

SPAC Product Fact Sheet

Background

Recognizing the evolution and growth of the SPAC market internationally, particularly in the United States, Nasdaq has updated its Nordic Main Market Rulebook for Issuers of Shares to include specific rules governing the admission of SPACs. SPACs are blank-check companies whose purpose is to complete one or more business combinations within a certain time period. SPACs raise capital in an initial public offering with the proceeds held in a Deposit account until released to fund the business combination. Upon closing of the business combination, the SPAC combines with the identified target to form a listed operating company. In recent years, SPAC IPOs have grown both in volume and in gross proceeds.

Nasdaq's revised rules, in line with those in the United States, are intended to create flexibility in the Nordic Market listing regulations for SPACs, encourage SPACs to list on the Nordic Markets and generate investor interest while providing clarity on requirements and ensuring adequate protection of investors.

Typical Lifecycle of a SPAC



Specific Requirements for SPACs on Nasdaq Nordic.

Under the rules adopted today, SPACs seeking admission on the Nordic Markets will have the following key features:

- At least 90% of the IPO's gross proceeds and any other sale of equity securities to be deposited in a Deposit account;
- Organizational documents providing for redemption rights for shareholders in connection with the business combination under certain circumstances;
- Within 36 months (or less), completion of one or more business combination reaching a value of at least 80% of proceeds deposited in Deposit account.

Requirement of sufficient liquidity of shares (i.e. 25% of shares are publicly held by at least 500/300 (if LP) qualified shareholders).¹

- Approval of each proposed business combination by a majority of the independent directors and a majority of the shareholders;
- Initiation of a new listing process after the SPAC's entry into a definitive business combination agreement; and
- Requirement of sufficient liquidity of shares (i.e. 25% of shares are publicly held by at least 500/300 (if LP) qualified shareholders).¹

In addition, Sponsors of SPACs will have flexibility to incorporate other key features of SPACs seen in international markets, including combined share and warrant offerings and sponsor promote structures to align the interests of sponsors and investors and incentivize successful transactions.

How to list a Special Purpose Acquisition Company (SPAC) on the Nordic Markets?

Under the rules adopted today, SPACs seeking admission on the Nordic Markets are subject to the same requirements as other companies, with the addition of the specific SPAC requirements above, and with the exception of the requirements to:

- publish or file certain historical financial information; and
- provide information regarding the SPAC's business operations and operating history.

For a complete description of the admission requirements for SPACs on the Nordic Markets, please refer to the Nordic Main Market Rulebook for Issuers of Shares available [here](#). For questions and answers on the admission requirements and admission process please refer to the [FAQ](#).

Comparison of Certain SPAC Jurisdictions (for illustrative purposes)

	U.S. SPACs	Nordic SPACs	UK SPACs	Dutch SPACs
Redemption Right	✓ SPAC shareholders can redeem their shares post business combination announcement	✓ SPAC shareholders can redeem their shares post business combination announcement	? Redemption option for shareholders is possible but not required	? Redemption option for shareholders is possible but not required.
Shareholder Vote on Business Combination	✓ SPAC shareholders to vote to approve business combination	✓ SPAC shareholders to vote to approve business combination	? SPAC shareholder vote is possible but not required for business combination	? SPAC shareholder vote is possible but not required for business combination
Promote	Promote has become standardized at 20% shareholding of the SPAC that kicks-in on business combination completion	No market standard	No market standard	No market standard
Sponsor Economics & At-Risk Capital	At risk capital of 2% of SPAC size + \$2mm invested through warrants 10-12x return on capital at combination⁽¹⁾	No market standard	No market standard	No market standard

Note: (1) Economics for a \$250-500mm SPAC for illustrative purposes.

¹ Note: Applicable to all issuers.