

Spotlight's Guidance for Financial Reporting

Updated 1 October 2024



Background

The company shall prepare and publish financial reports on a quarterly basis in accordance with applicable legislation, relevant accounting standards, good accounting practice, and Spotlight's regulations. The company shall also make the annual report and audit report available to shareholders in accordance with the provisions of the Swedish Companies Act (2005:551). The annual report and audit report shall also be published through a press release.



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1. What and when?

A listed company shall quarterly publish regular reports on its financial position:

- For the first and third quarters, an interim report is prepared (Q1 and Q3)
- For the second quarter, a semi-annual report is prepared (Q2)
- For the fourth quarter, a year-end report is prepared
- The annual report with the audit report shall be published in a press release
Regular reports must be published no later than two months after the end of the reporting period.

(See Spotlight's regulations 4.1 and 4.2)

2. What applies in the case of group relationships?

If the listed company is a parent company, the regular report submitted must pertain to both the parent company and the group. This means that there should be separate tables in the report for both the parent company and the group. It must be clearly indicated which information relates to the parent company and which relates to the group.

(See Spotlight's regulations 4.3)

3. Requirements for Content

All reports must include at least the following (See Spotlight's regulations 4.4, 4.5, and 4.6).

Cash flow analyses are not required in Q1 and Q3 reports but are recommended.

- Summary income statement for the current reporting period and accumulated for the current financial year to date, with comparative figures for the corresponding periods of the previous financial year
- Summary balance sheet as of the end of the current reporting period with comparative figures for the end of the previous financial year
- Significant revenues and expenses
- Profit after tax per share as of the end of the reporting period with comparative figures for the corresponding period of the previous financial year
- Information on the number of outstanding shares as of the end of the reporting period. The information should be provided both before and after the exercise of outstanding convertibles, subscription options, and similar instruments if they result in an increase in the number of shares
- Commentary on the development of the results and position with a focus on the most recent quarter
- Date of the next report
- If forward-looking information is provided, it should also be clear whether the information is new or if it pertains to a follow-up of previously provided information. Information on whether the report has been reviewed by the company's auditors; if a review has taken place, the auditor's statement should be included in the report.

In the half year report, in addition to the above, at least the following must be included:

- Summary cash flow analysis for the half-year and comparative figures for the corresponding period of the previous financial year.

In the unaudited annual report, in addition to the above, at least the following must be included:

- Summary cash flow analysis for the financial year with comparative figures for the previous financial year
- Proposal for dividend distribution (if no dividend is proposed, this must be stated)

- Where and when the complete annual report and, if applicable, the consolidated financial statements are expected to be made available
- Information about the planned date and location of the annual general meeting
- Commentary on the company's fulfillment or non-fulfillment of the going concern principle.

4. Forecast

If the report contains a forecast or other forward-looking statements, the assumptions, conditions, and terms underlying the forecast or statement must be specified. The company must promptly disclose any information regarding adjustments, changes, or the likelihood of a previously provided forecast or forward-looking statement not being met. The forecast should also be continuously monitored in subsequent reports, comparing actual results against the forecast. (See Spotlight's regulations 4.9)

Companies that have provided forecasts must issue a profit warning in the event of a significant change in results or financial position. (See Spotlight's regulations 3.7).

5. Which reports should refer to MAR?

The disclosure of insider information must, since July 3, 2016, include a so-called MAR label. When a company discloses a financial report that contains insider information, the press release and the full report must refer to MAR with a MAR label. If the report does not contain insider information, the press release should not refer to MAR. The assessment of whether a report contains insider information must be made on a case-by-case basis. Specific circumstances regarding the financial report can constitute insider information. However, in normal circumstances, it is the entire report, that may constitute potential insider information.

The interim report should always be kept confidential and within a very narrow circle prior to publication.

6. Reporting Date

Each report must be published no later than two months after the end of the reporting period. Therefore, the company should choose the date for the publication of reports during the prescribed period. At each given report, the companies must, at a minimum, specify the date for the publication of the next report. An annual financial calendar is recommended, and reporting should occur on a weekday.

The main rule is that the report should then be published on the date specified in the previous report. It is acceptable to move the timing of the report's publication to either a later or an earlier date. However, the company must announce the change of date via a press release prior to the publication of the report. It is not permissible to change the date of the report's publication to a date more than two months after the end of the reporting period.

When should the report be moved forward?

A report that is completed significantly earlier than the announced report date may be published earlier. This is because a report that is fully completed should not be held up for publication longer than necessary. If the report is moved forward, this must be announced in a press release before the report is published.

7. Going Concern Principle and Future Financing

The going concern principle essentially means that there must be liquidity for the company's continued operations over the next 12 months. If, from the balance sheet date, there is no

liquidity for this period, the company must comment on this in the year-end report and annual report.

If the company does not meet the requirement for the going concern principle, the reasons for the deviation from the principle and an assessment of its effect on the company's position and results must be included in the report.

If there is no liquidity for the upcoming 12 months, the auditor is obligated to inform about this in the audit report. The company must also comment on this in the same press release as the publication of the annual report.

If there is no liquidity for the upcoming quarter, the company must promptly inform Spotlight. (See Spotlight's regulations 5.4) In the case of taking loans from related parties, for example, to resolve short-term liquidity issues, the company must inform about this in accordance with the rules on agreements with related parties. (See Spotlight's regulations 4.23.)

8. The reports formatting

Below are suggested contents (in bold) for each report with comments where applicable.

Interim Report 1 (Quarterly Report 1 or Q1)

Key Figures/Summary:

First Quarter 2019-01-01 – 2019-03-31

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-
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In the introduction to the report, the company should state some key figures (bullet points) for each period. The same key figures should be used in all reports. To the extent that the company uses alternative key figures, it is recommended that these be defined in the report as well. The key figures should also include comparative figures for the corresponding periods of the previous financial year.

CEO's comments on the period

Significant events during and after the reporting period

Financial Overview/Information

The financial comments should provide the reader with further understanding of the company's profit development and financial position. If necessary, the information in the financial results can be repeated, but primarily the comments should focus on providing the reader with a better opportunity for deeper understanding and analysis, e.g., why have the company's revenues and expenses changed compared to previous periods.

The financial comments also provide a framework for the extent to which the company's spokesperson can comment on the financial development in a dialogue with, for example, analysts or investors.

Whether the Report Has Been Reviewed by Auditors

If the report has been reviewed by the company's auditor, the auditor's report should also be attached at the time of the report's publication.

Number of Shares at the End of the Period

Timing of the Next Report

Summary Income Statement and Balance Sheet

If the company is a parent company, the financial reports should cover both the parent company and the group. The group's reports should come before the parent company's reports. The income statement and balance sheet should reflect the most recent quarter.

If the company has a calendar year as its financial year, the statements should be structured as follows.

Income statement

2019-01-01 – 2019-03-31	2018-01-01 – 2018-03-31	2018-01-01 – 2018-12-31
		This column is not a requirement, but is recommended

Balance sheet

2019-03-31	2018-03-31	2018-12-31
	This column is not a requirement, but is recommended	

Interim Report 2 (Half-Year Report or Q2)

Key Figures/Summary:

Second Quarter 2019-04-01 – 2019-06-30

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First Half-Year 2019-01-01 – 2019-06-30

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In the introduction to the half-year report, the company should state a few key figures (bullet points) for each period. The same key figures should be used in all reports. To the extent that the company uses alternative key figures, it is recommended that these also be defined in the report.

CEO's comments on the Period

Significant events during and after the reporting period

Financial Overview/Information

These financial comments should provide the reader with further understanding of the company's profit development and financial position. If necessary, the information in the financial results can be repeated, but the comments should primarily focus on giving the reader a better opportunity for deeper understanding and analysis, e.g., why the company's revenues and expenses have changed compared to previous periods.

The financial comments also provide a framework for the extent to which the company's spokesperson can comment on financial developments in a dialogue with, for example, analysts or investors.

Whether the Report Has Been Reviewed by Auditors

If the report has been reviewed by the company's auditor, the auditor's report should also be attached when the report is published.

Number of Shares at the End of the Period

Timing of the Next Report

Summary Income Statement, Balance Sheet, and Cash Flow Statement

If the company is a parent company, the financial reports should cover both the parent company and the group. The group's reports should come before the parent company's reports.

The income statement and balance sheet should account for the most recent quarter and accumulated for the half-year. The cash flow statement should account for the half-year.

If the company has a calendar year as its financial year, the statements should be structured as follows.

Income statement

2019-04-01 – 2019-06-30	2018-04-01 – 2018-06-30	2019-01-01 – 2019-06-30	2018-01-01 – 2018-06-30	2018-01-01 – 2018-12-31
				This column is not a requirement, but is recommended

Balance sheet

2019-06-30	2018-06-30	2018-12-31
	This column is not a requirement, but is recommended	

Cash flow analysis

2019-01-01 - 2019-06-30	2018-01-01 -2018-06-30	2018-01-01 - 2018-12-31
		This column is not a requirement, but is recommended

Interim report 3 (quarterly report 3 or Q3)

Key figures/summary:

Third quarter 2019-07-01 – 2019-09-30

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Nine months 2019-01-01 – 2019-09-30

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In the introduction of the report, the company should state some key figures (bullet points) regarding each period. The same key figures should be used for all reports. To the extent that the company uses alternative key figures, it is recommended that these are also defined in the report. The key figures must also have comparative figures for the corresponding period closest to the previous financial year.

CEO comments for the period

Significant events during and after the end of the period

Financial overview/information

These financial comments are intended to give a reader additional understanding of the company's performance and financial position. If necessary, the information in the financial outcome can be repeated, but primarily the comments should focus on giving the reader a better opportunity for in-depth understanding and analysis, for example why have the company's revenues and costs changed compared to previous periods.

The financial comments also provide a framework for the extent to which the company's spokesperson can comment on the financial development in a dialogue with e.g. analysts or investors.

Whether the report has been reviewed by an auditor or not

If the report has been reviewed by the company's auditor, the auditor's report must also be attached when the report is published.

Number of shares at the end of the period

Time next report

Income statement and balance sheet in summary

If the Company is a parent company, the financial reports must cover both the parent company and the group. The group's reports should come before the parent company's reports. The income statement and balance sheet must report on the most recent quarter and cumulatively for the last three quarters. If the company has a calendar year as its accounting year, the lineups are as below.

Income statement

2019-07-01 – 2019-09-30	2018-07-01 – 2018-09-30	2019-01-01 – 2019-09-30	2018-01-01 – 2018-09-30	2018-01-01 – 2018-12-31
				This column is not a requirement, but is recommended

Balance sheet

2019-09-30	2018-09-30	2018-12-31
	This column is not a requirement, but is recommended	

Year-end report (quarterly report 4 or Q4)

Key figures/summary:

Fourth quarter 2019-10-01 – 2019-12-31

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Full year 2019-01-01 – 2019-12-31

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In the introduction of the report, the company should state some key figures (bullet points) regarding each period. The same key figures should be used for all reports. To the extent that the company uses alternative key figures, it is recommended that these are also defined in the report. The key figures must also have comparative figures for the corresponding period closest to the previous financial year.

CEO comments for the period

Significant events during and after the end of the period

Financial overview/information

These financial comments are intended to give a reader additional understanding of the company's performance and financial position. If necessary, the information in the financial outcome can be repeated, but primarily the comments should focus on giving the reader a better opportunity for in-depth understanding and analysis, for example why have the company's revenues and costs changed compared to previous periods. The financial comments also provide a framework for the extent to which the company's spokesperson can comment on the financial development in a dialogue with e.g. analysts or investors.

Whether the report has been reviewed by an auditor or not

If the report has been reviewed by the company's auditor, the auditor's report must also be attached when the report is published.

Information on whether the company meets the criteria for the survival principle or not

Number of shares at the end of the period

Time for the next report

Proposal for profit distribution

Where and when the annual report and audit report are expected to be made available to the public

Date and place of the annual general meeting

Income statement and balance sheet and cash flow analysis in summary

If the Company is a parent company, the financial reports must cover both the parent company and the group. The group's reports should come before the parent company's reports. The income statement and balance sheet must report on the most recent quarter and accumulated year. If the company has a calendar year as its accounting year, the lineups are as below.

Income statement

2019-10-01 – 2019-12-31	2018-10-01 – 2018-12-31	2019-01-01 – 2019-12-31	2018-01-01 – 2018-12-31

Balance sheet

2019-12-31	2018-12-31

Cash flow analysis

2019-01-01 - 2019-12-31	2018-01-01 - 2018-12-31

9. Publication of the report via Cision

The report must be uploaded via Cision by the company. Regarding reports/year-end statements, here is a clarification regarding which fields must be filled in when you have logged into Cision's web solution.

Step 1

- Type of information: Quarterly report/year-end report and which period the quarterly report/year-end report refers to,
- Category for my website: Interim reports/Financial close release

Step 2

- Mandatory lists: Cision News, Website Network, My website, Subscribers to my website, Spotlight, Spotlight Stock Market Standard list.
- To the extent that the report contains insider information and therefore has a MAR label, the

EU Transparency Wire must also be completed.

All mandatory mailing lists are included in Spotlight's monthly fee.

Step 3

- Post the text version from Key Figures/Summary or "bullet points" up to and including CEO words, then upload the entire report as a PDF file. The following text is proposed to be added in connection with the PDF, "See attached report".