



Notice to attend the annual general meeting in AAC Clyde Space AB (publ)

2022-04-19

The shareholders in AAC Clyde Space AB (publ), reg. no. 556677-0599 (the “Company”), are hereby given notice to attend the annual general meeting on Thursday 19 May 2022. Attendance at the meeting is only possible via postal ballot. The CEO’s statement will be published on the company’s website after the annual general meeting.

Information in relation to the corona virus (COVID-19)

In view of the recent developments of the spread of the corona virus (COVID-19), the board of directors has, in accordance with section 20 of the Act (2022:121) on temporary exceptions to facilitate the execution of general meetings in companies and other associations resolved to not allow shareholders to participate in person or by proxy at the general meeting held on Thursday 19 May 2022. Shareholders may however influence the meeting by postal voting in accordance with the below.

Advance voting

The shareholders may exercise their voting rights at the general meeting by voting in advance, so called postal voting in accordance with section 22 of the Act (2022:121) on temporary exceptions to facilitate the execution of general meetings in companies and other associations. Be advised that this is the only possible way to attend and vote at the general meeting held on Thursday 19 May 2022. A special form shall be used for advance voting. The form is available on the Company’s website, www.aac-clyde.space. A shareholder who is exercising its voting right through advance voting do not need to notify the Company of its attendance to the general meeting. The advance voting form is considered as the notification of attendance to the general meeting.

The completed voting form must be submitted to the Company no later than on Wednesday 18 May 2022. The completed and signed form shall be sent to the address AAC Clyde Space AB, Attn: Ann-Christin Lejman, Uppsala Science Park, SE-751 83 Uppsala, Sweden. A completed form may also be submitted electronically and is to be sent to: ann-christin.lejman@aac-clydespace.com. If the shareholder is a legal entity, a certificate of incorporation or a corresponding document shall be enclosed to the form. The same apply for shareholders voting in advance by proxy. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote is invalid.

To be able to vote in advance shareholders must be entered in the shareholders’ register, kept by Euroclear Sweden AB (the Swedish Central Securities Depository & Clearing Organisation), on the record day which is Wednesday 11 May 2022. Shareholders who have their shares registered in the name of a nominee must request temporary entry in the transcription of the register of shareholders kept by Euroclear Sweden AB in order to be entitled to participate and vote for their shares at the meeting. The shareholder must inform the nominee well in advance of Wednesday 11 May 2022, at which time the register entry must have been made. Voting rights registration that has have been requested by the shareholder at such time that the registration has been completed by the nominee no later than Friday 13 May 2022, will, however, be taken into account in the preparation of the share register. Personal data

collected from the register of shareholders kept by Euroclear Sweden AB will be used for registration, preparation of register of voters for the meeting and, where applicable, minutes of the meeting.

The advance voting form (postal ballot) gives shareholders the opportunity to vote for an agenda item to be raised at a future shareholders' meeting instead. In order for a resolution (item on the proposed agenda) to be postponed to a future shareholders' meeting, it is required that shareholders of at least one tenth of all shares in the Company request it. In such cases, the board of directors shall determine the date of the future shareholders' meeting, at which shareholders shall be allowed to participate in person and by proxy.

Further instructions and conditions are included in the form for advance voting.

About the meeting

The general meeting will be held on Thursday 19 May 2022 at 10:00 a.m. (CET), shareholders may not attend in person or by proxy. Physical presence at the meeting will be limited to persons that is required in order to carry out the general meeting (e.g. chairman of the meeting, keeper of the minutes and someone to attest the minutes). The board of directors has appointed attorney Marcus Nivinger to open the general meeting.

Proposed agenda

1. Election of chairman of the meeting;
2. Preparation and approval of the voting list;
3. Approval of the agenda;
4. Election of one (1) or two (2) persons who shall approve the minutes of the meeting;
5. Determination of whether the meeting has been duly convened;
6. Submission of the annual report and the auditors' report and the consolidated financial statements and the auditors' report on the group;
7. Resolution in respect of adoption of the profit and loss statement and the balance sheet and, where applicable, the consolidated profit and loss statement and the consolidated balance sheet;
8. Resolution in respect of allocation of the company's profit or loss according to the adopted balance sheet;
9. Resolution in respect of the members of the board of directors' and the managing director's discharge from liability;
10. Determination of the number of members of the board of directors and the number of auditors and, where applicable, deputy auditors;
11. Determination of fees payable to the members of the board of directors and the auditors;
12. Election of the members of the board of directors, auditors and, where applicable, deputy auditors;
13. Resolution on an authorization for the board of directors to increase the share capital;
14. Resolution on directed issue of warrants (long term incentive program ("LTIP A")) to the Company for transfer to employees employed in Sweden within the incentive program;

15. Resolution on directed issue of warrants (long term incentive program (“LTIP B”)) to the Company for transfer to employees employed outside of Sweden within the incentive program;
16. Resolution on directed issue of warrants (long term incentive program (“LTIP C”)) to the Company for transfer to members of the board of directors within the incentive program;
17. Closing of the meeting

Proposed resolutions nomination committee

The nomination committee, consisting of Dino Lorenzini, John Wardlaw (appointed by Coralinn LLP), Mathias Dittrich (appointed by Soltorpet AB) and Rolf Hallencreutz (chairman of the board in the Company) has submitted the following proposals. The nomination committee has presented the following proposed resolutions in relation to items 1, 10-12 and 16 in the proposed agenda. The nomination committee has found no reason to present any proposal for the amendment of the principles for the appointment of and instructions concerning a nomination committee, adopted at the annual general meeting held 23 May 2019. The principles are available at the company’s website.

Item 1. Election of chairman of the meeting

The nomination committee proposes that attorney Marcus Nivinger (Setterwalls Advokatbyrå) is elected chairman of the meeting, and in his absence, any other person appointed by the board instead.

Item 10: Determination of the number of members of the board of directors and the number of auditors and, where applicable, deputy auditors

The nomination committee proposes that the board of directors shall consist of six (6) members without deputy members and that the company shall have one (1) registered auditor.

Item 11: Determination of fees payable to the members of the board of directors and the auditors

The nomination committee proposes that the fees to the board of directors, until the end of the next annual general meeting, shall remain unchanged. The fees shall amount to SEK 450,000 to the chairman of the board of directors and SEK 225,000 to each ordinary member of the board of directors. The nomination committee proposes that the fees to the company’s auditor be paid in accordance with approved invoices.

Item 12: Election of the members of the board of directors, auditors and, where applicable, deputy auditors

The nomination committee proposes re-election of Rolf Hallencreutz, Per Aniansson, Per Danielsson, Will Whitehorn, Anita Bernie and Nicole Robinson as ordinary board members until the end of the next annual general meeting. Furthermore, it is proposed that Rolf Hallencreutz is re-elected as chairman of the board of directors. Information about the proposed members of the board will be available at the company’s website www.aac-clyde.space.

The auditing company Öhrlings PricewaterhouseCoopers AB is proposed to be re-elected as auditor, which is in accordance with the board’s recommendation.

Item 16: Resolution on directed issue of warrants (long term incentive program (“LTIP C”)) to the Company for transfer to members of the board of directors within the incentive program

The nomination committee in AAC Clyde Space AB (publ), reg. no. 556677-0599 (the “**Company**”, and together with subsidiaries the “**Group**”), proposes that the annual general meeting resolves to implement a long term incentive program (“**LTIP**”) by an issue of warrants including approval of transfer of warrants on the terms and conditions set out below (“**Long Term Incentive Program 2022/2025:C**”). The warrants

shall entail the right to subscribe for new shares in the Company. The warrants also apply to the terms and conditions, including the subscription price and the period within which the warrants may be exercised, as set out in Appendix A.

Background

This proposal on implementation of a LTIP and the issue of warrants has been presented as the nomination committee, consisting of Dino Lorenzini, John Wardlaw and Mathias Dittrich (Rolf Hallencreutz, convenor in the nomination committee and the chairman of the board of directors did not participate in the decision to present this LTIP) considers it important and in the interests of all shareholders to facilitate participation for members of the board of directors regarding the Company's and the Group's development and ensure that these individuals share the goal of generating value-adding growth. It is also important to justify continued employment and assignments. The nomination committee therefore proposes that the annual general meeting decide on the issue of warrants as follows below.

Terms for the issue

1. The Company shall issue not more than 390,000 warrants. Each warrant entitle the holder to subscribe for one (1) share in the Company, each with a quotient value of SEK 0.04, and upon full exercise of the warrants the Company's share capital may thus increase by SEK 15,600 (provided that no re-calculation has been made at the time of exercise of the warrants which may affect the increase in share capital as a result of the proposed terms for the warrants).
2. The warrants may, with deviation from the shareholders' preferential rights, only be subscribed for by the Company, after which the Company shall transfer the warrants to members of the board of directors in the Company (the "**Participants**").
3. The Company's subscription of the warrants shall be made on a special subscription list within thirty (30) calendar days from the date of the general meeting that resolves on the issue.
4. The warrants are issued without consideration (i.e. free of charge) to the Company. The warrants are transferred to the Participants without consideration.
5. The warrants may be exercised for subscription of new shares during the period from and including 1 July 2025 until and including 31 December 2025. The maturity is thus about three (3) years from the date of issue. The warrants may not be exercised for subscription of new shares during the so called "closed periods" according to the EUs Market Abuse Regulation, or otherwise in violation with applicable rules regarding insider information (including the Company's own guidelines in this regard). Any warrants that have not been exercised for subscription of shares as of 31 December 2025 will expire.
6. Each warrant shall entitle the warrant holder to subscribe for one new share in the Company at a subscription price per share amounting to the volume-weighted average price for the Company's shares on First North Growth Market during the five trading days that occur most recently before the annual general meeting on May 19, 2022. The subscription price must not be less than the share's quota value, and not less than the fair market value of the stock. Any amount that exceeds the quotient value shall be transferred to the nonrestricted share premium account.
7. The new shares entitle the holder to a dividend as from the record date closest after the new shares have been registered in a securities account.
8. The warrants shall be transferred to the Participants in accordance with the guidelines stated below.
9. For the warrants certain conditions shall apply, amongst other things customary re-calculation terms, as set out in the nomination committee's complete proposal.

Guidelines for the Company's transfer of warrants

The warrants shall be offered for the acquisition to the persons included in the table below with the stated maximum allocation:

Category	Maximum number of warrants per participant
Chairman of the board of directors	90,000 (1 person)
Member of the board of directors	60,000 (5 persons*)

* Refers to current members of the board (excluding the Chairman) provided re-election at the 2022 annual general meeting.

Only those persons who are included in the said categories shall be offered the right to acquire warrants. The nomination committee shall decide which persons that shall be deemed to be included in each category and which persons that shall receive warrants. In the event of re-calculation, the Participants in each category shall have the right to acquire the same number of warrants.

Allocation of warrants to Participants outside Sweden shall - where applicable - be dependent on fiscal effects, that there are no legal obstacles and that the board considers that such allocation can be made with reasonable administrative and financial resources.

The participants in the Long term incentive plan 2022/2025:C shall receive from the Company a compensation corresponding to the benefit value arising from the grant of the option, if any.

Participants may exercise their warrants through a so called "cashless-exercise", whereby a lower number of shares can be subscribed for at a strike price corresponding to the share's quota value.

Reasons for the deviation from the shareholders' preferential rights

The reason for the deviation from the shareholders' preferential rights is to create involvement for the Participants in terms of the Company's and the Group's development and to ensure that these individuals share the goal of generating value-adding growth, and to motivate continued employment and assignments.

The warrants are proposed to be issued to the Company for transfer to Participants in the LTIP.

Dilution, costs etc.

The company has a total share capital of SEK 7,730,037.72 divided into a total of 193,250,943 shares. Each share entitles to one vote in the Company.

There are 4,320,000 warrants are outstanding under three (3) Long Term Incentive Programs for employees and senior management of the Group, of which the first program comprises of 928,000 warrants ("2020/2023:A"), the second program comprises of 2,912,000 warrants ("2020/2023:B"), and the third program comprises of 192,000 warrants ("2020/2023:C"). Each warrant under the respective program entitles to subscribe for one new share in the Company. The exercise price of the warrants corresponds to 100 per cent of the volume weighted average last closing price for the Company's share on Nasdaq First North Growth Market during the period of the five trading days immediately preceding the date of the annual general meeting on 2 June 2020. The warrants for all the programs may be exercised from and including 1 July 2023 until and including 31 December 2023.

When fully exercised the warrants under this proposal will lead to 390,000 new shares being issued in the Company (with reservation for potential re-calculations in accordance with customary terms for the warrants), resulting in a dilution of approximately 0.2 per cent as far as the Company's share capital and

voting rights/number of shares are concerned. The dilution effect has been calculated as the number of additional shares respectively votes at full exercise in relation to the sum of the current number of shares respectively votes, and the number of additional shares respectively votes at full exercise.

Upon full exercise of the warrants under this proposed LTIP for members of the board of directors and full exercise of the warrants under the board of directors' proposed incentive programs for employees in Sweden and employees outside of Sweden (all three incentive programs to be treated at the annual general meeting held on May 19, 2022) a total of 6,210,000 new shares will be issued in the Company, resulting in a dilution of approximately 3.11 per cent (of which approximately 0.2 per cent refers to the incentive program for members of the board, approximately 0.8 per cent refers to the incentive program for employees in Sweden and approximately 2.11 per cent refers to the incentive program for employees outside of Sweden) as far as the Company's share capital is concerned, as well as the total share/voting rights. The dilution effect has been calculated as the number of additional shares respectively votes at full exercise in all three incentive programs in relation to the sum of the current number of shares respectively votes, and the number of additional shares respectively votes at full exercise in all three incentive programs.

The warrants has been valued by an independent expert on behalf of the Company through the Black & Scholes formula. Since the strike price for shares due to utilization of the warrants cannot be determined until 18 May 2022 a fictitious strike price of SEK 2.2 has been used in the calculations. Each warrant has been valued at SEK 0.68 each.

Due to the fact that the warrants will be transferred without consideration special social security fees are expected to arise for the Group. These fees will preliminary amount to approximately 31.42 per cent of the warrants market value at the time of the transfer of the warrants. Meaning that, based on a preliminary valuation of each warrant amounting to SEK 0.68, total social security costs for the Company within the framework of the incentive program amounts to SEK 44,867.76, provided that all warrants are transferred to the Participants. The calculations of social security fees within this LTIP have been based on that social security fees will only be paid for three of the board members (including the chairman) which includes 210,000 warrants. It should also be noted that applicable tax procedures in different jurisdictions could be altered. Participants in the Long term incentive plan 2022/2025:C shall also receive from the Company a cash payment equal to the benefit value arising from the grant of the option, if any.

Other external costs that arise as a result of the LTIP are mainly costs for advice and for registration and practical management of the program. Ongoing costs for administration and other costs are marginal.

The LTIP is expected to have a limited effect on the Company's key performance indicators.

Restrictions regarding disposal and exercise of the warrants

The Participants will not be able to exercise the warrants unless they have previously been offered to the Company and subsequently transferred to the Participants. Furthermore, the Participants will only be able to subscribe for shares with the support of the warrants after special agreed vesting periods. Such restrictions will be agreed upon, in separate warrant agreements, with the respective Participant in connection with their acquisition of warrants from the Company. According to the warrant agreements the total amount of warrants that are allotted to each Participant shall be vested in three equal parts as of the date of each annual general meeting in the Company from 2022 to 2025 (i.e. approximately 33 per cent of the total number of warrants will be vested each year) and conditional on continued employment/assignments in the Group. For example a person that was a member of the board of directors at the previous annual general meeting that is still a member of the board of directors at the date of the annual general meeting of 2023 (not necessarily re-elected at the annual general meeting of 2023) will be allowed to keep his/hers warrants that has been vested during 2022 (i.e. approximately 33 per cent of his/hers maximum allotment) and correspondently a person that is still a member of the board of directors at the date of the annual general meeting of 2024 will be allowed to keep his/hers vested warrants for 2022 and 2023 (i.e. approximately 66 per cent of his/hers maximum allotment), with

reservation for the terms regarding pre-mature termination of service (so called good and bad leaver terms) and other customary terms for warrant agreements.

Preparation of the proposal

The proposed LTIP has been prepared by the nomination committee in consultation with external advisors and after consultations with certain major shareholders. The final proposal has been submitted by the nomination committee (excluding Rolf Hallencreutz).

Miscellaneous

It is proposed that the annual general meeting resolve to adopt the LTIP described above and decide on the issue of warrants on the above terms including approval of the Company's transfer of warrants to the Participants.

The CEO, or a person appointed by the CEO, shall have the right to make the minor adjustments required to register the resolution, and the CEO shall have the right to make the minor adjustments required in the LTIP in order to be conformal with applicable foreign laws and regulations.

Majority requirements

This proposal to adopt the incentive programme and to issue warrants, as well as the approval of the transfers of warrants from the Subsidiary to the Participants, is governed by the provisions in Chapter 16 of the Swedish Companies Act (Sw. Aktiebolagslagen (2005:551)), and a valid resolution therefore requires that the proposal is supported by shareholders representing at least nine-tenths (9/10) of the votes cast as well as of all shares represented at the meeting.

The board of directors' proposed resolutions

The board of directors of the Company has presented the following proposed resolutions in relation to item 2, 4, 8 and 13-15 in the proposed agenda.

Item 2. Preparation and approval of the voting list

The board of directors proposes that the chairman of the meeting shall complete the voting list together with the person approving the minutes based on received and valid postal voting forms.

Item 4. Election of one (1) or two (2) persons who shall approve the minutes of the meeting

The board of directors proposes that one person is elected to approve the minutes, and that this person shall be Magnus Melin (Setterwalls Advokatbyrå), and in his absence, any other person appointed by the board instead.

Item 8. Resolution in respect of allocation of the company's profit or loss according to the adopted balance sheet

The board of directors proposes that the company's accumulated profits shall be carried forward in new account and that no dividend shall be paid for the financial year 2021.

Item 13. Resolution on an authorization for the board of directors to increase the share capital

The board of directors proposes that the general meeting resolves on an authorization for the board of directors to – for the period up to the next annual general meeting and at one or more occasions – resolve upon issuance of new shares, warrants and/or convertible debentures. Payment may be made in cash, in kind, through set-off of claims or otherwise be conditional. The company's share capital may by

support of the authorization be increased by an amount corresponding to 20 per cent of the share capital and number of shares in the company as of on the date the board of directors make use of the authorization. Deviation from the shareholders' preferential rights shall be allowed in situations where a directed issue is deemed more appropriate for the company due to timing, commercial or similar reasons, and in order to enable acquisitions. The chairman of the board of directors, the managing director, or anyone authorized by the board of directors, shall have the right to make any minor adjustments required in order to register this resolution. For a valid decision on the proposal on an authorization for the board of directors, as outlined above, requires that the proposal is supported by shareholders representing at least two-thirds (2/3) of the votes cast and the shares represented at the meeting.

Item 14: Resolution on directed issue of warrants (long term incentive program ("LTIP A")) to the Company for transfer to employees employed in Sweden within the incentive program

The board of directors in AAC Clyde Space AB (publ), reg. no. 556677-0599 (the "**Company**"), and together with subsidiaries the "**Group**"), proposes that the annual general meeting resolves to implement a long term incentive program ("**LTIP**") by an issue of warrants including approval of transfer of warrants on the terms and conditions set out below ("**Long term incentive program 2022/2025:A**"). The warrants shall entail the right to subscribe for new shares in the Company. The warrants also apply to the terms and conditions, including the subscription price and the period within which the warrants may be exercised, as set out in [Appendix A](#).

Background

This proposal on implementation of a LTIP and the issue of warrants has been presented as the board of directors considers it important and in the interests of all shareholders to facilitate participation for employees, including consultants, regarding the Company's and the Group's development and ensure that these individuals share the goal of generating value-adding growth. It is also important to justify continued employment and assignments. The board therefore proposes that the annual general meeting decide on the issue of warrants as follows below.

Terms for the issue

1. The Company shall issue not more than 1,620,000 warrants. Each warrant entitle the holder to subscribe for one (1) share in the Company, each with a quotient value of SEK 0.04, and upon full exercise of the warrants the Company's share capital may thus increase by SEK 64,800 (provided that no re-calculation has been made at the time of exercise of the warrants which may affect the increase in share capital as a result of the proposed terms for the warrants).
2. The warrants may, with deviation from the shareholders' preferential rights, only be subscribed for by the Company, after which the Company shall transfer the warrants to employees employed in Sweden (including consultants) in the Group (the "**Participants**").
3. The Company's subscription of the warrants shall be made on a special subscription list within five (5) calendar days from the date of the general meeting that resolves on the issue. The Board shall have the right to extend the subscription period.
4. The warrants are issued without consideration (i.e. free of charge) to the Company. The warrants are transferred to the Participants without consideration.
5. The warrants may be exercised for subscription of new shares during the period from and including 1 July 2025 until and including 31 December 2025. The maturity is thus about three (3) years from the date of issue. The warrants may not be exercised for subscription of new shares during the so called "closed periods" according to the EUs Market Abuse Regulation, or otherwise in violation with applicable rules regarding insider information (including the Company's own guidelines in this regard). Any warrants that have not been exercised for subscription of shares as of 31 December 2025 will expire.

6. Each warrant shall entitle the warrant holder to subscribe for one new share in the Company at a subscription price per share amounting to the volume-weighted average price for the Company's shares on First North Growth Market during the five trading days that occur most recently before the annual general meeting on May 19, 2022. The subscription price must not be less than the share's quota value, and not less than the fair market value of the stock. Any amount that exceeds the quotient value shall be transferred to the nonrestricted share premium account.
7. The new shares entitle the holder to a dividend as from the record date closest after the new shares have been registered in a securities account.
8. The warrants shall be transferred to the Participants in accordance with instructions issued by the board of directors in accordance with the guidelines stated below.
9. For the warrants certain conditions shall apply, amongst other things customary re-calculation terms, as set out in the board's complete proposal.

Guidelines for the Company's transfer of warrants

The warrants shall be offered for the acquisition to the persons included in the table below with the stated maximum allocation:

Category	Maximum number of warrants per participant
Executive Management	90,000
Managers	60,000
Employees	30,000

Only those persons who are included in the said categories shall be offered the right to acquire warrants. The board of directors shall decide which persons that shall be deemed to be included in each category and which persons that shall receive warrants. In the event of re-calculation, the Participants in each category shall have the right to acquire the same number of warrants. Members of the board of directors are not allowed to participate.

Allocation of warrants to Participants outside Sweden shall - where applicable - be dependent on fiscal effects, that there are no legal obstacles and that the board considers that such allocation can be made with reasonable administrative and financial resources.

The participants in the Long term incentive plan 2022/2025:A shall receive from the Company a compensation corresponding to the benefit value arising from the grant of the option, if any.

The Company may allow the Participant in the LTIP to exercise their warrants through a cashless exercise that the Company deems fitting, including but not limited to loan-financed exercise of the warrants or subscription of a lower number of shares without cash consideration.

Reasons for the deviation from the shareholders' preferential rights

The reason for the deviation from the shareholders' preferential rights is to create involvement for the Participants in terms of the Company's and the Group's development and to ensure that these individuals share the goal of generating value-adding growth, and to motivate continued employment and assignments.

The warrants are proposed to be issued to the Company for transfer to Participants in the LTIP.

Dilution, costs etc.

The company has a total share capital of SEK 7,730,037.72 divided into a total of 193,250,943 shares. Each share entitles to one vote in the Company.

There are 4,320,000 warrants are outstanding under three (3) Long Term Incentive Programs for employees and senior management of the Group, of which the first program comprises of 928,000 warrants (“**2020/2023:A**”), the second program comprises of 2,912,000 warrants (“**2020/2023:B**”), and the third program comprises of 192,000 warrants (“**2020/2023:C**”). Each warrant under the respective program entitles to subscribe for one new share in the Company. The exercise price of the warrants corresponds to 100 per cent of the volume weighted average last closing price for the Company’s share on Nasdaq First North Growth Market during the period of the five trading days immediately preceding the date of the annual general meeting on 2 June 2020. The warrants for all the programs may be exercised from and including 1 July 2023 until and including 31 December 2023.

When fully exercised the warrants under this proposal will lead to 1,620,000 new shares being issued in the Company (with reservation for potential re-calculations in accordance with customary terms for the warrants), resulting in a dilution of approximately 0.83 per cent as far as the Company's share capital and voting rights/number of shares are concerned. The dilution effect has been calculated as the number of additional shares respectively votes at full exercise in relation to the sum of the current number of shares respectively votes, and the number of additional shares respectively votes at full exercise.

Upon full exercise of the warrants under this proposed LTIP for employees in Sweden and full exercise of the warrants under the board of directors’ and the nomination committee’s proposed incentive programs for employees outside of Sweden and members of the board (all three incentive programs to be treated at the annual general meeting held on May 19, 2022) a total of 6,210,000 new shares will be issued in the Company, resulting in a dilution of approximately 3.11 per cent (of which approximately 0.2 per cent refers to the incentive program for members of the board, approximately 0.8 per cent refers to the incentive program for employees in Sweden and approximately 2.11 per cent refers to the incentive program for employees outside of Sweden) as far as the Company’s share capital is concerned, as well as the total share/voting rights. The dilution effect has been calculated as the number of additional shares respectively votes at full exercise in all three incentive programs in relation to the sum of the current number of shares respectively votes, and the number of additional shares respectively votes at full exercise in all three incentive programs.

The warrants has been valued by an independent expert on behalf of the Company through the Black & Scholes formula. Since the strike price for shares due to utilization of the warrants cannot be determined until 18 May 2022 a fictitious strike price of SEK 2.2 has been used in the calculations. Each warrant has been valued at SEK 0.68 each.

Due to the fact that the warrants will be transferred without consideration special social security fees are expected to arise for the Group. These fees will preliminary amount to approximately 31.42 per cent of the warrants market value at the time of the transfer of the warrants. Meaning that, based on a preliminary valuation of each warrant amounting to SEK 0,68, total social security costs for the Company within the framework of the incentive program amounts to SEK 346,122.72, provided that all warrants are transferred to the Participants. It should also be noted that applicable tax procedures in different jurisdictions could be altered. Participants in the Long term incentive plan 2022/2025:A shall also receive from the Company a cash payment equal to the benefit value arising from the grant of the option, if any.

Other external costs that arise as a result of the LTIP are mainly costs for advice and for registration and practical management of the program. Ongoing costs for administration and other costs are marginal.

The LTIP is expected to have a limited effect on the Company’s key performance indicators.

Restrictions regarding disposal and exercise of the warrants

The Participants will not be able to exercise the warrants unless they have previously been offered to the Company and subsequently transferred to the Participants. Furthermore, the Participants will only be able

to subscribe for shares with the support of the warrants after special agreed vesting periods. Such restrictions will be agreed upon, in separate warrant agreements, with the respective Participant in connection with their acquisition of warrants from the Company. According to the warrant agreements the total amount of warrants that are allotted to each Participant shall be vested in three equal parts as of 1 June from 2022 to 2025 (i.e. approximately 33 per cent of the total number of warrants will be vested each year) and conditional on continued employment/assignments in the Group, with reservation for the terms in the separate warrant agreement that shall be entered into between each Participant and the Company. For example a person that was employed or hired as consultant as of the previous 1 June that is still employed or hired as consultant as of 1 June 2023 shall be allowed to keep his/hers warrants that has been vested during 2022/2023 (i.e. approximately 33 per cent of his/hers maximum allotment) and correspondently a person that is still employed or hired as consultant as of 1 June 2024 will be allowed to keep his/hers vested warrants for 2022/2023 and 2023/2024 (i.e. approximately 66 per cent of his/hers maximum allotment), with reservation for the terms regarding pre-mature termination of service (so called good and bad leaver terms) and other customary terms for warrant agreements.

Preparation of the proposal

The proposed LTIP has been prepared by the board of directors in consultation with external advisors and after consultations with certain major shareholders. The final proposal has been submitted by the board of directors.

Miscellaneous

It is proposed that the annual general meeting resolve to adopt the LTIP described above and decide on the issue of warrants on the above terms including approval of the Company's transfer of warrants to the Participants.

The Board of Directors, or a person appointed by the board of directors, shall have the right to make the minor adjustments required to register the resolution, and the board of directors shall have the right to make the minor adjustments required in the LTIP in order to be conformal with applicable foreign laws and regulations.

Majority requirements

This proposal to adopt the incentive programme and to issue warrants, as well as the approval of the transfers of warrants from the Subsidiary to the Participants, is governed by the provisions in Chapter 16 of the Swedish Companies Act (Sw. Aktiebolagslagen (2005:551)), and a valid resolution therefore requires that the proposal is supported by shareholders representing at least nine-tenths (9/10) of the votes cast as well as of all shares represented at the meeting.

Item 15: Resolution on directed issue of warrants (long term incentive program ("LTIP B")) to the Company for transfer to employees employed outside of Sweden within the incentive program

The board of directors in AAC Clyde Space AB (publ), reg. no. 556677-0599 (the "**Company**", and together with subsidiaries the "**Group**"), proposes that the annual general meeting resolves to implement a long term incentive program ("**LTIP**") by an issue of warrants including approval of transfer of warrants on the terms and conditions set out below ("**Long term incentive program 2022/2025:B**"). The warrants shall entail the right to subscribe for new shares in the Company. The warrants also apply to the terms and conditions, including the subscription price and the period within which the warrants may be exercised, as set out in Appendix A.

Background

This proposal on implementation of a LTIP and the issue of warrants has been presented as the board of directors considers it important and in the interests of all shareholders to facilitate participation for

employees, including consultants, regarding the Company's and the Group's development and ensure that these individuals share the goal of generating value-adding growth. It is also important to justify continued employment and assignments. The board therefore proposes that the annual general meeting decide on the issue of warrants as follows below.

Terms for the issue

1. The Company shall issue not more than 4,200,000 warrants. Each warrant entitle the holder to subscribe for one (1) share in the Company, each with a quotient value of SEK 0.04, and upon full exercise of the warrants the Company's share capital may thus increase by SEK 168,000 (provided that no re-calculation has been made at the time of exercise of the warrants which may affect the increase in share capital as a result of the proposed terms for the warrants).
2. The warrants may, with deviation from the shareholders' preferential rights, only be subscribed for by the Company, after which the Company shall transfer the warrants to employees employed outside of Sweden (including consultants) in the Group (the "**Participants**").
3. The Company's subscription of the warrants shall be made on a special subscription list within five (5) calendar days from the date of the general meeting that resolves on the issue. The Board shall have the right to extend the subscription period.
4. The warrants are issued without consideration (i.e. free of charge) to the Company. The warrants are transferred to the Participants without consideration.
5. The warrants may be exercised for subscription of new shares during the period from and including 1 July 2025 until and including 31 December 2025. The maturity is thus about three (3) years from the date of issue. The warrants may not be exercised for subscription of new shares during the so called "closed periods" according to the EUs Market Abuse Regulation, or otherwise in violation with applicable rules regarding insider information (including the Company's own guidelines in this regard). Any warrants that have not been exercised for subscription of shares as of 31 December 2025 will expire.
6. Each warrant shall entitle the warrant holder to subscribe for one new share in the Company at a subscription price per share amounting to the volume-weighted average price for the Company's shares on First North Growth Market during the five trading days that occur most recently before the annual general meeting on May 19, 2022. The subscription price must not be less than the share's quota value, and not less than the fair market value of the stock. Any amount that exceeds the quotient value shall be transferred to the nonrestricted share premium account.
7. The new shares entitle the holder to a dividend as from the record date closest after the new shares have been registered in a securities account.
8. The warrants shall be transferred to the Participants in accordance with instructions issued by the board of directors in accordance with the guidelines stated below.
9. For the warrants certain conditions shall apply, amongst other things customary re-calculation terms, as set out in the board's complete proposal.

Guidelines for the Company's transfer of warrants

The warrants shall be offered for the acquisition to the persons included in the table below with the stated maximum allocation:

Category	Maximum number of warrants per participant
CEO	120,000
Executive Management	90,000
Managers	60,000
Employees	30,000

Only those persons who are included in the said categories shall be offered the right to acquire warrants. The board of directors shall decide which persons that shall be deemed to be included in each category and which persons that shall receive warrants. In the event of re-calculation, the Participants in each category shall have the right to acquire the same number of warrants. Members of the board of directors are not allowed to participate.

Allocation of warrants to Participants outside Sweden shall - where applicable - be dependent on fiscal effects, that there are no legal obstacles and that the board considers that such allocation can be made with reasonable administrative and financial resources.

The participants in the Long term incentive plan 2022/2025:B shall receive from the Company a compensation corresponding to the benefit value arising from the grant of the option, if any. The Company may allow the Participant in the LTIP to exercise their warrants through a cashless exercise that the Company deems fitting, including but not limited to loan-financed exercise of the warrants or subscription of a lower number of shares without cash consideration.

Reasons for the deviation from the shareholders' preferential rights

The reason for the deviation from the shareholders' preferential rights is to create involvement for the Participants in terms of the Company's and the Group's development and to ensure that these individuals share the goal of generating value-adding growth, and to motivate continued employment and assignments.

The warrants are proposed to be issued to the Company for transfer to Participants in the LTIP.

Dilution, costs etc.

The company has a total share capital of SEK 7,730,037.72 divided into a total of 193,250,943 shares. Each share entitles to one vote in the Company.

There are 4,320,000 warrants are outstanding under three (3) Long Term Incentive Programs for employees and senior management of the Group, of which the first program comprises of 928,000 warrants ("**2020/2023:A**"), the second program comprises of 2,912,000 warrants ("**2020/2023:B**"), and the third program comprises of 192,000 warrants ("**2020/2023:C**"). Each warrant under the respective program entitles to subscribe for one new share in the Company. The exercise price of the warrants corresponds to 100 per cent of the volume weighted average last closing price for the Company's share on Nasdaq First North Growth Market during the period of the five trading days immediately preceding the date of the annual general meeting on 2 June 2020. The warrants for all the programs may be exercised from and including 1 July 2023 until and including 31 December 2023.

When fully exercised the warrants under this proposal will lead to 4,200,000 new shares being issued in the Company (with reservation for potential re-calculations in accordance with customary terms for the warrants), resulting in a dilution of approximately 2.13 per cent as far as the Company's share capital and voting rights/number of shares are concerned. The dilution effect has been calculated as the number of additional shares respectively votes at full exercise in relation to the sum of the current number of shares respectively votes, and the number of additional shares respectively votes at full exercise.

Upon full exercise of the warrants under this proposed LTIP for employees outside of Sweden and full exercise of the warrants under the board of directors' and the nomination committee's proposed incentive programs for employees in Sweden and members of the board (all three incentive programs to be treated at the annual general meeting held on May 19, 2022) a total of 6,210,000 new shares will be issued in the Company, resulting in a dilution of approximately 3.11 per cent (of which approximately 0.2 per cent refers to the incentive program for members of the board, approximately 0.8 per cent refers to the incentive program for employees in Sweden and approximately 2.11 per cent refers to the incentive program for employees outside of Sweden) as far as the Company's share capital is concerned, as well as the total share/voting rights. The dilution effect has been calculated as the number of additional shares respectively votes at full exercise in all three incentive programs in relation to the sum of the current number of shares respectively votes, and the number of additional shares respectively votes at full exercise in all three incentive programs.

The warrants has been valued by an independent expert on behalf of the Company through the Black & Scholes formula. Since the strike price for shares due to utilization of the warrants cannot be determined until 18 June 2022 a fictitious strike price of SEK 2.2 has been used in the calculations. Each warrant has been valued at SEK 0.68 each.

No special social security contributions and taxes are expected to be incurred by the Group upon the transfer of the warrants to the Participants. Upon vesting of the Warrants (see further under "restrictions regarding disposal and exercise of the warrants"), social security contributions may be payable. It should be noted that the applicable tax rules in different jurisdictions may differ and may change. Costs will also be incurred by the Resident Team as a result of the Company paying compensation equal to the benefit value received by the Participants as a result of participating in the Program. Participants in the Long term incentive plan 2022/2025:B shall also receive from the Company a cash payment equal to the benefit value arising from the grant of the option, if any.

Other external costs that arise as a result of the LTIP are mainly costs for advice and for registration and practical management of the program. Ongoing costs for administration and other costs are marginal.

The LTIP is expected to have a limited effect on the Company's key performance indicators.

Restrictions regarding disposal and exercise of the warrants

The Participants will not be able to exercise the warrants unless they have previously been offered to the Company and subsequently transferred to the Participants. Furthermore, the Participants will only be able to subscribe for shares with the support of the warrants after special agreed vesting periods. Such restrictions will be agreed upon, in separate warrant agreements, with the respective Participant in connection with their acquisition of warrants from the Company. According to the warrant agreements the total amount of warrants that are allotted to each Participant shall be vested in three equal parts as of 1 June from 2022 to 2025 (i.e. approximately 33 per cent of the total number of warrants will be vested each year) and conditional on continued employment/assignments in the Group, with reservation for the terms in the separate warrant agreement that shall be entered into between each Participant and the Company. For example a person that was employed or hired as consultant as of the previous 1 June that is still employed or hired as consultant as of 1 June 2023 shall be allowed to keep his/hers warrants that has been vested during 2022/2023 (i.e. approximately 33 per cent of his/hers maximum allotment) and correspondently a person that is still employed or hired as consultant as of 1 June 2024 will be allowed to keep his/hers vested warrants for 2022/2023 and 2023/2024 (i.e. approximately 66 per cent of his/hers

maximum allotment), with reservation for the terms regarding pre-mature termination of service (so called good and bad leaver terms) and other customary terms for warrant agreements.

Preparation of the proposal

The proposed LTIP has been prepared by the board of directors in consultation with external advisors and after consultations with certain major shareholders. The final proposal has been submitted by the board of directors.

Miscellaneous

It is proposed that the annual general meeting resolve to adopt the LTIP described above and decide on the issue of warrants on the above terms including approval of the Company's transfer of warrants to the Participants.

The Board of Directors, or a person appointed by the board of directors, shall have the right to make the minor adjustments required to register the resolution, and the board of directors shall have the right to make the minor adjustments required in the LTIP in order to be conformal with applicable foreign laws and regulations.

Majority requirements

This proposal to adopt the incentive programme and to issue warrants, as well as the approval of the transfers of warrants from the Subsidiary to the Participants, is governed by the provisions in Chapter 16 of the Swedish Companies Act (Sw. Aktiebolagslagen (2005:551)), and a valid resolution therefore requires that the proposal is supported by shareholders representing at least nine-tenths (9/10) of the votes cast as well as of all shares represented at the meeting.

Number of shares and votes in the company

The total number of shares and votes in the company at the time of issuance of this notice is 193 250 943. The company does not hold any of its own shares.

Shareholders' right to request information

Pursuant to Chapter 7 section 32 of the Swedish Companies Act (Sw. aktiebolagslagen (2005:551)) and section 23 of the Act (2022:121) on temporary exceptions to facilitate the execution of general meetings in companies and other associations, the board of directors and the managing director are under a duty to, if any shareholder so requests and the board of directors deems that it can be made without significant harm to the company, provide information in respect of any circumstances which may affect the assessment of an item on the agenda or of the Company's economic situation. Such duty to provide information also comprises the Company's relation to the other group companies, the consolidated financial statements and such circumstances regarding subsidiaries which are set out in the foregoing sentence. Any such request shall be sent to the company in writing no later than ten days prior to the general meeting. The request shall be sent to the company's address: AAC Clyde Space AB, Attn: Ann-Christin Lejman, Uppsala Science Park, SE-751 83 Uppsala, Sweden or via email to: ann-christin.lejman@aac-clydespace.com. If such request can be met without significant harm to the Company the information will be sent to the shareholder who requested the information and be kept available in written form at the Company's premises no later than five days prior to the general meeting.

Documentation

The financial accounts, auditor's report, and other documents to be dealt with at the general meeting will be kept available at the Company's office not later than three weeks before the meeting. The documents will be sent free of charge to shareholders who so request and state their postal address. The documents

will also be made available not later than the aforementioned date on the company's website www.aac-clyde.space. All the above mentioned documents will also be presented at the general meeting.

AAC Clyde Space AB (publ)

Uppsala, April 2022

The board of directors

Official version of notice to attend the annual general meeting

The official version of the notice to attend the annual general meeting is in the Swedish language and available for download at www.aac-clyde.space.

For additional information, please contact:

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About AAC Clyde Space AB (publ)

AAC Clyde Space specialises in small satellite technologies and services that enable businesses, governments and educational organisations to access high-quality, timely data from space. Its growing capabilities bring together three divisions:

Space Data as a Service – delivering data from space directly to customers

Space missions – turnkey solutions that empower customers to streamline their space missions

Space products and components – a full range of off-the-shelf and tailor-made subsystems, components and sensors

AAC Clyde Space aims to become a world leader in commercial small satellites and services from space, applying advances in its technology to tackle global challenges and improve our life on Earth.

The Group's main operations are located in Sweden, the United Kingdom, the Netherlands, South Africa and the USA, with partner networks in Japan and South Korea.

AAC Clyde Space's shares are traded on Nasdaq First North Premier Stockholm. Erik Penser Bank AB, e-mail certifiedadviser@penser.se, telephone +46 8 463 83 00, is the Certified Adviser. The share is also traded on the US OTCQX- market under the symbol ACCMF.