



DOCUMENTATION TO THE ANNUAL GENERAL MEETING OF MIPS AB (PUBL) THURSDAY 7 MAY 2020

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1. The nomination committee's opinion to the Annual General Meeting 2020 in MIPS AB

The nomination committee's composition

The Annual General Meeting held on 9 May 2019 adopted revised instructions for the nomination committee's composition and work within MIPS AB ("MIPS" or the "Company"). Ahead of the Annual General Meeting 2020, the nomination committee consists of Peter Lundkvist, chairman of the nomination committee (appointed by Tredje AP-fonden), Jan Dworsky (appointed by Swedbank Robur fonder), Henrik Söderberg (appointed by C WorldWide Asset Management) and the chairman of the Board, Magnus Welander.

The nomination committee's work

The nomination committee has held three meetings since its constitution and has also had contact via telephone and email. The nomination committee has received a statement of the Board's work as a whole, as well as in the committees, from the chairman of the Board and has discussed the work of the Board and the committees with the members of the Board. Further, the nomination committee has interviewed all Board members.

Ahead of the Annual General Meeting 2020, the nomination committee has thoroughly discussed the competence, experience and background that can be required from the Board in MIPS taking into account, inter alia, the Company's strategic development, governance and control as well as size, breadth and diversity regarding competence, age, gender, background and experience. In addition, questions regarding independence has been highlighted in the nomination committee's discussions and an assessment has been made of each of the Board members' possibility to devote enough time and commitment to the work of the Board.

The nomination committee's proposal for the number of members of the Board elected by the general meeting

The nomination committee proposes that the Board shall consist of five members.

The nomination committee's proposal for the Board

The nomination committee proposes re-election of the Board members Pär Arvidsson, Jonas Rahmn, Magnus Welander, Pernilla Wiberg and Jenny Rosberg, and re-election of Magnus Welander as the chairman of the Board.

Information about the Board members can be found on the Company's website.

The nomination committee has as a starting point that the Board shall be characterized by diversity and breadth regarding competence, experience and background. The nomination committee finds that the Board's work has worked well and that the Board's composition is appropriate in relation to the members' competence, experience and breadth regarding background and qualifications.

The Board's proposed size and composition will, in the nomination committee's opinion, give the necessary prerequisites to efficiently manage the Company's business and future development. The

nomination committee's proposal for the Board means that two out of five members will be women. The nomination committee strives for gender balance on the Board.

The nomination committee complies with the Swedish Corporate Governance Code (the "Code"). At an assessment of the proposed Board members' independence, the nomination committee has found that its proposal for the Board's composition in the Company meets the requirements of independence set out in the Code. With regard to the Board's composition, the nomination committee has applied rule 4.1 of the Code as its diversity policy and the objectives thereof, which has led to the nomination committee's proposal to the Annual General Meeting regarding election of the Board.

2. Information on the proposed members of the Board

Magnus Welander

Director since 2016. Chairman of the Board since 2019.

Born 1966.

Magnus Welander is currently CEO of Thule Group. He was previously CEO of Envirotainer and held various management positions within Tetra Pak in Italy and Australia.

Magnus Welander holds a MSc in Civil Engineering from the Institute of Technology at Linköping University.

Chairman of the remuneration committee.

Independent in relation to the company, its executive management and independent in relation to major shareholders.

Shareholding (including closely associated persons): 50,000 warrants (as per 31 December 2019).

Pär Arvidsson

Director since 2016.

Born 1960.

Pär Arvidsson is currently chairman of the Board and CEO of Wcities International, Inc., MD of Snowshoe Capital LLC and Board member of Perfect Search Corporation. He was previously partner in Strategic Decisions Group, consultant at McKinsey & Co as well as Founder and Managing Partner of Gamechange Ventures.

Pär Arvidsson holds a MA from University of California, Berkeley and a MBA from Harvard Business School.

Chairman of the audit committee.

Independent in relation to the company, its executive management and independent in relation to major shareholders.

Shareholding (including closely associated persons): 149,000 shares through company and 50,000 warrants (as per 31 December 2019).

Jonas Rahmn

Director since 2012.

Born 1967.

Jonas Rahmn is currently CEO and owner of Rafn Advice AB as well as director of Apica AB and Norröna Sport AS. He was previously partner at KTH Chalmers Capital, and consultant at Accenture.

Jonas Rahmn holds a MSc in Civil Engineering, Chalmers University of Technology.

Member of the remuneration committee.

Independent in relation to the company, its executive management and independent in relation to major shareholders.

Shareholding (including closely associated persons): 50,000 warrants (as per 31 December 2019).

Jenny Rosberg

Director since 2018.

Born 1966.

Jenny Rosberg is CEO of ROPA Management AB and Board member of Länsförsäkringar Stockholm and AB Persson Invest. She was previously Board member of NetEnt AB (publ), Nordax Group AB (publ), Nordax Bank AB (publ), Eastnine AB (publ), Nasdaq Stockholm AB, Nasdaq Helsinki Oy and Nasdaq Copenhagen A/S, as well as Senior Vice President at Nasdaq OMX Group Inc. and deputy CEO of Nasdaq Nordic.

Jenny Rosberg holds an MBA from Stockholm School of Economics.

Member of the audit committee.

Independent in relation to the company, its executive management and independent in relation to major shareholders.

Shareholding (including closely associated persons): 1,600 shares through company (as per 31 December 2019)

Pernilla Wiberg

Director since 2016.

Born 1970.

Pernilla Wiberg is currently owner of Pernilla Wiberg Sport Promotion, minority owner in Hotell Idre Sweden, director of World Olympians Association (WOA) and chairman of a working group of the International Ski Federation. She is a winner of two Olympic gold medals, four world championship gold medals and 24 world cup competitions in alpine skiing.

Pernilla Wiberg has a social science secondary education (three years). She has studied economics at Högskolan in Borlänge.

Independent in relation to the company, its executive management and independent in relation to major shareholders.

Shareholding (including closely associated persons): 50,000 warrants (as per 31 December 2019).

3. The Board of Directors' proposal of distribution of earnings

The following amounts are at the disposal of the Annual General Meeting:

Non restricted equity as of 31 December 2019 (SEK thousand)

Share premium reserve	204,614
Fair value reserve	-427
Retained earnings	-
Profit for the year	70,483
Total	274,669

The Board of Directors proposes that the available funds of SEK 274,669 thousand be disposed such that SEK 3.00 per share, corresponding to SEK 78,375 thousand¹ will be distributed to shareholders and the remaining amount of SEK 196,294 thousand be carried forward, of which SEK 196,721 thousand will be distributed to the share premium reserve and SEK -427 thousand to the fair value reserve.

The Board of Directors further proposes that the record day for the dividend shall be Monday, 11 May, 2020. If the Annual General Meeting resolves in accordance with the proposal, it is estimated that Euroclear Sweden will execute the payment on Thursday, 14 May, 2020.

Stockholm in March 2020

MIPS AB (publ)

The Board of Directors

¹ Based on the number of shares in MIPS on 30 March 2020.

4. The Board of Directors' reasoned statement pursuant to Chapter 18 Section 4 and Chapter 19 Section 22 of the Swedish Companies Act (2005:551)

The Board of Directors hereby presents the following statement in accordance with Chapter 18 Section 4 and Chapter 19 Section 22 of the Swedish Companies Act (2005:551). The Board of Directors' reasons for the proposed dividend and the proposed authorization for the Board to resolve upon acquisition of own shares being in accordance with the provisions of Chapter 17 Section 3 paragraph 2 and 3 of the Swedish Companies Act (2005:551) are as follows:

The company's objects, scope and risks

The company's objects and scope of business are set out in the articles of association and the submitted annual reports. The business operated by the company does not entail any risks in excess of those that exist or may be deemed to exist in the industry or those risks which are generally associated with operating a business.

The financial position of the parent company and the Group

The financial position of the parent company and the Group as per 31 December 2019 is stated in the annual report for 2019. The annual report also states which accounting principles are applied in the valuation of assets, allocations and liabilities.

At the disposal of the Annual General Meeting is SEK 274.7 million. According to the company's annual report for 2019, the Group's equity ratio was 87 per cent as of December 31, 2019. The company has no external loan financing and as of December 31, 2019 the company had liquid funds including short-term investments of SEK 191.6 million. Following the proposed dividend and the execution of the proposed authorization for the Board to resolve upon acquisition of own shares, there will be full coverage for the company's restricted equity.

MIPS dividend policy is to distribute at least 50 percent of the MIPS' annual net profit as dividends when the company has achieved the desired financial stability, taking into account future profits, investment needs, liquidity and development opportunities, as well as general economic and business conditions. The proposed dividend, representing 92 per cent of the net profit for 2019², is a result of the company's strong financial performance during 2019 and a solid financial position.

The company's financial position does not give rise to any other conclusion than that the company can continue its business and that the company can be expected to fulfil its obligations on both a short-term and long-term basis. Nor do the proposed dividend and the proposed authorization for the Board to resolve upon acquisition of own shares limit the company's ability to carry out the investments that the company deems necessary or appropriate in the short and long term.

Justification for the proposals regarding dividend and authorization for the Board to resolve upon acquisition of own shares

With reference to the above and what has otherwise come to the knowledge of the Board, the Board is of the opinion that the proposed dividend and the proposed authorization for the Board to resolve upon acquisition of own shares are in accordance with the provisions in Chapter 17 Section 3 paragraph

² Based on the number of shares in MIPS on 30 March 2020.

2 and 3 of the Swedish Companies Act (2005:551), i.e. are justified with reference to the requirements that the nature of the operations, its scope and risks place on the parent company's and Group's equity, consolidation requirements, liquidity, financing needs and position in general.

Stockholm in March 2020

MIPS AB (publ)

The Board of Directors

5. Auditor's opinion under Chapter 8, Section 54 of the Swedish Companies Act (2005:551) as to whether the guidelines of the Annual General Meeting on the remuneration of senior executives have been followed



Translation from the Swedish original

Auditor's opinion under Chapter 8 Section 54 of the Swedish Companies Act (2005:551) as to whether the guidelines of the annual general meeting on the remuneration of senior executives have been followed

To the annual general meeting of MIPS AB, Corporate identity No 556609-0162

Introduction

We have audited whether the Board of Directors and the Chief Executive Officer of MIPS AB during the year 2019 have followed the guidelines on remuneration of senior executives adopted at the annual general meeting on May 15, 2018 and the annual general meeting on May 9, 2019.

Responsibility of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the guidelines being followed and for the internal control that the Board of Directors and the Chief Executive Officer deem necessary to ensure that the guidelines are followed.

Responsibility of the auditor

Our responsibility is to issue an opinion, based on our audit, to the annual general meeting as to whether the guidelines have been followed. We have conducted the audit in accordance with FAR recommendation RevR 8 *Audit of remuneration of senior executives of listed companies*. This recommendation requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the guidelines adopted by the annual general meeting are followed in all material aspects. The audit firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of MIPS AB accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The audit has covered the company's organization for and documentation of remuneration issues for senior executives, the new decisions on remuneration that have been taken and a selection of the payments made during the financial year to the senior executives. The auditor chooses what procedures are to be performed, in part by assessing the risk of the guidelines not being followed in all material aspects. In making those risk assessments, the auditor considers internal control relevant to compliance with the guidelines 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.

We believe that our audit provides a reasonable basis for our opinion set out below.

Opinion

We consider that the Board of Directors and Chief Executive Officer of MIPS AB during 2019 have followed the guidelines on remuneration of senior executives adopted at the annual general meeting on May 15, 2018 and the annual general meeting on May 9, 2019.

Stockholm, March 27, 2020

KPMG AB

Tomas Gerhardsson
Authorized public accountant

6. The Board of Directors' report in accordance with paragraph 9.1 in the Swedish Corporate Governance Code regarding the remuneration committee's evaluation of the application of the guidelines for remuneration to senior executives etc.

According to the Swedish Corporate Governance Code (the "Code") the Board shall establish a remuneration committee which shall, among other, have the main task to monitor and evaluate programs for variable remuneration to the executive management, the application of the guidelines for remuneration that the Annual General Meeting has resolved on and current remuneration structures and remuneration levels in the company. The remuneration committee consists of Magnus Welander (chairman of the remuneration committee) and Jonas Rahmn.

Pursuant to paragraph 9.1 of the Code, the Board hereby submits the following report on the outcome of the remuneration committee's evaluation.

Evaluation of the variable remuneration to the executive management

Variable salary in cash is conditional upon the fulfillment of defined and measurable goals which should be based on results. The variable salary in cash should, according to the guidelines for remuneration to senior executives adopted by the Annual General Meeting of MIPS AB on 9 May 2019, as a maximum amount to 75 per cent of the annual fixed salary for the CEO and the CFO, and 50 per cent of the annual fixed salary for each remaining senior executive. The remuneration committee has evaluated the goals set for the variable salary in cash and the outcome for 2019. In light of the described outcome, the committee's assessment is that the guidelines for remuneration to senior executives well fulfill their purpose and have worked as intended.

During the spring of 2020, the long term incentive programs adopted on the Extraordinary General Meeting of MIPS AB on 1 February 2017 will expire. According to the remuneration committee's assessment, the subscription of shares which has been enabled through these incentive programs has contributed to a competitive total remuneration package based on market terms. Further, ahead of the Annual General Meeting 2020, the Board of Directors has proposed two new long term incentive programs based on warrants and performance shares, respectively. The remuneration committee is positive that these incentive programs would contribute to a competitive total remuneration package based on market terms for senior executives in the future, provided that the Annual General Meeting resolves to adopt the incentive programs.

The application of guidelines for remuneration to senior executives, current remuneration structures and remuneration levels

According to the current guidelines for remuneration to senior executives adopted by the Annual General Meeting of MIPS AB on 9 March 2019, the total remuneration package should be based on market terms, be competitive and reflect the individuals' performance and responsibilities as well as, with respect to any share based incentive plans, the value growth of the company's share which is to the benefit of the shareholders. The remuneration committee considers that the guidelines have given the company the ability to offer a competitive remuneration on market terms. The guidelines have also contributed to a well-balanced remuneration to senior executives. The remuneration committee's evaluation furthermore shows that the guidelines have been applied correctly and that no deviations have been made from these.

The remuneration committee concludes that the remuneration structures and remuneration levels in the company are in line with market conditions.

Stockholm in March 2020

MIPS AB (publ)

The Board of Directors