

Terms and conditions of the Offering

Authorisation for the Offering and Board resolution on the Offering

On 22 January 2019, the extraordinary general meeting of Savosolar Plc (the “Company”) resolved that the Board of Directors is authorised to decide, in one or more installments, on share issues and the issuance of share options and other special rights entitling to shares referred to in Chapter 10, Section 1 of the Finnish Companies Act accordingly:

The maximum number of new shares that can be issued on the basis of the authorisation is 2,000,000,000, which is equal to approximately 572.68 per cent of the Company’s current shares.

The Board of Directors decides on all the terms and conditions of the issuances of shares and of options and other special rights entitling to shares. The issuance of shares and of options and other special rights entitling to may be carried out in deviation from the shareholders’ pre-emptive rights (directed issue), if there is a weighty financial reason.

A directed issue can be without consideration only if there is a particularly weighty financial reason for the Company and the interests of all its shareholders. The Company’s shares may be issued against or without consideration.

The authorisation is valid until 22 January 2024.

On 22 February 2019, the Company’s Board of Directors resolved on issuing the Offer Shares by adopting the terms and conditions of the Offering set out below.

The Offering, subscription right and Warrants

In accordance with the shareholders’ pre-emptive subscription right, the Company is offering up to 1,057,615,242 new shares in the Company for subscription by the Company’s shareholders (“Offer Shares”) (the “Offering”).

Savosolar will give all shareholders registered in Savosolar’s shareholder register maintained by Euroclear Finland Ltd (“Euroclear Finland”) or Euroclear Sweden Ltd (“Euroclear Sweden”) one (1) book-entry subscription right (“the Subscription Right”) per each share held on the Offering record date 26 February 2019 (“the Record Date”). One (1) Subscription Right entitles the holder to subscribe for three (3) Offer Shares. Fractions of Offer Shares will not be given and a single Subscription Right may not be exercised partially. The Subscription Rights will be registered in shareholders’ book-entry accounts in the book-entry system maintained by Euroclear Finland approximately on 27 February 2019 and in the book-entry system maintained by Euroclear Sweden approximately on 28 February 2019. The Subscription Rights can be freely assigned and they will be traded on First North Finland (trading symbol SAVOHU0119, ISIN: FI4000369731) and on First North Sweden (trading symbol SAVOS TR, ISIN: SE0012256774) between 1 March 2019 and 13 March 2019. If a Company share entitling to a Subscription Right is subject to a pledge or another such restriction, the Subscription Right may not be exercisable without the consent of the pledgee or other rights holder.

In addition, Savosolar will issue a maximum of 352,538,414 warrants (the “Warrants”) free of charge to persons who subscribed for the Offer Shares in the Offering, which entitle to subscribe for a total of up to 352,538,414 new shares of the Company. The Warrants will be issued in the following manner: the subscriber will receive one (1) Warrant per each three (3) subscribed and paid Offer Shares, the subscription of which the Board of Directors has approved. Fractions of the Warrants will not be issued. Warrants can be freely assigned.

The right to subscribe for unsubscribed Offer Shares without Subscription Rights

The Board of Directors of the Company shall resolve on offering any unsubscribed Offer Shares secondarily to shareholders and other investors who have submitted a subscription application concerning the Offer Shares during the Subscription Period without Subscription Rights. See subsequently “*Subscription for Offer Shares without Subscription Rights and allocation*”.

Subscription Price

The Subscription Price of Offer Shares is EUR 0.005 or SEK 0.05 per Offer Share (“Subscription Price”). The Subscription Price for the Offer Shares will be recorded in the reserve for invested unrestricted equity. The Subscription Price includes a normal pre-emptive subscription right issue discount. The Subscription Price is approximately 49.5 per cent lower compared with the closing price of the Company’s share on First North Sweden on 18 December 2018 (SEK

0.099) and 44.4 per cent lower compared with the closing price of the Company's share on First North Finland on 18 December 2018 (EUR 0.009).

Subscription Period

The subscription period for the Offer Shares (the "Subscription Period") will commence on 1 March 2019 at 09:30 Finnish time (08:30 Swedish time), and is expected to end on 19 March 2019 at 16:30 Finnish time (15:30 Swedish time) in Finland and on 15 March 2019 at 16:30 Finnish time (15:30 Swedish time) in Sweden.

The Company may, at its sole discretion, extend the Subscription Period. The Subscription Period may be extended once or several times, however not past 2 April 2019. Any extensions of the Subscription Period will be announced by way of a company release before the end of the Subscription Period.

If the Subscription Period is extended, the allocation date, the payment due dates and the dates of delivery of Offer Shares will be changed accordingly.

Subscription locations, account operators, custodians and nominees may require their customers to submit subscription orders on a certain day prior to the start of trading on the Subscription Rights or before the Subscription Period ends.

Subscription locations

The following function as subscription locations:

- a) In Finland, custodians and account operators and
- b) In Sweden, Mangold Fondkommission AB's website at www.mangold.se and Mangold Fondkommission AB's premises at Engelbrektsplan 2, 11 4 34 Stockholm, Sweden (ta@mangold.se, tel. +46 8-503 01 580).

Subscriptions in Sweden are also received by custodians and account operators who have an agreement with Mangold Fondkommission AB regarding the reception of subscriptions.

Investors shall comply with the instructions issued by account operators and Mangold Fondkommission AB.

Exercising Subscription Rights

A shareholder may participate in the Offering by subscribing for the Offer Shares through the Subscription Rights in his/her/its book-entry account and by paying the Subscription Price. In order to participate in the Offering, a shareholder shall make a subscription according to the instructions given by his/her/its custodian or account operator.

The holders of purchased Subscription Rights shall submit their subscription order according to the instructions issued by their custodian or account operator.

Such shareholders and other investors participating in the Offering whose Company shares or the Subscription Rights are registered in the name of a nominee shall submit their subscription order according to the instructions given by their nominee.

The subscription orders must be submitted separately for each book-entry account.

Deficient or erroneous subscription orders may be rejected. If the Subscription Price is not paid according to these terms and conditions or the payment is insufficient, the subscription order may be rejected. In such a situation, the Subscription Price paid will be refunded to the subscriber approximately three (3) local banking days from the date when the subscriptions have been accepted. No interest will be paid for such payment.

Any subscriptions made are binding, and they cannot be changed or cancelled except in accordance with the subsequent section "*Supplements to prospectus and cancellations of subscriptions*".

Unexercised Subscription Rights will expire and have no value when the Subscription Period ends on 19 March 2019 at 16:30 Finnish time (15:30 Swedish time) in Finland and on 15 March 2019 at 16:30 Finnish time (15:30 Swedish time) in Sweden.

Dilution of the shareholding

As a result of the Offering, the number of the Company's shares may rise from 352,538,414 to a maximum of 1,410,153,656 shares. The Offer Shares correspond to approximately 300.00 per cent of all the Company's shares immediately before the Offering and about 75.00 per cent of the Company shares after the Offering, assuming that the Offering is fully subscribed.

In case also all the Warrants offered for the subscribers of Offer Shares would be used for subscription of shares, the number of Company's shares may rise to a maximum of 762,692,070 shares as a result of the Offering and the shares subscribed based on the Warrants. In case also all the Warrants offered for the subscribers of Offer Shares would be used for subscription of shares, the Offer Shares and the shares subscribed based on the Warrants correspond to 400.00 per cent of all the Company's shares immediately before the Offering and about 80.00 per cent of the Company shares after the Offering and subscription of the shares based on the Warrants offered for the subscribers of Offer Shares, assuming that the Offering is fully subscribed and all the Warrants are used for subscription of shares.

The underwriters are entitled to use their underwriting fee for setting off the subscription price of the Company's new shares in a directed issue, to be arranged for the underwriters, if necessary, after the Offering. In such case, the underwriting fee is twelve (12) per cent of the given underwriting guarantee, meaning a maximum of approximately EUR 507.7 thousand. If the Offering and the directed share issue to the underwriters would be fully subscribed, the subscription price would be the same in the directed issue to be arranged for the underwriters as in the Offering, and all the underwriters would use their underwriting fee to set off subscription price of the new shares in the directed issue, the number of the Company's shares may rise with another 101,531,064 shares. These shares offered in the directed issue to be arranged for the underwriters would correspond to approximately 28.80 per cent of all the Company's shares before the Offering and approximately 6.72 per cent of the Company's shares after the Offering and the directed share issue mentioned above, assuming that both share issues are fully subscribed.

If the Offering, and the directed share issue to possibly be arranged in connection with the Offering is arranged and fully subscribed, and the subscription price in the directed share issue to the underwriters is the same as in the Offering, and the maximum amount of Warrants are issued and all Warrants are used for the subscription of shares, all the new shares to be issued correspond to approximately 81.09 per cent of all the Company's shares after the share issues and the shares subscribed with the Warrants.

Of the 2,000,000,000 shares that the Board of Directors of the Company has received an authorisation to issue, a maximum of 1,511,684,720 shares will be issued in the Offering, the directed share issue possibly to be arranged and the Warrants, which means at least 488,315,280 shares will be left of the authorisation.

Subscription for Offer Shares without Subscription Rights and allocation

The subscription of the Offer Shares without the Subscription Rights by a shareholder and/or another investor is performed by submitting a subscription order and by simultaneously paying the Subscription Price in accordance with the instructions provided by the subscriber's account operator, custodian or, in the case of investors entered into the nominee register, the nominee. A subscription order in Sweden which is sent by mail has to be submitted in good time before the last day for subscription. Only one (1) subscription order without subscription rights can be done. If multiple subscription orders are given, only the last one is taken into account. An incomplete or incorrect subscription order may be ignored. The subscription order is binding.

The custodian, account operator or nominee of the shareholder and/or investor, whose subscribed Offer Shares are delivered through the book-entry system maintained by Euroclear Finland, shall receive the subscription order and the payment no later than on 19 March 2019 or at an earlier time according to the instructions given by the custodian, account operator or nominee.

The custodian, account operator or nominee of the shareholder and/or investor, whose subscribed Offer Shares are delivered through the book-entry system maintained by Euroclear Sweden shall receive the subscription order and the payment no later than on 15 March 2019 or at an earlier time according to the instructions given by the custodian, account operator or nominee.

If all the Offer Shares have not been subscribed on the basis of the Subscription Rights, Savosolar's Board of Directors will decide on the allocation of the Offer Shares subscribed for without the Subscription Rights as follows:

- a) First to those who also have subscribed for the Offer Shares on the basis of the Subscription Rights. If the subscribers in question oversubscribe the Offering, the allocation to such subscribers will be determined in a book-entry account-

specific manner in proportion to the number of the Subscription Rights used for the subscription for the Offer Shares and, if this is not possible, by drawing lots; and

- b) Secondly to those who have subscribed for the Offer Shares only without the Subscription Rights, and if the subscribers in question oversubscribe the Offering, the allocation to such subscribers will be determined in a book-entry account-specific manner in proportion to the number of the Offer Shares which the subscribers have subscribed for and, if this is not possible, by drawing lots.

Savosolar will confirm the approval of the subscription of the Offer Shares subscribed for without the Subscription Rights, if approved, for all investors who have submitted a subscription order to subscribe for the Offer Shares without the Subscription Rights. Investors who subscribe for Offer Shares without Subscription Rights through their account operators in Sweden receive information regarding their subscription according to the routines of the account operator.

If the Offer Shares subscribed for without the Subscription Rights are not allocated in the number referred to in the subscription order, the paid Subscription Price corresponding to the Offer Shares not obtained will be refunded to the subscriber approximately on 26 March 2019. No interest will be paid on such a payment.

Approval and payment of subscriptions

The Company's Board of Directors will approve all the subscriptions made on the basis of the Subscription Rights and in accordance with the terms and conditions of this Offering and the applicable laws and regulations approximately on 21 March 2019. In addition, the Company's Board of Directors will approve the subscriptions made without the Subscription Rights and in accordance with the terms and conditions of the Offering applicable laws and regulations pursuant to the allocation principles presented above in the section "*Subscription for Offer Shares without Subscription Rights and allocation*".

The Subscription Price of the Offer Shares subscribed for in the Offering must be paid in full in euro in Finland or Swedish krona in Sweden in connection with the submission of the subscription order according to the instructions given by the subscription location, the custodian or the account operator.

A subscription is considered made when the subscription order has arrived at the subscription location, the account operator or custodian in question and the Subscription Price has been paid in full. By subscribing, the subscriber authorises his / her account operator to disclose the necessary personal data, the number of his / her book-entry account and the details of the subscription to the parties involved in the order or the execution of the order to allocate and settle the shares and Warrants.

The Board of Directors has the right in certain situations to withdraw the Offering; see section "*The Company's right to withdraw the Offering*" below.

Announcement of outcome of the Offering

Provided that no changes are made to the Subscription Period, the Company will announce the outcome of the Offering approximately on 21 March 2019 by way of a company release.

Registration and delivery of the Offer Shares

The Offer Shares subscribed for in the Offering will be issued as book entries in the book-entry system of Euroclear Finland and delivered to the investors through the book-entry systems of Euroclear Finland and Euroclear Sweden.

After the subscription, temporary shares corresponding to the Offer Shares subscribed for based on the Subscription Rights (the "Temporary Shares") will be entered in the subscriber's book-entry account. In Finland, this is estimated to be the next day, in accordance with Euroclear Finland's clearing time table. Trading in the Temporary Shares will commence on First North Finland (trading symbol SAVOHN0118, ISIN: FI4000369749) and on First North Sweden (trading symbol SAVOS BTA, ISIN: SE0012256782) as their own special share class approximately on 15 March 2019. The Temporary Shares will be combined with current shares after the Offer Shares have been registered in the Trade Register. The delivery and combination will take place approximately on 3 April 2019, in the book-entry system maintained by Euroclear Finland, and the Offer Shares will be subject to trading together with the Company's existing shares approximately on 3 April 2019 on First North Finland. The delivery and combination will take place approximately on 10 April 2019, in the book-entry system maintained by Euroclear Sweden, and the Offer Shares will be subject to trading together with the Company's existing shares approximately on 10 April 2019 on First North Sweden.

The Offer Shares subscribed for without the Subscription Rights will be delivered at the same time as the ones that have been subscribed for with the Subscription Rights, and no Temporary Shares will be delivered in respect to these.

Holders of stock options

According to the terms and conditions of the stock options 2-2017, if the Company decides, before the subscription of shares with the stock options, on an issue of shares or an issue of new stock options or other special rights so that the shareholders have preferential subscription rights, the owner of a stock option shall have the same right as, or an equal right to, that of a shareholder. Equality is reached in the manner determined by the Company's Board of Directors by adjusting the number of shares available for subscription, the share subscription prices or both of these. To ensure the equality of the holders of stock options and shareholders, the Company's Board of Directors will decide approximately on 21 March 2019 on changing the numbers of shares to be subscribed for on the basis of stock options 2-2017 and/or the subscription price due to the Offering. The changes to the stock option terms and conditions following the Offering will enter into force after they have been recorded in the Trade Register. The Company's stock options do not give entitlement to participate in the Offering. In connection with a subscription for shares, the total number of shares subscribed for by a holder of stock options will be rounded downwards to full shares, and the total subscription price will be calculated using the rounded number of shares and rounded to the closest cent.

Shareholder rights

The Offer Shares will confer all shareholder rights from their registration with the Trade Register and delivery to the investors. Each Share in the Company confers one vote at the Company's general meetings.

Supplements to prospectus and cancellations of subscriptions

Subscriptions placed in the Offering are binding and irrevocable, and may only be cancelled where the Finnish Securities Market Act provides for a cancellation right.

In accordance with the Finnish Securities Market Act, the Company will be obliged to issue a supplement to the prospectus in case a mistake or inaccuracy in the prospectus is discovered, or a significant new factor arises, prior to the end of the Subscription Period, if such mistake, inaccuracy or new factor may bear material significance to the investors. Such supplement will be published in the same manner as the prospectus.

If the prospectus is supplemented, investors who have subscribed for Offer Shares before the publication of the supplement to the prospectus have the right to cancel their subscriptions. The cancellation right must be exercised within a cancellation period which may not be shorter than two (2) Finnish banking days from the publication of the supplement to the prospectus. An investor's cancellation of a subscription will be deemed to be made in respect of all the subscriptions of that investor. A precondition for the right to cancel is that the mistake, omission or material new information arose or was noted before trading of the Temporary Shares has started, or in the case for those investors who are not delivered Temporary Shares, the delivery of Offer Shares. Cancellations must be filed to the subscription location where the original subscription was placed. However, subscriptions placed on the website of Mangold Fondkommission AB cannot be cancelled on the website but should be cancelled by contacting Mangold Fondkommission AB at ta@mangold.se or by telephone +46 (0)8-503 01 580. Information on the right to cancel shall be issued in the supplement to the prospectus.

If an investor has cancelled its subscription, any Subscription Price already paid by that investor will be returned to the bank account of the investor given by the investor in connection with the subscription. The funds will be repaid within three (3) local banking days of the cancellation of the subscription. No interest will be paid on the amounts returned. The Company will announce cancellation instructions by way of a company release, in connection with publishing the supplement to the prospectus.

If the shareholder has sold or otherwise reassigned his/her Subscription Rights, the sale or transfer cannot be cancelled.

The Company's right to withdraw the Offering

The Company may, at its sole discretion (and for any reason), withdraw the Offering. If the Offering is withdrawn, any subscriptions given by investors will be automatically cancelled. In such case, the Subscription Price paid by investors will be returned to the bank accounts of the investors given by the investors in connection with the subscription. The funds will be repaid within three (3) local banking days of the Offering being withdrawn. A withdrawal of the Offering will be announced by the Company by way of a company release.

The Company may not withdraw the Offering after the Board of Directors of the Company has resolved on the allocation of the Offer Shares.

Governing law

The Offering and the Offer Shares shall be governed by Finnish law. The courts of Finland have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Offering.

Other matters

The Company's Board of Directors may make decisions on other matters related to the Offering.