SECURITIES LAW COMPLIANCE

This memorandum summarizes the various continuing reporting and disclosure requirements and compliance procedures of the U.S. Securities and Exchange Commission and the Nasdaq Stock Market that will apply as a result of the **[de-SPACing transaction] [IPO] [registered public offering of securities]** and the concurrent listing of securities on the Nasdaq Stock Market.

This memorandum is intended to make you generally aware of the responsibilities and potential liabilities under the U.S. federal securities laws. It is ***not*** a definitive statement on this subject. If you have any questions regarding this memorandum or any specific situations regarding the applicability or effect of the U.S. federal securities laws, contact Peter Castellon at +44 (20) 7280-2091 or Simon J. Wood at +44 (20) 7280-2288.

Overview

As an issuer with securities listed on the Nasdaq Stock Market, the Company will be subject to the reporting requirements under the U.S. Securities Exchange Act of 1934, as amended, including the obligation to file annual reports on Form 20-F and to furnish certain information on Form 6-K. In addition, as a Nasdaq-listed issuer, the Company will be subject to certain disclosure obligations, including the requirement to disclose promptly any material information that might affect the market for its securities and to dispel any unfounded rumors resulting in unusual market activity or price variations.

The Company may be liable for material misstatements or omissions in its annual reports on Form 20-F and other information publicly released in the United States. Accordingly, it is important for you to give careful attention to the procedures the Company will follow on an ongoing basis to protect itself from potential liability.

In addition, the requirement that the Company periodically furnish certain information to the SEC on Form 6-K makes it advisable that the Company have procedures in place to ensure that any such required current reports on Form 6-K are furnished to the SEC on a timely basis and, if appropriate, reviewed by external lawyers. While most current reports on Form 6-K will ***not*** require review by external lawyers, certain press releases or other public statements concerning material developments may involve significant questions of judgment both as to the timing of the release and the extent of the disclosure, and consultation with U.S. securities lawyers may be advisable in certain cases.

In addition to the reporting requirements, the Company will also be subject to various other requirements, including corporate governance requirements, that are also covered in this memorandum.

Annual reporting on Form 20-F

As a foreign private issuer with securities listed on the Nasdaq Stock Market, the Company will be required to file annual reports on Form 20-F with the SEC. The initial annual report will generally include the same level of disclosure as, and be patterned on, the Company's registration statement on Form **[F-1][F-4]**. The initial annual report on Form 20-F should then form the basis for the presentation of the same items in succeeding annual reports on Form 20-F. Additionally, the annual report on Form 20-F will need to be updated to reflect subsequent events and passage of time. As in the case of most SEC forms, Form 20-F is ***not*** a blank form to be filled in but is to be used as a guide in the preparation of the document to be filed. An overview of the form requirements of an annual report on Form 20-F is attached as Exhibit B.

The Company's annual report on Form 20-F must include three years of audited financial statements. Such financial statements may be prepared in accordance with IFRS. Foreign private issuers that use IFRS issued by the IASB need ***not*** reconcile these financial statements with U.S. GAAP.

The Company is subject to the SEC's XBRL filing requirements with respect to its annual report on Form 20-F. XBRL is a technology for tagging data to identify and describe information in an issuer's financial statements. Financial statements that are tagged with XBRL can be searched, downloaded into spreadsheets and analyzed. The Company will need to submit an interactive data file with its annual report on Form 20-F that includes the appropriate tags based on an IFRS taxonomy specified on the SEC website.

The deadline for filing an annual report on Form 20-F is four months after the end of an issuer's financial year. The annual report on Form 20-F must be signed on behalf of the issuer by an authorized officer. In addition, the annual report on Form 20-F must incorporate periodic report certifications under the Sarbanes-Oxley Act that are discussed below.

Current reports on Form 6-K

As a reporting foreign private issuer, the Company will be required to furnish ***promptly*** current reports on Form 6-K, disclosing all material information that meets any of the following criteria:

- information the Company discloses or is required to disclose pursuant to the laws of its country of organization
- information the Company files or is required to file with a stock exchange on which its securities are traded and that was made public by that exchange
- information the Company distributes or is required to distribute to its securityholders.

For the purposes of Form 6-K, ***promptly*** means that the information must be furnished to the SEC around the same business day that the information is published in another jurisdiction.

Any information or material disclosed in current reports on Form 6-K is required to be in English. Press releases, documents distributed to securityholders, any documents that disclose annual audited or interim unaudited financial information and certain other categories of documents must be accompanied by a full English translation. An English summary may be furnished instead of a full translation with respect to certain other documents.[1]

Material information includes the following:

- information with respect to an issuer and its subsidiaries concerning changes in business
- changes in management or control
- acquisitions or dispositions of assets
- bankruptcy or receivership
- changes in registrant's certifying accountants
- financial condition and results of operations

[1] An issuer is ***not*** required to furnish on Form 6-K the offering document for a securities offering that it makes exclusively outside the United States or a translation or a summary of such offering document. (D.3 of the General Instructions to Form 6-K.)

- material legal proceedings
- changes in the terms of securities or in the security (i.e. collateral) for registered securities
- defaults upon senior securities
- material increases or decreases in the amount outstanding of securities or indebtedness
- the results of the submission of matters to a vote of securityholders
- transactions with directors, officers or principal securityholders
- the grant of options or payment of other compensation to directors or officers
- any other information the registrant deems of material importance to securityholders.

Information provided to the SEC on Form 6-K is considered to be ***furnished*** to the SEC, not ***filed***, which has the following implications:

- An issuer does ***not*** have liability under Section 18 of the Exchange Act for this information or the related press release or other communication.
- Neither the information nor the related exhibits need to be incorporated by reference into any other filing with the SEC.

However the information and related exhibits are subject to liability under other applicable provisions of the Exchange Act, including Section 10(b) and Rule 10b-5, regardless of whether they are furnished or filed.

Disclosure Requirements under the Sarbanes-Oxley Act

Every issuer that files periodic reports with the SEC, whether it is required to or is a voluntary filer, is required to comply with Sections 302, 906, 404(a), 404(b), 406 and 407 of the Sarbanes-Oxley Act. Section 404(b) of the Sarbanes-Oxley Act, however, does not apply to emerging growth companies ("EGCs") that have been reporting companies for less than five years.

In addition to these disclosure requirements, the Sarbanes-Oxley Act includes provisions that allow companies to claw back certain bonuses and other compensation and protections for whistleblowers against retaliation by their employers.

Disclosure requirements under the Sarbanes-Oxley Act are described below and summarized in Exhibit C.

Section 302 certification

The SEC rules promulgated pursuant to Section 302 of the Sarbanes-Oxley Act require the CEO and CFO to make personal certifications in each annual report on Form 20-F that the Company files with the SEC.

Pursuant to the Section 302 of the Sarbanes-Oxley Act, as implemented by Rules 13a-14 and 15d-14 under the Exchange Act and Item 15 of Form 20-F, the CEO and CFO must certify as to the following:

- The signing officer has reviewed the report.

- Based on the signing officer's knowledge, the report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading with respect to the period covered by the report.

- Based on the signing officer's knowledge, the financial statements and other financial information included in the report fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in the report.

- The signing officers are responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting, and have done the following:

    - designed the disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under their supervision, to ensure discovery of material information

    - designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP (including IFRs as issued by the IASB)

    - evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in the report the signing officers' conclusions about their effectiveness, as of the end of the period covered by the report based on such evaluation

    - disclosed in the report any change in the issuer's internal control over financial reporting that occurred during the most recent financial period that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting.

- The signing officers have disclosed, based on their most recent evaluation of internal control over financial reporting, to the issuer's auditors and audit committee all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting that are reasonably likely to affect adversely the issuer's ability to record, process, summarize and report financial information and any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

The certification generally must be in the exact form required by the instructions in Form 20-F and must be included in the annual report to which it relates. Amendments to an annual report on Form 20-F are required to include the Section 302 certification, whether or not the amendment includes any financial statements. Section 302 certification expressly requires the CEO and CFO to disclose to the audit committee any significant deficiency or material weakness in, or fraud with respect to, the internal control system. Signing officers who provide a false certification may be subject to SEC enforcement proceedings for violating Section 13(a) of the Exchange Act and to both SEC and private actions for violating Section 10(b) of the Exchange Act and SEC Rule 10b-5.

A violation of these rules exposes the CEO and the CFO to financial penalties up to $0.5 million or the gain made from the violation.

Section 906 certification

Section 906 of the Sarbanes-Oxley Act provides that each periodic report containing financial statements filed with the SEC must be accompanied by a certification made by both the CEO and the CFO. In the Company's case, the certification is required in connection with its annual report on Form 20-F.[2] Section 906 certification does ***not*** apply to current reports on Form 6-K whether or not they contain financial statements. This certification is in addition to the certification required under Section 302 of the Sarbanes-Oxley Act.

The certification must state the following:

> …that the periodic report… fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934… and that information contained in the periodic report fairly presents, in all material respects, the financial condition and results of operations of the issuer.

Under Rules 13a-14 and 15d-14 under the Exchange Act, the certification must be furnished as an exhibit to the periodic report to which it relates. Accordingly, failure to furnish a Section 906 certification is a violation of the Exchange Act. Non-compliant certification is punishable by a fine of up to $1 million or imprisonment up to ten years. Willful or knowing non-compliant certification is punishable by a fine of up to $5 million or imprisonment not more than twenty years, or both.

Since "knowledge" under criminal law has been interpreted to be broader than actual knowledge, the CEO and CFO should establish and follow an internal diligence process to support their certifications, including adoption of disclosure controls and procedures discussed below.

While the Exchange Act and the Sarbanes-Oxley Act do ***not*** require the audit committee to certify or otherwise participate in the certification process, it is advisable that the CEO and CFO consult with the audit committee before making the certifications to discuss any correspondence between outside auditors and the audit committee, as well as the procedures followed by the CEO and CFO to enable them to provide the required certifications.

Section 404: Internal control over financial reporting

Section 404(a): Management's report on internal control over financial reporting

Section 404(a) of the Sarbanes Oxley Act, as implemented with respect to foreign private issuers by Item 15(b) of Form 20-F, requires companies to include in their annual report a management assessment and report on "internal control over financial reporting." The rules define "internal control over financial reporting" as a process designed by, or under the supervision of, the CEO and CFO and effected by the board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles (including IFRS as issued by the IASB), and in line with the certifications provided by the CEO and CFO pursuant to Section 302 of the Sarbanes-Oxley Act.

The management report must contain each of the following:

- a statement of management's responsibility for establishing and maintaining adequate internal control over financial reporting

[2] Any amendment to its annual report that does not contain financial statements does ***not*** require a Section 906 certification.

- a statement identifying the framework used by management to evaluate the effectiveness of the internal control

- once an issuer is no longer an emerging growth company, a statement that the issuer's auditor has issued an attestation report on management's assessment of the issuer's internal control over financial reporting

- management's assessment of the effectiveness of an issuer's internal control over financial reporting as of the end of the most recent financial year, including a statement as to whether or not the issuer's internal control over financial reporting is effective.

The assessment must include disclosure of any "material weaknesses" in the issuer's internal control over financial reporting identified by management. Management is not permitted to conclude that the issuer's internal control over financial reporting is effective if there are one or more material weaknesses in the issuer's internal control over financial reporting.

The SEC has not mandated the use of a particular framework for purposes of evaluating internal control over financial reporting, but does require that an issuer identify the evaluation framework used by management to assess the effectiveness of its internal control over financial reporting.[3]

Issuers must maintain evidence, including documentation, to provide reasonable support for management's assessment regarding both the design of internal controls and the testing processes. Management is also required to evaluate and disclose any change in internal control over financial reporting that occurred during the financial year that has materially affected, or is reasonably likely to affect materially, internal control over financial reporting during each financial period. The SEC has not specified the point at which management must evaluate changes to internal control over financial reporting.

Under transition rules applicable to newly public issuers, the Company will be required to comply with Section 404(a) of the Sarbanes-Oxley Act starting from the first full financial year after its IPO.

Section 404(b): Auditor attestation report on internal control over financial reporting

Section 404(b) of the Sarbanes-Oxley Act requires that an issuer's auditors audit its internal control over financial reporting and report the results of their audit. For as long as an issuer remains an emerging growth company, it may take advantage of an exemption from the auditor attestation requirement of Section 404(b) of the Sarbanes-Oxley Act provided by Section 103 of the JOBS Act.

Section 406: Code of ethics

Item 16B of Form 20-F, implementing Section 406 of the Sarbanes-Oxley Act, requires an issuer to disclose in its annual report whether it has adopted a code of ethics that applies to its principal executive officer, principal financial officer, principal accounting officer or controller and persons performing similar functions, and if not, why not. A "code of ethics" is a set of written standards that are reasonably designed to deter wrongdoing and to promote the following:

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[3] The SEC has stated that the framework published by the Committee of Sponsoring Organizations of the National Commission on Fraudulent Financial Reporting, also known as the Treadway Commission, is an acceptable evaluation framework. The Treadway Commission initially published a broad framework of criteria against which companies could evaluate the effectiveness of their internal control systems in 1992, and updated this framework in 2013. However, the SEC recognizes that companies may choose other evaluation frameworks that exist outside the United States and that alternative frameworks may be developed within the United States.

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships
- full, fair, accurate, timely and understandable disclosure in SEC reports and in other public communications
- compliance with applicable laws
- prompt internal reporting of violations to the appropriate persons identified in the code
- accountability for adherence to the code.

The SEC has indicated that it expects codes of ethics to vary across issuers and that each issuer should design a code that is appropriate for its particular circumstances. The SEC has also stated that an issuer may have separate codes of ethics for different types of officers and employees. The rules require an issuer to make the code of ethics publicly available. Additionally, the rules require an issuer to disclose the nature of any amendments to, or waivers from, the code of ethics for its CEO and senior financial officers during the most recent financial year in its annual report.[4] This includes implicit waivers.[5] This disclosure may alternatively be accomplished by posting the information on the issuer's website within five days of the amendment or waiver, provided that the issuer has disclosed its internet address and its intention to provide disclosure in this manner in its most recently filed annual report on Form 20-F. The information must remain available on the issuer's website for at least twelve-months.

Section 407: Audit committee financial expert

Item 16A of Form 20-F, implementing Section 407 of the Sarbanes-Oxley Act, requires foreign private issuers to disclose in their annual report on Form 20-F whether they have one or more "audit committee financial experts" serving on their audit committees, and if not, why not.

Instruction to paragraph (a) of Item 16A of Form 20-F defines an "audit committee financial expert" as a person with ***all*** the following attributes:

- an understanding of GAAP and financial statements
- the ability to assess the general application of GAAP in connection with accounting for estimates, accruals and reserves
- the experience of preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the relevant issuer's financial statements, or experience actively supervising one or more persons engaged in such activities

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[4] Only amendments to or waivers of the specified elements of the code as they relate to the specified officers must be disclosed. For example, amendments to provisions that apply only to directors or other employees would not require public disclosure.

[5] The SEC defines "implicit waiver" to mean a failure to take action within a reasonable period of time regarding a material departure from a provision of a code of ethics that has been made known to an executive officer, as defined in Rule 3b-7 under the Exchange Act.

- an understanding of internal control over financial reporting

- an understanding of audit committee functions.

To qualify as an audit committee financial expert, the person must have acquired all the attributes listed above through any ***one*** or more of the following means:

- education and experience as a principal financial officer, principal accounting officer, controller, public accountant or auditor or experience in one or more positions that involve the performance of similar functions

- experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions

- experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing or evaluation of financial statements

- other relevant experience.

Responding to concerns that the designation of a person as an audit committee financial expert would lead to increased liability, the rules contain a safe harbor to clarify that the designation of a person as an audit committee financial expert does ***not*** have any of the following effects:

- cause such person to be deemed an "expert" for any purpose, including Section 11 of the Securities Act

- impose additional duties, obligations or liability on such person

- affect the duties, obligations or liability of any other member of the audit committee or board of directors.

Audit-related requirements under the Sarbanes-Oxley Act

In addition to the disclosure related requirements described above, the Sarbanes-Oxley Act imposes a number of requirements related to the audit function intended to ensure that the following criteria are met:

- The accounting firm conducting the audit is independent of the issuer it is auditing.

- The issuer has in place an audit committee or an equivalent structure to oversee the independent auditors.

- No one is able to exert any improper influence over the audit.

Independent auditors

Title II of the Sarbanes-Oxley Act and the SEC rules implementing its provisions established a number of requirements relating to auditor independence that apply to public companies, including foreign private issuers. Although these rules affect the relationship between public companies and their auditors, it is generally the responsibility of the auditors to ensure compliance with these requirements.

Auditor independence

The SEC rules regarding services by auditors are based on the following three basic principles:

- An auditor may ***not*** perform management functions.
- An auditor may ***not*** audit his or her own work.
- An auditor may ***not*** act as an advocate for a client.

Consistent with these basic principles, the rules limit and clarify the scope of non-audit services.

Accordingly, the rules adopted pursuant to Section 201(a) of the Sarbanes-Oxley Act generally prohibit auditors from performing any of the following non-audit services for audit clients:

- bookkeeping services
- financial information systems design and implementation services
- appraisal or valuation services, fairness opinions or contribution-in-kind reports
- actuarial reports
- internal audit outsourcing services
- management services
- human resources services
- broker-dealer, investment adviser or investment banking services
- legal services
- any expert services unrelated to the audit (such as forensic accounting services in connection with litigation).

An accounting firm may be able to provide the first five types of services if it is reasonable to conclude that the results of the services will ***not*** be subject to audit procedures during the audit of the issuer's financial statements. However, this is unlikely to be the case, and there is a presumption that the results of these services will be subject to audit procedures.

In addition, accounting firms are prohibited from providing other non-audit services if their independence would be impaired under the general principles set forth in Rule 2-01(b) of Regulation S-X. Audit firms may ***not*** have any direct or any material indirect business relationships with the Company or provide any services in exchange for a contingent fee or commission.

Despite these prohibitions, an accounting firm is permitted to provide tax services to its audit clients, so long as these services do not fall into an otherwise prohibited category. The performance of any permitted non-audit services must be pre-approved by an issuer's audit committee. There is a limited *de minimis* exception for services that aggregate to no more than five percent of total revenues paid by the audit client to its accountant during the financial year during which the services were provided, for services were not recognized as non-audit services at the time of the engagement and that were

promptly brought to the attention of the audit committee and approved by them before the completion of the audit.

Audit committee communications

Auditors must communicate the following items to the audit committee before an audit report is filed with the SEC:

- all critical accounting policies and practices used
- alternative GAAP accounting treatments for material items that have been discussed with management (including the ramifications of the use of the alternative treatment and the auditor's preferred treatment)
- all material communications between the auditors and management, including the following:
    - management representation letters
    - reports, observations and recommendations on internal controls
    - schedules of unadjusted audit differences and listings of adjustments and reclassifications that were not recorded
    - engagement letters
    - independence letters.

Cooling off period

The rules impose a one-year cooling off period before the lead partner, the concurring partner or any other member of an audit engagement team who provides more than ten hours of audit services during an annual audit period may be employed by an issuer in a financial oversight role (*i.e.*, a position of direct responsibility or influence over the contents of the financial statements).

Audit partner rotation

The lead partner and the concurring partner on an audit engagement team must rotate off the engagement after five years. Additionally, once the lead and concurring partners rotate off an engagement, they must wait an additional five years before returning to the engagement. All other audit partners on an audit engagement are required to rotate after no more than seven years and are only subject to a two-year "time out" period.

Audit committee

Rule 10A-3 under the Exchange Act, promulgated pursuant to Section 301 of the Sarbanes-Oxley Act, establishes specific requirements relating to the composition and function of the audit committee. As a foreign private issuer, the Company is eligible to avail of certain exemptions under the rule. For instance, a foreign private issuer is not required to have an audit committee if it has an existing board of auditors or similar body to perform the role of the audit committee under the rules of its home jurisdiction as long as the board of auditors meets certain criteria. Foreign private issuers that have an audit committee are able to rely on certain exemptions from the independence requirements of Rule 10A-3(b).

This rule is in addition to the specific requirements relating to the composition and independence of audit committees set forth in the Rule 5600 Series of the Nasdaq Stock Market Rules.

Independence

Rule 10A-3 generally requires that each member of the audit committee be ***independent*** as defined in the rule. To be ***independent***, a committee member may ***not*** meet either of the two following criteria:

- accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries (other than board and committee fees)

- be an "affiliated person" of the Company or any of its subsidiaries.

Prohibited compensation. There is no *de minimis* exception from the first prong of the independence requirement. Therefore, any payment to a director (other than for board or committee service) would preclude the director from serving on the audit committee, unless the payment was one of the permitted forms of compensation discussed below. In addition, audit committee members may ***not*** receive indirect compensation, which includes the acceptance of compensation, in any amount, from the Company or any subsidiary by (A) a spouse, minor child or stepchild sharing the same household with the member ***or*** (B) an entity in which the member is a partner, member, managing director, executive officer or a similar position and that provides accounting, consulting, legal, investment banking or financial advisory services to the Company or any subsidiary.

Permitted compensation. Rule 10A-3 does not bar an audit committee member from receiving compensation as a result of ordinary course business or commercial relationships (other than consulting or advisory relationships) with an issuer that would be in addition to board and committee fees. The SEC release states that the "no compensation" prohibition does ***not*** include fees for non-advisory financial services, such as lending, check clearing, maintaining customer accounts, stock brokerage services or custodial or cash management services. Likewise, audit committee members also are ***not*** prohibited from receiving fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service to an issuer, so long as the compensation is ***not*** contingent on continued service.

Affiliated person. Under the second independence criterion, the SEC has defined "affiliated person" consistent with its typical Exchange Act definition. Hence, an "affiliate" of a person is one that "directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with" the person. The term "control" is defined as "the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise." The rules specify that an executive officer, employee-director, general partner or managing member of an affiliate of the issuer also will be deemed to be an affiliate of the issuer. However, an individual may serve as an audit committee member of both an issuer and an affiliate of the issuer, as long as that person otherwise satisfies the independence requirements.

Rule 10A-3 creates a safe harbor under which a person who does not beneficially own more than ten percent of any class of voting securities and is not an executive officer is deemed ***not*** to control the relevant issuer. However, the existence of the safe harbor does ***not*** create a presumption that an owner of more than ten percent of a class of voting equity securities is an affiliate; rather, if a director does not qualify for the safe harbor, a showing of independence will depend on the particular facts and circumstances.

As an issuer becoming subject to SEC reporting obligations for the first time after filing a registration statement, the Company is eligible for the following exemptions:

- Only one member of the audit committee needs to meet the independence requirements for the first ninety days following the effectiveness of the registration statement.

- A minority of the members of the audit committee may continue not to meet the requirements for a period of up to one year following effectiveness of the registration statement.

The SEC also provides certain additional exemptions for foreign private issuers in cases where the SEC requirements conflict with their home country regulations and standards, such as allowing employees to be members of the audit committee if their appointment is required under an issuer's home country laws, organizational documents or collective bargaining agreements.

Responsibilities regarding the external audit process

Under Rule 10A-3, the audit committee of each issuer with securities listed on the New York Stock Exchange, the Nasdaq Stock Market or another securities exchange registered under Section 6(a) of the Exchange Act must be directly responsible for the appointment, compensation, retention and oversight of the work of any independent accountant engaged to prepare or issue an audit report or to perform other audit, review or attestation services for the issuer. In addition, the independent accountant must report directly to the audit committee.

Specifically, the audit committee must have the authority to perform all of the following functions:

- resolving disagreements between the independent accountant and management

- retaining and terminating the independent accountant

- approving all audit engagement fees and terms

- pre-approving all audit and permitted non-audit engagements of the independent accountant.

Procedures for handling complaints regarding accounting matters

The audit committee is required to establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal controls and auditing matters, and procedures for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters. The rules do ***not*** mandate specific procedures, and the SEC expects each audit committee to develop procedures that work best for the relevant issuer.

Authority to engage advisors and funding

The audit committee must have the authority to engage independent lawyers and other advisors as it determines necessary to carry out its duties. The Company is required to provide appropriate funding to the audit committee to pay the auditors and any advisors employed by the audit committee, as well as ordinary administrative expenses of the audit committee that are necessary or appropriate in carrying out its duties.

Improper influence over audits

Rule 13b2-2(b) under the Exchange Act, implementing the provisions of Section 303(a) of the Sarbanes-Oxley Act, prohibits an issuer's officers and directors, and persons acting under their direction, from taking any action to coerce, manipulate, mislead or fraudulently influence the auditor

of the issuer's financial statements if that person knew or should have known that such action, if successful, could result in "rendering the financial statements materially misleading."

This rule applies to the activities of officers and directors, as well as any other persons acting under their direction. A person may be acting under the direction of an officer or director even if he or she is not under the supervision or control of that person.[6] Thus, the rule encompasses partners and employees of the issuer's auditors who may not be directly involved in the audit (such as consultants or forensic accounting specialists retained by the issuer's lawyers) and attorneys, securities professionals or their advisors if, for example, such persons pressure an auditor to limit the scope of an audit, issue an unqualified report, not object to an inappropriate accounting treatment or not withdraw an issued opinion.

This rule prohibits "any action to coerce, manipulate, mislead or fraudulently influence" the auditors of the issuer's financial statements rendering the financial statements materially misleading. Such conduct already is subject to other provisions of the securities laws and SEC regulations, but the rule provides additional means to address such conduct even if the actions did not succeed in affecting the audit or review. To be actionable, conduct may be either an act or an omission and must be "for the purpose of rendering financial statements materially misleading." The standard of culpability under these rules generally is negligence. The rule is not limited to the audit of annual financial statements; rather, its scope includes activities that are connected to the audit process, such as any improper influence during a review of interim financial statements or in connection with the issuance of a consent in connection with a Securities Act filing.

Other requirements under the Sarbanes-Oxley Act

Certain other requirements under the Sarbanes-Oxley Act relevant to the Company are the following:

- prohibition on loans to directors or officers
- forfeiture of certain bonuses and profits
- whistleblower protection.

Prohibition on loans to directors and officers

Section 13(k) of the Exchange Act, enacted pursuant to Section 402 of the Sarbanes-Oxley Act, prohibits public companies from extending, directly or indirectly, including through any subsidiary, credit in the form of personal loans to directors and executive officers, ***unless*** an issuer is in the business of extending such loans (for example, if it is a bank). Accordingly, an issuer that has registered its securities in the United States must put in place a mechanism to ensure that it does ***not*** lend to directors or executive officers, whether to assist their purchase of the issuer's shares or exercise of options or any other purpose (unless it is a non-U.S. bank or the parent or affiliate of a non-U.S. bank, and the loans meet the requirements of Rule 13k-1 under the Exchange Act).[7]

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[6] The rule covers not only employees, but also customers, vendors and creditors that provide false or misleading confirmations or information to auditors at the request of an officer or director.

[7] Under Rule 13k-1, if an issuer is regulated as a bank in its home jurisdiction and engages directly in the business of banking, it is exempt from the prohibition on extending credit to its directors or executive officers, or the directors or officers of a parent or affiliate, so long as it meets ***one*** of the following criteria:

- The laws of the bank's home jurisdiction require it to insure its deposits or be subject to a deposit guarantee or protection plan ***or***

The SEC has provided very limited guidance on this topic. In March 2013, the SEC staff confirmed in a letter that an issuer that permits its directors and executive officers to participate in a particular type of equity-based incentive compensation program would not be deemed thereby to be extending credit or arranging for the extension of credit for purposes of Section 402 of the Sarbanes-Oxley Act. The SEC further confirmed that an issuer would also not be deemed to be extending or arranging for the extension of credit, under Section 402 of the Sarbanes-Oxley Act, if it undertakes certain ministerial or administrative activities so as to enable its directors and executive officers to participate in such an equity-based incentive compensation program. However, the guidance is expressly limited to certain particular facts and representations that relate to the specific program.

In addition, despite the lack of guidance, the following arrangements are generally accepted as permissible under Section 402 of the Sarbanes-Oxley Act:

- advances for business travel and similar expenses
- reimbursed use of a company credit card for minor personal expenses
- reimbursed personal use of a company car
- indemnification advances under charter and by-law provisions
- retention bonuses that are subject to repayment if the employee leaves
- tax indemnity payments or equalization arrangements for executives subject to tax in more than one jurisdiction.

Forfeiture of certain bonuses and profits

Section 304 of the Sarbanes-Oxley Act provides that if an issuer is required to prepare an accounting restatement due to material noncompliance with financial reporting requirements as a result of misconduct, the CEO and CFO must reimburse an issuer for any bonus or other incentive or equity-based compensation received during the twelve months following the first public issuance or filing with the SEC of the deficient financial document, as well as any profits from the sale of the issuer's securities during that twelve-month period.

The SEC may claw back bonus compensation paid to a CEO and CFO under Section 304 of the Sarbanes-Oxley Act, even when the CEO and CFO were not involved in, or aware of, the fraud that later required financial statements to be restated.[8] Section 304 does not require any personal wrongdoing. The CEO and CFO are required by the Sarbanes-Oxley Act to monitor internal controls

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- The Board of Governors of the Federal Reserve System has determined that the bank or another bank organized in the same home jurisdiction is subject to comprehensive supervision or regulation on a consolidated basis by the bank supervisor in its home jurisdiction.

In addition, any loan to a director or executive officer of the bank or its parent or affiliate must meet one of the following criteria:

- The loan is on substantially the same terms as those prevailing at the time for comparable transactions with other persons who are not directors, executive officers or employees ***or***
- The loan is pursuant to a benefit or compensation program that is widely available to employees of the bank, its parent or other affiliate, and does not give preference to any of the executive officers or directors over any other employees.

[8] See SEC v. Michael A. Baker and Michael T. Gluk, No. A–12–CA–285, 2012 WL 5499497 (W.D. Texas Nov. 13, 2012).

to guard against serious misconduct or noncompliance, and they sign certifications representing that they have done so. As a result, they bear the risk of any misconduct.

Whistleblower protection

The Sarbanes-Oxley Act protects employees of public companies against retaliatory discharges or other adverse employment action for providing information to supervisors, government agencies or Congress regarding conduct that the employee reasonably believes violates securities laws or antifraud laws.

A public company's audit committee is responsible for setting up a complaint notification system to receive, retain and process complaints regarding accounting, internal controls or auditing matters. It is common for companies to use external service providers to operate the complaint notification system with oversight from the audit committee.

A public company's external lawyers are also required to report any evidence of unlawful activity that they uncover to the company's chief legal counsel, chief executive officer or board of directors.

In addition, Section 806 of the Sarbanes-Oxley Act protects employees who report or participate in proceedings involving certain kinds of corporate wrongdoing. The provision applies primarily to public companies. ***Employee*** is defined broadly in this context and includes officers, employees, agents, private contractors and sub-contractors of an issuer and any subsidiaries or affiliates whose financial information is included in the consolidated financial statements of the issuer. The protection extends to present and former employees, applicants for employment and independent contractors, under certain circumstances.

The whistleblower must report alleged violations of federal laws governing one or more of the following activities to be protected under Section 806 of the Sarbanes-Oxley Act:

- mail fraud
- wire fraud
- bank fraud
- securities fraud
- any SEC rule or regulation
- any provision of federal law relating to fraud against shareholders.

Reports alleging other violations, such as discrimination or harassment not related to fraud or violations of the securities laws, are not protected activity under the Sarbanes-Oxley Act.

The whistleblower must provide this information to one or more of the following:

- a U.S. federal regulatory body or law enforcement agency
- a member of Congress or a Congressional committee
- a supervisor or person authorized by the employer to investigate, discover or terminate misconduct.

Section 806 does ***not*** protect whistleblowers from retaliation with respect to disclosures made to the media.

Employers that retaliate against whistleblowers face penalties, including fines, imprisonment for up to ten years or both.

In addition to the protections under the Sarbanes-Oxley Act, the Dodd-Frank Act created a whistleblower program relating to violations of securities and commodities laws that are reported directly to the SEC or the U.S. Commodity Futures Trading Commission. In addition to providing protection against workplace retaliation, whistleblowers under the Dodd-Frank Act are eligible to receive between 10% and 30% of fines collected in a successful enforcement action by the SEC or the CFTC if the funds collected are greater than $1 million. The act also creates a private right of action allowing whistleblowers to sue their employers for retaliation resulting from their protected whistleblowing activities.

Disclosure controls and procedures

Rule 13a-15 of the Exchange Act requires public companies to establish and maintain systems of disclosure controls and procedures with respect to information required to be disclosed under Section 13(a) and Section 15(d) of the Exchange Act in annual reports. The controls and procedures must be designed to ensure that such information is recorded, processed, summarized and reported within the time periods specified by the SEC rules and forms. Disclosure controls and procedures should be designed to fit the Company's own personnel, reporting structure and procedures—they are not "one size fits all."

In addition, each public company must carry out an evaluation under the supervision and with the participation of management, including the CEO and CFO, of the effectiveness of the design and operation of its disclosure controls and procedures as of the end of the period covered by its Form 20-F filing. The Company must disclose in its annual report the conclusions of its CEO and CFO regarding the effectiveness of such controls and procedures, as well as whether or not there were any significant changes in its internal controls or in other factors that could significantly alter the controls subsequent to the date of the evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

The SEC recommends the creation of a "disclosure committee" with the responsibility of considering the materiality of information and determining disclosure obligations on a timely basis.

While this requirement overlaps substantially with the requirements under Section 404(a) of the Sarbanes-Oxley Act with respect to management's assessment of internal control over financial reporting, they are separate requirements, and the SEC view is that there are "both some elements of disclosure controls and procedures that are not subsumed by internal control over financial reporting and some elements of internal control that are not subsumed by the definition of disclosure controls and procedures."[9]

[9] Release No. 33-8238, Final Rule: Management's Report on Internal Control over Financial Reporting and Certification of Disclosure in Exchange Act Periodic Reports (August 14, 2003).

Disclosure of non-GAAP information[10]

Whenever the Company makes public disclosure of financial measures, such as EBITDA or adjusted EBITDA, that deviate from the generally accepted accounting principles under which its primary financial statements are prepared, it must include certain additional information.

SEC Regulation G requires that whenever an issuer publicly discloses or releases material information that includes non-GAAP financial measures (including earnings press releases), it must also provide both of the following:

- a presentation of the most directly comparable GAAP financial measure
- a reconciliation (by schedule or other clearly understandable method) of the disclosed non-GAAP financial measure to the most directly comparable GAAP financial measure.

The use of non-GAAP financial measures in SEC filings is severely limited. Regulation G also requires that an issuer, or a person acting on its behalf, not make public a non-GAAP financial measure that, taken together with the information accompanying that measure, contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the presentation of the non-GAAP financial measure, in light of the circumstances under which it is presented, not misleading.

As a non-U.S. issuer, the Company is exempt from Regulation G if ***all*** of the following conditions are met:

- The securities of the Company are listed or quoted on a securities exchange or inter-dealer quotation system outside the United States.
- The non-GAAP financial measure is ***not*** derived from or based on a measure calculated and presented in accordance with GAAP.
- The disclosure is made by or on behalf of the Company outside the United States, or is included in a written communication that is released by or on behalf of the Company outside the United States.

This exemption is available even if the written communication is released in the United States at the same time, U.S. journalists have access to the information, the information appears on company or other websites (so long as those websites are not targeted to U.S. persons), and following its release outside the United States the information is included in a report on Form 6-K submitted to the SEC.

Non-GAAP financial information that would otherwise be prohibited by Regulation G is permitted in a Form 20-F filing, if the information is required or expressly permitted by the home country standard-setter that is responsible for establishing the GAAP used in those financial statements and is included in the Company's annual report or financial statements used in its home country jurisdiction or for distribution to its securityholders.

In addition, under Item 10 of Regulation S-K, companies using non-GAAP financial measures in filings with the SEC must provide the following information:

[10] For the purposes of this memorandum, references to GAAP include IFRS as adopted by the IASB.

- a presentation, with equal or greater prominence, of the most directly comparable financial measure calculated and presented in accordance with GAAP

- a reconciliation (by schedule or other clearly understandable method) of the differences between the non-GAAP financial measure and the most directly comparable GAAP financial measure

- a statement disclosing the reasons that management believes that the presentation of the non-GAAP financial measure provides useful information to investors regarding the company's financial condition and results of operations

- to the extent material, a statement disclosing the additional purposes, if any, for which management uses the non-GAAP financial measure that are not otherwise disclosed.

Item 10 also prohibits several specified presentations of financial information in filings with the SEC.

Disclosure of forward-looking information

The 1995 Private Securities Litigation Reform Act provided guidelines for companies that publicly disclose forward-looking information. Forward-looking information can be provided orally or in writing, and the guidelines create a safe harbor defense to litigation arising from the provision of predictive information. To benefit from the safe harbor, any written or oral forward-looking information must be accompanied by meaningful cautionary language that identifies the forward-looking statements. In the case of written statements, the disclaimer also must include the important factors that could cause actual results to differ from the forward-looking information provided. Oral forward-looking information should couple the meaningful cautionary language with a declaration that the important factors that could cause actual results to differ from the forward-looking information are available in a readily available written document, such as a recent annual report on Form 20-F.

Public disclosure

Following the **[de-SPACing transaction] [IPO] [public offering of securities]**, the Company's communications with its shareholders, security analysts, the press and the public will be subject to the general anti-fraud provisions of the U.S. securities laws.

Although there is no general obligation to disclose information under the U.S. securities laws, specific duties to disclose arise under various circumstances.

a. *The duty to file periodic reports*: As discussed in detail above, the Company must file annual reports on Form 20-F and furnish interim reports on Form 6-K, including the disclosures mandated by those forms.

b. *The duty to disclose or abstain*: The Company must disclose all material facts to the investing public, if it or its insiders are trading in the Company's securities. If disclosure before effecting a purchase or sale would be improper, inappropriate or unrealistic under the circumstances, then the Company and its insiders must abstain from trading in, or recommending, the Company's securities while the material information remains undisclosed.

c. *The duty to correct*: If the Company discloses information and subsequently learns that the disclosure was misleading when made, then the Company must take all steps necessary to correct it.

d. *The duty to update*: Although there is no federal securities law, rule or regulation that expressly imposes a duty to update, courts have analyzed the possible duty under Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. Although courts are divided on this point, there may in some circumstances be a duty to update a prior statement that was accurate when made, but that has become misleading due to subsequent events. This duty is not triggered simply because a prior statement would no longer be true if repeated at a later date in light of intervening facts. A statement that was correct when made, however, may have a forward intent and connotation upon which parties may be expected to rely. If this is the import of the statement and there is a material change in the continuing validity of the initial statement, then certain courts may interpret this to mean that the Company had a duty to update the prior disclosure. Certain courts have also held that this duty is not triggered if specific cautionary language indicating that the circumstances described in the forward-looking statements may not occur is included in the communication. Given the uncertainty on this point, it would be prudent for management to monitor the content and status of the Company's disclosures and to consider updating any specific guidance when the circumstances warrant.

e. *The duty to correct analyst reports*: In general, the Company has ***no*** duty to correct statements made by, or attributable to, unaffiliated third parties. Whether a statement is "attributable" to the Company will depend on the facts and circumstances surrounding the issuance and dissemination of the statement. Should the Company involve itself in providing information, responding to questions or reviewing and correcting drafts of an analyst report, the Company may assume a duty to correct the report if it is materially incorrect. As a general practice, the Company should refrain from reviewing and commenting upon analyst reports for any information other than inaccurate publicly available historical data.

Whenever the Company makes an unstructured disclosure, it should be mindful of the following guidelines regarding the nature and scope of disclosure:

Accuracy and completeness requirements. The fundamental prohibition of the anti-fraud provisions of the U.S. securities laws is a prohibition against false or misleading statements and omissions. If the Company discloses information, it has a duty to be accurate and not to omit from the disclosure facts necessary to prevent the disclosure from being misleading. The wide variety of disclosure vehicles complicates management's burden of complying with the accuracy and completeness obligations: the anti-fraud provisions apply to all Company statements that can reasonably be expected to reach investors and the trading markets, including speeches, meetings with analysts or institutional investors, press releases, web postings and social media communications.

Materiality requirement. Accuracy and completeness do not require the disclosure of every fact concerning the Company. The Company's disclosure obligation is qualified by the concept of "materiality." Thus, where a duty to disclose exists, the failure to disclose a particular fact or the misrepresentation of a fact will result in liability only if that fact was material under the circumstances.

Information is material if there is a substantial likelihood that it would be viewed by a reasonable investor as altering the "total mix" of information available. That is, a reasonable investor would likely attach importance to the information in determining whether to purchase, sell or hold securities. Applying this standard is one of the most difficult of all disclosure analyses. At the very least, the materiality standard requires corporate managers, in consultation with lawyers, to evaluate each materiality issue on a case-by-case basis in light of all of the circumstances. As a general rule of thumb, if management is considering whether information is material, it likely is—the very concern over disclosure is an indication of materiality.

The following categories of information are typically material:

- earnings information
- financial results
- M&A activity
- developments regarding key customers or suppliers
- changes in products
- changes in control, the board or management
- changes in auditors
- events affecting an issuer's securities (*e.g.*, stock splits)
- changes in business plans or operations
- concerns regarding compliance with debt covenants or liquidity.

Public domain and obviousness exception. An issuer need not disclose facts, even if material, if they are already in the public domain or are obvious from the facts previously disclosed. Like the concept of materiality, this exception requires a fact-specific analysis. It often will be unclear whether information is sufficiently in the public domain to eliminate the need for clarification or further disclosure. Also, although one need not disclose facts that are obvious or draw conclusions from facts that are already known or disclosed, corporate managers must be careful not to stretch these concepts beyond their rather narrow bounds. An otherwise obvious or publicly known fact may have particular effects on the Company that may be material and may not be obvious. Assuming a duty to disclose exists, the public domain and obviousness principles would not relieve the Company of its duty to disclose such effects.

Selective disclosure. As a foreign private issuer, the Company is exempt from Regulation FD, which prohibits the selective disclosure of material non-public information. However, foreign private issuers are bound by home country obligations as well as the requirements established by self-regulatory organizations, including the Nasdaq Stock Market, to make timely disclosure of material information. In addition, the Company remains subject to liability for conduct that violates the antifraud provisions of the U.S. federal securities laws. The Company should avoid making selective disclosures. The general rule is that ***no*** item of material non-public information should be divulged or discussed with any one person (other than Company personnel and outside legal and accounting advisors who need to know the information), ***unless*** the information has been, or is simultaneously being, publicly disseminated.

The problem of selective disclosure of material information can be particularly acute in connection with an issuer's discussions with market professionals (including securities analysts) and investors. Discussions with analysts by authorized company personnel are proper and should be encouraged, provided that material non-public information is not divulged. Material non-public information should only be disclosed to market professionals and investors publicly, not selectively, and when an issuer learns that it has made an unintentional material selective disclosure, it should make prompt public disclosure of that information.

Public disclosure may be made by furnishing the information on a current report on Form 6-K or by another method or combination of methods reasonably designed to provide broad, non-exclusionary distribution of the information to the public. Other methods of public disclosure include press

releases and public access to conference calls, either by telephone or webcast, after broad public notice of the conference call or webcast.

Dissemination. Management must remain sensitive to potential dissemination issues that arise out of the wide variety of disclosure contexts, including press releases, speeches, conversations with financial analysts and television or radio appearances, and social media commentary. When disseminating material information, corporate managers should focus on recognized channels of distribution and a prohibition on selective or otherwise uneven disclosures. Managers must take care not to engage in selective dissemination of material non-public information. Where the Company intends to disseminate such information, it must take steps to disseminate such information to the public at the same time that it communicates the information to its target audience (*e.g.*, a financial analyst).

Unintentional disclosure. In the event the Company unintentionally communicates material non-public information, it must act "promptly" to disseminate the same information to the public. Except as described below, the Company must act to disseminate the unintentionally disclosed information within 24 hours or before the market opens the next trading day if there is an intervening weekend or market holiday. The Company can avoid the requirement of promptly disseminating unintentionally disclosed material non-public information if it obtains the express agreement of the recipient not to disclose or trade on such information until it is disseminated to the public.

Press releases and dealing with financial analysts and the financial press

In order to manage effectively the Company's disclosure obligations, the Company should adopt the following procedures:

- Make disclosure from a prepared text. (This will help avoid later suggestions of selective disclosure.)

- Adopt written guidelines or a written policy regarding corporate communication with analysts and investors.

- Designate a single officer to handle contacts with analysts and the press. Refer all questions to this officer and keep him or her informed of all of the Company's material developments.

- Allow the public to listen to quarterly analyst calls via telephone or webcast and advertise (by press release), in advance, the means to do so. Public calls will avoid the risk of being later second-guessed as to whether information provided during an analyst or investor call constitutes selective disclosure of material non-public information.

- Do not comment on the Company's expected results, ***unless*** the comment is made publicly or a press release is issued simultaneously. Changed earnings estimates based explicitly on Company "guidance" or "warnings" will invite SEC scrutiny.

- Do not comment on, or correct, analyst research and projections, except to correct inaccurate historical information. Adhering to a reasonable policy will help the Company avoid being deemed to have ratified analyst reports.

The Company should refrain from the following:

- disclosing internal projections to analysts, giving "comfort" to analyst estimates or providing other types of explicit earnings guidance

- reviewing and commenting upon drafts of analyst reports.

Rule 102 of Regulation M and Rule 10b-18 promulgated under the Exchange Act

The federal securities laws prohibit the manipulation of the market for the securities of any issuer by the issuer itself or any affiliated person. Whenever an issuer or a person affiliated with the issuer purchases its securities on the open market, the risk exists that someone could claim the market for these securities is being manipulated.

Regulation M is intended to protect the trading markets by prohibiting certain activities by distribution participants, including issuers, broker-dealers and others, that could affect the market for a security that is the subject of an offering. However, activities permitted under Regulation M may still violate the manipulation or anti-fraud provisions of the Exchange Act if elements of a violation are present.

Regulation M prohibits purchases by specified "distribution participants" during and just before a "distribution" of securities. In particular, Rule 102 restricts the activities of an issuer and any selling shareholder.

Rule 102 of Regulation M

The key issue an issuer must evaluate in determining whether a proposed repurchase of securities would comply with Rules 102 of Regulation M is whether a "distribution" is occurring. If so, then the issuer, the distribution participants, selling shareholders and the issuer's affiliated purchasers are prohibited from trading in those securities for a period of time before and during the distribution.

- ***Distribution:*** For purposes of Regulation M, a "distribution" is distinguished from ordinary trading transactions and other normal conduct of a securities business based upon the magnitude of the offering and particularly upon the selling efforts and selling methods used. An offering can be a distribution even if it is not a registered public offering.[11]

- ***Prohibitions on trading:*** If an issuer determines that a distribution in any class of its securities is occurring, then it is prohibited from buying, bidding for or attempting to induce any person to bid for or buy any security that is the subject of the distribution, or any security of the same class and series, or any rights to purchase any such securities, except in the offering itself.

- ***Restricted period:*** The length of the "restricted period" varies depending upon the specific characteristics of the distribution. If the issuer's securities have a worldwide average daily trading volume of $100,000 or more for the two calendar months preceding the filing of the registration statement or the determination of the offering price for a distribution and if the issuer's equity securities have a public float value of $25 million or more, then the restricted period begins one business day before the determination of the offering price. Otherwise, it begins five business days before the pricing date. For the issuer, the restricted period ends when the distribution is completed.

- ***Affiliated purchasers****:* "Affiliated purchaser" as used in Regulation M means any of the following persons:

[11] The SEC is concerned with the selling method employed at least as much as it is with the volume. This is not to say that any special retail selling effort is essential. A distribution need not be a cash offering; it may be an exchange offer or a merger. The "distribution" concept, however, stops short of covering all broker-dealer transactions. Moreover, certain transactions, including issuances under a stock option plan, are not considered distributions for purposes of Regulation M.

- any person acting in concert with an issuer in connection with the purchase or sale of a security that is the subject of a distribution

- an affiliate that directly or indirectly controls an issuer's purchases, or whose purchases are controlled by the issuer, or whose purchases are under common control with those of the issuer

- an affiliate that regularly purchases securities for its own account or for the account of others or that recommends or exercises investment discretion with respect to the purchase or sale of securities, unless it fulfills the following conditions:

    - Informational barriers are in place between the issuer and the affiliate and are subject to annual independent review.

    - The affiliate has no decision making officer or non-clerical employee in common with the issuer that directs, effects or recommends transactions in securities.

    - The affiliate does not act as a market maker or engage as a broker/dealer in solicited transactions during the restricted period.

This definition effectively includes directors and officers of the Company, who therefore are prohibited from buying the Company's equity securities while a distribution is occurring.

Rule 10b-18

Rule 10b-18 is a non-exclusive means for an issuer to purchase its securities without violating the anti-manipulation provisions of the Federal securities laws. Under Rule 10b-18, an issuer and its "affiliated purchasers" generally can repurchase the issuer's common stock on a given trading day if all of the following conditions are met:

- The purchases are made through only one broker or dealer.

- None of the purchases is made as the opening transaction or during the last half hour of trading on that day, or the last ten minutes for certain highly capitalized companies.

- None of the purchases is made at a price exceeding the highest current bid price or the last independent sale price, whichever is higher.

- The total of such purchases, other than block purchases and privately negotiated purchases, does ***not*** exceed five percent of the average daily trading volume for the preceding four weeks.

The Rule 10b-18 safe harbor is ***not*** available for any of the following types of purchases or bids:

- purchases or bids effected by an independent agent for an employee benefit plan

- purchases or bids to retire fractional interests

- purchases or bids pursuant to mergers, acquisitions or similar transactions involving recapitalizations

- purchases of securities by the issuer during a third-party tender offer, purchases pursuant to an issuer tender offer or purchases pursuant to a tender offer of registered equity securities

- purchases or bids effected during the "restricted period" (as specified in Rule 102 of Regulation M) during a distribution of common stock or a distribution for which common stock is a reference security, by the issuer or any of its affiliated purchasers.

Rule 10b-18 does ***not*** exempt an issuer from liability under Rule 102 of Regulation M or other rules that specifically restrict purchases by the issuer, including purchases while in possession of material non-public information; it merely provides that if repurchases by the Company or its affiliated purchasers comply with the conditions of the rule and do not violate the specific provisions of any other anti-manipulation rule, the repurchases will not constitute market manipulation.

The definition of "affiliated purchaser" is similar to that under Regulation M and includes the following:

- any person acting in concert with an issuer for the purpose of acquiring the issuer's securities

- any affiliate that controls an issuer's purchases of its securities or whose purchases are controlled by or under common control with those of the issuer.

"Affiliated purchasers" for the purposes of Rule 10b-18 are ***not*** necessarily the same as "affiliates" of the issuer for other purposes and generally will consist only of those individuals who actually effect the Company's purchases of securities or act in concert with the Company in connection with such purchases.

Officer and director bars and penalties

The SEC is empowered with authority, in cease-and-desist proceedings, to prohibit a violator of Section 10(b) of the Exchange Act, the general anti-fraud provision, or the rules thereunder from acting as an officer or director of a public company if the person's conduct demonstrates unfitness to serve.

Nasdaq requirements

In addition to the U.S. federal securities laws, companies listed on the Nasdaq Stock Market must comply with the quantitative and qualitative continued listing requirements of the Nasdaq Stock Market. The corporate governance standards for the Nasdaq Stock Market are set forth in Series 5600 of the listing rules. These rules cover topics such as annual meetings, independent directors, audit committee composition and shareholder approval of certain transactions. However, as a listed foreign private issuer, the Company is permitted to follow home country practice instead of most of the Nasdaq corporate governance standards, as long as it meets the following requirements:

- The Company must provide Nasdaq with notification of any noncompliance with Nasdaq corporate governance requirements.

- The Company must have an audit committee that meets the requirements (including the independence requirements) of Exchange Act Rule 10A-3 described above.

As a listed foreign private issuer, the Company must disclose in its registration statement on Form **[F-1][F-4]** and its annual report on Form 20-F each Nasdaq corporate governance requirement it does not follow and describe the corresponding home country practice that it follows.

Officers, directors and principal stockholders

Attached hereto as Exhibit A is a memorandum summarizing applicable Federal securities law obligations and restrictions and compliance procedures to which the Company's officers, directors and principal shareholders will be subject. These include Rule 10b-5, Section 13 and Rule 144.

Clawback listing standards

The Dodd-Frank Act requires Nasdaq to establish listing standards that require listed companies to implement policies providing for the recovery of erroneously awarded incentive-based compensation received by current or former executive officers where such compensation is based on erroneously reported financial information and an accounting restatement is required (a "clawback policy").

Nasdaq listing rule 5608 mirrors the standards set forth in the Dodd-Frank Act. The rule will become effective on October 2, 2023. The Company must adopt a compliant clawback policy no later than December 1, 2023. Failure to comply with the rule may result in a suspension of trading or delisting. The Company is encouraged to take the following actions in light of the clawback listing rule:

- Prepare a compliant clawback policy.
- Communicate the consequences of the clawback policy to executive officers.
- Review existing contracts and forms (such as separation agreements, employment agreements, equity award agreements and bonus plans) and consider revising them to address the new clawback policy.
- Communicate with the nominating and governance and compensation committees to create a plan of compliance with the clawback listing rule.
- Develop procedures to be followed in the event of an accounting restatement.
- Review and amend (as applicable) any indemnification agreements with executive officers and/or the Company's bylaws to account for the prohibition on indemnifying executive officers for clawbacks.
- File the clawback policy as an exhibit to the first annual report on Form 20-F filed after adoption of the clawback policy.

Stock repurchase rules

On May 3, 2023, the SEC adopted amendments to disclosure requirements relating to repurchases by issuers of their own equity securities (also known as "buybacks"). The amendments require foreign private issuers to file the new Form F-SR quarterly within 45 days from the end of each quarter. The form contains a table that shows daily repurchase data. The form includes a check box to indicate whether any executive officer or director traded in the issuer's equity securities within four business days before or after the public announcement of a repurchase plan or program or the announcement of an increase of an existing share repurchase plan or program.

Foreign private issuers are required to provide narrative disclosure about repurchase programs in their annual reports on Form 20-F, including objectives and rationale, and quarterly disclosure regarding adoption or termination of any Rule 10b5-1 trading arrangements, per Form F-SR.

FPIs are required to file Form F-SR starting with the first full fiscal quarter that begins on or after April 1, 2024.

Exhibit A

SECURITIES LAW COMPLIANCE MEMORANDUM FOR OFFICERS, DIRECTORS AND PRINCIPAL SHAREHOLDERS

In connection with a de-SPACing transaction, IPO or public offering of securities and the concurrent listing of securities on the Nasdaq Stock Market, the Company and its officers, directors and principal shareholders are subject to numerous obligations and restrictions imposed by the U.S. federal securities laws. The purpose of this memorandum is to provide a summary of the applicable obligations and restrictions and the compliance procedures to which these insiders will be subject.

This memorandum is intended to make you generally aware of the responsibilities and potential liabilities under the Federal securities laws. It is ***not*** a definitive statement on this subject.

This memorandum is only a summary of the matters discussed herein. If you have any further questions regarding this memorandum or any specific situations regarding the applicability and impact of the federal securities laws, contact Peter Castellon at +44 (20) 7280-2091 or Simon J. Wood at +44 (20) 7280-2288.

Rule 10b-5

Rule 10b-5 promulgated under the U.S. Securities Exchange Act of 1934, as amended, creates potential liability in the following situations:

- for individuals and entities that trade, or that tip others that in turn trade, on the basis of material non-public information
- for companies that fail adequately to disclose material information.

Claims of insider trading are always made with perfect, 20/20 hindsight, making even innocent behavior subject to scrutiny. The terms "on the basis of," "material information" and "non-public" have particular meanings in this context, and it is necessary to have an understanding of how these terms are interpreted in order to comply with Rule 10b-5 and avoid liability for insider trading.

"On the basis of"

Under Rule 10b5-1 adopted by the SEC under the Exchange Act, liability under Rule 10b-5 requires only a showing that the person trading was "aware of" material non-public information at the time it traded. Possession of material non-public information is sufficient to establish that a person traded "on the basis of" material non-public information, even if the person did not use such information in trading and even if the information had no effect on the trading.

"Material information"

It is ***not*** possible to define all categories of material information. In general, information should be regarded as material if an investor would likely consider it important in deciding whether to purchase, sell or hold a company's securities. While it may be difficult under this standard to determine whether any particular information is material, there are various categories of information that are almost always material, such as the following:

- earnings information
- proposed acquisitions

- unanticipated changes in the level of sales, orders or expenses
- new product announcements
- product defects or recalls
- pricing changes
- management changes
- planned securities splits
- new equity or debt offerings
- other similar matters.

"Non-public"

Information is non-public until it has been fully disclosed to the investing public. Material information will have been fully disclosed to the public when it has been distributed through a recognized channel of distribution on a non-selective basis and a reasonable period of time has elapsed for investor reaction to the news. In practice, this generally requires the issuance of a press release and the submission of a current report on Form 6-K. A speech to an audience, a TV or radio appearance or an article in a trade magazine does ***not*** qualify as full disclosure. Full disclosure means that the securities markets have had the opportunity to digest the news. Generally, two full days following the press release and current report on Form 6-K is regarded as sufficient for dissemination and market absorption of material information.

Qualified 10b5-1 trading plans. Rule 10b5-1(c) provides an affirmative defense to a claim of insider trading for trades by insiders made pursuant to a "qualified 10b5-1 trading plan." This mechanism permits insiders to buy and sell while aware of material non-public information, in certain circumstances.

A "qualified 10b5-1 trading plan" is a written plan for purchasing and/or selling a company's securities that meets each of the following requirements:

- The plan is adopted by the insider during a period when the insider is not in possession of material non-public information (on a so-called "clear day").
- The plan specifies the amounts, the prices and the dates on which the insider purchases or sells the securities ***or*** provides a formula for making such determination. Once established, there can be no discretion by the insider in determining when to trade or how much or at what price. In addition, any person that, pursuant to the plan, does exercise such discretion must not be aware of material non-public information when doing so, and reasonable policies and procedures must be in place to ensure that individuals making investment decisions would not violate the laws prohibiting trading on the basis of material non-public information.
- All purchases occur pursuant to the written plan, with no alteration or deviation to the plan. In addition, the entry into or alteration of a corresponding or hedging transaction or position with respect to the company's securities is also prohibited.

A properly adopted and administered qualified 10b5-1 trading plan can permit insiders to engage in the orderly distribution of a portion of their holdings without the risk of insider trading liability. This

is particularly useful for directors, officers and other insiders who are always "aware of" non-public information that may be deemed to be material in hindsight. However, in order to obtain the benefits of the affirmative defense, the plan must be adopted in good faith and the requirements must be strictly observed. A qualified 10b5-1 trading plan may be established during an open window period that occurs during an IPO lock-up period.

The Insider Trading and Securities Fraud Enforcement Act of 1988. This act provides for increased penalties for insider trading and liability for employers of those persons engaged in insider trading. An employer that directly or indirectly controls a person that participates in insider trading may be civilly liable. The maximum penalty is the greater of $1 million and three times the profit gained or loss avoided.

With respect to persons that commit insider trading violations, this act also provides for the following:

- an express private right of action for contemporaneous traders with liability limited to the profit gained or loss avoided
- increased criminal monetary penalties of $1 million per violation for an individual and $2.5 million per violation for corporations and partnerships
- increased maximum prison sentences from five years to ten years
- "bounties" payable to informants in amounts up to ten percent of the penalty imposed on the violator.

In addition to the penalties provided by this act, the Securities Enforcement Remedies and Penny Stock Reform Act of 1990 grants federal district courts the express authority to bar or suspend an individual who violates Rule 10b-5 or other anti-fraud provisions of the Exchange Act from serving as an officer or director of any public company. A company should be sensitive to material changes in its business or financial circumstances or prospects that may affect its stock price and take steps to safeguard against insider trading by employees.

Section 13 of the Exchange Act

Any person that acquires beneficial ownership of more than five percent of the outstanding shares of any class of the Company's equity securities is required under Section 13 of the Exchange Act to report such beneficial ownership on one of two schedules.

Schedule 13D and Schedule 13G. These schedules must be filed with the SEC and the Company. When there is doubt as to the beneficial ownership of securities, the potential shareholder should report such securities as being beneficially owned. Such report will not amount to an admission of beneficial ownership for the purposes of Section 13(d) or 13(g) of the Exchange Act if it is accompanied by a disclaimer of beneficial ownership within the report.

For purposes of these reports, a person is the "beneficial owner" of a security if it has (or shares) the right to vote or dispose of that security.

Initial reporting. Generally, any person that becomes a beneficial owner of more than five percent of the Company's equity securities after the must file its initial report on Schedule 13D. A shareholder that acquired more than five percent of the company's equity securities ***before*** the registration of the company's securities with the SEC must report its ownership on a Schedule 13G on or before February 14 of the year following the year in which the company completed its registration. Any other five percent owner may file its initial report on the short-form Schedule 13G, if such person falls into one of three categories:

- ***exempt investor:*** a person that has not acquired more than two percent of a class of equity securities in any twelve-month period on a rolling basis since the effective date of registration.

- ***qualified institutional investor:*** a person falling into one of the categories listed in Rule 13d-1(b)(1)(ii), which covers primarily institutional investors including banks, that acquired the securities in the ordinary course of business and not with the purpose or effect of changing or influencing the control of the company.

- ***passive investor:*** a person that beneficially owns more than five percent but less than 20% of a class of the company's equity securities and that can certify that the securities were not acquired with the purpose or effect of changing or influencing the control of the company.

If the shareholder ceases to meet any of the above requirements, it must file a report on Schedule 13D within ten days of the change of status. The SEC imposes a cooling-off period upon a change of investment purpose by either a Qualified Institutional Investor or a Passive Investor. Such a change in investment purpose is triggered not only when the investor intends to obtain outright control of a company or assist others in doing so, but also potentially by more seemingly benign activities, including those of activist shareholders that are not focused bringing about a change of control but on influencing the actions of management. The cooling-off period prevents such a shareholder from voting its securities or acquiring any additional equity securities from the time its investment purpose becomes one of changing or influencing control of the company until the expiration of the tenth day from the date of filing a report on Schedule 13D. A similar cooling-off period is imposed on a Passive Investor that files a report on Schedule 13D as a result of its beneficial ownership equaling or exceeding 20% of a class of a company's equity securities.

A person that is required to file its initial report on Schedule 13D must file within ten days after becoming a more than five percent shareholder. Exempt Investors and Qualified Institutional Investors that initially file on Schedule 13G have until 45 days after the end of the calendar year in which they became obligated to file such a report to do so. Passive Investors that initially file on Schedule 13G have until ten days after the acquisition that made them a more than five percent shareholder.

Amendments. A more than five percent shareholder must report subsequent changes in the facts set forth in the initial report by filing an amended report. Whether a particular change requires filing an amendment depends on which schedule the reporting person most recently filed.

- If the shareholder filed its most recent report on a Schedule 13D, it must file an amendment "promptly" after any material change occurs in the facts disclosed in the previous report. Under Rule 13d-2(a), an increase or decrease in beneficial ownership of one percent or more of the class of securities is deemed material. Whether any other changes in the information disclosed in the initial filing are material depends on the facts and circumstances of each case. The shareholder's duty to amend its report on Schedule 13D terminates after filing an amendment reporting that it has ceased beneficially to own more than five percent of the securities.

- If the reporting person most recently filed a Schedule 13G, it must file an amendment within 45 days after the end of any calendar year in which any changes in information reported in the previous year have occurred; if there is no change, the reporting person must file a signed statement to that effect. Therefore, once a report on Schedule 13G is filed, the reporting person must file an amendment every subsequent year during which it beneficially owns more than five percent of the securities. The shareholder must file a final amendment to the report on Schedule 13G within 45 days after the end of the calendar year during which it ceases to own beneficially more than five percent of the securities.

- In addition to the amendments listed above, a Qualified Institutional Investor must also file an amendment to its report on Schedule 13G within ten days after the end of the first month in which its beneficial ownership exceeds ten percent of a class of the Company's equity securities. Thereafter, the shareholder must also file amendments on Schedule 13G within ten days after the end of the first month in which its beneficial ownership increases or decreases by more than five percent of the class of securities.

- In addition to the amendments listed above, a Passive Investor also must file an amendment to its report on Schedule 13G "promptly" after acquiring more than ten percent of a class of the Company's equity securities. Thereafter, the shareholder must also file amendments to its report on Schedule 13G "promptly" after increasing or decreasing its beneficial ownership by more than five percent of the class of securities.

Regulation BTR

Regulation BTR (Regulation Blackout Trading Restrictions) implements Section 306 of the Sarbanes-Oxley Act. It prohibits, subject to certain exceptions, any director or executive officer of a company from purchasing, selling, or otherwise transferring the company's equity securities during any blackout period applicable to the securities, if the officer acquires or previously acquired the securities in connection with his or her service or employment as a director or officer.

A blackout period means any period of more than three consecutive business days during which the company or a fiduciary of the "individual account plan" (such as a qualifying retirement plan under Section 401(k) of the U.S. Internal Revenue Code) in which the director or executive officer holds his or her securities temporarily suspends the ability of at least 50% of participants or beneficiaries of such individual account plans maintained by the company to purchase or sell an interest in the company's equity securities.

For the Company, as a foreign private issuer, the restrictions on the Company's directors and executive officers under Regulation BTR will only apply if the Company meets either one of the two criteria below:

- The number of participants and beneficiaries located in the United States subject to the temporary suspension exceeds five percent of the total number of employees of the Company and its consolidated subsidiaries.

- More than 50,000 participants or beneficiaries located in the United States are subject to the temporary suspension.

Exhibit B

DISCLOSURE REQUIRED IN THE ANNUAL REPORT ON FORM 20-F

The annual report on Form 20-F must include, among other things, disclosure regarding the following categories of information about the Company:

- Financial information, including an audited balance sheet and audited statements of income, cash flows and changes in equity and related notes and schedules thereto covering each of the last three financial years, as well as an audit report. The financial statements must be prepared in accordance with U.S. GAAP, IFRS as issued by the IASB or local GAAP (provided that the local preparation method is reconciled to U.S. GAAP). The Company is also required to include certain selected historical financial information for each of the last five financial years (subject to certain exceptions).

- Risk factors, including a summary of the risks facing the Company, such as lack of operating history, lack of cash flow, litigation, competition, dependence on key personnel, suppliers or sources of capital or adverse regulatory developments.

- The Company's business, including a description of the nature of the Company's operations and principal activities, the markets in which it operates, the sources and availability of its raw materials, its marketing channels, the extent to which it is dependent on any contracts, manufacturing processes, licenses or patents and the material effects of government regulation.

- Management's Discussion and Analysis of the Company's Financial Condition and Results of Operations ("MD&A"), including summary and analysis of the changes in the Company's earnings, liquidity and capital resources during the previous year.

- Management, including biographical information regarding company's directors, senior managers and other key employees.

- Share ownership, including a listing of the names of "major shareholders" of the Company, significant changes in the percentage ownership of these shareholders in the past three years and any different voting rights afforded to these shareholders.

- Transactions with related parties, including descriptions of material or unusual transactions with, and any loans to or guarantees in favor of, certain related parties.

- Descriptions of constitutional documents and material agreements, including summaries of the Company's memorandum and articles of association and any material agreements that the Company or a member of its group has entered into in the past two years outside of the ordinary course of business.

- Other information about the Company, including information about board practices, employees, legal proceedings, dividend policy, market for the Company's securities, exchange controls, taxation, quantitative and qualitative information about market risk, defaults and delinquencies, material modifications to the rights of securityholders, controls and procedures, audit committee financial expert, code of ethics, principal accountant fees and services, exemptions from the listing standards for audit committees, purchases of equity securities by the Company and affiliates, use of conflict minerals, safety of extractive practices, changes in and disagreements with the Company's accountants and corporate governance practices (including a description of differences from those followed by companies in the Company's home jurisdiction).

- Exhibits, including certain certifications required by the Sarbanes-Oxley Act, the documents listed as exhibits to be filed in connection with a registration statement (which may incorporated into Form 20-F by reference to the original registration statement) and any new documents.

Exhibit C

DISCLOSURE REQUIREMENTS UNDER THE SARBANES-OXLEY ACT

Every company that files periodic reports with the SEC, whether it is required to or is a voluntary filer, is required to comply with Sections 302, 906, 404(a), 404(b), 406 and 407 of the Sarbanes-Oxley Act. Section 404(b) of the Sarbanes-Oxley Act, however, does not apply to emerging growth companies ("EGCs") that have been reporting companies for less than five years.

Provision	Description	Required format	When required
Section 302	Requires management to evaluate the design and operational effectiveness of disclosure controls and procedures	Certification by CEO and CFO (Form 20-F, Instructions to Exhibits, No. 12)	In each annual report on Form 20-F, including any amendment
Section 906	Requires management to certify that the information disclosed in periodic reports fairly represents the financial condition and results of the company and imposes criminal penalties if it fails to do so	Certification by CEO and CFO (Form 20-F, Instructions to Exhibits, No. 13)	In each annual report on Form 20-F, including any amendment that includes financial statements
Section 404(a)	Requires companies to test the effectiveness of internal controls over financial reporting annually	An internal control report prepared by management (Form 20-F, Item 15(b))	In each annual report on Form 20-F, starting from the first full financial year following the IPO
Section 404(b)	Requires external auditors to audit and provide an attestation report on the company's internal controls	Auditor attestation report (Form 20-F, Item 15(c))	For non-EGCs: In each annual report on Form 20-F from the first full financial year following the IPO For EGCs: In each annual report on Form 20-F from the first full financial year after the company ceases to be an EGC
Section 406	Requires the company to disclose whether it has adopted a code of ethics that applies to its CEO, CFO, chief accounting officer or their equivalent officers, and if not, why not	No prescribed format (Form 20-F, Item 16B)	In each annual report on Form 20-F
Section 407	Requires the company to disclose whether it has an "audit committee financial expert" on its audit committee, and if not, why not	No prescribed format (Form 20-F, Item 16A)	In each annual report on Form 20-F

TIMETABLE

This is a timetable for a Nasdaq IPO registered with the Securities and Exchange Commission.

Threshold matters

Determine whether the issuer is a domestic U.S. issuer or a foreign private issuer (or FPI).

Determine whether to offer ADRs or ordinary shares.

Determine whether the issuer is an emerging growth company (or EGC) under the JOBS Act.

Determine major corporate actions required (such as stock split or reverse stock split; conversion of outstanding preferred stock, warrants or convertible debt; conversion of corporate form).[1] Also consider related accounting and tax issues.

Identify potential selling shareholders.

At least eight weeks before the first filing or submission

Corporate formalities/organizational tasks

- Review all stock, option and warrant records.
- Review all board and committee minutes and consents.
- Review prior equity issuances for compliance with applicable securities laws.

Corporate structure/governance

- Draft public company articles of association and memorandum of association, if applicable.
- Draft board committee charters (compensation, audit and nominating and corporate governance).
- Draft corporate governance policies and practices.
- Determine board and committee composition and possible need to recruit new directors.

Seven weeks before first filing or submission

Third-party rights and interests triggered by IPO

- Confirm whether any shareholder has registration rights.
- Review capital structure (such as conversion triggers, rights of first refusal, anti-dilution rights, covenants).
- Review debt and other contractual covenants.
- Review investor agreements, shareholder agreements and any related consent rights.
- Consider IPO participation (such as directed share program, which would permit sales in the IPO to "friends and family")

[1] For example, for an Irish or English company, consider the need to convert from a limited company to a PLC. For a German company, consider the need to convert from a GmbH to an AG.

Compensation and insurance matters

- Evaluate existing equity-based compensation plans and consider need for new plans or amendments to existing plans.
- Determine public company director compensation.
- Consider key-man insurance.
- Obtain D&O insurance.
- Consider indemnification agreements with directors and officers.

SEC and exchange disclosure requirements

- Prepare disclosure controls and procedures.
- Eliminate all loans to directors and officers to the extent not permitted under the Sarbanes Oxley Act.
- Consider director independence.
- Review related-party transactions.

Determine which provisions of the JOBS Act will be used in connection with the IPO

- confidential submission of the registration statement[2]
- two years of financial statements instead of three in the registration statement[3]
- reduced executive compensation disclosure in the registration statement
- "testing-the-waters" communications
- deferred compliance with PCAOB rules regarding auditor attestation report and auditor rotation.

Six to eight weeks before the first filing or confidential submission

Confirm eligibility on Nasdaq.

Circulate publicity guidelines and establish publicity procedures.[4]

Review corporate website, recent articles, public statements and interviews.

Review accounting and tax issues, including the following:

- IFRS-IASB ***or*** U.S. GAAP ***or*** local GAAP with a reconciliation to U.S. GAAP[5]
- availability of required financial statements (including separate acquired-company financial statements)
- auditor independence
- Sarbanes-Oxley Act preparedness, including internal control over financial reporting

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[2] Both emerging growth companies and FPIs that dual list are permitted to submit confidentially.

[3] Three years will be required for a concurrent European prospectus, if applicable.

[4] If the company is already listed in its home market, the publicity guidelines must take into account ordinary course investor relations and ordinary course research.

[5] Companies that are not FPIs must use U.S. GAAP.

- "cheap stock" issues (i.e., charges to earnings for issuance of equity incentives at a discount).

Consider Investment Company Act status and PFIC status.

Identify and collect material contracts:

- Assemble electronic versions of documents to be filed as exhibits.
- Identify portions of documents that will require an application for confidential treatment. (This is a separate SEC review process that can take longer than clearance of the registration statement.)[6]

Commence preparation of the registration statement (including prospectus).

Begin preparation of the confidential treatment request, if applicable.

Four to six weeks before the first filing or confidential submission

Organizational meeting:

- Review basic IPO terms.
- Discuss proposed timeline and timing considerations.
- Review significant legal and accounting issues.
- Review publicity restrictions and the company's publicity plans.
- Discuss due diligence arrangements.
- If the company is public in its home market, agree protocol for ordinary course research.

Start due diligence review. (This process will continue until closing, and will include legal, business, accounting and customer due diligence.)

Notify holders of registration rights, if any, about the proposed IPO; obtain waivers or amendments, if applicable.

Hold drafting sessions for the prospectus.

Determine any necessary "blue sky" (or state securities law) actions.

Distribute D&O questionnaires to appropriate persons.

Distribute FINRA questionnaires, lock-up agreements and, if needed, forms of shareholder written consent to appropriate persons.

Select depositary for ADRs and begin negotiation of engagement letter and depositary agreement, if applicable.

Two to four weeks before the first filing or confidential submission

Hold drafting sessions for the prospectus.

Circulate financial statements for the registration statement.

Compile "back up" materials for statistical and market disclosure in the registration statement.

Appoint agent for service of process.

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[6] The SEC has proposed combining the review process.

Appoint U.S. representative.

Select and reserve stock exchange trading symbol.[7]

Prepare and circulate draft underwriting agreement.

Prepare and circulate draft of accountant's comfort letter.

Prepare registration statement on Form F-6 for ADRs, if applicable.[8]

Begin preparation of the listing application.

Select a financial printer.

One to two weeks before the first filing or confidential submission

File Form ID to obtain EDGAR filer codes.[9]

Obtain necessary customer consents and other third-party consents in connection with disclosures in the prospectus.

Prepare and circulate board package:

- proposed resolutions
- current draft of the registration statement
- current draft of the registration statement on Form F-6
- signature pages for the registration statements (including powers of attorney)
- draft depositary agreement, if applicable.

Week of the first filing or confidential submission

Hold drafting sessions for registration statement.

Complete financial statements for the registration statement.

Submit all exhibits to the financial printer.

Hold board of directors meeting:

- Approve resolutions authorizing offering and the registration statement and the registration statement on Form F-6, if applicable.
- Approve or ratify all necessary corporate clean-up matters.
- Receive any comments from directors on the registration statement and, if applicable, the registration statement on Form F-6 and the depositary agreement.
- Obtain signature pages from directors.

Finalize and submit listing application.

One to three business days before the first filing or confidential submission

Finalize the registration statement (including financial statements).

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7 If listing on the New York Stock Exchange, begin pre-approval process

8 Form F-6 calls for limited information about the ADRs and no additional information about the company.

9 This form must be notarized. If the issuer is ***not*** an FPI, consider EDGAR filing codes for officers and directors.

Prepare EDGAR version of the filing or submission.

Complete exhibits.

Complete preparation of cover letters (if appropriate).

Conduct bring-down due diligence.

If filing publicly only: finalize draft of press release.

If filing publicly only: pay SEC filing fees by wire transfer. (SEC filing fee are not due until the first public filing if submitting confidentially.)

Pay FINRA filing fees by wire transfer.

One business day before the first filing or confidential submission

Confirm receipt of all requested questionnaires and lock-up agreements.

Complete the confidential treatment request, if applicable.

Day of the first filing or submission

File the confidential treatment request (by hand), if applicable.

Issue filing press release, if applicable.

One business day after the first filing or confidential submission

Submit FINRA Corporate Financing Department filing electronically.

If filing publicly only: hold employee meeting to discuss IPO process, gun-jumping issues, confidentiality and related matters.

One to two weeks after the first filing or confidential submission

Determine representative to act as custodian for selling shareholders at time of offering, if applicable.

Prepare selling shareholder documents:

- letter of transmittal
- power of attorney
- custody agreement
- questionnaire
- stock power.

Contact SEC to identify examiners and discuss review schedule.

If filing publicly only: submit application for CUSIP number.

Two weeks after the first filing or confidential submission

Begin to develop education plans regarding public company responsibilities and consequences:

- potential liability
- Exchange Act reporting, corporate governance, Sarbanes-Oxley Act compliance

- public communications (including Regulation FD)[10]
- insider trading and reporting (including Section 16)[11]
- post-IPO liquidity subject to lock-up agreements (including previously granted options).

Prepare comprehensive memorandum advising company of "public company" responsibilities and requirements.

Four weeks after the first filing or confidential submission

Receive SEC comment letter and prepare a response letter.

File (or submit confidentially) Amendment No. 1 to the registration statement and response to SEC comments.

Three to four weeks before roadshow

If the Company is an EGC and the registration statement was initially submitted confidentially, file the registration statement and related amendments publicly at least 15 days before the roadshow. If there are ADRs, file the registration statement on Form F-6 at the same time. [12]

If the Company is an FPI, but not an EGC and the registration statement was initially submitted confidentially, file the registration statement and related amendments publicly before the roadshow. If there are ADRs, file the registration statement on Form F-6 at the same time.

Two to four weeks before roadshow

Prepare for the roadshow; educate company on "rules of the road" and make electronic roadshow arrangements.

Prepare specimen share certificate (if necessary).

Finalize post-IPO articles of association and memorandum of association, including any desired anti-takeover provisions.

Finalize committee charters and other corporate governance matters.

Complete application for D&O insurance (to be in place by effectiveness of registration statement).

Finalize registrar and transfer agent agreement (if necessary).

Finalize depositary agreement.

Finalize opinions required to be filed with the registration statement.

Up to two weeks prior to roadshow

Hold board meeting to adopt resolutions approving the following:

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[10] Regulation FD is ***not*** applicable to FPIs.

[11] Section 16 is ***not*** applicable to FPIs.

[12] If the registration statement was initially submitted confidentially, pay SEC filing fees three days before first public filing. Once the registration statement is filed publicly, issue press release and hold an employee meeting to discuss IPO process, gun-jumping issues, confidentiality and related matters, and submit application for a CUSIP number.

- the amended and restated articles of association and memorandum of association, if applicable
- the form of share certificate, if applicable
- the establishment of a pricing committee
- the form of underwriting agreement
- any amended and restated incentive plans
- the appointment of the remuneration, audit and nominating and corporate governance committees
- employee incentive plans (including registration statement on Form S-8 and authorization to file, if applicable)
- the adoption and approval of committee charters
- the adoption and approval of the revised code of ethics, corporate governance guidelines, insider trading policy, related-person transaction policy
- the determination of audit committee independence and designation of audit committee financial expert
- the determination of board member independence
- the form of D&O indemnification agreement.

Obtain shareholder approval by written consent of all corporate clean-up matters not previously approved.

Confirm receipt of all shareholder documents and lock-up agreements.

Confirm receipt of all requested questionnaires.

Finalize prospectus artwork.

Prepare and file additional amendments to registration statements:

- Add price range if applicable.
- Add form of underwriting agreement.
- Add public opinions.
- Add cross-references to form of depositary agreement.
- Add new financial statements as necessary.
- Respond to SEC comments, if any.[13]

Print preliminary prospectus:

- Confirm print instructions (including quantity and delivery requirements).
- Confirm that printer has mailing labels from underwriters.
- Confirm that printer has company logo and prospectus artwork.
- Prepare transmittal letters to underwriters and dealers.

[13] If additional securities will be registered, pay SEC and FINRA fees several days before.

- Mail preliminary prospectus and underwriting documents to selling group.

Assist directors and officers in obtaining EDGAR filer codes, if not an FPI.

Assist directors and officers in preparing statements of beneficial interest on Form 3 and Form 4, if not an FPI**.**

Contact The Depository Trust Company to discuss offering.

Prepare DTC blanket letter of representations.

Draft and finalize legal opinions.

One week before pricing

Prepare registration statement on Form 8-A.[14]

Obtain listing approval, subject to notice of issuance.

Pay listing fees.

Three business days before pricing

Give Nasdaq notice of anticipated trading date.

Two business days before pricing

Confirm no outstanding issue.

Request acceleration of effectiveness by SEC.

File registration statement on Form 8-A at the same time as acceleration request.

Confirm that Company is prepared for website posting of its committee charters, code of business conduct and ethics and SEC filings (including Section 16 filings, if applicable) upon effectiveness.

Confirm FINRA Corporate Financing Department review complete.

Confirm D&O insurance to be in place upon pricing.

Day of pricing

Conduct bring-down due diligence.

Confirm effectiveness of registration statement, registration statement on Form F-6 and registration statement on Form 8-A.

File statements of beneficial interest on Form 3 (for directors and officers), if not an FPI.

Determine the price offering price.

Execute and deliver underwriting agreement.

Execute and deliver comfort letter.

File Rule 462(b) registration statement to register additional shares (if applicable).

Issue press release.

One business day after pricing

File final prospectus pursuant to Rule 424(b).

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[14] Form 8-A is used for registering securities under the Exchange Act.

Print final prospectus.

Complete arrangements with transfer agent and registrar or depositary, as applicable.

Distribute drafts of closing memorandum and closing certificates.

Prepare for closing.

File Form S-8 (if applicable); prepare related prospectuses.[15]

Three business days after pricing

Preliminary closing.

Four business days after pricing

Conduct bring-down due diligence.

Closing.

Two business days after closing

File statement of beneficial interest on Form 3 or Form 4 (for directors and officers) for conversion of securities upon IPO and sales/purchases of shares in IPO, if not an FPI.

Post-closing

Remind company management of publicity limitations during 25-day post-effectiveness period.

Send memorandum to transfer agent and registrar or depositary regarding procedures for exchanging/converting pre-IPO securities, if applicable.

Finalize closing memorandum.

Hold subsequent closing in connection with exercise of over-allotment option (if applicable).

Prepare and distribute bound sets of documents.

[15] Form S-8 is the form used for registering shares issued to employees.

FINRA – The Corporate Financing Rule and Filing and Review Process

Proskauer

Agenda

- What is FINRA?
- Corporate Financing-Related FINRA Rules
  - Rule 5110 Corporate Financing Rule – Underwriting Terms and Arrangements
  - Rule 5121 Public Offering of Securities with Conflicts of Interest
- FINRA Filing and Review Process

What is FINRA?

What is FINRA?

- The Financial Industry Regulatory Authority (FINRA) is the largest non-governmental regulator for securities firms doing business in the United States.
- FINRA oversees brokerage firms, branch offices and registered securities representatives. FINRA was created in July 2007 through the consolidation of the NASD and the member regulation, enforcement and arbitration functions of the New York Stock Exchange (NYSE).
- FINRA regulates the conduct of its member firms that act as underwriters in SEC-registered securities offerings. FINRA's Corporate Financing Department administers rules intended to ensure that underwriting terms or arrangements are not unfair or unreasonable.
- The Corporate Financing Department plays a critical role in certain securities offerings, including initial public offerings, for which filings with FINRA must be made.
- **These offerings cannot proceed until FINRA confirms it has "no objections" to the offering's underwriting arrangements following successful completion of the FINRA filing and review process.**

Corporate Financing-Related Rules

Proskauer

Rule 5110: Corporate Financing Rule – Underwriting Terms and Arrangements

- Commonly known as the corporate financing rule, Rule 5110 governs underwriting terms and arrangements in public offerings, and generally requires FINRA members acting as underwriters in these offerings to comply with requirements intended to ensure fairness in underwriting terms and compensation.
- Rule 5110 requires filings to be made with FINRA in some public offerings.
- Offerings subject to the rule's filing requirements generally may not proceed until FINRA confirms it has no objections to the underwriting arrangements for the offering.

Rule 5110: Filing Requirement for Public Offerings

- A FINRA filing is required in each public offering, unless there is an exemption.
  - A public offering means any primary or secondary offering of securities made under a registration statement or offering circular. This includes exchange offers, rights offerings made in a business combination or all other securities offering unless there is an exemption, including 4(2) private placements, Rule 144A or Regulation S offerings.
- Exemptions from public offering requirement include:
  - Offerings made by Form S-3 or F-3 eligible issuers that meet pre-October 1992 standards for use of the forms:
    - Subject to the Exchange Act for at least 36 months; and
    - For S-3 issuers: Aggregate market value of voting stock held by non-affiliates of (i) $150 million, or (ii) aggregate market value of at least $100 million and annual trading volume of at least 3 million shares.
    - For F-3 issuers: Aggregate market value of voting stock held by non-affiliates of $300 million.
  - Offerings (other than an IPO) by issuers that have investment grade unsecured non-convertible debt securities or preferred securities, outstanding with a term of at least four years.
  - Offerings of investment grade-rated non-convertible debt or preferred securities.
  - Certain offerings by Canadian foreign private issuers.
  - Offerings of certain highly-rated asset backed securities.

Even if the offering meets the requirements of these exemptions, it nevertheless must be filed with FINRA if it involves certain conflicts of interest.

Rule 5110: Underwriting Compensation

- Rule 5110(c) prohibits FINRA members and their associated person from either:
  - Receiving an amount of underwriting compensation that is “unfair or unreasonable” in a public offering, or
  - Underwriting or participating in a public offering if the underwriting compensation is “unfair or unreasonable.”
- The maximum amount of compensation that is considered fair and reasonable depends, among other things, on the risk assumed by the underwriters for the offering and the amount of process proceeds of the offering.
- To determine the amount of underwriting compensation, must determine:
  - Whether items received or to be received by the underwriters or related persons are items of value.
    - Discounts and commissions.
    - Reimbursement of expenses to underwriters and related persons (including fees to underwriters’ counsel and financial advisors).
    - Exceptions: listed securities in public market transactions, cash compensation for acting as placement agent in a private placement.
  - Whether items of value received are deemed to be in connection with the offering.
    - Rule 5110(d)(1) says that underwriting compensation includes all items of value received by, and all arrangements entered into for the future receipt of an item of value by, the underwriters and its related person during the period:
      - Beginning 180 days before the first require FINRA filing for the offering.
      - Ending on the effective date of the registration statement or commencement of sales in the offering.

Rule 5121: Conflicts of Interest Rule

- Rule 5121 puts restrictions on offerings in which one or more of the underwriters has a conflict of interest with the issuer. Many common situations give rise to a conflict of interest under Rule 5121. Examples include:
  - When at least 5% of the net offering proceeds will be used to repay debt extended by an underwriter (or affiliate); or
  - Where an underwriter (or associated person) controls the issuer (the threshold for control is 10% under Rule 5121(f)(6)).
- If an underwriter in an offering has a conflict of interest, the prospectus will need to include special disclosure, and in some cases a qualified independent underwriter (QIU) may need to participate in the offering.

FINRA Filing and Review Process

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Filing and Review Process (IPO Context)

- Prepare and circulate questionnaires to directors, officers, certain stockholders of issuer and underwriters.
- Review returned questionnaire and conduct any necessary follow-up.
- Send wire instructions for FINRA fee to issuer at least one week before expected filing or confidential submission.
- When registration statement is filed or submitted to SEC, coordinate payment of FINRA filing fee and make initial FINRA filing.
- Review FINRA comment letter and discuss any preliminary issues with deal team.
- Refile FINRA application for each amendment to registration statement within one business day.
- Follow up on open items and provide FINRA with completed information and required documents.
- Continue to communicate pricing date to FINRA examiner.
- Once FINRA examiner confirms he or she has not further concerns and FINRA has no objections to underwriting arrangements, ensure this is communicated to SEC examiner.

FINRA Questionnaire

- A questionnaire, separate from the D&O questionnaire, distributed by underwriters' counsel to the company's directors, officers and greater than five percent security holders.
- A questionnaire is also often distributed to the underwriters.

FINRA Public Offering System

- The FINRA Public Offering System is the online tool used to file applications, make representations to FINRA and respond to reviewer comments.
- All Capital Markets associates should have a login for the Public Offering System. Vito Piacente is the Proskauer administrator for the FINRA Public Offering System and can assist in getting usernames and passwords.

FINRA Fee and Wire Instructions

- Filing fee must be paid on the date of the first filing of the registration statement with FINRA.
- Required filing fee is $500 plus 0.015% of the proposed maximum aggregate offering price as disclosed in the SEC registration statement fee table.
- The FINRA Public Offering System will automatically calculate the filing fee for you.
- *If first filing is confidential submission for an emerging growth company, the FINRA filing fee must still be paid!*

FINRA – The Corporate Financing Rule and Filing and Review Process

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