

Savosolar Plc

Financial statement release, Insider information

6 March 2023 at 8.30 a.m. (CET)

Savosolar Plc's financial statement release 1 January – 31 December 2022

Consolidated key figures and significant events in October–December 2022

- Revenue amounted to EUR 5.7 million (October–December 2021: EUR 0.3 million¹).
- The operating result (EBIT) amounted to EUR 0.2 million (EUR -1.3 million).
- A company description of the merging company for its continued listing was published on 18 November 2022.
- The Extraordinary General Meeting of 25 November 2022 approved the merger with Meriaura Oy.
- The merger with Meriaura Oy through an exchange of shares was completed as planned on 30 November 2022.
- Meriaura Oy's figures have been merged with the Savosolar group from the beginning of December 2022. The Group's official financials are not directly comparable to 2021. Table 2 shows the key figures of the combined Group pro forma 2022.

Consolidated key figures in January–December 2022

- Revenue amounted to EUR 8.6 million (2021: EUR 2.5 million).
- The operating result (EBIT) amounted to EUR -3.8 million (EUR -4.6 million).
- The net profit for the period was EUR -4.1 (-5.8) million.
- Basic earnings per share were EUR -0.017 (-0.066). Diluted earnings per share were EUR -0.015 (-0.021).
- Cash and cash equivalents totalled EUR 3.8 (4.1) million on 31 December 2022.
- The equity ratio was 55% (81%) on 31 December 2022.

¹ The comparative figures for the financial year 2021 presented in the Group's key figures and later in this financial statement release are Savosolar Oyj's previously announced financial figures, unless otherwise stated.

Meriaura key figures in January-December 2022

- Revenue amounted to EUR 69.3 million (2021: EUR 52.9 million).
- Operating result (EBIT) amounted to EUR 9.6 million (EUR 4.2 million).
- Net profit was EUR 8.7 million (EUR 4.2 million).
- Equity ratio on 31 December 2022 was 57 (38) %.



MANAGING DIRECTOR JARI VARJOTIE:

“At the beginning of 2023, Savosolar is a very different group from what it was a year earlier. Alongside its solar thermal business operations, the renewed Savosolar Group offers sustainable maritime transport, and its operations also include the production and sale of biofuels. This biofuel made from recycled materials is used on the company’s ships.

The new Savosolar has two business areas: Renewable Energy and Marine Logistics. Meriaura, a provider of sustainable low-carbon marine transport, merged with Savosolar at the end of November in response to the increased demand for solutions based on renewable energy and the deficiency in the supply required for the green transition.

Meriaura, a company that has grown stably and profitably, is a pioneer in its field in the provision of low-carbon maritime transport in the Baltic Sea and the North Sea. Meriaura’s growth and profitability are driven by its competitive fleet, long-term customer relationships and strong market position in selected market segments in bulk cargo and special project transport.

The merger was carried out through an exchange of shares with VG-Shipping Oy (Meriaura Invest Oy since 17 February 2023). In the merger, Meriaura, owned by VG-Shipping, became a subsidiary of Savosolar, and VG-Shipping became the largest shareholder in Savosolar, with a holding of around 70%.

The merged Savosolar has a stronger balance sheet and cash flow, which accelerates business expansion in solar heat, low-carbon marine logistics and other projects promoting the green transition. Our new principal owner is strongly involved in supporting growth in both business areas, and the integration of the new Group’s operations is progressing as planned.

The Savosolar Group’s revenue grew significantly in 2022 and was EUR 8.6 million. Around 44% of its revenue came from renewable energy and around 56% from marine logistics. All our revenue in 2021 came from renewable energy. Compared with 2021, our full-year revenue increased by 51% in 2022. The full-year result was negative, but profitability developed favourably in projects and because of the merger of Meriaura. However, Meriaura’s figures only had an impact on December. The consolidated operating result in 2022 amounted to EUR -3.8 (-4.6) million.

The figures reported for 2022 include the Renewable Energy business (Savosolar’s former solar thermal business) for 12 months and Meriaura marine logistics business for December. Marine Logistics also includes the biofuel business of VG-EcoFuel, which became part of the Group in connection with the merger.

In the renewable energy market, the interest in solar heat remained strong throughout the year and increased towards the end of the year. In addition to stricter climate targets, the increase was driven by the need for energy self-sufficiency, particularly in Europe, and by the dramatic fluctuation of the prices of fossil fuels and higher emission allowance fees. The growing use of biomass has caused its price to rise and reduced its availability, which makes solar heat and biofuels an increasingly interesting combination. In the future, Savosolar will be able to offer more customised comprehensive deliveries of renewable energy and possibly participate in energy production.

A number of large solar thermal systems for industrial processes and district heating are being planned in Europe. In the turbulent energy situation the final investment decisions were not made during 2022 as was expected. Higher prices and financial costs have also made decision-making slower.



In the Renewable Energy business, the most significant order in 2022 was a delivery agreement with Newheat SAS on a solar thermal system of around 15,000 square metres and around EUR 3.0 million for process heating in the food industry in Verdun, France. The delivery is the largest solar thermal system to be built for heating industrial processes in Europe so far. In 2022, Savosolar also signed a delivery agreement with the La Caridad mine in Sonora, Mexico. For us, this agreement is an important entry into the mining industry and Latin America, where the mining industry is eagerly looking for renewable and clean energy sources for the production of electricity and heat for its processes.

For Meriaura, the year 2022 was one of the best years in financially and in terms of operations. Around two thirds of Meriaura's revenue came from its bulk business, of which around 70% was related to contract customers' cargo. Project logistics accounted for around a third of revenue. The utilisation rate of deck cargo carriers in project logistics transport was high throughout the year. Transport of wind turbines, harbour cranes and ship blocks, for example, was carried out in the review period. For 2023, the outlook for both project cargo and bulk business is good. The production of and demand for biofuels also developed favourable, and we expect the good development to continue also in 2023.

The new Savosolar Group, which was created through the merger of the old Savosolar and Meriaura, has a more extensive offering, more broad-based expertise and stronger resources. Over the past three months, we have already begun to see how we, as a merged company, can develop and expand our business operations so that they cover a growing part of our current and future customers' needs for clean energy and low-carbon marine logistics. The merger also supports our goals to grow profitably and more rapidly in both business areas. In addition, it enables our shareholders to become more broadly involved in the growth market for renewable energy."

SAVOSOLAR AS A COMPANY

Savosolar Plc is a Finnish limited liability company listed on Nasdaq First North Growth Market Sweden and Nasdaq First North Growth Market Finland.

On 29 August 2022, Savosolar Plc announced that it had signed a conditional share exchange agreement with VG-Shipping Oy (Meriaura Invest Oy since 17 February 2023) to acquire all the shares in Meriaura Oy, a marine logistics company, and the business operations of VG-EcoFuel Oy, a producer and marketer of biofuels. The exchange of shares was completed on 30 November 2022.

Since 1 December 2022, the Savosolar Group has two business areas: Renewable Energy and Marine Logistics. The Renewable Energy business consists of the business operations of Savosolar Oyj. Renewable Energy designs and delivers clean energy production systems as comprehensive deliveries. The systems are built around large-scale solar heating systems implemented using high-performance solar thermal collectors manufactured by the company. Other energy production and storage solutions can be flexibly combined with the systems. The company has taken the use of large solar thermal systems to a new level with its patented technology based on optically coated direct flow absorbers. With this leading technology, Savosolar enables its customers to produce clean and competitive energy.

The Marine Logistics business consists of the business operations of Meriaura Oy and VG-EcoFuel Oy. Meriaura is a major provider of transport for bulk cargo and demanding project deliveries in Northern Europe, especially in the Baltic Sea and North Sea regions. Around two thirds of Meriaura's revenue come from dry cargo, or bulk



cargo, and around one third comes from project deliveries. The company focuses on environmentally sustainable marine transport services that reduce carbon emissions from marine transport. Its environmentally friendly solutions are based on long-term affreightment agreements, a modern fleet and a strong market position in renewable energy construction projects. VG-EcoFuel Oy produces recycled biofuels from bio oils and recycled oils generated as industrial by-products.

Savosolar Plc is domiciled in Mikkeli. It also has locations in Vantaa, France and China, wholly owned subsidiaries in Denmark and Germany, and a collector production plant in Mikkeli. Meriaura Oy is domiciled in Turku.

MERGER WITH MERIAURA OY

On 29 August 2022, Savosolar Plc announced that it had signed a conditional share exchange agreement with VG-Shipping Oy to acquire all the shares in Meriaura Oy, a marine logistics company, and the business operations of VG-EcoFuel Oy, a producer and marketer of biofuels.

The transaction was implemented through a directed share issue to VG-Shipping Oy, which owns all the shares in Meriaura Oy. Meriaura's revenue was EUR 33.2 million in the first half of 2022, and its operating profit was EUR 4.1 million. Its number of personnel was 148. Its revenue increased by 30% year-on-year. VG-EcoFuel's revenue was EUR 0.6 million in the first half of 2022, and its operating profit was EUR 0.02 million. Its revenue increased by 30% year-on-year. In accordance with the share exchange agreement, Meriaura Oy and VG-EcoFuel Oy had a maximum of EUR 21 million in interest-bearing debt and a minimum of EUR 4.4 million in cash at hand and in bank at the time of the transaction.

Following the guarantee related to the share exchange agreement and VG-Shipping's 2-2021 option rights in Savosolar Plc and the directed share issue, the holding of Savosolar's previous shareholders in the new group of companies after the share exchange agreement was around 28%, and VG-Shipping's holding was around 72%.

On 18 November 2022, Savosolar Plc published a company description related to the acquisition of all the shares in Meriaura Oy. The company description is available on the company's website at <https://savosolar.com/investors/share/meriaura-merger/>

ACCOUNTING PRINCIPLES FOR THE FINANCIAL STATEMENTS RELEASE

This financial statement release is unaudited. The release has been prepared in accordance with the Finnish Accounting Standards (FAS) by applying the same principles as in the 2021 financial statements. The comparison figures refer to the corresponding period in 2021, unless otherwise indicated.

Since 1 December 2022, the Savosolar Group has had two business areas: Renewable Energy and Marine Logistics. Before that, the Group's business operations consisted entirely of renewable energy business operations. To facilitate the comparison of the Group's business performance, key pro forma figures for the full financial year and for January–June 2022 and July–December 2022 are presented in Table 2. The pro forma table thus provides information about the Group as a whole and the corresponding figures separately for both its business areas if they had been part of the Savosolar Group throughout the 2022 financial year.

DEVELOPMENT OF BUSINESS OPERATIONS IN 2022
Consolidated key figures by review period (Table 1)¹

(EUR 1,000)	Oct–Dec 2022	Oct–Dec 2021	Jul–Dec 2022	Jul–Dec 2021	Jan–Dec 2022	Jan–Dec 2021	Change (%)
Revenue, Group	5,701	329	6,503	869	8,635	2,497	245.8
Renewable Energy	844	329	1,646	869	3,778	2,497	
Marine Logistics	4,857		4,857		4,857		
Operating profit/loss (EBIT), Group	-236	-1,336	-1,332	-2,353	-3,763	-4,554	17.4
Renewable Energy	-747	-1,336	-1,843	-2,353	-4,274	-4,554	
Marine Logistics	511		511		511		
Profit/loss for the period, Group	-353	-2,235	-1,510	-3,439	-4,067	-5,772	29.6
Renewable Energy	-801	-2,235	-1,958	-3,439	-4,515	-5,772	
Marine Logistics	448		448		448		
Earnings per share, EUR, basic	-0.001	-0.017	-0.005	-0.033	-0.017	-0.066	74.2
Earnings per share, EUR, diluted	-0.001	-0.008	-0.004	-0.012	-0.015	-0.021	28.6

¹ The Group's figures include Marine Logistics (Meriaura Oy) only in December 2022. October–December 2022 are rough figures, as no actual Group consolidation has been done for the third quarter.

Revenue January–December 2022

Since 1 December 2022, the Savosolar Group has two business areas, which are reported as separate business segments: Renewable Energy and Marine Logistics. Before that, the Group's business operations consisted entirely of renewable energy business operations.

The Group's revenue for the full year 2022 amounted to EUR 8.6 (2.5) million. Of its full-year revenue, EUR 3.8 million, or around 44%, came from Renewable Energy, and EUR 4.9 million, or around 56%, came from Marine Logistics.

Revenue in October–December 2022

The Group's revenue in the fourth quarter amounted to EUR 5.7 (0.3) million. Of its fourth-quarter revenue, EUR 0.8 million, or around 14%, came from Renewable Energy, and EUR 4.9 million, or around 86%, came from Marine Logistics.

The Marine Logistics segment's revenue increased the Group's full-year revenue significantly, although Marine Logistics was part of the Group only in December. The full-year pro forma figures for Marine Logistics and Renewable Energy are presented in Table 2.

Pro forma key figures by business area (Table 2)

(EUR 1,000)	Jan–Dec 2022	Jul–Dec 2022	Jan–Jun 2022
Revenue, Group	73,209	38,031	35,179
Renewable Energy	3,778	1,647	2,132
Marine Logistics	69,431	36,384	33,047
Operating profit/loss (EBIT), Group	5,198	3,944	1,254
Renewable Energy	-4,274	-1,843	-2,431
Marine Logistics	9,472	5,787	3,685
Profit/loss for the period, Group	4,033	3,354	679
Renewable Energy	-4,515	-1,958	-2,557
Marine Logistics	8,548	5,312	3,236
Equity ratio, %, Group	55%	55%	50%

Main events in reporting period

In March 2022, Savosolar signed an agreement with Newheat SAS on the delivery of a solar thermal field of around EUR 3 million to Verdun, France. Once completed, the system will produce heat for Lactalis Group's whey powder factory, and will be the largest solar heating system in France for industrial process heat. The system was delivered to the customer in late 2022 and is expected to be commissioned in the spring of 2023. In June 2022, Savosolar signed an agreement with Jorgensen Thermal Solutions ApS on the delivery of a solar thermal field to the La Caridad mine in Sonora, Mexico. Jorgensen serves as the main contractor in the project. Once completed, the solar thermal field will supply process heat for a mining facility of Mexicana De Cobre S.A. The value of the delivery for Savosolar is around EUR 0.2 million. The field was delivered to the customer in late 2022 and will be commissioned in 2023. For Savosolar, the agreement is an important entry into the mining industry and Latin America, where the mining industry is eagerly looking for renewable and clean energy sources for the production of electricity and heat for its processes.

The solar thermal system delivered to Guangzhou Power Supply Bureau, Guangdong Power Grid Co. in China in 2021 was commissioned in June.

Renewable Energy's order backlog at the end of the financial year stood at around EUR 0.3 (0.4) million. At the end of the financial year, the value of active sales identified for the coming few years was around EUR 173 (138) million, of which projects in the planning and tendering phase accounted for around EUR 42 (15) million.

The turnover and the profitability of Meriaura Oy clearly improved from the previous year. The improvement derives above all from the bulk business, which benefitted from high demand, well-constructed client portfolio and improved utilisation rates. Favourable demand in the on-the-spot market and the higher fuel prices stimulated a clear increase in price levels of freight rates compared to the previous year.



In the project cargo, the profitability also improved slightly, despite the planned docking of project cargo vessels at the beginning of the year, and the accident of M/S Meri in November. The positive development is mainly based on long-term partnerships and special skills in transportation of wind turbines, harbour cranes and ship blocks.

Meriaura's bulk-business comprises of both own vessels and vessels hired from partners outside the company. Meriaura has spread the risks related to hired tonnage by collaborating with several different shipowners. The forward contracts, pertaining to chartered vessels, with owners outside the Group have also been spread. The contract periods for hired tonnage vary from one to five years. Fuel clauses have been included in long-term transportation contracts.

For 2023, the outlook for both project cargo and bulk business are good. The demand for services in both segments is expected to stay above the long-term average. Significant part of the company's orderbook comprises of cargo not very sensitive to economic fluctuations, such as fertilisers, feed raw materials, crops, minerals and renewable energy. The demand for project cargo transportation is expected to continue steadily, and investments in renewable energy, especially, are expected to increase.

The company invests heavily in reducing the environmental impact of its operations and has demonstrated to be a pioneer in developing and commercializing solutions that reduce burden on the environment. Competitive edge is pursued through development of vessel concepts and fuel solutions. As an example, Meriaura signed a letter of intent together with Green NorthH2 and Wärtsilä in September 2022 for designing and building a cargo vessel that uses "green ammonia" as fuel.

In addition to the quality and environmental management systems already in use in the company and the vessels, Meriaura decided to begin preparations for using an environmental management system that conforms to the ISO 14001 standard. Decisions were also made to introduce the ISAE3000 standard to substantiate the company's use of biofuel based on the EcoVoy concept.

Costs and earnings

The Savosolar Group's operating result (EBIT) for 2022 amounted to EUR -3.8 (-4.6) million. Its operating result (EBIT) for the fourth quarter was EUR -0.2 (-1.3) million.

The costs related to materials and services in 2022 totalled EUR 6.6 (2.4) million.

Personnel costs amounted to EUR 3.2 (2.2) million. Other operating expenses totalled EUR 2.6 (2.1) million.

Depreciation for the financial year includes revenue from the group reserve EUR 0.5 million.

Net financial income and expenses amounted to EUR -0.3 (-1.2) million.

The net profit for the financial year stood at EUR -4.1 (-5.8) million. Basic earnings per share were EUR -0.017 (-0.066), and diluted earnings per share were EUR -0.015 (-0.021).

Financing

Savosolar Plc's balance sheet total stood at EUR 64.4 (8.2) million on 31 December 2022. Inventories stood at EUR 3.4 (1.9) million. Cash at hand and in bank at the end of the financial year totalled EUR 3.8 (4.1) million.



Current receivables totalled EUR 6.2 (0.8) million, of which trade receivables accounted for EUR 3.3 (0.5) million.

Equity stood at EUR 35.4 (6.5) million. The equity ratio was 55.0 (81) %.

Liabilities amounted to EUR 28.8 (1.5) million, of which EUR 17.3 (0.1) were non-current and EUR 11.4 (1.3) million were current liabilities. Trade payables accounted for EUR 3.4 (0.6) million of the current liabilities. Accruals and deferred income accounted for EUR 3.5 (0.4) million of the current liabilities.

Cash flow from operating activities was EUR -5.4 (-6.0) million, and cash flow from investing activities was EUR -28.0 (0.0) million. Cash flow from financing activities was EUR 33.1 (7.6) million. The Savosolar Group's cash and cash equivalents totalled EUR 3.8 (4.1) million on 31 December 2022.

Investments and product development

Investments in the financial year totalled EUR 28.0 (0.0) million. Investments of the parent company totalled EUR 31.6 million, of which EUR 31.4 million was related to the acquisition of Meriaura Oy and EUR 0.2 was related to production. The Savosolar Group's production capacity for solar heat collectors enables EUR 25–30 million in revenue in Renewable Energy with the current business model.

Management and personnel

At the end of the financial year, the Savosolar Group had 172 (34) employees: 35 (34) in Renewable Energy and 137 in Marine Logistics.

On 31 December 2022, the Savosolar Group's Executive Management Group consisted of the following members: Jari Varjotie, Managing Director; Beppe (Bengt-Erik) Rosin, Managing Director, Meriaura Oy; Kirsi Suopelto, Vice President, Strategy; and Heikki Timonen, CFO.

Beppe Rosin, Managing Director of Meriaura Oy, was appointed as a member of the Executive Management Group in connection with the merger of Savosolar and Meriaura on 1 December 2022. Kirsi Suopelto was appointed as Vice President, Strategy, and a member of the Executive Management Group on 8 December 2022.

Business development

During the financial year, Savosolar continued to develop its renewable energy products and offering by strengthening its ability to integrate various clean sources of heat, for example. Towards the end of the year, its operational development focused on integrating the operations of the merged Group and analysing the strategic growth opportunities enabled by the new Group structure.

RESOLUTIONS OF SAVOSOLAR PLC'S GENERAL MEETINGS

Annual General Meeting on 26 April 2022

Savosolar Plc's Annual General Meeting (AGM) was held in Helsinki on 26 April 2022. The AGM adopted the financial statements for 2021 and decided that the loss for the financial year (EUR -5,772,019.07) be carried over to the retained earnings/losses account and that no dividend be paid.



The AGM decided that the members of the Board of Directors be paid the following fees for their term: EUR 21,600 for the Chair of the Board and EUR 10,800 for each of the other members of the Board.

Around 40% of the fees will be paid to the members of the Board by issuing new shares in the company based on the authorisation granted to the Board, and around 60% in cash. Concerning the proportion of the fees to be paid in shares, the number of shares will be based on the value of the company's share on First North Growth Market Finland. The volume-weighted average price of the share over the two (2) weeks immediately following the publication date of Savosolar Plc's half-year report for 1 January to 30 June 2022 will be used as the value of the share.

The AGM re-elected Feodor Aminoff, Eero Auranne, Mikael Lemström and Ari Virtanen as members of the Board of Directors and elected Eljas Repo as a new member of the Board. At its inaugural meeting, the Board of Directors elected Eero Auranne as Chair of the Board.

The Board of Directors decided that the auditor's fees will be paid against a reasonable invoice accepted by the company. The auditing firm Tilintarkastus Inkeröinen & Himanen Oy was elected as the company's auditor, with Juho Himanen, Authorised Public Accountant, as the principal auditor.

Extraordinary General Meeting on 25 November 2022

Savosolar Plc held an Extraordinary General Meeting (EGM) in Helsinki on 25 November 2022. In accordance with the Board of Directors' proposal, the EGM made the following decisions concerning the acquisition of Meriaura Oy through an exchange of shares, in which shares in Savosolar are used as consideration.

The EGM authorised the Board of Directors to decide on the issue of new shares in Savosolar Plc in a directed share issue in deviation from the shareholders' pre-emptive right under the Limited Liability Companies Act. The directed share issue was related to the exchange of shares through which Savosolar Plc acquired all the shares in Meriaura Oy. Meriaura Oy owns all the shares in VG-EcoFuel Oy (Biolaite Oy until 7 December 2022). The shares will be issued to be subscribed for by VG-Shipping Oy in accordance with the share exchange agreement between Savosolar Oyj and VG-Shipping Oy, the only shareholder in Meriaura Oy. The subscription price will be paid in consideration in kind consisting of the entire share capital of Meriaura Oy. Based on the authorisation, the Board of Directors may issue a maximum of 547,906,581 new shares in Savosolar to VG-Shipping Oy in a directed share issue. The new shares to be issued correspond to around 70.0% of all the shares in Savosolar following the implementation of the exchange of shares. The authorisation was valid until 31 December 2022.

The EGM decided to authorise the Board of Directors to decide on share issues in one or more instalments and on the issue of option rights and other special rights entitling their holders to shares under chapter 10, section 1 of the Limited Liability Companies Act as follows: The maximum number of shares to be issued based on the authorisation is 295,000,000, including a directed issue of a maximum of 17,857,142 new shares in the company to VG-Shipping Oy or parties determined by VG-Shipping Oy under the subscription guarantee related to the 2-2021 option rights (TO9) in Savosolar. The Board of Directors decides on all the terms and conditions of share issues and the issue of options and other special rights entitling their holders to shares. Shares may be transferred either against payment or free of charge in the company's share issues. The authorisation is valid until 30 June 2024 and revokes the authorisation granted by the EGM on 1 October 2021.



The EGM decided to approve the exchange of shares and authorise the Board of Directors to take the other necessary measures and confirm its implementation.

In addition, in accordance with the Board's proposal, the EGM decided to amend Section 2 ("Line of Business") of Savosolar Plc's Articles of Association as follows: "Section 2 Line of Business The company's line of business is to conduct business operations related to maritime logistics and solar and other renewable energy. The company may have investment activities. The company can operate directly or through its subsidiaries or associated companies."

In accordance with the Board of Directors' proposal, the EGM decided that the Board's fees determined by the AGM on 26 April 2022 remain unchanged with the following exceptions: the members leaving the Board are entitled to 7/12 of the fees determined, and the new members of the Board are entitled to 5/12 of the fees determined. Accordingly, the current Chair of the Board is entitled to 7/12 of the fees determined to be paid to the Chair and 5/12 of the fees for the other members of the Board. The new Chair of the Board is entitled to 5/12 of the fee determined to be paid to the Chair.

In accordance with the Board of Directors' proposal, the EGM decided that six (6) members be elected to the Board. Eero Auranne, Ari Virtanen and Eljas Repo were re-elected as members of the Board, and Kirsi Suopelto, Jussi Mälkiä and Ville Jussila were elected as new Board members. The composition of the Board was conditional on the implementation of the share exchange. The new Board elected Kirsi Suopelto as Chair of the Board and Eero Auranne as Vice Chair.

BOARD OF DIRECTORS AND AUDITOR

Until 30 November 2022, Savosolar Plc's Board of Directors consisted of the following members: Eero Auranne (Chair), Feodor Aminoff, Mikael Lemström, Eljas Repo and Ari Virtanen. All the members of the Board are independent of the company and its major shareholders.

From 30 November 2022 onwards and on 31 December 2022, Savosolar Plc's Board of Directors consisted of the following members: Kirsi Suopelto (Chair), Eero Auranne (Vice Chair), Ville Jussila, Jussi Mälkiä, Eljas Repo and Ari Virtanen. Of the Board members, Eero Auranne, Eljas Repo and Ari Virtanen are independent of the company and its major shareholders. Kirsi Suopelto is independent of the company's major shareholders, but not of the company. Ville Jussila is independent of the company's major shareholders, but not of the company. Jussi Mälkiä is not independent of the company or its major shareholders.

The auditing firm Tilintarkastus Inkeröinen & Himanen Oy (Saimaa Audit Oy since 7 November 2022) has served as the company's auditor, with Juho Himanen, APA, as the principal auditor.

On 31 December 2022, the members of the Board of Directors and the Managing Director held, either directly or through their controlled entities, a total of 548.133.799 shares in Savosolar Plc, or 69.99% of all the shares and votes in the company.



RELATED PARTY TRANSACTIONS

Meriaura Oy time chartered a vessel name Ramona from VG-Shipping Oy (from 17 February 2023 Meriaura Invest Oy) and took care of its technical service until end of December. VG-Shipping Oy sold the Ramona vessel at the end of 2022 to Meriaura at fair value. In December, Meriaura Oy had and still has market-based land lease agreements with Skogby Strand and VG-Port Oy.

Meriaura Oy performed in December 2022 and continues to perform and sell monthly 2023 small-scale administrative services to VG-Shipping Oy at fixed prices. In addition, Meriaura Oy has a cooperation agreement between Aura Mare Oy and EcoPorts Finland Oy, which are not part of the Savosolar Group, for consulting and stevedoring. Related party actions did not have a significant impact on Meriaura Oy or Savosolar Group December turnover or result.

SHARE

Number of shares

Savosolar has one series of shares. Its number of shares on 31 December 2022 was 783,135,875 (31 December 2021: 165,187,636). Each share carries one vote at the general meeting of shareholders. The company does not hold any treasury shares. The average number of shares during the financial year was 474,161,756 (88,002,694).

During the financial year, the number of shares increased by 617,948,239 new shares, of which 547,906,581 shares were related to the acquisition of all the shares in Meriaura Oy through an exchange of shares, 17,857,142 shares were related to the directed share issue carried out based on the guarantee granted by VG-Shipping for the 2-2021 option rights, and 412,188 shares were related to the Board's share rewards. Following the share subscriptions under the 1-2021 option rights, the number of shares increased by 33,991,820 new shares, which were entered into the Trade Register on 8 April 2022. Following the share subscriptions under the 2-2021 option rights, the number of shares increased by 17,780,508 new shares, which were entered into the Trade Register on 3 October 2022.

Current option programmes

Savosolar currently has one option programme in place: the 3-2021 option programme (option rights TO10), with a subscription period from 20 March to 31 March 2023. The 3-2021 option programme includes 38,719,767 option rights, each of which entitles its holder to subscribe for one new share in Savosolar Plc. The share subscription price is the company's volume-weighted average share price, less 25%, on First North Growth Market Finland between 6 March and 16 March 2023. However, the subscription price may not exceed EUR 0.13 per share. The SEK-denominated subscription price will be determined based on the Swedish Riksbank's EURSEK rate one business day prior to the start date of the subscription period.



Directed share issue

On 30 November 2022, based on the authorisation granted by the Extraordinary General Meeting on 25 November 2022, Savosolar's Board of Directors decided to carry out a directed share issue through which 547,906,581 new shares in Savosolar Plc were offered to be subscribed for by VG-Shipping Oy at a total subscription price of EUR 30.0 million. VG-Shipping Oy has subscribed for the shares and has paid the subscription price in consideration in kind by transferring its 3,012 shares in Meriaura Oy to Savosolar. The shares represent 100% of all the shares and votes in Meriaura Oy. Meriaura Oy owns all the shares in VG-EcoFuel Oy (Biolaite Oy until 9 December 2022). The shares in Savosolar issued in the exchange of shares are subject to a lock-up for 12 months from the date of execution of the share exchange. The lock-up did not apply to the sale of shares to Hybrid Consulting Oy that took place on 27 December 2022.

In addition, based on the authorisation granted by the Extraordinary General Meeting on 25 November 2022, Savosolar's Board of Directors decided to carry out a directed share issue to VG-Shipping Oy and Hybrid Consulting Oy related to the EUR 1,000,000 guarantee given by VG-Shipping Oy as part of the share exchange agreement. The directed share issue concerned the subscription of shares, in accordance with the terms and conditions of the original option programme, that had not been subscribed for under the 2-2021 option programme (TO9). A total of 17,857,142 new shares in Savosolar Plc were offered to be subscribed for. Of this total, VG-Shipping Oy subscribed for 14,285,714 shares, and Hybrid Consulting Oy subscribed for 3,571,428 shares. The subscription price was EUR 0.056 per share, which corresponds to the subscription price used in the 2-2021 option programme.

Following these share issues, the total number of shares in Savosolar Plc increased from 216,959,964 to 782,723,687. The shares subscribed for in the share issues were entered into the Trade Register on 2 December 2022, and trading in the new shares on Nasdaq First North Growth Market Sweden and Nasdaq First North Growth Market Finland began on 5 December 2022. The shares in Savosolar issued in the exchange of shares are subject to a lock-up for 12 months from the date of execution of the share exchange. The lock-up did not apply to the sale of shares to Hybrid Consulting Oy that took place on 27 December 2022.

Directed share issue related to the Board of Directors' fees

On 12 December 2022, in accordance with the resolutions of the Annual General Meeting on 26 April 2022 and the Extraordinary General Meeting on 25 November 2022, the Board of Directors decided to carry out a directed share issue as part of the Board members' remuneration arrangements. The company issued a total of 412,188 new shares to be subscribed for by the members of the Board without consideration. When calculating the number of shares, the volume-weighted average price of the company's share on First North Growth Market Finland between 18 August and 31 August 2022 was used as the value per share (around EUR 0.06725). The shares were entered into the Trade Register on 28 December 2022, and trading in the shares began on 29 December 2022.

The Board of Directors' current authorisation to issue shares

The Extraordinary General Meeting on 25 November 2022 decided to authorise the Board of Directors to decide on share issues in one or more instalments and on the issue of option rights and other special rights entitling their holders to shares under chapter 10, section 1 of the Limited Liability Companies Act as follows:



The maximum number of shares to be issued based on the authorisation is 295,000,000, including a directed issue of a maximum of 17,857,142 new shares in the company to VG-Shipping Oy or parties determined by VG-Shipping Oy under the guarantee granted by VG-Shipping Oy related to the 2-2021 option rights (TO9) in the company. Shares may be transferred either against payment or free of charge in the company's share issues. The authorisation is valid until 30 June 2024 and revokes the authorisation granted by the EGM on 1 October 2021. Of the authorisation, 276,730,670 shares remained unused at the end of the financial year.

Trading in the company's shares

During the financial year, the price of Savosolar Plc's share on First North Growth Market Sweden varied between SEK 0.30 and 1.25 (SEK 0.42 and 1.59). The closing price was SEK 0.76 (0.48). On First North Growth Market Finland, the share price varied between EUR 0.030 and 0.117 (EUR 0.044 and 0.158). The closing price was EUR 0.070 (0.048). Savosolar's total trading volume in 2022 was 171,348,887 (84,412,388) shares on First North Growth Market Sweden and 269,847,495 (115,147,890) shares on First North Growth Market Finland. Savosolar Plc had 17 377 (14,931) shareholders on 31 December 2022.

GENERAL RISKS AND UNCERTAINTIES RELATED TO BUSINESS OPERATIONS

Key risks related to the Renewable Energy business

The most significant risks related to the Renewable Energy business of the Savosolar Group are the ability to secure an increasing number of new major delivery projects to achieve growth in line with the strategy and the ability to improve business efficiency through volume growth to achieve profitability in operations. Savosolar continuously aims to improve its operational efficiency and price competitiveness by expanding its offering and reducing the costs of collectors and deliveries, among other means. If the company fails to improve its competitiveness in response to customers' changing needs, its growth and/or profitability may develop negatively in relation to expectations.

Renewable energy is subject to major growth expectations globally. Such expectations may bring new technologies or competitors to the market, and regulations and economic incentives may change significantly.

The war in Ukraine has increased uncertainty concerning the availability and prices of many materials and components. Although Savosolar does not directly use Russian or Ukrainian materials and components in its products, the war may cause the exceptionally high prices of materials and components and the longer delivery times to continue to prevail. If the war is prolonged much further, it may slow the growth of Savosolar's business operations and the improvement of its profitability. On the other hand, the increase in energy prices and the decrease in the use of Russian fossil fuels, as well as the higher need for energy self-sufficiency resulting from the war, are estimated to have a positive impact on the demand for renewable energy, which also facilitates the development of Savosolar's business operations.

Savosolar's Renewable Energy organisation is still relatively narrow, and the company's development is significantly affected by its ability to attract new talent to enable growth and by its management's and key personnel's expertise, experience and commitment.

Key risks related to the Marine Logistics business

The Russian attack on Ukraine and the ensuing geopolitical tensions have reduced the predictability of marine transport. Trade sanctions can have a positive or negative impact on industrial customers' flow of goods and volumes in Marine Logistics.

The transport volumes in Marine Logistics are also generally affected by business cycles. Any prolonged negative business cycles may also have a significant impact on delivery volumes and profitability in Marine Logistics.

In Marine Logistics, the achievement of emission reduction targets requires long-term investments in a more energy-efficient fleet and increased use of alternative, cleaner fuels. Meriaura has successfully invested in new ship types and has carried out long-term research and development to create solutions to enable the use of waste-based biofuel in ships. If the development projects do not turn out to be relevant in terms of customers' changing needs, or if the prices of the low-emission fuels used by Meriaura increase significantly or their quality does not improve as expected, this may have an adverse impact on the growth and financial performance of the Group's business operations.

Risks related to the Group's financial position

Several simultaneous major projects may significantly increase the need for working capital and guarantee facilities in Renewable Energy. The Marine Logistics business may also need significant additional funding to increase its fleet in a competitive manner. A general weakening of the financial markets or stricter regulations in the banking sector may reduce banks' and other financial institutions' opportunities to offer funding options and thereby lead to tighter terms and conditions for financing. Unfavourable changes in the financial markets and/or any steep decline in the Group's financial situation may lead to a situation where the Savosolar Group is unable to secure the funding it needs, which may slow the achievement of growth.

The Board of Directors actively monitors the development of the Group's profitability and cash flow and, together with the Group's management, seeks the best solutions to develop the Group towards profitable long-term business operations that create added value for its shareholders. The Board of Directors continuously assesses the sufficiency of financing as an important part of the Group's growth strategy.

Considering the Group's strong balance sheet and the market outlook for its business operations, the Board is confident that the Group will be able to secure the necessary funding in the form of equity and debt to achieve growth and profitability in line with its strategy. However, it cannot be guaranteed that the volume and profitability of the Group's business operations will grow as expected or that the Group will secure sufficient additional funding on terms and conditions that are favourable enough for its shareholders. If the Group fails to achieve growth and improve its profitability and/or secure additional funding in line with its business needs, the Group may be forced to postpone the implementation of its growth plans or, in the worst case, divest its operations or assets.



STRATEGY AND LONG-TERM GOALS

In Renewable Energy, the goal is to accelerate growth significantly and thereby achieve profitability in business operations. The goal is for Savosolar to be the leading provider of solar thermal systems in the market for district heating and industrial process heating globally. The Renewable Energy business unit will also increase its ability to integrate other sources of clean and renewable energy into its system deliveries. With its expanding expertise and stronger financial resources, Renewable Energy is able to develop flexible business models for its customers' needs, for example in the role of an energy supplier, in addition to being an equipment manufacturer and system supplier. VG-EcoFuel provides the Group with biofuel expertise that the Renewable Energy business can use more extensively in the heating sector.

Savosolar's solar thermal collector technology and system design expertise, as well as its strong local and global partners, play a key role in the implementation of its renewable energy strategy. The geographical focus of operations continues to be in Europe, but the company is also actively seeking partners and marketing its products and services outside Europe. In line with the strategy, energy systems are implemented as comprehensive deliveries in cooperation with partners. The partners in different countries also serve as a sales channel for Savosolar's products.

Marine Logistics provides its customers with competitive and environmentally sustainable marine transport services, which also reduce carbon emissions from marine transport. The goal is profitable growth in the long term. Its operations focus on the Baltic Sea and North Sea regions, where the Savosolar Group's Marine Logistics unit is one of the leading providers of project shipping. The aim is to grow the market share by increasing transport capacity, renting ships and building new low-emission ships for the company. In addition to focusing on organic growth, the Marine Logistics business continues to identify strategic partners and potential corporate and business arrangements.

Meriaura's long-term affreightment agreements, modern fleet and strong market position in renewable energy construction projects provide a strong cash flow to support rapid growth and improved profitability in both Marine Logistics and Renewable Energy.

The Savosolar Group's goal is to create significant value for its shareholders, and its long-term goal is to be listed on the stock exchange main list. The company is well positioned to respond to the growing demand for renewable energy solutions and support customers in the green transition.

MARKET ENVIRONMENT

Renewable Energy

Savosolar's Renewable Energy business focuses on segments with high growth potential. These include the solar district heating market (Solar District Heating, SDH) in Europe, particularly in Germany, France, Poland, Finland, Sweden, Denmark and some Eastern European countries, and systems for generating heat for industrial processes (Solar Heat for Industrial Processes, SHIP), where markets with most potential for Savosolar are in Europe, Latin America, Australia and Africa.

The most active European market for solar heating systems is currently France, where the government has promoted the increased use of clean energy in heat production over the long term. France already has several project developers who invest in the production of solar thermal energy and sell heat to their end customers' industrial processes through long-term supply contracts. A similar trend can be seen elsewhere in Europe and



even in district heat production. The demand for solar energy systems has also increased significantly in Germany in recent years.

The growth outlook for large solar thermal systems (more than 1,000 m²; installations of more than 700 kWth) is promising. The war in Ukraine has increased the need for energy self-sufficiency, particularly in Europe. In addition, the higher prices of fossil fuels, emission reduction targets, the higher prices of emission allowances and incentives to increase the use of renewable energy have improved the competitiveness of solar heat.

However, the turbulence in the energy sector, inflation and the higher costs of financing have slowed investment decisions. Consequently, investments in renewable energy production did not progress as expected in 2022. Energy investments are decisions made for the long term, even decades, and are significantly affected by short-term cost fluctuations.

Solar district heating

The use of solar district heat has increased in Europe, where Denmark has clearly been the leader in this field. It dominated the market for large solar thermal systems for around a decade, until the peak level was reached in 2018, when the growth slowed down because of the changes in the governmental support policy. Savosolar has a good market position in Denmark and other European countries, such as France, Germany and Poland. Because of gas availability problems and the increase in the market prices for thermal energy, the demand for solar thermal solutions is expected to grow rapidly in these markets.

At the end of 2021, a total of 299 solar district heating systems (more than 350 kWth, 500 m²) were operating globally, with an installed capacity of 1,645 MWth (2.35 million m²). In 2021, a total of 44 new solar district heating systems (more than 350 kWth, 500 m²) were built globally. Their capacity is 142 MWth, and 20 of them were installed in China and 14 in Europe.

The global market potential for district heating is more than a billion square metres, so we are talking about a market potential of several hundred billion euros. Even if only 10% of this was implemented by 2050, it would mean an annual collector field market of more than EUR 1 billion in district heating.

Solar heat for industrial processes

Interest in solar heat for industrial processes (SHIP) has increased globally. Several promising projects have started in recent years, and systems of up to 100 MWth have been built. So far, the systems are relatively small and often generate process heat with a temperature of over 100°C, but the trend is towards a larger scale with temperatures of both under and over 100°C.

In 2022, the industrial heat projects implemented in Europe had in common the fact that they were developed by investors with long-term heat sales contracts with industrial plants. This model is expected to become more widely used and accelerate the use of solar heat in industry.

According to a study published by Solrico in early 2022 and a study by AEE INTEC, a total of 78 new SHIP plants were documented globally in 2021, with a total collection area of 51,539 m² (36 MWth). This increases the total number of SHIP plants in operation to at least 975, with a total area of 1.2 million square metres. Most of these SHIP plants are in the food, mining and textile sectors.



The company's view is that the SHIP market has become more active as a result of the high costs of fossil fuels and industry targets to reduce production emissions.

Competition in the solar heat market

According to Solar Heat Europe, the European solar thermal market began to recover from the pandemic in 2021, such that new capacity (1.46 GWth) was built than in the previous year. In 2021, the capacity available in Europe was 37.8 GWth, which corresponds to a collection area of around 54 million square metres. However, growth has been slower than the targets set by the European Union in 2020.

A significant increase in demand can be seen in large solar thermal systems, the main market for Savosolar. There are only a few global competitors in the market. In addition to direct competitors, there are system integrators with general experience in heating systems that are looking for a solar heat partner.

China is by far the largest solar heat market in the world, but large Chinese flat plate collectors have so far had no significant impact on the European solar heat market. Chinese companies' production is mainly concentrated in the Chinese and other Asian markets, as there is practically no price difference between Chinese and European high-quality collectors.

Marine Logistics

Meriaura's vessels are involved in contract shipping and the tramp trade in Europe, mainly in the Baltic Sea and the North Sea. Meriaura specialises in the marine transport of industrial products and raw materials (bulk cargo) and the transport of demanding special cargo. Around two thirds of Meriaura's revenue come from bulk cargo, and around one third comes from special cargo and project cargo.

Bulk cargo

Bulk refers to raw materials transported unpackaged in large containers. The demand for bulk cargo is affected by both global and regional economic activity. In the early 2000s, the demand for bulk cargo exceeded supply. The number of new bulk cargo ships increased rapidly after this, which – combined with the global financial crisis – led to a sharp decline in cargo prices. Currently, the number of new ships under construction is relatively low, and Meriaura's view is that overcapacity is disappearing and the market has recovered. This applies to ships with an ice classification in particular.

According to Danish Ship Finance, bulk cargo shipping increased by 4% in 2021, driven by recovery in coal and small bulk products. Freight prices were also high at that time. Danish Ship Finance expects demand to increase by around 0.2% in 2022 and 2% in 2023.

Danish Ship Finance expects the bulk cargo fleet to grow by 3% in 2022 and 3% in 2023. The annual growth rate was 4–5% in 2019–2021.

Seasonality is typical of business operations, so there is usually less activity during the summer months.

Special cargo and project cargo shipping

Larger or otherwise demanding cargo requires completely different equipment and infrastructure and more experienced staff than bulk cargo. The planning of transport is also much more demanding.

Large-scale special cargo includes tower, blade and generator components for wind turbines, for example, as well as harbour cranes, which account for a significant part of the demanding transport operations provided by



Meriaura. The use of wind power is expected to continue to grow in the coming years, which will increase the market for project cargo business operations. The inclusion of transport service providers in projects as early as the planning phase has increased in recent years.

Competition

Bulk cargo is a competitive sector where the market participants range from large multinational companies to smaller regional businesses. The number of competitors is high, and business regulation is low. However, a significant part of Meriaura's business operations is related to ports frozen in the winter. This limits the competitors in contract-based business operations to companies with ships with an ice classification.

In the special and project cargo business, the cargo is very heterogeneous, and there are fewer competitors. Companies can cooperate in large projects that involve heavy lifting, for example.

Recycled biofuels

Biofuels are generally regarded as a cost-effective and environmentally friendly alternative to oil and other fossil fuels. Most biofuels are used as transport fuels, but they can also be used for heating and electricity production.

The value of the global biofuel market is estimated at around USD 155 billion in 2021, and the market is expected to grow to around USD 230 billion by 2027, at an annual rate of 6.9% (CAGR). When the biofuel market is divided into solid, liquid and gaseous biofuels, the majority of revenue in 2021 came from liquid biofuels.

The use of biofuels is expected to increase as their prices decrease as a result of research and development and their supply is commercialised. The increased use of biofuels is supported not only by emission targets, but also by their Finnish origin, which reduces dependence on imported oil. Various regulations and tax incentives to support the use of biofuels are also expected to increase the demand for biofuels in the transport sector around the world.

BOARD OF DIRECTORS' PROPOSAL TO THE ANNUAL GENERAL MEETING ON THE TREATMENT OF THE LOSS AND THE DISTRIBUTION OF DIVIDENDS

The Annual General 2023 Meeting of Savosolar Plc is scheduled to be held in Helsinki on 10 May 2023 at 2 pm. The notice of the meeting will be published on a later date as a separate stock exchange release. The Board of Directors proposes to the Annual General Meeting that the loss for the financial year (EUR -4,998,487.33) be carried over to retained earnings and losses and that no dividend be paid.

FINANCIAL REPORTING IN 2023

Savosolar's financial statements and the Board of Directors' report for 2022 will be published on the company's website on 6 April 2023 at the latest.



The business review for January–March will be published on 8 May 2023.
The half-year report for January–June will be published on 28 August 2023.
The business review for July–September will be published on 6 November 2023.
The financial reports will be published in Finnish and English.

SAVOSOLAR PLC
Board of Directors

More information:

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Savosolar Plc discloses the information provided herein pursuant to EU Market Abuse Regulation. The information was submitted for publication on 6 March 2023 at 8.30 a.m. (CET) by the aforementioned person.

ANNEXES

- 1 Comparison by reporting period
- 2 Income statement
- 3 Balance sheet
- 4 Cash flow statement
- 5 Calculation of changes in equity
- 6 Financial ratios and calculation of key figures
- 7 Largest shareholders

ANNEX 1

COMPARISON BY REPORTING PERIOD (FAS, unaudited)

(EUR 1,000)	Jan–Dec 2022	Jan–Dec 2021	Jul–Dec 2022	Jul–Dec 2021	Jan–Jun 2022	Jan–Jun 2021
Revenue	8,635	2,497	6,503	869	2,132	1,627
Operating profit/loss (EBIT)	-3,763	-4,554	-1,332	-2,353	-2,423	-2,201
Net profit/loss for the reporting period/financial year	-4,067	-5,772	-1,510	-3,439	-2,549	-2,333
Earnings per share, EUR						
undiluted	-0.017	-0.066	-0.005	-0.033	-0.014	-0.033
diluted	-0.015	-0.021	-0.004	-0.012	-0.009	-0.025

ANNEX 2
INCOME STATEMENT (FAS, unaudited)

(EUR 1,000)	Jul–Dec 2022	Jul–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
Revenue	6,503	869	8,635	2,497
Other operating income	147	8	157	34
Materials and services	-4,453	-982	-6,573	-2,421
Personnel costs	-1,933	-1,039	-3,198	-2,221
Depreciation and impairment	-33	-180	-186	-380
Other operating expenses	-1,563	-1,028	-2,598	-2,062
Operating profit/loss	-1,332	-2,353	-3,763	-4,554
Financial income	34	3	35	37
Financial expenses	-210	-1,089	-335	-1,255
Profit/loss before appropriations and taxes	-1,508	-3,439	-4,064	-5,772
Net profit/loss for the period/financial year	-1,510	-3,439	-4,067	-5,772
	Jul–Dec 2022	Jul–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
Earnings per share, basic, EUR	-0.005	-0.033	-0.017	-0.066
Earnings per share, diluted, EUR	-0.004	-0.012	-0.015	-0.021
Number of outstanding shares at the end of the period/financial year	783,135,875	165,187,636	783,135,875	165,187,636
Number of outstanding shares at the end of the period, adjusted for the dilutive effect	821,855,642	281,346,937	821,855,642	281,346,937
Average number of outstanding shares by month, adjusted for share issues	300,419,389	105,247,888	241,182,034	88,002,694
Average number of outstanding shares in the review period, adjusted for the dilutive effect	339,139,156	221,407,189	279,901,801	204,161,995

ANNEX 3

BALANCE SHEET (FAS, unaudited)

(EUR 1,000)	31 December 2022	31 December 2021
Liabilities		
Non-current assets		
Intangible assets	4,083	537
Tangible assets	46,518	480
Shares in Group companies	-	162
Total non-current assets	50,601	1,178
Current assets		
Inventories	3,366	1,873
Non-current receivables	355	247
Trade receivables	3,303	453
Receivables from Group companies	167	4
Loan receivables	198	-
Other receivables	198	63
Prepayments and accrued income	2,369	291
Cash at hand and in bank	3,814	4,070
Total current assets	13,770	7,001
Total assets	64,371	8,179

(EUR 1,000)	31 December 2022	31 December 2021
Equity and liabilities		
Equity		
Share capital	470	470
Paid-up unrestricted equity reserve	84,948	51,913
Retained losses	-45,947	-40,107
Net profit/loss for the period/financial year	-4,067	-5,772
Total equity	35,404	6,503
Mandatory provisions		
Other mandatory provisions	210	210
Total non-current liabilities		
Loans from financial institutions	14,813	119
Other liabilities	2,511	-
Total non-current liabilities	17,324	119
Total current liabilities		
Subordinated loans	-	-
Loans from financial institutions	3 194	124
Advances received	1	155
Trade payables	3,436	563
Liabilities to Group companies	-	72
Other liabilities	1,340	43
Accruals and deferred income	3,462	391
Total current liabilities	11,433	1,347
Total liabilities	28,757	1,466
Total equity and liabilities	64,371	8,179

ANNEX 4
CASH FLOW STATEMENT (FAS, unaudited)

(EUR 1,000)	Jul–Dec 2022	Jul–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
Business operations				
Net profit/loss for the period/financial year	-2,027	-3,439	-4,064	-5,772
Adjustments	710	1,253	484	1,525
Increase/decrease in current receivables	-289	353	-1,019	534
Increase/decrease in inventories	1,007	-406	-240	-699
Increase/decrease in current non-interest-bearing debts	-2,159	232	-307	-333
Interests from operating activities	-176	-1,086	-301	-1,238
Cash flow from operations	-2,934	-3,093	-5,447	-5,984
Investments				
Investments	-932	-24	-1,060	-61
Investments in subsidiaries	-26,939	-	-26,939	-
Dividends received on investments	-	-	-	20
Cash flow from investment activities	-27,871	-24	-27,999	-41
Financing				
Paid share issue	32,015	6,225	33,035	7,617
Withdrawals of non-current loans	-	-	-	52
Repayments of non-current loans	-134	-80	-134	-354
Withdrawals of current loans	-	-	-	-
Repayments of current loans	-	-	-	-
Other non-current receivables	193	-	208	282
Cash flow from financing activities	32,074	6,145	33,109	7,597
Change in cash and cash equivalents	1,270	3,028	-337	1,572
Cash and cash equivalents at the beginning of period	2,544	1,042	4,151	2,498
Cash and cash equivalents at the end of period	3,814	4,070	3,814	4,070

ANNEX 5
CALCULATION OF CHANGES IN EQUITY (FAS, unaudited)

(EUR 1,000)	Share capital	Paid-up unrestricted equity reserve	Retained earnings	Result for financial year	Total
Equity on 1 Jan 2022	470	51,913	-45,947	-	6,436
Share issue	-	33,035	-	-	33,035
Net profit for the financial year	-	-	-	-4,067	-4,067
Equity on 31 Dec 2022	470	84,948	-45,947	-4,067	35,404
Equity on 1 Jan 2021	470	44,296	-40,108	-	4,659
Share issue	-	7,617	-	-	67,617
Net profit for the financial year	-	-	-	-5,772	-5,772
Equity on 31 Dec 2021	470	51,913	-40,108	-5,772	6,503

ANNEX 6
FINANCIAL RATIOS AND CALCULATION OF KEY FIGURES (FAS, unaudited)

(EUR 1,000)	Jan–Dec 2022	Jan–Dec 2021
Revenue	8,635	2,497
Net profit/loss for the period/financial year	-4,067	-5,772
Cash and cash equivalents	3,814	4,070
Equity	35,404	6,503
Equity ratio, %	55.0	81.0

Calculation of key figures

Equity ratio, %	Equity on the balance sheet at the end of the period + subordinated loans x 100 / Total assets – advances received
Number of outstanding shares	Number of outstanding shares at the end of the period
Number of outstanding shares on average	Average number of outstanding shares by month, adjusted for share issues
Earnings per share, EUR	Net profit for the financial year / Average number of outstanding shares by month, adjusted for share issues

ANNEX 7

LARGEST SHAREHOLDERS ON 31 DECEMBER 2022

Shareholder	Number of shares held	Percentage of all shares
VG-SHIPPING OY ¹	531,962,410	67.93
HYBRID CONSULTING OY ²	33,801,313	4.32
FÖRSÄKRINGSAKTIEBOLAGET AVANZA PENSION	4,968,371	0.63
JOKINEN, JUKKA	4,400,000	0.56
GEUST, JOHAN NIKLAS ERIK	4,063,112	0.52
HELLÉN, STEFAN ANDERS	3,632,500	0.46
LILJA ANSA ANITTA	3,167,264	0.40
SJÖBLOM, KARI TAPIO	2,910,113	0.37
SJÖBLOM, KATRI PAULIINA	2,729,575	0.35
SKANDINAVISKA ENSKILDA BANKEN	2,241,983	0.29
10 largest shareholders, total	593,876,641	75.83
OTHERS	189,259,234	24.17
TOTAL	783,135,875	100

1) VG-Shipping is a controlled entity of Jussi Mälkiä.

2) Hybrid Consulting Oy is an entity influenced by Kirsi Suopelto, with a holding of 43%.

Savosolar in brief

Savosolar has two business areas: Marine Logistics and Renewable Energy.

Marine Logistics (Meriaura Oy) is a major provider of transport for bulk cargo and demanding project deliveries in Northern Europe, especially in the Baltic Sea and North Sea regions. The company provides its customers with competitive and environmentally sustainable marine transport services, which also reduce carbon emissions from marine transport. Its long-term affreightment agreements, modern fleet and strong market position in renewable energy construction projects enable freight that supports environmentally friendly solutions. As part of Marine Logistics, VG-EcoFuel Oy produces recycled biofuels from bio-oils and recycled oils generated as industrial by-products.



The Renewable Energy (Savosolar Oyj) designs and delivers clean energy production systems as comprehensive deliveries. The systems are built around large-scale solar thermal systems implemented using high-performance solar heat collectors manufactured by the company. Other energy production and storage technologies can also be combined with the systems. The company has taken solar thermal technology to a new level, and its collectors have patented nano-coated direct flow absorbers. With this leading technology, Savosolar enables its customers to produce clean and competitive energy.

Savosolar's shares are listed on Nasdaq First North Growth Market Sweden under the ticker symbol SAVOS and on Nasdaq First North Growth Market Finland under the ticker symbol SAVOH. www.savosolar.com.

The company's Certified Adviser is Augment Partners AB, info@augment.se, tel. +46 8-604 22 55.