



DOCUMENTATION TO THE ANNUAL GENERAL MEETING OF MIPS AB (PUBL) THURSDAY 6 MAY 2021

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1. The nomination committee's opinion to the Annual General Meeting 2021 in MIPS AB

The nomination committee's composition

The Annual General Meeting held on 9 May 2019 adopted the current instructions for the nomination committee's composition and work within MIPS AB ("MIPS" or the "Company"). Ahead of the Annual General Meeting 2021, the nomination committee consists of Jan Dworsky, chairman of the nomination committee (appointed by Swedbank Robur fonder), Henrik Söderberg (appointed by C WorldWide Asset Management), Tomas Risbecker (appointed by AMF Försäkring & Fonder) and the chairman of the Board, Magnus Welander.

The nomination committee's work

The nomination committee has held six 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 2021, 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 have 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 Magnus Welander, Jonas Rahmn, Jenny Rosberg and Pernilla Wiberg. Pär Arvidsson has declined re-election. Thomas Bräutigam is proposed as new Board member.

Thomas Bräutigam is currently President of the Ergonomic Handling Division at Piab. For almost 20 years, Thomas has been CEO of companies both within consumer goods (such as the children product company BRIO and the global leading artist material manufacturer ColArt) and within the industrial sector (such as the vacuum lift manufacturer TAWI). With a broad international experience and a business acumen, Thomas will contribute with a commercial focus to the board work. Through his role as chairman of the board of the Swedish children car seat company, AxKid, he will also contribute with his experience from board work in listed companies.

Information about the proposed Board members can be found on the Company's website and further below in this document.

The nomination committee has as a starting point that the Board shall be characterised by diversity and breadth regarding competence, experience and background. The nomination committee finds that the Board's work has been well functioning, 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.

The nomination committee's proposal for the remuneration to the Board

The nomination committee proposes that the chairman of the Board shall be paid a fee of SEK 450,000 (previously SEK 400,000) and each of the other directors shall be paid a fee of SEK 225,000 (previously SEK 200,000). The nomination committee has further proposed that fees shall be payable to the chairman of the audit committee with SEK 100,000 (unchanged) and to each member of the audit committee with SEK 50,000 (unchanged). The nomination committee has further proposed that fees shall be payable to the chairman of the remuneration committee with SEK 35,000 (unchanged) and to each member of the remuneration committee with SEK 20,000 (unchanged). The proposal by the nomination committee results in total fees to the Board amounting to SEK 1,350,000, excluding fees for work on the committees (previously SEK 1,200,000) and SEK 1,555,000 including fees for work on the committees (previously SEK 1,405,000).

The background to the proposal for the increased fees is that MIPS has grown rapidly as a company, and in comparison with companies of a similar size, the fees have been low. The nomination committee considers that an increase is important so that it will not be difficult for MIPS to retain or to recruit competent and experienced board members in the future.

2. Information on the proposed members of the Board

Board members proposed for re-election

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): 50,500 shares (as per 31 December 2020).

Jonas Rahmn

Director since 2012.

Born 1967.

Jonas Rahmn is CEO and owner of Rafn Advice AB as well as chairman of the Board of Apica AB, Knoxville AB, ExOpen Systems AB and Ekoligens AB. 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): 33,500 shares (as per 31 December 2020).

Jenny Rosberg

Director since 2018.

Born 1966.

Jenny Rosberg is CEO and Board member of ROPA Management AB, Board member and member of the audit committee of Länsförsäkringar Stockholm as well as Board member of AB Persson Invest and C.A.G. 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 2020).

Pernilla Wiberg

Director since 2016.

Born 1970.

Pernilla Wiberg is currently owner of Pernilla Wiberg Sport Promotion, minority owner in Hotell Idre Sweden, Vice President 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): 30,500 shares (as per 31 December 2020).

Board members proposed for new election**Thomas Bräutigam**

Born 1967.

Thomas Bräutigam is currently President of the Ergonomic Handling Division at Piab AB and Board member of AxKid AB. He was previously CEO of ColArt, BRIO, European Nursery Group and Tretorn.

Thomas Bräutigam holds an MBA from Stockholm School of Economics.

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

Shareholding (including closely associated persons): 0 shares (as per 30 March 2021).

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 2020 (SEK thousand)

Share premium reserve	245,935
Fair value reserve	10,660
Retained earnings	17,873
Profit for the year	114,775
Total	389,243

The Board of Directors proposes that the available funds of SEK 389,243 thousand be disposed such that SEK 3.50 per share (3.00), corresponding to SEK 91,623 thousand¹ will be distributed to shareholders and the remaining amount of SEK 297,620 thousand be carried forward, of which SEK 245,935 thousand will be distributed to the share premium reserve, SEK 41,025 thousand to retained earnings and SEK 10,660 thousand to the fair value reserve.

The Board of Directors further proposes that the record day for the dividend shall be Monday 10 May 2021. If the Annual General Meeting resolves in accordance with the proposal, it is estimated that Euroclear Sweden AB will execute the payment on Friday 14 May 2021, given the Ascension Day on 13 May 2021.

Stockholm in March 2021

MIPS AB (publ)

The Board of Directors

¹ No dividend is paid for the parent company's holdings of repurchased shares. The stated amount is thus calculated based on the total number of shares in the company with a deduction for repurchased shares as of 30 March 2021.

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

The Board of Directors hereby presents the following statement in accordance with Chapter 18 Section 4 of the Swedish Companies Act (2005:551). The Board of Directors' reasons for the proposed dividend 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 2020 is stated in the annual report for 2020. 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 389,243 thousand. According to the company's annual report for 2020, the Group's equity ratio was 82 per cent (87) as of 31 December 2020. The company has no external loan financing and as of 31 December 2020 the company had liquid funds including short-term investments of SEK 272 million (192). Following the proposed dividend 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 71 per cent of the net profit for 2020², is a result of the company's strong financial performance during 2020 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 does the proposed dividend 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 authorisation 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 is in accordance with the provisions in Chapter 17 Section 3 paragraph 2 and 3 of the Swedish Companies Act (2005:551), i.e. is justified with reference to the

² No dividend is paid for the parent company's holdings of repurchased shares. The stated amount is thus calculated based on the total number of shares in the company with a deduction for repurchased shares as of 30 March 2021.

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 2021

MIPS AB (publ)

The Board of Directors



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 2020 have followed the guidelines on remuneration of senior executives adopted at the annual general meeting on May 9, 2019 and the annual general meeting on May 7, 2020.

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 2020 have followed the guidelines on remuneration of senior executives adopted at the annual general meeting on May 9, 2019 and the annual general meeting on May 7, 2020.

Stockholm, March 26, 2021

KPMG AB

Tomas Gerhardsson
Authorized public accountant
