<u>IMPORTANT NOTICE</u>: This version is a translation of the original Swedish decision and is only made available for information purposes.

NASDAQ STOCKHOLM'S	DECISION	13 April 2023
DISCIPLINARY COMMITTEE	2023:04	

Nasdaq Stockholm

Goodbye Kansas Group AB (publ)

DECISION

The Disciplinary Committee orders Goodbye Kansas Group AB to pay a fine to Nasdaq Stockholm corresponding to four times the annual fee.

Motion

The shares in Goodbye Kansas Group AB (”Goodbye Kansas” or the ”Company”) are admitted for trading on Nasdaq Stockholm's (the "Exchange") Nasdaq First North Growth Market trading platform. The Company has signed an undertaking to comply with the Exchange's Rule Book for Nasdaq First North Growth Market applicable from time to time (the "Rule Book").

The Exchange has argued that Goodbye Kansas violated section 4.1.1 of the Rule Book by publishing incorrect information as inside information in violation of Article 17 of MAR. The Company has moved that the Disciplinary Committee evaluate the violations of the Rule Book and order a suitable sanction.

The Company has stipulated to the facts in the case.

Neither of the parties has requested an oral hearing. The Disciplinary Committee has reviewed the documents in the matter.

<u>IMPORTANT NOTICE</u>: This version is a translation of the original Swedish decision and is only made available for information purposes.

Reasons for the decision

<u>The Rule Book</u>

Pursuant to section 4.1.1 of the Rule Book, an issuer shall disclose inside information in accordance with Article 17 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 (“MAR”).

Article 17.1 of the MAR provides that the inside information is to be made public in a manner which enables fast access and an opportunity to make a complete, correct and timely assessment of it by the public.

<u>Considerations</u>

On 19 January 2023 at 3:52 pm, the Company published a press release, "Goodbye Kansas Studios wins one of its largest orders for cinematic game trailer", with information that the Company had obtained an order of approximately SEK 51 million from a repeat customer. The press release contained a reference that the information was of the type that the Company was obligated to make public pursuant to the MAR. The publication also had a positive impact on the Company's share price and, by the end of the trading day, it had risen by approximately 124 percent in relation to the previous day's closing price. On 20 January 2023 at 1:23 am, the Company published a new press release, "Incorrect information in previous press release 'Goodbye Kansas Studios wins one of its largest orders for cinematic game trailer'". The press release stated that the company had, in fact, not yet received a binding order from the customer in question, that the parties were still in negotiations regarding the order and that the Company had mistakenly published incorrect information in this regard. At the beginning of the trading day the Company's share price fell and, at the end of the trading day, the price decline in the Company's share price was almost 35 percent.

The Exchange has argued: The Exchange notes that the Company's publication of insider information on 19 January 2023 contained directly incorrect information that the Company had obtained one of its largest orders, when in fact negotiations regarding this potential order were still ongoing. In light of this, it is clear to the Exchange that the publication did not allow for a complete and accurate assessment of the inside information in question as prescribed in Article 17 of MAR. The publication thus also violated section 4.1.1 of the Rule Book. In view of the fact that the incorrect information related to an item of wholly central importance for the valuation of the insider information in question - which was also demonstrated by the market's strong reactions to the Company's various announcements regarding the order - and in view of the fact that there was a delay of more than nine hours before the Company published correct information in this respect, the Exchange takes a particularly serious view of the Company's violation.

Goodbye Kansas has argued: The press release which was published on 19 January 2023 at 3:52 pm was not intended to be published until a binding agreement had been reached with the customer. The press release was drafted in in order to prepare for the agreement being signed, which was something that could take place on very short notice. However, due to a misunderstanding in the communication between the Company and the Company's PR agency, the press release was published even though the agreement had not yet been concluded. It was a question of the human factor and not, for example, ignorance of the regulatory framework or lack of requisite capacity to provide information. As soon as the Company became aware of the mistake, measures were taken to deal with the situation. The Company contacted the PR agency, its Certified Adviser and
financial and legal advisors. A draft correction was immediately prepared, but when it was

<u>IMPORTANT NOTICE</u>: This version is a translation of the original Swedish decision and is only made available for information purposes.

recognized that the incorrectly published information was substantially correct, a discussion ensued on what should be corrected and how such a correction should be worded. The responsible team worked continuously during the evening of 19 January 2023, initially analyzing and understanding the situation and status of the negotiations with the customer, and then rewording the press release. It was not until after midnight, i.e. on 20 January 2023, that the group, including the board of directors of the Company, agreed on the wording of the new press release. The publication of the corrective press release was thus, in the Company's assessment, made as soon as possible after the error in the first press release had been identified.

The *Disciplinary Committee finds* that it is undisputed that the press release published by the Company on 19 January 2023 at 3:52 pm constituted inside information and that it was incorrect. Th Company has thus published the information in violation of Article 17.1 of the MAR, since the information did not make possible a complete and correct assessment of the significance of the information for the Company’s financial instruments and thus violated section 4.1.1 of the Rule Book.

The Disciplinary Committee finds that the Company violated Article 17.1 of the MAR and thus section 4.1.1 of the Rule Book. The Disciplinary Committee holds that the violation is serious, and therefore a fine shall be imposed as a sanction. When determining the sanction, the Disciplinary Committee attaches particular weight to how the infringement misled the market and the significant length of time it took for the Company to correct the incorrect provision of information, which appears to have been partly due to the Company awaiting the board of directors' approval of the corrective press release (cf. the Disciplinary Committee's decision 2020:02). In light of this, the Disciplinary Committee sets the fine at four times the annual fee.

On behalf of the Disciplinary Committee,

Marianne Lundius

Former Justice Marianne Lundius, Justice Johan Danelius, former authorized public accountant Svante Forsberg, *Advokat* Magnus Lindstedt, and *Advokat* Erik Sjöman participated in the Committee’s decision.

Secretary: Associate Professor Erik Lidman