

Valoe Corporation Stock Exchange Release 28 December 2015 at 9.45 Finnish time

## VALOE EXPANDS ITS KNOW-HOW OF THE BACK CONTACT CELLS TOGETHER WITH ITS PARTNERS - TEKES GIVES VALOE A NEW LOAN OF CA. 4 MILLION EUROS

Valoe Corporation ("Valoe" or "Company"), specializing in the clean energy, especially in the photovoltaic ("PV") solutions, and the Finnish Funding Agency for Technology and Innovation ("Tekes") have agreed on new funding for Valoe. Tekes gives Valoe a subsidized loan of ca. EUR 4 million to further develop photovoltaic modules and to develop solar cells based on the back contact technology. The loan can amount to max. 70 per cent of the project's total costs which are estimated to be ca. EUR 5.8 million. The loan will be withdrawn in 2016 - 2019. The loan period is seven years.

Valoe's advances in solar PV-business have been based on the understanding in automation, laser technology and the company's experience in flexible circuits. Further, laser technology is one of the key technologies in the production of the cells based on the back contact technology. Additionally, Valoe has a deep understanding in physical metallurgy that is one of the key sciences in developing the PV-cells. Together with its strategic partners Valoe plans, in the future, to expand its offering with solar cells based on back contact technology.

"The decision of Tekes to fund Valoe's photovoltaic technology based on the next generation back contact is significant. Valoe has been co-operating closely with Tekes for several years in relation to the development of the next generation solar cells. The decision of Tekes to provide Valoe with more funding strengthens remarkably Valoe's possibilities to create an ecosystem based on the technology developed by Valoe. I believe that in the near future we will see new initiatives supporting Valoe's understanding that the market share of the back contact modules will grow fast in the next few years", says Iikka Savisalo, Valoe's CEO.

The loan arrangement with Tekes has a positive impact on Valoe's financing situation. Further, the Board of the Directors of the Company wishes to emphasize that there are risks relating to the Company, especially in terms of sufficiency of financing. The Convertible Bond I/2015 and the loan now given by Tekes have enabled the Company to stabilize its short-term and long-term financing remarkably. Also negotiations for deliveries of production technology have made good progress. However, the financing situation of Valoe continues to be tight. The sufficiency of the company's financing and working capital for the next twelve months involves significant risks. According to the current view of Valoe's management the company continues to need financing until the cash flow from the business operations has turned positive or a long-term financing arrangement has been secured with the planned share issue. The company will have a significant deficit in its working capital until the first delivery of production technology for solar modules will start to generate positive cash flow. If the company does not succeed to secure sufficient financing, the continuity of the company's operation may be jeopardized. If the company does not receive new orders as fast as it expects or if the market situation gets worse it may take longer time to turn orders into revenue. This would affect significantly the schedule in which cash flow before investments would turn positive. In such a case the company's financing situation would further tighten.

Other risks connected to Valoe have been presented in more detail in the Interim Report released on 4 November 2015 and in the Annual Report for 2014.

In Mikkeli 28 December 2015

Valoe Corporation

Board of Directors

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Valoe Corporation specializes in the clean energy, especially in photovoltaic solutions. Valoe provides automated production technology for solar modules based on the company's own technology; production lines for modules; solar modules and special components for solar modules. Valoe's head office is located in Mikkeli, Finland.