



Savosolar Oyj Annual General Meeting

26 April 2022

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Matters on the agenda of the General Meeting:

1. Opening of the meeting
2. Calling the meeting to order
3. Election of persons to scrutinize the minutes and to supervise the counting of votes
4. Recording the legality of the meeting
5. Recording the attendance at the meeting and adoption of the list of votes
6. Presentation of the annual accounts and the auditor's report for the year 2021

Review by the CEO

Income statement

Thousand euros	2021	2020
Turnover	2 497	5 117
Material and services	-2 421	-4 193
Personnel expenses	-2 221	-2 218
Depreciation	-380	-488
Other operating expenses	-2 062	-2 226
Operating profit (EBIT)	-4 554	-3 897
Net financing	-1 218	-1 080
Extraordinary items	-	-
Result for the period	-5 772	-4 977

- Turnover for the full-year 2022 clearly behind of our expectations, because customer decisions on new projects were postponed (EU Green Deal package and Covid-19).
- The company's order backlog stood at EUR 0.4 million at the end of 2021 (2020: EUR 2.0 million).
- Projects in the planning and tendering stage accounted for about EUR 15 million at end 2021.

Balance sheet, Assets

Thousand euros	2021	2020
Non-current assets		
Intangible assets	537	733
Tangible assets	480	602
Shares in group companies	162	162
Non-current assets, total	1 178	1 497
Current assets		
Inventories	1 873	1 174
Long-term receivables	247	529
Short-term receivables	810	1 343
Cash and cash equivalents	4 070	2 498
Current assets, total	7 001	5 545
Assets, total	8 179	7 042

- Inventories were exceptionally high at end 2021 due to increased buffers
- Cash and cash equivalents increased by EUR 1.6 million to EUR 4.1 (2.5) million at the end of the financial year, despite of buffer stocking

Balance sheet, Liabilities

Thousand euros	2021	2020
Equity		
Share capital	470	470
Unrestricted equity	51 913	44 296
Retained earnings	-40 108	-35 131
Profit/loss for the period	-5 772	-4 977
Total shareholder's equity	6 503	4 659
Reserves	210	282
Liabilities		
Long-term liabilities	119	191
Short-term liabilities	1 347	1 911
Total equity and liabilities	8 179	7 042

- Equity ratio at the end of the 2021 was strong 81.0 % (70.7%).
- New equity from TO6, TO7 and Rights issue in autumn 7.6 mEUR (gross)
- Short term loans were further reduced by 0,6 mEUR during 2019. All capital loans were paid in 2021.
- The balance sheet is strong and well structured for growth

AUDITOR'S REPORT (Translation of the Finnish Original)

To the Annual General Meeting of Savosolar Oyj

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Savosolar Oyj (business identity code 2309682-6) for the year ended 31 December 2021. The financial statements comprise the balance sheet, income statement, cash flow statement and notes.

In our opinion, the financial statements give a true and fair view of the company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to the notes in the financial statements and the report of the board of directors, section "General risks and uncertainty factors concerning operations", according to which, if the Company fails to achieve growth and improve profitability and / or obtain additional funding as the business requires, the Company may be required to delay, reduce, or discontinue its operations. These conditions indicate that a material uncertainty exists which may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.



CEO's review
Annual General Meeting
26 April 2022

Global Impact

- + **100 000 m²** of solar heat fields delivered
- + **15** Large scale solar thermal plants delivered
- + **75** MW of capacity installed
- + **65 000** MWh heat produced annually*
- + **5 000** tons of oil equivalent saved annually
- + **14 000** tons of CO₂ emissions avoided annually**
- + **38** tons of CO₂ emissions avoided every day**

2021 Deliveries

Creutzwald, France

La Française de l'Énergie provides CO2 free heat for local heat network, with largest Solar District Heating plant in France at time of commissioning.

Collector Area	5,621 m ²
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Nominal Solar Capacity	4.3 MW
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Commissioning year	2021
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Investment	2.4 MEUR
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Exceeded its annual production target on the first year (2,6GWh/a) by 31 October 2021.



Newheat, Pons, France

Collector Area	1,786 m ² (on trackers)
Nominal Solar Capacity	1.2 MW
Estimated Annual Heat Production	1,000 MWh
Commissioning year	2021
CO2 savings annually	275 tons

The unique Savosolar tracker-based solution is perfect fit for solar thermal production in a limited land area as in this project.

Pierre Delmas, CTO, Newheat SAS



District heating at Narbonne



District heating Narbonne

Key numbers

Annual energy production	2.5 GWh
Collector area (gross)	3,220 m ²
Reduction of CO ₂ emissions	550 T/a
Energy yield per collector area	805 kWh/m ²
Start-up	Sept. 2021

Savosolar delivery

Solar thermal field:

- Delivery and installation of collectors
- Underground piping

Solar station (« turn-key » container):

- Heat exchanger, pumps and instrumentation
- Air heater and glycol tank
- Connection to storage and secondary exchanger
- Electrical cabinet



District heating at Cadaujac



Kyotherm Issoudun, France

The largest solar thermal plant for industrial process heat in France (2021). Clean heat for Boortmalt malt plant.

Collector Area 14,252 m²

Nominal Solar Capacity 10 MW

Estimated Annual Heat Production 8.5 GWh

Commissioning year 2021

Total investment value 6.0 MEUR

25 years:

Thermal production estimate 212.5 GWh

CO₂ emissions eliminated: 46,750 tons

Cost saving estimate: ~50% vs natural gas



2021 Summary



Savosolar 2021

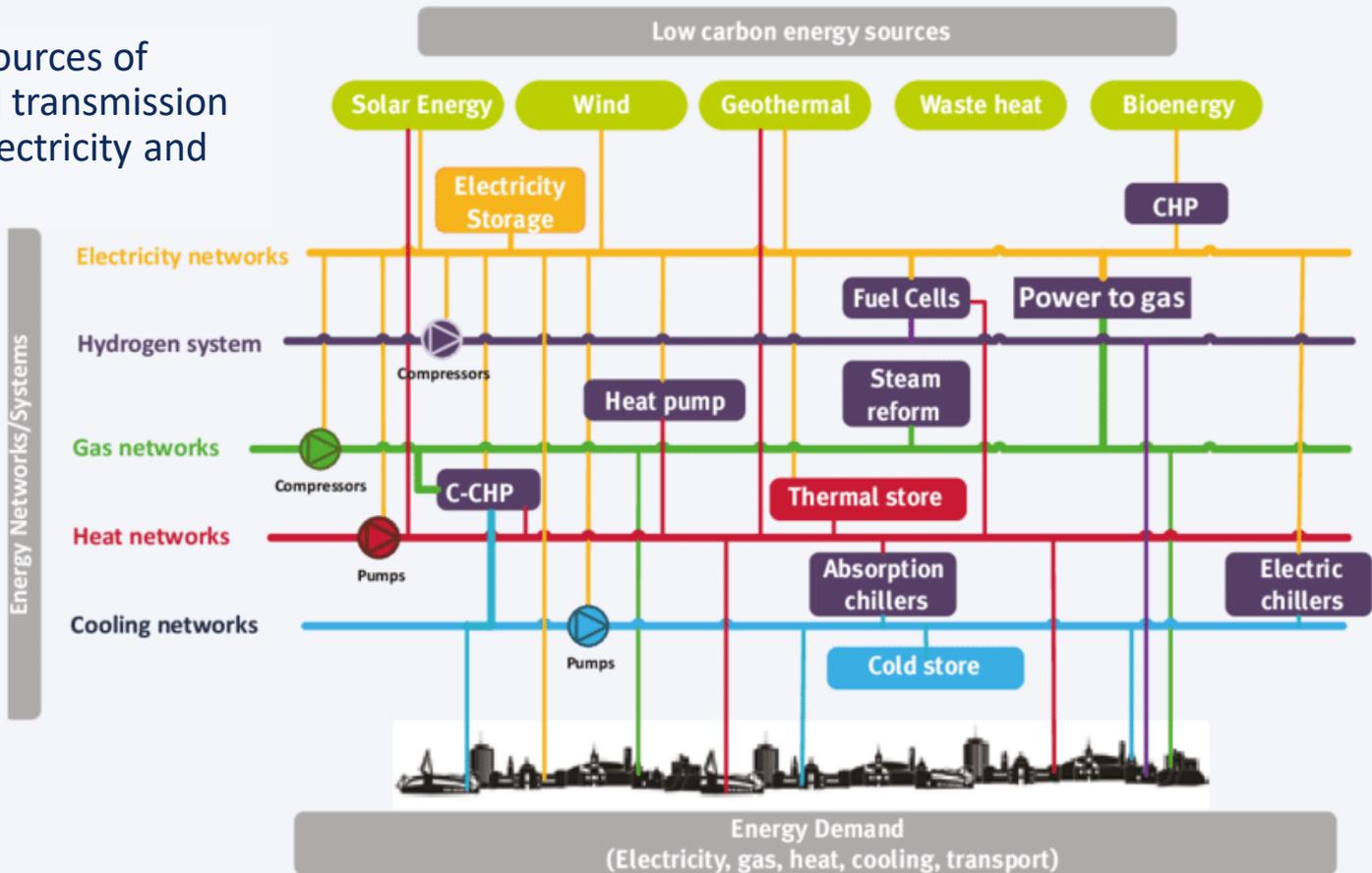
- Turnover clearly lower than expected
- No new large orders during the year
 - Only one large order decided in 2021 in our markets
 - Reasons: Pending Green Deal decisions and Covid-19
- Savosolar delivered several systems, totalling 25 000 m², which is >50% of all deliveries in the market
- Market activated clearly towards end of the year – emission reductions and increasing fossil fuel prices
- Investments in sales, processes, factory performance and product development
- New resources for France and project execution

2022 Markets

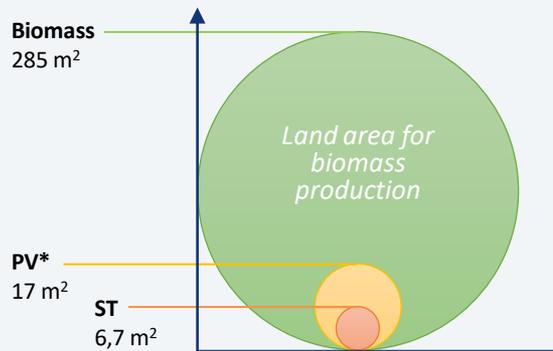
Low Carbon Energy Systems

Hybrid Energy Networks – Energy Matrix

Combine diverse sources of energy into several transmission streams of heat, electricity and cold

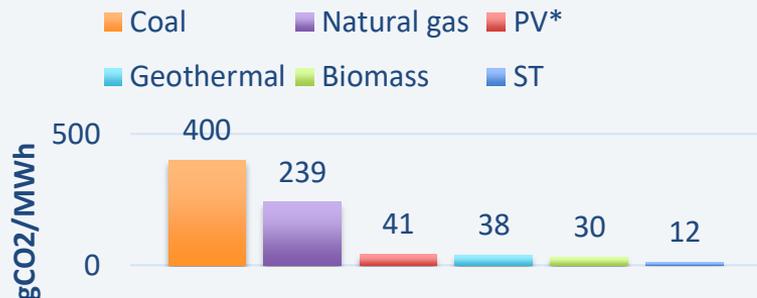


Land requirement for 1 MWh / year production



Sources: <https://www.solarthermalworld.org/news/solar-thermal-shows-highest-energy-yield-square-metre,2017>

Average CO2 emissions per MWh_{th}



Sources: Inuk ST Plant CO₂ footprint study 2021 / Giec report 2014, group III / Ademe

*MWh_{el} instead of MWh_{th} for the other technologies

One of the most eco-friendly energy sources

Emission free heat production

Optimized use of land area

No rare raw materials

Very low carbon footprint



1. Stable heat/energy cost over 20-25 years

- CAPEX fixed energy production cost for long-term

2. Highly competitive cost of heat

- 35-45 €/MWh => 7 – 12 €/GJ

TREND OF THE REAL COST OF THE MWh OF NATURAL GAS



Sources: Eurostat ; ICE data, EU Natural Gas ; <https://www.solarthermalworld.org/news/how-ship-can-compete-heat-produced-natural-gas-Europe, 2021>

Energy cost depending on each project characteristics and subsidies level

Ukraine war impacts

Ukrainian War Impact in Savosolar + China Covid-19

Sanction compliance

- No deliveries in or direct supply from Russia and Ukraine
- No connection to sanctions

Financing

- No direct impact expected
- General financing atmosphere development should be positive for renewable energies, but uncertainty will increase

Supply chain

- No direct supplies from Russia or Ukraine – short term situation is ok
- Prices are increasing, lead times getting longer, and availability for certain materials can be a risk
- Might affect on deliveries
- Verdun project delivery mostly secured
- Systematic procurement meetings to review all main sourced items' situation, and to agree needed actions.
- **China's** Covid-19 restrictions may further create challenges in the global logistics thus having effect on Savosolar, too.

Commodity prices

- High energy costs effect negatively in transportation and possibly some services at the installation.
- Higher electricity cost has only minor effect on collector cost side

Savosolar markets

- High energy prices, which was the case already before the war, and availability risk will increase demand for renewable energies
- In general the situation is expected to speed up the existing large ST projects and create new ones
- Concern is the financial capabilities of the EU states – will it slow down the green transition or not

Market summary

Market Summary

Strong signs of increased activity

- High fossil energy prices and green transition will push the clean heating forward
- The energy market turmoil supports green transition, but also creates short term market risks
- High activity in our main markets: France, Germany, Poland
- Industrial customers are generating more leads and district heating leads are moving ahead
- Average size of the systems is increasing
 - Germany district heating up to 35 000 m²
 - Mining companies up to 60 000 m² per mine
- Budgetary quotations up from 2021 in Q1/2022 compared to Q1/2021 => 2 x number, 4 x value of quotations
- Verdun order received – 15,000 m², ca. 3.0 M€, delivery in 2022





Thank You!

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7. Adoption of the annual accounts

8. Loss shown on the balance sheet and resolution on the payment of dividends

The Board of Directors proposes that the net loss of EUR -5,772,019.07 be transferred to retained earnings /loss account and that no dividend be paid.

9. Resolution on the discharge from liability of the members of the Board of Directors and the CEO

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10. Resolution on remuneration of the members of the Board of Directors

The Board of Directors proposes that the members of the Board of Directors to be elected be paid the following remuneration for the term that begins at the end of the Annual General Meeting and ends at the end of the next Annual General Meeting: EUR 21,600 for the Chairman of the Board and EUR 10,800 for each of the other members of the Board.

According to the proposal approximately 40 per cent of the remuneration to be paid to the members of the Board of Directors will be paid by giving to the Board members company's new shares based on the Board of Directors' share issue authorization and approximately 60 per cent in cash. Cash portion of the remuneration is proposed to be paid in 12 monthly instalments to the extent it exceeds the amount of tax withholding from the remuneration.

The number of remuneration shares will be determined on the basis of the value of the company's share in First North Growth Market Finland as follows: the volume weighted average price of the Savosolar Plc's share within two (2) weeks following the publication of the half-year report for the period 1 January - 30 June 2022 will be used as the value of share.

Alternatively, if so resolved by the Board of Directors, the remuneration shares can be purchased in the name of and on behalf of the Board members. In such case the company will pay any costs and transfer tax related to the purchase of the company shares.

If the shares cannot be given due to insider regulations during the before mentioned time periods, the shares shall be given outright once it is possible in accordance with the insider regulations in force at that time. Members of the Board of Directors are not allowed to transfer the shares obtained as remuneration before their membership in the Board has ended.

It is also proposed the members of the Board of Directors are reimbursed for reasonable travel and lodging costs. Travel and lodging costs are not compensated to those members of the Board of Directors who reside in the greater Helsinki area when the meetings are held in the greater Helsinki area.

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Resolution on the number of members of the Board of Directors (NEW PROPOSAL 21.4.2022)

The Board of Directors of Savosolar Plc ("Savosolar") amends its proposal made on 1 April 2022 to the Annual General Meeting regarding composition of the Board of Directors as follows:

11. Resolution on the number of members of the Board of Directors

The Board of Directors proposes that five (5) members be elected to the Board of Directors.

12. Election of members of the Board of Directors

The Board of Directors proposes that the current members of the Board of Directors Mr. Feodor Aminoff, Mr. Eero Auranne, Mr. Mikael Lemström and Mr. Ari Virtanen be re-elected and Mr. Eljas Repo be elected as a new member according to their consents. The term of office of the members of the Board of Directors ends at the closing of the Annual General Meeting following the election.

M.Soc.Sc. Eljas Repo

- M.Soc.Sc. Eljas Repo (Born in 1961) is the CEO of Repo Media Oy (2016-).
- Prior to that, he was the editor-in-chief of Arvopaperi 1998–2016 and also the founding partner and CEO of Suomen Arvopaperimediata Oy before the company was sold to Talentum in 2004. In 1988–1998 Repo was an editor of Kauppalehti.

Positions of trust:

- Board Member of Ovaro Asuntorahasto/Ovaro Kiinteistösijoitus Oyj, 2017-
- Chairman of the Board of Taikina Capital Oy, 2017–2021
- Board Member of Elina Ahlbäck Literary Agency Oy, 2009-
- Board Member of Helsinki Bourse Club ry, 2017-
- Senior advisor of Directors' Institute Finland ry, 2019-
- Board Member of Badminton Finland ry, 2020-
- Board Member of Finnish Business Angels Network (FiBAN) ry, 2022-

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13. Resolution on remuneration of the auditor

The Board of Directors proposes that the auditor's fees be paid according to the auditor's reasonable invoice approved by the company.

14. Election of auditor

The Board of Directors proposes that auditing firm Tilintarkastus Inkeroinen & Himanen Oy be elected as the company's auditor. Tilintarkastus Inkeroinen & Himanen Oy has informed that the principal auditor will be Mr. Juho Himanen, Authorised Public Accountant. The term of office of the auditor ends at the closing of the Annual General Meeting following the election.

15. Closing of the meeting



Thank You!