

Savo-Solar Plc's rights issue oversubscribed heavily and the company resolved to execute directed share issues

Savo-Solar Plc ("Savo-Solar" or the "Company") has carried out a rights issue (the "Offering"), during the period between 5 September and 21 September 2016 in Finland and between 5 September and 19 September 2016 in Sweden, and has decided on three directed share issues as well as resolved to amend the terms and conditions of the Company's stock option plans 1-2015 and 2-2015.

- Savo-Solar's rights issue of approximately EUR 3.9 million has been oversubscribed, total subscription being 155%.
- 77.69 % of the shares subscribed for in the Offering were subscribed with subscription rights and 22.31 % of the shares without subscription rights by investors who subscribed for shares also with subscription rights.
- Of the offered shares, 54.94 % will be allocated investors who have subscribed for shares in Finland and 45.06 % to investors who have subscribed for shares in Sweden.
- The Board of Savo-Solar has decided on a directed issue of approximately SEK 23.1 million to a group of professional investors.
- The Board of Savo-Solar has decided on a directed issue of approximately SEK 0.9 million to underwriters of the rights issue.
- Furthermore, 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 19 April 2016. The Company issues a total of 23,786 new shares, which are offered for subscription to the members of the Board of Directors without consideration.

Jari Varjotie, Managing Director of Savo-Solar: *"I am very pleased to see that the Offering has gained such a wide interest among investors. The result of the Offering shows to all of us in the Company a commitment to our vision and strategy, thereby boosting our efforts for the growth of our business. As the interest towards our company's rights issue has been stronger than expected, the Board of Savo-Solar has resolved on a new directed share issue to institutional investors. We are happy that in this share issue we are winning remarkable shareholders, who act on a long term and ensure the implementation of our company's growth path. I wish to thank all our present and new shareholders for their support and trust on Savo-Solar". "*

The Board of Savo-Solar resolved on 23 September 2016 to approve the subscriptions received in the Offering and the allocation of offered shares. Allocation has been made in accordance with the principles described in the prospectus. 77.69 % of the shares subscribed for in the Offering were subscribed with subscription rights and 22.31 % of the shares without subscription rights by investors who subscribed for shares also with subscription rights. As a result of the Offering the number of shares in Savo-Solar will increase by 11,930,156 shares. After the Offering the total number of shares will amount to 27,837,031.

Subscribers who did not receive all of the shares that they subscribed for in the Offering will be repaid the excess subscription price to the bank account informed by the subscriber in connection with the subscription approximately on 5 October 2016. No interest will accrue for the repayable funds.

Savo-Solar will receive approximately EUR 3.9 million in issue proceeds (before transaction costs associated with the Offering and repayment of obtained bridge financing to be paid by the Company). Of the total issue proceeds approximately EUR 0.2 million were paid by means of set-off.

The shares subscribed for in the Offering are expected to be registered with the Finnish Trade Register during week 39, 2016. 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 39, 2016 on First North Finland, and approximately during week 40, 2016 on First North Sweden.

In connection to the resolving on approval of the subscriptions received in the Offering, the Company decided on a directed share issue to a group of professional investors, on a directed share issue to the underwriters of the rights issue and on a directed share issue without consideration to the members of the Board.

The directed share issue to a group of professional investors will increase the number of shares in Savo-Solar by 7,369,395 shares. The subscription price per share used in the directed share issue was the same as in the Offering, i.e. SEK 3.14 per share. As mentioned in the prospectus, the reason for deviation from the shareholders preferential subscription right and the motive for the directed share issue to a group of professional investors is to expand the Company's funding base to ensure adequate access to financing also in the future. The directed share issue will provide the Company with approximately SEK 23.1 million before transaction costs. The shares subscribed for in the directed share issue corresponds to approximately 20.78 % of the Company's shares after the Offering and all three directed share issues.

It was mentioned in the prospectus prepared for the Offering that the maximum size of the directed share issue to a group of professional investors is 4,909,210 shares and approximately EUR 1.62 million. As the Offering and the directed share issue gained such a wide interest among investors, the Board of Directors has resolved to increase the size of the directed share issue as described above. Due to increase in the maximum size of the directed share issue, the Board of Directors of the Company has resolved to offer the investors who have subscribed for shares in the Offering a possibility to cancel their subscriptions no later than on 27 September 2016 at 16:00 Finnish time (15:00 Swedish time) by notifying the cancellation to Mangold Fondkommission AB (ta@mangold.se, +46 8 503 01 580).

The directed share issue to the underwriters will increase the number of shares in Savo-Solar by 239,120 shares. Subscription price per share used in the directed share issue was SEK 3.82 per share, which equals to the volume weighted average price of the Company's share on First North Sweden during the time period between 5 September 2016 and 19 September 2016. 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 EUR 2.9 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 14 June 2016 against the subscription price of the shares. These shares correspond to approximately 0.67 % of the Company's shares after the Offering and all three 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 19 April 2016. The Company issues a total of 23,786 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 9,515 new shares and other the Board members are offered 4,757 new shares each. As the Board member Sami Tuhkanen has informed that he will not take any remuneration, the total number of new shares offered in the share issue is 23,786. When calculating the number of shares the volume weighted average price of the Company's share on First North Sweden during two weeks after publication of the Company's half-year report for the period 1 January 2016 – 30 June 2016 (from 12 August 2016 to 25 August 2016), i.e. SEK 4.30 (approximately EUR 0.45), has been used as the value per share.

The Annual General Meeting resolved on 19 April 2016 that EUR 21,600 be paid for the Chairman of the Board and EUR 10,800 for each of the other members of the Board. Approximately 40% of the remuneration will be paid by giving to the Board members the Company's new shares in two instalments. The first instalment of the remuneration was paid with the directed share issue resolved by the Board on 3 May 2016. The directed share issue of today is the second instalment of the remuneration to be paid in shares. The Board members are not allowed to transfer the shares received as Board remuneration before their membership in the Board has ended.

After the Offering and all three directed share issues the total number of shares will amount to 35,469,332.

The shares subscribed for in the directed share issues, save for the shares subscribed in the directed share issue to a group of professional investors, are expected to be registered with the Finnish Trade Register during week 39, 2016. Trading in these shares is expected to commence approximately during week 39, 2016 on First North Finland, and approximately during week 40, 2016 on First North Sweden. The shares subscribed for in the directed share issue to a group of professional investors are expected to be registered with the Finnish Trade Register during week 40, 2016. Trading in these shares is expected to commence approximately during week 40, 2016 on First North Finland, and approximately during week 41, 2016 on First North Sweden.

Due to the Offering the Board of Directors of the Company also decided to amend the terms of the Company's stock option plans 1-2015 and 2-2015 in accordance with their terms and conditions. The new subscription price per share for stock option plan 1-2015 is EUR 0.82 and for 2-2015 is EUR 0.88.

Advisors

Mangold Fondkommission AB and G&W Fondkommission AB acted as financial advisers of the Company in the Offering and in the directed share issues. Smartius Oy acted as the legal adviser of the Company on aspects of the Offering and the directed share issues related to the Finnish law.

For more information:

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Savo-Solar Plc discloses the information provided herein pursuant to the Market Abuse Regulation ((EU) No 596/2014, "MAR"). The information was submitted for publication by the aforementioned person on 23 September 2016 at 6 p.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 18 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.fi.

The Company's Certified Adviser is Mangold Fondkommission AB, phone: +46 8 5030 1550.

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