

## **Notice of Extraordinary General Meeting of BTS Group AB (publ)**

**The shareholders of BTS Group AB (publ) are hereby summoned to an Extraordinary General Meeting on Friday 8 July 2022 at 11.00 a.m. at the company's premises, Grevgatan 34, 5<sup>th</sup> fl., Stockholm, Sweden.**

The Board of Directors of BTS Group AB (publ) has, in accordance with the provisions of the act on temporary exemptions to facilitate the conduct of general meetings, resolved that the shareholders shall be given the opportunity to exercise their voting rights by postal voting prior to the meeting. Shareholders can thus choose to exercise their voting rights at the meeting by participation in person, by proxy or by postal voting.

### **Exercise of voting rights at the meeting and notification of participation**

Shareholders who wish to participate in the Meeting must be registered in the share register kept by Euroclear Sweden AB on Thursday 30 June 2022 and be registered by BTS Group AB no later than Monday 4 July 2022. Notification is made either in writing to BTS Group AB, Grevgatan 34, SE-114 53 Stockholm, Sweden, by e-mail to [ir@bts.com](mailto:ir@bts.com) or by telephone (08-58707000). Upon registration, the shareholder must state his name, personal identity number or corporate identity number, address, telephone number and registered shareholding. Anyone who does not wish to attend in person, nor to exercise his or her right to vote by postal voting, may exercise his right at the meeting by proxy with a written, signed and dated power of attorney. Powers of attorney, registration certificates and other documents of authorization must be available at the general meeting, and should, in order to facilitate entry to the meeting, be submitted to the company no later than Monday, July 4, 2022. The power of attorney may not be older than 1 year, unless the power of attorney specifies a longer period of validity (5 years at the most). The company provides proxy forms on the company's website ([www.bts.com](http://www.bts.com)) and sends these free of charge to shareholders who so request and state their postal address.

Shareholders who have chosen to register their shares with a nominee must, in order to participate in the meeting, temporarily re-register their shares through nominees in their own name with Euroclear Sweden AB. The preparation of the General Meeting register of shareholders as of the record date, i.e. Thursday 30 June 2022, will take into account voting rights registrations made no later than Monday 4 July 2022. This means that the shareholder should inform his nominee of this well in advance of that date.

### **Postal voting**

Shareholders who wish to exercise their voting rights at the meeting by postal voting must be registered in the share register maintained by Euroclear Sweden AB on Thursday 30 June 2022 or, if the shares are nominee-registered, temporarily have the shares re-registered by the nominee in their own name with Euroclear Sweden AB in such time that the registration is effected on Monday 4 July 2022 as well as use the postal voting form and follow the instructions available on the company's website ([www.bts.com](http://www.bts.com)). Shareholders exercising their voting rights by postal voting do not need to give special notice of the meeting, but the completed form applies as a notification. The postal vote must be received by BTS Group AB no later than Monday 4 July 2022 and the postal voting form must be sent to BTS Group AB, Grevgatan 34, SE-114 53 Stockholm, Sweden. The completed form can also be submitted electronically and must then be sent via e-mail to [ir@bts.com](mailto:ir@bts.com). If the shareholder is a legal person, the certificate of registration or other document of authorization shall be attached to the form. The same applies if the shareholder votes by proxy by post. Shareholders may not provide postal votes with special instructions or conditions and if so, the vote is invalid. Further instructions and conditions can be found in the form. The shareholder who wishes to revoke his postal vote and instead exercise his voting rights by participating in the meeting in person or by proxy, shall notify the secretariat of the meeting before the meeting is opened.

### **Draft agenda**

1. Opening of the meeting

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2. Election of Chairman of the Meeting
3. Preparation and approval of the voting list
4. Election of one or two adjusters
5. Examination of whether the meeting has been duly convened
6. Approval of agenda
7. Resolution on the Board's proposal for new guidelines for remuneration and other terms of employment for senior executives
8. Resolution on (a) implementation of personal option program 2022/2027 for senior management and (b) hedging measures for the program
9. Closing of the Meeting.

### PROPOSED RESOLUTION

#### Resolution on the Board's proposal for new guidelines for remuneration and other terms of employment for senior executives (item 7)

As a result of the recent change in group management, the Board of Directors proposes that the Annual General Meeting resolves to adopt new guidelines for remuneration to senior executives. The change now proposed is that variable remuneration may amount to a maximum of 300 per cent of the annual fixed salary (previously 100 per cent). In other respects, the content of the new guidelines shall correspond to the content of the guidelines adopted by the Annual General Meeting 2020.

#### Resolution on (a) implementation of employee stock option program 2022/2027 for senior management and (b) hedging measures for the program (item 8)

##### (a) Decision on the introduction of employee stock option program 2022/2027 for senior management

#### *Background and purpose*

As previously announced, BTS' CEO, who also is the company's largest shareholder, has recently resigned after 36 years, but remains with the company as Chairman of the Board. The company has had a CEO over the years, and now has a chairman of the board, with strong incentives to run the business so that the share price develops positively. The new CEO and Deputy CEO have certain shareholdings, but overall the majority of their financial incentives consist of fixed and variable remuneration. In order to ensure that the new management has strong incentives to create good development in the share price, as well as to create good conditions for strong commitment and continuity and increased community of interests between the company management and the shareholders, a long-term employee stock option program is proposed, which means that the CEO and Deputy CEO as well as other members of the company management are given the opportunity to achieve a larger shareholding in the company than they currently have. The company's Board of Directors is convinced that share-based incentive programs in general, and the option program now proposed in particular, provide increased motivation for participants in the program and in addition tie these persons even more strongly to the BTS Group, which is considered to be beneficial for both the company and its shareholders and thus entail increased shareholder value.

#### *Terms*

The program comprises a maximum of six persons and a maximum of 495,000 employee stock options may be issued. The employee stock options shall be of two series and have vesting periods of three years (series 2022/2025) and five years (series 2022/2027) respectively, which require retained employment within the Group, and only hereafter can the options be exercised, but no later than 31 December 2025 and 31 December 2027 respectively. An employee stock option, regardless of series, entitles to the acquisition of one class B share in BTS. The exercise price for each employee stock option of series 2022/2025 shall correspond to 120 per cent of the volume-weighted average price paid for class B shares in BTS on NASDAQ Stockholm and 140 per cent for employee stock options of series 2022/2027, in both cases calculated during a certain measurement period in connection with the grant date. Allotment of employee stock options free of charge shall be made no later than September 2022 with 200,000 employee stock options to the CEO, 175,000 employee stock options to the Deputy CEO and with 30,000 employee stock options per person to other management



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members, whereby half of the number of allotted options shall be of each series. If participants terminate their employment after the end of vesting period, the participant shall only be able to exercise employee stock options for a period of three months after the last day of employment. The employee stock option terms will contain customary recalculation terms. Within the framework of the above conditions and guidelines, the Board of Directors shall be responsible for the detailed design and management of the program and, in extraordinary cases, has the right to limit the scope of, or prematurely terminate, the program, in whole or in part. The issue of employee stock options presupposes, on the one hand, that such issuance can legally and appropriately take place in the countries concerned and, on the other hand, that it may, in the opinion of the Board of Directors, be made with reasonable (i) administrative costs, (ii) tax effects for BTS Group or another employer company within the BTS Group.

*(b) Decision on hedging measures for the programme*

In order to efficiently and flexibly implement the above-proposed employee stock option program, and to secure delivery of shares to participants in the program, the Board of Directors further proposes that the Annual General Meeting, with deviation from the shareholders' preferential rights, resolves to issue a total of 495,000 warrants, of which 247,500 warrants of series 2022/2025 and 247,500 warrants of series 2022/2027 respectively. Warrants of both series shall be issued without consideration to the wholly owned, Swedish subsidiary BTS Sverige AB, org. No. 556566-7127, (the "Subsidiary"). Subscription for the warrants shall be made on a separate subscription list no later than 30 September 2022. Each warrant entitles to subscription of one class B share in the company and the subscription price for each new share shall correspond to the quota value of the share. The warrants of series 2022/2025 can be exercised during the period from 1 September 2022 until 31 March 2026 and the warrants of series 2022/2027 during the period from 1 September 2022 until 31 March 2028. The new shares shall entitle to dividends for the first time on the record date for dividends that falls after the subscription has been executed. The subscription price and the number of shares that each warrant entitles to subscription of, may be subject to recalculation in certain cases. The detailed terms and conditions for the warrants correspond in all material respects to the terms and conditions for allotted employee stock options and they are set out in the Board's complete proposal for resolutions. The reason for deviating from the shareholders' preferential rights is that the proposed issue of warrants constitutes part of securing the commitments arising from the employee stock option program proposed in accordance with item (a) above. Finally, in order to fulfil the arising commitments in connection with the proposed program, the Board of Directors proposes that the General Meeting approves that the Subsidiary to a third party may transfer or otherwise dispose of all the warrants issued pursuant to this item (b). Upon exercise of all warrants, the company's share capital will increase by SEK 165,000 and entail a dilution of 2.6 percent.

*Special empowerment*

Finally, the Board of Directors proposes that the CEO be authorized to make such minor adjustments in the General Meeting's resolutions as may prove necessary in connection with registration with the Swedish Companies Registration Office.

*Majority requirements and conditions*

The Board's proposal for resolutions under items 8 (a) – (b) above constitutes a "package", as the two proposals are dependent on and strongly linked to each other. In connection with this, it is proposed that the General Meeting makes a single resolution in connection with the above proposals and that resolutions shall then be made with a majority of decisions amounting to at least nine-tenths of both the votes cast and the shares represented at the Meeting.

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**SHARES AND VOTES**

At the time of this notice, the total number of shares in the company was 19,374,347 shares, of which 853,800 shares of class A and 18,520,547 shares of class B. The total number of votes in the company amounts to 27,058,547.



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#### DOCUMENTS

The Board's complete proposal for resolutions as set out above, other documentation to be provided in accordance with the Swedish Companies Act and the Swedish Code of Corporate Governance, proxy forms and postal voting forms, will be available at the company's office (Grevgatan 34, Stockholm) and on the company's website ([www.bts.com](http://www.bts.com)) from Friday 17 June 2022, and will be sent free of charge to shareholders who so request and state their postal address.

#### PROCESSING OF PERSONAL DATA

For information on how your personal data is processed, see:

<https://www.euroclear.com/dam/ESw/Legal/Privacy%20notice%20BOSS%20%20final%20220324.pdf>

Stockholm, June 2022  
BTS Group AB (publ)  
The Board