

## Advanced Soltech signs orders in China that generates approx. SEK 30 million during the contract period

Advanced Soltech's subsidiary in China, has signed an order with The Fujian XinShunXing Decoration Materials Co Ltd. The order concerns the installation of a solar energy plant of approx. 2.4 megawatts (MW) and is estimated to provide annual revenue from electricity sales of approx. 1.5 MSEK, or approx. SEK 30 million during the 20-year term of the agreement. The investment in the facility, which will be owned by Advanced Soltech's wholly owned subsidiary in China, amounts to approx. 13 MSEK and start of construction is planned for the fourth quarter of 2022. The annual saving of carbon dioxide emissions is estimated at 1760 tons. The construction cost is partially subsidized in this project and the electricity produced is sold in full to the national power grid. The project is located in Fujian Province.

### Advanced Soltech's CEO Max Metelius comments:

-Through this agreement, we have the Chinese state power grid as off taker for the solar electricity we produce. This means an almost non-existent counterparty risk. The customer who leases the roof receives an annual rent. This type of agreement gives a somewhat lower profitability, but an extremely good risk-adjusted return.

### For more information, please contact:

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## About the China venture

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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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