



Directive on the Listing of SPACs

Directive SPACs, DSPAC
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Basis: Art. 89j and 89m LR

I General Provisions

Art. 1 Purpose

This Directive specifies the listing requirements for SPACs and the requirements at the De-SPAC.

Art. 2 Scope of application

¹ This Directive applies to all issuers that are listed as SPACs on SIX Swiss Exchange Ltd (SIX Swiss Exchange).

² Provided the SPAC offers convertible bonds instead of shares to investors within the IPO, the provisions of this Directive shall apply mutatis mutandis to the convertible bonds to be listed at the same time as the shares, subject to the following clarifications:

1. Minimum content of the terms of the convertible bonds:
 - a) one bond entitles to conversion into one share in the SPAC;
 - b) redeemable no later than 3 years after the first trading day if no De-SPAC has been completed by then;
 - c) Regulation on how a meeting of holders of convertible bonds is called and how the meeting votes on the De-SPAC;
 - d) Mandatory conversion of a convertible bond upon execution of the De-SPAC, unless, within 30 days of approval of the De-SPAC, the holder of such convertible bond has requested redemption;
 - e) the redemption pursuant to let. b and d shall be made in each case at least at the nominal amount, less any costs pursuant to Art. 3.
2. Notwithstanding Art. 89h para. 2 LR, the shares of the SPAC made available for the convertible bonds must only be deposited with a banking institution subject to the Banking Act. If ownership of these shares is granted to the trustee, the issuer must ensure, inter alia,
 - a) that in case of bankruptcy of the trustee, the ownership of the shares is transferred back to the issuer;
 - b) that the trustee does not exercise the rights attached to the shares.

II Further listing requirements

Art. 3 Earmarking of the escrow account

¹ The money in the escrow account (offering proceeds) may only be used for the purposes described in the prospectus, in particular the acquisition of one or more acquisition targets, the repurchase of IPO shares in connection with the De-SPAC, the repayment of IPO shares in connection with the liquidation of the SPAC and coverage of the costs according to Art. 4 point 1 let. b, but not for the SPAC's operating costs.

² Until used in accordance with para. 1, the proceeds of the offering may only be held as bank deposits or as a short-term liquid investments with low risk of price fluctuations.

Art. 4 Additional disclosure requirements

The following additional information must be included in the prospectus in accordance with the FinSA established with a view to the IPO on the SIX Swiss Exchange, or in an additional document:

1. Quantitative examples with regard to the investment of a public shareholder:
 - a) Presentation of scenarios of how large the dilution of a public shareholder in the De-SPAC may be based on the given capital structure and the securities offered in the IPO. This includes at least:
 - Disclosure of what percentage of shares sponsor / management / public shareholders / other types of shareholders (incl. private placement investors, if any) will hold in the company after the De-SPAC;
 - Disclosure of any other compensation components in favor of the sponsor or management apart from SPAC shares or shares in the company after the De-SPAC;
 - Disclosure of whether, to what extent and when additional capital can be raised and on what terms from which investors (including any private placement investors);
 - Concrete numerical indication of the maximum dilution effect for the different investor groups;
 - Indication of the maximum dilution effect of any convertible financial instruments, in particular warrants.
 - b) Illustration of how an initial invested amount of a public shareholder held in the escrow account is likely to develop as a result of stamp duty, taxes, bank charges, interest (positive or negative) until the day of the possible repurchase.
2. Additional disclosure requirements:
 - a) Description of potential conflicts of interest of the founding shareholders, sponsors, if any, and the board of directors and senior management, and of appropriate measures to avoid or mitigate them.
 - b) Material terms of the escrow agreements and for the use of the proceeds of the offering.
 - c) Information on the De-SPAC: Information on the target market as well as the process of the De-SPAC.
 - d) Detailed information on the founders, members of the board of directors and management and their track record.
 - e) Description of the role of the lead banks and potential conflicts of interest.
 - f) Description of lock-up undertakings of the founding shareholders, sponsors as well as members of the board of directors and the executive committee.
 - g) Description of any lock-up undertakings of other parties.
 - h) Description of the preferential treatment of the IPO shares over all other classes of shares in the liquidation of the SPAC.

III Conditions for maintaining listing with regard to the De-SPAC

Art. 5 Preparation and publication of an information document

¹ The SPAC must prepare and publish an information document (shareholder information) in view of the vote on the De-SPAC.

² An independent body, such as a recognized auditing firm, shall review the appropriateness of the offer, in particular also with regard to the determined value of the acquisition target, and shall prepare a report thereon. The SPAC must publish this report in the information document.

³ The independent body must be independent of the SPAC, the acquisition target and the persons acting in concert with them.

⁴ The information document must contain the following information:

1. information on the acquisition target:

a) Description of the acquisition target and its business

- i. Description of the material risks relating to the acquisition target and its business;
- ii. Description of the current main areas of activity, indicating the main products distributed and services provided;
- iii. Information on the business prospects with an indication that these are subject to uncertainty;
- iv. Information on pending or threatened legal, arbitration or administrative proceedings, to the extent of material significance for the net assets or results of operations of the acquisition target.

b) Financial information relevant to the decision on the De-SPAC in relation to the acquisition target, in particular:

- i. The two most recent annual reports containing the audited financial statements for the last three financial years in accordance with the accounting standard of the acquisition target or equivalent information;
- ii. A description (in relation to the acquisition target's last financial year) of the material differences between the acquisition target's accounting standard and that of the issuer, if the acquisition target does not prepare its accounts in accordance with a recognised accounting standard;
- iii. Description of the material financial effects resulting from the proposed De-SPAC, such as recognition of goodwill, recognition of separately identifiable intangible assets (e.g. trademarks, patents, customer relationships, etc.), transaction costs;

c) Other financial information, if not contained in the financial statements of the acquisition target:

- i. Breakdown of net sales by business segment (product or service segments, possibly breakdown by geographic market); the breakdown may be omitted if immaterial for the assessment of the net sales;
- ii. Expenditure on research and development;
- iii. Information on provisions and contingent liabilities;

d) Information on corporate governance and governing bodies under the De-SPAC:

- i. If after the De-SPAC the issuer will be part of a group: description of the group's operational structure;
- ii. Information on members of the Board of Directors (BoD) and the Executive Board (EB), including other activities and vested interests;
- iii. Composition of the BoD Committees, their duties and powers;
- iv. Principles and elements of compensation and equity participation programs;
- v. Description of any statutory rules relating to shareholders' participation rights that are not governed by law or that deviate from statutory provisions; and

- vi. Change of control and defense measures: Statutory rules regarding opting out (Art. 125 para. 3 and para. 4 FMIA) or opting up (Art. 135 para. 1 FMIA), specifying the percentage threshold, as well as content of change of control clauses in agreements and participation plans in favor of members of the BoD or the EB.
- e) Confirmation that the SPAC has not received, directly or indirectly, any non-public information from the acquisition target that could materially influence the investors' decision and which has not been disclosed. Mere prospects and forecasts do not qualify as such information.

2. Information on the De-SPAC

- a) Description of the transaction, including
 - i. rationale for and risks of the transaction;
 - ii. Interests of the BoD and the EB in evaluating the acquisition target;
 - iii. potential conflicts of interest, especially in connection with lock-up groups;
 - iv. Description of the dilution effect on a public shareholder by the De-SPAC.
- b) Description of the repurchase offer, including an indication of the expected pro rata share of the balance of the escrow account per share;
- c) Material conditions for the completion of the De-SPAC and for the termination of the transaction agreement;
- d) Description of the financing of the transaction;
- e) Description of the role of the banks involved (including any additional services and potential conflicts of interest).

⁵ The publication of the information document shall be made in such a way that it complies with the provisions on ad hoc publicity (Art. 53 LR).

⁶ A supplement to the information document must be prepared and published if new facts occur or are discovered between the publication of the information document and the vote on the approval of the De-SPAC and these could materially influence the decision of the investors.

IV Final provisions

Art. 6 Entry into force

This Directive enters into force on 6 December 2021.