

ADVANCED SOLTECH ANNOUNCES OUTCOME OF COMPENSATION RIGHTS ISSUE

Advanced Soltech Sweden AB (publ) (the “Company” or “Advanced Soltech”) announces the outcome of the subscription of the rights issue of new shares with preferential rights for the shareholders, resolved and announced by the Board of Directors on 14 June 2023 (the “Rights Issue”) whose subscription period ended on 11 September 2023.

The subscription of the Compensation Rights Issue (see below for definition), with or without support of subscription rights, corresponds to approximately 35.1 percent of the total Compensation Right Issue of a maximum amount of approximately SEK 99 million. The Compensation Rights Issue will thus provide the Company with approximately SEK 34.7 million before issuance costs, and together with the directed share issue executed in June 2023, a total amount of SEK 175.7 million before issuance costs has been provided to the Company by its shareholders.

Two-step rights issue of shares

The Company carried out a directed share issue that amounted to approximately SEK 141 million in June 2023 as a first step of a conceptual two-steps rights issue of new shares in the Company, which was subscribed to by inter alia the two largest shareholders, Soltech Energy Sweden AB (publ) and Advanced Solar Power Hangzhou Inc (“Directed Share Issue”).

The second step of the two-step rights issue was that the Rights Issue was designed as a compensation rights issue to the shareholders. The shareholders that participated in the Directed Share Issue entered into undertakings to not dispose of, or, to not exercise for subscription in the Rights Issue, a certain number of subscription rights, which, together with limitation of allotment of shares subscribed without support of subscription rights, entailed in practice that the maximum amount of the Rights Issue was approximately SEK 99 million, provided that the undertakings were adhered to (“Compensation Rights Issue”). Shareholders received by this a corresponding right in the Compensation Rights Issue as the right they did not receive regarding the part of the Directed Share Issue subscribed to by the shareholders. Without the mentioned undertakings and limitation of allotment, the Rights Issue would have amounted to a maximum of approximately SEK 322 million.

Repayment of the SOLT4 Bond

The outcome of the Compensation Rights Issue entails that the Company has secured financing for partial repayment of the SOLT4 bond. The Company is working on additional solutions for financing a full repayment of the SOLT4 bond (70 MSEK) at the repayment date, 8 November 2023. In parallel, the Company is preparing a written procedure to offer the bondholders partial payment and a one-year extension of the SOLT4 bond, including interest compensation. The Company has access to investors and lenders in China and assesses that the required funds for full repayment of the remaining amount of the SOLT4 bond will be available well before one year after the original repayment date.

CEO's comment

"The new financing of approximately SEK 809 million from JiangSu Financial Leasing Co., Ltd and the two-step rights issue – the Directed Share Issue in June 2023 and this Compensation Rights Issue – with a total amount of approximately SEK 175.7 million have entailed that we almost are at the aim to repay all the SOLT bonds. Repayment has been made of SOLT5 (SEK 643 million), SOLT3 (SEK 148 million) and SOLT2 (SEK 128 million) – in total SEK 919 million has been repaid. We can now make a partial repayment of SOLT4. With new financing and forecasted positive earnings, I expect we will find a good solution regarding the repayment of the remaining amount of the SOLT4 bond and continued financing for further expansion of our solar energy assets in China", *comments Max Metelius, CEO.*

Breakdown of the subscription

The total subscription of the Compensation Rights Issue with or without support of subscription rights was approximately SEK 34.7 million, which means 3 467 950 shares have been subscribed for corresponding to 35.1 percent of the Compensation Rights Issue. Thus, Advanced Soltech is provided by the Compensation Rights Issue approximately an amount in cash of SEK 34.7 million minus issuance costs.

The breakdown of the total subscribed shares shows that 3 007 699 shares, corresponding to approximately SEK 30.1 million or approximately 30.4 percent of the Compensation Rights Issue, were subscribed for by the exercise of subscription rights, and 460 251 shares, corresponding to approximately SEK 4.6 million or approximately 4.7 percent of the Compensation Rights Issue, were subscribed for without the exercise of subscription rights.

Notice of allotment

Allotment of new shares subscribed for without subscription rights has been made in accordance with the allocation principles described in the prospectus prepared by the Company in respect of the Rights Issue and made public on 24 August 2023, available on the Company's website and in the [Swedish Financial Supervisory Authority's](#) (Sw. Finansinspektionen) prospectus register. Notification of allotment of shares subscribed for without the support of subscription rights is made through the distribution of a contract note by Kivra or regular postal delivery to the respective subscriber. Allotted shares subscribed for without the support of subscription rights shall be paid in accordance with the instructions in the contract note. Notification of allotment and payment of nominee-registered shareholders is made in accordance with procedures from the respective nominee.

Trading in BTA

Trading in BTA (paid-up subscribed shares) is currently conducted on the Nasdaq First North Growth Market until the Compensation Rights Issue has been registered with the Swedish Companies Registration Office. BTA will subsequently be converted into ordinary shares. Registration of the Compensation Rights Issue is expected to take place around week 41/42, 2023. Shares and share capital

The Company's registered share capital prior to the Compensation Rights Issue amounts to SEK 10 748 830.40 divided into 53 744 152 shares. The Compensation Rights Issue entails that the number of the Company's shares will increase by the issuance of 3 467 950 new shares corresponding to 6.5 percent of the share capital and the number of issued shares and votes in the Company prior to the Compensation Rights Issue, which implies that the total number of shares amounts to 57 212 102 after the Compensation Rights Issue and, without participation in the Compensation Rights

Issue, a dilution of 6.1 percent of shares and votes. Following registration of the Compensation Rights Issue with the Swedish Companies Registration Office, the registered share capital will amount to SEK 11 442 420,40 divided into 57 212 102 shares with a quota value of SEK 0.20.

Issuing agent

Eminova Fondkommission AB is the issuing agent in respect of the Compensation Rights Issue.

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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 2026.

ASRE and Longrui Solar Energy (Suqian) Co. Ltd. are wholly owned subsidiaries of Advanced Soltech Sweden AB (publ).

This information is information that Advanced SolTech Sweden is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2023-09-14 08:50 CEST.

Attachments

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