



Going Public: Listing Guide to Nasdaq First North Growth Market

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Welcome To Nasdaq First North Growth Market

For more than ten years Nasdaq First North Growth Market has served as an important platform for growth, enabling Nordic and international entrepreneurs to access capital to develop and expand their businesses. The segment Nasdaq First North Premier Growth Market is tailored to further assist companies on their path towards a Main Market listing.

Currently, more than 350 companies are traded on this growth platform, whereof approximately 50 on the Premier segment. The additional listing requirements on the Premier segment serve to prepare the company for the Main Market, and a Premier segment listing is often used to signal an ambition to take that next step, which is appreciated among investors. On average, more than five companies grow and transfer to the Main Market each year, many of which come from the Premier segment, and the experience gained is valued.

There is a well-functioning eco system surrounding Nasdaq First North Growth Market, with advisers facilitating a smooth listing process and a range of investors supporting the market, from retail investors to institutional capital. With the continued success of this growth platform, we see steady and increasing participation by international investors, and an increasing interest in getting listed by both local and international companies.

A listing on Nasdaq First North Growth Market also means that companies will benefit from Nasdaq's efficient and independent surveillance of listed companies, members and trading, and that trading takes place on one of the world's leading and most widely-used trading systems.

This guide is intended to provide an overview of the listing requirements, the listing process and stakeholders involved in a listing. Do not hesitate to contact the Listing team with any questions you may have.

We look forward to hearing from you, and to welcoming your company to Nasdaq First North Growth Market.

Yours sincerely,



Adam Kostyál

Nasdaq

SVP, Global Listing Services EMEA

This guide is intended as a reference guide only to the rules of Nasdaq First North Growth Market. The rules are set out in the Nasdaq First North Growth Market Rulebook and this guide should not be relied on, and can in no way serve, as a substitute to the Nasdaq First North Growth Market Rulebook. The information presented in this guide is for orientation purposes only and it may not necessarily reflect the most current developments, and there may exist local market deviation not reflected in this guide. Professional advice should always be sought before taking any action based on information provided herein.

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Nasdaq First North Growth Market

Nasdaq First North Growth Market (“First North Growth Market”) was developed by Nasdaq (“Nasdaq” or the “Exchange”) in 2006 as a marketplace for early-stage companies to grow both financially and organically. First North Growth Market is regulated as a Multilateral Trading Facility (MTF) and the equity segment transitioned into an SME Growth Market, as defined by the European Union, on September 1, 2019. In March 2019 the EU Parliament and the member states came to an agreement on new rules to further improve access to capital markets for SMEs. Please note that as of the date of this guide, the alleviations proposed as part of that agreement have not yet been finally adopted.¹

Nasdaq First North is established on Nasdaq’s Nordic and Baltic exchanges, with Sweden, Finland, Denmark and Iceland sharing a common rulebook, which rules are described in this guide. The First North Growth Market has more flexible listing requirements than the Main Market, thus enabling smaller companies to access the capital markets.

The Nasdaq First North Premier Growth Market segment (“First North Premier Growth Market”, or “the Premier segment”) is designed to further assist companies in raising investor visibility and to prepare them for a Main Market listing. The Premier segment targets companies that make a conscious decision to comply with higher disclosure and accounting standards than imposed under the Nasdaq First North Growth Market rules.

This brochure is designed to function as a guide in the process of becoming a First North Growth Market company, and covers key aspects of the listing process and requirements set out in the Nasdaq First North Growth Market rules and regulations for the Nordics. The primary parts of the requirements apply to both First North Growth Market and the Premier segment. Some requirements on the Premier segment are aligned with the requirements of the Main Market, and serve to prepare the company for the Main Market. Experience gained by senior management or board positions in a First North Growth Market company may be taken into account when a company applies to be listed on the Main Market, and is an assessment on a case-by-case basis. The table below shows the requirements that distinguish the two segments.

MARKET SEGMENT	FREE FLOAT	MARKET CAPITALIZATION	CORPORATE GOVERNANCE CODE	ACCOUNTING STANDARDS	INFORMATION TO THE MARKET
First North Growth Market	10%	n/a	n/a	Local accounting standards	Nasdaq First North Growth Market Rulebook applies
First North Premier Growth Market	25%	EUR 10 m	Requirement to apply the local Corporate Governance Code	IFRS	Rules of the Main Market apply

First North Growth Market is a Multilateral Trading Facility (MTF) and SME Growth Market. First North Growth Market does not have the legal status of a regulated market. Regulated market is a term used in the Markets in the Financial Instruments Directive (MiFID). According to MiFID, an exchange can, within the framework of an MTF, organize trading with fewer requirements than what is required for financial instruments admitted to trading on a regulated market. The equity segment of First North Growth Market is also as of 1 September 2019 categorized as an SME Growth Market, a type of MTF introduced in the revised Markets in Financial Instruments Directive (MiFID II), which entails a set of regulatory alleviations aiming to give European small and medium-sized enterprises (SMEs) better access to public markets. Issuers are subject to the rules of Nasdaq First North Growth Market but not the requirements for admission to trading on a regulated market. MiFID II and the Market Abuse Directive have yet to be implemented in Iceland. Please contact the Icelandic listings team for information about potential deviations from the content of this guide.

¹ For further information please refer to: https://europa.eu/rapid/press-release_IP-19-1568_en.htm

Benefits of a Nasdaq First North Growth Market Listing

First North Growth Market, a part of the global Nasdaq family, is highly visible to investors and has become a marketplace attracting investors from around the world. A large number of Nordic retail investors have a long tradition in investing and trading in growth companies, which contributes to a highly liquid market.

Active and Trusted Market: Strong investor demand on a market operated by Nasdaq, one of the most liquid and efficient cash equities markets in Europe, with trading taking place in a world-leading trading system.

Nordic Eco System: Strong demand for growth companies, both among retail and institutional investors and increased interest from international investors. A market supported by a set of financial advisers working exclusively with smaller growth companies.

Global Brand: The Nasdaq brand brings visibility and credibility, and can potentially help listed companies as they expand internationally, and in talent acquisition.

Growth Partner: More than 75 First North Growth Market listed companies have grown and migrated to the Main Market, many of which have taken the step via the Premier segment.

SME Growth Market: Reduced administrative burden and costs. SME Growth Market regulation includes alleviations with regards to information disclosure and prospectus requirements

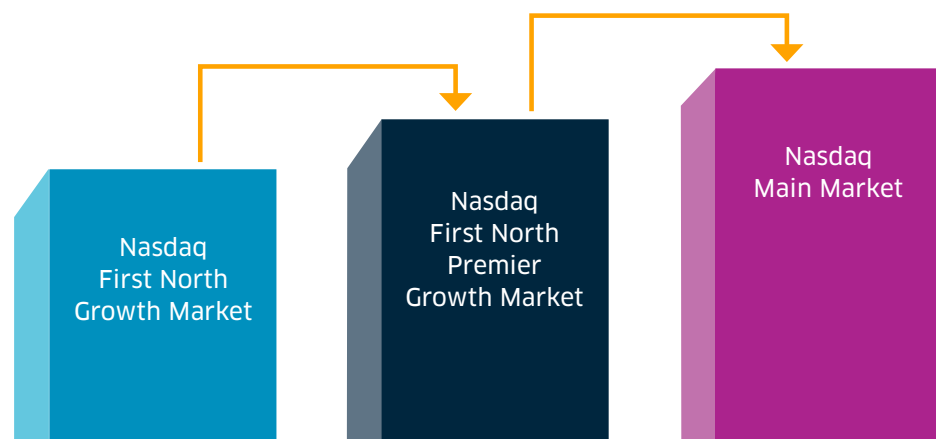
Flexible Listing Process: Less demanding listing process with acceptance of accounting principles other than IFRS. Possibility to use a company description, an EU Growth prospectus and simplified prospectus, if applicable.

International Rulebook and Language: Rulebook in English. The company description may be prepared in English, and issuers may disclose information to the market in English.

Certified Advisers: Certified Advisers collaborating with both issuers and Nasdaq to ensure high market quality.

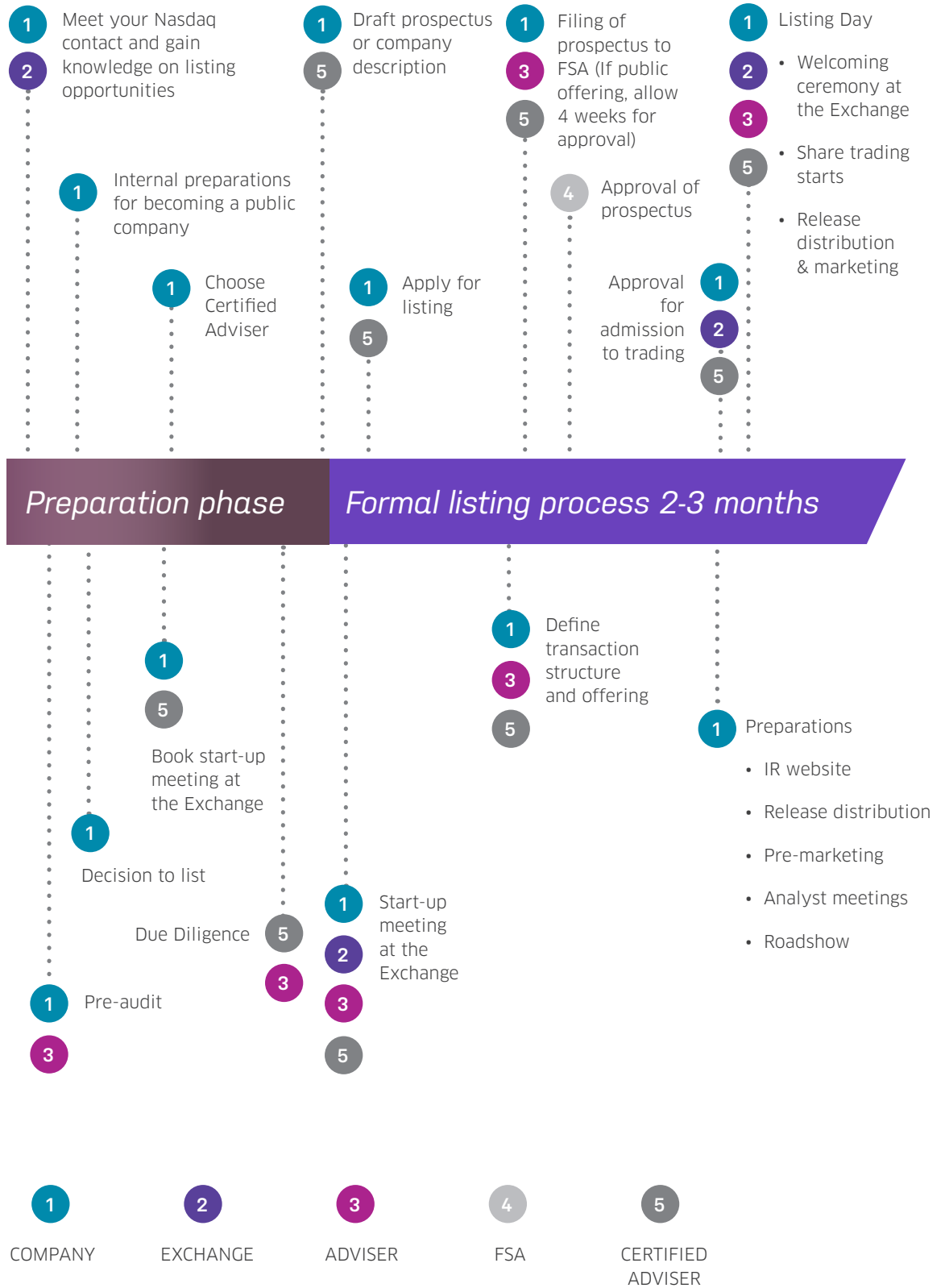
Additional Services: Listed companies can get access to Nasdaq Corporate Solutions suite such as **Nasdaq Boardvantage**, a board portal that enables corporate governance efficiency through digital collaboration and document sharing for the board and management.

Nasdaq IR Insight is a platform designed to simplify capital markets stakeholder engagement for investor relations professionals.



Nasdaq offers tailored markets to enable company growth at all maturity levels.

Listing Timeline*



*For illustrative purposes only. Local market variation may exist.

The Nasdaq First North Growth Market Rulebook applies from the time of application.

Stakeholders in the Listing Process

There are a number of stakeholders involved in the process of becoming listed on First North Growth Market. Depending on the complexity of the listing, and if the listing has been preceded by a capital raise, such stakeholders would include, inter alia, the Certified Adviser, financial and legal advisers, national financial supervisory authorities, and future shareholders.

The company should engage financial and legal advisers from an early stage to assist in the listing process. The company must also engage a Certified Adviser. The services expected to be provided by the advisers should be clearly stated in a contract.

The table below shows the advisers most commonly involved in a listing process on First North Growth Market.

<p>Nasdaq</p>	<ul style="list-style-type: none"> Nasdaq's Listing Services department acts as relationship managers to the company throughout the listing process, and for as long as the company is listed. Nasdaq's independent Issuer Surveillance department is responsible for approving the company's application to First North Growth Market or its Premier segment. The Issuer Surveillance department will review and comment on the company description or prospectus, whichever is applicable, and grant the formal approval with respect to the company description. The Issuer Surveillance department is responsible for monitoring the company's continuous compliance with the rules once the company is admitted to trading.
<p>Certified Adviser</p>	<ul style="list-style-type: none"> All companies applying to be admitted to trading on First North Growth Market must engage a Certified Adviser, to be retained for as long as the company is listed. Corporate finance firm, an accounting firm, or an investment bank, or other type of entity approved to act as a Certified Adviser on First North Growth Market. Guides the company throughout the initial listing process and continuing listing obligations once admitted to trading. Performs due diligence to ensure the suitability for listing the company's shares. Organizes and oversees the preparation of the listing application, including all contacts with the Issuer Surveillance department. Once the company is listed, the Certified Adviser will monitor the company's compliance with the disclosure rules. In the event of a breach of rules, the Certified Adviser will immediately notify Nasdaq as well as conduct an investigation. Please see link to list of Certified Advisers at the end of this document.

<p>Financial Adviser</p>	<ul style="list-style-type: none"> • Gives advice regarding the listing process and, together with the legal adviser, generally manages the preparation of the prospectus or company description (with the assistance of the company). • The financial adviser plans the marketing strategy for the capital raising and listing, and the structure of the roadshow. • Coordinates the pre-IPO review (if any). • Coordinates the issue of new shares (if any). An offering can exist of new or old shares, or a combination thereof. • Gives advice regarding market and trading-related matters. • Supports the company's financing needs by assessing the level of investor interest in the company's shares at the time of admission and in any future fundraising. • The Certified Adviser can also act as financial adviser.
<p>Liquidity Provider</p>	<ul style="list-style-type: none"> • Engagement of a Liquidity Provider is an option in order to increase order book volume and improve the conditions for trading in shares with low liquidity. • The Liquidity Provider, which must be a trading member, assumes liability for ensuring the liquidity of the company's shares. • Please see link to list of Liquidity Providers at the end of the document.
<p>Legal Adviser</p>	<ul style="list-style-type: none"> • Performs legal due diligence on the company's business as instructed by the Certified Adviser. • Gives advice regarding the listing process and, together with the financial adviser, generally manages the preparation of the prospectus or company description and, specifically, the legal section and the legal risks, and all other documents necessary for the application. • Gives advice on legal aspects such as responsibility of the company's directors, corporate governance and continuing obligations of the company as a listed company.
<p>Auditor</p>	<ul style="list-style-type: none"> • An auditor, usually the regular auditor of the company, can be contracted to assist with tasks relating to the listing process such as structuring the accounting function, organization and governance in order for the company to adjust to the requirements of a listed company. • Assists the company if a change to International Financial Reporting Standards ("IFRS") is needed for its accounting and reporting (applies to the Premier segment). • May assist with a pre-IPO review (if any) which aims at verifying to which extent the company fulfils the listing requirements and identifying possible areas of improvement.

Investor Relations Adviser	<ul style="list-style-type: none">• May give advice and assist on a range of communications tasks relating to the specific transaction and the prospectus, or company description, and setting up structures and routines for day-to-day information management.
Central Securities Depository, CSD	<ul style="list-style-type: none">• Shares are electronically registered and assigned an ISIN code.• Necessary in order to enable the shares to be traded.• Note: Euroclear Sweden currently handles shares traded in SEK and EUR, Euroclear Finland handles shares in EUR, VP Securities Denmark handles shares in DKK, SEK and EUR and Nasdaq CSD Iceland handles shares in ISK.
Financial Supervisory Authority	<ul style="list-style-type: none">• Reviews and comments on the prospectus, where relevant, and grants formal approval of the prospectus.

A listing on First North Growth Market or First North Premier Growth Market requires proper preparation. The checkpoints prior to listing serve to ensure that the company is ready for the demands placed upon it by the public market.

Investment Case

A company that carries out a capital raise in connection with the listing should prepare a strong investment case. Preparing the investment case is also a good way of identifying areas that management will need to address in the listing process.

Articles of Association

Early in the listing process, the company's articles of association should be reviewed as these will need to be updated in order for the company to become a public company. In most jurisdictions, a change in the articles of association will require adoption by the general meeting of the shareholders. It is especially important to ensure that the company's articles of association do not entail any restrictions as regards the free negotiability of the shares.

Accounting and Control System

In connection with the listing, the compilation and reporting of financial information often requires particular attention and resources.

For a company applying for admission to trading on First North Growth Market, the annual report must be prepared and disclosed in accordance with applicable laws, regulations, and generally accepted accounting principles in the company's home state. If the accounting principles in the company's home state cannot be regarded as generally accepted, the exchange may demand supplementary accounting information.

When applying for admission to trading on First North Premier Growth Market, the company must apply IFRS for accounting and financial reporting. Prior to the admission to trading, the company must have commenced application of IFRS, and had at least one reviewed financial report (for example a quarterly report or a semi-annual report) prepared in accordance with IFRS. In turn, a change to IFRS from local accounting standards entails that the financial information from previous years may need to be updated and adapted for comparability purposes in respect of the prospectus or company description.

Prepare to Operate as a Public Company

An important checkpoint in the listing process is to align the company's relation to its management and major shareholders with the public environment in which it will be operating. For instance, it is important to gain a clear understanding of arrangements with and between major shareholders including shareholder agreements, as these may need to be terminated or adjusted in connection with the listing. It is also important to prepare and establish clear roles and contracts in respect of executive leaders and board members.

Furthermore, in order to be suitable for a public company, the composition of the board of directors will need to be reviewed, and the rules of procedure for the board of directors and the CEO often need to be updated or amended.

Company Structure and Shareholder Structure

Two areas of importance to be reviewed early in the listing process are the company's corporate structure and shareholder structure, which must be appropriate from a public company perspective.

The corporate structure should be as transparent and simple as possible. If the Exchange deems the company's corporate structure, and/or ownership structure, to be insufficiently transparent, the Exchange may ask the company to supplement its application with clarifying information.

A private limited company seeking admission to trading should also consider the most preferable way of becoming a public company, either by re-registering as a public company or by creating a group structure, or reorganize an existing group, so that the holding company of the group becomes a public limited company.

Further, it is important that conditions exist for sufficient supply and demand of the company's shares ("liquidity"). Normally, the Exchange will consider this requirement satisfied if there is a sufficient number of shareholders and at least 10 per cent (25 per cent on the Premier segment) of the share class to be traded is held by the general public. Thus, at an early stage in the listing process, it is important that the company reviews its shareholder structure in order to ensure that this requirement is or will be fulfilled through a pre-IPO placement. Factors that affect the liquidity of a company's shares are, amongst other things, the number of shareholders, the number of shares in the company and the market capitalization. In this regard, it is also important to consider any selling restrictions which apply to certain shareholders at the time of the IPO. For further information, please see the heading Overview of Admission Requirements.

Board Composition and Corporate Governance

When assessing the suitability of a company for admission to trading, the rules of First North Growth Market place significant weight on the appropriateness of a company's board of directors and management. The board and the management of the company must have appropriate qualifications and sufficient competence to govern and manage the company and to comply with the obligations of being admitted to trading. Therefore, at an early stage in the listing process, the company should review and assess the composition of its board and its management and consider whether there is a need to recruit new directors or make other changes to the board and management.

A company which has its shares listed on First North Growth Market is required to have an organization which ensures the timely disclosure of information to the market. Thus, it is important that the members of the board of directors and executive management are well informed and have sufficient knowledge about the company and its business.

It is also important that the board, well in advance of the listing, begins to perform as a board of a listed company by, for example, holding regular board meetings and preparing minutes. Special considerations should also be taken to ensure that important decisions are taken by the relevant body or person, that such decisions are properly documented and that they are disclosed to the market to the extent required by regulation. The requirements could for example relate to compensation, significant investments or transactions with related parties.

In addition, in order to maintain and preserve the public's confidence in the securities market, it is imperative that persons discharging managerial responsibilities in the company, including members of the board, do not have a history that may jeopardize the reputation of the company

and thus confidence in the securities market. It is also important that the history of such persons is sufficiently disclosed by the company as part of the information presented in the prospectus or company description prior to the admission to trading.

As a rule of thumb, at least half of the members of the board of directors should be independent in relation to the company and its management, and at least one member of the board of directors should be independent both in relation to the company and its management and in relation to major shareholders. Independence is defined in the same way as in the corporate governance code in the jurisdiction where the company's financial instruments are admitted to trading, or alternatively, an equivalent corporate governance code that the company applies in the country of its incorporation. The board of directors and the executive management must have a general understanding of securities market regulation, which can be acquired by attending training seminars offered by the Exchange.

Experience from Nasdaq First North Growth Market is taken into consideration in a potential listing process to the Main Market. The executive management team will be considered to have gained relevant experience from a listed company after having served in a company listed on First North Growth Market or its Premier segment for at least twelve months.

With regards to the members of the board of directors, experience from a company listed on Nasdaq First North Premier Growth Market for at least twelve months will be considered meritorious when the company applies for a listing on the Main Market, provided that the company has applied the local corporate governance code during that time. This experience is taken into consideration by the Listing Committee in the listing process to the Main Market

Structuring Information Management

Information management comprises a large part of the challenge involved in being a listed company. Prior to the listing, the company is expected to have introduced and maintained the requisite routines, policies and systems for information distribution, including financial reporting. This is required in order to supply the market with relevant, reliable, accurate and timely information pursuant to the EU Market Abuse Regulation² and the rules of Nasdaq First North Growth Market.

The company must commission employees to manage information distribution. The information management includes defining who is responsible deciding which information is to be disclosed to the market, as well as when and how it is to be disclosed. The information management includes coordinating the manner in which inside information is handled within the company in order to prevent inside information leaking (inside guidelines/process), whilst also ensuring that people within the organization entitled to and in need of the information are able to receive it.

Prior to admission to trading, the company should engage an established news distributor, which will ensure that the company's releases are disseminated to the market on a non-discriminatory basis in accordance with the EU Market Abuse Regulation and the rules of Nasdaq First North Growth Market.

The company must adopt an information/communication policy that includes procedures and routines concerning internal and external communications. The policy must be formulated in such a manner that it is adapted to the company and that compliance with it is not dependent

² Certain alleviations relating to MAR apply for companies listed on an SME Growth Market.

on a single person. It is particularly important that the policy address the securities market's information requirements. A company's information policy normally includes at least:

- Guidelines for the type of information to be disclosed
- The identity of the company spokesperson and contact information for that person
- A declaration of the timing of company announcements
- A declaration of the timing of the publication of forecast adjustments
- Procedures for handling information in crises
- Procedures for handling rumors and information leaks
- Practical guidelines and routines for the preparation of information
- Procedures for updating and publishing information on the website
- Procedures for delaying disclosure of inside information in accordance with the EU Market Abuse Regulation
- Guidelines for the preparation and distribution of releases and financial reports

Website

The company's website must be set up in accordance with the requirements set out in the rules of First North Growth Market and the EU Market Abuse Regulation. On the Premier segment it is additionally required that the website contains all information necessary under the corporate governance code.

Information that the company has disclosed to the market as a listed company, such as the company's financial reports, prospectuses, and company description, must be available on the company's website for at least five years.

Furthermore, direct links, which have been included in initial disclosures such as releases, to the pages on the company's website where financial reports, prospectuses and the company description are available, must be valid for at least five years.

The website must also include the company's articles of association, company calendar³, information regarding the current board of directors and senior management, as well as the name and contact details of the Certified Adviser.

Disclosed inside information must be easy to locate on the company's website. This is usually achieved by adding a search function or filter in the newsroom, which easily identifies the inside information.

³ The company's calendar must be made public before the start of each financial year, and shall encompass the anticipated dates for the disclosure of the company's financial reports and the anticipated date of the annual general meeting.

The Nasdaq First North Growth Market Rulebook applies to both Nasdaq First North Growth Market and its Premier segment. This section provides an overview of the listing requirements and differences between the two segments. Note that Nasdaq First North Iceland is currently not categorized as an SME Growth Market, thus accompanying regulatory alleviations will not be applicable for companies seeking admission to trading in Iceland.

Incorporation

- The company must be duly incorporated or otherwise validly established according to the relevant laws of its place of incorporation or place of establishment.

Business Operations

- The company must be able to demonstrate ongoing business operations. The company's business operations must have been commenced and, as a general rule, conducted for at least six months.

Requirements for Shares

- The shares of the company must conform to the laws of the company's place of incorporation and possess the necessary consents, statutory or otherwise.
- The company must, on a continuous basis, have at least 10 per cent (25 per cent on the Premier segment) of the shares within the share class to be traded held in public hands, and should normally have at least 300 shareholders holding shares with a value of at least EUR 500 ("qualified shareholders"). If the company has less than 300 qualified shareholders but more than 100 qualified shareholders, the listing requirement concerning sufficient number of qualified shareholders may nonetheless be considered satisfied by engaging the services of a Liquidity Provider. A lower percentage than 25 per cent can be accepted on the Premier segment if the Exchange believes that the market will still operate properly, and if a large number of the financial instruments are held by the public.
- The shares shall be freely negotiable.
- The application for admission to trading of shares and/or other financial instruments must cover all instruments of the same class.
- The shares and/or other financial instruments shall be registered electronically and must be subject to clearing and settlement in a manner acceptable by the Exchange.
- On the Premier segment, but not on First North Growth Market, the aggregate market value of the shares must be at least EUR 10 million on a continuous basis. Both listed and unlisted shares of the company, e.g. if the company has more than one share class, will be taken into consideration in calculating the market capitalization.

Company Description or Prospectus

The company must publish a company description or, if applicable, a prospectus. There are different prospectus formats available for companies at First North Growth Market, e.g.:

- Standard prospectus
- Simplified prospectus
- EU Growth prospectus

Contract With a Certified Adviser

- The company must at all times maintain a contract with a Certified Adviser.

Organizational Requirements and Disclosure of Information

- All companies traded on First North Growth Market must follow the EU Market Abuse Regulation, in particular as regards disclosure of inside information. A company with its shares traded on First North Premier Growth Market further undertakes to comply with the Nasdaq Main Market disclosure rules. The disclosure rules of the Main Market are somewhat more far-reaching compared with the disclosure rules of First North Growth Market. Companies traded on First North Growth Market will benefit from SME Growth Market alleviations, when in force, with respect to requirements pursuant to the EU Market Abuse Regulation, aimed at lowering the administrative burden and costs associated with complying with the EU Market Abuse Regulation. *For instance it is proposed that companies with securities admitted to trading on Nasdaq First North are not required to provide reasons for delays in disclosure of inside information except upon request by the competent authority and companies may choose to draw up an insider list only of persons who in the normal exercise of their duties have regular access to inside information (such as members of the board of directors, members of management bodies or in-house counsels). It is further proposed that companies will have two additional days to disclose to the competent authority information about transactions carried out by persons discharging managerial responsibilities and persons closely associated with them.*⁴
- The composition of the board of directors and management team should encompass the competence and experience required to govern such company. An overall assessment of the appropriateness of the management and the board of directors must be made in each individual case, considering for example the size of the issuer and the business operations.
- A company on First North Growth Market must, well in advance of the admission to trading, establish and maintain adequate procedures, controls and systems, including systems and procedures for financial reporting, to enable that the management and the board of directors receives necessary information for decision-making, and to enable compliance with its obligation to provide the market with timely, reliable, accurate and up-to-date information as required by the rules of First North Growth Market. The day-to-day disclosure of information shall be the responsibility of the company's operational organization. Furthermore, there shall be at least one person, in addition to the CEO, who shall be able to communicate externally on behalf of the company.

⁴ Please note that as of the date of this guide, these proposed alleviations have not yet been finally adopted and it is uncertain when they will enter into force, furthermore, they may undergo alterations before being finally adopted.

The Corporate Governance Code

- It is a formal listing requirement for companies listed on First North Premier Growth Market to apply the local corporate governance code in the country where the company is incorporated. A company can choose to deviate from the rules of the code as long as deviations are explained.

Accounts and Operating History

- The company must apply accounting standards in accordance with applicable laws or other regulations and in accordance with generally accepted accounting principles in the company's home state.
- For admission to First North Premier Growth Market, the company must have applied IFRS for accounting and financial reports and have at least one reviewed financial report (for example a quarterly report or semi-annual report) prepared in accordance with IFRS.

Profitability and Working Capital

- The company must demonstrate that it possesses documented earnings capacity on a business group level. Alternatively, if the company does not possess documented earnings capacity, it must demonstrate that it has sufficient financial resources in order to enable it to conduct the planned business for at least twelve months after the first day of trading. The company must also clarify when it expects to be profitable and how the company intends to finance its operations until such time.

Start-up Meeting and Review

A start-up meeting with the company, its Certified Adviser and other advisers, and the Exchange, marks the official start of the admission process. At this meeting, senior company representatives, normally the CEO and CFO, meet client executives from Nasdaq's Listing Services department and representatives from Nasdaq's independent Issuer Surveillance department.

Nasdaq's Listing Services department manages the commercial relationship with the company throughout the admission process and when the company is listed. The independent Issuer Surveillance department reviews the company's application for listing assessment and, once listed, it will monitor the company's compliance with the relevant rules on an ongoing basis.

An important part of the start-up meeting is the company's presentation to Nasdaq on how it will manage to comply with the requirements of a listed company, including providing information to the market in a timely manner.

The Certified Adviser submits the application on behalf of the company through the Listing Center. The time for the listing assessment is subject to variation depending on the preparedness of the company, but the review will take at least 20 business days. A realistic time-plan from the Certified Adviser is required.

The company must submit a company description and a check-list (to be completed in the Listing Center) or in relevant cases a prospectus, together with its application for listing assessment, and the Certified Adviser needs to make sure that the company description or prospectus contains all the information required. A check-list for company descriptions is available at the end of this document.

The Listing Center is accessed via the following link: <https://listingcenter.nasdaq.com/home.aspx>

Due Diligence

The board of directors should consider carrying out, among other things, a review of the company's financial functions, as well as a legal examination of the company since the board is liable for the information stated in the prospectus or the company description (in Finland such reviews is a requirement). Furthermore, the Certified Adviser must ensure that the company meets the listing requirements. In this context, a legal adviser is often involved to perform a review of the company in order to provide comfort to the Certified Adviser.

The due diligence could, inter alia, include: (i) a description of the legal and tax risks in the prospectus or company description, (ii) the company's material agreements, (iii) the company's tax situation, (iv) corporate matters and records with relevance for the admission, (v) disputes, (vi) closely-related transactions, and (vii) assessment of the honesty and integrity of the company's board members and executive managers.

Prospectus or Company Description

In connection with listing on First North Growth Market, a company description or a prospectus must be prepared.

The company description shall, inter alia, include a description of the company, and its business and organization, risk factors, its audited annual reports or financial statements for the last two years (where applicable), its board of directors and its most important agreements. For an exhaustive compilation of the requirements for the company description, please see the heading Company Description Checklist.

If a public offering of financial instruments is made in connection with the listing, the company may be subject to an obligation to prepare and publish a prospectus. In such cases a separate company description does not have to be prepared. The total offer consideration threshold for the duty to publish a prospectus is in Sweden EUR 2.5 million, in Iceland EUR 5 million, and in Finland and Denmark EUR 8 million.⁵

The purpose of the prospectus/Company description is to make all necessary information regarding the company and its financial instruments to be admitted to trading available and presented in a uniform manner, in order to allow investors to make an informed assessment of the assets and liabilities, financial position and future prospects of the company prior to making an investment.

The prospectus shall include, inter alia, a description of and information concerning the risk factors, the company's operations and organization, the board of directors, employees and major shareholders, closely-related transactions, assets, liabilities, financial position and results, as well as intangible assets and significant contracts. For further information regarding the information to be disclosed in a prospectus, see section Prospectus Format Alternatives.

A company may draw up a standard prospectus when seeking admission to trading at First North Growth Market, but companies may also qualify to instead use other prospectus formats, such as an EU Growth prospectus or simplified prospectus, with accompanying information disclosure alleviations.⁶

Companies, mainly SMEs⁷ but also other companies under certain circumstances, are eligible to draw up an EU Growth prospectus when seeking admission to trading at First North Growth Market.

⁵ In Finland there is a requirement to draw up a so-called basic information document (fi: *perustietoasiakirja*) for offers exceeding EUR1 million but less than EUR 8 million. In Iceland there is a requirement to publish a national prospectus for offers exceeding EUR 2.5 million but less than EUR 5 million.

⁶ Except for companies seeking admission to trading on Nasdaq First North Iceland as it is currently not categorized as an SME Growth Market.

⁷ SMEs are defined pursuant to the Prospectus Regulation (EU) 2017/1129 as any of the following: (i) companies that had an average market capitalization of less than EUR 200 million on the basis of end-year quotes for the previous three calendar years, or (ii) companies that meet at least two of the following three criteria: an average number of employees during the financial year less than 250; a total balance sheet not exceeding EUR 43 million; and an annual net turnover not exceeding EUR 50 million.

Other companies, that are not categorized as SMEs, that issues securities that are to be traded on First North Growth Market, may draw up an EU Growth prospectus provided that (i) the company had an average market capitalization of less than EUR 500 million for the three previous years, or (ii) the company issues securities where the total consideration does not exceed EUR 20 million calculated over a 12-month period, provided that the company does not have any securities traded on an MTF and has an average number of employees during the previous financial year of up to 499.

Companies with securities listed on First North Growth Market for a period of at least 18 months who wish to issue equity securities fungible with existing securities, can instead draw up a so-called simplified prospectus.

The national financial supervisory authority of the company's home member state is responsible for granting the formal approval of the prospectus. In addition, the Exchange examines the prospectus in order to ensure that the prospectus provides the market with sufficient information in accordance with the requirements for admission.

Listing costs

The overall expenses involved in the listing process vary considerably among companies, but expenses related to the following items should be taken into account.

- Certified Adviser
- Financial Adviser
- Legal Adviser
- First North Growth Market fees
- Central Securities Depository fees
- Investor relation services
- Financial Supervisory Authority

Settlement

In order for a company's shares or other financial instruments to be tradable on First North Growth Market, the securities need to be affiliated and settled in the applicable local electronic settlement system. If applicable, the company can also choose to trade the shares as depositary receipts where the shares are registered in a country outside the Nordic region. In such case, the company will need a depositary bank.

Well in advance of the first day of trading, the company must have routines in place regarding compliance with rules and regulation that apply to listed companies. In the day-to-day operations of the company, such rules mainly concern the managing of inside information and notification of certain transactions.

Self-Regulation in the Securities Market

In the Nordics, there is a long tradition of self-regulation in the securities market, which serves as an alternative or complement to legislation. This is promoted and developed by local bodies issuing recommendations and guidelines with regards to corporate governance and good practice on the stock market. The purpose of self-regulation is to create and maintain confidence in the securities market among local and foreign market actors, as well as ensuring a healthy and efficient securities market with favourable conditions for listed companies, investors and other stakeholders.

Disclosure of Information

Disclosure to the Market

As a listed company, the company is obliged to supply the market with relevant, reliable, accurate and timely information pursuant to the EU Market Abuse Regulation (“MAR”) and the Exchange’s rules. A listed company must as soon as possible disclose information of a precise nature, relating, directly or indirectly, to the company or to one or more of its financial instruments and which, if made public, would be likely to have a significant effect on the price of those financial instruments or on the price of related derivative financial instruments (“Inside Information”), and which directly concerns the company. Such information must be maintained on the company’s website for a period of at least five years. The information must be accurate, relevant, and reliable; companies must not omit any fact that may be likely to affect the assessment of such information.

Also, direct links to the pages on the company’s website where financial reports, prospectuses and the company description are available, must be included in initial disclosures and be valid for at least five years.

The disclosure of Inside Information is prohibited to any party, except where the disclosure is made in the normal exercise of an employment, a profession or duties.

The company shall notify the Exchange or the Certified Adviser as soon as practically possible before disclosing information that is assumed to be of extraordinary importance to the company, e.g. that an offeror is preparing a public offer to the shareholders of the company to acquire all or a part of their shares.

Delayed Disclosure

A company may delay the disclosure of Inside Information. Such a delay presupposes that the immediate disclosure of the Inside Information is likely to prejudice the legitimate interests of the company, that the delay is not likely to mislead the public and that the company is able to ensure the confidentiality of the delayed information. The European Securities and Markets Authority has issued guidelines on how the above-stated conditions are to be interpreted.

The guidelines are available at the following link: www.esma.europa.eu/sites/default/files/library/2016-1478_mar_guidelines_-_legitimate_interests.pdf

It is proposed that companies admitted to trading on an SME Growth Market are not required to provide the competent authority in writing reasons for delays in disclosure of inside information except upon request by the competent authority.⁸

Insider List

An insider list shall be kept for each circumstance constituting Inside Information that is not immediately disclosed to the public. This implies that the company, in certain situations, may need to keep several insider lists at the same time. The insider list must be saved for five years. The insider list shall, upon request, be disclosed to the competent authority.

It is proposed that companies with securities traded on an SME Growth Market may choose to draw up an insider list only of persons who in the normal exercise of their duties have regular access to inside information (such as members of the board of directors, members of management bodies or in-house counsels).⁹

The EU Commission has established an insider list format that shall be used for all insider lists. The insider list format is available at the following link: www.eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32016R0347&from=SV

The company has an obligation to inform a person in writing when he or she is included on the insider list. When a person has been recorded on the insider list, the company shall, in addition, take all reasonable measures to ensure the person confirms in writing to the company that he or she is aware of the legal obligations it entails (that he or she possesses inside information and, consequently, is subject to the restrictions imposed by the provisions in the EU Market Abuse Regulation) and the possible sanctions. The notification and the reply must be saved by the company.

Persons Discharging Managerial Responsibilities and Persons Closely Associated with them

A person discharging managerial responsibilities and persons closely associated with them must report to the competent authority and to the company within three business days of any transaction in financial instruments (shares, debt instruments or instruments relating to shares or debt instruments) in the company, as soon as that person in the same calendar year has traded in financial instruments in the company for a total amount of at least EUR 5,000 – the transaction through which the threshold is reached, or passed, must also be reported.

The same three-day deadline applies to the company as regards its duty to make public the transaction pursuant to the EU Market Abuse Regulation, if such duty is at all applicable in the relevant EU member state.

Where applicable, it is proposed that companies listed on an SME Growth Market will have an additional two days, after the person discharging managerial responsibilities or person closely associated with them has reported the transaction to the company, to make the transaction public.¹⁰

⁸ Please refer to footnote 4.

⁹ Please refer to footnote 4.

¹⁰ Please refer to footnote 4.

Company Description Checklist

INFORMATION, WHICH IS TO BE COMPLETED IN THE LISTING CENTER ¹¹	PAGES IN THE COMPANY DESCRIPTION
A description of the Company, including business model, organization, competitive situation, most significant markets, most significant risk factors and the reasons for the decision to apply for admission to trading.	
The Company's audited annual reports or financial statements for the last two years, as applicable, as well as the general financial trend over the last two years.	
The Company's most recent financial report. If the Company Description is dated more than nine months after the end of the last audited financial year, it shall contain interim financial information covering at least the first six months of the financial year. The financial information shall include comparative statements for the same period in the prior financial year, as applicable.	
Future prospects of the Company and comments on the financial development regarding the period covered by the financial history. If there are material changes between the periods for individual financial items, this shall be explained.	
A statement of capitalization and indebtedness as of a date no earlier than 90 days prior to the date of the Company Description.	
Pro forma financial information, if it would be required under the Prospectus Regulation. The pro forma financial information shall be accompanied by a report prepared by independent accountants or auditors.	
Information whether the historical financial information has been audited or not.	
A description of the Board of Directors and the management of the Company, including information regarding the Board of Directors' independence in relation to the Company, its management and the Company's major shareholders.	
All information about historical, or on-going, bankruptcy, liquidation or similar procedure and also fraud or other financial crime related convictions or on-going procedures in which any person in the management and/or Board of Directors has been involved. The information shall cover at least the five preceding years.	
A description of significant contracts, intellectual property rights, etc.	
A description of the ownership structure, including any shareholdings in the Company held by the Board of Directors, senior management and Certified Adviser.	
A description of any share-based incentive programs.	

¹¹ In accordance with Nasdaq First North Growth Market Rulebook section 3.2.

**PAGES IN THE
COMPANY
DESCRIPTION**

<p>A description of historical, ongoing and planned issues of financial instruments, including material terms and conditions. If applicable, the description shall include relevant information about the offer period, any possibility to withdraw the offer or early close of the offer, the size and the price of the offer and the use of proceed. The historical information shall cover at least the two preceding years.</p>	
<p>A description of any transactions with persons discharging managerial responsibilities in the Company, Board members, affiliates to such persons, major owners or another company within the same group as the Company, including material terms and conditions of such transactions. The information shall cover at least the same period as the historical financial information.</p>	
<p>The date of the first annual general shareholder meeting following the first day of trading as well as the scheduled date for first publication of the audited or unaudited annual earnings figures or half-yearly report following the first day of trading, as the case may be.</p>	
<p>The identity of the Certified Adviser and any liquidity provider retained by the Company.</p>	
<p>All relevant information about the financial instruments to be traded, including the Company's articles of association, information on the Company's share capital and breakdown by share class.</p>	
<p>Other relevant information depending on specific circumstances, such as tax, litigation etc.</p>	
<p>An explanation stating whether or not, in its opinion, the Company possesses sufficient working capital for at least twelve months after the first day of trading, based on its present requirements or, if not, how it proposes to provide the additional working capital needed in order to be able to conduct the planned business. If the Company does not possess documented earnings capacity, it shall also be made clear how the Company intends to finance its operation until it is profitable.</p>	
<p>The Company Description shall on the first page include a disclaimer concerning the Nasdaq First North Growth Market.</p>	
<p>The Company Description shall clearly state that it have been drawn up under the responsibility of the Company and that it has been reviewed by the Exchange.</p>	

The respective information disclosure requirements for each prospectus type varies. The information requirements for the standard prospectus regime are the most extensive, while the proportionate disclosure regime for EU Growth prospectuses and the simplified prospectus regime contain certain alleviations aimed at reducing the burden and costs associated with drawing up a standard prospectus. The information requirements for each type of prospectus are set forth in relevant articles in the Prospectus Regulation (EU) 2017/1129 and relevant annexes to the Commission Delegated Regulation (EU) 2019/980 which addresses in detail the format and information content of each prospectus type.

The EU Growth prospectus regime contains alleviations with regards to the information requirements of a standard prospectus, for instance, in relation to the company's historical financial condition (historical financial information for the two last financial years instead of three) and description of the company's principal markets. Furthermore, there is for instance no requirement to disclose information regarding the company's capital resources, history of its share capital or board practices.

The simplified prospectus contains further alleviations, for instance, in relation to the company's financial condition, only financial statements covering the last 12 months prior to the approval of the prospectus are required. Furthermore, only a brief description is required with regards to the company's business environment and relevant market and there is no requirement to disclose the remuneration, other benefits and shareholdings of the company's management.

The Prospectus Regulation (EU) 2017/1129 is available at the following link:

<https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1563864677758&uri=CELEX:32017R1129>

The Commission Delegated Regulation (EU) 2019/980 is available at the following link:

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32019R0980>

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Certified Advisers

<https://new.nasdaq.com/solutions/nasdaq-certified-advisers>

Liquidity Provider Services

<https://new.nasdaq.com/solutions/liquidity-enhancement>

Listing Center and Application Templates

<https://listingcenter.nasdaq.com/home.aspx>

Nasdaq First North Growth Market Rulebook

<https://new.nasdaq.com/solutions/rules-regulations-first-north-rules>

Nasdaq SME Growth Market Information

<https://new.nasdaq.com/SME-growth-market>

Corporate Solutions

Nasdaq Boardvantage Board Portal: <https://new.nasdaq.com/boardvantage>

Nasdaq IR Insight: <https://new.nasdaq.com/solutions/nasdaq-ir-insight>

Settlement

www.euroclear.com (Sweden and Finland)

www.vp.dk (Denmark)

<http://en.vbsi.is/> (Iceland)

Corporate Governance Code

<http://www.corporategovernanceboard.se/the-code> (Sweden)

<https://cgfinland.fi/en/corporate-governance-code/> (Finland)

<https://corporategovernance.dk/recommendations-corporate-governance> (Denmark)

<http://corporategovernance.is/> (Iceland)

FSA

www.fi.se (Sweden)

www.finanssivalvonta.fi/ (Finland)

www.finanstilsynet.dk (Denmark)

<https://en.fme.is/> (Iceland)

FSA Information on Market Abuse Regulation

<https://www.fi.se/sv/marknad/om-marknadsmissbruk/> (Sweden)

<https://www.finanssivalvonta.fi/en/capital-markets/issuers-and-investors/market-abuse-regulation/> (Finland)

<https://finanstilsynet.dk/Lovgivning/MAR1> (Denmark)

EU Market Abuse Regulation Guidelines issued by ESMA

https://www.esma.europa.eu/sites/default/files/library/2016-1478_mar_guidelines_-_legitimate_interests.pdf

Format for Insider Lists

<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32016R0347&from=SV>

The Prospectus Regulation (EU) 2017/1129

<https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1563864677758&uri=CELEX:32017R1129>

The Commission Delegated Regulation (EU) 2019/980

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32019R0980>

