



PRESS RELEASE

08 March 2022 07:30:00 CET

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MANNA & CO ANNOUNCES A MANDATORY PUBLIC CASH OFFER OF SEK 36 PER SHARE TO THE SHAREHOLDERS OF LEXINGTON

On 18 February 2022, it was announced that Manna & Co Oy ("Manna & Co") had acquired in total 4,069,044 shares in The Lexington Company AB (publ) ("Lexington" or the "Company"), corresponding to 68.1 percent of the total shares and votes in Lexington, for a consideration of SEK 36.00 per share. The acquisitions entailed an obligation for Manna & Co to submit a mandatory public offer for the remaining shares in Lexington within four weeks, in accordance with the provisions on mandatory public offers in the Takeover Rules for certain trading platforms issued by the Swedish Corporate Governance Board on 1 January 2021 (the "Takeover Rules"). Manna & Co has thereafter acquired additional shares in Lexington and now holds in total 5,332,077 shares in Lexington, corresponding to 89.2 percent of the total shares and votes in Lexington.

In light of the above, Manna & Co hereby announces a public offer to the shareholders of Lexington to tender all their shares in Lexington to Manna & Co at a price of SEK 36.00 in cash per share (the "Offer"). The shares in Lexington are listed on Nasdaq First North Growth Market ("Nasdaq First North").

The Offer in brief

- Manna & Co offers SEK 36.00^[1] in cash per Lexington share, which corresponds to the highest price that Manna & Co has paid for any shares acquired in Lexington. The Offer values all shares in Lexington to approximately SEK 215.2 million^[2]. The total value of the Offer, based on the 644,589 shares in Lexington not held by Manna & Co, amounts to approximately SEK 23.2 million.
- The price offered for the shares in Lexington represents a premium of 2.3 percent compared to the closing price for the Lexington share on Nasdaq First North on 17 February 2022 (the last day of trading prior to the announcement of Manna & Co's acquisitions on 18 February 2022), a premium of 1.7 percent compared to the closing price for the Lexington share on Nasdaq First



Manna & Co

North on 7 March 2022 (the last day of trading prior to the announcement of the Offer) and a premium of 8.4 percent compared to the volume-weighted average trading price for the Lexington share on Nasdaq First North over the last 30 trading days which ended on 17 February 2022.

- Helena Nordman-Knutsson, as the sole independent member of the board of directors of Lexington, recommends the Offer for acceptance by the shareholders in Lexington. The recommendation is supported by a fairness opinion provided by BDO AB (“BDO”).
- There are no conditions for completion of the Offer.
- An offer document regarding the Offer will be published today 8 March 2022. The acceptance period for the Offer begins on 9 March 2022 and expires on 6 April 2022.

Risto Voutilainen, main shareholder and chairman of the board of directors of Manna & Co,

comments: *“The acquisition of Lexington is in line with the strategy of Manna & Co, and Lexington is an excellent fit for Manna’s portfolio of beloved Nordic brands. We look forward to our shared journey with Lexington and believe that together we can build something extraordinary.”*

Mikko Koponen, CEO of Manna & Co, comments: *“Lexington is a brand that has firmly established its place in the everyday lives of Swedish, Finnish and many international consumers. We are extremely honoured and excited to have the opportunity to continue building and growing the great company and brand that Kristina and Tommy Lindhe have created. We have felt warmly welcomed to the Lexington family and believe that Manna will be a good and committed home for it.”*

Background and reasons for the Offer

Founded in February 2021, Manna & Co is a brand house based in Finland. Manna & Co brings together the most beloved, respected, and well-established Finnish fashion and home-textile brands. Currently, the brands include Finlayson, Vallila, Makia, Reino & Aino, and a 20-percent stake in Sasta. Each company operates independently and under its own brand name. During the 2021 financial year, Manna & Co Group’s total consolidated (pro forma) revenue totaled approximately EUR 90 million (approximately SEK 953.4 million) with an EBITDA of approximately EUR 12.6 million (approximately SEK 133.5 million).

All Manna & Co brands are defined by their role in the everyday lives of local consumers. They are all a part of – or on their way to becoming part of – Finnish cultural heritage. Manna & Co’s mission and core business is to make ordinary brands extraordinary. Manna & Co aims to be the most attractive, profitable, and sustainable brand house in Finland.

Founded in 1997, Lexington is headquartered in Stockholm, Sweden. Lexington is a global, premium lifestyle brand offering home-furnishing and fashion collections. Lexington products are available in over 20 markets and the company has approximately 700 points of sale, mainly in Europe, the U.S. and Asia. In January–December 2021, Lexington’s revenue totaled SEK 325.5 million (approximately EUR 30.7 million) with an EBITDA of SEK 28.2 million (approximately EUR 2.7 million).



Lexington enjoys the same strong position in the hearts and lives of Swedish, Finnish, and many international consumers as Manna & Co's current brands do in Finland. This makes Lexington a good fit for Manna & Co's portfolio and aligns it with Manna & Co's goals. The Offer supports the strategy of Manna & Co by establishing a stronger foothold in the home furnishing and fashion segments. It also sets the stage for Manna & Co's international growth in Lexington's markets.

"Working together as one" is a core Manna & Co value. Its culture is expected to provide a logical and positive trajectory, as well as a great long-term home for the Lexington brand and the tremendous, systematic work of its founders and owners.

Manna & Co's plans for Lexington's future business and general strategy do not currently include any material changes to the locations of Lexington's operations, Lexington's management and employees, or their terms of employment. Following completion of the Offer, and as part of evaluating how the Company can be best developed, these issues, among others, will be carefully considered. Manna & Co is convinced that Lexington is well set to increase its competitiveness and improve its profitability in the coming years as a private company.

The Offer

Consideration

The shareholders of Lexington are offered SEK 36.00 in cash per share in Lexington. Should Lexington, prior to the settlement of the Offer, distribute dividends or in any other way distribute or transfer value to its shareholders, the consideration in the Offer will be adjusted accordingly.

No commission will be charged in respect of the settlement of the Lexington shares tendered to Manna & Co under the Offer.

The shareholders in Lexington are not entitled to revoke submitted acceptances in the Offer.

Premium

The price in the Offer represents^[3]:

- A premium of 2.3 percent compared to the closing price for the Lexington share on Nasdaq First North on 17 February 2022 (the last day of trading prior to the announcement of Manna & Co's acquisitions on 18 February 2022), of SEK 35.20;
- a premium of 1.7 percent compared to the closing price for the Lexington share on Nasdaq First North on 7 March 2022 (the last day of trading prior to the announcement of the Offer), of SEK 35.40; and
- a premium of 8.4 percent compared to the volume-weighted average trading price for the Lexington share on Nasdaq First North over the last 30 trading days which ended on 17 February 2022, of SEK 33.22.



Total value of the Offer

The total value of the Offer, based on the 644,589 shares in Lexington not held by Manna & Co, amounts to approximately SEK 23.2 million. The Offer values all shares in Lexington to approximately SEK 215.2 million.[4]

Manna & Co's shareholding in Lexington

Manna & Co owns 5,332,077 shares in Lexington, corresponding to approximately 89.2 percent of the total number of shares and votes in Lexington, and is thus Lexington's parent company. Neither Manna & Co nor any of its closely related parties hold any other financial instruments that provide a financial exposure to the shares in Lexington.

On 18 February 2022, Manna & Co announced that Manna & Co had entered into agreements with Tommy and Kristina Lindhe (via Kristina Lindhe & Co Holding AB), Fosielund Holding AB and Staffan Persson (via SEB Life International) to acquire in total 4,069,044 shares in Lexington for a consideration of SEK 36.00 per share. The aforementioned acquisitions entailed that the threshold for mandatory offers as set out in the Takeover Rules was exceeded.

Following the announcement on 18 February 2022, Manna & Co has acquired an additional 1,263,033 shares in Lexington for a consideration of not more than SEK 36.00 per share.

Manna & Co may acquire, or take measures to acquire, shares or other securities in Lexington in other ways than through the Offer. Information on such acquisitions or measures will be announced in accordance with applicable rules.

Certain closely related party issues, recommendation and fairness opinion

Due to the share transfers on 18 February 2022, the Lexington board members Tommy Lindhe (chairman), Kristina Lindhe and Helén Richenzhagen have a conflict of interest and may not participate in the handling of or decisions regarding the Offer. Lexington has announced in a press release on 18 February 2022 that the independent board member Helena Nordman-Knutson will handle such issues instead.

Helena Nordman-Knutsson, as the sole independent board member in Lexington's board of directors, recommends the Offer for acceptance by the shareholders in Lexington. The statement by the independent board member will be announced by Lexington today in a separate press release.



The circumstance that Manna & Co is the parent company of Lexington imply that Section IV of the Takeover Rules is applicable to the Offer, entailing that the acceptance period for the Offer shall be at least four weeks and that Lexington's board of directors, according to item IV.3 of the Takeover Rules, is obliged to obtain and make public a fairness opinion, no later than two weeks prior to the expiry of the acceptance period stating whether the Offer is fair for Lexington's shareholders from a financial perspective. The independent member of the board of directors of Lexington has obtained a fairness opinion from BDO, according to which the Offer is fair for Lexington's shareholders from a financial perspective, based on and under the conditions set out in the fairness opinion. The fairness opinion and the statement by the independent board member are included in their entirety in the offer document which will be published by Manna & Co today, 8 March 2022.

Conditions for completion of the Offer

There are no conditions for completion of the Offer.

Information about Manna & Co

Manna & Co is a Finnish limited liability company (Oy) having its main office at Nilsiäkatu 15, 00510 Helsinki, Finland. Manna & Co is a brand house that brings together the most beloved, respected, and well-established Finnish fashion and home-textile brands. Each company operates independently and under its own brand name; Finlayson, Vallila, Makia, Sasta and Reino & Aino. All Manna & Co's brands share strong roots and an established place in the daily lives of Finns.

The chairman of the Board of Directors Risto Voutilainen holds, through companies, 44.4 percent of the shares and 51 percent of the votes in Manna & Co. During the 2021 financial year, the Manna & Co Group's total consolidated (pro forma) revenue totalled approximately EUR 90 million with an EBITDA of approximately EUR 12.6 million. For more information, visit <https://mannagroup.fi/lexington>.

Financing of the Offer

The consideration payable in respect of the Offer is financed in full by Manna & Co's own cash resources and credit facilities. Hence, Manna & Co has sufficient resources to satisfy in full the consideration payable in the Offer.

Due diligence

Manna & Co has, in connection with its preparations for the Offer and prior to the acquisitions on 18 February 2022, conducted a limited confirmatory due diligence review of Lexington. Lexington has informed Manna & Co that no information that has not already been disclosed by Lexington and that could be considered as inside information has been provided to Manna & Co during the due diligence review.



Timetable for the Offer[5]

Publication of the offer document	8 March 2022
Acceptance period	9 March – 6 April 2022
Commencement of settlement	12 April 2022

Manna & Co reserves the right to extend the acceptance period for the Offer. Any extension of the acceptance period will not delay payment of consideration to those who have already accepted the Offer.

Compulsory redemption proceedings and delisting

As soon as possible after Manna & Co has acquired shares representing more than 90 percent of the total number of shares in Lexington, Manna & Co intends to commence compulsory redemption proceedings under the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*) to acquire all the remaining shares in Lexington. In connection therewith, Manna & Co intends to promote delisting of Lexington's shares from Nasdaq First North.

Applicable law and disputes

The Offer, as well as the agreements entered into between Manna & Co and the shareholders in Lexington as a result of the Offer, shall be governed and construed in accordance with substantive Swedish law. Any dispute regarding the Offer, or which arises in connection therewith, shall be settled exclusively by Swedish courts, and the City Court of Stockholm (Sw. *Stockholms tingsrätt*) shall be the court of first instance.

The Takeover Rules and the Swedish Securities Council's (Sw. *Aktiemarknadsnämnden*) rulings regarding interpretation and application of the Takeover Rules, including, where applicable, the Swedish Securities Council's interpretation and application of the formerly applicable Rules on Public Offers for the Acquisition of Shares issued by the Swedish Industry and Commerce Stock Exchange Committee (Sw. *Näringslivets Börskommitté*), are applicable to the Offer.

Advisors

Armatori Corporate Finance Oy is financial advisor and Cederquist is legal advisor to Manna & Co in connection with the Offer.



Manna & Co Oy
The board of directors

For additional information, please contact:

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Information about the Offer is available at: <https://mannagroup.fi/lexington>

Manna & Co discloses the information provided herein pursuant to the Takeover Rules. The information was submitted for publication on 8 March 2022, at 07:30 a.m. CET.

Important information

The Offer, pursuant to the terms and conditions presented in this press release, is not being made to persons whose participation in the Offer requires that an additional offer document is prepared or registration effected or that any other measures are taken in addition to those required under Swedish law and regulations.

This press release and any related Offer documentation are not being distributed and must not be mailed or otherwise distributed or sent in or into any country in which the distribution or offering would require any such additional measures to be taken or would be in conflict with any law or regulation in such country – any such action will not be permitted or sanctioned by Manna & Co. Any purported acceptance of the Offer resulting directly or indirectly from a violation of these restrictions may be disregarded.

The Offer is not being and will not be made, directly or indirectly, in or into, by use of mail or any other means or instrumentality of interstate or foreign commerce of, or any facilities of a national securities exchange of Australia, Canada, Hong Kong, Japan, New Zealand, South Africa or the United States. This includes, but is not limited to facsimile transmission, electronic mail, telex, telephone, the Internet and other forms of electronic transmission. The Offer cannot be accepted and shares may not be tendered in the Offer by any such use, means, instrumentality or facility of, or from within Australia, Canada, Hong Kong, Japan, New Zealand, South Africa or the United States or by persons located or resident in Australia, Canada, Hong Kong, Japan, New Zealand, South Africa or the United States. Accordingly, this press release and any related Offer documentation are not being and should



not be mailed or otherwise transmitted, distributed, forwarded or sent in or into Australia, Canada, Hong Kong, Japan, New Zealand, South Africa or the United States or to any Australian, Canadian, Hong Kong, Japanese, New Zealand, South African or U.S. persons or any persons located or resident in Australia, Canada, Hong Kong, Japan, New Zealand, South Africa or the United States.

Any purported tender of shares in the Offer resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of shares made by a person located in Australia, Canada, Hong Kong, Japan, New Zealand, South Africa or the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from or within Australia, Canada, Hong Kong, Japan, New Zealand, South Africa or the United States will be invalid and will not be accepted. Each person who holds shares and participates in the Offer will certify to not being an Australian, Canadian, Hong Kong, Japanese, New Zealand, South African or U.S. person, not being located or participating in the Offer from Australia, Canada, Hong Kong, Japan, New Zealand, South Africa or the United States and not acting on a non-discretionary basis for a principal that is an Australian, Canadian, Hong Kong, Japanese, New Zealand, South African or U.S. person, or that is located in or giving order to participate in the Offer from Australia, Canada, Hong Kong, Japan, New Zealand, South Africa or the United States. Manna & Co will not deliver any consideration relating to the Offer to Australia, Canada, Hong Kong, Japan, New Zealand, South Africa or the United States.

This press release is not being, and must not be, sent to shareholders with registered addresses in Australia, Canada, Hong Kong, Japan, New Zealand, South Africa or the United States. Banks, brokers, dealers and other nominees holding shares for persons in Australia, Canada, Hong Kong, Japan, New Zealand, South Africa or the United States must not forward this press release or any other document related to the Offer to such persons.

For purposes of this section, "United States" and "U.S." refers to the United States of America (its territories and possessions, any state of the United States and the District of Columbia).

This press release has been published in Swedish and English. In the event of any discrepancy in content between the two language versions, the Swedish version shall prevail.

Forward-looking information

Information in this press release relating to future events or circumstances, including information regarding future results, growth and other projections as well as benefits of the Offer, are forward-looking information. Such information may generally, but not always, be identified by the use of words such as "anticipates", "expects", "believes", or similar expressions.



By its nature, forward-looking information involves risk and uncertainty, because it relates to events which depend on circumstances that may occur in the future. Due to several factors, of which a number of them are outside Manna & Co's control, there are no guarantees to that actual results will not materially differ from the results expressed or implied by the forward-looking information. Any such forward-looking information only applies as per the date it was given and Manna & Co has no obligation (and undertakes no such obligation) to update or revise it, whether as a result of new information, future events or otherwise, except for what is required by applicable laws and other regulations.

[1] Should Lexington, prior to the settlement of the Offer, distribute dividends or in any other way distribute or transfer value to its shareholders, the consideration in the Offer will be reduced accordingly.

[2] Based on 5,976,666 shares in Lexington.

[3] Source for Lexington's share prices: Nasdaq First North.

[4] Based on 5,976,666 shares in Lexington.

[5] All dates are preliminary and may be subject to change.