

Puulo Plc: The initial public offering of Puulo has been oversubscribed and the listing will be completed as planned; the final subscription price is EUR 6.60 per share

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The Board of Directors of Puulo Plc (the “**Company**” or “**Puulo**”) and Puulo Invest Holding AB, a company ultimately owned by Adelis Equity Partners Fund I AB and companies directly or indirectly owned by Adelis Equity Partners Fund I AB that are shareholders of the Company (“**Adelis**”) have today on 23 June 2021 decided on the completion of the Offering (as defined below). The subscription price for the Offer Shares (as defined below) was EUR 6.60 per share in the Institutional Offering and the Public Offering (as defined below), and EUR 5.94 per share in the Personnel Offering (as defined below), which corresponds in total to a market capitalisation of Puulo of approximately EUR 560 million immediately following the Offering. Demand in the Offering was strong from both Finnish and international investors and the Offering was multiple times oversubscribed. The number of shareholders in Puulo will increase to more than 33,300 shareholders after the Offering. Trading of the shares in Puulo (the “**Shares**”) is expected to commence on the prelist of Nasdaq Helsinki Ltd (“**Nasdaq Helsinki**”) on or about 24 June 2021.

Juha Saarela, CEO of Puulo, comments:

“We thank our investors for the strong confidence and interest in Puulo’s IPO. The listing enables the development of Puulo and its great growth story to continue, together with our new shareholders. We are especially grateful for our personnel’s active participation in the personnel offering. There is demand for Puulo’s concept and as a listed company we will now execute our growth strategy in co-operation with our entire personnel. We intend to keep up the good work.”

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

“We are grateful for the interest investors have shown towards Puulo’s successful IPO. We believe that as a listed and even better recognized company, Puulo can continue its strong growth as a retail chain for everyone. The listing will also establish a firm base for Puulo to reach its financial goals. Puulo will have a robust owner base, consisting of institutions, retail investors and a large number of Puulo’s own personnel. I warmly welcome all the new Puulo shareholders to join our shared journey.”

Information on the offering

As part of the Offering, Puulo will issue 4,561,093 new shares (the “**New Shares**”) (the “**Share Issue**”), corresponding to approximately 5.4 percent of the total number of outstanding Shares after the Offering. In addition, Adelis and certain other existing shareholders in Puulo (together with Adelis, the “**Sellers**”) will sell 31,365,880 existing Shares (the “**Sale Shares**”) (the “**Share Sale**”, and together with the Share Issue, the “**Offering**”). Unless the context indicates otherwise, the New Shares, the Sale Shares and the Additional Shares (as defined below) are together referred to herein as the “**Offer Shares**”.

34,959,641 Offer Shares will be allocated to institutional investors in Finland and, in accordance with applicable laws, internationally, including in the United States to persons reasonably believed by the Joint Global Coordinators (as defined below) to be qualified institutional buyers (“**QIBs**”) as defined in Rule 144A (“**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**”), assuming that the Over-allotment Option (as defined below) will be exercised in full, and 6,200,000 Offer Shares will be allocated to private individuals and entities in Finland (the “**Public Offering**”). In addition, 156,377 New Shares will be allocated to the employees of Puulo or its subsidiaries, as well as to members of the Board of Directors and management team of Puulo (the “**Personnel Offering**”). The commitments given in the Public Offering will be accepted in full for up to 50 Offer Shares and approximately 28.9 percent of the subscription commitments exceeding this amount. The commitments given in the Personnel Offering will be accepted in full.

Puulo will receive gross proceeds of approximately EUR 30.0 million from the Offering and the Sellers will receive gross proceeds of approximately EUR 242.6 million assuming that the Over-allotment Option (as defined below) will be exercised in full. The total number of Shares in Puulo will increase to 84,776,953 after the New Shares offered in the Share Issue are registered in the Trade Register upheld by the Patent and Registration Office on or about 23 June 2021.

The Offer Shares allocated in the Public Offering and Personnel Offering will be recorded in the book-entry accounts of investors, who have made approved commitments, on or about 24 June 2021. The Offer Shares allocated in the Institutional Offering will be ready to be delivered against payment through Euroclear Finland Ltd on or about 28 June 2021.

Confirmations regarding the approval of the commitments and the allocation of Offer Shares will be sent to the investors who have submitted their commitments in the Public Offering and been allocated Offer Shares as soon as possible and at the latest on or about 7 July 2021. Investors who have submitted their commitments through Nordnet (as defined below) will see their commitments as well as allocation of Offer Shares on the transaction page of Nordnet's online service.

Any excess payments made in connection with the commitments will be refunded to the investors' bank accounts on or about the fifth (5) banking day after the pricing, 1 July 2021. If an investor's bank account is in a different bank than the place of subscription, the refund will be paid to the investor's Finnish bank account in accordance with the payment schedule of the financial institutions, approximately no later than two (2) banking days thereafter. For persons who gave their commitments via Nordnet's (as defined below) subscription place, the amount to be refunded will be paid to Nordnet cash accounts. If commitments submitted by the same investor have been combined, any refund will be paid to the same bank account from which the subscription payment was made. No interest will be paid on the refunded amount.

Trading in the Shares is expected to commence on the prelist of Nasdaq Helsinki on or about 24 June 2021 and the official list of Nasdaq Helsinki on or about 28 June 2021. The trading code for the Shares is PUUILO and ISIN code of the Shares is FI4000507124.

Adelis has granted the Managers (as defined below) an over-allotment option, exercisable by Danske Bank (as defined below) on behalf of the Managers, to purchase a maximum of 5,389,045 additional Shares at the subscription price (the "**Additional Shares**") solely to cover over-allotments in connection with the Offering (the "**Over-allotment Option**"). The Over-allotment Option is exercisable within 30 days from the commencement of trading in the Shares on the prelist of the Helsinki Stock Exchange (i.e., on or about the period between 24 June 2021 and 24 July 2021) (the "**Stabilisation Period**"). The Additional Shares represent approximately 6.7 percent of the Shares and votes vested by the Shares prior to the Offering and approximately 6.4 percent after the Offering.

Danske Bank (as defined below), acting as stabilising manager, may, but is not obligated to, engage in measures during the Stabilisation Period that stabilise, maintain or otherwise affect the price of the Shares. Any stabilisation measures will be conducted in accordance with Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (the "**Market Abuse Regulation**") and Commission Delegated Regulation (EU) 2016/1052 supplementing the Market Abuse Regulation with regard to regulatory technical standards for the conditions applicable to buy-back programs and stabilisation measures.

In connection with the Offering, Puulo and Adelis have committed to a lock-up agreement that will end on the date that falls 180 days from the listing. The members of the Board of Directors and the management team of the Company have committed 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. The Sellers (excluding Adelis) and certain other shareholders have agreed to comply with 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. According to the terms and conditions of the Personnel Offering, the personnel participating in the Personnel Offering must agree to comply with the lock-up with similar terms to that of the Company and the Sellers that will end on the date that falls 360 days from the listing.

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

Further enquiries

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Information about Puulo

Puulo 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. Puuilo has 33 stores in different parts of Finland and a rapidly growing online store, which is an important part of Puuilo's omnichannel approach. Due to its successful store concept, Puuilo has become one of the leading players in the Finnish discount retail market, and it is one of the largest retailers in Finland focusing on consumer goods, measured by net sales.

Puuilo's net sales for the financial year ended 31 January 2021 amounted to EUR 239 million and its average number of personnel, full-time equivalent at the end of period was 595.

Important information

This announcement is not being made in and copies of it may not be distributed or sent into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa or any other jurisdiction in which the distribution or release would be unlawful.

The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. The Company does not intend to register any of the securities in the United States or to conduct a public offering of the securities in the United States.

The issue, purchase or sale of securities in the offering are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company and 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**") assume 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.

In any EEA Member State other than Finland and in the United Kingdom, this announcement is only addressed to and is only directed at qualified investors in that Member State within the meaning of Regulation (EU) 2017/1129 ("**Prospectus Regulation**") and Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

This announcement does not constitute an offer of securities to the public in the United Kingdom. No prospectus has been or will be approved in the United Kingdom in respect of the securities referred to herein. In the United Kingdom, this announcement is being distributed to and is directed only at persons (i) who have professional experience in matters relating to investments which fall within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), (ii) who are high net worth entities falling within Article 49(2)(a) to (d) of the Order or (iii) to whom this announcement may otherwise lawfully be communicated (all such persons together being referred to as "**Relevant Persons**"). Any investment activity to which this announcement relates will only be available to, and will only be engaged with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this announcement or any of its contents.

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.

The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed by any person for any purpose on the information contained in this announcement or its accuracy, fairness or completeness. The information in this announcement is subject to change.

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.

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Attachments

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