

Savo-Solar Plc

Company Announcement

6 July 2017 at 8:55 a.m. (CEST)

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## **Savo-Solar Plc rights issue oversubscribed and the company resolved to execute directed share issues as well as a new stock option plan for the management**

***Savo-Solar Plc ("Savo-Solar" or the "Company") has carried out a rights issue (the "Offering"), during the time period between 14 June and 30 June 2017 in Finland and between 14 June and 28 June in Sweden, and has decided on two directed issues as well as on a new stock option plan for the management.***

- Savo-Solar's rights issue of approximately EUR 4.3 million has been subscribed to 113 %
- 66 % of the Offering will be allocated to subscribers who have subscribed for shares with the subscription rights and 34 % to those who have subscribed for the shares without the subscription rights.
- The Board of Savo-Solar has decided on a directed issue of approximately SEK 1.8 million to underwriters of the rights issue.
- The Board of Savo-Solar has decided on a directed share issue to be used as a part of the Board members' remuneration in accordance with the resolution by the Annual General Meeting on 28 March 2017. The Company issues a total of 118,645 new shares, which are offered for subscription to the members of the Board of Directors without consideration.
- Furthermore, the Board of Savo-Solar has decided on a new stock option plan for the management on basis of which a maximum of 2,000,000 stock options of the Company can be granted, which entitle to subscribe for a total of up to 2,000,000 shares in the Company.

*Jari Varjotie, Managing Director of Savo-Solar: "It is great to see that investors have continued interest in the utilization of the clean solar energy. We at Savo-Solar are very happy with the positive response to the rights issue and I would like to thank all present and new shareholders who participated in the issue. The proceeds of the issue enable us to continue the implementation of our growth strategy. The business outlook is good and recent successes among others in France prove that our solutions are competitive. We will continue our determined work for reaching our targets for growth and profitability."*

The Board of Directors of Savo-Solar resolved on 5 July 2017 to approve the subscriptions received in the Offering, as well as the allocation of offered shares and warrants. For offer shares subscribed for in the Offering without subscription rights and for the related additional warrants, the acceptance is conditional to payment of the subscriptions of offer shares on 10 July 2017 at the latest. Allocation has been made in

accordance with the principles described in the prospectus. Investors with the subscription rights were allocated 66 % and investors without the subscription rights 34 % of the offered shares. The number of shares in Savo-Solar will increase by 70,938,664 shares. After the Offering the total number of shares will amount to 106,407,996. The number of warrants subscribed in the Offering is 23,645,786.

Subscribers who did not receive all of the offer shares subscribed for without the subscription rights will be repaid the subscription price for the offer shares not received to the bank account informed by the subscriber in connection with the subscription approximately on 14 July 2017. No interest will accrue for the repayable funds.

Savo-Solar will receive approximately EUR 4.3 million in issue proceeds (before transaction costs associated with the Offering).

The shares subscribed for in the Offering are expected to be registered with the Finnish Trade Register during week 29, 2017. Combination of the temporary shares with the Company's existing shares is expected to take place and trading in the new shares subscribed for in the Offering is expected to commence approximately during week 29, 2017.

Due to the Offering the Board of Directors of the Company also decided to amend the terms of the Company's stock option plan 1-2015 in accordance with their terms and conditions. The new subscription price per share for stock option plan 1-2015 is EUR 0.53.

#### **Directed share issues**

The directed share issue to the underwriters will increase the number of shares in Savo-Solar by 3,164,224 shares. Subscription price per share used in the directed share issue was SEK 0.76 per share, which equals the volume weighted average price of the Company's share on First North Sweden during the time period between 14 June 2017 and 28 June 2017. As mentioned in the prospectus, the reason for deviation from the shareholders preferential subscription right was that the Company chose to obtain underwriting commitments for the Offering in order to ensure that at least approximately EUR 2.6 million was raised in the Offering before the reduction of the estimated expenses of the Offering. A condition for obtaining underwriting commitments was that the underwriters who wish to do so are entitled to receive the underwriting fee as shares in the Company. The payment of subscription price takes place by setting off the subscriber's underwriting fee, which is based on the underwriting agreement dated 24 May 2017 against the subscription price of the shares. These shares correspond to approximately 2.9 % of the Company's shares after the Offering and the directed share issues.

The Board of Directors of Savo-Solar has resolved on a directed share issue to be used as a part of the Board members' remuneration in accordance with the resolution by the Annual General Meeting on 28 March 2017. The Company issues a total of 118,645 new shares, which are offered for subscription to the members of the Board of Directors without consideration. The Chairman of the Board is offered a total of 59,323 new shares and other the Board members are offered 29,661 new shares each, save for Board member Sami Tuhkanen who has informed that he will not take any remuneration. When calculating the number of shares the volume weighted average price of the Company's share on First North Sweden

during three days after the announcement of the Company's plan to arrange the Offering (from 29 May 2017 to 31 May 2017), i.e. SEK 0.71.

After the Offering and the directed share issues the total number of shares will amount to 109,690,865.

The shares subscribed for in the directed share issues are expected to be registered with the Finnish Trade Register during week 29, 2017. Trading in these shares is expected to commence approximately during week 29, 2017 on First North Finland and First North Sweden.

### **New stock option plan**

Furthermore, the Board of Savo-Solar has decided on a new stock option plan for the management on basis of which a maximum of 2,000,000 stock options of the Company can be granted, which entitle to subscribe for a total of up to 2,000,000 shares in the Company. Of the stock options, 500,000 are marked with the symbol 2/2017A, 500,000 are marked with the symbol 2/2017B, 500,000 are marked with the symbol 2/2017C and 500,000 are marked with the symbol 2/2017D. The share subscription period is for stock option 2/2017A 1 January 2018-31 December 2019, for stock option 2/2017B 1 July 2018-31 December 2019, for stock option 2/2017C 1 January 2019-31 December 2019 and for stock option 2/2017D 1 July 2019-31 December 2019. The subscription price for the shares is volume weighted average price of the Company's share on First North Finland during 1 June 2017 - 31 August 2017. The share subscription price shall be entered into the invested unrestricted equity fund of the Company.

### **Advisers**

Mangold Fondkommission AB and Augment Partners AB are acting as financial advisors to the Company in the Offering. Smartius Oy is acting as the legal adviser to the Company on aspects of the Offering related to the Finnish law.

SAVO-SOLAR PLC

### **For more information:**

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This company announcement contains information that Savo-Solar Plc is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication by aforementioned contact person on 6 July 2017 at 8:55 a.m. (CEST).

### **Savo-Solar in brief**

*Savo-Solar with its highly efficient collectors and large-scale solar thermal systems has taken solar thermal technology to the next level. The company's collectors are equipped with the patented nano-coated direct*



*flow absorbers, and with this leading technology, Savo-Solar helps its customers to produce competitive clean energy. Savo-Solar's vision is to be the first-choice supplier to high performance solar installations on a global scale. Focus is on large-scale applications like district heating, industrial process heating and real estate systems - market segments with a big potential for rapid growth. The company primarily delivers complete systems from design to installation, using the best local partners. Savo-Solar is known as the most innovative company in the business, and aims to stay as such. The company has sold and delivered its products to 17 countries on four continents. Savo-Solar's shares are listed on Nasdaq First North Sweden with the ticker SAVOS and on Nasdaq First North Finland with the ticker SAVOH. [www.savosolar.com](http://www.savosolar.com).*

*The company's Certified Adviser is Augment Partners AB, phone: +46 8-505 65 172.*

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