

Advanced Soltech signs order in China that generates approx. SEK 22.2 million during to the contract period

Advanced Soltech's subsidiary in China, has signed an order with Anhui AiKe Foam Plastic Co. Ltd, a company that manufactures packaging materials. The order concerns the installation of a solar energy plant of 1.3 megawatts (MW) and is estimated to generate annual revenues of approx. 1.1 MSEK, or approx. SEK 22.2 million during the agreement's 20-year term. The investment in the plant, which will be owned by Advanced Soltech's wholly owned subsidiary in China, amounts to approx. SEK 8.3 million and construction start is planned for the first quarter of 2022. The annual savings in carbon dioxide emissions are estimated at 830 tons. The project achieves good profitability without any subsidies and is located in Anhui Province.

Advanced Soltech's CEO Max Metelius comments:

. -We are experiencing a very strong demand for solar power plants in general and our offering in particular. This customer is active in packaging materials and helps to diversify our customer base and reduce our counterparty risk. We feel that there is a clear ambition to increase the share of solar energy in the Chinese electricity system to reduce dependence on coal and save the climate.

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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