of Directors and the Chief Executive Officer.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement and operate a system of quality management, including policies and 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 engagement involves performing procedures to obtain evidence to support the sustainability report. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability report, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Chief Executive Officer prepares the sustainability report, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the company's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability report, performing analytical review, and conducting other review procedures.

The review procedures primarily include:
- Through inquiry, obtain an understanding of the internal control environment, reporting processes, and information systems relevant to the preparation of the information in the sustainability report;
- Evaluate that the structure and information included in the sustainability report is presented in a clear and transparent manner;
- Perform substantive procedures on selected disclosures in the sustainability report;

Stockholm, March 19th 2026

KPMG AB

Christel Caldefors
Authorized Public Accountant

Torbjörn Westman
Special member of FAR

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Auditor's opinion regarding the statutory sustainability report

To Mips AB, corporate identity number 556609-0162

Engagement and responsibility
It is the Board of Directors and the Chief Executive Officer who is responsible for the sustainability report for the financial year 2025-01-01—2025-12-31 on pages 105-133 and that it is prepared in accordance with the Annual Accounts Act in accordance with the older wording that applied before 1 July 2024.

The scope of the examination
Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report 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 opinion.

Opinion
A statutory sustainability report has been prepared.

Stockholm, March 19th 2026

KPMG AB

Christel Caldefors
Auktoriserad revisor

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Alternative performance measures

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' Executive 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. The table below sets provides the definition of Mips' key performance measures. The calculation of the key performance measures is shown separately below.

Non-IFRS key performance measures and IFRS performance metrics	Definition	Reason for use of measure
Organic net sales growth	Calculated as net sales for the period, adjusted for acquired net sales, if any, and currency effects, compared with net sales for the same period the previous year as if the units had been owned for the same length of time in the comparative period.	The measure used by Executive Management to measure the underlying net sales growth.
Gross profit	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.
Gross margin (%)	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.
Operating profit (EBIT)	Profit before financial items and taxes.	The measure is used to measure the profit generated by the operating activities.
Operating margin (EBIT margin) (%)	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.
Items affecting comparability	Transaction-related revenues and costs, substantial impairments of non-current assets and items affecting comparability not reflecting operating activities.	The measure represents income and expenses that are not attributable to the underlying performance of the business.
Operating profit (EBIT) adjusted for items affecting comparability	Operating profit excluding items affecting comparability.	The measure is used to maintain comparability between periods and to present a result of operating activities.
Operating margin (EBIT margin) adjusted for items affecting comparability (%)	Operating profit adjusted for items affecting comparability as a percentage of net sales during the period.	See explanation under the description of "Operating profit (EBIT) adjusted for items affecting comparability".

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Non-IFRS key performance measures and IFRS performance metrics	Definition	Reason for use of measure
EBITDA	Operating profit before depreciation and amortization.	EBITDA is a performance measure used to clarify results before depreciation and amortization, which gives a view of the profit generated by the company's operating activities.
Adjusted EBITDA	EBITDA adjusted for IFRS 16 leasing costs and items affecting comparability.	The measure provides Executive Management and investors with an overview of the size of the operations included in the Group at the report date, as it is adjusted for items that are not directly attributable to the operating activities. The key metric is also used in Mips' covenant calculations for the bank.
Equity ratio (%)	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.
Cash flow from operating activities	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.
Net debt	Calculated as the sum of interest-bearing liabilities to credit institutions and less cash and cash equivalents.	The key metric can be used for assessment of debt development.
Net debt/EBITDA	Calculated as net debt in relation to EBITDA for the period.	The key metric can be used for assessment of financial risk.
Net debt/adjusted EBITDA	Calculated as net debt in relation to adjusted EBITDA for the period.	The key metric can be used for assessment of financial risk. The key metric is used in Mips' covenant calculations for the bank.
Last 12 months rolling comparison (LTM)	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.
Average number of employees	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.

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Derivation of alternative performance measures

Organic net sales growth
Since Mips invoices its goods and services in USD and CNY while the reporting currency is SEK, it is essential to create an understanding of the company's progress excluding currency effects when translating sales. This performance measure is expressed as a percentage of the previous year's net sales; consequently, a high change in sales in local currency leads to a higher currency impact. For growth in net sales, foreign currency and acquisition-related impacts on net sales, see below.

Organic net sales growth

	2025	2024
Growth in net sales	**10%**	**35%**
Net sales in USDm	37	32
Net sales in SEKm 2025 (2024) average exchange rate USD	361	336
Net sales in SEKm 2024 (2023) average exchange rate USD	398	333
Impact of currency in absolute terms	–37	3
Net sales 2024 (2023) SEKm	483	357
Impact of USD on growth	**–8%**	**1%**
Net sales in CNYm	123	99
Net sales in SEKm 2025 (2024) average exchange rate CNY	168	145
Net sales in SEKm 2024 (2023) average exchange rate CNY	181	148
Impact of currency in absolute terms	–13	–3
Net sales 2024 (2023) SEKm	483	357
Impact of CNY on growth	**–3%**	**–1%**
Organic net sales growth	**21%**	**35%**

Gross margin

%	2025	2024
Net sales	533	483
Gross profit	391	350
Gross margin	**73.4**	**72.5**

Operating margin (EBIT margin)

%	2025	2024
Net sales	533	483
Operating profit	156	174
Operating margin	**29.2**	**36.1**

In 2025, adjustments have been made for the effects (costs) related to acquisitions as these costs have been assessed as affecting comparability. In 2024 there were no items affecting comparability. In order to create a good understanding of Mips' ongoing operations and what the operating profit would have been without these items, the company has chosen to show an adjusted operating profit that excludes the items affecting comparability.

Items affecting comparability

SEKm	2025	2024
Transaction costs	–5	–
Items affecting comparability	**–5**	**–**

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EBITDA

MSEK	2025	2024
Operating profit	156	174
Depreciation and amortization	19	19
EBITDA	**175**	**194**

Adjusted EBITDA, RTM

SEKm	2025	2024
EBITDA	175	194
Reversal of items affecting comparability	5	–
Adjustment for IFRS 16 leasing agreements	–6	–6
Adjusted EBITDA	**173**	**187**

Operating profit adjusted for items affecting comparability

SEKm	2025	2024
Operating profit/loss	156	174
Reversal of items affecting comparability	5	–
Operating profit adjusted for items affecting comparability	**160**	**174**

Operating margin adjusted for items affecting comparability

%	2025	2024
Net sales	533	483
Operating profit adjusted for items affecting comparability	160	174
Operating margin adjusted for items affecting comparability	**30.1**	**36.1**

Equity ratio

%	2025	2024
Total equity attributable to Parent Company shareholders	562	641
Total assets	1,307	739
Equity ratio	**43**	**87**

Net debt/EBITDA LTM, x

SEKm	2025	2024
Cash and cash equivalents	–214	–
Non-current liabilities to credit institutions	303	–
Current liabilities to credit institutions	1	–
Net debt	**90**	**–**
EBITDA	**175**	**–**
Net debt/EBITDA LTM, x	**0.5**	**–**

Net debt/adjusted EBITDA LTM, x

SEKm	2025	2024
Cash and cash equivalents	–214	–
Non-current liabilities to credit institutions	303	–
Current liabilities to credit institutions	1	–
Net debt	**90**	**–**
Adjusted EBITDA	**173**	**–**
Net debt/adjusted EBITDA LTM, x	**0.5**	**–**

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Financial and alternative performance measures by year

All amounts are in SEKm unless stated otherwise.

Group	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Net sales and Profit/Loss										
Net sales	533	483	357	563	608	365	268	193	126	87
Net sales growth, %	10	35	–37	–7	67	36	39	53	45	75
Gross profit	391	350	253	406	445	265	198	142	93	62
Gross margin, %	73.4	72.5	70.9	72.1	73.2	72.8	74.1	73.9	74.3	71.3
Operating profit/loss	156	174	70	229	326	167	108	73	21	18
Operating margin, %	29.2	36.1	19.7	40.7	53.6	45.8	40.3	37.9	16.6	21.2
Operating profit adjusted for items affecting comparability	160	174	70	229	326	168	111	73	28	24
Operating margin adjusted for items affecting comparability,%	30.1	36.1	19.7	40.7	53.6	46.2	41.2	37.9	22.1	28.0
Depreciation/Amortization	19	19	18	16	12	9	7	2	1	1
EBITDA	175	194	89	245	338	176	115	75	22	19
EBITDA margin, %	32.8	40.1	24.8	43.6	55.5	48.2	42.8	38.8	17.4	22.2
Profit for the year	120	141	64	175	255	129	85	56	16	14
Group statement of cash flows										
Cash flow from operating activities	148	142	11	236	277	116	63	69	11	16
Cash flow from investing activities	–429	–10	–89	–22	–11	–15	–49	–7	–5	–4
Cash flow from financing activities	124	–162	–42	–136	–95	–15	–65	–	145	0
Financial standing										
Total assets	1,307	739	738	767	756	517	343	319	242	75
Equity	562	641	657	626	577	426	298	276	221	57
Equity ratio, %	43	87	89	82	76	82	87	86	91	76
Key figures per share										
Earnings per share basic, SEK	4.53	5.32	2.43	6.68	9.75	4.96	3.35	2.23	0.64	0.67
Earnings per share diluted, SEK	4.53	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	26,491,122	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	26,491,122	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
Employees										
Average number of employees	107	103	101	89	70	55	43	35	29	17

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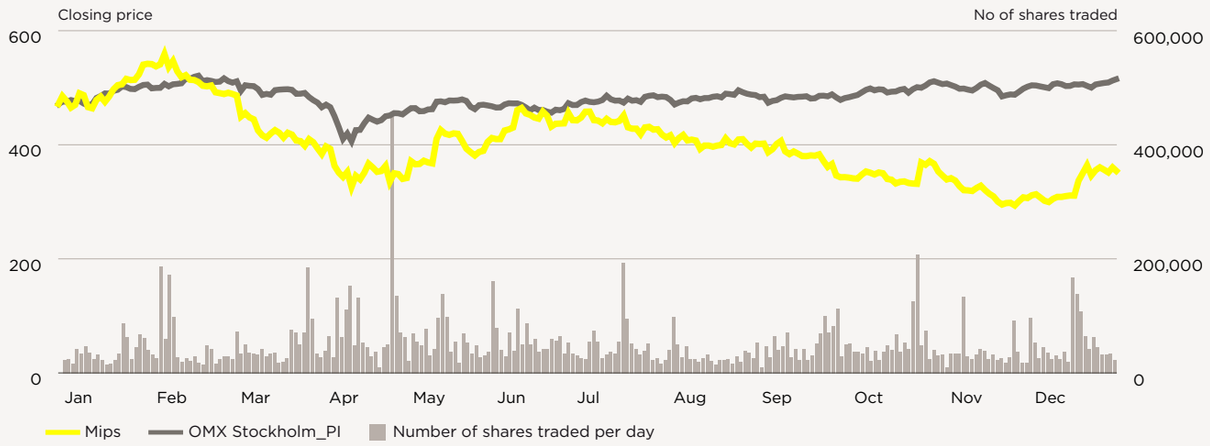
Share information

In 2025 the Mips share was listed on Nasdaq Stockholm, Large Cap and as of December 31, 2025 Mips had 17,445 shareholders.

Foreign owners accounted for about 60 percent of the votes and share capital. The ten largest shareholders accounted for approximately 37 percent of the votes and the share capital. The highest price paid in 2025 was SEK 613 and the lowest price paid was SEK 291.

The share capital of Mips amounted to SEK 2,649,112 on December 31, 2025; 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.

Share performance 2025



The ten largest shareholders as of December 31, 2025

Shareholders	Number of shares	Capital	Votes
Handelsbanken Fonder	1,855,994	7.01%	7.01%
Brown Capital Management, LLC	1,488,424	5.62%	5.62%
Vanguard	1,073,942	4.05%	4.05%
Railways Pension Trustee Company Ltd	973,746	3.68%	3.68%
SEB Funds	921,001	3.48%	3.48%
Swedbank Robur Fonder	802,291	3.03%	3.03%
Alecta Tjänstepension	800,000	3.02%	3.02%
T. Rowe Price	772,940	2.92%	2.92%
Spiltan Fonder	699,735	2.64%	2.64%
Capital Group	543,100	2.05%	2.05%
Top 10	**9,931,173**	**37.49%**	**37.49%**
Others	**16,559,949**	**62.51%**	**62.51%**
Total	**26,491,122**	**100.00%**	**100.00%**

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Annual General Meeting
The 2026 Annual General Meeting of Mips AB (publ) will take place on Thursday April 23, 2026 at 13:00, at Mips' headquarters, located at Kemistvägen 1B, Täby. The Board of Directors has resolved that the shareholders may also exercize 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 on Wednesday April 15, 2026.
- Notify the company of their intention to participate in the AGM by Friday April 17, 2026, 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 (so-called voting registration) to be able to participate in the AGM. The shareholders' register as of the record date on Wednesday April 15, 2026 will include voting registrations made no later than Friday 17, April 2026. Shareholders should therefore inform their nominees well in advance of this date.

Financial calendar 2026

April 23, 2026:	Q1 Interim report January–March 2026
April 23, 2026:	2026 Annual General Meeting
July 16, 2026:	Q2 Interim report January–June 2026
October 21, 2026:	Q3 Interim report January–September 2026

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Mips Safety for helmets