

Appendix 1

BTS Group AB (publ)
Employee Stock Option Plan 2015/2019

§ 1.

Purpose of the Employee Stock Option Plan 2015/2019

The purpose of this employee stock option plan, which was approved by the Annual General Meeting of BTS Group AB (publ) on [May 7, 2015] is to provide shareholders of BTS with an increase in share value and an increasing return on investment. It is the Employees of the BTS Group who make possible the fulfilment of these objectives. The Board of Directors is therefore convinced that a well balanced employee stock option plan is of advantage to both employees and shareholders.

In order to increase the interest of and engagement in the increase in value of the BTS share an employee stock option plan has been decided, applying to holders of leading positions within BTS Group and other persons of the staff. The interest of the Employees to contribute to a good long-term development of the BTS share will thus be stimulated. The employee stock option plan is assumed to be of significance also for recruitment.

The allotment of employee stock options is well compatible with the structure of compensation in the BTS Group. Using only cash salary to attract certain key persons would have a negative effect on costs and cash flow. Experience shows that the fact that someone has been chosen for the allotment of employee stock options has an essential impact on his or her motivation and willingness to stay with the company.

§ 2.

Definitions

In this employee stock option plan, the following terms shall have the meanings set forth below:

“BTS Group”	BTS and its subsidiaries, including subsidiaries who become such after adoption of the Plan;
“Code”	the United States Internal Revenue Code of 1986, as amended;
“Committee”	the Option Committee, as appointed by the Board of Directors. In the event of no Option Committee being appointed, the Board of Directors shall be competent to exercise the Committee’s authorities according to this plan;

“Company”	BTS Group AB (publ), registration no. 556566-7119;
“Employee”	a person who is employed by the Company or another company within the BTS Group;
“Exercise price”	the price to be paid for each Share purchased according to this employee stock option plan;
“Incentive Stock Option” or “ISO”	an Option that is intended to qualify as an “incentive stock option” pursuant to Section 422 of the Code;
“Option”	the right to purchase a Share in the Company pursuant to this employee stock option plan;
“Option Agreement”	the written option agreement between the Company, any employing company (if relevant), and the Employee (the “Option Agreement”) shall set forth the terms and conditions applicable for allotted Options.
“Option Holder”	an Employee who has received an Option;
“Plan”	the BTS Group AB (publ) Employee Stock Option Plan 2015/2019 and all amendments effected thereto;
“Regular Employee Status”	the absence of discontinuation or termination of employment with the Company or any other employing company within the BTS Group. Regular Employee Status is deemed not to be discontinued by virtue of sick leave, parental leave, military service or other leave or arrangement being approved in writing prior to the commencement of the leave. Regular Employee Status is neither discontinued if a company (other than the Company) as a consequence of an acquisition of the shares in this company, results in a Group company no longer being part of the BTS Group;
“Share”	class B share in the Company; and

“Warrants” undertaking by the company regarding the right to subscribe for shares in the company in exchange for payment in cash in accordance with the terms and conditions of the warrant’s approved by the shareholders of the Company, where each warrant entitles the holder to subscribe for one new series B share during the period from and including June 1, 2015 and until June 30, 2019.

§ 3.

Options which are subject to the Plan

The number of Options which may be allotted in accordance with this Plan shall not exceed 840,000 Options, guaranteed by the corresponding number of warrants, and in addition a further 126,000 warrants to cover costs incurred in connection with the Plan, mainly social security contributions. Options that may be allotted to Employees in the U.S. are intended to be ISOs.

Where an Option expires without being exercised or where, for any reason, an Option cannot be exercised, in whole or in part, the Shares comprising the Options which are not exercised shall be available for future distributions under the Plan, provided that the Plan has not ceased to apply.

§ 4.

Administration of the Plan

(a) Procedure

- (1) The Plan shall be administered by the Committee. The Committee shall continue to serve until such time as otherwise decided upon by the Company's Board of Directors.
- (2) The Company's Board of Directors may from time to time increase the number of members of the Committee, remove members (with or without cause) and appoint new members to replace previous members or to fill vacancies which have arisen.

(b) Powers of the Committee

In accordance with the provisions of the Plan, the Committee is empowered as follows:

(i) to allot Options; (ii) to determine terms, conditions and provisions governing allotted Options (which do not need to be identical); (iii) to determine from time to time which Employees shall be allotted Options and the number of Shares covered by the Options; (iv) to interpret the Plan and any Option Agreement; (v) to amend or repeal provisions and regulations related to the Plan; (vi) to re-calculate the Exercise Price per Share and the number of Shares which an Option provides an entitlement to purchase in respect of outstanding and non-exercised Options according to this Plan; (vii) to adopt any other measures which may be deemed necessary or advisable for the administration of the Plan, and (viii) determine whether Options granted to Employees in the U.S. shall be ISOs or non-qualified Options, and (ix) to resolve all questions arising under the Plan. All decisions of the Committee shall be conclusive and binding on all Option Holders.

§ 5.

Eligibility to Participate in the Plan etc.

- (a) Options may only be allotted to persons having a Regular Employee Status. Members of the Board of Directors of the Company and the Company's Managing Director shall be eligible to participate in the Plan.
- (b) Nothing in the Plan and no Option which is allotted pursuant to the Plan shall be deemed to afford an Option Holder a right to continued employment with the Company or any other company within the BTS Group nor in any way preclude the right of the Option Holder or the employing company to terminate the employment relationship nor give the Option Holder any rights whatsoever to be allotted Options at any future date.
- (c) An Option Holder shall have no entitlement to compensation or damages resulting from the termination of the Status as an Employee for the loss of any right or benefit or prospective right or benefit under the Plan which he/she might otherwise would have enjoyed.
- (d) Holiday or vacation payments and pension contributions as well as any entitlement to a cash bonus (if any) shall not be calculated or otherwise based on any value attributable to any Options allotted to an Employee under the Plan.

§ 6.

Period of Validity of the Plan

The Plan has entered into force upon adoption by the Committee and shall remain in force until the tenth anniversary following the earlier of the date on which the shareholders of the Company approve the Plan and the date on which the Company adopts the Plan. The Plan may be terminated earlier by the Committee, provided that the Plan is not terminated before than in accordance with § 13 below. In the event of termination of the Plan, the Plan shall remain in force with respect to Options allotted prior to the date of termination.

§ 7.

The Term of the Option

The term of each Option may not exceed four (4) years calculated from the date of allotment.

§ 8.

Exercise Price and Consideration etc.

- (a) The Exercise Price per Share which each Option grants an entitlement to purchase shall be an amount determined by the Committee. The Exercise Price, including the manner in which payment shall be effected, shall be determined by the Committee at the time of the allotment of Options. With respect to each ISO, the Exercise Price per Share shall not be less than the fair market value (determined in accordance with Section 422 of the Code and the regulations promulgated there under) of a Share at the time such Option is granted or allotted. With respect to each Option granted to a United States Employee, the Exercise Price per Share shall not be less than the fair market value per Share, determined in accordance with Section 409A of the Code.
- (b) Save for taxes and charges which may be imposed on the Company or any other company in the BTS Group by which the Option Holder is employed, the Option Holder shall pay any tax or charges which are incurred by the Option Holder and which may be payable in conjunction with the allotment, holding or exercise of Options as a result of Swedish or foreign legislation or decisions of Swedish or foreign public authorities.

- (c) The Company or any other company within the BTS Group in which the Option Holder is employed, may withhold any amount and make such arrangements as it considers necessary to meet any liability of such entity, to withhold or pay tax or social security charges on behalf of an Option Holder in respect of the allotment, exercise or cancellation of options (or otherwise from benefits delivered under this Plan). Such arrangements may include the sale of any shares on behalf of an Option Holder, unless the Option Holder discharges the liability himself or herself.

§ 9.

Exercise of Options

(a) Method of Exercise; Right as a Shareholder

Each Option which is allotted pursuant to the Plan may be exercised at such time and subject to such terms and conditions as determined by the Committee at the time of allotment and otherwise in accordance with the terms and conditions of the Plan and the stock Option Agreement.

Unless otherwise prescribed at the time of the allotment, each Option shall entitle the Option Holder to purchase one Share (however before any potential re-calculation of the terms under § 11 of the Plan). An Option may not be exercised for the purchase of fractions of a Share. Fractions of a Share shall be rounded down to the closest whole number of Shares. Excess fractions of Shares which consequently cannot be purchased shall not be compensated in cash by the Company.

An Option Holder who is entitled to exercise an Option shall comply with the requirements in § 8 (b) of the Plan and, on a form designated by the Company, inform the Company on the exercise of Options according to the terms and conditions for the Options and make full payment for Shares assignable to an Option. Prior to registration of the Option Holder as owner of Shares, the Option Holder shall not be entitled to vote, receive dividends or exercise any other ownership rights related to the Shares.

Shares acquired, in virtue of Options, will entitle to dividends on the dividend record day following the day provided the Option Holder has been entered as a shareholder in the share ledger of the Company.

(b) Termination of Regular Employee Status

In the event of termination of the Option Holder's Regular Employee Status, the right of the Option Holder to exercise Options in accordance with their terms shall remain unaffected for Options that are held and available for exercise on the day of termination of the employment. Such exercise must take place within three (3) months from the termination of the Option Holder's employment or within a time period decided by the Company and set forth in the Option Agreement (however not in any case at a later time than the expiry day of the Options as stated in the employee stock Option Agreement). The preceding right to exercise shall not apply in case of termination of the Option Holder's employment as a result of the employee's personal circumstances or dismissal or if the employee has materially breached the employment agreement, in which case the Options shall expire immediately upon termination. If the Option Holder is not entitled to exercise the Options according to the above or if the Option Holder does not exercise the Options during said period, the Options will expire.

(c) Death of the Option Holder or Option Holder's Disability

In the event of a termination of the Option Holder's Regular Employee Status due to death or disability (i.e., incapacity to devote himself to actual income-generating activity due to medically established physical or mental deterioration which may be anticipated to result in death or which has subsisted or may be anticipated to subsist for a continuous period of at least twelve (12) months), all Options allotted may be exercised in accordance with their terms either by the Option Holder or the Option Holder's estate or any person who may have obtained the right to exercise the Options as a consequence of the death of the Option Holder. Except as provided in subsection (g) below, the exercise in such case shall take place within three (3) months after the day of the termination of the Option Holder's Regular Employee Status or within any other time period decided by the Company and set forth in the Option Agreement (however no later than on the last day of term of the Option as stated in the stock Option Agreement, regardless of whether subsection (g) applies). If the Options are not exercised according to above within the above stated time period, the Options will be deemed to have a value of SEK zero (0).

(d) Retirement of the Option Holder

In the event of a termination of the Option Holder's Regular Employee Status due to retirement, the right of the Option Holder to exercise Options in accordance with their terms shall remain unaffected for a period of three (3) months from the termination of the Option Holder's Regular Employee Status or any other time period decided by the Company and set forth in the Option Agreement (however no later than

on the last day of term of the Option as stated in the stock Option Agreement). In case of not exercising the Options within above stated time period, the Options will be deemed to have a value of SEK zero (0).

(e) Restrictions on Exercise in conjunction with Insider Information

Option Holders who are deemed to be insiders in accordance with the Swedish Act Concerning Reporting Obligations for Certain Holdings of Financial Instruments where the holding concerns such financial instruments as referred to in the Act, shall not be entitled to exercise Options to purchase Shares within a period of thirty (30) days prior to the publication of ordinary financial reports for part of or whole year, including the day of publication. Option Holders who learn of any inside information according to the Act Imposing Penalties for Market Abuse at the Trade with Financial Instruments, i.e., have other non-public or not commonly known information which may materially affect the price of the Shares and who are to be regarded as insiders in accordance with the above, may not exercise Options prior to the publication of the information in question.

- (f) If Shares acquired by exercise of an ISO granted under the Plan are disposed of either within two years following the date of grant of the ISO or one year following the transfer of the Shares to the Option Holder (a "Disqualifying Disposition"), the holder of the Shares shall, immediately prior to such Disqualifying Disposition, notify the Company in writing of the date and terms of such Disqualifying Disposition and provide such other information regarding the Disqualifying Disposition as the Company may reasonably require.

(g) Special California Provisions.

Notwithstanding any provision to the contrary in the Plan or in any Option Agreement, any Option granted to an Employee who is a resident of the State of California in the United States shall be subject to the following provisions (and such provisions shall be incorporated into such Option Holder's Option Agreement): Each Option shall, unless the Option Holder's termination of Regular Employee Status ("Termination") is for "cause" (as defined in under Rule 260.140.41(e) promulgated under the California Corporate Securities Law of 1968, as amended), provide for the right to exercise in the event of a Termination, to the extent that the Option Holder is entitled to exercise on such date, as follows: (i) at least six months from the date of such Termination if such termination was as a result of death or disability; and (ii) at least 30 days from the date of such Termination if termination was other than as a result of death, disability or cause.

§ 10.

Non-Assignable Options

Options allotted may not be sold, pledged, assigned, mortgaged, transferred or disposed of in any other manner other than through exercise. Options allotted may not be sold, pledged, assigned, mortgaged, transferred or disposed of in any other manner other than through exercise or by will or by the laws of descent and distribution and provided that the deceased Option Holder's beneficiary or the representative of his estate acknowledges and agrees in writing, in a form reasonably acceptable to the Company, to be bound by the provisions of the Plan and the Option Agreement covering such Options as if such beneficiary or estate were the Option Holder. All rights with respect to ISOs granted to an Employee in the U.S. under the Plan shall be exercisable during his or her lifetime by such Option Holder only. Following an Option Holder's death, all rights with respect to Options that were vested and exercisable at the time of such Option Holder's death and have not terminated shall be exercisable by his designated beneficiary or by his estate.

§ 11.

Re-calculation of the Option Terms in the Event of Changes in Capitalisation, Merger, etc.

Where the Company carries out a new issue of shares, an issue of convertible debentures or warrants entitling to subscription for new shares or other comparable securities which may be issued by the Company in the future and which confer stock related rights on the shareholders of the Company, the Exercise Price and/or the number of Shares which each Option entitles the Option Holder to purchase upon the exercise of Options shall be re-calculated in accordance with what is set out below.

The Company shall carry out such re-calculation that the Company deems reasonable and fair so that the financial position of the Option Holders as far as practicable is equal to the financial position in respect of the Options immediately prior to the event that has caused the re-calculation. In such circumstances the Company shall apply those rules and principles set forth in the Conditions for Re-calculations applicable to the Warrant's 2015/2019, issued for the securing of the Company's undertakings and costs arising as a result of the Plan, and apply the Swedish market practise for re-calculations of option instruments with a corresponding term and construction in order to obtain a reasonable and fair result of such re-calculation for both the Company and the Option Holders.

Anything contained in the Plan to the contrary notwithstanding, (i) in the case of ISOs, no adjustment under this Section 11 shall be appropriate if such

adjustment (A) would constitute a modification, extension or renewal of such ISOs within the meaning of Sections 422 and 424 of the Code, and the regulations promulgated by the United States Treasury Department thereunder, or (B) would, under Section 422 of the Code and the regulations promulgated by the Treasury Department thereunder, be considered the adoption of a new plan requiring stockholder approval and (ii) in the case of an option that is not an ISO (an "NSO"), no adjustment under this Section 11 shall be appropriate if such adjustment would constitute a modification, extension or renewal of such NSOs within the meaning of Sections 409A of the Code, and the regulations promulgated by the United States Treasury Department thereunder.

In the event that the Company is the target of a public take-over offer, which is declared unconditional or otherwise is subject to compulsory acquisition procedures, or is the party of a merger in which the Company will be merged into another company, in both cases where shares in the Company will be exchanged for shares or other securities in another company or if the Company undergoes a de-merger by the transfer of the assets and liabilities of the Company, in whole or in part, by one or more limited liability companies which pay compensation to the shareholders of the Company, the Company may decide that the Options shall continue to run on their initial terms and conditions and comprise that number of Shares or other securities in the other company the Option Holders should have been entitled to if the Options had been exercised before the exchange and thereafter participated in the exchange.

§ 12.

Time for Allotment of Options

- (a) The day for grant or allotment of Options shall be the day determined by the Committee for the allotment of Options. Notice regarding allotment shall be given to each Employee to whom Options are allotted within a reasonable time after the adoption of such decision.
- (b) An Employee to whom Options are allotted shall, if so required by the Company, state within thirty (30) days from the date of allotment whether he or she accepts the allotment. If no statement is made the Committee may decide that the allotment has become invalid, where all allotted Options shall be deemed to have a value of SEK zero (0).

§ 13.

Amendments, Termination, etc.(a) Amendments, Termination

The Committee may amend or terminate the Plan at any given time in such respect as the Committee deems appropriate subject to such subsequent revisions or amendments as may require the approval of a general meeting of the shareholders.

(b) Amendments to the Plan

The Committee may adopt such amendments to the Plan as it in its sole discretion considers appropriate or necessary in order to comply with the intentions when adopting this plan, provided that the rights of the Option Holder are not negatively effected, unless accepted in writing by the Option Holder or except as provided in subsection (c) below.

(c) Effects of Amendments or Termination

Amendments to, or termination of, the Plan shall not affect Options which are allotted to Employees prior to the date of the amendment or termination without the consent of the Option Holder; provided, however, that no such consent shall be required if the Committee determines in its sole discretion that such amendment, modification or termination either (i) is required or advisable in order for the Company, the Plan or the Option to satisfy any applicable law or regulation, stock exchange rule, over-the-counter market rule, or to meet the requirements of any intended accounting treatment, (ii) is not reasonably likely to significantly diminish the benefits provided under such Option, unless such diminishment has been or will be adequately compensated, or (iii) is permitted under other provisions of the Plan or the Option. The Company may however carry out amendments to the Plan that are not of disadvantage to the Option Holder. Notwithstanding the foregoing, the Committee may (but shall not be required to) amend the Plan without obtaining the consent of any Option Holder to the extent necessary (as determined by the Committee in its sole discretion) to meet the requirements of Section 409A of the Code and the guidance issued there under such that the additional taxes and penalties set forth in Section 409A(a)(i)(B) of the Code will not apply to transactions contemplated by the Plan or any Option Holder's Option Agreement with respect to an Option or the Shares acquired under the Plan. The Company shall have no liability whatsoever for or in respect of any decision to take action to attempt to so comply with Code Section 409A, any omission to take such action or for the failure of any such action taken by the Company to so comply.

§ 14.

Applicable law and arbitration

This Plan shall be governed by Swedish law.

Disputes concerning the interpretation and/or application of this Notice shall be determined by arbitration in accordance with the Swedish Arbitration Act. The arbitration proceedings shall take place in Stockholm, Sweden, and be carried out in the English language. The arbitration costs shall be borne by the Company irrespective of the outcome of the proceedings, provided that the Option holder's request for arbitration was not manifestly unfounded, in which event the costs incurred shall be borne by the Option holder.
