DISCLOSURE RULES FOR FIRST NORTH FINLAND PREMIER –SEGMENT

NASDAQ OMX Helsinki Ltd
1 July, 2013
1. GENERAL PROVISIONS .............................................................................................................. 3
   1.1 General provision ................................................................................................................ 3
   1.2 Correct and relevant information ....................................................................................... 7
   1.3 Timing of information ......................................................................................................... 8
   1.4 Information leaks ............................................................................................................... 9
   1.5 Methodology ..................................................................................................................... 9
   1.6 Website ............................................................................................................................. 10
   1.7 Waivers ............................................................................................................................ 10

2. REGULAR DISCLOSURE REQUIREMENTS .............................................................................. 10
   2.1 Financial reports ............................................................................................................. 10
   2.2 Timing of the financial statements release and interim reports ....................................... 11
   2.3 Contents of financial reports .......................................................................................... 12
   2.4 Timing of financial statements and annual report ............................................................ 12
   2.5 Auditors’ report .............................................................................................................. 12

3. CONTINUOUS DISCLOSURE REQUIREMENTS ..................................................................... 13
   3.1 Forecast and forward-looking statements ....................................................................... 13
   3.2 General meeting of shareholders ................................................................................... 14
   3.3 Issues of securities ........................................................................................................... 15
   3.4 Changes in the board of directors or management and auditors of a company ............. 16
   3.5 Share-based incentive programs ..................................................................................... 16
   3.6 Closely-related party transactions .................................................................................. 17
   3.7 Business acquisitions and divestitures ............................................................................ 17
   3.8 Change in identity ............................................................................................................ 19
   3.9 Decisions regarding listing ............................................................................................. 20
   3.10 Information required by another trading venue ............................................................. 20
   3.11 Company calendar ......................................................................................................... 20

4. INFORMATION TO THE EXCHANGE ONLY ......................................................................... 21
   4.1 Public tender offers ......................................................................................................... 21
   4.2 Advance information ....................................................................................................... 22
1. **GENERAL PROVISIONS**

1.1 **General provision**

A company shall, without undue delay, disclose information about decisions or other facts and circumstances that are price sensitive. For the purpose of these Rules, price sensitive information means information which is reasonably expected to affect the price of the company’s securities in accordance with the Securities Markets Act.

*In accordance with Chapter 6, Section 4 of the Securities Markets Act, the issuer of a security subject to trading on a regulated market shall, without undue delay, make public all such decisions and circumstances regarding the issuer and its operations which are likely to be price sensitive.*

This general provision addresses situations which require disclosure of information and which are not covered by other sections of these rules. The wording of the general provision shall not be interpreted in such a manner that it would extend, or its aim would be to extend, the obligations set by law.

A company shall ensure that all market participants have simultaneous access to any price sensitive information about the company. The company is also required to ensure that the information is treated confidentially and that no unauthorised party is given such information prior disclosure. As a consequence of the foregoing, price sensitive information may not be disclosed to analysts, journalists, or any other parties, either individually or in groups, unless such information is simultaneously made public to the market.

The general provision also stipulates that all price-sensitive information concerning the company must be disclosed as soon as possible (see also “Timing of information”, section 1.3). Disclosure shall be made according to the Securities Markets Act and rule 1.5 “Methodology”.

The determination of what constitutes price sensitive information must be based on the facts and circumstances in each case and, where doubts persist, the company may contact the Exchange for advice. The Exchange’s employees are subject to a duty of confidentiality. However, the company is always ultimately responsible for fulfilling its duty of disclosure.

In evaluating whether a price sensitive effect is reasonably expected to occur, the factors to be considered may include:

- the expected extent or importance of the decision, fact or circumstance compared with the company’s activities as whole;
- the relevance of the information as regards the main determinants of the price of the company’s securities; and
- all other market variables that may affect the price of the securities.
When the company has received the information from an external party, also the reliability of the source can be taken into consideration.

An additional basis for evaluation is whether similar information in the past had a price sensitive effect or if the company itself has previously treated similar circumstances as price sensitive. Of course this does not prevent companies from making changes to their disclosure policies, but inconsistent treatment of similar information should be avoided.

As previously mentioned, a company must disclose information when it is "reasonably expected" that the price of the securities will be affected. It is not required that actual changes in the price of the securities occur. The effect on the price of the securities may vary and should be determined on a company by company basis, taking into account, among other things, the share price trend, the relevant industry in question, and the actual market circumstances. Accordingly, an obligation to provide information pursuant to this provision may, for example, exist in the following situations:

- orders or investment decisions;
- co-operation agreements or other agreements of major importance;
- price or exchange rate changes;
- credit or customer losses;
- new joint ventures;
- research results;
- commencement or settlement of, or decisions rendered in, legal disputes;
- financial difficulties;
- decisions taken by authorities;
- shareholder agreements known to the company which pertain to the use of voting rights or transferability of the shares;
- market rumours;
- market making agreements;
- information regarding subsidiaries and affiliated companies; or
- significant change in the financial position.

Some of the examples are described in greater detail below.

**Orders or investment decisions; co-operation agreements**

If a company discloses a major order, it could be essential to provide information about the value of the order, including the product or other content of the order and time period to which the order relates. Orders relating to new products, new areas of use, new customers or customer types, and new markets may be considered as price sensitive under certain circumstances. In the context of co-operation agreements, it may be difficult to determine the financial effects and, therefore, it is very important to provide the securities market with a clear description of the reasons, purpose, and plans.
Financial difficulties
If a company encounters financial difficulties, such as a liquidity crisis or suspension of payments, and simultaneously loses control of its situation as significant decisions are taken by other parties, e.g. lenders or major shareholders, such a factor is reasonably expected to be price sensitive.

The foregoing does not absolve the company of its responsibilities relating to information disclosure and, therefore, the company remains liable for the disclosure of the information. This is achieved by the company staying continuously informed of developments through contacts with representatives from lenders, major shareholders, etc. On the basis of information then received, appropriate information measures may be taken.

Not infrequently, loan agreements contain different types of limits in relation to equity ratio, turnover, credit ratings or suchlike (“covenants”) and if these limits are exceeded, the lender may demand renegotiation of the loan. Exceeding such limits may be a factor of a price sensitive nature and thus must be disclosed.

Decisions taken by authorities
Even though it may be difficult for the company to control processes where decisions are made by authorities or courts of law, it is still the company’s responsibility to provide information regarding such decision(s) to the securities market as soon as possible. The information must be sufficiently comprehensive and relevant from the market’s viewpoint to enable an assessment of the effect on the company and its operations, result or financial position and thus the extent of the information needed may vary.

If it is impossible for the company to provide an opinion on the consequences of the decisions made by authorities or courts of law, the company may initially make an announcement regarding the decision. As soon as the company has made an assessment of the consequence of the decision, if any, the company should make a new announcement regarding these consequences.

Information regarding subsidiaries and affiliated companies
Decisions, facts and circumstances pertaining to the group or to individual subsidiaries, and in some cases affiliated companies as well, may likewise be price sensitive. Evaluation is naturally affected by the legal and operational structure of the group and by other circumstances.

A situation may occur in which an affiliated company discloses information independently with regard to its own operations regardless of whether the affiliated company itself has a similar duty of disclosure. In such cases the listed (parent) company is required to evaluate whether that information is also price sensitive with regard to the company’s securities and, accordingly, disclose such information in accordance with the general provision.

When the subsidiary is a company, circumstances in the subsidiary may be price sensitive for the parent company’s listed securities and must be
disclosed by the parent company. When the information is not significant from the parent company’s perspective and when the investors have sufficient information to assess the announcement from the subsidiary, it is generally unnecessary for the parent company to make a separate disclosure of information already disclosed to the markets by the subsidiary. However, the parent company must disclose the information when special assessment is required from the parent company’s perspective, for example when the consequences to the parent company cannot be easily understood from the announcement made by the subsidiary. In such cases, the information should also follow the requirements of the “Correct and Relevant Information” rule 1.2. It is preferable that listed group companies cooperate in making their announcements.

**Selective insider information**

In accordance with Chapter 14, Section 2 of the Securities Markets Act, insider information may not be disclosed, if this is not part of the work, profession or tasks of the ordinary tasks of the person disclosing the information.

In special cases it is however possible to provide information before the disclosure to persons who take an active part in the decision process or as a part of their professional role is involved in the information process. This applies to situations in which it is highly important for the company to be permitted to release certain information selectively. It could, for example, concern information to major shareholders or contemplated shareholders in conjunction with an analysis prior to a planned new share issue, to advisors retained by the company for, e.g. work on prospectuses prior to a planned share issue or other major transaction, to contemplated bidders or target companies in conjunction with negotiations regarding takeover bids or to rating institutions prior to credit ratings or to lenders prior to significant credit decisions.

The possibility to make exceptions shall be used very restrictively and subject to the continuous consideration of whether the information requested is actually required for the intended purpose. Normally, where the information is selectively disclosed, it should be subsequently published in order to neutralise the “insider position” held by those persons receiving the information.

The company shall make clear to the recipient of the information that he or she must treat the information confidentially and that the recipient has become an “insider” by virtue of the receipt of the information and, consequently is prohibited by law Chapter 14, Section 2 of the Securities Markets Act from exploiting the information for his or her own or another’s profit. The company must also maintain records in respect of those persons who have received access to the selective information in the manner required by Chapter 13 of the Securities Markets Act.

Where a company is a subsidiary of another company, the subsidiary may, before the subsidiary publishes its own report of unaudited annual
earnings figures and interim reports, disclose any information necessary for the parent company to prepare its report of unaudited annual earnings figures or interim reports. This also applies to associated companies reported by a listed owner company in accordance with the equity method. This information must, however, be treated by the parent or owner company as confidential information. On the other hand, a subsidiary may not, as a rule, disclose to the parent company other price-sensitive information, e.g. monthly accounts, budgets, forecasts, or investment plans to be used, for example, in the parent company’s internal reporting system. Naturally, the parent company’s representatives on the subsidiary’s board of directors are not precluded, in such capacity, from receiving such information.

As a result of regular contact with a customer, larger suppliers may also obtain non-published information about the customer. Since this information is obtained as a result of the business relationship, the company (the customer) may ensure, for example, through a confidentiality agreement, that the supplier does not make public or otherwise disclose the customer’s instructions or orders.

**Significant deviation in financial result or financial position**

In the event that the financial result or position of the company deviates in an unexpected and significant way from what could reasonably be expected based on financial information previously disclosed by the company, the company shall disclose information about the change if it is considered price sensitive.

1.2 Correct and relevant information

Information disclosed by the company shall be correct, relevant and clear, and must not be misleading.

Information regarding decisions, facts and circumstances must be sufficiently comprehensive to enable assessment of the effect of the information disclosed on the company, its financial result and financial position, or the price of its listed securities.

The information the company discloses must reflect the company’s actual situation and may not be misleading or inaccurate in any manner. The requirement regarding relevance dictates that the information must contain facts which provide sufficient guidance to enable evaluation of such information and its effect on the price of the company’s securities.

The second part of the provision states that information must be “sufficiently comprehensive to enable assessment of the effect of the information disclosed on the company itself, its financial result and financial position, or the price of its securities” and therefore also information omitted from an announcement may cause the announcement to be inaccurate or misleading. The information in an announcement must however be ready to be disclosed.

In some cases, like mergers and acquisitions, disclosure at various stages of the transactions may be necessary. When the transaction or specific elements of it are not yet finalized, and more information is expected to be disclosed later, the company should refer to such pending matters and in
due course give further information about them. However, companies should, in general, avoid disclosing information in stages.

1.3 Timing of information

Disclosure of information covered by these Rules shall be made without undue delay, unless otherwise specifically stated. If price sensitive information is given intentionally to a third party, who does not owe a duty of confidentiality, disclosure shall be made simultaneously.

The disclosure of information may be delayed in accordance with the Securities Markets Act.

Significant changes to previously disclosed information shall be disclosed as soon as possible. Corrections to errors in information disclosed by the company itself need to be disclosed as soon as possible after the error has been noticed, unless the error is insignificant.

The purpose of the requirement is to ensure that all market participants shall have access to the same information at the same time. The requirement to inform the market as soon as possible means that very little time may elapse between the time when a decision is taken or an event occurs, and the disclosure thereof. Normally, the disclosure should not take more time than necessary to compile and disseminate the information, but at the same time it is necessary that the information must be ready to be disclosed, to allow a sufficiently comprehensive disclosure. Even if draft announcements normally are prepared prior to planned decision-making, the rule does not require an announcement e.g. during an ongoing meeting of the board of directors or other decision-making. The disclosure can then be made after the meeting is finished.

Where an election is held or a decision is taken during evening hours, night-time hours or during a weekend, and the company’s shares are not being traded on any other marketplace with information requirements, publication may take place the following Exchange day in due time prior to the opening of the Exchange. This presupposes, however, that those persons in possession of the information continue to apply strict secrecy during the interim period.

According to these Rules it is not possible to provide price sensitive information e.g. at general meetings or analyst presentations without disclosure of the information. If the company intends to provide such information during such a meeting or presentation, the company must simultaneously – at the latest - disclose the new price sensitive information as an announcement in accordance with rule 1.5 (Methodology).

According to Chapter 6, Section 5 of the Securities Markets Act is it under certain circumstances sometimes possible to delay disclosure of price sensitive information. In these cases the company must make sure that they comply with all applicable rules in local legislation regarding delayed information.
Whenever the company discloses significant changes to previously disclosed information, the changes should also be disclosed using the same distribution channels as previously. When there are changes to information in a financial report, it is not usually necessary to repeat the complete financial report, but the changes can be disclosed in an announcement with a similar distribution as for the report.

1.4 Information leaks

If a company learns that price sensitive information has leaked prior to a disclosure, the company shall make an announcement regarding the matter. If price sensitive information is given non-intentionally to a third party, who does not owe a duty of confidentiality, disclosure shall be made without undue delay.

If a company learns that price sensitive information has leaked from the company or from a party acting in its behalf before its disclosure, the company shall disclose an announcement of the matter. See Chapter 6, Section 6 of the Securities Markets Act.

It may occur that information about the company becomes available publicly without the company itself having disclosed it by an announcement. In such cases the company assesses whether such information may be price sensitive and whether a disclosure obligation in accordance with the general provision has arisen. The assessment takes into consideration, among other things, accuracy of the information and possible underlying insider information within the company. When such information is largely accurate and in fact price sensitive information within the company, the company will need to assess whether it has been able to ensure the confidentiality of such information or if price sensitive information has leaked to the market (see also provision 1.3 regarding Timing of information).

Market rumours or media speculation regarding the company may occur even if information has not leaked from the company. The company is not obliged to monitor market rumours or respond to rumours which are without substance or other inaccurate or misleading information from a third party. In such cases the company may alternatively respond with "no comment". However, when an untrue rumour has a significant effect on the price of the company’s securities, the company may consider making an announcement in order to provide the market with correct information and to promote orderly price formation. If orderly trading is substantially affected by such rumours, the Exchange will need to consider whether it needs to take action such as suspending trading.

1.5 Methodology

Information to be disclosed under these Rules shall be disclosed in a manner that ensures fast access to such information on a non-discriminatory basis.

Information to be disclosed shall also be submitted to the Exchange for surveillance purposes not later than simultaneously with the disclosure of information, in the manner prescribed by the Exchange.

Announcements shall contain information stating the time and date of disclosure, the company’s name, website address, contact person and phone number.
The most important information in an announcement shall be clearly presented at the beginning of the announcement. Each announcement by the company shall have a heading indicating the substance of the announcement.

The purpose of the requirement is to ensure that all market participants shall have access to the same information at the same time. Information for surveillance purposes must be sent electronically in the manner prescribed by the Exchange. For practical assistance regarding the prevailing practice, the company can contact the Exchange.

1.6 Website

The company shall have its own website on which information disclosed by the company on the basis of the disclosure requirements imposed on companies shall be available for at least five (5) years.

The information shall be made available on the website without undue delay after the information has been disclosed.

The company is required to have its own website in order to ensure the availability of corporate information to the market.

The requirement applies as of the date of listing. The requirement also pertains to annual reports and prospectuses, when possible.

1.7 Waivers

The Exchange may approve, based on the written application of the company, an individual deviation from the disclosure requirements of these Rules, if the Exchange is, prior to granting the exemption, satisfied that;

(i) the deviation does not endanger the position of the investors; and

(ii) the deviation would not be contrary to the Securities Markets Act or other laws; and

(iii) the disclosure of information would be contrary to public interest or materially detrimental to the company; or

(iv) if the Financial Supervisory Authority has granted an exemption in the matter pursuant to the Securities Markets Act.

The Exchange may, based on a written application by the company, accept single deviations from the disclosure obligation based on the Rules of the Exchange, when the preconditions mentioned in the Rules are fulfilled.

2. REGULAR DISCLOSURE REQUIREMENTS

2.1 Financial reports

The company shall prepare and disclose all financial reports pursuant to legislation and other regulations applicable to the company. The company may disclose interim management statements in accordance with the Securities Markets Act instead of disclosing quarterly interim reports.
Since the annual financial report must be prepared according to IFRS adopted by EU for groups of undertakings, the financial statements release must also be prepared on the basis of the accounting principles for the annual financial report. Normally the financial statements release should be so comprehensive that the annual report does not provide the market with any new significant information that may be price sensitive.

2.2 Timing of the financial statements release and interim reports

A financial statements release shall be disclosed without undue delay and not later than two (2) months from the expiry of the reporting period, and the financial statements release shall state whether it has been audited or reviewed by the auditor, or whether it is unaudited. The timing for the disclosure of the financial statements release shall be disclosed immediately when it has been decided.

Interim reports shall be disclosed without undue delay and not later within two (2) months from the expiry of the reporting period and shall state whether they have been audited or reviewed by the auditor, or whether they are unaudited. The timing for the disclosure of an interim report shall be disclosed immediately when it has been decided.

A full report may be disclosed prior to the pre-announced day where, for example, it appears that the preparation of the financial statements release or interim report is proceeding faster than estimated. Where the company becomes aware that the report will not be disclosed by the pre-announced time, the company should announce a new day for disclosure. See also the provision regarding "Company calendar", rule 3.11.

Where information arises during preparation of a financial report, indicating that the information in the report will deviate significantly from an explicit forecast or reasonable assessment which can be made based on information previously provided by the company, the company shall disclose such information without undue delay. Therefore it is required that the disclosed information gives unambiguous and clear information without confusing or misleading the market. Also when the timeframe until the scheduled disclosure of the upcoming financial report is very short, it may be justified for the company to wait until the disclosure of the full report if it can be considered that the new information is given to the markets without undue delay. The company may also decide to disclose a complete financial report ahead of the scheduled time, when it is possible.

The two-month (2) time limit is applied to all interim reports, including those that cover the first and third quarters, if the company publishes such reports. Interim management statements are published in accordance with Chapter 7, Section 14 of the Securities Markets Act. The requirements regarding a statement on whether the interim report has been audited or not, are not applied to interim management statements. The contents and disclosure schedule of interim management reports must be in accordance with the Securities Markets Act and regulations issued by virtue of it. A company that discloses interim reports quarterly does not have to disclose interim management statements, as required in the Transparency Directive.
2.3 Contents of financial reports

The financial statements release shall contain corresponding information as the interim report published for the first six months of a financial period and, besides, the proposal by the board regarding measures called for by a profit or loss (proposed dividend per share) as well as information on the company’s distributable means. The release shall also state where and which week the financial statements and annual report will be made available to the public.

A financial statements release or an interim report release shall commence with a summary stating the company’s key figures, including, but not limited to, the company’s net sales and earnings per share.

If the company discloses the interim report, the interim management statement or the financial statements release in accordance with the procedure described in the rules and regulations of the Financial Supervisory Authority concerning the issuer’s disclosure obligation in some other way than in unedited full text, all price sensitive information shall be included in the release in which the financial report is disclosed.

The requirement to include information about the proposed dividend per share only applies provided that such a proposal exists at the time of the disclosure. Where no dividend is proposed, this must be clearly stated in the release. If a dividend proposal has not been made when the financial statements release is disclosed, the dividend proposal shall be disclosed, when the decision has been made.

2.4 Timing of financial statements and annual report

A company shall disclose its financial statements and annual report three (3) weeks prior to the general meeting at which the financial statements shall be presented for confirmation at the latest, but no later than within three (3) months from the end of the financial period.

2.5 Auditors’ report

A company shall disclose auditors’ report together with the financial statements and annual report. However, a company shall disclose an auditors’ report immediately, if the auditors’ report includes a statement which is not in standard format, if it contains remarks or additional information by the auditor, or if it states that no corporate governance statement has been issued or that the statement is not consistent with the financial statements.

For the purpose of this rule, an auditors’ report is considered to include remarks or additional information by the auditor or not to be in standard format, if the auditor has issued a qualified opinion based on the audit or if the auditor has not issued a report in standard format without remarks or additional information.

An adverse opinion is, for instance, given when a qualified opinion would not draw enough attention to any deficiency or inaccuracy in the financial statements or the annual report. No opinion is given when the auditor has been unable to carry out the auditing of the accounts to a sufficient extent and, consequently, no opinion can be given at all. Remarks or additional information by the auditor means any information given by the auditor which deviates from an auditors’ report in standard format, e.g. a note.
regarding, or reference to, a specific piece of information or a key figure in the company’s financial statements.

3. CONTINUOUS DISCLOSURE REQUIREMENTS

3.1 Forecast and forward-looking statements

If the company discloses a forecast, it shall provide information regarding the assumptions or conditions underlying the forecast provided. To the extent possible, forecasts shall be presented in an unambiguous and consistent manner. If the company issues other forward-looking statements, they shall also be provided in an unambiguous and consistent manner.

Where the company reasonably expects that its financial result or financial position will deviate significantly from a forecast disclosed by the company and such deviation is price sensitive, the company shall disclose information about the deviation. Such disclosure shall also reiterate the forecast previously provided.

The rule itself does not require the companies to disclose a forecast. Within the framework of the legislation, it is up to the company to decide the extent to which it will make a forecast or other forward-looking statements.

"Forecast“ is interpreted as an explicit figure for the current financial period and/or following financial periods. It could also for instance include a comparison to previous period (for instance “slightly better than last year”) or indicate a figure or a minimum or maximum figure for the likely level of profits or losses for the current financial period and/or following financial periods. A “forward-looking statement“ is a more general description of the company’s expected future developments.

Forecasts and other forward-looking statements shall to the extent possible be presented in an unambiguous and consistent manner. Information regarding, for example, underlying conditions should be described clearly so that investors can evaluate such information properly. For example, the information should be unambiguous about the income measure to which reference is made, e.g. whether the financial results are expressed before or after tax, whether capital gains/losses are included, whether the effects of planned corporate acquisitions are included, etc. The timeframe for the forecast should also be provided. Forecasts and other information relating to the future in interim reports and annual financial statements releases should be provided under a separate heading and in a prominent position. In conjunction with forecast adjustments, the information in the announcement shall reiterate the preceding forecast in order to evaluate the significance of the change.

The “general provision“ (1.1) regarding disclosure of price sensitive information shall also serve as a guide with respect to interpretation of changes in forecasts. This rule requires the company to disclose information about deviations from a previous forecast, when it is reasonably expected that such changes will be price sensitive. When deciding whether a change in forecast is significant enough to require a public announcement, the company must evaluate the deviation based on
the latest disclosed financial report. In deciding whether to make an announcement, the company should consider performance prospects and publicly known changes in financial conditions during the remainder of the review period. Matters affecting such prospects may include changes in the company’s operating environment and seasonal patterns in the company’s line(s) of business. Attention may also be given to any information the company has disclosed about the effect of external factors on the company, e.g. sensitivity analysis regarding commodity prices or in relation to specific market developments. Market expectations, such as analyst estimates, are not decisive for such evaluation; instead, the information disclosed by the company itself and what can justifiably be concluded from such information is decisive.

When the company has come to the conclusion that a change in forecast in the period between two reports is likely to be price sensitive, the company must disclose the change in an announcement. Also when such change is disclosed, it shall be based on sufficient knowledge in order to give unambiguous and consistent information about the change without confusing or misleading the market (see also section 1.2 Correct and relevant information).

3.2 General meeting of shareholders

Notices to attend general meetings of shareholders shall be disclosed.

The company shall disclose information about resolutions adopted by the general meeting of shareholders unless a resolution is insignificant. This requirement applies notwithstanding that such resolutions are in accordance with previously disclosed proposals. Where the general meeting has authorised the board of directors to decide later on a specific issue, such resolution by the board of directors shall be disclosed, unless such resolution is insignificant.

Notices of general shareholder meetings shall always be disclosed. This applies irrespective of if a notice contains price sensitive information or not, if a notice will be sent to the shareholders by mail or it will be made public in some other manner (e.g. in a newspaper) and notwithstanding if certain information included in the notice has been disclosed previously according to these Rules.

A proposal to a general meeting of shareholders which is price sensitive must be disclosed as soon as possible. This means that a price sensitive proposal must be disclosed without any undue delay, even though the contents of the proposal would later be part of the notice of the meeting.

Even though a notice does not contain any price sensitive information, the notice must in general be disclosed at the same time as it is sent to a newspaper, for instance. Some matter included in the notice may, however, still be open, when a notice draft is sent to a newspaper. This may constitute a reason to await the disclosure until the notice is finalized. A notice must, however, always be disclosed before the notice is published in a newspaper and before it is made available on the company’s website.

With insignificant resolutions, the rule refers for example to matters that are of technical nature.
If a company plans to disclose price sensitive information at a general meeting, the company shall disclose the information to all investors at the same time it is presented to the general meeting at the latest.

After the close of the general meeting, a company shall as soon as possible disclose information about resolutions adopted by the general meeting of shareholders unless a resolution is insignificant. This requirement applies regardless whether such resolutions are in accordance with previously disclosed proposals.

Resolutions whereby the general meeting authorises the board of directors to decide on a matter, such as the issuance of securities or repurchase of own shares, must also be disclosed. In such cases, the company must also disclose the board of directors’ resolution based on said authorisation.

3.3 Issues of securities

The company shall disclose all proposals and decisions to make changes in the share capital or the number of shares or other securities related to shares of the company, unless the proposal or decision is insignificant.

Information shall be disclosed regarding terms and conditions for an issue of securities.

The company shall also disclose the outcome of the issue.

The announcement regarding an issue of securities shall include all significant information concerning the issue of new securities. Information in the announcement should, at a minimum, include the reasons for the issue, expected total amount to be raised, subscription price and, where relevant, to whom the issue is directed. In accordance with this rule, the company also discloses a share issue (or issue of other securities) to the company itself, where such an issue is possible based on applicable law, and the decision to transfer own shares held by the company to a third party.

Disclosure concerning issues of securities shall include terms and conditions of the issue, any agreements or commitments to subscribe for shares, and time schedule information. When the company discloses the outcome of the issue, the announcement should include information such as whether or not the issue has been fully subscribed or if, for example, secondary subscription rights have been exercised. Normally, it is also relevant to repeat the subscription price, especially in cases where a fixed price has not been used (e.g. book-building process).

In accordance with Chapter 8, Section 6 of the Securities Markets Act, a company is obliged to disclose the total number of shares and voting rights at the end of each such calendar month during which the said number has changed, unless this information has been disclosed during the calendar month.
3.4 Changes in the board of directors or management and auditors of a company

Proposals and actual changes with respect to the board of directors of the company shall be disclosed. In addition, any other significant changes to the company’s top management, including but not limited to managing director, shall be disclosed.

The disclosure regarding a new board member or a new managing director shall include relevant information about the experience and former positions held by the board member or managing director.

A change of the auditor shall also be disclosed.

Any announcement regarding a new board member or managing director shall include relevant information about the experience and former positions held by that person. Such relevant information comprises, for example, information about former and present board positions as well as relevant education.

Depending on the organisation of the company, different people and positions may be considered important. In a company, all changes pertaining to the managing director and the directors are important. Other changes can also be important and, in such case, must be disclosed. This may, for example, include changes in the supervisory board and management team as well as other persons in a leading position and their deputies. Often the significance of key persons for the securities market depends on the nature of the company’s business and its organisation. Changes in the management of the company’s significant subsidiaries may also be price sensitive, above all if significant parts of the business are managed by subsidiaries and not the company itself.

3.5 Share-based incentive programs

The company shall disclose any decision to introduce a share-based incentive programme. The disclosure shall contain information about the most important terms and conditions of the programme.

The information is required to provide investors with information about the factors motivating management and other employees and also the dilution effects of the incentive programmes, in order to help investors understand the potential total liabilities under such programmes.

An announcement concerning share-based incentive programmes shall normally contain:
- the types of share-based incentive covered by the programmes;
- the group of persons covered by the programmes;
- timetable for the incentive programme;
- the total number of shares involved in the programmes;
- the objectives of the share-based incentive and the principles for granting;
- the exercise period;
- the exercise price;
- the main terms and conditions that must be met; and
• the theoretical market value of the share-based incentive programmes, including a description of how the market value has been calculated and the most important assumptions for the calculation.

The rule is only related to significant share-based incentive programmes. ‘Share-based incentives’ here means any incentive programme where the participants receive shares, securities entitling to shares, other securities where the value is based on the share price as well as synthetic programmes where a cash settlement is based on the share price or other programmes with similar features.

Information about “group of persons covered by the programmes” may consist of a general reference to groups such as board of directors, management, general staff, etc.

3.6 Closely-related party transactions

A transaction between the company and closely-related parties which is not entered into in the normal course of business shall be disclosed when the decision regarding such a transaction is taken, unless the transaction is insignificant to the parties involved.

‘Closely-related parties’ of companies include managing directors, members of the board of directors, and other managers in the parent company or significant subsidiaries who control or exercise significant influence in making financial and operational decisions in the parent company or in the relevant significant subsidiary. Legal entities controlled by these persons and shareholders controlling more than ten per cent of the shares or voting rights of the company are also considered closely-related parties.

In order to ensure credibility and confidence, any transaction with a closely-related party should be disclosed unless it is insignificant to the parties involved.

An example of a matter to be disclosed is when a closely related party, according to the definition in the rule, buys out a subsidiary from the company. Even if the subsidiary is small compared to the company and the price of securities may be unaffected, disclosure must be made according to the rule. There is however no need to disclose information if the transaction is insignificant to the involved parties. In the case of a buy out of a subsidiary, the evaluation from the company’s point of view should be done in relation to the whole group and not merely to the size of the subsidiary itself. A buy out is often significant in relation to the closely related party - and therefore a disclosure must be made if the transaction is not made in the normal course of business.

A disclosure according to this provision should only be done for transactions which are not entered into in the normal course of business. This means that a disclosure is not required for example on matters which are not exceptional but are generally available to many employees on similar terms.

3.7 Business acquisitions and divestitures

An acquisition or a sale of a company or business that is price sensitive shall be disclosed.
The disclosure shall include:

- purchase price, unless special circumstances exist;
- method of payment;
- relevant information about the acquired or sold entity;
- the reasons for the transaction;
- estimated effects on the operation of the company;
- the time schedule for the transaction; and
- any key terms or conditions that apply to the transaction.

The company or business acquired shall be described in a manner that addresses its key line(s) of business, historical financial performance and financial position.

In conjunction with price sensitive corporate transactions, specific requirements are imposed regarding the completeness of information. Based on the information disclosed about a transaction, the market participants should be able to assess the financial effects of the acquisition or sale as well as the effects on the operation of the company and the effect on the value of the securities. Typically, such assessment requires knowledge of the financial effects of the acquisition or sale as well as the effects on the operation of the company.

A company shall disclose the price in a purchase or a sale of a company because it normally is a key element in an assessment of the effects of the transaction. In rare cases there is, however, a possibility to withhold information regarding the price for an acquired or sold entity. This might be the case where the purchase price is not of importance for the valuation of the company. Another example could be when disclosure must be made in an early stage - according to other disclosure rules - before the final price negotiations have been finalized. It is then impossible to inform about the price, but once the price has been agreed upon, relevant information thereon must be disclosed. It is not unusual that the purchase price is related to the future outcome of the acquired business. In such a case the company should disclose the total estimated purchase price at once, and then if necessary, adjust the figure in future reporting. A company cannot evade the disclosure obligation by making an agreement with the opposite party stating that the purchase price or other required information will not be disclosed.

Different kinds of transactions can be considered price sensitive and there can be different ways to evaluate the transactions. Under normal circumstances, the Exchange considers a transaction to be price sensitive where any of the following pertain:

- the target entity represents more than ten per cent of the company’s consolidated revenue or assets;
- the target entity represents more than ten per cent of the company’s consolidated equity capital according to the balance sheet; or
- the consideration paid for the target entity represents more than ten per cent of the company’s consolidated equity according to the balance sheet or more than ten per cent of the total market value of the company’s shares if its total equity capital is lower than the market value of its securities.

Transactions which do not fulfil the abovementioned limits can also be considered price sensitive, e.g. due to their strategic importance.
Relevant information could include:
- the effects on the income statement or balance sheet resulting from the integration of operations or, alternatively, the effects of the sale;
- in conjunction with very large acquisitions, supplementary information should be provided in the form of pro forma accounts.

In conjunction with the acquisition of business activities, it may be particularly important to report information regarding the purchase price, the type of business that has been acquired, the assets and liabilities included in the acquisition, the number of employees transferred, etc.

In some cases, a transaction might be treated as significant but might still not significantly affect the company’s future result or financial position. In such case, it is advisable to mention this fact in the announcement.

3.8 Change in identity

If substantial changes are made to a company during a short period of time, or in its business activities in other respects, to such a degree that the company may be regarded as a new company, the company shall disclose information about the changes and consequences of the changes.

When a company undergoes significant changes and, following those changes, may be regarded to be an entirely new company, additional information regarding the company is needed. A change in identity of the company may need to be evaluated where, for example, an acquired operation is extremely large and, in particular, where the character of the business is different from the company’s business to date. “During a short period of time” means that a gradual development process within a company does not normally fall under this provision.

Evaluation of the change in identity is made on an overall basis. Criteria for evaluating whether there has been a change in identity typically include, but are not limited to, the following.

- changes in ownership structure, management or assets;
- the existing business of a limited company is sold and, in connection therewith, a new business is acquired;
- the acquired turnover or assets exceed the turnover or assets of the company;
- the market value of the acquired company exceeds the market value of the company or the paid contribution, e.g. the value of the new issued securities, exceeds the market value of the company;
- the control of the company is transferred as a result of the acquisition; and
- the majority of the board of directors or management changes as a result of a transaction.

Upon an overall evaluation, the occurrence of most or all of the abovementioned factors means that a change of identity is deemed to have taken place. On the other hand, the occurrence of only one or two of these factors might not be sufficient to treat the company as a completely new undertaking.
When a change in identity occurs, it is of the utmost importance that the securities market receives sufficient information about the company. The information must be equivalent to what is required pursuant to the rules applicable to prospectuses. This rule applies notwithstanding that the company is not obligated to prepare such a prospectus pursuant to the Securities Markets Act or any other regulation. Information must be provided within a reasonable time.

If the information presented by the company in conjunction with the disclosure of a change in identity is insufficient, the company’s securities may be given observation status pending additional information.

Observation status may also be given when the Exchange is of the opinion that the change in operation is such that it can be equated with the listing of a new company. The fulfilment of the listing requirements of a company can, in such cases, be questioned and the Exchange may initiate an examination comparable to that conducted for an entirely new company applying for listing on the Exchange. In conjunction with a planned change in identity, the Exchange should be contacted in advance so that issues regarding the company’s continued listing may be administered as smoothly as possible. The listing process has been described above in this chapter 2.

3.9 Decisions regarding listing

The company shall disclose information on the listing application, when it applies to have its securities admitted to trading on the Exchange for the first time, as well as if it applies for a secondary listing to trading at another trading venue. The company shall also disclose any decision to apply to remove its securities from trading on the Exchange or another trading venue. The company shall also disclose the outcome of any such application.

The duty to comply with the disclosure rules enters into force when a company applies to have its securities admitted to trading on an exchange. The company has no obligation to disclose unsolicited listings because such listings do not entail any disclosure or other obligations on the company.

3.10 Information required by another trading venue

When the company discloses any significant information due to rules or other disclosure requirements of another regulated market or trading venue, such information shall be simultaneously disclosed.

The purpose of the rule is to ensure that all market participants have the same information on which to base their investment decisions. The simultaneous disclosure obligation exists even if the information to be disclosed is not subject to disclosure under these rules.

3.11 Company calendar

The company shall publish a company calendar listing the dates on which the company aims to disclose the financial statements release, interim reports and interim management reports, if any, and the date of the annual general meeting. In respect of
the financial statements and annual report, the company shall publish the week of disclosure.

The company calendar shall be published before the beginning of each financial period.

If reports cannot be disclosed on the date announced in the company calendar, the company shall publish a new date of disclosure as soon as possible. If possible, the new date should be published at least one week prior to the original date.

The company calendar is normally disclosed on the company website.

If possible, the dividend payment date should be included in the disclosed calendar.

If possible, the company should also try to specify the time of the day at which the company aims to disclose the information.

If the financial statements and annual report are disclosed as part of the annual report, the date when the annual report is disclosed should also be included in the calendar.

4. INFORMATION TO THE EXCHANGE ONLY

4.1 Public tender offers

If a company has made internal preparations to make a public tender offer for securities in another company, the company shall notify the Exchange when there are reasonable grounds to assume that the preparations will result in a public tender offer.

If a company has learnt that a third party intends to make a public tender offer to its shareholders, and such public tender offer has not been disclosed, the company shall notify the Exchange when there are reasonable grounds to assume that the intention to make a public tender offer will be carried out.

When discussions on the acquisition of another company listed on a NASDAQ OMX Nordic Exchange have advanced far enough, the Exchange shall be informed of the matter well in advance. The announcement is, however, given first when the company has a well-founded reason to expect that the preparations will lead to an offer. The Exchange uses the information for the supervision of trade in order to detect unusual changes in the value of securities and prevent insider trading.

The Exchange is also informed when the company has been contacted by a third party that intends to make a public tender offer to the shareholders of the company, if there are reasonable grounds to assume that the contact will lead to a public tender offer.

There are no formal requirements for the manner of giving the information. Usually, it is done by calling the Surveillance of the Exchange.
4.2 Advance information

If a company intends to disclose information that is assumed to have a highly significant effect on the price of the securities, the company shall notify the Exchange of the matter prior to disclosure.

If the company intends to disclose a piece of information that is expected to have a highly significant effect on the value of the security, it is important that the Exchange learns of the matter in advance in order to be able to assess if the Exchange will have to take measure. The Exchange may, e.g. interrupt trading on a short term and cancel any open bids in order to give the market the opportunity to assess the new information.

It is not necessary to give information to the Exchange in advance, if it is given in connection with a report that is disclosed at a time that has been notified in advance, as it can in such a case be expected that the company discloses significant information.