

Spotlight guidelines for issue memorandum

Valid from and including 2024-10-15

Requirements for prospectus or memorandum for new issues

If a listed company carries out a new share issue, according to law, the company must draw up an issue prospectus, which must be approved by the Swedish Financial Supervisory Authority. If the company does not need to publish a prospectus, Spotlight requires the company to draw up an issue memorandum. However, if the company chooses to voluntarily prepare an issue prospectus no issue memorandum is needed.

General about the content of the issue memorandum

The memorandum shall contain the information about the company and the financial instruments necessary for an investor to be able to make a sound assessment of the company's financial position, results and future outlooks.

The information must be accurate, relevant and complete.

Addition to the memorandum

After the memorandum has been published on Spotlight's website, the company may not make any changes to the memorandum.

Publication

The memorandum and any supplementary information shall be published through publication on the company's and Spotlight's websites in connection to Spotlights approval of the memorandum

The following are requirements about information the issue memorandum need to contain.

Responsible persons/Board declaration	Page reference in the issue memorandum
<p><i>" The Board is responsible for this memorandum and has taken reasonable steps to ensure that the information provided in its opinion is consistent with the facts and that nothing has been omitted that is likely to affect the assessment of the company." (or equivalent)</i></p>	
<p><i>" This document has not been reviewed and approved by the Swedish Financial Supervisory Authority "</i></p>	
Information about the company	
<p>Information about:</p> <ul style="list-style-type: none"> a) Name of the company b) Organization number, c) Company enterprise value prior to the issue at set issue price (number of shares prior to the issue multiplied by the se issue price.), d) The legislation by which the company manage their operations. 	
The company's operations	
<p>Short description of the following:</p> <ul style="list-style-type: none"> a) The company's (and on certain occasions the groups operation) main operation, history, and development. b) A description of the Company's main markets accounting for the most important product or service and an account of total revenue distributed in each geographic market. 	
Risk factors	
<p>A description of essential risks specific to the company and its securities, in a chapter with the headline "Risk factors", divided on a limited number of categories.</p> <p>For each category, the company shall state the essential risks assessed by the company, with regards to the negative effects on the company and the risk of realization. Every risk factor shall be described, and explanation given on how it affects the company.</p> <p>The company shall assess the risk factors essentiality based on probability and the expected extent of the negative effect. This assessment of the risk factors shall be disclosed by applying a qualitative scale with the designation low, medium, or high.</p> <p>The risks shall be confirmed by the content of the memorandum.</p>	
Forecasted earnings or expected earnings	
<p>If the company previously has published a forecast which still is current, the company shall disclose this forecast in the memorandum.</p> <p>See Spotlights regulations 4.9 Forecasts and forward-looking statements for more information about the content of a forecast.</p>	

Members of the Board of Directors and other senior positions	
<p>Name and position of board members and other senior positions at the company, their main occupation outside of the company, if these are of importance to the company, and:</p> <ul style="list-style-type: none"> a) Indicate any family ties between board members and other senior positions, b) name of essential position where any board member or other senior position has been a member of the board and/or in the management of, during the last five years with information regarding if the person is still active in the board and/or management, c) Inform if any board member or other senior position has been convicted in a fraud related case, trade prohibitions or similar in the last five years, d) Information on all bankruptcies, liquidations or reconstructions any board member or other senior position has been involved in over at least the last five years in the capacity of and/or part of management, e) Potential conflicts of interest of any board member or senior position between their obligations to the company and their private or other external interests must be reported. If such conflicts of interest do not exist, it must be stated, f) Information regarding holdings of the company's shares or voting rights of each board member and senior position, and the size of holdings of each at the time of the memorandum. 	
Shareholder table	
<p>A shareholder table that states the 10 largest owners and their percentage of share- and voting rights. For the group "other owners", the number of owners should be stated. This list can be obtained through the company's IR-page.</p>	
<p>If the shares have different voting power, it should be stated. If not, this must also be stated.</p>	
<p>A description regarding all agreements that may result in conversion to shares, including outstanding warrants.</p>	
Related party transactions	
<p>Information regarding the transactions and agreements the company has carried out with related parties since the date of the last year-end report including value and the value's percentage of the company's total turnover.</p> <p>"Related party" refers to, in this case:</p> <ul style="list-style-type: none"> a) member of the board, CEO or other employees in the listed company or other company within the group b) a husband/wife, partner or someone who is under custody to someone who is referred to in a), c) legal person who is controlled by any of them who is referred to in a) and or b), or d) shareholder that controls more than ten percent of the shares or votes. 	
Financial information	
<p>The company shall include the following reports (alternatively refer via link):</p> <ul style="list-style-type: none"> a) Two years of audited accounts and audit reports b) The latest published interim report <p>If the equity capital, according to the latest interim report is lower than the share capital, it must be stated in the issue memorandum.</p> <p>If the information in the issue memorandum has been audited, it must be stated.</p>	
Legal proceedings and arbitrational proceedings	
<p>Information on regulatory procedures, legal proceedings or arbitration proceedings (including proceedings not yet settled or which, according to the company's knowledge, risks being initiated) during a period covering at least the previous 12 months, which may have or have recently had significant effects on the company and / or the group's financial position or profitability, or information that no such procedures exist.</p>	

Additional information	
<p>The following shall be stated at the time of the last balance sheet in the financial information:</p> <ul style="list-style-type: none"> a) Number of shares, per share class b) Share capital c) Terms for authorized or decided changes of number of share or share capital not yet implemented. 	
Essential agreements	
<p>A short summary of essential agreements where the company or member of the group is a part of agreement that has been entered into during the past two years (including financing agreements, pledge agreements or collateral agreements).</p> <p>If the company or other company in the same group has entered into other agreements that entail rights or obligations of material importance at the time of the document, it must be stated.</p>	
Holding of shares or units	
<p>If the company owns shares in other companies that may have an impact on the assessment of the company's financial situation the following information regarding such other companies must be provided:</p> <ul style="list-style-type: none"> a) Name b) Organization number or similar c) Turnover d) Working Capital e) Balance sheet total 	
Available documents	
Information of the website where documents referred are available.	

The following are requirements about information the issue memorandum need to contain.
Regarding the rights issue.

Essential information	
Reasons for the issue and statement in order of priority of how the issue proceeds will be used. Information on proceedings in case of oversubscription, whether the subscription period can be extended or not and if so, under what circumstances this can occur.	
Account for working capital According to the company, asses if the working capital is sufficient to meet current needs.	
Information on the securities offered	
State type of instrument, number of instruments issued and ISIN code of issued instrument including the international securities identification number (ISIN).	
State the General Meeting and Board resolutions regarding the issue	
Description of restrictions of the right to freely transfer the shares, for example lock-up agreement.	
The terms and conditions of the offer	
<ul style="list-style-type: none"> a) Terms, statistical information, time frame of the offer and information on how to respond to the offer. b) Total amount stating how many is being sold or issued, respectively. c) Information on how long the issue lasts and how to subscribe. d) Indication of when and why the offer can be canceled. e) If the investor has the right to cancel a subscription, the cancellation period must be stated. f) Methods and deadline for payment and delivery of the shares g) Description of how and when the result of the issue will be published h) Indicate how preferential rights can be exercised, subscription rights transferred and what happens with unused subscription rights. i) Allocation plan j) Specify oversubscription assignment principles. k) Indicate to whom the offer is being directed. l) Information on advisory part. m) Dilution in percentage terms for non-subscribing shareholders in the issue. n) State net income from issue as well as estimated costs associated with the issue. 	
Guarantee and underwriting commitments	
Total part of the rights issue covered but underwriting commitments. If underwriters are closely related parties to the company or have underwritten more than 5% of the offer, name, percentage of the offer underwritten and value of the underwriting must be stated.	
Information on guarantees, conditions of these, who issued them, how much of the issue they apply to and size of guaranteed commitment. If the issue is guaranteed to a certain extent an example describing the guarantee commitment in case the issue is partially subscribed should be included in the memorandum. The example should clarify if the public subscription should be subtracted the guaranteed commitment or not.	
Date of guarantee agreement	
State issue price and related costs	