

TERMS AND CONDITIONS FOR SHARE ISSUE DIRECTED TO PERSONNEL

PURMO GROUP PLC.

ABBREVIATIONS

Board	means the Board of Directors of the Company
Company	means Purmo Group Plc.
Group Company	means Purmo Group Plc. or any of its subsidiary individually
Employment	means a Participant's employment or other service contract with the Company or Group Company
Participant	means a person eligible to participate in the Performance-Based Matching Share Plan 2022-2027 resolved by the Board on 19 July 2022
Share	means the Class C share in the Company

TERMS AND CONDITIONS

1. Share Issue Authorization Granted by the Annual General Meeting of Shareholders

The Annual General Meeting of Shareholders of Purmo Group Plc. held on 25 April 2022 has authorized the Board to decide on a share issue or an issue of special rights entitling to Shares, referred to in Chapter 10 of the Limited Liability Companies Act, in one or more issues. The total number of new Shares to be issued in the Share issue based on the authorization may not exceed 8,000,000 Shares, which corresponds to approximately 20 per cent of all shares in the Company's at the time of the authorization. However, maximum of 2,000,000 Shares may be used for incentive purposes. The authorization includes the right to decide on all terms for issues of Shares and of special rights entitling to Shares, including issues of Shares and special rights by a directed issue. The authorization is effective until the end of the next Annual General Meeting of Shareholders, however, no longer than until 30 June 2023.

2. Board Decision on Share Issue directed to Personnel

Based on the authorization given by the Annual General Meeting of Shareholders, the Board has on 6 September 2022 resolved on a Share issue in which the Company offers, in deviation from the shareholders' pre-emptive subscription rights, new Class C-shares in the Company for subscription by the Participants, in accordance with these terms and conditions (**Share Issue**). The purpose of the Share Issue is to encourage the Participants to acquire and own the Company's Shares on a long-term basis and commit the Participants to work for the Company and to increase the Company's shareholder value. The Board is of the opinion that the directed Share Issue is in the best interests of the Company and that there is a weighty financial reason for the Company for the deviation from the shareholders' pre-emptive subscription rights.

3. Subscription Right

A maximum total of 255,132 new class C-Shares in the Company is offered for subscription in the Share Issue. Participants employed by or in the service of the Company or Group Company, to the extent decided by the Company, also including the CEO and members of the Management Team, have subscription rights in the Share Issue.

Participants whose Employment is in force, any not terminated by the employee or Group Company, when the subscription period ends may participate in the Share Issue. The right to participate in the Share Issue is personal and it cannot be transferred. The subscription is binding, and it cannot be changed or cancelled.

The minimum subscription is 978 Shares per person.

The maximum subscription for each Participant is determined by the Board and confirmed for each Participant personally.

The Board decides who has the right to subscribe for any Shares that were potentially not subscribed in the Share Issue.

4. Subscription Period and Subscription Place

The subscription period for new Shares begins on 8 September 2022 at 12:00 and ends on 22 September 2022 at 24:00. The Board has the right to extend the subscription period.

The subscription place is Evli Alexander Incentives Oy, and the subscriptions will be made during the subscription period electronically on the website, in accordance with more detailed instructions given by the subscription place.

5. Subscription Price and Payment of Subscriptions

The subscription price for the share is EUR 10.23 per Share. The subscription price is based on the trade volume weighted average price of the Company's share on Nasdaq Helsinki Ltd during 12 July - 5 September 2022.

The subscription price will be credited to the reserve for the Company's invested unrestricted equity.

The subscription must be paid immediately after the subscription in accordance with the payment directions provided by the subscription place. The Board has the right to reject the subscription if the payment of the subscription does not appear on the declared bank account at the close of the subscription period.

6. Approval of Subscriptions

The Board has authorized the CEO of the Company to resolve on the approval of subscriptions and on the final number of new Shares issued in the Share Issue after the close of the subscription period. Subscribers will be informed of the approved subscriptions electronically. The notice will be sent by e-mail to the address stated by the subscriber in the subscription form.

The subscriptions may be accepted as such, to reduce the size of the subscription or to reject the subscription outright.

7. Right to cancel Share Issue

The Board has the right to cancel the Share Issue until the subscriptions are confirmed by the CEO. The Share Issue may be cancelled due to, e.g., market conditions, a substantial change in the Company's financial position or business or other corresponding reason.

8. Shareholder Rights

The new Shares will produce a right to dividends and other shareholder rights once the Shares are fully paid, entered into the Trade Register and registered on the subscriber's book-entry account.

The new Shares will produce the same rights as the Company's existing Shares from the time of their registration onwards. Each new Share will give entitlement to one vote in the General Meeting of Shareholders of the Company.

9. Registration of New Shares on Book-Entry Accounts

The new shares subscribed in the Share Issue are issued as book-entry units in the book-entry securities system kept by Euroclear Finland Ltd. The new Shares will be registered on the subscriber's personal book-entry account once they are fully paid and entered into the Trade Register approximately by 15 October 2022. The shares will be applied for public trading on Nasdaq Helsinki Ltd.

The Company's C shares' trading code is PURMO and ISIN code is FI4000507488.

10. Data Protection

The Company uses personal data of personnel for the operational purposes of the Share Issue. This includes providing information to the subscription place. When registering at the subscription place's website, a subscriber confirms having acknowledged that their data will be processed and transferred for the operational purposes of the Share Issue. Further information on processing of personal data is available from a person responsible for HR issues.

11. Governing Law and Settlement of Disputes

Any dispute, controversy or claim arising out of or relating to this Plan, or the breach, termination or validity thereof, will be finally settled by arbitration, in accordance with the Arbitration Rules of the Finland Chamber of Commerce. The number of arbitrators will be one. The seat of arbitration will be Helsinki, Finland, and the language of the arbitration will be Finnish or English.

12. Other Matters

The documents referred to in Chapter 5 Section 21 of the Limited Liability Companies Act are available on the Company's website at <https://investors.purmogroup.com/governance/general-meetings/>.

The Board resolves on potential country-specific amendments related to the issue of new shares and to the employee share issue as well as on other matters and practical measures arising thereof.

These terms and conditions have been prepared in English. In case of any discrepancy between any potential translations and the English version, the English language will prevail.