

The board of director’s proposal on resolution on new issue of units with payment in kind in terms of all shares in SpaceQuest Ltd.

The board of directors of AAC Clyde Space AB (publ), reg.no 556677-0599 (“the **Company**”), proposes that the shareholders’ meeting resolves on a new issue of units with payment in kind in accordance with the following. In accordance with an understanding between the Company and the shareholders of SpaceQuest Ltd. (together the “**Subscribers**”) a limited company incorporated in the United States with address 3554 Chain Bridge Road, Ste 400, Fairfax, Virginia 22030, United States (“**SpaceQuest**”), the Company and the Subscribers decided that all outstanding shares in SpaceQuest shall be transferred to the Company with payment in new shares in the Company. The consideration for the SpaceQuest shares shall be paid by the shareholders of SpaceQuest subscribing for and being allotted new shares in the Company, and potential earn-out is issued partially through warrants (for the financial years 2021 and 2022) and partially paid through cash. The understanding is conditional upon the general meeting resolving on a new share issue in accordance with this proposal. In light of this, the board of directors proposes that the general meeting resolves on a new issue of units against payment in kind in terms of all shares in SpaceQuest on the below conditions.

1. The issue of units includes 24,000,000 new shares and 4,885,712 new warrants, which only can be subscribed for and allotted in so called units, where each unit consist of 12,000,000 shares and 2,442,856 warrants (“**Unit**”). After the issue of Units the shares and warrants will be separated. Each warrant entitles the holder to subscribe for one (1) new share in the company.
2. The Company’s share capital shall increase with SEK 960,000 through the issuance of 24,000,000 shares and an additional increase of SEK 195,428.48 by subscription of shares through exercise of all the warrants. Full subscription of both newly issued shares and full subscription of shares based on the warrants would thus increase the share capital by SEK 1,155,428.48, and the number of shares would thus increase with 28,885,712 shares.
3. The Units may only be subscribed for by the shareholders in SpaceQuest with the right and obligation for subscribers to pay for the (directly) newly issued shares by contributing payment in kind in terms of all their shares in SpaceQuest as distributed below.

Subscriber	Number of shares in SpaceQuest which is contributed as payment in kind	Number of directly issued shares
Dino A. Lorenzini, with address at 10892 Lake Windermere Drive, Great Falls, Virginia 22066, United States	1,000	12,000,000

Lucille A. Lorenzini, with address at 10892 Lake Windermere Drive, Great Falls, Virginia 22066, United States	1,000	12,000,000
Total	2,000	24,000,000

4. The Subscribers may not subscribe for less Units than what he or she has the right to subscribe for. Furthermore, it was noted that oversubscription may not take place.
5. Subscription of Units shall be made no later than on 15 December 2020. The board of directors shall have the right to extend the subscription period.
6. The warrants will be issued without consideration. The warrants that is included in each Unit lapse on the 31 December, 2023, and entitles the holder to subscribe for shares during the period from and including 1 January, 2022, up until and including 31 December, 2023. 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). The complete terms and conditions for the warrants are set out in Schedule 1A.
7. The shares contributed in kind shall be contributed at the same time as subscription of the Units.
8. The new shares (both the ones being issued directly and the ones being issued through exercising the warrants) entitle to dividend from the first record date regarding dividend that occurs after the registration of the shares in question with the Swedish Companies Registration Office and Euroclear Sweden AB.
9. The subscription price of shares, due to an exercise of a warrant shall correspond to the quota value of the Company’s shares (currently SEK 0.04).

It was noted that the subscription price has been determined based on a preliminary valuation of all outstanding shares in SpaceQuest as of the 27 August 2020. The actual value of the payment in kind will be determined at the day of the transfer of the payment in kind to the Company and may deviate from the preliminary valuation.

The reason for deviation from the shareholders preferential rights is to enable the acquisition of SpaceQuest which the boards deems to be a strategic acquisition resulting in value adding effects for the shareholders.

The Company's CEO is authorized to make minor formal adjustments to the resolution on the issue that may prove necessary in connection with the registration of the new shares with the Swedish Companies Registration Office or Euroclear Sweden AB.

Uppsala on 15 October 2020

The board of director's of AAC Clyde Space AB (publ)