

## **VALOE ISSUES A 3 MILLION EURO CONVERTIBLE BOND**

In order to strengthen Valoe Corporation's ("Company") working capital situation and capital structure the Company issues a convertible bond of EUR 3.0 million at the most. The Convertible Bond is a capital loan. The loan shall be withdrawn in two tranches. The first tranche of the Convertible Bond amounts to a maximum of EUR 1,000,000 (the "First Tranche") and the second tranche amounts to a maximum of EUR 2,000,000 (the "Second Tranche"). The Second Tranche shall be issued provided that the Annual General Meeting of the Company announced to be held on 25 May 2022 grants the required authorizations to the Board of Directors.

Based on the subscriptions made pursuant to the loan shares of the First Tranche the Company shall issue a maximum amount of 13,333,333 new shares or treasury shares of the Company. Based on the subscriptions made pursuant to the loan shares of the Second Tranche the Company shall issue a maximum amount of 26,666,666 new shares or treasury shares of the Company. Thus, the maximum amount of the new shares or treasury shares to be issued totals 40,000,000 shares. The subscription price of one share of the Company shall be EUR 0.075 per share.

No interest shall be paid to the capital of the Convertible Bond.

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

The minimum amount of subscription of the convertible bond shall be EUR 100,000 entitling the convertible bond holder to subscribe for 1,333,333 new shares or treasury shares of the Company. The Convertible Bond can also be subscribed against indisputable loan receivable of at least EUR 100,000 the Subscriber has from the Company at the time of subscription by converting the loan capital and/or interest receivable into the Convertible Bond in accordance with the terms of this Convertible Bond.

The loan period shall commence on the payment date and expire on 30 June 2024 on which date the convertible bond shall expire to be repayable in its entirety in accordance with the terms of the loan.

The conversion period under the convertible bond shall begin on 1 October 2022 and expire on 31 December 2022.

The subscription period of the First Tranche commences on 26 April 2022 and ends on 24 May 2022 at 6:00 p.m. The subscription period of the Second Tranche commences on 26 May 2022 provided that the Annual General Meeting of the Company announced to be held on 25 May 2022 grants the required authorizations to the Board of Directors and ends on 15 August 2022 at 6:00 p.m.

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

The shareholders' pre-emptive subscription rights are deviated from in connection with the issue of convertible bond to secure financing required to strengthen the working capital and the capital structure of the Company cost effectively and considering the size of the financing and to rearrange the Company's

existing loans in an economical way from the Company's point of view. Thus, there is from the Company's point of view a weighty financial reason to issue the special rights.

The Company has one (1) class of shares.

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

In Mikkeli on 26 April 2022

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 1/2022 OF VALOE CORPORATION

The Board of Directors of Valoe Corporation (hereinafter "the Company") has, based on the authorization granted to it on 20 May 2021, 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 3,000,000 at the most. The loan shall be withdrawn in two tranches. The first tranche of the Convertible Bond amounts to a maximum of EUR 1,000,000 (the "First Tranche") and the second tranche amounts to a maximum of EUR 2,000,000 (the "Second Tranche"). The Second Tranche shall be issued provided that the Annual General Meeting of the Company announced to be held on 25 May 2022 grants the required authorizations to the Board of Directors.

##### 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 30 loan shares. The number of loan shares to be issued shall be one (1) loan share against each subscribed loan capital amount of EUR 100,000.

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 Convertible Bond can also be subscribed against indisputable loan receivable of at least EUR 100,000 the Subscriber has from the Company at the time of subscription by converting the loan capital and/or interest receivable into the Convertible Bond in accordance with the terms of this Convertible Bond.

The minimum amount of subscription shall be one loan share i.e. EUR 100,000 which can be converted into 1,333,333 new shares of the Company or treasury shares 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 working capital and the capital structure of the Company cost effectively and considering the size of the financing and to rearrange the Company's existing loans in an economical way from the Company's point of view. 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

The subscription period of the First Tranche commences on 26 April 2022 and ends on 24 May 2022 at 18:00 Finnish time. The subscription period of the Second Tranche commences on 26 May 2022 provided that the Annual General Meeting of the Company announced to be held on 25 May 2022 grants the required authorizations to the Board of Directors and ends on 15 August 2022 at 18:00 Finnish time.

Lenders interested in subscribing for the Convertible Bond are asked to sign and submit the subscription form during the subscription period 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.

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 subscription.

If the Convertible Bond shall be subscribed against the subscriber's loan receivable the Convertible Bond shall be deemed to be paid by signing the subscription form.

The loan period shall commence on the payment of the Convertible Bond to the Company and expire on 30 June 2024 (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 cannot be repaid prior to the Maturity Date without the Lender's consent.

#### 5. Interest of the Convertible Bond

No interest shall be paid to the capital of the Convertible Bond.

#### 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. Capital Loan

The Convertible Loan is a capital loan referred to in Chapter 12, section 1 of the Finnish Companies Act that shall be booked in the Company's balance sheet as a separate entry. The principal of the Convertible Loan shall be repaid only in accordance with the provisions regarding capital loans in the Finnish Companies Act. The company or its subsidiary shall not post security for the payment of the principal.

#### 9. 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 100,000 pursuant to the Promissory Note entitles the Lender to subscribe for 1,333,333 new shares or treasury shares of the Company. Based on the subscriptions made pursuant to the loan shares of the First Tranche the Company shall issue a maximum amount of 13,333,333 new shares or treasury shares of the Company. Based on the subscriptions made pursuant to the loan shares of the Second Tranche the Company shall issue a maximum amount of 26,666,666 new shares or treasury shares of the Company. Thus, the maximum amount of the new shares or treasury shares to be issued totals 40,000,000 shares. The Company has one (1) class of shares.

The subscription price of one (1) share of the Company shall be EUR 0.075 per share. The subscription price has been set to correspond to the volume weighted average price during a three-month period ended on 25 April 2022 less approximately 18 percent.

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 on 1 October 2022 and expires on 31 December 2022.

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 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.