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THE BOARD OF DIRECTORS OF IXONOS PLC HAS DECIDED ON DIRECTING A CONVERTIBLE CAPITAL LOAN WORTH 3.5 MILLION EURO TO TURRET OY AB FOR SUBSCRIPTION AND ON A REORGANIZATION OF FINANCING. IN ADDITION, THE COMPANY ISSUES A NEW WORKING CAPITAL STATEMENT

The board of directors of Ixonos Plc ("Ixonos" or "Company") has, by virtue of the authority granted by the general meeting on 30/10/2013, decided to direct a convertible capital loan ("Loan") with a capital of 3.5 million euro and attached option rights or other special rights ("Special Rights") referred to in Chapter 10 Section 1(2) of the Finnish Limited Liability Companies Act (624/2006 as amended) ("Limited Liability Companies Act") to Turret Oy Ab ("Turret") for subscription in deviation from the pre-emptive subscription right of the shareholders of the Company. The Special Rights entitle Turret or the holder of the Special Rights to subscribe new shares of Ixonos in accordance with the terms and conditions concerning the Loan and the Special Rights ("Terms and Conditions").

The Loan and related special rights have been issued in order to strengthen the Company's position of liquid assets, self-sufficiency and working capital and to optimize the capital structure. Hence, there are weighty financial reasons for taking the Loan and granting the Special Rights. The Loan's issuing price and conversion price have been defined on market terms.

The main terms of the Terms and Conditions of the Loan and the Special Rights are the following:

- The amount of the Loan is EUR 3.5 million.
- A fixed annual interest of 6.75 per cent is paid on the principal of the Loan.
- The right of conversion attached to the Loan entitles to a maximum amount 21,875,000 of the Company's new shares ("Share").
- The rate of conversion is fixed at EUR 0.16, and it shall be revised as set out in the Terms and Conditions.
- The term of the Loan is 7/3/2014-7/3/2018.
- The Loan is a capital loan, described in Chapter 12 Section 1 of the Limited Liability Companies Act, the principal, interest and other reimbursement of which are subordinate to all other debts upon dissolving of the Company and bankruptcy of the Company.

The Loan and directing the attached Special Rights to Turret for subscription are related to the Company's plan, reported on on 8/10/2013, to gather, in addition to the capital received from the share issue between 19/11 and 3/12/2013, a maximum of EUR 3.5 million by issuing shares or option rights or other special rights entitling to shares, defined in Chapter 10 Section 1 in the Limited Liability

Companies Act, in a share issue not based on the pre-emptive subscription right of shareholders.

In connection with the share issue on 7/11/2013, Turret gave the Company an undertaking ("Undertaking") according to which Turret will at the earliest on 31/12/2014 require the Company to repay the short-terms loan ("Debt") granted by Turret, altogether around EUR 3.5 million, as the conditions of the Undertaking were otherwise met. According to the Undertaking accepted by the Company, Turret has the right, if they so demand, to convert the Debt in question in full or in part into share capital, a hybrid loan or another equity instrument pursuant to IFRS that is issued by Ixonos on arms' length terms. The instrument may include share subscription rights in the form of convertible capital loan or warrants or in other forms. In the event that the Debts remain fully or partially unpaid after 31/12/2013, Ixonos undertakes to also negotiate on the conditions of the Debt in order to make them market-based if Turret so requests.

Turret has subscribed the Loan and associated Special Rights on 7/3/2014 and the board of directors of the Company has accepted Turret's subscription.

Turret has paid the Loan to the Company in full by setting off the principal of the Debts to Turret, amounting to altogether EUR 3.5 million.

The Company's board of directors has also decided to conclude a loan agreement on long-term complementary financing in borrowed capital terms of EUR 1.0 million and given some of the Company's business mortgages as collateral.

In the arrangement, the financiers party to the Company's main financing agreement accepted a period free of instalments of the loans of the year 2014 until 15/3/2015 in such a way that the instalment falling due during the period free of instalments are transferred to the end of the term of the loan into one bullet repayment without otherwise extending the term of the loan.

Working Capital statement

The Company estimates that it has sufficient working capital for its operations for the next 12 months from the end of the financial reporting period, provided that sufficient measures are taken to strengthen the balance sheet and financial forecasts for year 2014 will materialize.

As part of this, the Company made certain agreements on 7 March 2014 with its creditors to strengthen the working capital position of the company, as announced above. The company will continue to take measures to

strengthen its balance sheet and cash position and to streamline its costs and operational structures.

Measures which are at the Company's disposal to strengthen its balance sheet include: (i) additional financing, (ii) Board of Directors' authorization to issue new shares or similar stock issuance rights and mechanisms, (iii) actions around restructuring company operations for further efficiency, (iv) postponement of planned investments, (v) divestment of company assets or functions, or (vi) combinations of the above.

In Helsinki on 7 March 2014

IXONOS PLC

Board of Directors

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TERMS AND CONDITIONS OF A CONVERTIBLE CAPITAL LOAN

1. Background and Purpose of the Convertible Capital Loan

The board of directors of Ixonos Oyj (Business Identity Code: 0997039-6, "Company") has on 7/3/2014, by virtue of the authority granted by the shareholders' meeting 30/10/2013, decided, in deviation from the pre-emptive subscription right of the shareholders of the Company, to direct a convertible capital loan to Turret Oy Ab (Business Identity Code: 0757932-6, "Turret"), for subscription in accordance with the terms and conditions hereunder ("Terms"). Based on the aforementioned decision by the Company's board of directors ("Board of Directors"), the Parties have today concluded this agreement on convertible capital loan ("Agreement") related to option rights or other special rights ("Special Rights") which are specified below in section II and referred to in Chapter 10 Section 1(2) of the Finnish Limited Liability Companies Act (624/2006 as amended) ("Limited Liability Companies Act") and which entitle Turret (or the current holder of the Special Rights) to subscribe new shares of the Company as specified in these Terms.

As the largest shareholder of the Company, has acquainted themselves with the Company's financial and functional position to the extent they have chosen and stated they shall invest in the Company by granting the Company a convertible and freely assignable capital loan ("Loan") subject to these Terms. The Loan and related Special Rights are issued in order to strengthen the position of liquid assets, self-sufficiency and working capital and optimize the capital structure. Hence, there are weighty financial reasons for taking the Loan and granting the Special Rights. The issuing price and conversion price have been defined on market terms. No certificates shall be given of the Special Rights, and no separate compensation shall be paid for the Special Rights.

These Terms set out the specific Terms of the Loan and its subscription.

I Terms of the Loan

2. Amount of the Loan

The amount of the Loan is EUR 3,500,000.

The principal of the Loan shall be recorded on the balance sheet as a separate item.

The Loan will be divided into order bonds with a nominal value of EUR 100,000 nominal value (each individually "Bond" and together "Bonds") in accordance with

the Schedule A of these Terms. Thus the maximum amount of the Bonds shall be thirty-five (35).

3. Subscription of the Bonds and Special Rights

The Bonds and Special Rights attached to these shall be issued in full for subscription by Turret in deviation from the pre-emptive rights of the shareholders for subscription. The "Bond Holder" refers to Turret, or when a Bond has been assigned, the current holder of the Bond.

The amount of loan subscribed is EUR 3,500,000.

Turret subscribes all Bonds granted from the Loan as well as the Special Rights associated by these by signing these Terms, altogether worth EUR 3,500,000, by signing these Terms. The subscription price of the Bonds is 100 per cent of the nominal value of the Loan.

4. Issuing Price of the Bonds and Accepting the Subscription

The issuing price of the Bonds is 100 per cent.

The Board of Directors undertakes to accept the subscription of the Bonds made by Turret pursuant to these Terms. The Company is obliged to give Turret the Bonds immediately in connection with the subscription.

5. Payment of the Subscription

Turret pays the Loan to the Company in full by setting off the payment from the debts of the Company to Turret, the principal amount of which is EUR 3,500,000 (loan agreement 28/6/2013 and loan agreement 27/9/2013, hereinafter referred to together as "Debt"). The payment of the principal of the Loan to the Company and the Debt are mutually considered to be paid and received by the signing of these Terms, with the exception of unpaid interests incurred to the Debt, the payment liability of which is not modified by these Terms.

6. Term of Loan

The Bonds shall be dated 7/3/2014.

The term of the Loan is 7/3/2014 – 7/3/2018. The principal of each Bond shall be repaid in one instalment on 7/3/2018 ("Maturity Date"), provided that the conditions for repayment in section 7 A are met.

7. Repayment of the Bonds

A) Repayment at the Maturity Date

The principal of the Bonds may be repaid only in accordance with the provisions of Chapter 12 Section 1(2) of the Limited Liability Companies Act if the sum total of the unrestricted equity and all of the capital loans of the Company at the time of payment exceed the loss on the balance sheet to be adopted for the latest financial period or the loss on the balance sheet from more recent financial statements.

If the conditions for repayment of the Bonds are not being met at the Maturity of the Loan, the principal of the Loan is repaid partly and equally to each Bond to the extent that this is possible within the framework of the conditions for repayment. For the remaining part, the repayment of the Bond is postponed until the corresponding day of the following year until the Bond have been repaid in full. The Company is obligated to prepare the financial statements of each accounting period in such a way that the Bonds' conditions of repayment may be determined at Maturity based on the financial statement or on the corresponding day of the following year to which the repayment of the Loan has been postponed.

In all cases, pursuant to section 8, the interest incurred to the Bonds at the time of repayment must be paid before the principal of the Loan.

B) Repayment before the Maturity Date

B.1) Repayment when Permitted by the Limited Liability Companies Act

From 7/3/2014 onwards, the Company also has the right to repay the principal of the Bonds in full or partially by rate 100 per added with the interest accrued until Maturity, provided that (i) the conditions of repayment in section A and the conditions of payment of interest in section 8 are being met, and (ii) the closing price for Company's share in the NASDAQ OMX Helsinki Oy – stock exchange (Helsinki Stock Exchange) is at least for twenty (20) trading dates during a period of thirty (30) consecutive trading dates ending at the earliest seven (7) days prior to the relevant repayment notice been at least 150 per cent of the valid Exchange Rate. In addition the condition for repayment is that (i) the principal of the Bonds will be repaid equally to all Bonds and (ii) the amount of the repayment is at each repayment time at least EUR twenty thousand (20,000) for each Bond or an amount which is higher than this by multiple of five thousand (5.000).

"Trade Day means in these Terms a day in which the Helsinki Stock Exchange is open (excluding, however those days on which the Helsinki Stock Exchange closes prior to the closing time of regular working day.

B.2 Repayment in Specific Situations

In addition to the abovementioned, the Company has the right to repay the principal of all Bonds in full with 100 per cent added to the rate and with the interest accrued until maturity, provided that the conditions of repayment described above in section 7 A and the conditions of payment of interest below in section 8 are met, if, as a result of the laws or provisions concerning the state of Finland, some municipality or authority with taxing power being changed or the provisions or the general application or official interpretation of such a law or provision being changed so that:

- (i) the Company is obligated or becomes obligated to withhold tax at source, withholding tax or other similar tax or payment from the interest of the Loan; or
- (ii) the Company is not entitled to deduct the interests of the Loan in their income taxation in Finland in the same extent as on the date the term of loan started.

A condition to the repayment of the Loan is that a known and independent legal adviser or audit firm chosen by the Company's Board of Directors has given a statement showing that

- (a) the abovementioned change has taken place or shall take place and that
- (b) the Company is and shall be liable to make such extra payments as a result of the change or, as a result of the change, is not entitled to make the abovementioned deduction in their income taxation.

An additional condition for the repayment of the Bonds is that the abovementioned change comes into effect on the date the term of the loan started or after the date.

B.3 Conduct when Company Repays Loan before the Maturity Date

The repaid principal of the Bond does not accrue interest after the announced date of repayment. In addition to the repayment referred to here, the Company must reserve Turret a special right to conversion in accordance with sections 11 and 18.

If Bond Holder wishes to use their right to conversion instead of receiving repayment as referred to here, the Bond Holder must request converting the Loan into shares at least 14 days before the date of repayment reported by the Company. In such a case, Bond Holder is entitled to set as a condition for the conversion of shares that the repayment takes place on the date of repayment reported by the Company.

The Company must without delay yet always at most within five (5) banking days after the conversion has taken place take the actions necessary to enter the converted shares into the Trade Register and into the book-entry account communicated to the Company by Bond Holder, including stating the number of shares given in return for the Bonds for the purposes of entering the information into the Trade Register.

C) Other factors related to repayment

The Company must notify Bond Holder of the repayment of the Bonds or use of the repayment right as well as related measures in accordance with section 18 at the latest 60 days before the repayment date ("Payment Date"). The notice is irreversible. The notice shall include at least the following details: (i) repayment date, (ii) the repayment amount of the Bonds, (iii) the combined principal amount of the Bonds, (iv) the valid Exchange Rate and (v) the last date on which the Bond Holders can use their conversion right.

The principal of the Loan shall be paid to the Bond Holders on the Payment Date.

All Bonds repaid or converted by the Company shall be cancelled without unnecessary delay and they shall not be issued into circulation again or sold further.

The Company has no right to buy, repay or convert the Bonds in any other way than as allowed by these Terms.

8. Interest

The fixed annual interest paid on the principal of the Bonds is 6,75 per cent.

Interest is paid annually in arrears on 7/3. (hereinafter the Interest Payment Date), for the first time on 15/3/2015 and for the last time at the maturity of the Loan when the Loan is paid in full. In case the Interest Payment Date is not a banking day, the interest may be paid on the following banking day.

The first interest period starts on 7/3/2014 and terminates on the first Interest Payment Date. Each following interest period starts on the preceding Interest Payment Date and terminates on the following Interest Payment Date. The last interest period terminates on the date the Loan is repaid in full.

Interest accrues based on actual days, excluding the first and including the last day of each interest period. Each interest year consists of 365 days (basis for interest calculation "actual/365"). The interest shall be paid to the current bank account notified by each Bond Holder to the Company.

Interest for the Bonds may be paid annually, according to the Chapter 12, Section 1(2) of the Limited Liability Companies Act, only in so far as the sum total of the unrestricted equity and all of the capital loans of the company at the time of payment exceed the loss on the balance sheet to be adopted for the latest financial period or the loss on the balance sheet from more recent financial statements.

The unpaid interest remains as debt of the Company and an annual interest according to Interest Payment Act shall be paid on the unpaid interest. The Company may pay the interest, the payment of which has been postponed, and pay the interest in whole or in part on a date notified by the Company. In case the payment is partial, the interest accrued for the interest shall be paid firstly.

The unpaid interest and interest accrued to the unpaid interest shall however be paid in full

- (a) on the banking day following the date of the confirmation of the balance sheet of the Company, provided that the payment is possible as set out above, or
- (b) on the payment of the principal of the Loan. No interest will accrue on the unpaid interest after the payment date.

The Company shall, pursuant to section 18, inform Bond Holder of the postponement of the payment of the interest as well as payment of the postponed interest at least five (5) banking dates prior to the payment of the Interest.

On the Interest Payment Date, first shall be paid the interest accrued on the unpaid interest and thereafter the unpaid interest and interest for the precedent year.

In case the Bond cannot be repaid on the Maturity Date, an interest, according to Interest Payment Act, shall be paid on the unpaid principal of the Bond.

Dividend may be paid only after the interest paid to this Loan and the possible unpaid interest as well as interest accrued on the abovementioned has been taken into account as computational deduction of the non-tied equity.

Bond Holder's right to interest in the case that the Bond is converted into shares is set out in section 14.

9. Privilege of the Loan

Should the Company be placed into liquidation, the Bonds shall fall due 90 days after the date of the liquidation entry in the Trade Register.

The loan is a capital loan as set out in Chapter 12 Section 1 of the Finnish Limited Liability Companies Act and its capital, interest and other yield shall be payable at

dissolution or bankruptcy of the Company only at a priority inferior to that of all other creditors.

The receivables based on the Bonds cannot be used to set off a cross claim without the approval of the Bond Holder of the Bond in question.

This loan shall not be guaranteed or secured by any collateral by the Company or any affiliate of the Company.

10. Breaches of Agreement

10.1 Breach of Agreement

"Breach of Agreement" refers to each of the following events:

- (a) the Company neglects to pay the principal of the Bond as it has fallen due, in cases other than specifically allowed by these Terms, and such failure to pay has continued for more than seven (7) calendar days; or
- (b) the Company neglects to pay the interest of the Bonds or any other payment due based on these Terms, in cases other than specifically allowed by these Terms, once it has fallen due, and such failure to pay has lasted for more than fourteen (14) calendar days from the maturity of the interest or payment in question; or
- (c) the Company substantially neglects to carry out one or more of the responsibilities deriving from these Terms, other than the abovementioned, and fails to correct this neglect within fourteen (14) calendar days from the Company receiving a written notice of the neglect from the Bond Holder; or
- (d) the Company is insolvent or incapable of paying their debt or ceases, suspends or threatens to fully or substantially stop or suspend paying their debt or propose or make an agreement on postponing or reorganizing their loans; or
- (e) the Company is placed into liquidation or declared bankrupt.

10.2 Consequences of Breach of Agreement

- (a) If a Breach of Agreement defined in subsections (a)–(c) of section 10.1 has taken place and continues, the interest paid to the Bonds increases by seven (7) percentage points starting from when the Bond Holder gives written notice of the Breach of Agreement in question to the Company. The increase of the interest rate is in effect until the Breach of Contract in question has been rectified or the Bonds have been made fall due and has been paid as described in section 10.2(b).
- (b) If a Breach of Agreement defined in subsections (d)–(e) of section 10.1 has taken place and continues or if the Breach of Agreement defined above in

subsections (a)–(c) of section 10.1 has not been rectified within fourteen (14) calendar days from when the Bond Holder has given to the Company the written notice of the Breach of Agreement in question under section 10.2(a), according to which the Bonds of the Bond Holder in question immediately fall due and must be paid, after which the Bonds in question are immediately due and payable with the accrued interest added to the principal of the Bonds, provided that the Breach of Agreement has not been rectified before the Company receives the written notice in question and to the extent as the conditions of repayment above in section 7 A and the conditions of the payment of interest in section 8 are met.

- (c) What is stipulated above does not prevent the Bond Holder from claiming compensation for damage caused by the Breach of Agreement.

II Terms and Conditions of Conversion into Shares

The Bonds may be converted into new shares of the Company pursuant to the following Terms and Conditions:

11. Rate of Conversion

The amount of the shares to be given based on the right of conversion shall be determined by dividing the principal of the Bond by the rate of conversion ("Rate of Conversion"). The Rate of Conversion of a share is fixed at EUR 0,16. The Rate of Conversion of a share may be revised as set out below in the sections 15 and 16.

Each Bond may be converted into 625 000 shares and the Loan in its entirety to a maximum of 21 875 000 new shares based on the original Rate of Conversion. The Company may make decisions which under sections 15 and 16 lead into the deterioration of the Rate of Conversion only if (i) in connection with such a decision the Company also decides on the increase of the amount of the shares to be given based on the conversion as set out in Chapter 10 of the Finnish Limited Liability Companies Act or (ii) decisions made as set out in Sections 15 and 16 are made due to peremptory legislation and in a manner which does not result in the deterioration of the financial position of the Bond Holders related to these Terms.

If the Bond Holder, upon conversion, is to receive a fraction of a share, the fraction shall be paid in money into the bank account notified by the Bond Holder. The value of the fraction of the share shall be determined based on the Rate of Conversion.

The amount of the capital of the Loan converted into shares shall be recorded in the Company's fund for invested unrestricted equity.

12. Period of Conversion

The period of conversion (the "Period of Conversion") begins on 7/3/2014 and terminates on 7/3/2018 or when the Loan shall be repaid in full prior to the maturity date as set out in these Terms.

The Bond Holder is entitled at any time during the Period of Conversion to convert the Bond into the Company's shares. A Bond cannot be partly converted into shares. If the principal of a Bond has been repaid partly as set out in section 7.A., the conversion will focus on the remaining principal of the Bond in total. In case the Bond Holder wants to use its right of conversion, the Bond Holder must request the conversion of the Loan into shares at least 14 days prior to the Payment Date.

Should the amount of the shares of the Company be amended in accordance with Section 15 or for another weighty reason, the Board of Directors may temporarily suspend the conversion of notes into shares for a period which shall not exceed five consecutive banking days.

13. Conversion Procedure

Bond Holder may use its right to conversion during the Period of Conversion by delivering a written and signed request to convert ("Request to Convert") to the registered address of the Company. In the request to convert, the book-entry account number into which the shares shall be registered in connection with the conversion shall be given. The converted Bond shall be returned to the Company in connection with the conversion.

Delivered Request to Convert cannot be cancelled.

The conversion date of the Bond is the banking day on which the Company receives the Request to Convert (the "Conversion Date").

The Bond used for conversion shall be cancelled at the moment the new shares given based on the conversion have been registered in the Trade Register.

14. Right to Dividend and Other Shareholder's Rights and the Right to Interest in Connection with Conversion

The new shares shall, for the first time, entitle their holder to dividends from the accounting year during which the conversion has taken place. The other shareholders' rights shall commence at the moment the new shares have been entered into the Trade Register.

When the Bond is converted into shares, the Bond Holder is not entitled to receive interest on the principle of the Bond accrued since the latest interest period commenced for the capital converted into shares. However, in case interest from a previous interest period, and interest accrued thereon, has not been paid by the time of conversion due to a reason specified in section 8 above or it may not be paid in accordance with the said section, section 8 shall be applicable to such interest and any interest accrued thereon, and, in connection with the conversion, the Bond Holder shall be provided a separate certificate concerning the amount of the unpaid interest.

15. Share Issues, Convertible Loans, Option Rights and Other Special Rights Entitling to Shares before the End of the Conversion Period

If the Company before the end of the Conversion Period issues new shares, or grants option rights or other Special Rights entitling to shares in accordance with the shareholders' pre-emptive subscription right, the current Rate of Conversion shall immediately before such issue or granting of rights be decreased by multiplying it by the following fractional number (which shall, however, not exceed 1/1):

$$(A+B)/(A+C)$$

in which

A is the total amount of shares immediately before the publication of the terms and conditions of the aforesaid issue or granting of rights,

B is the amount of shares that could be purchased by the total consideration received from the issue of shares or the granting of option rights and other special rights entitling to shares and exercising them, if the average price weighted by the trade of the share during the five successive trading days immediately preceding the day on which the terms and conditions of the aforesaid issue or granting of rights was published is used as the price of the share, and

C the amount of shares issued or the maximum amount issued based on the exercise of the option rights or other special rights entitling to shares calculated on the day of issuing the option rights or other special rights entitling to shares.

When calculating the total consideration referred to above, the costs caused by or otherwise relating to the issuing or offering of shares, option rights or other special rights entitling to shares are not deducted. If the consideration is fully or partly other property than cash, the consideration shall be the market value of such property at the time of the transfer of the property.

If the Company before the end of the Conversion Period issues new shares, or grants new option rights or other Special Rights entitling to shares in deviation from the pre-emptive subscription right of the shareholders at a price per share (or, as for option rights or other special rights entitling to shares, the total price received from the issue and use of such rights) which is less than 95 per cent of the average price weighted by the exchange of shares counted during five consecutive trading days that immediately precede the day when the issue of the shares, option rights or special rights entitling to shares was published for the first time, the Conversion Rate is lowered by dividing the Conversion Rate immediately preceding the issue by the following fractional number:

$$(A+B)/(A+C)$$

in which

A is the total amount of shares immediately before the publication of the terms and conditions of the aforesaid issue or granting of rights,

B is the amount of shares that could be purchased by the total consideration received from the issue of shares or the granting of option rights and other special rights entitling to shares and exercising them, if the average price weighted by the trade of the share during the five successive trading days immediately preceding the day on which the terms and conditions of the aforesaid issue or granting of rights was published is used as the price of the share, and

C the amount of shares issued or the maximum amount issued based on the exercise of the option rights or other special rights entitling to shares calculated on the day of issuing the option rights or other special rights entitling to shares.

When calculating the total consideration referred to above, the costs caused by or otherwise relating to the issuing or offering of shares, option rights or other special rights entitling to shares are not deducted. If the consideration is fully or partly other property than cash, the consideration shall be the market value of such property at the time of the transfer of the property.

16. Rights of the Holder of a Share of the Loan in Certain Special Situations

Acquisition or redemption of the Company's own shares or option rights or other special rights

If the Company before the end of the Conversion Period resolves to acquire or redeem its own shares in a way that such acquisition or redemption is made at a price per share (before costs) that is higher than the applicable Conversion Rate at the time of the acquisition, the Conversion Rate is lowered by an amount received by dividing the amount of shares outstanding immediately prior to such acquisition

or redemption by the total amount by which the redemption or purchase price of the acquired shares exceeds such Conversion Rate.

In any other cases, an acquisition or redemption of the Company's own shares has no impact on the Conversion Rate.

If the Company before the end of the Conversion Period resolves to acquire or redeem back to the Company option rights or other special rights, the acquisition or redemption has no impact on Bond Holders position as a holder of the Loan, provided that there is a sound business reason as provided for in Chapter 13, Section 1 of the Limited Liability Companies Act.

Distribution of dividend, distribution of assets from reserves of unrestricted equity to shareholders and reduction of the share capital

If the Company before the end of the Conversion Period distributes dividend or assets from reserves of unrestricted equity or reduces its share capital or other restricted capital for the purpose of distributing assets, the Conversion Rate is lowered by the amount of the distributed dividends or distributed assets per share at the record date of each such distribution of dividends or distribution assets. If the Company distributes other property than money, the market value of such property at the time of the transfer of the property shall be considered to be the value of such distribution.

Liquidation

If the Company before the end of the Conversion Period is placed into liquidation, dissolved or deregistered, a right to conversion shall be provided to the Bond Holder within a period determined by the Board of Directors, which shall be not less than 30 days and which shall end at latest 30 days after the placing into liquidation, and before the dissolution or deregistration and the moment of time based on which the entitlement to a share in the distribution (including a possible advance share) is determined.

Change of Control

If any person acquires more than 90 per cent of Company's shares as set out in the Chapter 18, Section 1 of the Limited Liability Companies Act, and thus a right and obligation to redeem has been created to all shares of the Company and provided that the right to convert the Bonds into shares has been used within 60 days, from the moment the Company has informed the Bond Holders of the above mentioned event, the Conversion Price (CPa) is defined as follows:

$$VHa = \frac{VH}{1 + Pr^* (c/t)}$$

VH means the Conversion Price which was valid just prior to the above mentioned event.

Pr means the original exchange premium 27,5 %.

c means the number of the days during the time period, which starts on the day of the occurrence of the event (including the mentioned day) and terminates on the Maturity Date (excluding the mentioned day).

t refers to the number of days within a period which begins on the first day of the loan period 7/3/2014 (including the date) and ends on the Maturity date (excluding the date).

If the repayment of the principal of the Loan is delayed in a situation set out in the section 7, the Maturity Date is such first day following the occurrence of the event on which the repayment of the Loan is reconsidered for the next time in accordance with the section 7.

Conversion Price is however not revised, if the VHa calculated based on the formula is bigger than VH.

The Company shall inform the Bond Holders of the events mentioned above in subsections (i) and (ii) without any unnecessary delay.

Changing the Company Form from a Public into a Private Limited Liability Company

If the Company before the end of the Conversion Period changes its Company form from a public into a private limited liability Company, a right to conversion shall be provided to the Bond Holders before the change within a period which shall be determined by the Board of Directors and no less than 30 days in duration. The change shall, however, not cause the right of conversion to terminate.

Merger and demerger

In a merger or demerger, the conversion right of the Bond shall continue but in such a way that it shall entitle to a conversion into shares of the companies remaining after the merger or demerger or to another merger or demerger consideration corresponding to the conversion rate specified in the merger or demerger plan in accordance with the provisions below in this section.

If the Company before the end of the Conversion Period merges as a merging company into another company or in a combination merger merges into a company to be incorporated or the Company demerges (entirely or partly), the Company shall notify Bond Holder of this without delay and commence necessary measures to ensure that the Bonds may be converted after the merger or demerger into such class and amount of shares, other securities or assets, to which a shareholder would be entitled based on the shares that would have been issued, had the Bonds been converted into shares immediately prior to the execution of the merger or demerger. The Company shall ensure that the terms of the Bonds (including but not limited to the Conversion Period, the adjustments to the Conversion Rate based on share issuances and consequences of breaches of contract) remain after the merger or demerger as unchanged as possible.

The process described above is also applicable to a cross-border merger or demerger or in case the Company, after having changed its company form into a European Company or otherwise, transfers its domicile from Finland to another member state of the EU.

III Other provisions

17. Technical amendments

The Board of Directors is entitled to change the technical procedures related to payment as well as the conversion of shares or other similar matters related to the Bonds without Bond Holders approval, provided that such changes do not weaken Bond Holders financial position in relation to this Agreement (including Loan and Special Rights).

The Company shall notify Bond Holders of changes pursuant to section 18.

18. Notifications

Any notifications concerning the Loan shall be delivered to the Bond Holders by an email to the email address that the Bond Holders have informed to the Company.

Company has an obligation to keep a register of the Bond Holders, into which will be registered each Bond Holder, the amount of the Bonds held by him, the bank account number notified for the payments to be paid in accordance with these Terms and the email address mentioned above. The Bond Holder has no right to receive information concerning the information provided by the other Bond Holders to the company, unless this right is due to other commitment or legislation.

The Bond Holder is responsible to inform the company immediately, if there are significant changes in the information mentioned above and registered to the register or he assigns the Bonds.

Information given to the Company must be delivered by a registered letter, email or personally in the following manner (or to other address or email address with contact information, which has been informed to the Bond Holders from time to time in accordance with this section 18):

Address: Ixonos Oyj, PL 284, 00811 Helsinki, Finland

Email: teppo.talvinko@ixonos.com

19. Falling under statute of limitations

If the capital or interest cannot have been paid for reasons related to Bond Holder within three years from when the payment was first due according to these loan terms, the right to receive such a payment has been lost.

20. Creditors' Meeting

- (a) The Board of Directors of the Company may convene a meeting of Bond Holders ("Creditors' Meeting"). The same right have the Bond Holders that alone or together own at least 40 % of the principal of the outstanding Loan.
- (b) The Creditors' Meeting is entitled to make the decisions binding the Bond Holders which base on the proposal of the Board of Directors or those Bond Holders who convened the meeting:
 - i. on modification of these Terms
 - ii. on temporary waiver of these Terms; and
 - iii. on incorporation of the Bonds to the Finnish book-entry system. When the Creditors Meeting makes a decision set out in this sub-section (iii), the Company shall immediately take appropriate actions to incorporate the Bonds to the book- entry system and for the registration of the Bonds to the Bond Holder's book-entry account which has been informed to the Company.
- (c) Notice to the Creditors' Meeting shall be published at the earliest 28 and at least 7 days prior to the meeting day in accordance with the section 18. The notice shall specify the time, place and agenda of the meeting as well as action required from the Bond Holders to attend the meeting.
- (d) The Creditors' Meeting shall be held in the place identified by the convenor of the Creditors' Meeting and its chairman is nominated by the Convenor of the Creditors' Meeting.
- (e) Creditors' Meeting shall constitute a quorum if one or more Bond Holders representing alone or together at least 40 % of the outstanding Loan capital are present. The Creditors' Meeting shall however constitute a quorum to decide on the qualified majority matter specified hereunder in section 20j, if one or more Bond Holders representing alone or together at least 50 % of the outstanding Loan capital are present.
- (f) If, within 30 minutes after the time appointed for the start of any Creditors' Meeting, a quorum is not present, any consideration on matters to be dealt with at the Creditors'

Meeting may, at the request of the convenor be adjourned to a new Creditors' Meeting, to be convened at the earliest 14 calendar days and at the latest 28 days in the place identified by the convenor of the Creditors' Meeting. The adjourned Creditors' Meeting shall constitute a quorum if the Bond Holders alone or together represent at least 10 per cent or more of the principal outstanding Loan are present. The new Creditors' Meeting shall however constitute a quorum to decide on the qualified majority matter specified hereunder in section 20j, only if one or more Bond Holders representing alone or together at least 50 % of the outstanding Loan capital are present.

- (g) Notice of an adjourned Noteholders' Meeting shall be given in the same manner as notice. The notice shall also state the conditions for the constitution of a quorum.
- (h) Voting rights of the Bond Holders shall be determined according to the principal of the Bonds held. The Company and its affiliates shall not hold voting rights at the Creditors' Meeting. Resolutions shall be carried by a majority of the votes cast. In the event of a tied vote, the Chairman of the meeting shall have the casting vote. Resolutions specified in the section 20(j) shall be carried by a majority of two-thirds (2/3) of the votes cast.
- (i) A representative of the Company and a person authorised to act for the Company may attend and speak at a Creditors' Meeting.
- (j) A Creditor' Meeting is entitled based on the proposition of the convenor of the Creditors Meeting make the following qualified majority decisions by a majority of two-thirds (2/3) of the votes cast:
 - i. change on the basis of the interest calculation of the Loan
 - ii. change of the currency of the Loan
- (k) Resolutions passed by a Creditors' Meeting shall be binding on all Bond Holders irrespective of whether they have been present at the Creditors' Meeting and irrespective of whether the decision of the Creditors' Meeting has been marked to their Bonds. The Bond Holders is responsible to inform the decisions of the Creditors' Meeting to the assignee of the Bonds.
- (l) Modifications of the terms of the loan, which require approval of the shareholders' meeting, cannot be unilaterally modified by a decision of the Creditors' Meeting. Such modification of the terms of the Loan becomes valid at the approval of such modification by the shareholders' meeting.
- (m) If the Company based on these Terms have the unilateral right to decide on certain action, decision on such matter does not require approval of the Creditors' Meeting.
- (n) Decrease of principal or interest of the Loan, modification of requirements for quorum of Creditors' Meeting or modification on requirements for qualified majority decisions or change in of the Term of the Bonds require however the approval of all Bond Holders, which can be given at the Creditors' Meeting or in other verifiable manner
- (o) Notwithstanding this section the Bond Holders can without convening a Creditors' Meeting decide on matters belonging to the Creditors' Meeting. The decision must be recorded, dated and signed by all Bond Holders and the Board of Directors of the Company.

21. Taxation

All payments related to the Bonds and to be made by the Company or on behalf of it, shall be made without any withholding tax, tar, customs or any other authoritative payments regulated or collected by the state of Finland, or any municipality or any authority entitled to tax, unless the deduction or withholding of such tar, customs or any other authoritative payments is required by a law or other

statute. The Company shall not be responsible to pay any additional or extra payment due to such withholding.

22. Law and dispute resolution

These Terms shall be governed by and construed in accordance with the laws of Finland. Any disputes arising from these Terms shall be finally settled in arbitration in accordance with the Arbitration Rules of the Finland Central Chamber of Commerce. The arbitration court shall consist of one (1) arbitrator. The place of arbitration shall be Helsinki, Finland.

23. Force majeure

The Company is not liable for damage resulting from unreasonable difficulties to the operations on account of force majeure or other similar reason.

24. Place and date

Helsinki, 7/3/2014

IXONOS PLC

TURRET OY AB

IXONOS PLC

Esa Harju
President and CEO

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