

Notice of Annual General Meeting in Swedish Stirling AB (publ)

The shareholders of Swedish Stirling AB (publ) are hereby invited to attend the Annual General Meeting (“AGM”) to be held at 9.30 a.m. CET on Friday 24 April 2020 at the company’s office, Gruvgatan 35 B in Gothenburg. Registration will commence at 9.00 a.m. CET.

Information about measures due to the new coronavirus

As a precautionary measure to decrease any risk of spreading of the new coronavirus in connection with the meeting, the company has decided that no beverages and food will be offered at the meeting, that there will be no Q&A-session after the meeting and that some restrictions will be made as to the attendance of non-shareholders. In light of the recent government instructions, the company would like to encourage all shareholders to carefully consider whether to attend the meeting in person, but instead use its right to vote via proxy. The company is carefully monitoring the development and will if necessary update the information on which measures that are taken on the company’s website, www.swedishstirling.com.

A. RIGHT TO PARTICIPATE IN THE ANNUAL GENERAL MEETING

Shareholders who wish to participate in the AGM must:

firstly, be registered in the share register maintained by Euroclear Sweden AB no later than Saturday 18 April 2020, and

secondly, preferably notify the company of their intention to attend the AGM under the address Swedish Stirling AB, “AGM”, Gruvgatan 35 B, 421 30 Västra Frölunda, Sweden, by calling +46 (0) 31 385 88 30, or by e-mail to registration@swedishstirling.com, no later than Monday 20 April 2020.

In connection with notification, shareholders should state their name, address, telephone number (daytime), personal or corporate identity number and information concerning their shareholding. Shareholders or proxies for shareholders at the AGM may take a maximum of two representatives with them to the AGM, whose attendance the shareholder preferably should notify the company of in connection with the shareholder’s own notification of participation. For shareholders who will be represented by proxy at the AGM, a signed and dated power of attorney should be enclosed with the notification. A form for the power of attorney is available on the company’s website, www.swedishstirling.com and will be sent by mail on request to shareholders who state their address. For those representing a legal entity, a verified copy of the registration certificate or corresponding document showing the company’s signatories must also be submitted.

In order to be entitled to participate in the AGM, shareholders whose shareholding is registered in the name of a trustee must re-register their shares in their own name at Euroclear Sweden AB. Shareholders who require such re-registration should notify their trustee well in advance of Friday 17 April 2020, when such re-registration must have been completed.

B. AGENDA OF THE ANNUAL GENERAL MEETING

Proposal for agenda

1. Opening of the Meeting.
2. Election of Chairman of the Meeting.
3. Preparation and approval of the list of shareholders entitled to vote at the Meeting.
4. Approval of the agenda.
5. Election of persons to approve the minutes of the Meeting.
6. Determination of whether the Meeting has been duly convened.
7. Presentation of the annual report and the auditor's report.
8. Resolution regarding the adoption of the profit and loss account and the balance sheet.
9. Resolution regarding the allocation of the company's profit or loss in accordance with the adopted balance sheet.
10. Resolution regarding discharge from liability towards the company in respect of the members of the Board of Directors and the Managing Director.
11. Determination of the number of members of the Board of Directors and auditors.
12. Determination of the remuneration to be paid to the Board members and auditors.
13. Election of members of the Board of Directors and auditors.
14. Resolution regarding remuneration guidelines for senior executives.
15. Resolution regarding amendment of the Articles of Association.
16. Resolution regarding authorisation for the Board of Directors to resolve on new issues.
17. Closing of the Meeting.

Proposals by the Nomination Committee (Items 2 and 11-13)

The Nomination Committee, comprising the Chairman Stanislav Kotov appointed by East Guardian SPC, Sebastian Burmeister appointed by AC Cleantech Growth Fund I Holding AB, and Sven Sahle appointed by Dagny OÜ and Chairman of the Board has proposed the following:

Chairman of the Meeting: The lawyer Aleksander Ivarsson shall be elected Chairman of the AGM.

Board members: The number of Board members shall be six, without deputies. Re-election shall be made of the Board members Sven Sahle, Andreas Ahlström, Ulf Gundemark, Gunilla Spongh and David Zaudy and new election shall be made of Carina Andersson. Re-election shall be made of Sven Sahle as Chairman of the Board. Benedict Morgan and Erik Wigertz have declined re-election.

Board member proposed for new election:

Carina Andersson, born 1964, holds a M.Sc. in Materials Science from KTH Royal Institute of Technology. Carina has extensive experience from the Swedish metal industry, among others, from leading positions within Sandvik, Ramnäs Bruk and Fagersta. Currently, Carina is Board member of several Swedish industry and metal companies, including BE Group AB (publ), Beijer Alma AB, Gränges AB, Sintercast AB and Systemair AB. Carina does not hold any shares in the company.

Board remuneration: Remuneration to the Board members Carina Andersson, Ulf Gundemark and Gunilla Spongh shall be paid by SEK 200,000 each. Remuneration to the Chairman of the Audit Committee shall be paid by SEK 100,000.

Auditor and auditors' fee: The number of auditors shall be one without deputies. The registered audit firm Öhrlings PricewaterhouseCoopers AB is proposed for new election as the company's auditor for a period of one year until the end of the annual general meeting 2021. Öhrlings PricewaterhouseCoopers AB has notified that the authorised public accountant Johan Malmqvist will be principally responsible auditor, if Öhrlings PricewaterhouseCoopers AB is elected as auditor by the AGM. The auditor's fee shall be paid according to approved invoice.

Resolution regarding the allocation of the company's profit in accordance with the adopted balance sheet (Item 9)

The Board of Directors proposes that no dividend is distributed and that the retained profits shall be carried forward to the new accounts.

Resolution regarding remuneration guidelines for senior executives (Item 14)

The Board of Directors proposes that the Annual General Meeting resolves on the following guidelines for remuneration for senior executives.

Scope of the guidelines, etc.

Senior executives within the Swedish Stirling group, which include the CEO of Swedish Stirling and other members of the group management, fall within the provisions of these guidelines. The guidelines are forward-looking, i.e. they are applicable for employment agreements entered into after the approval of the guidelines by the Annual General Meeting 2020, and for changes made to existing employment agreements thereafter. These guidelines do not apply to any remuneration decided or approved by the General Meeting.

To the extent a member of the Board performs services for the company in addition to the Board assignment, certain cash remuneration may be paid for such work. The cash remuneration shall be at market level, based on the nature and contribution of such work.

Remuneration under employments subject to other rules than Swedish may be duly adjusted to comply with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

The guidelines' promotion of Swedish Stirling's business strategy, long-term interests and sustainability

Swedish Stirling is a Swedish clean tech company founded in 2008. The company's vision is to establish the Stirling engine as the best option for local production of sustainable and climate-smart electricity. In short, the company's long-term business strategy is to sell their product PWR BLOK 400-F to its customers, and thereby offer them their technology of extracting electricity from industrial flare and residual gases. A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration. These guidelines enable the company to offer the executive management a competitive total remuneration.

Types of remuneration, etc.

Swedish Stirling strives to offer a total remuneration that is in line with market terms and thus enables the company to attract and retain qualified employees. Total remuneration varies in relation to the individual's responsibilities and performance, and

shall comprise fixed cash salary, possible variable cash remuneration, pension benefits and other benefits. Additionally, the General Meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

The fixed salary forms the basis of the total remuneration and is to reflect the responsibilities associated with the position as well as the individual's competence and performance. The fixed salary is reviewed annually.

The possible variable cash remuneration for the CEO and other senior executives shall be in line with market terms and shall not exceed 50 per cent of the fixed cash salary. Variable cash remuneration shall be linked to predetermined and measurable criteria, e.g., commercial, operational and financial criteria, which shall be determined by the Board of Directors. They may also be individualized, quantitative or qualitative objectives. The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The possible variable cash remuneration as a whole and the criteria for awarding payment, shall aim, and be designed so as, to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy. Currently, the senior executive in the subsidiary Swedish Stirling South Africa is the only senior executive entitled to variable remuneration.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The Board of Directors is responsible for the evaluation so far as it concerns variable remuneration to the CEO. For variable cash remuneration to other executives, the CEO is responsible for the evaluation. For financial objectives, the evaluation shall be based on established financial data for the current period.

For the CEO, pension benefits, including health insurance (*Sw: sjukförsäkring*), shall be premium defined. Possible variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the fixed annual cash salary. For other executives, pension benefits, including health insurance, shall be premium defined unless the individual concerned is subject to defined benefit pension under mandatory collective agreement provisions. Possible variable cash remuneration shall qualify for pension benefits only to the extent required by mandatory collective agreement provisions. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the fixed annual cash salary.

Other benefits may include, for example, medical insurance (*Sw: sjukvårdsförsäkring*), and may be provided to individuals or all senior executives and are to reflect market practice. Such benefits may amount to not more than 30 per cent of the fixed annual cash salary.

Termination of employment

In the event of termination of employment by the company, the notice period should be in line with market terms and is not to exceed a twelve-months' period of notice. Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to the executive's fixed cash salary for twelve months. When termination is made by the executive, the period of notice may not to exceed twelve months for the CEO and six months for other executives, without any right to severance pay.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

The decision-making process to determine, review and implement the guidelines

The Board of Directors has established a remuneration committee. The committee's tasks include preparing the Board of Directors' decision to propose guidelines for executive remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the General Meeting. The guidelines shall be in force until new guidelines are adopted by the General Meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the remuneration committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Resolution regarding change of the company name and amendment of the Articles of Association (Item 15)

The Board of Directors proposes that the Annual General Meeting resolves to amend the company's limits on share capital and number of shares by amending § 5 and 6 of the company's Articles of Association in accordance with the following.

Current wording § 4	Proposed wording § 4
<p><i>SHARE CAPITAL</i> <i>The share capital of the company shall be no less than SEK 500 000 and no more than SEK 2 000 000.</i></p>	<p><i>SHARE CAPITAL</i> <i>The share capital of the company shall be no less than SEK 900,000 and no more than SEK 3,600,000.</i></p>
Current wording § 5	Proposed wording § 5
<p><i>NUMBER OF SHARES</i> <i>The number of shares shall be no less than 50 000 000 and no more than 200 000 000.</i></p>	<p><i>NUMBER OF SHARES</i> <i>The number of shares shall be no less than 90 000 000 and no more than 360 000 000.</i></p>

Further, the Board of Directors proposes to add the following to § 9 of the company's Articles of Association.

Current wording § 9	Proposed wording § 9
<p>NOTICES</p> <p>Notices convening a shareholders' meeting shall be made by announcement in the Official Swedish Gazette (Post- och Inrikes Tidningar) and on the company website. It shall be announced in Svenska Dagbladet that notice has been duly made.</p>	<p>NOTICES</p> <p><i>Notices convening a general meeting shall be made by announcement in the Official Swedish Gazette (Post- och Inrikes Tidningar) and on the company website. It shall be announced in Svenska Dagbladet that notice has been duly made.</i></p> <p><i>Shareholders wishing to participate in a general meeting must be registered in a transcript or other presentation of the share register on the record date for the general meeting, which is established in accordance with the Swedish Companies Act, and must notify the company of their intention to attend the meeting not later than the day stipulated in the notice convening the general meeting. The last mentioned day must not be a Sunday, any other public holiday, a Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and must not be more than five weekdays before the general meeting.</i></p>

The Board of Directors proposes that the CEO be authorised to make such minor amendments of the proposal as may be required in connection with the registration with the Swedish Companies Registration Office.

In order to be valid, the resolution requires approval of at least two thirds of both the votes cast and the shares represented at the Annual General Meeting.

Resolution regarding authorisation for the Board of Directors to resolve on new share issues (Item 16)

The Board of Directors proposes that the Annual General Meeting resolves to authorise the Board to, within the scope set up by the articles of association, on one or several occasions, during the period until the next Annual General Meeting resolve on issues of shares, with or without deviation from the shareholders' preferential right. Such resolution on issues can be made with provisions of subscription by contribution in kind, by set-off or against cash payment. The number of shares issued based on the authorisation may not exceed 30 per cent of the registered share capital at the time of the resolution based on the authorisation. The purpose of the authorisation is to increase the company's financial flexibility and the reason for any deviation from the shareholders' preferential right is to enable the company to raise capital in a time efficient manner and/or to complement the shareholder base with investors of strategic significance for the company. Shares, issued based on the authorisation, shall be issued on market terms. The Board of Directors shall be entitled to determine other terms for the issues.

In order to be valid, the resolution requires approval of at least two thirds of the votes cast and the shares represented at the Annual General Meeting.

C. NUMBER OF SHARES AND VOTES IN THE COMPANY

The total number of shares and voting rights in the company is 91,768,961.

D. AVAILABLE DOCUMENTATION

The Annual Report and the auditor's report, including the Board's proposal for remuneration guidelines for senior executives and the Board's complete proposals concerning Items 14-16 will at the latest be available for the shareholders at the company's office in Gothenburg as from Friday 10 April 2020. Copies of the documents will be sent to those shareholders who request to receive such information and who

have provided their address. They will also be available on the company's website www.swedishstirling.com and at the AGM.

E. INFORMATION AT THE ANNUAL GENERAL MEETING

At the AGM, the Board of Directors and the Managing Director shall, if requested by a shareholder and the Board of Directors considers that it can be done without material damage to the company, provide information regarding issues that may (i) affect the assessment of an item on the agenda, (ii) affect the assessment of the company's or a subsidiary's financial situation or (iii) concern the company's relation to another group company.

F. PROCESSING OF PERSONAL DATA

For information about the processing of your personal data, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Gothenburg in March 2020
Swedish Stirling AB (publ)
The Board of Directors