

**THE FOURTH SUPPLEMENT DOCUMENT TO PROJECT GRAND BIDCO (UK) LIMITED'S  
TENDER OFFER DOCUMENT OF MAY 16, 2024, RELATING TO THE VOLUNTARY PUBLIC  
CASH TENDER OFFER FOR ALL ISSUED AND OUTSTANDING SHARES IN PURMO GROUP PLC**

July 26, 2024

**THE TENDER OFFER IS NOT BEING MADE DIRECTLY OR INDIRECTLY IN ANY JURISDICTION WHERE PROHIBITED BY APPLICABLE LAW AND THE TENDER OFFER DOCUMENT, RELATED ACCEPTANCE FORMS AND SUPPLEMENT DOCUMENTS ARE NOT AND MAY NOT BE DISTRIBUTED, FORWARDED OR TRANSMITTED INTO OR FROM ANY JURISDICTION WHERE PROHIBITED BY APPLICABLE LAW BY ANY MEANS WHATSOEVER INCLUDING, WITHOUT LIMITATION, MAIL, FACSIMILE TRANSMISSION, E-MAIL OR TELEPHONE. IN PARTICULAR, THE TENDER OFFER IS NOT MADE IN AND THE TENDER OFFER DOCUMENT AND THIS SUPPLEMENT DOCUMENT MUST UNDER NO CIRCUMSTANCES BE DISTRIBUTED INTO AUSTRALIA, CANADA, THE HONG KONG SPECIAL ADMINISTRATIVE REGION OF THE PEOPLE'S REPUBLIC OF CHINA ("HONG KONG"), JAPAN, NEW ZEALAND OR SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE PROHIBITED BY APPLICABLE LAW. SHAREHOLDERS IN THE UNITED STATES SHOULD ALSO REFER TO THE SECTION TITLED "INFORMATION FOR SHAREHOLDERS IN THE UNITED STATES" BELOW.**

Project Grand Bidco (UK) Limited (the "**Offeror**") and Purmo Group Plc (the "**Company**" or "**Purmo**") have on April 26, 2024 entered into a combination agreement, which was amended on June 14, 2024 (the "**Combination Agreement**"). Pursuant to the Combination Agreement, the Offeror has made a voluntary public cash tender offer, recommended by the Board of Directors of Purmo, to acquire all of the issued and outstanding class C shares in 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 on May 16, 2024, concerning the Tender Offer, the first supplement to the tender offer document on May 31, 2024, the second supplement to the tender offer document on June 20, 2024, and the third supplement to the tender offer document on July 17, 2024 (the tender offer document, as supplemented from time to time, the "**Tender Offer Document**"). The offer period (the "**Offer Period**") for the Tender Offer commenced on May 17, 2024, at 9:30 a.m. (Finnish time) and is currently ongoing.

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 Tender Offer.

### **Supplements to the Tender Offer Document**

Purmo published a stock exchange release on July 15, 2024, noting that Haier Europe Appliances Holding B.V. ("**Haier**"), a wholly-owned subsidiary of Haier Smart Home Co., Ltd., announced on July 15, 2024, a competing voluntary public all-cash tender offer for all issued and outstanding Shares in Purmo that are not held by Purmo or any of its subsidiaries (the "**Competing Offer**").

On July 24, 2024 Purmo announced that the Board of Directors of Purmo (the "**Board**") has supplemented its statement of 10 May 2024 (as previously supplemented on 19 June 2024) regarding the Tender Offer (the "**Updated Statement**") after evaluating both the Tender Offer and the Competing Offer and has upheld its recommendation regarding the Tender Offer. According to the Updated Statement, the Board upholds the recommendation for the Tender Offer primarily in the absence of current sufficient key shareholder support for the Competing Offer. Accordingly, the recommendation by the Board to shareholders to accept the Tender Offer remains in force. Therefore, Rettig's irrevocable undertaking to sell all its C Shares to the Offeror in connection with, and subject to the completion of, the Tender Offer, and Virala Oy Ab's, Ahlström Invest B.V.'s, Belgrano Inversiones Oy's, Chilla Capital S.A.'s, and Oy G.W. Sohlberg Ab's irrevocable undertakings to accept the Tender Offer or otherwise sell their Shares to the Offeror in connection with the completion of the Tender Offer, and the other irrevocable undertakings referenced in the Tender Offer Document remain in force in accordance with their

terms. Such undertakings to support the Offeror's tender offer represent approximately 90,34 percent of all the shares in Purmo in the aggregate.

Following the Updated Statement, The Offeror supplements the Tender Offer Document in accordance with Chapter 11, Section 11, Subsection 4 of the Finnish Securities Markets Act (746/2012, as amended) with the following information included in this document (the “**Supplement Document**”) and by adding the Updated Statement published by Purmo on July 24, 2024, as Annex K to the Tender Offer Document, and the stock exchange release published by the Offeror on July 24, 2024, as Annex L to the Tender Offer Document.

#### ***Supplements concerning the Updated Statement by the Board of Directors of Purmo***

After comparing the Tender Offer and the Competing Offer, Purmo has on July 24, 2024 published the Updated Statement upholding the recommendation for the Offeror's Tender Offer. Consequently, the Offeror supplements the Tender Offer Document as follows:

The tenth paragraph of the section “*Background and Objectives – Background to the Tender Offer and Offeror’s Strategic Plans*” shall be amended by deleting the passages marked with strikethrough, and by adding the passages that is underlined and set in bold:

“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 (see “– *Statement by the Board of Directors of Purmo*” and Annex C below). The Board of Directors of Purmo has 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 to the statement by the Board of Directors of Purmo, issued on May 10, 2024, and attached as Annex C to this Tender Offer Document. Based on the amendments to the Combination Agreement and to the terms and conditions of the Tender Offer made on June 14, 2024, the Board of Directors of Purmo has on June 19, 2024 supplemented its statement issued on May 10, 2024 ~~(the statement published on June 19, 2024 is hereinafter referred to as the “Updated Statement”).~~ ~~The Updated Statement~~**The statement published by the Board of Directors of Purmo on June 19, 2024** has been attached as Annex G to this Tender Offer Document. **After comparing the Tender Offer and the competing tender offer announced by Haier Europe Appliances Holding B.V. on 15 July 2024, the Board of Directors of Purmo has on July 24, 2024 further supplemented its statement issued on May 10, 2024 (as previously supplemented on 19 June 2024) (the statement published on July 24, 2024 is hereinafter referred to as the “Updated Statement”) and upheld its recommendation regarding the Tender Offer. The Updated Statement has been attached as Annex K to this Tender Offer Document.**”

The first paragraph of the section “*Background and Objectives – Statement by the Board of Directors of Purmo*” shall be amended by deleting the passages marked with strikethrough, and by adding the passages that is underlined and set in bold:

“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, is attached to this Tender Offer Document as Annex C. 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 to the statement of the Board of Directors of Purmo, issued on May 10, 2024, and attached as Annex C to this Tender Offer Document. Based on

the amendments to the Combination Agreement and to the terms and conditions of the Tender Offer made on June 14, 2024, the Board of Directors of Purmo has on June 19, 2024 published the ~~Updated Statement~~ **updated statement** in accordance with Chapter 11, Section 13 of the Finnish Securities Markets Act. According to the ~~Updated Statement~~ **updated statement published on June 19, 2024 by the Board of Directors of Purmo**, the Board of Directors of Purmo represented by a quorum comprising the non-conflicted members of the Board of Directors, continues to unanimously recommend that the shareholders of Purmo accept the Tender Offer. The ~~Updated Statement~~ **updated statement published on June 19, 2024 by the Board of Directors of Purmo** is attached to this Tender Offer Document as Annex G. The Board of Directors of Purmo has received an updated fairness opinion, dated June 19, 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 increased C Share Offer Price to be paid to holders of C Shares (other than those held by Rettig) pursuant to the Tender Offer (under its improved terms announced on June 14, 2024), 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 updated fairness opinion of Danske Bank A/S, Finland Branch is attached as Appendix 1 to the ~~Updated Statement~~ **updated statement** issued by the Board of Directors of Purmo on **June 19, 2024. After comparing the Tender Offer with the competing tender offer announced by Haier Europe Appliances Holding B.V. on 15 July, 2024, the Board of Directors of Purmo has on July 24, 2024 published its Updated Statement pursuant to the Finnish Securities Markets Act. According to the Updated Statement, the Board of Directors of Purmo, represented by a quorum comprising the non-conflicted members of the Board of Directors unanimously upholds its recommendation to the shareholders of Purmo to accept the Tender Offer. The Updated Statement has been attached as Annex K to this Tender Offer Document.**"

The section "*Background and Objectives – Statement by the Board of Directors of Purmo*" shall be amended by adding the following paragraph as the second paragraph:

**"According to the Updated Statement issued July 24, 2024, when evaluating the Tender Offer, analysing alternative opportunities available to Purmo and concluding on its statement in the Updated Statement, the Board of Directors of Purmo has considered several factors, including, but not limited to, Purmo's recent financial performance, current position and future prospects, the historical performance of the trading price of Purmo's share and the conditions for the Offeror to complete the Tender Offer. According to the Updated Statement, since the receipt of the non-binding proposal by Haier Europe Appliances Holding B.V., the Board of Directors of Purmo has engaged in discussions with Haier Europe Appliances Holding B.V. pursuant to its fiduciary duties and sought to investigate whether there would be sufficient shareholder support for the competing tender offer considering its acceptance threshold of 80 per cent of all the Shares, as well as investigated the regulatory approvals required for the completion of Haier Europe Appliances Holding B.V.'s competing tender offer. On the date of the Updated Statement, the Board of Directors of Purmo thus concludes that it has not received sufficient assurance that the 80 per cent acceptance threshold set out in Haier Europe Appliances Holding B.V.'s competing tender offer can be reached and thereby that the Haier Europe Appliances Holding B.V.'s competing tender offer could be completed in accordance with its terms. On the date of the Updated Statement, Rettig's irrevocable undertaking to sell all its its C Shares, which represent approximately 61.8 per cent of all Shares in the Company to the Offeror and all other irrevocable undertakings represent approximately 90.34 per cent of all Shares in the Company. Because the Haier Europe Appliances Holding B.V.'s competing tender offer does not currently enjoy sufficient support from the major shareholders for it to likely be capable of being completed, the Board of Directors of Purmo has not entered into any combination agreement or other agreement with Haier Europe Appliances Holding B.V. in respect of its competing tender offer. In addition, based on the information available to the Board of Directors of Purmo, the risk of non-completion due to failure to obtain regulatory approvals for Haier Europe Appliances Holding B.V.'s competing tender offer does not seem to be material, but is not insignificant and is notably larger than for the Tender Offer. Therefore, based on currently available information and prevailing circumstances, the Board of Directors of Purmo upholds the recommendation for the Tender Offer."**

The subsection (a) of the first paragraph of section “*Summary of the Combination Agreement – Recommendation by the Board of Directors of Purmo*” shall be amended by deleting the passages marked with strikethrough, and by adding the passages that is underlined and set in bold:

- (a) “The Board of Directors of Purmo, represented by a quorum comprising the non-conflicted members of the Board of Directors, has resolved unanimously, subject to the terms and conditions of the Combination Agreement, to recommend that the holders of Shares accept the Tender Offer and tender their Shares in the Tender Offer (the “**Recommendation**”). In the Combination Agreement, the Board of Directors of Purmo has undertaken to issue a formal statement to this effect. The statement of the Board of Directors of Purmo containing the Recommendation has been included as Annex C to this Tender Offer Document and the ~~Updated Statement~~ **updated statement published on June 19, 2024 by the Board of Directors of Purmo** has been included as Annex G to this Tender Offer Document. **The Updated Statement has been included as Annex K to this Tender Offer Document.**”

The section “*Information on the pricing of the Tender Offer – Other Public Tender Offers Regarding the Shares*” shall be amended by adding the following passage:

“To the knowledge of the Offeror, no public tender offer for the Shares or securities entitling to Shares has been made by any third party during the twelve (12) months preceding the date of this Tender Offer Document. After the date of the Tender Offer Document, Haier Europe Appliances Holding B.V., a wholly-owned subsidiary of Haier Smart Home Co., Ltd., announced on July 15, 2024 a competing voluntary public all-cash tender offer for all issued and outstanding Shares in Purmo that are not held by Purmo or any of its subsidiaries. The Offeror has resolved that it will not increase the offer prices of its Tender Offer because of Haier Europe Appliances Holding B.V.'s competing offer. **According to the Updated Statement issued July 24, 2024, the Board of Directors of Purmo has not on the date of the Updated Statement obtained sufficient comfort that Haier Europe Appliances Holding B.V.'s competing tender offer likely could be completed in accordance with its terms, most notably the acceptance threshold condition of eighty (80) per cent. Therefore, the Board of Directors of Purmo, represented by a quorum comprising the non-conflicted members of the the Board of Directors of Purmo, at the date of the Updated Statement, upheld its recommendation that the shareholders of Purmo accept the Tender Offer. The Board of Directors of Purmo remains ready to reassess its Recommendation during the remaining offer period for the Tender Offer, in particular if developments occur with respect to shareholder support for the Haier Europe Appliances Holding B.V.'s competing tender offer that would enable Haier Europe Appliances Holding B.V.' to reach the acceptance threshold of 80 per cent.**”

#### Availability of Documents

The Finnish language version of this Supplement Document is available on the internet at <https://purmogroup.tenderoffer.fi/> and [www.nordea.fi/purmo-ostotarjous](http://www.nordea.fi/purmo-ostotarjous) as of July 26, 2024. The English language translation of this Supplement Document is available on the internet at <https://purmogroup.tenderoffer.fi/en> and [www.nordea.fi/purmo-offer](http://www.nordea.fi/purmo-offer) as of July 26, 2024.

The Finnish Financial Supervisory Authority (the “**FIN-FSA**”) has approved the Finnish language version of this Supplement Document but the FIN-FSA assumes no responsibility for the accuracy of the information presented therein. The decision number of the approval of the FIN-FSA is FIVA/2024/1288. This Supplement Document has been translated into the English language. In the event of any discrepancy between the two language versions of the Supplement Document, the Finnish language version shall prevail.

**The Tender Offer is not being made, directly or indirectly, in or into Australia, Canada, Hong Kong, Japan, New Zealand or South Africa and the Tender Offer Document and this Supplement Document and any and all materials related thereto should not be sent in or into Australia, Canada, Hong Kong, Japan, New Zealand or South Africa (including by use of, or by any means or instrumentality, for example, e-mail, post, facsimile transmission, telephone or internet, of interstate or foreign commerce, or any facilities of a national securities exchange), and the Tender Offer cannot be accepted directly or indirectly or by any such use, means or instrumentality, in or from within Australia, Canada, Hong Kong, Japan, New Zealand or South Africa. Accordingly, copies of the Tender Offer Document and this Supplement Document and any**

**related materials are not being, and must not be, mailed, forwarded, transmitted or otherwise distributed or sent in or into or from Australia, Canada, Hong Kong, Japan, New Zealand or South Africa or, in their capacities as such, to custodians, trustees, agents or nominees holding Shares for Australian, Canadian, Hong Kong, Japanese, New Zealander or South African persons, and persons receiving any such documents (including custodians, nominees and trustees) must not distribute, forward, mail, transmit or send them in, into or from Australia, Canada, Hong Kong, Japan, New Zealand or South Africa. Any person accepting the Tender Offer shall be deemed to represent to the Offeror such person's compliance with these restrictions and any purported acceptance of the Tender Offer that is a direct or indirect consequence of a breach or violation of these restrictions shall be null and void.**

### **Information for Shareholders 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 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 the Tender Offer Document and this Supplement Document 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 the Tender Offer Document and this Supplement Document, 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 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 the Tender Offer Document and this Supplement Document 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. shareholder 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 adviser immediately regarding the tax and other consequences of accepting the Tender Offer.

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 a non-U.S. jurisdiction 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 U.S. SECURITIES AND EXCHANGE COMMISSION 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 COMMENT UPON THE ADEQUACY OR COMPLETENESS OF THE TENDER OFFER DOCUMENT OR THIS SUPPLEMENT DOCUMENT OR PASSED ANY COMMENT ON WHETHER THE CONTENT IN THE TENDER OFFER DOCUMENT OR IN THIS SUPPLEMENT DOCUMENT IS CORRECT OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

### **Forward-looking Statements**

This Supplement Document includes "forward-looking statements". Generally, words such as may, should, could, aim, will, would, expect, intend, estimate, anticipate, believe, plan, seek, contemplate, envisage, continue or similar expressions identify forward-looking statements.

These statements are subject to risks, uncertainties, assumptions and other important factors, many of which may be beyond the control of the Offeror and could cause actual results to differ materially from those expressed or implied in these forward-looking statements.

Factors that could cause actual results to differ from such statements include: the occurrence of any event, change or other circumstances that could give rise to the termination of the Tender Offer, the failure to receive, on a timely basis or otherwise, the required approvals by government or regulatory agencies, the risk that a condition to consummating the Tender Offer may not be satisfied, the ability of Purmo to retain and hire key personnel and maintain relationships with customers, suppliers and other business partners pending the completion of the Tender Offer, and other factors.

Although the Offeror believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, no assurance can be given that such statements will be fulfilled or prove to be correct, and no representations are made as to the future accuracy and completeness of such statements. The Offeror undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws or by any appropriate regulatory authority. Any forward-looking statements contained in this Supplement Document speak only as at the date of this Supplement Document.

**ANNEX K**

**UPDATED STATEMENT BY THE BOARD OF DIRECTORS OF PURMO PUBLISHED ON JULY 24,  
2024**

Purmo Group Oyj  
Tender Offer

**Updated statement of the Board: The Board upholds recommendation for Project Grand Bidco (UK) Limited tender offer in the absence of current sufficient key shareholder support for Haier tender offer**

Purmo Group Plc | Stock Exchange Release | July 24, 2024 at 17:10:00 EEST

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, 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. FOR FURTHER INFORMATION, PLEASE SEE SECTION ENTITLED “IMPORTANT INFORMATION” BELOW.**

On April 26, 2024, Project Grand Bidco (UK) Limited ( “**Grand Bidco**”) and Purmo Group Plc (“**Purmo**” or the “**Company**”) announced that they have entered into a combination agreement (the “**Combination Agreement**”), pursuant to which Grand Bidco has made a voluntary recommended public cash tender offer (the “**Grand Tender Offer**”) for all of the issued and outstanding class C shares in 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**”). Grand Bidco has published a tender offer document, dated May 16, 2024, concerning the Grand Tender Offer and supplements to the tender offer document, dated May 31, 2024, June 20, 2024 and July 17, 2024 (the tender offer document, as supplemented from time to time, the “**Tender Offer Document**”). The initial offer price for C Shares and F Shares eligible for conversion into C Shares was EUR 9.91 in cash for each such C Share or F Share, and the initial offer price for F Shares ineligible for conversion into C Shares was EUR 6.00 for each such F Share.

On May 30, 2024, the Company announced that it had received a non-binding preliminary indication of interest (the “**Indication of Interest**”) from Haier Smart Home Co., Ltd. (“**HSH**”) to acquire the entire share capital of the Company for cash consideration. Pursuant to the Indication of Interest, the holders of C Shares and F Shares eligible for conversion into C Shares would be offered a cash consideration of EUR 11.00 per share and the holders of F Shares ineligible for conversion into C Shares a cash consideration of EUR 6.66 per share. According to the Indication of Interest, launching of a binding offer would be subject to a number of conditions, including conducting a due diligence investigation, the recommendation of the offer by the board of directors of the Company and other customary conditions. If announced, completion of any such offer would in turn be subject to further conditions, including approval by shareholders holding at least ninety (90) per cent of the Shares of the Company and receipt of all necessary regulatory approvals. Upon assessing the Indication of Interest to be of a serious nature, the board of directors of Purmo (the “**Purmo Board**”), represented by a quorum comprising the non-conflicted members of the Purmo Board, acting in accordance with their fiduciary duties, allowed HSH and its advisors to conduct due diligence materially in the same scope as was allowed to Grand Bidco and engaged in discussions with HSH and its advisors with regard to a potential competing offer.

On June 14, 2024 Grand Bidco proposed to the Purmo Board, represented by a quorum comprising the non-conflicted members of the Purmo Board, certain improvements to the terms and conditions of the Grand Tender Offer. As a consequence, Grand Bidco and Purmo announced on the same day that they have entered into an addendum to the Combination Agreement (the “**Addendum**”), according to which Grand Bidco has, among other things, agreed to improve the offer prices for each Share validly tendered in the Grand Tender Offer and to lower the acceptance threshold in the Grand Tender Offer. Grand Bidco also increased the offer prices in its Grand Tender Offer so that the holders of C Shares and F Shares that are eligible for conversion into C Shares were offered a cash consideration of EUR 11.15 for each such C Share or F Share and the holders of F Shares that are ineligible for conversion into C Shares were offered a cash consideration of EUR 6.75 for each such F Share (see also ‘*The Improved Offer Prices*’ below).



On July 1, 2024, the Purmo Board received a revised non-binding indicative proposal from HSH to acquire the entire share capital of the Company through a voluntary public cash tender offer. The Purmo Board engaged in discussions with Haier pursuant to its fiduciary duties to evaluate the proposal and seek further information on the terms and conditions of the proposal and the regulatory conditions for the completion of the proposed tender offer. Following these discussions, on July 15, 2024 Haier Europe Appliances Holding B.V. ("**Haier**"), a wholly-owned subsidiary of HSH, announced a competing voluntary public all-cash tender offer for all the issued and outstanding Shares (the "**Haier Tender Offer**") at a price of EUR 13.68 per share for each C Share and each F Share eligible for conversion into a C Share validly tendered in the Haier Tender Offer and at a price of EUR 8.28 per share for each Class F Share ineligible for conversion into a Class C Share validly tendered in the Haier Tender Offer (see also '*The Improved Offer Prices*' below). The completion of the Haier Tender Offer is subject to certain conditions, including the Haier Tender Offer having been validly accepted with respect to Shares representing, together with any Shares otherwise acquired by Haier prior to or during the offer period, more than 80 per cent of the Shares and voting rights, the receipt of all necessary regulatory approvals, the Purmo Board issuing its recommendation to shareholders of the Company to accept the Haier Tender Offer as well as Haier and the Company having entered into a combination agreement. According to Haier's announcement, it expects the Haier Tender Offer to be completed during the fourth quarter of 2024 or the first quarter of 2025 and is not expecting any material substantive issues affecting the completion of the Haier Tender Offer.

On July 16, 2024, Grand Bidco announced that it waives the remaining regulatory approval condition in its Grand Tender Offer and confirmed that it will not increase the offer prices of its Grand Tender Offer because of the Haier Tender Offer. Grand Bidco also announced that therefore, in relation to the Haier Tender Offer, Grand Bidco has decided to waive its right under the Combination Agreement to be given at least seven (7) business days from the date of publishing the Haier Tender Offer to enhance its Grand Tender Offer by increasing its offer prices and has notified the Purmo Board of said waiver.

Grand Bidco has on July 17, 2024 supplemented the Tender Offer Document concerning its Grand Tender Offer and extended the Offer Period of its Grand Tender Offer to expire on July 31, 2024 at 4:00 p.m. (Finnish time) due to the announcement of the Haier Tender Offer.

In order to comply with the requirements set out in Chapter 11, Section 15 of the Finnish Securities Markets Act (746/2012, as amended) (the "**Finnish Securities Markets Act**") regarding the obligation to supplement its earlier statement on the Grand Tender Offer after the announcement of the Haier Tender Offer by Haier and the announcement by Grand Bidco to waive its matching right, the Purmo Board now issues this statement on the Grand Tender Offer (the "**Update**") in order to supplement its previous statement on the Grand Tender Offer issued on May 10, 2024 and as previously supplemented on June 19, 2024 (the "**Statement**") to reflect its assessment of the Grand Tender Offer in light of the Haier Tender Offer.

The Haier Tender Offer offers shareholders a better price compared to the Grand Tender Offer, but also includes more risk and uncertainty with respect to completion of the Haier Tender Offer and timing of such completion. Depending on the appetite for risk with respect to potential non-completion or delay in completion of the Haier Tender Offer, individual shareholders may have different views with respect to preferring the Grand Tender Offer or the Haier Tender Offer (see '*Assessment of the Grand Tender Offer and the Haier Tender Offer from the perspective of Purmo and its shareholders*' below). Even when successful, the completion of the Haier Tender Offer and payment to shareholders would take significantly longer than pursuant to the Grand Tender Offer. While having undertaken significant efforts in the interest of all Purmo shareholders to provide Haier an opportunity to set forth as appealing of an offer as possible and mitigate concerns with respect to risks relating to the Haier Tender Offer, the Purmo Board has not on the date of this Update obtained sufficient comfort that the Haier Tender Offer likely could be completed in accordance with its terms, most notably the acceptance threshold condition of eighty (80) per cent. Therefore, the Purmo Board, represented by a quorum comprising the non-conflicted members of the Purmo Board, at this date upholds its recommendation that the shareholders of Purmo accept the Grand Tender Offer. The Purmo Board remains ready to reassess its recommendation during the remaining offer period for

the Grand Tender Offer, in particular if developments occur with respect to shareholder support for the Haier Tender Offer that would enable Haier to reach the acceptance threshold of 80 per cent.

### **Grand Tender Offer in brief**

Grand Bidco is 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 Grand Tender Offer of (i) certain affiliated funds (the “**Apollo Funds**”) of Apollo Global Management, Inc. and its subsidiaries, (together, “**Apollo**”) and (ii) Rettig Oy Ab (“**Rettig**”, and together with Apollo Funds, the “**Consortium**”). As at the date of this Update, Grand Bidco 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 Grand Tender Offer and the cash investments to be made by the Consortium members, Apollo Funds will own 80.00 per cent and Rettig indirectly 20.00 per cent of the shares in Project Grand Topco (UK) Limited.

Grand Bidco and Purmo entered into a Combination Agreement on April 26, 2024 and, the Addendum on June 14, 2024, pursuant to which Grand Bidco has made the Grand Tender Offer for all of the issued and outstanding Shares in Purmo.

As at the date of this Update: (i) 41,112,713 of the Shares are class C Shares and 1,565,217 are class F Shares; and (ii) Purmo has 42,677,930 issued Shares, all of which are outstanding and none of which are held by the Company. As at the date of this Update, Rettig holds 26,373,971 C Shares, representing approximately 61.80 per cent of all Shares and votes in Purmo. As at the date of this Update, neither Grand Bidco nor Apollo holds any Shares. All of the F Shares are held directly by Virala Corporation (“**Virala**”), the founder of the special purpose acquisition company (SPAC), Virala Acquisition Company Plc, which was listed on the official list of Nasdaq Helsinki Ltd. (“**Nasdaq Helsinki**”) and which merged with Purmo on December 31, 2021. In total, Virala, which is not a member of the Consortium, but has subject to certain amended conditions undertaken to sell its Shares in the Grand Tender Offer (as described in more detail below), holds directly 6,471,739 Shares, representing approximately 15.16 per cent of all Shares and votes in Purmo; including 100 per cent of all the F Shares in Purmo.

Grand Bidco has reserved the right to acquire, or enter into arrangements 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 or otherwise outside the Grand Tender Offer, to the extent permitted by applicable laws and regulations.

The Grand Tender Offer is made in accordance with the terms and conditions included in the Tender Offer Document.

### ***The Improved Offer Prices***

The Grand Tender Offer (as improved on June 14, 2024 and before the adjustment due to Purmo’s return of capital as described below) was announced with an offer price of:

- EUR 11.15 in cash for each C Share not held by Rettig (14,738,742 Shares),
- EUR 10.62 in cash for each C Share held by Rettig (26,373,971 Shares),
- EUR 11.15 in cash for each F Share currently eligible for conversion into C Share in accordance with the articles of association of the Company (293,478 Shares); and
- EUR 6.75 for each F Share currently ineligible for conversion into C Share (1,271,739 Shares)

validly tendered in the Grand Tender Offer (each an “**Improved Offer Price**” and all “**Improved Offer Prices**”), subject to any adjustments as set out below.

All C Shares are traded on the official list of Nasdaq Helsinki, while F Shares are not subject to public trading. The EUR 11.15 Improved Offer Price (i.e. before the adjustment due to Purmo's return of capital as described below) in cash for each C Share not held by Rettig represents a premium of approximately:

- 48.7 per cent compared to EUR 7.50, i.e. the closing price of the Purmo C Share on Nasdaq Helsinki on April 25, 2024, the last trading day immediately preceding the announcement of the Grand Tender Offer;
- 59.0 per cent compared to EUR 7.01, i.e. the three-month volume-weighted average trading price of the Purmo C Share on Nasdaq Helsinki prior to and up to April 25, 2024; and
- 66.1 per cent compared to EUR 6.71, i.e. the six-month volume-weighted average trading price of the Purmo C Share on Nasdaq Helsinki prior to and up to April 25, 2024.

The Grand Tender Offer values Purmo's total equity at approximately EUR 456 million.

The Improved Offer Prices have been determined based on 42,677,930 issued Shares, of which 41,112,713 are C Shares and 1,565,217 are F Shares. Should the Company change the number of its Shares on the date hereof as a result of a new issue, reclassification, stock split (including a reverse 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 after the date hereof and prior to the settlements of the completion trades in the Grand 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 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 Grand Tender Offer, the Improved Offer Prices shall be adjusted accordingly to account also for such measure.

The Purmo Board notes that the Annual General Meeting of Purmo held on April 9, 2024 resolved that a return of capital of EUR 0.36 per C Share and EUR 0.07 per F Share will be paid for the financial year 2023 and that the return of capital will be paid in four instalments. The second instalment of the return of capital of EUR 0.09 per C Share and EUR 0.02 per F Share will be paid to the shareholders on 26 July 2024 who are registered in the shareholders' register maintained by Euroclear Finland Oy on the record date of the return of capital, i.e., 19 July 2024. Grand Bidco has announced on July 17, 2024 that the offer price for each C Share not held by Rettig and for each F Share currently eligible for conversion into C Share is adjusted from EUR 11.15 to EUR 11.06 as of the record date of the second instalment of the capital return, July 19, 2024, and the cash consideration to be paid to Rettig for each C Share it has undertaken to sell to Grand Bidco in connection with, and subject to the completion of, the Grand Tender Offer, is adjusted from EUR 10.62 to EUR 10.53 as of the record date of the second instalment of the capital return, July 19, 2024.

On July 19, 2024, Haier announced that the offer price for the C Shares and F Shares eligible for conversion into C Shares will be adjusted as of July 19, 2024 due to the return of Purmo's capital so that the offer price is EUR 13.59 for each C Share and F Share eligible for conversion into a C Share.

### ***Irrevocable undertakings***

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 irrevocably undertaken to accept the Grand Tender Offer or otherwise undertaken to sell their Shares to Grand Bidco 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 Grand 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 Grand Bidco in connection with the completion of the Grand Tender Offer. These irrevocable undertakings may be terminated, among other terms, in the event that Grand Bidco withdraws the Grand 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 Grand Bidco does not match or exceed the consideration offered in such competing offer within a certain period of time, and the Purmo Board has recommended such competing offer.

Rettig, which is part of the Consortium, has irrevocably undertaken to sell all of its C Shares to Grand Bidco in connection with, and subject to the completion of, the Grand Tender Offer for a cash consideration of EUR 10.62 for each such C Share to support the Grand Tender Offer, subject to certain customary conditions. Rettig's undertaking may be terminated among other terms in the event that Grand Bidco withdraws the Grand 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 Haier Tender Offer is not subject to any outstanding due diligence, Grand Bidco does not match or exceed the consideration offered in such competing offer within a certain period of time, and the Purmo Board 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 Grand Tender Offer.

In total, Rettig's renewed undertaking and the other renewed irrevocable undertakings to support the Grand 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), 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 10.4 percent of all C Shares in Purmo, have irrevocably undertaken to accept the Grand Tender Offer or otherwise sell their Shares to Grand Bidco in connection with the completion thereof. These irrevocable undertakings remain in force and may be terminated, among other terms, in the event that Grand Bidco withdraws the Grand Tender Offer, or in the event that a Haier Tender 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 C Share (subject to possible additional adjustments as set out in the section "*The Improved Offer Prices*" above), and Grand Bidco does not match or exceed the consideration offered in such competing offer within a certain period of time, and the Purmo Board has recommended such competing offer.

Grand Bidco has on July 16, 2024 announced that in case the Purmo Board decides to withdraw or cancel its recommendation of the Grand Tender Offer and issues a recommendation for the Haier Tender Offer, Grand Bidco waives its right to match or exceed the consideration offered in such Haier Tender Offer within a certain period of time as would otherwise apply under the irrevocable undertakings it has received from the Company's shareholders.

### **Conditions to completion**

The completion of the Grand Tender Offer is subject to the satisfaction or waiver by Grand Bidco of certain customary conditions on or prior to Grand Bidco's announcement of the final results of the Grand Tender Offer including, among others, Grand Bidco having gained control to more than eighty (80) per cent of the Shares and voting rights in the Company calculated in accordance with Chapter 18 Section 1 of the Finnish Limited Liability Companies Act (624/2006, as amended, the "**Finnish Companies Act**").

Grand Bidco has on July 16, 2024 announced that to the extent it remains unfulfilled, Grand Bidco has decided to waive the condition to completion of the Grand Tender Offer concerning regulatory approvals, pursuant to which the Grand Tender Offer is conditional upon the receipt of all necessary regulatory approvals, as specified in the Combination Agreement and further defined in the Tender Offer Document. Thereby the completion of the Grand Tender Offer is no longer conditional upon obtaining further regulatory approvals or the observance of any waiting periods relating to regulatory approvals.

Grand Bidco reserves the right to waive any of the other conditions to completion that have not been fulfilled. If all conditions to completion have been fulfilled or Grand Bidco 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 Grand Tender Offer, Grand Bidco will consummate the Grand Tender Offer in accordance with its terms and conditions after the expiration of the offer period by purchasing the Shares validly tendered in the Grand Tender Offer and paying the Improved Offer Prices, as applicable, to the holders of Shares that have validly accepted the Grand Tender Offer in accordance with its the terms and conditions.

The offer period under the Grand Tender Offer commenced on May 17, 2024, at 9:30 a.m. (Finnish time), and is expected to expire on July 31, 2024, at 4:00 p.m. (Finnish time), unless Grand Bidco extends the offer period in order to satisfy the conditions to completion of the Grand Tender Offer. The Grand Tender Offer is currently expected to be completed during the third quarter of 2024.

As announced in connection with the publication of the Grand Tender Offer, the Combination Agreement (together with the Addendum) includes customary provisions whereby the Purmo Board retains the right to withdraw, modify, cancel or amend and take actions contradictory to its recommendation to shareholders to accept the Grand Tender Offer in order to comply with its mandatory fiduciary duties in case of receipt of a competing offer or a competing proposal, which the Purmo Board has determined in good faith, after receiving written advice from reputable external legal counsel and financial advisor(s) and after consultation with Grand Bidco (but without any obligation to adhere to the views of Grand Bidco), to constitute a superior proposal or offer when considered as a whole (including from financial and deliverability points of view) to Grand Bidco's Grand Tender Offer, provided that the Purmo Board has (i) complied with its obligations in the Combination Agreement (together with the Addendum) to not solicit or pursue competing transactions concerning the Company or that would otherwise compete or frustrate the Grand Tender Offer, (ii) ceased and caused termination of any possible discussions or negotiations related to a competing proposal by the Company prior to entering into the Combination Agreement (together with the Addendum), (iii) notified Grand Bidco of the Company's receipt of the competing offer or competing proposal, (iv) in good faith provided Grand Bidco with an opportunity to negotiate with the Purmo Board about matters arising from the competing offer or competing proposal, and (v) given Grand Bidco at least seven (7) business days from the date of publishing the competing offer or from the date of Grand Bidco having been informed in writing of a serious competing proposal and its material terms to enhance its Grand Tender Offer as contemplated by the Combination Agreement (together with the Addendum). If Grand Bidco has been afforded a matching right in connection with a competing proposal, it will not be afforded a new matching right if the competing proposal leads to a competing offer without any revisions to its material terms and conditions.

The Purmo Board has seen it appropriate to agree to the non-solicitation undertaking, based on its assessment of the terms and conditions of the Grand Tender Offer (both from financial and deliverability points of view), the irrevocable undertakings provided by the Company's significant shareholders to Grand Bidco, and also considering that the non-solicitation undertaking does not prevent the Purmo Board from complying with its fiduciary duties in a situation in which the Purmo Board has received a competing proposal or competing offer, or from complying with the applicable regulation otherwise.

Grand Bidco has on July 16, 2024 announced that it will not increase the Improved Offer Prices because of the Haier Tender Offer and that Grand Bidco has therefore, in relation to the Haier Tender Offer, also decided to waive the aforementioned matching right under the Combination Agreement, and has notified the Purmo Board of said waiver.

### **Background for the Update**

Pursuant to the Finnish Securities Markets Act and the Helsinki Takeover Code issued by the Finnish Securities Market Association (the "**Helsinki Takeover Code**"), the Purmo Board must issue a public supplement to its previous Statement as soon as possible after the announcement of a competing offer and at the latest five banking days prior to the earliest possible expiration date of the offer period of the Grand Tender Offer.

The Update includes a well-founded assessment of the Grand Tender Offer from the perspective of Purmo and its shareholders as well as of the strategic plans presented by Grand Bidco in the Tender Offer Document and their likely effects on the operations of, and employment at, Purmo.

In preparing this Update, the Purmo Board has relied on information provided in the Tender Offer Document by Grand Bidco and the announcements by Haier dated July 15, 2024 and July 19, 2024 of its Haier Tender Offer as well as certain other information provided by Grand Bidco and Haier, and the Purmo Board has not independently verified this information. Accordingly, the Purmo Board's assessment of the consequences of the Grand Tender Offer on Purmo's business and employees should be treated with caution.

### **Assessment regarding strategic plans presented by Grand Bidco in the Tender Offer Document and their likely effects on the operations of, and employment at, Purmo**

#### ***Information given by Grand Bidco***

The Purmo Board has assessed Grand Bidco's strategic plans based on the statements made in the Company's and Grand Bidco's announcement regarding the Grand Tender Offer announced on April 26, 2024 and June 14, 2024, the Tender Offer Document.

Apollo has actively been following Purmo's development during the last 18 months, and while the products, market position and transformation executed to date are highly impressive, the Consortium believes that the Company's ownership structure and balance sheet in combination with the public company setting hold Purmo back from realising its full potential including the ability to execute on targeted M&A opportunities. The Consortium believes that a period of private ownership can expedite the execution of Purmo's strategy to become a leader in European indoor comfort solutions, supported by secular tailwinds from clean energy transition and focus on energy efficiency. Under the Consortium's ownership, Purmo's management would be able to focus their full attention on delivering long-term growth and value creation without the distraction imposed by being a public reporting company with a quarterly reporting cycle, supported by sufficient balance sheet strength and the capabilities of a reputable global private equity sponsor.

According to information provided by Grand Bidco, the Consortium is well-positioned to support the future development of the Company due to Apollo's patient, creative and knowledgeable approach to investing while aligning the interests of its clients, the businesses its funds invest in, their employees and the communities they impact, to expand opportunity and achieve positive outcomes.

As a long-term builder of businesses, looking to partner with management teams and long-term shareholders for multiple years and invest in M&A and organic growth in its companies, the Apollo Funds have a history of investing globally in relevant end-markets and can thus bring industry expertise, relationships, as well as operational expertise and resources to the Company's business and development. The prominent participation of Rettig, the Company's largest and long-term shareholder, in the Consortium will add to industry expertise and ensure continuity with the Company's culture and history. Together, this investor partnership, in good co-operation with Purmo's employees, is, according to information provided by Grand Bidco, expected to bring along to the Company the appropriate long-term investment horizon, relationships and industrial expertise.

According to information provided by Grand Bidco, the completion of the Grand Tender Offer is not expected to have any immediate material effects on the operations or assets, the position of the management or employees, or the business locations, of Purmo. However, as is customary, Grand Bidco intends to change the composition of the Purmo Board after the completion of the Grand Tender Offer.

### ***Board assessment***

The Purmo Board believes that the Consortium is well positioned to expedite the execution of Purmo's strategy supported by the green transition and support the long-term growth and value creation due to Apollo's considerable experience, current and past investments in the sector and its continued assessment of the Company. The Purmo Board believes that Rettig's participation in the Consortium as minority shareholder and its long-term ownership in Purmo will ensure continuity with the Company's culture and history. Consequently, the Purmo Board believes that the Consortium is equipped with relevant industrial expertise, local knowledge and adequate capital resources to expedite the execution of Purmo's strategy and support the long-term growth and value creation of the Company.

The Purmo Board considers that the information on Grand Bidco's strategic plans concerning Purmo included in the Tender Offer Document is of a general nature. However, based on the information presented to Purmo and the Purmo Board, the Purmo Board believes that the completion of the Grand Tender Offer is not expected to have any immediate material effects on the operations or assets, the position of the management or employees, or the business locations, of Purmo. However, as is customary, Grand Bidco intends to change the composition of the Purmo Board after the completion of the Grand Tender Offer.

On the date of this Update, the Purmo Board has not received from Purmo's employees any formal statements as to the effects of the Grand Tender Offer to the employment at Purmo.

### **Assessment regarding financing presented by Grand Bidco in the Tender Offer Document**

#### ***Information given by Grand Bidco***

The Purmo Board has assessed Grand Bidco's updated financing based on the below statements made in the Company's and Grand Bidco's announcement regarding the improvement to the Grand Tender Offer published on June 14, 2024 and the Tender Offer Document. Furthermore, the Company's legal adviser Castrén & Snellman Attorneys Ltd ("**Castrén & Snellman**") has reviewed Grand Bidco's principal financing documents including amendments to them made in connection with the improvement to the Grand Tender Offer.

Pursuant to the announcement regarding the Grand Tender Offer published on and June 14, 2024, Grand Bidco has received amended equity commitment letters from the Apollo Funds and Rettig Investment AB in connection with the Grand Tender Offer. Grand Bidco has also been addressed debt commitments (and interim debt commitments) in connection with the Grand Tender Offer.

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

#### ***Grand Bidco's representations and warranties in the Combination Agreement and the Addendum***

In the Combination Agreement and again in the Addendum, Grand Bidco represents and warrants to Purmo that Grand Bidco has access to capital in a sufficient amount, as evidenced in, together, (i) the equity commitment letters and amendments to them and (ii) the debt commitment letter and amendment to it, in each case, delivered to the Company prior to the execution of the Combination Agreement, to finance the payment of the aggregate Improved Offer Price for all of the Shares in connection with the Grand Tender Offer and in connection with the subsequent compulsory redemption proceedings thereafter and (with respect to the equity commitment letters) the possible payment of the termination fee by Grand Bidco. Grand Bidco's obligation to complete the Grand Tender Offer is not conditional upon availability of financing (assuming that all the conditions for the completion of the Grand Tender Offer are otherwise satisfied (or waived by Grand Bidco)).

#### ***Board assessment on Grand Bidco's financing***

Based on the information made available by Grand Bidco to the Company, Grand Bidco's obligation to complete the Grand Tender Offer is not conditional upon availability of financing (assuming that all the conditions to completion of the Grand Tender Offer are otherwise satisfied or waived by Grand Bidco). The Purmo Board believes that Grand Bidco has secured necessary and adequate financing in sufficient amounts in the form of cash available under the equity and debt commitment letters with external financier on a customary European "certain funds" basis in order to finance the Grand Tender Offer at completion and compulsory redemption proceedings, if any, in accordance with the requirement set out in Chapter 11, Section 9 of the Finnish Securities Markets Act and the possible payment of a termination fee by Grand Bidco pursuant to the Combination Agreement (together with the Addendum).

#### ***Assessment of the Grand Tender Offer and the Haier Tender Offer from the perspective of Purmo and its shareholders***

When evaluating the Grand Tender Offer, analysing alternative opportunities available to Purmo and concluding on its statement in the Update, the Purmo Board has considered several factors, including, but not limited to, Purmo's recent financial performance, current position and future prospects, the historical performance of the trading price of Purmo's share and the conditions for Grand Bidco to complete the Grand Tender Offer.

The Haier Tender Offer was announced by Haier following discussions with the Purmo Board based on a non-binding proposal previously submitted by Haier to the Purmo Board. The Purmo Board notes that the completion of the Haier Tender Offer is subject to, among other conditions, the Haier Tender Offer having been validly accepted with respect to the Shares representing, together with any other Shares otherwise acquired by Haier prior to or during the offer period, more than 80 per cent of the Shares and voting rights in the Company calculated in accordance with Chapter 18, Section 1 of the Finnish Companies Act, as well as the receipt of all necessary regulatory approvals.

Since the receipt of the non-binding proposal by Haier, the Purmo Board has engaged in discussions with Haier pursuant to its fiduciary duties and sought to investigate whether there would be sufficient shareholder support for the Haier Tender Offer considering its acceptance threshold of 80 per cent of all the Shares, as well as investigated the regulatory approvals required for the completion of the Haier Tender Offer. In accordance with the Purmo Board's fiduciary duties and the Helsinki Takeover Code, the Board has acted to facilitate that Haier has had the opportunity to announce the contemplated Haier Tender Offer.



The Board notes that the completion of the Haier Tender Offer is subject to the receipt of approvals required under applicable foreign direct investment laws and foreign subsidies laws as well as merger control clearances. Haier's announcement regarding the Haier Tender Offer states that Haier expects to obtain such necessary regulatory approvals, permits, clearances and consents and to complete the Haier Tender Offer during the fourth quarter of 2024 or the first quarter of 2025. However, the Purmo Board notes that in particular the regulatory process relating to obtaining approval by the European Commission in respect of EU Foreign Subsidies Regulation (the "FSR") includes some risks and uncertainties and although the Purmo Board has dedicated considerable time and resources to carefully investigating the circumstances relating to the FSR approval process to evaluate its estimated length and outcome, there remains a degree of risk, most notably in terms of timing. Based on the information available to the Purmo Board, the risk of non-completion due to failure to obtain regulatory approvals for the Haier Tender Offer does not seem to be material, but is not insignificant and is notably larger than for the Grand Tender Offer. The assessment of risk relating to Haier obtaining FSR approval is based on an evaluation in substance of subsidies and subsidy-like financial contributions received by HSH outside of the European Union. Despite requests for more extensive information, the Purmo Board and its advisors have only been afforded limited underlying data of relevant subsidies and subsidy-like financial contributions that HSH has received primarily in China to make their own evaluation of said risk. Hence, the Purmo Board's assessment of this risk is to a large extent based on information received from Haier and its advisors that the Purmo Board or its advisors are not able to independently verify in detail (with respect to either accuracy or completeness). The assessment is further made more complex by the limited number of precedent processes under this recently implemented regulation and hence, arguably, includes a margin of error that is not insignificant. It is the Purmo Board's understanding that the regulatory risks and uncertainties described above have a significant impact on the views of individual shareholders with respect to preferring the Grand Tender Offer or the Haier Tender Offer.

In discussions with Haier on a potential combination agreement between Purmo and Haier, the entering into of which is set out as a condition to completion of the Haier Tender Offer, Haier has on a non-binding basis committed to a reverse termination fee payable to Purmo of EUR 20 million in case the Haier Tender Offer would not be completed due to failure to obtain FSR approval and EUR 10 million in case the Haier Tender Offer would not be completed due to certain other reasons. Said reverse termination fees are on a similar level when compared to deal size in certain precedent transactions considered relevant by the Purmo Board, which transactions however were agreed prior to the FSR rules being implemented. As part of the terms and conditions of such potential combination agreement, Haier would require a long-stop date of eight (8) months from the date of the agreement to obtain relevant regulatory approvals and complete the Haier Tender Offer, which period may be extended by a further two (2) months by written notice from Haier to Purmo in case required regulatory approvals remain outstanding. A potential combination agreement between Purmo and Haier would be expected to be entered into between the parties and binding upon them in connection with a potential shift of the Purmo Board's recommendation from the Grand Tender Offer to the Haier Tender Offer.

The Purmo Board further notes that on the date of this Update, the irrevocable undertaking by Rettig to sell all its C Shares, which represent approximately 61.8 per cent of all Shares in the Company, to Grand Bidco, remains in force. In addition, the irrevocable undertakings by certain other major shareholders of the Company to accept the Grand Tender Offer remain in force. In total, Rettig's undertaking and all the irrevocable undertakings represent approximately 90.34 per cent of all Shares in the Company.

The Purmo Board notes that in order for the acceptance threshold of 80 per cent of all the Shares set out in the Haier Tender Offer can be fulfilled, the completion of the Haier Tender Offer also requires support from shareholders who have irrevocably undertaken to accept the Grand Tender Offer. The Purmo Board has sought to receive information from the Company's major shareholders on whether they would be willing to terminate their irrevocable undertakings and support the Haier Tender Offer if the Purmo Board decided to recommend the Haier Tender Offer. However, on the date of this Update, the Purmo Board has not received sufficient comfort from the major shareholders that would indicate their support for the Haier Tender Offer. The Purmo Board also notes that the Grand Tender Offer only requires the support of a limited number of shareholders to complete

pursuant to its terms, which would seem to render the Haier Tender Offer subject to non-completion due to its acceptance threshold condition of 80 per cent. On the date of this Update, the Purmo Board thus concludes that it has not received sufficient assurance that the 80 per cent acceptance threshold set out in the Haier Tender Offer can be reached and thereby that the Haier Tender Offer could be completed in accordance with its terms.

Therefore, based on currently available information and prevailing circumstances, the Purmo Board upholds the recommendation for the Grand Tender Offer. The Purmo Board remains ready to reassess its recommendation during the remaining offer period for the Grand Tender Offer, in particular if developments occur with respect to shareholder support for the Haier Tender Offer that would enable Haier to reach the acceptance threshold of 80 per cent. Because the Haier Tender Offer does not currently enjoy sufficient support from the major shareholders for it to likely be capable of being completed, the Purmo Board has not entered into any combination agreement or other agreement with Haier in respect of the Haier Tender Offer.

The Purmo Board's assessment of continuing the business operations of Purmo as an independent company has been based on reasonable future-oriented estimates, which include various uncertainties, whereas the Improved Offer Prices and the premiums included therein are not subject to any uncertainty other than the fulfilment of the conditions to completion of the Grand Tender Offer.

Prior to entering into the Combination Agreement, the Purmo Board has together with its exclusive financial adviser, Danske Bank A/S, Finland Branch ("**Danske Bank**") confidentially approached multiple other parties to explore their interest in Purmo and, prior to entering into the Addendum, the Purmo Board has together with Danske Bank and Castrén & Snellman evaluated the Indication of Interest made by Haier as well as assessed the potential for alternative options that could be superior to the Grand Tender Offer. After announcement of the Haier Tender Offer, the Purmo Board has undertaken significant efforts in the interest of all Purmo shareholders to provide Haier an opportunity to set forth as appealing of an offer as possible and mitigate concerns with respect to risks relating to the Haier Tender Offer. Based on its analysis, and after considering other factors, the Purmo Board concluded that at the time, there is no alternative transaction superior to the Grand Tender Offer.

### ***Updated Fairness Opinion***

The Purmo Board received an updated fairness opinion, dated June 19, 2024, from Purmo's exclusive financial adviser, Danske Bank, (the "**Updated Fairness Opinion**") to the effect that, as of the date of such Updated Fairness Opinion, the Improved Offer Price to be paid to holders of C Shares (other than those held by Rettig) pursuant to the Grand Tender Offer, was fair, from a financial point of view, to such holders, which Updated 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 Updated Fairness Opinion appended to the supplement to the Statement dated June 19, 2024. The Updated Fairness Opinion has not been further updated after June 19, 2024, including after the adjustment of the Improved Offer Price due to Purmo Group's return of capital as described under '*The Improved Offer Prices*' above.

Having carefully assessed the terms and conditions of the Grand Tender Offer, including but not limited to, the conditions to completion set by Grand Bidco for the Grand Tender Offer and the terms and conditions entitling Rettig to terminate the Consortium Agreement and other shareholders to terminate their irrevocable undertakings, the Purmo Board has concluded that based on information available on the date of the Addendum, entering into the Addendum enables the proposed material improvements to the terms of the Grand Tender Offer and that the Grand Tender Offer is and continues to be in the best interests of the shareholders of Purmo. Purmo's non-solicitation undertaking does not prevent the Purmo Board from complying with its fiduciary duties in a situation in which the Purmo Board has received a non-solicited competing proposal or competing offer, or from complying with applicable regulation otherwise.

## **Board assessment**

The Purmo Board believes that the EUR 11.06 in cash for each C Share not held by Rettig and for each F Share currently eligible for conversion into C Shares and EUR 6.75 for each F Share currently ineligible for conversion into C Shares offered as consideration by Grand Bidco to the shareholders are fair to the shareholders based on its assessment of the matters and factors, which the Purmo Board has concluded to be material in evaluating the Grand Tender Offer. These matters and factors include, but are not limited to:

- the information and assumptions on the business operations and financial condition of Purmo as at the date of this Update and their expected future development, including an assessment of expected risks and opportunities related to the implementation and execution of Purmo's current strategy;
- the Improved Offer Prices for the C Shares (other than those held by Rettig) and F Shares and premiums offered for the C Shares (other than those held by Rettig);
- the Haier Tender Offer;
- the irrevocable undertakings listed in section "*Irrevocable undertakings*" above and their terms (including the terms relating to the minimum offer prices and termination of the irrevocable undertakings);
- the liquidity and historical trading price of Purmo's C Shares;
- transaction certainty, and that the conditions of the Grand Tender Offer are reasonable and customary;
- valuation multiples of Purmo's share compared to the industry multiples before the announcement of the Grand Tender Offer;
- valuations and analysis made and commissioned by the Purmo Board as well as discussions with an external financial adviser;
- the views expressed by certain shareholders of Purmo on the Grand Tender Offer and the option of Purmo remaining as an independent listed company; and
- the Updated Fairness Opinion issued by Danske Bank.

In addition, the Purmo Board considers the level of the Improved Offer Prices, participation of Purmo's long-term main shareholder in the Consortium and the shareholder support for the Grand Tender Offer in the form of irrevocable undertakings to positively affect the ability of Grand Bidco to gain control of more than eighty (80) percent of the Shares and, thereby, help successfully complete the Grand Tender Offer.

The Purmo Board has concluded that the relevant business prospects of Purmo would provide opportunities for Purmo to develop its business as an independent company for the benefit of Purmo and its shareholders. However, taking into consideration the risks and uncertainties associated with such stand-alone approach as well as the terms and conditions of the Grand Tender Offer included in the Tender Offer Document, the Purmo Board has concluded that the Grand Tender Offer is an attractive and favourable alternative for the shareholders.

## **Recommendation of the Purmo Board**

The Purmo Board has carefully assessed the Grand Tender Offer and its terms and conditions based on the Tender Offer Document, the Updated Fairness Opinion as well as the Haier Tender Offer and its terms and conditions, information on key shareholder support for the Haier Tender Offer and deliverability of the Haier Tender Offer and other available information.

Based on the foregoing, the Purmo Board considers that the Grand Tender Offer and the amount of the Improved Offer Prices are, under the prevailing circumstances, fair to Purmo's shareholders.

Given the above-mentioned viewpoints, the members of the Purmo Board that participated in the consideration and decision-making concerning the implications of the Grand Tender Offer and this Update, the Purmo Board unanimously recommend that the shareholders of Purmo accept the Grand Tender Offer.

In evaluating the Grand Tender Offer, the Purmo Board has taken into account that the Chair of the Purmo Board, Tomas von Rettig, and Vice Chair of the Purmo Board, Matts Rosenberg are closely associated with the member of the Consortium, Rettig. Further, the Purmo Board has taken into account that the member of the Purmo Board, Alexander Ehrnrooth, is closely associated with Virala. Upon receipt of a non-binding indicative proposal from the Consortium including also information on the irrevocable undertaking of Virala, the Purmo Board resolved to establish a special ad hoc committee consisting of the non-conflicted members of the Purmo Board, being Carina Edblad, Carlo Grossi, Jyri Luomakoski and Catharina von Stackelberg-Hammarén to assess the Grand Tender Offer. The members of the ad hoc committee have held thirty two (32) formally scheduled meetings up to the issuance of this Update and have communicated actively with each other and the Company's legal and financial advisers also outside formal meetings in order to carefully assess the Grand Tender Offer from the perspective of Purmo and its shareholders.

In accordance with the disqualification provisions of the Finnish Companies Act and the Helsinki Takeover Code, Tomas von Rettig, Matts Rosenberg and Alexander Ehrnrooth did not participate in any assessment or review of the implications of the Grand Tender Offer by the Purmo Board or in any decision-making concerning the recommendation of the Purmo Board or the Combination Agreement or the Update or the Addendum. In line with the resolution of the Purmo Board, Tomas von Rettig and Matts Rosenberg have not participated in and have refrained from the work of the Purmo Board concerning the Grand Tender Offer due to their material connections to and interests in Grand Bidco and Alexander Ehrnrooth has not participated in and has refrained from the work of the Purmo Board concerning the Grand Tender Offer due to his material connections to and interests in Virala after the establishment of the independent ad-hoc committee.

#### **Certain other matters**

The Purmo Board notes that the transaction may, as is common in such processes, involve unforeseeable risks.

The Purmo Board notes that the shareholders of Purmo should also take into account the potential risks related to non-acceptance of the Grand Tender Offer. If the threshold of ninety (90) per cent of the Shares and votes is not reached, the completion of the Grand Tender Offer would reduce the number of Purmo's shareholders and the number of Shares, which would otherwise be traded on Nasdaq Helsinki. Depending on the number of Shares validly tendered in the Grand Tender Offer, this could have an adverse effect on the liquidity and value of the Shares in Purmo. Furthermore, pursuant to the Finnish Companies Act, a shareholder that holds more than two-thirds of the shares and voting rights carried by the shares in a company has sufficient voting rights to decide upon certain corporate transactions, including, but not limited to, a merger of the company into another company, an amendment of the articles of association of the company, a change of domicile of the company and an issue of shares in the company in deviation from the shareholders' pre-emptive subscription rights.

Pursuant to Chapter 18 of the Finnish Companies Act, a shareholder that holds more than ninety (90) per cent of all shares and votes in a company shall have the right to acquire and, subject to a demand by other shareholders, also be obligated to redeem the shares owned by the other shareholders. In such case, the Shares held by Purmo's shareholders, who have not accepted the Grand Tender Offer, may be redeemed through redemption proceedings under the Finnish Companies Act in accordance with the conditions set out therein.

Purmo has undertaken to comply with the Helsinki Takeover Code referred to in Chapter 11, Section 28 of the Finnish Securities Markets Act.

This Update of the Purmo Board does not constitute investment or tax advice, and the Purmo Board does not specifically evaluate herein the general price development or the risks relating to the Shares in general. Shareholders must independently decide whether to accept the Grand Tender Offer, and they should take into account all the relevant information available to them, including information presented in the Tender Offer Document as supplemented, and this Update as well as any other factors affecting the value of the Shares.

Purmo has appointed Danske Bank as its financial adviser and Castrén & Snellman as its legal adviser in connection with the Grand Tender Offer.

### **The Board of Directors of Purmo**

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

Purmo Group

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

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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.

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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 will be 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 announcement, 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, Grand Bidco and its affiliates or its brokers and its brokers’ affiliates (acting as agents for Grand Bidco 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 Grand Bidco 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 Grand Bidco 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 Grand Bidco 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 Grand Bidco 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 Grand Bidco 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 Grand Bidco 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.

Nordea Bank Abp, which is supervised by the European Central Bank and the Finnish Financial Supervisory Authority, is acting as financial adviser to Grand Bidco and arranger of the Tender Offer. Nordea Bank Abp is only acting for Grand Bidco 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 Grand Bidco for providing the protection afforded to clients of Nordea Bank Abp, nor for providing advice in relation to the Tender Offer.

**THE STOCK EXCHANGE RELEASE OF THE OFFEROR PUBLISHED ON JULY 24, 2024**



## **Project Grand Bidco (UK) Limited notes the update to the statement by the Board of Purmo regarding its public tender offer for all shares in Purmo; Purmo's Board upholds its recommendation**

PROJECT GRAND BIDCO (UK) LIMITED      Stock Exchange Release      July 24, 2024 at 6:30 p.m. EEST

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### **Project Grand Bidco (UK) Limited notes the update to the statement by the Board of Purmo regarding its public tender offer for all shares in Purmo; Purmo's Board upholds its recommendation**

Project Grand Bidco (UK) Limited (the "**Offeror**") notes that on July 24, 2024, Purmo Group Plc ("**Purmo**") published a stock exchange release concerning an updated statement of the Board of Directors of Purmo, dated July 24, 2024 (the "**Updated Statement**") on the Offeror's tender offer. According to the Updated Statement, the Board of Directors of Purmo upholds the recommendation for the Offeror's tender offer primarily in the absence of current sufficient key shareholder support for Haier Europe Appliances Holding B.V.'s competing tender offer. Accordingly, the recommendation by the Board of Directors of Purmo to shareholders to accept the Offeror's tender offer remains in force.

The Offeror notes that Rettig Oy Ab's irrevocable undertaking to sell all its C Shares in Purmo to the Offeror in connection with, and subject to the completion of, the Offeror's tender offer, and Virala Oy Ab's, Ahlström Invest B.V.'s, Belgrano Inversiones Oy's, Chilla Capital S.A.'s, and Oy G.W. Sohlberg Ab's irrevocable undertakings to accept the Offeror's tender offer or otherwise sell their shares in Purmo to the Offeror in connection with the completion of the tender offer, and the other irrevocable undertakings referenced in the supplemented tender offer document concerning the Offeror's tender offer remain in force in accordance with their terms. Undertakings to support the Offeror's tender offer represent approximately 90,34 percent of all the shares in Purmo

Following the announcement of the Updated Statement, the Offeror will supplement the tender offer document concerning its tender offer and will publish such supplement document once it has been approved by the Finnish Financial Supervisory Authority.

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

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

#### **Distribution:**

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#### **ABOUT THE CONSORTIUM**

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 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).

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## **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**

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.

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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.

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