SPOTLIGHT
STOCK MARKET

Spotlight’s regulations

2023-01-01

FOREWORD

Spotlight Stock Market was founded in 1997. Since then it has operated a marketplace for trade in shares and other financial instruments in the form of a multilateral trading facility (MTF). Spotlight Stock Market is since September 2020 an authorised SME-market.

The object of Spotlight Stock Market is to enable companies to raise capital from investors, and to provide a marketplace making this easier, more secure and more transparent, both for the listed company and for investors. Spotlight Stock Market is available to companies that meet the listing requirements but is particularly intended for growth companies.

Spotlight Stock Market is regulated by the Swedish Financial Supervisory Authority.

Spotlight Stock Market's new regulations have been drawn up in close cooperation with Markets & Corporate Law (https://www.mcl.law), whose assistance is gratefully acknowledged.

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INTRODUCTION

Companies whose shares are admitted to trading must comply with an extensive set of regulations. Spotlight Stock Market ("the Marketplace") aims to be clear and predictable, and to provide companies with guidance on how the Marketplace interprets these regulations. We believe this will enhance compliance among our companies, thereby also increasing confidence and interest among investors. This document constitutes the regulations of the Marketplace ("the Regulations") and sets out the requirements that the Marketplace pose on companies that are, or intend to be, listed ("the Company") on the Marketplace. In case of any discrepancies between the different language versions of the Regulations, the Swedish version takes precedence.

Chapter 1 contains general provisions regarding listing of the Company and the information it must provide. Chapter 2 sets out listing requirements, which are an important part of the regulations for all companies that have, or wish to have, their shares listed on the Marketplace. Chapter 3 sets out rules for how companies continuously shall provide information about their operations to ensure that the market has access to the information required to form a view of the Company and its valuation. Chapter 4 describes the information that the Company always shall make publicly available, whether it is insider information or not. Chapter 5 specifies the cases in which the Company shall provide information to the Marketplace, even though the information does not need to be publicly disclosed. Chapter 6 sets out general provisions regarding when a company's shares may be placed on the observation list, suspended from trading or delisted. Chapter 7 describes the rules which applies when a company breaches the Regulations, and the sanctions that may be imposed. The Disciplinary Committee of the Marketplace determines the imposing of sanctions.

The Regulations are written in **bold**. To facilitate the use of the Regulations, they are in most cases followed by explanatory notes entitled "***Commentary***". The explanatory notes are not binding for the Company; they represent the Marketplace's interpretations of the Regulations and a statement of practice. Decisions made by the Disciplinary Committee of the Marketplace also provide guidance on interpretation of the Regulations.

By signing an undertaking, the Company agrees to comply with the Regulations in effect from time to time, and to be subject to any sanctions it may incur as a result of breaching the Regulations.

The current Regulations may always be found online at spotlightstockmarket.com.

REGULATIONS

1. GENERAL PROVISIONS

General provisions governing the Company's listing and the information it must provide are set out below.

1.1. Applicability and validity of the Regulations

The Regulations apply to companies as from the day that the Company signs an undertaking to comply with the Regulations, and for as long as its financial instruments ("the Shares")[1] are listed on the Marketplace.

The provisions regarding sanctions for breaches of the Regulations in Chapter 7 apply for a period of one (1) year after delisting of the Company's shares from the Marketplace, if the breach was committed while the Company was listed.

Unless otherwise stated, amendments and supplements to the Regulations will apply to the Company no earlier than thirty (30) days after the Marketplace has informed the Company of the amendment or supplement and has published information about it on its website.

If, with regard to market conditions, law, ordinance, regulations issued by the Financial Supervisory Authority or other statutes, as well as generally accepted practice in the stock market or similar circumstances, it is justified on grounds of public interest, the Marketplace may decide that amendments and supplements to the Regulations are to apply to the Company earlier than as provided in the preceding paragraph.

Disputes between the Company and the Marketplace on the basis of, or related to, the Regulations and/or proceedings between the Company and the Marketplace shall finally be settled by arbitration in accordance with the Rules for Simplified Arbitration Procedure for the Stockholm Chamber of Commerce Arbitration Institute (SCC). The seat of the arbitration procedure shall be Stockholm and the language of the procedure shall be Swedish. In such an examination, the Marketplace cannot be held liable for damage arising as a result of events beyond the Marketplace's control or to a larger amount than the equivalent of three monthly fees. For the avoidance of doubt, this provision does not affect the ability of the Disciplinary Board to examine issues under the Regulations.

[1] The definition includes not only shares in the Company that are or will be admitted to trading on the Marketplace; it also includes transferable securities, including paid-up shares and subscription rights pertaining to the Company (where relevant).

1.2. The Company's general undertakings as towards the Marketplace

As long as its shares are listed on the Marketplace, the Company must:

i. **comply with the Regulations and provide the Marketplace with the particulars and information that the Marketplace considers that it needs to monitor the Company's compliance with the Regulations, relevant statutes and regulations issued by public agencies. The requirement also means that the Company accepts that its auditor/s may provide the above particulars and information to the Marketplace.**

ii. **appoint a market maker if the Marketplace determines that conditions for effective trade do not exist;**

iii. **carry out a reverse split or split of the Company's shares if the Marketplace determines that this is necessary to achieve effective trade;**

iv. **comply with: (i) generally accepted practice in the Swedish stock market, (ii) the takeover regulations for certain trading platforms[2] issued by the Swedish Corporate Governance Board from time to time; and (iii) the recommendation for private placements issued by the Swedish Corporate Governance Board from time to time;[3]**

v. **pay regular fees to the Marketplace in accordance with the price list and payment terms in effect from time to time, available on the Marketplace's website. Changes in fees will apply to the Company no earlier than 30 days after the Marketplace informs the Company of the changes.**

vi. **observe a written notice period of three (3) months.**

1.3. Power of attorney

The Company is obliged to provide a power of attorney to a third party specified by the Marketplace for the purpose of obtaining the Company's share register.

[2] http://www.bolagsstyrning.se/UserFiles/Takeoverregler/Takeover-regler_for_vissa_handelsplattformar_2021-01-01.pdf

[3] At the time of the adoption of the Regulations this comprises the recommendation "Private Placements"/(*riktade emissioner*) issued by the Swedish Corporate Governance Board and dated 21 November 2014, http://www.bolagsstyrning.se/nyheter/kollegiet-utfardar-rekommendation-om-rik__248

2. LISTING REQUIREMENTS

The listing requirements are established in order to enable effective trade, ensure that the Company has the resources required to comply with the Regulations, and provide information to the stock market in a manner maintaining public confidence in the Company, the Marketplace and the stock market.

The listing requirements apply continuously, not merely at the time of listing. The following listing requirements apply only at the time of listing:

- *Section 2.2 Profitability and financial ability.*
- *Section 2.8 Pricing*

2.1. Formation of the Company

The Company shall be incorporated in accordance with current laws and regulations in the country in which it is registered. The Company shall be a "CSD company" (i.e. registered at a central securities depository) and be a public company.

2.2. Profitability and financial ability

Prior to the listing, the Company shall demonstrate its ability to earn profits by clearly describing how it plans to finance the business the next twelve months. This by presenting a monthly liquidity budget to the Marketplace.

A company that is not profitable at the time of listing must clearly describe how it plans to fund its operations over the twelve months following the first day of trading.

In the event the Company is a SPAC ("Special Purpose Acquisition Company"), the requirement applies for 36 months, or the shorter time that the Company is listed as a SPAC. A SPAC's presentation shall include information on how the business and the acquisitions are financed.

Commentary

For example, cash-flow projections, a description of planned and available funds for financing of the Company, descriptions of planned operations and investments, along with well-founded assessments of the Company's future prospects may constitute sufficient documentary material. It is important that the grounds for the Company's own assessments are clearly stated. If possible, it should be stated when the Company expects to make a profit, and how it intends to fund its operations until then.

Financing through a funding agreement cannot be taken into consideration when demonstrating that the Company has sufficient working capital available for its planned business for twelve months after the first day of trading. For a SPAC, the Company shall instead be able to describe how it plans to finance its business for the entire period that the Company is a SPAC, maximum 36 months. In view of this, it is therefore not possible for the Company to indicate in the prospectus the period as

SPAC as a fixed number of months with an option to extend the period as SPAC with an additional number of months.

A SPAC shall, for example, present a cash flow forecast to the Marketplace in the initial listing process. The Company should be able to provide an account of, among others, cost of personnel and premises, listing costs and costs of the proposed acquisition.

2.3. Central securities depository (CSD)

The shares shall be registered at a central securities depository approved by the Marketplace.

Commentary

It must be possible to manage the share register or ledger electronically to allow transfer of the Shares in a manner approved by the Marketplace.

2.4. Transferability of the Shares

The Company's Shares shall be freely transferable.

Commentary

It is a precondition for admission to trading that the Shares are freely transferable. The articles of association must therefore be drafted accordingly. This means, for example, that the articles of association cannot include post-transfer purchase right clauses (Sw. *hembudsklausuler*).

2.5. The whole share series to be listed

A listing application shall include all shares of the series to which the application relates.

Commentary

There is no requirement that all series of shares be listed.

If the Company intends to list several classes of shares (e.g. A and B shares), the application must include all shares in the series.

Shares issued subsequently are considered to be listed when they have been registered at the Swedish Companies Registration Office (Sw. *Bolagsverket*) or corresponding registration office in the Company's place of incorporation.

2.6. Public ownership requirement

There must exist a sufficient supply of, and demand for, the Company's Shares, in order to achieve fair, well-organised and efficient trade, as well as proper pricing. A sufficient number of shares shall therefore be in public ownership. The requirement is considered to be met if 10 percent of the shares of a given series are in public ownership.

Commentary

A sufficient interest in buying and selling the shares is necessary in order to ensure correct pricing. It is therefore required that a sufficient proportion of shares are in public ownership, and that there are a sufficient number of shareholders.

Public ownership

In this context, "public ownership" means that the shares are owned by someone who, directly or indirectly, owns less than 10 percent of the shares or the voting rights.

Shares owned by the persons listed below are not considered to be in public ownership.

- Holdings of directors and senior executives and/or their indirect holdings via associated private individuals or legal entities; and
- Shareholders who have undertaken not to divest their shares for an extended period ("lock-up").

To achieve fair, well-organised and efficient trade, efforts should be made to ensure that at least 15 percent of the shares of a given series are in public ownership.

If fewer than 10 percent of the shares are in public ownership, the public ownership requirement may still be met if the Marketplace determines that fair, well-organised and efficient trade still may occur.

Ongoing public ownership requirement

If, in the assessment of the Marketplace, ownership of the shares does not meet this public ownership requirement while the Company is listed on the Marketplace, the Marketplace will urge the Company to take action to meet this requirement once again. The Marketplace may require the Company to engage a market maker. If trade in the shares nonetheless remains sporadic, it may become necessary to place them on the observation list in accordance with section 6.1 or to delist the shares in accordance with section 6.4. A decision by the Marketplace to this effect shall be preceded by a discussion with the Company.

Listing of other financial instruments

If the Company already has shares listed and wishes to list another financial instrument that is pertaining to the Company, the Marketplace will do an assessment of whether public ownership requirement is met so that sufficient liquidity may occur in the trading. Financial instruments that are pertaining to rights issues will, generally, be considered to meet the requirement regarding public ownership. If, in the assessment of the Marketplace, the public ownership requirement cannot be met, the Marketplace has the right to deny the Company's request to list this financial instrument on the Marketplace. An example of financial instruments that may not meet the public ownership requirement is subscription rights that pertains to incentive programs for employees in the Company.

2.7. Number of shareholders

The Company shall have a sufficient number of shareholders.

Commentary

The basic requirement is that there must be at least 300 shareholders, each having a holding worth at least SEK 4,000 (following broadening of share ownership or a share issue in conjunction with the listing). A company with substantially more shareholders with a smaller holding per person may be accepted in some cases. A lower number of shareholders may be accepted in some cases if the Company engages a market maker.

Ongoing ownership requirement

If the number of shareholders, in the assessment of the Marketplace, does not meet the requirement regarding sufficient number of shareholders while the Company is listed on the Marketplace, the Marketplace will urge the Company to take action to meet this requirement once again. The Marketplace may require the Company to engage a market maker. If trade in the shares nonetheless remains sporadic, it may become necessary to place them on the observation list. A decision by the Marketplace to this effect will be preceded by a discussion with the Company.

Listing a second series of shares

If the Company wishes to list a second series of shares, the Marketplace will determine whether liquidity for that series may be sufficient. In practice, this means at least 100 shareholders each owning shares worth approximately SEK 4,000.

2.8. Pricing

The market price of shares in the Company shall be at least SEK 5.00 per share at the time of listing.

Commentary

This listing requirement applies only at the time of listing. Exemption from this requirement may be granted if there are particular reasons for doing so.

2.9. Accounting standards

The Company shall report historical financial information in accordance with applicable laws, regulations, and ordinances. If the Company is a SPAC, the Company is exempted from the requirement to report historical financial information. The Company shall prepare its financial statements in accordance with K3[4], IFRS[5] or equivalent foreign accounting standards accepted by the Marketplace.

[4] K3 *Årsredovisning and koncernredovisning* ("Annual Accounts and Consolidated Accounts"), BFNAR 2012:1.
[5] International Financial Reporting Standards.

Commentary

A company domiciled outside Sweden may prepare historical financial information in accordance with the laws applying in its country of domicile if this is accepted by the Marketplace. If so, the Company will need to provide information about any material differences compared to Swedish regulations on its website. See also section 3.7.

2.10. Honourable conduct review (*heder- and vandelsprövning*)

The Marketplace carries out an "honourable conduct review" of the Company. The review covers the Company's senior executives, board of directors and major shareholders.

Major shareholders mean owners who directly or indirectly controls 10 percent or more of the shares or the voting rights in the Company.

Commentary

The object of the review is to ensure that the Company, its senior executives, board of directors and major shareholders meet the standards of conduct required by the stock market.

Review

The review of senior executives, board of directors and major shareholders includes, for instance, background checks conducted by a information service approved by the Marketplace and the like for foreign citizens who are not domiciled in Sweden. The review also entails obtaining extracts from business registers and the like for foreign citizens who are not domiciled in Sweden.

2.11. Board of directors and management

The composition and size of the board of directors must ensure its ability to exercise the control over the business as required by the Regulation and the Swedish Companies Act (2005:551) or equivalent foreign legislation for companies registered in countries other than Sweden.

Management shall possess sufficient competence to be able to run a listed company.

Commentary

The composition of the board shall be appropriate having regard to the Company's business, phase of development and other circumstances. The Company shall strive for an even gender distribution among the board of directors. The basic requirement is that the majority of the Company's management team and board of directors must have been in place for at least one quarter at the time for the Marketplace's decision regarding the listing. If the Company is a SPAC, the Company's management and board of directors shall have been in place from the start of the listing process. Generally speaking, the organisation shall meet more exacting requirements if the Company is not yet profitable. Normally, the CEO shall be employed by the Company. If the Company is a SPAC, the Marketplace may accept that the CEO and management are not employed by the Company, provided that the Company has

ensured that the management has sufficient expertise and experience to lead a listed company.

It is important that the board and management know the Company's business and are aware of how the Company has organised matters such as internal reporting, internal control, investor relations and the process of making financial reports and insider information available to the stock market. This includes the capacity to provide information and a properly functioning financial department as set out in section 2.15.

It is also important that the Company's board and management have knowledge of the stock market regulations. This applies in particular to the regulations of particular relevance to the Company and its listing. To some extent, this competence may be acquired at the seminars regularly carried out by the Marketplace.

It is generally compulsory for at least the CEO and chairman of the board of the Company to attend the Marketplace's corporate training course. However, other senior executives involved in the Company's supply of information should also attend, both before the Company is listed, and when staff changes occur while the Company is listed.

2.12. Number of directors

The board shall consist of at least four (4) directors.

At least one of the directors shall, in the assessment of the Marketplace, be independent of the Company, the Company management and the Company's major owners. A majority of the directors shall be independent in relation to the Company and the Company management.

Commentary

Independence is intended to ensure equal treatment of shareholders. The Company should therefore strive to ensure that two directors are independent of the Company, its management and its major shareholders.

The determination of whether a director is independent involves an overall assessment of all circumstances that may give reason to question a director's independence. In these cases, the factors that the Swedish Corporate Governance Code states should be considered with regard to independence may provide guidance in making the assessment:

i. whether the director is independent of the Company's major shareholders;
ii. whether the director is the CEO of the Company or an affiliate;
iii. whether the director is employed by the Company or an affiliate;
iv. whether the director receives not insubstantial remuneration for advice or services in addition to their directorship at the Company or an affiliate, or from any member of company management;
v. whether the director has participated in the audit of the Company or has otherwise worked for the Company's current or former auditors;

vi. whether the director belongs to the management team of another enterprise if a director of that enterprise belongs to the management team of the Company; or

vii. whether the director is a close relative of a person in the Company's management team or another person mentioned in the above section, if the scope and importance of that person's direct or indirect dealings with the Company leads to that the director not should be considered to be independent.

To make sure that the board may exercise control over operation of the Company, a majority of the directors must be independent of the Company. This means, for instance, that a board with four directors maximally may have one director that also is employed in the Company. As a rule, the CFO should not be a director.

2.13. Reputability requirement

The Company's senior executives, board of directors and major shareholders shall meet the stock market's reputability requirement. It is necessary that senior executives, the board of directors and major shareholders do not have a history that might causes a loss of public confidence in the Company, the Marketplace or the stock market.

Commentary

A company may be considered to be unsuitable for listing on the Marketplace if it has a senior executive, director or major shareholder who has been convicted of a criminal offence, particularly one concerning market abuse and/or fraud, or has been involved in multiple insolvencies/bankruptcies.

2.14. Authorised public accountant

The Company shall have an authorised public accountant or the equivalent under the provisions of the country in which the Company is domiciled.

Commentary

The requirement is not met if the Company merely has an approved public accountant.

2.15. Capacity to supply information

Before listing, the Company shall have implemented necessary procedures for supply of information, including an information policy, as well as systems and procedures for financial reporting. This is to ensure that the Company meets its obligation to provide the market with correct, relevant and clear information.

Commentary

The Company shall have a satisfactory organisation, enabling quickly distribution of information to the stock market. The basic requirement is that the Company's organisation, procedures and processes for supply of information shall have been in place and working for at least one quarter at the time the Marketplace makes its decision regarding the listing.

Parts of the information supply and finance function may be maintained by consultants. However, the Company is always responsible for information supply and an effective finance function.

If the Company has previously been a subsidiary of a listed company or part of its business, the Company shall have its own organisation, ensuring its capacity to supply information in good time before the listing.

Information policy

To ensure that the Company can provide the market with relevant, reliable, correct and sufficient information, the Company shall adopt an information policy that is constructed so that compliance with it is not dependent on a specific person and has been developed for the specific Company. The Information policy should address the information that concerns its day-to-day operations, and also what is insider information for the Company, management of insider information, who is to act as the Company's spokesperson, the type of information that is to be made public, how and when this is to take place, information management in conjunction with crises and the like. In addition, it is particularly important that the policy include a section addressing the stock market's information requirements.

2.16. Prospectus or listing memorandum

Before listing, the Company shall prepare and publish a prospectus as a basis for investors to be able to make a well-informed investment assessment of the Company and its Shares.

If the Company is not obliged to produce a prospectus, it shall prepare and publish a listing memorandum instead. The listing memorandum shall meet the requirements set out in the Marketplace's guidelines for listing memorandums (Sw. *Vägledning för noteringsmemorandum*)[6] in effect from time to time. The listing memorandum shall be complete, coherent and comprehensible, and must include all information necessary to enable investors to make a well-informed assessment of the Company.

If the Company is a SPAC, a prospectus shall be to be drawn up.

Commentary

If a prospectus shall be prepared, it shall be examined and approved by the competent authority, usually the Swedish Financial Supervisory Authority. The Marketplace will examine the prospectus on the basis of its own requirements. If the Company is legally domiciled in a country other than Sweden, but within the EEA, it shall submit the prospectus to the Marketplace together with a certificate showing that the prospectus has been approved by the competent authority in the Company's country of domicile. If the prospectus is not written in neither Swedish nor English, the Company shall ensure that the entire prospectus is translated into Swedish or English

[6] https://www.spotlightstockmarket.com/sv/redan-noterad/vaegledning/.

before it is published. This shall, where relevant, state the exemptions that have been granted from the requirements in the prospectus regulation.

To facilitate examination by the Marketplace, the listing memorandum or prospectus, with a completed checklist, must be received by the Marketplace in good time before the scheduled date for the Marketplace's decision regarding the listing.

If the Company is a SPAC and carries out an issue where no prospectus requirement is applicable, the Company shall prepare a prospectus in accordance with article 4 of the Prospectus Regulation.

2.17. Listing of a SPAC

In addition to the rules which apply when listing a Company on the Marketplace, the following applies to a SPAC:

Company name

i. A SPAC shall have the word "SPAC" in the Company's legal name.

Gross proceeds from the initial public offering

ii. As the purpose of a SPAC is to carry out one or more acquisitions, within the time period stipulated in 2.17 iii, no less than 90 percent of the gross proceeds from the initial public offering and of any other subsequent sale of the Company's securities shall be deposited in a blocked bank account ("Deposit Account") at a financial institution, bank or law firm approved by the Marketplace and independent of the Company.

Business acquisitions

iii. Within 36 months of the date of admission to trading, or such shorter period that the Company specifies in its prospectus, the Company shall complete one or more business acquisitions. The business acquisition (s) shall have an aggregate fair market value of at least 80 percent of the value of the Deposit Account (excluding any deferred underwriter fees and taxes payable on the income earned on the Deposit Account) at the time of entering into the initial business acquisition agreement. The Marketplace may, in individual cases, grant exemption for business acquisitions below the threshold value (80 percent).

iv. Until the Company has fulfilled the requirement in 2.17 iii, each business acquisition must be approved by a majority of the Board members who are independent in relation to the Company and its management.

v. Until the Company has fulfilled the requirement in 2.17 iii, each business acquisition shall be approved by at least a majority of the shares voting at the general meeting of the shareholders at which the business acquisition is being considered. Should the Company intend to carry out several business acquisitions that jointly amount to at least the threshold value, the Company should, if possible, consider the business combinations jointly at a general meeting.

vi. As a basis for a general meeting's approval of an acquisition, the Board of Directors shall obtain a valuation statement from independent experts.

vii. **Until the Company has fulfilled the requirement in 2.17 iii, it shall notify the Marketplace as soon as possible of each proposed business acquisition before the business acquisition is disclosed the market. After each completed business acquisition, the new business combination (”Business Combination”) shall meet the listing requirements. The Marketplace may decide to delist the Company if the Company does not meet the listing requirements or does not meet one of the above requirements following a proposed business acquisition.**

Right to special exit

viii. **Until the Company has fulfilled the requirement in 2.17 iii, the Company must ensure at least one option for the shareholders to liquidate their holdings through a special exit-procedure. Only shareholders who have voted against a proposed business acquisition on a general meeting in accordance with 2.17 iii and v, shall have the right to request an exit. When voting on several business acquisitions, the shareholder shall instead have voted against a majority of the proposals in terms of the business combinations' size as a percentage of the total business acquisitions.**

ix. **The terms of the special exit-procedure shall be clearly described in the prospectus. The request for special exit shall have been received by the Company within the time limit prescribed by the Company in the prospectus.**

x. **The right to request special exit does not apply to:**

   a. **Members of the board of directors of the Company.**
   b. **Members of the management of the Company;**
   c. **Founding shareholders of the Company;**
   d. **A spouse or co-habitee of any person referred to in subsections a-c above;**
   e. **A person who is under custody of any person referred to in subsections a–c above; or**
   f. **A legal person over which any person referred to in a–e above, alone or together with any other person referred to therein, exercises a controlling influence.**

xi. **The notice to attend the general meeting of shareholders shall mention the shareholders' right to request special exit.**

Commentary

A SPAC shall have the word” SPAC” in the Company's legal name until the Company has completed the business acquisition, which may only take place after approved listing.

A SPAC must complete acquisitions within 36 months from the date of admission to trading. Paragraph 2.17. (iii) also states the possibility to specify a shorter period. Since the Company, ahead of listings, must indicate the working capital for the entire period as SPAC, the period as SPAC must be a fixed period. It is therefore not possible to specify a period of less than 36 months, and add an option allowing an extension of the time as SPAC up to, for example, the maximum 36 months.

The Company shall continuously keep the Marketplace updated about any planned business acquisitions and processes for such planned business acquisitions, and obtain a preliminary advance notice from the Marketplace regarding each proposed business acquisition and by the board approved business acquisition, before the matter may be referred to a general meeting for decision. The preliminary notice does not guarantee that the new business combination will be approved in a subsequent listing process.

Should the Company intend to carry out several business combinations that jointly, but not individually, amount to at least the threshold value, the Company should, if possible, take up the business acquisitions for decision jointly at a general meeting for shareholders. The Marketplace has the right to decide that a new listing process shall be initiated for each business acquisition, if the decisions on business acquisition are made at separate general meetings. Irrespective of whether the business acquisitions decided jointly at a joint general meeting or not, the business acquisitions should be conditional of each other in order for the business combination in total to amount to at least 80 percent of the deposited amount. The Marketplace may, in individual cases, grant an exemption from the requirement of business acquisition(s) amounting to at least 80 percent of the deposited amount. The exemption may only be granted if the Marketplace assesses that the SPAC-company will be able to fulfil its purpose.

Request of special exit shall be notified to the Company in writing in accordance with the routines established and published by the Company. Received requests shall be handled promptly by the Company.

In general, the Marketplace will approve that funds deposited by a SPAC are placed with a Swedish or foreign bank, financial institution within the EU / EEA or a law firm that holds the required permits and routines for its operation. The Marketplace reserves the right to refuse a propped depositary in the event the Marketplace deems that the depositary is unsuitable for the purpose.

Only the shareholders who have voted against a proposed business acquisition at a general meeting in accordance with 2.17 iii and 2.17 v have the right to request special exit. When deciding on several business acquisitions, the shareholder shall instead have voted against a majority of the proposals in terms of the total business acquisitions' size as a percentage of the total business acquisitions.

2.18. Supplementary information

If the Marketplace so requests, the Company shall provide information in addition to that provided in the listing memorandum or prospectus.

Commentary

The Marketplace may require the Company to publicly disclose supplementary information if the Marketplace considers that such information is important and of interest to the stock market. Such supplementary information could for instance

consist of differences in legislation, tax regulations or accounting principles for companies registered in countries other than Sweden.

2.19. Move from a regulated market or other marketplace

If the trading is moved from a regulated market or other marketplace to the Marketplace, the Marketplace may grant exemption from the listing memorandum requirement.

Commentary

If the market has access to sufficient information to form a well-informed opinion of the Company and the Shares, exemption will be granted from the requirement that the Company publish a listing memorandum.

2.20. Dispensation

In special cases, the Marketplace may grant dispensation from one or more of the listing requirements, provided the purpose of the requirement in question or other regulation is not jeopardised, and can be met in some other manner. This presupposes that:

i. **the market is considered to have and receive access to sufficient information to form a well-informed opinion of the Company and the Shares; and**
ii. **it is considered possible for the Shares to be traded satisfactorily.**

Commentary

The purpose of the Regulations is to enable effective trading, ensure that the Company has the resources necessary to provide the stock market with correct information, and to maintain public confidence in the Company, the Marketplace and the stock market. These purposes are normally considered to be met if the Company meets all listing requirements. The Marketplace may approve a listing application even if all listing requirements are not met if the overall assessment shows that the Company and the Shares meet the purpose mentioned above to a sufficient degree

2.21. General provision governing the right of the Marketplace to refuse a listing

If, in the assessment of the Marketplace, it is considered that a company could cause a loss of confidence in the stock market, even though the company meets all the listing requirements, the Marketplace may decide to reject a listing application, or if the Company is listed, may decide to place it on the observation list under section 6.1, or delist it under section 6.4

Commentary

In exceptional cases, a company that applies to be listed may be considered unsuitable for listing even though it meets all listing requirements. This may be the case if it is considered that the listing could lead to a serious loss of public confidence in the Marketplace and/or the stock market.

2.22. Far-reaching changes in the business of the Company

If, in the assessment of the Marketplace, the Company is the subject of a reverse acquisition, or changes its business to such an extent that it appears to be a new company, the Marketplace may decide that the listing of the Company is to be expeditiously reviewed.

The Company shall publicly disclose information about the change and its consequences. The information shall meet the information requirements applying to preparation of a listing memorandum. The information must be supplied within a reasonable time, which means as soon as it has been compiled.

The Shares will be placed on the observation list during the listing review.

If the Company is not considered to meet the listing requirements, the Marketplace may decide on delisting; see section 6.4.

Should the listed Company be a SPAC, the Company shall inform the Marketplace of any business acquisition that require the shareholders' approval according to 2.17 v, in order for a new listing process to be initiated as soon as all necessary documentation regarding the business combination is available. Such business combination may be completed only after the Marketplace has confirmed that the Company, after an executed business acquisition, will meet the listing requirements.

Commentary

The purpose of the listing review is to ensure that the stock market has access to correct, relevant, complete and clear information about the Company, and that the Company continues to meet the Marketplace listing requirements. This is required to enable the market to make a well-informed assessment of the Company's value and position after the change. Where a reverse acquisition takes place or there are far-reaching changes at the Company, the Marketplace should be contacted in advance so that the question of the Company's continued listing can be managed as expeditiously as possible.

A reverse acquisition, for example, means that a listed company acquires an unlisted company, which it pays for with its own shares, and the business and management of the unlisted company take over or make up a large part of the business of the new company. In practice, the unlisted company acquires the listed company.

An overall evaluation is made by the Marketplace to determine whether changes are so far-reaching that the Company may appear to be a new company. Changes in the areas set out below may indicate that far-reaching changes have taken place in the Company or its business:

- The existing business is distributed or sold, and a new business is purchased or acquired by way of a contribution in kind.
- Far-reaching changes in the ownership structure.

- The turnover/sales and assets acquired greatly exceed existing turnover/sales and assets.
- Acquisition of a business of a different nature from the existing business (e.g. a different line of business, different geographical focus, different risk profile).
- The market value of the assets purchased exceeds the market value of the Company.
- Several senior executives and/or directors resign at the same time.
- The Company undergoes financial restructuring.

Following a reverse acquisition or far-reaching changes in the business, the organisation or the ownership structure, the Marketplace considers that the Company is a new company, which means that the Company shall:

i. pay a listing fee;
ii. undergo a listing review; and
iii. publish a listing memorandum.

The obligation to publicly disclose information about far reaching changes in the Company's business is described in section 4.22 in the Regulations.

The Marketplace will place the Shares on the observation list. The Shares will be moved from the observation list when the listing review has been completed, and the Company has been approved by the Marketplace. If the Company is not considered to meet the listing requirements or if the new listing review cannot be carried out within six months, the Marketplace may determine to delist the Company under section 6.4.

In case of planned far reaching changes, the Marketplace should be contacted beforehand in order to ensure that the question of whether the Company shall continue to be listed or not may be handled as smoothly as possible.

A reverse acquisition is normally neither cheaper nor faster than a normal listing process.

2.23. Special Review

The Marketplace may decide that the Company, in case of other far reaching changes than those referred to in section 2.21, shall undergo a special review. Such a special review may be conducted if, in the assessment of the Marketplace, the Marketplace determines that it is necessary in order to ensure that the market has access to sufficient and correct information about the Company and to ensure that the Company meets all the listing requirements

The Shares will be traded on the observation list during the time of the special review.

The Marketplace may decide to delist the Company's shares, see section 6.4, if it is considered that the Company does not meet the listing requirements,

3. INFORMATION REGULATIONS

General regulations governing disclosure of information are set out below in sections 3.1 – 3.7. These are followed by regulations on public disclosure of insider information.

3.1. Publication of press releases

The Company shall publicly disclose insider information and other regulatory information (as required by law, ordinance or the Regulations) by issuing a press release.

The Marketplace has the right to require that the Company publish supplementary information if the Marketplace considers it necessary.

The Company is always responsible for the information it discloses to the market.

Commentary

At the Marketplace's request, the Company shall disclose supplementary information if the Marketplace considers that supplementary information is important and essential for the investors/market.

3.2. Method of disclosure

The Company's press release shall be publicly disclosed through a news distributor that is approved by the Marketplace. Even if the Company use another news distributor the Company shall disclose through the news distributor included in the Marketplace's listing offer.

Information that must be publicly disclosed shall be provided to the Marketplace in the way that the Marketplace requires.

Commentary

Information shall always be disclosed through a news distributor before the information is distributed by other means. For example, information must be published in a press release through a news distributor before the information is published on websites, social media, analysis and other similar places.

There are various news distributors that the Company may use. The Marketplace's listing offer include Cision's press release service and the Company shall always use it, regardless of whether the Company also chooses to use other services. If the Company also uses a press release service other than Cision, the distributor must first be approved by Marketplace.

3.3. Language

Information publicly disclosed by the Company shall be in Swedish or English.

Commentary

The Company shall choose a main language for the information to be disclosed. The main language shall be Swedish or English.

If the Company decides to change the language in which information is disclosed, the Company shall inform the market of this in good time before the change is made. Once the Company has changed the language in which information is disclosed, all regulatory information supplied in the future shall be in that language.

The Company is always entitled to publicly disclose news in several languages. For example, a Danish company may always publicly disclose news in Danish, alongside its main language. If the Company publicly discloses news in several languages, the version of the press release in another language shall state that it is a translation from the main language.

3.4. Content, form and scope of the information

Information that the Company publicly discloses must be correct, relevant and clear, and must not be misleading. The information must be sufficiently detailed to allow an assessment of the significance of the information for the Company and the Shares.

Public disclosure of regulatory information must not be combined with marketing.

The most important information shall be presented clearly at the beginning of the press release. All press releases shall have a heading summarising their contents.

Commentary

The information publicly disclosed by the Company must reflect the Company's true circumstances and must not be misleading or otherwise incorrect. Information supplied by the Company to the market must be objective, impartial, based on facts, and communicate both positive and negative factors in a balanced manner.

Omission of information may also cause information supplied by the Company to be incorrect and misleading.

3.5. Amendment and correction of previously disclosed information

If the Company has publicly disclosed information, and an event occurs, or circumstances arise, rendering the previously disclosed information incorrect or misleading in any respect, the Company shall publicly disclose information about the new event or circumstances as soon as possible.

Commentary
Events or circumstances rendering previously disclosed information incorrect or misleading shall be made public. This means, for example, that statements about the future, such as potential alliances, joint projects or transactions, always shall be followed up, whatever the outcome. Changes or circumstances that constitute insider information cannot be regarded as minor or immaterial.

Under section 4.9, companies that have issued their own forecasts or forward-looking statements shall publicly disclose an adjustment as soon as possible if conditions have changed, and the outcome may be expected to differ from the earlier projection in a not insubstantial extent.

To reduce the risk of misunderstandings, the press release shall state that a change has occurred in relation to the original information and specify the information that has been updated.

As regards minor amendments of information in financial reports, it is not normally necessary to publish the whole report again, in updated form. It suffices to comment on the amendments in a press release issued to the market. The phrase “minor amendments to financial reports” includes editorial amendments or amendments that do not impact profit/loss. Amendments due to adjustments to the financial statements or miscalculations cannot be regarded as minor changes. The figures in the report may, for example, have been based on certain assumptions that are later found to be incorrect, e.g. that the need for write-down has not been taken into account. In that case, the whole updated report should be published.

3.6. Website

The Company shall have its own website, on which all information disclosed is made available as soon as possible after disclosure and remains available for at least five years.

The annual report and auditor’s report shall be available on the Company’s website and remain so for at least five years after publication.

Commentary
Companies that have been listed for less than five (5) years shall keep all information available from the time that the Company applied for listing.

The Marketplace operates its own page for investor relations vis-à-vis the Company on the Marketplace’s website. All publicly disclosed information is available on the investor relations page. The Marketplace has solutions that enable the Company to display this information and share price information on the Company’s own website. Contact the Marketplace for more information.

3.7. Companies domiciled in countries other than Sweden

On its website, a company domiciled in a country other than Sweden shall publish a general account of the main differences concerning shareholder rights between the country where it is domiciled and Sweden. The account shall be updated when necessary.

Commentary

The account may, for instance, describe rights and obligations of shareholders in relation to

i. general meetings of the shareholders;
ii. appointment or dismissal of directors;
iii. preferential rights in issues of securities;
iv. the scope for a special examination resembling the Swedish procedure;
v. public takeover bids that are not governed by the Swedish takeover regulations for certain trading platforms[7];
vi. mergers and similar transactions;
vii. tax issues related to Swedish shareholders;
viii. differences attributable to accounting principles; or
ix. custody of securities.

3.8. Public disclosure of insider information

The Company shall publicly disclose insider information as soon as possible in accordance with Article 17 of MAR and related legal acts, including established technical standards.[8]

Commentary

The term "insider information" is defined in Article 7, MAR as information of a precise nature, which has not been made public, relating to the Company or its Shares, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments.

Assessment of potential insider information

In some cases, it may be difficult to determine whether information is insider information or not. It is the Company's responsibility to make this assessment, although the Marketplace may be consulted for guidance. The Company is always responsible for the information publicly disclosed and the decision to or not to disclose certain information.

The question of whether the information may be insider information is to be assessed in relation to each specific company, each case being assessed on its merits. The assessment shall include an analysis of the decision or the expected scope or importance of the event in relation to the business of the whole Company. The assessment shall be based on how specific the information is, and how likely it is that the event to which the information refers will occur. Is there a real prospect of the

[7] Swedish Corporate Governance Board Takeover Regulations for Certain Trading Platforms.
[8] European Parliament and Council Regulation (EU) no. 596/2014 of 16 April 2014 (MAR – the Market Abuse Regulation).

circumstances or an event occurring, i.e. resulting in the ultimate goal? Information that is completely diffuse and that cannot be considered to have any impact on the price of the share in question cannot be regarded as insider information.

Intermediate stages

Intermediate stages of an ongoing process may also be regarded as insider information, provided the intermediate stage itself meets the criteria for insider information. This means that the Company may need to publicly disclose information on a number of occasions concerning the same underlying circumstances or event. An example of an intermediate stage is the status of ongoing contractual negotiations.

Time of public disclosure

The Company shall disclose insider information to the public as soon as possible. The requirement “as soon as possible” means immediate disclosure. The Company is however given the opportunity to determine the nature of the information and its importance to the Company. The Company is also given the opportunity to take necessary administrative measures.

The assessment of whether a disclosure has occurred as soon as possible depends on the circumstances in every specific situation. If the Company for instance knows in advance that a specific event or specific circumstances might occur, the acceptable delay is shorter, since the Company has had the opportunity to prepare disclosure.

The Swedish FSA (Sw.*Finansinspektionen*), has stated in ”Frågor och svar om insiderinformation” on May 16, 2019: According to Article 17 (1) of the MAR, a company must inform the public as soon as possible about insider information that directly affects that company. Furthermore, the public should be given quick access to the information and the opportunity for making a complete and correct assessment at the right time. Part of the purpose is to ensure orderly information from the companies so that the market is so transparent that it should be. It is not possible to give a general answer on how “as soon as possible” should be interpreted in each case, that must be assessed on the basis of the circumstances in the relevant matter.

For guidance, the Swedish FSA has clarified that it is the authority's opinion that a company has not published insider information as soon as possible in at least the following examples (note that the list is not exhaustive):

- When a company has received insider information when the market is closed, and the company choose to wait with publication of the information solely on the basis of the market being closed.
- When a company has received insider information over the weekend and choose to wait with disclosing the information solely on the basis that the publishing mechanism normally used is not open for usel at that time.
- When insider information has emerged, but the company is awaiting publication in order to gain access to further details.
- When the company's internal organization for the publication of insider information causes the publication to be delayed.

Examples of situations where companies, typically, should publicly disclose information:

- orders and investment decisions;
- share issues and other capitalisation decisions;
- cooperation agreements or other material agreements;
- acquisitions and divestments of companies;
- credit losses or customer losses;
- financial difficulties;
- material changes in profit/loss or financial position;
- research findings, development of new products or important discoveries;
- decisions of public agencies;
- commencement or resolution of legal disputes, and relevant court rulings;
- information leaks; and
- profit warnings and reverse profit warnings.

Some of these examples are described in greater detail below.

Orders, investment decisions and cooperation agreements

When the Company is under a duty to publicly disclose insider information about an order, it is important that it provide information about

i. the customer;
ii. the order value;
iii. information about the product or service;
iv. any new markets; and
v. the period covered by the order.

If any of the above cannot be specified for reasons of confidentiality, an alternative description of the information must be provided to allow the same assessment as if the information had been made public.

Orders for new products, new applications, new customers or customer categories, as well as new markets, may constitute insider information.

It may be difficult to assess the financial effects of cooperation agreements, which makes a clear description of motives, purpose and plans of great importance.

Purchase and sale of companies

Purchase and sale of companies may constitute insider information, which means that the information must be so complete that the market can use it as a basis for assessing both the financial and the organisational effects of the purchase or sale, and also how the transaction impacts the valuation of the Shares. The information made public shall therefore include the following details:

i. purchase price and additional purchase price (if any);

ii. payment terms, for example if payment is to be made with the Company's own shares;
iii. relevant information about the business sold or purchased;
iv. reasons for the transaction;
v. estimated impact on the Company's business;
vi. timetable for the transaction; and
vii. important prerequisites or conditions for the transaction.

The purchase price may be publicly disclosed to the market later, if a disclosure of the transaction occurs early in the process before a final agreement has been signed and before a final price has been determined. If the purchase price is related to the future performance of the target, the Company should publicly disclose information about the whole purchase price (including any deferred purchase price), together with the factors that may impact the deferred purchase price and adjust the information if necessary.

The target company or the purchased business shall be described in a manner that explains its main business, historical performance and financial position, for example number of employees, amount of equity and performance measures for turnover/sales and earnings.

In conjunction with an asset acquisition, where the target is not an independent entity, it may be particularly important to present information about the purchase price, the type of business acquired, the assets and liabilities included, number of employees transferred, etc.

The same obligation to provide information as above for the purchase and sale of companies also applies to letter of intent (or similar agreement) regarding purchase and sale of companies.

Funding agreements

Agreements under which capital is contributed, sometimes on an ongoing basis, in the form of shares or other financial instruments issued to the lender, may have a material impact on the Company, its shareholders and the market. When the Company publicly discloses insider information about a funding agreement, disclosure shall normally include the following information:

i. background with reasons and purpose;
ii. description of the funder;
iii. material contract terms;
iv. any share dilution effect, and whether the Company intends to counteract the dilution effect, e.g. by issuing warrants to existing shareholders; and
v. any lock-up commitments.

If the funder requests conversion of convertibles, warrants or similar instruments linked to the funding agreement, the Company shall publicly disclose this information.

In the case of funding agreements, the Company shall also take into account the information requirements governing private placements; see section 4.17.

A Company who enters a funding agreement may be placed under the observations list, see section 6.1.

Financial difficulties

If the Company finds itself in financial difficulties, for example a liquidity crisis or suspension of payments, difficulties often arise concerning supply of information. The Company may, for instance, find itself in a situation where crucial decisions are taken by parties other than the Company, for example lenders or major shareholders. Nonetheless, the Company is always responsible for supplying information. This means that the Company must keep itself continuously updated about developments by contact with representatives of lenders, major shareholders, etc. Suitable information measures may be prepared on the basis of the information thereby obtained.

Consequences of decisions of public agencies

Although it may be difficult for the Company to exercise control over decisions made by public agencies and courts, it is nonetheless obliged to publicly disclose information about any such decision if it is likely to have a material impact on the price of the Company's Shares. The information provided by the Company must be sufficiently comprehensive so that the market can assess the impact of the decision on the Company's earnings and position. The extent of the information that the Company needs to provide may therefore vary from case to case.

If it is impossible for the Company to have a view on the consequences of the decision by the public agency or the court, the Company may issue an initial press release providing information about the decision, followed by disclosure of information concerning the consequences later on.

Information about subsidiaries and affiliates

Decisions, facts and circumstances concerning the group, individual subsidiaries and, in some cases, affiliates, may constitute insider information. The assessment shall be made in light of the group's operating structure, although other factors may also be relevant.

An affiliate may publicly disclose information independently of the Company even though it is not subject to any external information requirements. In such cases, the Company must decide whether the information supplied by the affiliate constitutes insider information for the Company, and if so, publicly disclose the information.

If a subsidiary or an affiliate is a listed company, circumstances in the subsidiary may constitute material information for the Company.

Material change in earnings or financial position (profit warning)

In accordance with section 4.9, companies that have issued their own forecast shall publicly disclose an adjusted forecast as soon as possible if conditions have changed

so that the outcome may be expected to differ from the earlier forecast to a not insignificant degree.

Even if the Company has not publicly disclosed a forecast, the Company may still be obliged to publicly disclose information about an unexpected material change in earnings. For example, the Company's earnings may change without this being attributable to individual decisions or events; it may instead be an effect of continual changes in sales or costs. If the Company sees that its earnings during a quarter materially differ – upwards or downwards – from the impression of the Company's situation created by information previously made public, this may be insider information. The same applies, for example, if the Company's order book indicates such a change.

In assessing whether financial performance deviations constitute inside information, an overall assessment of the circumstances in the individual case must be made on the basis of the Company's overall historical communication with the market. If a deferred disclosure could mislead the market, the information shall be disclosed as soon as possible after it has been identified.

3.9. Delay of disclosure

The Company may, at its own risk, postpone the disclosure of inside information provided that all conditions set out in Article 17 (4) of MAR are met.

If disclosure of insider information has been delayed, and it can no longer be guaranteed that the information will remain confidential, the Company must immediately inform the Marketplace of this, and publicly disclose the insider information.

Commentary:

There are situations where it could harm the interests of the Company to publicly disclose insider information as soon as possible. Under certain conditions it is therefore possible to delay disclosure.

The Company may, on its own responsibility, delay disclosure of insider information provided that all the conditions set out in Article 17 (4) i MAR are met:

i. immediate disclosure *is likely to prejudice the legitimate interests* of the Company;
ii. delay of disclosure *is not likely to mislead the public; and*
iii. the Company is able to ensure *the confidentiality* of that information.

Legitimate interests

Examples of situations where public disclosure could be detrimental to the legitimate interests of the Company may be ongoing contractual negotiations or preparation of a financial report that the Company will make public.

Mislead the public

An example of a situation where delayed disclosure is not possible because it might mislead the public is where the Company has led the market in a certain direction as a result of the information it has supplied, and the information whose disclosure the Company intends to delay directly contradicts the information previously made public by the Company. The criterion is considered to be most important in the context of profit warnings, adjusted forecasts, financial difficulties and other information whose disclosure the Company intends to delay that would wholly or partly present a different impression of the Company.

Confidential

Public disclosure of insider information can only be delayed if the Company can ensure that the information will remain confidential. When it can no longer be guaranteed that the information will remain confidential, the Company must disclose it as soon as possible. Under MAR, a rumour suffices to show that it can no longer be demonstrated that the information will remain confidential.

In particularly sensitive cases it may be appropriate for the Company to enter into a non-disclosure agreement with the recipient, e.g. in bid situations or in dealings with major suppliers, whose day-to-day contact with the Company may give them access to information about the Company that is not public knowledge.

Information supplied to the Marketplace

If the Company decides on deferred disclosure in accordance with Article 17 (4) of MAR, the Marketplace should be informed of this decision and of how the criteria for deferral are met.

Information supplied to the Swedish Financial Supervisory Authority (FSA)

Immediately after the information has been disclosed, the Company must inform the FSA that the disclosure is a delayed one. The FSA then has the right to ask the Company to submit a written account of how conditions i) – iii) above have been met.

Insider list

The Company shall keep an insider list. Requirements to keep an insider list also apply to persons who act on behalf of the Company or on the account of the Company, for example advisers and accountants. The lists shall include all persons who have access to inside information and who work for the Company, through employment contracts or otherwise perform tasks through which they have access to inside information.

The Company must take all reasonable measures to ensure that all persons appearing on the insider list confirm in writing that they are aware of the legal obligations this entails, and the sanctions applicable to insider trading and unlawful disclosure of inside information. Only those who need the inside information in their work are to have access to it.

Note that the prohibition against insider trading includes all persons with access to insider information, whether or not they are included on an insider list.

Even if the Company gives another person the task of preparing and updating the Company's insider list, the Company is fully responsible for compliance with the rules of insider lists. Another person means a natural or legal person who is not employed by the Company, for example an adviser. The Company must always have access to the insider list prepared by the other person.

In order to facilitate for the Company, the marketplace has ensured that the Company may, included in the monthly fee, use MCLogg, which is a digital tool where the Company easily can manage its insider lists. To activate an account on MCLogg, the Company simply needs to to fill in the form at https://mcl.law/mclogg.

Market soundings

In special cases, insider information may be provided before public disclosure has taken place, if the information is provided as a normal part of performing a service, activities or an instruction. For example, in conjunction with issuance of securities there is often a need to contact one or more prospective investors before information about the issue is made public in order to sound out market interest.

It is permitted to provide insider information in these situations, provided the Company complies with the requirements set out in Article 11 of MAR. In outline, this means that the Company

i. must document its assessment of whether the market sounding will involve communication of insider information;
ii. must obtain the consent of the person receiving the market sounding to receive insider information;
iii. inform the person receiving the market sounding of the prohibition against insider trading, and the requirement that the information be kept confidential (e.g. by way of an NDA); and
iv. keep a record (the insider list) of:
    a. all information provided to the person receiving the market sounding; and
    b. the persons who have received insider information.

The Company must also ensure that the persons included on the insider list confirm in writing that they are aware of the legal obligations that this entails, and the penalties for insider trading and unlawful disclosure of insider information.

4. OTHER MANDATORY DISCLOSURE OF INFORMATION

Regulations governing information that the Company always shall make public whether or not it is insider information, are set out below. The Company must decide in each case whether the information is also insider information.

4.1. Regular financial information

Each quarter the Company shall prepare and publish financial reports in accordance with current legislation, relevant accounting standards and generally accepted accounting principles (GAAP). These financial reports are:

i. **interim report for the first and third quarter;**
ii. **half-yearly report; and**
iii. **press release of unaudited annual earnings figures.**

4.2. Time for publication of financial reports and annual report

Regular financial reports shall be published within two months from the end of the reporting period.

An annual report accompanied by an auditor's report shall be published.

Commentary

The Company shall keep its annual report and auditor's report available to the shareholders in accordance with the provisions of the Swedish Companies Act (2005:551). The annual report and auditor's report shall also be published in the form of a press release.

The Company shall give notice in advance as regards to which date the financial report will be publicly disclosed. However, the Company may subsequently choose to change the pre-announced date to an earlier date or later date. Information regarding changed date of disclosure of a financial report shall be publicly disclosed through press release. A financial report shall always be publicly disclosed within two months after the reporting period has ended.

4.3. Contents of financial reports

If the Company is a parent company, its financial reports shall include both the parent and the group.

Commentary

Spotlight's *vägledning för finansiell rapportering* ("Guidelines on Financial Reporting") (in Swedish) provide more information about the contents of financial reports.[9]

[9] https://www.spotlightstockmarket.com/sv/redan-noterad/vaegledning.

4.4. Interim reports

Interim reports shall contain at least the following information:

i. **summarised profit and loss account for the reporting period in question, and for the current financial year so far, with comparative figures for the same period the preceding financial year;**
ii. **summarised balance sheet as at the end of the reporting period in question, with comparative figures for the end of the preceding financial year;**
iii. **significant income and expenses;**
iv. **earnings per share after tax at the end of the reporting period, with comparative figures for the same period the preceding financial year;**
v. **information on the number of outstanding shares at the end of the reporting period, with comparative figures for the preceding financial year. The information shall be provided both before and after exercise of outstanding convertibles, warrants and the like, if they result in an increase in the number of shares;**
vi. **comments on earnings performance and position, with emphasis on the most recent quarter, stating, among other things, the effect of important non-recurring events;**
vii. **the date of the next report;**
viii. **if projections about the future are given, the corresponding information given in the preceding report shall also be specified, along with any changes made public since the preceding report; and**
ix. **information about whether the report has been reviewed by the Company's auditors; if so, the auditor's statement is to be included in the report.**

4.5. Half-yearly report

The half-yearly report shall contain at least the following information.

i. **summarised profit and loss account for the reporting period in question, and for the current financial year so far, with comparative figures for the same period the preceding financial year;**
ii. **summarised balance sheet as at the end of the reporting period in question, with comparative figures for the end of the preceding financial year;**
iii. **summarised cash flow statement, with comparative figures for the same period the preceding financial year;**
iv. **significant income and expenses;**
v. **earnings per share after tax at the end of the reporting period, with comparative figures for the same period the preceding financial year;**
vi. **information on the number of outstanding shares at the end of the reporting period, with comparative figures for the preceding financial year. The information shall be provided both before and after exercise of outstanding convertibles, warrants and the like, if they result in an increase in the number of shares;**

vii. **brief comments on earnings performance and position, with emphasis on the most recent quarter, stating, among other things, the effect of important non-recurring events;**
viii. **the date of the next report;**
ix. **if projections about the future are given, the corresponding information given in the preceding report shall also be specified, along with any changes made public since the preceding report; and**
x. **information about whether the report has been reviewed by the Company's auditors; if so, the auditor's statement is to be included in the report.**

4.6. Press release of unaudited annual earnings figures

The press release of unaudited annual earnings figures must include at least the following information.

i. **summarised profit and loss account for the reporting period in question, and for the current financial year so far, with comparative figures for the same period the preceding financial year;**
ii. **summarised balance sheet as at the end of the reporting period in question, with comparative figures for the end of the preceding financial year;**
iii. **summarised cash flow statement, with comparative figures for the same period the preceding financial year;**
iv. **significant income and expenses;**
v. **earnings per share after tax at the end of the reporting period, with comparative figures for the same period the preceding financial year;**
vi. **information on the number of outstanding shares at the end of the reporting period, with comparative figures for the preceding financial year. The information shall be provided both before and after exercise of outstanding convertibles, warrants and the like, if they result in an increase in the number of shares;**
vii. **brief comments on earnings performance and position, with emphasis on the most recent quarter, stating, among other things, the effect of important non-recurring events;**
viii. **the date of the next report;**
ix. **if projections about the future are given, the corresponding information given in the preceding report shall also be specified, along with any changes made public since the preceding report;**
x. **proposed dividend;**
xi. **information on where and when the annual report and auditor's report are expected to be made available to the public;**
xii. **information on the planned date and place of the AGM; and**
xiii. **information about whether the report has been reviewed by the Company's auditor; if so, the auditor's statement is to be included in the report.**

Commentary on sections 4.4 – 4.6

A financial report should begin with a summary of the most important information, at least comprising information about net turnover/sales and earnings per share, possibly accompanied by a forecast, if one is made in the report. The introductory summary should also give some performance measures for the period in question, with comparative figures for the same period the preceding financial year. The same performance measures should be used in all reports during the financial year. It is recommended that any alternative performance measures used by the Company in the report also be defined in the report. To increase comparability, the performance measures shall be accompanied by comparative figures for the same period the preceding financial year.

The financial comments shall give the reader an additional understanding of the Company's earnings performance and financial position. If necessary, details of the financial outcome can be repeated, but the comments should primarily focus on enabling the reader to achieve a deeper understanding and analysis, e.g. why the Company's income and expenses have changed in comparison with previous reporting periods.

The comments made by the Company in the financial reports shall be adapted to the business conducted and the market conditions under which the Company operates. The financial comments also govern the extent to which the Company's financial spokesperson is able to comment the Company's financial performance in dialogue with analysts or investors, for example. It may be of value, for instance, to comment on circumstances or events that have impacted turnover/sales, and how the financial situation has developed.

If the report has been examined by the Company's auditor, the auditor's report shall be included in the publication of the report.

Alternative performance measures

As regards IFRS, ESMA has issued guidelines [10] on alternative performance measures in order to enhance the utility of, and insight into, financial measures of historical and future earnings performance, financial position, financial results or cash flow used by companies. Measures defined in IFRS are not covered by the guidelines. ESMA has also published guidance on how the guidelines [11] should be applied. Companies are expected to take account of the guidelines and guidance where they are applicable.

[10] ESMA/2015/1415.
[11] ESMA Guidelines on Alternative Performance Measures.

4.7. Auditor's report

The auditor's report constitutes part of the annual report. If the auditor's report includes modified statements, information and/or qualifications, the full auditor's report must be published in a separate press release when the annual report is published.

Commentary

An auditor's report is considered to include a modified statement, information and/or a qualification if it differs from the standard form. An example is where the auditor does not support the balance sheet and/or profit and loss account, or if the auditor has added a specific qualification or specific information in the report, for instance that the Company's capital is insufficient for the coming twelve-month period.

An auditor may refrain from expressing an opinion on certain parts of a company's report because it has not been possible to carry out an audit to a sufficient extent. If that is the case, this must be stated in the auditor's report, which must be made public. Details may be provided by an auditor who finds reason to comment on particular circumstances preventing a completely clean auditor's report from being issued. Those details shall also be made public.

At the time of the disclosure, the Company shall disclose how it plans to handle the comments from the auditor or present how the comments have already been handled.

4.8. Balance sheet for liquidation purposes (*kontrollbalansräkning*)

If the board of directors decides that a balance sheet for liquidation purposes is to be prepared, the Company shall publicly disclose information about this immediately.

The board shall immediately publicly disclose information about the balance sheet for liquidation purposes.

Commentary

In conjunction with the public disclosure, the Company's Shares may be placed on the observation list under section 6.1.

4.9. Forecasts and forward-looking statements

If the Company publishes a forecast, it shall include information about the prerequisites, assumptions and conditions on which the forecast is based. The forecast shall, to the extent possible, be presented in a clear and uniform manner. Other forward-looking statements shall be presented in the same way.

The Company shall, as soon as possible, publicly disclose information if an earlier forecast or forward-looking statement has been adjusted, amended or will not be achieved.

Commentary

There is no requirement to present a forecast or forward-looking statement. It is the Company's responsibility to determine, within the framework of current legislation, to which extent it should prepare forecasts or other projections.

General provisions

As far as possible, forecasts and other forward-looking information shall be presented in a clear and uniform manner. The underlying factors shall be clearly described to enable the market to properly assess the basis and accuracy of the forecast. The forecast shall, for instance, state the performance measures on which it is based, i.e. whether earnings are reported before or after tax, whether any acquisitions or divestments have been taken into account, and whether or not unrealised changes in value are included in the forecast. The period covered by the forecast shall also be specified.

Short-term targets (normally a twelve-month period)

In this context, "short-term targets" means a "forecast" presenting specific figures, or statements that can be translated into figures, for the current or following financial period. A forecast of this kind may, for instance, include a comparison with the preceding period (e.g. "slightly better than last year") or indicate certain figures or state a range for the likely earnings outcome for a coming period.

Long-term objectives

In this context, "long-term objectives" means a "forward-looking statement" that is a more general description of the Company's expected future performance.

Adjustment

If the Company publishes a forecast or a forward-looking statement, there is an obligation to continuously monitor performance as compared with the forecast or statement. When adjustments are made, at least the most important parts of the preceding forecast or statement shall be repeated, so as to allow assessment of the effect of the adjustment.

Presentation

Forecasts and other forward-looking statements shall be presented under a separate heading in the report and feature prominently in the press release.

4.10. General meetings of the shareholders

Notice of a general meeting shall be disclosed through a press release and in accordance with current legislation. The press release shall at least contain information about the date, time and place, how shareholders may participate, the agenda and material proposals.

Commentary
Notice of general meetings shall be given both via a press release, and by announcement in accordance with the Swedish Companies Act (2005:551).

It is not sufficient that the press release only contains a reference to the notice in attached pdf-version or a reference to the Company's website where the notice may be available. The notice must be disclosed in its entirety in the press release.

The press release must always be disclosed no later than the morning before start of trading on the day that the notice is published in a newspaper and made available on the Company's website.

A draft notice of a shareholders' meeting should be submitted to the Marketplace in good time before publication, so that any errors may be corrected by the Company before announcement.

Proposed resolutions for a general meeting that contain insider information must be publicly disclosed as soon as possible under Article 17 (1) of MAR. This means that a proposal containing insider information shall be made public as soon as possible, even though the proposal will later be set out in a notice of a general meeting.

It is not permitted to publicly disclose new information that is insider information at general meetings. If the Company plans to disclose such information at a general meeting, it must publish the information in a press release at the same time.

4.11. Statement from the general meeting

As soon as possible after the end of the general meeting, the Company shall publish a statement from the meeting, containing information about the resolutions passed at the meeting. This applies even if the resolutions are in line with proposals previously made public.

Commentary
As soon as possible after the end of the meeting, the Company shall publish information about resolutions passed at the meeting. These include, for instance, resolutions on freedom from liability, resolutions on election of directors and appointment of auditor(s), a dividend resolution and a resolution authorising the company to issue Shares. This applies even if the resolutions are in line with proposals previously made public. Resolutions that are immaterial to the stock market, such as those concerning formal aspects of the meeting, do not need to be made public.

4.12. Authorisation

If a resolution has been passed at a general meeting authorising the board of directors to decide on a specific issue at a later date, information about the board's decision shall be made public as soon as possible after it has been made.

4.13. Changes to the board of directors and management

The Company shall publicly disclose nominations for directors and changes in the board, the CEO and persons with managerial responsibilities which may affect how the Company is perceived, as soon as possible.

The Company should in good time before the general meeting publicly disclose information about a person nominated to be a director. The information shall include relevant details about the person's background and previous positions.

New directors, the CEO and persons with managerial responsibilities must meet the stock market's honourable conduct requirements, as set out in section 2.13.

Commentary

Nominations of new directors are normally included in the notice of a general meeting.

Under section 2.10, the Marketplace will carry out an honourable conduct review of new directors, the CEO and persons with managerial responsibilities.

New directors, the CEO and persons with managerial responsibilities must meet the stock market's honourable conduct requirements as set out in section 2.13.

Before the general meeting, the Company shall provide information about the nominated director's previous positions and experience that are relevant in assessing their suitability for the directorship, for instance previous and current experience as a director and in management, along with relevant education, training and professional experience.

A disclosure of a new CEO or a person with managerial responsibilities shall contain relevant information about former positions and other forms of experience that is of relevance when assessing the qualifications of the person. Such information could, for instance, be information about former and present experience of discharging managerial responsibilities as well as relevant education.

Depending on the Company's organisation, different people and positions may be regarded as being of major importance to the Company's business. The Company shall therefore make a company specific assessment of whether a person should be considered to be a person with managerial responsibilities that is so important that the Company should publicly disclose the change, whether or not the person is a person with managerial responsibilities that may affect how the Company is perceived. However, all changes in the Company's board of directors and CEO are deemed to be of major importance to the Company's business. Other personnel changes may also be of major importance. If the information constitutes insider information, it must be publicly disclosed in accordance with Article 17 of MAR. Examples of such changes could be changes in the Company's management, CEOs of subsidiaries or other people possessing specialist skills. The importance depends on the specific Company's organisation and line of business.

The Company is responsible for informing the Marketplace when it becomes aware of that a new director will be nominated, or a new CEO will be employed, and submit relevant documentation to the Marketplace for its review of the person.

4.14. Change of auditor

A change of auditor shall be publicly disclosed.

If the Company's auditor resigns prematurely, the Company shall publicly disclose this information as soon as possible.

4.15. Issue of securities

The Company shall publicly disclose proposals or decisions whereby its share capital or number of shares (or other share-related financial instruments) change. The information shall include all prerequisites, the expected capital contribution and conditions for the issue.

The Company shall publicly disclose information about the outcome of the conducted issue. The information shall include the capital contribution received, the increase of number of shares, the new number of shares, the increased share capital, the new share capital, the percentage of shares subscribed, major changes in ownership, and the cost of the issue.

Commentary

The information disclosed shall include all important information about the issue and the financial instruments. The information to be provided shall at least include:

i. the reasons for the issue;
ii. the timetable;
iii. the terms of the issue (including information about agreements and any undertakings linked to the issue, details of any party that has underwritten the issue or undertaken to subscribe for shares, agreements and terms of any guarantees or undertakings, as well as information on the principles governing allotment);
iv. the new number of shares;
v. the new share capital;
vi. the expected capital contribution, and
vii. the cost of the issue.

If no terms have been fixed at the time the issue is announced, or is later changed, the Company shall disclose the new terms as soon as the terms, or its amendment, has been decided.

When the outcome is made public, it may be appropriate to repeat the most important terms of the issue. When an issue has been underwritten, the percentage of the shares subscribed for by the issue guarantors shall be specified in the outcome.

4.16. Issue memorandum

If the Company makes a rights issue or public issue, and a prospectus is not legally required, the Company shall publish an issue memorandum presenting relevant information about the Company and the offer no later than one trading day before the subscription period begins.

The issue memorandum shall at least include the information specified in the Marketplace's Guidelines on Issue Memorandums, available on the Marketplace's website[12].

The issue memorandum shall be reviewed by the Marketplace before it is made public.

In the event of a significant circumstance from the date of approval of the issue memorandum to the end of the subscription period, the Company shall publish a supplementary memorandum outlining the new circumstance. Investors who have already agreed to subscribe for the issue before the supplementary memorandum was published shall have the right to withdraw their consent within two trading days from the publication of the supplementary memorandum. The Company may extend the subscription period due to the publication of a supplementary memorandum. Such an extension of the subscription period may not take place without the approval of the Marketplace.

- **A supplementary memorandum shall indicate:for which issue memorandum the supplement constitutes an addition;**
- **that the supplement is a part of the issue memorandum and should be read together with the issue memorandum;**
- **the reason for the establishment of the supplementary memorandum;**
- **the right of investors who have already agreed to subscribe for the issue before the supplementary memorandum was published, to withdraw their subscription obligation and information on how and when this may be done.**

Commentary

As a general rule, when shares are issued, a prospectus shall be prepared and approved by the Swedish FSA. Exemption from the requirement to prepare a prospectus is granted in some cases. In this context, the most relevant instances where exemption may be granted are when the amount that the Company has intended to raise by issues, including the issue in question, over the previous 12-

[12] https://www.spotlightstockmarket.com/sv/redan-noterad/vaegledning/.

month period does not exceed €2.5 million, or the issue in question is directed to fewer than 150 private individuals or legal entities.[13]

If the Company is not obliged to prepare a prospectus, it shall prepare and publish an issue memorandum. The issue memorandum shall clearly state the purpose of the capital that the Company intends to raise. The reason for this is to give investors an understanding of the Company's intention with the raising of capital.

If the Company makes an issue directed to customers of a bank or stockbroker in order to broaden share ownership, an issue memorandum shall be prepared.

The Marketplace shall receive the full issue memorandum, including a completed checklist (available on the Marketplace's website) no later than seven (7) whole trading days before publication. The memorandum, including the completed checklist, is to be sent to the Marketplace by e-mail. Any supplementary memorandum shall also be reviewed by the Marketplace prior to publication.

The Marketplace may require that the Company adds more information in the issue memorandum if it considers that such additional information is important to the stock market.

4.17. Private placements

If the board of directors of the Company has drawn up a proposal or decided to issue shares to predetermined private individuals or legal entities, the Company shall disclose all material information about the proposal or decision as soon as possible, including at least:

i. the reasons for deviating from shareholders' preferential rights;

ii. how the issue price has been decided or is to be decided, and

iii. how the Company has ensured or will ensure that the issue takes place on fair market terms.

Commentary

Listed companies shall comply with generally accepted stock market practice, which means complying with statements provided by the Swedish Securities Council and the Swedish Corporate Governance Board Recommendation on Private Placements[14]. The recommendation states that issues shall primarily take place with preferential rights for existing shareholders. Provided there are objective grounds for concluding that deviation from the shareholders' preferential rights is in the interests of the shareholders, private placements may in some cases be deemed consistent with generally accepted stock market practice. Examples of such objective grounds may be that there is a risk that the issue will not be fully subscribed, the cost of the

[13] Trade in Financial Instruments Act (1991:980), Chapter 2, section 4.
[14] http://www.bolagsstyrning.se/rekommendationer

issue, time factors or a desire for the Company to acquire one or more major, strategically important shareholders.

The company should in general state the names of the person or persons to whom the issue is directed, together with information on how many shares the person in question intends to subscribe. If the names of the person or persons to whom the issue is directed are not stated in the press release, the Company shall submit the complete subscription list to the Marketplace.

The company should in general state the cost of the issue. In the event that the total cost of the issue exceeds ten percent of the issue proceeds received, the cost must be stated in the press release.

4.18. Share-related incentive schemes

The Company shall publicly disclose all decisions concerning the introduction of share-related incentive schemes. The information disclosed shall specify the scheme's most important prerequisites and conditions.

In general, the persons who enjoys a right under the scheme shall be named in the disclosure in question. In exceptional cases, e.g. if other members of staff are included, a general reference to the category will suffice. The number of people involved shall always be specified.

Commentary

Information about share-related incentive schemes is important for enabling the market to assess the factors intended to motivate the Company's management and employees, and also to evaluate any dilution, and thereby be able to estimate the cost of implementing the scheme.

The information, which is normally provided in a notice of a general meeting, should including the following.

i. the content of the scheme;
ii. the people eligible for the scheme;
iii. timetable;
iv. number of shares involved;
v. motives and principles for allotment;
vi. exercise period;
vii. exercise price;
viii. the main terms and conditions; and
ix. information about the cost of the scheme, with details about how it has been calculated, including the assumptions underlying the calculation.

The rule only covers share-related schemes. In this context, "share-related schemes" means all schemes based on the value of the shares, i.e. including synthetic schemes under which no new shares are issued, where settlement is made in cash.

4.19. Exercise of rights under share-related incentive schemes

When the rights under share-related incentive schemes are exercised, whereby shares are issued to scheme participants, the Company shall disclose the following information as soon as possible after it has received applications for exercise of rights:

i. **number of shares issued;**
ii. **new total number of shares;**
iii. **new share capital; and**
iv. **when the scheme was, or will be, concluded.**

Commentary

Where a small number of shares are acquired under the scheme, representing a maximum of five (5) percent of the scheme, the Company may publicly disclose the information the last day of trading in the calendar month in which rights were exercised under the scheme.

4.20. Changes relating to the Company's financialinstruments

If the Company implements or decides to implement measures that affect or may affect the Shares, trading in the Shares or the settlement of them, information about, for example, name change, split, date of last trading day with a paid subscribed share or subscription options shall be published well in advance of the action.

Commentary

If the Company decides to carry out a name change, make a split, a split with redemption or any other form of action that affects or may affect the Shares, trading in the Shares or the settlement of them, the Company shall publish information about for example, the new name, new ISIN code, terms, record date or other information that the Marketplace deems necessary. The information shall be published through a press release well in advance of the implementation of the action, which normally means the information shall be published five trading days before the action is implemented. In addition, the Company shall submit such documentation, deemed necessary by the Marketplace to administer the measure, to the Marketplace.

The Company shall also publish information on the last day of trading in paid subscribed share and paid subscribed unit rights. For warrants, the Company shall, among other things, publish the terms and conditions for the warrant, subscription period, first day of trading on the Marketplace and last day of trading on the Marketplace.

4.21. Flagging – public disclosure of major changes in holdings

The Company shall use its efforts to ensure that the market is informed when a shareholder's holding of shares in the Company exceeds or falls below any of the thresholds: 5, 10, 15, 20, 25, 30, 50, 66.666 and 90 percent of all shares in the Company or of the voting rights for all shares in the Company.

Commentary

If it comes to the Company's knowledge that a shareholder's holding of shares in the Company exceeds or has fallen below any of the thresholds, the Company shall publicly disclose information about this as soon as possible. The information shall generally include at least the following:

i. name of the shareholder;
ii. name of the Company;
iii. nature of the transaction (e.g. if the change has occurred due to purchase, sale or gift);
iv. the percentage of all shares and voting rights held by the shareholder before and after the transaction; and
v. in case of more than one serie of shares, the shareholder's ownership of shares shall be specified per each serie of share

If the shareholder publicly discloses such information by way of a press release, the Company's obligation to inform lapses.

The shareholder's holding includes shares it holds in their own name and on their own behalf. The shareholder's holding also includes shares held by a legal entity controlled by the shareholder or another private individual or legal entity, if the shareholder controls how voting rights for the shares are to be exercised under an agreement or contract.

The obligation to flag can occur without the shareholder's action, for example share dilution.

4.22. Purchase and sale of companies

When the Company carry through purchase and sale of companies the information thereof should be so complete that the market can use it as a basis for assessing both the financial and the organisational effects of the purchase or sale, and also how the transaction impacts the valuation of the Shares. The information made public shall therefore include the following details:

i. purchase price and additional purchase price (if any); ;
ii. payment terms, for example if payment is to be made with the Company's own shares;
iii. relevant information about the business sold or purchased;
iv. reasons for the transaction;
v. estimated impact on the Company's business;
vi. timetable for the transaction; and
vii. important prerequisites or conditions for the transaction.

The purchase price may be publicly disclosed to the market later, if a disclosure of the transaction occurs early in the process before a final agreement has been signed and before a final price has been determined. If the purchase price is related to the future performance of the target, the Company should publicly disclose information about the whole purchase price (including any deferred

purchase price), together with the factors that may impact the deferred purchase price and adjust the information if necessary.

The target company or the purchased business shall be described in a manner that explains its main business, historical performance and financial position, for example number of employees, amount of equity and performance measures for turnover/sales and earnings.

In conjunction with an asset acquisition, where the target is not an independent entity, it may be particularly important to present information about the purchase price, the type of business acquired, the assets and liabilities included, number of employees transferred, etc.

The same obligation to provide information as above for the purchase and sale of companies also applies to letter of intent (or similar agreement) regarding purchase and sale of companies.

4.23. Agreements with closely related parties

If the Company enters into an agreement with an associated party and the agreement does not constitute a normal part of the Company's operations, this shall be publicly disclosed, provided that is is not om immaterial importance to the Company or the associated parties. In this context, the term "associated party" means:

i. **a director, the CEO or other employees of the listed company or another company in the same group;**
ii. **a spouse, domestic partner, or a person under the guardianship or custody of any person listed in i) above;**
iii. **a legal entity controlled by any person listed in i) and/or ii) above; or**
iv. **a shareholder who controls more than ten percent of the shares or voting rights in the Company.**

Commentary

Information shall be disclosed under this section if the agreement does not constitute a normal part of the Company's business. This means that disclosure is not necessary for matters that are available to many employees on similar terms. Note that an agreement that is not material to the Company shall be made public if the agreement is not of immaterial importance to the related party. The Swedish Securities Council's ruling AMN 2019:25[15], which addresses transactions with closely associated persons in companies whose shares are admitted to trading on a marketplace such as the Marketplace. The Swedish Securities Council considers that good practice requires an order which in all material aspects corresponds to chapter 16a in the Swedish Companies Act is also applied in relation to transactions with closely associated

[15] http://www.aktiemarknadsnamnden.se/201925

persons for companies that are not listed on a regulated market or a similar market outside of EEA. Far-reaching changes in the Company's business

If the Company is subject of a reverse acquisition or changes its business to such an extent that it appears to be a new company, the Company shall publicly disclose information about the change and its consequences in accordance with section 2.21.

4.24. Far-reaching changes in the Company's business

If the Company is subject of a reverse acquisition or changes its business to such an extent that it appears to be a new company, the Company shall publicly disclose information about the change and its consequences in accordance with section 2.21.

4.25. Decision on listing or delisting

The Company shall publicly disclose decisions whereby it applies to be delisted from the Marketplace. The Company shall also disclose information when it has decided to apply to be listed on a regulated market or other marketplace. The Company shall also publicly disclose the outcome of the application.

4.26. Public disclosure of information necessary for fair and well-organised trade

If the Marketplace considers that specific factors give rise to substantial uncertainty about the Company or the traded Shares, the Marketplace may decide that the Company shall publicly disclose additional information that the Marketplace considers necessary in order to be able to provide fair and well-organised trade in the Shares.

Commentary

The regulation applies whether the information is insider information or not.

4.27. Market maker

If the Company has concluded an agreement with a member of the Marketplace so that the member is to act as a market maker for the Shares, the Company shall publicly disclose information as soon as possible about the agreement and when it will take effect. If the agreement with the market maker for the Shares terminates, the Company shall publicly disclose information to that effect as soon as possible.

5. INFORMATION SUPPLIED TO THE MARKETPLACE

This chapter sets out regulations obliging the Company to provide information to the Marketplace in certain situations, even though public disclosure is not required. The information shall be provided for the Marketplace to be able to monitor trading in the specific Shares. There are no formal rules as to how the Marketplace is to be contacted; this is normally done by a telephone call to the Marketplace's Market Surveillance Unit.

5.1. Public takeover bids

If the Company is preparing to announce a public bid to acquire shares in another company traded on a regulated market or MTF, the Company shall notify the Marketplace when there are reasonable grounds for assuming that the preparations will result in such a bid.

If the Company has been notified that another party plans to make a public bid to acquire the Company's shares, and this has not been publicly disclosed, the Company shall notify the Marketplace if there is reason to assume that the plan will be realised.

Commentary

The Swedish Corporate Governance Board has issued regulations governing public bids for companies whose shares are traded on the Marketplace.[16]

5.2. Advance information

If the Company intends to publicly disclose information that is expected to be of extraordinary importance for the Company and the Shares, the Company shall notify the Marketplace before disclosure.

Commentary

If the Company intends to disclose information that is expected to be of extraordinary importance for the Company and the Shares, it is essential that the Marketplace receive information in advance, in order to enable it to decide the measures that may be required. The Marketplace also uses the information to monitor trade in the Shares in question, and to prevent insider trading. Examples of such information may be substantial financial difficulties, decisions of public agencies, public procurement, research findings, legal disputes and litigation. The Marketplace may also, for example, decide to impose a trading suspension for a limited period of time, with cancellation of orders already placed in order to ensure that trading is fair.

If the information of extraordinary importance is insider information, which has not been subject to delayed disclosure, the Company is required to disclose the insider information as soon as possible. The Marketplace appreciates a good dialogue with the Company and requests the Company to contact the Marketplace when they

[16] http://www.bolagsstyrning.se/UserFiles/Archive/Takeover_rules_for_certain_trading_platforms_2018.pdf

suspect or have an indication of events of extraordinary importance. Such communication enables a positive handling of rapidly occurring extraordinary events.

5.3. Auditor's criticisms

The Company shall report any criticisms that its auditor has expressed to the board of directors or CEO to the Marketplace as soon as possible in accordance with Chapter 9, section 39 of the Swedish Companies Act (2005:551) or equivalent provision in the country where the Company is legally domiciled.

The Company shall notify the Marketplace as soon as possible if the auditor's report contains any statement or qualification as set out in Chapter 9, sections 31–35 of the Swedish Companies Act (2005:551) or equivalent provision in the country where the Company is legally domiciled.

5.4. Capital deficiency

If the Company considers that its existing operating capital is insufficient for the coming three (3) months, the Company shall inform the Marketplace of this without delay.

Commentary

If there are doubts surrounding the Company's financial situation, the Company shall present a plan for its future financing. This will often enable the Marketplace to avoid placing the Shares on the observation list.

5.5. Balance sheet for liquidation purposes (*kontrollbalansräkning*)

If the Company's board of directors considers there to be reason to prepare a balance sheet for liquidation purposes, the Company shall inform the Marketplace of this without delay.

Under section 4.8, the Company shall publicly disclose information about the balance sheet for liquidation purposes.

5.6. Events of extraordinary importance

If the Company gains knowledge of an event that has occurred that could cause a serious loss of confidence in the Company, the Marketplace or the stock market, the Company shall inform the Marketplace of the event without delay.

The Company shall as soon as possible inform the Marketplace if the Company receives information about an event or circumstance which may lead to a trading halt according to section 6.2.

Commentary

It is important that the Marketplace be informed about events concerning the Company or the Shares that could cause a loss of confidence in the Company, the Marketplace or the stock market as a whole. Examples of such events may be if a director, CEO or other senior executive is prosecuted for a criminal offence.

5.7. Beneficial owner

If the Company gains knowledge of a new beneficial owner (i.e. a shareholder who controls more than 25 percent of the voting rights by shares), the Company shall inform the Marketplace of this without delay.

Commentary

The Company shall also report beneficial owners to the Swedish Companies Registration Office (Bolagsverket).

5.8. Submission of documents and company information

The Company shall continuously ensure that the Marketplace has updated articles of association, and also contact details for the Company's head office, CEO and chair of the board, along with other contact persons for supply of information by the Company.

The Company shall on request from the Marketplace as soon as possible submit information which the Marketplace needs in order to be able to meet regulatory demands.

6. OBSERVATION LISTING, SUSPENSION OF TRADING AND DELISTING

General provisions governing observation listing, suspension of trading and delisting of the Shares are set out below.

6.1. Observation listing

The Marketplace may decide to place the Shares on the observation list if:

i. **the Marketplace considers that the Company no longer meets the listing requirements and the inadequacy deems to be material;**
ii. **the Company has applied for delisting, or the Marketplace or its Disciplinary Committee has decided that the Company shall be delisted;**
iii. **the Company is subject of a public takeover bid, or a bidder has announced its intention to make such a bid for the Shares;**
iv. **the Marketplace considers that the Company is subject of a reverse acquisition, or changes its business to such an extent that it appears to be a new company;**
v. **there is material uncertainty about the Company's financial situation or the Company's business; or**
vi. **there are any other circumstances giving rise to material uncertainty about the Company or the price of the Shares.**

Commentary

A Company who enters a funding agreement may be placed at the observations list.

The purpose of observation listing is to give a clear signal to the stock market that there are circumstances or uncertainties about the Company or the Shares to which an investor should pay attention.

Observation listing as described above is intended to last for a limited period of time, usually no more than six months.

6.2. Suspension of trading

The Marketplace may order suspension of trading in the Shares:

i. **if the Company's Shares do not meet the requirements to be traded on the Marketplace;**
ii. **in the event of suspected market abuse;**
iii. **if a takeover bid is made;**
iv. **if investors do not have access to sufficient information about the Company or the Shares;**
v. **if the Company's position is such that continued trading would harm the interests of investors,**
vi. **The Company intends to publish information that is likely to affect the valuation of the shares and the Marketplace assesses that the market needs a certain amount of time to assimilate the information, or**

vii. **if the Marketplace deems it necessary to halt trading due to technical reasons or other circumstances.**

If suspension of trading is ordered, the Company shall, if possible, use its efforts to remedy the circumstances causing the suspension as soon as possible.

Commentary
Trading shall not be suspended for longer than necessary. The Company may request suspension of trading in its Shares, but the final decision is always made by the Marketplace.

6.3. Delisting application by the Company

The Company may apply to have its Shares delisted. The Marketplace will in each case determine on whether it is possible to approve the Company's application for delisting. In case of a granted application, the Marketplace will decide the final day for trading in the Shares. In the event of a delisting of a SPAC, deposited funds shall be returned to the investors.

Commentary
The Swedish Securities Council has on several occasion has issued decisions regarding delisting of shares in cases where the listing requirements still were met by the company, see primarily AMN 2014:33. The Swedish Securities Council has concluded, that the board of directors in a listed company has an obligation to act in all shareholders' best interest and that anyone who purchases shares in a listed company probably does that under the assumption that there is a functioning market for the company's shares until the listing requirement no longer are met.

The Marketplace may demand the Company to obtain a statement from the Swedish Securities Council as to whether the delisting is in accordance with good practice on the securities market or not.

In conjunction with a public takeover bid, the Marketplace may accept that the delisting enters into effect two weeks after announcement of the delisting decision. This presupposes that the bidder owns 90 percent or more of the shares in the Company, and that the bidder has announced that a "squeeze out" (buy-out) process will be commenced.

Upon delisting of a SPAC, deposited funds shall be returned to the investors, for example through a redemption procedure or dividend upon liquidation of the Company.

6.4. Delisting decision by the Marketplace

In addition to situations described in section 6.3, the Marketplace is entitled to decide that the Company's Shares are to be delisted in the following cases:

i. **the Company has applied for or has been declared bankrupt or has gone into liquidation;**
ii. **the Company has decided to discontinue its business or has decided to take equivalent steps;**
iii. **the Company is the subject of a reverse acquisition or changes its business to such an extent that it appears to be a new company, and it is not considered that the Company will be able to carry out a new listing process within a reasonable time;**
iv. **the Company does not meet the listing requirements, and has been unable to remedy the problems in question, or, in the assessment of the Marketplace, it is not considered to be able to meet the listing requirements within reasonable time; or**
v. **following a reminder, the Company has not performed its obligation to pay fees in accordance with section 1.2.**
vi. **If the Company is a SPAC, and the Company has not completed one or more business acquisitions approved by the Marketplace, within the time limit.**

A delisting decision shall include all Shares on the Marketplace.

In the event of a delisting of a SPAC, deposited funds shall be returned to the investors.

Commentary
Following the Marketplace's decision to delist a SPAC, deposited funds shall be returned to the investors, for example through a redemption procedure or dividend upon liquidation of the Company.

7. PENALTIES

7.1. Penalties

7.1.1. Penalties – Disciplinary Committee

If the Company breaches the information rules of the Regulations, law, ordinance, other statute or generally accepted practice in the stock market, the Marketplace may report the matter to its Disciplinary Committee.

If the breach is serious, the Disciplinary Committee may decide to delist the Company's Shares or, in other cases, impose a fine on the Company in a maximum amount of one million Swedish kronor (SEK 1 million). If the breach is less serious or excusable, the Disciplinary Committee may issue a public warning to the company instead of imposing a fine.

A fine may be payable according to a ten-point scale. In fixing an individual company's fine, the Marketplace shall take into the extent of the breach, the market capitalisation of the Company and other circumstances as shown in the table below.

Market capitalisation of the Company	Amount	Severity	Fine
SEK 1 – 50 million	SEK 20 000	1 – 10	SEK 20 000 – 200 000
SEK 50 000 001 – 200 million	SEK 25 000	1 – 10	SEL 25 000 – 250 000
SEK 200 000 001 – 500 million	SEK 30 000	1 – 10	SEK30 000 – 300 000
SEK 500 000 001 – 1 billion	SEK 50 000	1 – 10	SEK 50 000 – 500 000
SEK 1 000 000 001 – 5 billion	SEK 75 000	1 – 10	SEK 75 000 – 750 000
> SEK 5 billion	SEK 100 000	1 – 10	SEK 100 000 – 1 000 000

The market capitalisation of the Company is measured on the basis of its average market capitalisation the previous year (January to December) the breach was submitted to the Disciplinary Committee. The market capitalisation is measured based on the price at the end of each trading day. If the Company has been listed in less than twelve months, the Company's average market capitalisation will be measured on the basis of the months that the Company has been listed.

7.1.2. Penalties – Marketplace

The Marketplace may decide on criticism. If the Marketplace concludes that the breach is serious, the matter will be referred to the Disciplinary Committee for its decision.

Criticism made by the Marketplace is disclosed publicly in anonymised form in the annual report of the Market Surveillance Unit.

Commentary

The Marketplace decides whether a breach of the Regulations is so serious that the matter is to be referred to the Disciplinary Committee for its decision.

Before the matter is referred to the Disciplinary Committee, the Marketplace requests a written explanation by the Company concerning what has occurred. Depending on the nature of the breach and the Company's attitude, the Marketplace may choose to close the matter by issuing a critical statement about the Company, published in anonymised form in the annual report of the Market Surveillance Unit, or to close the matter without taking further action.

If the breach is serious, and the Company's statement does not give cause for any other assessment, all documents in the matter are sent to the Disciplinary Committee together with a request for assessment. The Disciplinary Committee then sends a written enquiry to the Company asking whether it wishes to submit additional comments in the matter before it is decided. It is open to the Company to present its arguments orally to the Disciplinary Committee. When it submits its comments, the Company shall also state whether it requests an oral hearing. The Marketplace is also entitled to request an oral hearing. If neither party requests an oral hearing, the matter will normally be decided by the Disciplinary Committee on the basis of the documents submitted, unless the Disciplinary Committee considers that there are particular reasons for holding an oral hearing. If a fine is imposed, the Marketplace undertakes to use the fine on measures to promote good ethical standards and sound practice in the securities market or which in another way may benefit the entire securities market or part of the securities market, according to the Marketplace

Members of the Disciplinary Committee

The Disciplinary Committee is to comprise of a chair, a vice-chair and another two to four other members. All members shall be independent and suited for the task.

A member of the Disciplinary Committee shall not be dependent in relation to the Marketplace. Hence, the Disciplinary Committee may not include persons who are employed by, or work under a long-term engagement for, the Marketplace, a company with a major holding in the Marketplace or a company belonging to the same group of companies as the Marketplace.

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