

SAVOSOLAR, MERIAURA, AND VG ECOFUEL TO MERGE

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Today's speakers



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Shipping Oy & Meriaura Oy

Planned merger helps to meet the demand for renewable energy

1

Answer to green transition demand

Together, Savosolar and Meriaura (+VG EcoFuel) can meet the growing demand for solutions based on renewable energy and fill the supply gap. The merger will speed up business expansion in solar heat, low-carbon marine logistics, and other projects promoting the green transition.

2

Stable ownership

The merged Savosolar gets a long-term, committed anchor owner in VG Shipping, with strong track record in successful business development in marine logistics and the production and utilization of renewable energy

3

Profitable growth

Marine logistics will provide the merged company with cash flow, strengthen its balance sheet, and enable new investments as well as faster growth in pure energy business.

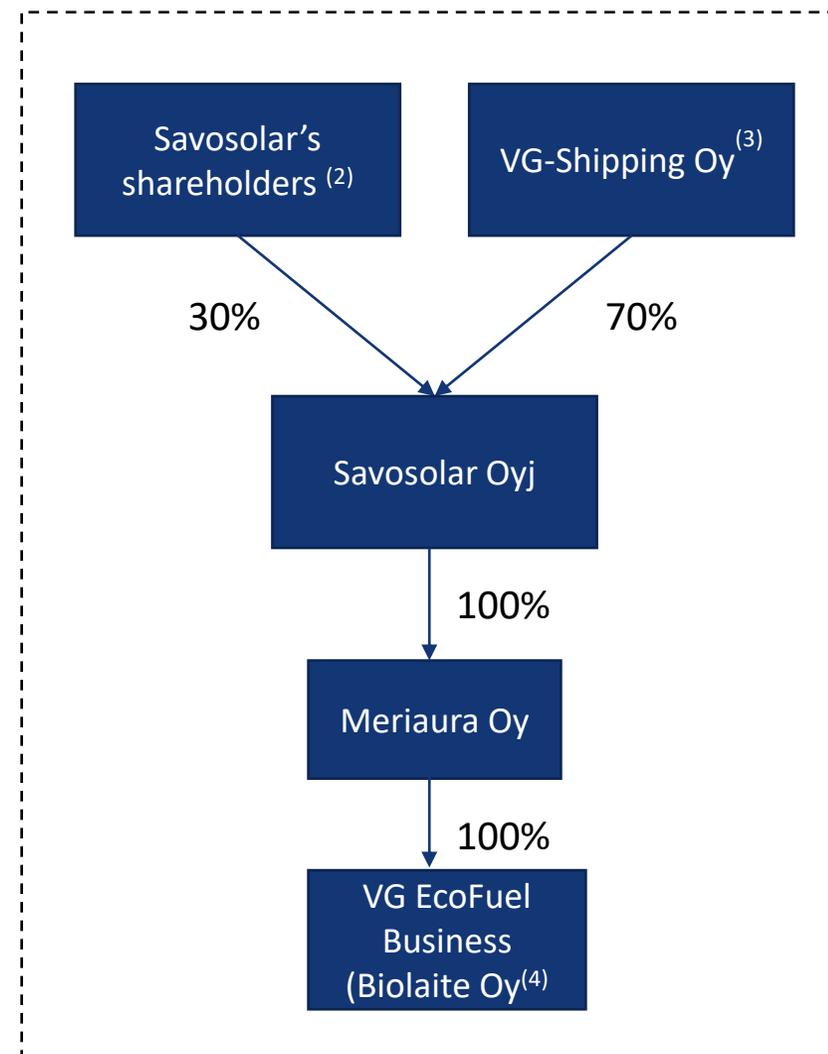
The transaction in brief

Savosolar Oyj acquires Meriaura Oy, a marine logistics company, and the business of its subsidiary VG EcoFuel Oy from VG-Shipping Oy

- The transaction will be implemented by organizing a directed share offering to VG-Shipping, which owns all the shares of Meriaura Oy. VG-Shipping Oy will become the majority owner of the group after the merger
 - Savosolar issues 555,098,187 shares (raising the number of shares to 792,997,410⁽¹⁾)
- The company will continue to be listed on the First North Growth Market in Stockholm and Helsinki

To be noted:

- The share exchange agreement states that at the time of the transaction, Meriaura Oy has a maximum of EUR 21 million of interest-bearing debt and cash and bank balances of at least EUR 4.4 million
- The planned transaction is contingent on the decisions of Savosolar Oyj's extraordinary general meeting
- The transaction is contingent on the consent to the change in the company's ownership from Meriaura's financiers (Nordea, Finnvera, Varma)



Notes:

- VG-Shipping has, as part of the share exchange agreement, given a guarantee for the full subscription of the shares that may not be subscribed based on the TO9 option rights under the same conditions as the option rights have been subscribed
- And shares subscribed in the TO9 option programme
- VG-Shipping Oy's ownership is as follows: Jussi Mälkiä about 51%, Aura Mare Oy (owned fully by Jussi Mälkiä) about 34%, Riinu Walls about 10%, other individual owners about 5%
- Prior to the transaction, VG EcoFuel Oy' business to be transferred to Biolaite Oy, wholly owned subsidiary of Meriaura Oy; Biolaite Oy's name is changed to VG EcoFuel Oy

Merged company in brief

Key information



Savosolar is a company listed on Nasdaq's First North Growth Market with over 15,000 shareholders. The largest shareholder owns 2.34% of the company.

- H1'22 revenue: EUR 2.1m
- Revenue growth (H2'22 vs. H2'21): ~31%
- H1'22 operating income: EUR -2.4m
- Number of personnel: 37



Meriaura Oy is a shipping company that specializes in marine transports and operates and owns ships. The company is wholly owned by VG-Shipping Oy, which has no other business activities as such. The principal owner of the company is Jussi Mälkiä

- H1'22 revenue: EUR 33.2m
- Revenue growth (H2'22 vs. H2'21): ~30%
- H1'22 operating income: EUR 4.1m
- Number of personnel: 148 ⁽¹⁾
- Value of ships: EUR 43.5m



VG EcoFuel Oy produces recycled biofuels from oils generated as industrial by-products. Their emissions are 60–97% lower when compared to fossil oils and fuels.

- H1'22 revenue: EUR 0.6m
- Revenue growth (H2'22 vs. H2'21): ~30%
- H1'22 operating income: EUR 0.0 million

Key persons



Kirsi Suopelto
New Chairman of the Board ⁽²⁾



Eero Auranne
Vice Chair of the Board ⁽²⁾



Jussi Mälkiä
New member of the Board
(Chairman of the Board, Meriaura) ⁽²⁾



Jari Varjotie
CEO, Savosolar



Bengt-Erik Rosin
CEO, Meriaura

+ Savosolar Oyj's current Board members **Ari Virtanen** and **Eljas Repo** and **Ville Jussila** as a new member from VG-Shipping.

Meriaura and VG EcoFuel in brief

Meriaura provides efficient and low-carbon marine transports as end-to-end services or individual transports according to client needs. It has the expertise and fleet for Northern European conditions.

Meriaura's business areas are, for example, shipping bio and circular economy products and agri bulk as well as demanding project transports, such as wind turbine blades. Throughout its existence, Meriaura has strived to develop more sustainable shipping and alternatives to fossil fuels.

VG EcoFuel produces recycled biofuels from bio-oils and recycled oils generated as industrial by-products.

The raw materials are 100% recycled or waste-based, and their greenhouse gas emissions are 60–97% lower when compared to fossil oils and fuels.

The company's most important product is VG Marine EcoFuel™ which can be used as such or mixed with fossil diesel fuel as marine fuel, as a part Meriaura's Ecovoy transport agreement, for instance.

Ships owned by Meriaura

Open deck carrier Meri 4,500 mt

Open deck carrier Aura 4,500 mt

Eeva VG 5,000 mt

Aava VG 4,100 mt

Helena VG 3,300 mt



Merger provides Savosolar shareholders with added value

01 The transaction is expected to create **significant value** to current and future shareholders as the company's **scope of action** expands

02 The merger provides shareholders with an opportunity to better access the **growing market of renewable energy** and **lucrative marine logistics**

03 The share issue to be arranged for the execution of the transaction significantly strengthens the company's equity and cash flow. The Board of Directors of the Company also expects the transaction to improve the resulting group's results for the current year substantially.

04 The calculated value of Meriaura's shares is EUR 30.0 million, and the subscription price of EUR 0.05404 of the shares directed at VG-Shipping is 51.4% higher than Savosolar's closing price (EUR 0.0357) on the trading day prior to the announcement 26 August 2022 and 40.4% higher than the average price (0.0385) weighted by monthly trading volumes for the 3 months prior to the announcement. Savosolar's calculated value is EUR 12.9 million.⁽¹⁾

Benefits to clients

1

The products and services of the merging companies complement each other, and there are very few overlaps – clients will see this as a wider offering

2

The merged company makes it possible to develop and expand business so that it covers a larger range of the pure energy and low-carbon marine logistics needs our clients have

3

Going forward, the merged Savosolar can provide more tailored renewable energy turnkey solutions and be involved in energy production and delivery

Timetable

29 August 2022: Savosolar Oyj signs a conditional share exchange agreement to buy from VG-Shipping Oy marine logistics company Meriaura Oy and the business of its subsidiary VG EcoFuel Oy, producer and marketer of biofuels.

Estimated in November 2022: Savosolar Oyj's business changes substantially with the planned transaction, and the company will draw up a company description according to the First North Rulebook. The company description will be published before Savosolar Oyj's extraordinary general meeting which will make a decision on the transaction. The meeting is to be held approximately in November 2022,

30 November 2022: Implementation of the transaction; the new shares issued in the directed share offering have been planned to be included in the trading on the First North Growth Market in Stockholm and Helsinki.

Further information

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