

Inside information: Project Grand Bidco (UK) Limited improves offer prices and lowers the acceptance threshold of its tender offer; Purmo board maintains its recommendation

PROJECT GRAND BIDCO (UK) LIMITED

Stock Exchange Release

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Inside information: Project Grand Bidco (UK) Limited improves offer prices and lowers the acceptance threshold of its tender offer; Purmo board maintains its recommendation

Project Grand Bidco (UK) Limited (the "**Offeror**"), a special purpose vehicle incorporated and existing under the laws of England and Wales, that will be indirectly owned by a consortium formed for purposes of the Tender Offer (as defined below) of certain affiliated funds (the "**Apollo Funds**") of Apollo Global Management, Inc. and its subsidiaries (together, "**Apollo**") and Rettig Oy Ab ("**Rettig**", and together with the Apollo Funds, the "**Consortium**"), announced on April 26, 2024, a 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**"). The Offeror has published a tender offer document, dated May 16, 2024, concerning the Tender Offer and a supplement to the tender offer document, dated May 31, 2024 (the tender offer document, as supplemented from time to time, the "**Tender Offer Document**").

The Offeror has today proposed to the Board of Directors of Purmo, represented by a quorum comprising the non-conflicted members of the Board of Directors, certain amendments to the terms and conditions of the Tender Offer. As a consequence, the Offeror and Purmo have today entered into an addendum to the combination agreement initially entered into by the Offeror and Purmo on April 26, 2024 (as amended, the "**Combination Agreement**"), according to which the Offeror has, among other things, agreed to improve the offer prices for each Share validly tendered in the Tender Offer and to lower the acceptance threshold in the Tender Offer (the "**Improved Tender Offer**"). The Improved Tender Offer aims to create an independent European sustainable indoor climate comfort solutions champion with management and its employees supporting the EU's Green Deal objectives. These objectives are exemplified among other things by the Net-Zero Industry Act, which aims to scale up the manufacturing of clean technologies in the EU, boost the competitiveness of EU industry, create quality jobs, and support the EU's efforts to become energy independent. The Improved Tender Offer has a high degree of deal certainty with a timeline capable of being completed in July 2024.

KEY HIGHLIGHTS AND SUMMARY OF THE IMPROVED TENDER OFFER

- The holders of C Shares, and F Shares that are eligible for conversion into C Shares in accordance with the articles of association of the Company, will be offered a cash consideration of EUR 11.15 for each such C Share or F Share validly tendered in the Improved Tender Offer (the "**Improved C Share Offer Price**") and the holders of F Shares that are ineligible for conversion into C Shares, will be offered a cash consideration of EUR 6.75 for each such F Share validly tendered in the Improved Tender Offer (the "**Improved F Share Offer Price**", and together with the Improved C Share Offer Price, the "**Improved Offer Prices**").
- The Offeror has decided to lower the minimum acceptance threshold of the Improved Tender Offer from more than 90 percent to more than 80 percent of all Shares.
- The Offeror will supplement the Tender Offer Document with detailed information on the terms and conditions of the Improved Tender Offer as soon as practically possible and will publish the supplement following its approval by the Finnish Financial Supervisory Authority.
- As announced on June 13, 2024, the Offeror has extended the offer period of the Tender Offer to expire on July 15, 2024, at 4:00 p.m. (Finnish time), unless the offer period is extended further or any extended offer period is discontinued in accordance with the terms and conditions of the Tender Offer.
- The Offeror believes that the recommended Improved Tender Offer holds significant advantages, particularly in terms of pricing, transaction certainty and timeline, compared to the non-binding preliminary indication of interest (the "**Indication of Interest**") received by the Company from Haier Smart Home Co., Ltd. ("**Haier**") referenced in the Company's stock exchange release published on May 30, 2024. According to the Indication of

Interest, launching of a binding offer by Haier is subject to a number of conditions, including conducting a due diligence investigation, recommendation of the offer by the Board of Directors of the Company and other customary conditions. If announced, the completion of any such offer would in turn be subject to further conditions, including approval by shareholders holding at least 90 percent of the shares of the Company and receipt of all necessary regulatory approvals, according to the Indication of Interest.

- The Improved C Share Offer Price represents a premium of approximately 1.4 percent compared to the cash consideration of EUR 11.00 of the Indication of Interest for the holders of C Shares and F Shares that are eligible for conversion into C Shares. The Improved F Share Offer Price represents a premium of approximately 1.4 percent compared to the cash consideration of EUR 6.66 of the Indication of Interest for the holders of F Shares that are ineligible for conversion into C Shares.
- Purmo's largest shareholder, Rettig, has renewed its irrevocable undertaking, subject to certain amended termination rights which are described below, to sell all its C Shares, which represent approximately 61.8 percent of all Shares in the Company, to the Offeror for a cash consideration of EUR 10.62 for each such C Share in connection with, and subject to the completion of, the Improved Tender Offer.
- Virala Oy Ab, Ahlström Invest B.V., Belgrano Inversiones Oy, Chilla Capital S.A., and Oy G.W. Sohlberg Ab have renewed their irrevocable undertakings to accept the Improved Tender Offer subject to certain amended termination rights which are described below. These irrevocable undertakings represent in aggregate approximately 15.5 percent of all C Shares, 100 percent of all F Shares and 18.6 percent of all Shares in Purmo. In aggregate, Rettig's renewed undertaking, and the renewed irrevocable undertakings received for the C Shares in connection with the Improved Tender Offer represent approximately 79.6 percent of all C Shares in the Company, and 80.4 percent of all Shares in the Company.
- In addition, the other irrevocable undertakings referenced in the Tender Offer Document, representing in aggregate approximately 10.4 percent of all C Shares in Purmo, remain in force in accordance with their terms.
- In total, Rettig's undertaking, and all the irrevocable undertakings represent approximately 90.34 percent of all Shares in the Company.
- The Board of Directors of Purmo, represented by a quorum comprising the non-conflicted members of the Board of Directors, maintains its recommendation that the shareholders of Purmo accept the Tender Offer on the improved terms announced today and intends to update its statement issued on May 10, 2024 to reflect the Improved Tender Offer in accordance with the Finnish Securities Markets Act (746/2012, as amended, the "Finnish Securities Markets Act").

Waleed Elgohary, Apollo Partner, comments on the Improved Tender Offer:

"The management team and the employees at Purmo Group have built an impressive business that we believe can play an important role in the clean transition and reach its full potential under a period of private ownership and strategic sponsorship from the Consortium. Apollo, together with Rettig, believes Purmo Group can become one of Europe's leading independent providers of sustainable indoor climate comfort solutions, supporting the decarbonization of the built environment in Europe through material emissions reductions and energy savings."

Matts Rosenberg, CEO, Rettig Oy Ab, comments on the Improved Tender Offer:

"In its current setting, Purmo's capacity to grow and transform has been restrained, and we see it as a unique opportunity to be able to partner with the highly experienced and professional team at Apollo to bring the required resources and ambition to accelerate Purmo's growth and clean transition journey, benefitting both the Company and its employees. We at Rettig firmly believe that the Improved Tender Offer represents an attractive opportunity for both Purmo and all of its shareholders."

Jyri Luomakoski, Chair of the Independent Ad Hoc Committee of the Board, Purmo Group:

"The independent members of the Board of Directors of Purmo Group have assessed the newly received Improved Tender Offer and compared it to the earlier received Indication of Interest from Haier from the perspective of the Company and its shareholders. As a result of our assessment, we have concluded that entering into an addendum to the Combination Agreement that reflects the terms of the Improved Tender Offer is in the best interests of the shareholders of Purmo Group. We note that shareholders representing a total of approximately 79.6 percent of all C Shares in the Company have renewed their undertakings to accept the Tender Offer, subject to certain amended termination rights in respect of said undertakings, and that further irrevocable undertakings representing in aggregate approximately 10.4 percent of all C Shares in the Company remain in force in accordance with their prior terms."

THE IMPROVED TENDER OFFER IN BRIEF

The Offeror and Purmo have today entered into an addendum to the Combination Agreement, according to which the Offeror has, among other things, agreed to lower the acceptance threshold of the Tender Offer and to improve the offer prices for each Share validly tendered in the Tender Offer, subject to any adjustments as set out in the section “The Offer Price” below. The Improved Tender Offer aims to create an independent European sustainable indoor climate comfort solutions champion with management and its employees supporting the EU’s Green Deal objectives, exemplified among other things by the Net-Zero Industry Act. The Improved Tender Offer has a high degree of deal certainty with a timeline capable of being completed in July 2024.

The Offer Price

The Improved C Share Offer Price is EUR 11.15 in cash for each C Share and each F Share eligible for conversion into C Share validly tendered in the Improved Tender Offer, subject to any adjustments as set out below.

The Improved F Share Offer Price is EUR 6.75 in cash for each F Share ineligible for conversion into C Share validly tendered in the Improved Tender Offer, subject to any adjustments as set out below.

In addition, in connection with, and subject to the completion of, the Improved Tender Offer, Rettig has undertaken to sell all its C Shares to the Offeror for a cash consideration of EUR 10.62 for each such C Share, subject to any adjustments as set out below.

The Improved C Share Offer Price represents a premium of approximately 48.7 percent compared to the closing price (EUR 7.50) of the C Share on Nasdaq Helsinki Ltd (“**Nasdaq Helsinki**”) on April 25, 2024, the last trading day immediately preceding the announcement of the Tender Offer, and a premium of approximately 59.0 percent compared to the volume-weighted average price (EUR 7.01) of the C Share on Nasdaq Helsinki during the three-month period prior to and up to April 25, 2024.

The Improved C Share Offer Price represents a premium of approximately 1.4 percent compared to the cash consideration of EUR 11.00 of the Indication of Interest for the holders of C Shares and F Shares, eligible for conversion into C Shares. The Improved F Share Offer Price represents a premium of approximately 1.4 percent compared to the cash consideration of EUR 6.66 of the non-binding Indication of Interest for the holders of F Shares ineligible for conversion into C Shares.

The Improved 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 Improved F Share Offer Price has been determined based on 1,271,739 issued and outstanding F Shares ineligible for conversion into C Shares.

Should the Company change the number of the 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 the settlements of the completion trades in the Tender Offer, the Improved Offer Prices shall be reduced accordingly to account for such distribution or Dilutive Measure. 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 Improved C Share Offer Price on a euro-for-euro basis for the distribution made for each share class, as set out in more detail in the Tender Offer Document, and any reduction on account of a Dilutive Measure shall be applied proportionally among the Improved Offer Prices. For the avoidance of doubt, should the Company carry out a reverse stock split prior to any of the settlements of the completion trades in the Tender Offer, the Improved Offer Prices shall be adjusted accordingly to account also for such measure.

The Offer Period

The offer period for the Tender Offer (the “**Offer Period**”) commenced on May 17, 2024, and is currently ongoing. The Offeror announced on June 13, 2024 that it has decided to extend the Offer Period to expire on July 15, 2024, at 4:00 p.m. (Finnish time), unless the Offer Period is extended further or any extended Offer Period is discontinued in accordance with the terms and conditions of the Tender Offer as the processes for obtaining the necessary regulatory approvals for the completion of the Tender Offer are still pending. The processes for obtaining the necessary regulatory approvals for the completion of the Tender Offer are progressing as planned and the Offeror expects to obtain such necessary regulatory approvals and to complete the Improved Tender Offer in July 2024.

Conditions to Completion of the Tender Offer

In connection with the Improved Tender Offer, the Offeror has decided to lower the condition to completion of the Tender Offer concerning the minimum acceptance threshold from more than 90 percent to more than 80 percent of all Shares. Therefore, the completion of the Improved Tender Offer is subject to the Improved Tender Offer having been validly accepted with respect to the Shares representing, together with any other Shares otherwise acquired by the Offeror prior to or during the Offer Period, more than eighty (80) percent of the Shares and voting rights in the Company calculated in accordance with Chapter 18 Section 1 of the Finnish Companies Act (624/2006, as amended).

Other conditions to completion (as set out in the terms and conditions of the Tender Offer) remain unchanged.

The Offeror reserves the right to waive any of the conditions to completion that have not been fulfilled. If all conditions to completion have been fulfilled or the Offeror has waived the requirements for the fulfilment of all or some of them no later than at the time of announcement of the final results of the Improved Tender Offer, the Offeror will consummate the Improved Tender Offer in accordance with its terms and conditions after the expiration of the Offer Period by purchasing the Shares validly tendered in the Improved Tender Offer and paying the Improved C Share Offer Price and/or the Improved F Share Offer Price, as applicable, to the holders of Shares that have validly accepted the Improved Tender Offer in accordance with its the terms and conditions.

Recommendation by the Board of Directors of Purmo

As described in the Tender Offer Document, 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 that the shareholders of Purmo accept the Tender Offer. The statement of the Board of Directors of Purmo in accordance with Chapter 11, Section 13 of the Finnish Securities Markets Act (746/2012, as amended), is attached to the Tender Offer Document as Annex C. The Board of Directors of Purmo intends to update its statement issued on May 10, 2024 to reflect the Improved Tender Offer in accordance with the Finnish Securities Markets Act.

Purmo's Chair of the Board of Directors, Tomas von Rettig, Vice Chair of the Board of Directors, Matts Rosenberg, who is the CEO of Rettig, and a member of the Board of Directors, Alexander Ehrnrooth, who is the President and CEO of Virala Corporation, have not participated in any assessment or review of the implications of the Tender Offer by Purmo's Board of Directors or in any decision-making concerning the recommendation of Purmo's Board of Directors or the Combination Agreement.

Support by certain shareholders of Purmo

Virala Corporation, Ahlström Invest B.V., Belgrano Inversiones Oy, Chilla Capital S.A., and Oy G.W. Sohlberg Ab, together representing approximately 15.5 percent of all C Shares, 100 percent of all F Shares, and 18.6 percent of all Shares in Purmo, have renewed their irrevocable undertakings to accept the Improved Tender Offer or otherwise undertaken to sell their Shares to the Offeror in connection with the completion thereof. Virala Corporation's undertaking covers, in addition to the C Shares held by it, the irrevocable undertaking to accept the Improved Tender Offer for the F Shares held by it, representing 100 percent of all F Shares in Purmo, or to otherwise sell its F Shares to the Offeror in connection with the completion of the Improved Tender Offer. These irrevocable undertakings may be terminated, among other terms, in the event that the Offeror withdraws the Improved Tender Offer, or in the event that a competing offer is announced by a third party with a consideration that is more than (a) EUR 13.52 for each C Share and F Share that is eligible for conversion into C Share pursuant to the Articles of Association of the Company, and (b) EUR 8.19 for each F Share that is ineligible for conversion into C Share, and the Offeror does not match or exceed the consideration offered in such competing offer within a certain period of time, and the Company's Board of Directors has recommended such competing offer.

Rettig has renewed its irrevocable undertaking to sell all its C Shares in connection with, and subject to the completion of, the Improved Tender Offer for a cash consideration of EUR 10.62 for each such C Share to support the Improved Tender Offer. The C Shares held by Rettig represent approximately 61.8 percent of all the Shares in aggregate. Rettig's undertaking may be terminated, among other terms, in the event that the Offeror withdraws the Improved Tender Offer, or in the event that a competing offer is announced by a third party with a consideration that is more than (a) EUR 13.52 for each C Share and F Share that is eligible for conversion into C Share in the Company pursuant to the Articles of Association of the Company, and (b) EUR 8.19 for each F Share that is ineligible for conversion into C Share provided, among others, that such competing offer is not subject to any outstanding due diligence, the Offeror does not match or exceed the consideration offered in such competing offer within a certain period of time, and the Company's Board of

Directors has recommended, publicly supported, or confirmed that it will recommend such competing offer. In addition, in connection with such termination Rettig has agreed to bear in excess of its pro rata share the costs and expenses up to an agreed amount for preparing and pursuing the Improved Tender Offer.

In total, Rettig's renewed undertaking and the other renewed irrevocable undertakings to support the Improved Tender Offer represent approximately 79.6 percent of all the C Shares and votes in Purmo, and 80.4 percent of all Shares in Purmo.

In addition, and as described in the Tender Offer Document, Svenska Litteratursällskapet i Finland r.f., Föreningen Konstsamfundet r.f., Turret Oy Ab, Oy Julius Tallberg Ab, Oy Hammarén & Co Ab, Aipa Invesco AB, Binx Management Ab, Varma Mutual Pension Insurance Company, Fennia Mutual Insurance Company, Merimieseläkekassa (Seafarers Pension Fund), Tannegård Invest BA, 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 10.4 percent of all Shares in Purmo, have irrevocably undertaken to accept the Tender Offer or otherwise sell their Shares to the Offeror in connection with the completion thereof. These irrevocable undertakings remain in force and may be terminated, among other terms, in the event that the Offeror withdraws the Improved Tender Offer, or in the event that a competing offer is announced by a third party with a consideration that is at least 10 percent higher than the Improved Offer Prices based on the average offer price weighted based on the price and number of shares in the Company across the share classes, i.e., the offer price taking into account all the share classes is on average equal to or exceeds EUR 11.76 for each Share (subject to possible additional adjustments as set out in the section "The Offer Price" above), and the Offeror does not match or exceed the consideration offered in such competing offer within a certain period of time, and the Company's Board of Directors has recommended such competing offer.

Financing

The Offeror has received amended equity commitment letters from the Apollo Funds and Rettig Investment AB in connection with the Improved Tender Offer. The Offeror has also been addressed debt commitments (and interim debt commitments) in connection with the Improved Tender Offer.

The Offeror's obligation to complete the Improved Tender Offer is not conditional upon availability of financing (assuming that all the conditions to completion of the Improved Tender Offer are satisfied or waived by the Offeror). The debt commitments for debt financing have been committed by certain banks on a customary European "certain funds" basis.

FURTHER INFORMATION

The Offeror will supplement the Tender Offer Document with detailed information on the terms and conditions of the Improved Tender Offer and will publish the supplement to the Tender Offer Document once it has been approved by the Finnish Financial Supervisory Authority.

Each shareholder of Purmo who has already accepted the Tender Offer or accepts the Tender Offer before the supplement regarding the Improved Tender Offer is published will, after such supplement is published, be deemed to have accepted the Tender Offer with the Improved Offer Prices. Therefore, shareholders of Purmo who have already tendered their Shares in the Tender Offer or tenders before such supplement is made public, do not have to re-tender their Shares or take any other action as a result of the Improved Tender Offer before or after the publication of the supplement regarding the Improved Tender Offer. All such shareholders will then receive the Improved C Share Offer Price and/or the Improved F Share Offer Price, as applicable, if the Improved Tender Offer is completed.

The Finnish language version of the supplement to the Tender Offer Document will be made available after its publication at <https://purmogroup.tenderoffer.fi/> and www.nordea.fi/purmo-ostotarjous and the English language translation of the supplement to the Tender Offer Document will be made available after its publication at <https://purmogroup.tenderoffer.fi/en> and www.nordea.fi/purmo-offer.

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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 percent and Rettig, through its subsidiary Rettig Investment AB, 20.00 percent 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.

IMPORTANT INFORMATION

THIS STOCK EXCHANGE 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 OR INTO ANY OTHER JURISDICTION IN WHICH THE TENDER OFFER WOULD BE PROHIBITED BY APPLICABLE LAW.

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THE TENDER OFFER IS NOT BEING MADE DIRECTLY OR INDIRECTLY IN ANY JURISDICTION WHERE PROHIBITED BY APPLICABLE LAW AND THE TENDER OFFER DOCUMENT, THE SUPPLEMENT 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 LTD AND THE HELSINKI TAKEOVER CODE AND THE INFORMATION DISCLOSED HERE MAY NOT BE THE SAME AS THAT WHICH WOULD HAVE BEEN DISCLOSED IF THIS STOCK EXCHANGE RELEASE 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, for a Tier II tender offer (the “**Tier II Exemption**”), 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 stock exchange release 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.

As permitted under the Tier II Exemption, the settlement of the Tender Offer is based on the applicable Finnish law provisions, which differ from the settlement procedures customary in the United States, particularly as regards to the time when payment of the consideration is rendered. The Tender Offer, which is subject to Finnish law, is being made to the U.S. shareholders in accordance with the applicable U.S. securities laws, and applicable exemptions thereunder, in particular the Tier II Exemption. To the extent the Tender Offer is subject to U.S. securities laws, those laws only apply to U.S. shareholders and will not give rise to claims on the part of any other person. U.S. shareholders should consider that the offer prices for the Tender Offer are being paid in EUR and that no adjustment will be made to the offer prices based on any changes in the exchange rate.

To the extent permissible under applicable laws 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.

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 an independent professional adviser 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.

NEITHER THE SEC NOR ANY U.S. STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THE TENDER OFFER, PASSED ANY COMMENTS UPON THE MERITS OR FAIRNESS OF THE TENDER OFFER, PASSED ANY COMMENTS UPON THE ADEQUACY OR COMPLETENESS OF THE TENDER OFFER DOCUMENT OR THE SUPPLEMENT DOCUMENT OR PASSED ANY COMMENTS ON WHETHER THE CONTENT IN THE TENDER OFFER DOCUMENT OR THE SUPPLEMENT DOCUMENT IS CORRECT OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

Forward-looking statements

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