

## THE RESULT OF THE CONVERTIBLE BOND I /2018 OF VALOE CORPORATION

Valoe Corporation's Convertible Bond I/2018 was fully subscribed and the company received subscriptions of EUR 1.00 million for the Convertible Bond I/2018. During the subscription period of the Convertible Bond new investments of EUR 0.9 million was paid in cash. Out of the subscriptions, a total of EUR 0.1 million was paid by setting the subscription price off against the subscribers' receivables from the company.

The Board of Directors of Valoe has approved all subscriptions for the Convertible Bond.

One loan share of EUR 50.000 pursuant to the Promissory Note entitles the Promissory Note Holder to subscribe for 90.909 new shares. Based on the subscriptions made pursuant to the loan shares Valoe shall issue a maximum amount of 1,818,180 new Valoe shares. The loan period and the conversion period expire on 31 May 2021.

The terms of the convertible bond are attached to this release as Attachment 1.

In Mikkeli 28 April 2018

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.

## APPENDIX 1:

### **TERMS OF THE CONVERTIBLE BOND 1/2018 OF VALOE CORPORATION**

The Board of Directors of Valoe Corporation (hereinafter "the Company") has, based on the authorization granted to it on 28 November 2017, resolved to take loan (hereinafter "Convertible Bond") so that the Company issues other special rights entitling to the shares pursuant to Chapter 10 of the Finnish Companies Act in the form of loan shares to the lenders of the loan so that the lenders shall have the right to subscribe for the Company's shares based on the respective special rights and that the lenders shall have the right to pay the subscription price of the shares by setting it off against the loan receivable referred to in this document.

#### **I CONDITIONS OF THE CONVERTIBLE BOND**

##### **1. The amount of the Convertible Bond**

The amount of the Convertible Bond shall be EUR 1,000,000.00 at the most.

##### **2. The Subscription right of the Convertible Bond and Loan Shares**

The Company shall take the loan referred to in these Convertible Bond terms and conditions and shall issue simultaneously against the loan a maximum amount of 20 loan shares. The number of loan shares to be issued shall be one (1) loan share against each subscribed loan capital amount of EUR 50.000.

The Convertible Bond is issued in deviation from the shareholders' pre-emptive subscription rights to the parties approved separately by the Board of Directors.

The minimum amount of subscription shall be two loan shares i.e. EUR 100,000.00 which can be converted into 181,818 new shares of the Company pursuant to the terms of this Convertible Bond.

The shareholders' pre-emptive subscription rights are deviated from as the loan shares are issued as special rights to secure financing required to strengthen the capital structure of the Company cost effectively and considering the size of the financing. Therefore, there is from the Company's point of view a weighty financial reason to issue the special rights.

##### **3. Subscription Period and Venue for Subscription of the Convertible Bond**

Lenders interested in subscribing for the Convertible Bond are asked to sign and submit the subscription form by 6:00 p.m. (Finnish time) on 25 May 2018 to the Company. The Company shall deliver the subscription form to the subscribers separately.

The Board of Directors of the Company has the right to approve or disapprove a subscription.

The Board of Directors has the right to approve subscriptions at any time during the subscription period.

In the event the Convertible Bond shall be oversubscribed, the Board of Directors shall resolve on the allocation between the subscribers.

The Board of Directors of the Company has the right to discontinue the subscription period of the Convertible Bond at any time. The Board of Directors shall also have the right to decide on extending the subscription period.

#### 4. Loan Period of the Convertible Bond and Repayment

The Convertible Bond shall be paid to the Company's bank account Nordea Pankki Suomi Oyj IBAN: FI21 2185 1800 1271 11, BIC: NDEAFIHH at the latest on 25 May 2018.

The loan period shall commence on the payment of the Convertible Bond to the Company and expire on 31 May 2021 (hereinafter the "Maturity Date") on which date the Convertible Bond shall expire to be repayable in its entirety in accordance with these terms of the loan. The Convertible Bond may be repaid also prior to the Maturity Date by informing the Lender thereof at least 30 days in advance.

#### 5. Interest of the Convertible Bond

As of the date of withdrawal an annual interest of eight (8) percent shall be paid to the capital of the Convertible Bond. The interest shall be added in the loan capital annually once a year on 31 May. The interest shall be paid in shares at the end of the loan period so that each interest amount of EUR 0.55 shall be converted into one new share of the Company.

The last interest period shall end on 31 May 2021. The interest shall be calculated based on the real interest days divided by 365 days.

Upon the due date of the Convertible Bond on 31 May 2021, all the interests from the loan period shall also fall due and be paid in shares on 31 May 2021. In the event the Convertible Bond is repaid prematurely, all the accrued interests until that date shall be paid in shares on such repayment date.

In the event the date of interest payment is not a banking day, the interest shall be paid in shares on the following banking day.

#### 6. Promissory Note of the Convertible Bond

The Company shall issue to the subscriber of the Convertible Bond a promissory note (hereinafter the "Promissory Note") as per Attachment 1.

#### 7. Transferability of the Promissory Note

The Promissory Note cannot be transferred without consent of the Company.

#### 8. Other terms of the Convertible Bond

For the delivery of the notifications based on this Convertible Bond, the Lender shall inform the Company of its postal address as valid from time to time.

The Lender shall, as per request of the Company, submit to the Company all necessary information with regard to the Promissory Note and its administration.

## II TERMS FOR CONVERSION RIGHT OF THE CONVERTIBLE BOND

## 1. Conversion Right and Conversion Ratio

The Lender is entitled to convert the Promissory Note into the shares of the Company in accordance with the terms described below. One loan share of EUR 50,000 pursuant to the Promissory Note entitles the Lender to subscribe for 90,909 new shares of the Company. Based on the subscriptions made pursuant to the loan shares the Company shall issue a maximum amount of 1,818,180 new Company shares. The Company has one (1) class of shares.

The subscription price of one (1) new share of the Company shall be EUR 0.55 per share. The subscription price has been set on a level corresponding to the closing price of the Company's shares on a stock exchange on 18 April 2018.

Upon using the conversion right a portion corresponding to the subscription price of a share shall be set off against the unpaid capital of the Convertible Bond. The subscription price of the shares shall be entered in entirety into the Company's invested non-restricted equity fund.

## 2. Conversion Period and Process Regarding Use of the Conversion Right

The Lender shall have the right to convert the Promissory Note into the Company's shares during the conversion period (subscription period of the shares) which begins from the subscription of the Convertible Bond and expires on 31 May 2021.

The conversion of the Promissory Note into the shares shall take place pursuant to the subscription rules in accordance with the Finnish Companies Act. The Lender shall present to the Board of Directors of the Company a written conversion request which shall constitute the subscription of new shares. Each loan share can be converted into shares only in its entirety.

When the Board of Directors has received the conversion request and the Lender has assigned the Promissory Note to the Company, the Board of Directors shall approve the subscription of new shares in accordance with the loan shares of the Convertible Bond. Within 30 (thirty) days from the presentation of the conversion request the Company shall file with the Trade Register notification with regard to entering the new shares to the Trade Register.

## 3. Shareholder Rights

The new shares of the Company, which have been subscribed for by using the conversion right of the Convertible Bond, shall have the similar rights with the Company's shares issued previously from the moment the new shares have been entered into the Trade Register.

## 4. The Rights of the Lender in certain special cases

If the Company during the loan period issues new shares in the share issue against the payment or issues new stock options or other special rights entitling to the shares referred to in Chapter 10 of the Finnish Companies Act so that the shareholders shall have the pre-emptive subscription right, the Promissory Note Holder shall have the same or equal right as a shareholder. Equality is reached by the means resolved by the Board of Directors of the Company by giving to the Lender the same priority for the subscription of share, and/or stock option, and/or other special right as referred to in Chapter 10 of the Finnish Companies Act, and/or by adjusting the exchange ratio of the Convertible Bond, and/or by giving the Lender the right to convert the Convertible Bond during other time as stated under Section II.2 above, or by combining the manners of proceeding as referred to above.

If the Company during the loan period issues new shares free of charge, the exchange ratio of the Convertible Bond shall be adjusted so that the percentual share of the shares to be converted by the Convertible Bond compared to all shares shall remain unaltered except for the part that the new number of shares to be converted by the Promissory Note would be a fraction. In the event that the above-mentioned division would not be even, the highest round figure that will fulfill the division to the whole shares will be applied.

If the Company during the loan period resolves to acquire or redeem its own shares or stock options or other special rights entitling to the shares pursuant to the Chapter 10 of the Finnish Companies Act through an offer directed to all shareholders or holders of the above-mentioned rights, an equal offer shall be made to the Lender. The redemption or acquisition of the shares and stock options or other special rights entitling to the shares referred to in Chapter 10 of the Finnish Companies Act shall thus be directed also to the conversion rights of the Promissory Note pursuant to the resolution of the Board of Directors. Otherwise the acquisition or redemption of own shares and stock options and other special rights entitling to the shares referred to under Chapter 10 of the Finnish Companies Act shall not require any actions from the Company with regard to the Promissory Note.

If the Company during the loan period distributes its funds in other means than what has been referred to in the previous section, the Lender shall not be entitled to participate in the distribution of the funds and the distribution of the funds shall not require any actions from the Company with regard to the Promissory Note.

If the Company is placed into liquidation during the loan period, the Convertible Bond shall fall due for payment at the moment when placing into the liquidation has been entered into the Trade Register.

If the Company during the loan period resolves on the merger or division, the Lender shall be reserved a right, during the time period set by the Board of Directors of the Company prior to the resolution on the merger or division, to convert the Promissory Note into shares. Alternatively the Lender shall be given the right to subscribe for the Convertible Bond issued by similar terms by the receiving company so that the subscription can be made on equal terms compared to the shares of the receiving company which have been issued to the shareholders pursuant to what has been resolved on the matter in the merger plan or division plan. After the above-mentioned time period reserved for the use of the conversion right or after the end of the subscription period of the new Convertible Bond, no conversion right shall exist anymore.

If a redemption right or redemption obligation of the minority shareholders referred to under Chapter 18 of the Finnish Companies Act arises, after the Company has received notification on the origin of the redemption right or redemption obligation, the right to convert the Promissory Note into shares during the time period resolved by the Board of Directors shall without undue delay be reserved for the Lenders. After the above-mentioned time period reserved for the use of the conversion right, no conversion right shall exist anymore.

## 5. Disputes

Disputes arising out of this Convertible Bond shall be settled by arbitration consisting of one arbitrator in accordance with the Arbitration Rules of the Finland Chamber of Commerce. In the event the parties to the dispute cannot agree on the arbitrator, the Finland Chamber of Commerce shall appoint the arbitrator. The place of the arbitration shall be Helsinki, Finland.

## 6. Other Issues

The Board of Directors shall be entitled to resolve on any other matter related to the Convertible Bond and the use of the conversion right.

Notifications to the Lenders shall be submitted by letters to the postal addresses notified to the Company by each Lender. A notification is deemed to have been delivered on the working day following the date of sending the notification.

### **III OTHER MATTERS**

#### **1. Other Issues**

These terms and conditions have been drafted in Finnish and in English. In the case of any discrepancy between the Finnish and English terms and conditions, the Finnish terms and conditions shall prevail.