

Advanced Soltech signs an order in China that generates approx. SEK 23.2 million during the contract period

Advanced Soltech's subsidiary in China, has signed a second order with BaoheTang (BoZhou) Pharmaceutical Co. Ltd project BaoheTang (BoZhou) Pharmaceutical Co. Ltd. The order concerns the installation of a solar energy plant of 1.2 megawatts (MW) and is estimated to generate annual revenues of approximately SEK 1.16 million, or approximately SEK 23.2 million during the agreement's 20-year term. The investment in the facility, which will be owned by Advanced Soltech's wholly owned subsidiaries in China, amounts to approximately SEK 7.3 million and construction is scheduled to start in the first quarter of 2022. The project achieves good profitability without any subsidies and is located in Anhui Province.

Advanced Soltech's CEO Max Metelius comments:

-This is a follow-up order for the same customer as the 6 MW project we announced on 12 November. Being able to deliver several projects to the same customer, shows a strong trust from the customer, in addition, streamlines our processes and increases profitability.

About the China venture

in China ASAB operates through, its wholly owned local subsidiaries Advanced Soltech Renewable Energy (Hangzhou) Co. Ltd, ASRE and Longrui Solar Energy (Suqian) Co. Ltd. The business model consists of financing, installing, owning and managing solar energy installations on customers' roofs in China. The customer does not pay for the plant, but instead enters an agreement to buy the electricity that the plant produces under a 20-year agreement. Current income comes from the sale of electricity to customers and from subsidies. The goal is to have an installed capacity of 1,000 megawatts (MW) which is fully connected to the electricity grid by 2024.

Attachments

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