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NASDAQ STOCKHOLM'S

DECISION

4 December 2024

DISCIPLINARY COMMITTEE

2024:06

Nasdaq Stockholm

Flexion Mobile Plc

DECISION

The Disciplinary Committee orders Flexion Mobile Plc to pay a fine to Nasdaq Stockholm corresponding to seven times the annual fee.

Motion

The shares in Flexion Mobile Plc ("Flexion" or the "Company") are traded on the Nasdaq Stockholm (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 the Company violated the Rule Book on three occasions by failing to disclose financial information at the right time and in the right manner.

The Company has stipulated to the violations of the Rule Book.

An oral hearing in the matter took place on 29 November 2024. At the hearing, Chairman of the Board Carl Palmstierna, CEO Jens Lauritzson, and COO Per Lauritzson participated on behalf of the Company. Christine Hult (Head of Enforcement and Investigations) and Peter Olivecrona (Lead Regulatory Compliance) participated on behalf of the Exchange.

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Reasons for the decision

The Rule Book

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”).

Pursuant to Article 17 of the MAR, the issuer shall inform the public as soon as possible of inside information which directly concerns that issuer. The inside information must be made public in a manner which enables fast access and complete, correct and timely assessment of the information by the public.

Pursuant to Article 2.1 of Commission Implementing Regulation (EU) 2016/1055 of 29 June 2016 (the “Implementing Regulation”), the issuer shall disclose inside information using technical means that ensure that the information is disseminated to as wide a public as possible on a non-discriminatory basis.

Pursuant to section 4.3.1 of the Rule Book, an issuer shall disclose its annual report and, where applicable, consolidated accounts, within six months of the expiry of the financial year.

Considerations

Annual reports 2022 and 2023

Flexion disclosed the annual report for 2022 on 10 June 2024 and the annual report for 2023 on 18 November 2024.

The Exchange has argued: The Company has violated section 4.3.1 of the Rule Book by not disclosing the annual reports for 2022 and 2023 within six months of the expiry of the relevant financial years. In light of the fact that the delays were, at least in part, due to circumstances that were beyond the Company's control, the Exchange does not believe that there is cause to question the Company's capacity to provide information, despite the long delay.

The Company has argued: The Company stipulates to the violations of the Rule Book. However, the reason for the delay regarding the 2022 annual report was due to actions on the part of the Company's auditor at the time in question and which were beyond the Company's control, and so the Company believes that no fine should be imposed. The delay regarding the 2023 annual report was a consequence of the delay in the 2022 annual report and, as a consequence of English law (where Flexion is incorporated), it was not in fact possible to publish the 2023 annual report earlier than as took place

The Disciplinary Committee observes that it is undisputed that the Company violated section 4.3.1 Rule Book by failing to disclose the annual reports for 2022 and 2023 in due time.

Update for the Q4 2023 and earnings video presentation

On 19 March 2024, the Company published a press release with information that the Company's update for Q4 2023 and earnings video presentation had been published prematurely due to a technical failure in its service provider's system. The press release stated that the information in question constituted inside information as per the MAR.

The Exchange has argued: It is undisputed that the Company's Q4 2023 update and earnings video presentation contained inside information and that this information was therefore not

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disclosed in a non-discriminatory manner as required by Article 17 of the MAR and Article 2(1) of the Implementing Regulation. The Company thereby violated section 4.1.1 of the Rule Book.

The Company has argued: The Company has stipulated to the violation of the Rule Book. The violation was due to an operational error by a communications service provider retained by the Company.

The Disciplinary Committee observes that it is undisputed that the Company violated section 4.1.1 of the Rule Book by failing to disclose the now-relevant inside information in accordance with Article 17 of the MAR and Article 2.1 of the Implementing Regulation.

The Disciplinary Committee observes that it is undisputed that the Company violated the Rule Book in three respects. The Disciplinary Committee deems the violations to be serious and of the type that would ordinarily lead to delisting. The Disciplinary Committee observes that it is undisputed that the violations were due, at least in part, to causes beyond the Company's control. According to the Committee, the circumstances are not such as to relieve the Company of liability, however they justify the imposition of a fine instead. In light of the fact that despite warnings from the Exchange, the Company, committed repeated violations of the Rule Book – of which two are similar in nature – and the significant delay in respect of the disclosure of the Company's annual report for 2022, the Disciplinary Committee sets the fine at seven times the annual fee.

On behalf of the Disciplinary Committee,

A handwritten signature in blue ink, appearing to read 'Marianne Lundius', is shown within a light gray rectangular box.

Marianne Lundius

Former Supreme Court Justice Marianne Lundius, Supreme Court Justice Johan Danelius, *advokat* Wilhelm Lüning, Company Director Kristina Schauman, and *advokat* Erik Sjöman participated in the Committee's decision.

Secretary: Associate Professor Erik Lidman