

A Correction to Categorization of Valoe's Non-Current Assets. In Its Balance Sheet, Valoe Transfers Part of the Development Costs to Machinery and Equipment and Adjusts the Comparison Figures for 2018. The adjustment will have no impact on profitability or equity.

Valoe Corporation ("Valoe") recategorizes equipment that was previously incorrectly categorized in the balance sheet as part of its product development costs. In the financial statements 2019, the company's equipment is included in non-current assets under Machinery and equipment. The company will adjust the comparison figures for 2018 to reflect the new categorization.

On 13 February 2020, Valoe disclosed that it has appointed an external expert to review the company's financial statements for 2018 in relation to a note given to Valoe's then auditor by the Finnish Patent and Registration Office ("PRH") although the PRH's decision was not directly related to the content of Valoe's financial statements but to the audit of the financial statements. In the view of the external expert and Valoe's management, the financial statements for 2012-2018 have given the investors a true and fair view of the financial position of the company as the assets have been categorized as non-current assets and the risks associated with the item have been described in the financial statements and the directors' report.

In its financial statements for 2012 - 2018, the company has also recognized property, plant and equipment, such as production and development machinery, which, in the company's view at the time, would not be able to generate significant cash flow without successful product development.

In preparing the financial statements for 2019 and after discussing the matter with the auditor and the external expert, the management of Valoe has decided to revise the financial statements for 2019 and comparison figures so that the company's equipment is not presented as part of the company's development costs but are included in the non-current assets under Machinery and equipment. Valoe has also discussed the matter with the Financial Supervisory Authority.

The error has been corrected to the comparison figures for 2018 and reduces product development costs by EUR 3.7 million and increases the value of machinery and equipment by EUR 3.7 million, respectively. The cumulative effect of the adjustment for the financial year 2019 is EUR 4.1 million.

The adjustment will have no impact on profitability or equity.

In Mikkeli 31 March 2020

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.