



## DOCUMENTATION TO THE ANNUAL GENERAL MEETING OF MIPS AB (PUBL) TUESDAY 7 MAY 2024

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## 1. The nomination committee's statement to the Annual General Meeting 2024 in Mips AB (publ)

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### The nomination committee's composition

The Annual General Meeting held on 5 May 2022 adopted the current instructions for the nomination committee's composition and work within Mips AB (publ) ("Mips" or the "Company"). Ahead of the Annual General Meeting 2024, the nomination committee consists of Peter Nygren, chairman of the nomination committee (appointed by ODIN Fonder), Mine Tezgul (appointed by Columbia Threadneedle), Suzanne Sandler (appointed by Handelsbanken Fonder) and the chairman of the Board of Directors, Magnus Welander, invited as participant.

### The nomination committee's work

The nomination committee has held four meetings since its constitution and has also had continual contact. The nomination committee has received a statement of the work of the Board of Directors as a whole, as well as in the committees, from the chairman of the Board of Directors, and has discussed the work of the Board of Directors and the committees with the members of the Board of Directors and the CEO. The nomination committee has further interviewed all members of the Board of Directors. Furthermore, the nomination committee has taken part of the audit committee's recommendation regarding appointment of auditor.

Ahead of the Annual General Meeting 2024, the nomination committee has thoroughly discussed the competence, experience and background that can be required from the Board of Directors 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 of Directors.

### The nomination committee's proposal for the number of members of the Board of Directors elected by the Annual General Meeting

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

### The nomination committee's proposal for the Board of Directors

The nomination committee proposes re-election of all current members of the Board of Directors; Magnus Welander, Jonas Rahmn, Jenny Rosberg, Thomas Bräutigam, Anna Hällöv and Maria Hedengren. The nomination committee proposes re-election of Magnus Welander as chairman of the Board of Directors.

The nomination committee's starting point has been that the Board of Directors shall be characterised by diversity and breadth regarding competence, experience and background. The nomination committee finds that the Board of Directors' work has been well functioning, and that the Board of Directors' composition is appropriate in relation to the members' competence, experience and breadth regarding background and qualifications required in the Company's business. Furthermore, the nomination committee has found it appropriate to maintain continuity in the work of the Board of Directors. The current Board of Directors is considered to have an appropriate composition considering Mips' operations, which is why

the nomination committee has not found reason to propose any changes in the composition of the Board of Directors before the Annual General Meeting.

The Board of Directors' 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 of Directors means that the gender division in the Board of Directors is balanced.

The nomination committee applies the Swedish Corporate Governance Code (the "Code"). In the assessment of the proposed Board members' independence, the nomination committee has found that its proposal for the Board of Directors' composition in the Company meets the requirements of independence set out in the Code. With regard to the composition of the Board of Directors, 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 of Directors.

Information regarding the proposed members of the Board of Directors is available on the Company's website as well as below in this document.

### **The nomination committee's proposal for remuneration to the Board of Directors**

Taking into account the members' competence and the expected scope of the future work of the Board of Directors, the nomination committee proposes a slightly increased remuneration for the Board of Directors. In relation to this, it is noted by the nomination committee that it expects each member of the Board of Directors to have a shareholding in the Company.

The nomination committee proposes that remuneration of SEK 700,000 (previously SEK 640,000) shall be paid to the Chairman of the Board of Directors and that SEK 315,000 (previously SEK 285,000) shall be paid to each other member of the Board of Directors elected by the Annual General Meeting. The nomination committee has further proposed that fees for committee work shall be paid with SEK 130,000 to the chairman of the audit committee (unchanged) and with SEK 75,000 to each other member of the audit committee (unchanged) and with SEK 50,000 the chairman of the remuneration committee (unchanged) and with SEK 30,000 to each other member of the remuneration committee (unchanged). The nomination committee's proposal means that the total board remuneration amounts to SEK 2,275,000 excluding fees for committee work (previously SEK 2,065,000) and SEK 2,560,000 including fees for committee work (previously SEK 2,350,000).

### **Statement regarding the nomination committee's proposal for auditor**

The audit committee has recommended re-election of KPMG AB as auditor. The nomination committee shares the audit committee's assessment and therefore proposes that the Annual General Meeting, for the period until the next Annual General Meeting, appoints KPMG AB as the Company's auditor.

## 2. Information on the proposed members of the Board of Directors

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### Members of the Board of Directors proposed for re-election

#### **Magnus Welander**

Chairman of the Board of Directors since 2019, Director since 2016.

Chairman of the remuneration committee.

Born 1966.

Magnus Welander is currently Chairman of the Board of Embellence Group AB (publ) and Eleiko Group AB, as well as Board member of Herenco Holding AB and HESTRA-Handsken AB. He was previously CEO of the Thule Group and Envirotainer and has 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.

Independent in relation to the Company, its executive management and in relation to the Company's major shareholders.

Shareholding (including closely associated persons): 50,500 shares (as per 31 December 2023).

#### **Jonas Rahmn**

Director since 2012.

Member of the remuneration committee.

Born 1967.

Jonas Rahmn is Chairman of the Board of Apica AB, as well as Board member of Knoxville AB, ExOpen Systems Aktiebolag, Ekoligens AB and Relox Robotics AB. He was previously partner at KTH Chalmers Capital and member of the Board of Norröna Sport AS.

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

Independent in relation to the Company, its executive management and in relation to the Company's major shareholders.

Shareholding (including closely associated persons): 33,500 shares (as per 31 December 2023).

#### **Jenny Rosberg**

Director since 2018.

Chairman of the audit committee.

Born 1966.

Jenny Rosberg is CEO and Board member of ROPA Management AB and ROPA & BOARDA AB, as well as Board member of AB Persson Invest, Board member and member of the M&A committee in C.A.G Group AB, Board member and Chairman of the audit committee in C-RAD AB (publ) and Chairman of the Board of Solporten Fastighets AB and Nya Solporten Fastighets AB. She was previously Board member NetEnt AB (publ), Nordax Group AB (publ), Eastnine AB (publ) and Nasdaq Stockholm, Helsinki and Copenhagen, as well as Senior Vice President at Nasdaq Inc.

Jenny Rosberg holds an MBA from Stockholm School of Economics.

Independent in relation to the Company, its executive management and in relation to the Company's major shareholders.

Shareholding (including closely associated persons): 1,600 shares through company (as per 31 December 2023).

### **Thomas Bräutigam**

Director since 2021.

Born 1967.

Thomas Bräutigam is currently President of the Lifting Automation Division at Piab AB and Chairman of the Board of AxKid AB and Dcbl Intressenter AB (Sordin). He was previously CEO of TAWI, 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 in relation to the Company's major shareholders.

Shareholding (including closely associated persons): 10,500 shares (as per 31 December 2023).

### **Anna Hällöv**

Director since 2022.

Born 1971.

Anna Hällöv is General Manager for Swedish Match//Philip Morris Sverige, as well as Board member of DLF Sweden (Sw: *Dagligvaruleverantörers Förbund (DLF)*) and Spendrup Invest AB. She was previously Vice President Business Unit Sweden at 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.

Anna Hällöv holds a master's degree in International Business Administration from Linköping University.

Independent in relation to the Company, its executive management and in relation to the Company's major shareholders.

Shareholding (including closely associated persons): 600 shares (as per 31 December 2023).

### **Maria Hedengren**

Director since 2022.

Member of the audit committee.

Born 1970.

Maria Hedengren is Chairman of the Board of Feminvest Holding AB and The Future is Female AB, as well as advisory Board member and senior advisor in STJ Advisors, founder of Oxygen First AB, as well as Venture Partner in Eight Roads Venture. She was previously CFO of NetEnt AB (publ), CFO of iZettle AB and CEO of Readly International AB (publ). She has previously also been a Board member and member of the audit committee at NetEnt AB (publ) as well as Board member and Chairman of the audit committee in Fishbrain AB.

Maria Hedengren has studied Accounting & Financing and Business Administration at the University of Gothenburg.

Independent in relation to the Company, its executive management and in relation to the Company's major shareholders.

Shareholding (including closely associated persons): 300 shares (as per 31 December 2023).

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

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

#### Non restricted equity as of 31 December 2023 (SEK thousand)

|                       |                |
|-----------------------|----------------|
| Share premium reserve | 348,493        |
| Fair value reserve    | 3,941          |
| Retained earnings     | 157,048        |
| Profit for the year   | 63,446         |
| <b>Total</b>          | <b>572,928</b> |

The Board of Directors proposes that the available funds of SEK 572,928 thousand be disposed such that SEK 6.00 per share (5.50), corresponding to SEK 158,947 thousand<sup>1</sup> will be distributed to shareholders and the remaining amount of SEK 413,981 thousand be carried forward, of which SEK 348,493 thousand will be distributed to the share premium reserve, SEK 61,547 thousand to retained earnings, and SEK 3,941 thousand to the fair value reserve.

The Board of Directors further proposes that the record day for the dividend shall be Friday 10 May 2024. If the Annual General Meeting resolves in accordance with the proposal, it is estimated that Euroclear Sweden will execute the payment on Wednesday 15 May 2024.

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Stockholm in April 2024  
**Mips AB (publ)**  
*The Board of Directors*

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<sup>1</sup> 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 31 December 2023.

#### 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)

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The Board of Directors has proposed that the Annual General Meeting on 7 May 2024 resolves to distribute SEK 6.00 per share to the shareholders and authorises the Board of Directors to, on one or more occasions for the period until the end of the next Annual General Meeting, resolve to acquire a maximum number of shares so that the Company holds a maximum of ten per cent of all shares in Mips at any time following the acquisition. Due to these proposals, the Board of Directors hereby makes the following statement pursuant to Chapter 18, Section 4 and Chapter 19, Section 22 of the Swedish Companies Act. The reason that the Board of Directors considers that the proposed dividend and the proposed authorisation to repurchase own shares are justifiable, taking into account Chapter 17, Section 3 paragraphs 2-3 of the Swedish Companies Act, is 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. In addition, no events have occurred that adversely affects the Company's ability to make value transfers to the shareholders.

##### The financial position of the parent company and the group

The financial position of the parent company and the group as per 31 December 2023 is stated in the annual report for 2023. The annual report also states which accounting principles are applied in the valuation of assets, allocations and liabilities. Assets and liabilities have been measured at fair value in accordance with Chapter 4, Section 14a of the Swedish Annual Accounts Act (1995:1554). The Company's equity would have been SEK 5.5 million lower if assets and liabilities had not been measured at fair value.

At the disposal of the Annual General Meeting is SEK 572,928 thousand. According to the Company's annual report for 2023, the group's equity ratio was 89 per cent (82) as of 31 December 2023. The Company has no external loan financing and as of 31 December 2023 the group had liquid funds including short-term investments of SEK 408 million (532). Following the proposed dividend there will be full coverage for the Company's restricted equity.

Mips' dividend policy is to distribute approximately 50 per cent of group's annual net profit as dividends, taking into account the Company's financial stability, future profits, investment needs, liquidity and development opportunities, as well as general economic and business conditions. The proposed dividend, represents 249 per cent of the group's net profit for 2023<sup>2</sup>. The company has a solid balance sheet and a good liquidity position, which means that the proposed dividend and the proposed authorisation to repurchase own shares are considered justifiable.

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<sup>2</sup> 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 31 December 2023.



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 and repurchase authorisation limit the Company's ability to carry out the investments that the Company deems necessary or appropriate in the short-term and long-term.

#### **Justification for the proposals regarding dividend and repurchase authorisation**

With reference to the above and what has otherwise come to the knowledge of the Board of Directors, the Board of Directors is of the opinion that the proposed dividend and the authorisation to repurchase shares are 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 requirements that the nature of the operations, its scope and risks place on the parent company's and the group's equity, consolidation requirements, liquidity, financing needs and position in general.

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Stockholm in April 2024  
**Mips AB (publ)**  
*The Board of Directors*

5. Auditor's statement pursuant to Chapter 8, Section 54 of the Swedish Companies Act (2005:551)

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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 (publ.), Corporate identity No 558809-0162

**Introduction**

We have audited whether the Board of Directors and the Chief Executive Officer of Mips AB (publ.) during the year 2023 have followed the guidelines on remuneration of senior executives adopted at the annual general meeting on 5 May 2022 and the annual general meeting on 10 May 2023.

**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 in some public limited 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 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.

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 (publ.) during 2023 have followed the guidelines on remuneration of senior executives adopted at the annual general meeting on 5 May 2022 and the annual general meeting on 10 May 2023.

Stockholm 21 March 2024

KPMG AB

Alexander Tistam

Authorized Public Accountant