

DUE TO THE CHANGES IN VALOE'S FINANCIAL STATEMENT IN APRIL 2017 THE COMPANY'S EQUITY WAS NEGATIVE AS PER 31 DECEMBER 2016. THE MEASURES TAKEN BY THE BOARD OF DIRECTORS TURNED THE EQUITY POSITIVE. THE BOARD OF DIRECTORS CONTINUE THE MEASURES TO STRENGTHEN THE COMPANY'S EQUITY AND TO REMEDY ITS FINANCIAL POSITION.

Because the performance obligations, in accordance with the International Accounting Standard IAS 11, were not satisfied Valoe resolved, in April 2017, to remove the revenue and the costs related to the Ethiopian project from the company's income statement. Thus, Valoe's equity turned negative as per 31 December 2016. In terms of operations, the project will be continued and the company will resume recognising revenue based on percentage of completion when the performance obligations have been satisfied.

The Board of Directors took immediate actions and agreed on converting loans from the related parties to capital loans. Valoe's equity turned again positive after some of the loans from the related parties were converted to capital loans.

Valoe will convene a General Meeting to consider the measures to strengthen the company's equity and to remedy the financial position of the company.

Besides the above-mentioned actions affected the year-end equity situation the Board of Directors has already started implementing other corrective actions to strengthen the company's financial situation and to secure going concern.

On 19 April 2017 Valoe signed an EUR 3 million equity-based financing facility agreement with Bracknor Investment.

Further, Valoe's cash situation improves in 2017 as Valoe has agreed on extending the loans due during 2017 until 30 April 2018, excluding an EUR 0.7 million loan from Danske Bank due in 30 September 2017.

Further, the company's related parties have committed to convert their loan receivables from Valoe to capital loans, if required.

Valoe discloses its Financial Statements for 2016 on 30 April 2017.

In Mikkeli on 30 April 2017

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.