



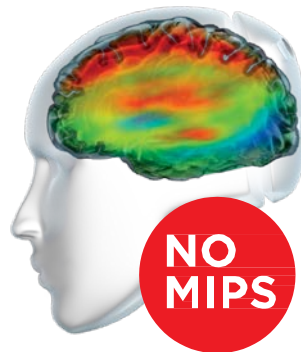
MIPS Q1 2018

9 May, 2018

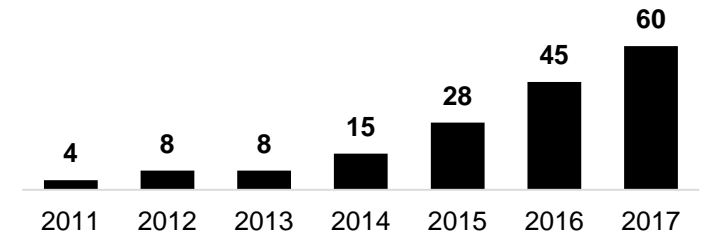


MIPS in brief

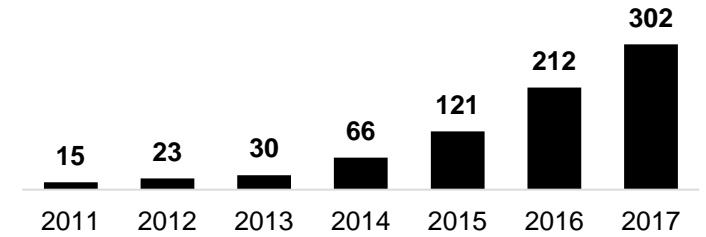
- MIPS is a market leader in helmet solutions protecting the brain against rotational motion
- Patented technology based on over 20 years of research and testing, partnered with some of the world's leading researchers from KTH and Karolinska Institute
- MIPS operates as an ingredient brand, with leading helmet brands as customers including Bell, Fox Head, Giro, Scott, Smith, Specialized, Sweet Protection, Troy Lee Design, Trek and others
- MIPS BPS¹ is an easily implemented safety feature, which offers helmet brands incremental safety performance and allows higher price points



60 active brands²

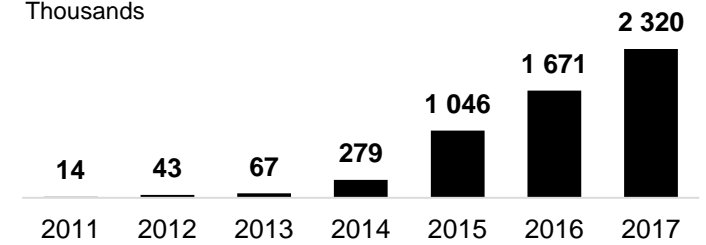


300+ models sold in 2017²

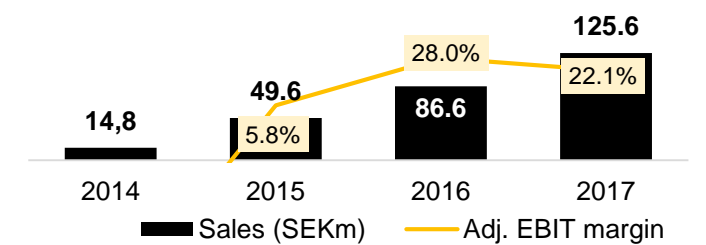


Thousands

5.4m+ units sold to date



104% sales CAGR³



Note: 1. Brain Protection System.
 2. Based on sold MIPS BPS units during the period.
 3. CAGR for the period 2014 to 2017. EBIT margin 2014 was -89.7%.

MIPS financial targets

>SEK 400m
net sales
2020

>40%
EBIT margin
2020

Q1 Highlights

- Net sales growth at +12% in the quarter, +20% organic growth
- Good growth momentum in the Bike and Motorcycle category, slow start in Snow category
- High number of projects and discussions with brands on how to penetrate their range further
- Increased awareness of rotational motion and increased attention from regulatory bodies
- Adjusted EBIT +7.6%, legal cost of SEK -1.2m included
- First Q1 with positive EBIT
- Progress towards 2020 target





Our patent stands strong

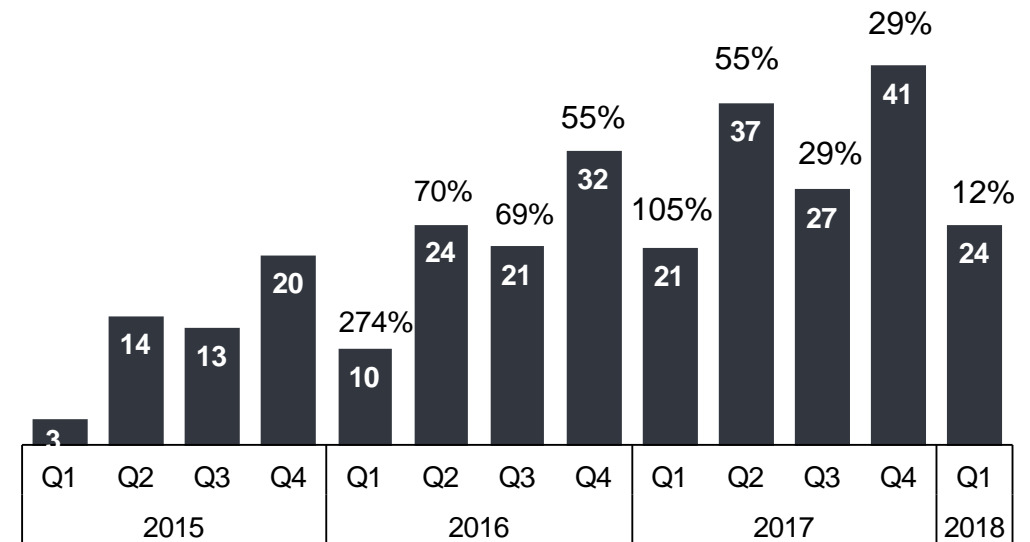
- All three legal disputes settled during spring.
 - ✓ Win in European Patent office, Bauer patent revoked
 - ✓ Positive outcome in Canada, MIPS patent rights confirmed
 - ✓ Settlement with POC, intention to deepen future collaboration



Q1 Net Sales development

- Somewhat soft start of the year, strong prior year comparator
- Slow start of snow category
- Bike and Motorcycle started the year with good momentum

Net Sales development (SEKm) and quarterly growth rates*



*No quarterly growth rates available for 2015'



Q1 in figures

- Net Sales increased +12%, currency adjusted +20%
- Gross margin improvement in Q1, +2.2 p/p to 73.3%
- Negative impact from forex in the quarter
- Adjusted EBIT SEK +1.8m,
+7.6% adjusted EBIT margin
- Cash – Strong improvement in operating cash flow

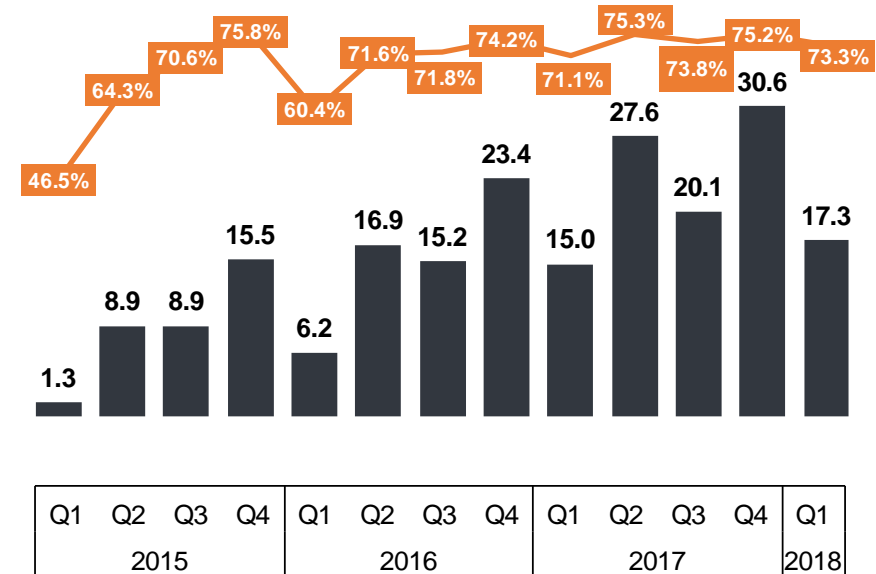
MIPS Group (SEKm)	Q1 2018	Q1 2017	Change %	FY2017
Net sales	23.6	21.1	12	125.6
Gross profit	17.3	15	15	93.3
Gross margin %	73.3	71.1	-	74.3
Adjusted operating profit/loss	1.8	1.6	15	27.8
Adjusted operating margin %	7.6	7.4	-	22.1
Cash flow from operating activities	8.4	3.9	114	11.1

* Adjusted for items affecting comparability (IPO costs)
Q1 2018 – Q1 2017 SEK 6.5m, 2017 SEK -7.0m

Q1 Gross profit and margin development

- Gross margin up +2.2 p/p vs. Q1 2018 to 73.3%
- Lower sourcing costs key driver of margin improvement

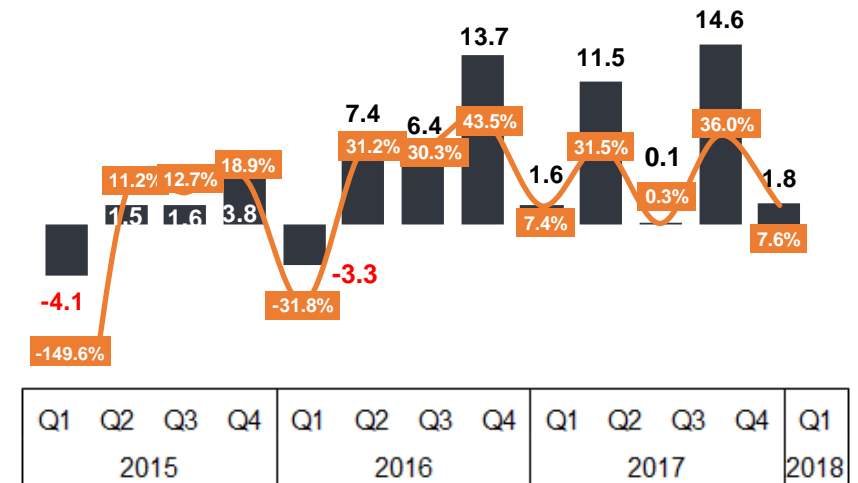
Gross profit (SEKm) and gross margin development



Q1 Adjusted EBIT margin development

- EBIT increased with SEK +6.7m to SEK +1.8m (SEK -4.9m)
- First quarter with positive EBIT
- Adjusted EBIT improved with SEK +0.2m to SEK +1.8m
- Increase in adjusted EBIT mainly explained by higher sales partly offset by:
 - negative impact of currency
 - increased investment in marketing activities
 - strengthening of organization
 - cost related to being a listed company

Adjusted EBIT (SEKm) and adjusted EBIT-margin development



Q1 Balance sheet and cash flow

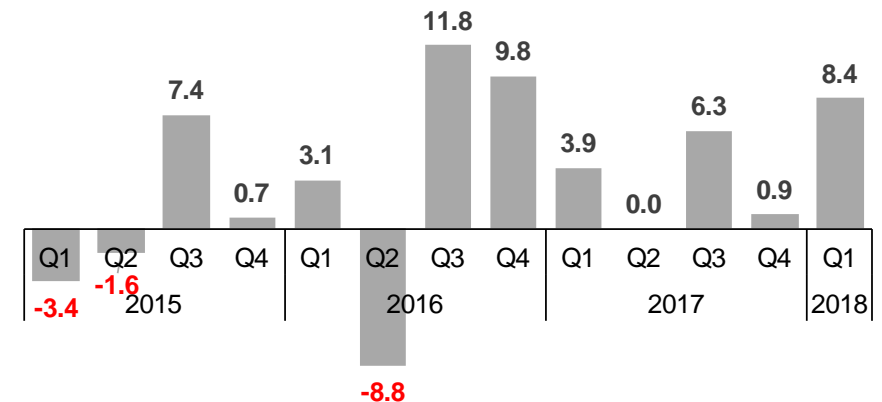
- Deferred tax asset SEK 8.6m at the end of the quarter, down SEK 6.0m vs. Q1 py.
- Strong improvement in operating cash flow from reduction of receivables and higher EBIT
- Cash and Cash Equivalents at SEK 186.7m, Equity ratio now 92%

Key balance sheet items and cash flow

MIPS Group (SEKm)	Q1 2018	Q1 2017	FY2017
Total Assets	239.8	231.0	242.2
Equity	221.2	199.9	220.6
Equity ratio %	92	87	91
Cash & Equivalents	186.7	181.5	179.8
Deferred tax asset	8.6	14.6	8.7

MIPS Group (SEKm)	Q1 2018	Q1 2017	FY2017
Cash flow from operating activities	8.4	3.9	11.1

Cash flow after operating activities (SEKm)



Summary

- Our patent stands strong, positive outcome from all three litigation progresses
- Net sales growth at 12%, 20% organic for the first quarter
- Focus on increasing penetration with Customers in their range, good inflow of project
- Increased awareness, interesting discussions in regulatory bodies
- Good platform to deliver 2020 plan



12 Olympic medals
Athletes getting safer