

Advanced Soltech signs orders in China that generates approx. SEK 13.4 million during the contract period

Advanced Soltech's subsidiary in China, has signed an order with NanTong TongZhou XianFeng Garden yarn dyed Weaving Co Ltd. which is a sister company to the order announced on November 22 and signed with NanTong YongXing Garden Dyeing and Finishing Co. The order concerns to the installation of a solar energy plant of 0.8 megawatts (MW) and is estimated to provide a total annual revenue of approx. SEK 0.67 million, or approximately SEK 13.4 million during the agreement's 20-year term. The investment in the facility, which will be owned by Advanced Soltech's wholly owned subsidiary in China, amounts to approximately SEK 4.9 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 Jiangsu Province.

Advanced Soltech's CEO Max Metelius comments:

- An order of this size means annual savings of approximately 550 tonnes of carbon dioxide. Today, an emission right for a ton of carbon dioxide costs more than EUR 60, which corresponds to approx. SEK 330,000 per year, for this facility alone. This is not value, that can be realised by the company, but a way of illustrating the climate impact that we create with our business model.

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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