

Manna & Co

**Offer to the shareholders in  
The Lexington Company AB (publ)**

## IMPORTANT INFORMATION

### General

On 18 February 2022, it was announced that Manna & Co Oy (a Finnish private limited liability company with registered office in Helsinki, Finland, reg. no. 26234649) (“**Manna & Co**”) had acquired in total 4,069,044 shares in The Lexington Company AB (publ), reg. no. 556532-2780 (“**Lexington**” or the “**Company**”), for a consideration of SEK 36.00 per share, corresponding to 68.1 percent of the total shares and votes in Lexington, through which Manna & Co passed the mandatory public offer threshold of 30 percent of the votes in Lexington. Consequently, on 8 March 2022, Manna & Co announced a public offer to the shareholders of Lexington to tender all their shares in Lexington to Manna & Co on the conditions set out in this offer document (the “**Offer**”).

The Offer, and the agreements entered into between Manna & Co and Lexington’s shareholders in relation to the Offer, shall be governed by and interpreted in accordance with Swedish law. Disputes concerning, or arising in connection with, the Offer shall be settled exclusively by Swedish courts, with the Stockholm District Court in the first instance.

The Takeover Rules for certain trading platforms issued by the Swedish Corporate Governance Board on 1 January 2021 (the “**Takeover Rules**”) and the Swedish Securities Council’s (Sw. *Aktiemarknadsnämnden*) rulings and statements regarding interpretation and application of the Takeover Rules, and, where appropriate, the Swedish Securities Council’s rulings and clearance regarding interpretation and application of the Swedish Industry and Commerce Stock Exchange Committee’s (Sw. *Näringslivets Börskommitté*) rules previously applicable to public takeover offers on the stock market, are applicable to the Offer.

Please note that this offer document has not been approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) or any other regulatory authority. The offer document is available in Swedish and in English. In the event of any discrepancy in content between the Swedish original version and this English translation, the Swedish original version shall prevail.

The information in the offer document is intended to be accurate, although not complete, only as of the day the offer document was published. It is not implied that the information has been or will be accurate at any other time. Except as required by the Takeover Rules or applicable law or regulation, Manna & Co disclaims any obligation or undertaking to publicly announce updates or revisions regarding the offer document. The information in the offer document is provided solely with respect to the Offer and is not permitted to be used for any other purpose.

The information regarding Lexington on pages 12-40 in the offer document has been reviewed by the board of directors of Lexington. Manna & Co does not guarantee that the information included herein with respect to Lexington is accurate or complete and does not take any responsibility for such information being accurate or complete.

The figures reported in the offer document have been rounded as appropriate. This implies that some tables may not sum up correctly. Unless otherwise stated, all information in the offer document regarding shareholdings in Lexington is based on there being a total of 5,976,666 outstanding shares in Lexington.

### Forward-looking information

Statements in this offer document relating to future status and circumstances, including statements regarding future performance, growth and other projections as well as benefits of the Offer, are forward-looking statements. These statements may generally, but not always, be identified by the use of words such as “anticipates”, “expects”, “believes”, or similar expressions. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Actual results may differ materially from those expressed or implied by these forward-looking statements due to many factors, many of which are outside the control of Manna & Co and Lexington. Any such forward-looking statements speak only as of the date on which they were made and Manna & Co has no obligation (and undertakes no such obligation) to update or revise any of them, whether as a result of new information, future events or otherwise, except for in accordance with applicable laws and regulations.

### Information to shareholders in Lexington outside Sweden and for banks, brokers, dealers, nominees and intermediaries holding shares for persons outside Sweden

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

This offer document 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 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 offer document 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 offer document is not, 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 offer document or any other document related to the Offer to such persons.

No information in this offer document constitutes an offer to acquire or an encouragement to sell shares in Australia, Canada, Hong Kong, Japan, New Zealand, South Africa or the United States or any jurisdiction in which such offer or encouragement would be prohibited by applicable laws and regulations.

Regardless the previous, Manna & Co reserves the right to approve that the Offer is accepted by persons not resident in Sweden if Manna & Co, in its own opinion, assesses that the relevant transaction can be carried out in accordance with applicable laws and regulations.

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).

## TABLE OF CONTENTS

Section	Page
Offer to the shareholders in Lexington .....	2
Background and reasons for the Offer .....	4
Recommendation from the independent member of the board of directors of Lexington (available in Swedish only) .....	5
Fairness opinion from BDO .....	8
Terms and conditions .....	10
Description of Lexington .....	12
<i>Lexington in brief</i> .....	12
<i>Financial information regarding Lexington in summary</i> .....	14
<i>Share capital and ownership structure</i> .....	17
<i>Lexington's board of directors, management team and auditor</i> .....	18
<i>Lexington's articles of association</i> .....	19
<i>Lexington's year-end report for 2021 (available in Swedish only)</i> .....	21
Statement from the independent member of the board of directors of Lexington .....	41
Information about Manna & Co in brief .....	42
Tax consequences in Sweden .....	43
Addresses .....	45

---

### THE OFFER IN BRIEF

---

Consideration:	SEK 36.00 <sup>1</sup> for each Lexington share
Acceptance period:	9 March – 6 April 2022
Expected settlement date:	12 April 2022

---

<sup>1</sup> 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.

## OFFER TO THE SHAREHOLDERS IN LEXINGTON

### Introduction

On 18 February 2022, it was announced that Manna & Co Oy (a Finnish private limited liability company with registered office in Helsinki, Finland, reg. no. 26234649) ("**Manna & Co**") had acquired in total 4,069,044 shares in The Lexington Company AB (publ), reg. no. 556532-2780 ("**Lexington**" or the "**Company**"), for a consideration of SEK 36.00 per share, corresponding to 68.1 percent of the total shares and votes in Lexington, through which Manna & Co passed the mandatory public offer threshold of 30 percent of the votes in Lexington in accordance with 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. Consequently, on 8 March 2022, Manna & Co announced a public offer to the shareholders of Lexington to tender all their shares in Lexington to Manna & Co on the conditions set out in this offer document (the "**Offer**"). The Lexington shares are listed on Nasdaq First North Growth Market ("**Nasdaq First North**"), under the ticker LEX.

### Consideration

Manna & Co offers SEK 36.00<sup>2</sup> in cash per share in Lexington which corresponds to the highest price that Manna & Co has paid for any shares acquired in Lexington.

### Premium

The price in the Offer represents<sup>3</sup>:

- 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.<sup>4</sup>

### 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.

### 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), Fosiellund 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

<sup>2</sup> 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.

<sup>3</sup> Source for Lexington's share price: Nasdaq First North.

<sup>4</sup> Based on 5,976,666 shares in Lexington.

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-Knutson, as the sole independent board member in Lexington's board of directors, has recommended the Offer for acceptance by the shareholders in Lexington. The statement by the independent board member is included in its entirety on the pages 5-7 in this offer document.

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 AB, 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 is included in its entirety on the pages 8-9 in this offer document.

#### **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.

#### **Applicable law and disputes**

The Offer, as well as 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 Stockholm District Court (Sw. *Stockholms tingsrätt*) shall be the court of first instance.

The Takeover Rules and the Swedish Securities Council's 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.

## 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.

**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."

*For further information, please refer to the information in this offer document, which has been prepared by the board of directors of Manna & Co in relation to the Offer. The description of Lexington on pages 12-40 in this offer document has been reviewed by the independent member of Lexington's board of directors. The board of directors of Manna & Co assures that, to the best of their knowledge, the information in this offer document with regard to Manna & Co corresponds to the actual conditions.*

8 March 2022

**Manna & Co Oy**  
The board of directors

**RECOMMENDATION FROM THE INDEPENDENT MEMBER OF THE BOARD OF DIRECTORS OF LEXINGTON (AVAILABLE IN SWEDISH ONLY)**



Pressmeddelande den 8 mars 2022

**Uttalande med anledning av uppköpserbjudandet från Manna & Co**

**Den oberoende ledamoten i Lexingtons styrelse rekommenderar aktieägarna att acceptera erbjudandet från Manna & Co.**

Detta uttalande görs av den oberoende ledamoten i styrelsen för The Lexington Company AB (publ) ("**Lexington**") i enlighet med punkten II.19 i Kollegiets för svensk bolagsstyrning takeover-regler för vissa handelsplattformar ("**takeover-reglerna**").

**Erbjudandet**

Idag den 8 mars 2022 offentliggjorde Manna & Co Oy ("**Budgivaren**"), som aviserat redan den 18 februari 2022, ett budplikterbjudande till aktieägarna i Lexington om 36 kronor kontant för varje aktie i Lexington ("**Erbjudandet**").

Priset i Erbjudandet innebär:

- En premie om 2,3 procent i förhållande till stängningskursen för Lexington-aktien på Nasdaq First North den 17 februari 2022 (vilket var den sista handelsdagen före offentliggörandet av Manna & Co:s förvärv den 18 februari 2022);
- En premie om 1,7 procent jämfört med stängningskursen för Lexington-aktien på Nasdaq First North den 7 mars 2022 (vilket var den sista handelsdagen före Erbjudandets offentliggörande); och
- En premie om 8,4 procent i förhållande till den volymvägda genomsnittliga betalkursen för Lexington-aktien på Nasdaq First North under de 30 senaste handelsdagarna som avslutades den 17 februari 2022.

Erbjudandets fullföljande är inte föremål för några villkor. En erbjudandehandling avseende Erbjudandet kommer att publiceras idag den 8 mars 2022. Acceptfristen för Erbjudandet startar den 9 mars 2022 och avslutas den 6 april 2022.

För mer information om Erbjudandet, se [www.mannagroup.fi/sv/](http://www.mannagroup.fi/sv/).

**Den oberoende styrelseledamotens åtgärder för att utvärdera Erbjudandet**

Den 27 maj 2021 meddelade styrelsen att den beslutat att genomföra en översyn av olika strategiska alternativ för Lexington i syfte att skapa bästa möjliga värde för aktieägarna. Inom ramen för översynen har styrelsen mottagit icke-bindande budpropåer från intressenter.

I utvärderingen av Erbjudandet har den oberoende styrelseledamoten tagit hänsyn till ett antal faktorer som hon anser vara relevanta. Dessa faktorer inkluderar, men är inte begränsade till, Lexingtons nuvarande strategiska och finansiella position, rådande

marknadsförhållanden och operationella möjligheter och utmaningar, bolagets förväntade framtida utveckling och möjligheter och risker relaterat till detta. Vidare har hänsyn tagits till värderingsmetoder som normalt används för att utvärdera offentliga erbjudanden avseende börsnoterade bolag, inklusive hur Erbjudandet värderar Lexington i förhållande till jämförbara noterade bolag och jämförbara transaktioner, budpremier i tidigare offentliga uppköpserbjudanden samt förväntade framtida kassaflöden. Inte minst har den oberoende styrelseledamoten beaktat att Erbjudandet är resultatet av en konkurrensutsatt process, att Budgivaren den 18 februari 2022 köpt sammanlagt cirka 68,1 procent av aktierna i Lexington från Lexingtons tre största icke-institutionella aktieägare Kristina Lindhe & Co Holding AB, Fosiellund Holding AB och Staffan Persson, för 36 kronor per aktie, samt att Budgivaren därefter köpt ytterligare cirka 21,1 procent av aktierna i Lexington för högst 36 kr per aktie.

Efter skriftlig begäran från Budgivaren har Budgivaren tillåtit att granska begränsad information för bekräftande ändamål i samband med förberedelserna för Erbjudandet. Ingen insiderinformation har lämnats i samband med granskningen.

Styrelseledamöterna Tommy Lindhe, Kristina Lindhe och Helén Richenzhagen har, efter aktieöverlåtelse den 18 februari 2022 varigenom intressekonflikt uppkommit, inte deltagit och kommer inte att delta i styrelsens handläggning av eller beslut i frågor som är relaterade till Erbjudandet. I stället hanterar den återstående styrelseledamoten Helena Nordman-Knutson sådana frågor.

Erbjudandet ska ses i ljuset av Lexingtons pressmeddelande den 27 maj 2021 om att styrelsen beslutat att genomföra en strategisk översyn samt av Lexingtons pressmeddelande om ägarförändring den 18 februari 2022. Rudbeck Advisory har anlitats som finansiell rådgivare och Vinge som legal rådgivare. Den oberoende styrelseledamoten har också uppdragit åt BDO AB ("BDO") att avge en s.k. fairness opinion avseende Erbjudandet. Utlåtandet från BDO biläggs.

#### **Den oberoende styrelseledamotens rekommendation**

När den oberoende styrelseledamoten värderar den sammanvägda potentialen för bolaget och ställer den mot vederlaget i Erbjudandet drar hon slutsatsen att aktieägarna genom Erbjudandet blir väl kompenserade för bolagets potential, beaktande även den tid det tar att genomföra, och de olika risker som finns att inte fullt ut kunna genomföra, bolagets affärsplan.

BDO anser i sin fairness opinion att Erbjudandet är skäligt ur ett finansiellt perspektiv för aktieägarna i Lexington.

Den oberoende styrelseledamoten rekommenderar därför aktieägarna i Lexington att acceptera Erbjudandet.

#### **Effekter för Lexington och dess anställda**

Enligt takeover-reglerna ska styrelsen redovisa sin uppfattning om den inverkan som genomförandet av Erbjudandet kan komma att ha på Lexington, särskilt sysselsättning, och sin uppfattning om Budgivarens strategiska planer för bolaget och de effekter som dessa kan förväntas ha på sysselsättning och på de platser där Lexington bedriver sin verksamhet. Budgivaren anger följande i sitt pressmeddelande avseende Erbjudandet:

"Manna & Co:s planer för Lexingtons framtida verksamhet och generella strategi innefattar för närvarande inga väsentliga förändringar på de platser där Lexington bedriver sin verksamhet eller för Bolagets ledning och anställda, eller deras anställningsvillkor. Under



perioden efter att Erbjudandet har fullföljts, och som en del i utvärderingen av hur Bolaget bäst utvecklas vidare, kommer dessa frågor, bland andra, att noggrant analyseras. Manna & Co är övertygat om att Lexington är redo att öka konkurrenskraften och förbättra lönsamheten kommande år som ett onoterat bolag."

Den oberoende styrelseledamoten utgår från att Budgivarens beskrivning är korrekt och har i relevanta hänseenden ingen anledning att ha någon annan uppfattning.

\*\*\*

Detta uttalande av den oberoende styrelseledamoten i Lexingtons styrelse regleras av och ska tolkas i enlighet med svensk rätt. Tvister i anledning av detta uttalande ska exklusivt avgöras av svensk domstol.

Stockholm den 8 mars 2022

Helena Nordman-Knutson

\*\*\*

För mer information, vänligen kontakta den oberoende styrelseledamoten Helena Nordman-Knutson via Lexingtons CFO Charlotte Hübel.

Telefon: +46 (0)8 54 55 58 00

Email: [charlotte.hubel@lexingtoncompany.com](mailto:charlotte.hubel@lexingtoncompany.com)

Detta pressmeddelande lämnades för offentliggörande klockan 07.45 CET den 8 mars 2022. Lexingtons aktier är noterade på Nasdaq First North Growth Market under kortnamnet LEX. Arctic Securities är bolagets Certified Adviser, e-mail: [certifiedadviser@arctic.com](mailto:certifiedadviser@arctic.com), tel: +46 (0)8 44 68 61 00.

#### **Kort om The Lexington Company AB (publ)**

*Livsstilsvarumärket Lexington® finns representerat med produkter inom kategorierna Home och Fashion i över 20 länder runt om i världen. Främst i Europa, men även i Asien, Nordamerika och Australien. The Lexington Company AB driver 26 egna Lexington Concept Stores i Skandinavien. Vidare finns ett drygt 25-tal Lexington Franchise Stores i bl.a. Kina, Tyskland & Schweiz. Varumärket är också representerat med drygt 100 Lexington Corners (shop-in-shops) i exklusiva varuhus som t.ex. Alsterhaus i Tyskland, El Corte Ingles i Spanien, Peter's of Kensington i Sydney, Stockmann i Finland och Illums Bolighus i Danmark m.fl. Totalt återfinns Lexingtons produkter hos över 700 återförsäljare globalt. Lexingtons egen Online Store levererar produkter till 18 marknader och varumärket finns också representerat hos många ledande E-tailers. Huvudkontoret finns i Stockholm där all design, produktutveckling, marknadsföring och koncept utvecklas. Lexington har dotterbolag i sex länder och exklusiva partners på övriga marknader, som svarar för den lokala försäljningen och marknadsföringen där.*

*Koncernen omsatte 325,5 MSEK år 2021 och har cirka 125 anställda.*

## FAIRNESS OPINION FROM BDO

# Fairness opinion

*In relation to the public offer by Manna & Co Oy to acquire all outstanding shares in The Lexington Company AB (publ)*

To the independent member of the board of directors of The Lexington Company AB (publ)  
The independent member of the board of directors of The Lexington Company AB (publ) ("Lexington" or "the Company") has engaged BDO Corporate Finance ("BDO") to, in the capacity of being an independent expert, issue an opinion on the fairness of the public offer ("Fairness Opinion") by Manna & Co Oy ("Manna") to acquire all outstanding shares in Lexington, from a financial point of view for the shareholders of Lexington. Manna offers 36 SEK for each (1) share in Lexington (the "Offer").

BDO has analyzed and considered the following information:

- The Offer
- Discussions with management of Lexington regarding historical development, current operations and financial position
- Information regarding selected peers, deemed to be comparable to Lexington
- Internal historical financial information and other information deemed relevant
- Other information deemed appropriate

#### Databases

- Refinitiv Eikon
- MergerMarket

#### Public information

- Public information including annual reports, quarterly reports and press releases of Lexington
- Bid premiums of public offers from Nasdaq OMX Corporate Actions Stockholm - Public takeover offers, as well as stock data ([www.nasdaqomxnordic.com](http://www.nasdaqomxnordic.com))


It is assumed that the information received is correct and complete and no independent control or verification has been carried out on the information received from Lexington, information from databases, analysts or public information. BDO does not assume any responsibility for any inaccuracy or incorrectness in the information received. If it is determined that the information we received was inaccurate or incomplete, this could mean that our conclusion is incorrect.

Our opinion is based on information provided to us as of the date of our opinion and has been given in the light of our assignment stated above and it cannot be used for any other purpose. We assume no responsibility for events occurring after this date, which could affect this opinion and the assumptions that it is based upon. BDO assumes no responsibility for updating the Fairness Opinion after this date.

Our Fairness Opinion is based on "going concern", meaning continuing operations "as-is" and no unforeseen events in the relation to the Company or its environment. In preparing this Fairness Opinion, established valuation methods have been used. These analyses have been prepared with the sole purpose for BDO to conclude to the independent member of the board of directors whether the offer is fair from a financial point of view for the shareholders of Lexington.

© 2022 BDO Måland AB, a Swedish registered company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms.





Our assignment and this Fairness Opinion are solely for the use and benefit of the independent member of the board of directors in the consideration of the Offer. Our Fairness Opinion does not cover relative merits compared to other alternative business opportunities of Lexington or alternative investment opportunities of the shareholders of Lexington. This Fairness Opinion does not constitute a recommendation to the shareholders of Lexington whether to accept the Offer or not.

Based on the analyses, assumptions and subject to the foregoing, we are of the opinion, as of the date hereof, that the Offer is fair from a financial point of view for the shareholders of Lexington.

In preparing this opinion, BDO has considered the take-over rules of Nasdaq Stockholm and BDO assumes an independent position in the delivery of our services. Our fee for this engagement does not depend on the size of the consideration, to what extent the Offer is accepted or whether the Offer is completed or not. This opinion might only be published in its complete form and is solely addressed to the independent member of the board of directors of Lexington with the sole purpose to serve as foundation in the evaluation of the Offer. No other party can rely on or claim any rights based on this opinion. This statement shall in all respects be governed by and construed in accordance with Swedish law. Disputes arising from this statement shall be settled exclusively by Swedish courts.

This statement has been made in a Swedish and an English version. In case of any discrepancies between the Swedish and the English text, the Swedish text shall prevail.

Stockholm, 7 March 2020

BDO CORPORATE FINANCE

## TERMS AND CONDITIONS

### The Offer

The shareholders in Lexington are offered SEK 36.00 in cash per share in Lexington, which corresponds to the highest price that Manna & Co has paid for any shares acquired 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 reduced accordingly.

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

### Conditions for the Offer

There are no conditions for completion of the Offer.

### Acceptance

#### ***Shareholders whose shares are directly registered with Euroclear***

Shareholders whose shares are directly registered with Euroclear Sweden AB ("**Euroclear**") who wish to accept the Offer must, during the period from 9 March 2022 up to and including 6 April 2022, at 3.00 p.m. CET, sign and submit a duly completed acceptance form to Avanza Bank AB (publ) ("**Avanza Bank**") to the address that is preprinted on the acceptance form (in original by mail or scanned copy by e-mail).

The acceptance form must be submitted or sent in ample time before the last day of the acceptance period so that it may be received in original, or scanned copy by e-mail, by Avanza Bank no later than 3:00 p.m. CET on 6 April 2022. The acceptance form in original may also be delivered to bank offices or to other securities institutions in Sweden to be forwarded to Avanza Bank, subject to that this is done well-before the end of the acceptance period so that the original acceptance form is received by Avanza Bank no later than 3:00 p.m. CET on 6 April 2022.

As of 3 January 2018, all legal entities will need a Legal Entity Identifier code ("**LEI-code**") to participate in a financial market transaction. A LEI-code must be obtained from an authorized LEI

issuer and can take some time. Please obtain a LEI-code in good time to have ready for your application form. For more information, please visit [www.fi.se](http://www.fi.se).

A pre-printed acceptance form and a self-addressed envelope are distributed to directly registered shareholders. The securities account (Sw. *VP-konto*) and the current number of shares held in Lexington will be pre-printed on the acceptance form. All shareholders should verify that the pre-printed information on the acceptance form is correct.

Please note that acceptance forms which are incomplete or incorrectly completed may be disregarded. No changes may be made to the text on the pre-printed acceptance form. Shareholders who accept the Offer authorises Avanza Bank to deliver their shares in Lexington to Manna & Co in accordance with the terms and conditions of the Offer.

#### ***Nominee-registered holdings***

Shareholders in Lexington whose holdings are registered in the name of a nominee, i.e. a bank or other nominee, will not receive any pre-printed acceptance form. Applications from such shareholders must be made in accordance with instructions received by the nominee.

#### ***Pledged holdings***

If shares in Lexington to be transferred are pledged in the Euroclear system, both the shareholder and the pledgee must sign the acceptance form and confirm that the pledge will be terminated should the Offer be completed. The pledge on the relevant shares in Lexington must be de-registered in the Euroclear system at the time of transfer of the shares to Manna & Co. Those who are registered as pledgees and guardians will not receive any acceptance form but will be contacted separately.

#### **Offer document and acceptance form**

A pre-printed acceptance form and a self-addressed envelope are distributed to directly registered shareholders. The offer document and

the acceptance form are available at Manna & Co's website <https://mannagroup.fi/lexington>.

#### **Acceptance period and right to extend the Offer**

The acceptance period for the Offer runs from and including 9 March 2022 up to and including 6 April 2021.

Manna & Co reserves the right to extend the acceptance period for the Offer. A notice of any such extension will be announced by Manna & Co by means of a press release in accordance with applicable rules and regulations.

Any extension of the acceptance period will not delay payment of consideration to those who have already accepted the Offer.

#### **Right to withdraw acceptance**

Shareholders of Lexington do not have the right to withdraw their acceptance of the Offer.

#### **Confirmation and transfer of shares in Lexington to blocked securities accounts**

After Avanza Bank has received and registered a duly completed and signed acceptance form, the shares in Lexington will be transferred to a new blocked securities account (Sw. *appotkonto*) which has been opened for each shareholder in Lexington. In connection therewith, Euroclear will send a notification ("VP-notice") showing the number of shares in Lexington that have been removed from the original securities account and a VP-notice showing the number of shares in Lexington that have been entered in the newly opened blocked securities account.

#### **Settlement**

Settlement will be initiated as soon as Manna & Co announces the outcome of the Offer. If such announcement takes place around 8 April 2022, at the latest, settlement is expected to be initiated around 12 April 2022. Settlement will be effected by distribution of a transaction note to those who have accepted the Offer. If the holding is registered in the name of a nominee, settlement will be provided for by the nominee in accordance with their routines.

The settlement amount will be paid to the yield account which is connected to the shareholder's securities account. If the yield account is incorrect, if a shareholder does not have a yield account or if the yield account is a postal giro account, settlement will be made in accordance with the instructions on the sent contract note (Sw. *avräkningsnota*). In connection with the settlement, the shares in Lexington will be removed from the blocked securities account which will then be terminated. No VP-notice evidencing the removal from the blocked securities account will be sent out.

*Note that, even if the shares in Lexington are pledged, payment will be made to the yield account which is connected to the shareholder's securities account.*

#### **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 remaining shares in Lexington. In connection therewith, Manna & Co intends to promote delisting of Lexington's shares from Nasdaq First North.

#### **Other information**

A shareholder who accepts the Offer will not be regarded as a customer of Avanza Bank due to Avanza Bank acting as settlement agent in the Offer.

#### **Questions concerning the Offer**

For more information regarding the Offer visit Manna & Co's website <https://mannagroup.fi/lexington>. In case of administrative questions, please contact your bank in first hand if your shares are nominee registered, in other situations you are welcome to contact Avanza Bank at the following telephone number: +46 (0)8-409 421 85.

## DESCRIPTION OF LEXINGTON

*The information regarding Lexington on pages 12-40 in this offer document is based on Lexington's annual report for 2020, the year-end report for the period 1 January – 31 December 2021 and Lexington's website, [www.lexingtoncompany.com](http://www.lexingtoncompany.com), if not stated otherwise. The information set out in this description of Lexington, including financial information, has been published by Lexington in Swedish and translated into English by Manna & Co. In case of any discrepancies with the Swedish language offer document, the Swedish version shall prevail.*

### **Lexington in brief**

Lexington was founded in 1997 and is a Swedish company that designs, develops and sells products in home textiles, related products for kitchen, bedroom, bathroom and wide clothing collections for women and men. The products are characterised by high quality in materials and execution, and a classic design inspired by the American East Coast in combination with a Scandinavian design tradition.

Lexington's product range is today established at approximately 700 sales points in the Nordic countries, in the rest of Europe, and in Asia and Australia. The Company operates in the global home textile and related product market as well as in clothing and is active in 20 markets. Approximately 30 percent of sales is through digital channels.

In 2021 net sales were SEK 325.5 million and the average number of employees was 123.

The Lexington shares are listed on Nasdaq First North under the ticker LEX.

### **Mission**

The Lexington brand stands for quality – in every fabric, every detail and in every sense. Lexington's mission is to develop high quality products with a long lifespan. Going forward, Lexington will continue to focus on quality.

### **Markets**

The parent company is headquartered in Stockholm, where also all global functions are located. Product development, design, marketing, logistics, web shop and other functions are handled from Stockholm. A 3PL warehouse in Sweden handles most of the group's warehousing and logistics. The distributors outside of Sweden have their own

local warehouses, but otherwise warehousing and logistics are managed from the central warehouse, including all global web sales.

Lexington has different business models for different countries depending on the market size, degree of maturity and market potential. The Company sells through its own subsidiaries and various partners in 20 markets in Europe, Asia, North America and Australia. The Company's own web store sells to 18 countries. The Swedish market is Lexington's single largest market.

### **Multi-channel strategy**

During the past years, Lexington has continuously refined and developed its multi-channel strategy. The goal has been to reach the end customer through different channels depending on what suits the customer best at a specific moment. During 2021, Lexington's customers could shop Lexington products through i) Lexington's own web store, ii) Lexington's own physical stores, iii) franchise stores, iv) independent retailers online (E-tailers), v) marketplaces or digital platforms managed by different brands/players, and vi) local, independent retailers in different countries managed by Lexington's subsidiaries, distributors and agents.

The Company continuously works to integrate the various channels with each other to thereby strengthen and enhance the customer's shopping experience. The web store is available in several local languages, and logistical improvements have been made to improve and simplify the customer's access to Lexington products. New delivery options are also offered, including home delivery. The single largest digital channel is Lexington's own web store.



## Sustainability

Sustainability has since the Company's start in 1997 been a fundamental part of Lexington's business concept, with products characterised by timeless design, high quality and a long lifetime. The Company does not have any own production facilities.

In 2015, the UN General Assembly adopted "Agenda 30"; 17 global goals for environmentally, socially and economically sustainable development. Lexington supports all goals as a whole and strives to achieve those goals that are relevant to Lexington's business, some in the short term, others in the longer term. In 2021, the Company selected 5 of the 17 goals. These relate to Sustainable consumption and production (12), Fight climate change (13), Marine and marine resources (14), Peaceful and inclusive societies (16) and Reduced inequality (10).

## Group structure

The Lexington group consist of the parent company The Lexington Company AB (publ) and its subsidiaries operating on the different markets. All sales in Sweden, both to retailers and in own stores, is conducted through the parent company as well as sales to other markets where the group does not have subsidiaries.

Lexington has the following wholly-owned subsidiaries; Lexington Clothing AB (Stockholm, Sweden), Lexington France SARL (Noisy Le Roi, France), Lexington Denmark ApS (Copenhagen, Denmark), Lexington Norway AS (Oslo, Norway), Lexington Finland Oy (Helsinki, Finland), Lexington Sales Company UK Ltd (Amersham, UK), The Lexington Clothing Company, Inc (Delaware, USA) and Lexington Central Europe GmbH (Offenbach, Germany).

### Financial information regarding Lexington in summary<sup>5</sup>

The following consolidated financial information regarding the Lexington group has been extracted from the audited annual reports for the years 2020, 2019 and 2018, and the year-end report for the period 1 January – 31 December 2021, which has been reviewed but not audited in accordance with ISRE 2410 by Lexington's auditor.

The consolidated financial statements for the Lexington group and the parent company have been prepared in accordance with the Annual Accounts Act (Sw. Årsredovisningslagen (1995:1554)) and BFNAR 2012:1 (K3).

Audited annual reports, and the year-end report for the period 1 January – 31 December 2021, for Lexington are available at Lexington's website [www.lexingtoncompany.com](http://www.lexingtoncompany.com). For complete information of the financial development of Lexington and its financial position, see the annual reports 2020, 2019 and 2018, and the year-end report for the period 1 January – 31 December 2021 (available in Swedish only).

#### Consolidated income statement (SEK thousand)

	Jan - Dec 2021 (reviewed in accordance with ISRE 2410)	Jan - Dec 2020 (audited)	Jan - Dec 2019 (audited)	Jan - Dec 2018 (audited)
Net sales	322,791	267,334	260,467	266,981
Other operating income	2,713	5,022	2,904	4,235
<b>Total operating income</b>	<b>325,505</b>	<b>272,356</b>	<b>263,371</b>	<b>271,216</b>
Cost of goods sold	-98,662	-87,824	-91,381	-92,211
Other external expenses	-116,108	-101,583	-100,979	-99,242
Personnel expenses	-81,461	-72,762	-77,743	-75,944
Other operating expenses	-1,030	-301	-311	0
Depreciation	-4,236	-4,679	-5,877	-6,509
<b>Total operating expenses</b>	<b>-301,497</b>	<b>-267,149</b>	<b>-276,291</b>	<b>-273,906</b>
<b>Operating profit/loss</b>	<b>24,008</b>	<b>5,208</b>	<b>-12,920</b>	<b>-2,690</b>
Financial income	25	19	24	28
Financial expenses	-605	-398	-357	-550
<b>Profit/loss from financial items</b>	<b>-581</b>	<b>-379</b>	<b>-334</b>	<b>-522</b>
<b>Profit/loss after financial items</b>	<b>23,427</b>	<b>4,829</b>	<b>-13,254</b>	<b>-3,212</b>
Taxes on the profit/loss for the period	-3,863	23	476	77
<b>Profit/loss for the period</b>	<b>19,565</b>	<b>4,851</b>	<b>-12,778</b>	<b>-3,135</b>
<b>The period's profit/loss attributable to</b>				
The parent company's shareholders	19,565	4,868	-12,692	-2,869
Minority interests	0	-17	-87	-266

<sup>5</sup> The financial information in this section is an inhouse translation carried out by Manna & Co. In case of any discrepancies with the Swedish language version, the Swedish version shall prevail.



**Consolidated balance sheet (SEK thousand)**

	<b>2021-12-31</b> (reviewed in accordance with ISRE 2410)	<b>2020-12-31</b> (audited)	<b>2019-12-31</b> (audited)	<b>2018-12-31</b> (audited)
Intangible assets	5,573	6,752	8,359	10,781
Tangible fixed assets	3,242	3,602	5,320	6,706
Other long-term receivables	-	172	172	172
Deferred tax assets	-	474	330	350
<b>Total non-current financial assets</b>	<b>642</b>	<b>647</b>	<b>503</b>	<b>523</b>
<b>Total non-current assets</b>	<b>9,457</b>	<b>11,001</b>	<b>14,181</b>	<b>18,011</b>
Inventories	67,435	51,644	54,357	59,119
Trade receivables	18,892	18,647	21,809	24,268
Prepayments to suppliers	3,764	631	3,582	3,993
Other current receivables	1,482	5,021	6,031	7,282
Prepaid expenses and accrued income	7,828	7,779	8,827	8,266
Cash and cash equivalents	53,016	41,363	12,926	14,057
<b>Total current assets</b>	<b>152,418</b>	<b>125,085</b>	<b>107,532</b>	<b>116,984</b>
<b>ASSETS</b>	<b>161,875</b>	<b>136,086</b>	<b>121,713</b>	<b>134,995</b>
Share capital	658	658	658	658
<b>Total restricted equity</b>	<b>658</b>	<b>658</b>	<b>658</b>	<b>658</b>
Other contributed capital	28,243	28,243	28,243	28,243
Other equity including profit for the period	66,594	44,195	43,660	54,007
<b>Total unrestricted equity</b>	<b>94,837</b>	<b>72,437</b>	<b>71,903</b>	<b>82,250</b>
Equity attributable to the parent company's shareholders	95,494	73,095	72,559	82,906
Minority interests	-	1,289	1,313	1,400
<b>Total equity</b>	<b>95,494</b>	<b>74,384</b>	<b>73,872</b>	<b>84,306</b>
Provisions for deferred tax	0	0	1,069	1,740
Overdraft facility	0	0	0	0
Trade payables	34,405	34,640	30,425	28,774
Other current liabilities	18,193	17,996	9,208	12,467
Accrued expenses and deferred income	13,782	9,065	7,140	7,707
<b>Total current liabilities</b>	<b>66,381</b>	<b>61,701</b>	<b>46,772</b>	<b>48,948</b>
<b>EQUITY AND LIABILITIES</b>	<b>161,875</b>	<b>136,086</b>	<b>121,713</b>	<b>134,995</b>

**The group's key figures and data per share (SEK thousand)**

	Jan - Dec 2021 (reviewed in accordance with ISRE 2410)	Jan - Dec 2020 (audited)	Jan - Dec 2019 (audited)	Jan - Dec 2018 (audited)
Total operating income	325,505	272,356	263,371	271,216
Gross profit	226,843	184,532	171,990	179,004
EBITDA	28,244	9,887	-7,043	3,819
Operating profit (EBIT)	24,008	5,208	-12,920	-2,690
Profit for the period	19,565	4,851	-12,778	-3,135
Balance sheet total	161,875	136,086	121,713	134,995
Equity	95,494	74,384	73,872	84,306
Revenue growth	19.5%	3.4%	-2.9%	-0.7%
Gross margin	69.7%	67.8%	65.3%	66.0%
EBITDA margin	8.7%	3.6%	-2.7%	1.4%
EBIT margin	7.4%	1.9%	-4.9%	-1.0%
Profit margin	6.0%	1.8%	-4.9%	-1.2%
Return on equity	23.0%	6.5%	-17.3%	-3.4%
Return on capital employed	28.3%	7.1%	-17.5%	-3.2%
Solidity	59.0%	54.7%	60.7%	62.5%
Debt / equity ratio, x	0.00	0.00	0.00	0.00
Net interest-bearing debt	-53,016	-41,363	-12,926	-14,057
Cash and cash equivalents	53,016	41,363	12,926	14,057
Earnings per share after dilution, SEK	3.27	0.81	-2.12	-0.48
Equity per share after dilution, SEK	14.21	12.45	12.36	14.11
Number of shares after dilution	5,976,666	5,976,666	5,976,666	5,976,666
Dividend per share, SEK	n/a	n/a	n/a	n/a
Average number of employees	123	118	135	132

**Definitions**

Key figures	Definition
Revenue growth	Change in total operating income in relation to the corresponding period last year
Gross margin	Gross profit as a percentage of total operating income
EBITDA margin	Operating profit before depreciation as a percentage of total operating income
EBIT margin	Operating profit as a percentage of total operating income
Profit margin	Profit/loss after tax as a percentage of total operating income
Return on equity	Profit/loss after tax as a percentage of average equity
Return on capital employed	Profit/loss before tax plus interest expenses as a percentage of average capital employed, where capital employed is calculated as balance sheet total less non-interest-bearing liabilities including deferred tax liabilities
Solidity	Equity as a percentage of balance sheet total
Debt / equity ratio	Interest-bearing liabilities divided by equity
Net interest-bearing debt	Interest-bearing liabilities less cash and cash equivalents
Earnings per share	Profit/loss after tax divided by the average number of shares
Equity per share	Equity divided by the number of outstanding shares

## Share capital and ownership structure

### The share

The shares in Lexington are listed on First North Stockholm. The share is traded under the ticker LEX and the ISIN code is SE0006510640.

### Share capital

Lexington's share capital, as of the date of this offer document, amounts to SEK 657,433.26 divided into 5,976,666 shares. The shares have a quota value of SEK 0.11. Each share entitles the holder to one vote at general meetings and all shares carry equal rights to Lexington's assets and dividends.

There are no provisions in Lexington's articles of association or applicable law that restrict the right to transfer the Company's shares.

### Lexington's largest shareholders

On 28 February 2022, Lexington had 1,101 shareholders. The ten largest shareholders as per 28 February 2022, are set out in the table below.

Shareholder	Number of shares	Shares and votes (%)
Manna & Co Oy*	5,332,077	89.2%
Försäkringsaktiebolaget, Avanza Pension	86,432	1.4%
Per Gunnar Sidén	60,000	1.0%
Björn Peters	43,333	0.7%
Zirkona Aktiebolag	34,683	0.6%
Tobias Hultén	26,000	0.4%
Daniel Rosfors	24,533	0.4%
Ålandsbanken ABP (Finland), Svensk filial	22,033	0.4%
Carl-Johan Rönn Holding AB	18,251	0.3%
Nordnet Pensionsförsäkring AB	17,175	0.3%

Source: Euroclear Sweden AB

\* Nominee registered holding with Nordea Bank ABP, Nordea Bank AB (publ)

### Dividend policy and financial targets

Lexington's goal is to create shareholder value through an increase in the value of the share and

through dividends. The majority of the reported result shall be reinvested in the business to enable a continued stable growth rate and development and thereby the maintenance of a stable financial position. However, Lexington's ambition is to be a company that pays dividend to its shareholders.

The Company's financial targets are to i) reach an average annual growth during a business cycle of at least 10 percent, ii) achieve a profit at EBITDA level amounting to at least 10 percent of the operating income, and iii) maintain an equity ratio of no less than 40 percent, measured as an average during the financial year.

### Holding of own shares

As of the date of this offer document, Lexington does not hold any own shares.

### Shareholders' agreements

The board of directors of Lexington is not aware of any shareholders' agreements or other agreements between major shareholders in Lexington or between major shareholders and Manna & Co or Lexington, except for the share purchase agreements entered into on 18 February 2022, which entitle the sellers to a compensation if Manna & Co were to acquire shares in Lexington within six months at a price higher than SEK 36.00.

### Transactions with closely related parties

Lexington's year-end report for the period January – December 2021 states that no significant transactions with related parties were carried out during the period.

### Authorisations

The board of directors of Lexington has not been authorised to issue, acquire or transfer shares, convertibles or warrants in the Company.

### Share based incentive programs

Lexington has no outstanding share-based incentive programs.

## **Lexington's board of directors, management team and auditor<sup>6</sup>**

### **BOARD OF DIRECTORS**

**Tommy Lindhe, chairman of the board and COO**  
*Born 1953. Chairman of the board of Lexington since 1997 and COO since 2003.*

Tommy Lindhe is employed by Lexington and a member of its management. Tommy Lindhe is a member of the board of directors of Frank Dandy AB and partner (50 percent) in Kristina Lindhe & Co Holding AB.

*Shareholding: 0 shares.*

**Kristina Lindhe, member of the board and CEO**  
*Born 1958. Member of the board of Lexington and CEO since 1997.*

Kristina Lindhe is employed by Lexington and a member of its management. Kristina Lindhe is a member of the board of directors of Bemz AB and partner (50 percent) in Kristina Lindhe & Co Holding AB.

*Shareholding: 0 shares.*

**Helena Nordman-Knutson, member of the board**  
*Born 1964. Member of the board of Lexington since 2018.*

Helena Nordman-Knutson is Senior Advisor at Safir Communication. She is a member of the board of directors of Excel Composites (FI), Nidoco AB and Alimak Group where she is chairman of the audit committee. She is also a member of the Royal Swedish Academy of Sciences' investment committee.

*Shareholding: 0 shares.*

**Helén Richenzhagen, member of the board**  
*Born 1975. Member of the board of Lexington since 2020.*

Helén Richenzhagen is Global Sales Director and member of the management at Tepe Munhygienprodukter AB. She is also a member of the board of directors of Hövding Sverige AB, Tepe DACH GmbH, TePe Nordic AB and Invent Medic Sweden AB.

*Shareholding: 0 shares.*

### **CEO AND MANAGEMENT**

**Kristina Lindhe, CEO and member of the board**

*See further under "Board of Directors".*

**Tommy Lindhe, COO and chairman of the board**

*See further under "Board of Directors".*

**Charlotte Hübel, CFO**

*Born 1987. CFO since August 2021.*

Previous experience from various positions within finance and controlling from companies such as Babyshop Group, ICA Gruppen and EY.

*Shareholding: 0 shares.*

### **AUDITORS**

Grant Thornton Sweden AB is the auditor of Lexington and Serhat Eliacik serves as the auditor-in-charge. Serhat Eliacik is an authorised public accountant and member of FAR (professional institute for authorised accountants).

### **OTHER INFORMATION**

There are no provisions in Lexington's articles of association regarding appointment and removal of board members or amendments of the articles of association.

---

<sup>6</sup> All information about shares held are per 28 February 2022 and includes shares held by closely related parties.

## ***Lexington's articles of association***

### **§ 1 Company Name**

The name of the Company is The Lexington Company AB (publ).

### **§ 2 Registered office**

The Board of Directors shall have its registered office in Stockholm.

### **§ 3 Business**

The object of the Company's business shall be to carry on retail trade business regarding textiles, clothing, bedroom and bathroom articles and to pursue other business related thereto.

### **§ 4 Share capital**

The share capital shall amount to no less than SEK 500,000 and no more than SEK 2,000,000.

### **§ 5 Number of shares**

The number of shares shall be no less than 4,640,000 and no more than one 18,560,000.

### **§ 6 Board of Directors**

The Board of Directors shall consist of four up to eight directors with not more than three deputies.

### **§ 7 Auditors**

For review of the company's annual report and financials and the Board of Directors' and the CEO's management, one to two auditors, with not more than two deputies, or one registered public accounting firm, shall be appointed.

### **§ 8 Notice**

Notice to attend a shareholders' meeting shall be published in the Official Swedish Gazette (*Sw. Post och Inrikes tidningar*) and at the Company's website. The fact that notice to attend a shareholders' meeting has been announced shall be published in Svenska Dagbladet or Dagens Industri.

Notice of the annual general meeting and notice to extraordinary general meeting, where a matter of amendments to the articles of association will be considered, shall be issued no earlier than six weeks and no later than four weeks before the meeting. Notice of another extraordinary general meeting shall be issued no earlier than six weeks and no later than two weeks before the meeting.

### **§ 9 The right of a shareholder to take part in a general meeting**

A shareholder who wants to take part in the negotiations at a general meeting shall, on the one hand be listed in a

print-out or any other description of the share register in whole regarding the circumstances five weekdays prior to the general meeting, on the other hand, notify the Company at the latest on the day that is set forth in the notice convening the general meeting. The last mentioned day shall not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and shall not occur earlier than on the fifth weekday before the general meeting.

### **§ 10 Annual General Meeting**

The following matters shall be addressed in the course of the annual general meeting:

1. Opening of the meeting and election of a chairman to preside at the meeting.
2. Preparation and approval of a voting list.
3. Election of one or two persons to check the minutes.
4. Examination of whether the general meeting has been properly convened.
5. Approval of the agenda.
6. Presentation of the annual report and the auditor's report and, whenever applicable, the consolidated accounts and the group auditor's report.
7. Resolutions with respect to
  - a) adoption of the Company's profit and loss account and balance sheet and, whenever applicable, the consolidated profit and loss account and the consolidated balance sheet.
  - b) appropriation of the Company's profit or loss according to the balance sheet adopted.
  - c) discharge of the directors of the Board of Directors and the CEO from their liability.
8. Determination of fees for the Board of Directors and of the auditor.
9. Election of the Board of Directors and auditor and any deputy auditor or registered public accounting firm.
10. Any other matter which the general meeting is obliged to address under the Swedish Companies Act or under the articles of association.

### **§ 11 Financial year**

The financial year of the Company is 0101 – 1231.

### **§ 12 Record day provision**

The shareholder or nominee who on the record date is registered in the share register and in a central securities depository register pursuant to Chapter 4 of the Financial Instruments Accounts Act (1998:1479) or any person who is registered in a central securities depository account pursuant to Chapter 4, Section 18 paragraph 6-8 of the mentioned Act, shall be deemed to be authorised to

exercise the rights set out in Chapter 4, Section 39 of the Swedish Companies Act (2005:551).

---

*Adopted at the Extraordinary General Meeting held on  
11 November 2014.*

***Lexington's year-end report for 2021 (available in Swedish only)***

For the period 1 January – 31 December 2021



*BOKSLUTSKOMMUNIKÉ  
JANUARI - DECEMBER 2021*

**THE LEXINGTON  
COMPANY AB**

(PUBL)  
556532-2780

# REKORDÅR FÖR LEXINGTON EFTER STARKT SISTA KVARTAL

## KVARTALET I KORHET

- ★ Nettoförsäljningen ökade med 12% jämfört med samma kvartal föregående år
- ★ Både Home och Fashion, liksom alla försäljningskanaler, visade tillväxt
- ★ EBITDA ökade till 11,2 (9,1) MSEK

## OKTOBER - DECEMBER 2021

- ★ Totala rörelseintäkter uppgick till 92,2 (82,3) MSEK
- ★ Bruttomarginalen uppgick till 71,8 (70,9) %
- ★ EBITDA uppgick till 11,2 (9,1) MSEK
- ★ EBITDA-marginalen uppgick till 12,2 (11,0) %
- ★ Kvartalets resultat uppgick till 8,5 (9,6) MSEK
- ★ Resultat per aktie före och efter utspädning, uppgick till 1,42 (1,62) SEK

## JANUARI - DECEMBER 2021

- ★ Totala rörelseintäkter uppgick till 325,5 (272,4) MSEK
- ★ Bruttomarginalen uppgick till 69,7 (67,8) %
- ★ EBITDA uppgick till 28,2 (9,9) MSEK
- ★ EBITDA-marginalen uppgick till 8,7 (3,6) %
- ★ Periodens resultat uppgick till 19,6 (4,9) MSEK
- ★ Resultat per aktie före och efter utspädning, uppgick till 3,27 (0,81) SEK
- ★ Styrelsen har beslutat att föreslå att ingen utdelning lämnas för räkenskapsåret 2021

Nyckeltal	Q4 2021	Q4 2020	2021	2020
Totala rörelseintäkter	92 180	82 288	325 505	272 356
Bruttomarginal	71,8%	70,9%	69,7%	67,8%
EBITDA	11 233	9 061	28 244	9 887
EBITDA-marginal	12,2%	11,0%	8,7%	3,6%
Rörelseresultat (EBIT)	10 157	8 038	24 008	5 208
EBIT-marginal	11,0%	9,8%	7,4%	1,9%
Resultat före skatt	9 223	7 819	23 427	4 829
Periodens resultat	8 475	9 591	19 565	4 851
Resultat per aktie, SEK, före och efter utspädning	1,42	1,62	3,27	0,81





## VD HAR ORDET

Jag är verkligen stolt över att kunna presentera fjärde kvartalet och helåret 2021. Det blev ett rekordår för Lexington både vad gäller försäljning och resultat.

Försäljningen ökade med 12% i kvartalet jämfört med föregående år. Affärsområdet Home ökade med 15%, samtidigt som Fashion växte med 8%. Ackumulerat för året blev totala intäkterna drygt 325 (272) MSEK, en ökning med hela 20% jämfört med 2020. Såväl egna butiker, online-handel som traditionell handel ökade försäljningen både i kvartalet och ackumulerat. Samtidigt ökade EBITDA till 11,2 (9,1) MSEK i kvartalet och till 28,2 (9,9) MSEK ackumulerat, en ny rekordnivå.

Under sista kvartalet 2020 var fysiska butiker och återförsäljare påverkade av restriktioner, nedstängningar och rekommendationer som gjorde att julhandeln blev begränsad och istället flyttades till online-kanalerna, som hade ett väldigt starkt kvartal. I år såg vi att julhandeln var tillbaka i de fysiska butikerna igen, samtidigt som vi lyckades öka försäljningen i våra online-kanaler. Det visar återigen styrkan i varumärket och vår omnikanalstrategi.

Våra egna butiker utvecklades starkt i kvartalet och ökade försäljningen med 12%, trots färre butiker jämfört med förra året. Ackumulerat är egna butikernas försäljning upp 11% och i jämförbara butiker med 14%. Givet alla begränsningar som följt av pandemin under året är det en mycket stark utveckling. Vi märker hur viktig omnikanalstrategin är för att driva trafik mellan online och fysisk handel och vice versa, och därmed ge kunden tillfälle att handla Lexington där det passar bäst.

Det märktes även i försäljningen till traditionella återförsäljare att vi fick en annan julhandel i år. Försäljningen ökade i kvartalet med 28%, och ackumulerat ökade försäljningen med 20%. Allt fler länder i Europa öppnade upp efter pandemin och vi noterade en ökande försäljning på många marknader.

Vår strategiska inriktning med fokus på att bygga ut våra olika onlinekanaler fortsätter. Den egna webbutiken klarade samma höga nivå som under det starka sista kvartalet förra året och växte med 39% ackumulerat. Home ökade i kvartalet, men vi tappade en del på Fashion. Ackumulerat ökade Home med 41% och Fashion med 34%. Marknadsplatserna var upp 23% i kvartalet och 83% på helåret. Försäljningen till E-tailers i olika länder ökade med 5% i kvartalet och 26% ackumulerat. Under 2021 uppgick försäljningen genom våra olika onlinekanaler till 31 (27) % av totala omsättningen. 40% av totala försäljningen under året kom från egna butiker, drygt 30% från online-handeln och knappt 30% från traditionell handel. Vi har ökat vår marknadssatsning med nästan 30% och haft extra fokus på varumärket online och i olika sociala medier, samt varit mycket aktiv i olika digitala kanaler. Aktivitetsnivån on- och offline har varit hög under hela året och den utökade satsningen på influencer-samarbeten har gett positiva resultat.

Våra kollektioner inom både Home och Fashion har varit efterfrågade av kunderna under året. Vi hade också ett mer välfyllt lager i år och fick inte brist på varor som året innan. Tack vare en väl fungerande logistikkedja, stor del av produktionen i Europa och lojala leverantörer har vi kunnat få hem det mesta av våra varuleveranser i tid.

Den kraftiga försäljningsökningen genom egna kanaler i kombination med ny kollektionsstrategi, gynnsammare valutor och en del leverantörshöjningar förstärkte den redan tidigare höga bruttomarginalen både i kvartalet 71,8 (70,9) % och ackumulerat 69,7 (67,8) %.

Jämfört med motsvarande kvartal föregående år har vi ökat kostnader för frakter, lager och personal främst beroende på den ökade försäljningen online, men också beroende på full bemanning i butikerna i år och inga Coronastöd för personal eller hyror.

Tack vare den högre försäljningen, den förbättrade bruttomarginalen och bra styrning av kostnaderna fick vi ett kraftigt förbättrat resultat. Vi nådde en EBITDA nivå i kvartalet på 12,2 (11,0) %, och ackumulerat på 8,7 (3,6) %. Rörelseresultatet före skatt uppgick för året till 23,4 (4,8) MSEK, en resultatmarginal på 7,2 (1,8) %.

Pandemin ser nu ut att gå mot sitt slut. Trots att 2021 påverkats negativt av restriktioner och nedstängningar i många länder, har vi presterat ett väldigt starkt utfall både vad gäller försäljning och resultat. Vi ser nu fram emot ett nytt år med nya möjligheter.

Welcome to our world. Welcome to our dream.

**Kristina Lindhe, Verkställande direktör**



# VÄSENTLIGA HÄNDELSE R UNDER OCH EFTER KVARTALET

## VÄSENTLIGA HÄNDELSE R UNDER KVARTALET

- ★ Nya pandemirestriktioner infördes i flera länder under slutet av kvartalet strax före jul som ett resultat av den nya omikron-varianten. Restriktionerna bidrog till minskad trafik i flera köpcentrum under sista veckorna av kvartalet.

## VÄSENTLIGA HÄNDELSE R EFTER KVARTALET

- ★ Pandemirestriktionerna som införts i olika länder under 2021 hävs nu i land efter land, vilket väntas medföra positiva effekter vad gäller besöksantalet i köpcentrum och butiker framöver.
- ★ Säsongskollektionerna för våren har levererats ut under januari enligt tidtabell. Tack vare en stark och välstrukturerad logistikkedja och en stor del av produktionen i Europa, har vi mindre förseningar än befarat.



# KONCERNENS UTVECKLING

## INTÄKTER

### OKTOBER - DECEMBER 2021

Försäljningen ökade med 12% i kvartalet. Affärsområdet Home ökade med 15%, samtidigt som Fashion växte med 8%. I kvartalet stod Home för 75% av totala försäljningen och Fashion för 25%.

Under sista kvartalet 2020 var fysiska butiker och återförsäljare påverkade av restriktioner och nedstängningar som gjorde att julhandeln blev begränsad och istället flyttades till onlinekanalerna. I år var julhandeln tillbaka i de fysiska butikerna igen, samtidigt som försäljningen i egna onlinekanaler ökade.

Egna butiker utvecklades starkt i kvartalet och ökade försäljningen med 12%, trots färre butiker jämfört med förra året. I Sverige ökade försäljningen med 17% och i Norge med 8%.

Det märktes även i försäljningen till traditionella återförsäljare att vi fick en annan julhandel i år. Försäljningen ökade i kvartalet med 28%, och ackumulerat ökade försäljningen med 20%. Allt fler länder i Europa öppnade upp efter pandemin och vi noterade en ökande försäljning på många marknader.

Den egna webbutiken hamnade strax under försäljningsnivån från det starka sista kvartalet förra året. Marknadsplatserna var upp 23% i kvartalet och försäljningen till E-tailers i olika länder ökade med 5%.

### JANUARI - DECEMBER 2021

Ackumulerat för året blev totala intäkterna drygt 325 (272) MSEK, en ökning med 20% jämfört med 2020.

Den egna webbutiken fortsatte utvecklas positivt och växte med 38%. Affärsområdet Home ökade med 41% och Fashion med 34%. Största länderna var Sverige, Norge och Tyskland. Lanseringen av Lexington på olika Marketplaces i Europa har varit framgångsrik under året. Kanalen växte snabbt, framförallt i Tyskland där vi satsar på flera nya Marketplaces under 2022 och framåt. Marketplaces var upp 83% under året och försäljningen till E-tailers i olika länder ökade med 26% under året. Onlinekanalernas andel av totala försäljningen uppgick till 31 (27) %.

Egna butikernas försäljning var upp 11%, och i jämförbara butiker upp 14%. I Sverige ökade försäljningen med 17% och i Norge med 6%. I Norge var Oslobutikerna (4 stycken) stängda under perioden februari till maj 2021, vilket påverkade helårstillväxten negativt i Norge.

Försäljningen till traditionella återförsäljare ökade med 20% under året.

Under 2021 kom 65% av bolagets totala försäljning från Home, och 35% från Fashion.

Knappt 40% av totala försäljningen under 2021 kom från egna butiker, drygt 30% från onlinehandeln och knappt 30% från traditionell handel.





## RESULTAT

### OKTOBER – DECEMBER 2021

Under kvartalet ökade bruttomarginalen till 71,8 (70,9) %. En ökad försäljning av Home-produkter, ny sortimentsstrategi inom Fashion och byte av en del leverantörer bidrar till marginalförbättringen.

EBITDA uppgick till 11,2 (9,1) MSEK, motsvarande en EBITDA-marginal om 12,2 (11,0) procent. Föregående år erhöles 0,3 MSEK i hyressubventioner samt 0,5 MSEK i statliga stöd och subventioner relaterade till Covid-19. Inga hyressubventioner eller statliga stöd och subventioner har erhöles under innevarande kvartal. Rensat för stöd och subventioner förbättrades EBITDA med 3,0 MSEK från föregående år.

Kvartalets resultat efter skatt uppgick till 8,5 (9,6) MSEK.

### JANUARI – DECEMBER 2021

Under perioden uppgick bruttomarginalen till 69,7 (67,8) procent, en förbättring med 1,9 procentenheter jämför med samma period föregående år. Mer fördelaktiga valutor, ökad försäljning av Home-produkter, ny sortimentsstrategi inom Fashion samt byte av en del leverantörer bidrar till den förstärkta bruttomarginalen.

EBITDA uppgick till 28,2 (9,9) MSEK, motsvarande en EBITDA-marginal om 8,7 (3,6) %, vilket är en förbättring med 18,4 MSEK jämfört med föregående år. Under perioden 2020 erhöles totalt 2,8 MSEK i olika statliga stöd och subventioner, därtill 2,3 MSEK i hyressubventioner samt 0,6 MSEK i reducerade arbetsgivaravgifter. Under innevarande period erhöles 0,7 MSEK i hyressubventioner och 0,4 MSEK i permitteringsstöd. Rensat för stöd och subventioner förbättrades EBITDA med 23,0 MSEK.

Periodens resultat efter skatt uppgick till 19,6 (4,9) MSEK.

Förutom tidigare nämnda faktorer finns ytterligare några förklaringar till den starka resultatutvecklingen jämfört med tidigare perioder;

- ★ Inga underskott från dotterbolagen som tynger resultatet
- ★ Stängt ett antal olönsamma butiker och omförhandlat villkoren på andra

# KASSAFLÖDE, INVESTERINGAR OCH FINANSIELL STÄLLNING

## OKTOBER - DECEMBER 2021

Kassaflödet från den löpande verksamheten uppgick till 19,8 (22,1) MSEK. Rörelseresultatet, som är högre än föregående år, påverkar kassaflödet positivt. Ökningen av varulagret för att säkra god varutillgång inför årsslutet och våren är orsaken till det minskade kassaflödet från den löpande verksamheten. Under kvartalet har 0,7 MSEK av det anstånd för moms och skatt som erhöles 2020 återbetalats. Från investeringsverksamheten uppgick kassaflödet till -0,3 (-0,5) MSEK. Det totala kassaflödet för kvartalet uppgick till 19,4 MSEK, jämfört med 21,6 MSEK under samma period föregående år. Likvida medel vid kvartalets slut uppgick till 53,0 (41,4) MSEK, exklusive outnyttjad checkräkningskredit om 15,0 MSEK.

## JANUARI – DECEMBER 2021

Kassaflödet från den löpande verksamheten uppgick under perioden till 14,3 (31,5) MSEK. Det är framför allt ökade investeringar i varulagret för att säkra god varutillgång som har påverkat kassaflödet negativt. Under året har även 2,3 MSEK av det anstånd för moms och skatt som erhöles 2020 återbetalats. Kvarvarande skuld vid periodens utgång uppgick till 3,3 MSEK, vilken ska vara återbetald senast april 2022. Från investeringsverksamheten uppgick kassaflödet till -3,5 (-1,6) MSEK. Ökningen förklaras dels av förvärvet av den utestående minoritetsposten i det tyska dotterbolaget, dels av ökade investeringar i immateriella tillgångar, främst utveckling av den egna webbshopen. Det totala kassaflödet för perioden uppgick till 10,8 MSEK, jämfört med 29,9 MSEK under samma period föregående år. Likvida medel vid årets slut uppgick till 53,0 (41,4) MSEK, exklusive outnyttjad checkräkningskredit om 15,0 MSEK.





# VERKSAMHETEN



## KONCERNSTRUKTUR

The Lexington Company AB (publ) är moderbolag i koncernen, som därutöver består av åtta dotterbolag, varav två vilande. De aktiva dotterbolagen i Norge, Danmark, Storbritannien, Tyskland, Finland och USA ansvarar för försäljning och marknadsföring av Lexingtons produkter på respektive marknad.

## MODERBOLAGET

Moderbolaget, The Lexington Company AB (publ), är det största operativa bolaget inom koncernen. All försäljning i Sverige, både till återförsäljare och i egna butiker, sker genom moderbolaget liksom försäljning till övriga marknader där koncernen inte har dotterbolag etablerade. Moderbolaget bedriver även koncernintern försäljning, då samtliga dotterbolag gör inköp av varor via moderbolaget. Under det tredje kvartalet 2021 var medelantalet anställda i moderbolaget 79 (85), beräknat som heltidsanställda. Under helåret 2021 uppgick medelantalet anställda till totalt 77 (80). Minskningen av antalet anställda beror i huvudsak på färre antal butiker i år jämfört med föregående år. Totala rörelseintäkter uppgick till 80,7 (70,2) MSEK under det tredje kvartalet. Totala rörelseintäkter för helåret 2021 uppgick till 258,4 (214,5) MSEK. EBITDA uppgick under kvartalet till 14,9 (11,7) MSEK. EBITDA under helåret 2021 uppgick till 10,2 (-0,4) MSEK. I moderbolaget fanns vid rapportperiodens utgång 23,4 (27,2) MSEK i likvida medel och 15,0 MSEK i outnyttjad checkräkningskredit.

## MEDARBETARE

Lexington hade under fjärde kvartalet ett medelantal anställda på totalt 127 (123) medarbetare (beräknat som heltidsanställda), varav 107 (104) kvinnor och 20 (19) män. Under helåret 2021 uppgick medelantalet anställda till totalt 123 (118), varav 103 (101) kvinnor och 20 (17) män. Huvuddelen av personalen är verksam i Norden. Ökningen av antalet anställda både i kvartalet och under helåret beror i huvudsak på att butiker som under föregående år var helt eller delvis stängda på grund av Covid 19 har haft öppet i större utsträckning i år.

## FINANSIELLA MÅL

- ★ Att under en konjunkturcykel nå en genomsnittlig årlig tillväxt om minst 10 procent.
- ★ Att nå en vinst på EBITDA-nivå uppgående till minst 10 procent av rörelsens intäkter.
- ★ Bibehålla en soliditet som inte understiger 40 procent, mätt som ett genomsnitt under räkenskapsåret.



# FINANSIELL KALENDER OCH REDOVISNINGSPRINCIPER

## REDOVISNINGSPRINCIPER

Koncernredovisningen har upprättats i enlighet med årsredovisningslagen (1994:554) och BFNAR 2012:1 (K3). Koncernen består av moderbolagen, The Lexington Company AB (publ), samt åtta dotterbolag, varav sju utländska. Denna delårsrapport är upprättad enligt Årsredovisningslagen (ÅRL). Redovisningsprinciper och värderingsprinciper överensstämmer med de som tillämpas i den senaste årsredovisningen (redovisas i årsredovisningen på sidorna 54-56). Principerna är oförändrade jämfört med tidigare år.

## TRANSAKTIONER MED NÄRSTÅENDE

Inga väsentliga transaktioner med närstående parter har genomförts under perioden.

## RISKER OCH OSÄKERHETSFAKTORER

Lexington är utsatt för ett antal verksamhets- och marknadsrelaterade risker som inkluderar konjunkturutveckling, konkurrens, kundpreferenser och modetrender, säsong- och vädervariationer, beroende av distributörer, leverantörer och nyckelpersoner, risker relaterade till hyresavtal, störningar i logistik- och IT-system, förändringar avseende importkvoter och tullavgifter, risker relaterade till varumärket, finansieringsförmåga och framtida kapitalbehov, risker relaterade till internationell verksamhet och internprissättning, valutakursförändringar, kredit- samt ränterisk. En närmare redogörelse över Lexingtons risker och osäkerhetsfaktorer framgår på sidan 43 i årsredovisningen för 2020.



## ÅRSSTÄMMA 2022

Datum för årsstämman är 6 maj 2022 och kommer att hållas i Stockholm. Årsredovisningen kommer att publiceras och finnas tillgänglig på huvudkontoret den 21 april 2022.

Styrelsen har beslutat att föreslå att ingen utdelning lämnas för räkenskapsåret 2021, och att till årsstämmans förfogande stående medel överförs i ny räkning.

## FINANSIELL KALENDER

Årsredovisning 2021	21 april 2022
Delårsrapport jan – mar 2022	5 maj 2022
Årsstämma 2022	6 maj 2022
Delårsrapport jan – jun 2022	19 augusti 2022
Delårsrapport jan – sep 2022	11 november 2022

# KONCERNEN

## KONCERNENS RESULTATRÄKNING

KSEK	Q4 2021	Q4 2020	2021	2020
Nettoomsättning	91 374	81 244	322 791	267 334
Övriga rörelseintäkter	805	1 044	2 713	5 022
<b>Summa rörelsens intäkter</b>	<b>92 180</b>	<b>82 288</b>	<b>325 505</b>	<b>272 356</b>
Varukostnader	-26 032	-23 944	-98 662	-87 824
Övriga externa kostnader	-30 753	-27 870	-116 108	-101 583
Personalkostnader	-24 477	-21 144	-81 461	-72 762
Övriga rörelsekostnader	314	-269	-1 030	-301
<b>Summa rörelsens kostnader</b>	<b>-80 947</b>	<b>-73 226</b>	<b>-297 261</b>	<b>-262 469</b>
<b>EBITDA</b>	<b>11 233</b>	<b>9 061</b>	<b>28 244</b>	<b>9 887</b>
Avskrivningar	-1 076	-1 023	-4 236	-4 679
<b>Rörelseresultat</b>	<b>10 157</b>	<b>8 038</b>	<b>24 008</b>	<b>5 208</b>
Finansiella intäkter	-461	11	25	19
Finansiella kostnader	-473	-230	-605	-398
<b>Resultat från finansiella poster</b>	<b>-934</b>	<b>-219</b>	<b>-581</b>	<b>-379</b>
<b>Resultat efter finansiella poster</b>	<b>9 223</b>	<b>7 819</b>	<b>23 427</b>	<b>4 829</b>
Skatt på periodens resultat	-748	1 773	-3 863	23
<b>Periodens resultat</b>	<b>8 475</b>	<b>9 591</b>	<b>19 565</b>	<b>4 851</b>
Hänförligt till Moderbolagets aktieägare	8 475	9 664	19 565	4 868
Minoritetsintresse	0	-73	0	-17



## KONCERNENS BALANSRÄKNING

KSEK	2021-12-31	2020-12-31
Immateriella anläggningstillgångar	5 573	6 752
Materiella anläggningstillgångar	3 242	3 602
Finansiella anläggningstillgångar	642	647
<b>Summa anläggningstillgångar</b>	<b>9 457</b>	<b>11 001</b>
Varulager	67 435	51 644
Kundfordringar	18 892	18 647
Förskott till leverantör	3 764	631
Övriga kortfristiga fordringar	1 482	5 021
Förutbetalda kostnader och upplupna intäkter	7 828	7 779
Kassa och bank	53 016	41 363
<b>Summa omsättningstillgångar</b>	<b>152 418</b>	<b>125 085</b>
<b>SUMMA TILLGÅNGAR</b>	<b>161 875</b>	<b>136 086</b>
Eget kapital	95 494	74 384
<b>Summa eget kapital</b>	<b>95 494</b>	<b>74 384</b>
<b>Avsättningar för uppskjuten skatt</b>	<b>0</b>	<b>0</b>
Checkräkningskredit	0	0
Leverantörsskulder	34 405	34 640
Övriga kortfristiga skulder	18 193	17 996
Upplupna kostnader och förutbetalda intäkter	13 782	9 065
<b>Summa kortfristiga skulder</b>	<b>66 381</b>	<b>61 701</b>
<b>SUMMA EGET KAPITAL OCH SKULDER</b>	<b>161 875</b>	<b>136 086</b>

# EGET KAPITAL, KONCERNEN

Per den 31 december 2021 uppgick koncernens egna kapital till 95,5 (74,4) MSEK. Totalt antal aktier uppgick vid utgången av kvartalet till 5 976 666.

	<i>Aktie- kapital</i>	<i>Övrigt tillskjutet kapital</i>	<i>Annat eget kapital inkl. årets resultat</i>	<i>Summa moderbolagets aktieägare</i>	<i>Minoritets- intresse</i>	<i>Totalt eget kapital</i>
<b>Ingående balans 2020-01-01</b>	<b>658</b>	<b>28 243</b>	<b>43 660</b>	<b>72 559</b>	<b>1 313</b>	<b>73 872</b>
Periodens omräkningsdifferens			-2 494	-2 494	-8	-2 502
Omföring inom eget kapital			-1 838	-1 838		-1 838
Periodens resultat			4 868	4 868	-17	4 851
<b>Utgående balans 2020-12-31</b>	<b>658</b>	<b>28 243</b>	<b>44 195</b>	<b>73 095</b>	<b>1 289</b>	<b>74 384</b>
<b>Ingående balans 2020-10-01</b>	<b>658</b>	<b>28 243</b>	<b>36 348</b>	<b>65 248</b>	<b>1 370</b>	<b>66 618</b>
Periodens omräkningsdifferens			21	21	-8	13
Omföring inom eget kapital			-1 838	-1 838		-1 838
Periodens resultat			9 664	9 664	-73	9 591
<b>Utgående balans 2020-12-31</b>	<b>658</b>	<b>28 243</b>	<b>44 195</b>	<b>73 095</b>	<b>1 289</b>	<b>74 384</b>
<b>Ingående balans 2021-01-01</b>	<b>658</b>	<b>28 243</b>	<b>44 195</b>	<b>73 095</b>	<b>1 289</b>	<b>74 384</b>
Periodens omräkningsdifferens			2 273	2 273		2 273
Omföring inom eget kapital			1 289	1 289	-1 289	0
Förvärv av minoritetsandelar			-728	-728		-728
Periodens resultat			19 565	19 565		19 565
<b>Utgående balans 2021-12-31</b>	<b>658</b>	<b>28 243</b>	<b>66 594</b>	<b>95 494</b>	<b>0</b>	<b>95 494</b>
<b>Ingående balans 2021-10-01</b>	<b>658</b>	<b>28 243</b>	<b>57 336</b>	<b>86 236</b>	<b>0</b>	<b>86 236</b>
Periodens omräkningsdifferens			783	783		783
Periodens resultat			8 475	8 475		8 475
<b>Utgående balans 2021-12-31</b>	<b>658</b>	<b>28 243</b>	<b>66 594</b>	<b>95 494</b>	<b>0</b>	<b>95 494</b>

# KONCERNENS KASSAFLÖDESANALYS

KSEK	Q4 2021	Q4 2020	2021	2020
Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital	9 909	9 261	26 223	9 741
Förändring i rörelsekapital				
Ökning/minskning av varulager	-11 605	-1 248	-14 082	930
Ökning/minskning av fordringar	1 683	5 805	520	6 532
Ökning/minskning av övriga kortfristiga skulder	6 517	4 355	1 570	9 996
Ökning/minskning av leverantörsskulder	13 253	3 895	31	4 296
<b>Kassaflöde från den löpande verksamheten</b>	<b>19 759</b>	<b>22 068</b>	<b>14 261</b>	<b>31 495</b>
Förvärv av immateriella anläggningstillgångar	-75	-454	-1 195	-571
Förvärv av materiella anläggningstillgångar	-235	-14	-1 557	-1 040
Förvärv av minoritetsintresse	0	0	-728	0
Förvärv av finansiella anläggningstillgångar	0	0	-11	0
<b>Kassaflöde från investeringsverksamheten</b>	<b>-310</b>	<b>-468</b>	<b>-3 491</b>	<b>-1 611</b>
Förändring checkräkningskredit	0	0	0	0
<b>Kassaflöde från finansieringsverksamheten</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PERIODENS KASSAFLÖDE</b>	<b>19 448</b>	<b>21 600</b>	<b>10 770</b>	<b>29 884</b>
Likvida medel vid periodens början	33 377	20 077	41 363	12 926
Kursdifferens i likvida medel	191	-314	883	-1 448
<b>Likvida medel vid periodens slut</b>	<b>53 016</b>	<b>41 363</b>	<b>53 016</b>	<b>41 363</b>

## KONCERNENS NYCKELTAL

KSEK	Q4 2021	Q4 2020	2021	2020
Totala rörelseintäkter	92 180	82 288	325 505	272 356
Bruttoresultat	66 148	58 343	226 843	184 532
EBITDA	11 233	9 061	28 244	9 887
Rörelseresultat (EBIT)	10 157	8 038	24 008	5 208
Periodens resultat	8 475	9 591	19 565	4 851
Balansomslutning	161 875	136 086	161 875	136 086
Eget kapital	95 494	74 384	95 494	74 384
Intäktsstillväxt	12,0%	1,8%	19,5%	3,4%
Bruttomarginal	71,8%	70,9%	69,7%	67,8%
EBITDA-marginal	12,2%	11,0%	8,7%	3,6%
EBIT-marginal	11,0%	9,8%	7,4%	1,9%
Vinstmarginal	9,2%	11,7%	6,0%	1,8%
Avkastning på eget kapital	9,3%	13,0%	23,0%	6,5%
Avkastning på sysselsatt kapital	10,7%	11,4%	28,3%	7,1%
Soliditet	59,0%	54,7%	59,0%	54,7%
Skuldsättningsgrad, ggr	0,00	0,00	0,00	0,00
Räntebärande nettoskuld, KSEK <sup>1</sup>	-53 016	-41 363	-53 016	-41 363
Likvida medel, KSEK	53 016	41 363	53 016	41 363
Resultat per aktie, SEK, före och efter utspädning <sup>2</sup>	1,42	1,62	3,27	0,81
Eget kapital per aktie, SEK, före och efter utspädning	15,20	12,45	14,21	12,45
Antal utestående aktier, före och efter utspädning	5 976 666	5 976 666	5 976 666	5 976 666
Genomsnittligt antal utestående aktier, före och efter utspädning	5 976 666	5 976 666	5 976 666	5 976 666
Utdelning per aktie, SEK	n/a	n/a	n/a	n/a
Genomsnittligt antal medarbetare	127	123	123	118

<sup>1</sup>Negativ tal innebär att bolaget har en nettokassa, dvs att likvida medel överstiger övriga räntebärande skulder.

<sup>2</sup>Resultat per aktie är beräknat på koncernens resultat hänförligt till moderbolagets aktieägare.

## Nyckeltalsdefinitioner

Intäktsstillväxt – förändring i totala rörelseintäkter i förhållande till motsvarande period föregående år

Bruttomarginal – bruttoresultat i procent av totala rörelseintäkter

EBITDA-marginal – rörelseresultat före avskrivningar i procent av totala rörelseintäkter

EBIT-marginal – rörelseresultat i procent av totala rörelseintäkter

Vinstmarginal – resultat efter skatt i procent av totala rörelseintäkter

Avkastning på eget kapital – resultat efter skatt i procent av genomsnittligt eget kapital

Avkastning på sysselsatt kapital – resultat före skatt plus räntekostnader i procent av genomsnittligt sysselsatt kapital, där sysselsatt kapital beräknas som balansomslutningen minskat med icke räntebärande skulder inklusive uppskjutna skatteskulder

Soliditet – eget kapital i procent av balansomslutningen

Skuldsättningsgrad – räntebärande skulder dividerat med eget kapital

Räntebärande nettoskuld – räntebärande skulder minus likvida medel

Resultat per aktie – resultat efter skatt dividerat med genomsnittligt antal aktier

Eget kapital per aktie – eget kapital dividerat med antal utestående aktier

# MODERBOLAGET

## MODERBOLAGETS RESULTATRÄKNING

KSEK	Q4 2021	Q4 2020	2021	2020
Nettoomsättning	79 953	59 851	256 085	200 966
Övriga rörelseintäkter	747	10 309	2 315	13 503
<b>Summa rörelsens intäkter</b>	<b>80 700</b>	<b>70 160</b>	<b>258 399</b>	<b>214 469</b>
Varukostnader	-26 191	-23 795	-98 452	-87 271
Övriga externa kostnader	-23 682	-21 158	-91 918	-77 635
Personalkostnader	-16 240	-13 909	-56 813	-49 637
Övriga rörelsekostnader	328	417	-995	-275
<b>Summa rörelsens kostnader</b>	<b>-65 786</b>	<b>-58 445</b>	<b>-248 177</b>	<b>-214 820</b>
<b>EBITDA</b>	<b>14 915</b>	<b>11 715</b>	<b>10 222</b>	<b>-351</b>
Avskrivningar	-532	-445	-2 071	-2 084
<b>Rörelseresultat</b>	<b>14 383</b>	<b>11 270</b>	<b>8 152</b>	<b>-2 435</b>
Finansiella intäkter	-412	53	204	198
Finansiella kostnader	-470	-114	-548	-259
<b>Resultat från finansiella poster</b>	<b>-882</b>	<b>-61</b>	<b>-344</b>	<b>-61</b>
<b>Resultat efter finansiella poster</b>	<b>13 501</b>	<b>11 209</b>	<b>7 808</b>	<b>-2 495</b>
Förändring av bokslutsdispositioner	-909	6 052	-909	6 052
Skatt på periodens resultat	-620	0	-620	0
<b>Periodens resultat</b>	<b>11 971</b>	<b>17 261</b>	<b>6 278</b>	<b>3 557</b>

## MODERBOLAGETS BALANSRÄKNING

KSEK	2021-12-31	2020-12-31
Immateriella anläggningstillgångar	1 381	1 270
Materiella anläggningstillgångar	1 326	1 116
Finansiella anläggningstillgångar	15 138	14 038
<b>Summa anläggningstillgångar</b>	<b>17 845</b>	<b>16 424</b>
Varulager	49 384	35 798
Kundfordringar	12 333	12 536
Fordringar hos koncernföretag	5 727	6 940
Förskott till leverantör	3 764	631
Övriga kortfristiga fordringar	1 832	4 359
Förutbetalda kostnader och upplupna intäkter	6 220	6 330
Kassa och bank	23 346	27 166
<b>Summa omsättningstillgångar</b>	<b>102 606</b>	<b>93 759</b>
<b>TILLGÅNGAR</b>	<b>120 451</b>	<b>110 184</b>
Eget kapital	57 301	51 023
<b>Summa eget kapital</b>	<b>57 301</b>	<b>51 023</b>
Obeskattade reserver	3 204	2 294
<b>Summa obeskattade reserver</b>	<b>3 204</b>	<b>2 294</b>
Skulder till kreditinstitut		
<b>Summa långfristiga skulder</b>		
Checkräkningskredit	0	0
Leverantörsskulder	32 384	32 688
Skulder till koncernföretag	10 964	9 590
Övriga kortfristiga skulder	8 046	9 512
Upplupna kostnader och förutbetalda intäkter	8 553	5 076
<b>Summa kortfristiga skulder</b>	<b>59 946</b>	<b>56 866</b>
<b>EGET KAPITAL OCH SKULDER</b>	<b>120 451</b>	<b>110 184</b>

## EGET KAPITAL, MODERBOLAGET

KSEK	<i>Aktiekapital</i>	<i>Reservfond</i>	<i>Fritt eget kapital</i>	<i>Summa</i>
Ingående balans 2020-01-01	658	40	46 769	47 466
Periodens resultat			3 557	3 557
Utgående balans 2020-12-31	658	40	50 326	51 023
Ingående balans 2020-10-01	658	40	33 065	33 762
Periodens resultat			17 261	17 261
Utgående balans 2020-12-31	658	40	50 326	51 023
Ingående balans 2021-01-01	658	40	50 326	51 023
Periodens resultat			6 278	6 278
Utgående balans 2021-12-31	658	40	56 604	57 301
Ingående balans 2021-10-01	658	40	44 633	45 330
Periodens resultat			11 971	11 971
Utgående balans 2021-12-31	658	40	56 604	57 301

# SIGNATURER

Styrelsen och VD försäkrar att föreliggande bokslutskommuniké ger en sann och rättvisande bild av koncernens verksamhet, försäljning, resultat och ställning. De lämnade uppgifterna överensstämmer med fakta och ingenting av väsentlig betydelse har utelämnats som kan påverka framställningen av koncernen och moderbolaget i räkenskaper.

STOCKHOLM, DEN 18 FEBRUARI 2022

*Tommy Lindhe*  
Styrelseordförande

*Kristina Lindhe*  
Styrelseledamot / VD

*Helena Nordman-Knutson*  
Styrelseledamot

*Helén Richenzhagen*  
Styrelseledamot

Bokslutskommunikén har varit föremål för översiktlig granskning av bolagets revisorer.

För ytterligare information, v.g kontakta

*Charlotte Hübel*  
CFO

+46 (0)8 54 55 58 00





## Revisors rapport över översiktlig granskning av delårsrapport upprättad i enlighet med 9 kap. årsredovisningslagen (1995:1554)

Till styrelsen och verkställande direktören för The Lexington Company AB (publ)

### **Inledning**

Vi har utfört en översiktlig granskning av bifogade delårsrapport för The Lexington Company AB (publ) per 31 december 2021 och den tolv månadersperiod som slutade per detta datum. Det är styrelsen och verkställande direktören som har ansvaret för att upprätta och presentera denna delårsrapport i enlighet med årsredovisningslagen. Vårt ansvar är att uttala en slutsats om denna delårsrapport grundad på vår översiktliga granskning.

### **Den översiktliga granskningens inriktning och omfattning**

Vi har utfört vår översiktliga granskning i enlighet med International Standard on Review Engagements ISRE 2410 Översiktlig granskning av finansiell delårsinformation utförd av företagets valda revisor. En översiktlig granskning består av att göra förfrågningar, i första hand till personer som är ansvariga för finansiella frågor och redovisningsfrågor, att utföra analytisk granskning och att vidta andra översiktliga granskningsåtgärder. En översiktlig granskning har en annan inriktning och en betydligt mindre omfattning jämfört med den inriktning och omfattning som en revision enligt ISA och god revisionssed i övrigt har. De granskningsåtgärder som vidtas vid en översiktlig granskning gör det inte möjligt för oss att skaffa oss en sådan säkerhet att vi blir medvetna om alla viktiga omständigheter som skulle kunna ha blivit identifierade om en revision utförts. Den uttalade slutsatsen grundad på en översiktlig granskning har därför inte den säkerhet som en uttalad slutsats grundad på en revision har.

### **Slutsats**

Grundat på vår översiktliga granskning har det inte kommit fram några omständigheter som ger oss anledning att anse att den bifogade delårsrapporten inte, i allt väsentligt, är upprättad i enlighet med årsredovisningslagen.

Stockholm den 18 februari 2022

Grant Thornton Sweden AB

Serhat Eliacik  
Auktoriserad revisor



LEXINGTON 

[www.lexingtoncompany.com](http://www.lexingtoncompany.com)

**STATEMENT FROM THE INDEPENDENT MEMBER OF THE BOARD OF DIRECTORS OF  
LEXINGTON**

The description of Lexington on page 12-40 of this offer document has been reviewed by the independent member of the board of directors of Lexington. It is the opinion of the independent board member that this description provides an accurate and fair, although not complete, picture of Lexington.

8 March 2022

**The Lexington Company AB (publ)**

*Helena Nordman-Knutson (independent board member)*

## INFORMATION ABOUT MANNA & CO IN BRIEF

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 all shares and 51 percent of all 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/>.

## TAX CONSEQUENCES IN SWEDEN

*The following is a summary of the tax consequences which, according to current applicable Swedish regulations, can arise due to the Offer. In addition, relevant case law, decisions and statements made by the tax authorities in effect and available on the date of this summary are taken into account. The description is subject to any amendments to tax legislation or practice, changes which could apply retroactively and could affect the tax consequences described below. This summary is intended for shareholders with unlimited tax liability in Sweden, unless stated otherwise. This is not intended to address, in an exhaustive manner, all tax issues which can arise in connection with the Offer, but is only intended to provide the reader general information. The fiscal assessment of each, individual shareholder is partly dependent on the respective shareholder's specific situation. The summary does not address, for example, the special regulations applying to partnerships (Sw. handelsbolag) and any partnership taxed subjects, so-called qualified shares in closely held companies (Sw. kvalificerade aktier i fåmansföretag), endowment insurances (Sw. kapitalförsäkring) or such legal entities whose shares are considered to constitute current assets (stock-in-trade). Certain tax consequences which are not described can also arise as regards other categories of shareholders which are not mentioned in the below description, such as investment companies, investment funds and individuals who are not tax resident in Sweden. These are not included in the summary. Each shareholder is recommended to obtain advice from tax experts regarding the tax consequences which can arise as a result of the Offer, for example, as a result of foreign regulations, double tax treaties or other special regulations which may apply.*

### **Taxation on the sale of shares – Individuals**

Individuals and estates of deceased individuals, with unlimited tax liability in Sweden, are taxed on the capital gain as income from capital, from the sale of listed shares. Tax is levied at 30 percent of the capital gain. Capital gains and capital losses are calculated as the difference between the sales proceeds, after deducting sales costs, and the tax basis. The tax basis is determined in accordance with the so-called average cost method, which implies that the average cost amount for all shares of the same class and type as the sold shares is to be applied in the calculation. For listed shares, the tax basis may alternatively be calculated in accordance with the so-called standard method as 20 percent of the sales proceeds reduced by expenses incurred in relation with the sale. Capital losses are, as a general rule, deductible to 70 percent in the capital income category. Capital losses on listed shares may however be fully deducted against taxable capital gains arising in the same year on listed shares and other qualifying listed equity related securities and against taxable capital gains on unlisted shares. If there is a net deficit in the capital income category, a tax

reduction of 30 percent is granted on that portion of the net deficit which does not exceed SEK 100,000 and of 21 percent on the net deficit which exceeds SEK 100,000. This tax reduction is settled against municipal and national income tax and against real estate tax and municipal real estate charges. A net deficit in the capital income category cannot be carried forward to future fiscal years.

### **Taxation on the sale of shares – limited liability companies and economic associations**

All income of limited liability companies and economic associations is taxed as income from business at a tax rate of 20.6 percent for financial years beginning after 31 December 2020.<sup>7</sup> For limited liability companies and economic associations, the taxation of capital gains and capital losses on shares in Swedish limited liability companies or foreign companies that are comparable to Swedish limited liability companies depends on whether the shares are considered to be held for business purposes or not under participation exemption rules. Listed shares in a Swedish limited liability company are considered to be held for business purposes if the

---

<sup>7</sup> For financial years commencing prior to 1 January 2021, the tax rate is 21.4 percent (applicable for financial years commencing from 1 January 2019)

holding corresponds to at least 10 percent of the votes or if the holding is contingent with the business operations.

Capital gains on shares that are not held for business purposes are fully taxed at the standard corporate income tax rate of 20.6 percent whereas capital losses on such shares may only be offset against taxable capital gains on shares and other equity related securities. In certain cases, such capital losses can be deducted against taxable capital gains on shares and other equity related securities within a corporate group if the companies have the right to tax consolidation by way of group contributions. Capital losses which have not been utilized in this manner in a given year can be utilized against taxable capital gains on shares and other equity related securities during following fiscal years.

Capital gains from the sale of listed shares held for business purposes are tax exempt, provided that the shares, at the time of the sale, have been held for business purposes by the holder during a continuous period of one year. Capital losses on listed shares held for business purposes which have been held for at least one year are not tax deductible. If the holding period requirement is not met, a capital gain is fully taxable and a capital loss is deductible against taxable capital gains on shares and other equity related securities in accordance with the above description.

### **Shareholders with limited tax liability in Sweden**

Shareholders that are not Swedish residents are usually not taxed in Sweden on the sale of shares. The shareholder may however be liable for tax in the country in which the shareholder is resident for tax purposes. Non-residents in Sweden may also, under certain conditions, be taxed on a capital-gain on the sale of shares if the person has been resident or had its habitual abode in Sweden during the calendar year during which sale took place, or during any of the ten preceding calendar years. This taxation is however in many cases limited by the tax treaties that Sweden has concluded with other countries.

Foreign legal entities are generally liable to tax in Sweden on shares attributable to a so-called permanent establishment in Sweden. For permanent establishments, the regulations regarding capital gains and capital losses on shares held for business purposes apply; however with certain limitations.

### **Investment savings accounts**

Individuals and estates of deceased individuals holding shares through so-called investment savings accounts (Sw. *investeringssparkonton*) are not liable to tax on capital gains from a sale of shares. Capital losses on such shares are not tax deductible. Shares in such holdings are instead subject to standardized yield taxation based on the capital base for the account held, regardless of whether a gain or a loss has been made on the holding.

## ADDRESSES

**Manna & Co Oy**

Nilsjängkatu 15  
FI-00510 Helsinki  
Finland  
[www.mannagroup.fi](http://www.mannagroup.fi)

**The Lexington Company AB (publ)**

Sankt Eriksgatan 46A  
SE-112 34 Stockholm  
Sweden  
[www.lexingtoncompany.com](http://www.lexingtoncompany.com)

*Issuing agent***Avanza Bank AB (publ)**

Att: Emissioner/Lexington  
P.O. Box 1399  
SE-111 93 Stockholm  
Sweden  
[www.avanza.se](http://www.avanza.se)

*Financial advisor***Armatori Corporate Finance Oy**

Kluuvikatu 7  
FI-00100 Helsinki  
Finland  
[www.armatori.fi](http://www.armatori.fi)

*Legal advisor***Advokatfirman Cederquist KB**

Hovslagargatan 3  
P.O. Box 1670  
SE-111 96 Stockholm  
Sweden  
[www.cederquist.se](http://www.cederquist.se)