



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

2024-04-23 AAC Clyde Space AB (publ)

The shareholders in AAC Clyde Space AB (publ), reg. no. 556677-0599 (the "Company"), are hereby given notice to attend the annual general meeting at 13:00 CEST on Thursday 23 May 2024 at the Company's premises on Dag Hammarskjölds väg 48 in Uppsala, Sweden.

Notice

Shareholders wishing to participate at the meeting must:

- (i) 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 15 May 2024; and
- (ii) notify the Company of their attendance and any assistant no later than Friday 17 May 2024. Notification can be made via letter to AAC Clyde Space AB, Attn: Ann-Christin Lejman, Uppsala Science Park, 751 83 Uppsala, Sweden or by e-mail to ann-christin.lejman@aac-clydespace.com.

Notification shall include full name, personal identification number or corporate registration number, address and daytime telephone number and, where appropriate, information about representative, proxy and assistants. The number of assistants may not be more than two. In order to facilitate entry to the meeting, notification should, where appropriate, be accompanied by powers of attorney, registration certificates and other documents of authority.

Personal data obtained from the share register kept by Euroclear Sweden AB, notices and attendance at the meeting and information on representatives, proxies and assistants will be used for registration, preparation of the voting list for the meeting and, where appropriate, the minutes of the meeting.

Nominee registered shares

Shareholders who have their shares registered in the name of a nominee must request temporary entry in the transcription of the share register 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 15 May 2024 at which time the register entry must have been made. Voting rights registration that has been requested by the shareholder at such time that the registration has been completed by the nominee no later than Friday 17 May 2024, will, however, be taken into account in the preparation of the share register.

Proxy

A shareholder represented by proxy shall issue a power of attorney which shall be dated and signed by the shareholder. If issued by a legal entity the power of attorney shall be accompanied by registration certificate or, if not applicable, equivalent documents of authority. Power of attorney forms for those shareholders wishing to participate by proxy are available on the Company's website www.aac-clyde.space. The original version of the power of attorney shall also be presented at the 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 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. Resolution on guidelines for remuneration to the senior management; and
18. Closing of the meeting.

Proposed resolutions nomination committee

The nomination committee, consisting of Dino Lorenzini, Mathias Dittrich (appointed by Soltorpet AB), Nils Bernhard, and Rolf Hallencreutz (chairman of the board in the Company) has submitted the following proposals 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 Rolf Hallencreutz 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, Dino Lorenzini and new-election of Stuart Martin and Michael Mattsson 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 2024/2027: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, Mathias Dittrich, Nils Bernhard and Rolf Hallencreutz (Rolf Hallencreutz, convenor in the nomination committee and the chairman of the board of directors and Dino Lorenzini 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 without consideration (i.e., free of charge) not more than 5,629 warrants. Each warrant entitle the holder to subscribe for one (1) share in the Company, each with a quotient value of SEK 2.00, and upon full exercise of the warrants the Company's share capital may thus increase by SEK 11,258 (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 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 2027 until and including 31 December 2027. The vesting period is thus not shorter than three (3) years. 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 2027 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 23 May 2024. The subscription price must not be less than the share's quota value, and not less than the fair market value of the stock at the time warrants are first transferred to any of the Participants. 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	1,299 (1 person)
Member of the board of directors	866 (5 persons*)

* Refers to proposed members of the board (excluding the Chairman) to be elected at the 2024 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 Program 2024/2027: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 11,407,670 divided into 5,703,835 shares. Each share entitles to one vote in the Company.

There are 10,306,050 warrants are outstanding under six (6) Long Term Incentive Programs for employees, senior management and the board of directors of the Group, of which the first program comprises of 1,620,000 warrants (“**2022/2025:A**”), the second program comprises of 4,200,000 warrants (“**2022/2025:B**”), the third program comprises of 390,000 warrants (“**2022/2025:C**”), the fourth comprises of 1,205,575 warrants (“**2023/2026:A**”), the fifth compromises of 2,614,500 warrants (“**2023/2026:B**”), and the sixth 275,975 warrants (“**2023/2026:C**”). As a result of the share consolidation (1:50) which was resolved upon at the extraordinary general meeting on 1 November 2023, fifty (50) warrants under each existing program entitle to subscribe for one new share in the Company. The exercise price of the warrants in the incentive programs 2022/2025:A, 2022/2025:B and 2022/2025:C corresponds to 100 per cent of the volume weighted average last closing price for the Company’s shares on Nasdaq First North Growth Market during the period of the last five trading days immediately preceding the date of the annual general meeting on 19 May 2022, and the exercise price of the warrants in the incentive programs 2023/2026:A, 2023/2026:B and 2023/2026:C corresponds to 100 per cent of the volume weighted average last closing price for the Company’s shares on Nasdaq First North Growth Market during the period of the last five trading days immediately preceding 12 June 2023. The warrants in the incentive programs 2022/2025:A, 2022/2025:B and 2022/2025:C may be exercised from and including 1 July 2025 until and including 31 December 2025. The warrants in the incentive programs 2022/2025:A, 2022/2025:B and 2022/2025:C not exercised at latest on 31 December 2025 will lapse. The warrants in the incentive programs 2023/2026:A, 2023/2026:B and 2023/2026:C may be exercised from and including 1 July 2026 until and including 31 December 2026. The warrants in the incentive programs 2023/2026:A, 2023/2026:B and 2023/2026:C not exercised at latest on 31 December 2026 will lapse.

When fully exercised the warrants under this proposal will lead to 5,629 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 0.1 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 23 May 2024) a total of 113,879 new shares will be issued in the Company, resulting in a dilution of approximately 2.0 per cent (of which approximately 0.1 per cent refers to the incentive program for members of the board, approximately 0.6 per cent refers to the incentive program for employees in Sweden and approximately 1.3 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 have 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 22 May 2024, a fictitious strike price of SEK 48.25 has been used in the calculations. Each warrant has been valued at SEK 17.44 each. In applying the Black & Scholes model, a risk-free interest rate of 2.64 percent and a volatility of 45 percent have been used.

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 preliminarily 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 17.44 total social security costs for the Company within the framework of the incentive program amounts to approximately SEK 21,400, 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 four of the board members (including the chairman) which includes 3,879 warrants. It should also be noted that applicable tax procedures in different jurisdictions could be altered. Participants in the Long Term Incentive Program 2024/2027: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 2025 to 2027 (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 2025 (not necessarily re-elected at the annual general meeting of 2025) will be allowed to keep his/hers warrants that has been vested during 2024/2025 (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 2026 will be allowed to keep his/hers vested warrants for 2024/2025 and 2025/2026 (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 and Dino Lorenzini).

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 Company 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 8, 13-15 and 17 in the proposed agenda.

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

The board of directors proposes that the Company's loss shall be carried forward in new account and that no dividend shall be paid for the financial year 2023.

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 2024/2027: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 without consideration (i.e., free of charge) not more than 33,774 warrants. Each warrant entitle the holder to subscribe for one (1) share in the Company, each with a quotient value of SEK 2.00, and upon full exercise of the warrants the Company's share capital may thus increase by SEK 67,548 (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 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 2027 until and including 31 December 2027. The vesting period is thus not shorter than three (3) years. 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 2027 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 23 May 2024. The subscription price must not be less than the share's quota value, and not less than the fair market value of the stock at the time warrants are first transferred to any of the Participants. 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	1,299
Site Directors	866
Senior Staff	866
General Staff	433

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 in the Company 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 Program 2024/2027: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 11,407,670 divided into 5,703,835 shares. Each share entitles to one vote in the Company.

There are 10,306,050 warrants are outstanding under six (6) Long Term Incentive Programs for employees, senior management and the board of directors of the Group, of which the first program comprises of 1,620,000 warrants ("2022/2025:A"), the second program comprises of 4,200,000 warrants ("2022/2025:B"), the third program comprises of 390,000 warrants ("2022/2025:C"), the fourth comprises of 1,205,575 warrants ("2023/2026:A"), the fifth comprises of 2,614,500 warrants ("2023/2026:B"), and the sixth 275,975 warrants ("2023/2026:C"). As a result of the share consolidation (1:50) which was resolved upon at the extraordinary general meeting on 1 November 2023, fifty (50) warrants under each existing program entitle to subscribe for one new share in the Company. The exercise price of the warrants in the incentive programs 2022/2025:A, 2022/2025:B and 2022/2025:C corresponds to 100 per cent of the volume weighted average last closing price for the Company's shares on Nasdaq First North Growth Market during the period of the last five trading days immediately

preceding the date of the annual general meeting on 19 May 2022, and the exercise price of the warrants in the incentive programs 2023/2026:A, 2023/2026:B and 2023/2026:C corresponds to 100 per cent of the volume weighted average last closing price for the Company's shares on Nasdaq First North Growth Market during the period of the last five trading days immediately preceding 12 June 2023. The warrants in the incentive programs 2022/2025:A, 2022/2025:B and 2022/2025:C may be exercised from and including 1 July 2025 until and including 31 December 2025. The warrants in the incentive programs 2022/2025:A, 2022/2025:B and 2022/2025:C not exercised at latest on 31 December 2025 will lapse. The warrants in the incentive programs 2023/2026:A, 2023/2026:B and 2023/2026:C may be exercised from and including 1 July 2026 until and including 31 December 2026. The warrants in the incentive programs 2023/2026:A, 2023/2026:B and 2023/2026:C not exercised at latest on 31 December 2026 will lapse.

When fully exercised the warrants under this proposal will lead to 33,774 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 0.6 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 23 May 2024) a total of 113,879 new shares will be issued in the Company, resulting in a dilution of approximately 2.0 per cent (of which approximately 0.1 per cent refers to the incentive program for members of the board, approximately 0.6 per cent refers to the incentive program for employees in Sweden and approximately 1.3 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 have 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 22 May 2024 a fictitious strike price of SEK 48.25 has been used in the calculations. Each warrant has been valued at SEK 17.44 each. In applying the Black & Scholes model, a risk-free interest rate of 2.64 percent and a volatility of 45 percent have been used.

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 preliminarily 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 17.44 total social security costs for the Company within the framework of the incentive program amounts to approximately SEK 185,070, 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 Program 2024/2027: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 July from 2025 to 2027 (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 July that is still employed or hired as consultant as of 1 July 2025 shall be allowed to keep his/hers warrants that has been vested during 2024/2025 (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 July 2026 will be allowed to keep his/hers vested warrants for 2024/2025 and 2025/2026 (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 Company 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 2024/2027: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 without consideration (i.e., free of charge) not more than 74,476 warrants. Each warrant entitle the holder to subscribe for one (1) share in the Company, each with a quotient value of SEK 2.00, and upon full exercise of the warrants the Company's share capital may thus increase by SEK 148,952 (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 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 2027 until and including 31 December 2027. The vesting period is thus not shorter than three (3) years. 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 2027 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 23 May 2024. The subscription price must not be less than the share's quota value, and not less than the fair market value of the stock at the time warrants are first transferred to any of the Participants. 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	1,732
Executive Management	1,299
Site Directors	866
Senior Staff	866
General Staff	433

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 Program 2024/2027: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 11,407,670 divided into 5,703,835 shares. Each share entitles to one vote in the Company.

There are 10,306,050 warrants are outstanding under six (6) Long Term Incentive Programs for employees, senior management and the board of directors of the Group, of which the first program comprises of 1,620,000 warrants ("2022/2025:A"), the second program comprises of 4,200,000 warrants ("2022/2025:B"), the third program comprises of 390,000 warrants ("2022/2025:C"), the fourth comprises of 1,205,575 warrants ("2023/2026:A"), the fifth comprises of 2,614,500 warrants ("2023/2026:B"), and the sixth 275,975 warrants ("2023/2026:C"). As a result of the share consolidation (1:50) which was resolved upon at the extraordinary general meeting on 1 November 2023, fifty (50) warrants under each existing program entitle to subscribe for one new share in the Company. The exercise price of the warrants in the incentive programs 2022/2025:A, 2022/2025:B and 2022/2025:C

corresponds to 100 per cent of the volume weighted average last closing price for the Company's shares on Nasdaq First North Growth Market during the period of the last five trading days immediately preceding the date of the annual general meeting on 19 May 2022, and the exercise price of the warrants in the incentive programs 2023/2026:A, 2023/2026:B and 2023/2026:C corresponds to 100 per cent of the volume weighted average last closing price for the Company's shares on Nasdaq First North Growth Market during the period of the last five trading days immediately preceding 12 June 2023. The warrants in the incentive programs 2022/2025:A, 2022/2025:B and 2022/2025:C may be exercised from and including 1 July 2025 until and including 31 December 2025. The warrants in the incentive programs 2022/2025:A, 2022/2025:B and 2022/2025:C not exercised at latest on 31 December 2025 will lapse. The warrants in the incentive programs 2023/2026:A, 2023/2026:B and 2023/2026:C may be exercised from and including 1 July 2026 until and including 31 December 2026. The warrants in the incentive programs 2023/2026:A, 2023/2026:B and 2023/2026:C not exercised at latest on 31 December 2026 will lapse.

When fully exercised the warrants under this proposal will lead to 74,476 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 1.3 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 23 May 2024) a total of 113,879 new shares will be issued in the Company, resulting in a dilution of approximately 2.0 per cent (of which approximately 0.1 per cent refers to the incentive program for members of the board, approximately 0.6 per cent refers to the incentive program for employees in Sweden and approximately 1.3 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 have 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 22 May 2024 a fictitious strike price of SEK 48.25 has been used in the calculations. Each warrant has been valued at SEK 17.44 each. In applying the Black & Scholes model, a risk-free interest rate of 2.64 percent and a volatility of 45 percent have been used.

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 Program 2024/2027: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 July from 2025 to 2027 (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 July that is still employed or hired as consultant as of 1 July 2025 shall be allowed to keep his/hers warrants that has been vested during 2024/2025 (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 July 2026 will be allowed to keep his/hers vested warrants for 2024/2025 and 2025/2026 (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 Company 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 17. Resolution on guidelines for remuneration to the senior management

The board of directors of AAC Clyde Space AB (publ) proposes that the general meeting resolves on the changes to the guidelines for remuneration and other employment conditions for the senior management, as set forth below. The guidelines also apply to board members in so far as they receive remuneration for services provided to the group outside of the scope of the board assignment. The

guidelines shall apply until further notice, but at the latest until the annual general meeting to be held in 2028.

Guidelines for remuneration to the senior management in AAC Clyde Space AB (publ)

Remuneration

The main principle is that remuneration and other employment conditions for members of the senior management shall be based on market terms and competitive in order to ensure that the group can attract and retain competent members of the senior management at a reasonable cost for the company.

The total remuneration for the senior management shall consist of fixed salary, variable remuneration, pension and other benefits. In order to avoid that the senior management is encouraged to take inappropriate risks, there shall be a fundamental balance between fixed and variable remuneration. The fixed salary shall thus be large enough in relation to the total remuneration paid to the senior management in order to render it possible to reduce the variable remuneration to zero. The variable remuneration to a member of the senior management whose function or total remuneration level implies that he or she can have a material effect on the company's risk profile, may not be greater than the fixed salary.

Fixed salary

Each member of the senior management shall be offered a fixed salary on market terms, based on the degree of difficulty of the work performed, as well as experience, responsibilities, competence and performances. The fixed salary shall be adjusted annually.

Variable salary

In addition to the fixed annual salary, the members of the group's senior management may be offered variable remuneration which shall be paid in cash and based on the result in relation to the company's financial development and/or performance goals within the respective area of responsibility and be in line with the shareholders' interests. Variable remuneration shall correspond to a maximum of 50 % of the fixed annual salary for the CEO and a maximum of 50 % of the fixed annual salary for other members of the group's senior management. Should variable remuneration paid have been based on information that later shows to have been evidently incorrect, the company shall have the possibility to request repayment. Variable remuneration shall not entitle to pension, unless otherwise agreed upon.

Variable remuneration shall be based on clear, predetermined, and measurable criteria and financial results and predefined goals and operational goals, as well as designed with the objective to promote the company's long-term value creation.

Pension

Members of the senior management shall, unless otherwise specifically agreed upon, be offered pension terms which are in accordance with the market in the country where the members of the senior management are habitually resident.

Variable remuneration shall, as a main rule, not be pension qualifying.

Other benefits

Other benefits such as a company car, additional health insurance and medical benefits shall be limited in value in relation to other remuneration and shall be paid only in so far as it is considered to be in accordance with the market for other members of senior managements holding corresponding positions on the employment market where the member in question is operating.

Long-term share based incentive programmes

The board of directors shall each year consider whether the annual general meeting is to be proposed to adopt a share based incentive program. Proposed incentive programs shall contribute to a long-term value growth.

It shall be possible to offer members of the senior management corresponding incentives as should have been offered pursuant to a share based incentive program, should it show to be practically impossible to effectuate such program in the tax domicile of a member of the senior management, or if the company assesses that such participation cannot take place at reasonable administrative costs or financial contributions. The cost and the investment for the company as well as the incentive and financial outcome for the senior management member in question shall under those circumstances essentially correspond to the share based incentive program, unless the company considers a deviation to be in line with the shareholders' interests.

Notice

The notice period upon notice given by the company shall be no longer than 12 months for all members of the senior management, with a right to redundancy payment after the expiration of the notice period corresponding to not more than 100% of the fixed salary for a maximum of 12 months, meaning that the fixed salary and redundancy payment shall together not exceed 24 months' fixed salary. Any right to redundancy payment shall, as a main rule, decrease in situations where remuneration is received from another employer. Upon notice given by a member of the senior management, the notice period shall generally be 6 months for the CEO and 3-6 months for other members of the senior management.

Remuneration to board members

To the extent board members elected at a general meeting performs work outside the scope of the work of the board of directors, the board members shall be remunerated for such work. The remuneration shall be on market terms and shall be approved by the board of directors.

Scope

These guidelines shall encompass those persons that are members of the senior management of the group during the period when the guidelines are in force. The guidelines are applicable on agreements entered into after the general meeting's decision, and as far as changes are made to existing agreements, thereafter. The board of directors shall be entitled to deviate from the guidelines in individual cases if there are special reasons for doing so.

Information in regard to previously decided remuneration

Except for recurring commitments, there are no remuneration commitments in relation to members of the senior management that have not become due.

Description of material changes to the remuneration policy and explanation of how the shareholders' opinions have been taken into account

The guidelines are in all material aspects the same as the previously adopted guidelines. The board of directors has not received any comments from shareholders.

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 5,703,835. 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)) 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 material damage to the Company, provide information, regarding circumstances which may affect the assessment of a matter 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. 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.

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 2024
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 MORE INFORMATION:

Please visit: www.aac-clyde.space or contact:

Chairman of the Board Rolf Hallencreutz, investor@aac-clydespace.com

CFO Mats Thideman, investor@aac-clydespace.com, mobile +46 70 556 09 73

ABOUT AAC CLYDE SPACE

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, in our chosen markets, 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 Growth Market. The Company's Certified Adviser is Carnegie Investment Bank AB (publ). The share is also traded on the US OTCQX-market under the symbol ACCMF.