



Lemonsoft Oyj's initial public offering has been oversubscribed and the listing will be completed as planned

Company announcement 16 November 2021 at 2.00 p.m. EET

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The Board of Directors of Lemonsoft Oyj ("**Lemonsoft**" or the "**Company**") has today on 16 November 2021 decided on the completion of the Offering (as defined below). The subscription price for the Offer Shares (as defined below) was EUR 11.82 per share in the Institutional Offering and the Public Offering (as defined below), and EUR 10.64 per share in the Personnel Offering (as defined below), which corresponds in total to a market capitalisation of the Company of approximately EUR 216 million immediately following the Offering. Demand in the Offering was strong from both Finnish and international investors and the Offering was multiple times oversubscribed. Trading in the Company's shares (the "**Shares**") is expected to commence on Nasdaq First North Growth Market Finland ("**First North**") on or about 17 November 2021.

Information about the Offering

As part of the Offering, the Company will issue 1,273,726 new shares in the Company (the "**New Shares**") (the "**Share Issue**"), corresponding to approximately 7 percent of the total number of outstanding Shares and the number of votes vested by the Shares after the Offering. In addition, Rite Internet Ventures Holding AB ("**Rite**") and Kari Joki-Hollanti (together the "**Sellers**") will sell 3,294,705 existing Shares in the Company (the "**Sale Shares**") (the "**Share Sale**", and together with the Share Issue, the "**Offering**"), corresponding to approximately 18 percent of the total number of outstanding Shares and the number of votes vested by the Shares after the Offering. Unless the context indicates otherwise, the New Shares, the Sale Shares and the Additional Shares (as defined below) are together referred to herein as the "**Offer Shares**". The Offer Shares correspond to approximately 25.0 percent of the Shares and the number of votes vested by the Shares after the Share Issue, assuming that the Over-Allotment Option (as defined below) will not be exercised (and approximately 28.7 percent if the Over-Allotment Option is exercised in full).

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465,313 Offer Shares will be allocated to private individuals and entities in Finland (the “**Public Offering**”), 4,694,398 Offer Share will be allocated in private placements to institutional investors in Finland and, in accordance with applicable laws, internationally (the “**Institutional Offering**”) and (iii) 93,984 Offer Shares will be allocated to the employees of the Company or its subsidiaries, as well as to members of the Board of Directors and management team of the Company (the “**Personnel Offering**”). The commitments given in the Public Offering will be accepted in full for up to 25 Offer Shares and approximately 23.9 percent of the subscription commitments exceeding this amount. The commitments given in the Personnel Offering will be accepted in full for up to 700 Offer Shares and approximately 90.6 percent of the subscription commitments exceeding this amount.

Lemonsoft will receive gross proceeds of approximately EUR 15 million from the Offering and the Sellers will receive gross proceeds of approximately EUR 39 million assuming that the Over-allotment Option will not be exercised (and gross proceeds of approximately EUR 47 million if the Over-allotment Option will be exercised in full). The total number of Shares in the Company will increase to 18,273,726 after the New Shares offered in the Share Issue are registered in the Trade Register upheld by the Patent and Registration Office on or about 16 November 2021. The number of shareholders after the Offering will increase to more than 5,200 shareholders.

The Offer Shares subscribed for and issued in the Public Offering and Personnel Offering will be recorded in the book-entry accounts of investors, who have made approved commitments, on or about 17 November 2021. The shares subscribed for in the Institutional Offering will be ready to be delivered against payment through Euroclear Finland Ltd on or about 19 November 2021.

Written confirmations regarding the approval of the commitments and the allocation of Offer Shares will be sent to the investors who have submitted their commitments in the Public Offering and been allocated Offer Shares at the latest on or about 22 November 2021. Investors who have submitted their commitments as Nordnet’s customers through Nordnet’s online service, will see their commitments as well as allocation of Offer Shares on the transaction page of Nordnet’s online service. Any excess payments made in connection with the commitments will be refunded to the party that made the commitment to the Finnish bank account identified in the commitment on or about the fifth (5th) banking day after the completion decision, on or about 23 November 2021. If an investor’s bank account is in a different bank than the subscription place, the refund will be paid to a bank account in accordance with the payment schedule of the financial institutions, approximately no later than two (2) banking days thereafter. To Nordnet’s own customers, who have given their Commitments via Nordnet’s subscription place, the amount to be refunded will be paid to Nordnet’s cash accounts. No interest will be paid on the refunded amount.

Trading in the Company's shares on First North is expected to commence on or about 17 November 2021, provided that the Company's listing application will be approved. The trading code of the shares is expected to be LEMON and the ISIN code is FI4000512678.

In connection with the Offering, Rite has granted an over-allotment option to Danske Bank A/S, Finland Branch ("**Danske**"), acting as the stabilising manager, which authorises the Stabilising Manager to purchase at the subscription price a maximum of 685,264 additional shares (the "**Additional Shares**") solely to cover possible over-allotments in connection with the Offering (the "**Over-Allotment Option**"). The Over-Allotment Option is exercisable within 30 days from the commencement of trading in the Shares on First North (i.e., on or about the period between 17 November 2021 and 16 December 2021) (the "**Stabilisation Period**"). The maximum number of Additional Shares represents 3.7 percent of the Shares and votes vested by the Shares after the Offering, provided that the Over-allotment Option is exercised in full, however, in any case representing no more than 15 percent of the aggregate number of New Shares and Sale Shares.

Danske, acting as stabilising manager, may, but is not obligated to, engage in measures during the Stabilisation Period that stabilise, maintain or otherwise affect the price of the Shares. Any stabilisation measures will be conducted in accordance with Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (the "**Market Abuse Regulation**") and Commission Delegated Regulation (EU) 2016/1052 supplementing the Market Abuse Regulation with regard to regulatory technical standards for the conditions applicable to buy-back programs and stabilisation measures.

In connection with the Offering, the Company and Rite have, with customary exemptions, entered into lock-up agreements of 180 days from the listing. Kari Joki-Hollanti and the Management Team of the Company have agreed to a lock-up arrangement with similar terms to that of Rite and the Company that will end on 5 July 2023. Persons that have made subscriptions in the Personnel Offering have agreed to an lock-up undertaking of 360 days from the listing (i.e., on or about 12 November 2022). In aggregate, lock-up agreements apply to approximately 75.5 percent of the Shares after the Offering, assuming that the Over-Allotment Option is not exercised and approximately to 71.8 percent of the Shares if the Over-Allotment Option is exercised in full.

Advisers in the Offering



Danske Bank A/S, Finland Branch is acting as the Sole Global Coordinator in the Offering (“**Sole Global Coordinator**”) and as the Company’s certified adviser in accordance with the rules of Nasdaq First North Growth Market Rulebook. Castrén & Snellman Attorneys Ltd is acting as the legal adviser to the Company. Roschier, Attorneys Ltd. is acting as the legal adviser to the Sole Global Coordinator. Miltton Oy is acting as communications adviser to the Company.

Additional Information:

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Certified Adviser:

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About Lemonsoft

Lemonsoft is a Finnish software company that designs, develops and sells ERP software solutions to streamline its customers’ processes across different business lines and administration. The extensive offering of software solutions and related services enables the Company to provide its customers with holistic service. The Company’s standardised and scalable software solutions are delivered mainly from the cloud and are based on the SaaS model in which customers pay a monthly service fee for the use of the software. The Company operates in the ERP software market in Finland primarily as a service provider for SMEs. As of the date of this press release, the Company’s customer base consists of over 6,600 customer companies using the Company’s software solutions, including customers from especially industrial manufacturing, wholesale and retail, professional services automation, construction and accounting.

More information available at www.lemonsoft.fi

IMPORTANT INFORMATION

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The issue, purchase or sale of securities in the Offering are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company and the Sole Global Coordinator assume no responsibility in the event of a violation of such restriction, by any person.

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Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this announcement are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialise or prove to be correct. Because these forward-looking statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. The Company does not guarantee that the assumptions underlying the forward-looking statements in this announcement are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this announcement or any

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Attachments

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