

**Project Grand Bidco (UK) Limited commences the voluntary recommended public cash tender offer for all the shares in Purmo Group Plc on May 17, 2024**

PROJECT GRAND BIDCO (UK) LIMITED

Stock Exchange Release

May 16, 2024 at 6:30 p.m. EEST

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**Project Grand Bidco (UK) Limited commences the voluntary recommended public cash tender offer for all the shares in Purmo Group Plc on May 17, 2024**

As announced on April 26, 2024, certain affiliated funds (the "**Apollo Funds**") of Apollo Global Management, Inc. and its subsidiaries, (together, "**Apollo**") and Rettig Oy Ab ("**Rettig**") form a consortium (the "**Consortium**") for the purposes of the voluntary recommended public cash tender offer for all of the issued and outstanding class C shares in Purmo Group Plc (the "**Company**" or "**Purmo**") that are not held by Purmo or any of its subsidiaries (the "**C Shares**" or, individually, a "**C Share**") and all of the issued and outstanding class F shares in Purmo that are not held by Purmo or any of its subsidiaries (the "**F Shares**" or, individually, an "**F Share**", and together with the C Shares, the "**Shares**" or, individually, a "**Share**") (the "**Tender Offer**") made by Project Grand Bidco (UK) Limited (the "**Offeror**"), a special purpose vehicle incorporated and existing under the laws of England and Wales. The Offeror and Purmo have on April 26, 2024 entered into a combination agreement (the "**Combination Agreement**") pursuant to which the Offeror will make the Tender Offer.

The Finnish Financial Supervisory Authority has today approved the Finnish language version of the tender offer document relating to the Tender Offer (the "**Tender Offer Document**"). The offer period for the Tender Offer will commence on May 17, 2024, at 9:30 a.m. (Finnish time) and expire on June 20, 2024, at 4:00 p.m. (Finnish time), unless the offer period is extended as described in the terms and conditions of the Tender Offer (the "**Offer Period**"). The Tender Offer is currently expected to be completed at the end of the second quarter or in the beginning of the third quarter of 2024. The Offeror may extend the Offer Period in accordance with, and subject to, the terms and conditions of the Tender Offer and applicable laws and regulations, to the extent necessary in order to satisfy the conditions to completion of the Tender Offer, including, among others, the receipt of the relevant regulatory approvals. Any possible extension of the Offer Period will be announced by a stock exchange release.

The Finnish language version of the Tender Offer Document will be available on the internet at <https://purmogroup.tenderoffer.fi/> and [www.nordea.fi/purmo-ostotarjous](http://www.nordea.fi/purmo-ostotarjous) as of May 16, 2024. The English language translation of the Tender Offer Document will be available on the internet at <https://purmogroup.tenderoffer.fi/en> and [www.nordea.fi/purmo-offer](http://www.nordea.fi/purmo-offer) as of May 16, 2024.

The price offered for each C Share and each F Share eligible for conversion into C Shares in accordance with the articles of association of the Company validly tendered in the Tender Offer is EUR 9.91 in cash (the "**C Share Offer Price**") and the price offered for each F Share ineligible for conversion into C Shares validly tendered in the Tender Offer is EUR 6.00 in cash (the "**F Share Offer Price**", and together with the C Share Offer Price, the "**Offer Prices**").

The C Share Offer Price has been determined based on 41,112,713 issued and outstanding C Shares as well as 293,478 issued and outstanding F Shares eligible for conversion into C Shares, and the F Share Offer Price based on 1,271,739 issued and outstanding F Shares ineligible for conversion into C Shares. Should the Company change the number of its Shares as a result of a new issue, reclassification, stock split or any other similar measure ("**Dilutive Measure**"), or should the Company distribute any dividends or otherwise distribute funds or any other assets to its shareholders, or if a record date with respect to any of the foregoing occurs prior to any of the settlements of the completion trades, the Offer Prices shall be reduced accordingly to account for such distribution or Dilutive Measure as set out in the terms and conditions of the Tender Offer enclosed in their entirety to this stock exchange release. Any reduction on account of a distribution of funds or assets on the C Shares or F Shares shall be applied in respect of the C Share Offer Price on a euro-for-euro basis for the distribution made for each share class, and any reduction on account of a Dilutive Measure shall be applied proportionally among the Offer Prices.

The Board of Directors of Purmo, represented by a quorum comprising the non-conflicted members of the Board of Directors, has unanimously decided to recommend in its statement issued pursuant to the Finnish Securities Markets Act

(746/2012, as amended) and the Helsinki Takeover Code issued by the Finnish Securities Market Association (the “**Helsinki Takeover Code**”) that the shareholders of Purmo accept the Tender Offer. The Board of Directors of Purmo received a fairness opinion, dated April 26, 2024, from Purmo’s exclusive financial adviser, Danske Bank A/S, Finland Branch, to the effect that, as of the date of such fairness opinion, the C Share Offer Price to be paid to holders of C Shares (other than those held by Rettig) pursuant to the Tender Offer, was fair from a financial point of view, to such holders, which fairness opinion was based upon and subject to the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken as more fully described in such fairness opinion. The complete fairness opinion is attached as Appendix 1 to the statement by the Board of Directors of Purmo, issued on May 10, 2024, and attached as Annex C to the Tender Offer Document.

Certain shareholders of Purmo, *i.e.*, Rettig, Virala Corporation, Ahlström Invest B.V., Svenska Litteratursällskapet i Finland r.f., Föreningen Konstsamfundet r.f., Turret Oy Ab, Oy Julius Tallberg Ab, Oy G.W. Sohlberg Ab, Oy Hammarén & Co Ab, Aipa Invesco AB, Chilla Capital S.A., Binx Management Ab, Belgrano Inversiones Oy, Varma Mutual Pension Insurance Company, Fennia Mutual Insurance Company, Merimieseläkekassa (Seafarers’ Pension Fund), Tannergård Invest AB, John Peter Leesi, CEO of the Company, Jan-Elof Cavander, CFO of the Company, Erik Hedin, COO of the Company, Linda Currie, Chief People Officer of the Company, Mike Conlon, President, Climate Solutions Division of the Company and Barry Lynch, President, Climate Products & Systems Division of the Company, together representing approximately 90.34 per cent of all the Shares, have irrevocably undertaken to accept the Tender Offer or otherwise sell their Shares to the Offeror in connection with the completion thereof, subject to certain customary conditions.

The completion of the Tender Offer is, in accordance with the terms and conditions of the Tender Offer, subject to the fulfilment or waiver by the Offeror of certain customary conditions on or by the date of the Offeror’s announcement of the final result of the Tender Offer. These include, among others, the receipt of necessary regulatory approvals as specified in the Combination Agreement and that the Tender Offer has been validly accepted with respect to Shares representing, together with any Shares otherwise held by the Offeror prior to the date of the announcement of the final result of the Tender Offer, more than 90 per cent of the Shares and voting rights of the Company calculated in accordance with Chapter 18, Section 1 of the Finnish Companies Act (624/2006, as amended) governing the right and obligation to commence compulsory redemption proceedings.

Most Finnish account operators are expected to send a notice regarding the Tender Offer and related instructions to those who are registered as shareholders in the shareholders’ register of Purmo maintained by Euroclear Finland. Shareholders of Purmo who do not receive such instructions from their account operator or asset manager should first contact their account operator or asset manager and can subsequently contact Nordea Bank Abp (“**Nordea**”) by sending an email to [tender.offers@nordea.com](mailto:tender.offers@nordea.com), where such shareholders of Purmo can receive information on submitting their acceptance of the Tender Offer. Please note, however, that Nordea will not be engaging in communications relating to the Tender Offer with shareholders located within the United States. Shareholders who are located within the United States may contact their brokers for necessary information.

Those shareholders of Purmo whose Shares are nominee-registered, and who wish to accept the Tender Offer, must effect such acceptance in accordance with the instructions given by the custodian of the nominee-registered shareholders. The Offeror will not send an acceptance form or any other documents related to the Tender Offer to these shareholders of Purmo.

A shareholder of Purmo who is registered as a shareholder in the shareholders’ register of Purmo and who wishes to accept the Tender Offer must submit the properly completed and duly executed acceptance form to the account operator managing the shareholder’s book-entry account in accordance with the instructions and within the time period set by the account operator, which may be prior to the expiry of the Offer Period. The Offeror reserves the right to reject or approve, in its sole discretion, any acceptances that have been submitted in an incorrect or incomplete manner.

The Offeror will announce the preliminary result of the Tender Offer on or about the first (1st) Finnish banking day following the expiration of the Offer Period (including any extended or discontinued extended Offer Period). In connection with the announcement of such preliminary result, it will be announced whether the Tender Offer will be completed subject to the conditions to completion of the Tender Offer being fulfilled or waived on the date of the final result announcement and whether the Offer Period will be extended. The final result of the Tender Offer will be announced on or about the third (3rd) Finnish banking day following the expiration of the Offer Period (including any extended or discontinued extended Offer Period) at the latest. In connection with the announcement of the final result, the percentage of the Shares that have been validly tendered and accepted in the Tender Offer, and that have not been validly withdrawn, as well as whether the Tender Offer will be completed, will be confirmed.

The Offeror reserves the right to acquire C Shares during and/or after the Offer Period (including any extension thereof) and any subsequent offer period in public trading on Nasdaq Helsinki Ltd (“**Nasdaq Helsinki**”) or otherwise outside the Tender Offer.

The terms and conditions of the Tender Offer are enclosed in their entirety to this stock exchange release (Appendix 1).

Advium Corporate Finance Ltd., Jefferies International Limited, Nordea Bank Abp and RBC Europe Limited act as the financial advisers to the Offeror in connection with the Tender Offer. Nordea Bank Abp acts as the arranger outside of the United States in connection with the Tender Offer. Sidley Austin LLP, Roschier, Attorneys Ltd. and Avance Attorneys Ltd act as the legal advisers to the Offeror in connection with the Tender Offer. Milton Ltd acts as the communication adviser to the Offeror in connection with the Tender Offer.

Danske Bank A/S, Finland Branch acts as the exclusive financial adviser and Castrén & Snellman Attorneys Ltd acts as the legal adviser to Purmo in connection with the Tender Offer.

#### **Investor and Media enquiries:**

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For further information, please visit the dedicated website at: <https://purmogroup.tenderoffer.fi/en>

#### **Distribution:**

Nasdaq Helsinki Ltd  
Principal media  
investors.purmogroup.com

#### **ABOUT THE CONSORTIUM**

Apollo Funds and Rettig form the Consortium for the purposes of the Tender Offer. As at the date of this announcement, the Offeror is indirectly owned by Project Grand Topco (UK) Limited, which is a private limited company incorporated under the laws of England and Wales. Project Grand Topco (UK) Limited was incorporated to be the holding company in the acquisition structure and is currently indirectly owned by Apollo Funds. It is expected that immediately prior to the completion of the Tender Offer and the cash investments to be made by the Consortium members, Apollo Funds will own 80.00 per cent and Rettig, through its subsidiary Rettig Investment AB, 20.00 per cent of the shares in Project Grand Topco (UK) Limited.

#### **ABOUT PURMO**

Purmo is a public limited liability company incorporated under the laws of Finland with its C Shares listed on the official list of Nasdaq Helsinki. Purmo is at the centre of the global sustainability journey by offering full solutions and sustainable ways of heating and cooling homes to mitigate global warming. Purmo provides complete heating and cooling solutions to residential and non-residential buildings, including underfloor heating and cooling systems, a broad range of radiators, heat pumps, flow control and hydronic distribution systems, as well as smart products. Purmo’s mission is to be the global leader in sustainable indoor climate comfort solutions. Purmo’s approximately 3,090 employees operate in 23 countries, manufacturing and distributing top-quality products and solutions to its over 100,000 customers in more than 100 countries. Purmo’s shares are listed on Nasdaq Helsinki with the ticker symbol PURMO. More information: [www.purmogroup.com](http://www.purmogroup.com).

## **IMPORTANT INFORMATION**

THIS RELEASE MAY NOT BE RELEASED OR OTHERWISE DISTRIBUTED, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO, AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SOUTH AFRICA OR IN ANY OTHER JURISDICTION IN WHICH THE TENDER OFFER WOULD BE PROHIBITED BY APPLICABLE LAW.

THIS RELEASE IS NOT A TENDER OFFER DOCUMENT AND AS SUCH DOES NOT CONSTITUTE AN OFFER OR INVITATION TO MAKE A SALES OFFER. IN PARTICULAR, THIS RELEASE IS NOT AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES DESCRIBED HEREIN, AND IS NOT AN EXTENSION OF THE TENDER OFFER, IN, AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SOUTH AFRICA. INVESTORS SHALL ACCEPT THE TENDER OFFER FOR THE SHARES ONLY ON THE BASIS OF THE INFORMATION PROVIDED IN A TENDER OFFER DOCUMENT. OFFERS WILL NOT BE MADE DIRECTLY OR INDIRECTLY IN ANY JURISDICTION WHERE EITHER AN OFFER OR PARTICIPATION THEREIN IS PROHIBITED BY APPLICABLE LAW OR WHERE ANY TENDER OFFER DOCUMENT OR REGISTRATION OR OTHER REQUIREMENTS WOULD APPLY IN ADDITION TO THOSE UNDERTAKEN IN FINLAND.

THE TENDER OFFER IS NOT BEING MADE DIRECTLY OR INDIRECTLY IN ANY JURISDICTION WHERE PROHIBITED BY APPLICABLE LAW AND, WHEN PUBLISHED, THE TENDER OFFER DOCUMENT AND RELATED ACCEPTANCE FORMS WILL NOT AND MAY NOT BE DISTRIBUTED, FORWARDED OR TRANSMITTED INTO OR FROM ANY JURISDICTION WHERE PROHIBITED BY APPLICABLE LAWS OR REGULATIONS. IN PARTICULAR, THE TENDER OFFER IS NOT BEING MADE, DIRECTLY OR INDIRECTLY, IN OR INTO, OR BY USE OF THE POSTAL SERVICE OF, OR BY ANY MEANS OR INSTRUMENTALITY (INCLUDING, WITHOUT LIMITATION, FACSIMILE TRANSMISSION, TELEX, TELEPHONE OR THE INTERNET) OF INTERSTATE OR FOREIGN COMMERCE OF, OR ANY FACILITIES OF A NATIONAL SECURITIES EXCHANGE OF, AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SOUTH AFRICA. THE TENDER OFFER CANNOT BE ACCEPTED, DIRECTLY OR INDIRECTLY, BY ANY SUCH USE, MEANS OR INSTRUMENTALITY OR FROM WITHIN, AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SOUTH AFRICA AND ANY PURPORTED ACCEPTANCE OF THE TENDER OFFER RESULTING DIRECTLY OR INDIRECTLY FROM A VIOLATION OF THESE RESTRICTIONS WILL BE INVALID.

THIS STOCK EXCHANGE RELEASE HAS BEEN PREPARED IN COMPLIANCE WITH FINNISH LAW, THE RULES OF NASDAQ HELSINKI AND THE HELSINKI TAKEOVER CODE AND THE INFORMATION DISCLOSED MAY NOT BE THE SAME AS THAT WHICH WOULD HAVE BEEN DISCLOSED IF THIS ANNOUNCEMENT HAD BEEN PREPARED IN ACCORDANCE WITH THE LAWS OF JURISDICTIONS OUTSIDE OF FINLAND.

### **Information for shareholders of Purmo in the United States**

Shareholders of Purmo in the United States are advised that the Shares are not listed on a U.S. securities exchange and that Purmo is not subject to the periodic reporting requirements of the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and is not required to, and does not, file any reports with the U.S. Securities and Exchange Commission (the “**SEC**”) thereunder.

The Tender Offer is being made for the issued and outstanding shares of Purmo, which is domiciled in Finland, and is subject to Finnish disclosure and procedural requirements. The Tender Offer is made in the United States pursuant to Section 14(e) and Regulation 14E under the Exchange Act, subject to the exemption provided under Rule 14d-1(d) under the Exchange Act, and otherwise in accordance with the disclosure and procedural requirements of Finnish law, including with respect to the Tender Offer timetable, settlement procedures, withdrawal, waiver of conditions and timing of payments, which are different from those of the United States. In particular, the financial information included in this announcement has been prepared in accordance with applicable accounting standards in Finland, which may not be comparable to the financial statements or financial information of U.S. companies. The Tender Offer is made to Purmo’s shareholders resident in the United States on the same terms and conditions as those made to all other shareholders of Purmo to whom an offer is made. Any informational documents, including this stock exchange release, are being disseminated to U.S. shareholders on a basis comparable to the method that such documents are provided to Purmo’s other shareholders.

To the extent permissible under applicable law or regulations, the Offeror and its affiliates or its brokers and its brokers' affiliates (acting as agents for the Offeror or its affiliates, as applicable) may from time to time after the date of this stock exchange release and during the pendency of the Tender Offer, and other than pursuant to the Tender Offer, directly or indirectly purchase or arrange to purchase Shares or any securities that are convertible into, exchangeable for or exercisable for Shares. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. To the extent information about such purchases or arrangements to purchase is made public in Finland, such information will be disclosed by means of a press release or other means reasonably calculated to inform U.S. shareholders of Purmo of such information. In addition, the financial advisers to the Offeror may also engage in ordinary course trading activities in securities of Purmo, which may include purchases or arrangements to purchase such securities. To the extent required in Finland, any information about such purchases will be made public in Finland in the manner required by Finnish law.

Neither the SEC nor any U.S. state securities commission has approved or disapproved the Tender Offer, passed upon the merits or fairness of the Tender Offer, or passed any comment upon the adequacy, accuracy or completeness of the disclosure in relation to the Tender Offer. Any representation to the contrary is a criminal offence in the United States.

The receipt of cash pursuant to the Tender Offer by a U.S. holder of Shares may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each holder of Shares is urged to consult its independent professional advisers immediately regarding the tax and other consequences of accepting the Tender Offer.

To the extent the Tender Offer is subject to U.S. securities laws, those laws only apply to U.S. holders of Shares and will not give rise to claims on the part of any other person. It may be difficult for Purmo's shareholders to enforce their rights and any claims they may have arising under the U.S. federal securities laws, since the Offeror and Purmo are located in non-U.S. jurisdictions and some or all of their respective officers and directors may be residents of non-U.S. jurisdictions. Purmo shareholders may not be able to sue the Offeror or Purmo or their respective officers or directors in a non-U.S. court for violations of the U.S. federal securities laws. It may be difficult to compel the Offeror and Purmo and their respective affiliates to subject themselves to a U.S. court's judgment.

### **Forward-looking statements**

This release contains statements that, to the extent they are not historical facts, constitute "forward-looking statements". Forward-looking statements include statements concerning plans, expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, competitive strengths and weaknesses, plans or goals relating to financial position, future operations and development, business strategy and the trends in the industries and the political and legal environment and other information that is not historical information. In some instances, they can be identified by the use of forward-looking terminology, including the terms "believes", "intends", "may", "will" or "should" or, in each case, their negative or variations on comparable terminology. By their very nature, forward-looking statements involve inherent risks, uncertainties and assumptions, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. Given these risks, uncertainties and assumptions, investors are cautioned not to place undue reliance on such forward-looking statements. Any forward-looking statements contained herein speak only as at the date of this release.

### **Disclaimer**

Advium Corporate Finance Ltd is acting exclusively on behalf of the Offeror and no one else in connection with the Tender Offer or other matters referred to in this document, does not consider any other person (whether the recipient of this release or not) as a client in connection to the Tender Offer, and is not responsible to anyone other than the Offeror for providing protection or providing advice in connection with the Tender Offer or any other transaction or arrangement referred to in this document.

Danske Bank A/S is authorized under Danish banking law. It is subject to supervision by the Danish Financial Supervisory Authority. Danske Bank A/S is a private, limited liability company incorporated in Denmark with its head office in Copenhagen where it is registered in the Danish Commercial Register under number 61126228.

Danske Bank A/S (acting via its Finland Branch) is acting as financial adviser to Purmo and no other person in connection with these materials or their contents. Danske Bank A/S will not be responsible to any person other than Purmo for providing any of the protections afforded to clients of Danske Bank A/S, nor for providing any advice in relation to any

matter referred to in these materials. Without limiting a person's liability for fraud, Danske Bank A/S nor any of its affiliates nor any of its respective directors, officers, representatives, employees, advisers or agents shall have any liability to any other person (including, without limitation, any recipient) in connection with the Tender Offer

Jefferies International Limited, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for the Offeror and no one else in connection with the Tender Offer or other matters referred to in this document, and will not be responsible to anyone other than the Offeror for providing the protections afforded to clients of Jefferies International Limited nor for providing advice in relation to any matter referred to in this document. Neither Jefferies nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Jefferies International Limited in connection with this document or any statement contained herein or otherwise.

Nordea Bank Abp, which is supervised by the European Central Bank and the FIN-FSA, is acting as financial adviser to the Offeror and arranger of the Tender Offer. Nordea is only acting for the Offeror and no one else in connection with the Tender Offer and will not regard any other person as its client in relation to the Tender Offer and will not be responsible to anyone other than the Offeror for providing the protection afforded to clients of Nordea, nor for providing advice in relation to the Tender Offer.

RBC Capital Markets ("**RBC**") is the business name used by Royal Bank of Canada and its subsidiaries including, RBC Capital Markets (Europe) GmbH which is authorised and regulated in Germany by the Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority), and RBC Europe Limited, which is authorised in the United Kingdom by the Prudential Regulation Authority ("**PRA**") and regulated by the Financial Conduct Authority and the PRA. RBC is acting solely for the Offeror and no one else in connection with the Tender Offer and will not regard any other person as its client in relation to the Tender Offer and will not be responsible to anyone other than the Offeror for providing the protection afforded to clients of RBC, nor for providing advice in relation to the Tender Offer or in connection with any other matter referred to in connection with the Tender Offer.

Appendix 1: Terms and conditions of the Tender Offer