

Savosolar, Meriaura and VG-Ecofuel to merge

Extraordinary general meeting November 25, 2022



Today's speakers and agenda

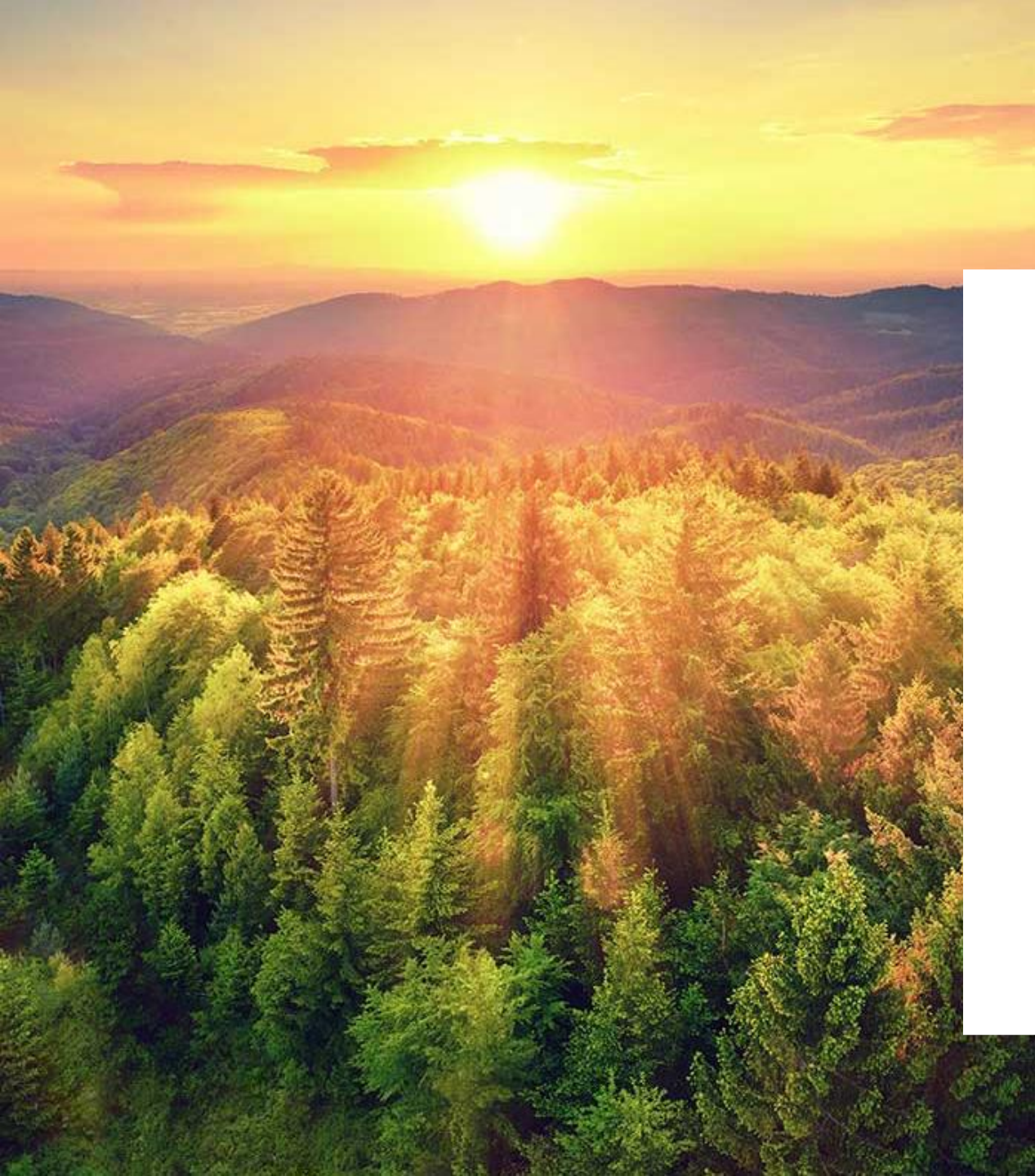


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- 1 Combination in a nutshell
- 2 Overview of the combined company
- 3 Execution of the combination



1. Combination in a nutshell

The combination helps to meet the growing 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 a strong track record in successful business development in marine logistics and the production and utilisation 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 clean energy business.

Merger provides Savosolar's shareholders with added value

- 1** The transaction creates **significant added value** to the current and future shareholders as the company's **scope of action** expands
- 2** The merger provides shareholders with an opportunity to better access the **growing markets of renewable energy** and **lucrative marine logistics**
- 3** The directed share issue to be arranged for the execution of the transaction **significantly strengthens the company's equity and balance sheet**. The Board of Directors of the Company also expects the transaction to improve the group's result and increase cash flow for the current year substantially
- 4** The calculated value of Meriaura's shares is EUR 30.0 million, and the **subscription price of EUR 0.05475 of the shares directed at VG-Shipping is 53.4% higher than Savosolar's closing price (EUR 0.0357) on the trading day prior to the announcement 26 August 2022** and 42.2% higher than the average price (0.0385) weighted by trading volumes for the 3 months prior to the announcement. Savosolar's calculated value in the transaction is EUR 12.9 million⁽¹⁾

1) Calculated value for Savosolar Oyj's shares after T09 option rights and guarantee execution

Benefits to clients

1

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

2

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

3

The combined company will be significantly more credible developer of projects supporting the green transition of our customers

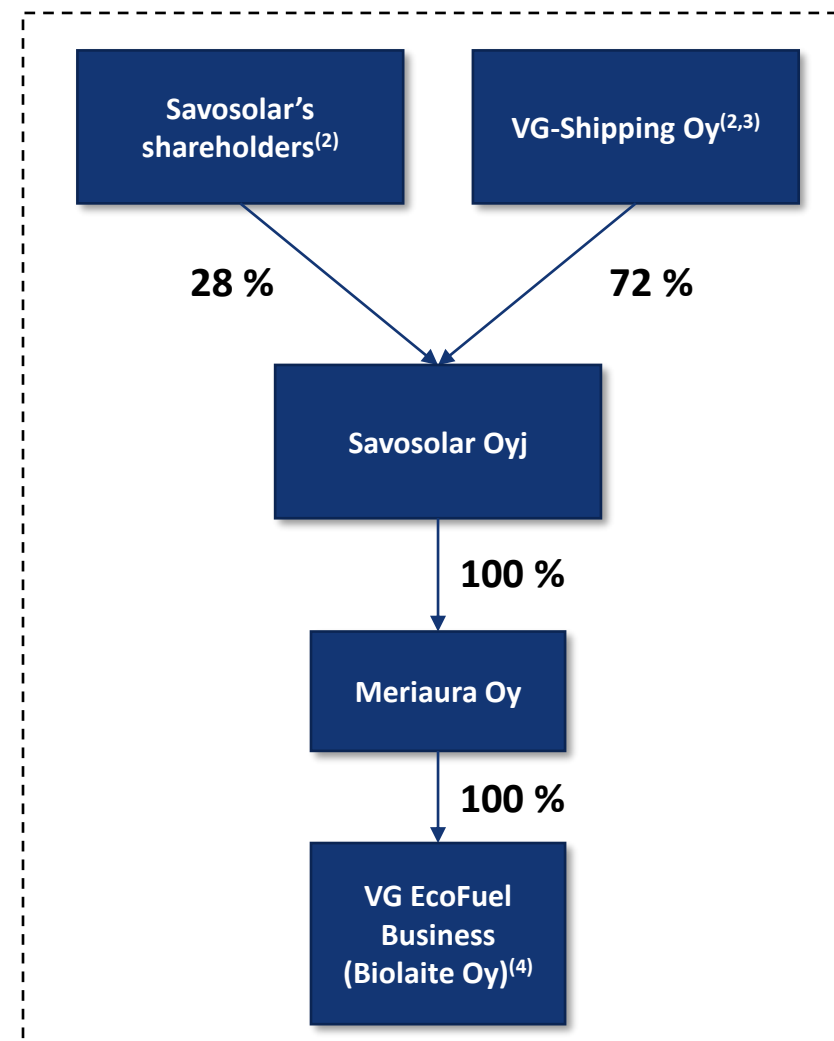
The transaction in brief

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 organising a directed share offering to VG-Shipping, which owns all the shares of Meriaura Oy. VG-Shipping will become the majority owner of the group after the merger
 - The parties have agreed on a share-exchange ratio of 30/70 (before T09 guarantee⁽¹⁾), where Savosolar Oyj's existing shareholders will own 30% of the combined company. Accounting for the directed share offering related to T09 guarantee, VG-Shipping will own 72% of the combined company
 - Therefore, Savosolar will issue 547,906,581 shares (new number of shares 782,723,687)⁽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
- Approval for the transaction has been sought and obtained from Meriaura's financiers
- To support shareholders' decision-making, a Fairness Opinion –statement has been obtained from Access Partners Oy, stating that the terms of the transaction are fair for Savosolar's shareholders
- The transaction is contingent on the decisions of Savosolar's extraordinary general meeting



1) VG-Shipping has, as part of the share exchange agreement, given a guarantee for EUR 1 million subscription of the shares that are not subscribed on the T09 option rights program, which will be implemented by a directed share offering to VG-Shipping Oy (80% of total offering) and Hybrid Consulting Oy (20% of total offering) with a maximum of 17,857,142 new shares issued at the unit price of EUR 0.056 per share

2) And shares subscribed in the T09 option programme

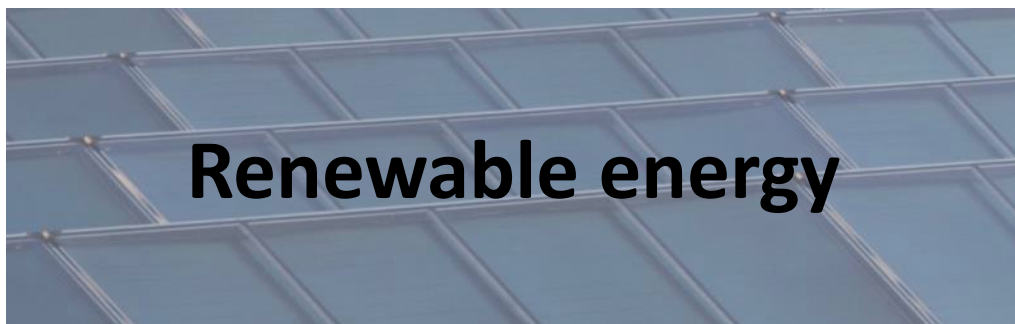
3) VG-Shipping Oy's ownership is as follows: Jussi Mälkiä about 51%, Aura Mare Oy (owned fully by Jussi Mälkiä) about 34%, Riinu Walls about 10%, other individual owners about 5%

4) VG EcoFuel Oy's business transferred to Biolaite Oy, wholly owned subsidiary of Meriaura Oy; Biolaite Oy's name will be changed to VG-Ecofuel Oy



2. Overview of the combined company

The combined company will have two separate business segments



- Savosolar helps companies to decrease their CO₂ emissions with clean renewable heat. The company designs and delivers large turn-key solar thermal solutions for district heating and industrial process heating customers
 - The solar thermal solutions are based on high-efficient solar thermal collectors developed by Savosolar, which are built with Savosolar's own optically coated direct-flow absorbers
 - Savosolar's solar thermal collectors are the most efficient in the world
- The customers within solar thermal heat are, among others, municipal district heating companies and industrial companies using and needing heat in their processes
- Renewable energy business segment generated EUR 2.1 million sales and EBIT of EUR -2.4 million during January-June 2022



- Marine logistics business segment consists of Meriaura's bulk and project shipping business as well as VG-Ecofuel's development and sales of renewable marine fuel
- Meriaura operates a fleet of 14 vessels, of which five the company owns itself (three dry bulk vessels and two deck carriers)
- Most important operating segments for the marine logistics are:
 - Industrial dry bulk (Agri, fertilizers, renewables and other) comprising 2/3 of the business segment's sales
 - Special cargo comprising 1/3 of the business segment's sales
- ~2/3 of bulk volume and sales comes from long-term contracts of affreightments
- The Marine logistics generated pro forma revenue of EUR 33.0 million and EBIT of EUR 3.7 million during January-June 2022
 - The book value of owned vessels on 30 June 2022 amounted EUR 46.2 million. A 3rd party broker estimate valued the vessels at EUR 50.8 million (Thunship Oy 14 June 2022)

Meriaura and VG-Ecofuel are forerunners in sustainable 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 dwt

Open deck carrier Aura 4,500 dwt

Dry bulk vessel Eeva VG 5,000 dwt

Dry bulk vessel Aava VG 4,100 dwt

Dry bulk vessel Helena VG 3,300 dwt



Marine logistics provides Savosolar Group with steady cash flow strengthening its balance sheet and enabling faster growth

Pro forma income statement 1-6/2022

Thousand euros	Savosolar	Meriaura	Pro Forma
Revenue	2,132	33,047	35,179
Other operating income	10	25	35
Materials and services	-2,120	-20,540	-22,660
Personnel costs	-1,265	-3,705	-4,970
Depreciations and write-downs	-153	-2,315	-2,468
Other operating expenses	-1,035	-2,824	-3,859
Operating profit/loss	-2,431	3,685	1,254
Financial income	1	0	1
Financial expenses	-125	-442	-567
Profit/loss before appropriations and taxes	-2,555	3,243	688
Net profit/loss for the period	-2,557	3,236	679

Comments

- The adjacent table describes the pro forma income statement of the combined company for January-June 2022
- Financials in Meriaura column describe the business assuming that the combination and ownership changes had taken place already 1 January 2022
 - Financials are not comparable with Meriaura Oy's historical financials
 - Described financials illustrate the fleet transferring in the combination (financial impact of sold vessels⁽¹⁾ eliminated)
 - Financials in Meriaura column include the business of VG EcoFuel, transferred to Meriaura Oy from Aura Mare Oy
 - Financials include the borrowing costs from Business Finland loans, transferred to Meriaura Oy from VG-Shipping Oy

1) Mirva and Polaris sold before the transaction

Strong balance sheet acts as the basis for future growth

Capital structure 30 September 2022

Thousand euros	30 September 2022
Current liabilities	
Guaranteed	0
Secured	2,549
Unguaranteed/unsecured	593
Total current liabilities	3,142
Non-current liabilities	
Guaranteed	0
Secured	15,284
Unguaranteed/unsecured	2,570
Total non-current liabilities	17,854
Equity	
Share capital	470
Other reserves	83,920
Retained earnings including net profit	-49,586
Total equity	34,804

Net debt 30 September 2022

Thousand euros	30 September 2022
A) Cash	6,309
B) Other cash equivalents	0
C) Readily realisable securities	193
D) Total liquidity (A+B+C)	6,502
E) Short-term financial receivables	484
F) Current bank liabilities	0
G) Current portion of long-term debt	2,549
H) Other current liabilities	642
I) Total short-term liabilities (F+G+H)	3,191
J) Net short-term debt (I-E-D)	-3,795
K) Long-term bank loans	15,527
L) Bonds/convertible loans issued	0
M) Other long-term loans	2,570
N) Long-term debt (K+L+M)	18,097
O) Net indebtedness (J+N)	14,303

VG-Shipping to become a committed anchor owner

Largest shareholders of the combined entity

(7 November 2022)

Shareholder	Number of shares	Ownership	Votes
VG-Shipping Oy	562,192,295	71.8%	71.8%
Avanza Pension	5,058,726	0.6%	0.6%
Jokinen Jukka	4,400,000	0.6%	0.6%
Geust Johan Niklas Erik	4,063,112	0.5%	0.5%
Hellén Stefan Andreas	3,632,500	0.5%	0.5%
Hybrid Consulting Oy	3,571,428	0.5%	0.5%
Lilja Ansa Anitta	3,167,264	0.4%	0.4%
Pyykönen Riku Tapani	2,300,000	0.3%	0.3%
Sjöblom Katri Pauliina	2,143,036	0.3%	0.3%
Nordnet Pensionsförsäkring AB	2,091,217	0.3%	0.3%
Others	190,104,109	24.3%	24.3%
Total	782,723,687	100.0%	100.0%

Comments

- Along with the transaction (and after directed share issue related to T09 guarantee), VG-Shipping will become the largest shareholder in the company with approximately 72% ownership
 - VG-Shipping is owned by: Jussi Mälkiä 51%, Aura Mare Oy (wholly-owned by Jussi Mälkiä) approx. 34%, Riinu Walls approx. 10%, other individuals approx. 5%
- In VG-Shipping, Savosolar gets a long-term, committed anchor owner with a strong track record in successful business development in marine logistics and the production and utilisation of renewable energy
 - VG-Shipping aims to decrease its ownership from current levels in the future

Table above describes the company's largest shareholders as stated by Euroclear on 7 November 2022 and includes the known changes to be realised along with the transaction and the directed share issue related to T09 guarantee

Proposed Board of Directors and Management of the combined company

Board of Directors



Kirsi Suopelto
Chairperson of the Board
Master of Laws, MBA



Eero Auranne
Vice chairman of the Board
Master of Science (Technology)



Jussi Mälkiä
Board Member (CoB, Meriaura)
Master mariner



Ari Virtanen
Board Member
Engineer, MBA



Eljas Repo
Board Member
Master of Social Sciences



Ville Jussila
Board Member
Master of Science (Economics and Business Administration)

Management



Jari Varjotie
Chief Executive Officer
Master of Science (Technology)



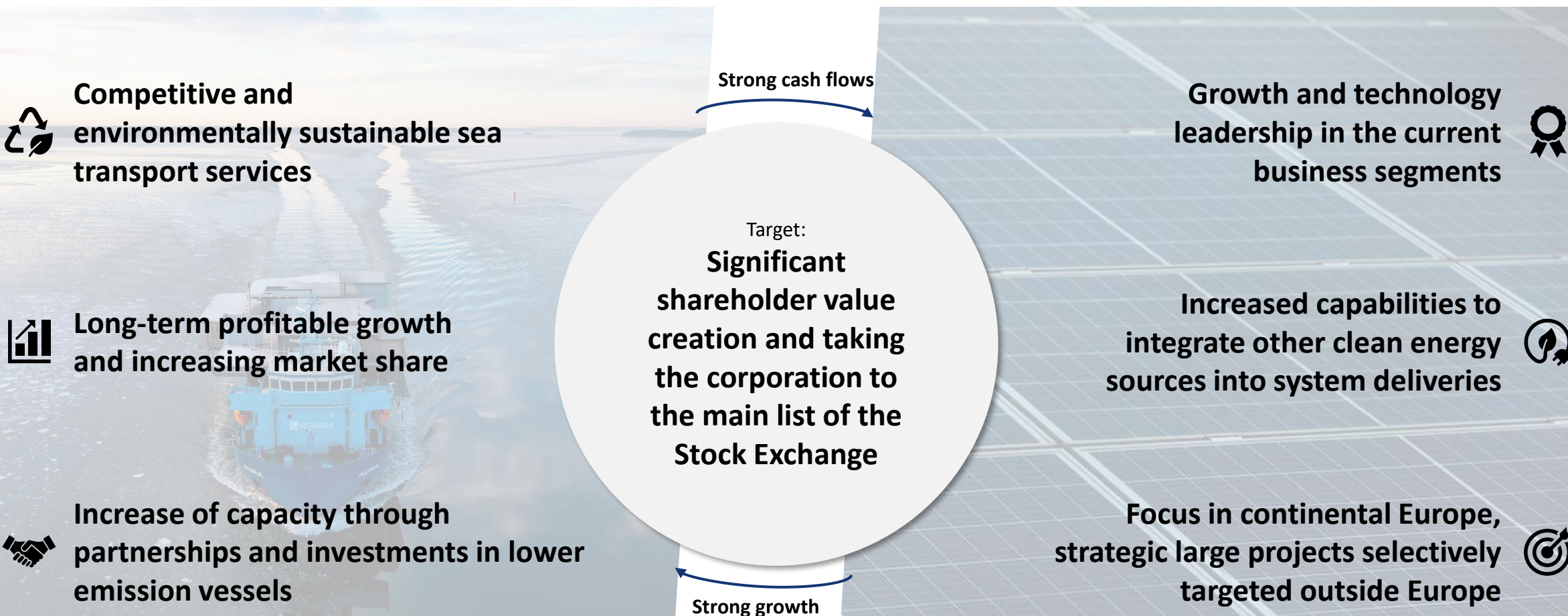
Heikki Timonen
Chief Financial Officer
Master of Science (Economics and Business Administration)



Bengt-Erik Rosin
Managing Director, Marine Logistics
Master of Science (Agriculture),
Bachelor of Science (Economics and Business Administration)

Marine logistics will complement the fast-growing renewable energy business with steady cash flows

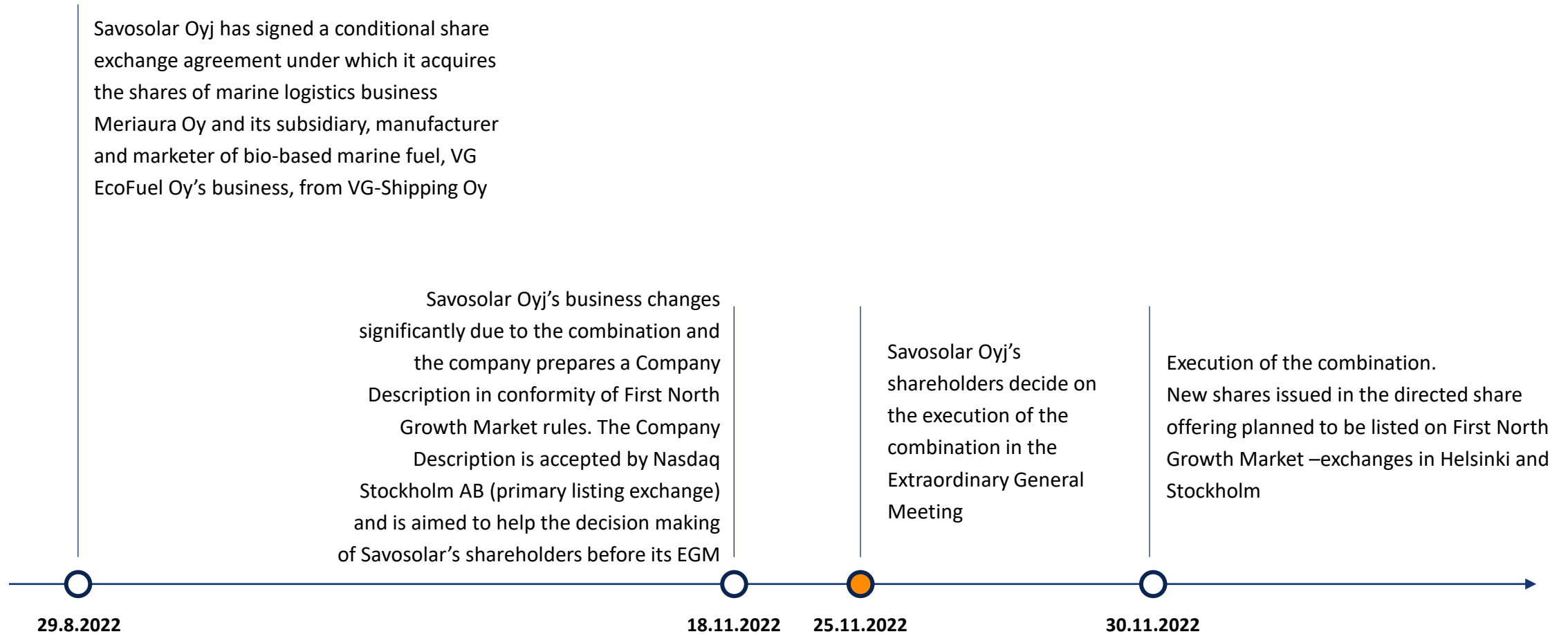
The strategy of the combined company will centre around accelerating the green transition of our customers





3. Execution of the combination

Timetable



Additional information

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Important information

This presentation (the “Presentation”) has been drawn up by Savosolar Oyj, BIC 2309682-6 (“Savosolar” or the “Company”), due to the Company's acquisition of all shares in Meriaura Oy, corporate registration number 0669579-8 (“Meriaura”), which owns all shares in VG-EcoFuel Oy, corporate registration number 270001-5 (“VG-EcoFuel”) through a share exchange. Augment Partners AB, corporate registration number 556585-1267 (“Augment”), is the Company’s Certified Adviser.

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