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Puuilo announces the preliminary price range for its planned IPO and further information on the listing of its shares on the official list of Nasdaq Helsinki

Following its announcement on 7 June 2021 that it is planning an initial public offering and listing of its shares (the “**Listing**”) on the official list of Nasdaq Helsinki Ltd (“**Nasdaq Helsinki**”), Puuilo Plc (“**Puuilo**” or the “**Company**”) announces the preliminary price range for the share issue and share sale in connection with its planned initial public offering (the “**Offering**”). The Company has submitted a Finnish language prospectus related to the Offering for approval by the Finnish Financial Supervisory Authority. The Finnish Financial Supervisory Authority is expected to approve the prospectus on or about 10 June 2021. The subscription period for the Offering is expected to commence on 11 June 2021 at 10:00 a.m. EET.

The Offering in brief:

- The preliminary price range of the Offering is a minimum of EUR 6.20 and a maximum of EUR 6.60 per share (the “**Preliminary Price Range**”).
- Market capitalization of the Company based on the Preliminary Price Range would be approximately EUR 530–560 million assuming that the Company raises gross proceeds of approximately EUR 30 million in the Offering.
- The Company aims to raise gross proceeds of EUR 30 million by offering new shares in the Company (the “**New Shares**”) for subscription (the “**Share Issue**”). The number of New Shares to be issued will be determined based on the final price per Offer Share (as defined below) (the “**Final Subscription Price**”).
- The Company would issue 4,690,105 New Shares assuming that the Final Subscription Price would be at the mid-point of the Preliminary Price Range and that a total of 26,041 New Shares would be subscribed for in the Personnel Offering (as defined below) at the discounted subscription price applicable to such New Shares.
- In addition, Puuilo Invest AB, a company ultimately owned by Adelis Equity Partners Fund I AB, and companies that are directly or indirectly owned by Adelis Equity Partners Fund I AB that are shareholders of the Company (“**Adelis**”) and certain other existing shareholders of the Company (together with Adelis, the “**Sellers**”) will offer for purchase initially a maximum of 31,365,880 existing shares of the Company (the “**Sale Shares**”) and together with the New Shares and the Additional Shares (as defined below), the “**Offer Shares**”).
- The Offering consists of (i) a public offering to private individuals and entities in Finland (the “**Public Offering**”), (ii) an institutional offering to institutional investors in Finland and, in accordance with applicable laws, internationally, including in the United States to QIBs as defined in Rule 144A under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), pursuant to exemptions from the registration requirements

of the U.S. Securities Act (the “**Institutional Offering**”) and (iii) a personnel offering to the Company’s and its subsidiaries’ employees as well as the members of the Board of Directors and management team of the Company (the “**Personnel Offering**”).

- Certain funds managed and advised by Capital World Investors, selected funds managed by Evli Fund Management Ltd, DNCA Finance, certain funds managed by Sp-Fund Management Company Ltd, certain funds managed by Svenska Handelsbanken AB, Conficap Oy, and Creades AB (publ) via endowment insurance have, each individually, committed to subscribe for shares in the Offering for a total amount of approximately EUR 96 million, subject to certain conditions being fulfilled.
- Adelis is expected to grant Danske Bank A/S, Finland Branch, who is acting as stabilising manager, an option, exercisable within 30 days from commencement of trading in the Shares on Nasdaq Helsinki, to purchase a maximum of 5,431,091 additional shares (the “**Additional Shares**”) solely to cover over-allotments in connection with the Offering (the “**Over-allotment Option**”).
- The Offer Shares represent a maximum of approximately 42.5 percent of all the shares in the Company (the “**Shares**”) and votes vested by the Shares after the Share Issue assuming that the Over-allotment Option will not be exercised (approximately 48.8 percent assuming that the Over-allotment Option will be exercised in full), and assuming that the Sellers will sell the maximum number of Sale Shares and that the Company will issue 4,690,105 New Shares (the number of New Shares has been calculated assuming that the Final Subscription Price will be at the mid-point of the Preliminary Price Range and that a total of 26,041 New Shares would be subscribed for in the Personnel Offering at the discount applicable to such New Shares).
- The size of the Offering is approximately EUR 260–270 million assuming that the Company collects gross proceeds of approximately EUR 30 million, the Sellers sell the maximum amount of Sale Shares at such Offer Price, and that the Over-Allotment Option is exercised in full.
- The subscription period for the Public Offering will commence on 11 June 2021 at 10:00 a.m. (EET) and end on or about 21 June 2021 at 4:00 p.m. (EET).
- The subscription period for the Institutional Offering will commence on 11 June 2021 at 10:00 a.m. (EET) and end on or about 23 June 2021 at 12:00 noon (EET).
- The subscription period for the Personnel Offering will commence on 11 June 2021 at 10:00 a.m. (EET) and end on or about 21 June 2021 at 4:00 p.m. (EET).
- In the event of an oversubscription, the Public Offering, the Personnel Offering and the Institutional Offering may be ended at the earliest on 18 June 2021, at 4:00 p.m. (EET).
- Trading of the Shares on the prelist of Nasdaq Helsinki is expected to commence on or about 24 June 2021 and on the official list of Nasdaq Helsinki on or about 28 June 2021 with the trading code “PUUILO”.

Timo Mänty, Chairman of the Board of Directors of Puuilo, comments:

“We will now take the next step in Puuilo’s growth story. The objective of the IPO is to enable Puuilo to continue its strong growth and also to support Puuilo in reaching the mid-term financial targets set by the Board. We are especially delighted that so many domestic and

international institutional investors have decided to take part in Puuilo's IPO as cornerstone investors."

Juha Saarela, Puuilo's CEO, comments:

"Our growth has been strong and steady over the course of our history. By executing the IPO, we seek to ensure our ability to grow also in the future. We will do this in close cooperation with our personnel, while at the same offering new interesting possibilities for development and an opportunity to become a shareholder in Puuilo in the IPO. Puuilo is a retail chain for everyone and in the future we wish to be an investment opportunity for everyone, too."

The background and reasons for the Listing

Puuilo is a Finnish retail store chain established in 1982, known in particular for its wide product assortment, low prices, good store locations and convenient shopping experience. The Company is focused on, in particular, do-it-yourself, household and pet products.

The objectives of the IPO are to enable Puuilo to continue its strong growth, improve Puuilo's financial flexibility, and strengthen Puuilo's recognition and brand awareness among customers, employees and investors. These objectives are aimed at enhancing Puuilo's competitiveness and allowing its access to capital markets and broadening its ownership base both with domestic and foreign investors, which is expected to increase the liquidity of the shares in the Company. The listing of the shares and increased liquidity are also expected to enable Puuilo to use its shares more effectively as a means of incentivization.

Details of the Offering and publication of the Finnish Prospectus

Preliminarily a maximum of 2,065,047 Offer Shares are offered in the Public Offering to private individuals and entities in Finland. Preliminarily a maximum of 39,546,441 Offer Shares are being offered in the Institutional Offering to institutional investors through private placements in Finland and, in accordance with the applicable laws, internationally, including in the United States to qualified institutional buyers as defined in Rule 144A under the U.S. Securities Act of 1933, as amended. Preliminarily a maximum of 26,881 New Shares and, in the event of an oversubscription, a maximum of 152,330 additional New Shares are being offered for subscription in the Personnel Offering to all employees who are in a permanent employment relationship with the Company or its subsidiaries at the start of the subscription period, as well as to the members of the management team and Board of Directors of the Company. Depending on the demand, the Company may reallocate Offer Shares between the Public Offering, Institutional Offering and Personnel Offering in deviation from the preliminary number of shares without limitation. Notwithstanding the above, the minimum number of Offer Shares to be offered in the Public Offering will be a number that corresponds to 2,065,047 Offer Shares or, if the aggregate number of Offer Shares covered by the Commitments submitted in the Public Offering is smaller than this, such aggregate number of Offer Shares as covered by the Commitments submitted in the Public Offering.

The Preliminary Price Range of the Offering is a minimum of EUR 6.20 and a maximum of EUR 6.60 per share. The final subscription price in the Personnel Offering will be 10 percent lower than the Final Subscription Price in the Public Offering. Thus, the price for the New Shares in the Personnel Offering can be a maximum of EUR 5.94 per share.

In the Offering, the Company aims to raise gross proceeds of EUR 30 million by offering New Shares for subscription. The Company would issue a total of 4,690,105 Shares assuming that the Final Subscription Price is at the mid-point of the Preliminary Price Range and that 26,041 New Shares will be subscribed for in the Personnel Offering with a lower subscription price applied to such New Shares.

The Sellers will offer for purchase initially a maximum of 31,365,880 Sale Shares in the Share Sale. The Sale Shares represent approximately 36.9 percent of the Shares after the Share Issue assuming that the Over-allotment Option will not be exercised (approximately 43.3 percent assuming that the Over-allotment Option will be exercised in full), and assuming that the Sellers will sell the maximum number of Sale Shares and that the Company will issue 4,690,105 New Shares (the number of New Shares has been calculated assuming that the Final Subscription Price will be at the mid-point of the Preliminary Price Range and that a total of 26,041 New Shares would be subscribed for in the Personnel Offering at the discount applicable to such New Shares).

In connection with the Offering, Adelis is expected to grant the Managers (as defined below) an over-allotment option, exercisable by Danske Bank A/S, Finland Branch on behalf of the Managers, to purchase a maximum of 5,431,091 Additional Shares at the Final Subscription Price solely to cover over-allotments in connection with the Offering. The Over-Allotment Option is exercisable within 30 days from the commencement of trading of the Shares on the prelist of Nasdaq Helsinki (i.e. on or about the period between 24 June 2021 and 24 July 2021). The Additional Shares represent approximately 6.7 percent of the Shares and votes prior to the Offering and approximately 6.4 percent after the Offering assuming that the Sellers will sell the maximum number of Sale Shares and that the Company will issue 4,690,105 New Shares (the number of New Shares has been calculated assuming that the Final Subscription Price will be at the mid-point of the Preliminary Price Range and that a total of 26,041 New Shares would be subscribed for in the Personnel Offering at the discount applicable to such New Shares). However, the number of Additional Shares will not in any case represent more than 15 percent of the aggregate number of New Shares and Sale Shares.

In connection with the Listing, the Company and Adelis are expected to enter into lock-up agreements of 180 days. The Board of Directors of the Company and the management team are expected to enter into lock-up agreements of 360 days. Other existing shareholders of the Company have agreed to a lock-up agreement with similar terms to that of the Company and Adelis that will end on the date that falls 360 days from the Listing.

Certain funds managed and advised by Capital World Investors, selected funds managed by Evli Fund Management Ltd, DNCA Finance, certain funds managed by Sp-Fund Management Company Ltd, certain funds managed by Svenska Handelsbanken AB, Conficap Oy, and Creades AB (publ) via endowment insurance (together the “**Cornerstone Investors**”) have in total, subject to certain conditions, committed to subscribe for shares in the Company amounting to approximately EUR 96 million in the contemplated IPO at a post-money equity value of up to EUR 560 million. According to the terms and conditions of the subscription undertakings, the Cornerstone Investors will be guaranteed the number of Offer Shares covered by the subscription undertaking.

Before the execution of the Offering, the Shares of the Company have not been subject to trading on any regulated market or multilateral trading facility. The Company will apply for the listing of the Shares on the official list of Nasdaq Helsinki. Trading in the Shares is expected

to commence on the prelist of Nasdaq Helsinki on or about 24 June 2021 and on the official list of Nasdaq Helsinki on or about 28 June 2021.

The Company has submitted a Finnish language prospectus related to the Offering for approval by the Finnish Financial Supervisory Authority. The prospectus is expected to be approved on or about 10 June 2021. The Finnish language prospectus will be available at the latest on 11 June 2021 prior to the commencement of the subscription period on the Company's website at www.puulo.fi/listautuminen and at the registered office of the Company at Pakkalankuja 6, 01510 Vantaa, Finland, on the website of Danske Bank at www.danskebank.fi/puulo, on the website of OP at www.op.fi/merkinta, on the website of Nordea at www.nordea.fi/osakkeet and on the website of Nordnet at www.nordnet.fi/fi/puulo. The English language Offering Circular will be available at the latest on 11 June 2021 on the Company's website at www.puulo.fi/IPO and on the website of Danske Bank at www.danskebank.fi/puulo-en and on the website of Nordea at www.nordea.fi/equities.

Carnegie Investment Bank AB (publ), Finland Branch and Danske Bank A/S, Finland Branch have been appointed to act as joint global coordinators and joint bookrunners for the contemplated IPO (jointly referred to as the "**Joint Global Coordinators**") and Nordea Bank Abp and OP Corporate Bank plc to act as joint bookrunners for the contemplated IPO (jointly with the Joint Global Coordinators referred to as the "**Managers**"). In addition, the Company has appointed Nordnet Bank AB as a subscription place in the Public Offering. Roschier, Attorneys Ltd. is acting as legal adviser to the Company. White & Case LLP is acting as legal adviser to the Managers. Milton is acting as communications adviser to the Company.

Important Dates

Finnish prospectus will be published (latest):	11 June 2021
Subscription periods for the Public Offering, the Personnel Offering and the Institutional Offering commence	11 June 2021 at 10:00 a.m. (EET)
The Public Offering, the Personnel Offering and the Institutional Offering may be ended at the earliest	18 June 2021 at 4:00 p.m. (EET)
Subscription periods for the Public Offering and the Personnel Offering end	21 June 2021 at 4:00 p.m. (EET) (estimate)
Subscription period for the Institutional Offering ends	23 June 2021 at 12:00 noon (EET) (estimate)
Announcement of the Final Subscription Price, the subscription price per Share in the Personnel Offering and the results of the Offering	23 June 2021 (estimate)

The Shares subscribed for in the Public Offering and Personnel Offering will be recorded in the book-entry accounts of investors 24 June 2021 (estimate)

Trading in the Shares on the prelist of the Nasdaq Helsinki is expected to commence 24 June 2021 (estimate)

The Shares subscribed for in the Institutional Offering are ready to be delivered against payment through Euroclear Finland Oy 28 June 2021 (estimate)

Trading in the Shares on the official list of the Nasdaq Helsinki is expected to commence 28 June 2021 (estimate)

Further inquiries

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The issue, purchase or sale of securities in the Offering are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company and the Managers assumes no responsibility in the event there is a violation by any person of such restrictions.

This announcement is not an offer to sell or a solicitation of any offer to buy any securities issued by the Company in any jurisdiction where such offer or sale would be unlawful. The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

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Any potential offering of the securities referred to in this announcement will be made by means of a prospectus. This announcement is not a prospectus as set out in the Prospectus Regulation. Investors should not subscribe for or purchase any securities referred to in this announcement except on the basis of information contained in the aforementioned prospectus.

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This announcement is for information purposes only and under no circumstances shall constitute an offer or invitation, or form the basis for a decision, to invest in any securities of the Company. Each of the Managers and Nordnet Bank AB is acting exclusively for the Company and the selling shareholders and no one else in connection with the Offering. They will not regard any other person as their respective clients in relation to the Offering and will not be responsible to anyone other person for providing the protections afforded to their respective clients, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

The contents of this announcement have been prepared by, and are the sole responsibility of, the Company. None of the Managers or any of their respective directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from this announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

Forward-looking statements

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as “believe”, “expect”, “anticipate”, “intend”, “may”, “plan”, “estimate”, “will”, “should”, “could”, “aim” or “might”, or, in each case, their negative, or similar expressions. The forward-looking statements in this announcement are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no

assurances that they will materialise or prove to be correct. Because these forward-looking statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. The Company does not guarantee that the assumptions underlying the forward-looking statements in this announcement are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this announcement or any obligation to update or revise the statements in this announcement to reflect subsequent events or circumstances. Undue reliance should not be placed on the forward-looking statements in this announcement. The information, opinions and forward-looking statements contained in this announcement speak only as at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this announcement.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares have been subject to a product approval process, which has determined that the shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II (the “**Target Market Assessment**”); and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II. Notwithstanding the Target Market Assessment, distributors should note that: the price of the shares may decline and investors could lose all or part of their investment; the shares offer no guaranteed income and no capital protection; and an investment in the shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares. Each distributor is responsible for undertaking its own Target Market Assessment in respect of the shares and determining appropriate distribution channels.