

The board of directors' proposal on authorization for the board of directors to increase the share capital

The board of directors of AAC Clyde Space AB (publ), reg. no 556677-0599 ("the Company") proposes that the annual general meeting on 2 June 2020 resolves to authorise the board of directors, for the period up to the next annual general meeting, whether on one or several occasions and either with or without deviation from the shareholders' preferential rights, to adopt resolutions to issue new shares, warrants and/or convertible loans, by increasing the share capital and number of shares of not more than what is allowed without changing the articles of association. However, the Company's share capital, number of shares and votes may not by support of the authorization be increased by an amount of more than 20% of the share capital and number of shares and votes calculated as of 11 May, 2020. Payment shall be made by cash or through payment in kind, by set-off or subject to other conditions.

The purpose of the authorisation and the reason for any deviation from the shareholders' preferential right is primarily to enable the company to raise capital in a time-efficient manner under prevailing circumstances regarding the uncertainty caused by the spread of Covid-19. According to the board of directors, this uncertainty that currently characterizes the market results in increased demands on the company's flexibility regarding the ability to raise capital. Another reason for the authorization and possible deviation from the shareholders' preferential rights is to be able to finance corporate acquisitions or other investments in promising projects in a time-efficient manner and/or to broaden the shareholder base. New issue of shares or new issue of warrants or convertible loans by virtue of the authorisation shall, in the event of deviation from the shareholders' preferential rights, be made to market price according to the current market conditions at the time when shares, warrants and / or convertible loans are issued.

Uppsala, May 2020

The board of directors